



Although the economy took several unexpected twists and turns in 2020, the housing market remains on solid ground as we enter 2021. While there was plenty of buzz surrounding the uncertain future of the economy and markets, much of it was only noise. That's why at Buffini & Company, my team and I are dedicated to cutting through this noise and identifying the market trends that matter. We present this information in Brian Buffini's Real Estate Report, a biannual publication designed to help real estate agents and their clients access relevant, up-to-date statistics to enhance market knowledge. Dive into this guide to learn all you need to know about what's happening in the industry, both on the national scene and as a whole.

It's a Good Life! Brian Buffini

Table of **Contents**

State of the Market	3
Mortgage Stats	4
Today's Buyer Profile	5
Today's Seller Profile	6
The Cost of Homeownership	7
Why I Work by Referral	8



State of the Market

The state of the market varies across Canada depending on your local market. Still, you'll want to pay attention to a few national trends.





66.3% of Canadians own homes







Inventory Snapshot

2.5

MONTHS

How long it would take for all homes on the market to sell

- Record low level for inventory
- Long-term average: 5.3 months

Investment in Construction Year-Over-Year* Overall



26.1%Semi-detached homes





8.5%
Row homes



2.7% Single homes

Mortgage Stats

Record low interest rates are making mortgages more attainable for many first-time and move-up buyers. When financing a home or refinancing a current mortgage, consult with a trusted lender to review the best options.

Minimum Down Payment by Law:

Five-Year Benchmark **Qualifying Rate** Needed to Pass "Stress Test"

Qualifying rate of 4.79% is based on Bank of Canada rate and can be up to 1.5% higher than other average posted rates

Most Common Mortgage for Homebuyers and Refinancers

- Fixed interest rate
- 5-year renewal term
- 25-year amortization period

Median Fixed Mortgage Rate for a 5-Year Term

Bank of Canada does not expect to raise interest rates again until 2023, making right now a great time to buy.

2011	4.56%
2012	4.23%
2013	4.13%
2014	4.02%
2015	3.73%
2016	3.69%
2017	3.74%
2018	4.37%
2019	4.25%
2020"	3.81%

SOURCES: Statistics Canada, Bank of Canada (November 2020), Pete Evans, "Bank of Canada plans to keep interest rate near zero until 2023," CBC, November 2020



Buyers' Needs Have Shifted

Opting for suburban or rural communities instead of urban centres

Looking for more space for personal amenities like a pool, balcony or large yard

Nonhomeowners likely to add a home office to their property wishlist

Top Reasons to Buy

1 25% Pursuit of a a nicer home

2 20% Current home is no longer suitable

3 16% Low interest

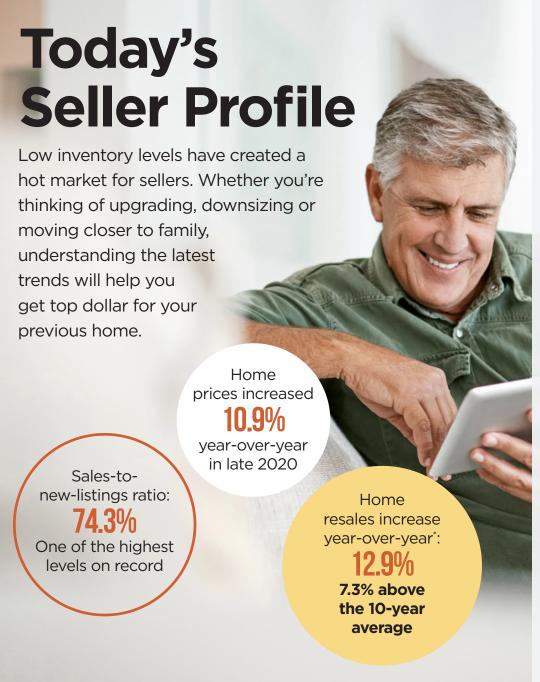
90% (1)3 of homeowners are happy with their purchase

Renters Are Ready to Buy

Those who plan to buy in the coming year:

7% Prepandemic

19% Late 2020



Top Reasons to Sell

- Current home is no longer suitable
- **15**% Pursuit of a nicer home
- **13**% Low interest rates
- The **73**% average home equity of Canadian homeowners, as a percentage of

home value.



SOURCES: CREA, RBC Economics (November 2020), PwC Emerging Trends in Real Estate 2021

Top 5 Hottest Markets to Watch

- Vancouver High demand and a low supply may drive home prices up, while builders complete new housing projects paused by the pandemic.
- **Toronto** Housing demand in the city and surrounding suburbs picked up as buyers' needs changed due to COVID-19.
- **Montreal** A steady economy plus promising investor demand is helping the Montreal market recover.
- Ottawa Solid economic growth, a hot pre-Covid housing market and continuing new home construction have kept Ottawa in good shape.
- 5 Halifax Pandemic migration helped Halifax maintain a hot real estate market despite stalled economic growth.

The Cost of Homeownership

Average Price by Province:

(As of October 2020)

1 Yukon: **\$456,771**

2 Northwest Territories: \$368,362

3 British Columbia: \$811,028

4 Alberta: **\$413,948**

5 Saskatchewan: **\$290,600**

6 Manitoba: **\$316,280**

7 Ontario: \$742,101

8 Quebec: \$403,726

9 Newfoundland and Labrador: \$281,800

10 New Brunswick: **\$203,233**

11 Prince Edward Island: \$298,668

12 Nova Scotia: **\$304,590**

National Average Home Price:

1





Relationships are more important than transactions.

My business is built on relationships, so I work to provide my clients with outstanding service and care during and long after a transaction.



You control my business.

Your referrals are the foundation of my business, so I aim to exceed your expectations every step of the way.



Service that continues after the sale.

I am devoted to serving your needs even after the sale is complete. If you need a referral for a contractor, helpful advice or an agent for your friend or family member, I am here to help.

"There is no lead more powerful than one referred from someone you know someone who knows you, trusts you and will put their name to you."

- BRIAN BUFFINI

of buyers received recommendations for real estate agents and mortgage lenders and brokers

> **32% OF REAL** came right from family

> > members