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How Would the U.S Market Crunch Affect Canadian Real Estate in 2008?

The market crisis along the south border has many homebuyers wondering how it will affect the housing market in Canada, but Canadian market analysts feel the problems the U.S. is experiencing should have little impact on real estate in this country.

Canada is not expected to experience the same downturn as the U.S. market for many reasons. First, the Canadian economy is simpler and the investment environment is more conservative than the United States. Secondly, Canadian federal surpluses have given consumers more confidence which has led to increased spending on homes, retail goods, and business expansion.

Additionally, the Canadian housing market has not been artificially driven by bad lending practices. And, unlike the U.S., all mortgages in Canada are insured.

However, Canada's booming housing market could loose heat by the end of the year. The impact of the U.S. sub-prime crisis is expected to be felt by Canadians in three different ways: First, a tightening of credit markets will occur as lenders move to correct their losses because of the investments in commercial papers. To borrowers, this may also mean smaller discounts off the posted mortgage rate.



Secondly, due to the overall economic impact and the soaring Canadian dollar, the impact will also be felt. There may be a slowdown in some business sectors related to housing and that may impact Canadian consumer confidence.

Thirdly, the impact on our economy could come from the falling purchasing power of the U.S. consumers, which in turn impacts large ticket purchases that involves Canadian made products - the auto sector is a good example.

"The Canadian housing market will slow down a bit in 2008, but that slowdown will be nothing compared to what happened in some U.S. markets in 2007. In Canada, the housing market has been setting records for volume and units sold for five consecutive years. We believe things are just moving back towards a more "normal" growth pace, but that still means the 2008 MLS® home sales activity will be the second highest on record, second only to the overall record was set in 2007." says the Canadian Real Estate Association's (CREA's) Chief Economist.



CREA's market analysis for 2008 also does not show any dramatic adjustment in the average MLS® residential price, again contrary to the conditions in some U.S. markets. CREA's analysis shows prices setting new records in every province in 2007 and in 2008, but price increases will be smaller in 2008. In effect, price increases will become smaller as the resale housing market becomes more balanced.



Manitoba and Nova Scotia are expected to post an increase in average price of 7 per cent or more in 2008, while New Brunswick and Newfoundland are expected to show the smallest increase in average price of 4 per cent

annually. The national average residential MLS® price is expected to increase 5.5 %

"The housing market is expected to grow at a more moderate pace this year. However, this will be the result of decreasing affordability rather than the impact of U.S. sub-prime woes", said Craig Alexander, deputy chief economist at Toronto-Dominion Bank.

The days of 25 or 30 per cent increases in average price are over, but prices are forecasted to go up in Alberta and British Columbia by 5.2 and 5.1 per cent, respectively.

Ontario's market and other eastern provinces are expected to keep its momentum with a slight slow down.

(From Canada Realty News, 2008)



The Farley Foundation



The Farley Foundation helps sick and injured pets that belong to low-income seniors and people with disabilities. The Foundation provides funding to qualified pet owners to assist clinics to care for pets of individuals who cannot otherwise pay for needed medical care, and who fall into one of the following categories:

- People with disabilities who receive ODSP
- Seniors who receive the Federal Guaranteed Income Supplement
- Women participating in OVMA's Safe Pet program

For more information click here: <http://www.farleyfoundation.org>

(If you would like to have your name removed from this newsletter list, please call me at 852-3822.)

A Sneeze-free Space: Tips for reducing allergens in your home

Living with stuffiness or asthma? Here are a few simple strategies for reducing allergy-causing problems in your home.



Rule #1: Keep things cool and dry.

Dust mites and mold love moisture and heat. To keep your air clean:

- Run the A/C. It dehumidifies the air, filters out pollen and discourages mold and dust mites.

- Use a dehumidifier to keep humidity levels between 30 and 50% & use the exhaust fan in the bathroom to vent moisture.

Rule #2: Banish dust mites
The waste they leave behind is what triggers most allergies.

- Cover your mattress and pillows with allergen-impermeable covers, and wash your linens, curtains

and slipcovers in HOT water (at least 130°C). It's the only way to kill mites

Try a no-frills approach to decorating. Use blinds instead of heavy curtains, avoid upholstered headboards, and get rid of knick-knacks that collect dust.

- Stick with hardwood or tile floors if you can, but if you have to have carpeting, go with low-pile and invest in a good vacuum with a HEPA filter.

- Keep the air clean with an air filtration system.

- Wash stuffed toys regularly, and store them in covered plastic bins.

Rule #3: Say goodbye to mold.

- Check your plants. If you see or smell mold, put aquarium gravel over the dirt, or find them a new home.

- Wallpaper traps moisture and grows mold. Get rid of old wallpaper, and never put new wallpaper over old - that just masks the problem.

- Wash your shower curtain regularly, or buy one that's antifungal

Rule #4: Tame pet dander.

If your best friend is making you itch and sneeze, saying goodbye isn't your only option. Try these ideas first:

- Minimize dander by washing your pet's bedding often, and vacuuming the spaces where s/he hangs out.

- Keep your pet out of the bedroom, and limit him to certain parts of the house.

- Talk to your vet about dander-resistant products.

Rule #5: Breathe clean air.

- Avoid smoking in your home and limit using the fireplace, since smoke can irritate allergies and asthma.

- Go natural. Forget scented sprays and harsh chemical cleaning products. Stick with simple, natural ingredients like baking soda, vinegar and lemon juice.

Keep your house dry, cool and clean, and you'll be on your way to being healthier, happier - and sneeze-free! (From RoyalLePage Article Library)

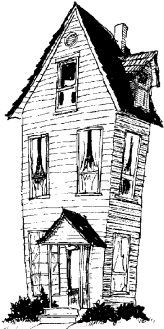
Happy Valentine's Day





Changes for Peggy

For four years now, I have spent a huge amount of time developing the Accessible Housing Market...and this will continue on as my very special interest. I was always afraid that if I got involved with day-to-day real estate, I would never have the time to fully develop Accessible Houses. But...I also need to eat ...and for that, I must start to broaden the horizons. Luckily, most of the groundwork has been done for Accessiblehouses.ca. I am not giving up on it and will continue to grow that part of the business, but it is time now to develop the general residential real estate market.



Since earning the SRES (Seniors Real Estate Specialist) designation, it is time to work more with seniors and the general public. So please do not consider me working *just* with special needs housing...

Available Accessible Houses in Ontario

<http://www.accessiblehouses.ca>

click on "Available Accessible Houses"

This is the link to my website that has, at the time of writing this, 28 known accessible houses for sale in the province. This list changes often, so if you are looking for a new home, please keep checking the website.

Upcoming Events

Also on the website, there is a list of community events...charitable associations fundraising events, sports events, and so on...all related to people with disabilities.

<http://www.accessiblehouses.ca>

click on "Community Events"



Royal LePage, Canada's oldest and largest real estate company, is celebrating its 95th Anniversary

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.Offers maturity and professional communication skills in liaising with clients and the other service providers (real estate agents, auctioneers, moving companies, etc.)

.Client chooses from a variety of services ranging from preparing a house for sale, arranging for dispersal of no-longer required belongings to stocking the medicine cabinet in their new home.

.Specializing in estate dispersal.

I have been working with Sharon Gunn, the owner/operator of Seniors in Transition. Sharon is a very caring lady who can be a terrific help to you if you are moving. I can highly recommend her.

Peggy Stewart