



GTA real estate market soaring

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TREB PRESIDENT'S COLUMN AS IT APPEARS IN THE TORONTO STAR

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It has been a red-hot autumn in the Greater Toronto Area resale housing market

In the first two weeks of October, Greater Toronto REALTORS® reported 3,631 sales, a 34 per cent increase compared to the same period a year ago. The average price of GTA homes sold during this timeframe also grew, by 17 per cent, to \$414,479. Condominium sales increased 23 per cent to 857 transactions, with an average price of \$292,439, up 12 per cent year over year.

The average price increased most significantly in the City of Toronto while the 905 Region experienced the strongest sales volumes.

In the City of Toronto the average price climbed to \$455,001, a 21 per cent increase from mid-October last year. The number of sales was up 31 per cent compared to the same period, reaching a total of 1,489 transactions. Condominium sales in Toronto increased 17 per cent from a year ago, to 589 transactions. They sold at an average price of \$318,356, up 15 per cent from a year ago.

In the 905 Region sales activity soared to a 37 per cent increase over the first half of October 2008, totaling 2,142 transactions. The average price of a 905 Region home was \$386,311, up 14 per cent from a year ago. Condominium transactions increased 40 per cent from a year ago in the 905 Region to 268 sales. They fetched an average price of \$235,480, up eight per cent from mid-October last year.

Year-to-date sales throughout the GTA have increased six per cent over last year, to a total of 69,964 transactions, putting 2009 on track to finish with some of the best years on record. The average GTA house price has also increased two per cent year-to-date, to \$389,697.

Given that a global recession resulted in a significant decline in sales activity at this time a year ago, it's reasonable for this autumn's sales to be strong by comparison. Substantial price gains though, are particularly noteworthy.

I discussed this characteristic of the market with the Toronto Real Estate Board's Senior Manager of Market Analysis Jason Mercer, who pointed to the factors of supply and demand.

"Encouraged by record low interest rates and improved economic outlooks, households in the GTA have become increasingly confident in the home ownership market since the spring. With demand for resale homes rising and listings actually trending lower, it has not been surprising to see an accelerating rate of home price appreciation on average."

According to Mercer, the outlook for the spring housing market is also favourable.

"Homeowners will react to the strong price increases experienced in the second half of 2009 and we will see the number of listings increase in 2010. I expect to see the average resale price continue to grow at a sustainable rate next year as well."

If you're thinking of buying or selling a home in the coming months I encourage you to talk to a REALTOR®. For more information, please visit www.TorontoRealEstateBoard.com

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