



From the desk of BRAD J. LAMB

IN TIMES SUCH AS THESE, CAN YOU AFFORD NOT TO USE BRAD J. LAMB REALTY INC.?

BRAD J. LAMB REALTY NEWSLETTER FEBRUARY 2009

FOR THE RECORD

There is no question the Toronto condo market has cooled from its 2007 craziness. Some 26,000 new condos were sold in 2007, that's over 71 units sold each and every day. It is estimated that 16,000 new units sold in 2008. That represents almost a 40% drop in the amount of new condos sold year over year (16,000 is still an awesome number). I estimate that less than 10,000 units will sell in 2009, which represents an additional 40% drop year over year. MLS resale statistics will show a drop of 20% in 2008 from 2007. We must keep in mind that 2007 was a stupidly good year for real estate, when even the turkeys sold at auction prices. I expect MLS resale statistics will show 2009 to be off 2008's sale's numbers by 20%. No doubt that our market has cooled. On a reasonable level, we still have perhaps the hottest real estate market in North America. Our listing to sell time is still 30-45 days (versus 10 months in most of the U.S.), and we still sell more new condos every year than any other place in the world save Dubai or China (the pace of sales in those two locations is cooling as you read this). Our prices are hanging in very nicely, thank you very much. This is because the market never overheated, we had a slow and steady annual increase. Much has been said about falling prices. When actual statistics are being quoted they refer to average prices. Average prices are falling for now. Unfortunately, an average price does not track the history of one property over time. The

average price just reflects the mathematical quotient of total dollar sales by the number of sales. Falling average prices can generally reflect falling prices, they can also reflect a desire for buyers to buy less expensive property. There is a big difference. In slower economic times, buyers typically opt to buying a cheaper home. They

are looking to cut back due to the threat of a slowing economy. We must be very careful when broadly stating that prices are falling just because average prices are falling – it may not be true. In today's case in Toronto, it probably is a combination of both slightly lower prices and buyers looking to just spend less.



We've sold over 14,500 condos since 1988.

HIRE AN EXPERT

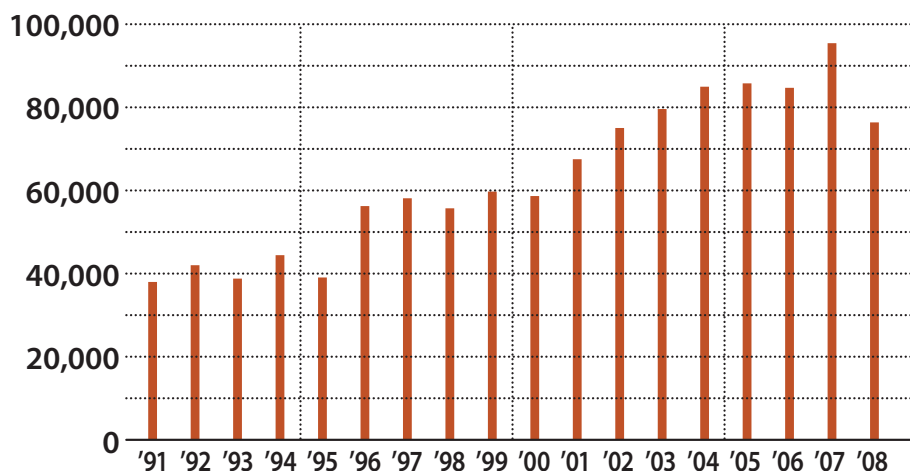
In today's more difficult real estate environment, a buyer and seller should make sure they gravitate to a real estate expert. That's right, the selection of a knowledgeable, experienced agent that has seen it all before. It is this expertise that will serve you well in times like we are witnessing today.

A real estate sales expert will:

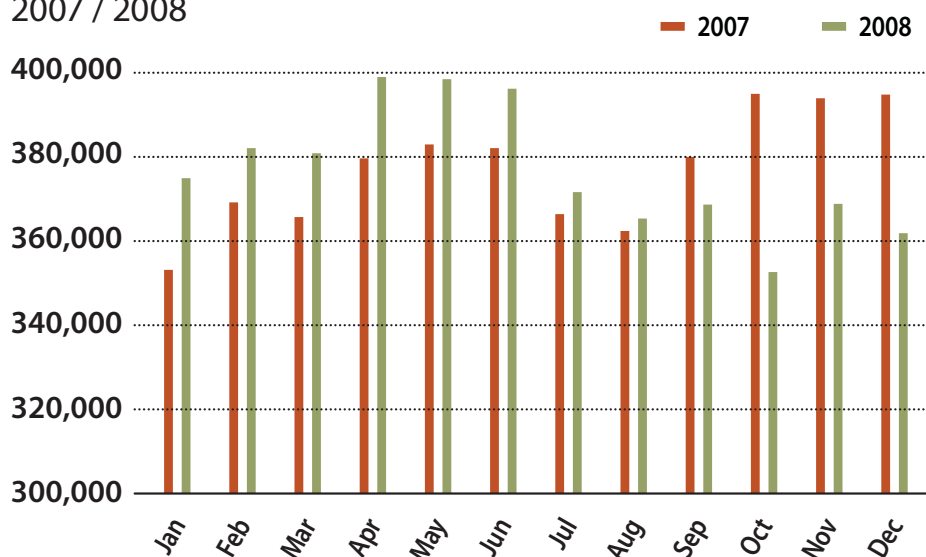
- Advise you on the true current value of your home, adjusting for past sales, the current environment, and the future possibilities. They will tell you the truth (not sugarcoat it to gain your trust).

- Sort through the confusing array of buildings and properties based on an intimate knowledge of the industry and of what is the best, most risk-free property for you.
- For a buyer, analyzing and disclosing all the negative situations within buildings that the average buyer and agent would be unaware of. They will limit your risk of a potential disaster. It can take 5-10 years to truly learn all the potential foibles within our large array of buildings.
- Advise a vendor on the proper asking price, home staging, creating a proper and informative listing, tricks of the trade, successful marketing initiatives, proper negotiating tactics and strategies. A good listing agent is worth their weight in gold.
- Remain positive when those around them are running for the exits. A 20-year career proves beyond any doubt of the staying power and production necessary to ride out the negative times. Positive attitudes are addictive, buyers flock to those with a strong and upbeat attitude about life.
- Listen to what you need and then react to make it happen.
- Have seen the ups and downs before and offer sage advice to a buyer or seller that feels lost and intimidated by the headlines.

Sales Year-To-Date Resale Homes 1991 - 2008



Monthly Single Family Average Sale Price 2007 / 2008



Selling real estate has never been for the faint of heart. It has always been a slugfest between buyer and seller, where only the strongest, smartest, and most experienced survive and prosper. The exception to this has been the last 3 years in Toronto's real estate marketplace. It has been a time when any idiot could list a property on MLS and expect a good offer. Well, no more, we are back to the reality of this business. For those of you who understand this, we at Brad J. Lamb Realty Inc. are here. We will give you all you could ask for; honest, educated, and experienced advice. 14,500 condos sold for \$4 billion plus cannot be wrong.

Sincerely,
Brad J. Lamb