

RELEASE

FOR IMMEDIATE RELEASE

Urban Housing Starts Soar in May

St. John's, June 9, 2008 – Provincial urban housing starts soared during the month of May, according to preliminary data¹ released today by Canada Mortgage and Housing Corporation (CMHC). May's total housing starts soared 49 per cent, with 230 posted within the province compared to 154 a year ago. A total of 224 of the 230 starts were within St. John's metro versus 124 last May, a record increase of 81 per cent. Year-to-date, there have been 471 new homes started across the province versus last year's total of 395 homes during the same period. A total of 456 of these starts occurred within St. John's metro, for a year-to-date increase of 33 per cent.

"With pent-up demand for newly built homes within the local housing market, May's notable increase in housing starts is an example of the impact that a limited supply of current listings available for sale can have on residential construction activity," said Chris Janes, Senior Market Analyst with CMHC in Newfoundland and Labrador. "With a buoyant sellers market, the current supply of active listings is approximately 50 per cent lower than a year ago, so buyers are shifting to new homes, simply because they cannot find a suitable existing home in the resale market," added Janes.

For Canada's urban centres, total housing starts were down five per cent to 18,371 in May compared to May of 2007. Single-detached starts fell 15 per cent to 7,963, while multiple starts of 10,408 represent a four per cent increase from a year ago. Throughout Atlantic Canada, there were 996 urban housing starts versus 835 the previous May.

Canada Mortgage and Housing Corporation conducts a monthly survey of housing construction in urban centres of Canada with a population of 50,000 and over.

¹ Figures for the most recent month are preliminary and subject to revisions due to corrections or updates from quarterly enumeration or sampling results.

(Ce document existe également en français.)

- 30 -

PRELIMINARY URBAN MONTHLY HOUSING STARTS NEWFOUNDLAND & LABRADOR SUMMARY						
	2008	2007	% Change	YEAR-TO-DATE		% Change
	MAY	MAY		2008	2007	
ALL URBAN CENTRES WITH POPULATIONS > 50,000						
ST. JOHN'S CMA						
Single	168	105	60.0%	361	252	43.3%
Multiple	56	19	##	95	91	4.4%
TOTAL	224	124	80.6%	456	343	32.9%
ALL URBAN CENTRES WITH POPULATION >10,000						
ALL CENTRES*						
Single	171	129	32.6%	373	296	26.0%
Multiple	59	25	##	98	99	-1.0%
TOTAL	230	154	49.4%	471	395	19.2%

Figures for the most recent month are preliminary and subject to revisions due to corrections or updates from quarterly enumeration or sampling results.

* Includes all centres with a total population of more than 10,000 (St. John's CMA, Corner Brook CA, Gander CA, Grand Falls/Windsor CA, and Labrador City CA)

Indicates changes in excess of 100% which are not reported due to volatility resulting from small absolute numbers.

For further information:

Chris Janes, Senior Market Analyst - NL
 Telephone: 709-772-2403; Email: cjanes@cmhc.ca