



## Housing Starts Surge

Canadian housing starts jumped more than 20 per cent in January, beating expectations and reversing a downward trend in the previous month.

Canada Mortgage and Housing Corp. said Friday that the seasonally adjusted annualized rate was 222,700 units last month, up from 184,700 units in December.

Many 'analysts' had expected 210,000 housing starts in January. These must be some of the same "pundits" that have been predicting for years and years that the sky is falling and the real estate market was in a bubble about to pop! Well as always they are wrong. We believe it is time those doom and gloom pundits search out some new line of work! In the meantime "The Cindy Russell Team" will continue to give you the straight goods on your local market conditions. Just browse through our many past reports and you will find we have worked hard and on target for many years with all of our analysis. Trust is earned not given.

"Historically low mortgage rates, solid employment and income growth as well as a high level of consumer confidence continue to underpin the high level of housing starts," said CMHC chief economist Bob Dugan.

"Housing starts in January returned to a level more consistent with our expectation that housing starts will total 211,700 units in 2008, remaining above the 200,000 mark for the seventh consecutive year." The rate of urban starts rose 25.2 per cent to 189,500 units. Multiple-unit dwellings surged 64.1 per cent to 108,000 units, while single units fell 4.8 per cent to 81,500.

Urban starts in January were up 43.7 per cent in Ontario, 22.4 per cent in Quebec, 19.4 per cent in the Prairies and 17.5 per cent in B.C., but the Atlantic region declined 17.4 per cent.

TD Bank economist Pascal Gauthier wrote: "Residential construction should remain one of the bright spots in the domestic economy, helping to limit (but not eliminate) the extent to which the U.S. slowdown acts as a drag to overall economic growth." The western Canadian real estate markets are in a world unto themselves with little or no concern for any inverted peaks the rest of Canada may or may not suffer. If you have been following our real estate investment advice you will have made significant investment rewards! Feel free to contact The Cindy Russell Team anytime for a report, market or home evaluation or just to say hello.

How much is your  
home worth?  
Call me for a free evaluation.

