The Altus Group Condominium Apartment Monitor

GTA Edition

Data as of May 2022

Table of Contents

New Condominium Apartment Dashboard

May 2022			YTD May 2022	
Sales	**Inventory**	**Benchmark Price**	**Sales**	**Benchmark Price**
2,058	**8,050**	**$1,176,080**	**14,254**	**$1,189,230**
-31% ▼	**-24%** ▼	**11%** ▲	**10%** ▲	**13%** ▲
Below the 10-year average	***Lowest May on record***	***Highest May on record***	***2nd highest YTD May on record***	***Highest YTD May on record***

% change is from same period a year earlier;
"record" is based on Altus Group tracking timeframe

Highlights

- **Total new home sales eased in May.** Condominium apartment sales continued to dip down both from last year and from last month. Single-family sales continued their sluggish pace, falling to less than half the level seen in May of last year.
- **Inventory levels ticked higher while the benchmark new condo price remained near record levels.** Builders brought 7 new projects to the market in May, which on average were almost twice the size compared to the previous year.
- **Consumers are faced with rising mortgage rates and growing economic concerns. As the Summer seasonal slowdown looms, a further pullback in new home sales is likely.** With the Bank of Canada signalling even further, and potentially more drastic, interest rate hikes in the short term, **homes sales in general are expected to lag 2021 levels over the remainder of the year.**

Condominium Apartment KPIs

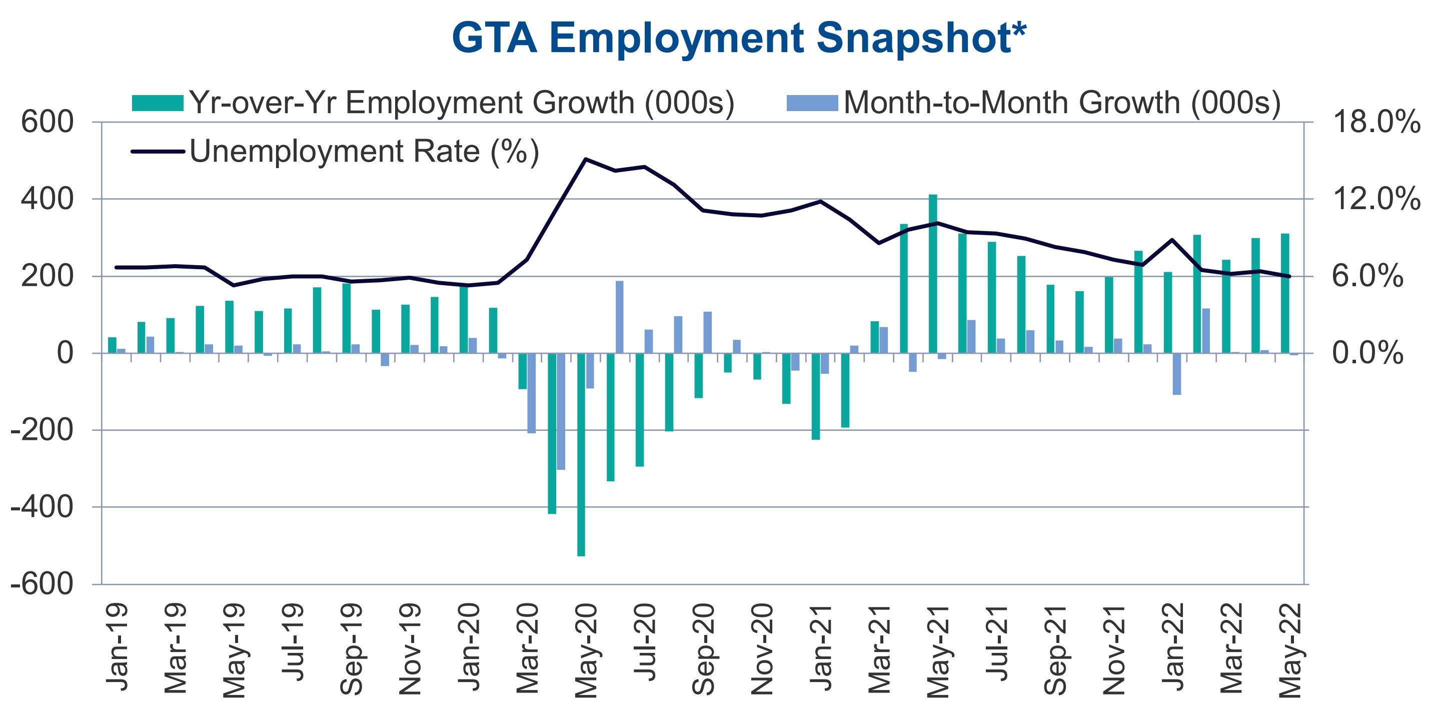
GTA Condominium Apartment Key Performance Indicators

	May-21	Apr-22	May-22	*Yr-Over-Yr % Change*	YTD May 2021	YTD May 2022	*Yr-Over-Yr % Change*
New Condominium Apartments (Altus Group data)*							
Total active sites	329	318	315	*-4%*	332	324	*-2%*
New projects opened	18	16	7	*-61%*	52	51	*-2%*
Units in new projects opened	3,173	3,917	2,151	*-32%*	11,348	13,656	*20%*
Total sales (units)	3,002	3,188	2,058	*-31%*	12,950	14,254	*10%*
Sales as % of total new & resale	*48%*	*59%*	*53%*		*45%*	*54%*	
Inventory (units)	10,582	7,969	8,050	*-24%*	10,410	8,049	*-23%*
Sales-to-inventory ratio	28%	40%	26%	*-10%*	25%	36%	*42%*
Months of inventory	4.9	2.7	2.8	*-42%*	5.8	2.7	*-53%*
Benchmark price	$1,063,973	$1,189,134	$1,176,080	*11%*	$1,049,960	$1,189,230	*13%*
Price PSF Benchmark	$1,112	$1,329	$1,334	*20%*	$1,106	$1,306	*18%*
Unit size Benchmark (sq. ft)	957	895	881	*-8%*	949	911	*-4%*
Units completed	1,501	1,104	162	*-89%*	7,643	3,575	*-53%*
Resale Condominium Apartments (Toronto Real Estate Board data)							
Total sales (units)	3,290	2,173	1,848	*-44%*	15,988	11,963	*-25%*
New listings (units)	4,981	4,723	4,955	*-1%*	21,327	21,105	*-1%*
Inventory ("active listings", units)	3,266	3,753	4,696	*44%*	3,059	2,944	*-4%*
Sales-to-inventory ratio	101%	58%	39%	*-61%*	106%	97%	*-8%*
Months of inventory	1.3	1.4	1.8	*46%*	1.4	1.1	*-21%*
Average price of units sold	$691,791	$789,869	$770,894	*11%*	$664,335	$787,246	*19%*
HPI constant quality price index (Jan 2005=100)	314.9	408.9	404.0	*28%*	301.2	395.9	*31%*

** see end of report for Definitions*

Caution should be used in interpreting all year-over-year comparisons, given the impacts of the COVID-19 pandemic

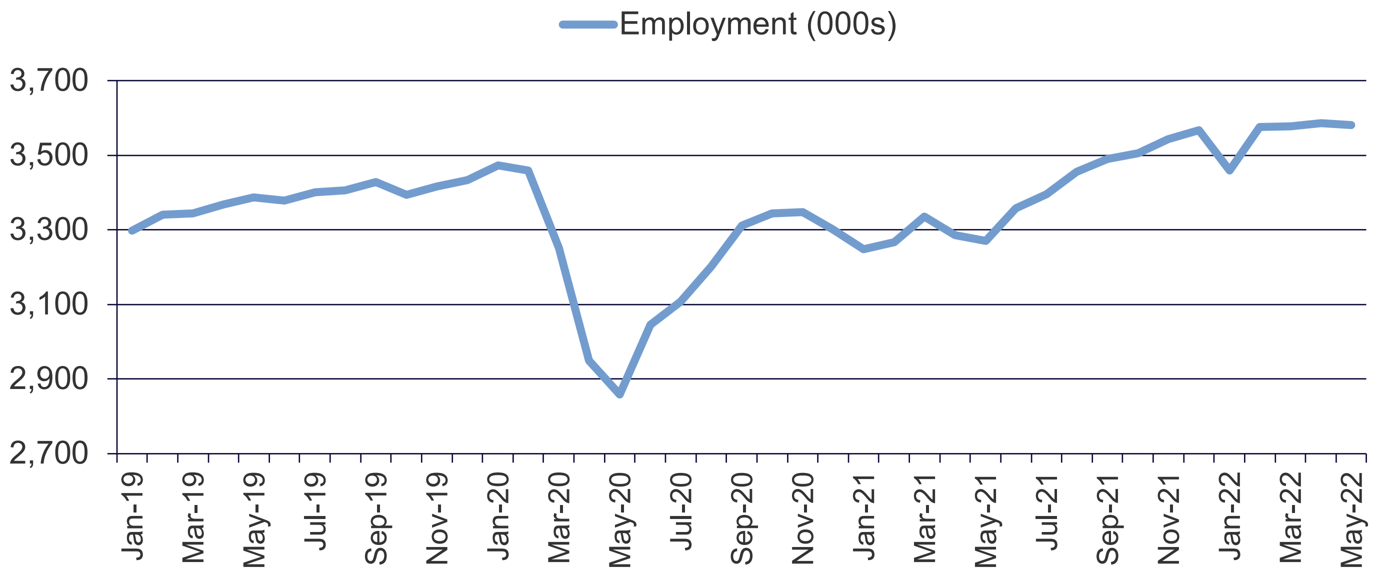
- **GTA employment growth remained flat for the 3rd consecutive month in May.** The unemployment rate fell slightly to 6.0%. Rising inflation and interest rates, coupled with ongoing supply chain issues and the impacts of the war in the Ukraine are leading to a slowing of economic, and employment, growth.
- **The Bank of Canada once again increased the target for the overnight rate by ½ percent at its latest rate announcement on June 1**, stating that **"***The increase in global inflation is occurring as the global economy slows. The Russian invasion of Ukraine, China's COVID-related lockdowns, and ongoing supply disruptions are all weighing on activity and boosting inflation. . . The pace of further increases in the policy rate will be guided by the Bank's ongoing assessment of the economy and inflation, and the Governing Council is prepared to act more forcefully if needed to meet its commitment to achieve the 2% inflation target.*" **The next rate announcement date is July 13.**
- Effective 5-year fixed rate mortgage interest rates continue to rise *(chart next page, bottom).* **The average 5 year fixed special rate has surpassed 5%** and is now over 300 basis points higher than its recent low in early Fall 2021, and at **its highest level in over 18 years**. Variable rate mortgage interest rates have also been rising but at a slower rate, such that the premium for fixed interest rates continues to widen, increasing the relative attractiveness of variable rates.



** Data are monthly, seasonally adjusted for the Toronto CMA*

Source: Altus Group based on Statistics Canada data

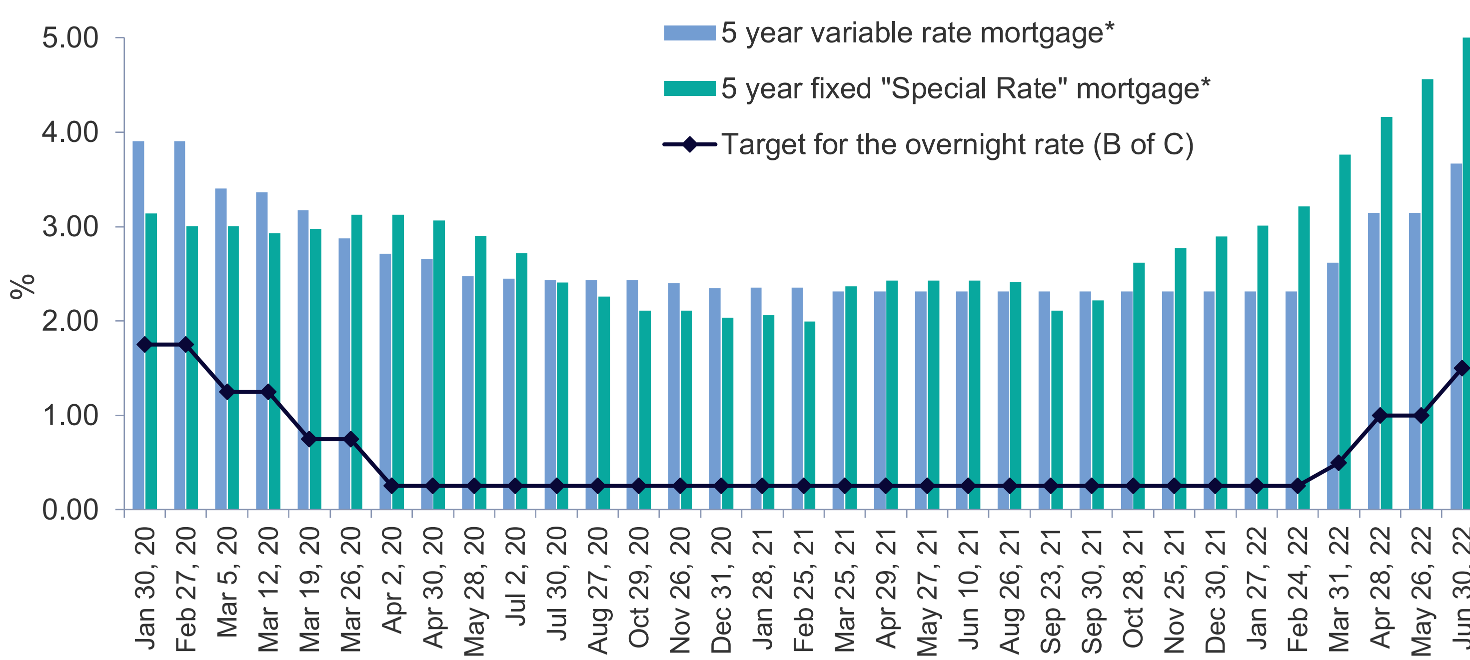
GTA Total Employment*



** Data are monthly, seasonally adjusted for the Toronto CMA*

Source: Altus Group based on Statistics Canada data

Selected Interest Rates

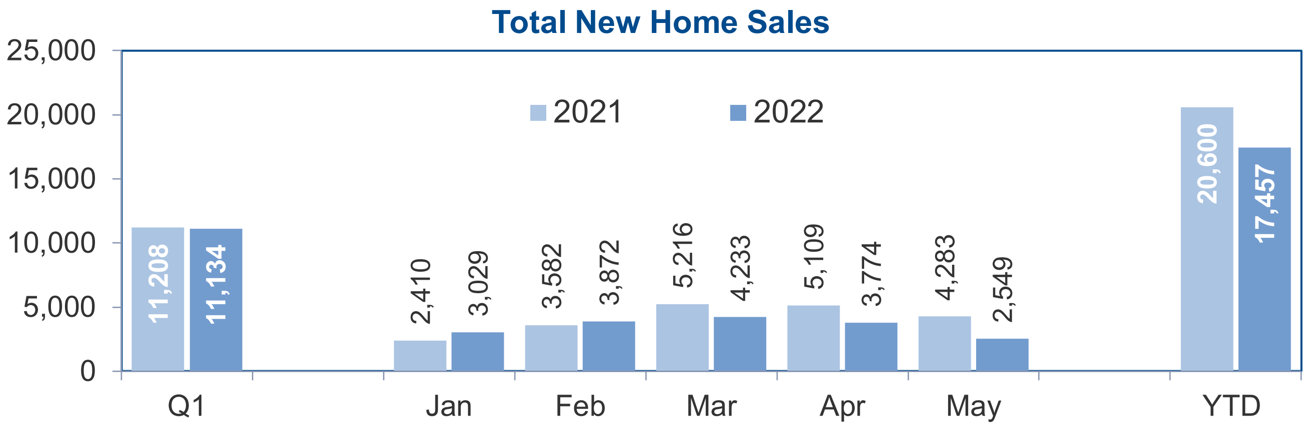


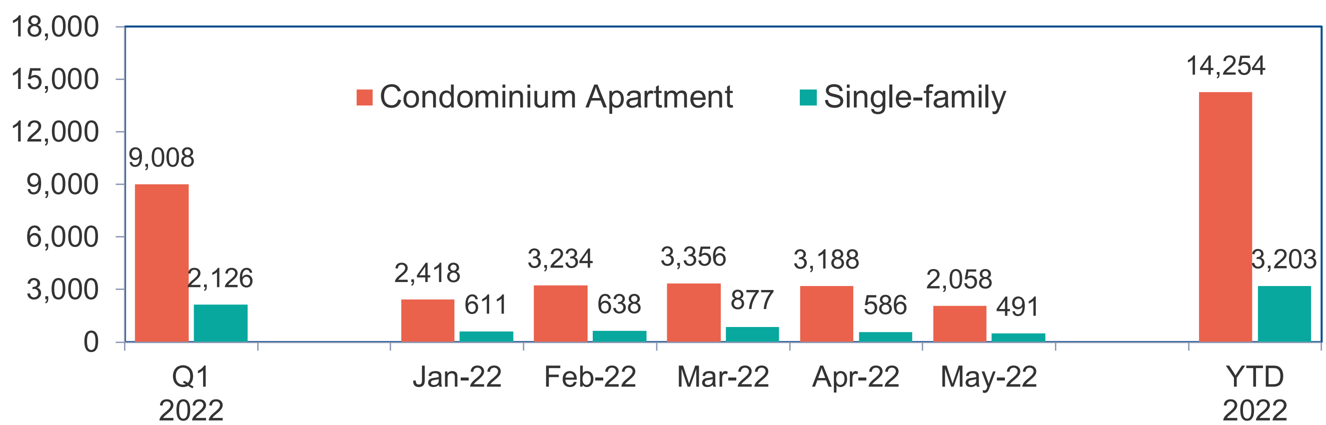
** Average for the major banks*

Source: Altus Group based on data from Bank of Canada and major bank web sites

- **Total new home sales continued to slow in May.** Total sales are below the average for the previous 10 years and recorded a year-over-year decline. New condo apartment sales were off by almost one-third the May 2021 level. Single-family new home sales dropped to about one-third their level last year and sit at their 4th lowest level for May on record.
- **The regional performance remains a mixed bag.** Higher condominium apartment sales are pushing the year-to-date increase in total sales in the City of Toronto (*charts next page*). In the 905 regions, falling single-family new home sales across the board offset any gains in new condo apartment sales except for the Peel and Halton Region.

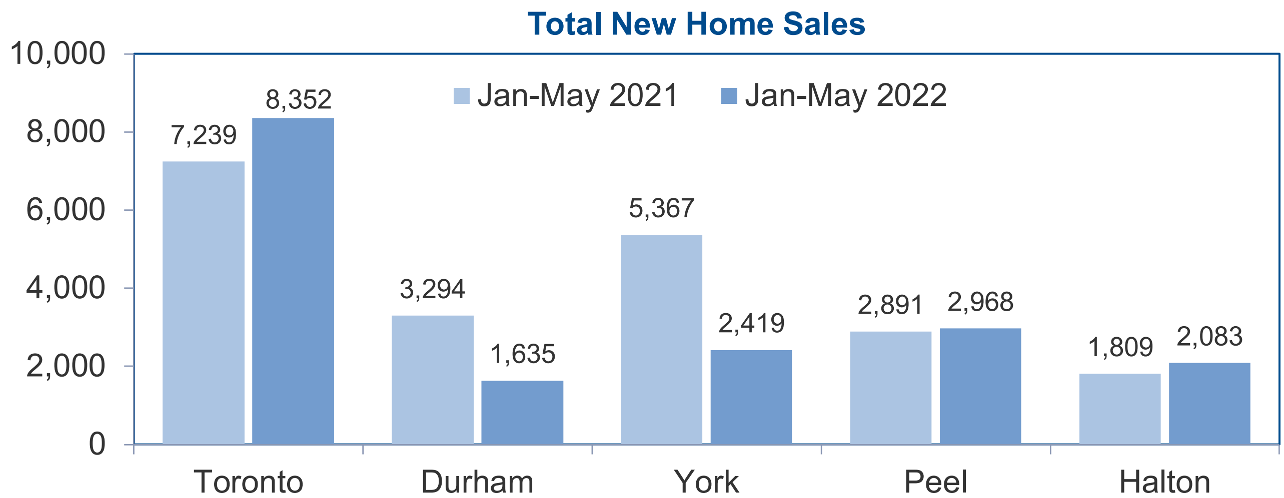
GTA New Home Sales

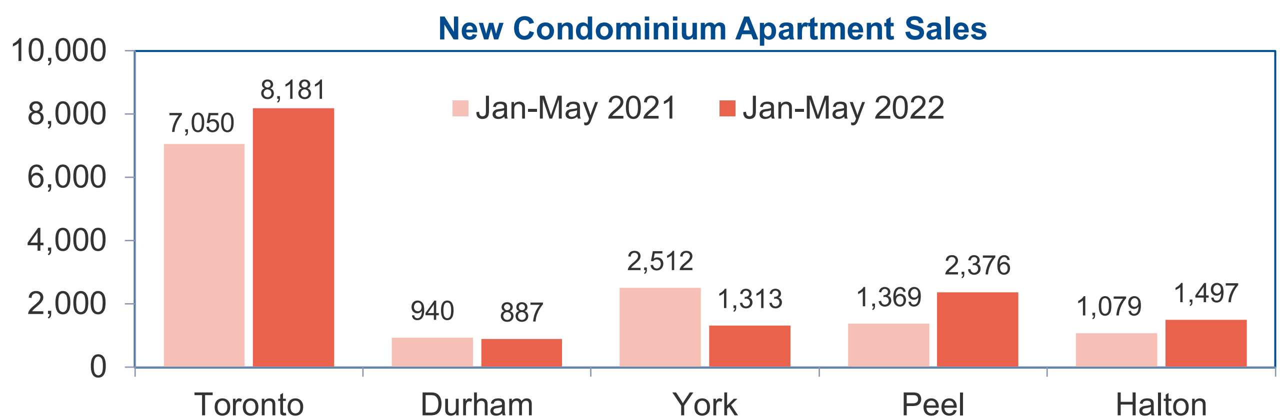


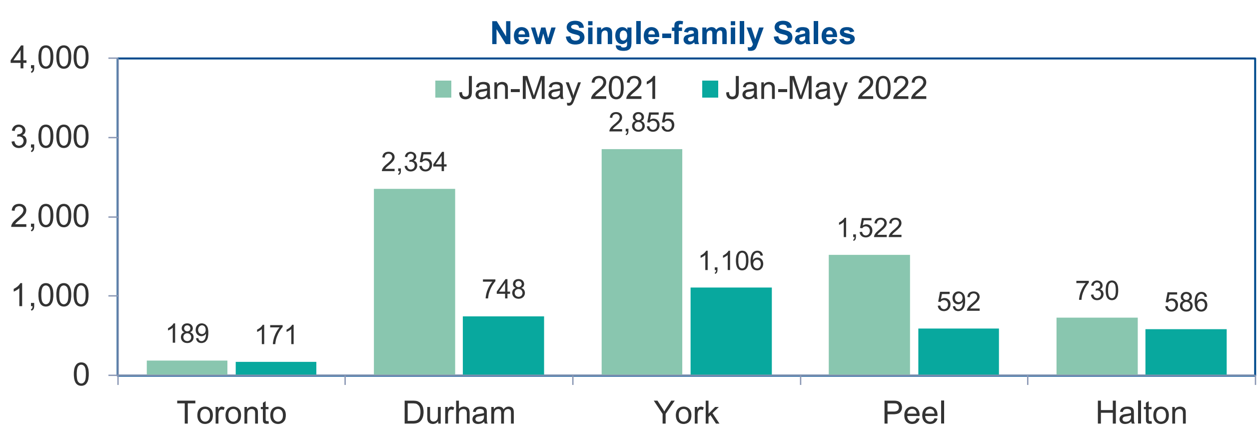


Source: Altus Group

GTA New Home Sales by Region

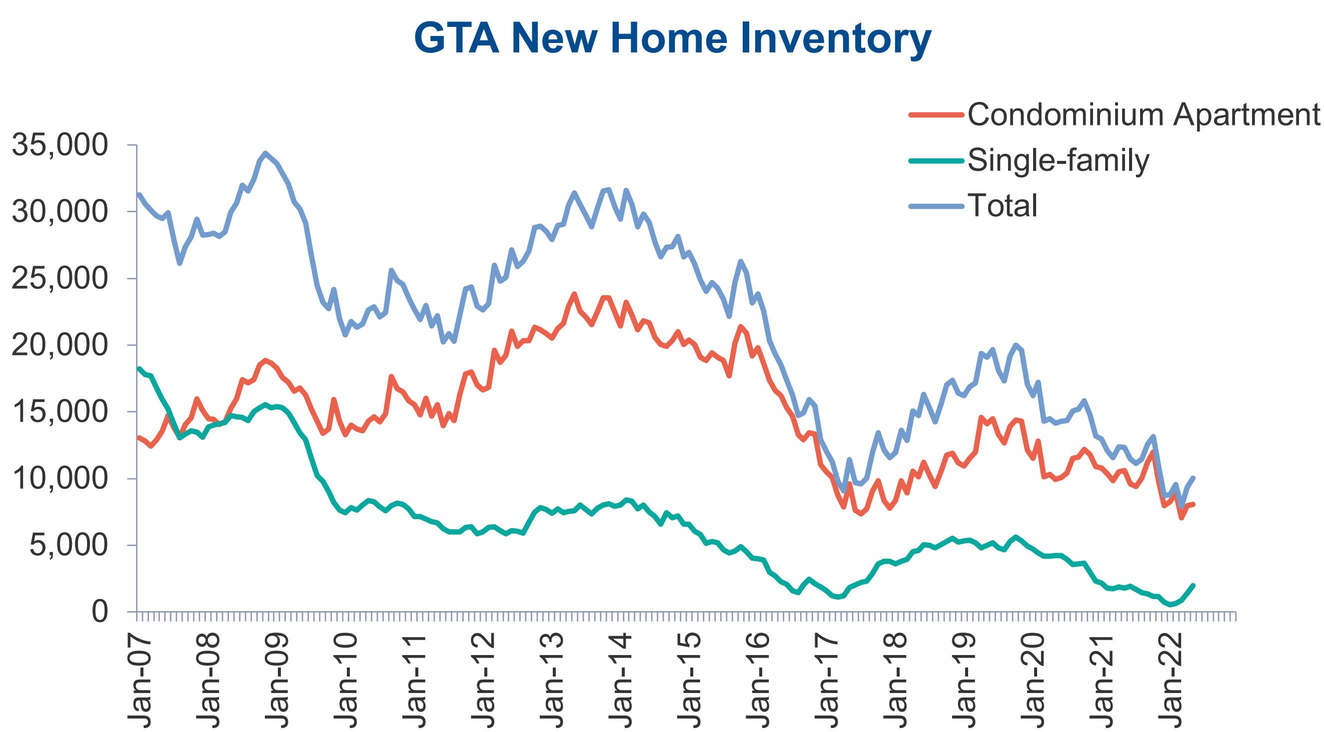






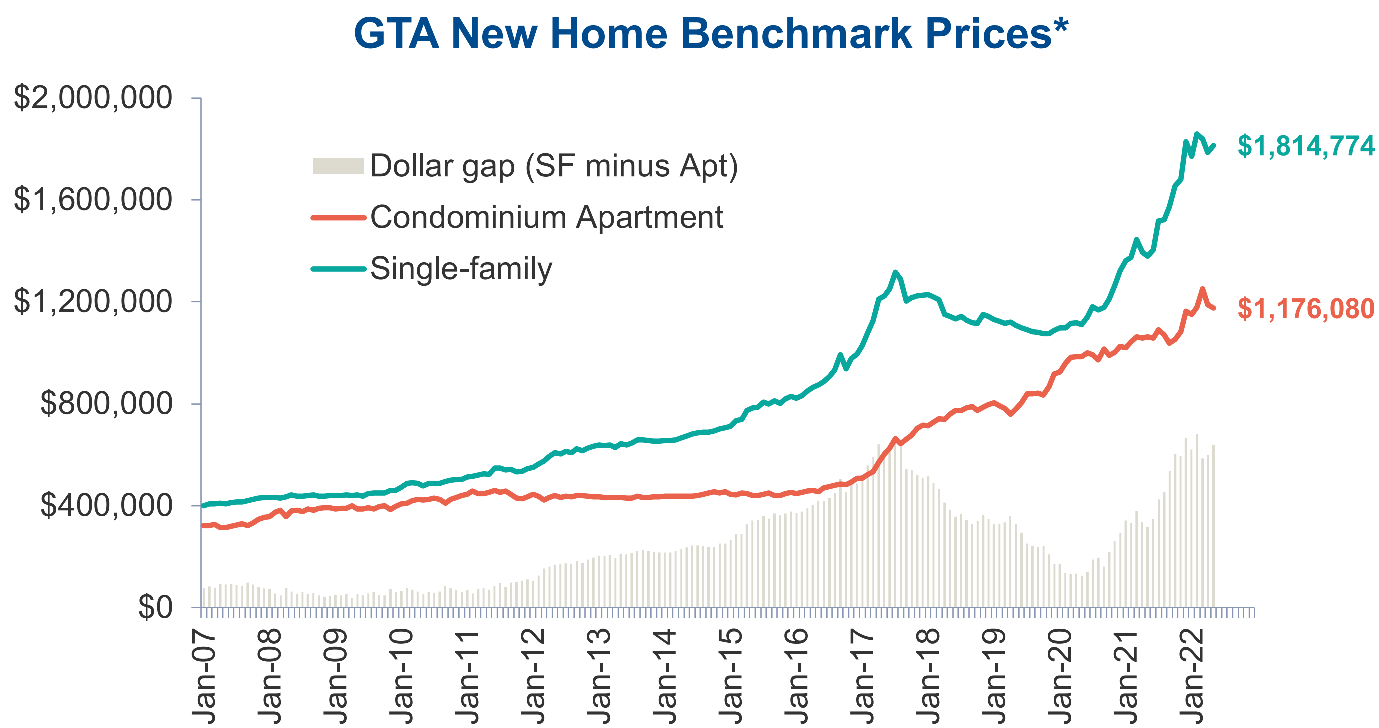
Source: Altus Group

- **The total inventory of available new homes recorded its lowest May level ever.** Total inventory touched slightly more than the 10,000-unit mark after 5 consecutive months of less than 10,000 units, although it rose from March's historic low. Single-family inventory moved higher for the 4th month in a row reaching its highest level in the past 8 months, though it still sits at a fraction of the 10-year average. Condominium apartment inventory inched higher from March's 22-year low as slower sales lagged the new units introduced in May.
- Based on average monthly total new home sales over the past 12 months, there was only about 2.5 months of available supply of new homes at the end of May 2022, well below the long-term average for May of about 8 months.



Source: Altus Group

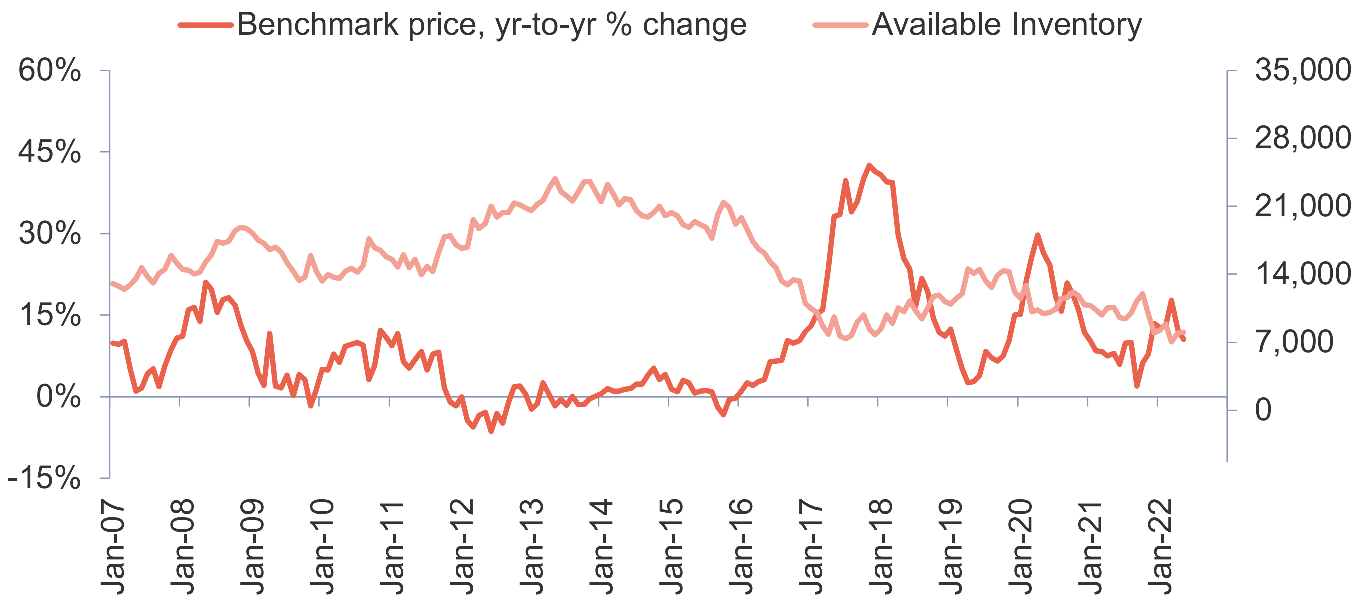
- **The benchmark price for a new condominium apartment dropped for a second month in a row from the record high recorded in March.** Single-family benchmark pricing rose in May, beginning a slow recovery from its slip in April.
- **The price advantage of available new condominium apartments compared to new single-family homes widen slightly in May** and is now twice as large as last year and nearly five times the gap at the onset of the pandemic, The condominium apartment benchmark price increased 11% year-over-year, about one-third the increase in the single-family benchmark price (*charts next page*), as the historic low inventory levels of single-family homes is a large contributor to the larger price increases over the past year.
- It should be kept in mind that the benchmark prices represent units available to purchase at month end. For new projects opened during the month, lower-priced product may sell out more quickly, and therefore not be represented in these data.



** Average asking price of available new home inventory at end of period with outliers removed*

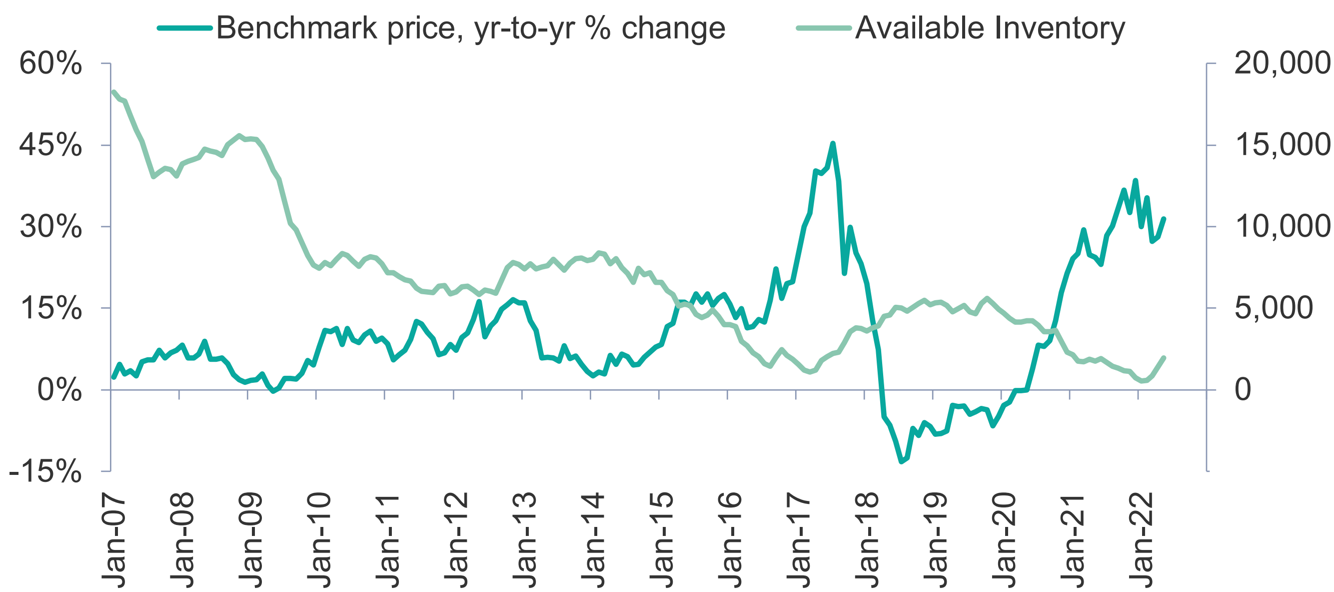
Source: Altus Group

GTA New Condominium Apartment Benchmark Price Changes and Available Inventory



Source: Altus Group

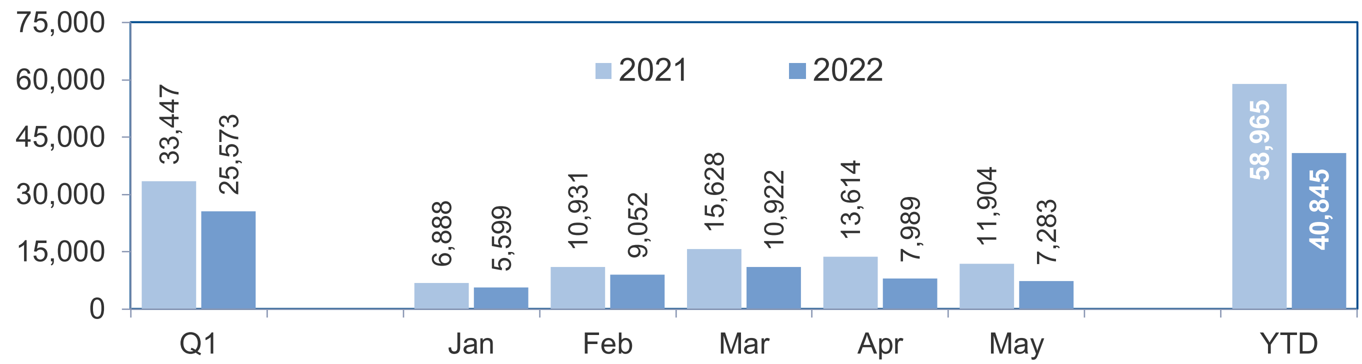
GTA New Single-Family Home Benchmark Price Changes and Available Inventory

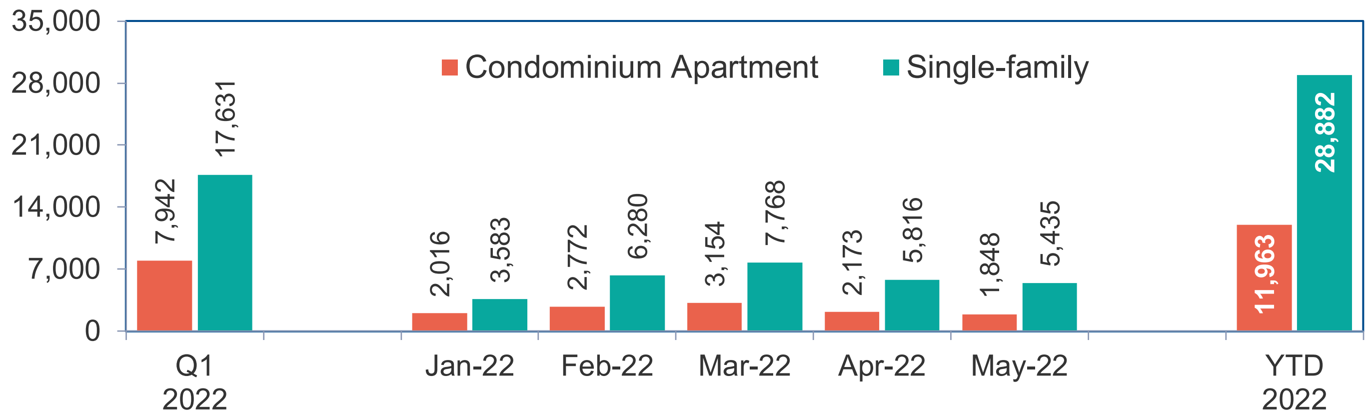


Source: Altus Group

- **Sales of existing homes fell below year ago levels for the 6th month in a row in May, and the gap to last year's resale levels continues to increase**. Although year-to-date sales have slipped slightly more than 30% from last year's year-to-date level, they remain above the recent pre-pandemic years. Both the single-family and condo apartment segments of the market shared in the year-over-year decline in sales activity in May.
- **Resale inventories increased in both sectors compared to May 2021 but remain below the 10-year averages.** Meanwhile, average prices remain dipping below the record highs of earlier in the year *(charts next page)*.

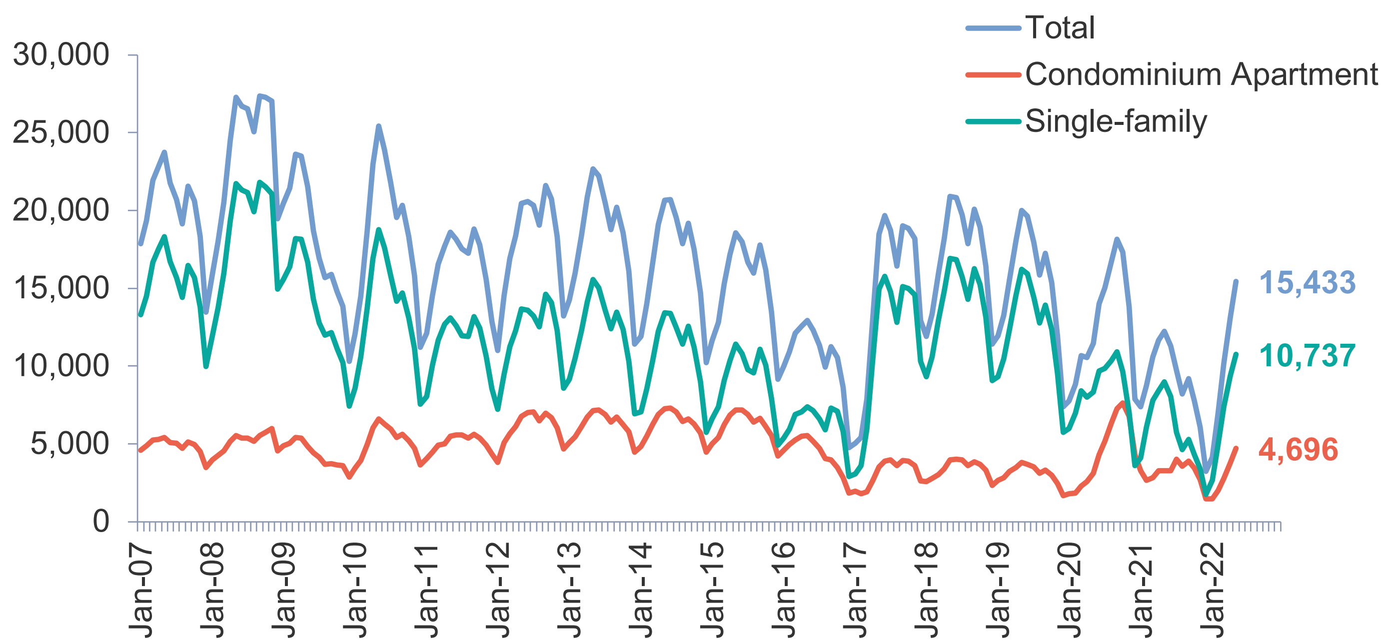
GTA Resale Home Sales





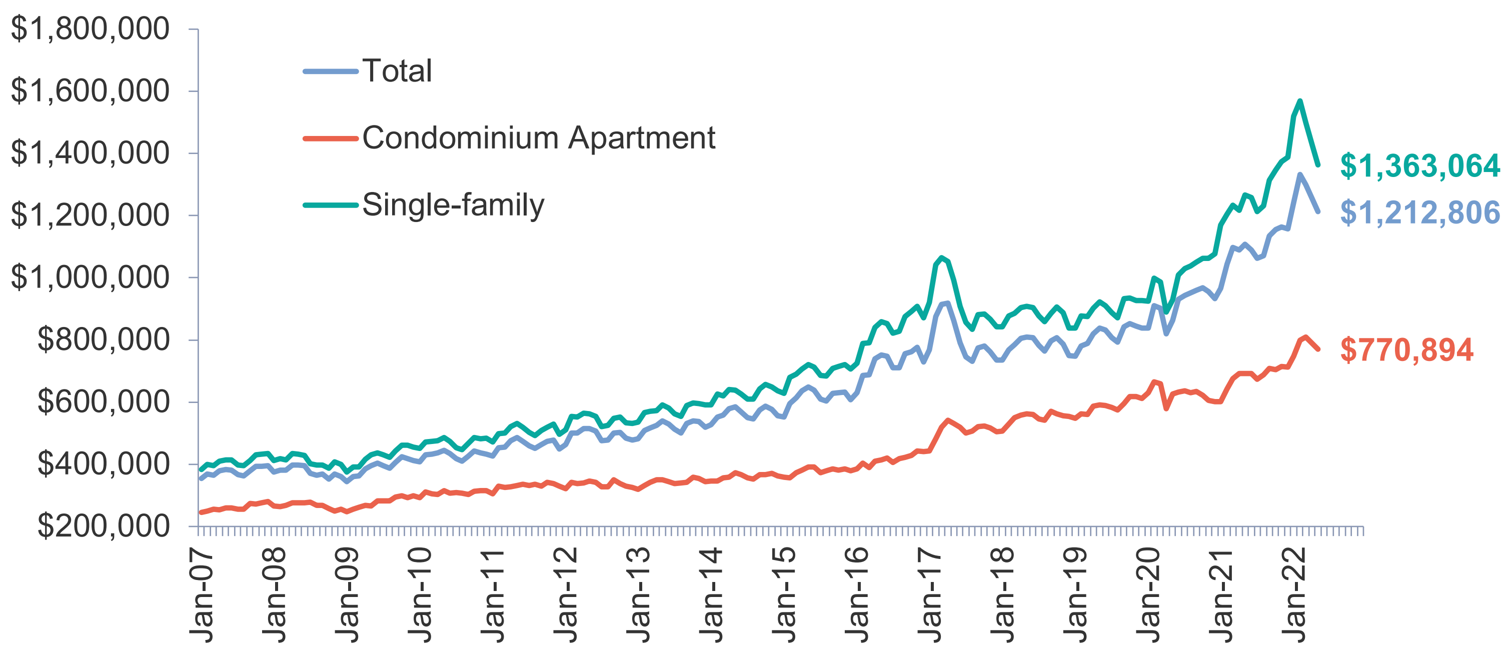
Source: Altus Group based on Toronto Regional Real Estate Board data

GTA Resale Home Inventory (“Active Listings”)



Source: Altus Group based on Toronto Regional Real Estate Board data

GTA Resale Home Prices

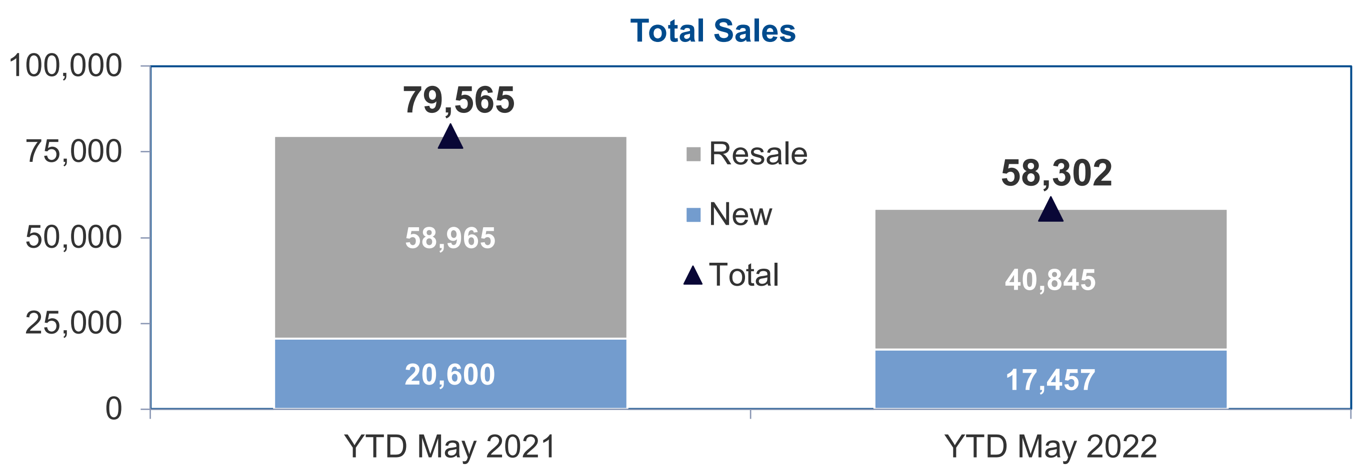


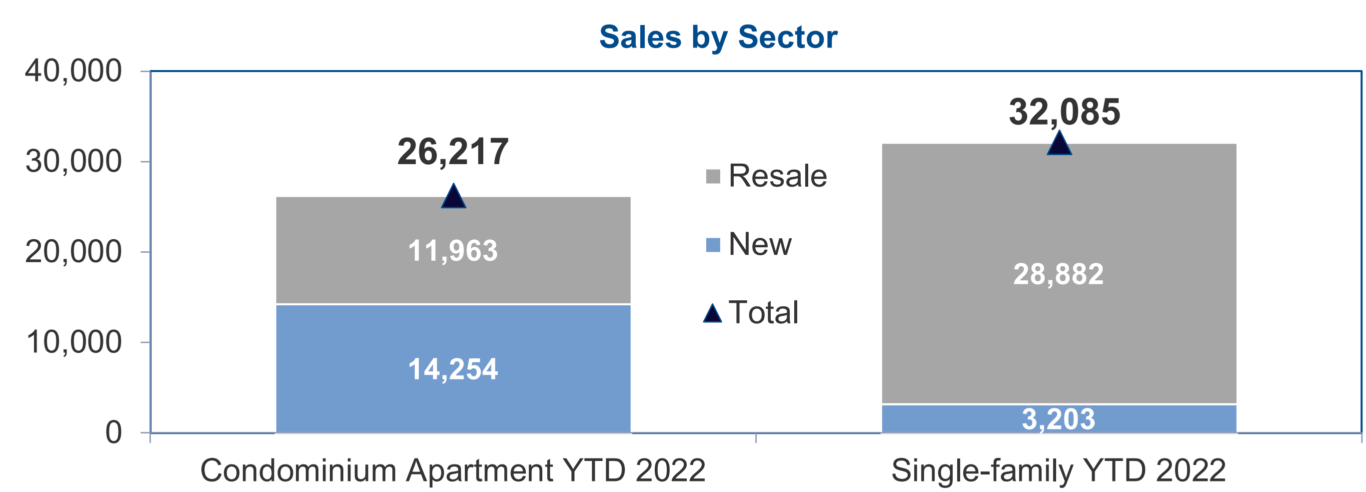
Source: Altus Group based on Toronto Regional Real Estate Board data

Overall Home Market - Sales

- **Total home sales in the GTA in the first 5 months of 2022 were down nearly 39% from a year earlier**. Both the resale and new home sales segments are down equal amounts.
- **The new home sector accounted for 3 out of every 10 home sales in the first five months of 2022** – this compares to about 1 in 4 for the same period in 2021. About 1 in 10 single-family homes sold were new homes (down from almost 1 in 7 a year ago). New condo apartments increased their share of the total apartment market to over half.

GTA Combined New & Resale Home Sales

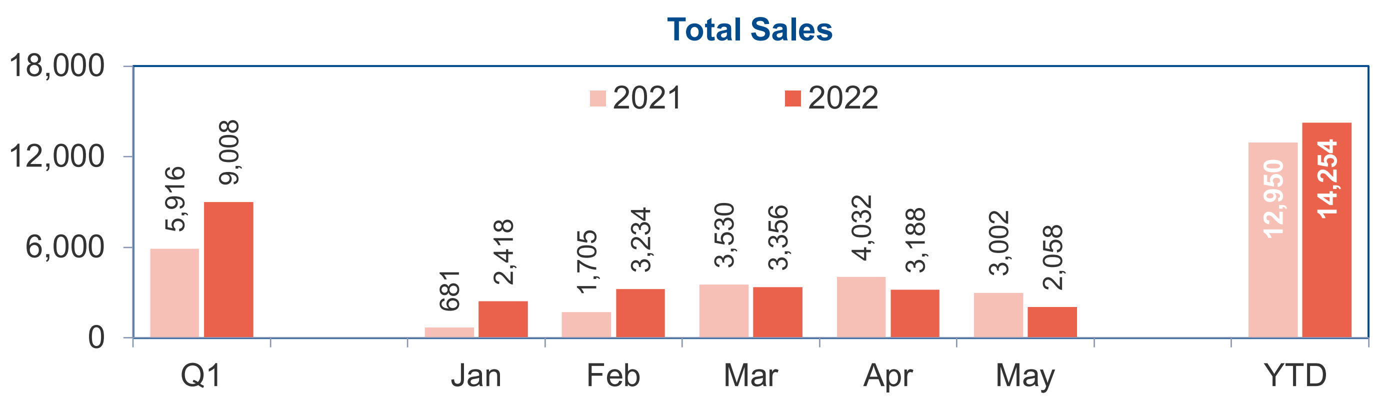


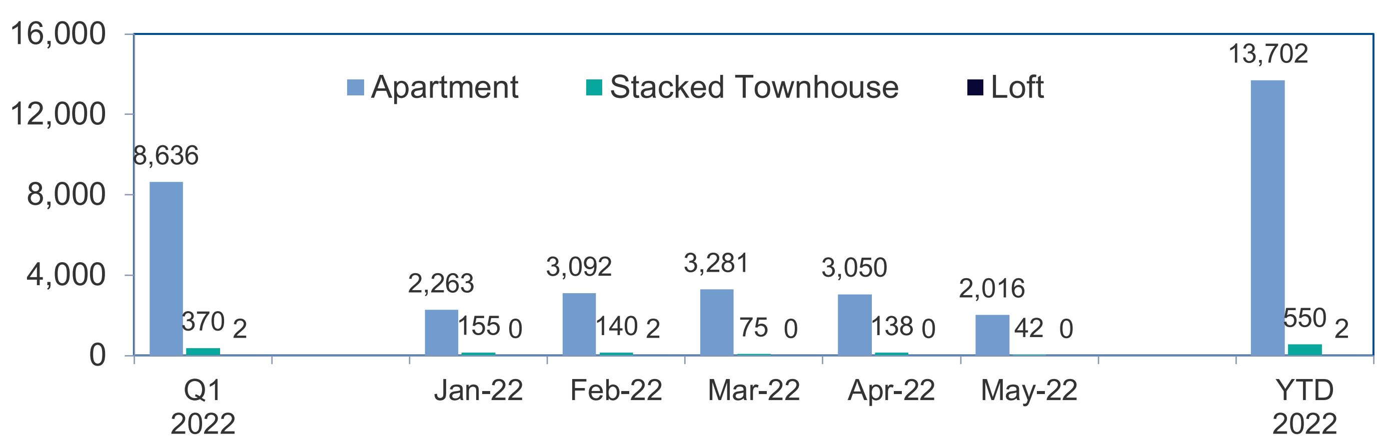


Source: Altus Group and Toronto Regional Real Estate Board data

- **GTA new condominium apartment sales recorded their 3rd consecutive year-over-year decline in May.** Despite the slowdown in the past 3 months, year-to-date sales are just under 10% ahead of last year and are the highest ever level recorded through the first five months of the year.
- **Stacked townhouses experienced a slowdown after a strong rebound in April,** but year-to-date sales are one-third of last year's record high.
- Peel and Halton are the only regions recording higher year-over-year condominium apartment sales in May. The year-to-date increase in total new condominium apartment sales was accompanied by **surging sales in the City of Toronto** *(charts next page)*, with both Peel and Halton Regions continuing to run ahead of last year.

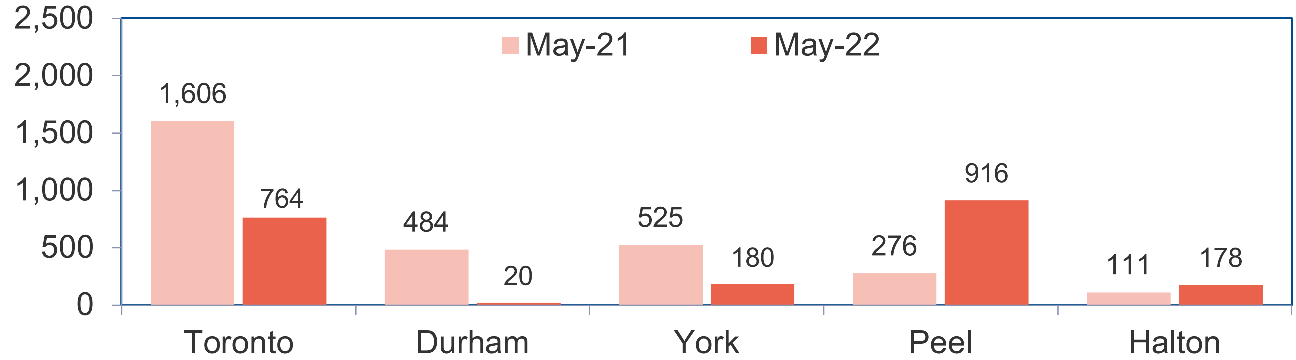
GTA New Condominium Apartment Sales

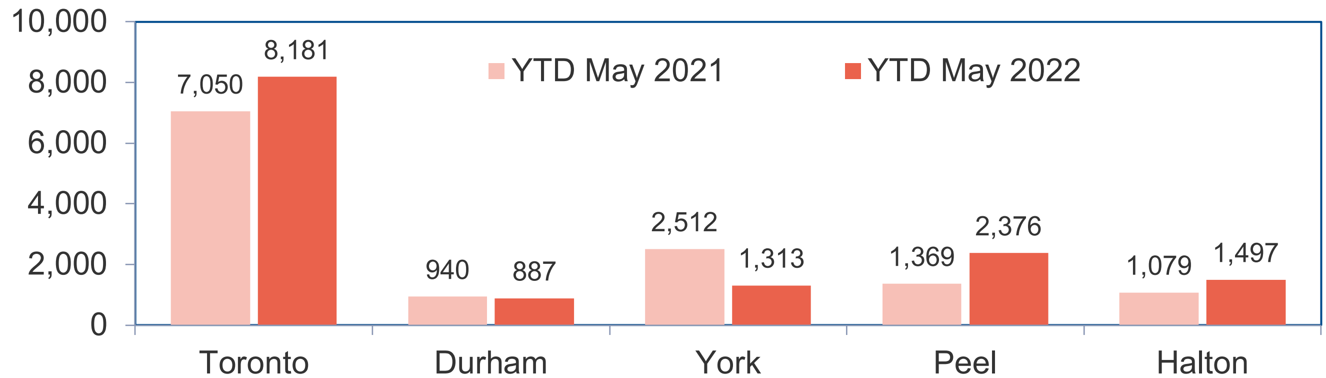


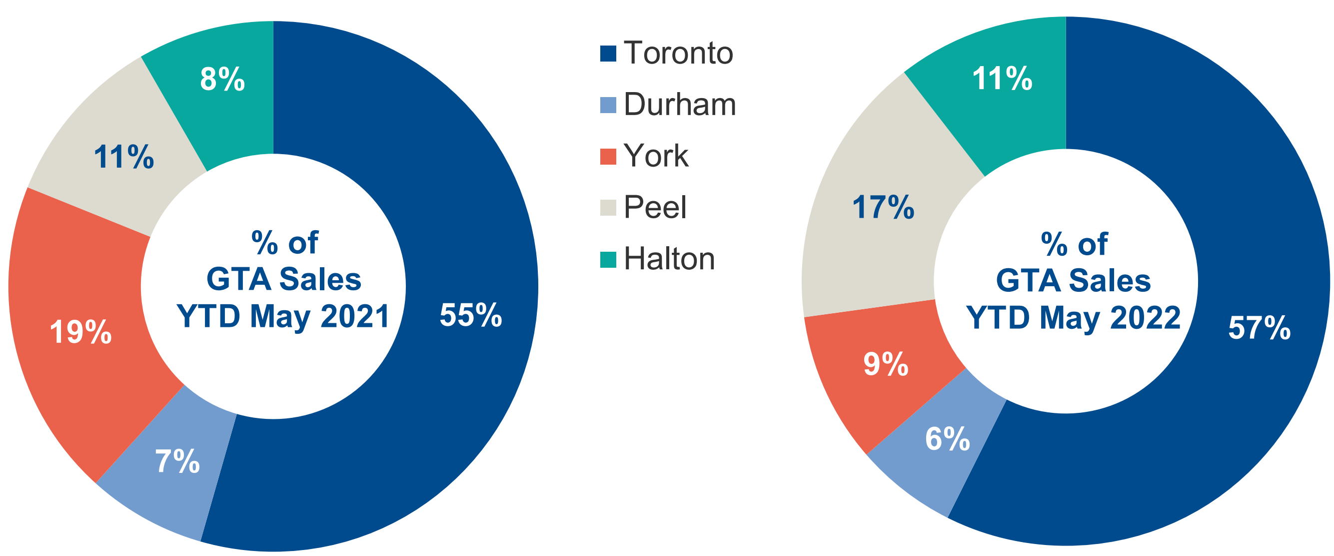


Source: Altus Group

GTA New Condominium Apartment Sales by Region



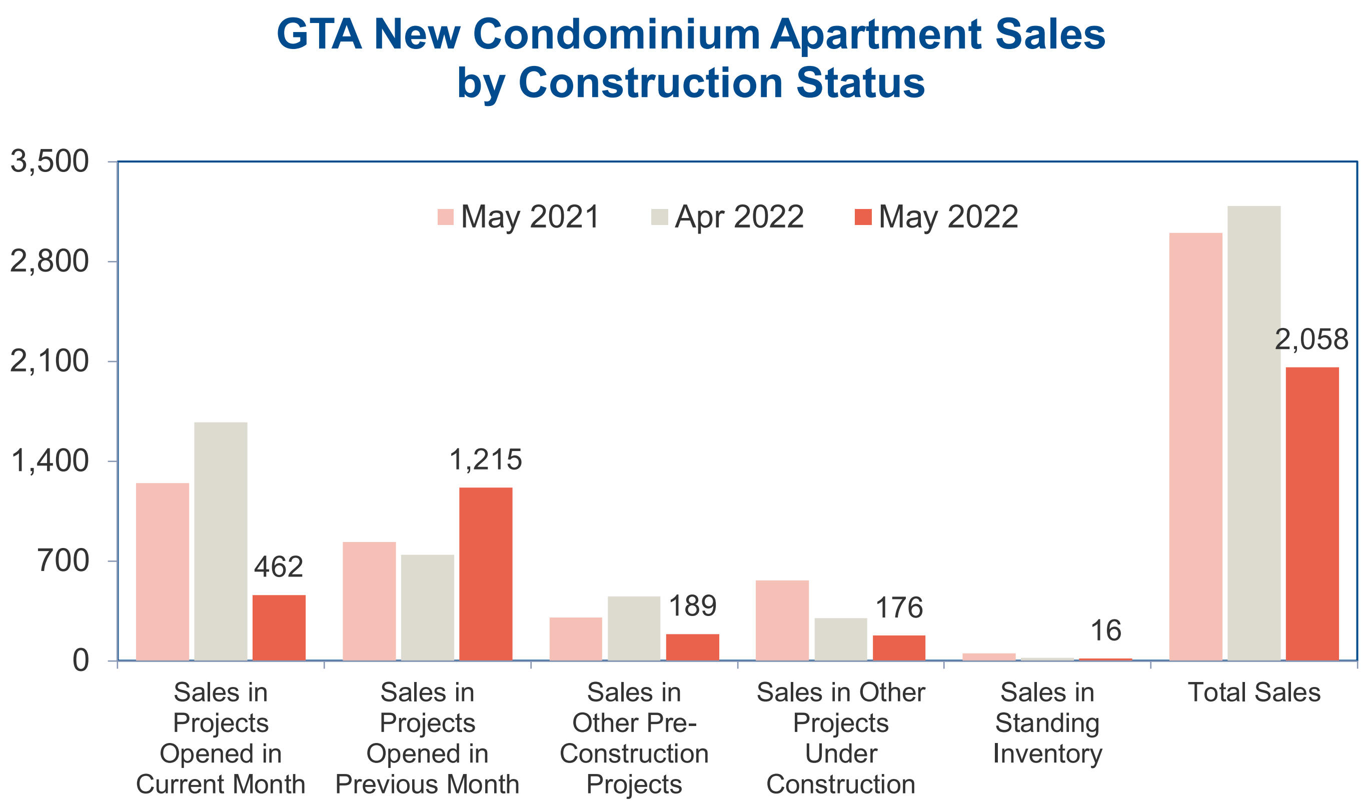




Source: Altus Group

New Condominium Apartments - Sales

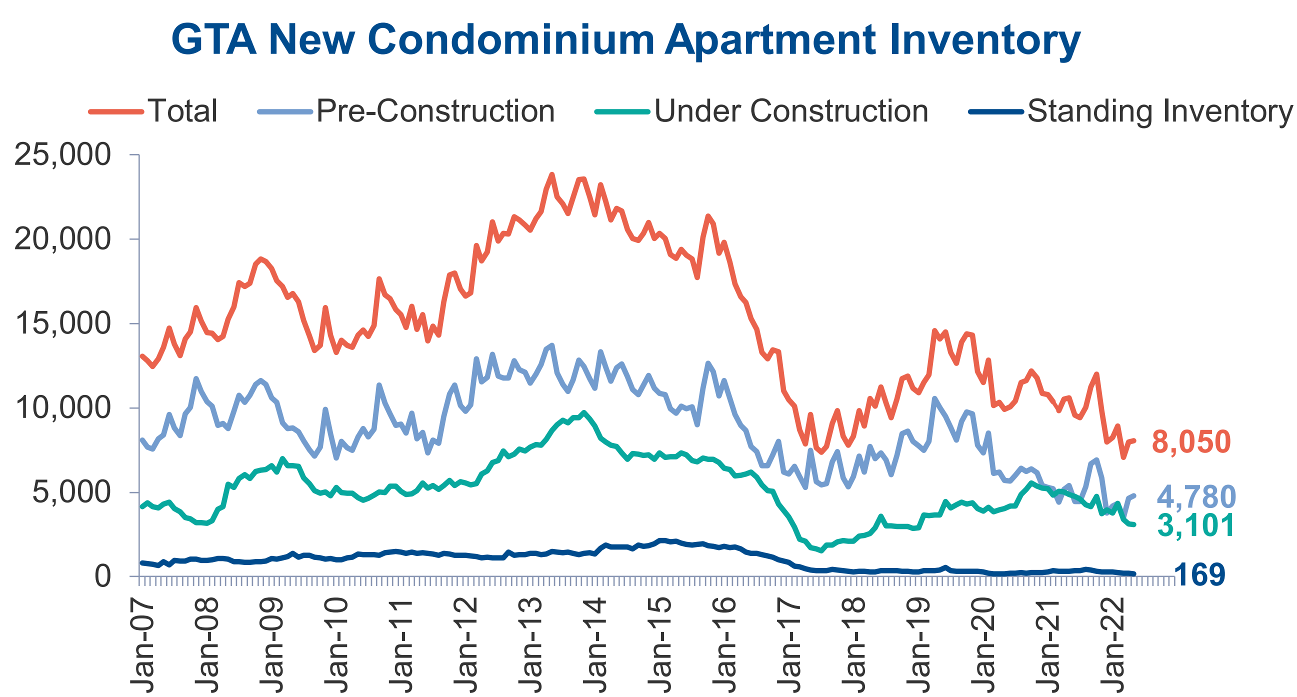
- **About one in five new condo apartment sales in May occurred in projects opened during the month.** When accounting for the 3 projects that opened later in month when firm sales are not recorded, one-third of the units opened in May were sold during the month.
- Sales in projects opened in April made up most of the remaining sales.
- **There is typically little inventory still available to purchase when projects are completed** (*see chart next page*) and therefore very few sales in the "standing inventory" category.



Source: Altus Group

New Condominium Apartments - Inventory

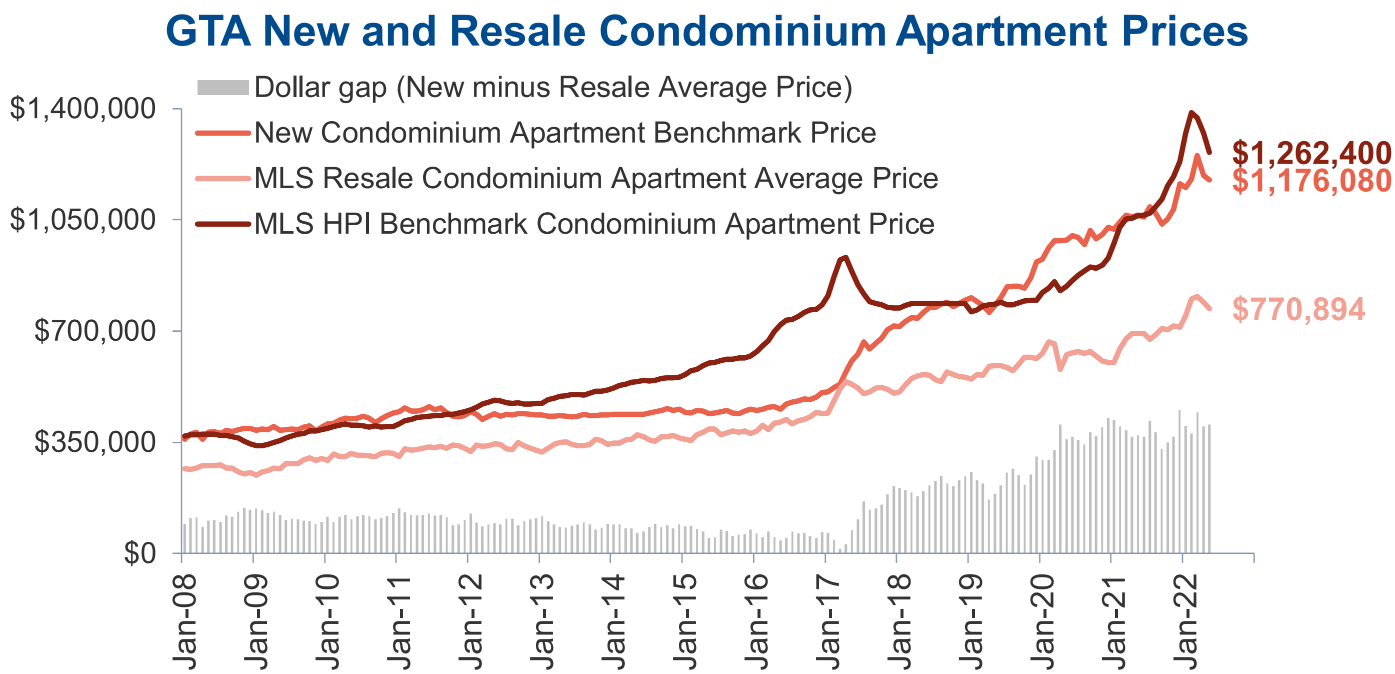
- **The inventory of available new condo apartments moved higher in May but remains just over half of the 10-year average.** Pre-construction inventory remained higher than under construction inventory while there is very little standing inventory (i.e. units available for immediate occupancy).
- **The current unsold inventory at new condominium apartment projects represents only 2.8 months of supply** at the average monthly pace of sales seen over the past 12 months, well below the longer-term average for May of over 9 months. However, this is an uptick from April, with more inventory on the market in the month of May.

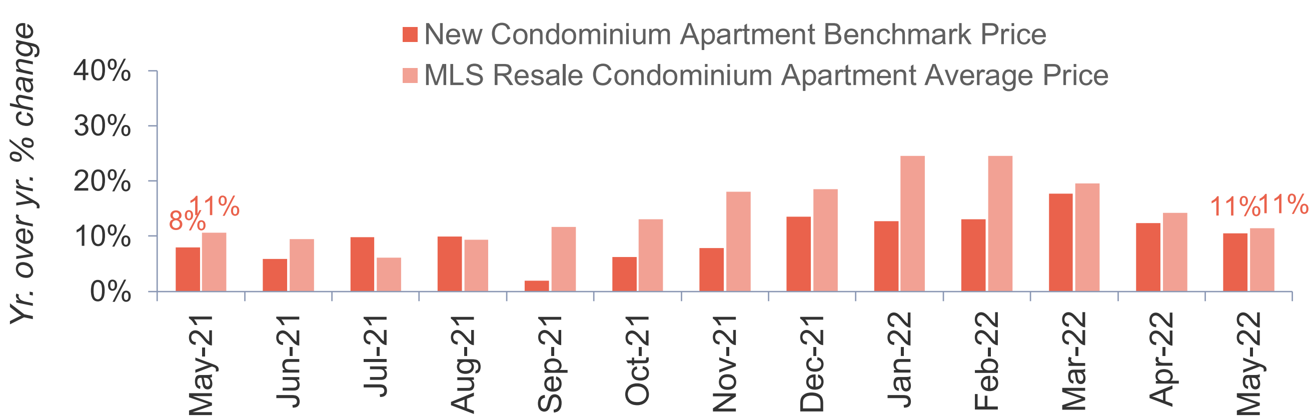


Source: Altus Group

New Condominium Apartments - Prices

- **The benchmark price of a new condominium apartment fell again in May from the record high reached in March** *(this benchmark measures prices of available units at the end of the month - see benchmark price definition at the end of this report).*
- In absolute terms, the price difference between a new and resale condominium apartment unit widen slightly in. However, on a year-over-year basis, the price increases for resale condo prices and new condo prices are now similar. **The rise in inventory and slowing of price increases in the resale market are attributing to this rising gap, reducing the competitive position for new condominium apartments vis-a-vis resale units.**

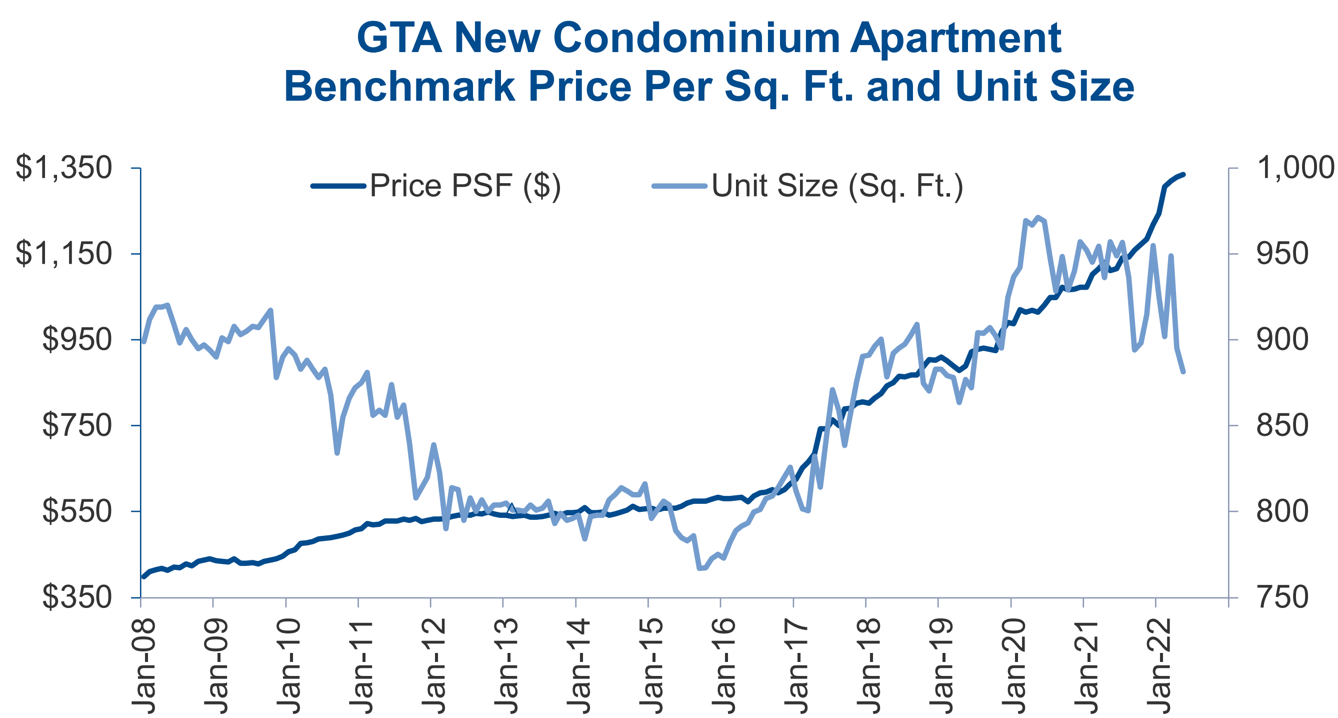




Source: Altus Group and Toronto Real Estate Board data

New Condominium Apartments - Prices

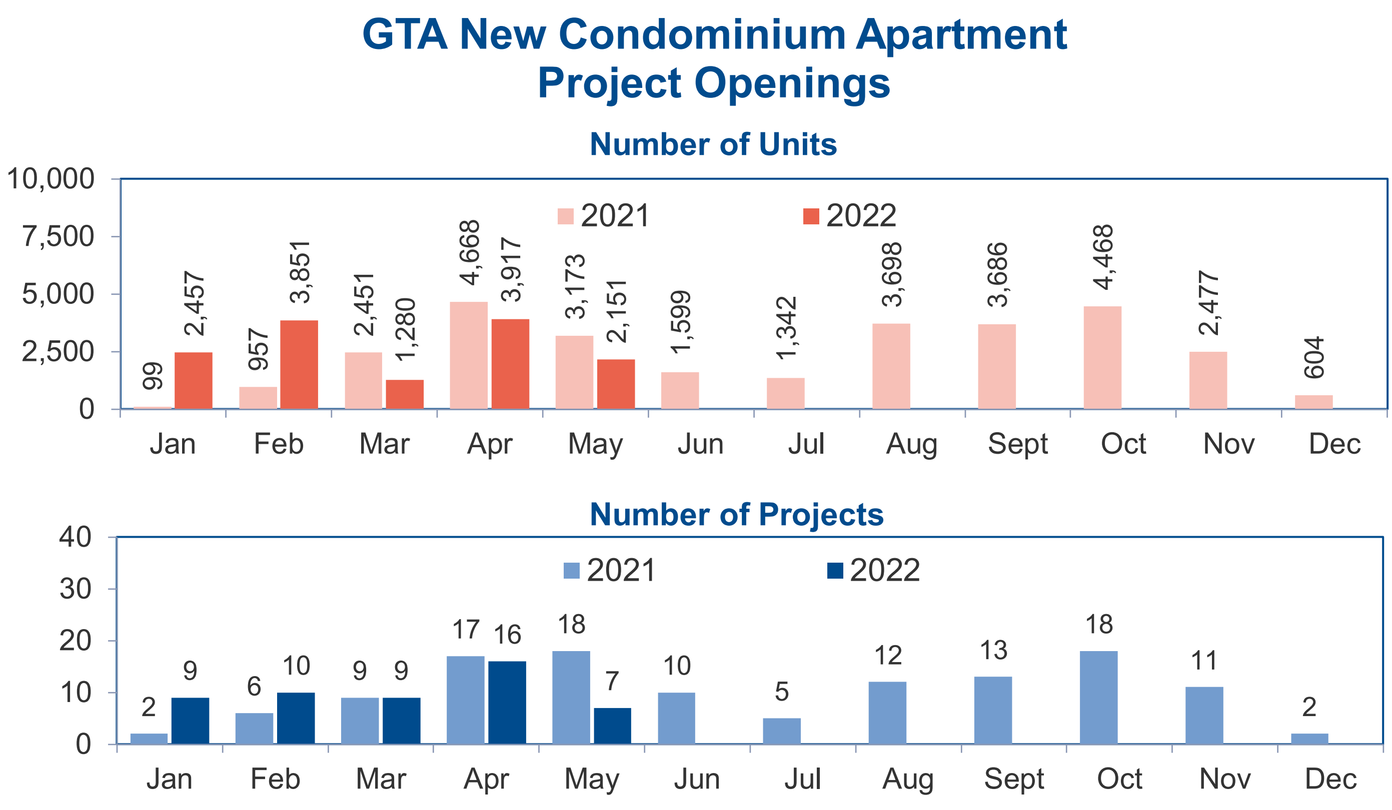
- **The decrease in May 2022 in the overall benchmark price of a new condo apartment was due entirely to smaller than average sizes among available inventory.** The unit size per sq. was the smallest available in May that it has been for the last two years. The average price per sq. ft. increased marginally in May compared to March and April.
- A decrease in inventory in Toronto, coupled with an increase in York, is a factor in the falling prices per sq.ft.
- Caution needs to be used in interpreting the data for any specific timeframe, as smaller unit sizes on average have higher prices per square foot. For example, an increase in the price per square foot could reflect both a "pure" price increase, as well as a decline in average size of available units (and, of course, location shifts).



Source: Altus Group

New Condominium Apartments - Openings

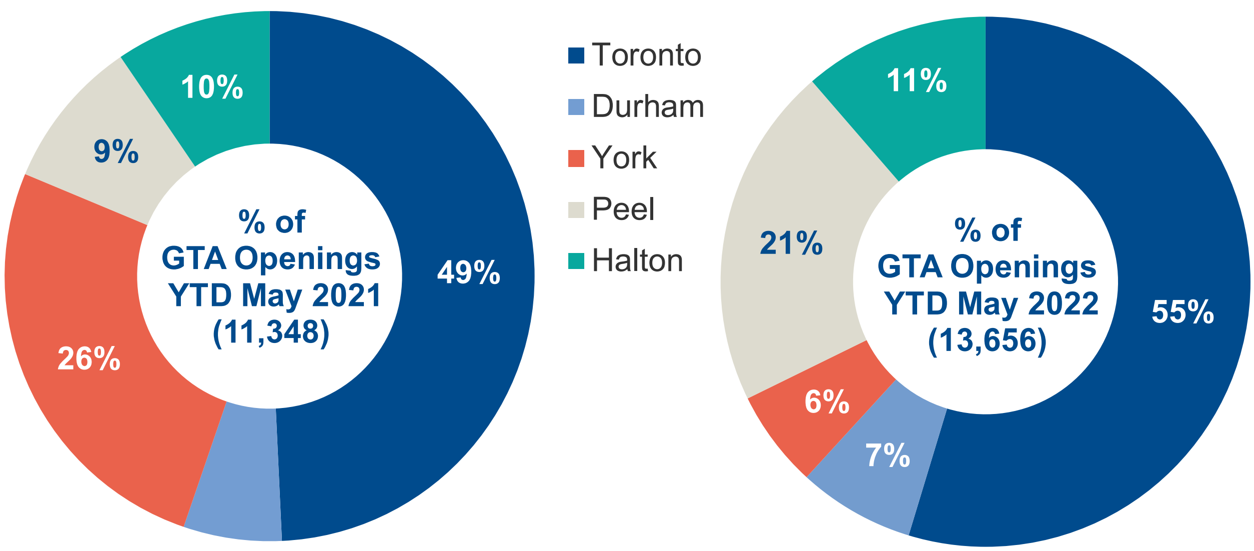
- **May 2022 saw a total of 7 new project openings containing 2,151 units.** New project openings are less than half of the levels seen in May 2021.
- **Over half of the new units launched were in the Toronto area**, with new openings in York Region just over one-quarter of the May 2021 level.
- On the pages following the next page are maps showing the location of new projects launched in April and May 2022 accompanied by summary tables with additional detail on each project. *Note that due to the large number of openings, there are 3 maps and 3 tables for the April openings and 2 maps and 2 tables for the May openings.*



Source: Altus Group

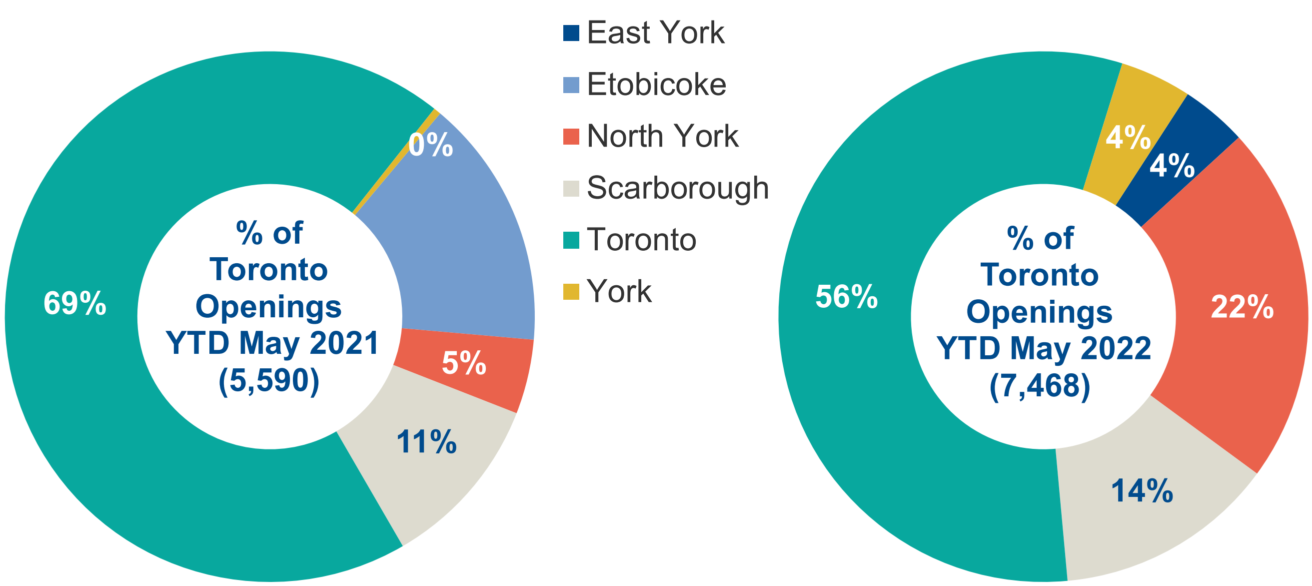
New Condominium Apartments - Openings

GTA Condominium Apartment Units in New Openings by Region



Source: Altus Group

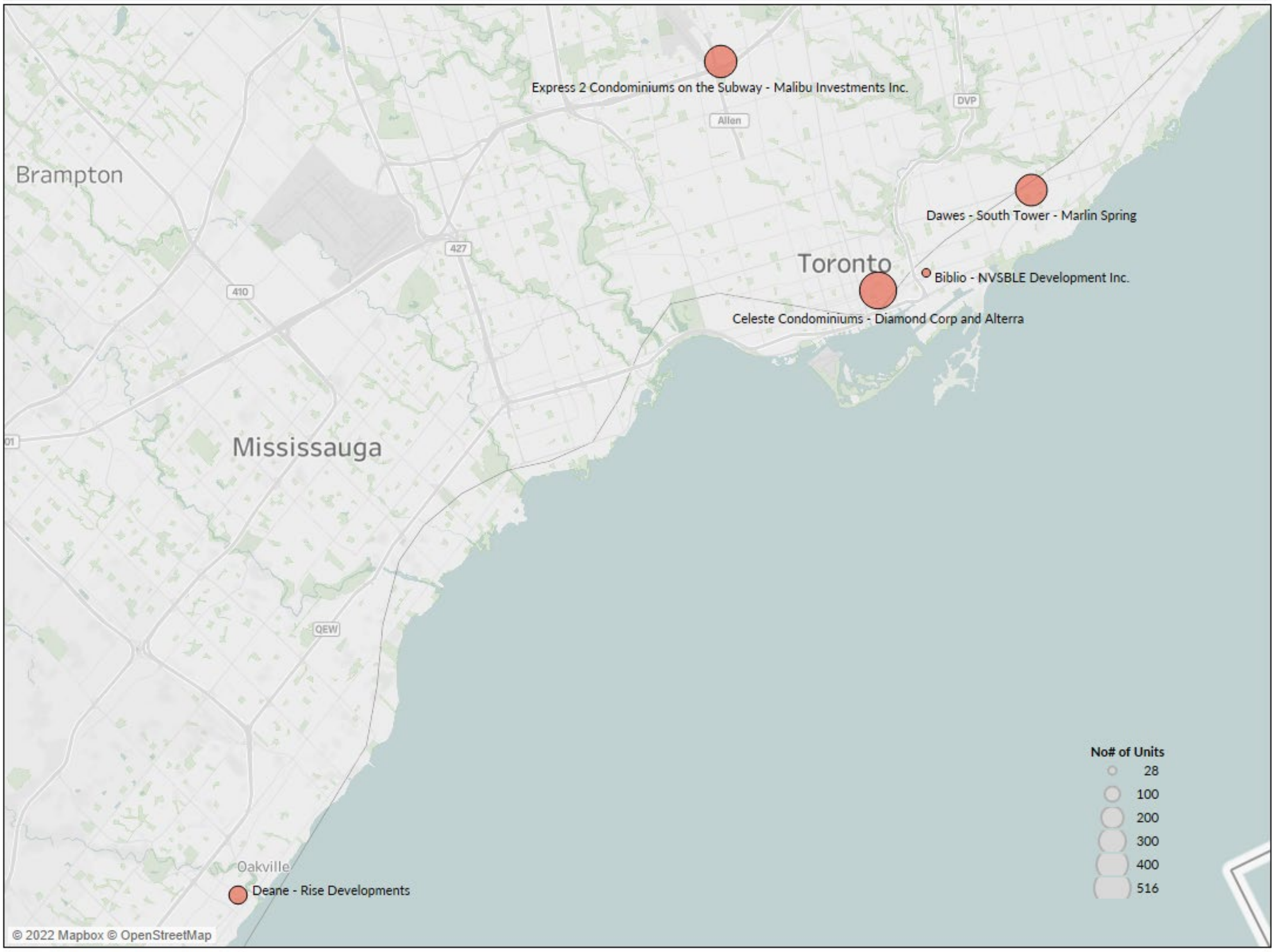
City of Toronto Condominium Apartment Units in New Openings by Former Municipality



Source: Altus Group

New Condominium Apartments - Openings

April-2022 New Project Launches by Number of Units



Source: Altus Group

Map 1 of 3

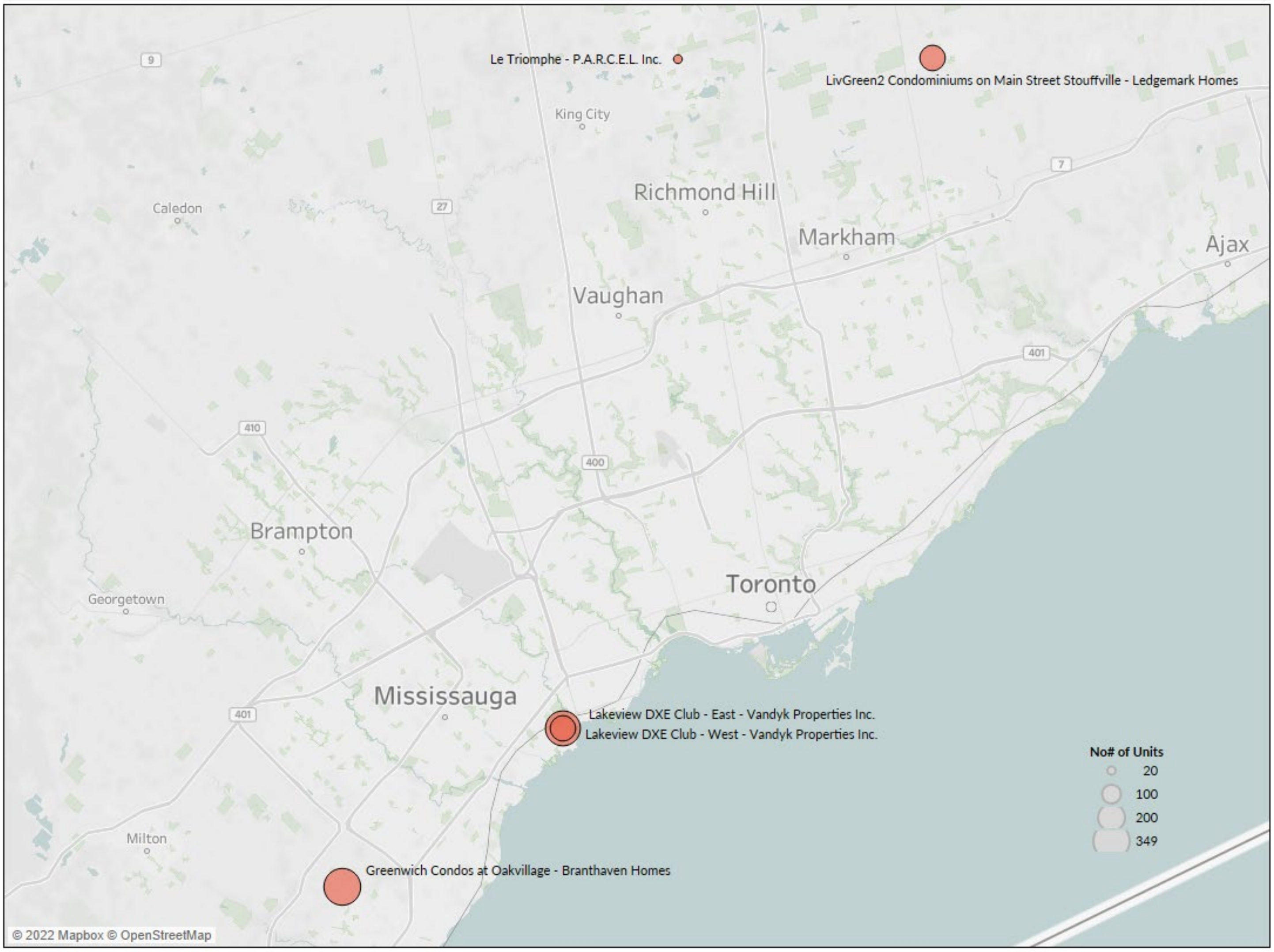
Note: due to the large number of openings in April, project maps and details each have 3 pages.

New Condominium Apartments - Openings

New Condominium Apartment Project Openings - April 2022 (1 of 3)					
Project Name	**Biblio**	**Celeste Condominiums**	**Dawes - South Tower**	**Deane**	**Express 2 Condominiums on the Subway**
Developer	NVSBLE Development Inc.	Diamond Corp and Alterra	Marlin Spring	Rise Developments	Malibu Investments Inc.
Date Opened	April 1, 2022	April 1, 2022	April 2, 2022	April 9, 2022	April 29, 2022
Municipality	Old Toronto	Old Toronto	Old Toronto	Oakville	North York
Region	Toronto	Toronto	Toronto	Halton	Toronto
Structural Type	Apartment	Apartment	Apartment	Apartment	Apartment
Floors	7	40	38	4	16
Project Total Units	**28**	**516**	**378**	**126**	**394**
Total Units Released	**28**	**516**	**378**	**126**	**365**
Studio	-	-	9	-	-
1 Bedroom	7	306	207	3	112
1 Bedroom + den	5	-	19	74	153
2 Bedroom	12	157	42	5	100
2 Bedroom + den	3	-	65	23	-
3 Bedroom & up	1	53	36	3	-
Penthouse	-	-	-	-	-
Townhouse	-	-	-	18	-
Other	-	-	-	-	-
Opening Month Sales	**21**	**387**	**264**	**88**	**0**
Next Month Sales	**0**	**26**	**18**	**6**	**275**
% Sold (of released units)	75%	80%	75%	75%	75%
Remaining Available Inventory	7	103	96	32	90
Original $PSF	$1,366	$1,585	$1,212	$1,326	$1,257
Minimum Size (sq. ft.)	720	437	469	636	390
Maximum Size (sq. ft.)	854	868	1,036	1,495	880
Minimum Price	$939,900	$777,990	$625,000	$856,990	$550,000
Maximum Price	$1,194,900	$1,291,990	$1,025,000	$1,897,990	$950,000
Notes					

Source: Altus Group

April-2022 New Project Launches by Number of Units



Source: Altus Group

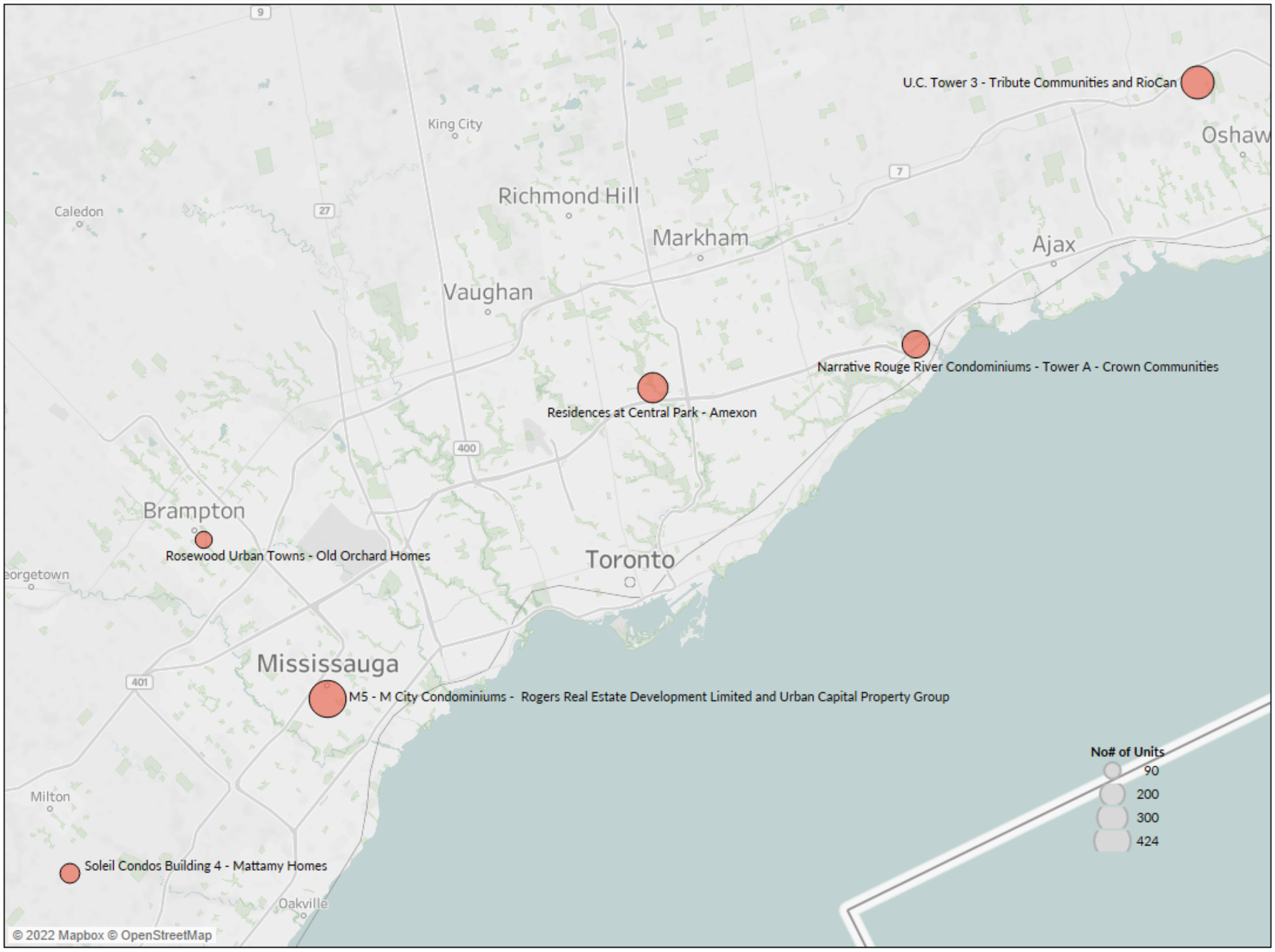
Map 2 of 3

New Condominium Apartment Project Openings - April 2022 (2 of 3)

Project Name	Greenwich Condos at Oakvillage	Lakeview DXE Club - East	Lakeview DXE Club - West	Le Triomphe	LivGreen2 Condominiums on Main Street Stouffville
Developer	Branthaven Homes	Vandyk Properties Inc.	Vandyk Properties Inc.	P.A.R.C.E.L. Inc.	Ledgemark Homes
Date Opened	April 9, 2022	April 23, 2022	April 23, 2022	April 17, 2022	April 2, 2022
Municipality	Oakville	Mississauga	Mississauga	Aurora	Whitchurch-Stouffville
Region	Halton	Peel	Peel	York	York
Structural Type	Apartment	Apartment	Apartment	Apartment	Apartment
Floors	20	8	12	4	10
Project Total Units	**349**	**164**	**314**	**20**	**166**
Total Units Released	**349**	**164**	**314**	**20**	**166**
Studio	-	-	-	-	-
1 Bedroom	61	34	63	-	-
1 Bedroom + den	184	95	190	-	68
2 Bedroom	88	11	33	6	10
2 Bedroom + den	8	15	20	6	88
3 Bedroom & up	5	9	2	8	-
Penthouse	-	-	-	-	-
Townhouse	-	-	6	-	-
Other	3	-	-	-	-
Opening Month Sales	**138**	**0**	**0**	**0**	**166**
Next Month Sales	**70**	**130**	**220**	**0**	**n.a.**
% Sold (of released units)	60%	79%	70%	0%	100%
Remaining Available Inventory	141	34	94	20	-
Original $PSF	$1,186	$1,255	$1,263	$1,449	$808
Minimum Size (sq. ft.)	460	568	453	1,937	670
Maximum Size (sq. ft.)	1,455	1,012	1,328	2,701	1,072
Minimum Price	$600,900	$734,900	$609,900	$2,670,810	$469,000
Maximum Price	$1,649,900	$1,149,900	$1,649,900	$4,029,400	$878,900
Notes	2-storey lofts are included in Other				

Source: Altus Group

April-2022 New Project Launches by Number of Units



Source: Altus Group

Map 3 of 3

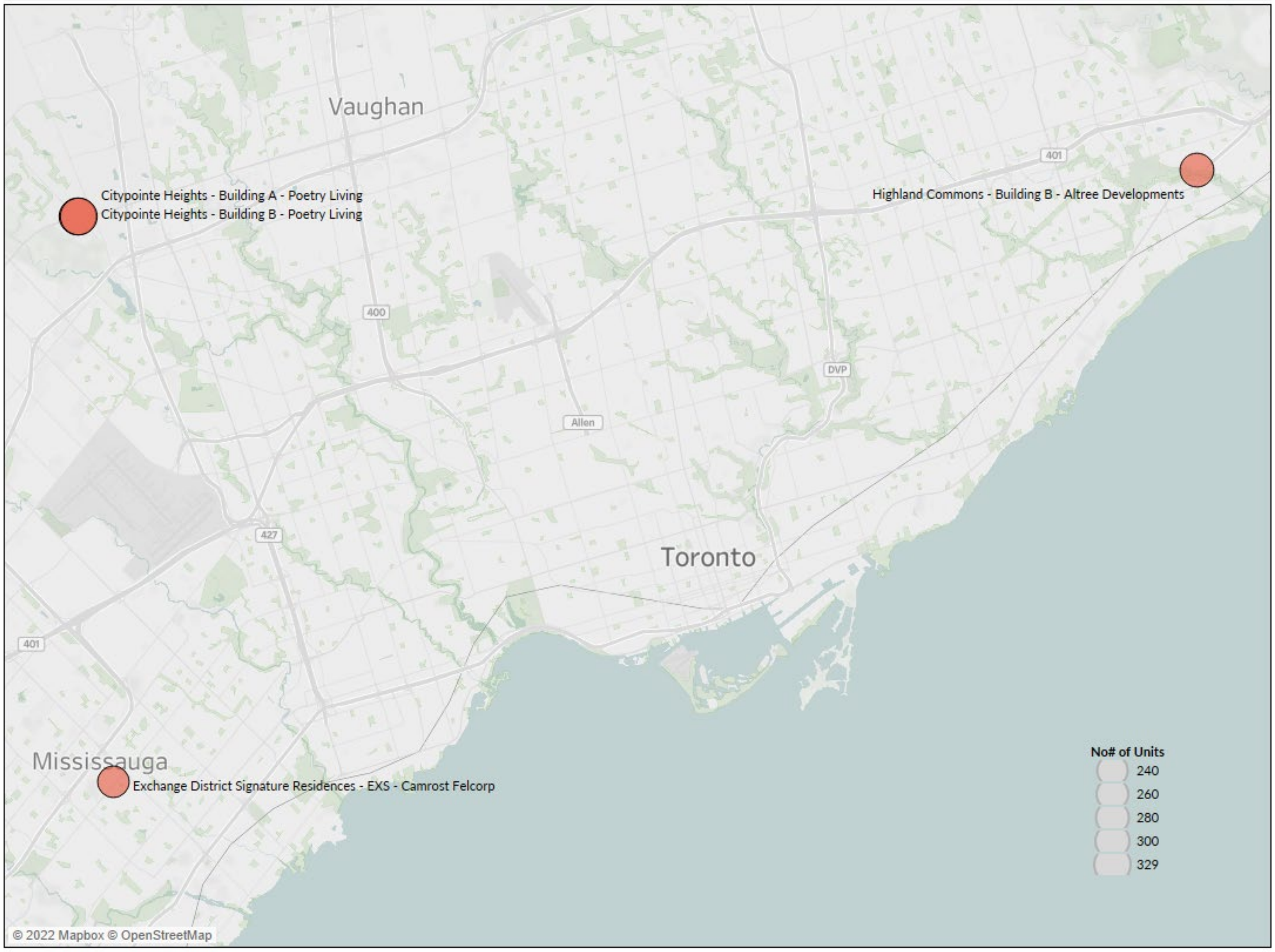
AltusGroup

New Condominium Apartment Project Openings - April 2022 (3 of 3)

Project Name	M5 - M City Condominiums	Narrative Rouge River Condominiums - Tower A	Residences at Central Park	Rosewood Urban Towns	Soleil Condos Building 4	U.C. Tower 3
Developer	Rogers Real Estate Development	Crown Communities	Amexon	Old Orchard Homes	Mattamy Homes	Tribute Communities and RioCan
Date Opened	April 27, 2022	April 7, 2022	April 9, 2022	April 11, 2022	April 28, 2022	April 3, 2022
Municipality	Mississauga	Scarborough	North York	Brampton	Milton	Oshawa
Region	Peel	Toronto	Toronto	Peel	Halton	Durham
Structural Type	Apartment	Apartment	Apartment	Stacked	Apartment	Apartment
Floors	36	11	31	3	6	19
Project Total Units	**430**	**230**	**283**	**90**	**122**	**336**
Total Units Released	**430**	**230**	**283**	**90**	**122**	**336**
Studio	1	-	-	-	-	32
1 Bedroom	84	61	50	-	20	64
1 Bedroom + den	170	55	50	-	61	80
2 Bedroom	127	84	46	90	-	144
2 Bedroom + den	29	12	133	-	41	-
3 Bedroom & up	19	18	4	-	-	16
Penthouse	-	-	-	-	-	-
Townhouse	-	-	-	-	-	-
Other	-	-	-	-	-	-
Opening Month Sales	**0**	**156**	**197**	**40**	**0**	**216**
Next Month Sales	**297**	**74**	**30**	**10**	**47**	**12**
% Sold (of released units)	69%	100%	80%	56%	39%	68%
Remaining Available Inventory	133	0	56	40	75	108
Original $PSF	$1,206	$958	$1,365	$870	$1,050	$1,039
Minimum Size (sq. ft.)	464	426	440	879	548	418
Maximum Size (sq. ft.)	1,011	1,172	1,148	1,225	971	960
Minimum Price	$625,000	$519,900	$698,000	$859,900	$618,990	$500,000
Maximum Price	$1,059,900	$994,900	$1,696,000	$969,900	$925,990	$907,000
Notes						

Source: Altus Group

May-2022 New Project Launches by Number of Units



Source: Altus Group

Map 1 of 2

Note: due to the large number of openings in May, project maps and details each have 2 pages.

Altus Group

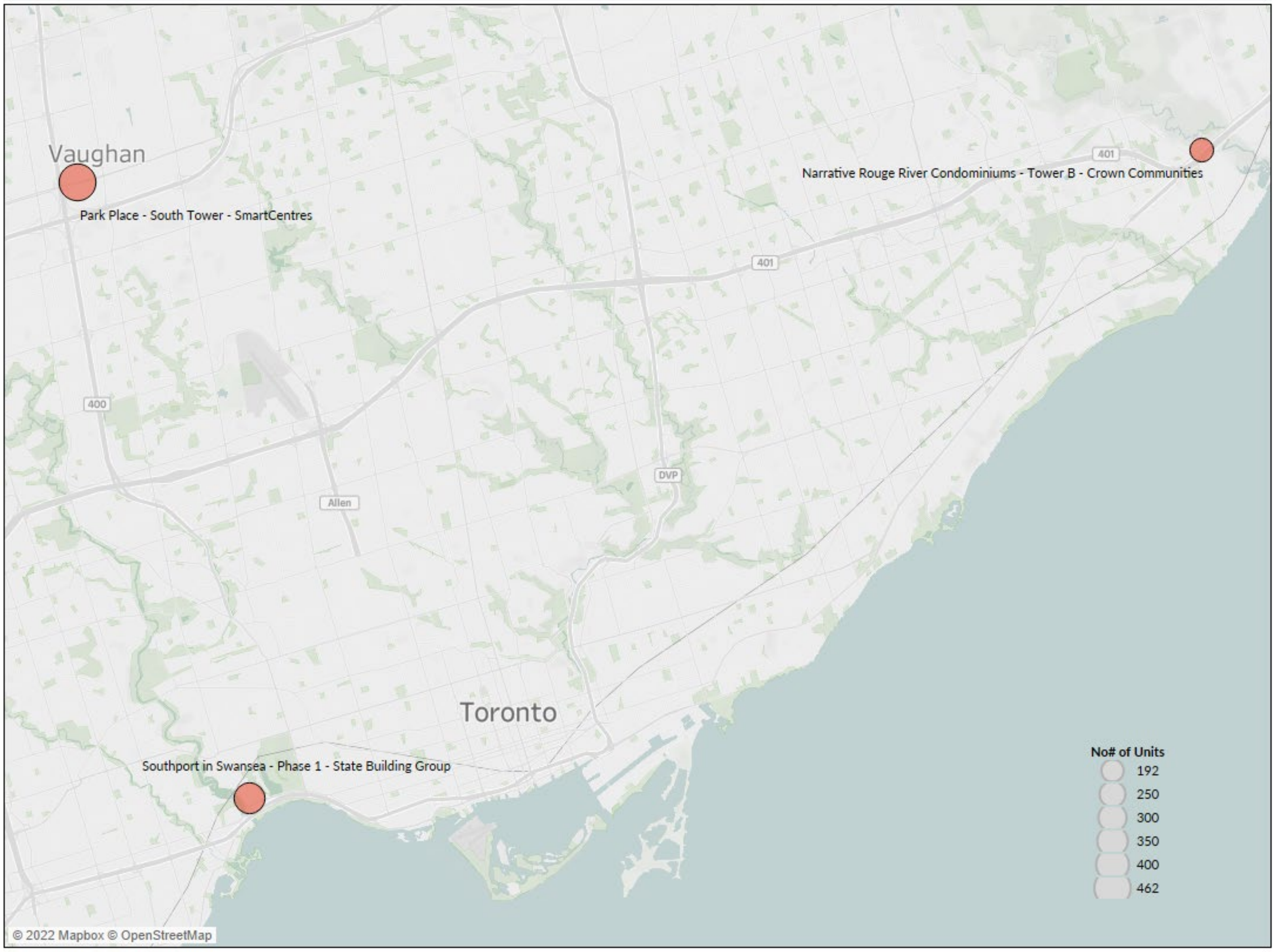
New Condominium Apartment Project Openings - May 2022 (1 of 2)

Project Name	Citypointe Heights - Building A	Citypointe Heights - Building B	Exchange District Signature Residences - EXS	Highland Commons - Building B
Developer	Poetry Living	Poetry Living	Camrost Felcorp	Altree Developments
Date Opened	May 28, 2022	May 28, 2022	May 11, 2022	May 18, 2022
Municipality	Brampton	Brampton	Mississauga	Scarborough
Region	Peel	Peel	Peel	Toronto
Structural Type	Apartment	Apartment	Apartment	Apartment
Floors	25	35	31	8
Project Total Units	**329**	**328**	**240**	**276**
Total Units Released	**329**	**328**	**240**	**276**
Studio	-	-	-	36
1 Bedroom	24	25	48	109
1 Bedroom + den	217	209	48	16
2 Bedroom	88	27	144	47
2 Bedroom + den	-	67	-	30
3 Bedroom & up	-	-	-	38
Penthouse	-	-	-	-
Townhouse	-	-	-	-
Other	-	-	-	-
Opening Month Sales	**0**	**0**	**204**	**55**
% Sold (of released units)	0%	0%	85%	20%
Remaining Available Inventory	329	328	36	221
Original $PSF	$939	$960	$1,367	$1,122
Minimum Size (sq. ft.)	433	433	555	329
Maximum Size (sq. ft.)	822	861	888	1,159
Minimum Price	$497,990	$497,990	$803,900	$469,900
Maximum Price	$746,990	$886,990	$1,267,900	$1,299,900
Notes	No firm sales as all deals were subject to the 10-day conditional period	No firm sales as all deals were subject to the 10-day conditional period		

Source: Altus Group

New Condominium Apartments - Openings

May-2022 New Project Launches by Number of Units



Source: Altus Group

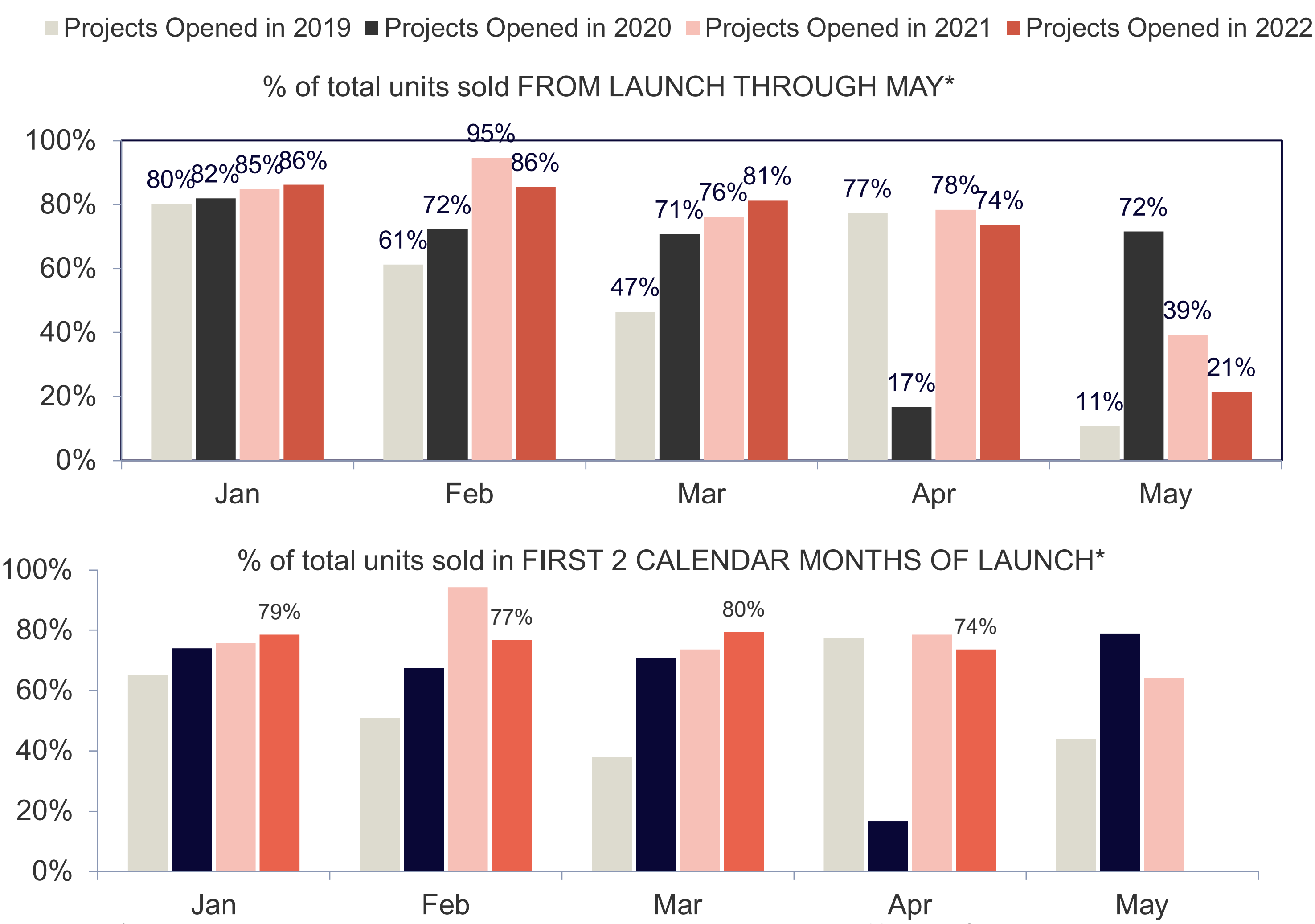
Map 2 of 2

New Condominium Apartment Project Openings - May 2022 (2 of 2)			
Project Name	**Narrative Rouge River Condominiums - Tower B**	**Park Place - South Tower**	**Southport in Swansea - Phase 1**
Developer	Crown Communities	SmartCentres	State Building Group
Date Opened	May 7, 2022	May 4, 2022	May 23, 2022
Municipality	Scarborough	Vaughan	Old Toronto
Region	Toronto	York	Toronto
Structural Type	Apartment	Apartment	Apartment
Floors	11	50	27
Project Total Units	**192**	**462**	**324**
Total Units Released	**192**	**462**	**324**
Studio	10	-	-
1 Bedroom	53	126	30
1 Bedroom + den	39	168	26
2 Bedroom	40	168	194
2 Bedroom + den	20	-	74
3 Bedroom & up	30	-	-
Penthouse	-	-	-
Townhouse	-	-	-
Other	-	-	-
Opening Month Sales	**76**	**127**	**0**
% Sold (of released units)	40%	27%	0%
Remaining Available Inventory	116	335	324
Original $PSF	$1,111	$1,198	$1,344
Minimum Size (sq. ft.)	380	587	507
Maximum Size (sq. ft.)	955	905	742
Minimum Price	$459,900	$723,990	$769,900
Maximum Price	$991,900	$1,003,990	$991,900
Notes			No firm sales as all deals were subject to the 10-day conditional period

Source: Altus Group

- **Focusing just on the 7 projects opened in May before, just over 20% of the units were sold.** When accounting for the 3 projects that opened late in the month and did not record firm sales, 30% of available units were sold.
- After 2 months of sales, projects opened in May are lagging the pace seen in the previous 4 months of the year, falling behind the sales seen in the previous year.
- Caution needs to be used in comparing sales rates in projects opened in one month/year versus another, as the proportion of projects opened in the last 10 days of the month (when firm sales are not recorded) can vary from one year, or one month, to another.

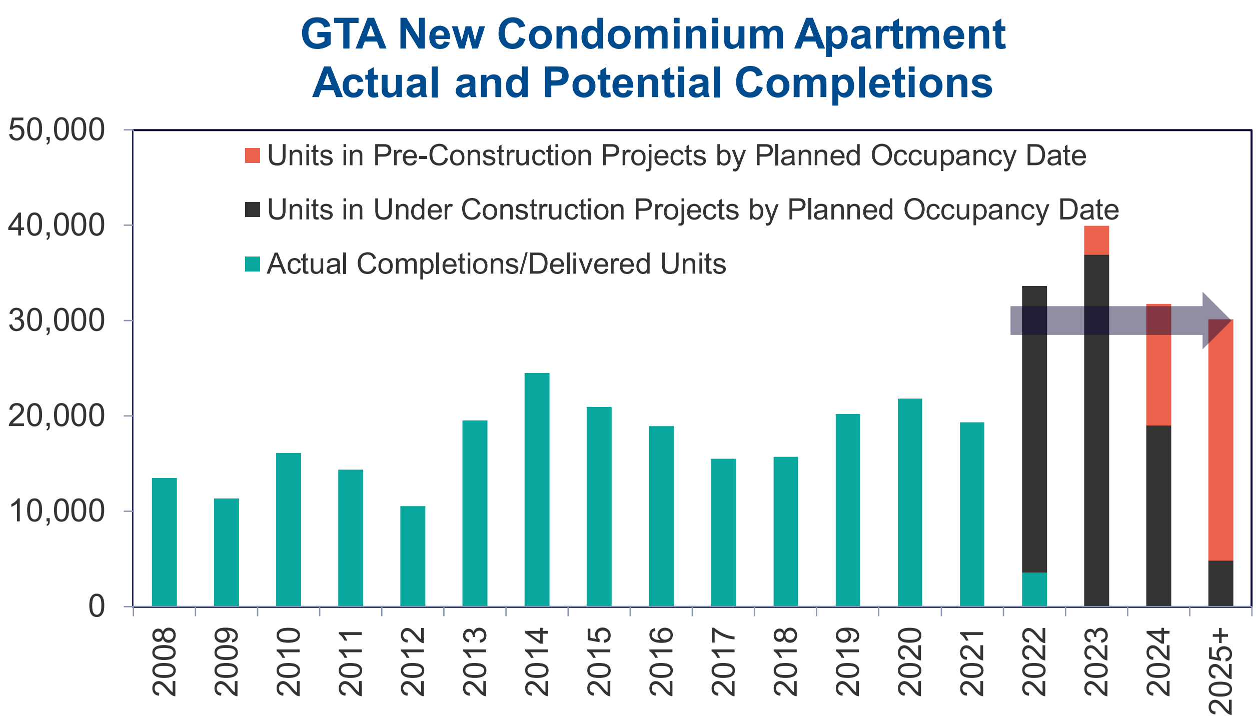
GTA New Condominium Apartment New Project Absorption Timelines (% of Total Units Sold Through May)*



* The total includes unreleased units, and units released within the last 10 days of the month

Source: Altus Group

- As of the end of May 2022, there were nearly 132,000 new condominium apartment units in projects either under construction or in pre-construction stages.
- **There have only been 3,575 units delivered in the first five months of 2022** – this is less than half the levels delivered in the same period in each of the previous three years and the lowest year-to-date level since 2012.
- Based on planned occupancy dates, and only considering units currently under construction, one might expect that annual completions of condominium apartment units will be higher in 2022. **However, the recent strike among a number of trades is likely to push out completion dates,** particularly for projects that would have been completed this year**.** In addition, **pandemic related disruptions may continue to add to the "typical" construction delays experienced in recent pre-pandemic years**, although this should reverse somewhat as the year progresses/measures are eased (provided no new serious variants emerge).

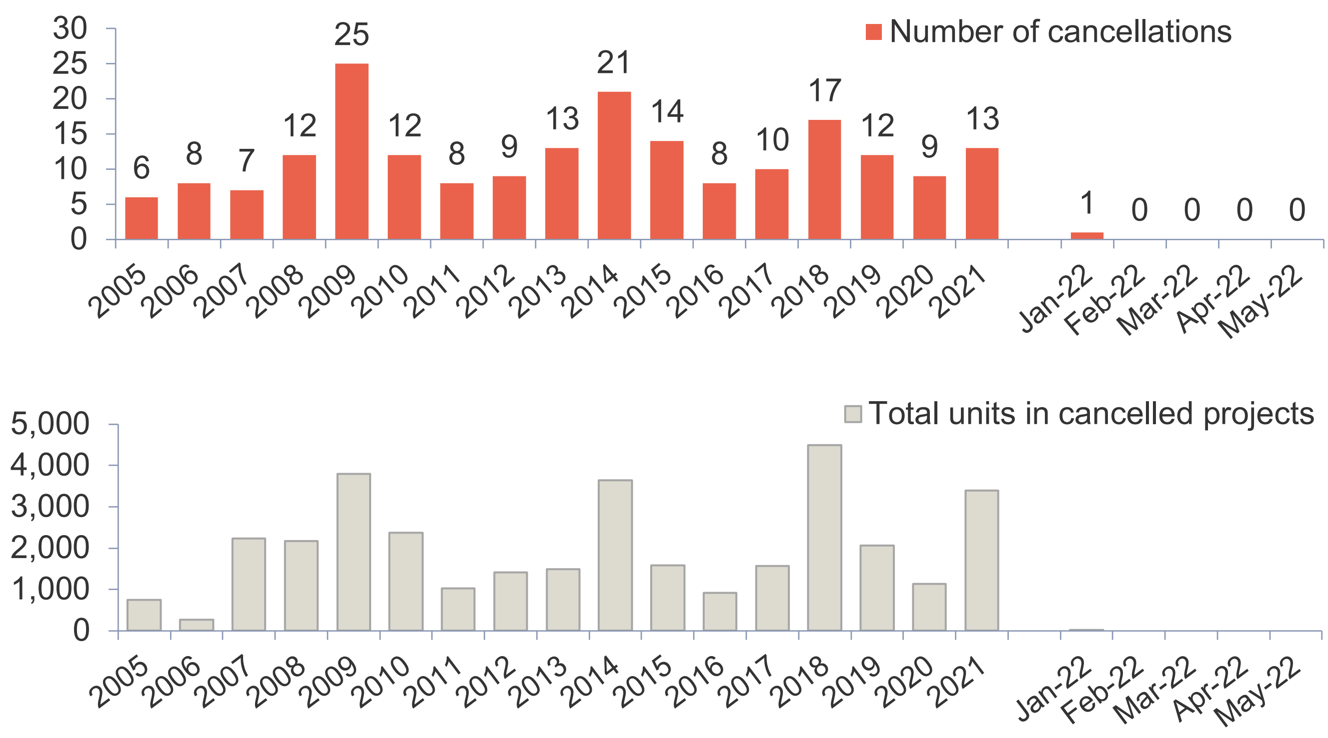


Source: Altus Group

New Condominium Apartments - Cancellations

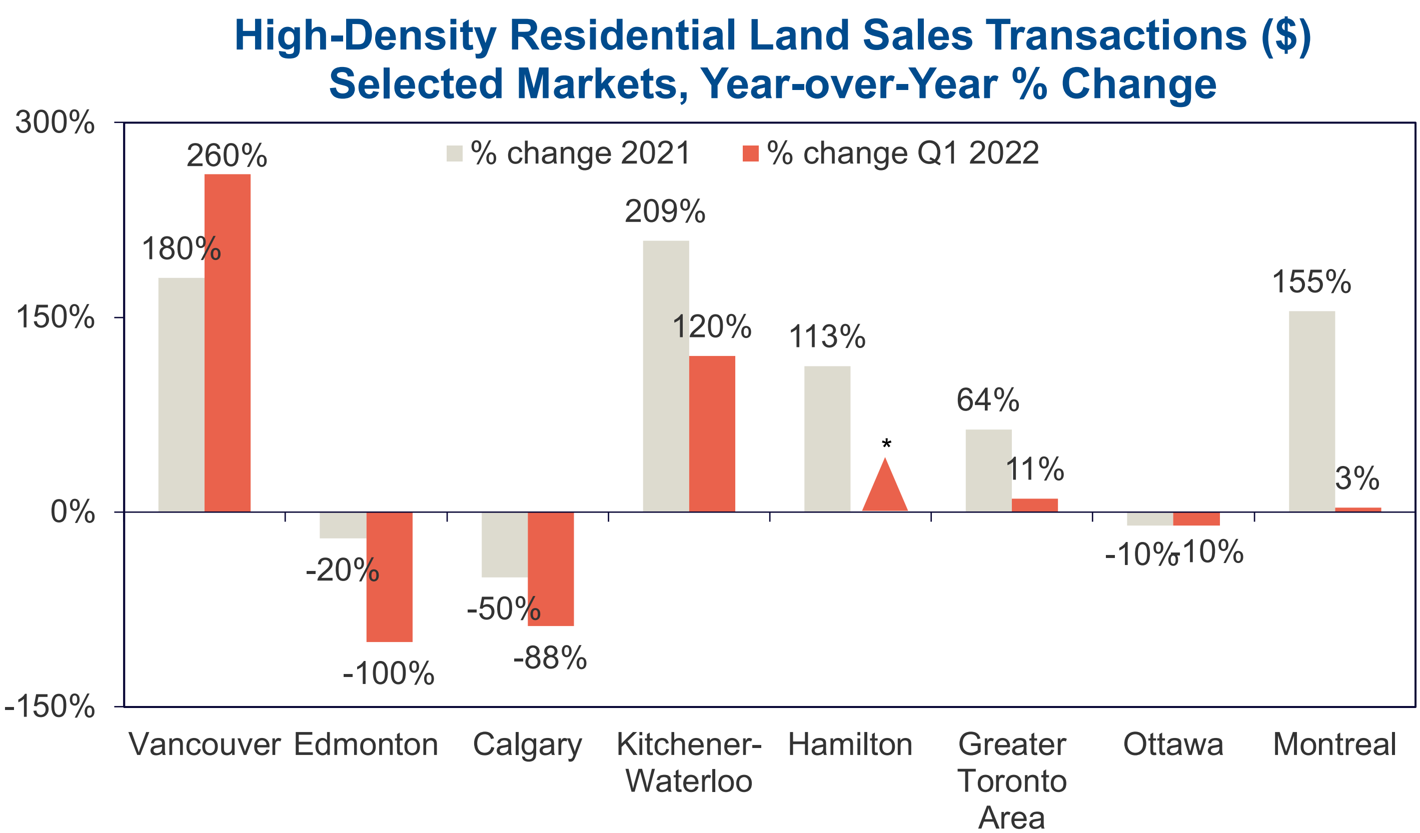
- In 2021, more new condominium apartment projects, and more units, were cancelled than in 2019 or 2020. **Harrington Tuxedo Park Boutique Towns** – a 24 unit stacked townhouse project in Mississauga – **remains the sole cancellation during the first five months of 2022.**
- **Projects are cancelled for a number of reasons**, including poor sales (some of these projects are redesigned and relaunched), financing challenges and possibly operational challenges (for less experienced builders).
- The risk of additional cancellations has increased due to the growing gap in revenues (selling prices from previous years) and ever escalating construction costs to be faced when projects are actually started.

Condominium Apartment Projects Cancelled During Each Year, GTA



Source: Altus Group

- **Investors have accelerated their acquisition of land for high-density development** (i.e. land for condominium apartment and purpose-built rental projects).
- **Sales of high-density residential land picked up in the GTA in the first quarter of 2022**, after a very strong rebound in 2021.
- **Other markets tracked by Altus Group also saw increases in high-density land sales to start 2022, notably Vancouver, Kitchener-Waterloo and Hamilton.**. However, investors in Calgary and Edmonton have paused much of their buying activity.



* Hamilton sales in Q1 2022 exceeded 50% of annual 2021 sales. However, Q1 2021 did not record any sales.
Source: Altus Group

Altus Group GTA New Home Data Definitions

Condominium apartment	Includes condominium apartment structures of all heights (low, medium and high-rise), stacked townhouses, and loft units. Replaces the former RealNet term "high-rise".
Single-family	Includes detached, link, semi-detached and townhouse units (excluding stacked townhouse). Replaces the former RealNet term "low-rise".
Inventory	New units available to purchase/unsold at end of the period. Includes available units in pre-construction, under construction, and completed projects.
Months of inventory	Unsold available inventory at period end divided by average monthly sales for a defined previous period (e.g. previous 12 months). Indicates how long current inventory would last assuming same pace of sales (and no additional product added).
Average price	Average asking price of all available new home inventory at end of period.
Benchmark price	Average asking price of available new home inventory at end of period with outliers removed. Replaces the former RealNet term "Price Index"
$PSF Benchmark	Average asking price per square foot for units in remaining inventory at the end of the period with outliers removed.
Unit size Benchmark	Average size (sq. ft.) of units in remaining inventory at the end of the period, with outliers removed.
Completions	Units in projects that have reached occupancy status during the period.
"Record" performance	All "record highs" and "record lows" are based on the time period over which Altus Group has been tracking the variable.

Note: all historical data is subject to revision