



PRESS RELEASE



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Housing Activity Will Moderate in 2009, Improve in 2010

OTTAWA, Ontario, May 19, 2009 — Housing starts are expected to decline to 141,900 for 2009, but increase to 150,300 for 2010, according to Canada Mortgage and Housing Corporation's (CMHC) second quarter Housing Market Outlook, Canada Edition* report.

"The decline in housing starts in 2009 can be attributed to several factors, including the current economic climate, increased competition from the existing home market, and the impact of strong house price growth between 2002 and 2007" said Bob Dugan, Chief Economist for CMHC. "However, housing market activity will begin to strengthen in 2010 as the Canadian economy recovers, bringing housing starts more in line with demographic fundamentals over the forecast period".

Existing home sales, as measured by the Multiple Listing Service (MLS®)¹, are expected to decline to 357,800 units in 2009 from 433,990 in 2008, but increase to 386,100 units in 2010. The average MLS® price is also expected to decrease to \$283,100 in 2009 and to stabilize in 2010.

As Canada's national housing agency, Canada Mortgage and Housing Corporation (CMHC) draws on more than 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.

* The forecasts included in the Housing Market Outlook are based on information available as of April 30, 2009. Where applicable, forecast ranges are also presented in order to reflect economic uncertainty.

¹ The term MLS® stands for Multiple Listing Service and is a registered trademark of the Canadian Real Estate Association (CREA). Data are for 10 provinces.

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National Housing Outlook

Key Housing Market Indicators

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	2008 Actual	2009 Forecasts	2010 Forecasts
Total housing starts (units)	211,056	141,900	150,300
Forecast Ranges		125,000 – 160,000	130,000 – 180,000
Total single-detached houses	93,202	62,400	68,000
Forecast Ranges		53,800 – 71,000	60,500 – 81,200
Total multiple housing units	117,854	79,500	82,300
Forecast Ranges		71,200 – 89,000	69,500 – 98,800
Total MLS® sales ¹	433,990	357,800	386,100
Forecast Ranges		320,000 – 380,000	350,000 – 430,000
Average MLS® selling price (\$)	303,607	283,100	283,100
Forecast Ranges		\$270,000 – \$295,000	\$270,000 – \$300,000

Provincial Housing Outlook

Total Housing Starts

	2008 Actual	2009 Forecasts	2010 Forecasts
Newfoundland and Labrador	3,261	2,675	2,975
Prince Edward Island	712	575	625
Nova Scotia	3,982	3,100	3,425
New Brunswick	4,274	3,475	3,650
Quebec	47,901	40,000	41,350
Ontario	75,076	51,325	52,300
Manitoba	5,537	3,950	4,250
Saskatchewan	6,828	3,400	3,850
Alberta	29,164	13,700	16,200
British Columbia	34,321	19,725	21,700

Source: CMHC Housing Market Outlook, Canada Edition, Second Quarter 2009. Totals may not add due to rounding.