

AGENT BOSKO'S JOURNAL

Welcome to my August 2011 Newsletter!

July Sales and Average Price Up Compared to 2010

Economic Indicators

Real GDP Growth ^h		
Q1 2011	▲	3.9%
Toronto Employment Growth ^l		
June 2011	▲	2.7%
Toronto Unemployment Rate		
June 2011	▼	8.4%
Inflation (Yr./Yr. CPI Growth) ^l		
June 2011		3.1%
Bank of Canada Overnight Rate ^{ll}		
July 2011	-	1.0%
Prime Rate ^{lv}		
July 2011	-	3.0%
Mortgage Rates (July 2011) ^v		
Chartered Bank Fixed Rates		
1 Year	-	3.50%
3 Year	▲	4.35%
5 Year	-	5.39%



Sincerely,



Toronto, August 4, 2011 — Greater Toronto REALTORS® reported 7,922 transactions through the TorontoMLS® system in July 2011, representing a 23 per cent increase over July 2010. Total sales through the first seven months of this year amounted to 55,863 – down by 1.3 per cent compared to the same period in 2010. After adjusting for seasonal fluctuations, the July figure continued to point to an annual sales result close to 90,000 – in line with results from the previous six months.

"Strong home sales continued in July, with a substantial rebound over last summer's slow-down brought about by higher mortgage rates, new lending guidelines and misconceptions about the HST. The greatest rebound was seen in the condominium apartment segment in the City of Toronto," said Toronto Real Estate Board President Richard Silver. "If the current pace of sales holds up, we could see the second best year on record under the current TREB market area."

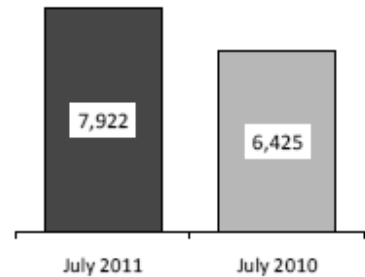
The average selling price in July was \$459,122 – up by almost ten per cent compared to the July 2010 average of \$418,675.

"Tight market conditions have boosted the annual rate of price growth this year. However, the listings situation is starting to improve. A better supplied market later this year and into 2012 would lead to a more sustainable rate of price growth," said Jason Mercer, TREB's Senior Manager of Market Analysis.

Sales & Average Price By Major Home Type^{1,7} July 2011

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	923	2,850	3,773	\$691,175	\$528,813	\$568,532
Yr./Yr. % Change	12%	28%	24%	12%	10%	10%
Semi-Detached	320	521	841	\$500,796	\$371,366	\$420,614
Yr./Yr. % Change	15%	22%	19%	6%	11%	8%
Townhouse	349	815	1,164	\$402,902	\$339,373	\$358,421
Yr./Yr. % Change	16%	16%	16%	11%	11%	11%
Condo Apartment	1,452	534	1,986	\$353,189	\$275,702	\$332,354
Yr./Yr. % Change	32%	23%	30%	6%	10%	8%

Total TorontoMLS® Sales Activity^{1,7}



TorontoMLS® Average Price^{1,7}



INSIDE THIS ISSUE

- Market Watch.....1
- Deciding to Buy/Staging.....2
- Tips for Selling Your House.....3
- Energy Saving Tips.....4



Deciding to Buy

When first-time home buyers decide they are ready to buy, it is essential for them to begin the process by carefully assessing their values, wants, and needs—both for the short and for the long term. This is a critical step since consultation sessions normally start with the buyers' values. Afterward, buyers can explore their wants and needs and, once defined, determine actual criteria.

A recent study shows how important the following home-buying factors were to buyers:

1. List Price: 72%
2. Location: 69%
3. Neighborhood: 55%
4. Floor Plan: 37%
5. Square Footage: 28%
6. Schools: 22%

By having the home-buying criteria in mind before walking into a consultation, buyers are off to a better start when meeting with their real estate agent. The consultation allows buyers to fill in any missing gaps within their values, wants, and needs.

Staging

Staging is an increasingly important component, not only in selling a home but also in attracting buyers to tour it in person. Even with all of the commonly accepted advantages of staging, only about 1 in 3 sellers stage their home.

The Internet is one of the main sources of information buyers use during the home search process, and staging is key to showing the home at its best online.

Rooms that sellers stage most often:

1. Living Room: 73%
2. Kitchen: 64%
3. Master Bedroom: 58%
4. Dining Room: 49%
5. Master Bath: 45%
6. All Rooms: 37%
7. Office: 16%

The cost of staging is minimal compared to the benefits: more showings and ultimately a higher percentage of asking price.

Prelisting Prep Works to Maximize Your ROI

Repeated buyers, especially move-up buyers, tend to want their next home to be in great condition. Usually when homes are located in a neighborhood that attracts move-up buyers, homes need to be in pristine condition to stand out from the rest. This can be achieved by getting the home pre-inspected for the buyer. Research shows that 8% of sellers have a prelisting inspection before setting home on the market.

49% of buyers end up purchasing a home in excellent condition while 40% purchase in good condition

47% of sellers enhance their front yard appearance by making changes up to five weeks in advance before listing the home for sale. Sellers tend to spend between \$150 and \$1,000 when improving their curb appeal.

It is fundamental for sellers to make essential repairs to their homes before listing, and curb appeal is particularly important. This is often a first step to getting buyers in the door. Boosting the curb appeal tends to result in more offers and faster sales.

Tips for Selling Your House

1. Price it right. Studies show that when homes are priced to sell, they not only sell faster, they ultimately command a higher price than homes that sit on the market and get perceived as “stale.”

2. Consider a presale inspection. This will help you to know what items need to be fixed before your home goes on the market. Repairs and concessions made during the negotiation process can end up costing sellers more. Research reveals that in 2010, 89% of move-up and 82% of first-time buyers purchased a home in good to excellent condition. 75% of sellers started making repairs 1–8 weeks before listing.

3. Higher may not always be better. While a higher offer can be tempting, be sure to consider the whole offer. An offer without contingencies, conditions, and with a higher down payment may be a more solid deal.

Energy Saving Tips

Summertime is fun time! It's also the peak season for electricity use in Canada. To avoid energy bill shock and enjoy an energy-efficient summer, follow these tips:

1. **Have your central air conditioning checked annually** by a professional HVAC technician to ensure it is functioning at its best capacity.
2. **Replace the air filters every three months** to keep dust out of the ducts, especially if you've had renovations done in your home.
3. **Keep the vents clear** of carpets, drapery, and furniture, and close the vents in rooms that you don't use often.
4. **Install a programmable thermostat.** This will allow you to turn the temperature up during the day when nobody is home and at night when the temperature goes down. Turning the thermostat up by 1° C can lower your electricity bill by up to 5%.
5. **Use ceiling or room fans** as they can do a good job of cooling your house while using a lot less energy than central air units.
6. **Top up the insulation** in the attic and seal air leaks around windows and doors. This will help save energy in both summer and winter.
7. **Get rid of old inefficient appliances.** While the federal government has cancelled the ecoENERGY retrofit program, many provinces and municipalities still offer incentives.

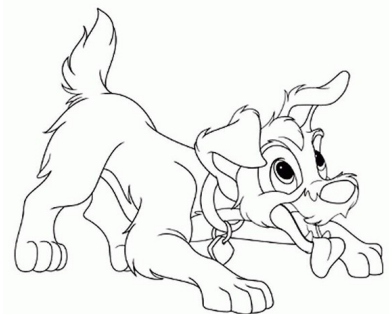
For more information on incentives available in your area, check out [Natural Resources Canada's Incentives and Rebates](#).

Have You Seen My Dog?

The front door was accidentally left open and our dog was gone. After unsuccessfully whistling and calling for him, my husband got in the car and went looking for him. He drove around the neighbourhood for some time with no luck.

Finally, he stopped beside a couple out for a walk and asked if they had seen our dog?

To which the couple replied, "You mean the one following your car?"



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