

## To My Valued Clients

As we head into the final quarter of 2019, the housing recovery across Canada is showing strong signs of picking up its pace. According to recently released data and commentary from the Canadian Real Estate Association (CREA), the impacts of the new mortgage rules introduced in 2018 are running their course and the market adjustment is entering a new stage that will see more sidelined buyers return to the market.

Adding to this favourable CMHC commentary, is the very positive outlook given by the TD Bank. In a September note, TD economist Rishi Sondhi stated: "The beneficial combination of solid job markets, rising household incomes, healthy population growth, further distance from restrictive government policies and low mortgage rates have given a boost to demand. And, with sales still somewhat low compared to population and employment

levels, the recovery likely has further room to run. Our forecast anticipates positive sales growth through next year, contingent on the economy and job markets holding up."

The bottom line is that all signs point to the conclusion that we have weathered the storm brought on by the federal government's stress test introduction in January 2018 as well as the additional interventions of two provincial governments (Ontario and BC) that were designed to cool the country's hottest markets. The fact that the market recovery of the past six months or so has "room to run" well into 2020 is very good news indeed!

As usual, your client referrals are both highly valued and greatly appreciated. Until next time, take care!

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## Featured Properties

**SOLD**



**Sold For 117% Of List Price!**

This property was just sold for 117% of the list price! Bright and sunny 4 bedroom, 3 bathroom home. Features a beautiful foyer with hardwood furnishings. Short walk to transit and amenities!

**FOR SALE**



**Exclusive**

Fabulous 3 bedroom, 4 bathroom townhouse. Master bedroom features walk-in closet and 4-piece ensuite. Newly renovated kitchen means the kids won't go hungry! **Call me today for details!**

**FOR SALE**



**Newly Renovated!**

Newly renovated from the ground up. 3 bedroom, 3 bathroom + den home in a quiet hamlet. Features updated kitchen with stainless-steel appliances, and guest bedroom. **Asking \$789,000.**

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OCTOBER 2019

PREFERRED CLIENT UPDATE

# JANE SAMPLE'S MARKET VIEWS

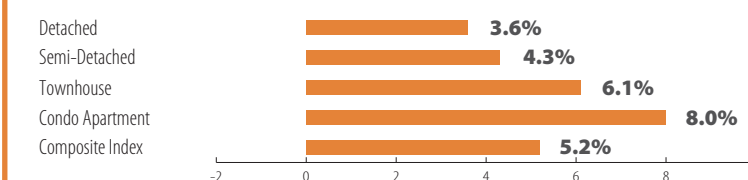


## GTA MARKET CONTINUES TO REBOUND AMID WEAK INVENTORY IN SEPTEMBER

### MARKET HIGHLIGHTS

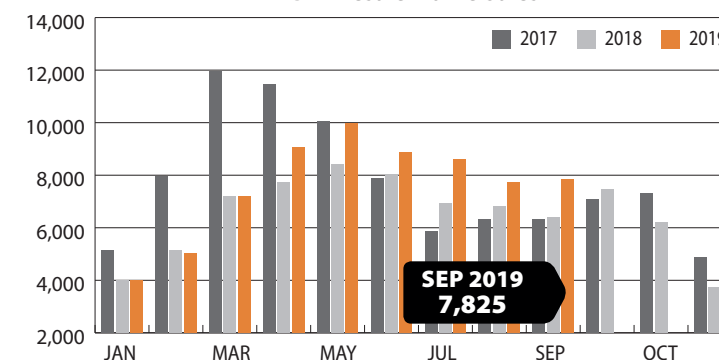
- September sales of 7,825 units were up by a whopping 22.0% versus September 2018, bringing year-to-date volume growth to 12.6%
- That said, sales remain well below the record September 2016 peak of over 9,800 sales
- September average price of \$843,115 was up by 5.8% versus last year, while the overall MLS Home Price Index Composite Benchmark was up by 5.2%
- Active listings declined further (-14.1% versus last year) as the market remains undersupplied versus current levels of demand

### MLS® Home Price Index by Segment

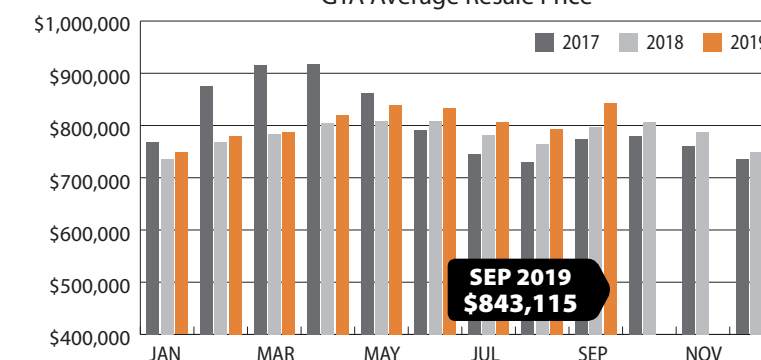


Resale Home Sales	Sep 2019	Sep 2018
<b>+22.0%</b>	<b>7,825</b>	<b>6,414</b>

GTA Resale Home Sales



GTA Average Resale Price



For more detailed GTA statistics: **JANESAMPLE.INFO**

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# All the Pros and Cons of Building A Walkout Basement

Basements have a bad rap for being dark, creepy, and depressing. If you've got a basement unit you're hoping to rent out, then it's even more imperative that you make it look more inviting and liveable.

One impressive way to do that is to build a walkout. It instantly adds more light to the space and gives tenants their own separate entrance. If you've never heard of a walkout basement, it's essentially a basement with a door that opens out onto the ground level, typically out into the backyard.

Walkout basements certainly have their advantages, but they also aren't all they're cracked up to be. Here is the good and bad of it all.

## PRO: They're more attractive to tenants

The main reason people love walkout basements is because it has a door that leads directly outside. This is a highly desirable feature for tenants who are looking to rent a brightly lit, above-grade space and don't want to share an entrance with their landlord. For homeowners who want to rent out their basement, a walkout gives them more privacy and they'll be more likely to successfully rent out the space. Plus, they'll be able to charge a little bit more for rent and secure some additional monthly income.

## CON: It could be an expensive renovation, if you can do it in the first place

Not every lot allows for a walkout basement. It's most feasible on properties where the land slopes down towards the back of the house. If your lot seems like it could be suitable, then the next step is to consider the expenses of excavating the land and constructing the door and framing. Special attention must also be paid to drainage. Depending on how it's designed, a finished walkout basement can potentially add square footage to your home and increase your home's overall value, but the downside is that it may also raise your property taxes.

## PRO: More lighting

When you have a standard underground basement, it's not always everyone's first choice of space to hang out in simply due to the fact that it's cooler and darker down there. A walkout basement, on the other hand, can feel more like any other part of the house since it's got full-sized windows and doors that allow for a little extra natural lighting to enter the space. As a result, the basement will get used more often.

## CON: You still have to worry about moisture

Just because a portion of your basement is exposed to the outdoors, it doesn't mean you don't have to worry about moisture and mold problems. A walkout basement still has the same problems as any standard basement.

## PRO: More ways to decorate

Thanks to the full-sized door, you'll be able to incorporate larger furnishings that you weren't able to before because they didn't fit down the narrow staircase. This allows for endless possibilities for decorating—and maybe now you can finally fit in that huge pool table or entertainment system.

## CON: It could pose a security risk

Adding another entrance means adding another entry point for intruders to break in. And because it's located on the basement level, it's easy to forget to lock the door down there—or even hear suspicious activity when you're in the house. For families, a walkout basement may also make it harder to keep track of younger children since there are multiple levels of access in the house.



For people who can't afford to buy property on their own, there's co-ownership. This allows homebuyers to split the cost of buying a home with friends, co-workers, roommates, family members, or even strangers. Co-ownership is becoming more common these days as housing prices rise and buyers are looking to share the financial and physical burden of owning a property.

Co-ownership may sound like a win-win situation, but there are many legal issues to factor in when going in on a house with other people. Here are just a few of them.

## You will need a lawyer

To tackle any legal problems that may come up, you have to have a real estate attorney. It's hopeful to think that you and your co-owners will reach an agreement amicably should any issues arise, but you should approach co-ownership like you would any business deal and treat everything like a transaction with major risks and rewards. A lawyer can help guide you through all the legal issues while protecting everyone's investment, starting with helping you develop a solid co-ownership agreement that sets out everyone's rights, responsibilities, and obligations.

In some cases, it might be helpful for each owner to have their own separate lawyer, particularly if there is an unequal investment in the property.

## You have to agree on the structure of the ownership

There are two types of co-ownership structures: "joint tenants" and "tenants in common." As co-owners, you'll have to decide which one works best for your situation. The main difference comes down to survivorship, or simply put, what happens when one of you dies.

If you are joint tenants, then the surviving owner will automatically own the entire property (this is common among spouses).

If you are tenants in common, each owner will have a certain interest in the house, which they can leave to anyone they choose after they die. This is the most common choice for co-ownership situations, as it allows each person to leave their portion of the house to someone they know like a family member.

## You have to think about the what-ifs

What happens if an owner wants to move out? What if an owner gets married or has a child? What if an owner wants to sell the house but the other owner doesn't? What if an owner loses their job and can't make their payments? What if one owner wants to renovate but the other wants to let the house age?

These are just a handful of scenarios you have to think about when entering into a co-ownership agreement since lots can change in 5, 10, or 20-plus years. It's important to work with your lawyer to state what will happen in each of these scenarios, and it's especially important to get it in writing at the beginning of the process before emotions and resentment starts clouding everyone's judgment.

## You have to create a financial plan together

Each owner will be responsible for paying their share of the mortgage, but you still have to address how all the other bills will be paid, such as electricity, internet, insurance, and maintenance. Co-owners may want to open up a joint bank account for savings towards home repairs. Whatever you decide together, get it written down in a legally enforceable agreement.

*This information should not be relied on as legal advice, financial advice or a definitive statement of the law in any jurisdiction. For such advice, please consult your own legal counsel or financial representative.*