



**Ontario
Home Builders'
Association**

MEDIA RELEASE

September Housing Starts Up 32% Significant Increase in Multiple Housing Starts in Toronto

October 9, 2007 - Toronto, ON - "Home builders across Ontario experienced a strong rebound in construction activity this September," stated Ontario Home Builders' Association President Mark Basciano. "The most notable increase was observed in the multi-family sector of the housing market, especially in Toronto," said Basciano, who added, "condo sales in the Toronto region are moving along at a record pace, these sales are now moving into the construction phase which is now being reflected in the housing starts being reported."

Basciano noted, "Affordability remains a concern as the new housing market is down by 9% through the first three quarters of 2007 despite a very strong September. Economists are forecasting that the Bank of Canada will hold rates steady with the possibility of a 25 basis point decrease prior to the end of 2007. On the downside, the Ontario Home Builders Association remains very concerned with what we see is an unacceptably high land transfer tax being considered by the City of Toronto. Builders are fundamentally opposed to another land transfer tax in Toronto because this would be devastating to housing affordability and to one of the few industries currently thriving in the city. New taxes are not the answer."

The 2007 September Ontario preliminary housing starts were up 32% compared to September 2006 according to numbers released by the Canada Mortgage and Housing Corporation this morning. Single detached housing starts in Ontario dropped by 3%, while the more volatile multi-unit housing starts experienced a very significant increase of 94%. Overall new housing starts have declined by 9% for the first three quarters of 2007. Earlier in the year, the Ontario Home Builders' Association revised its 2007 housing starts forecast down to 67,000 from 69,000 (there were 73,417 housing starts in 2006).

Ontario Preliminary Housing Start Data in Centres 10,000 Population and Over			
January - September	Single-Detached	Multiple	Total
2004	33,398	26,499	59,897
2005	27,768	27,443	55,211
2006	25,115	26,318	51,433
2007	24,361	22,360	46,721

Source: Canada Mortgage and Housing Corporation

Preliminary Housing Start Data in Centres 10,000 Population and Over						
	Single-Detached		Multiple		Total	
	2006	2007	2006	2007	2006	2007
September	3,266	3,163	1,853	3,586	5,119	6,749

Source: Canada Mortgage and Housing Corporation

The Ontario Home Builders' Association is the voice of the residential construction industry in Ontario representing 4,200 member companies organized into 30 local associations across the province. The industry contributes over \$33 billion dollars to Ontario's economy, employing over 313,000 people across the province. Our members build 80% of the new housing in Ontario.

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