

Oakville & Burlington Market Watch

Market Outlook by Canadian Mortgage and Housing Corporation

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CMHC Releases Market Outlook

The Canadian Mortgage and Housing Corporation released its Housing Market Outlook report, and affordability remains at the heart of issues plaguing Canada's largest city. However, price growth is expected to moderate.

Although Canada's economy is expected to remain healthy, GDP growth by 2019 is expected to slow down. CMHC forecasts 2018 growth to be between 1.2% and 2.5%, but only between 1% and 2.4% a year later.

Mortgage rates are also expected to incrementally increase over the next couple of years, as is normal with healthy economies, in tandem with global interest rates. CMHC's expected a rate between 4.9% and 5.7% over the life of a five-year fixed in its baseline scenario, meaning the basis points won't exceed 160. Moreover, the report concluded that mortgage rates will remain below levels antecedent to the Great Recession.

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Darlene Darragh

Award Winning Sales Representative 2013 - 2016



CMHC Releases Market Outlook

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The cost of housing across the board will only rise moderately, unlike the astronomical growth the region saw in recent years.

“We’re not going to see double-digit price growth,” Dana Senagama, principal of market analysis for the GTA at CMHC. “It will be more balanced with more listings, but not more sales across the board. We’ll have more balanced conditions.”

The report also forecasts a dangerously low vacancy rate, which Senagama says will barely increase to 1.2% in 2019, up from 1% in 2018.

She added that in spite of the squeeze on rental housing, long-term investors are very active in the condo market, buying units and using them as rental properties, which will allay some of the pressures renters face. But it’s also impacting condo prices.

“It contributes somewhat to rising prices overall,” said Senagama, “and it raises prices because you’re competing with other buyers and now you’re competing with investors.”

While Senagama says the rental market will remain tight, the province has invested in tenants through the Rental Fairness Act. One provision is rent control, however, many will stay put in their abodes and further constrain the supply.

High migration levels will ultimately help sustain the market, even though demand will taper within a couple of years.

“Immigrants typically take three years from entering the country to transition into homeownership,” said Senagama. “There are also migrants from other provinces, too.”

Source: Real Estate Professional (by Neil Sharma)

DARLENE DARRAGH
REAL ESTATE SALES REPRESENTATIVE

PROMISES KEPT, RESULTS DELIVERED

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The banner features a dark background with a red geometric shape on the right side. The text is white and red. The background image shows a city street with cars and buildings.

Oakville Proposes Residential Rental Housing Licensing By-Law

The Town of Oakville has developed a proposed residential rental housing licensing by-law. This draft by-law would give the Town the ability to "manage low-rise residential rental housing (including but not limited to single detached, semi-detached, townhouse) in an effort to balance the needs of property owners with those of residents looking for safe, adequate and properly maintained rental accommodation." Under this by-law, landlords will need to meet a number of requirements in order to acquire an annual license. The license and several of the requirements will need to be renewed every year.

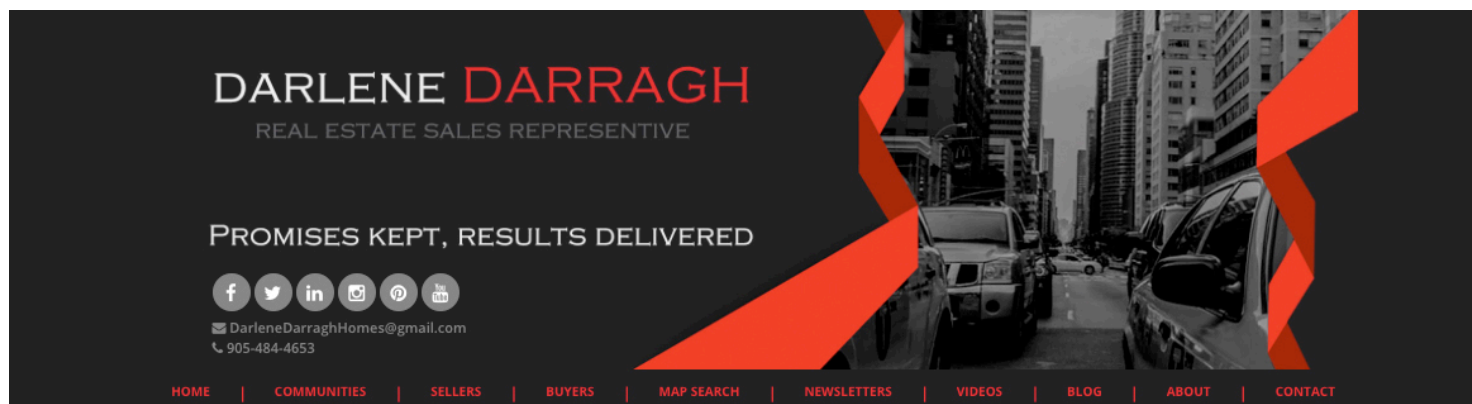
Why is this important?

Landlords and tenants alike will feel the impact. The list of licensing requirements is extensive and it appears the licensing process itself will be lengthy, potentially costly and inconvenient for landlords. The Town would also be seeking the ability to inspect properties to ensure residents who are actually renting their properties are properly licensed. The impact of this licensing by-law could mean a reduction in the number of rental units available in town if property owners opt out of renting properties because of the new complexity of the process. Tenants could also see their rents increase as landlords pass along the costs associated with the rental license process. A more detailed explanation of the proposed process can be found [HERE](#).

What's next?

The Town is holding a Planning and Development Council meeting on November 6, 2017 at 7 p.m. to review staff reports and hear from the public.

We are encouraging our Members and Oakville residents to learn more about this issue and then let their voices be heard. Registration to become a delegate can be made with the Clerk's department by 12 p.m. on November 6. Call 905-815-6015 or email townclerk@oakville.ca.

A real estate banner for Darlene Darragh. The background is a black and white photograph of a city street with cars and buildings. The banner features the name 'DARLENE DARRAGH' in large, bold, red and white letters, with 'REAL ESTATE SALES REPRESENTATIVE' in smaller white text below it. Below the name is the slogan 'PROMISES KEPT, RESULTS DELIVERED'. There are social media icons for Facebook, Twitter, LinkedIn, Instagram, Pinterest, and YouTube. Below the icons is the email address 'DarleneDarraghHomes@gmail.com' and the phone number '905-484-4653'. At the bottom of the banner is a navigation menu with the following items: HOME, COMMUNITIES, SELLERS, BUYERS, MAP SEARCH, NEWSLETTERS, VIDEOS, BLOG, ABOUT, CONTACT.

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Darlene Darragh

Award Winning Sales Representative 2013 - 2016

CENTURION® Producer 2016

Contact me at
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for details



Toronto Home Sales See Above Average 12% Monthly Jump in October

Toronto area home sales rebounded by 12 per cent from September to October, pointing to a stronger fall market after a policy-driven pullback from a frenzied market that peaked earlier this year.

The Toronto Real Estate Board said Thursday that 7,118 homes were sold in October, up from the month before but down 27 per cent from the same month last year.

"Every year we generally see a jump in sales between September and October. However, this year that increase was more pronounced than usual compared to the previous ten years," said board president Tim Syrianos.

"While the number of transactions was still down relative to last year's record pace, it certainly does appear that sales momentum is picking up."

The average selling price in October was \$780,104, up less than one per cent from September but up 2.3 per cent compared with October 2016. Price growth was driven by appreciation in the townhouse and condo segments.

The average price of a townhouse in the GTA was up 7.4 per cent at \$629,507, while the average condo price was \$523,041 up 22 per cent year-over-year, the most of any housing type.

Meanwhile, the average price of a detached home was down 2.5 per cent year-over-year at \$1 million. Prices of semi-detached homes rose 6.3 per cent to \$764,293.

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“Lets Talk Real Estate” Podcasts

I am thrilled to expand my online marketing to now include podcasts in addition to video.

Starting in July we launched the “Let’s Talk Real Estate – Let’s Get Real Podcast series.

The response has been overwhelming. We are talking about topics submitted by the viewers and includes topics such as:

- Staging
- Selling your home on your own
- Discount brokerage pitfalls
- Renovating
- Buying a home for your children
- Buying investment properties

You can listen to these podcast by:

- Following my social media sites
- Accessing a direct link from the www.OakvilleDailyHouses.com or www.BurlingtonDailyHouses.com website posts or emails if you are on my automatic daily listing emails
- Selecting Podcast on the www.DarleneDarragh.com or www.HomeSaleDivas.com

Toronto Home Sales See Above Average 12% Monthly Jump in October

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Sales in the first 10 months of the year slipped to 80,198, down 19 per cent from the same period in 2016. Sales have dropped more than 10 per cent from the record set in March before Ontario announced its housing plan.

A spike in Toronto-area home prices earlier this year resulted in the provincial government's imposition of a number of measures to cool the market after a shortage of detached home listings helped push up prices.

In addition, the Bank of Canada has raised interest rates twice in recent months to the current overnight rate of one per cent, signalling a clampdown on cheap borrowing and driving the big bank prime rates and the cost of variable-rate mortgages higher. The cost of new fixed-rate mortgages have also risen as yields on the bond market have also risen.

Meanwhile, the Office of the Superintendent of Financial Institutions will implement new lending guidelines at the beginning of next year. Among the changes being considered is a requirement that homebuyers who do not require mortgage insurance still have to show they can make their payments if interest rates rise.

The policy-driven changes in the Toronto market, which include a tax on foreign buyers, have followed the trajectory of the Vancouver market, with a pullback directly after new rules were introduced followed by a pick up after a relatively short time, said TREB's director of market analysis Jason Mercer.

"It appears that the psychological impact of the Fair Housing Plan, including the tax on foreign buyers, is starting to unwind."

Vancouver home sales data from October is expected later Thursday.

The CHMC warned last month that the country's hottest housing markets remain "highly vulnerable" with evidence of moderate overvaluation and price acceleration in Toronto, Hamilton, Vancouver, Victoria and Saskatoon.

Source: The Canadian Press

Ontario Unveils New Condo Rules

The Ontario government is rolling out a new set of rules Wednesday, Nov 1, 2017 to crack down on abuse and mismanagement by some condo boards.

The changes to the Condominium Act are to force board members to be accountable to condo owners.

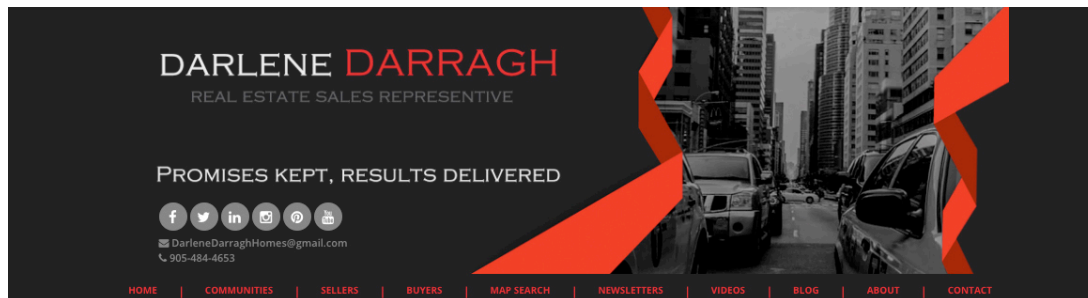
Owners will know whether or not someone who is running for the board of directors is an owner or not. They will know whether that person has any interest in any contracts. It's much more visible.

The CAO was created this summer to provide education and promote awareness of rights and responsibilities for owners.

It also manages the Condominium Authority Tribunal, a body that resolves disputes. The rule changes include:

- Mandatory training for condo board directors.
- Disclosure of whether board members are owners or occupiers of a condo unit.
- Disclosure of conflicts of interest in signing business contracts on behalf of the condo building.
- Clearer rules for easier access to records for condo owners.
- Mandatory updates about condo corporations to improve communication between boards and owners.
- New notices, quorum and voting rules to make owner participation in meetings easier.

The revamped system allows owners can take their complaints online to the tribunal board.



Report Highlights Next Year's Real Estate Trends

Housing affordability continues to dominate the conversation in the Greater Toronto Area's housing market. A new report released by the Urban Land Institute in conjunction with PwC, called Emerging Trends in Real Estate described governmental regulation as likely to exacerbate the affordability problem.

The laws of supply and demand lie at the heart of surging housing prices. Not only are single-family detached homes in high demand and low supply, but the condo market, too, is beginning to see signs of strain, as priced-out buyers realize they have no other choice to settle for skyward balconies over backyards.

The foreign buyer tax cooled the Vancouver and Toronto markets, where prices grew astronomically, but the report makes mention of suspicious players within the real estate industry, one of whom believes growth will continue with or without the tax because of natural growth. The report also noted that prices cooled temporarily before rebounding and pushing condo prices upwards.

Those interviewed by the report parroted the need for government to stay out of the market, except to address the need for increased supply. It's unanimously believed that the approvals process is one reason supply isn't keeping up with demand.

Affordability will catalyze a growing trend: co-living. As the number of single people among the millennial cohort in expensive markets like, Toronto and Vancouver, continue rising, they'll live with roommates out of necessity. While some may live alone, affordability will compel them forego ownership and rent. One in three young adults in Canada lives with at least one parent, and as others marry and look to start families during an inventory shortage, they'll settle for living in condominiums. According to the most recent Census data, 6.3% of Canadians live in multigenerational households – a number that's likely to rise.

The '18-hour city' is a burgeoning secondary market. Where NYC, London, Tokyo, and now Toronto, are 24-hour cities, the high cost has resulted in an exodus to smaller cities, like Austin, TX, Raleigh, N.C., Nashville, TN, which have grown in vibrancy. Montreal, Vancouver and Calgary are considered 18-hour cities and will continue staking their claim as emergent centres. Previous versions of Emerging Trends in Real Estate anointed Hamilton an emerging 18-hour city, and that's likely to continue as affordability drives people further from the Toronto core.

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Report Highlights Next Year's Real Estate Trends

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Transit infrastructure is integral to attained 18-hour city status, and Hamilton is planning a downtown LRT.

The only condo growth associated with condos in recent years has been their popularity, but they have, in fact, been shrinking in square footage. The need for larger, family-sized condos will likely buck that trend.

Montreal's rental market is as strong as ever, however, Ontario – already suffering from a shortage of rental units – has reintroduced rent control, much to the dismay of the report's interviewees, who noted some planned purpose-built rentals rebranded as condos. Ontario's rental vacancy rate is dangerously low, and it's expected it could worsen.

Source:

Canadian Real Estate Wealth:
Neil Sharma

New Website – Keeping You Updated



We are so please to launch our redesigned website starting November 2017.

Why did we redesign it?

Our newest design allows **you** to:

- Search for properties using a variety of methods such as map search, community search, price, size, communities, and other home criteria
- Find out recent sales in your area
- Find out the value of your home
- Receive listings hitting the market right in your email inbox with your specific buying requirements
- Access market update information such as:
 - Podcasts
 - Videos
 - Newsletters
 - Social Media
 - Market News Updates

Your trust means so much to me

Selling your home is a privilege.

Real estate is my passion because I truly believe that once my clients' home life is settled, everything else falls into place.

With a passion for homes and over 30+ combined years experience in real estate sales, communications, marketing, negotiations, website design, social media marketing, relocations, decorating and staging, I know your home and your needs are as unique as you are!



My experience, dedication and attention to detail throughout the entire sale and/or buying process will provide you with the results you expect.

What kind of Realtor am I?

When most people think of the word "REALTOR®", the image of a professional helping someone buy or sell a home comes to mind. Of course, that's a big part of the job! But as your REALTOR®, I also consider it my job to help you enjoy your home between transactions.

How do I do that?

This informative newsletter is one way. Another is to invite you to give me a call when you have questions about the real estate market or want to know the current market value of your home.

If you need some work done around the property, I may also be able to recommend a good contractor from amongst the reputable home professionals I know.

Is there any other way I can be of service? Please let me know!

Darlene Darragh

Sales Representative

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