



MARKET HANDBOOK
FEBRUARY EDITION



Sellers Or Buyers Market In Toronto? Balanced - Until You Take A Deeper Dive...

Averages can be deceiving, especially when talking about Real Estate. And this includes Toronto's averages. As our housing stock consists of predominantly condos, town's, detached, and semi's. And although the numbers indicate the GTA's real estate market is balanced at the moment, that conclusion is drawn by looking only at the market as a whole. The GTA in its entirety.

Let's take a closer look at what's happening in Toronto.

Semi's are deep into a Seller's market at the moment. First time homebuyers are attracted to the 1M to 1.5M price point to get into Toronto's semi-detached housing market, despite the current interest rates. First time homebuyers in this category in Toronto are driving up the real estate in this segment. Almost 60% of semi's are going over the list price, and there is less than one month of inventory for semi's on the market at the moment. This has also caused semi's to increase in price month over month by 10%.

Detached homes appear to be balanced in Toronto at the moment. Only 42% of detached are selling over the list price in multiple offers. And only half of the new listings coming to market are selling overall. We have about a month and a half of inventory sitting on the market and available for purchase at the moment. Based on our metrics we are sitting in a balanced market for detached homes.

Townhomes, this includes condo town's and freehold town's appear to be a bit cooler. Similar to the detached homes, 39% are selling over asking and 45% of new listings are selling on the market. And there is about 2.35 months of inventory available, which appears to be more of a buyers market in this segment at the moment. We may have to break this down a little bit further. Condo town's may sell similar to condo's overall. And freehold town's may share more similarities with semi's. Also with this housing type, neighbourhood matters. A freehold townhome in Roncesvalles would be in high demand right now. Or even Leslieville. And would likely share the same metrics as a semi detached home.



Condo's are cold. Cold cold cold. Not to scare anyone off, as there is always opportunity. However, it is important to understand the metrics of the market you are buying or selling in. Every condo metric at the moment indicates a buyers market. 20% of condo's are selling over asking, and only 40% are selling overall. Months of inventory are sitting at 3.5 months. Important to note that this is down from its slow peak of 5.5 months back in October 2023. Condo prices have remained stagnant and have not fallen.

We watch the 905 closely, as we noticed that trends in the 905 are a leading indicator of where the 416 is headed. We have noticed that if the 905 starts to take-off or decline, Toronto isn't far behind it. We have noticed that the 905 is starting to pick up. In terms of the actual data, it still indicates that the 905 is in a balanced market. Durham has taken off and is in a Seller's market, unlike everywhere else which is balanced. It is interesting to note and we will be watching market trends and activity closely in March.

March numbers will be telling and may indicate the market direction. Based on our current activity we think we are headed upward in inventory and prices. Let's see what happens.

Stay tuned,

Cari & Paul

Economic Indicators							
Real GDP Growth				Inflation (YR/ YR CPI GROWTH)			
Q4	2023	1.0%	▲	January	2024	2.9%	▼
Toronto Employment Groth				Bank Canada Overnight Rate			
January	2024	2.4%	▲	February	2024	5.0%	—
Toronto Unemployment Rate (SA)				Prime. Rate			
January	2024	6.8%	▲	February	2024	7.2%	—

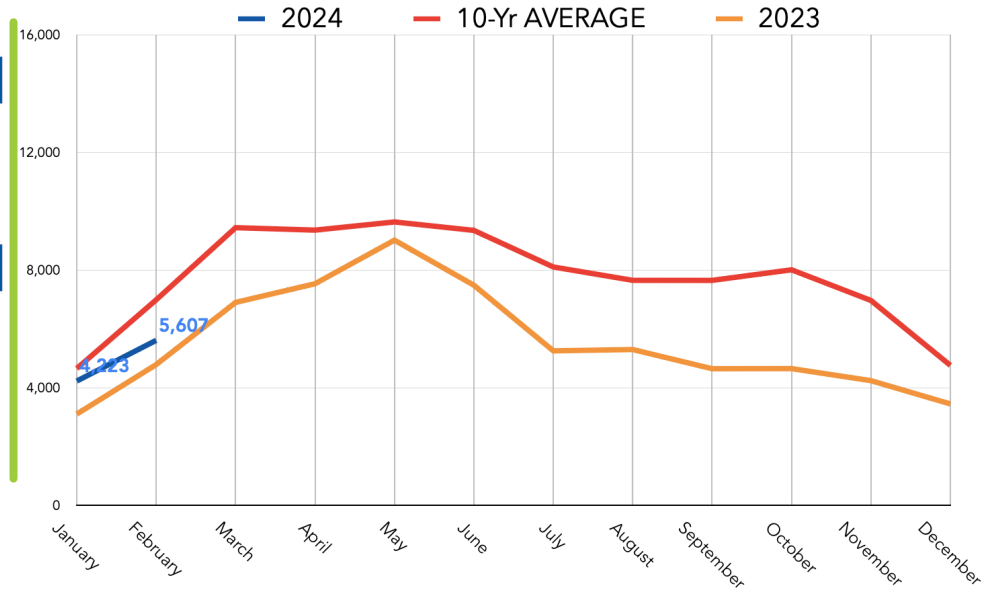
MONTHLY OVERVIEW - SALES -

ALL HOME TYPES - GTA
NUMBER OF SALES / TRANSACTIONS

MONTHLY TRANSACTIONS

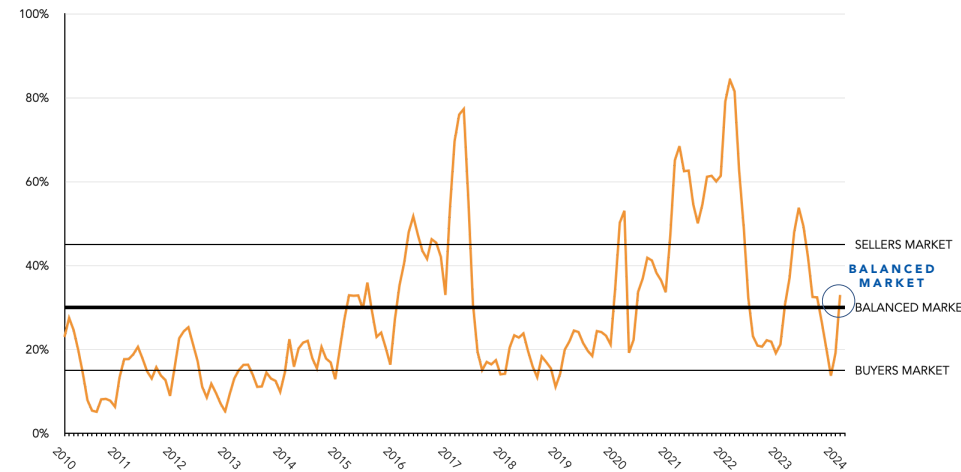
February

# of Sales	5,607
% Chg M.o.M.	+32.8%
% Chg Y.o.Y.	+17.2%
% Chg from 10 YR Ave	-19.7%
YTD Sales	9,830
% Chg from 10 YR Ave	+0.0%



Sales in the GTA continued their steady climb to 5,607 in February, a 33% increase from last month. This was a markedly stronger February than last year, as the number of transactions outpaced February 2023 by 17%. Although this has been a reprieve from the stagnant fall market, sales have remained well below our long-term seasonal average by 20%. Many Buyers have accepted the new interest rates and are opting to enter the market before future rate decreases. Buying conditions have tightened in many pockets and market segments. Most notably, in the Toronto semi-detached homes, where we saw 58% of the sales go over the asking price in bidding war situations. The condo market and pockets of the 905 remained slower, with under 30% of the sales selling over the asking price.

SOLD OVER ASKING RATIO



Sold Over Asking	
Toronto	February
Detached	42%
Semi-Detached	58%
Townhouse	39%
Condo	20%
GTA	
York	39%
Peel	29%
Halton	26%
Durham	46%

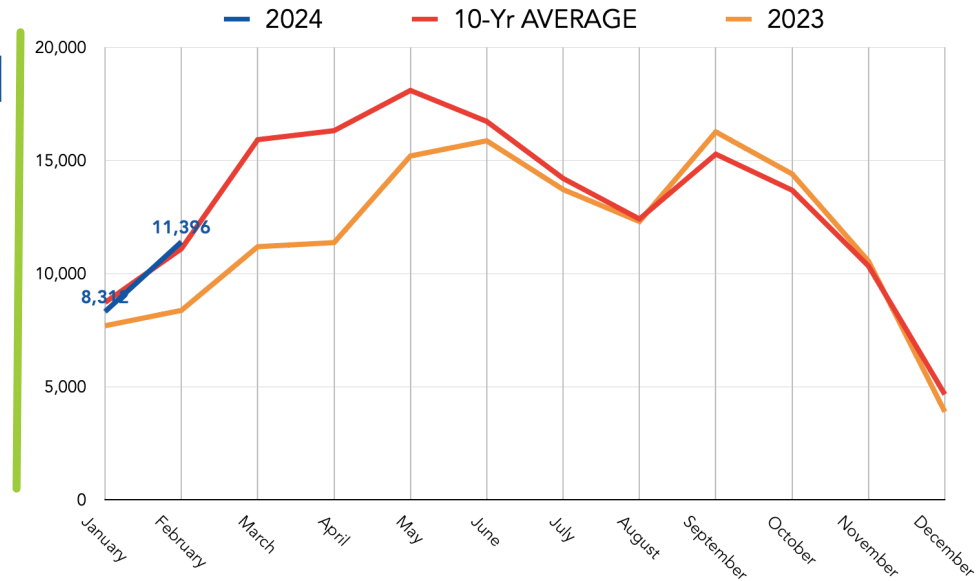
MONTHLY OVERVIEW - LISTINGS -

ALL HOME TYPES - GTA

NEW LISTINGS

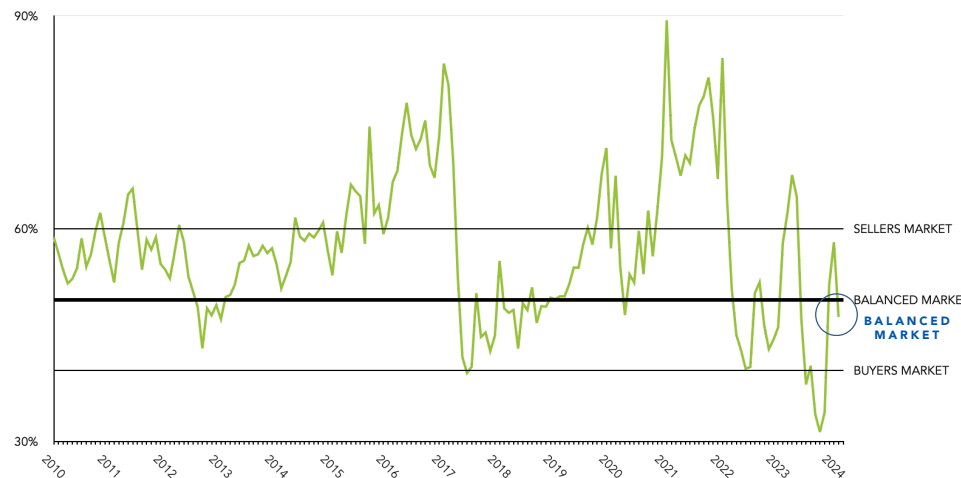
February

New Listings	11,396
% Chg M.o.M.	+37.1%
% Chg Y.o.Y.	+36.2%
% Chg from 10 YR Ave	+2.7%



New Listings also continued its ascent, climbing 37% m/m (month over month) and 36% y/y (year over year). The jump in the number of new homes hitting the market is not unusual for this time of year as the market gears up from the Spring Market. The number of new listings was aligned with our long time average at 11,396, marginally 3% higher than usual. We will continue to see more properties hitting the market all the way to June. The monthly list-to-sales ratios fell across the board as the growth of new sellers outpaced the growth of buyers. It will be important to watch this ratio over the next few months to see if sales keep pace with new listings. If buyer demand stays tempered by the “higher for longer” interest rates, we will see inventory rise across the GTA.

LIST TO SALES RATIO



List to Sales Ratio	
Toronto	February
Detached	52%
Semi-Detached	65%
Townhouse	45%
Condo	40%
GTA	
York	49%
Peel	50%
Halton	53%
Durham	61%

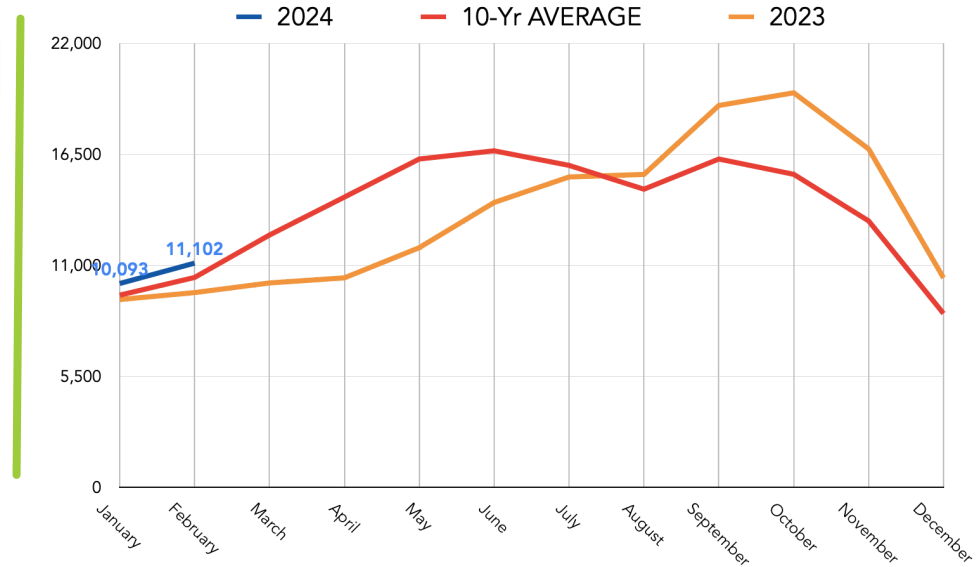
MONTHLY OVERVIEW - INVENTORY

ALL HOME TYPES - GTA

ACTIVE LISTINGS

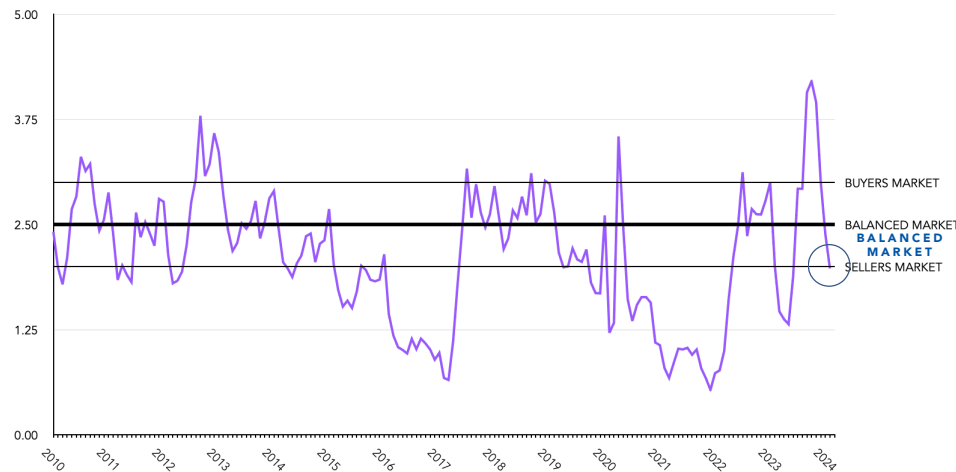
February

Inventory	11,102
% Chg M.o.M.	+10.0%
% Chg Y.o.Y.	+15.1%
% Chg from 10 YR Ave	+6.8%



Inventory remained slightly elevated in February, at 11,102 homes on the market, about 7% above our long-term average. Although the inventory ‘balloon’ from the fall has ‘popped’, the number of active listings has not fully returned to normal. Many sellers are still sitting on the sidelines, waiting to see how the spring market plays out. We are likely going to see many of these properties return to the market with the hopes of achieving higher prices. The GTA Months of Inventory (MOI) has rapidly fallen over the last few months. The decline in active properties seemed to be concentrated in homes in the \$800,000 to \$1,400,000 range and, more notably, in the Toronto semi-detached segment, where MOI fell below 1. Condo and townhouse inventory remains elevated.

MONTHS OF INVENTORY



Month of Inventory

Toronto	February
Detached	1.42
Semi-Detached	0.81
Townhouse	2.35
Condo	3.52
GTA	
York	1.91
Peel	1.86
Halton	1.54
Durham	1.08

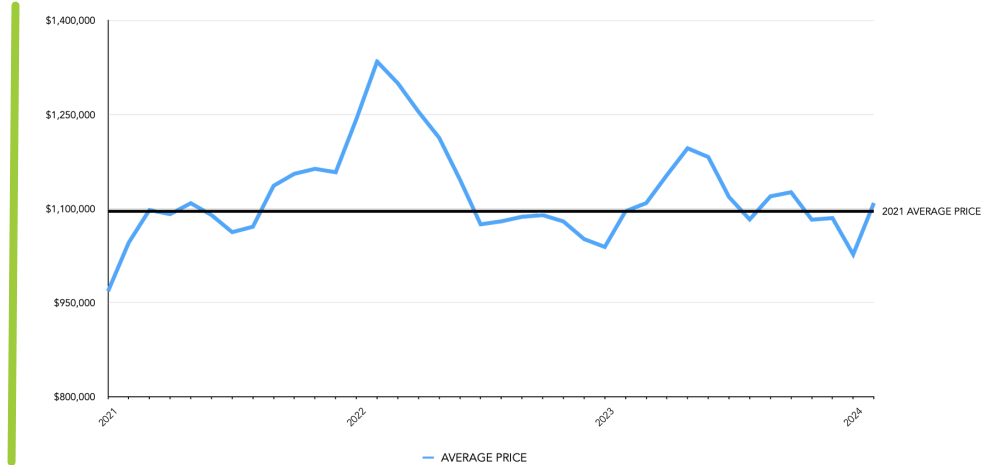
MONTHLY OVERVIEW - PRICE -

ALL HOME TYPES - GTA
AVERAGE PRICE

AVERAGE PRICE FOR GTA HOME -Last 3 Years

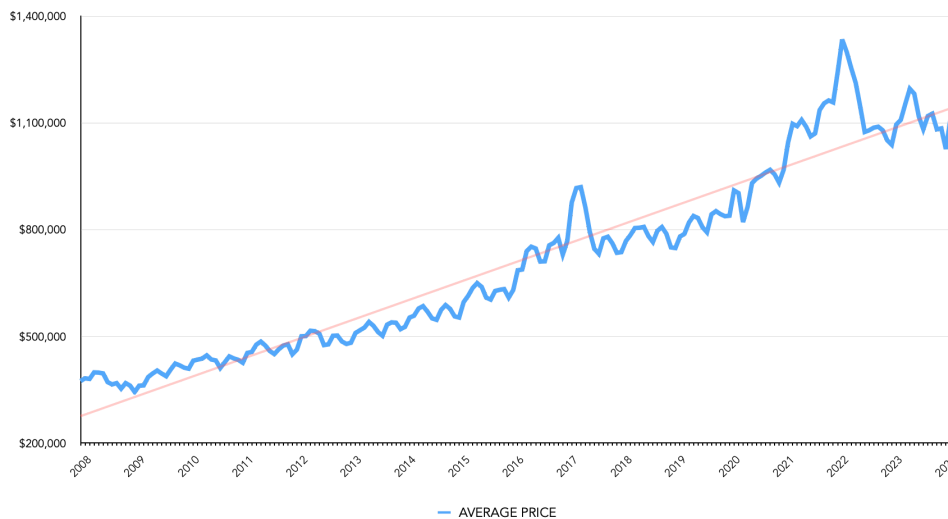
February

Average Price	\$1,108,720
% Chg M.o.M.	+8.0%
% Chg Y.o.Y.	+1.2%
Annual Average	\$1,073,485
% Chg	-4.8%



Average Home Prices saw a significant jump to \$1,108,720. This represented an 8% increase from last month and is 1% higher than last year. The Fall 2023/ Winter 2024 market is almost mirroring the situation from Fall 2022/ Winter 2023, when prices held stagnant in the fall, dropped in December, and then began to rapidly rise as buyers speculated potential rate cuts from the Bank of Canada. The tightening market stalled when the BOC announced two more interest rate hikes in June & July 2023 to curb rising inflation. This year, we have seen inflation remain stagnant around 3%, and the BOC reluctant to change the overnight rate. Many Economists are forecasting the first rate drop at June's meeting. However, any decreases may be slow and will depend on the economic data of inflation, unemployment, GDP, etc.

AVERAGE PRICE FOR GTA HOME - Monthly



Average Price

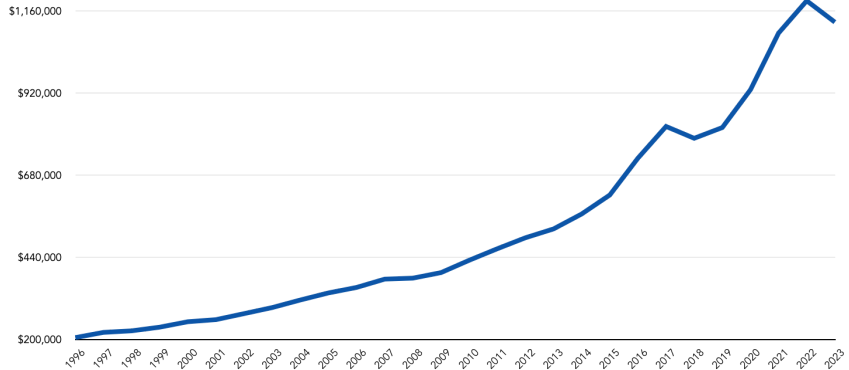
Toronto	February
Detached	1,657,026
Semi-Detached	1,319,884
Townhouse	970,967
Condo	726,608
GTA	
York	1,324,423
Peel	1,037,245
Halton	1,267,011
Durham	919,017

ANNUAL OVERVIEW-PRICE & SALES

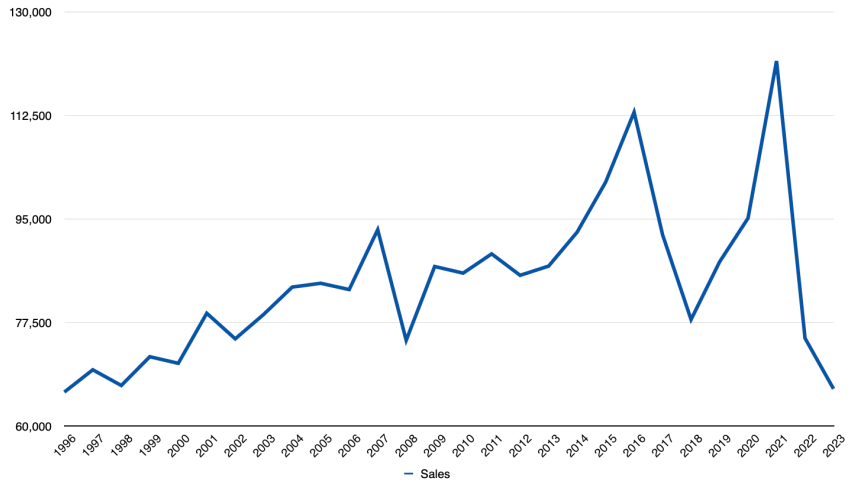
ALL HOME TYPES - GTA

ANNUAL PRICE FOR GTA HOMES - Last 27 Years

Year	Sales	Average Price
1996	65,760	\$205,249
1997	69,530	\$220,541
1998	66,876	\$225,051
1999	71,738	\$235,783
2000	70,625	\$251,667
2001	79,081	\$257,781
2002	74,759	\$275,371
2003	78,898	\$293,067
2004	83,501	\$315,231
2005	84,145	\$335,907
2006	83,084	\$351,941
2007	93,193	\$376,236
2008	74,505	\$379,080
2009	86,980	\$395,234
2010	85,860	\$431,262
2011	89,110	\$464,989
2012	85,488	\$497,073
2013	87,047	\$522,951
2014	92,776	\$566,611
2015	101,214	\$622,116
2016	113,040	\$729,821
2017	92,340	\$822,496
2018	78,018	\$787,845
2019	87,751	\$819,279
2020	95,151	\$929,699
2021	121,693	\$1,095,419
2022	74,864	\$1,189,820
2023	66,315	\$1,127,385
2024	4,223	\$1,026,703



ANNUAL SALES FOR GTA HOMES - Last 27 Years



One of the biggest takeaways from 2023 was that the number of sales for the year hit a 27-year low at 66,315 sales. Annual sales had been experiencing a steady climb through the early 2000s. By the late 2010s, sales volumes started experiencing large swings breaking 100,000 in 2015 and 2016 and then again in 2021. The average number of sales for the last twenty-five years sits around 85,000. We expect more of a return to the norm for 2024, with increased levels of activity for the year. The Annual Average Price fell for only the second time in recent history. Prices began to correct in 2022, but the Annual Average didn't show the full impact until 2023. We are likely going to see the Annual Average Price for 2024 to fall around 2021's average.

REGIONAL OVERVIEW - 416 VS 905

LOW RISE HOMES

CITY OF TORONTO - 416 - LOW RISE SALES

February

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	568	+66.1%	+17.8%	-18.7%	\$1,657,026	+5.5%	-3.2%
Semi-Detached	181	+71.4%	-45.2%	-11.3%	\$1,319,884	+10.0%	-14.6%
Townhouse	190	+45.0%	+18.0%	18.0%	\$970,967	+8.5%	-3.4%
City of Toronto (416)	939	+62.2%	+19.3%	-17.4%	\$1,453,220	+7.7%	-2.4%

GREAT TORONTO AREA - 905 - LOW RISE SALES

February

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	1,927	+37.3%	+21.0%	-22.5%	\$1,380,706	+6.4%	+1.7%
Semi-Detached	282	+19.0%	+10.6%	-33.0%	\$998,103	+3.3%	+5.1%
Townhouse	826	+30.3%	+25.2%	-9.0%	\$925,686	+3.9%	+0.9%
Greater Toronto Area (905)	3,035	+33.5%	+21.0%	-20.5%	\$1,221,319	+6.3%	+1.8%

Sales Activity was relatively consistent across the GTA for low-rise homes. Both the 416 and 905 region experienced significant increases in month-over-month and year-over-year sales, with a year-over-year increase of about 20%. However, the number of sales was still well below the long-term average, down by around 20%. Prices rose by about 6-8% for freehold homes in the GTA. With the 905 prices increasing by 2% year-over-year and 416 prices down slightly by 2%. Toronto Semi-Detached Homes lead the way with a monthly increase in sales of 71% and the average price increasing by 10%.

FREEHOLD & CONDO UPDATE

CITY OF TORONTO

TORONTO - Freehold VS Condo

FREEHOLD		CONDO	
# of Sales	939	# of Sales	1,014
M.O.M.	+62.2%	M.O.M.	+14.8%
Y.O.Y	+19.3%	Y.O.Y.	+6.5%
10 YR AVE	-17.4%	10 YR AVE	-26.3%
Average Price	\$1,453,220	Average Price	\$726,608
M.O.M.	+7.7%	M.O.M.	+2.4%
Y.O.Y	-2.4%	Y.O.Y.	-0.2%
New Listings	1,782	New Listings	2,534
M.O.M.	+50.0%	M.O.M.	+13.3%
Y.O.Y	+28.9%	Y.O.Y.	+32.5%
Inventory	1,401	Inventory	3,572
M.O.M.	+9.5%	M.O.M.	+11.1%
Y.O.Y	-2.6%	Y.O.Y.	+35.3%

The Condo market experienced a more modest uptick in activity. Sales rose to 1,014, marking a 15% bump in activity from last month. The average price also up-ticked by 2.4% to \$726,608. This is almost on par with condo prices this time last year. New Listings and Active Inventory both increased by 13% and 11% respectively, with both well above last year's numbers by +30%.

LET'S CONNECT



WE'RE HERE TO HELP!

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