

# MLS® TRENDS

## St. John's CMA



Canada Mortgage and Housing Corporation

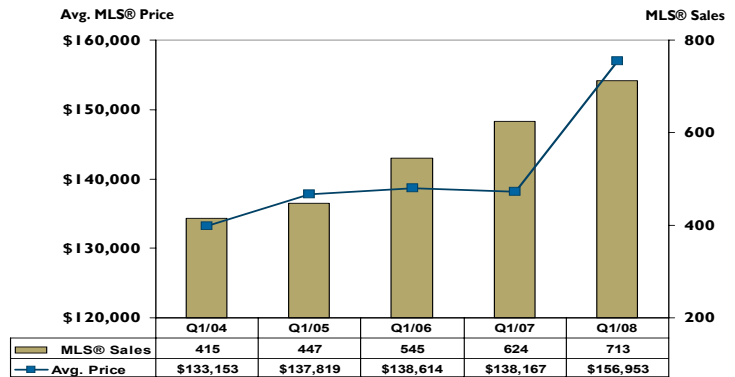
Date Released: Second Quarter 2008

### MLS® Residential Sales Post Solid First Quarter

- MLS® residential sales increased 14.3 per cent to 713 units compared to last year's first quarter sales of 624 units
- January, February and March MLS® sales were 236, 238 and 239, respectively and were held back by a lack of active listings
- Driven by low inventory, the first quarter average MLS® house price jumped 13.6 per cent to a record \$156,953 compared to \$138,167 during the first quarter of 2007

Graph 1

#### MLS® Sales Activity First Quarter



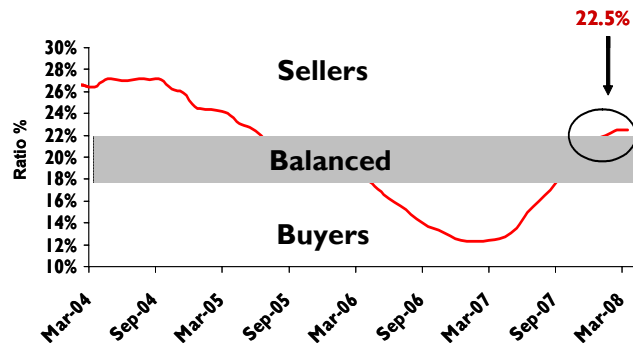
Source: CREA, CMHC.  
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### Resale Market Classified as Sellers

- The resale market headed quickly to a sellers classification last Fall and remained there throughout the first quarter of 2008
- Average time-on-market trended lower during the quarter, strong price growth continued and many choice properties enjoyed multiple purchase offers
- Current trends indicate the market will favour sellers once again during the second quarter, but an expected improvement in active listings may provide some relief for buyers

Graph 2

#### Resale Market Classified as Sellers Sales-to-Active Listings Ratio



Source: CREA, CMHC.

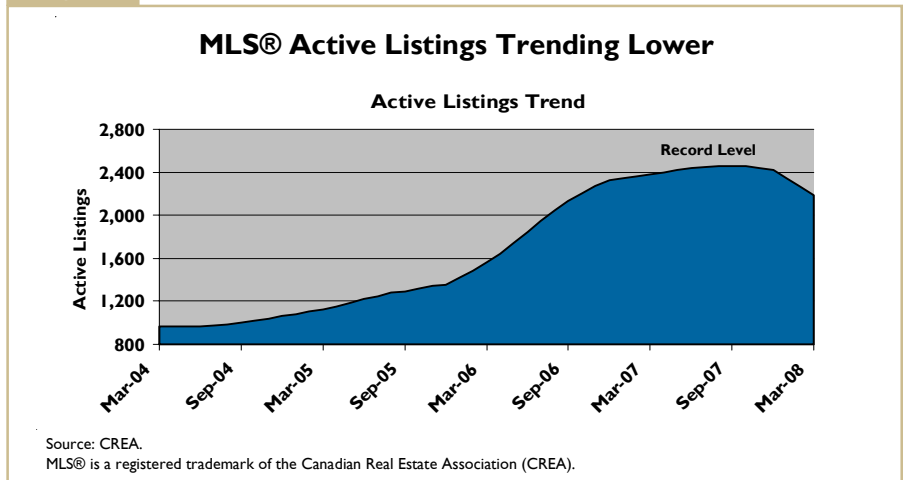
## Active Listings Remained Low

- After falling nearly a half by January, active listings rebounded slightly during February and March, but remained low, restricting unit sales growth accordingly
- The supply of active residential listings averaged approximately 1,150 during the first quarter compared to almost double that number at 2,100 a year ago
- First quarter new listings were near last year's first quarter level of 1,600, while active listings retreated 45 per cent compared to the first quarter of 2007

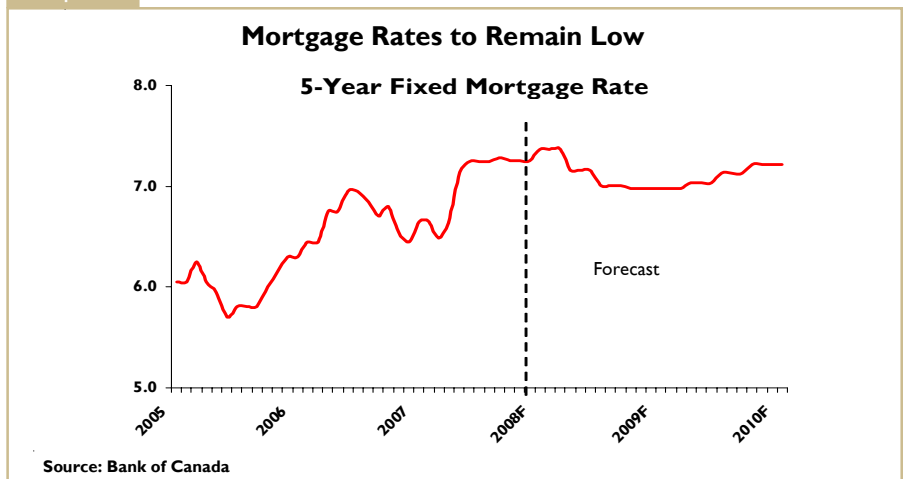
## Mortgage Rates to Remain Low

- With U.S. recessionary pressures continuing, the Bank of Canada is widely expected to cut rates 50 basis points by June 10<sup>th</sup>
- Accordingly, mortgage interest rates are expected to remain low in 2008 and start to creep higher in 2009 as investors gain more confidence in financial markets
- One and five-year mortgage rates are forecast to be in the 6.25-7.25 and 6.50-7.50 per cent range, respectively, in 2008 and beyond

Graph 3



Graph 4





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