



Broker, Market Value
Appraiser-Residential

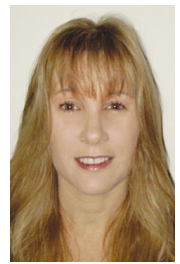
Bob Bader's Real Estate News & Views

Spring, 2009

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Jane Gebhardt
Sales Representative

MARKET REPORT

Surprisingly resilient! Spring has finally arrived; at least for the housing market.

After the volume of sales in the GTA having fallen off a cliff last autumn, the last few weeks of March and beginning of April have shown a return to more normal market. The average volume of sales in March was down by only seven percent over March of last year and I would surmise much of that was in the first half of the month. We were still firmly entrenched in the "seller's" market last March so this slippage of seven percent is a welcome indication that we have simply returned to a "normal" relatively balanced market. Buyers can take their time and make reasonable decisions without worrying too much about bidding wars and sellers simply must be realistic in offering their homes in the marketplace—no, it won't sell in the matter of hours for thousands more than the last sale on the street.

Average prices were down less than five percent from last March in the GTA, and the median price was off only two and a half percent from \$326,000 to \$317,500 in the same period. In some areas and property types prices were even a little bit higher (detached and condo townhomes in W-20). Please give me a call or drop me a note to rbader@trebnet.com for a specific snapshot of your neighbourhood.

Sales in the higher (more discretionary) price ranges seem to have slowed the most. Average prices have been skewed somewhat by the fewer numbers of expensive homes selling which tends to bring the overall average sales price down disproportionately. This is why the median, as opposed to average, is a better indicator of prices. Prices have subsided, but not nearly so much as the media would have one believe and specific to certain areas and property types.

When all is said and done; those with houses to sell will find a willing buyer provided they are realistic, and those who are looking to buy will find the market much more friendly and accessible these days!

First time buyers, in particular, have never in my 30 years experience had a better market in which to pursue home ownership! Mortgage rates have never been lower, there have never been more incentives offered by

government to spur sales and the selection of homes is very good! If you have children or colleagues who don't own a home, please do them (and me) a favor and suggest they give me a call. Owning a home is still one of the best investments in financial security one can make. The real bonus is that one gets to live in and enjoy the investment!! No one should be paying rent these days!!

BUYER INCENTIVES

First time buyer incentives new in the past year:

DOWN PAYMENT: First time buyers may now borrow \$25,000 from RRSP up from \$20,000; for a couple that means a down payment of \$50,000 versus \$40,000 last year.

LAND TRANSFER TAX: First time buyers can receive a rebate of up to \$2,000 on the land transfer tax payable on their home purchase. For example a purchase of \$200,000 would normally attract land transfer tax of \$1,725 and with the rebate attracts no tax. A home at \$300,000 attracts LTT of \$2,975 and with the rebate is reduced to \$975. So, up to \$218,333 purchase price, buyers pay no Land Transfer Tax.

FIRST Time Home Buyer Tax Credit: First time buyers may be eligible for a 15% Income tax credit on a maximum of \$5,000 of home purchase costs (e.g. legal fees, land transfer taxes, etc.), meaning maximum tax relief of \$750.

MORTGAGE RATE: A year ago the best 5 year rate was 5.75% it now sits at 3.85% and for a \$200,000 in mortgage that means a difference of \$1,250 minus \$1,036 or \$214 less per month in carrying costs!

Carries like rent has become a reality!!

MPAC ASSESSMENTS

By now everyone has received their new assessment notices and discovered the government of Ontario has made some major and rather confusing changes to the assessment system which takes effect in 2009.

Essentially MPAC will now be updating your property's assessed value every four years and phasing in the increase in assessed value over a four year period. Hence, the valuation as of January 1, 2008 does not reflect the assessment which your 2009

taxes will be based. If you have your assessment notice, there is a User ID and Password in the lower right corner which you can enter at www.mpac.ca to access AboutMyProperty to see a profile (theirs) of your property and compare it free of charge with similar properties. Of course, you can always call me for sales information and advice if you decide to appeal your assessment.



BOB'S CRYSTAL BALL

Obama! So far, so good!! He seems to be walking the talk which got him elected; actually taking steps to fix the economy and at the same time moving towards fixing some of the endemic problems facing the U.S. like the health care system.

Many pundits and reporters have been suggesting Canada will go through a U.S. style meltdown in our housing market. I disagree! I believe there is really nothing fundamentally wrong with the real estate market in the GTA. Hence, I'm going out on a limb here to suggest that 2009 will be a year of consolidation and improving confidence. Real estate values in 2009 will likely stabilize. The volume of activity will continue to be marginally lower than last year largely due to the terrible first two months of the year but will increase as some confidence returns to the economy into the second half of the year. Prices may remain flat through the balance of 2009 but don't expect further deterioration. Even with the shaken economy and continual barrage of doom and gloom, interest rates make housing very affordable.

I don't foresee considerable appreciation in prices over the next few years. We are back to a normal balanced market where the expectation is prices track the CPI.

RESOURCES

THIS IS REALLY IMPORTANT !!

Please let me know if you have had a bad experience with any of the suppliers or services which I recommend below. I recently visited clients who had referred the company I have been recommending for carpet and sheet flooring for years. They had great service from this individual in the past (as had many other clients and myself). More recently they had referred friends who were very poorly treated and the owner refused to make things right.

Carpeting/Sheet Flooring

I'm open to suggestions from anyone who has had great service and price!!!

Hardwood Flooring

Distinctive Hardwood Floors

Tony Aldeias 905-828-0393

Contractor/Home Renovation

Paul Dunn 905-819-9030;

Paul also has a "Corian" fabricating business

Used, New & Vintage Materials

"ReStore" at 18 Coldwater Rd. in the York Mills & Leslie area 416-510-2223 for recycled fixtures and building supplies-Bonus profits go to Toronto Habitat for Humanity.

Cleaner/Handyman

John Marques 416-370-7613

Garage Door Opener/ Repairs

Easy Up Gar. Dr 905-453-3161

Landscaping & Patios

Dave Deflece 416-356-1433

Movers

All-Rite Moving and Delivery
905-847-1378

Pet Services

Grooming & Food: Sam's Pet Food
905-824-4232

Pool Maintenance

Emmanuel 416-709-7946

The Pool Man 905-279-9811

Painters

Neil Keegan 416-712-7172

Adam Deflece 416-731-7692

Appliance Repairs/Installation

Alf Steffler Ltd. 905-822-4174

Plumber

Crescent Plumbing 905-855-2992

Furniture Store

Leclair's Family Furniture

Bruce Leclair 905-501-7200

150 Britannia Rd.E, at Hwy.10

Great prices & a local independent

Basement Cracks

Vladimir Vivic 416-410-0814

Roofer

Kyle Sharp 905-844-9599

Home Staging

Allison Roberts 905-681-4505

www.burloakhomestaging.ca

Home Inspection

Boulevard Property Inspections

Tom Wooley 905-822-0010

www.boulevardinspection.com

Mortgage Brokers

Lynn Kirouac 905-625-7460x30

Tim Brierley 905-840-4440

Steve Gilmour 416-587-6619

Lenders

RBC - Stephanie Papadakos

416-414-0280

ScotiaBank - Marilyn Eidner

647-271-7040

TD-Canada Trust -Paul Chadwick

905-334-4066

Wealth Management-Financial Planning

Patrick Tenpenny is a past client who I found to be professional and trustworthy; necessities to successfully helping people with their finances. Patrick may be reached toll free at 866-317-9675 or by e-mail at ptenpenny@wellwest.ca or visit their web site www.mcgrathtenpennygroup.com

Chartered Accountants

Steve Allen of Loftus Allen & Co. has been my family accountant for years and anyone I have referred to him has thanked me, so Steve can be reached at 905-566-7333 or toll free 1-866-749-9228 or visit their web site www.loftusallen.com

Art Classes & Art Works

William Band 905-877-7537

Janice Read 905-840-1772

Gift Baskets 905-840-1772

Voice Lessons

Carolyn Lykkemark 905-821-0615

House Concerts

From a dear old client a special idea. Would you like to host a live concert in your home?? Throw an unforgettable party, provide your family and friends with a wonderful evening of live entertainment while supporting Canadian singers, songwriters and musicians. Call Jim Darley 905-821-0534 to find out how it works!

REAL ESTATE

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LAWYER

My son, Nicholas C. Bader has become quite the accomplished young lawyer practicing here in Mississauga. He's now a partner in the firm and may be reached at: Campbell & Partners 905-828-2247 e-mail ncb@campbelllawyers.net Tell him Dad sent you!!

HANDY WEB LINKS

[City of Mississauga](#)

[Mississauga Taxes](#)

[Region of Peel](#)

[City of Toronto](#)

[Town of Oakville](#)

[Town of Milton](#)

[Halton Region](#)

[Canada Mortgage & Housing Corp](#)

[Real Estate Council of Ontario](#)

These are loaded with links & info!!

PERSONAL NOTES

On the home front, our house did not sell last fall; pretty much changed our mind after Nicholas & Antonella and our adorable grandson moved in with us...temporarily! I guess we missed the (short) opportunity to downsize when all our kids were out of the nest!! As it turns out we did get an offer for close to our asking price after we were off the market. Timing is everything!

Irene and I bought a travel trailer a year and a half ago and finally spent five weeks in February and March away from winter in the south! I can tell you about nearly every historic site in Florida and Georgia!! My plan is to travel a bit when the real estate market is slower with Jane as my backup partner, and be more refreshed for working in the busier spring and fall markets.

MORE MUSINGS

When I think back to 1973 and our first home purchase, I remember my wife having to convince me it was worthwhile to spend about half again more than we were spending in rent to own a 3 bedroom townhouse at Rathburn & Mill Road in Etobicoke. Of course, she was right (as she always is!); bought in 1973 for \$29,900 and sold in 1975 for \$53,900. The appreciation was more than our combined salaries for those two years! That was in the middle of the great energy crisis recession. The world was headed for apocalypse because there simply wasn't any more oil.

Our second home on Inlake Court in Meadowvale we bought in 1975 for \$74,900 (a real stretch!) and sold in 1990 for \$285,000. And, we survived the 20%+ mortgage rates in early 1980's!!

Do I believe in real estate as a good family investment—you bet I do!! One of the main reasons I got into the real estate business after years of doing social work for the YMCA was discovering one of the best things I could do to help people and families was encourage home ownership. Not only does it provide some family financial stability, it is also the backbone of most stable communities. The current recession; not much compared to 21 3/4% interest rates!!