

Your Greater Toronto Real Estate Newsletter

Market reflects consumer confidence Increase in listings slows price growth

Despite the gloomy financial picture around the world, consumers in the GTA continue to show their confidence in the housing market. "Economic and financial market headwinds outside Canada are keeping interest rates lower for longer," says Gregory Klump, chief economist for the Canadian Real Estate Association (CREA). "Those headwinds will likely persist until, and indeed after, fiscal quagmires in the U.S. and Europe are resolved. In the meantime, the Bank of Canada will have ample reason to delay raising interest rates further, which is supportive for the Canadian housing market."

Although the number of new listings coming on the market is up by about 14 per cent compared to last year, it is still a sellers' market here. Sales are up by almost 25 per cent compared to this time last year, putting us on pace to have the second best year on record for sales (about 90,000). Price growth has slowed as more listings have come on the market, but with a home selling for an average of more than \$465,000, prices are up by more than 9 per cent on a year-over-year basis.

Extremely low interest rates and decent job prospects in the GTA are making consumers confident that they can afford to buy a home. Detached home sales in the City of Toronto are leading the way, up by 30 per cent compared to this time last year and detached home sales in the 905 areas are up by 27 per cent.

The neighbourhoods that saw the largest sales price increases in the first half of this year include Old Mill, Sunnylea, Runnymede, Carleton Village and Mimico in the west; Hillcrest, Deer Park and Bennington Heights in midtown; and Riverdale, Old East York, Danforth Mosaic and Blake/Jones in the east. Other neighbourhoods with the largest average price increases include Cabbagetown, Moss Park, The Annex, Christie Pits, Dovercourt and Harbourfront.

Going forward, we do not expect interest rates to start rising until the second half of 2012 at the earliest. With price growth slowing from what we saw earlier this year, most analysts believe that the housing market is sustainable. If you are thinking of selling your home, there is still time to take advantage of the sellers' market. On average, homes are selling after 27 days on the market.

CREA President Gary Morse says, "Through their actions, homebuyers are showing that they remain confident about the stability of the Canadian housing market, and recognize that the continuation of low interest rates represents an excellent opportunity to buy their first home or trade up." *REU*



"Serving You Since 1985."



Top 100 in Ontario

TEL: (416) 928-6833
FAX: (416) 928-2156
vvessio@trebnet.com
www.vitovessio.com

RE/MAX
Unique Inc. BROKERAGE
Independently Owned and Operated

1251 Yonge Street
Toronto, Ontario M4T 1W6



VITO VESSIO
sales representative / buyer specialist

IN THIS ISSUE

2 Home insurance

How much is enough?

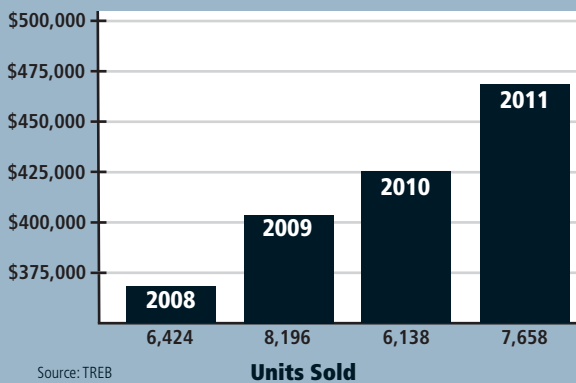
2 Happy safe holidays

Minimizing the risk of hazards

3 Condo market shows strength

Future looks even more positive

Average Home Prices - September
in the Greater Toronto Area



Source: TREB

Monthly sales

and average price
by area

September 2011

Central.....	1,437	\$581,840
East.....	1,780	366,655
North.....	1,624	531,718
West.....	2,817	430,079

August 2011

Central.....	1,395	534,171
East.....	1,633	352,186
North.....	1,653	522,629
West.....	2,861	427,211

July 2011

Central.....	1,439	555,051
East.....	1,791	359,803
North.....	1,707	524,803
West.....	2,985	434,909

June 2011

Central.....	1,925	600,479
East.....	2,214	373,309
North.....	2,247	520,788
West.....	3,844	447,614

May 2011

Central.....	1,836	650,687
East.....	2,182	365,942
North.....	2,288	529,906
West.....	3,740	447,047

April 2011

Central.....	1,687	633,667
East.....	1,973	370,053
North.....	2,039	517,333
West.....	3,342	437,547

March 2011

Central.....	1,799	585,706
East.....	2,013	352,226
North.....	1,974	506,929
West.....	3,476	420,437

February 2011

Central.....	1,306	580,617
East.....	1,342	349,940
North.....	1,285	500,728
West.....	2,333	418,378

January 2011

Central.....	803	530,176
East.....	1,000	332,396
North.....	919	487,765
West.....	1,615	400,936

December 2010

Central.....	896	554,141
East.....	992	337,675
North.....	873	472,405
West.....	1,634	405,935

November 2010

Central.....	1,410	553,566
East.....	1,399	339,238
North.....	1,359	470,799
West.....	2,342	408,470

October 2010

Central.....	1,308	589,786
East.....	1,471	339,387
North.....	1,432	478,637
West.....	2,470	408,286

Source: TREB

Money matters

Home insurance How much is enough?

Looking at all of the severe weather in North America this year, we have got another reason to be happy that we live in Toronto and surrounding municipalities where hurricanes and heavy storms are relatively rare. However, you never know when you may need to collect on your home insurance policy.

The Insurance Bureau of Canada (IBC) says



homeowners should insure their houses according to what it would cost to rebuild the house if it was destroyed. This is called the replacement value, which is different from the real estate market value of your house.

Replacement costs include all the costs of materials to rebuild your home but there are some other costs you might not have thought about. Some of these extra costs could include finding skilled labour, especially if there is an availability problem. You could also run into problems with the building code, which has no doubt changed since your original home was built. Your replacement cost should be enough to cover these aspects.

You should also take a complete inventory of your possessions so you will know exactly what you have lost should disaster strike. You may also have purchased some expensive new furniture or electronics, for example, that is not covered under your old policy.

If you have made renovations to your home but did not upgrade your insurance coverage, you may be under-insured, says the IBC. Visit www.ibr.ca to help you determine how much insurance you need. *REU*

Home safety

Happy safe holidays Minimizing the risk of hazards

When the holidays arrive, safety issues are usually the last thing we want to think about as we celebrate the season. But the holidays present some unique hazards that should not be ignored.

- If you are decorating your home with holiday lights, make sure they have been certified by a recognized organization such as CSA, UL or C-UL. It seems obvious but remember to put outside lights outside and indoor lights inside. Make sure the light strings, cords and extension cords don't have any frayed or exposed wires. Do not run electrical cords under carpets or through doorways where they are a tripping hazard.
- Be careful when using candles. Never leave burning candles unattended and keep them away from decorations

and wrapping paper. Make sure they are out of the reach of children and pets.

- If you have a real Christmas tree, water it daily. Make sure it is in a secure stand and well away from radiators, heating vents, fireplaces and burning candles. It should not be near a doorway or a high traffic area.
- If you have small children, watch out for small objects, such as holiday decorations, that you may not normally have around the house. Make sure that batteries in toys are inserted properly and that they cannot be removed easily. Do not let children take their battery-operated toys to bed with them. After the gifts are opened, throw out packing materials such as Styrofoam, ties, plastic bags and wrapping as soon as possible to keep the kids safe. *REU*



Condo update

Market shows strength Future looks even more positive

The GTA condominium market continues to hum along, driven by low interest rates and affordability. In the City of Toronto, the average condo apartment price is about 7 per cent higher than at this time last year, while condo apartments have appreciated by about 14 per cent in the 905 areas. The overall average is about 9 per cent more than this time in 2010, at just over \$330,000.

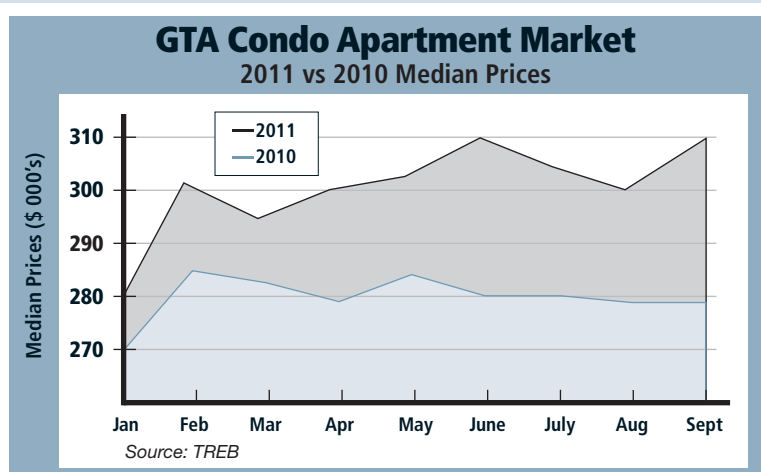
The largest percentage of sales is in the \$200,000 to \$300,000 price range. You can also get a condo for less than \$200,000 – in a recent month there were 260 sales in the \$100,000 to \$200,000 range. Steady employment numbers and great interest rates are keeping buyers busy; sales are up by about 23 per cent compared to this time in 2010.

More listings are coming on the market and it is expected that price appreciation will slow in the coming months.

With all the new condos being built, one often wonders where the people are going to come from to live in these units. We know that first-time buyers and investors are responsible for buying many of the condos, and foreign buyers are also making their mark. But you may be surprised to learn that the latest statistics show that 57 per cent of condo owners were over the age of 50 and 17

per cent were over 75.

A recent report by the Conference Board of Canada says that by 2030, more than 80 per cent of new housing demand will come from seniors. Seniors will be looking for “smaller, less burdensome housing, boosting demand for multiple housing units, especially condos and apartments.” Many seniors want to stay in their current communities, close to friends and family. That is why many condo developments are going up in suburban areas.



The report says exactly how fast the transition from single-family homes to condos occurs will depend on how long the baby boomers want to stay in their current homes. Savvy builders and condo boards will ensure their buildings have amenities that cater to these older buyers. *REU*



On the internet

Interesting websites

nationalballet.ca
[/TheNutcracker](http://TheNutcracker)

This seasonal classic is a perfect gem of a ballet. It is traditional yet freshly attuned to rhythms and accents of the contemporary. (Dec 10 - Jan 3).

uknowa.com

Get fast, online bids for your home renovations from licensed qualified local contractors.

getsmarteraboutmoney.ca

This site promotes unbiased, independent financial information. It provides programs and tools to help consumers make better financial and investment decisions.

canadianwellness.com

A comprehensive directory of fitness, diet, health, nutrition and other wellness-related professionals and their services.

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

Mortgages

2011 Rates

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

At October 5, 2011

Mortgage Rates

6-month	4.45%
1-year	3.09%
2-year	3.25%
3-year	3.29%
4-year	3.49%
5-year	3.64%
Prime rate	3.00%

Ice damming

Be damned

As winter approaches, the temperature starts to drop. And to the delight of skiers everywhere, snow will soon be accumulating. Snow on your driveway is seldom more than a pain in the back; however, snow on your roof can lead to leakage, even if your roof is new. The culprit is ice damming, the insidious snow-melting phenomenon that is all too familiar to many of us.

What causes ice damming?

Heat loss from inside the house causes accumulated snow on the roof to melt in spots. Then the water runs down the roof until it encounters an unheated area at the edge of the roof. The snow there stops the water and it re-freezes. After a while, a dam of ice forms on the roof above exterior walls. The dam causes water to form a small pool that can back up under the edges of the shingles. Once under the shingles, the water can leak into the ceiling and walls, causing damage to structure and interior finishes.

Inspectors, appraisers, and other building professionals can often get clues from the house about its ice dam history. Efflorescence on brickwork below the eaves, water stains on ceilings or around windows in rooms below valleys or other vulnerable areas, and condensation stains or mould in the attic are all

potential indicators of ice damming.

Keep the house warm and the attic cool

How can you prevent this from happening year after year? The obvious solution to ice damming is to keep the roof cold enough to prevent the snow from melting.

Insulation: In a house with little insulation, heat loss will cause snow to melt. Luckily, upgrading insulation in attics and roof spaces is often easily done. Attic doors also need to be insulated and weather-stripped. Foam board and foam weather-stripping work well.

Heat registers: Ductwork that travels through an attic must not melt snow on the roof. Attic ductwork should be air-sealed and insulated. For air vents in ceilings, the joint between the ducting and the ceiling should be caulked.

Ceiling fixtures: Ceiling mounted electrical devices like lights and bathroom fans should be sealed at their boxes. Be careful with this. Some electrical devices, like pot lights, generate lots of heat and you don't want to cause a fire. This one is a job for a specialist.

The cost of taking these preventative measures – either yourself or hiring a professional is relatively small in comparison to the potential water damage repair costs, especially if the problem recurs or results in a decrease in property value due to obvious water damage.

Once the warm air is kept inside the rooms where it belongs, the existing level of attic ventilation will often be sufficient to keep the attic and roof spaces cold enough to prevent ice dams.

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

GTA '11 totals

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

Active listings
September18,808
YTDN/A

New listings
September14,727
YTD120,465

Sales
September7,658
YTD70,588

Average price
September\$465,369
YTD\$464,024

Median price
September\$395,000
YTD\$390,000

Average days on market
September27
YTD25

Average percentage of list price
September99
YTD99

Source: TREB

Housing market indicators

Single-family dwellings

Source: TREB	Sales	New Listings
Sept '10	6,138	12,899
Sept '11	7,658	14,727
% Change	25%	14%

“The highest compliment my clients can give me is the referral of their friends,

family and neighbours.
Thank you for your trust.”

— Vito Vessio

VITO VESSIO

sales representative
/buyer specialist

416-928-6833
vessio@trebnet.com
www.vitovessio.com