

Real Estate Monthly

Johanna **Rienstra**
BROKER
For all your Real Estate needs

Tel: (905) 666-1333 / Direct Line: (905) 668-0040
dbldutch@rogers.com movetogta.com



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Keep your Sanity this Holiday Season

NOVEMBER

- Take a good look at the calendar, marking off parties, school concerts, hockey games, etc.
- Try to get gift shopping out of the way early. Set up a wrapping station in a spare room or home office and keep a list of what you've bought so you don't overdo it.
- Draw up a Christmas card list. A few friends and family like to see a casual photo of the family; everyone else gets a simple greeting card.
- Set aside a day for some family baking. Gingerbread houses are always a favourite. Put your goodies in the freezer.
- Move a few accessories into storage to make room for Christmas decorations.
- String some clear mini-lights around the evergreens in the front garden.
- Buy traditional Advent calendars-the kids still love them.



DECEMBER

- Finish the last-minute Christmas shopping you should have done last month.
- Unpack the decorations and ornaments for the tree.
- Purchase a Christmas tree or set up

the artificial one and enlist the kids to help decorate it.

- Stock up on the basics - candles, fire logs, wine, beer, etc.
- Fill the freezer with finger foods for impromptu gatherings.
- Decorate with simple glass bowls of fruit, Christmas ornaments, or large pine cones-they last longer than flowers.
- Load the CD player with some good holiday music.
- Order the fresh turkey
- Fill a few silver bowls with chocolate treats. Keep refilling them as they quickly disappear!
- Light the fire and relax.

Smaller is better...

Sometimes smaller is better, especially when decorating your whole home for the holidays seems too overwhelming. Try choosing just a corner and creating a seasonal vignette with nothing more than a tabletop tree and some beautifully wrapped packages. A small peaceful corner like this will become a place of respite, where you'll want to spend a few moments each day and let the spirit of the season wash over you.

<http://www.canadianhomeandcountry.com/decorating/seasonal-decorating/keep-your-sanity-this-holiday-season/a/2046/2>

Strong Growth Continues in October

Sales of single family properties in the Durham Region rose to 860 in October from 825 in September. This represents a 33% increase over the same month last year reported Debbie Dawson, President of the Durham Region Association of REALTORS.

Average prices crept up to \$289,003 from \$282,308 in September which reflects a 9% jump from October, 2008.

"Year over year sales and average selling prices are on the plus side which is positive news," commented Dawson. "October was another record setting month for sales and with interest rates still at an all time low, we expect the strong fall market to continue."

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For more specific and local housing statistics please call Johanna at 905-668-0040.

REAL ESTATE NEWS

Economists are running out of superlatives to describe the rebound in Canada's housing market, in which sales are up 60 per cent from earlier this year.

"The speed and magnitude of the rebound in sales activity" is "remarkable," say the Canadian Real Estate Association (CREA). Association president Dale Ripplinger says, "The difference in the resale housing market now, compared to the beginning of the year, is night and day."

"The Lazarus-like rise in sales has halted the slide in prices - say, whatever did happen to the meltdown in Canadian housing anyway?" asks Douglas Porter, deputy chief economist at BMO Capital Markets.

"The turnaround in Canadian housing this year might be the single most surprising turnabout we've seen in any economic indicator I can think of. The extent of it is nothing short of amazing," Porter says.

Like Porter, most economists were caught by surprise, and most of them have had to revise their real estate forecasts for this year. CREA predicted in May that MLS sales in Canada would drop by 14.7 per cent this year compared to 2008. Now, it says that sales will decline by just .4 per cent. The association says prices will rise by 1.5 per cent this year.

Canada Mortgage and Housing Corp. (CMHC) also has a revised forecast and is calling for a small drop in sales activity and sales.

In the Toronto market, economist Will Dunning says, "For the past three months, resale activity has been much stronger than I had been expecting, and the sales has been raised very substantially." He boosted his forecast from 62,100 to 83,000.

In Vancouver, "resale activity has staged one of the most spectacular comebacks in Canadian real estate history," says RC senior economist Robert Hogue in the Housing Trends and Affordability report. "From their lowest levels in about 19 years at the end of 2008, sales of existing homes more than tripled by July to levels just shy of peaks reached before the downturn."

So what happened? Why is housing leading Canada's economic recovery?

"Low interest rates are boosting sales by returning home buyers to the market who moved to the sidelines last year," says Gregory Klump, CREA's chief economist. "Buyers are also shifting purchase decisions forward as they take advantage of attractive interest rates now before financing costs increase."

RBC reports that housing affordability improved in Canada for the fifth consecutive quarter during the second quarter this year, driven down by low interest rates and dropping prices.

With prices and activity down early this year, many vendors decided to take their homes off the market until the situation improved. That created a shortage of listings, and thanks to the law of supply and demand, stopped the slide in prices. In August, it's been reported that 14 per cent of listings in the Toronto market had multiple offers submitted.



"Yes, Virginia, it's a sellers' market again," says Porter. "The biggest, priciest, and previously hardest hit markets are the very cities that are now rebounding most rapidly."

Now, the economists are over their shock and are throwing cold water on the idea that the market can continue to expand at this rate. Klump says that, since buyers moved their purchase ahead to take advantage of low mortgage rates, next year will see a more stable market.

"The strong pace seen in the second quarter of this year reflects, in part, activity that was delayed in the previous two quarters and is not likely to be sustained," says CMHC. "The level of sales will move back to be closer in line with improving economic conditions."

Toronto economist Dunning agrees. "I think the sales rate will erode rapidly in the next few months. The stronger resale market has arrested the drop in values seen earlier this year. But, if sales slow to the extent I expect, the price recovery may be just about finished.

Only Porter at BMO Capital Markets seems to be hedging his bets in predicting the boom times are over. "Record-low borrowing costs and the mounting sense that the worst of the economic storm has passed are the key ingredients in the remarkable turnaround," he says. "We keep saying that further gains will be harder to come by, but the market keeps churning out those gains."