



PRESS RELEASE



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Housing Starts Move Higher in May

OTTAWA, Ontario, June 08, 2007 — The seasonally adjusted annual rate¹ of housing starts was 229,700 units in May, up from 211,900 units in April, according to Canada Mortgage and Housing Corporation (CMHC).

“Although housing starts moved higher in May, much of the increase came from the volatile multiple segment which registered a significant increase in Ontario,” said Bob Dugan, Chief Economist at CMHC’s Market Analysis Centre. “Even with the strong performance in May, the single detached component, which is usually a strong trend indicator, increased only slightly compared to its April level. Rising mortgage carrying costs are expected to result in lower housing starts in 2007 compared to last year.”

The seasonally adjusted annual rate of urban starts increased 9.9 per cent to 196,800 in May compared to April. Urban multiples were up 16.3 per cent to 110,100 units in May, while single starts rose 2.8 per cent to 86,700 units.

In May, seasonally adjusted urban starts went up in all regions except in the Prairies, where they edged down by 0.2 per cent. Urban starts registered an increase of 21.9 per cent in Ontario, 12.7 per cent in the Atlantic, 10.5 per cent in British Columbia, and 4.5 per cent in Quebec. Urban single starts were either up or unchanged in all regions. Urban multiple starts edged down in the Prairies, but were up in other regions. The largest increase in urban multiple starts was in Ontario.

Rural starts were estimated at a seasonally adjusted annual rate of 32,900 units in May.

Actual starts, in rural and urban areas combined, were down an estimated 3.8 per cent in the first five months of 2007 compared to the same period in 2006. Actual starts in urban areas alone were down an estimated 5.8 per cent. Actual single starts in urban areas were 11.7 per cent lower than they were a year earlier, while actual urban multiple starts edged down 0.3 per cent.

As Canada’s national housing agency, Canada Mortgage and Housing Corporation (CMHC) draws on over 60 years of experience to help Canadians access a variety of quality, environmentally sustainable, and affordable homes — homes that will continue to create vibrant and healthy communities and cities 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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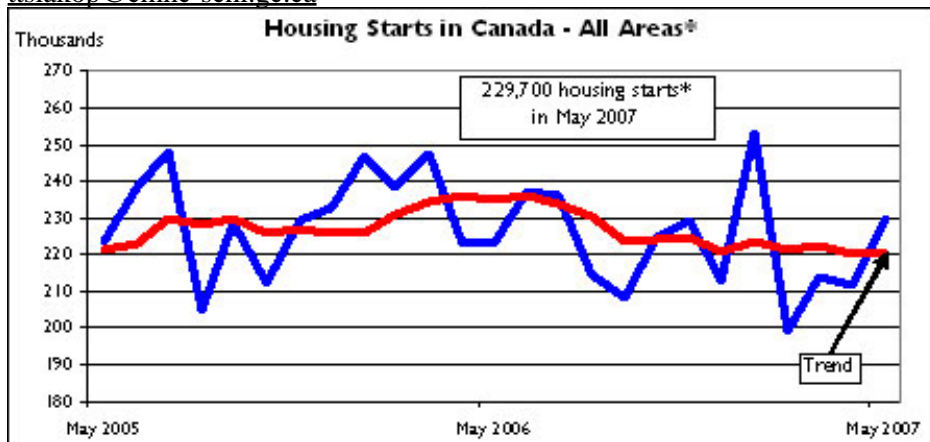
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Housing Starts, Actual and SAAR*

	Actual		SAAR	
	May 2006	May 2007	April 2007	May 2007
	Final	Preliminary	Final	Preliminary
Canada, all areas	21,022	22,098	211,900	229,700
Canada, rural areas	3,113	3,209	32,900	32,900
Canada, urban centres**	17,909	18,889	179,000	196,800
Canada, singles, urban centres	9,352	9,026	84,300	86,700
Canada, multiples, urban centres	8,557	9,863	94,700	110,100
Atlantic region, urban centres	823	788	6,300	7,100
Quebec, urban centres	3,754	3,998	38,000	39,700

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Ontario, urban centres	6,578	6,513	55,600	67,800
Prairie region, urban centres	4,425	4,563	48,600	48,500
British Columbia, urban centres	2,329	3,027	30,500	33,700

Source: CMHC

*Seasonally adjusted annual rates

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

Detailed data available upon request.