

## Is now a good time to enter the housing market?

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It's a question many people ask themselves as they read the news about the constant home price fluctuations in their neighbourhood or when the interest rates will change.

The housing market always has its ups and downs and when's the right time to buy might not be the same as everyone based on their current state of finances.

Currently, [interest rates have remained low](#) since the recession which is said to help encourage more [first-time homebuyers](#) to enter the market despite higher home prices. Since they hit an all-time low, forecasters expect to see more housing construction and more sales and it's expected that homes sold this year will rise to an average price of \$399,800, which is 4.5 per cent higher than the year before. Also, it's expected the CMHC predicts construction on 184,800 new homes will begin this year.

July's housing numbers back up these expectations with home sales activity climbing 4.7 per cent higher than it was the year before, [according to the Globe and Mail](#). Also, the housing markets in Montreal, Ottawa, Victoria, Winnipeg and Halifax saw more activity in June, which contributed to sales activity of resale homes climbing to heights which haven't been seen since March 2010.

But recently, RBC Economics predicted that home prices would fall in 2016 if interest rates rose to normal levels.

There's been many articles comparing the price of renting versus buying and it's a topic debated by many as to whether it's worth it. But despite houses climbing higher and higher in price, this doesn't stop renters from wanting to become homeowners.

Within Canada, there are about 2.4 million people under the age of 50 renting their home, according to Altus Group Canada, an independent real estate firm. Eighty per cent of Canadian renters under 50 would like to buy a home, according to a recent survey by Altus Group. Only about 20 per cent didn't want to own a home because they didn't want that type of lifestyle. Also, only two per cent of those said they didn't think investing in a home was a good investment.

"Typically people want to own a home," [Patricia Arsenault, executive vice-president at Altus Group, which specializes in research and advice, told the Globe and Mail](#). "Either they're still saving up to do it, or they know they're never going to be able to afford it but the desire is still there. It's not usually their preference to stay as a renter."

Since homes are pricey purchases, there are many reasons for Canadians waiting until the right

moment. According to the survey, renters who weren't homeowners yet were saving money for a downpayment, they didn't think they would qualify for a mortgage or they didn't think it was the right time to buy.

Unfortunately, there's no right answer on when's the right time to buy but any homebuyers should be aware of the [factors that could affect a home's value](#), as well as the [closing costs](#) which will be a hefty add on to your purchase.

If you've bought a newly built home, you should [claim back some of your money with an HST rebate](#). [Rebate4U](#) can help you receive the most HST housing rebate that you're eligible for. Our priority is to provide our clients with the most professional and quality service in obtaining rebates for their new and renovated homes. We are proud to offer our clients the most personal and attentive service, and we make sure that all of our clients are 100% satisfied.