

Families struggle to find home in soaring housing market

BY LISA QUEEN
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After losing out on yet another bidding war, this time when a house they loved sold last month for almost \$200,000 over the asking price, Meredith Blunt's family will soon be leaving the York Region community they have grown to love.

"I'm really sad to leave. We've made really nice friends in Aurora. It's a nice town. We're really disappointed. The conversations we will have with our friends here will be tough. I'm not looking forward to telling them that we're moving," said Blunt, an artist and stay-at-home mom, who lives in a semi-detached rented home with her husband, Matt Clark, and their children Bronwyn, 8, and Elliott, 5.

"But we definitely can't afford \$800,000 to \$1 million for a detached house and \$700,000 for a townhome sounds insane to me."

The family moved to Aurora from Nova Scotia four years ago so Blunt, a native of Richmond Hill, could be close to her parents in Markham and take advantage of employment opportunities for Clark, a software developer.

They have been left shocked by housing prices in Aurora, where the average price is now \$941,068 and requires a household income of \$162,741, according to a report released last month by Toronto-area web-based realty service TheRedPin Brokerage.

It's a stunning change from Halifax, where in 2007 they bought a two-bedroom-plus-den condo for \$117,000 and later purchased a three-bedroom century home in Dartmouth for \$180,000.

They now pay \$1,700 plus utilities for their rented home.

About 13 months ago, the family, which has an annual household income of more than \$100,000, became serious about buying a house in Aurora.

Working with a realtor, they have seen more than 30 homes and put offers in on nine detached and semi-detached houses.

They were outbid every time, even though their budget climbed from \$500,000 to \$700,000.

Last month, they stretched themselves even further in an attempt to buy a house they fell in love with, a 35-year-old bungalow listed for \$625,000.

They were one of 16 bids, hopeful their offer of \$720,000 would be enough.

But a Toronto investor secured the deal with a bid of \$800,000.

"We were in tears, saying we love this house enough that we'll try, we'll do \$720,000,



Susie Kockerscheidt/Metroland

Matt Clark and Meredith Blunt, with son Elliott, 5, and daughter Bronwyn, 8, moved to Aurora from Halifax four years ago. They have been renting, but want to buy a home. However, after being repeatedly outbid, they are leaving the town they have come to love.

THROUGH THE ROOF



A series on housing prices

we'll make it work, we will find a way to make it work," said Blunt, a former university academic advisor.

"My parents were going to help us out. Now it's empty and up for lease."

Clark blames soaring prices on a combination of low interest rates and increasing foreign and domestic investment.

The market has left him wondering whether he and Blunt made a mistake moving their family here.

"We made a decision that would make sense in a normal market but things aren't normal right now," he said.

"It's terribly hard (to leave Aurora). It's what we don't want to do. It's our last resort

but it's the only rational choice left."

They are thinking of moving to the Kitchener-Waterloo area, where they can buy a detached home downtown on a new light rapid line in the \$450,000 range and which offers a technology hub for Clark, future employment opportunities for Blunt and appealing post-secondary options for when their children grow up.

Families in York Region, both first-time buyers and those trying to move to larger homes to accommodate their growing families, are struggling in today's over-heated market, real estate broker Kate Carcone with Aurora's Re/Max Hallmark Group Realty said.

"In my eight years of real estate, I have never seen a faster, more furious pace of movement in the single-family home market. It is a market that for the last 18 months has suffered from a shortage of inventory," she said.

"York Region has been at the centre stone of a buying frenzy as it becomes more and more popular to young early-stage families looking to move out of the downtown core. Toronto has now become Manhattan in that it is no longer possible to purchase a house in downtown Manhattan, Toronto has followed suit, building skyscrapers for a younger generation."

BE PREPARED

Realtor Kate Carcone offered a number of tips:

- Hire a real estate agent who has the inside track on listings before they hit the market;
- secure your financing well ahead of house shopping;
- be prepared to have your home inspector look at the house immediately to make your offer more enticing;
- be prepared to make a bid the same day you view a property you want to purchase; and
- be prepared to write a deposit cheque quickly. Deals have fallen through when potential buyers can't produce a deposit cheque within 24 hours.

Experts worry that housing prices in York will continue to skyrocket as foreign investors looking to escape a 15 per cent tax in Vancouver turn their eyes to the GTA and as the provincial government pushes for more intensification to accommodate four million new residents moving to the Greater Golden Horseshoe by 2041.

The market is taking its toll on families, Carcone said.

"Multiple offers are the norm. The days of a typical house-buying experience are sadly behind us," she said.

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