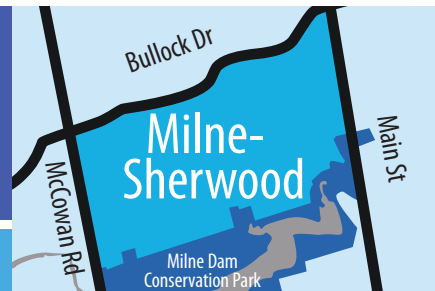


Milne-Sherwood Report

Paul and Irene's Real Estate Newsletter

June 2015



Milne-Sherwood Market Watch

For detailed Milne-Sherwood statistics:
www.Milne-Sherwood.info

Latest 6 Month Recap of Solds - Nov 1, 2014 - Apr 30, 2015

sold avg price low price high price days on market

1.5 to 3 storey detached

3 bedroom	6	793,500	595,000	890,000	11
4 bedroom	5	914,400	795,000	1,240,000	16

split-level

3 bedroom	7	820,179	661,250	1,002,000	8
4 bedroom	1	659,000	659,000	659,000	6
5 bedroom	1	840,000	840,000	840,000	13

bungalow

3 bedroom	6	781,867	719,000	903,000	18
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link

3 bedroom	1	508,500	508,500	508,500	18
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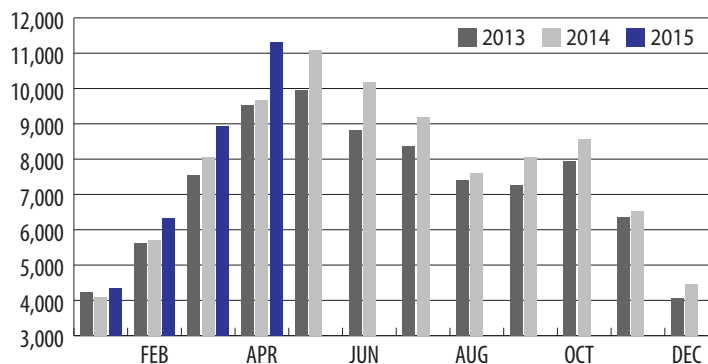
townhouses

3 bedroom	5	398,980	377,500	424,900	19
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Total	32				14
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Double digit market growth continues

GTA Resale Home Sales



For the second consecutive month, the TorontoMLS® system recorded double digit volume and price growth. A total of 11,303 transactions occurred in April, up by a whopping 17.0% versus the 9,660 units sold in April 2014. This set an all-time record for April volume, eclipsing the previous record of 10,898 which was established in April 2010. All four major market segments recorded significant year-over-year volume increases, as per the following: detached homes (+17.0%), semi-detached homes (+14.8%), townhomes (+20.5%) and condo apartments (+16.1%). Home ownership is clearly being viewed as a high quality, long-term investment by both first-time buyers and existing homeowners, both of whom were very active in the April market. Our current ultra low interest rates are also clearly going a long way to mitigate the effect of rising home prices.

The average selling price for a resale home in the GTA in April was \$635,932 - up by an eye-catching 10.0% versus the \$578,354 average price posted in April 2014. This price represents a new all-time high for the GTA, eclipsing the previous record of \$613,933 which was set just last month. The MLS® HPI Composite Index, which factors sales mix changes out of the equation, was up by a robust 8.4%. This indicates that at least part of the double digit price growth was due to increased sales of higher priced homes as a percentage of the total. Strong price growth occurred across-the-board, as per the following: detached homes (+11.4%), semi-detached homes (+7.2%), townhomes (+10.1%) and condo apartments (+5.8%). Tight inventory was once again a major contributing factor to the hefty price growth (active listings were down by 10.1% versus last year).

Message from Paul & Irene...

Online Mortgage "Stress Tester"

It's highly likely that we'll all be able to enjoy our current historically low mortgage rates for quite some time yet. Having said this, it doesn't hurt to "stress test" your current mortgage by seeing what exactly is in store for you when rates do in fact rise at some point in the future. One super easy way of doing this is by going to the following web address: **www.canadianmortgagegetrends.com/mortgage-stress-tester**. This simple online tool will show you the impact on your payments based on different assumptions about future rates as compared to your current situation. It will also allow you to be prepared for the future in concrete terms.



Specializing in Milne-Sherwood Area of Markham!

Paul & Irene Love

Sales Representatives

DIRECT: 416-826-7223

OFFICE: 905-471-2121

LovelsAllYouNeed.ca

love@lovelsallyouneed.ca



Thinking of selling? Or just want to know what your home is worth in today's market? Contact us for a confidential, no obligation market evaluation!

COMING SOON



Desirable Milne Area Bungalow

16 Willowgate Drive - Upgrades abound in this bright renovated 3 + 1 bedroom bungalow with new kitchen, hardwood floors, skylights, updated windows, doors and shingles. Professionally finished basement.

SOLD OVER ASK



Grand Markham Bungalow

48 Montgomery Court - SOLD IN 5 DAYS - \$151,000 OVER ASK. Large 2 + 4 bedroom bungalow fronts to beautiful Rouge River, 2,777 sq. ft. and vaulted family room. Great project for renovators or builders

SOLD OVER ASK



Markham Village 4 Bedroom on Park

270 Fincham Avenue - SOLD IN 4 DAYS - \$61,000 OVER ASK! Spacious 4 bedroom home in desirable Markham Village backs on to Park. Family room with wood fireplace, eat-in kitchen and granite counter.

Second mortgage loan basics

A second mortgage is an additional loan taken out on a property that is already mortgaged. For the lender, this is more risky than the first mortgage, because they are in second position on the property's title. If the homeowner defaulted on their payments and the property was taken into possession, the lender in the first position would

always be paid out first, whereas the lender in second position runs a higher risk of not being paid out in full. To compensate for this additional risk, mortgage rates for second mortgages are always higher than for principal mortgages.

For individuals with an existing mortgage, who have good credit and more than 20% equity in their homes, the most affordable second mortgages will be in the form of a home equity line of credit. However, if the homeowner has weaker credit and/or little equity in their property, a second mortgage through a trust company or private lender would be required.

Why would I need a second mortgage and how do I qualify?

A second mortgage can be a great way for homeowners to consolidate debt. Though second mortgages often carry higher interest rates than first mortgages, these rates are still often lower than high interest credit cards,

car lease payments or unsecured lines of credit. If you use a second mortgage to consolidate debt and help you meet other financial commitments on time, this can improve your credit score and allow you to qualify for a mortgage with a prime lender sooner.

In order to qualify for a second mortgage, lenders will look at four areas:

Equity. The more equity you have available, the higher your chances of qualifying for a second mortgage will be. If you are purchasing a house, a larger down payment also decreases the risk that a lender assumes.

Income. Lenders want to verify that you have a dependable source of income, to ensure that you are able to make payments.

Credit score. The higher your credit score, the lower your interest rate will be.

Property. Because other factors are risky (i.e., your credit score), lenders need to secure their investment in case you are unable to keep up with mortgage payments.



This article was contributed by Alyssa Richard, founder of RateHub.ca, a popular mortgage comparison website. Please visit them at www.RateHub.ca

www.Milne-Sherwood.info for the rest of your newsletter...

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