

## **MLS® resale market breaks \$100 billion mark in 2007**

**OTTAWA , Ontario, January 15, 2008** — MLS® resale housing activity, new listings, average price and dollar volume in Canada's major markets all reached their highest annual levels ever in 2007, according to statistics released by The Canadian Real Estate Association (CREA).

Annual sales activity in Canada's major markets totaled 362,934 units in 2007, up 7.9 per cent from 2006 levels. Sales set new annual records in a number of major markets including Regina, Saskatoon, Winnipeg, Toronto, London & St. Thomas, Hamilton-Burlington & District, Kitchener-Waterloo, Ottawa, Montreal, Quebec City, Saint John, Halifax, and Newfoundland and Labrador.

Major market activity last year peaked in the second quarter, and posted its fourth highest levels on record. Transactions in the fourth quarter set new quarterly records in Regina and Newfoundland and Labrador, and reached their second highest levels in Saskatoon and Toronto.

“The statistics show just how dynamic the Canadian housing market was in 2007 in virtually all parts of the country,” said Ann Bosley, the President of The Canadian Real Estate Association. “The record sales activity also shows it remains a very affordable real estate market.”

“Despite concerns the Canadian market would suffer because of the U.S. market, the total dollar value of MLS® residential home sales in Canada's major markets topped the \$100 billion mark for the first time ever in 2007,” Ann Bosley added. MLS® dollar volume totaled \$118.3 billion in 2007, an increase of 19.6 per cent from the previous record in 2006. New annual records were reached in almost all major markets.

Seasonally adjusted sales activity in the fourth quarter of 2007 edged down 1.6 per cent compared to the previous quarter to 88,292 units. The quarter-over-quarter decline in activity during the fourth quarter resulted from fewer sales in Calgary, Vancouver, Ottawa and Montreal, which more than offset a rise in activity in Edmonton and Newfoundland and Labrador.

In December 2007, MLS® seasonally adjusted activity in Canada's major markets eased 2.5 per cent from levels recorded in November due to unusually inclement weather. In 2007 existing home sales peaked in May, remained very strong through July and have been returning to more normal levels since then. Seasonally adjusted monthly sales activity in the month of December reached the second highest monthly level ever in Saskatoon and Newfoundland and Labrador, and registered their third highest monthly level in Toronto.

MLS® residential new listings in major markets broke all previous annual records in 2007, posting an annual increase of 4.6 per cent and reaching 587,607 units. New annual records were set in Victoria, Calgary, Edmonton, Montreal and Newfoundland and Labrador.

## Canadian Mortgage News - MLS® resale market breaks \$100 billion mark in 2007

Sales rose more than new listings in 2007. As a result, the overall MLS® market tightened in 2007 compared to the previous year. With negotiations favoring the seller more throughout 2007, the MLS® residential average price posted a 10.8 per cent year-over-year gain in 2007 – the largest annual increase in 18 years.

In the fourth quarter of 2007, the major market MLS® residential average price rose 11.6 per cent year-over-year to \$333,105 – a new record. On a monthly basis, average price rose 13.1 per cent year-over-year in December – the largest gain in more than three years.

“Resale housing demand remained high throughout 2007 due to job and income growth, the continuation of attractive financing, and upbeat consumer confidence,” said CREA Chief Economist Gregory Klump. “Momentum for sales activity remains strong, and sales are forecast to reach their second-highest levels on record this year,” he said.

“A decline in inflationary pressures due to slower U.S. economic growth will enable the Bank of Canada to reduce interest rates,” he added. “Additional interest rate cuts this year will keep resale housing market activity on a strong footing, and prices will continue to rise but at a slower pace,” said Klump.

### MLS® Major Market Residential Summary – Annual

	2007	2006	% change
Dollar Volume (\$ millions)	118,336.4	98,977.0	19.6
Unit Sales	362,934	336,410	7.9
Average Price (\$)	326,055	294,215	10.8
New Listings	587,607	561,752	4.6

### MLS® Major Market Residential Summary – Fourth Quarter 2007

	(Seasonally Adjusted Data)			(Unadjusted Data)		
	Fourth Quarter 2007	Third Quarter 2007	% change	Fourth Quarter 2007	Fourth Quarter 2006	% change
Dollar Volume (\$ millions)	29,869.8	29,738.9	0.4	23,960.6	20,513.5	16.8
Unit Sales	88,292	89,723	-1.6	71,931	68,740	4.6
Average Price (\$)				333,105	298,422	11.6
New Listings	146,450	148,479	-1.4	110,893	105,842	4.8

### MLS® Major Market Residential Summary – December 2007

	(Seasonally Adjusted Data)			(Unadjusted Data)		
	December 2007	November 2007	% change	December 2007	December 2006	% change
Dollar Volume (\$ millions)	10,045.8	10,144.6	-1.0	5,777.0	5,301.5	9.0
Unit Sales	29,156	29,893	-2.5	17,357	18,017	-3.7
Average Price (\$)				332,836	294,251	13.1
New Listings	47,440	49,553	-4.3	20,511	20,833	-1.5

CREA cautions that average price information can be useful in establishing trends over time, but does not indicate actual prices in centres comprised of widely divergent neighborhoods or account for price differential between geographic areas. Statistical information contained in this report includes all housing types.

MLS® is a co-operative marketing system used only by Canada's real estate Boards to ensure maximum exposure of properties listed for sale.

## Canadian Mortgage News - MLS® resale market breaks \$100 billion mark in 2007

The Canadian Real Estate Association (CREA) is one of Canada's largest single-industry trade associations, representing more than 90,000 REALTORS® working through more than 100 real estate Boards and Associations. CREA's primary mission is to represent members at the federal level, and to defend the public's right to own and enjoy property.

This report is published by the Communications Department of The Canadian Real Estate Association (CREA). Further information can be found at [www.crea.ca](http://www.crea.ca).

Contact:

Gregory Klump, Chief Economist

(613) 237-7111

Email: [gklump@crea.ca](mailto:gklump@crea.ca)