

## Report of the President

### Canadian Home Builders' Association - Newfoundland & Labrador

Residential construction activity has performed very well to date in 2009, with average single-detached housing starts declining just 10% over a record high year for the province in 2008. Year to date, the average price has increased 23% to \$276,019. The 2009 year-end housing starts are forecast at 1675 with an average price of \$275,000, with 2010 forecast at 1800 with an average price of \$290,000. The St. John's census metropolitan area has been leading the way in price growth in Canada since Q4 2008.

The 2009 resale market can be described as a balanced market. The average listing is 50-days with buyers receiving 98% of asking price. Overall there has been an 8% decrease in MLS activity while the average price has increased 17% to \$216,475. Approximately 50% of listings are in the \$150,000 - \$250,000 range, while 29% are in the \$250,000 and above category.

The housing construction industry in the province continues to suffer from severe shortages of skilled labor and rapidly rising labor costs. The average house construction time is 12-months. As a result, more factory-built housing is being imported into the province and is also being produced in the province.

Respectfully submitted,



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The core purpose of the CHBA-EN is to assist its members in serving the needs and meeting the aspirations of Eastern Newfoundlanders for housing. The CHBA-EN exists to be the voice of the residential construction industry in Eastern Newfoundland, achieve an environment in which our membership can operate successfully, and promote affordability and choice in housing for all Eastern Newfoundlanders.