



MARKET HANDBOOK

JULY EDITION



Balance, Perspective and Plays

Market declining? Market slowing? Market crashing? Numbers are down, etc etc etc. But what's actually going on? I talk to my kids a lot about the 'big picture'. And 'executive function'. I use the analogy of sports quite frequently. In baseball, when the batter hits the ball after the pitch, the opposing team needs to know the next play. And the whole team needs to be on the same page to know what to do. It's the same in basketball. The teams run plays and positions. Soccer is no different. This is exactly how our family functions. And it's how we work with our clients. Everyone understands the 'big picture.' Knows their positions. And knows the play given the market conditions and the various scenarios that can occur. And all within the parameters of their specific micro-market.

The doom and gloom headlines are in full force right now. As they are typically and predictably when our seasonal market slows in the summer. And this year the interest rate hike appears to have kicked it off a little early. But not doom-and-gloom headline-worthy.

Here is the big picture. We are in our summer market. A slower seasonal market. Although sales are down 21% from the 10-year average, we are still well above the stagnant 2022 market. And although the average price is down from last month, 3.8% respectively, home values are still up 3% from 2022, 0% from the flying high market of 2021, 27% from 2020, and 42% from 2019. Therefore even though growth slowed over the past two years, overall the market is still well ahead of the pre-pandemic period. The ebb and flow of Toronto Real Estate.

Recent supply is balancing out the current market. Balance is sustainable. This is a good thing for all. A balanced market should stabilize prices and create a neutral playing field for both buyers and sellers.



To credit the importance of the numbers and details, give our Market Handbook a good read. The data is important, and the big picture is formed by extrapolating the data. But understanding the big picture is important too. It brings an overview and a higher-level perspective for everyone involved. Let's not lose sight of it by getting lost in the minutia.

I consider it somewhat predictable to say 'I don't have a crystal ball, I don't know what's going to happen with the real estate market.' But if I hire a lawyer, to represent me, I request their expertise and thoughts on outcome based on probability, precedence, etc. For us, buyers are still transacting, with a sigh of relief through a recent increase in supply. And ultimately selection. Sellers are still selling for the current market value. Holding back offers with the intention of generating multiple offers has slowed down significantly. We are seeing ACTUAL asking prices. And back and forth negotiations.

In short. Balance.

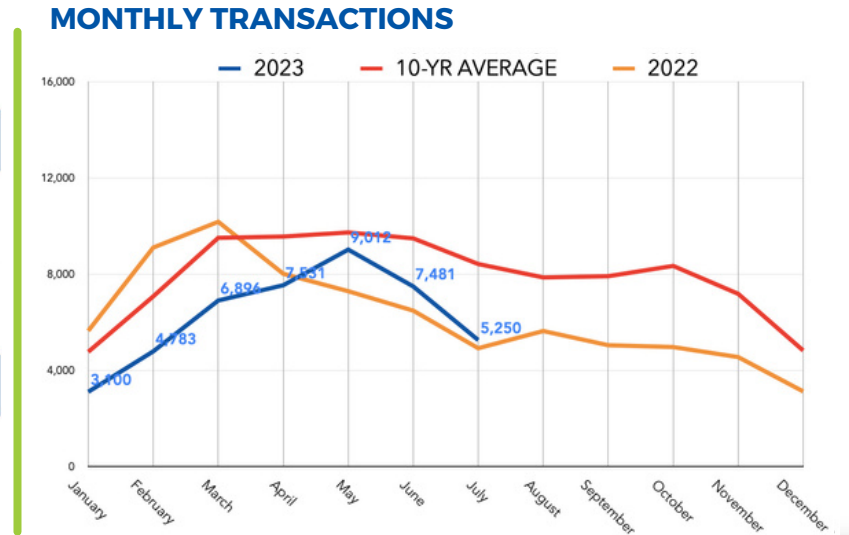
Any questions or want to chat feel free to reach out.

Cari & Paul

MONTHLY OVERVIEW - SALES -

ALL HOME TYPES - GTA
NUMBER OF SALES / TRANSACTIONS

July	
# of Sales	5,250
% Chg M.o.M.	-29.8%
% Chg Y.o.Y.	+6.9%
% Chg from 10 YR Ave	-37.6%
YTD Sales	
	44,053
% Chg from 10 YR Ave	-32.2%



Home Sales continued to decline at a rapid rate. We now see comparable home sales to last year's lows, down almost 38% from our 10-year average. With a combination of the typical Summer time lull and June's interest rate hike - Buyers have fled the real estate market, putting the dream of home ownership on hold. With so much volatility in the market, Buyers feel uncertain about their best course of action - fearing both missing out on a good opportunity and further price decline. The 50 basis point increase by the Bank of Canada initiated not only an early Summer Market but also a more pronounced slowdown.

MONTHLY OVERVIEW - PRICE -

ALL HOME TYPES - GTA
AVERAGE PRICE

July

Average Price **\$1,118,374**

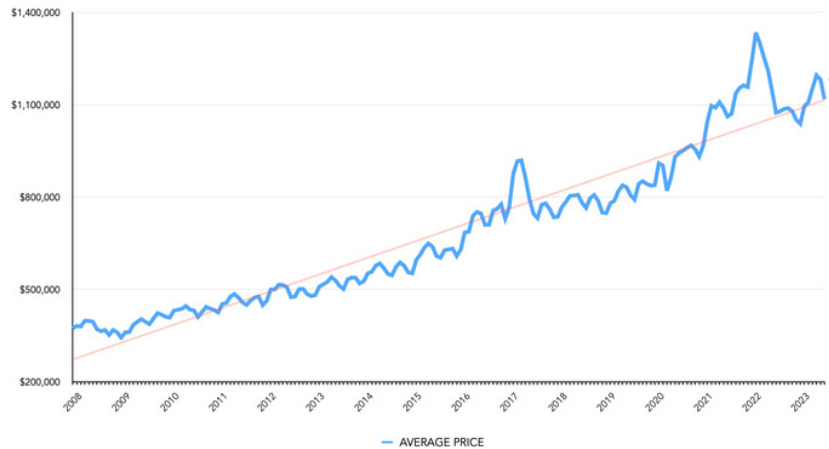
% Chg M.o.M. -5.4%

% Chg Y.o.Y. +4.1%

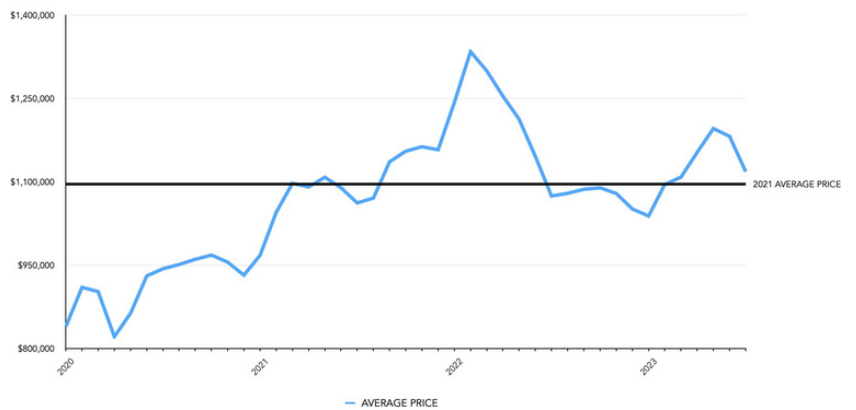
Annual Average **\$1,141,457**

% Chg -4.1%

AVERAGE PRICE FOR GTA HOME - Monthly



AVERAGE PRICE FOR GTA HOME - Last 3 Years



The Average Home Price across the GTA continued its fall, dropping 5% from last month. We are now sitting at an Average Home Price of \$1,118,374. This represents a 4% increase from last year and an almost 8% increase from the bottom back in January. Home Prices are still above 2021 prices. However, Prices will likely continue to fall in August as the Summer market grinds to a halt.

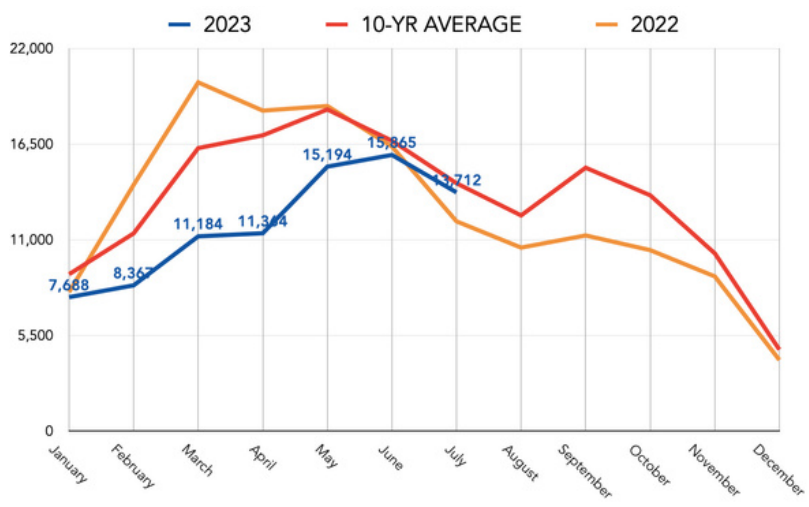
MONTHLY OVERVIEW - LISTINGS & INVENTORY

ALL HOME TYPES - GTA
NEW LISTINGS & ACTIVE INVENTORY

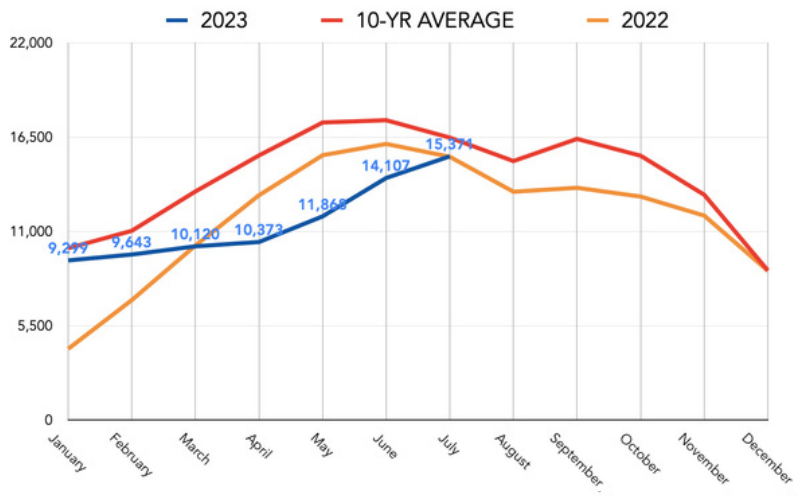
July

New Listings	13,712
% Chg M.o.M.	-13.6%
% Chg Y.o.Y.	+13.8%
% Chg from 10 YR Ave	-3.7%
Inventory	15,371
% Chg M.o.M.	+9.0%
% Chg Y.o.Y.	+0.2%
% Chg from 10 YR Ave	-6.6%

NEW LISTINGS



ACTIVE LISTINGS



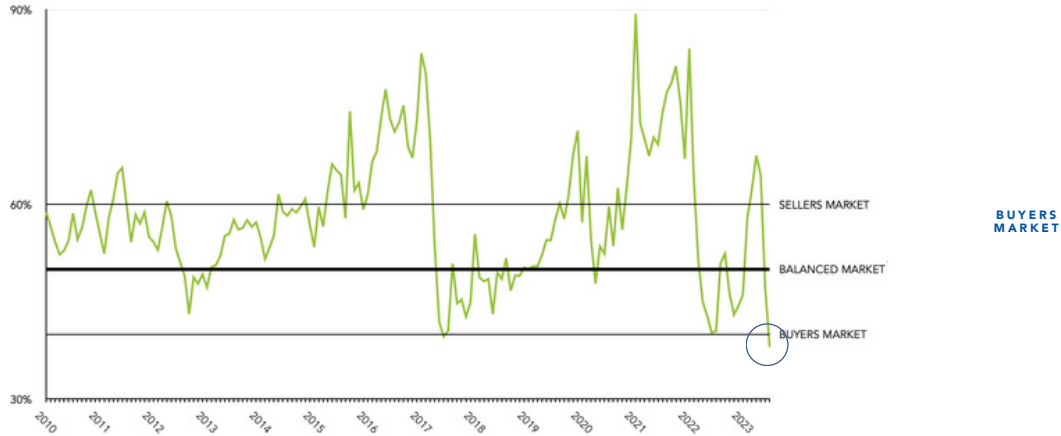
New Listings are hovering around the Historic Ten Year Average. Although New Listings fell almost 14% from last month, this pattern is typically for the Summer Market lows. The discrepancy between the 20-year lows in Sales and the average output of New Listings is leading to a rapid climb in Active Inventory. Active Listings jumped 9% from last month, which had already jumped 19% from the month before. After seeing the first four months of stagnant inventory leading to escalating prices, we expect supply levels to halt price growth.

MONTHLY OVERVIEW - RATIOS -

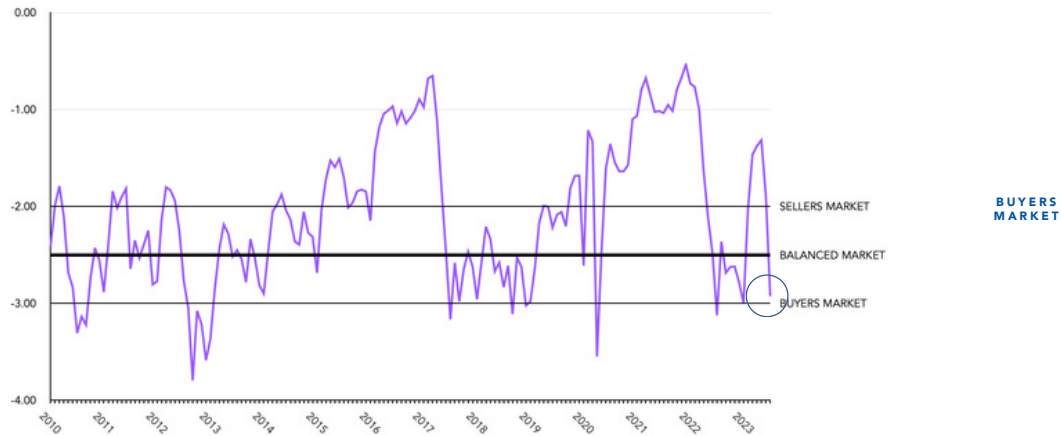
ALL HOME TYPES - GTA

LIST TO SALE RATIO & MONTHS OF INVENTORY & SOLD OVER ASKING

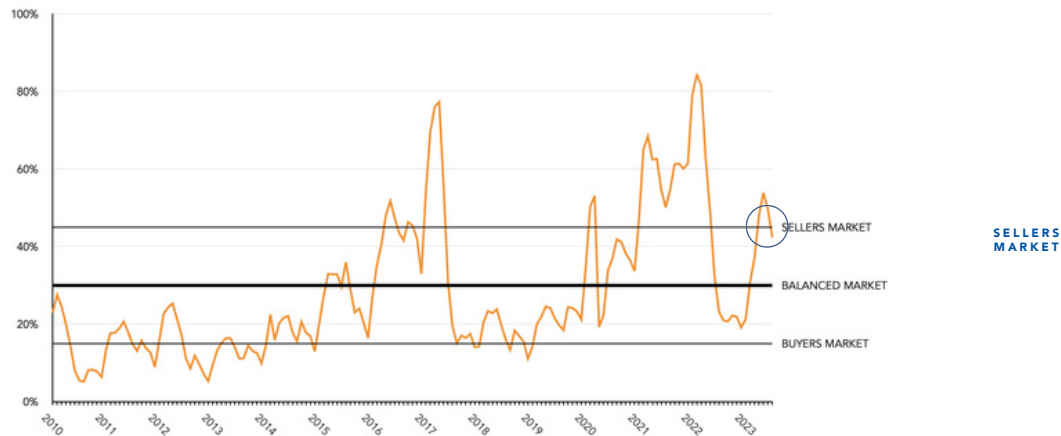
SALES TO NEW LISTINGS RATIO*



MONTHS OF INVENTORY - INVERTED



SOLD OVER ASKING RATIO



REGIONAL OVERVIEW - 416 VS 905 -

LOW RISE HOMES

CITY OF TORONTO - 416 - LOW RISE SALES

July

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	518	-35.8%	+8.6%	-39.3%	\$1,641,045	-8.1%	+8.3%
Semi-Detached	168	-43.6%	-5.1%	-38.9%	\$1,257,086	-10.8%	-0.9%
Townhouse	176	-35.1%	-12.0%	-45.4%	\$1,019,333	-1.4%	+5.8%
City of Toronto (416)	862	-37.4%	+0.9%	-40.6%	\$1,439,274	-7.5%	+7.8%

GREAT TORONTO AREA - 905 - LOW RISE SALES

July

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	1,860	-27.6%	+7.8%	-39.6%	\$1,367,718	-5.8%	+3.6%
Semi-Detached	277	-27.1%	-6.7%	-50.2%	\$1,007,742	-5.2%	+4.5%
Townhouse	698	-27.4%	+13.3%	-34.6%	\$940,113	-2.4%	+6.3%
Greater Toronto Area (905)	2,835	-27.5%	+7.4%	-39.7%	\$1,227,266	-5.1%	+4.1%

We are seeing comparable trends across the GTA - with sales down 40% from the ten-year average and prices on the decline month over month. The 416 experienced a more dramatic decline in sales both month-over-month and year-over-year.

FREEHOLD & CONDO UPDATE

CITY OF TORONTO

TORONTO - Freehold VS Condo

FREEHOLD		CONDO	
# of Sales	862	# of Sales	1,013
M.O.M.	-37.4%	M.O.M.	-29.5%
Y.O.Y	+0.9%	Y.O.Y.	+5.2%
10 YR AVE	-40.6%	10 YR AVE	-33.7%
Average Price	\$1,439,274	Average Price	\$753,520
M.O.M.	-7.5%	M.O.M.	-2.2%
Y.O.Y	+7.8%	Y.O.Y.	+1.3%
New Listings	2,044	New Listings	3,043
M.O.M.	-20.6%	M.O.M.	-4.5%
Y.O.Y	+74.7%	Y.O.Y.	+25.6%
Inventory	2,216	Inventory	3,802
M.O.M.	+3.1%	M.O.M.	+14.1%
Y.O.Y	+44.0%	Y.O.Y.	+12.4%

Freehold housing in Toronto had a larger drop-off in July, compared to condos. The housing market saw a bigger dip in the Number of Sales (down 37% from last month) and Average Price (down 7.5%). However, the longer-term supply indicators of New Listings (down 20%) and Active Inventory (up only 3%) are showing healthier signs of stability. We are slowly seeing condo inventory increase (sitting at 3,800 units). Historically, when condos hit 4,500 to 5,000 Active Units, prices begin to decline.

LET'S CONNECT



WE'RE HERE TO HELP!

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