

Dear Clients,

Home buyers are expected to see more affordable options across all segments of the resale market this year compared to listings in 2015.

Both pricing and sales should pull back for single-family homes, attached homes and apartments in the city this year making it a perfect time to make an offer.

As 2016 continues, we are seeing the market move into buyer's conditions.

The benchmark price on single-family homes should ease 3.2 per cent to \$497,600 in 2016.

Meanwhile, the benchmark is expected to dip 3.5 per cent to \$342,101 on attached homes and 4.2 per cent to \$279,936 for apartments. Attached homes count activity in the townhouse and duplex markets.

Benchmark prices are that of a typical home based on a formula that uses various factors to ensure accurate comparisons.

Inventory levels ended 2015 with a 22 per cent year-over-year climb in single-family homes and increases of 47 per cent and 33 per cent in the attached and apartment sectors, respectively.

When you are looking at supply levels, it's always important to relate it to the amount of demand in the market. The first quarter of 2015 you saw that supply pickup because there was a lot of concern. Consumers weren't acting. This is the first time they've seen those oil prices drop and they didn't know how to react to that. So they held off on any decisions that they had to make. We saw some of that shift to the second two quarters.

The resale market ended 2015 with a months-of-supply measure on single-family homes of four, which is 35 per cent higher than the same time a year earlier. Meanwhile, the months-of-supply on attached homes reached 5.5 and it was 7.4 for apartments. This was a 93 per cent upswing for apartments and 85 per cent jump in attached homes.

Lastly, today the bank of Canada kept the rates the same. I have attached a link if you would like to read more.

<http://www.cbc.ca/news/business/interest-rate-poloz-1.3411621>

Please feel free to contact me for any questions or concerns you may have.

Thanks,

