



MARKET HANDBOOK

OCTOBER EDITION



It Seems Like Everyone Wants the Same Property (In Toronto)

As we round about the end of the year, the numbers in our Market Handbook break the market down into averages, medians, trends, charts, and analytics. But it doesn't tell the story of the house in Riverdale that received 10 Offers last week. Or the Bully Offer that our client wanted to submit on a Kingsway West Toronto home that the Sellers abruptly declined, opting to wait for their bid date. Or the Sunnylea home that received 14 Offers on their bid night. You would think that the above stories are the exception. And they are the exception.

Inventory is up. Buyers have choices. Sellers are listing. This is the balance many of us have been waiting for. So why does the activity in Toronto seem so unbalanced? Either the home is sitting there for 30-60-90 days with little showings, price reductions, and re-listings. Or the home is selling in competing multiple Offers on their bid night for above 'the asking price.' Such a dichotomy where the latter is the exception. More properties are sitting there rather than selling.

We speculate the reason for the above is that most Buyers are conservative at the moment. Slightly skeptical, perhaps. And amidst uncertainty, they are watching and waiting patiently without the urgency to move. But if the right property comes up, buyers move on it. And they are moving fast. Which perhaps indicates that demand for specific homes is still alive and well. And although Open Houses have slowed overall, and Buyers have mostly put their searches on hold until the spring, they are still watching the market. And ready to move should the opportunity arise.



We believe we are in the market of opportunity, whether it be for the right property or the right price. I remember learning early on in Real Estate that opportunity presents itself when you are willing to do the opposite of the masses. While many have the luxury of holding on, there are life circumstances that are still presenting themselves, such as a growing family, relocations, a new baby, a new job, and the list goes on. Therefore despite what the market does, their lifestyle takes priority. And those Buyers are still out there. And looking.

Stay tuned.

Any questions, feel free to reach out.

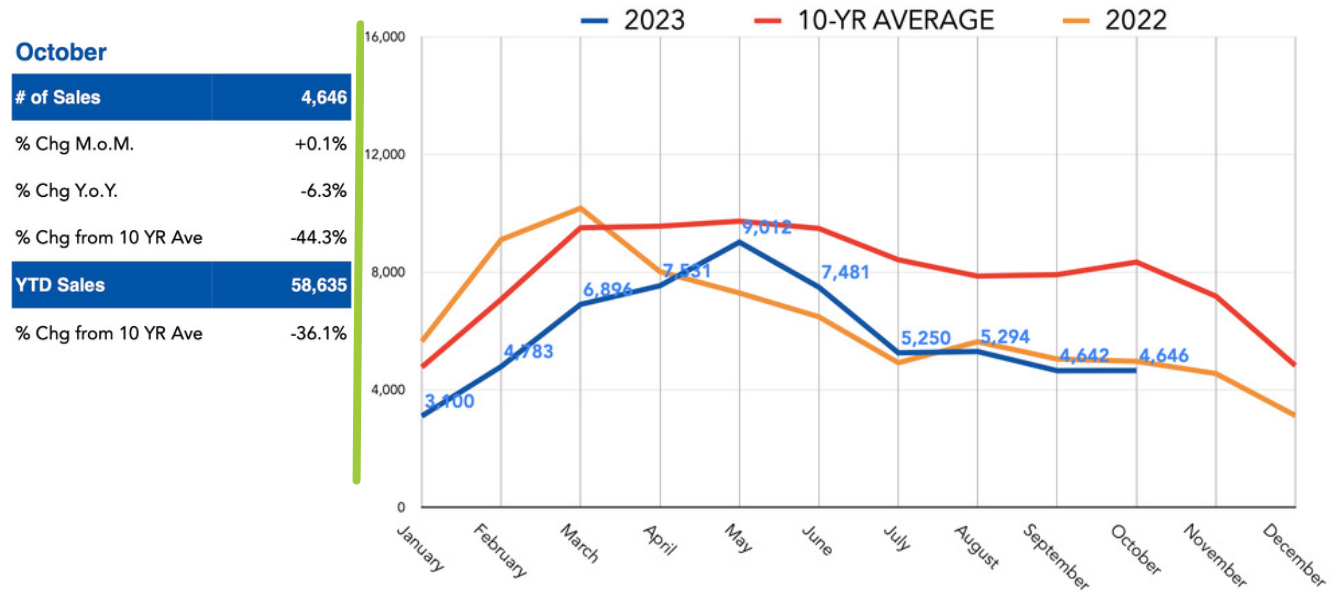
Cari & Paul

| Economic Indicators | | | | | | | |
|---------------------------------------|------|-------|---|--------------------------------------|------|------|---|
| Real GDP Growth | | | | Inflation (YR/ YR CPI GROWTH) | | | |
| Q2 | 2023 | -0.2% | ▼ | September | 2023 | 3.8% | ▼ |
| Toronto Employment Groth | | | | Bank Canada Overnight Rate | | | |
| September | 2023 | 3.1% | ▲ | October | 2023 | 5.0% | — |
| Toronto Unemployment Rate (SA) | | | | Prime. Rate | | | |
| September | 2023 | 6.5% | — | October | 2023 | 7.2% | — |

MONTHLY OVERVIEW - SALES -

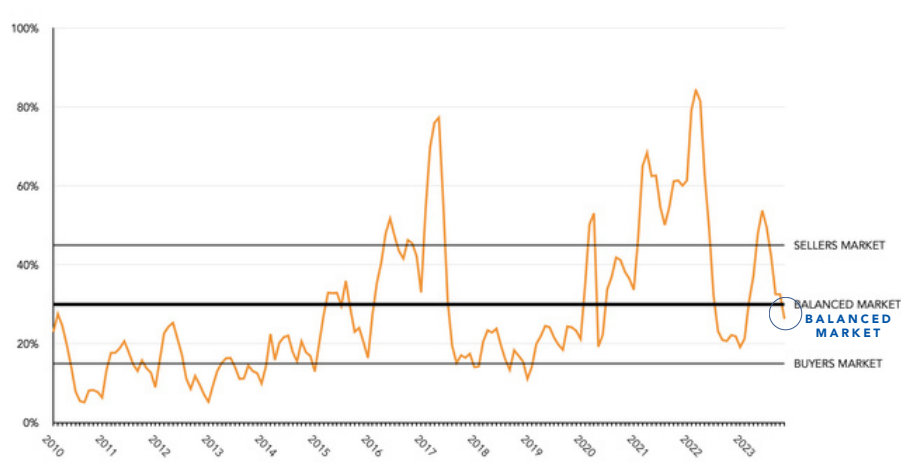
ALL HOME TYPES - GTA
NUMBER OF SALES / TRANSACTIONS

MONTHLY TRANSACTIONS



Home Sales across the GTA remained flat and at historic low levels. The number of sales is rivalling the numbers of last Fall in the low 5000s to high 4000s. We will likely see this trend continue into the slower winter months as buyers put their home search on hold. Antedocotally, we are hearing from Buyers pushing the home search off, citing "it's not a good time," "it's not a priority," or "I will pick this back up in the New Year." Buyers are opting to "kick the can" down the road in the hopes of a clearer, more confident outlook for Real Estate and the Economy. The active and motivated Buyers are on the hunt for the "perfect" home and are willing to compete for the few homes that hit all the checkboxes. We are seeing this, especially in Semi-Detached homes selling over asking at 48%.

SOLD OVER ASKING RATIO



| Sold Over Asking | |
|------------------|---------|
| Toronto | October |
| Detached | 33% |
| Semi-Detached | 48% |
| Townhouse | 35% |
| Condo | 18% |
| GTA | |
| York | 28% |
| Peel | 22% |
| Halton | 18% |
| Durham | 36% |

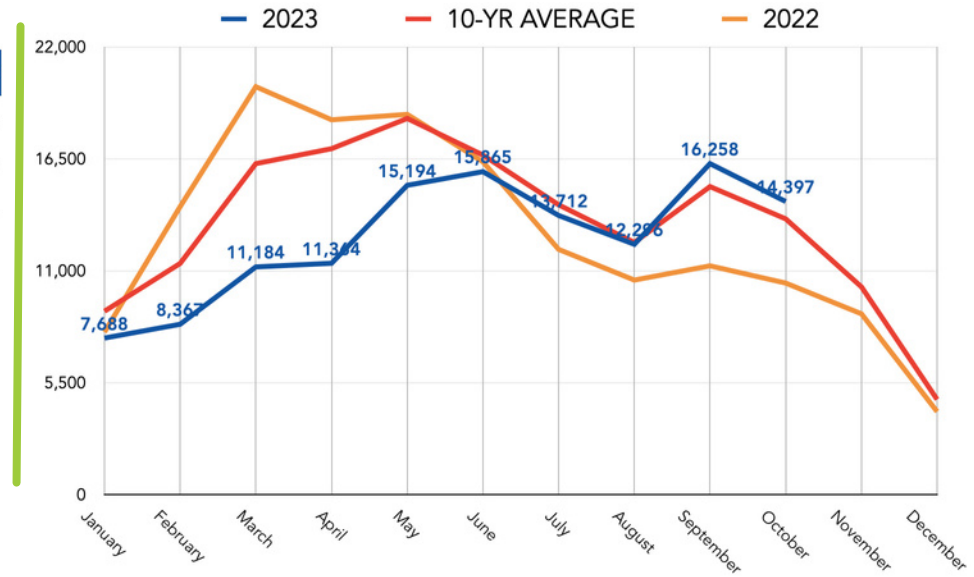
MONTHLY OVERVIEW - LISTINGS -

ALL HOME TYPES - GTA

NEW LISTINGS

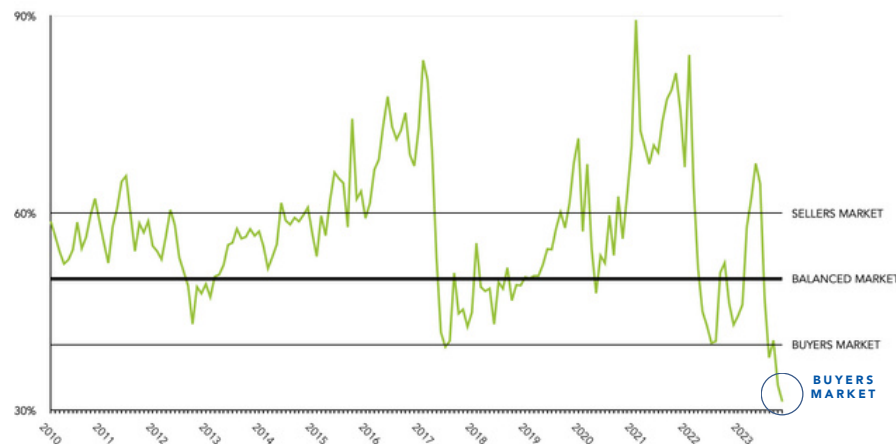
October

| | |
|----------------------|---------------|
| New Listings | 14,397 |
| % Chg M.o.M. | -11.4% |
| % Chg Y.o.Y. | +38.6% |
| % Chg from 10 YR Ave | +6.3% |



New Listings remained elevated relative to the ten-year average. However, the number of New Listings experienced a seasonal decline of -11%. We are likely to see declining New Listings as we finish off 2023. The List to Sales Ratio remained at historic lows, with most housing types ratios in the 30% range. This means that for every ten New Listings, three will sell. Toronto Detached and Semi-Detached homes remained slightly more competitive in the 40%-43% range. Detached homes and some Semi-detached homes are typically second or third-time Buyers. These Buyers are also sellers in this market, so they are willing to jump on an opportunity if it meets their needs. They are willing to assume the risk of buying in this market, knowing they are selling in the same market.

LIST TO SALES RATIO



List to Sales Ratio

| Toronto | October |
|---------------|---------|
| Detached | 40% |
| Semi-Detached | 43% |
| Townhouse | 31% |
| Condo | 28% |
| GTA | |
| York | 33% |
| Peel | 32% |
| Halton | 31% |
| Durham | 33% |

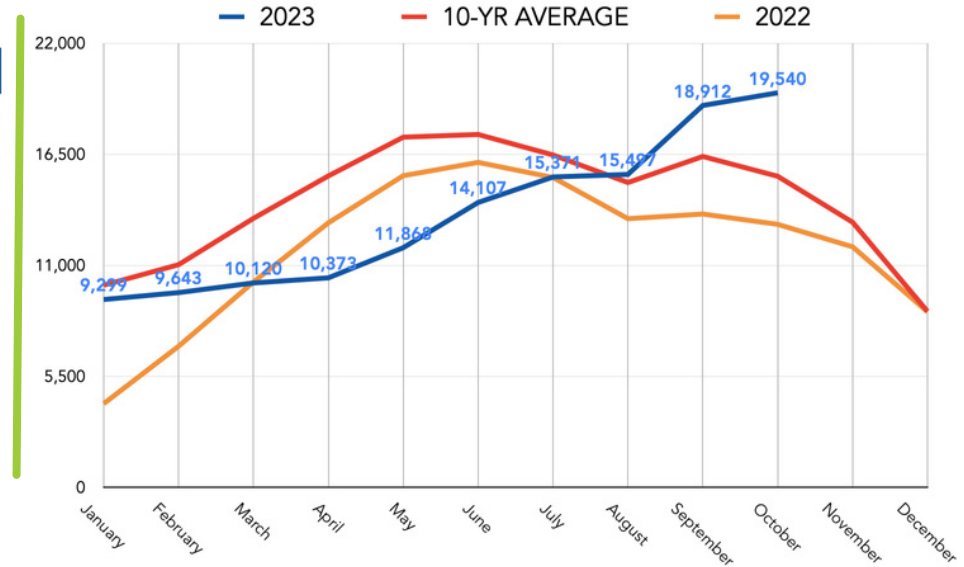
MONTHLY OVERVIEW - INVENTORY

ALL HOME TYPES - GTA

ACTIVE LISTINGS

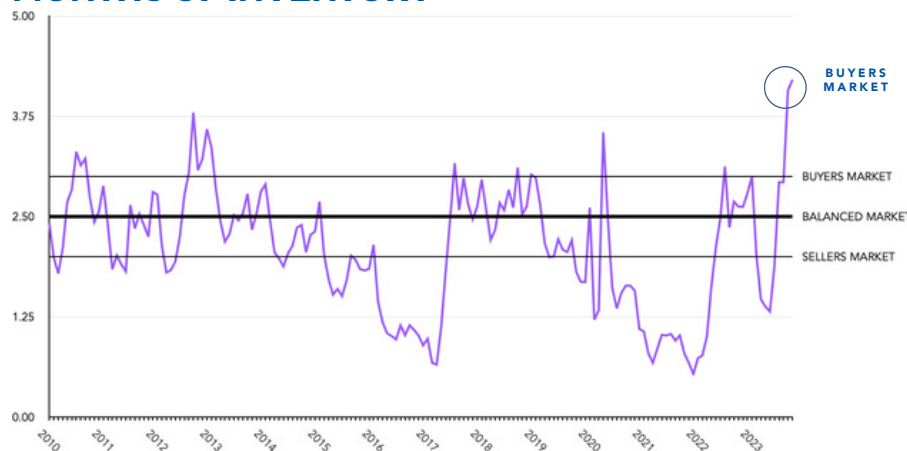
October

| | |
|----------------------|---------------|
| Inventory | 19,540 |
| % Chg M.o.M. | +3.3% |
| % Chg Y.o.Y. | +50.0% |
| % Chg from 10 YR Ave | +26.8% |



Active Inventory will be a big factor in the real estate market to close out the year - and even to the start of 2024. We hit 19,540 active listings in October - our highest level for an October since 2012. At this time last year, we were seeing Sellers across the GTA terminate or suspend their homes for sale from the market, anticipating better times ahead. This year, the sentiment feels different. With the new "higher for longer" mantra, Sellers are reluctantly realizing this real estate environment is likely going to be here to stay. The largest increase in inventory is in the Condo segment, where we are seeing a significant increase in vacant and tenanted Units on the market. With looming renewals for many condo owners, we are seeing investors choose to "sell now" rather than "wait it out."

MONTHS OF INVENTORY



Month of Inventory

| Toronto | October |
|---------------|---------|
| Detached | 3.22 |
| Semi-Detached | 2.34 |
| Townhouse | 4.26 |
| Condo | 5.46 |
| GTA | |
| York | 4.10 |
| Peel | 4.37 |
| Halton | 4.55 |
| Durham | 3.01 |

MONTHLY OVERVIEW - PRICE -

ALL HOME TYPES - GTA
AVERAGE PRICE

AVERAGE PRICE FOR GTA HOME -Last 3 Years

October

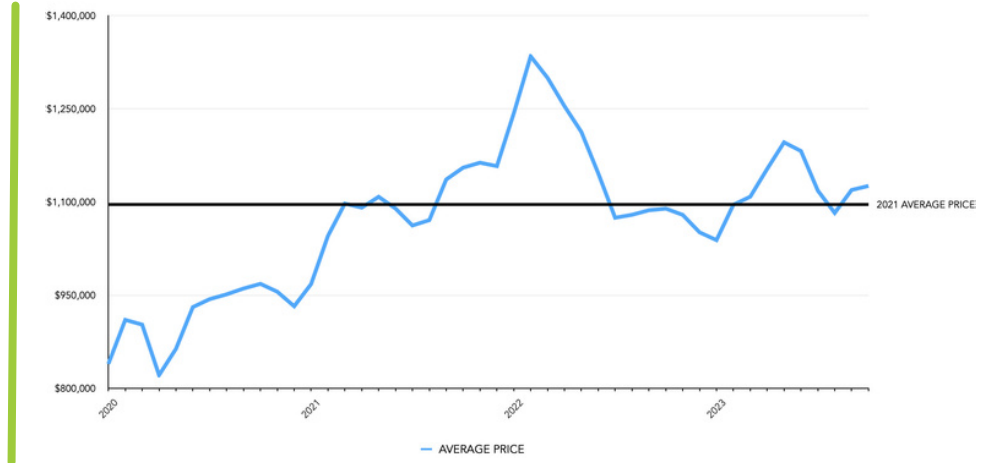
Average Price **\$1,125,928**

% Chg M.o.M. +0.6%

% Chg Y.o.Y. +3.4%

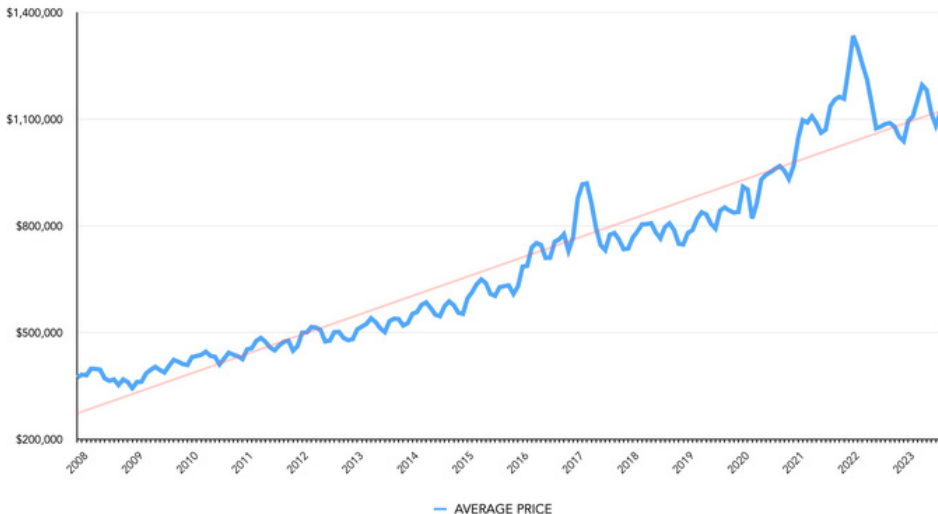
Annual Average **\$1,133,159**

% Chg -4.8%



Average Home Prices in the GTA remained flat for October. We saw a similar ‘stickiness’ in prices last year, as reluctant Buyers are willing to pay the price for premium properties while the majority of homes sit on the market unsold. The small percentage of homes that do sell are fetching a decent to fair market price. Many Sellers are reluctant to reduce their prices or even sell in this market. On the whole, Average Prices are still above 2021 averages and down 15% from the peak of 2022.

AVERAGE PRICE FOR GTA HOME - Monthly



Average Price

Toronto **October**

Detached 1,718,440

Semi-Detached 1,278,347

Townhouse 1,017,094

Condo 729,160

GTA

York 1,293,179

Peel 1,080,216

Halton 1,199,254

Durham 931,548

REGIONAL OVERVIEW - 416 VS 905

LOW RISE HOMES

CITY OF TORONTO - 416 - LOW RISE SALES

October

| | # of Sales | | | | Average Price | | |
|-----------------------|------------|--------|--------|-----------|---------------|-------|-------|
| | Sales | M.O.M | Y.O.Y | 10 YR AVE | Average Price | M.O.M | Y.O.Y |
| Detached | 586 | +6.7% | -2.2% | -42.0% | \$1,718,440 | -0.3% | +6.8% |
| Semi-Detached | 194 | +21.3% | -3.5% | -42.1% | \$1,278,347 | -0.3% | +4.8% |
| Townhouse | 162 | -8.0% | -12.4% | -51.5% | \$1,017,094 | +2.5% | +1.4% |
| City of Toronto (416) | 942 | +6.4% | -4.4% | -43.9% | \$1,507,191 | +0.6% | +6.4% |

GREAT TORONTO AREA - 905 - LOW RISE SALES

October

| | # of Sales | | | | Average Price | | |
|----------------------------|------------|-------|--------|-----------|---------------|-------|-------|
| | Sales | M.O.M | Y.O.Y | 10 YR AVE | Average Price | M.O.M | Y.O.Y |
| Detached | 1,571 | -1.8% | -7.6% | -45.3% | \$1,350,022 | +0.5% | +4.7% |
| Semi-Detached | 234 | -3.3% | -4.5% | -52.3% | \$957,117 | -1.3% | -0.7% |
| Townhouse | 564 | -0.2% | -11.5% | -44.1% | \$905,222 | -2.2% | +1.1% |
| Greater Toronto Area (905) | 2,369 | -1.6% | -8.3% | -45.8% | \$1,205,317 | -0.2% | +3.8% |

Low Rise Home Sales in the City saw increased activity from September. Detached home sales increased by almost 7% and Semi-Detached by 21%. On the micro-level, these were significant jumps; however, comparing the sales to our ten-year average, sales are down by 40% to 50%. The market is slow across the board, including the 905 area. Prices in both areas remained stable, with a small increase of +0.6% in the 416 Area and a decrease of -0.2% in the 905 Area.

FREEHOLD & CONDO UPDATE

CITY OF TORONTO

TORONTO - Freehold VS Condo

| FREEHOLD | | CONDO | |
|----------------------|--------------------|----------------------|------------------|
| # of Sales | 942 | # of Sales | 883 |
| M.O.M. | +6.4% | M.O.M. | +3.9% |
| Y.O.Y | -4.4% | Y.O.Y. | -0.6% |
| 10 YR AVE | -43.9% | 10 YR AVE | -41.5% |
| Average Price | \$1,507,191 | Average Price | \$729,160 |
| M.O.M. | +0.6% | M.O.M. | -0.4% |
| Y.O.Y | +6.4% | Y.O.Y. | -1.5% |
| New Listings | 2,442 | New Listings | 3,193 |
| M.O.M. | -18.7% | M.O.M. | -8.1% |
| Y.O.Y | +29.8% | Y.O.Y. | +45.9% |
| Inventory | 3,028 | Inventory | 4,825 |
| M.O.M. | +1.4% | M.O.M. | +6.3% |
| Y.O.Y | +38.5% | Y.O.Y. | +54.1% |

The Condo Market is starting to feel the pressure of the rising supply. Active Inventory hit 4,825, a month-over-month increase of 6% and a 54% increase from last year, with months of inventory sitting at over 5 months. Typically, at these levels of inventory, condo price growth is slow or non-existent. The Average Price for Condos has remained stagnant for the last few months. We will likely see a dip in prices as we head into the Winter Season.

LET'S CONNECT



WE'RE HERE TO HELP!

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