
The Matt Mysak Report



SPRING 2007

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ALL GOOD THINGS...

...come to an end. The strong real estate market of the past few years is showing signs of slowing down.

What has happened? Purchasers are increasingly aware of worrisome news of the U.S. housing market slowing, as well as recent concerns that U.S. banks are over-extended on loans and will need to start calling them in. Property owners wishing to sell are bracing themselves for what is likely to be a glut on the market. These factors are causing purchasers to be more cautious. Properties are staying on the market for longer. What is an owner to do?

First, make sure that your property shows well, that any necessary repairs have been made, that your pricing is realistic and competitive, and that your agent is competent.

If you have done all of the above, and your property remains on the market, consider the use of agent incentives. Condo developers have used this technique for years. When sales are brisk, it is logical to consider reducing commissions or to work with discount brokers. However, when markets are slow, offering a sales bonus or even **increasing** the sales commission may work to your benefit. Properties with higher commissions will attract

more agents to work on them.

RENTAL REPORTS

In 2006, the average apartment vacancy in Toronto dropped to 3.2% down from a high of 4.3% in 2004. Average rents increased, but at less than the rate of inflation. In 2007, the vacancy rate is expected to decline to 2.5% with rents growing at the rate of inflation.

The strengthened demand for rental housing is due in part to continuing immigration, and growth in youth employment. Rising mortgage costs also means that fewer rental households are in a position to consider purchasing a home.

FOR SALE



TORONTO CENTRAL, 6 units, new roof & furnace. Only \$499,000

FOR SALE



KINGSTON, 35 units in excellent condition on large lot. \$1,675,000.

FOR SALE



TORONTO EAST, 72 units. Owner motivated to sell. \$6,700,000.

**CALL NOW FOR A FREE,
NO OBLIGATION MARKET
EVALUATION**

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