

THE BROWN REPORT

WINTER ISSUE 2020



MARCH 13-22, 2020
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MORTGAGE RATES

Term	Best Rate
1 Year	2.69 %
3 Years	2.69 %
5 Years	2.64 %
Variable Rate	2.85 %
Prime Rate	3.95 %

Preferred mortgage interest rates were provided, January 23rd, 2020 by **Peter Majthenyi**, Broker & Mortgage Planner, at Mortgage Architects – 416-410-3298

www.mymortgageplanner.com

Last month The Bank of Canada announced that it would be holding the overnight interest rate at 1.75%, as it has over the past several quarters. However, Steven Poloz did hint that, while there was no change either up or down for this period, the door is definitely not closed for the possibility of a rate cut in the near

future. Consumer spending slowed over the late months of 2019 and that trend has continued into 2020.

With a weaker short-term economic forecast, Peter says, the possibility of a cut by the central bank could become a reality if current conditions continue to persist.

MARKET WATCH

TRREB (formerly TREB, now Toronto Regional Real Estate Board) President Michael Collins released January 2020 stats including 4,581 home sales – up by 15.4 per cent compared to January 2019. And on a preliminary seasonally adjusted basis sales were up by 4.8 per cent compared to December 2019.

“We started 2020 where 2019 left off, with very strong growth in the number of sales up against a continued dip in the number of new and available listings. Tighter market conditions compared to a year ago resulted in much stronger growth in average selling prices. Steady population growth, low unemployment and low borrowing costs continued to underpin substantial competition in all major market segments,” said Mr. Collins.

Condominium apartment sales continued to lead the way in terms of price growth, but all home types experienced price growth above seven per cent. The average selling price in January of \$839,363 was up by 12.3 per cent, over January 2019.

A key difference in the price growth story in January 2020 compared to January 2019 was in the low-rise market segments, particularly with regard to detached houses. A year seems to have made a big difference.

It is clear that many buyers who were on the sidelines due to the OSFI stress test are moving back into the market, driving very strong year-over-year growth in the detached segment. Strong sales up against a constrained supply, continues to result in an accelerating rate of price growth.

Whether you are thinking of buying or selling your home, I am here to assist you and your family with all of your real estate needs.



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Helping you move since 1980



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