



From the desk of BRAD J. LAMB

BRAD J. LAMB REALTY NEWSLETTER APRIL 2010

BETTER IS BETTER – THE EVOLUTION OF CONDOMINIUM HORRIBILUS

I drove by yet another appalling new condominium building the other day and I thought with sadness, why? Why are we so willing to accept mediocrity? Why do consumers not see the difference between the Candy Factory Lofts and the Chocolate Company Lofts? Does style, design and architecture matter? Why

don't more buyers insist on good design or at least embrace the projects that aspire to be better? Are developers just ignorant and poorly informed, or do they really not care about design? Is it enough to just be permitted to build, or is it not our responsibility to build well? Does no one care what the city looks like?

CITY DWELLERS

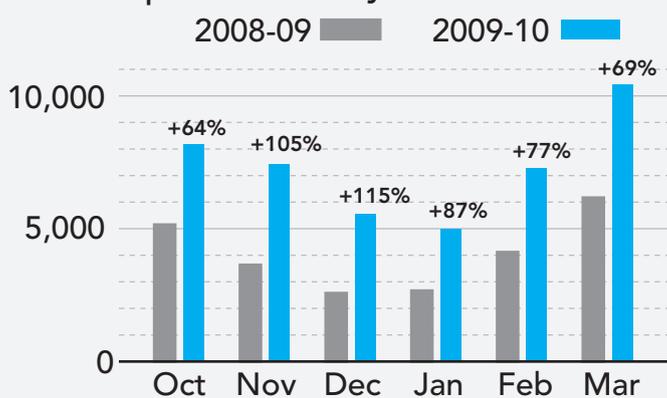
We are now an urban species. In 1820, only London had a population of more than a million people. In 2010, there are 414 cities on this planet with more than a million people. Most predictions indicate that in 35 years there will be more than 1000 such cities. Who will buy all these condos? I believe this answers that question. Bet the farm on the city.



RESALES AND NEW SALES SOAR THROUGH THE ROOF

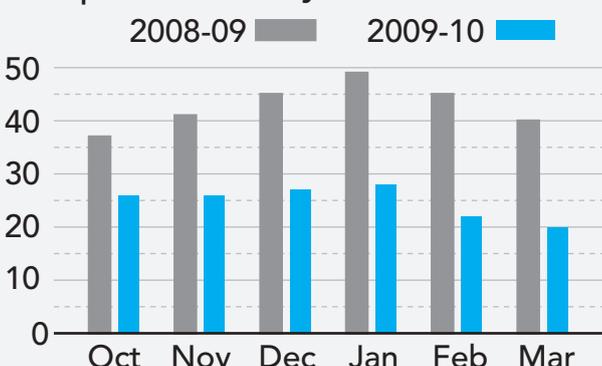
Below are the TREB resale numbers for the last 6 months and their counterparts for a year ago.

TREB Resale Numbers
compared to the year before



Below are the days on market for the past 6 months and their counterparts for a year earlier.

Days On Market
compared to the year before



It is clear what we are seeing here — a total and complete recovery in our resale market. Where is it going now? Consider this, in the GTA there are very few new houses being built. The inventory is fixed. Expect single family home prices to rise. Expect buyers to be forced into the condo world for the following three reasons:

1. Lifestyle choice
2. The high cost of a freehold home
3. The lack of inventory of freehold homes and the fact that the inventory around the core is fixed.

While condo prices will continue to rise, it will be at a slower pace than freehold homes due to the lack of inventory of the latter and the potential for growth of the former.

Expect real estate to perform well in Toronto while the economy grows. We have just started a recovery from an awful, but short, recession. It is very unlikely that prices will fall in a period of economic growth and prosperity. We will not see a continuation of the stratospheric rise in pricing. Prices will continue to rise, but at a slower pace.

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