



BIDDING ADIEU

to the home of your dreams

Graham Jones brokered the deal that made \$180,000 extra on this property at Mill Pond Court and Rumble Avenue in Richmond Hill. The property was listed at \$899,000 and sold for \$1,080,000.

STEVE SOMERVILLE PHOTO

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If you're planning to buy a house in the Greater Toronto Area, be prepared to go to war. As demand in the local housing market increases substantially on an almost monthly basis, so, too, does the number of bidding wars.

Graham Jones, a Re/Max Hallmark agent who has worked in the industry for 25 years, just sold a house in a bidding war that netted his clients a substantial profit.

Their Richmond Hill bungalow was listed for \$899,000. There were nine bidders and the property sold for \$1.43 million.

He compares the sale to "winning the lottery" for his clients.

"It was underpriced a little bit to set up the bidding war, but still, it set records all over the place," Jones said.

"We had three bidders that were just beating the



living daylights out of each other. We didn't know where they were going to stop. It's a nice home, but it's a 65-year-old, 900-square-foot bungalow on a 50-foot lot. They (sellers) are so happy. I can't even begin to tell you. They're retiring and going to buy a piece of property up north and build a house. They got way more money in their pocket than they expected. They're absolutely thrilled. Every deal I've done in the

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ROOT CAUSES

of bidding wars

WEAK CANADIAN DOLLAR

Compared to other world currencies. Right now, our dollar is trading at about 80 cents against the American greenback. The British pound and the Euro are also highly valued against our money. That allows foreign investment in the GTA market.

"They're purchasing a \$300,000 property for \$220,000 US," Royal LePage sales representative Wasim Jarrah said. "To them, that's a great deal."

INVENTORY SHORTAGE

We're not building new homes fast enough to support demand. Also, Baby Boomers are choosing to stay in their homes, rather than downsize.

"If you look at the number of housing starts compared to population growth, we're just not building homes fast enough," Joe Asensio, of JN Asensio Realty Inc., said.

INTEREST RATES AT HISTORIC LOWS

They're helping to stabilize the economy and make home purchases much more appealing, Asensio said. "The real estate market is going to stay nuts for a long time yet," he said. "I don't know whether there's a need to slow it down."



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