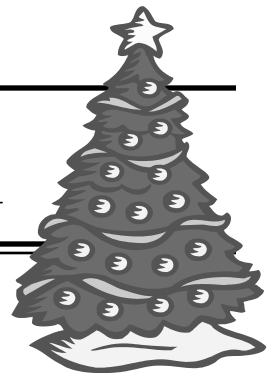


Julie Mather Real Estate Market Watch



Compliments of

Julie Mather

Sales Associate
RE/MAX Professionals Inc.

Direct: 416-254-7548
Office: 905-844-9779

julie@juliemather.com
www.juliemather.com

Christmas 2007 Content

- 2008 HOUSING MARKET OUTLOOK
- REAL ESTATE BY THE NUMBERS
- RE/MAX CONDO REPORT - TORONTO AREA
- CHRISTMAS WELLNESS TIP

Online @ www.juliemather.com

- JULIEMATHER.COM/NEWSLETTER (ONLINE LINKS)
- NEIGHBOURHOOD CORNER - ORANGEVILLE
- BEST NOVEMBER EVER! BEST YEAR EVER!

RE/MAX 2008 HOUSING MARKET OUTLOOK - GREATER TORONTO AREA

Growing concerns over parity and its impact on manufacturing and the economy failed to put the brakes on residential housing activity in the Greater Toronto Area this year. Soaring consumer confidence took unit sales to new levels, with year-end estimates hovering at close to 91,400 units—a 10 per cent increase over 2006 and a new record for the city. Housing values continued their slow and steady ascent, with a six per cent increase to \$372,000 predicted for year-end 2007. Tight inventory levels prevailed for much of the year, with listings down by as much as 20 per cent. Traditional blue-chip areas—Leaside, the Beach, John Ross Robertson, Lytton Park, Cedarvale, High Park, and Bloor West Village—experienced strong upward pressure on values as demand

outpaced supply. Multiple offers occurred almost daily as purchasers fought over choice product from Scarborough to Mississauga. Peripheral areas also saw increased demand as first-time buyers looked to maximize their home-buying dollars in urban communities such as Birchcliff Village, Leslieville, Upper Beach, the Junction, Dovercourt Village, and Bickford Park. Demand for executive homes, priced from

By the end of December we will have crossed the 90,000 sales mark for the very first time.



\$500,000 to \$800,000, was at an all-time high, yet availability was restricted. Condominium ownership proved popular, as baby boomers and the affordability issue advanced sales of both new and resale product. Sales of luxury properties priced over \$1.5 million easily surpassed 2006 levels, rising more than 30 per cent. Rosedale, Forest Hill, Bridle Path, Hogg's Hollow, Lawrence Park, and the Kingsway continued to demonstrate the importance of location, location, location.

While the province continues to face its economic challenges in terms of manufacturing and employment, the

Greater Toronto Area quietly gains momentum. The optimism in the marketplace is best illustrated by the robust construction sector. Non-residential construction is thriving with new office towers and hotel projects underway, including the Ritz-Carlton, Shangri La, and the new Four Seasons. Consumer spending continues unabated. In spite of its overall lackluster performance in terms of real GDP growth in 2007, solid fundamentals are in place for the future. Toronto is expected to perform second only to Calgary with GDP growth forecast at 3.9 per cent between 2008 and 2011.

All systems are go for 2008, given a continuation of low interest rates and economic well-being. Residential home sales in the GTA are expected to match 2007's record performance, while average price climbs five per cent to \$390,600 by year-end 2008. Inventory levels are expected to remain relatively tight, especially in high-demand areas, keeping upward pressure on prices. Demand is forecast to remain consistent across the board, from first-time buyers to more experienced move-up purchasers. For more regional 2008 Market Outlooks go to juliemather.com/newsletter and scroll down to Online Links. ❖

Real Estate By The Numbers

Housing Market Indicators

November 2006 vs.
November 2007



Source: Toronto Real Estate Board
***All figures for single family dwellings

Year	Nov 2006	Nov 2007	% change
Sales (November)	6,281	7,313	16%↑
New Listings (November)	10,176	10,692	5%↑
Active Listings**	22,981	18,309	-20%↓

RE/MAX CONDO REPORT - Greater Toronto Area

Unprecedented demand for condominium apartments and town homes buoyed solid year-over-year appreciation in both sales and price in the Greater Toronto Area (GTA) in 2007.

Condominium sales have climbed 14 per cent to 25,072 units, up from 21,950 one year ago and now represent approximately one in every three homes sold (30.5 per cent) in the GTA.

The upward trend has been particularly evident in the downtown core, where double-digit increases in condominium values occurred for the first time in the last decade. 2007 also marked the first year that resale condominium apartments and town homes in the downtown core experienced bidding wars, especially on product priced between \$300,000 to \$400,000. Low inventory levels have been in large part responsible for the upswing, with well-priced listings generating multiple offers.

Demand has outpaced supply of condominium apartments and town

homes in many core neighbourhoods throughout the year. In Cabbagetown, for example, the sales-to-listings ratio for town homes has been well over 100 per cent. The upper-end of the market has been particularly vibrant, with 126 sales reported over the \$1 million mark so far this year, up close to 97 per cent from 64 sales one year earlier. New condominium product has been extremely well-received, with line-ups at sales centres the norm for most of 2007. The most suc-



cessful launches-1 Bloor, Festival Tower, L Tower and Pier 27-were also the priciest at price per square foot from \$600-\$1,000. Most new projects are in the \$450 dollar per square foot range.

Across the GTA, condominium units priced between \$200,000 and \$300,000 were most popular, with 43 per cent of apartment sales and 48 per cent of town home sales occurring in this price range.

Affordability continued to

draw first-time buyers to condominium ownership this year. Close to 32 per cent of apartment and 28 per cent of town home sales occurred under the \$200,000 price point. Entry-level purchasers lead the charge for condominium product in 2007, stimulating sales of apartments and town homes from Scarborough to Mississauga. Demand for town homes continued to escalate, especially in areas such as Liberty Village, where more and more young families have discovered the advantages of downtown living.



Developers have also responded to growing demand from aging baby boomers for larger units situated in blue chip neighbourhoods. The impact is best illustrated in the Yorkville area where units in several condominium buildings under construction now start at a cool \$1 million. Investors have also jumped into the fray, now representing a sizable segment of the downtown market. In fact, an estimated 60 to 85 per cent of sales in new condominium developments involved investors this year, up from 30 to 50 per

cent in 2006.

The condominium lifestyle has gained considerable momentum in recent years and the market still has room to grow. Further price appreciation is anticipated in the year ahead, with the most substantial increases forecast for the downtown core. Given a continuation of current economic fundamentals, sales of both apartment and town house units are also expected to climb, rising by three to five per cent by year-end 2008.

For more regional Condominium Reports go to juliemather.com/newsletter and scroll down to Online Links.❖

Christmas Wellness Tip

“Christmas, children, is not a date. It is a state of mind.”

~Mary Ellen Chase
American teacher, scholar & writer, 1887 - 1973

“The best of all gifts around any Christmas tree: the presence of a happy family all wrapped up in each other.”

~Burton Hillis
American columnist & author, 1915 - 1977

Disclaimer

The information provided in this newsletter is for informational and educational purposes only. We make no warranty of any kind, either express or implied, regarding the quality, accuracy or validity of the data and information herein. The information contained herein should NOT be used as a substitute for the advice of an appropriately qualified and certified individual. Not intended to solicit buyers or sellers under contract. ❖

Information Provided by Toronto Real Estate Board.				
Dwelling Type	Greater Toronto Area Sales November 07	Sales as a % of Month Total	Sold Price as % of Asking	Median Price
Detached	3,289	44.9%	98	\$409,000
Semi-Detached	913	12.5%	100	\$326,000
Condo Townhouse	594	8.1%	98	\$252,250
Condo Apartment	1,837	25.1%	98	\$241,000
Link	152	2.1%	98	\$296,000
Attached /Row /Townhouse	490	6.7%	99	\$313,500
Co-op Apartment	29	0.4%	97	\$185,000
Detached Condo	9	0.1%	98	\$340,000