



Your Greater Toronto Real Estate Newsletter

A record sales pace

Could hit 100,000 transactions in 2015

The GTA's record-breaking year for real estate sales continued in September with 8,200 transactions, the Toronto Real Estate Board (TREB) reports. At this rate, there will be almost 100,000 transactions this year. "This is a testament to the importance that GTA households put on home ownership as a long-term investment," says TREB president Mark McLean.

Although new listings increased compared to last September, it's still not enough to satisfy the demand of those who want to buy a home. Active listings are down 7.3 per cent from this time last year, so it's a sellers' market and prices are still rising.

The average selling price for all home types was \$627,395, an increase of 9.2 per cent compared to September 2014. The average price of a detached home in the City of Toronto was \$1,053,871 in September, up 10.7 per cent. In the 905 regions, detached home prices averaged \$732,852, an increase of 11.6 per cent. Semi-detached homes sold for an average of \$740,373 in Toronto (up 7.3 per cent) and \$497,775 in the 905 regions, an increase of 11.1 per cent. The average condo apartment sold for an affordable \$418,603 in the city, up 5.6 per cent from last year, while in the 905 the average price was \$307,295, up 2.2 per cent from September 2014. Homes spent an average of 22 days on the market in September and sold for 100 per cent of the listed price.

"The record pace of sales experienced so far this year suggests that competition between buyers will remain strong as we move into the fourth quarter," says Jason Mercer, TREB's director of market analysis. "Expect strong rates of price growth to continue through the remainder of 2015 and into 2016."

A new Conference Board of Canada report predicts Toronto will have one of the fastest-growing economies in Canada this year, trailing only Vancouver. The report anticipates the economy will grow by 2.6 per cent this year and at a similar rate next year. This growth will lift employment by 2.6 per cent this year and produce more growth in 2016. A forecast by Central 1 Credit Union says, "The outlook is positive for further gains in the housing market against the backdrop of low mortgage rates and some improvement in economic and income growth in 2016 and 2017. Housing sales, prices and starts will head higher." Central 1 further predicts that the average GTA sale price will hit \$700,000 during 2016 and \$750,000 in 2017.

"Higher prices will lead to more listings coming on to the market but with a time lag and prices will rise until listings growth exceeds sales growth," according to Central 1. *REU*



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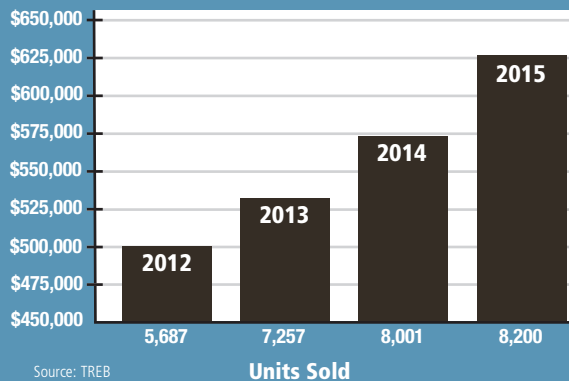
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Average Home Prices - September

in the Greater Toronto Area



Monthly sales

and average price
by area

September 2015

Central.....	1,474	\$791,431
East.....	1,852	504,282
North.....	1,625	752,864
West.....	3,249	560,398

August 2015

Central.....	1,376	683,031
East.....	1,708	480,966
North.....	1,694	751,482
West.....	3,220	554,443

July 2015

Central.....	1,645	696,678
East.....	2,134	489,381
North.....	2,164	746,906
West.....	3,937	561,996

June 2015

Central.....	2,009	806,764
East.....	2,706	507,422
North.....	2,075	645,320
West.....	4,768	581,863

May 2015

Central.....	1,986	855,942
East.....	2,452	512,037
North.....	2,629	747,874
West.....	4,639	578,279

April 2015

Central.....	1,887	794,693
East.....	2,432	509,580
North.....	2,542	737,918
West.....	4,452	579,755

March 2015

Central.....	1,554	770,403
East.....	1,933	476,542
North.....	2,037	719,031
West.....	3,416	557,826

February 2015

Central.....	1,093	757,272
East.....	1,413	465,320
North.....	1,397	689,707
West.....	2,435	546,093

January 2015

Central.....	776	675,100
East.....	913	450,904
North.....	903	641,094
West.....	1,763	505,957

December 2014

Central.....	821	666,569
East.....	971	438,092
North.....	920	684,420
West.....	1,734	503,084

November 2014

Central.....	1,231	733,901
East.....	1,514	460,148
North.....	1,257	690,443
West.....	2,517	516,322

October 2014

Central.....	1,550	748,532
East.....	1,919	466,600
North.....	1,753	674,683
West.....	3,330	536,334

Source: TREB



Condo update

Condo fees and amenities **Getting value for your fees**

Many people - with the best of intentions - buy gym memberships and don't use them or barely use them. And, of course, we can't forget the exercise equipment that ends up gathering dust or doing duty as a clothes rack. Buying a condo that has a fabulous fitness centre and a swimming pool is a similar waste of money if you don't use those amenities.

When shopping for a condo, don't get dazzled by features



you don't really need or won't really use. The idea of a private movie theatre or an on-site dog washing station may seem great, but are you willing to pay additional condo fees for them?

Earlier this year, a study by condos.ca found that Toronto condo fees ranged from 28 cents to \$1.01 per square foot, and the average fee was 59 cents per square foot. Utilities - hydro, heat, water and sewage - account for about half of condo fees. Cleaning and maintenance services account for another 25 per cent, but the rest depends largely on the building's amenities.

The study found that maintaining underground parking facilities takes up a large chunk of condo fees, while swimming pools are "surprisingly cost effective." Gyms drive up the costs by about 9 cents per square foot, but a concierge only costs about 4 cents per square foot.

Older buildings may cost more to maintain, but the study notes that many older buildings have larger units, driving up the average cost. A good property management firm and an attentive condo board can keep fees down. *REU*

Taxing matters

Property taxes **Who pays the least?**

Every year in every municipality, there's a lively debate surrounding the budget and its impact on property taxes. It's a complicated business because each municipality has different obligations.

In Ontario, all municipalities must collect taxes for education on behalf of the province and the board of education that serves their area. Many GTA communities must also collect tax for the regional government as well as for their own needs.

Municipalities also face much different expenses. For example, Toronto pays for the TTC, social housing and a shelter system. Some smaller municipalities have some, but not all of these expenses.

The City of Toronto has had the lowest tax rate in the GTA

for years. While those living in the 905 areas cry foul, there is a reason for this rate. Services that are spread out over a larger area in the suburbs cost more to build and maintain than in cities with high density communities. Property values are also higher in Toronto than in surrounding communities, so it's essential that property tax rates be kept in check. Service levels may not be the same. And don't forget that Toronto homebuyers also pay a second Land Transfer Tax.

BMA Management Consultants, an independent firm, compared the property tax impact on a two-storey home and found the average 2014 tax bill in the GTA was \$4,442. The residents paying the most lived in Pickering, Brock and Oshawa. The lowest tax bills were in Milton, East Gwillimbury and Halton Hills. *REU*

Interesting websites

ago.net/family-events
Family Sundays - Fun for the whole family at the Art Gallery of Ontario. This season will be exploring shadows and light inspired by J.M.W Turner's paintings; pop art and making hamburgers. All free with gallery admission.
Nov-Apr 1-4 pm

homeverified.ca
Don't just sell your house... sell its history as well as your neighbourhood – this site provides home history reports to inform buyers of property insurance claims made, local school rankings, neighbourhood amenities etc.

lonelyplanet.com
Love travel? Plan your perfect trip with expert advice, travel tips and destination information.

These sites are believed to be reliable but their accuracy cannot be guaranteed.

Mortgages

2015 Rates

Mortgage rates are negotiable with individual lenders. Check to be sure that you are getting today's best possible rate.

At October 10, 2015

6-month	3.14%
1-year	2.84%
2-year	2.79%
3-year	2.84%
4-year	2.79%
5-year	2.69%
Prime rate	2.70%

Income properties

Avoiding bad tenants Advice for landlords

Real estate investors have made lots of money during the prolonged real estate boom in the GTA, but that success doesn't come without some hard work. One of the most difficult tasks for investors who don't use a property manager is finding tenants for their properties.

Getting the wrong tenant can be a disaster, resulting in damage to your property, financial loss when they don't pay their rent and a lot of personal heartache. Trying to evict a tenant for non-payment of rent is a long, drawn-out process that will cost you a lot of money and untold aggravation. Most landlords believe that tenancy laws heavily favour tenants, so make sure you get it right when screening prospective tenants.

When you advertise the property, state in the listing that background and credit checks are required as this often results in better qualified applicants. Then it's essential to follow through and do the reference and credit checks. Make sure you contact previous landlords and not just the current one, if possible.

Ask for the applicant's current employer, their supervisor's name, proof of income and next of kin. Take a look at their government identification, such as a driver's licence. Google the tenant and check social media to see if any red flags come up.

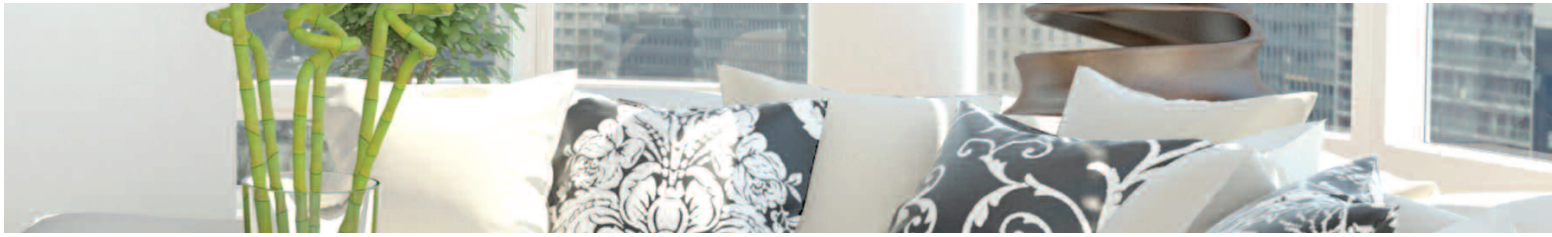
Keep an eye on how the tenants act when you show the property. Did they take off their shoes when entering? Did they show up on time for the appointment? Were their children well behaved? Some experts even suggest that you check out their car. The idea is that a messy car means a messy home too. If practical, you could also visit the tenant's current home to see if it's well taken care of.



You may get a feel for whether tenants are truthful when you interview them. If they seem evasive answering questions or have large unexplained gaps in their employment and/or rental history, ask about it.

Take your time, do your research and you will find a perfect tenant for your property. *REU*





Air Quality in Your Home

What you can do to improve it

Good indoor air quality and ventilation in a house are very important aspects of occupant health and comfort, yet they are among the most misunderstood topics. We will look at the issues here, but if you are concerned about your home's air quality and want it tested, many inspection companies offer home inspection services to help you.

Air Distribution vs. Ventilation

Air distribution occurs in a forced air heating system, where a fan pushes warm air from the furnace through supply ducts into rooms, and pulls cool air back through return ducts to be heated again. The air is used to move the heat from the furnace to all the rooms. Air conditioners use the same duct system to move cool air in the summer. The same air circulates through the home, time after time. There is no fresh air introduced or stale air exhausted. Ventilation replaces stale inside air with fresh air from outside. This happens when you open a window, turn on an exhaust fan, or use a heat recovery ventilator (HRV).

Is Your House Well Ventilated?

You may have a drafty home if it is older, which means it already has lots of fresh air leaking in. Newer homes are more airtight and many older homes are made airtight to reduce heating costs and

improve comfort. Modern building practices use air barriers, sealants and other materials to reduce air leakage. This reduces natural ventilation and can reduce air quality.

Measuring Ventilation

The amount of ventilation in a home can be measured in air changes per hour (ACH). This indicates the number of times all the air will naturally replace itself in an hour.

Heat Recovery Ventilators (HRVs)

These devices remove stale air and bring in fresh air, transferring some of the heat from the exhaust air into the incoming air to reduce heat loss in the heating season. These expensive systems require good maintenance to operate effectively.

Exhaust Fans

In addition to removing odors and moisture, kitchen and bathroom exhaust fans can also help the ventilation process. A principal exhaust fan may be required for new homes without HRVs. Continuous operation of exhaust fans in airtight houses may depressurize the home. This can cause dangerous back-drafting of combustion gases from appliances that rely on positive house air pressure, like natural draft furnaces, water heaters and fireplaces.

Open Your Windows

Opening your windows is a very effective way to improve air quality, although you may not want to do this in the middle of winter, or in the summer when your air conditioner is running. Building codes typically call for operable windows to bring in fresh air and allow stale air and odors to escape.

The above article is reprinted with the permission of Carson, Dunlop & Associates Ltd., Consulting Engineers – Expert Home Inspections.

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GTA '15 totals

Sales activity of single-family homes
 Most recent month, year to date

Active listings
 September17,765
 YTDN/A

New listings
 September16,077
 YTD133,006

Sales
 September8,200
 YTD80,331

Average price
 September\$627,396
 YTD\$621,119

Median price
 September\$624,900
 YTD\$622,000

Average days on market
 September22
 YTD21

Average percentage of list price
 September100
 YTD100

Source: TREB

Housing market indicators

Single-family dwellings

Source: TREB	Sales	New Listings
Sep '14	8,001	15,571
Sep '15	8,200	16,077
% Change	2.5%	3.2%

