

Smart Moves

with Kaushansky Brown

Your Community Real Estate News



Fall 2015

Market Watch Resale Homes

September 4, 2015 -- Toronto Real Estate Board President Mark McLean announced that Greater Toronto Area REALTORS® reported 7,998 residential transactions through the TREB MLS® System in August 2015. This result represented a 5.7% increase compared to 7,568 sales reported in August 2014. On a GTA-wide basis, sales were up for all major home types.

For the month of July 9,880 residential sales were reported throughout the GTA representing an 8% increase over the same period in 2014. Over the same period, the average selling price was up by a slightly greater amount, growing by 10.6% annually to \$609,236.

The annual growth rate in new listings was greater than the annual growth rate in sales, but active listings at the end of August were still down compared to last year. This suggests that sellers' market conditions remained in place, especially where low-rise home types like singles, semis and townhouses were concerned.

"Buyers in the GTA remain confident in their ability to purchase and pay for a home over the long term. They see ownership housing as a quality investment that has historically produced positive returns while at the same time providing owners with a place to live in their chosen community," said Mr. McLean.

Both the MLS® Home Price Index (HPI) Composite Benchmark and the average selling price for all home types combined were up substantially in August compared to the same period in 2014, with both increasing by approximately 10% year-over-year.

"A record year for home sales continued to unfold in August as competition between buyers exerted upward pressure on selling prices. It was encouraging to see annual growth in new listings outstrip annual growth in sales, but we will need to see this for a number of months before market conditions become more balanced," said Jason Mercer, TREB's Director of Market Analysis.

Inside This Issue

- ◆ **Market Watch Resale Homes**
- ◆ **Updates From Our Office**
- ◆ **Market Watch Condo Sales**
- ◆ **Foreign Ownership: Fact vs Fiction**
- ◆ **Welcome New Preferred Professional**
- ◆ **Air BnB: Income or Nightmare**
- ◆ **Super Service Professional Directory**
- ◆ **Keller Williams Food Drive**

Updates from Our Office

Our team and family packed a ton of fun, travel, work and growth into Summer 2015 (or "the best summer ever!" according to our 9 year old.) This month sees us jumping back into work life and our community with a resounding bang. The saying "if you need something done, ask a busy person" has never been more true. We have our food drive to complete, a new year of leading Cub Scouts at St. Matthews Church, Bloorlea School Council, Bloorlea Pizza Lunch fundraisers and a walk-a-thon for the Toronto Chapter of The Turner Syndrome Society. Our youngest has run off to Broadacres School this year, and I'm sure there will be volunteering opportunities there as well. Thankfully, my mom Joanne has been being trained over the summer to help out our amazing Team Client Co-ordinator Bridgette Leonetti during a busy Fall. Oh, I almost forgot. Irene was named to the Board of Directors of Keller Williams International Luxury Homes Division. Truthfully, we're never as happy as when we are going full speed, and we do all of this with gratitude. As always, we are always here to answer any of your questions, and to help you with all of your real estate needs. Have a great Fall!

kw
KELLERWILLIAMS
NEIGHBOURHOOD REALTY, BROKERAGE
EACH OFFICE INDEPENDENTLY OWNED AND OPERATED

Irene Kaushansky B.Sc., A.S.A. & Philip Brown B.S.W., A.S.A.
Sales Representative Broker of Record

Direct 416-259-2444 Office 416-236-1392

info@ireneandphilip.com www.ireneandphilip.com
www.facebook.com/ireneandphilip



Market Watch: Condo Sales

Toronto Real Estate Board President Mark McLean announced that there were 7,656 condominium apartment transactions reported through TREB's MLS® system in the second quarter of 2015, representing a year-over-year growth rate of 17% relative to Q2 2014. Sales growth greatly outpaced growth in listings, with new listings up by a lesser rate of 7.3% year-over-year and active listings at the end of the second quarter down by 1.3%.

"Much of the new condominium apartment inventory that has been brought to bear on the market in the recent past has been absorbed. In fact, market conditions have tightened with months of inventory trending lower. This suggests that recent condominium apartment completions, while strong from a historic perspective, simply helped satisfy a growing demand for this housing type. Absorption rates and price growth statistics point to a healthy market," said Mr. McLean. The average selling price for condominium apartments in the TREB market area as a whole grew by 5.8% year-over-year to \$388,066. In the City of Toronto, which accounted for 70% of sales in the GTA, the average selling price of \$416,728 represented a 6.1% increase compared to Q2 2014.

"Condominium apartment prices have been appreciating at a moderate pace, on average, over the past year, especially when compared to low-rise home types like detached and semi-detached houses and townhouses. However, it is possible that we could see an acceleration in condo price growth in the second half of this year, as growth in sales remains strong relative to growth in listings," said Jason Mercer, TREB's Director of Market Analysis.

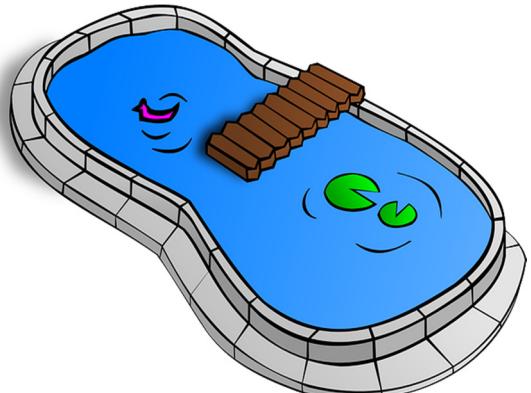


Foreign Ownership Facts vs Fiction

Before the election campaigning brought this issue into the media zeitgeist, real estate watchers and commenters on a number of social media and newspaper websites were increasingly beating the "foreigners are heating up our markets" drum. Whether a pure business belief, or a veiled xenophobia was at play here is a discussion between friends at a pub. I prefer to focus on numbers. According to the researchers at The Canadian Mortgage and Housing Corporation (CMHC), the facts point to other realities. Here in Toronto, we have the lowest percentage (4.3% in the downtown area) of foreign purchases of property of the 3 largest Canadian cities (Vancouver and Montreal round out the list). The largest percentage? Montreal, at an impressive 6.9% in the downtown areas. Vancouver comes in at the middle with 5.8% in its downtown area. The numbers flip, however, when you expand into the Greater Metro Areas, where the GTA barely edges out Vancouver for number 1 at 2.4%. The Greater Van area comes in at 2.3%, and the Greater Montreal Area straggles in at a low 1.5%. In Toronto, we know that a lot of that buying activity is actually in luxury properties, not condos as many assume. So is foreign ownership driving up prices unnaturally high in Toronto? The numbers suggest a flat "no". Consistent demand, consistent population growth and favourable mortgage rates are the more likely trio.

Welcome New Preferred Professionals

Simply Pools and Spas, did such a great job with the installation of an in-ground pool in our backyard this summer, that we felt we had to share their contact information with our readers. Originally referred to us by a set of our very dear clients (thanks Albert and Janet!) they are a family run business in operation for more than 2 decades. They were on-time, on-budget (yes, really) and partners Vince and Joe were always available to field our questions and often, panic attacks. If you're considering a fiberglass pool installation you should definitely put them on your list of contacts. You can reach Vince at 905-257-8558 or at info@simplypools.ca



Air BnB: Potential Income Earner, or Potential Nightmare for Home Owners?

By: Mark Weisleder Originally Published in The Toronto Star

A friend told me that she went to the Caribbean for a holiday on a deal and it cost her \$1,000 for 10 days. While she was away, she rented out her downtown Toronto condo on Airbnb for \$1,500. Sounds good. But is what she did legal in Ontario?

Here's what Airbnb is all about: Airbnb is a website that connects travellers from all over the world to homeowners who are looking to make extra money by renting out their entire homes, or in some cases, an extra room, for short periods of time. In just 6 years, the company has grown to now have over 550,000 room listings available on their website. You hook up with your homeowner through the website and Airbnb takes a cut of the money that you pay. You can see the appeal: Travellers can find a place in some of the best parts of a city such as Paris, London or San Francisco and pay a fraction of what it would cost to stay in a hotel. Some travellers prefer to stay in a private home so that they can obtain an authentic local experience. Still others warn

that you must do your due diligence in advance and check for references so you are not disappointed when you arrive. The company offers insurance to a host to cover some damages that may be caused by a traveller, but there are many exclusions, so read the policy carefully.

The company, which doesn't own any hotels, is now valued at over \$10 billion, more than many of the large hotel chains. As you can imagine, the hotel industry is not happy about this and some cities are fighting back. In New York City, for example, it is now illegal to rent your home for less than 30 days. Quebec has also passed laws against renting homes for short periods of time.

Is this legal in Ontario? While Ontario doesn't have laws expressly forbidding renting your home for short periods of time, there are other matters to consider.

For example, most condominiums have rules that do not permit short-term rentals. This is primarily due to security concerns, as the owners are wary of different people just showing up each night at a neighbouring unit. It is interesting that property addresses are not included on the airbnb website. But website visitors can still find out about the property through pictures, information about the hosts and reviews by other travellers. If you're renting your condo out and anyone in the building complains, the board could bring an action against you and you will likely have to pay the board's legal fees if you do not stop. I am also hearing that many tenants are also doing this without their landlord's permission. This is probably a violation of Ontario's Residential Tenancies Act, since a tenant is not permitted to sublet their unit for an amount greater than what the landlord is charging. In most cases, the daily rent charged will be

much higher than what the tenant is paying in rent.

If you do rent out your home for short periods of time, you'd better advise your insurance company. While this may cause your premiums to rise, failure to advise could result in your insurer denying coverage if something does happen during the stay, since the risk increases when strangers use your home. As you can imagine, the hospitality industry is not pleased with Airbnb. Tony Elenis, President and CEO of the Ontario Restaurant Hotel and Motel Association, sent me a list of all the regulatory burdens that hotel and motel operators must follow, including items such as having proper business and liquor licenses, Health and Safety requirements, proper signage and customer identification. As Tony states: "The hospitality industry is extremely regulated and topping the list is the rules on health and safety of our employees and guests. We take pride in compliance here. This takes much training and understanding of meeting these objectives that only comes within a business structure and people involved in this profession." Even bed and breakfast companies must obtain proper licenses to operate from their local city and are subject to health and safety inspections to ensure the safety of their guests. If you want to make extra money on Airbnb, be aware that if one neighbour complains, you may be shut down. If you want to use the site for a cheaper travel experience, remember to do a lot of due diligence in advance, to make sure you are not disappointed later.

Mark Weisleder is a Toronto real estate lawyer. Contact him at mark@markweisleder.com



Super Service Professional Directory

Our clients are consistently asking for referrals for trades and services. Many businesses promise high quality service and advice but then fail to deliver! When we take on new clients in our real estate practice, we promise them a high level of service. Please give us any feedback, positive or negative (we need to be certain they are consistently providing service), when you use any of these services and make sure to tell them Irene and Philip sent you!

Cleaners

Nordic Cleaners 416-404-1075
Claus Olsen info@nordiccleaning.ca

Clean Scene 416-509-8797
Maggie Wiecha cleanscene@rogers.com

Granite and Marble Supply

City Home Granite Depot 416-259-0800
Cathy Li

Makomo Marble Care 416-620-6677
andrew@makomomarble.com

Hardwood Flooring

PK Flooring 416-330-1340
Paul Kelly

Heating and Air Conditioning

Atlas Air Climate Care 416-626-1785 x 210
Steve Crozier
Customer Care Manager scrozier@atlascare.ca

Home Inspectors

Peter Yeates Inspections 416-422-1571
Peter Yeates Peter@yeatesinspect.com

All Seasons Home Inspections 416-752-4663
John Tackaberry allseasons@rogers.com

Keystone Inspections 416-410-5714
Alrek Meipoom info@keystoneinspections.ca

Home Stagers and Decorators

184 Décor 647-668-5224
Casey Sheehan info@184decor.com

House Coach 647-618-9845
Kim Ostergaard Kim@housecoach.ca

Waterproofing

The Waterproofer 416-820-2090
Stephen Ksiazek Stephen@thewaterproofer.ca

Pool Installation

Simply Pools 905-257-8558
Vince Camastrà info@simplypools.ca

Lawyers, Real Estate

Howard Ungerman 416-924-4111
ungy@bellnet.ca

Isaac Singer 416-766-4208
isinger@isingerlaw.com

David Feld 416-203-6347
David@feldkalia.com

James Laks 416-466-1900
Laksko@bellnet.ca

Mortgage Consultants

BMO 416-365-6034
Ivanka Horvat ivanka.horvat@bmo.com

Jason Friesen 647-352-5825
Jason.friesen@premieremortgage.ca

Royal Bank 416-587-1246
Samm McLeod samm.mcleod@rbc.com

Transition Professionals

Red Coats 416-920-1317
Vicky Riley Keyes info@redcoatsmoving.com

Painters, Renovators and Contractors

Saffron Painting 647-801-2410
Don Hayward glennhayward@rogers.com

Alexander and Tencate, Custom Builders 647-204-8923
Seth Alexander seth@alexandertencate.com

Alex Pappot 647-262-0750
Smaller & medium sized jobs pappot1@gmail.com

Residential Rubbish Removal

JustJunk.com Call Centre 416-744-8080
Tom Dickson (mobile) 647-294-7466
tomdickson@justjunk.com

Roofers

Canadian Roofing Company 416-485-0811
Jason Hunter 416-712-2225
jason@canadianroofingcompany.ca

We're always interested in hearing your success stories from experiences you've had with service and trades people. Please let us know if you think someone you've worked with in the past would be a good addition to this directory.



Neighbourhood Realty, Brokerage

Our 2015 Food Drive Until September 28th

The Keller Williams Neighbourhood Realty office is taking part in a corporate challenge to raise food and funds for the Daily Bread Food Bank. Our brokerage will be matching donations in lbs of food collected over the next three weeks, which means any food you contribute today is going to help twice as much. Cash donations are also welcome, amounts of \$10 or more are eligible for a tax receipt from the Daily Bread Food Bank. If you would like to donate you can contact us at info@ireneandphilip.com or 416-259-2444, prior to September 27, 2015. All contributions are greatly appreciated.



Most Needed Food Items:



Veggies and Fruit Group

- Canned Vegetables
- Pasta Sauce
- Canned Fruit
- 100% Fruit Juice



Protein Group

- Canned Meat in water
- Canned Fish (Canned Tuna in water, Salmon, Mackerel, Sardines)
- Dried/Canned Beans
- Peanut Butter



Grain Group

- Rice
- Pasta
- High Fibre/Low Sugar Cereal
- Oatmeal
- Flour
- Granola Bars



Other

- Baby Food – Vegetable and Fruit
- Baby Cereal
- Baby Formula
- Olive Oil (500 mL)
- Mayonnaise



Daily Bread
Food Bank