



April 2022- Quick Facts¹

**TRREB (incl. City of Toronto,
Dufferin, Durham, Halton, Peel,
Simcoe, York Regions)**

Average Transaction Price
Detached Homes Condo Apartments
\$1,628,343 **\$789,869**
+17.3% **+14.2%**

Number of Transactions

3,600 **2,173**
-44.8% **-34.0%**

Average Days on the Market

10 **12**
+0.0% **+0.0%**

Total Homes for Sale (Active Listings)

6,151 **3,753**
+9.8% **+14.9%**

Ratio - Sales to Listings

72% **71%**

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May 24, 2022

Real Metrics - May 2022 Edition¹

Market turns on a dime - are we entering another down cycle in the GTA?

After nearly two years of breakneck price movements, the GTA market has started to shift. In the month of April, sales volumes declined 41% from a year ago. The average sale price in the GTA for all home types reached \$1.254 mm - an increase of 15% from a year ago, but a 6% decline from the recent pricing peak in February. With the exception of April and May 2020 (during the initial COVID related lockdowns), year over year prices have increased at double digit

rates in every month since early 2020. To us it's very reminiscent of the 2016-2017 housing market, which you may recall came to a pretty abrupt turn in 2017 after the foreign buyers' tax and more stringent mortgage stress tests were introduced. Will the recent trend continue and lead to a downturn for the Toronto market, and what could it look like? With rising interest rates, inflation at 40 year highs, and geopolitical unrest, we believe some buyers will take a pause or wait for an opportunity which could lead to a downturn in prices. In Exhibit 1, we've illustrated what the last two downturns looked like. Prices pulled back in the 17-22% from the peak. If prices in the GTA pull

back 20% from the recent peak, this would translate to an average price of \$1.07 mm which would mean a retracement to Feb 2021 levels.

The reality is that the GTA housing market is not alone in the recent run-up in price. In Exhibit 1, we compare home price movements in the GTA vs. the United States through March 2022, and we can

clearly see the similarities. Obviously, this points to a broader issue and not one that can solely be blamed on the local Toronto market - namely, cheap credit and excess

Exhibit 1: Illustration of the last two housing downturns

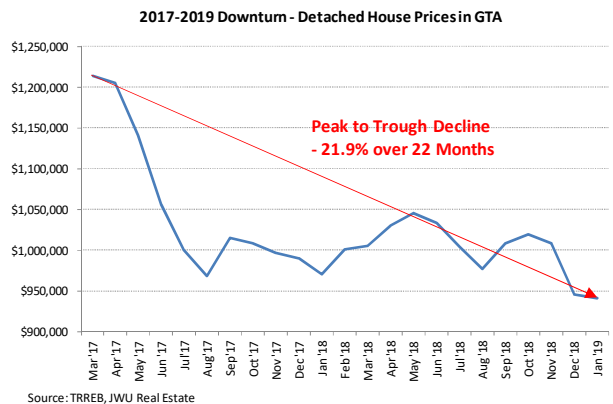
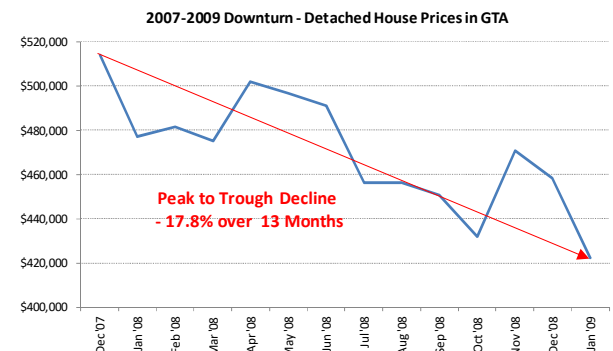
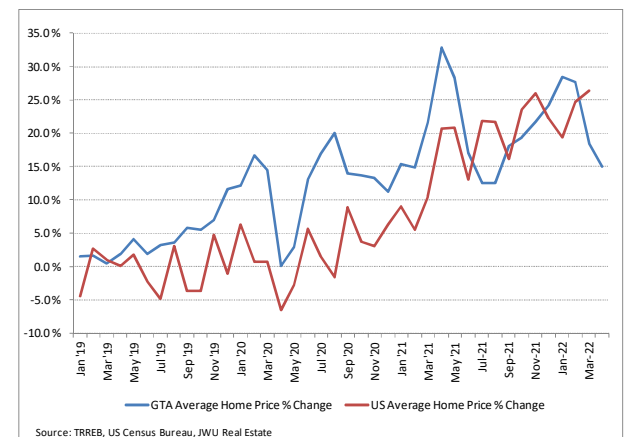


Exhibit 2: YoY % Price Change - GTA vs. US Average





April 2022- Quick Facts ¹

City of Toronto

Average Transaction Price
Detached Homes Condo Apartments

\$1,947,975 **\$820,835**
+14.6% **+12.9%**

Number of Transactions

868 **1,488**
-34.8% **-34.7%**

Average Days on the Market

11 **13**
+10.0% **+8.3%**

Total Homes for Sale (Active Listings)

1,303 **2,609**
-6.8% **+11.0%**

Ratio - Sales to Listings

68% **69%**

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liquidity in the system have been a major culprit to asset inflation in economies across the globe. Nonetheless, Toronto has its own sets of issues that have constrained supply or boosted demand - topics we have spoken about in the past such as geographical constraints, municipal zoning restrictions, and immigration trends.

Immigration on the rise

Despite our more tepid near term outlook, we would highlight that real estate is a long term investment and the long term fundamentals of the Toronto real estate market remain healthy. Toronto is the largest employment base in the country and therefore continues to draw employers and employees alike. Good schools, a wider range of amenities, cultural diversity, established infrastructure are all attractive elements of the city which attracts

immigration. For 2021, Canada was estimated to have welcomed a record 401,000 new immigrants of which 56% or 253,000 were classified "economic class" immigrants. Those numbers are expected to grow over the next several years as the government clears through the backlog of applications caused by the pandemic- see exhibit 3. Historically, 30% of all immigrants settle in the GTA, all of who require a place to live.

In addition to immigration, numbers of foreign students are again rising following the pandemic. At the end of 2021, some 621,565 foreign students studying in Canada nearly returning to the pre-pandemic peak of 638,960 (2019). Approximately 47% or 292,240 of these students are in Ontario.

Exhibit 3: Canadian Immigration rises to record levels

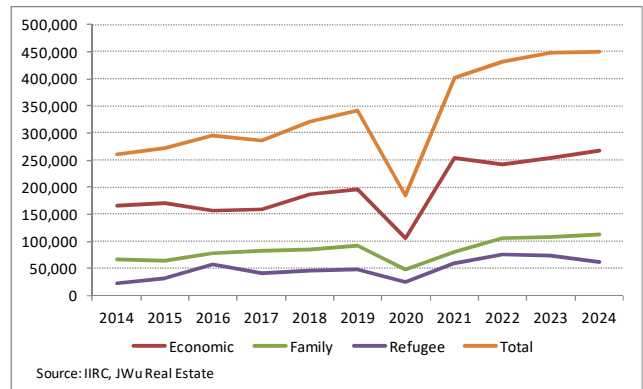
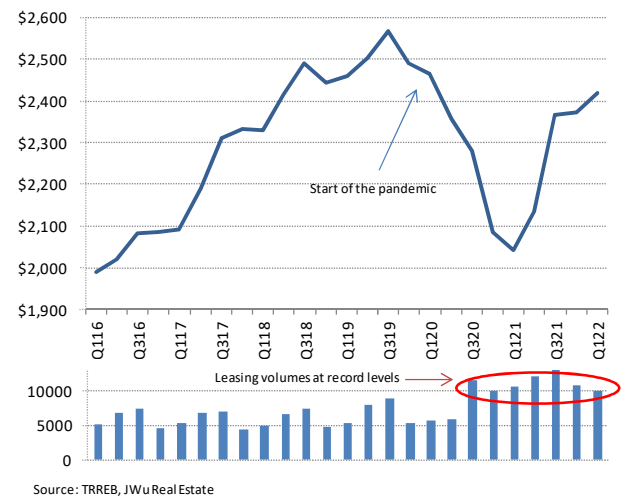


Exhibit 4: GTA rents climbing back to pre-pandemic levels as leasing activity hit new highs



Leasing activity near record levels

The rental market has been red hot in recent months driven partially by the immigration trend and the return of foreign students. In addition, with many employers switching back to "in-person" at the workplace, many employees who had abandoned the downtown core during the pandemic lockdowns are flocking back into the city, effectively driving up rental prices which are approaching pre-pandemic levels. This will be welcome news for investors. See exhibit 4.

As always, feel free to contact us if you have any questions regarding the contents of this update or about the market in general.



April 2022- Quick Facts ¹

York Region (Markham, Richmond Hill, Vaughan)

Average Transaction Price
Detached Homes Condo Apartments

\$1,761,834 **\$759,751**
+13.6% **+13.8%**

Number of Transactions

673 **235**
-53.7% **-28.8%**

Average Days on the Market

12 **12**
+0.0% **+9.1%**

Total Homes for Sale (Active Listings)

1,598 **425**
-10.1% **+26.5%**

Ratio - Sales to Listings

68% **75%**

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Exhibit 5: Summary of Activity: 416 Versus 905 Area Codes

| Neighbourhood-Region | Avg Price | % Change Y/Y | % Change vs Last | Units Sold | % Change Y/Y | Active Listings | % Change Y/Y | New Listings | % Change Y/Y |
|------------------------|-------------|-----------------|---------------------|---------------|-----------------|--------------------|-----------------|-----------------|-----------------|
| GTA | | | | | | | | | |
| Single family detached | \$1,628,343 | 26% | -4% | 3,600 | -45% | 6,151 | 10% | 8,629 | -14% |
| Condo apartment | \$789,869 | 15% | -2% | 2,173 | -34% | 3,753 | 15% | 4,723 | -5% |
| City of Toronto | | | | | | | | | |
| Single family detached | \$1,947,975 | 16% | 1% | 868 | -35% | 1,303 | -7% | 1,725 | -25% |
| Condo apartment | \$820,835 | 12% | -1% | 1,488 | -35% | 2,609 | 11% | 3,203 | -9% |
| York Region | | | | | | | | | |
| Single family detached | \$1,761,834 | 27% | -7% | 673 | -54% | 1,598 | -10% | 1,852 | -24% |
| Condo apartment | \$759,751 | 19% | -4% | 235 | -29% | 425 | 26% | 506 | -2% |

Source: TREB, * City of Toronto includes Scarborough and Etobicoke. Note: % change can vary greatly from one period to the next depending on the number of transactions. Also note, Y/Y % Price Change is based on 12-month average prices to smooth out monthly variations.

Exhibit 6: Summary of Activity: April 2022- Detached Homes*

| Neighbourhood-Region | Avg Price | % Change Y/Y | % Change vs Last Month | Units Sold | % Change Y/Y | % Change vs Last Month | Active Listings | % Change Y/Y | New Listings | % Change Y/Y | Months of Inventory |
|-------------------------------------|-------------|-----------------|------------------------------|---------------|-----------------|------------------------------|--------------------|-----------------|-----------------|--------------------|------------------------|
| GTA | \$1,628,343 | 26% | -4% | 3,600 | -45% | -26% | 6,151 | 10% | 8,629 | -14% | 1.7 |
| City of Toronto | \$1,947,975 | 16% | 1% | 868 | -35% | -21% | 1,303 | -7% | 1,725 | -25% | 1.5 |
| C01 Downtown West | \$2,574,725 | -1% | 48% | 8 | -20% | 0% | 11 | -15% | 15 | -17% | 1.4 |
| C02 Annex-Casa Loma | \$3,640,545 | 15% | -2% | 11 | -45% | 57% | 22 | 22% | 29 | 16% | 2.0 |
| C03 Forest Hill South-Cedarvale | \$2,660,000 | 3% | 15% | 26 | -19% | -42% | 42 | -2% | 52 | -22% | 1.6 |
| C04 Forest Hill North-Lawrence Pa | \$3,054,097 | 16% | 3% | 52 | -39% | -17% | 57 | -37% | 81 | -45% | 0.7 |
| C06 Bathurst Manor-Clanton Park | \$1,877,624 | 12% | 0% | 13 | -54% | 0% | 24 | -25% | 27 | -45% | 1.8 |
| C07 Willowdale/Newtonbrook Wt | \$1,963,965 | 16% | -12% | 26 | -52% | -41% | 75 | -18% | 66 | -37% | 2.9 |
| C09 Rosedale-Moore Park | \$3,500,853 | 14% | -18% | 11 | 10% | 22% | 13 | 0% | 20 | 67% | 0.8 |
| C10 Mount Pleasant | \$2,590,688 | 14% | 6% | 8 | -65% | -60% | 16 | -20% | 17 | -53% | 2.0 |
| C11 Leaside-Thorncliff Park | \$3,258,734 | 6% | 21% | 15 | 0% | 15% | 4 | -64% | 20 | 5% | 0.3 |
| C12 St. Andrew Windfields-Bridle | \$4,948,882 | 17% | -1% | 17 | -35% | -19% | 78 | -13% | 39 | -44% | 4.6 |
| C13 Banbury-Parkwoods-Donalda | \$2,777,600 | 11% | 30% | 13 | -58% | -52% | 44 | 19% | 34 | -48% | 3.4 |
| C14 Willowdale East-Newtonbroo | \$2,482,800 | 14% | -9% | 26 | 4% | -7% | 96 | -3% | 64 | -22% | 3.7 |
| C15 Bayview Village/Woods | \$2,149,204 | 22% | -6% | 24 | -20% | 33% | 55 | -13% | 46 | -47% | 2.3 |
| E02 Beaches-East Danforth | \$2,073,227 | 11% | 0% | 28 | -10% | 22% | 12 | -25% | 41 | -5% | 0.4 |
| York Region | \$1,761,834 | 27% | -7% | 673 | -54% | -35% | 1,598 | -10% | 1,852 | -24% | 2.4 |
| Markham | \$1,938,644 | 26% | -3% | 136 | -57% | -25% | 291 | -19% | 342 | -37% | 12.0 |
| Richmond Hill | \$2,014,014 | 21% | -2% | 93 | -52% | -46% | 314 | -18% | 314 | -26% | 3.4 |
| Vaughan | \$1,935,861 | 25% | -5% | 155 | -49% | -38% | 320 | -19% | 414 | -22% | 2.1 |
| Durham Region | \$1,192,065 | 20% | -5% | 735 | -40% | -23% | 862 | 50% | 1,592 | -45% | 1.2 |
| Pickering | \$1,462,448 | 27% | -3% | 53 | -54% | -34% | 86 | 2% | 131 | -52% | 1.6 |
| Ajax | \$1,272,702 | 32% | -7% | 109 | -39% | -16% | 128 | -88% | 261 | -46% | 1.2 |
| Peel Region (Mississauga, Brampton) | \$1,626,029 | 29% | -3% | 680 | -49% | -23% | 1,217 | 22% | 1,792 | -13% | 0.9 |
| City of Toronto (416 Area Code) | \$1,947,975 | 16% | 1% | 868 | -35% | -21% | 1,303 | -7% | 1,725 | -25% | 1.5 |
| 905 Area Code | \$1,526,791 | 17% | -7% | 2,732 | -47% | -28% | 4,848 | 15% | 6,904 | -11% | 1.8 |

Source: TRREB, * City of Toronto includes Scarborough and Etobicoke. Note: % change can vary greatly from one period to the next depending on the number of transactions. Also note, Y/Y % Price Change is based on 12-month average prices to smooth out monthly variations.

Exhibit 7: Summary of Activity: April 2022 - Condo Apartments*

| Avg Price | Avg Price | % Change Y/Y | % Change vs Last Month | Units Sold | % Change Y/Y | % Change vs Last Month | Active Listings | % Change Y/Y | New Listings | % Change Y/Y | Months of Inventory |
|-------------------------------------|-------------|-----------------|------------------------------|---------------|-----------------|------------------------------|--------------------|-----------------|-----------------|-----------------|------------------------|
| GTA | \$789,869 | 15% | -2% | 2,173 | -34% | -31% | 3,753 | 15% | 4,723 | -5% | 1.7 |
| City of Toronto | \$820,835 | 12% | -1% | 1,488 | -35% | -30% | 2,609 | 11% | 3,203 | -9% | 1.8 |
| C01 Downtown West | \$854,771 | 10% | -4% | 370 | -39% | -30% | 658 | -4% | 782 | -21% | 1.8 |
| C02 Annex-Casa Loma | \$1,346,454 | 11% | 10% | 59 | -8% | -5% | 135 | -1% | 131 | 18% | 2.3 |
| C03 Forest Hill South-Cedarvale | \$1,057,500 | 7% | 24% | 15 | -12% | -35% | 39 | 117% | 38 | 36% | 2.6 |
| C04 Forest Hill North-Lawrence Park | \$1,537,520 | 24% | 49% | 15 | -29% | -17% | 20 | -9% | 21 | -25% | 1.3 |
| C06 Bathurst Manor-Clanton Park | \$692,673 | 10% | -7% | 26 | 0% | 24% | 28 | 75% | 47 | 18% | 1.1 |
| C07 Willowdale/Newtonbrook West | \$754,630 | 12% | -5% | 38 | -36% | -37% | 72 | 6% | 97 | -2% | 1.9 |
| C08 St. James-Moss Park | \$856,867 | 10% | -2% | 160 | -46% | -44% | 381 | 9% | 423 | -15% | 2.4 |
| C09 Rosedale-Moore Park | \$1,184,857 | -11% | -1% | 7 | -65% | -56% | 17 | -35% | 17 | -45% | 2.4 |
| C10 Mount Pleasant | \$901,005 | 8% | 3% | 59 | -24% | -17% | 100 | 22% | 131 | 11% | 1.7 |
| C11 Leaside-Thorncliff Park | \$679,388 | 9% | 3% | 18 | -44% | -49% | 33 | -3% | 49 | -14% | 1.8 |
| C12 St. Andrew Windfields-Bridle | \$1,960,000 | 20% | 52% | 1 | -86% | -89% | 9 | -40% | 6 | -57% | 9.0 |
| C13 Banbury-Parkwoods-Donalda | \$762,767 | 14% | 1% | 28 | 0% | -24% | 33 | -42% | 43 | -38% | 1.2 |
| C14 Willowdale East-Newtonbrook | \$782,620 | 12% | -5% | 79 | -31% | -33% | 116 | 32% | 164 | -5% | 1.5 |
| C15 Bayview Village/Woods | \$804,878 | 13% | -8% | 78 | -41% | -38% | 140 | 59% | 173 | 8% | 1.8 |
| E02 Beaches-East Danforth | \$1,040,278 | 2% | 43% | 18 | 50% | 38% | 16 | -16% | 33 | -18% | 0.9 |
| York Region | \$759,751 | 19% | -4% | 235 | -29% | -36% | 425 | 26% | 506 | -2% | 1.8 |
| Markham | \$745,752 | 20% | -10% | 62 | -44% | -55% | 118 | 18% | 164 | -8% | 1.9 |
| Richmond Hill | \$727,363 | 22% | -2% | 56 | -26% | -21% | 96 | 39% | 115 | -14% | 1.7 |
| Vaughan | \$776,752 | 16% | -2% | 94 | -20% | -25% | 187 | 41% | 190 | 14% | 2.0 |
| Durham Region | \$659,734 | 31% | -5% | 66 | -1% | 2% | 61 | 17% | 107 | 11% | 0.9 |
| Pickering | \$710,000 | 22% | -12% | 19 | 138% | 0% | 14 | 8% | 32 | 78% | 0.7 |
| Ajax | \$684,453 | 37% | 4% | 7 | 0% | -30% | 9 | 80% | 15 | 25% | 1.3 |
| City of Toronto (416 Area Code) | \$820,835 | 12% | -1% | 1,488 | -35% | -30% | 2,609 | 11% | 3,203 | -9% | 1.8 |
| 905 Area Code | \$722,603 | 18% | -5% | 685 | -32% | -32% | 1,144 | 25% | 1,520 | 4% | 1.7 |

Source: TRREB, * City of Toronto includes Scarborough and Etobicoke. Note: % change can vary greatly from one period to the next depending on the number of transactions. Also note, Y/Y % Price Change is based on 12-month average prices to smooth out monthly variations.



Exhibit 8: Prices continue to rise albeit a slower pace

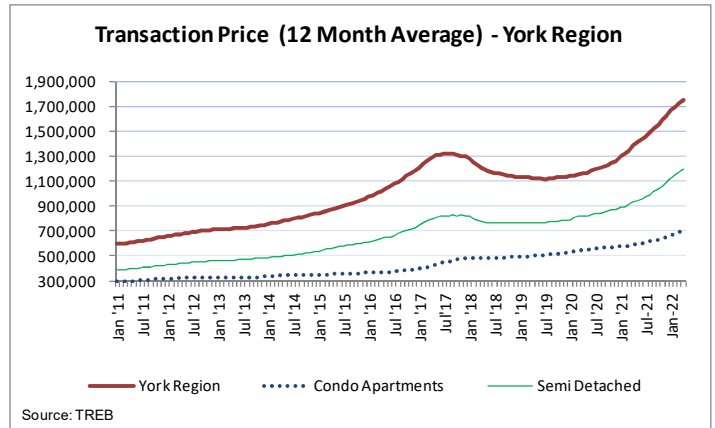
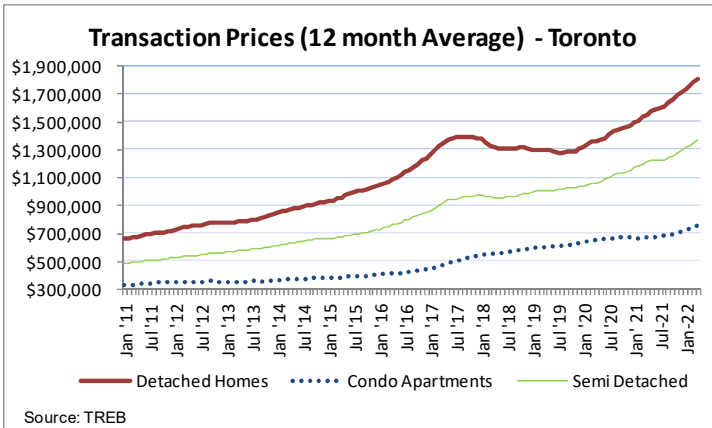


Exhibit 9: Sales volumes pull back as buyers take a pause

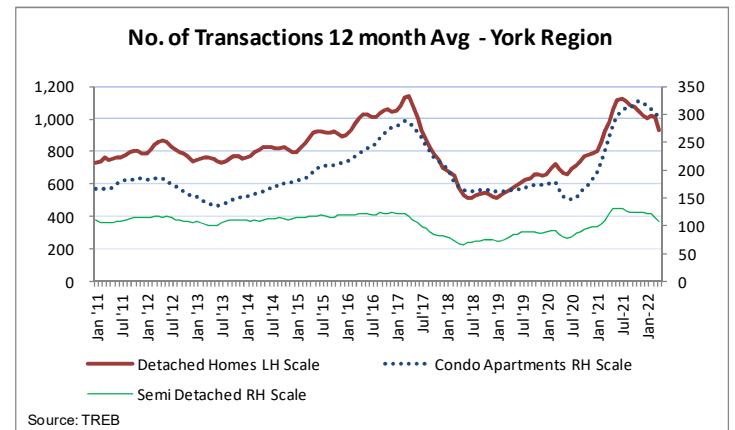
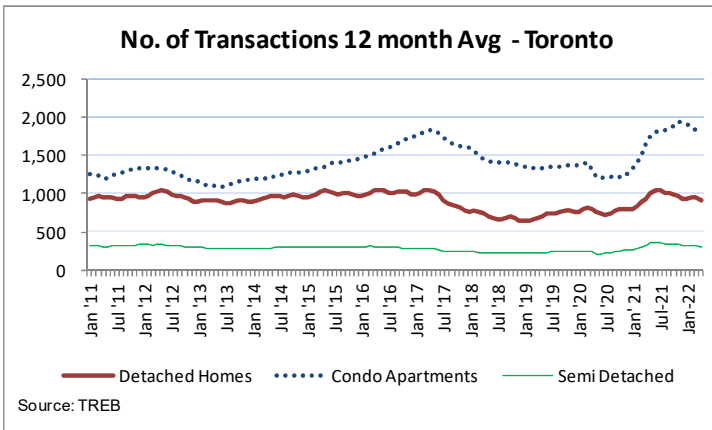
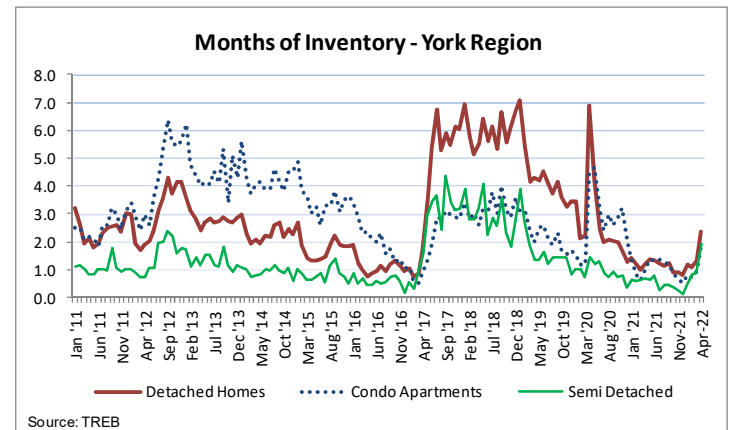
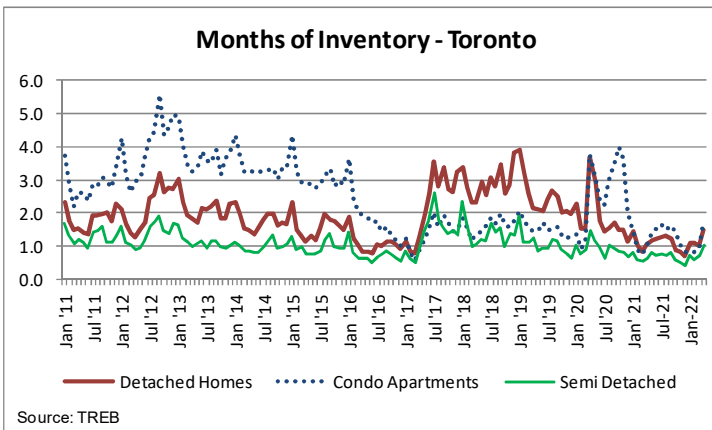


Exhibit 10: Inventory is has bounced off historic lows



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