

Real Estate E-News



Market Data for February surprisingly solid

Toronto Real Estate Board Members reported a higher than expected 4,120 sales in February 2009 compared to 6,015 sales recorded in February 2008, reflecting a drop in sales activity of 32% compared to last year. The average home price was \$361,305 last month compared to \$382,048 during the same month last year, which means a decline of 5.4%.

Interestingly however, there was a 54% increase in the number of sales in February over January this year. In 2008 there was only a 18% increase in sales from January to February. This is showing that buyers have more confidence in the market now than they did last month. The number of new listings coming onto the market is 12% lower than last year so the inventory isn't rising as fast as people were predicting.

Typically the spring real estate market tends to experience more activity and with the Canadian economy experiencing a period of low mortgage rates and strong immigration, this trend could continue.

"While the economic downturn has had an impact, the GTA housing market is resting on a solid foundation. Current home prices and mortgage rates suggest that GTA homes have become more affordable on average," according to Jason Mercer, TREB's Senior Manager of Market Analysis. "A greater number of home buyers could take advantage of this affordability once their positioning in the economy becomes more certain."



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| FEB 2009 | Active Listings | Sales | Avg Price | Avg DOM | FEB 2008 | Active Listings | Sales | Avg Price | Avg DOM |
|-----------------------|-----------------|-------|-----------|---------|-----------------------|-----------------|-------|-----------|---------|
| Downtown (C1) | 805 | 164 | 346,882 | 45 | Downtown (C1) | 562 | 225 | 372,121 | 22 |
| Bloor West (W1&W2) | 261 | 68 | 385,860 | 35 | Bloor West (W1&W2) | 181 | 94 | 479,438 | 23 |
| Kingsway (W8) | 275 | 59 | 496,864 | 49 | Kingsway (W8) | 232 | 83 | 509,737 | 28 |
| Mississauga (W12-W20) | 2449 | 469 | 328,009 | 43 | Mississauga (W12-W20) | 2087 | 760 | 357,958 | 27 |

Figures reflect MLS sales in the indicated districts as reported by the Toronto Real Estate Board (TREB). DOM = Days On Market. Market values depend on many factors besides number of bedrooms and property type. Please call for a customized report for your neighbourhood or a valuation of your home.

Once again quite obvious, the decreasing sales activity combined with higher inventory compared to the same month last year. While the number of transactions in Bloor West and the Kingsway barely allow a statistically relevant comparison of sales prizes, Downtown and Mississauga are better suited for such purposes.

In the downtown area prices have dropped about 7% compared to February last year. Mississauga shows a drop of around 8%. The average time on market has risen significantly compared to last year, for downtown e.g. it has more than doubled. In Bloor West, properties still sell relatively fast.