



Toronto Real Estate Board: Sound future for residential real estate in GTA

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TREB PRESIDENT'S COLUMN AS IT APPEARS IN THE NATIONAL POST

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Ownership has become a passion for the people of our city.

In fact, annual records for the highest number of resale housing transactions in our city have been set in three of the past five years. In 2004 there were 83,501 sales; in 2005, 84,145 homes changed hands; and in 2007 there were an incredible 93,193 transactions.

The Multiple Listing Service is a database of property listings accessed by realtors who use it to match buyers' preferences with properties listed for sale. It posts sales volumes, average prices, days on the market, housing type and neighbourhood.

Statistics are published in TREB's monthly Market Watch report, which is available on our public website, torontorealestateboard.com.

The most recent data shows that after a lull in the early part of this year, our real estate market has returned to its former vitality. Both June and July set monthly records for sales volumes.

Last month, GTA realtors reported a record 9,967 sales, up 28% from July 2008. The average price for July transactions was \$395,414 — up 6% compared with the same month last year.

In Toronto, there were 3,880 sales, up from 3,132 in July 2008, with an average price of \$421,110 compared with \$395,343 a year earlier.

In the 905 region, 6,087 transactions were reported, up from 4,674 a year ago, with an average price of \$379,035 compared with \$355,401 in July 2008.

With 16,915 properties available for sale, July's active listings were down 36% from a year ago when 26,543 properties were on the market.

Most significantly, low borrowing rates continue to make homeownership more affordable. Immigration is another key factor. Toronto welcomes nearly 100,000 newcomers to Canada each year, the vast majority of whom eventually purchase a home.

The autumn months may bring some seasonal moderation to the market, however, this summer's numbers demonstrate that the future is bright for GTA real estate.

On the national front, the Canadian Real Estate Association reported 147,351 sales in the second quarter, up 1.4% from the second quarter of 2008, marking the first year-over-year increase in quarterly activity since the fourth quarter of 2007.

Parts of the United States' resale housing market are also gaining traction. According to the National Association of Realtors, home sales in June rose from the previous month, marking three consecutive monthly increases.

Even if you're not a real estate buff, it's important to keep an eye on market activity as it reflects the overall health of our economy. In fact, according to a study by the Canadian Real Estate Association, one out of every 100 jobs depends on spending associated with resale housing transactions, on things like renovations, furniture and appliances. This study also found that the average resale housing transaction in Ontario generates more than \$47,000 in economic spinoffs.

Each month, I will bring you the latest highlights on the GTA resale market.

Tom Lebour is President of the Toronto Real Estate Board, a professional association that represents 28,000 REALTORS® in the Greater Toronto Area.