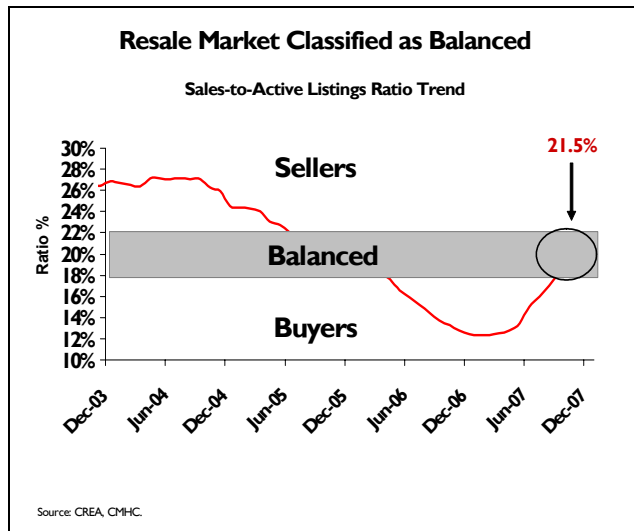
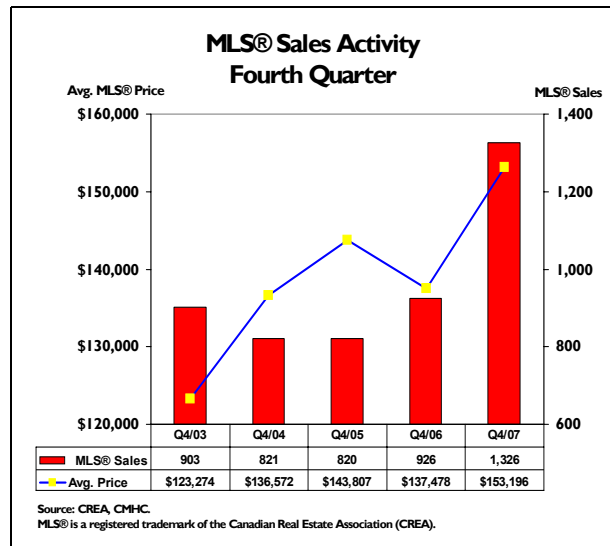




MLS® Trends

MLS® Residential Sales Post Record Fourth Quarter

- MLS® sales surged 43 per cent to a record 1,326 units compared to last year's fourth quarter sales of 926 units
- October, November and December MLS® sales were 475, 497 and 354, respectively
- Fourth quarter average MLS® residential house price jumped 11.4 per cent to a record \$153,196 compared to \$137,478 during the fourth quarter of 2006



Resale Market Returned to Balanced Classification

- The current sales-to-active listings ratio trend and other factors combined, suggest the market is heading quickly to a sellers classification and already has in some neighbourhoods
- Average time-on-market trended lower during the quarter and price growth was very strong
- A further firm reclassification to sellers will depend on first quarter 2008 results, but likely to occur based on current market trends

MLS® - Multiple Listing Service is a registered certification mark owned by the Canadian Real Estate Association.

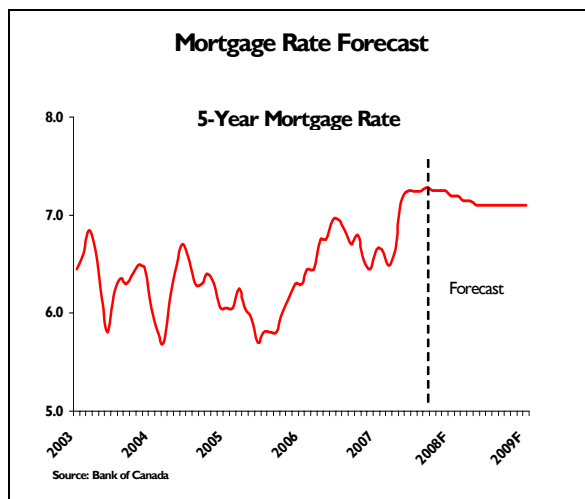
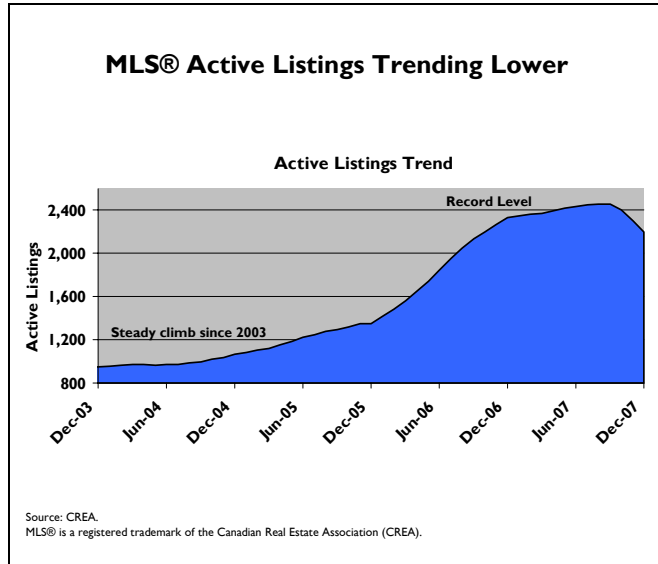


For More information contact Chris Janes,
Senior Market Analyst - NL @772-2403
Email: cjanes@cmhc.ca



Active Listings Decline

- After climbing since 2003 and hitting a record high in July, active listings declined during the fourth quarter for the first time since the second quarter of 2004
- The supply of both new and active residential listings averaged 2,070 during the quarter compared to 2,216 a year ago
- New listings decreased 15 per cent, while active listings retreated 7 per cent compared to the fourth quarter of 2006



Mortgage Interest Rates

- With the U.S. nearing recession, the Bank of Canada is widely expected to cut rates by 50 to 75 basis points in the first half of 2008
- Accordingly, mortgage interest rates are expected to follow suit with similar cuts, as prime goes from 6 per cent to 5.5 or 5.25 per cent
- 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 2009

CMHC Housing Outlook Seminar: Wednesday, March 5th, 2008

Time: 7:30 am - 10:30 am. Place: Holiday Inn, St. John's.

Register Now! By Phone: 1 800 668-2642 or Fax: 1 800 245-9274

Registration Fee: \$62/pp (plus HST) . Table Rate: \$310.00 for a table of 6 (plus HST).

Alex MacDonald, Regional Economist with CMHC, will provide an overview of the economy and housing sector in Atlantic Canada as well as details on CMHC's forecast for the region. How are the economy and the housing market being impacted by the effects of high commodity prices, the strong Canadian dollar, tighter labour markets and global credit market turbulence? Alex will discuss these and other issues and their impact on CMHC's forecast.

Chris Janes, Senior Market Analyst for Newfoundland and Labrador, will provide an in-depth overview and analysis of the local housing market. He will discuss market trends in the context of the changing environment and will offer insights into the housing outlook over the forecast period. Topics of interest will include local economic indicators, the new home construction market, the existing homes market and the rental market.