

## What's happening in the Ontario Market for 2008?



### By Brian Madigan

The best source for predictions that I have found is CMHC and here's what they say:

*"The average MLS price in Ontario will rise by 6.2 per cent and 2.9 per cent in 2008 and 2009 respectively. Price growth will be running above inflation in the immediate term thanks to tighter resale market conditions. However, a more balanced resale market resulting from higher listings points to weakening price pressures longer term."*

Here are the actual numbers, including estimates for 2007 and forecasts for 2008 and 2009. You will see the years, followed by the average price, followed by the percentage increase:

### **2003**

\$226,824

7.5%

### **2004**

\$245,230

8.1%

### **2005**

\$263,042

7.3%

### **2006**

\$278,455

5.9%

**2007(Estimated)**

\$299,493

7.6%

**2008(Forecasted)**

\$318,200

6.2%

**2009(Forecasted)**

\$327,500

2.9%

This would suggest that if you are a buyer, you buy now before the 6.2% price increase, and if you are a seller, you would be wiser to sell this year rather than hold onto the expectation that there will be significant increases in 2009.

However, only time will tell, but CMHC has had a fairly good track record when it comes to predictions.

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