

A spring in the housing market's step

Spring in our fair city has been good to the resale housing market so far. At the beginning of the month, the Ottawa Real Estate Board reported a 2.2 per cent increase in sales in April of this year compared to April 2008. Back in March, sales were up more than seven per cent over the same month last year. Any way you slice it, that's good news for both buyers and sellers.

Spring is historically the busiest time in the Ottawa real estate market, and clearly this year is no exception. Both local and out-of-town buyers are taking advantage of the current low interest rates as well as Ottawa's stable housing market. I expect that sales activity will remain very strong through until the summer.

But don't take my word for it. Last week the Ottawa real estate market was in the news again, when the Canadian Mortgage and Housing Corporation (CMHC) released its spring housing forecast, in which it stated that Ottawa is one of the four tightest resale markets in the province. It also said that our employment and economic situation is looking very good here in the national capital. CMHC's report says that "Ottawa is well set to reaffirm its historic resilient performance during broader economic fluctuations, thanks to a stable economy and a robust labour market."

Even though CMHC is predicting a slight drop in the average sale price of homes in Ottawa this year, that number does not signify a decline in property values. Rather, it's due to "current economic prospects and affordability considerations [that] will continue to favour high-density construction," according to CMHC Senior Market Analyst Sandra Pérez Torres. In other words, people are choosing lower-priced townhomes and condo apartments more often these days. That's not surprising, given that many of the buyers currently active in the resale market are first-timers purchasing starter homes. It's also notable that CMHC is only predicting a drop of one-half of one per cent in the average sale price, which is hardly dramatic.

As a working REALTOR® who talks to many colleagues in this business every day, I can tell you that it's busy out there. My fellow REALTORS® are reporting many multiple-offer situations. Buyers are feeling confident and are going after the properties they want – the ones that are well presented and priced right for the market. So if you're thinking about buying or selling a home this spring, consider working with a local REALTOR® who knows how to navigate the market no matter what you're looking for.

One final note: if you're interested in how the market is doing every month, you can visit www.OttawaRealEstate.org to watch a podcast about current market conditions in Ottawa along with advice for buyers and sellers. Just click on the OREB Podcast link. A new podcast is posted once a month. I hope you find it informative!

Readers are encouraged to send questions or request topics to be discussed in this column. Please send your requests to info@thenewsemc.ca