

8 Tips to Navigate the Volatile Greater Toronto Housing Market



Doing your research and looking beyond mainstream media headlines is key, say local agents

Before you consider buying or selling in the GTA, you need to look well beyond the media headlines, because while certain facts will always be true, they are spun a certain way to get your attention.

“The more sensational and extreme the headline, the more eyeballs the story gets – keep that in mind when reading about real estate, then do your own research,” says Julie Hughes, who runs Hughes Workman, Keller Williams, Toronto, with partner Doug Workman.

The headlines are accurate – across the Greater Toronto Area, from March to July 2017, average prices really have plummeted – from \$916,4567 to \$746,218. But, the headlines and even the articles, omit the fact that prices have also been rising steadily from year to year – in July 2016, the average price was \$709, 825 and in 2015, it was \$609,236.

“Look at the hard data and you see that the GTA’s real estate market is simply normalizing back to the levels before the unsustainable and unaffordable spring run-up,” says Lizanne Dobson, representative, Keller Williams Neighbourhood Realty, Toronto. “Summer prices are still showing a year over year price increase, which would have been well received had we not been coming off the inflated spring market.”

Experienced agents like Dobson, Workman and Hughes point out that ultimately, buyers and

sellers, supply and demand, will always rule the market and determine a home's true value, except when consumers over react to the headlines as they did this past spring.

Heading into the GTA's fall market, Workman, Hughes and Dobson shared these strategies:

1, Buy or sell when it suits your life circumstances. A move may be imminent in the event of a marriage, expanding family, new job, change of schools, divorce, empty nest or retirement. Could you get an extra \$200,000 or save \$100,000 if you time the market just right? Sure, but remember that to date, no one has ever been able to reliably see into the future or alter the past.

2. Buy now. Listings have been trending up and due to increased supply, prices are better reflecting true market value. Interest rates have increased, but only very slightly, and the economy is strong.

3. Sell now. Prices are still up over 2015 and 2016, which is good for sellers, but down from spring 2017, which appeals to buyers.

4, Reset your expectations to summer 2017 and fall 2016. The spring market should never have done what it did, it happened once and it may never happen again.

5. Take your time. Do your due diligence, logically and without the emotion. "When you are making one of the biggest investments of your life make sure you take the time to know what you are buying," says Dobson. "Move quickly to secure a property you want but never at the expense of doing your homework." During the spring market, people literally bought into the frenzy. Are they second guessing or regretting those purchases? Good question.

6. Work with an experienced REALTOR®. "Find out how many transactions they've done, look at their repeat business and actually check their references," says Hughes.

7. Act on the advice of your agent. They know the market better than you do. "An astute realtor typically looks at the most recent comparables but in fall 2017, savvy realtors are looking at 2016 and won't be using pricing from an unaffordable market spike," says Dobson.

8. Show your home at its best. It's as important as ever to handle basic maintenance and repairs, declutter, scrub and stage it.