



# News Release

## The Canadian Real Estate Association

### CREA Updates Resale Housing Forecast

**OTTAWA – November 15, 2011** – The Canadian Real Estate Association (CREA) has made a small revision to its forecast for home sales activity via the Multiple Listing Service® (MLS®) Systems of Canadian real estate Boards and Associations for 2011 and 2012.

Activity came in broadly in line with expectations across much of the country in the third quarter of 2011 with the exception of Ontario. Sales there came in stronger than anticipated in a number of regions over the summer, but were held aloft mostly by Toronto activity as the third quarter ended.

Stronger than anticipated sales in Ontario pushed up national activity in the third quarter, and prompted CREA to raise its annual sales forecast for 2011 from 0.9 per cent to a revised 1.4 per cent.

“The continuing strength of home sales activity in the face of ongoing financial market volatility speaks volumes about the confidence of Canadians in our housing market, said Gary Morse, CREA’s President. “Interest rates look like they’ll remain low at levels that are friendly to the housing market for some time to come, and that’s good news for Canadian home sales activity and the overall economy.”

CREA forecasts that national sales activity in 2012 will ease by 0.5 per cent to 451,200 units. This represents a small upward revision CREA’s previous 2012 sales forecast, and reflects expectations that Canadian interest rates will remain low until well into next year. Forecast sales for 2011 and 2012 remain roughly on par with the annual average for activity over the past ten years.

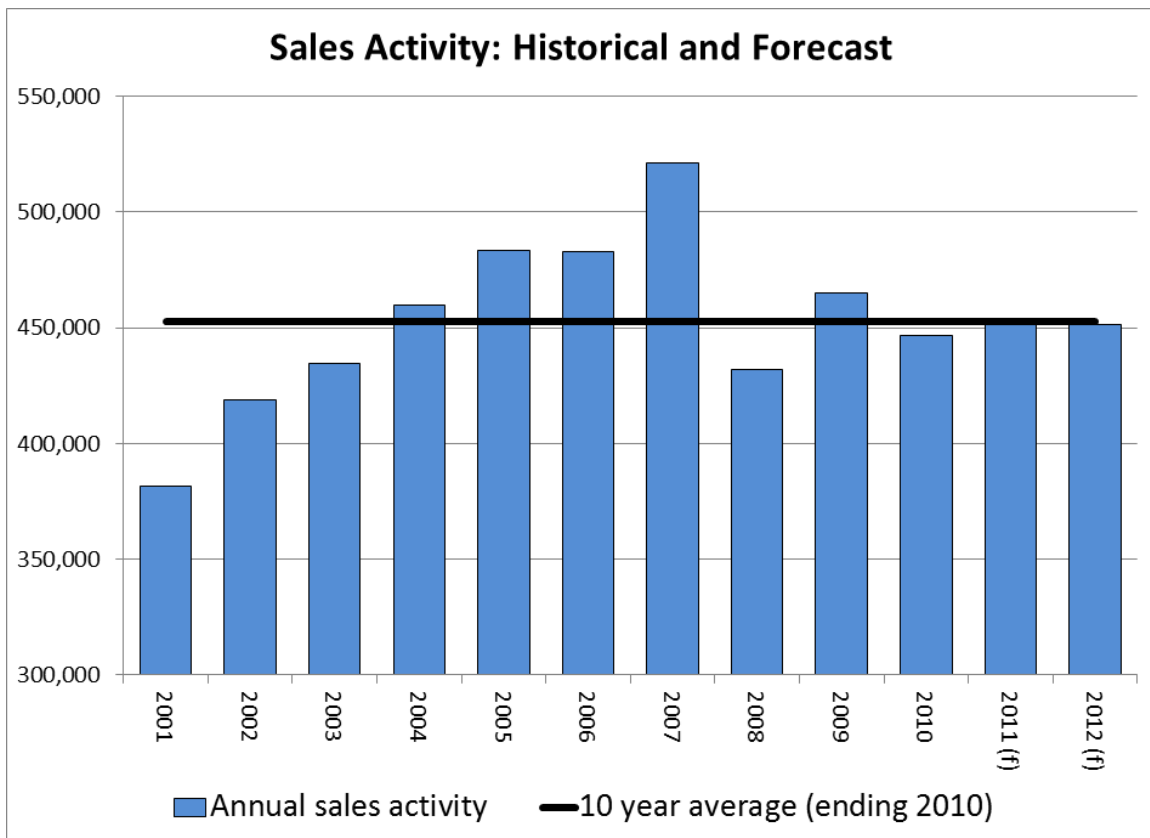
The national average price has evolved as CREA expected, with average home prices in Vancouver moderating compared to levels in the first half of the year. Vancouver sales of multi-million dollar properties have returned to more normal levels after having shattered a number of monthly records this spring.

CREA’s national average home price forecast for 2011 is little changed at \$362,700, representing an annual increase of 7.0 per cent. In 2012, the national average price is forecast to hold even with the 2011.

“A number of factors will keep Canada’s housing market in check as interest rates remain low,” said Gregory Klump, CREA’s Chief Economist. “These include tightened mortgage regulations, high household debt levels, together with slower economic and job growth. That said, with global economic growth expected to remain fragile but positive, employment levels and income growth in Canada should remain supportive for the housing market.”

“Headline news about economic uncertainty has put only minor dents in consumer confidence. How confidence evolves depends on how global turmoil plays out over the coming months. Should global economic headwinds weigh more heavily than expected

on Canadian economic prospects, the federal government and the Bank of Canada have made it clear they stand ready to take flexible and measured responses as appropriate. That's encouraging from the standpoint of the Canadian economic and housing market prospects.”



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### CREA Residential Market Forecast:

Sales activity forecast	2010	2010 Annual percentage change	2011 Forecast	2011 Annual percentage change	2012 Forecast	2012 Annual percentage change
Canada	446,915	-3.9	453,300	1.4	451,200	-0.5
British Columbia	74,640	-12.2	76,600	2.6	75,200	-1.8
Alberta	49,723	-13.6	53,350	7.3	57,050	6.9
Saskatchewan	10,872	-2.0	11,650	7.2	12,100	3.9
Manitoba	13,164	0.6	13,650	3.7	13,800	1.1
Ontario	195,591	-0.1	198,000	1.2	192,900	-2.6
Quebec	80,031	1.2	77,000	-3.8	76,950	-0.1
New Brunswick	6,702	-4.3	6,650	-0.8	6,550	-1.5
Nova Scotia	10,036	0.1	10,100	0.6	10,400	3.0
Prince Edward Island	1,487	5.9	1,500	0.9	1,500	0.0
Newfoundland	4,236	-4.1	4,300	1.5	4,300	0.0

Average price forecast	2010	2010 Annual percentage change	2011 Forecast	2011 Annual percentage change	2012 Forecast	2012 Annual percentage change
Canada	339,049	5.8	362,700	7.0	362,700	0.0
British Columbia	505,178	8.5	563,500	11.5	553,400	-1.8
Alberta	352,301	3.1	356,900	1.3	364,800	2.2
Saskatchewan	242,258	4.0	257,900	6.5	259,100	0.5
Manitoba	222,132	10.3	234,600	5.6	246,000	4.9
Ontario	342,245	7.5	363,900	6.3	364,200	0.1
Quebec*	248,697	8.0	261,400	5.1	269,900	3.3
New Brunswick	157,240	1.5	160,200	1.9	160,200	0.0
Nova Scotia	206,186	4.8	210,900	2.3	212,000	0.5
Prince Edward Island	147,196	0.8	153,400	4.2	153,800	0.3
Newfoundland	235,341	14.0	250,600	6.5	254,800	1.7

\* Provincial weighted average price for Quebec; does not affect unweighted national average price calculations. Information on Quebec's weighted average price calculation can be found at: <http://www.fciq.ca/immobilier-statistiques-definitions.php>

#### About The Canadian Real Estate Association

The Canadian Real Estate Association (CREA) is one of Canada's largest single-industry trade associations, representing more than 100,000 real estate Brokers/agents and salespeople working through more than 100 real estate Boards and Associations.