

Specializing in Kerr Village

Message from Joanne Hardy...

Slightly Higher Variable Mortgage Rates Seen for the Fall

The Bank of Canada increased its benchmark interest rate from 0.75% to 1% on September 8th. This was the third time in three months that the trend-setting rate has been raised as the Bank is gradually shifting its focus from creating economic stimulus to combating inflation, as our tepid economic recovery takes hold. Since most financial institutions set their prime and variable mortgage rates based on the Bank of Canada benchmark rate, this move will result in slightly higher lending costs into the Fall. Having said this, the Bank of Canada is not likely to raise rates further in the near term as the economic recovery is still "uneven" and "fraught with uncertainty". This means that, once this latest increase is digested, that the variable mortgage interest rate environment should be stable throughout the Fall real estate market.

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Not intended to solicit buyers or sellers currently under contract with a brokerage. Statistics courtesy of the Toronto Real Estate Board. Property values depend on factors besides housing type and number of bedrooms. Square footage, overall condition, upgrades, lot size and specific location are some of the other key factors involved. Copyright © 2009 Mission Response Inc. www.missionresponse.com 416-236-0543 All Rights Reserved. T1186



Joanne Hardy's Real Estate Newsletter
Kerr Village Report

Firm resale home prices continue...

[see page 2 for details]

Kerr Village Market Watch

Latest 6 Month Recap of Solds - March 1, 2010 - August 31, 2010

	# sold	average price	low price	high price	days on market
2 storey					
1 bedroom	-	-	-	-	-
2 bedroom	3	705,333	470,000	823,000	40
3 bedroom	5	561,200	450,000	656,000	23
4+ bedroom	2	441,000	395,000	487,000	39
split					
3 bedroom	1	420,000	420,000	420,000	11
bungalow					
1-2 bedroom	4	450,438	325,000	652,000	12
3 bedroom	5	378,430	322,000	429,000	18
4+ bedroom	4	587,475	445,000	670,000	52
semi-detached					
2 bedroom	-	-	-	-	-
3 bedroom	-	-	-	-	-
townhomes					
2 bedroom	-	-	-	-	-
3 bedroom	3	605,000	395,000	1,025,000	17
4 bedroom	-	-	-	-	-
total	27				27



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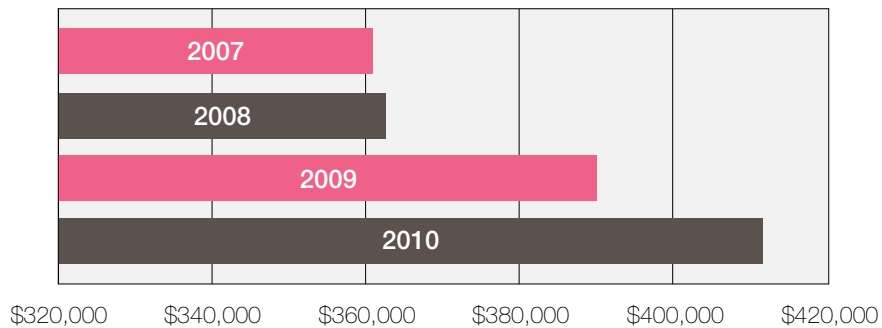


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Firm resale home prices continue

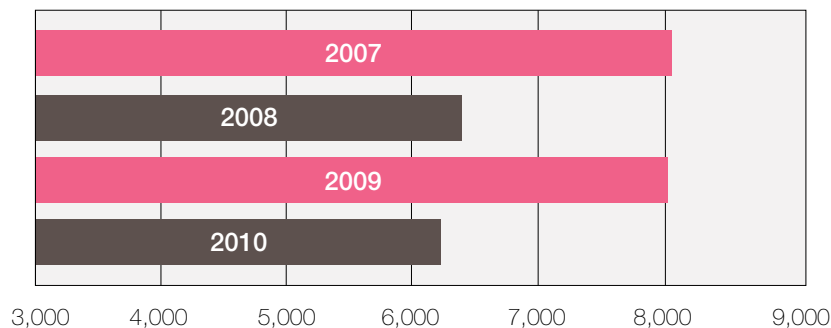
The average price of a resale home in the GTA was \$411,012 in August, which was up by 6% versus the August 2009 average price of \$387,921. On a year-to-date basis (January thru August), the average price of a GTA resale home is up by 11% versus the comparable period last year. Market conditions have remained tight enough to support higher home prices in comparison to last year, despite some recent softening in demand. Under current mortgage lending standards, a household earning the average income in the GTA can comfortably afford the mortgage payments on an average priced home. Market conditions and the affordability picture would have to change dramatically in order for housing prices to record a sustainable decrease.

GTA Resale Home Sales (Average Price) - August



A total of 6,232 homes were sold during the month of August, which represented a 22% decline versus August 2009 sales of 8,035 units. The prospect of interest rate hikes and new mortgage lending rules prompted many households to purchase a home earlier than they would otherwise would have this year. The result has been a larger than normal dip in sales over the summer months. Having said this, it is important to recognize that year-to-date sales (January thru August) remain a full 8% ahead of last year's pace. The number of new listings coming on to the market in August were 10,488 - a 1% decline versus August 2009. Days on market for the month of August were 36 days, which was up by 6 days versus the August 2009 level of 30 days.

GTA Resale Home Sales (Units Sold) - August



Keeping your furnace operating safely and efficiently

During the coldest months of the year, a furnace may operate for up to 15 hours a day. In order to ensure its safe and efficient operation, proper care and maintenance is your best defence against unsafe conditions or non-performance. Follow the guidelines below to keep your furnace operating safely and efficiently.

- To reduce fuel consumption by 20 per cent, install a programmable thermostat to allow the furnace to operate at lower temperatures when the home is not occupied or while you are sleeping.
- Clean or replace furnace filters every two months or as required.
- Keep combustible materials or obstructions away from the furnace area.
- Keep cold air returns and heat distribution vents free and clear of obstructions to allow proper flow of air.
- Ensure that an adequate supply of combustion air is available for the appliance to function properly. Combustion air is the air that mixes with fuel to allow combustion to occur.
- Have a professional clean your ducting properly every three to five years.
- Contact a licensed/qualified heating contractor each year to perform routine service and maintenance as per manufacturer's specifications.

In addition, consider replacing your forced-air gas furnace with a high efficiency model. Did you know that for every \$1 that is spent on gas for a conventional forced-air gas furnace, approximately 30 cents "goes up the chimney", while every dollar that is spent on gas for a high efficiency furnace results in the loss of 10 cents or less? Upgrading to a high efficiency furnace can provide a substantial cost savings for a homeowner. A heating contractor or home inspector can assist you when deciding if an upgrade would be a worthwhile investment.

This article was contributed by AmeriSpec of Canada, one of the country's foremost home inspection companies. Visit them online at www.amerispec.ca