



# All signs point to a healthy market

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

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The Greater Toronto Area resale housing market remained in step with recent months' activity in October. With 6,681 homes changing hands last month, activity declined 21 per cent from October 2009 when there were 8,476 sales.

The market's year-to-date performance meanwhile, remains quite positive. Sales to the end of October reached 75,582, an increase of one per cent compared to the same point in 2009.

Taking a closer look at last month's numbers, there were 3,930 transactions in the 905 Region and 2,751 sales in the 416 Area. In the 905 Region sales activity was marginally stronger than in the 416 Area. As compared to October 2009, when there were 4,922 sales in the 905 Region, activity decreased by 20 per cent. In the 416 Area transactions decreased by nearly 23 per cent compared to the 3,554 homes that changed hands in October 2009.

As the market has reached balanced conditions following a particularly lively period that occurred in the latter half of last year and the first several months of 2010, year-over-year changes with respect to both sales activity and average prices have been consistent throughout the GTA across all housing types.

In contrast to the moderate number of transactions in October, there continue to be very strong results with respect to selling prices achieved. The average price of a GTA home last month was \$443,729, a nearly five per cent increase over the October 2009 average of \$423,559. In the 416 Area price growth was marginally stronger than in the 905 Region. The 416 Area's average price of \$491,157 climbed five per cent, from \$464,212 a year ago. In the 905 Region, the average price of \$410,529 increased nearly four per cent from October 2009's average price of \$394,205.

Although a number of factors have contributed to healthy prices, chief among them is the fact that interest rates have remained very low, making the cost of carrying a mortgage affordable. Further, market conditions have tightened compared to the previous month. With 18,305 homes available for sale throughout the GTA last month, October's active listings decreased by nearly 10 per cent compared to 20,334 in September. Perhaps as a result of more limited choice, the pace of activity has increased moderately. The number of days that homes are currently on the market before being sold decreased to 31 days last month from the September average of 33 days.

Today's balanced market conditions present an excellent opportunity to achieve favourable results regardless of whether you are planning to sell or buy your next home. To help weigh the odds in your favour, talk to a REALTOR® who can offer insight into market conditions in your specific neighbourhood, share sophisticated marketing know-how and bring top-notch negotiating skills to the table.

To learn more about the benefits of working with a Greater Toronto REALTOR® visit [www.TorontoRealEstateBoard.com](http://www.TorontoRealEstateBoard.com) where you will find market updates, GTA open house listings, neighbourhood profiles, plain language explanations of commonly used real estate forms and more.

*Bill Johnston is President of the Toronto Real Estate Board, a professional association that represents 30,000 REALTORS® in the Greater Toronto Area.*

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