



PRESS RELEASE



Canadian Mortgage News - National Archive 2006

Housing Starts Move Higher in June

OTTAWA, Ontario, July 11, 2006 — The seasonally adjusted annual rate¹ of housing starts was 232,200 units in June, up from 222,200 units in May, according to Canada Mortgage and Housing Corporation (CMHC).

"Although housing starts moved higher in June, much of the increase came from the volatile multiple segment of the new home market," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "Even with the strong showing in June, housing starts ended the second quarter more than nine per cent below their first quarter level. The bellwether single detached component came in at their second lowest level of the year, only marginally above their May level. We expect the level of activity to moderate in the second half of 2006 as rising prices and marginally higher mortgage rates result in a softening of demand for both existing and new homes."

The seasonally adjusted annual rate of urban starts increased 5.2 per cent to 201,100 units. Urban singles were up 1.1 per cent to 92,400 units comparing June to May, while multiples jumped 9.0 per cent to 108,700 units.

Urban housing starts increased in June compared to May in all five regions. British Columbia recorded the strongest increase, with urban starts rising 14.8 per cent. The Atlantic region followed closely with starts up 12.3 per cent. In the Prairie region, Ontario, and Quebec, urban starts were up 6.0 per cent, 2.8 per cent, and 0.3 per cent, respectively.

Rural starts in June were estimated at a seasonally adjusted annual rate of 31,100 units.

In the first six months of 2006, actual urban starts were up 4.8 per cent compared to the same period last year. Year-to-date actual urban multiple starts were up 7.7 per cent and singles were up 1.9 per cent compared to the same period in 2005.

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for over 60 years. CMHC is committed to helping Canadians access a wide choice of quality, affordable homes, while making vibrant, healthy communities and cities a reality across the country. For more information call 1-800-668-2642.

¹ All starts figures in this release, other than actual starts, are seasonally adjusted annual rates (SAAR) — that is, monthly figures adjusted to remove normal seasonal variation and multiplied by 12 to reflect annual levels.

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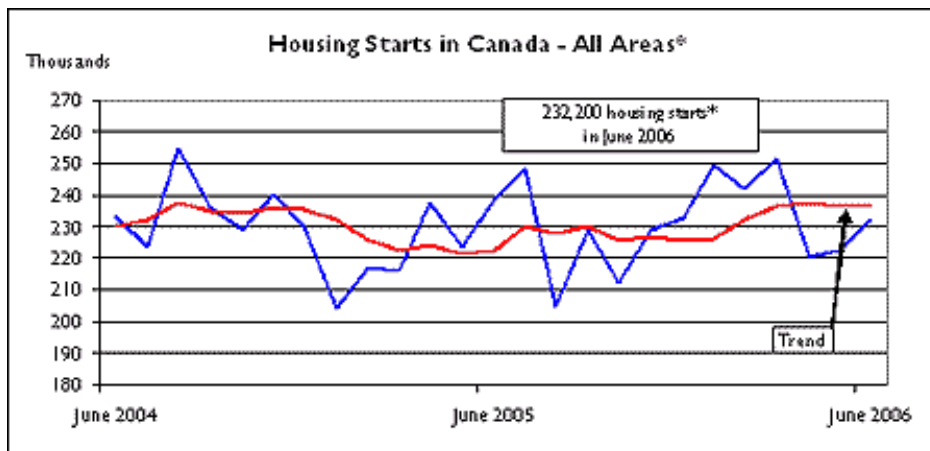
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Housing Starts, Actual and SAAR*	
Actual	SAAR

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	June 2005	June 2006	May 2006	June 2006
	Final	Preliminary	Final	Preliminary
Canada, all areas	22,852	22,678	222,200	232,200
Canada, rural areas	3,398	3,119	31,100	31,100
Canada, urban centres**	19,454	19,559	191,100	201,100
Canada, singles, urban centres	10,108	9,575	91,400	92,400
Canada, multiples, urban centres	9,346	9,984	99,700	108,700
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Atlantic region, urban centres	962	1,163	8,100	9,100
Quebec, urban centres	3,520	3,138	36,900	37,000
Ontario, urban centres	9,167	7,671	71,000	73,000
Prairie region, urban centres	3,324	4,951	48,100	51,000
British Columbia, urban centres	2,481	2,636	27,000	31,000

Source: CMHC

*Seasonally adjusted annual rates

** Urban centres with a population of 10,000 persons and over.

Detailed data available upon request.