

BUYING A HOME IS AN IMPORTANT MILESTONE



I've been a realtor in the GTA for 30 years, and recently I began my term as president of the Toronto Real Estate Board. As I move through my term, I will share with you my experience, knowledge, market statistics and housing facts, which should help you and your investment in homeownership.

Whether you're a first-time buyer, downsizing to a condo, or renovating your long-time family home, I firmly believe that owning your home is one of the wisest decisions you will ever make, and statistics show that many of you share this perspective.

Based on data from the 2011 National Household Survey on Homeownership and Shelter Costs in Canada, more people own a home today than at any other point in our nation's history. From recent immigrants, to young adults

forging their own path, to people who have owned numerous homes of many years, owning property in the Greater Toronto Area is a shared goal of people from all walks of life, and with good reason.

While it fulfills our basic human need for shelter, a home's benefits go well beyond its physical structure. For many people, buying a home is a rite of passage, demanding enough tenacity to save for a down payment and stability to make a long-term commitment. Often, it also compels us to connect with those around us, becoming part of a neighbourhood's pulse by contributing to its schools, shops and community organizations. Moreover, historically, it has been the only investment in which you have been able to live and take advantage of increasing value while building

memories with family and friends.

Sentiment aside, buying a home is one of the most important milestones in many people's lives because it serves as a foundation from which a healthy financial future can be built. The most notable financial benefit of owning a home is the capital gains tax exemption. Simply put, when you sell your principal residence, you are not required to pay tax on the profit you make from the sale. With an average GTA house price of \$568,953 in June, it's easy to see how your home's equity can foster a rapid ascent up the property ladder.

Combine these benefits with the consistently top-notch rankings that our city achieves with respect to its economic and social development – most intelligent, most resilient and most youthful are just a few of the titles Toronto has garnered in independent international studies this year alone – and it's understandable that consumer demand for GTA housing remains strong.

The outlook for our city's housing market is bright, as is the decision to invest in it as much as you can reasonably afford. If in the coming months you are planning to buy your first home or make the transition to a home that is more suited to your lifestyle, my best advice to you is to speak to a realtor who is well versed in your market area and market segment.

For information on the housing market, plain language explanations of commonly used real estate forms and more, be sure to visit torontorealestateboard.com.



Paul Etherington is president of the Toronto Real Estate Board, a professional association that represents 39,000 realtors in the Greater Toronto Area. Write to Paul to share your thoughts and questions at trebpres@trebnet.com.