

# Market Watch<sub>m</sub>



## 416-616-2484

## YOUR TEAM...

February 2020

**Deborah  
Bennet**  
Team Leader



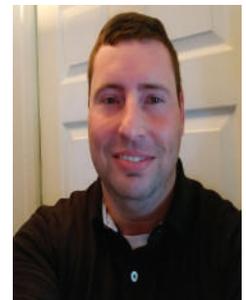
**Julie**  
Full-time  
Stager  
extraordinaire



**Vern**  
Full-time  
Handyman



**Charles**  
Social media  
Guru



## A Message from Deborah Bennet...

Recently I had the opportunity to attend an Economic Outlook 2020 conference to listen to a discussion on the economic forecast with regard to both global and Canadian growth. While it's true no-one has a crystal ball, I certainly do respect the expertise and opinions of the guest speakers including Robert Hogue (Sr. Economist at RBC), Sean Simpson (IPSOS), Rob Burton (Mayor) and John Baird (former minister)

A few of the main take aways with regard to the forecasts and insights were as follows :

- \* The continued concern in the housing market remains a lack of inventory and rising prices.
- \* Consumers can likely expect one mid year rate cut.
- \* The Canadian dollar is predicted to trade at 75 cents at the end of the year.
- \* The Housing Market is expected to pick up, well in my opinion this is more of a statement of fact than a prediction as we have seen the market really heating up since early December.
- \* It is estimated that the Stress test is impacting 1 of 5 people. Policy makers are optimistic that the proposed April 6th policy change to the stress test will alleviate some pressure on Buyers.
- \* A significant concern for the economy & one of biggest challenges facing today's market is household debt and the rate at which consumers are extending themselves.

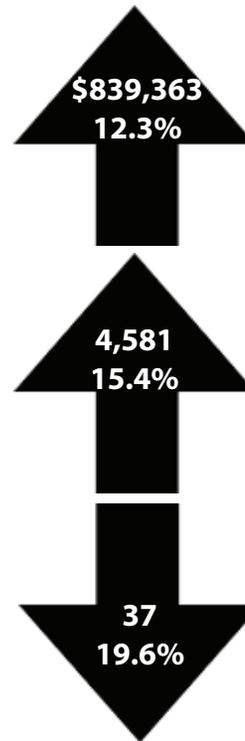
# January 2020 MARKET STATS

Statistics provided by the Toronto Real Estate Board

**CENTURY 21**  
Miller Real Estate Ltd.  
Brokerage

## MLS Sales Activity

<b>January 2020</b>	<b>Units 4,481</b>	<b>Average Price \$839,363</b>
<b>January 2019</b>	<b>Units 3,968</b>	<b>Average Price \$747,175</b>



Year-Over-Year  
Average  
Sale Price

Year-Over-Year  
Number  
Of Sales

Year-Over-Year  
Average  
Days on  
Market

DEATCHED	SALES	AVG PRICE
416	465	\$1,363,357
905	1,519	\$956,792

TOWNS	SALES	AVG PRICE
416	185	\$717,369
905	546	\$657,577

SEMI	SALES	AVG PRICE
416	126	\$1,004,477
905	255	\$706,651

CONDO	SALES	AVG PRICE
416	884	\$656,233
905	371	\$508,173

## HAVE YOU HEARD1?

The government is proposing a policy change to the current stress test that will take effect April 6th 2020. Here is how the new policy will work. If (for example) the median 5 year fixed mortgage rate for the week is 2.69% then you will be able to qualify for a mortgage at the rate of  $2.69\% + 2.00\% = 4.69\%$ , the 4.69% rate is lower than the 5.19% giving buyers a higher purchasing power.

OSFI is planning to do the same thing for borrowers who are putting 20% as a down payment or higher. So if the 5 year fixed rate on a conventional mortgages for that week is 2.89% then the qualifying benchmark rate would be 4.89% ( $2.89\% + 2.00$ ) which is still better than 5.19% again giving buyers a higher purchasing power.

This is certainly a good start by the Government and OSFI but it will need to be monitored carefully to ensure that it does not just serve to simply further drive an already hot market!

**Deborah Bennet**  
**416-616-2484**

not intended to solicit those currently under contract with a broker