



April transactions nearly met record

Tom Lebour

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

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In April, 10,898 homes changed hands in the Greater Toronto Area, marking two consecutive months in which activity has exceeded 10,000 transactions. While not unprecedented, this pattern has only occurred once before: in May and June of 2007, which finished as the strongest year on record.

Last month's figure surpassed April 2009's 8,107 sales, which took place as we were emerging from a short-lived recession. Most significantly, it outpaced April 2008's 8,762 transactions and even the 9,452 sales that took place in April 2007.

Taking a closer look at last month's numbers, there were 4,310 sales in the 416 Area and 6,588 transactions in the 905 Region.

The 3,349 condominium purchases that took place comprised nearly 31 per cent of all sales last month. By contrast, at this time a year ago condominiums comprised 28 per cent of transactions. This demonstrates Torontonians' growing enthusiasm for condominium living.

With respect to prices, the results are also very strong. Currently, the average price of a home in the GTA is \$437,600, which represents a nearly 12 per cent increase over the April 2009 average price of \$385,641. Growth was nearly equal in both of the regions last month. In the 416 Area, the average price of \$479,340 rose nearly 14 per cent from \$421,470 a year ago. In the 905 Region, the average price of \$410,293 grew more than 13 per cent from April 2009's average price of \$362,009.

Due in part to the extra costs associated with the Harmonized Sales Tax, which takes effect July 1, and anticipated interest rate hikes, activity is brisk. Currently homes are on the market for an average of 21 days before being sold compared to an average

of 37 days on market a year ago. As well, there are currently 22,951 homes available for sale throughout the GTA as compared to 23,515 a year ago.

We can expect more properties to become available for sale as we move toward the second half of the year though, as homeowners react favourably to recent months' activity. This should result in more balanced conditions.

While there's no question that sales have been robust throughout the past 12 months, the market is functioning as expected. In fact, the flurry of activity during the past two months bodes well for the future of real estate in the GTA, as each new homeowner brings fresh enthusiasm to their new space, undertaking home improvements and thereby contributing to property values in the city as a whole.

Regardless of market conditions, provided you enlist the skills of an astute REALTOR® it can be a favourable time to undertake a transaction at any juncture. To find out more about activity in your specific neighbourhood, talk to a Greater Toronto REALTOR®. They can advise you on recent sales in the area so that you can make informed decisions when planning your next move.

Be sure to visit www.TorontoRealEstateBoard.com as well, where you will find GTA listings, plain language explanations of common real estate forms, information on government programs and more.

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