



MARKET HANDBOOK

JUNE 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.

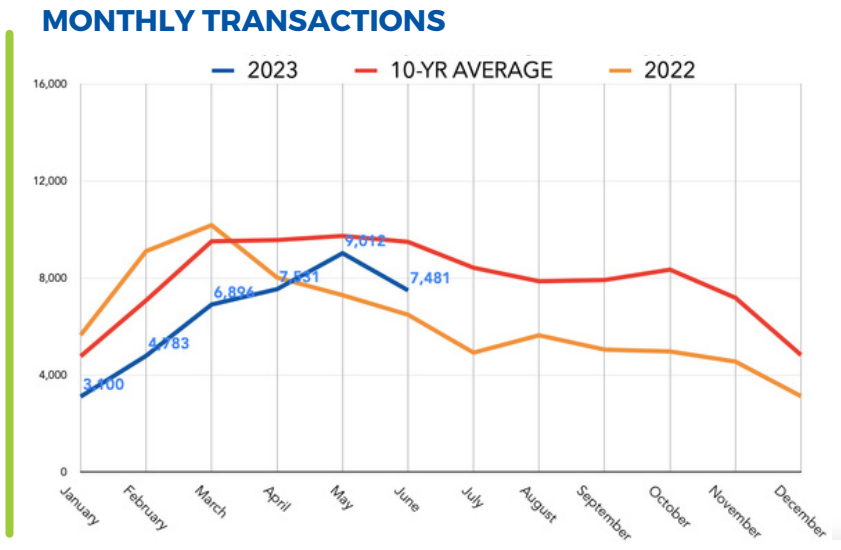
Any questions or want to chat feel free to reach out.

Cari & Paul

MONTHLY OVERVIEW - SALES -

ALL HOME TYPES - GTA
NUMBER OF SALES / TRANSACTIONS

June	
# of Sales	7,481
% Chg M.o.M.	-17.0%
% Chg Y.o.Y.	+15.6%
% Chg from 10 YR Ave	-21.1%
YTD Sales	
	38,803
% Chg from 10 YR Ave	-30.3%



Home Sales experienced their first decline of the year. After five straight months of increasing market activity, sales took a step back. June is typically the end of the Spring Market and is commonly a busy time for real estate, as buyers are still eager to find their new home before the summer holidays or secure a house before the school year starts in September. We felt a pullback from Buyers, fueled by buyer fatigue and news of further interest rate hikes. The announcement by the Bank of Canada took the last of the winds out of the sails, and we are now expecting a slower summer market. Although Sales are down 21% from the 10-year average, we are still well above the lifeless market of 2022 - a period in which buyers fled the market and prices were falling.

MONTHLY OVERVIEW - PRICE -

ALL HOME TYPES - GTA
AVERAGE PRICE

June

Average Price **\$1,182,120**

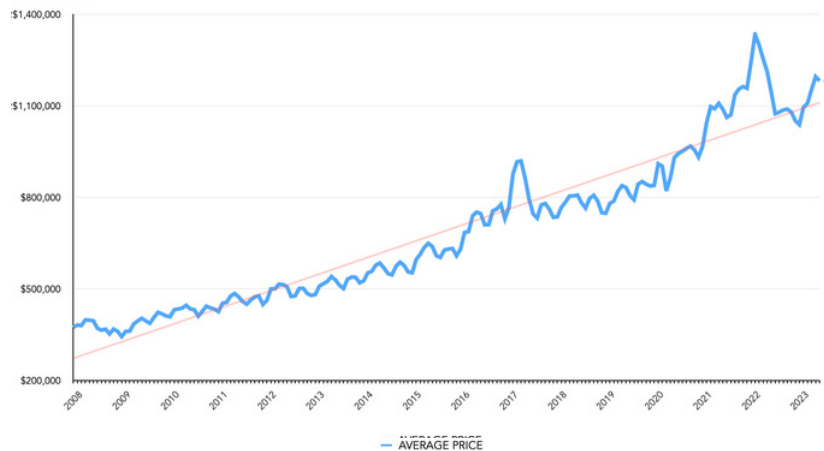
% Chg M.o.M. -1.2%

% Chg Y.o.Y. +3.1%

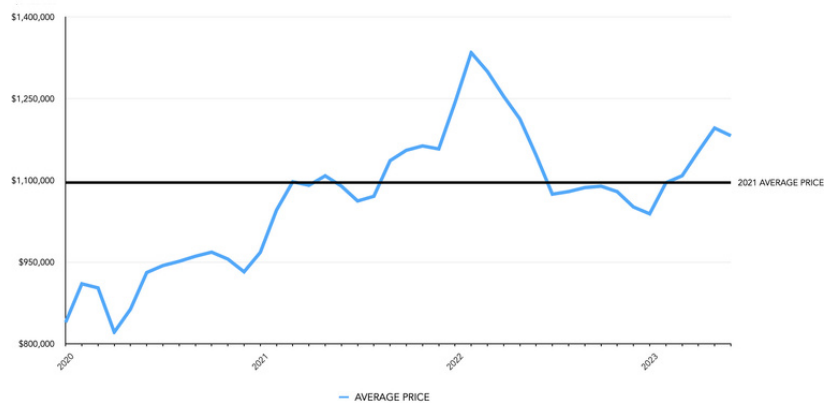
Annual Average **\$1,144,580**

% Chg -3.8%

AVERAGE PRICE FOR GTA HOME - Monthly



AVERAGE PRICE FOR GTA HOME - Last 3 Years



We also experienced a dip in the Average Price last month - falling 3.8% to \$1,182,120. This is still 3% above last year's Average Price. To put home values in perspective, Average Prices are up 3% from 2022, 0% from 2021, 27% from 2020 and 42% from 2019. So although we have experienced little growth over the last two years, we are leaps and bounds ahead of the pre-pandemic period.

MONTHLY OVERVIEW - LISTINGS & INVENTORY

ALL HOME TYPES - GTA
NEW LISTINGS & ACTIVE INVENTORY

June

New Listings **15,865**

% Chg M.o.M. +4.4%

% Chg Y.o.Y. -2.9%

% Chg from 10 YR Ave -4.9%

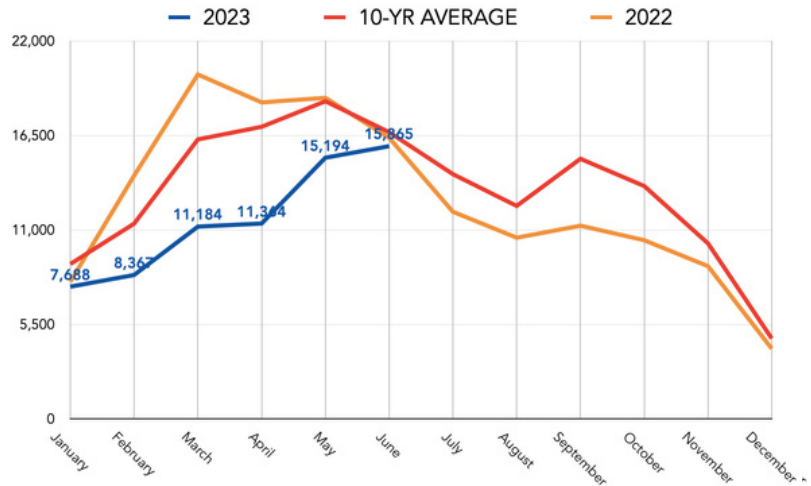
Inventory **14,107**

% Chg M.o.M. +18.9%

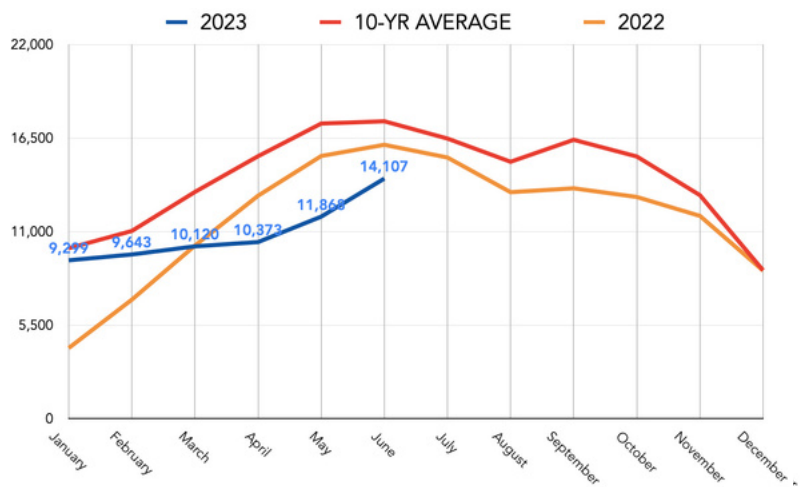
% Chg Y.o.Y. -12.3%

% Chg from 10 YR Ave -19.3%

NEW LISTINGS



ACTIVE LISTINGS



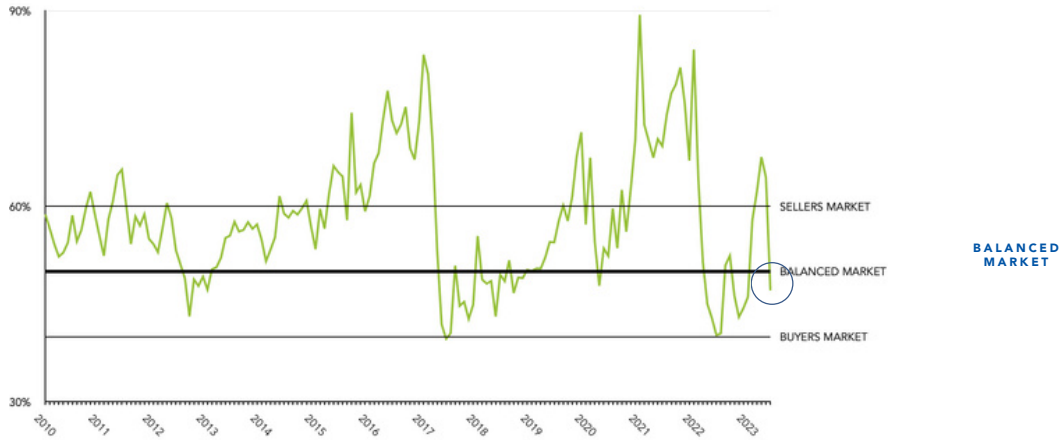
We are finally seeing New Listings and Active Inventory climb to normal levels. The lack of homes for sale created a competitive buying market and caused prices to rise. With the relief of higher inventory levels, we will likely see prices stabilize and hold in the coming months. In the following charts, you will see the market returning to more neutral to buyer-friendly levels.

MONTHLY OVERVIEW - RATIOS -

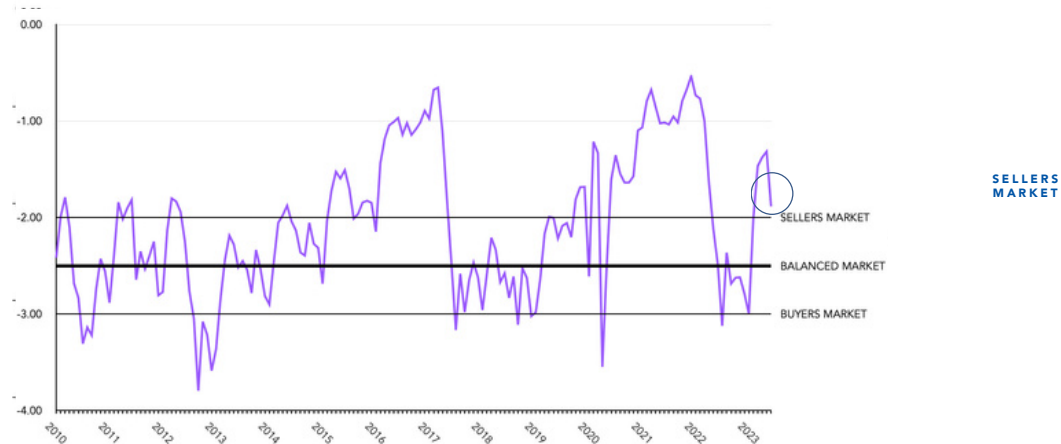
ALL HOME TYPES - GTA

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

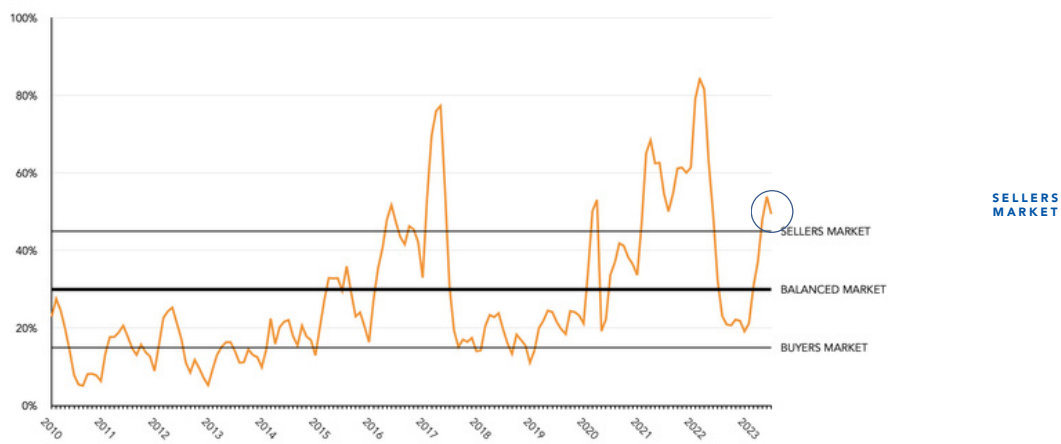
SALES TO NEW LISTINGS RATIO*



MONTHS OF INVENTORY - INVERTED



SOLD OVER ASKING RATIO



REGIONAL OVERVIEW - 416 VS 905 -

LOW RISE HOMES

CITY OF TORONTO - 416 - LOW RISE SALES

June

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	807	-16.8%	+8.0%	-25.8%	\$1,785,128	-6.7%	+2.8%
Semi-Detached	298	+4.2%	+21.6%	-16.2%	\$1,408,550	+0.7%	+4.9%
Townhouse	271	-11.7%	+11.5%	-27.7%	\$1,033,432	-3.3%	+0.6%
City of Toronto (416)	1,376	-12.0%	+11.4%	-24.3%	\$1,555,528	-5.9%	+2.4%

GREAT TORONTO AREA - 905 - LOW RISE SALES

June

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	2,570	-16.5%	+13.5%	-28.1%	\$1,451,198	+0.5%	+6.6%
Semi-Detached	380	-24.2%	-2.3%	-36.8%	\$1,062,988	-1.9%	+7.7%
Townhouse	962	-21.0%	+12.6%	-18.6%	\$963,464	-2.4%	+6.3%
Greater Toronto Area (905)	3,912	-18.4%	+11.5%	-27.0%	\$1,293,550	+0.2%	+7.0%

The biggest decline in Sales was seen across the 905 region. Toronto felt the largest slowdown in Detached Housing. However, this was partly a recoil from the heated May market we experienced for detached housing in the 416. We sometimes see market trends surface in the 905 area first as it is more influenced by immigration and international investing (for freehold - not condos). There was also a more significant decrease in home values for Semi-Detached and Townhouses in the 905 Area, which is the housing choice for most first-time house buyers who the recent rate increases may impact.

FREEHOLD & CONDO UPDATE

CITY OF TORONTO

TORONTO - Freehold VS Condo

FREEHOLD		CONDO	
# of Sales	1,376	# of Sales	1,437
M.O.M.	-12.0%	M.O.M.	-15.2%
Y.O.Y	+11.4%	Y.O.Y.	+23.3%
10 YR AVE	-24.3%	10 YR AVE	-11.0%
Average Price	\$1,555,528	Average Price	\$770,423
M.O.M.	-5.9%	M.O.M.	-1.8%
Y.O.Y	+2.4%	Y.O.Y.	-0.1%
New Listings	2,575	New Listings	3,187
M.O.M.	-4.1%	M.O.M.	+6.1%
Y.O.Y	+52.5%	Y.O.Y.	+1.5%
Inventory	2,149	Inventory	3,331
M.O.M.	+8.8%	M.O.M.	+13.8%
Y.O.Y	+32.3%	Y.O.Y.	-7.3%

Freehold housing and condos in Toronto are experiencing similar changes across the board, with one key difference - condos are outpacing housing in Supply. The Condo Market had larger increases in New Listings (+6%) and Active Inventory (+14%) compared to last month. This contrasts with Freehold housing which experienced a contraction in the number of New Listings (-4%) this month. This has not had an impact on prices as Freehold felt the more considerable dip in Average Prices from last month (again likely a recoil of the heated month of May for Detached Housing). Inventory levels will be a pivotal component to watch over this summer, as it will be a leading indicator for the Fall Market.

LET'S CONNECT



WE'RE HERE TO HELP!

CARI & PAUL LAPAS BROKERS

RE/MAX Hallmark Realty Ltd.
2277 Queen St E.
Toronto, Ontario, M4E 1G5
E: info@cariandpaul.com
M: (416) 723-2372
O: (416) 699-9292