



PRESS RELEASE



Canadian Mortgage News - National Archive 2007

Housing Starts Drop in October

OTTAWA, Ontario, November 08, 2007 — The seasonally adjusted annual rate¹ of housing starts was 219,500 units in October, down 22.0 per cent from 281,300 units in September, according to Canada Mortgage and Housing Corporation (CMHC).

“The decline in housing starts in October reflects the exceptional strength in new construction in September rather than weakness in October,” said Bob Dugan, Chief Economist at CMHC’s Market Analysis Centre. “Much of the decline in October can be attributed to the fall in multiple starts. We continue to expect that residential construction activity will remain strong throughout next year, with the trend decreasing gradually between now and the end of 2008.”

The seasonally adjusted annual rate of urban starts decreased 24.9 per cent to 183,600 in October, compared to September. Urban singles were down 6.0 per cent to 84,900 units in October, while multiple starts decreased 36.0 per cent to 98,700 units.

In October, the seasonally adjusted annual rate of urban starts decreased in all five regions. Urban starts registered a decrease of 14.7 per cent in the Atlantic region, 36.0 per cent in Quebec, 30.6 per cent in Ontario, 20.0 per cent in the Prairies, and 5.6 per cent in British Columbia. Urban single starts were down in all regions except British Columbia, where they were unchanged. All regions saw declines in urban multiple starts. The largest decrease was in Ontario where urban multiple starts dropped by 50.1 per cent.

Rural starts were estimated at a seasonally adjusted annual rate of 35,900 units in October.

Actual starts, in rural and urban areas combined, were up an estimated 1.5 per cent in the first 10 months of 2007 compared to the same period in 2006. In urban areas, actual total starts grew by an estimated 0.1 per cent year-to-date. Actual urban single starts from January to October 2007 were down 5.3 per cent compared to the same period in 2006, while multiple starts grew by approximately 5.4 per cent over the same period.

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.

As Canada’s national housing agency, 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.

Information on this release:

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