

# MLS® TRENDS

## Eastern Newfoundland and Labrador



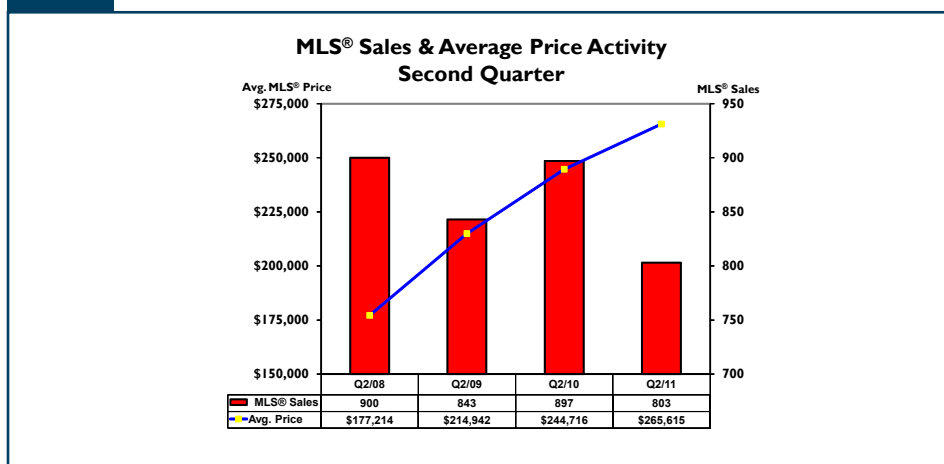
CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Summer 2011

### Second Quarter MLS® Sales Declined

- Residential MLS® sales declined 10.5% to 803 compared to 2010's second quarter sales of 897
- April, May and June sales were 247, 268 and 288, respectively
- Driven by new home prices, the second quarter average MLS® house price climbed 8.5% to \$265,615 compared to \$244,716 during the second quarter of 2010

Figure 1

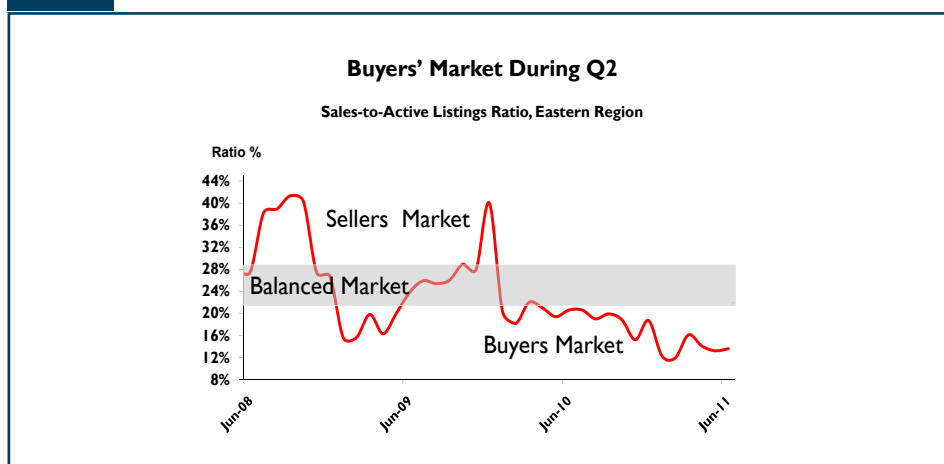


Source: CREA  
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### Buyers' Market Conditions

- There were 2,145 new residential listings during the second quarter compared to 1,876 during the same period in 2010
- Active listings or inventory averaged 1,971 a month from April to June versus 1,472 during 2010's second quarter

Figure 2



Source: CREA, CMHC

- The sales-to-active listings ratio reinforced a slow buyers' market with only 14% of active listings selling in April, 13% in May and 14% in June, and averaged 14% during the quarter versus a much stronger 20% in the second quarter of 2010

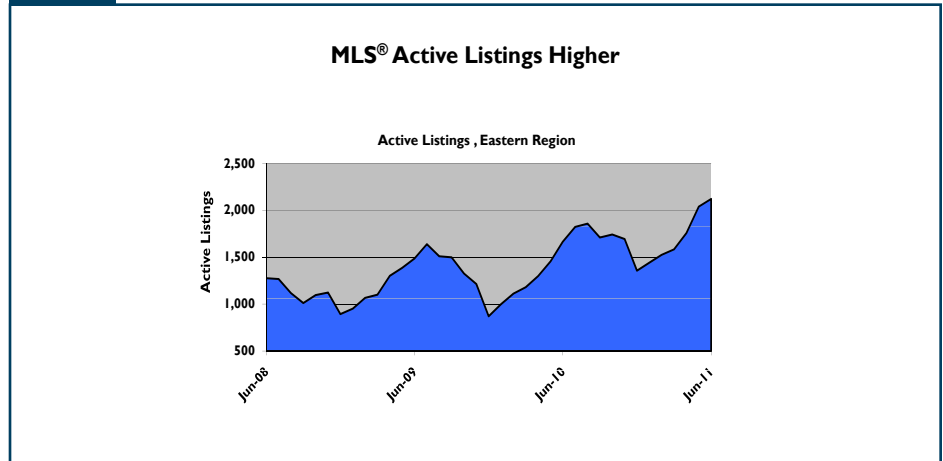
## Active Listings Increase

- Active residential listings climbed 34% during the quarter, with a 40% surge in May
- Active listings for April, May and June were 1,756, 2,038 and 2,120, respectively
- The 34% increase in inventory, combined with the 10.5% decline in sales, resulted in deep-rooted buyers' market conditions during the entire second quarter

## Mortgage Rates

- The posted 5-year mortgage rate began the second quarter at 5.69% and declined to 5.49% in early June, then ended the quarter at 5.39%
- Following three consecutive increases in 2010, the Bank of Canada overnight rate target remained unchanged at 1%, with prime at 3% at major Canadian banks
- With the overnight rate expected to remain flat this year, mortgage rates, particularly short term mortgage rates and variable mortgage rates, are also expected to remain at historically low levels

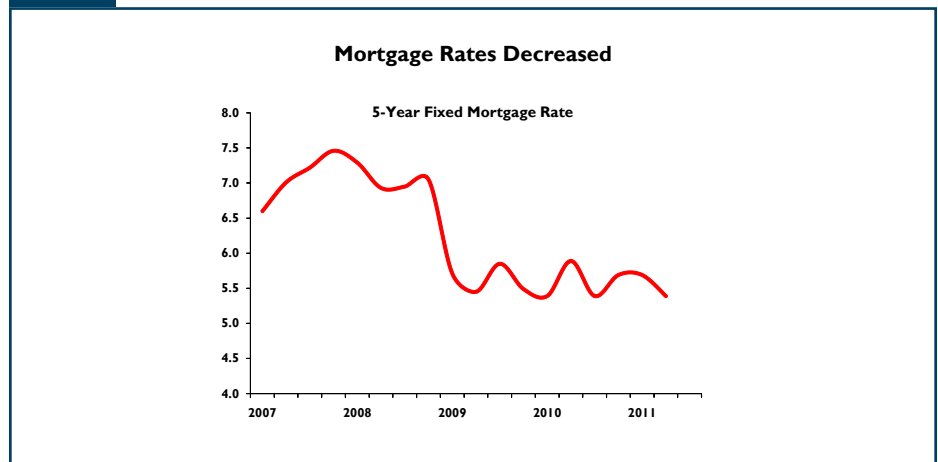
Figure 3



Source: CREA

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Figure 4



Source: Bank of Canada

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