

Housing slowdown worries builders

Posted 1 day ago

The housing construction market is slowing along with the economy but home builders remain optimistic about the future, the president of the provincial association of home builders says.

Mark Basciano, the Ontario Home Builders Association president, was the guest speaker at the monthly dinner hosted by the Peterborough and the Kawarthas Home Builders' Association yesterday.

"Our economy is slowing and that will of course impact what happens to our housing market," he told about 70 people at the dinner at the Best Western Otonabee Inn.

"Things are still healthy, they're still good, but everybody's a little bit worried and they should be."

Peterborough MP Dean Del Mastro, Peterborough MPP Jeff Leal and Mayor Paul Ayotte heard the message. They were at the head table along with association president Paul Dietrich and Fleming College president Tony Tilly.

Councillors Eric Martin and Patti Peeters also attended.

The housing market in Ontario has moderated the past couple of years, dropping to 68,123 housing starts last year from 73,417 in 2006, Basciano said.

The Ontario Home Builders Association forecasts about 69,000 housing construction starts this year, he said.

The Peterborough area bucked the provincial trend with 540 housing starts last year, which was up 24 per cent from starts in 2006.

"But in the first quarter of 2008 things are looking a little less buoyant and starts are down slightly compared to the same period last year," Basciano said.

"(Canada Mortgage and Housing Corporation) is predicting 465 starts for Peterborough in 2008 and a further drop to 435 starts in 2009." Besides the economy, Basciano talked about what the association sees as the top provincial issues facing the housing industry.

Residential fire sprinklers was first on the list.

The province recently finished a 60-day consultation period for making it mandatory to install residential fire sprinklers in high-rise buildings, Basciano said.

"The province is only looking at high-rise (buildings) right now, but sprinkler supporters and fire marshals are pushing hard for every new home in Ontario to be mandated to include a sprinkler system," he said.

"Hard-wired smoke alarms are still the best method to save lives. Sprinklers save property and may be the source of a variety of future problems due to maintenance and reliability."

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New homes

Housing activity helps to build economic growth in Peterborough and the Kawarthas last year:

- New housing construction of 540 units supported 1,221 jobs.
- The value of new home construction in Peterborough was \$135 million.
- Area housing activity generated 3,024 direct and indirect jobs with total wages of \$141 million.
- Home renovation and repair activity created 1,803 direct and indirect jobs.
- There was \$198 million spent on home renovation and repair work.

Source: Peterborough and the Kawarthas Home Builders Association

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