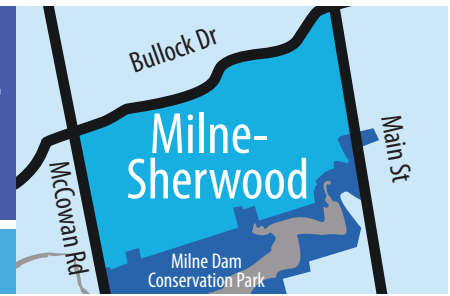


Milne-Sherwood Report

Paul and Irene's Real Estate Newsletter

September 2016



Milne-Sherwood Market Watch

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

Latest 6 Month Recap of Solds - Feb 1, 2016 - Jul 31, 2016

sold avg price low price high price days on market

1.5 to 3 storey detached

	# sold	avg price	low price	high price	days on market
4 bedroom	8	1,122,100	850,000	1,258,000	8

split-level

2 bedroom	2	1,105,000	1,060,000	1,150,000	19
3 bedroom	5	1,212,400	1,069,000	1,365,000	4
4 bedroom	9	1,167,789	1,000,100	1,480,000	3
5 bedroom	1	1,280,000	1,280,000	1,280,000	5

bungalow

2 bedroom	5	1,279,960	1,198,800	1,468,000	8
3 bedroom	25	1,164,199	930,000	1,425,000	8
5 bedroom	1	1,520,900	1,520,900	1,520,900	5
7 bedroom	1	1,290,000	1,290,000	1,290,000	7

semi-detached

3 bedroom	2	692,500	660,000	725,000	7
4 bedroom	3	754,600	690,000	788,000	7

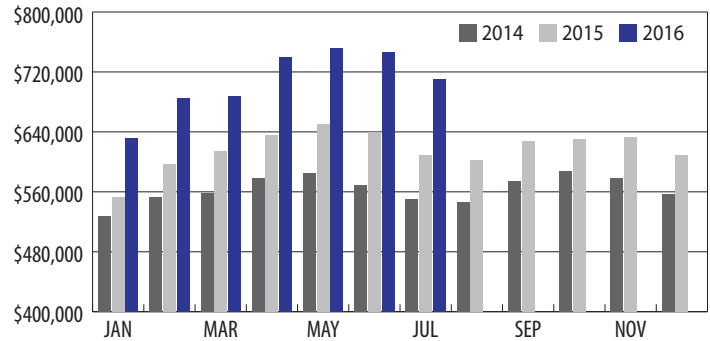
townhouses

4 bedroom	1	820,000	820,000	820,000	14
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Total	63				7
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PRICES CONTINUE TO SURGE ON WEAK INVENTORY

GTA Average Resale Price



The average selling price of a resale home sold through the Toronto Real Estate Board's MLS® System in July was \$709,825 - up by an eye-catching 16.6% versus the \$608,875 average price in July 2015. All four key market segments witnessed strong annual price gains, as per the following: detached homes (+21.1%), semi-detached homes (+17.1%), townhomes (+13.9%) and condo apartments (+9.2%). July also witnessed a 16.7% increase in the MLS® Home Price Index (HPI) Composite Benchmark Price versus last year. This index factors out sales mix changes of the various housing types and is therefore the best indicator of the true rise in prices. Once again, the major factors behind this blistering price growth pace are extremely weak resale inventory (active listings down by a whopping 31.9% versus last year), strong labour market conditions, above-inflation average income growth and record low borrowing costs.

A total of 9,989 resale transactions were recorded in July, up by a tepid 1.8% versus the 9,813 units sold in July 2015. Despite this minor uptick in volume, July 2016 sales did actually establish an all-time high for the month of July in the history of the Toronto Real Estate Board. For the fourth consecutive month, condo apartments experienced the strongest annual growth rate (+10.3%) followed by townhomes (+1.0%). Detached homes (-0.8%) and semi-detached homes (-2.0%) registered modest declines on a year-over-year basis. Clearly, the absence of "normal" levels of inventory, particularly in the low-rise market segments, is negatively impacting sales volume as a growing number of potential buyers have simply been unable to find a home that meets their needs. Finally, strong demand combined with weak inventory also translated into a "lightning fast" sales experience (average days on market fell to just 16 days versus 22 days in July 2015).

Message from Paul & Irene...

How Brexit might affect Canada's real estate market

While foreign investors have previously viewed British real estate as a safe haven for international investments, Britain's decision to exit the European Union is discouraging foreign investors. Instead, interest could be redirected to Canada, where foreign purchases in real estate are already at all-time highs. Compared to the uncertainty of Britain's economic future, Canada's real estate will be seen as an attractive, more stable market. Brexit is also likely to cause interest rates in Canada to be kept lower, increasing demand in the residential market which has already seen record-high growth.



Specializing in Milne-Sherwood Area of Markham!

Paul & Irene Love

Sales Representatives

DIRECT: 416-826-7223

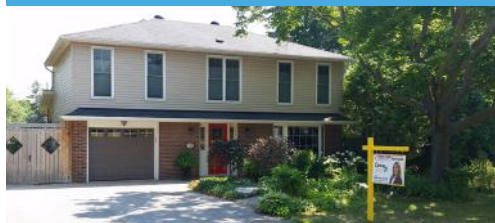
OFFICE: 905-471-2121

LovelsAllYouNeed.ca

irene.love@century21.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!

SOLD**Spectacular Walkerton Renovation**

78 Walkerton Drive - Stunning 5 bedroom, 4 bathroom home in desirable Milne Conservation Area, 2010 addition, over 2,000 sq. ft., gourmet kitchen, granite counter/island, pantry, finished basement. **Asking \$1,298,000**

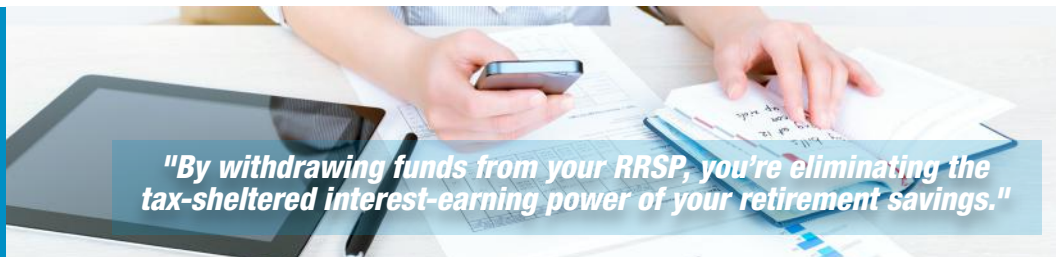
FOR SALE**Conservation 4 Bedroom Sidesplit**

13 Willowgate Drive - Charming 4 bedroom sidesplit, larger lot (59.68 X 122.21 X 110) hardwood floors, new kitchen with quartz counter, steps to Milne Park, Markville stainless-steel and popular Roy H. Crosby.

SOLD OVER ASKING**Conservation 4 Bedroom Beauty**

76 Drakefield Road - **SOLD \$60,000 over asking!** Spacious 4 bedroom, 2-storey home with hardwood floors, granite counter in kitchen, completely renovated, finished basement with fireplace and 3-piece bathroom.

WHEN NOT TO USE THE FIRST-TIME HOME BUYERS' PLAN



"By withdrawing funds from your RRSP, you're eliminating the tax-sheltered interest-earning power of your retirement savings."

The First-Time Home Buyers' Plan is a powerful financial tool for new homeowners. This government program allows purchasers of their first home to withdraw up to \$25,000 tax-free from their RRSP to put towards a down payment. While it's an excellent program for young investors, it might not be right for everyone. Here are a few scenarios where you might think twice about using the First-Time Home Buyers' Plan.

If you're unable to pay back the funds annually over 15 years

Each year, borrowers must deposit back one-fifteenth of the money withdrawn to their RRSP (\$1666.67 for the maximum \$25,000 withdrawal) otherwise the portion unpaid will count as part of your regular, taxable income. Borrowers hesitant of their ability to meet HBP payments should look

elsewhere to bolster their down payment sums such as other savings, TFSA's or family members.

If you've contributed to your RRSP within 90 days of your closing date

HBP rules require a 90-day waiting period between making RRSP contributions and withdrawing them for a down payment. Unless you already have over \$25,000 in the account, first-time homebuyers that deposit a significant lump sum into their RRSP won't be able to access it until after three months, otherwise they will be charged withholding tax equivalent to their income tax rates.

If your RRSP's market value is significantly lower than its book value

If the markets are down, your RRSP could be worth less than the amount you initially invested.

While the funds are likely to recover and continue growing if left in place, withdrawal of those funds through the First-Time Home Buyers' Plan eliminates that opportunity.

If growing your RRSP is a priority

By withdrawing funds from your RRSP, you're eliminating the tax-sheltered interest-earning power of your retirement savings. Leaving your RRSP untouched could be worth your while as the interest grows over a longer period of time.

This information should not be relied on as legal, financial advice or a definitive statement of the law in any jurisdiction. For such advice, please consult your own financial advisor or legal counsel.

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

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