

## **Canadian Housing Starts Trend Declines in May**

**OTTAWA, June 8, 2018** — The trend in housing starts was 216,362 units in May 2018, compared to 225,481 units in April 2018, according to Canada Mortgage and Housing Corporation (CMHC). This trend measure is a six-month moving average of the monthly seasonally adjusted annual rates (SAAR) of housing starts.

"In May, the national trend in housing starts declined following several months of stability," said Bob Dugan, CMHC's chief economist. "This reflects a decline in multi-unit urban starts in May that leaves them close to their 10-year average following several months of historically elevated levels."

### **Monthly Highlights**

#### **Vancouver**

The trend measure for housing starts held steady in May 2018, as the elevated pace of new home construction continued in the Vancouver Census Metropolitan Area (CMA). Increased activity is particularly evident in the multi-family segment, where housing starts have increased 9% so far this year.

#### **Victoria**

Langford led the Metro Victoria housing starts in May with an uptick in condo construction. Overall, the trend in total housing starts increased 6% from the previous month and year-to-date (YTD) total starts were up 34%. Rental construction remains the largest driver of housing starts in the Metro area, while single-detached units are down 15% YTD.

#### **Saskatoon**

The trend measure of total housing starts rose in May as a slowdown in single-detached starts was countered by a much faster pace of multi-family construction. The sharp gains in multi-family starts can largely be attributed to a purpose-built rental apartment project that got underway in May. After five months in 2018, multi-family starts in Saskatoon were up by 63%, compared to the same period of 2017.

#### **Toronto**

Total housing starts in the Toronto CMA trended lower in May, primarily driven by lower trending apartment and townhome starts. A better supplied resale market and higher borrowing costs continued to weigh down on demand for new homes, particularly for single-detached units. Fewer new home sales have ensued since 2017 and consequently fewer homes were started.

#### **Brantford**

Brantford housing starts trended up in May, as overall starts continued to be driven by single-detached starts. Despite moderating prices in nearby Hamilton, some Hamilton buyers continue to make purchases in Brantford's more affordable new single-detached home market.

#### **Windsor**

The housing starts trend fell by 14% in May, which was the sixth consecutive month of decline in the Windsor CMA. This month's decline reflected a lower number of multi-unit starts, with apartment starts contributing the most. The recent slowdown in housing starts coincided with a moderation in existing home market activity, which has come off record highs as the effect of GTA buyers waned.

#### **Kingston**

Housing starts in Kingston trended higher for the third consecutive month, owing to an increase in the trend for both single-detached and multi-unit housing starts. These new projects are helping to address a shortage of homes in the resale market, as the number of new listings had plunged to the lowest level since March 2005.

## **Sherbrooke**

In May 2018, the housing starts trend in the Sherbrooke CMA was relatively stable. Compared to last year, in the first five months of this year, conventional rental housing starts were up, stimulated by the decrease in the vacancy rate in 2017.

## **New Brunswick**

Housing starts in New Brunswick dropped 10% in May 2018 compared to the same month last year to continue a trend of lower housing starts so far in 2018. A significant decline in multiples has contributed to a 26% decline in New Brunswick's total housing starts year-to-date.

CMHC uses the trend measure as a complement to the monthly SAAR of housing starts to account for considerable swings in monthly estimates and obtain a more complete picture of Canada's housing market. In some situations analyzing only SAAR data can be misleading, as they are largely driven by the multi-unit segment of the market which can vary significantly from one month to the next.

The standalone monthly SAAR of housing starts for all areas in Canada was 195,613 units in May, down from 216,775 units in April. The SAAR of urban starts decreased by 11.1% in May to 178,201 units. Multiple urban starts decreased by 16.4% to 119,811 units in May while single-detached urban starts increased by 2.0% to 58,390 units.

Rural starts were estimated at a seasonally adjusted annual rate of 17,412 units.

[Preliminary Housing Starts](#) data are also available in English and French through our website and through CMHC's [Housing Market Information Portal](#). Our analysts are also available to provide further insight into their respective markets.

As Canada's authority on housing, CMHC contributes to the stability of the housing market and financial system, provides support for Canadians in housing need, and offers objective housing research and information to Canadian governments, consumers and the housing industry.

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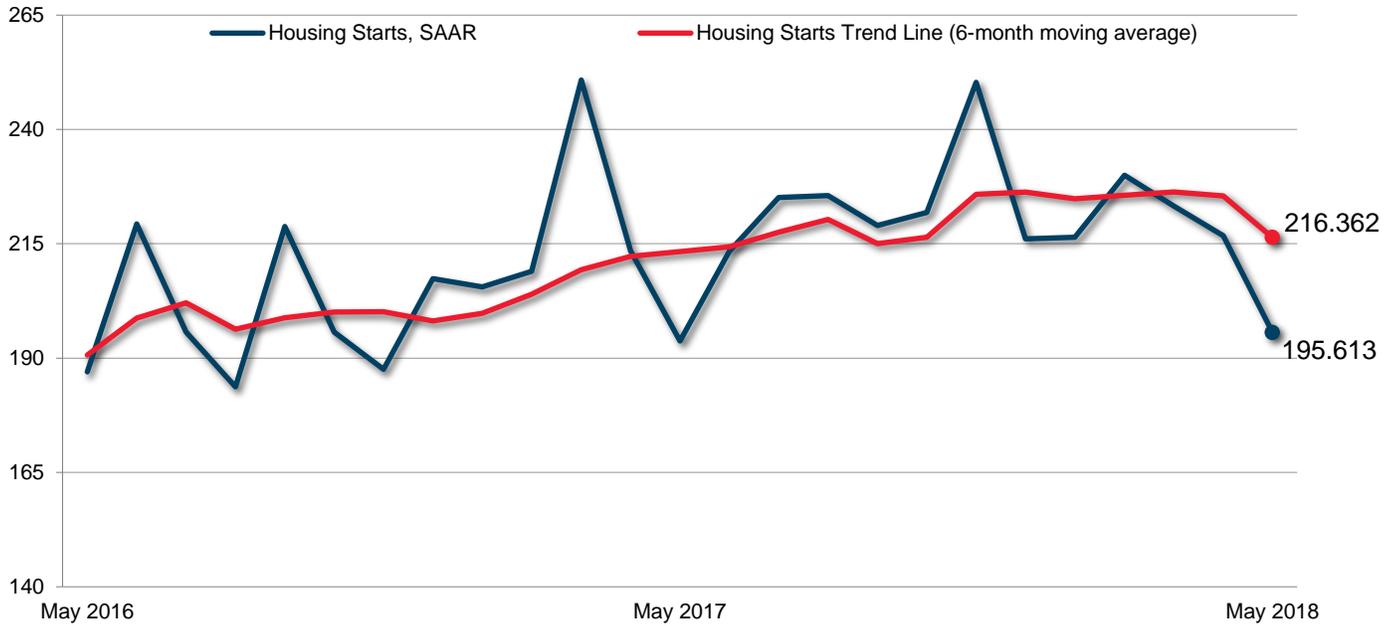
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### **Information on this release:**

Angelina Ritacco  
Media Relations  
416-218-3320  
[aritacco@cmhc-schl.gc.ca](mailto:aritacco@cmhc-schl.gc.ca)

## Housing Starts in Canada - All Areas

Thousands



### Preliminary Housing Start Data in Centres 10,000 Population and Over

	Single-Detached			All Others			Total		
	May 2017	May 2018	%	May 2017	May 2018	%	May 2017	May 2018	%
<b>Provinces (10,000+)</b>									
N.-L.	56	44	-21	17	13	-24	73	57	-22
P.E.I.	39	30	-23	18	18	-	57	48	-16
N.S.	105	88	-16	209	158	-24	314	246	-22
N.B.	66	56	-15	100	94	-6	166	150	-10
Atlantic	266	218	-18	344	283	-18	610	501	-18
Qc	653	748	15	2,312	2,673	16	2,965	3,421	15
Ont.	2,264	2,278	1	2,709	2,666	-2	4,973	4,944	-1
Man.	272	238	-13	581	219	-62	853	457	-46
Sask.	165	113	-32	214	238	11	379	351	-7
Alta.	1,117	1,077	-4	1,471	1,793	22	2,588	2,870	11
Prairies	1,554	1,428	-8	2,266	2,250	-1	3,820	3,678	-4
B.C.	1,027	891	-13	2,890	2,635	-9	3,917	3,526	-10
<b>Canada (10,000+)</b>	<b>5,764</b>	<b>5,563</b>	<b>-3</b>	<b>10,521</b>	<b>10,507</b>	<b>0</b>	<b>16,285</b>	<b>16,070</b>	<b>-1</b>
<b>Metropolitan Areas</b>									
Abbotsford-Mission	46	26	-43	89	24	-73	135	50	-63
Barrie	137	65	-53	75	141	88	212	206	-3
Belleville	53	42	-21	22	53	141	75	95	27
Brantford	35	53	51	68	60	-12	103	113	10
Calgary	369	384	4	588	1,265	115	957	1,649	72
Edmonton	487	511	5	803	452	-44	1,290	963	-25
Greater Sudbury	18	4	-78	0	8	##	18	12	-33
Guelph	29	11	-62	21	8	-62	50	19	-62

Halifax	69	45	-35	179	137	-23	248	182	-27
Hamilton	34	57	68	127	357	181	161	414	157
Kelowna	91	72	-21	375	247	-34	466	319	-32
Kingston	31	30	-3	17	20	18	48	50	4
Kitchener-Cambridge-Waterloo	111	89	-20	184	87	-53	295	176	-40
Lethbridge	43	41	-5	14	24	71	57	65	14
London	140	142	1	95	43	-55	235	185	-21
Moncton	30	17	-43	90	27	-70	120	44	-63
Montréal	294	332	13	1,571	1,506	-4	1,865	1,838	-1
Oshawa	69	153	122	20	58	190	89	211	137
Ottawa-Gatineau	220	289	31	522	486	-7	742	775	4
Gatineau	34	35	3	92	179	95	126	214	70
Ottawa	186	254	37	430	307	-29	616	561	-9
Peterborough	29	42	45	8	24	200	37	66	78
Québec	78	78	-	292	447	53	370	525	42
Regina	49	32	-35	190	69	-64	239	101	-58
Saguenay	24	19	-21	29	20	-31	53	39	-26
St. Catharines-Niagara	116	58	-50	64	60	-6	180	118	-34
Saint John	16	17	6	0	0	-	16	17	6
St. John's	38	27	-29	13	9	-31	51	36	-29
Saskatoon	102	66	-35	12	144	##	114	210	84
Sherbrooke	28	21	-25	85	126	48	113	147	30
Thunder Bay	9	5	-44	44	0	-100	53	5	-91
Toronto	651	833	28	1,296	1,242	-4	1,947	2,075	7
Trois-Rivières	16	36	125	36	30	-17	52	66	27
Vancouver	461	406	-12	2,021	1,856	-8	2,482	2,262	-9
Victoria	74	93	26	105	177	69	179	270	51
Windsor	75	59	-21	21	36	71	96	95	-1
Winnipeg	234	192	-18	488	207	-58	722	399	-45
<b>Total</b>	<b>4,306</b>	<b>4,347</b>	<b>1</b>	<b>9,564</b>	<b>9,450</b>	<b>-1</b>	<b>13,870</b>	<b>13,797</b>	<b>-1</b>

Data for 2017 based on 2016 Census Definitions.

Data for 2018 based on 2016 Census Definitions.

Source: Market Analysis Centre, CMHC

## not calculable / extreme value

**Preliminary Housing Start Data - Seasonally Adjusted at Annual Rates (SAAR)**

	Single-Detached			All Others			Total		
	April 2018	May 2018	%	April 2018	May 2018	%	April 2018	May 2018	%
<b>Provinces (10,000+)</b>									
N.L.	646	393	-39	92	151	64	738	544	-26
P.E.I.	317	283	-11	1,044	216	-79	1,361	499	-63
N.S.	1,006	1,137	13	2,057	1,992	-3	3,063	3,129	2
N.B.	600	651	9	357	921	158	957	1,572	64
Qc	6,112	6,541	7	47,120	28,933	-39	53,232	35,474	-33
Ont.	24,088	23,520	-2	42,710	28,833	-32	66,798	52,353	-22
Man.	1,953	2,559	31	3,192	2,628	-18	5,145	5,187	1
Sask.	954	1,216	27	804	2,856	255	1,758	4,072	132
Alta.	12,054	12,756	6	15,682	21,723	39	27,736	34,479	24
B.C.	9,531	9,334	-2	30,172	31,558	5	39,703	40,892	3
<b>Canada (10,000+)</b>	<b>57,261</b>	<b>58,390</b>	<b>2</b>	<b>143,230</b>	<b>119,811</b>	<b>-16</b>	<b>200,491</b>	<b>178,201</b>	<b>-11</b>
<b>Canada (All Areas)</b>	<b>69,288</b>	<b>70,655</b>	<b>2</b>	<b>147,489</b>	<b>124,957</b>	<b>-15</b>	<b>216,775</b>	<b>195,613</b>	<b>-10</b>
<b>Metropolitan Areas</b>									
Abbotsford-Mission	163	233	43	264	288	9	427	521	22
Barrie	381	445	17	2,568	1,692	-34	2,949	2,137	-28
Belleville	208	303	46	48	636	##	256	939	267
Brantford	333	387	16	48	720	##	381	1,107	191
Calgary	4,512	4,898	9	10,344	15,180	47	14,856	20,078	35
Edmonton	5,736	5,805	1	4,428	5,424	22	10,164	11,229	10
Greater Sudbury	521	38	-93	48	96	100	569	134	-76
Guelph	79	153	94	576	96	-83	655	249	-62
Halifax	706	482	-32	1,800	1,644	-9	2,506	2,126	-15
Hamilton	773	493	-36	6,792	4,284	-37	7,565	4,777	-37
Kelowna	762	816	7	3,780	2,964	-22	4,542	3,780	-17
Kingston	415	315	-24	384	240	-38	799	555	-31
Kitchener-Cambridge-Waterloo	633	1,056	67	672	1,044	55	1,305	2,100	61
Lethbridge	404	454	12	216	288	33	620	742	20
London	1,936	1,547	-20	2,556	516	-80	4,492	2,063	-54
Moncton	233	149	-36	72	324	350	305	473	55
Montréal	2,420	2,754	14	30,505	17,593	-42	32,925	20,347	-38
Oshawa	1,905	1,606	-16	0	696	##	1,905	2,302	21
Ottawa-Gatineau	3,074	2,990	-3	4,836	5,832	21	7,910	8,822	12
Gatineau	560	476	-15	420	2,148	411	980	2,624	168
Ottawa	2,514	2,514	-	4,416	3,684	-17	6,930	6,198	-11
Peterborough	379	393	4	0	288	##	379	681	80
Québec	712	683	-4	2,664	5,364	101	3,376	6,047	79
Regina	279	430	54	432	828	92	711	1,258	77
Saguenay	205	173	-16	396	240	-39	601	413	-31
St. Catharines-Niagara	873	668	-23	2,172	720	-67	3,045	1,388	-54
Saint John	65	161	148	0	0	-	65	161	148
St. John's	467	256	-45	48	108	125	515	364	-29
Saskatoon	613	626	2	180	1,728	##	793	2,354	197
Sherbrooke	279	256	-8	1,176	1,512	29	1,455	1,768	22
Thunder Bay	7	59	##	0	0	-	7	59	##
Toronto	7,383	8,729	18	19,656	14,904	-24	27,039	23,633	-13
Trois-Rivières	130	324	149	1,560	360	-77	1,690	684	-60
Vancouver	4,567	4,255	-7	18,804	22,272	18	23,371	26,527	14
Victoria	1,003	1,089	9	2,268	2,124	-6	3,271	3,213	-2
Windsor	508	577	14	168	432	157	676	1,009	49
Winnipeg	1,612	2,000	24	2,784	2,484	-11	4,396	4,484	2

Data for 2017 based on 2016 Census Definitions.

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Source :Market Analysis Centre, CMHC

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