

Transportation Drives the Market



By Brian Madigan

More than any other single factor, transportation drives the prices and the desirability of real estate. It is a key component in the real estate cliché of “location, location, location”.

Generally, areas which are inaccessible are not very popular.

Now, the next question is what kind of transportation? In fact, it’s not the type, but the actual travelling time. Now, just about everybody likes to underestimate how long it takes them to commute. Someone may say “half an hour”, but what do they mean by that? What is “half an hour”? One thing I have learned, is that it’s not 30 minutes, and if you were counting in real time, it’s probably closer to 60 minutes.

Actually, this happens a lot. How far is your cottage? Not, far? Well, how long does it take to get there? A little less than 2 hours! Where is it? Muskoka!

For some strange reason, no one wants to come clean about the facts. If you are travelling from Toronto to Muskoka, you need to use Highway 400. Now, on a Friday night, depending on where you live in the City it can take you an hour and a half just to get to the 400. Then, another 30 minutes to get just north of the City where you are still creeping along, but at least you’re going about 20 mph. Now, everyone forgets this hour and a half to two hours; that just doesn’t count.

Besides, it was bad traffic, and “I once did it in 10 minutes” will be the reply, when you press for details.

Just because you see a sign for Muskoka, doesn't mean you're there. If you are going to the northern part, you have another hour's driving. Also, if you're on a remote road, difficult unpaved road, or you only have access by boat, there's another hour you can kill.

It seems that people don't start counting until they actually start picking up speed on the 400, and they stop counting once they see a sign for Muskoka. It's not just cottagers, this is just a human trait to allow people to make the best of things. But, it's not reliable real estate advice.

So, here's my point, if you are going to buy real estate, you should figure out where it is. Don't just look at a map. Drive there at various times under various conditions. And, never believe the vendor when they are talking about commuting times.

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