



MAXIM BAGINSKIY

BROKER OF RECORD/INVESTMENT ADVISOR

EMAIL: contact@newGTAcondos.com

PHONE: (416) 832-8343, FAX: (416) 981-7710

www.newGTAcondos.com

Right At Home Realty Investments Group Brokerage
Head Office: 895 Don Mills Rd., 206B-2, Toronto, ON M3C 1W3. Phone: 647-288-9422.

Presentation centre: 10376 Yonge St., Unit 306, Richmond Hill, ON L4C3B8. Phone: 416-832-8343

CORONAVIRUS DIDN'T STOP PRICE GROWTH, What is happening at the Pre-construction Market



28 Eastern condos



Westport Condos

Toronto Real Estate Council statistics show that after a critically small number of sales in April 2020 associated with the coronavirus epidemic, when the number of transactions fell by 67% compared to April last year and some experts predicted that prices would fall, the market began to return back to normal by mid-May.

The number of sales in May increased by 55% as compared to April, and the number of objects put up for sale also increased by 48%. This clearly suggests that, as most analysts assumed, the Toronto real estate market is recovering quickly.

There are no statistics for June yet, but judging by everything, it will be much better than in May. In the cheap and middle segment, real estate is sold very quickly, multiple offers appeared, when the seller receives several offers from buyers at once and arranges a bargain. We have hardly seen any such deals since mid-2017.

The average statistical price has grown by 9.4% over the year and by 4.6% over the last month alone. In reality, the cheap and middle segment of houses has risen in price over the year by just over 10%, while condos have added more than 15%. The fact that prices in almost all segments of real estate rose significantly over the year was evident and so, basically,

the difference in prices for April and May of this year is interesting, since the coronavirus confused all the cards. Back in April, one could hear a number of contradictory forecasts, ranging from a rapid market recovery to a long-term decline. Today's statistics clearly show that those who predicted a quick market return were right.

Personally, I never doubted this for a second, as I wrote about in the previous articles. The market at the beginning of the year was so hot that hardly anything could stop it. The return of the buyer was only a matter of time, I focused on September - October this year, but it happened faster. The only segment that has not yet fully recovered after the 2018 crisis, and, in my opinion, is unlikely to grow very expensive in the near future, is the segment of expensive real estate, each region has its own numbers, but in general, this property is worth 2 million or more.

Another opinion of some experts, which clearly will not come true, is that real estate in the city center will lose its popularity, and buyers will move to real estate located far outside the city. Those who voiced

this opinion was argued by the fact that many large companies will close their offices and bring employees to remote work. Recently, a survey was conducted of representatives of large companies, the essence was to find out how many companies are ready to have their employees work remotely. The result of the survey showed that this could affect only three percent of office workers, and in many companies they answered that they did not consider this issue at all.

In detail, why this is not realistic in the near future, they told in Google, according to them, this completely changes the culture of work and will inevitably affect the results, besides this, they do not even imagine remote training of young personnel. According to them, the whole point of training young employees is for them to cook in the same pot with more experienced ones and breathe in the atmosphere of work.

In addition, as practice shows, most tasks are solved in personal round table discussions, while the work atmosphere is completely different from a distance.

So the most popular areas, in addition to the downtown itself, are areas with excellent transport accessibility and where it is possible to quickly and conveniently get to the city center.

In early June, two new condo projects went into sale at once. These are Tailor in Etobicoke and Beverley in Thornhill. The excitement with which the apartments were being sold exceeded all expectations. In principle, I expected something like this, but the number of buyers that suddenly appeared on the market surpassed even my expectations. I have already talked about how the pandemic will affect the construction industry and why we expect a very significant rise in the price of condominiums in our interviews and video releases. Experts are talking a lot about this now, but apparently it reached the end customers, they do not want to wait any longer, and those who were ready to buy before the epidemic started trying to buy urgently, until prices again ran to the top.

The situation with rental housing is worse, the long-term rental apartments that had previously been leased to Airbnb, the forced temporary absence of internal and external emigration, and the fact that very few people are now changing jobs and moving from place to place, have abruptly entered the market for long-term rental apartments, affected the rental market, prices for apartment rental fell by about 5%, and the average time spent on the market for an apartment for rent increased almost threefold. If earlier it took a couple of weeks to rent an apartment in a good new apartment complex, today it can take from a month to two. I believe that the return of the rental market to normal will be quite quick, as soon as we open up to the borders and get back to normal life, we will see the excitement again. In recent years, the so-called Vacancy Rate per condo has been at an all-time low. There are no more apartments, so soon we will face the entry of the so-called deferred demand on the market, and everything will fall into place..

And finally, good news for those who are planning to buy an apartment in the near future for investment purposes or for themselves. At the very beginning of July, we will conduct sales in two projects that are very good for investment.

This is "28 Eastern condos" in the fastest-growing area of downtown, next to the future metro station and within walking distance to the future new office district and the "East Harbor" mega mall, according to analysts in the coming years in this micro district more than 70,000 new jobs will appear, and about 150,000 jobs will be added within a 15-minute walk. Several large companies will soon open their offices here, and in 3-5 years the district will become one of the most popular and expensive in downtown.

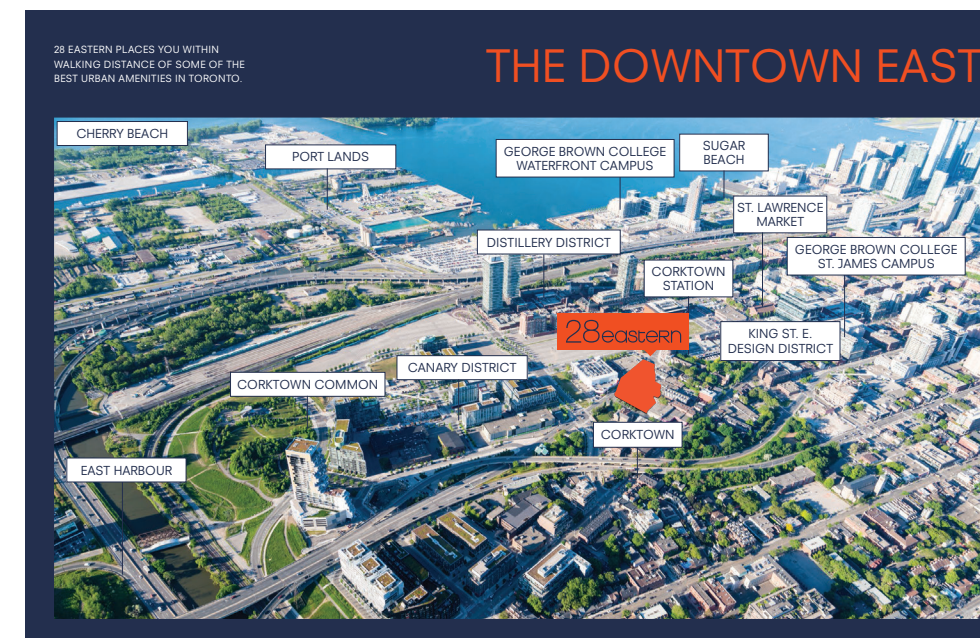
The project "28 Eastern condos", will be sold by only a small number of agents, at the opening of sales we will also have big discounts, special conditions of the contract and a reduced deposit. A one-bedroom apartment here can be purchased for a little over six hundred thousand dollars.

The second project will be Westport Condos, at Port Credit. This project has been very much anticipated by investors for a single month,

and finally the developer confirmed that the "Platinum" sales will take place at the very beginning of July. The highlight of this project is that it is located in the very center of one of the fastest-growing areas of greater Toronto, next to Lake Ontario, surrounded by parks and only 20 minutes by Go train to downtown.

Port Credit, along with the Beaches area, has always been considered one of the special areas where tenants are willing to pay rent even more than in downtown Toronto, and at the same time there is almost no apartment to rent here.

In addition, in the past few years there have been very significant changes and in the very near future several super-prestigious new condo complexes will appear in the area at once. Many people want to live in a quiet area, surrounded by parks and water bodies, have a lot of good restaurants and boutiques within walking distance and at the same time get to downtown Toronto and downtown Mississauga in 20 minutes, so there will be apartments sold out very quickly.



The preliminary booking of apartments in these projects has already begun. You can find out about these and other upcoming projects on the company's website www.newGTAcondos.com

In addition, on the company's website in the Russian Blog section, you can read my previous publications and watch short video reports on how to invest in new buildings correctly.

If you have any questions, please call us at 416-832-8343 or email us at contact@newgtacondos.com. We are always happy to share with you our knowledge, which often protects our clients from costly mistakes.