



From the desk of BRAD J. LAMB

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"May 2008 was a fantastic real estate month, this May was even better."

May has come and gone, but it has left us with irrefutable evidence that the recession has officially ended, and we can now look forward to what will likely be a slow, steady recovery. With the May numbers clearly indicating the health of the Toronto real estate market, it is hard not to get excited about the future prospects of Toronto, and Canada, in general. Of particular interest is the fact that 9589 homes sold this May, 2% more than last May. May 2008 was a fantastic real estate month, this May was even better. Average price is back up to when it was last May, time to sell was down to just 35 days. New listing inventory was down a whopping 27%, and active

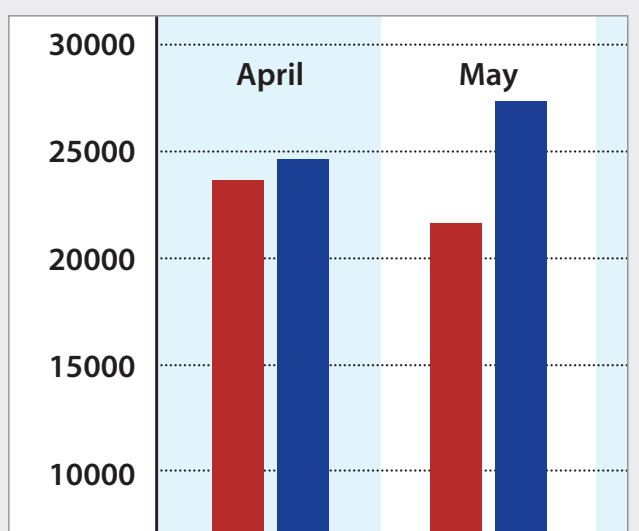
it is only a matter of time before the development sites move up to the same level as their inventory continues to shrink. Why is inventory shrinking? With respect to semi and detached housing in the city, there has been little increase in inventory for over 40 years. Essentially, what you see is what you get. This is driving the cost of housing higher, which also drives the price of the alternative higher – which is of course, condominiums. Additionally, due to the fantastic inventory and

quality of condos, investors have bought thousands of units to rent to tenants. As a business, the condo landlord business is incredible. The high rents and high quality professional tenants

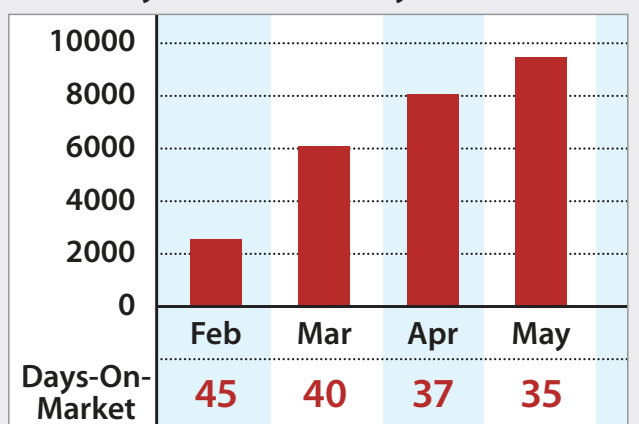
offer a terrific return of positive, easy to manage cash flow. This year, and next year, approximately 3000 new units will get completed downtown, of which some 500 will be leased to tenants and 500 will likely go up for sale. The rest have been sold to end users who will live in them. These rentals and sales will get absorbed over a 1-3 month period. So, there never is a big shock of unsold, or for sale inventory hitting the market. Almost every unit that resells in a newly completed development makes the seller a

Active Properties for Sale

■ 2009 ■ 2008



Monthly Sales and Days-On-Market



hefty \$60-\$100K profit. Virtually, every single condo sold in Toronto was at one time bought new at a sales office from a floor plan.

So, those of you who continue to expect some kind of big correction in the Toronto condo market will die waiting. A slowdown happened from September 2008 – February 2009 and it amounted to a blip in pricing which has since recovered. Do yourself a favour and visit the fantastic array of new projects available downtown.

"...those of you who continue to expect some kind of big correction in the Toronto condo market will die waiting."

If they haven't started to build, you likely have an easy \$30-\$40K profit built in.

For information on some of the best new developments, click on the links below.

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