



TORONTO REAL ESTATE MARKET REPORT

AUGUST 2022

SALES COMMENTARY

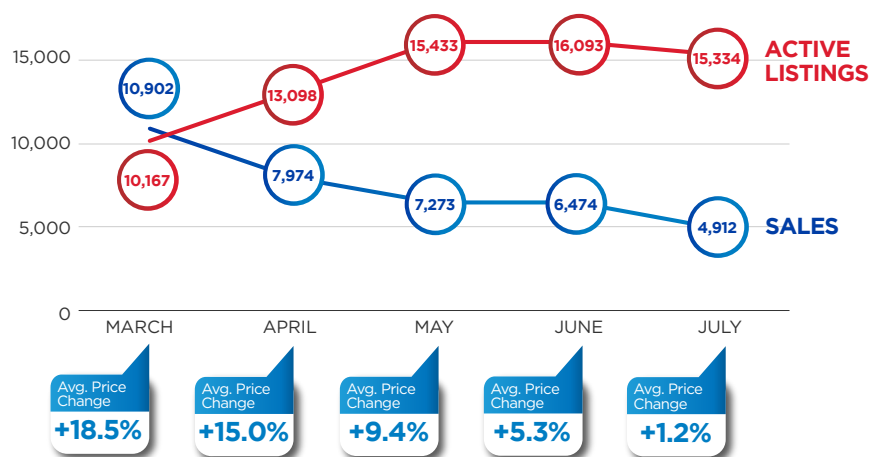
Can this market get any slower? Sales for July on TRREB were 4912 units. This was down 47% from July of last year, but more importantly to market watchers, down 24% from June. This marks four consecutive months of sale decreases. If there is a sliver of hope, 'active listings' for July are 5% lower than June, even with weaker sales. Yes, prices are falling back to 2021 levels (see our tables below) with a decrease of about 15% so far. Not all sellers are desperate to sell and many are just taking their properties off the market and will wait for prices to recover.

There are a significant number of buyers on the side-

lines – both end users and investors. All are waiting for the market to bottom out. No signs yet, with another round of Bank of Canada increases scheduled for September. Our 'yield curve' (which tracks interest rates across various term periods) has turned negative meaning short term interest rates are higher than longer term rates. Usually, it is the reverse. This is a sure sign that we are heading for a recession. When it comes, look for the Government to move quickly. They have no more room for spending so look for them to pause any more interest rate hikes and to make changes to the mortgage rules – reducing the stress test, longer mortgage amortizations, etc.

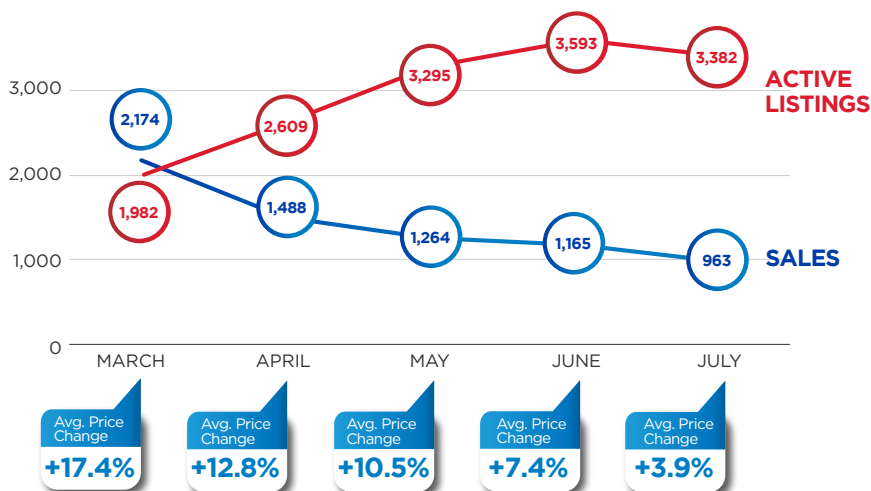
ALL OF TORONTO

MARCH 2022 - JULY 2022



416 CONDO APARTMENTS

MARCH 2022-JULY 2022



HOW THE MARKET HAS CHANGED IN FIVE MONTHS

We have updated our Tables from last month to show the continuing decline in the over all market and for 416 condos. Prices are almost back to last year, and condos are slightly outperforming the overall market.

Source: Toronto Regional Real Estate Board

RemaxCondosPlus.com

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416-203-6636

Not intended to solicit Clients under contract. All pricing, availability and general information is subject to change without notice E. & O.E



TORONTO REAL ESTATE MARKET FORECAST



TRACKING PRICES IN THE CONDO MARKET FROM 2017-2002

Everyone said the small condo market would crash, so here we are today.

The condo we tracked is a 571 sq.ft., one parking, and a balcony in Liberty Village.

Available now: only one unit:	Listed at \$668,000
Last sale: June of 2022 (after market correction)	Sold Price \$660,000
Second Sale in May of 2019	Sold Price \$550,000
First Sale in September of 2017	Sold Price \$428,000

Draw your own conclusions but it looks like a safe investment to us. For investors, renting at \$2400 per month will still only produce a cap rate of 3.2% (after condo fees and property taxes).

RENTAL COMMENTARY

The rental market continues to go in the opposite direction to the sales market – hot.

Our condo rental market consists of the Downtown and Humber Bay Shore markets combined. In July there were over 2,700 units leased. That is 8% higher than the previous month. Starting in August, here were only 1,100 units available to lease. Last month the List to Lease price was from 101 to 102%. In July this number was 102 to 103%.

AVERAGE TORONTO RENT MAY-JULY 2022

	MAY AVERAGE RENT	JUNE AVERAGE RENT	JULY AVERAGE RENT
STUDIO	\$1,825	\$1,920	\$2,050
1 BEDROOM	\$2,210	\$2,270	\$2,400
1 BEDROOM + DEN	\$2,447	\$2,535	\$2,680
2 BEDROOM	\$3,179	\$3,310	\$3,325
3 BEDROOM	\$4,093	\$4,165	\$4,500

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SOLD

\$1,000,000

Sold Price: \$2,200,000 (4PM)

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