

realtyreport™

Compliments of Danny Brown

Market Connections™ Inc.



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Greetings! You're receiving this newsletter with hopes that you find it informative and entertaining.

If you're thinking of making a move, or are just curious as to real estate trends in your area, please feel free to call at any time. It's always good to hear from you!

All the best,

Danny Brown

Market™
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Slow, or Simply Realistic?

The state of the current housing market could be cause for confusion amongst home sellers these days. Reports of a real estate slump in areas of the United States have left many Canadians wondering if our market will follow. In actuality, what is happening in Canada is that our markets are now "normalizing." Instead of the unusual real estate market activity of recent years — record sales, double-digit price increases and frantic bidding wars — we're going back to a more balanced real estate situation.

The Canadian Real Estate Association's Chief Economist, Gregory Klump states, "A more balanced market gives buyers more negotiating power and time to make purchase decisions. This trend is forecast to continue, and result in smaller price increases in 2007."

Unless you bought your home recently and were hoping to "flip" it at a hefty profit, chances are you're not actually going to sell at a loss. So, the question remains, how to sell your home at a reasonable price, and in a reasonable amount of time?

The first consideration is price. What we need to do is have a look at what similar properties in your area have sold for recently. Remember that the key word is "recently," not a year ago when the housing market was still in an irregular flux. Homes are certainly still selling, it's just that they aren't selling at the inflated prices that we saw over the past couple of years. Pricing your home properly is more important now than ever.

The second thing to keep in mind is that in order to make your home stand out amongst similar ones in your area, you need to pay particular attention to its visual appeal. That means ensuring that your property is clean, clutter-free and in good repair.



CNC

Finishing Touches

Accessories are those seemingly simple elements of your décor that sometimes have the most impact. Versatile and relatively inexpensive, they put the finishing touches on your home and reveal your personality.

Establishing a room's atmosphere can subtly be done with accessories. Tailored pillows, accent lighting on art, and rich fabrics like silk and velvet exude elegance; oversized pillows, table lamps, and country prints convey comfort. The symmetrical balance of accessories gives rooms a sense of formality; an asymmetrical balance of accessories suggests a more casual environment.

If a specific theme is your décor goal, accessories are a smart way to achieve it. For example, mosaic picture frames, terracotta pots, and wrought iron candelabras can complete a Mediterranean theme; rice-paper lamps, water features, and red silk pillows can be the final artistic stroke on an Asian decor. Limit your thematic expression to accessories, and you avoid overkill and enable yourself to easily and inexpensively change themes when you tire of them.

Have a room you wish was a little bigger? Though accessories can't create more space, they can create the illusion of more. Landscape art has the effect of widening a room, while vertical art lends a room some height. Mirrors are a very useful accessory; they create the illusion that the walls they're hung on recede more than they do and provide added light when placed opposite windows.

Lastly, accessories are a great cure for décor boredom. Rearrange the items you already have on display, rotate your accessories so only a portion of them are out at any one time, or replace them to mark the start of a new season, a holiday, or a special occasion. However you do it and for whatever reason, changing up your accessories every so often will help keep your home fresh and interesting for visitors and, more importantly, you.



DO'S

- Create groupings of items that vary in height to boost their visual impact and appeal.
- Experiment. Unlike furniture, accessories are easy to move around, so keep trying endless combinations until you're happy.
- Lend small items greater visual impact by placing them atop books and decorative boxes or mounting and framing them.
- Group objects together in odd numbers rather than even; arrangements of three or five items are ideal.

DON'TS

- Don't scatter items belonging to collections; keep them together for visual impact.
- Avoid the clutter of too many items displayed together. Three or five items are interesting; many more are overwhelming.
- If you don't love it, don't use it. Reserve valuable display space only for those items that contribute to your enjoyment of the space.
- Don't ignore scale. Accessories should be proportionate in size to their home. A heavy lamp will seem out of place on a delicate table, for example.

What's It Worth?

You've probably heard the term "market value" more than a few times, but do you really know what it means or understand how it is established?

Market value refers to the price your home should sell for in the current market, given a reasonable time period and circumstances conducive to a fair sale. Under normal market conditions, 30 to 90 days is considered a reasonable time period. For the sale to be considered fair, both buyer and seller must be reasonably informed as to relevant market information and neither party should be under excessive pressure to make a speedy or forced sale.

The most common method of establishing your home's market value is comparing it to similar homes that recently sold or are currently for sale in your area. The greater the similarity between the comparable homes, the more recently the comparable homes were sold, and the more homes involved, the more effective the comparison is in determining your home's market value.

The comparison takes into account many factors, such as your home's age and condition, its features (number of bedrooms and bathrooms, square footage, views, upgrades, etcetera), and its location within the neighborhood. A real estate representative can usually assess these and other factors (such as real estate trends and current market conditions) that determine your home's market value in a process known as a Comparative Market Analysis.

An educated estimate of your home's market value is very useful when you are selling your home, as it will help you establish an asking price that should increase your chances of a faster sale.



Inspect the Inspector

A home inspector is responsible for thoroughly checking a property to provide you with more in-depth knowledge of the home you're considering buying. First, however, ensure that your home inspector is properly qualified by following these tips:

- Ask how they're qualified. You'll want to know what formal training they've had, how long they've been in business, how many inspections they've performed, and if they're full-time inspectors. Also ask what professional associations they belong to and what was required of them for membership.
- Don't base your decision on price. When it comes to your home, likely the most significant purchase of your life, you don't want to cut corners. Saving a few bucks on the inspection isn't worth the price. Overlooked repairs could cost you once you've moved into your new home.
- Ask for a sample report. More than a simple checklist, any good inspector's report will contain opinions on problems, recommendations, and repair estimates in language you can understand and that will provide contractors with adequate instructions. Photos detailing any findings should also be included.
- Get references. Ask your prospective inspectors for the contact information of a few past clients. Ideally, the references should be from people who have been in their homes for at least a few months, as it can take some time for any defects overlooked by an inspector to be noticed.
- Ask about insurance. A reputable home inspector should carry general liability insurance, should any damage be done to the property while being inspected, as well as errors and omissions insurance, which protects you in the event the inspector overlooks a fault they should have caught.

Exclusive Rights

A condominium consists of three components: your unit, owned and used exclusively by you; common elements, collectively owned and used by all residents; and exclusive-use common elements, collectively owned by all residents, but designated for use by one or more unit owners to the exclusion of all other unit owners.

Exclusive-use common elements can include balconies, parking spaces, storage lockers, driveways, front or rear lawn areas, roof patios, and stairs. It should be noted, however, that what constitutes an exclusive-use common element varies from condominium to condominium. Before making an offer to purchase a condo, you'll want to know how its exclusive-use common elements are defined and where exactly they are located; for that information, consult the condominium's declaration and plan.

It's important to understand that exclusive-use common elements are supervised and controlled by the condo's Board of Directors. As such, before you buy, it's a good idea to inquire as to what improvements you'd be allowed to make to and what restrictions might be placed on any exclusive-use common elements associated with your unit. For example, you may be prohibited from parking a commercial vehicle in your assigned spot or keeping a barbeque on your balcony.

You'll also want to refer to the condominium's declaration or bylaws to find out where the responsibility for the maintenance and repair of exclusive-use common elements lies. It may be with the Board of Directors or it may be with you, the unit owner using the area in question. Some condo declarations give the Board discretionary power to decide who should be responsible for maintenance and repair duties.



Terminology Tip

Fixtures - Permanent improvements to a property that are usually included with the property as part of its sale. Examples of fixtures include upgraded wiring, wall-to-wall carpeting, kitchen cabinets, and installed appliances. It's not always clear what constitutes a fixture or what fixtures the seller intends to exclude from the sale. As such, it's essential to both buyer and seller that any fixtures not included as part of the sale be specified in writing.

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SOLD



Listed & Sold for
Record Price!

SOLD



Sold for 100% of
Asking Price!

LISTED



\$895,000
Yonge & Sheppard

LISTED



\$1,250,000
Exclusive Forest Hills