



For immediate release

**Slow and steady growth forecast for residential real estate
in major Canadian markets in 2008, says RE/MAX**

Canadian home sales to top 500,000 in 2007

Mississauga, ON (October 17, 2007)—After posting extraordinary gains in 2007, housing market performance will moderate in most major Canadian centres in 2008, according to a report released today by RE/MAX.

The RE/MAX Housing Market Outlook 2008 examined residential real estate trends in 18 markets across the country. The report found that while economic prospects will continue to improve next year, few major markets are expected to exceed record sales levels set in 2007. Winnipeg, Hamilton-Burlington, Kitchener-Waterloo, London-St. Thomas, Ottawa, Sudbury, Saint John, Halifax-Dartmouth, and St. John's are all predicted to buck the trend in 2008, with appreciation ranging from one to seven per cent. Average price is forecast to increase in 78 per cent of markets surveyed next year, with the lowest price increase expected in Edmonton and the highest in St. John's.

Nationally, the number of homes sold is expected to break through the half-million threshold in 2007, climbing 13 per cent to an estimated 545,400 units, up from 483,770 units one year ago. Average price is projected to appreciate nine per cent to \$303,000, up about \$25,000 over 2006 levels. In 2008, home sales are expected to retreat to 500,000 units while Canadian housing values are forecast to continue their ascent, rising six per cent to \$321,000.

“Western markets were first out of the gate in 2007, but those in the East followed suit,” says Michael Polzler, Executive Vice President and Regional Director, RE/MAX Ontario-Atlantic Canada. “By year-end, some of the most impressive gains in home sales will be realized in Ontario and Atlantic Canada. Solid economic fundamentals, including billions of dollars in capital projects, a positive unemployment outlook, and solid consumer confidence levels will propel markets forward. A slow and steady growth trajectory, minus the peaks and valleys experienced in 2007, is forecast for next year.”

Major market frontrunners for price appreciation in 2008 include St. John's (12 per cent), Regina and Kelowna – Central Okanagan (nine per cent), Hamilton-Burlington and Saint John (eight per cent) and Greater Vancouver (seven per cent). Leading the country in sales growth next year will be Kitchener-Waterloo (seven per cent), followed by Hamilton-Burlington, London-St. Thomas, Sudbury and Halifax-Dartmouth, each forecasting a five per cent gain.

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Higher mortgage rates and increased inventory levels failed to materialize in most major centres, making 2007 a record year for real estate activity in Canada. By year-end, housing values across the country are expected to shatter existing records. Serious double-digit increases in average price are forecasted for Saskatoon (49), Edmonton (31.5), Regina (21), Calgary (20), Sudbury (20), Kelowna (19.5) Saint John (17), St. John's (12), and Greater Vancouver (10).

Saskatchewan dominated real estate news in 2007, reporting some of the highest percentage increases in unit sales. The number of homes sold in Regina by year-end is expected to top 35 per cent, bringing sales to an estimated 4,000 units. Neighbouring Saskatoon is forecast to climb 28 per cent to 4,400 units in 2007. Other centres expected to post double-digit gains in activity include Saint John (19 per cent) Kitchener-Waterloo (13 per cent), Halifax-Dartmouth (12 per cent), St. John's (11 per cent), and Toronto (10 per cent).

“Clearly, economic prosperity has translated into increased housing sales and upward pressure on prices across the board,” says Elton Ash, Regional Executive Vice President, RE/MAX of Western Canada. “The country’s economic engine fired on all cylinders throughout the year, despite dire conditions south of the border. As in 2007, inventory will be the major wildcard next year—the ultimate variable most expected to influence housing market conditions and performance. A return to tight market conditions could mean all bets are off as buyers are forced to compete, creating increased market pressure.”

RE/MAX is Canada's leading real estate organization with over 17,500 sales associates situated throughout its more than 640 independently owned and operated offices across the country. The RE/MAX franchise network, now in its 34th year of consecutive growth, is a global real estate system operating in over 65 countries. More than 7,000 independently owned offices engage 120,000 member sales associates who lead the industry in professional designations, experience and production while providing real estate services in residential, commercial, referral, relocation and asset management. For more information, visit: www.remax.ca.

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Residential Average Price by Market							
2004-2008							
Market	2004	2005	2006	2007*	%	2008**	%
British Columbia							
Greater Vancouver	\$373,877	\$425,745	\$509,876	\$560,000	10	\$600,000	7
Victoria	\$325,412	\$380,897	\$427,154	\$462,000	8	\$485,000	5
Kelowna*** (Central Okanagan)	\$217,625	\$261,466	\$313,923	\$375,300	19.5	\$408,750	9
Alberta							
Edmonton	\$179,610	\$193,934	\$250,915	\$330,000	31.5	\$335,000	1.5
Calgary	\$222,860	\$250,832	\$346,675	\$415,000	20	\$415,000	n/c
Saskatchewan							
Regina	\$111,869	\$123,600	\$131,851	\$160,000	21	\$175,000	9
Saskatoon	\$132,549	\$144,787	\$160,577	\$240,000	49	\$250,000	4
Manitoba							
Winnipeg***	\$117,570	\$134,028	\$151,983	\$169,400	11	\$180,000	6
Ontario							
Hamilton-Burlington	\$215,922	\$229,753	\$248,754	\$268,000	8	\$289,440	8
Kitchener-Waterloo	\$205,639	\$220,511	\$237,963	\$250,000	5	\$262,500	5
London-St. Thomas	\$167,334	\$178,910	\$190,521	\$202,000	6	\$202,000	n/c
Ottawa	\$236,152	\$248,358	\$257,481	\$272,000	6	\$288,320	6
Sudbury	\$122,866	\$134,440	\$150,341	\$180,000	20	\$180,000	n/c
Greater Toronto	\$315,266	\$335,907	\$351,941	\$372,000	6	\$390,600	5
New Brunswick							
Saint John	\$116,836	\$119,718	\$128,202	\$150,000	17	\$162,000	8
Nova Scotia							
Halifax-Dartmouth	\$175,132	\$188,484	\$203,178	\$216,000	6	\$226,000	5
PEI							
Charlottetown	\$110,815	\$117,238	\$125,430	\$125,430	n/c	\$125,430	n/c
Newfoundland and Labrador							
St. John's	\$132,993	\$141,167	\$139,542	\$156,000	12	\$174,700	12
National							
	\$226,337	\$249,201	\$276,959	\$303,000	9	\$321,000	6
*Estimate **Forecast ***Total MLS							
Source: CREA, OMREB, WREB, TREB, RE/MAX							

Residential Unit Sales by Market							
2004-2008							
Market	2004	2005	2006	2007*	%	2008**	%
British Columbia							
Greater Vancouver Area	37,972	42,222	36,479	37,680	3	37,700	n/c
Victoria	7,685	7,970	7,500	8,190	9	7,500	-9
Kelowna*** (Central Okanagan)	9,301	10,350	9,392	10,100	7.5	9,595	-5
Alberta							
Edmonton	17,652	18,634	21,984	20,350	-7.5	20,350	n/c
Calgary	26,511	31,569	33,027	33,580	2	31,500	-6
Saskatchewan							
Regina	2,785	2,730	2,953	4,000	35	3,600	-10
Saskatoon	2,999	3,246	3,430	4,400	28	4,400	n/c
Manitoba							
Winnipeg***	11,447	12,087	12,304	12,940	5	13,070	1
Ontario							
Hamilton-Burlington	13,176	13,565	13,059	13,760	5	14,450	5
Kitchener-Waterloo	5,931	6,147	6,115	6,910	13	7,400	7
London-St. Thomas	9,238	9,133	9,234	9,780	6	10,350	6
Ottawa	13,457	13,300	14,003	14,750	5	15,340	4
Sudbury	2,500	2,593	2,615	2,770	6	2,910	5
Greater Toronto Area	83,501	84,145	83,084	91,370	10	91,370	n/c
New Brunswick							
Saint John	1,612	1,901	1,852	2,210	19	2,300	4
Nova Scotia							
Halifax-Dartmouth	5,516	6,698	6,462	7,215	12	7,580	5
PEI							
Charlottetown	1,500	1,449	1,492	1,620	8	1,620	n/c
Newfoundland and Labrador							
St. John's	3,203	3,211	3,537	3,930	11	4,000	2
NATIONAL	460,790	483,789	483,770	545,400	13	500,000	-8
* Estimate **Forecast ***Total MLS							
Source: CREA, OMREB, TREB, WREB, RE/MAX							