









## MARKET COMMENTARY

The Toronto Real Estate Board (TREB) has released the housing data for May. Following April's big surge in new listings, last month, Sellers upped the ante and put an additional 25,837 homes on the market for sale. This figure represents the most new listings in a single month in TREB's history. Though still early to tell for sure, it would appear that Ontario's Fair Housing Plan has helped disrupt the market. At the very least, there seems to be enough market uncertainty that owners who had previously been holding onto their asset in hopes of greater gains now feel it's time to list.

This swell of new listings has helped create a less frenzied sales environment with more choice for the Buyer and less urgency at offer time. While year-over-year price increases are still up (+14.9% on average) and the average sales price still exceeds the average list price by 4%, total sales were down for all product types compared to the same time last year. Furthermore, looking at the market through a more short-term lens, the average sales price is down for all major product categories from only a month ago, most notably detached homes whose average sale price fell to \$1,141,041 in May from \$1,205,262 in April, and the sales cycle has slowed slightly to 11 days on market from 9 days in April.

Moving forward, we're encouraged by the increase in housing supply. Though Sellers may be disappointed to learn that there are no longer 20 families lined up to bid on every listing, 30% year-over-year price increases were not sustainable. However, Buyers should be cautioned that even though they have benefitted from a robust increase in active listings, inventory levels still remain low, with less than two months of inventory. So, if you see a home you like that's within your budget, we would encourage you to make an offer.

## BY THE NUMBERS: CENTRAL TORONTO

Detached	Semi-Detached	Condo Apartments
 <b>1,146</b> Units SOLD	 <b>348</b> Units SOLD	 <b>2,038</b> Units SOLD
<b>\$1,503,868</b> Average Sale Price	<b>\$1,062,318</b> Average Sale Price	<b>\$564,808</b> Average Sale Price
<b>\$820,000</b> LOW   <b>\$9,000,000</b> HIGH	<b>\$490,000</b> LOW   <b>\$3,280,000</b> HIGH	<b>\$265,000</b> LOW   <b>\$5,125,000</b> HIGH
 <b>10</b> Average Days on Market	 <b>9</b> Average Days on Market	 <b>12</b> Average Days on Market
<b>105%</b> % Sale Price to List Price	<b>110%</b> % Sale Price to List Price	<b>105%</b> % Sale Price to List Price

Sourced from TREB May 2017 for City of Toronto. For statistical use only.





# LEGAL MATTERS

## Easements and Property Rights

By Garry Shapiro, BCL, LLB, MBA & Evan Shapiro, HBA, JD

Whether you are a current or prospective property owner, it's important to understand how easements work. Easements are a necessary part of our property law system, granting rights to municipalities, utilities, and other parties that help create or maintain various services to our communities. They can also be a source of frustration when property owners discover that they don't have total control over their land.

### WHAT IS AN EASEMENT?

An easement grants a right of use over the property of another for a specific purpose. It creates a right rather than an ownership. Easements "run with the land," meaning when the land is sold, the rights and obligations of the easement are transferred, and they are not registered against individuals. Common examples include:

- **Utility Easements give service providers the right to operate and maintain water, sanitary, and storm sewer lines, or other utilities such as telephone and cable lines.**
- **Municipal Easements give the municipality the right to install or maintain services to the subdivision or lot, or deal with development issues like grading.**
- **Adjacent Property Owner Rights give a neighbour the right to access a shared driveway or laneway, or a right to cross over the land to access their property (for example, a right of way). A neighbour may even have a right to enter upon the land to maintain their property.**

Easements can prevent or limit a property owner's ability to develop their land, such as building an extension to a home, a swimming pool, or garden, as the property owner must at all times comply with

the easement, allowing unhindered and unimpeded access. If, for example, the property owner constructs a deck covering an easement, they may be legally required to remove the deck at their own cost.

### DEALING WITH EASEMENTS

The best time to understand and deal with an easement is prior to purchase. Purchasers can conduct a title search and are entitled to requisition that certain easements be discharged from title. If the seller is unwilling or unable to discharge the easement, or insure against it, the purchase agreement may end.

There are other types of easements which the Purchaser must accept. Section 10 of the standard OREA Agreement of Purchase and Sale states that the Purchaser will take title to the property, even if there is: "... (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property..." Reference to use in this section implies current use, rather than any future use which may occur by way of development.

A property owner can attempt to have an easement removed by obtaining the consent of the party who's been granted the easement or obtaining a court order. They will, however, not disappear simply through non-use.

An owner may discover that their renovation dreams are not legally possible. So, before you purchase a property or undertake a renovation, carefully review title and consult a lawyer to ensure there are no easements which may affect your use of the property.

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## DON'T MISS THESE JUNE EVENTS

**LUMINATO FESTIVAL - June 14 to 25, 2017 - [LuminatoFestival.com](http://LuminatoFestival.com)** One of the pre-eminent arts festivals in North America. The Luminato Festival transforms public spaces and creates a home for artists to play, share and create.

**PRIDE TORONTO FESTIVAL - June 1 to 25, 2017 - [PrideToronto.com](http://PrideToronto.com)** One of the largest Pride celebrations in the world, with an estimated attendance of over 1 million people. It includes a special Family Pride program, Trans Pride, the Dyke March and the famous and fabulous Pride Parade.

**TASTE OF TORONTO - June 15 to 18, 2017 - [TasteOfToronto.com](http://TasteOfToronto.com)** The beautiful Fort York National Historic Site is transformed into a foodie wonderland for four days of summer eating, drinking and entertainment.

**NXNE: NORTH BY NORTHEAST FESTIVAL - June 16 to 25, 2017 - [NXNE.com](http://NXNE.com)** NXNE includes a major three-day music festival June 23 to 25, situated in the Port Lands at Cherry and Commissioner Streets. This "festival within a festival" also features comedy, food, art installations and midway rides.

**TD TORONTO JAZZ FESTIVAL - June 23 to July 2, 2017 - [TorontoJazz.com](http://TorontoJazz.com)** The TD Toronto Jazz Festival presents ten days of performances at 40 locations around Toronto offering a range of styles of music and venues from funky bars to elegant halls.



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