The Altus Group Condominium Apartment Monitor

GTA Edition

Data as of December 2022

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New Condominium Apartment Dashboard

December 2022			YTD December 2022	
Sales	**Inventory**	**Benchmark Price**	**Sales**	**Benchmark Price**
398	**11,590**	**$1,131,614**	**20,917**	**$1,173,145**
-82%	**+45%**	**-3%**	**-36%**	**11%**
Lowest December in 14 years	***Highest December since 2019***	***1st year-over-year decline in 7 years***	***Below the 10-year average***	***Highest YTD December on record***

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

Highlights

- **GTA new condominium apartment sales slumped in December 2022 falling to a 14 year low.** After a record start to the year through April, year-to-date sales were over one-third lower than the 2021 level.
- **The benchmark price for a new condominium apartment recorded its first year-over-year decline in 7 years.**
- **2022 closed out the much differently than it started.** A promising start to the year turned around as the cumulative effects of interest rate hikes, worsening affordability and elevated inflation took their toll on consumers. However, increasing population and a still tight employment picture offer some hope. Building have plenty of projects in the pipeline but are waiting for buyer confidence to return. **2023 will be a challenging year as buyers struggle with the new interest rate regime along with still elevated prices for new units and goods and services in general**.

Condominium Apartment KPIs

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GTA Condominium Apartment Key Performance Indicators

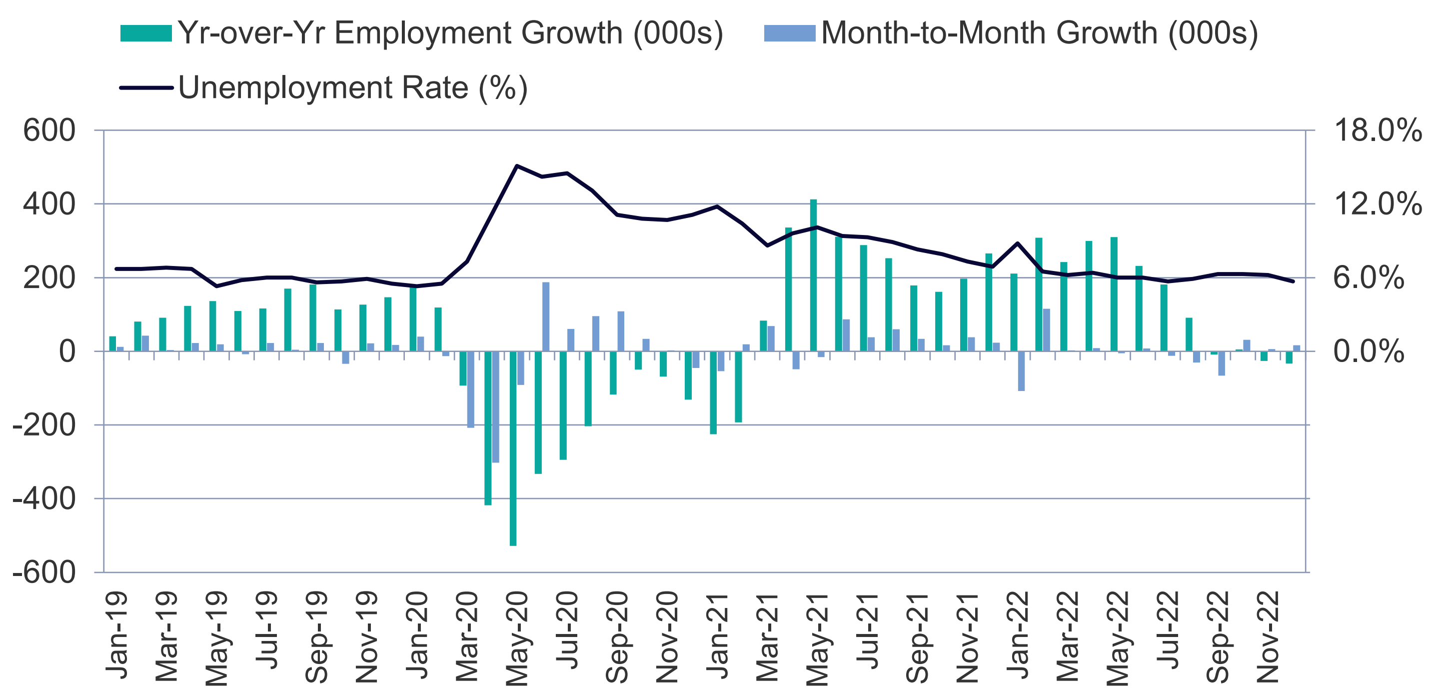
	Dec-21	Nov-22	Dec-22	*Yr-Over-Yr % Change*	YTD Dec 2021	YTD Dec 2022	*Yr-Over-Yr % Change*
New Condominium Apartments (Altus Group data)*							
Total active sites	160	175	177	*11%*	192	157	*-18%*
New projects opened	2	13	2	*0%*	121	82	*-32%*
Units in new projects opened	604	2,229	292	*-52%*	29,081	22,169	*-24%*
Total sales (units)	2,186	1,173	398	*-82%*	32,734	19,346	*-41%*
Sales as % of total new & resale	*52%*	*48%*	*29%*		*48%*	*50%*	
Inventory (units)	7,988	11,789	11,590	*45%*	10,126	9,140	*-10%*
Sales-to-inventory ratio	27%	10%	3%	*-87%*	27%	23%	*-16%*
Months of inventory	2.9	6.2	6.6	*127%*	4.8	3.5	*-28%*
Benchmark price	$1,163,924	$1,121,906	$1,131,614	*-3%*	$1,067,099	$1,182,422	*11%*
Price PSF Benchmark	$1,219	$1,373	$1,355	*11%*	$1,139	$1,350	*19%*
Unit size Benchmark (sq. ft)	955	817	835	*-13%*	937	877	*-6%*
Units completed	2,264	706	419	*-81%*	19,338	10,564	*-45%*
Resale Condominium Apartments (Toronto Real Estate Board data)							
Total sales (units)	2,058	1,289	966	*-53%*	34,925	19,168	*-45%*
New listings (units)	1,638	2,871	1,392	*-15%*	47,246	39,238	*-17%*
Inventory ("active listings", units)	1,488	4,382	3,430	*131%*	3,137	3,880	*24%*
Sales-to-inventory ratio	138%	29%	28%	*-80%*	97%	63%	*-35%*
Months of inventory	0.5	2.3	1.9	*276%*	1.2	1.6	*31%*
Average price of units sold	$711,933	$708,636	$705,659	*-1%*	$683,058	$764,118	*12%*
HPI constant quality price index (Jan 2005=100)	353.0	357.7	353.3	*0%*	317.6	384.7	*21%*

** 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

- **Month-to-month employment growth remain positive in December for a third consecutive month, though year-over-year growth turned negative.** The GTA unemployment rate slipped further in December to sit at 5.7%, its lowest level since the onset of the COVID-19 pandemic.
- New Statistics Canada data shows that **population growth has rebounded in the GTA after two depressed years due to the pandemic** (*chart top of next page*). During the mid-2021 to mid-2022 period, there was an increase in the loss of population to interprovincial migration, but that was overwhelmed by the record level of immigration. Rising immigration targets over the next few years are expected to support additional population growth in the GTA.
- **The Bank of Canada increased the target for the overnight rate by 0.25 percent at its latest rate announcement on January 25**, stating that **"***In Canada, recent economic growth has been stronger than expected and the economy remains in excess demand. Labour markets are still tight: the unemployment rate is near historic lows and businesses are reporting ongoing difficulty finding workers. However, there is growing evidence that restrictive monetary policy is slowing activity, especially household spending. . . If economic developments evolve broadly in line with the MPR outlook, Governing Council expects to hold the policy rate at its current level while it assesses the impact of the cumulative interest rate increases.*" **The next rate announcement date is March 8.**
- **Variable rate mortgage interest rates remain above the average 5-year fixed special rate with the spread at almost 90 basis points.** The 5-year fixed variable is rate now over 400 basis points higher than its recent low in early Fall 2021 *(chart next page, bottom).*

GTA Employment Snapshot*



Source: Altus Group based on Statistics Canada data

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

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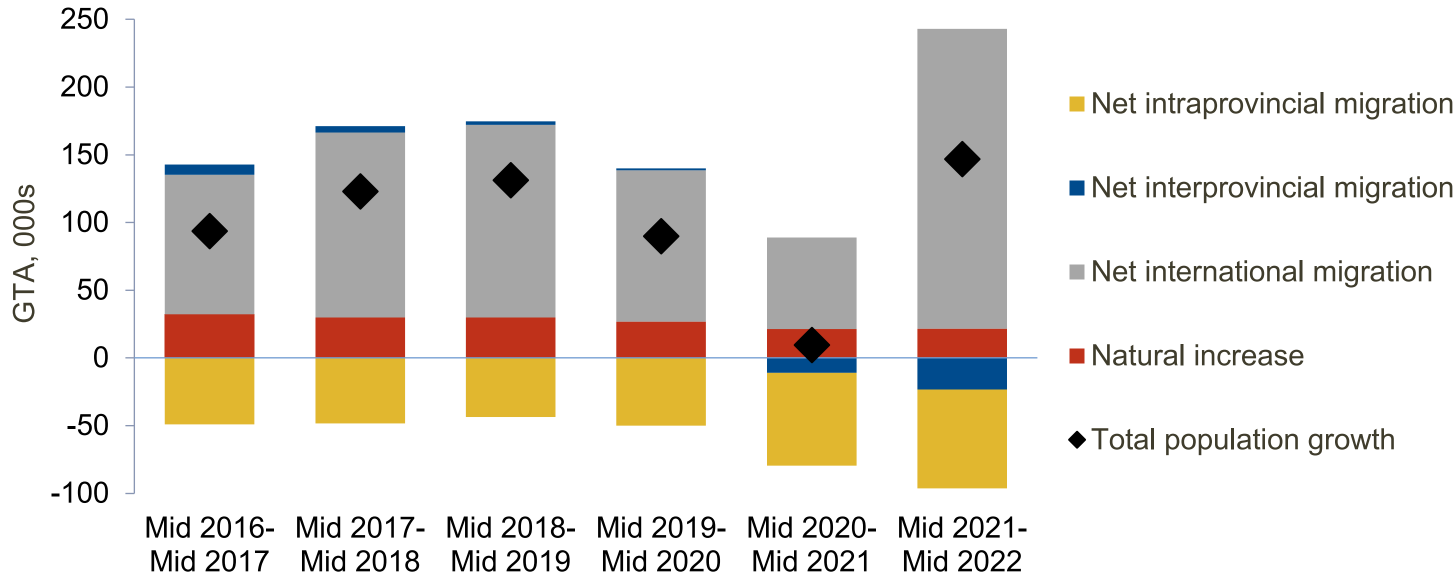
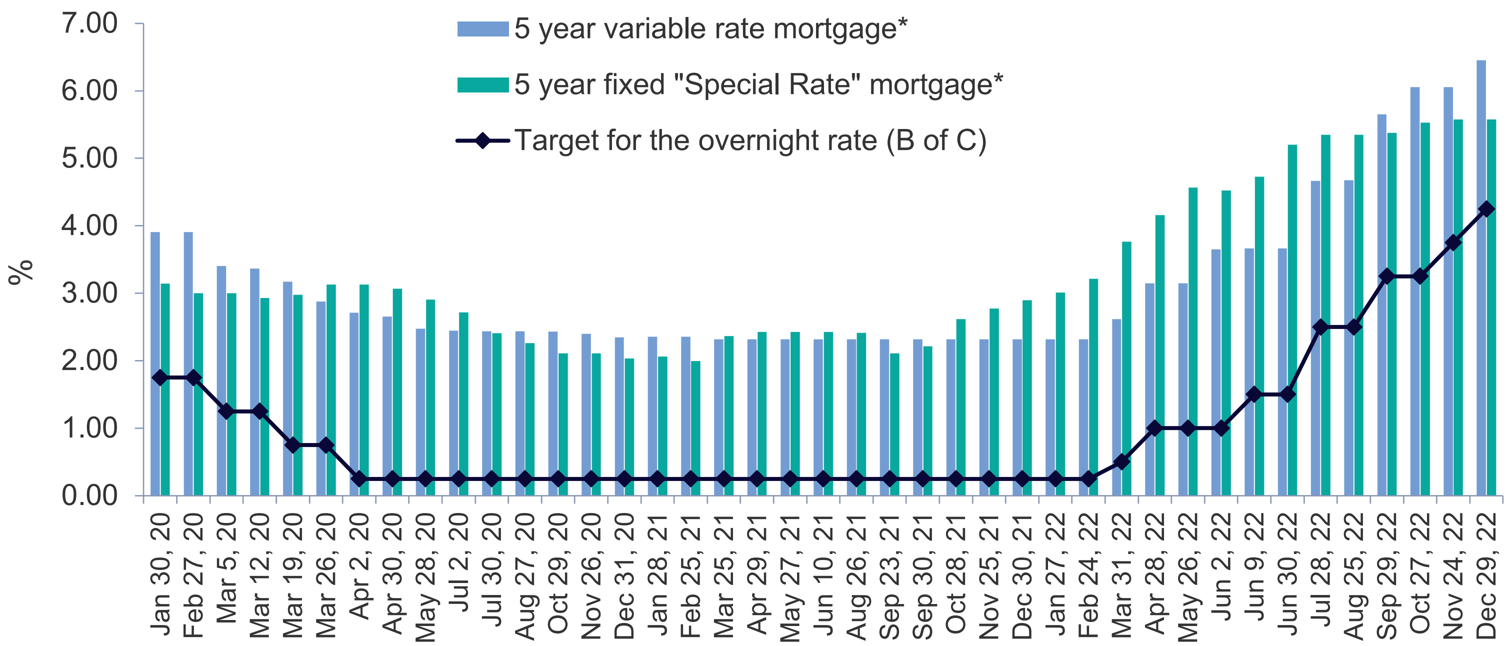
Components of Population Growth



Source: Altus Group based on Statistics Canada data

Selected Interest Rates

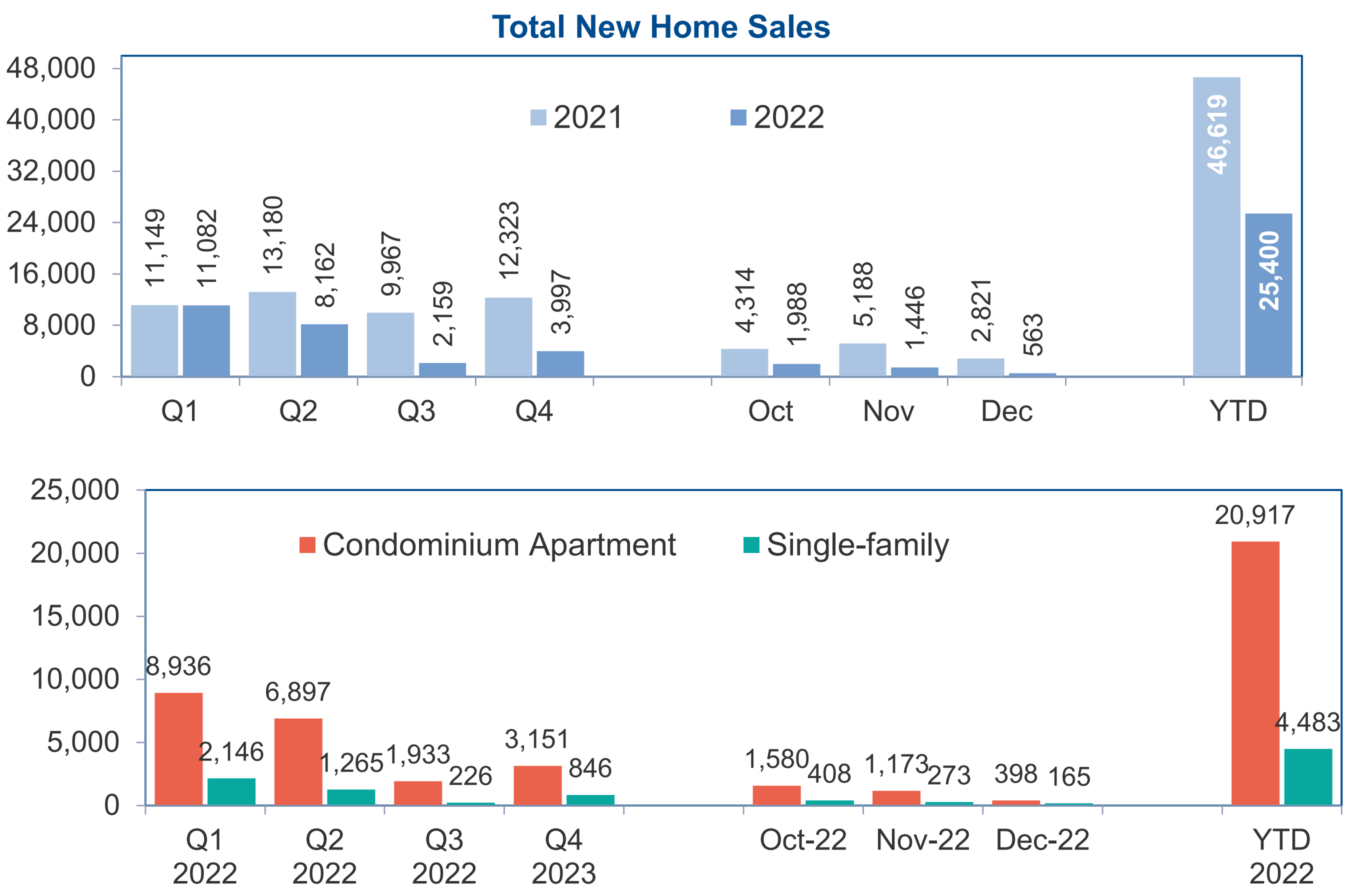


** Average for the major banks*

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

- **Total new home sales in December recorded their second lowest level for the month –** down 80 percent from December 2021. **New condominium apartment sales hit a 14-year low for December,** while new single-family sales were also muted.
- **Both annual new condominium apartment sales, and especially single-family sales, in 2022 were below the 10-year average** *(charts next page).*
- **All regions have shared in the year-over-year decline in total new home sales.** Each region recorded low sales than the previous year for both new condominium apartment and new single-family sales (*charts following next page*).
- Most municipalities had lower total sales in 2022 than 2021 with the main exceptions being a small increase in each of North York and Pickering *(charts following next 2 pages).*

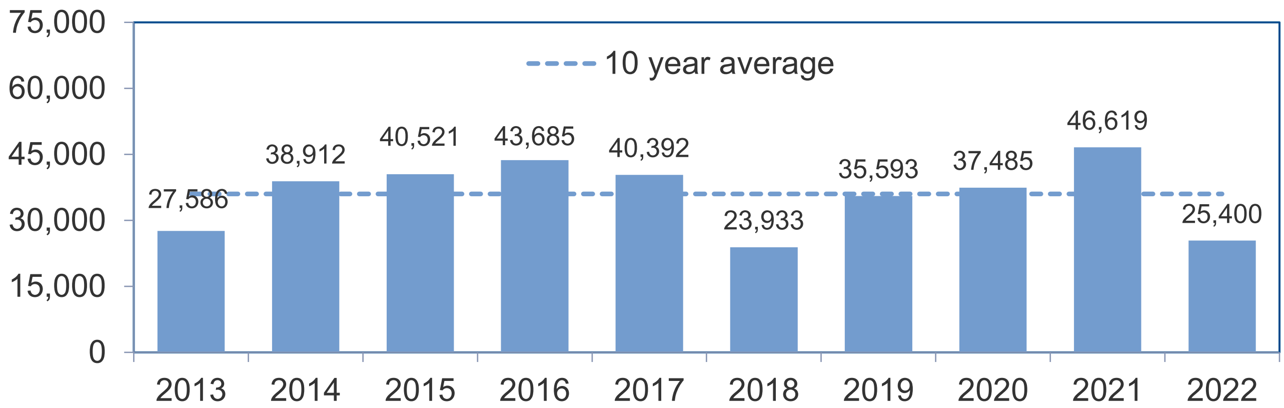
GTA New Home Sales



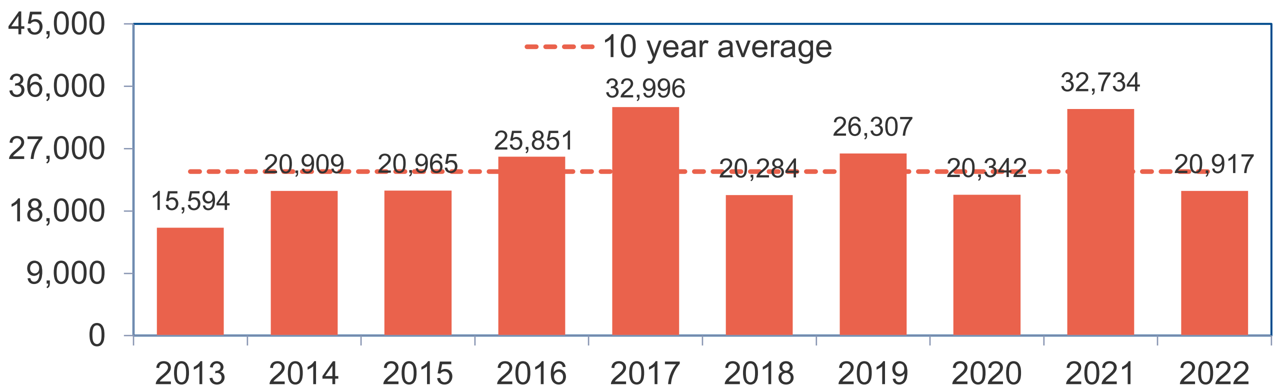
Source: Altus Group

GTA Annual New Home Sales

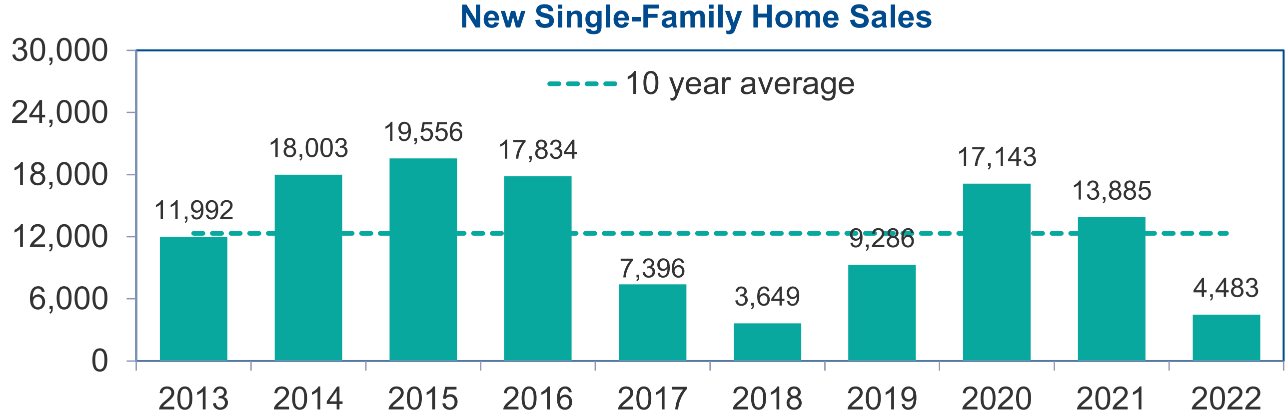
Total New Home Sales



New Condominium Apartment Sales

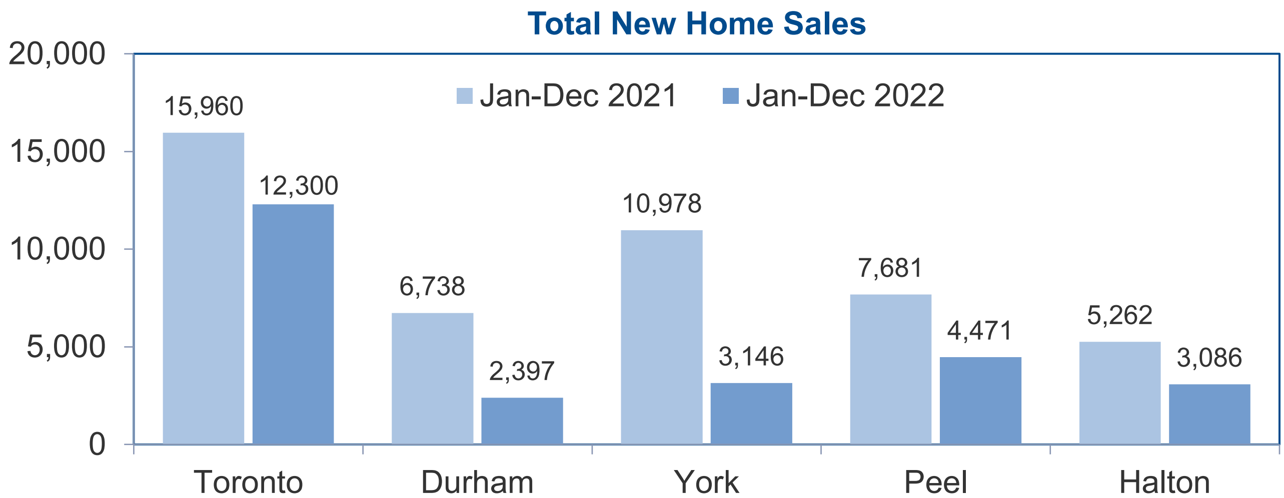


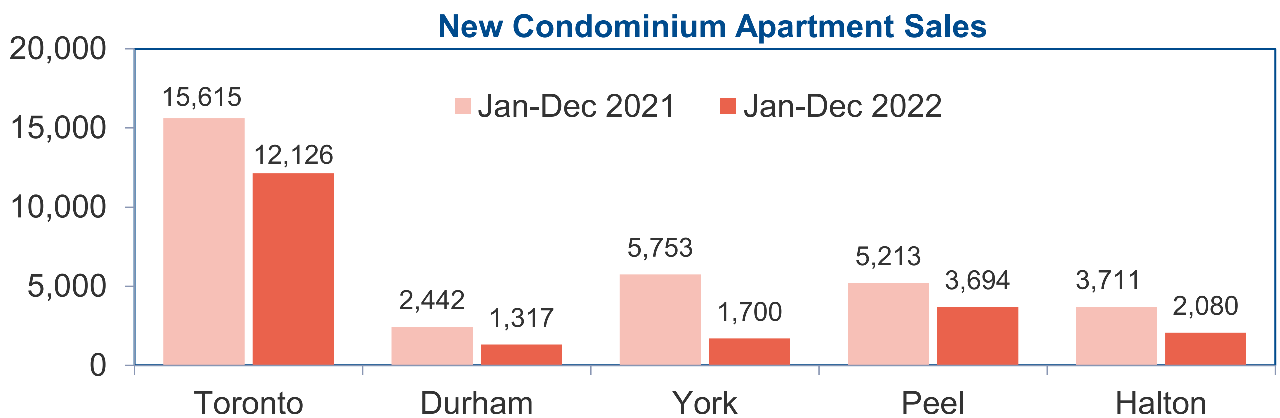
New Single-Family Home Sales

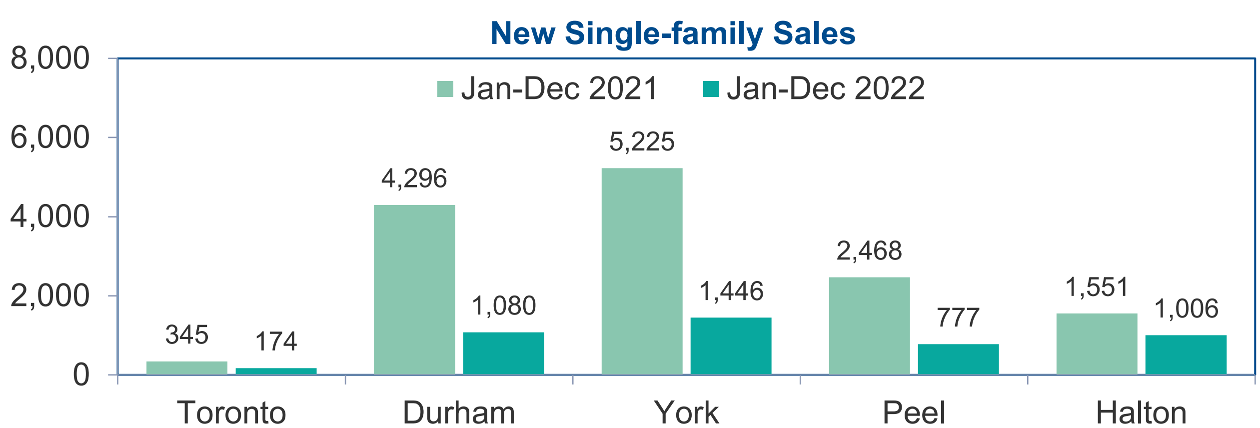


Source: Altus Group

GTA New Home Sales by Region

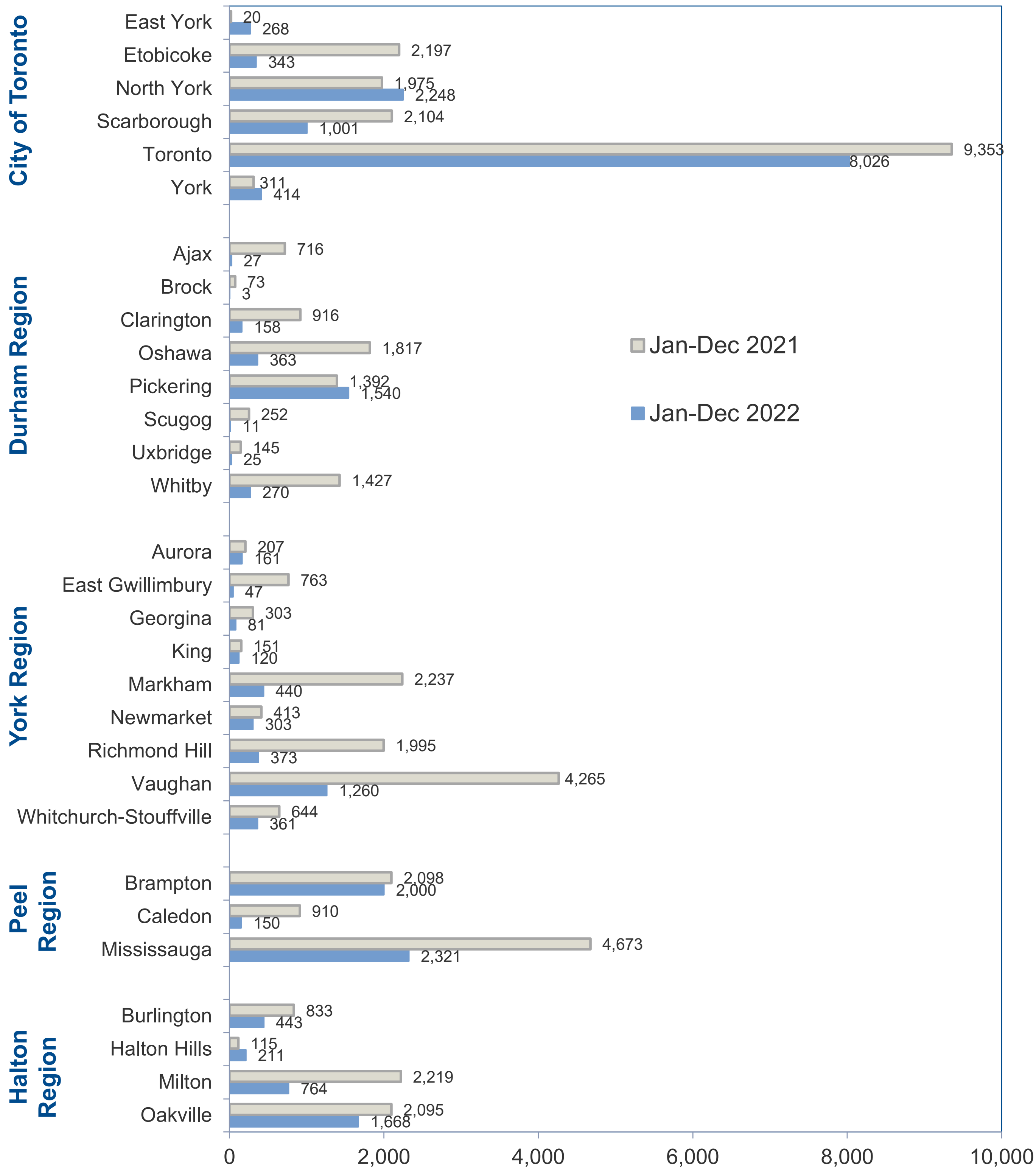






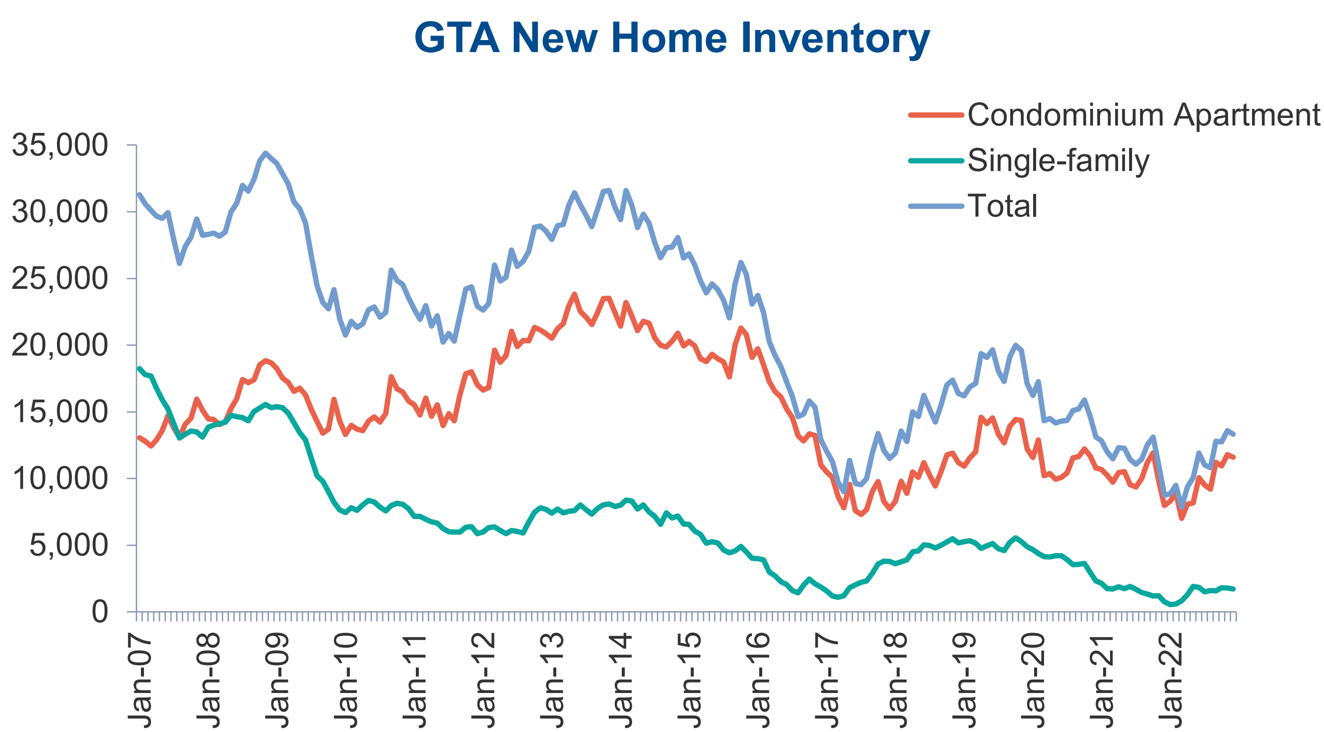
Source: Altus Group

GTA Total New Home Sales by Municipality



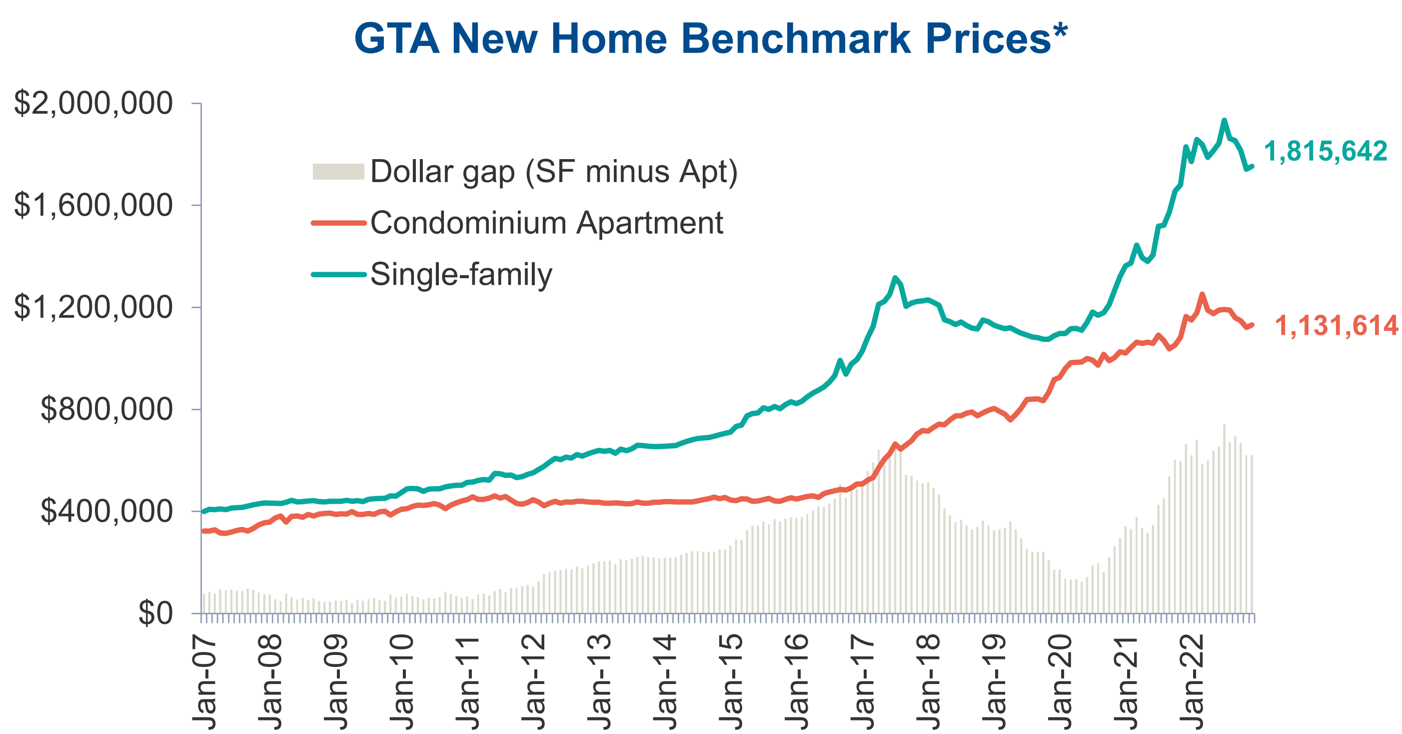
Source: Altus Group

- **The total inventory of new homes across the GTA was little changed in December 2022 and remains well below the 10-year average.** Total inventory was up by over 50 percent compared to a year earlier.
- **Condominium apartment inventory was steady in December** due to the combination of lower sales and more new units launching.
- Based on average monthly total new home sales over the past 12 months, there were about 3½ months of available supply of total new homes at the end of December 2022, well below the long-term average for December of 7½ months.



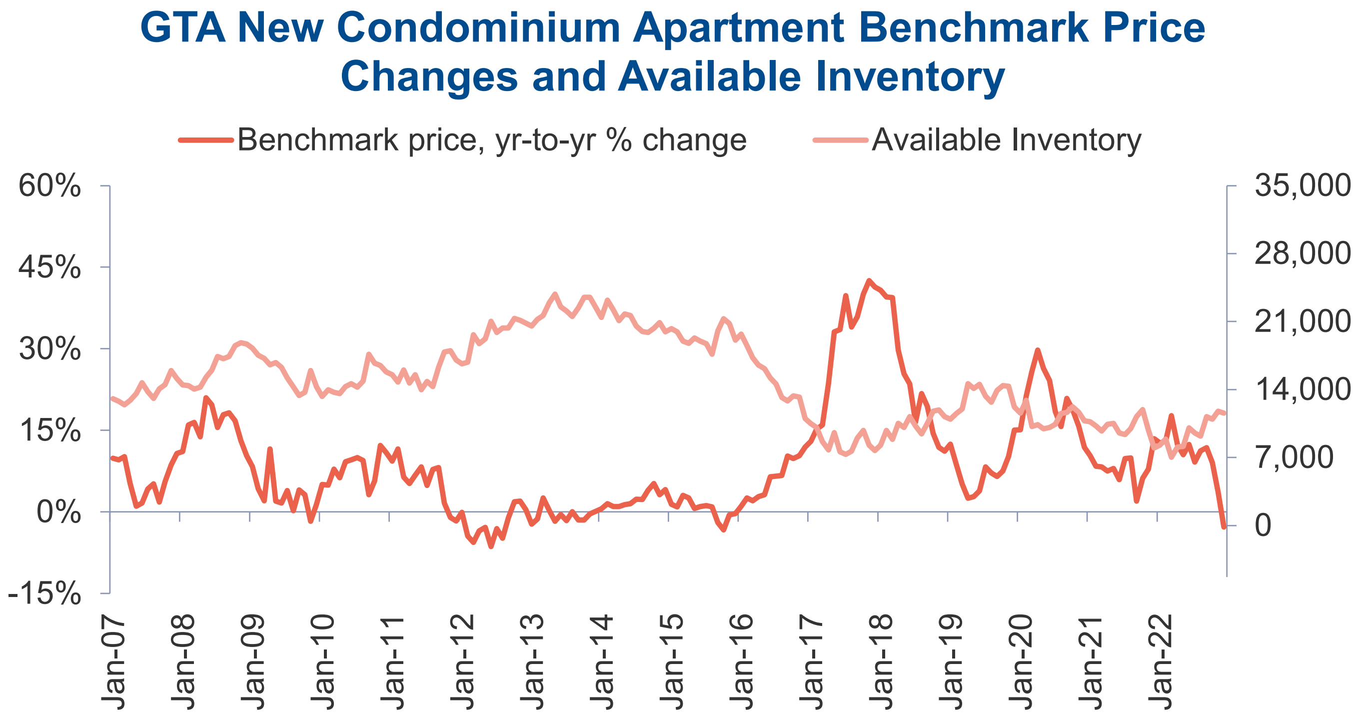
Source: Altus Group

- **The benchmark price for a new condominium apartment rose in December after four consecutive monthly declines**, but recorded its first year-over-year decline in seven years. Single-family benchmark pricing also turned higher in December, yet also fell year-over-over for the first time in almost three years (*charts next page*).
- **The price advantage of available new condominium apartments compared to new single-family homes was little changed in December.** The price spread recorded its first year-over-over decline in two years.
- 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.

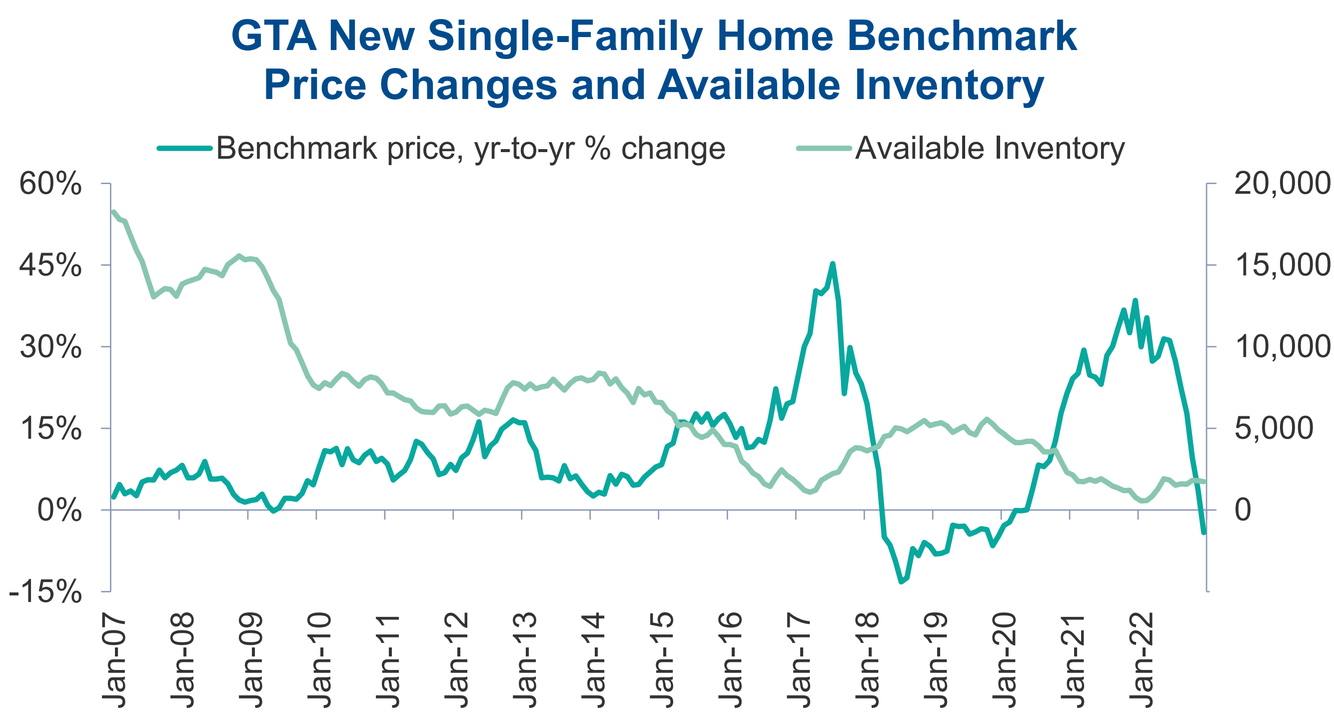


** Average asking price of available new home inventory at end of period with outliers removed*

Source: Altus Group



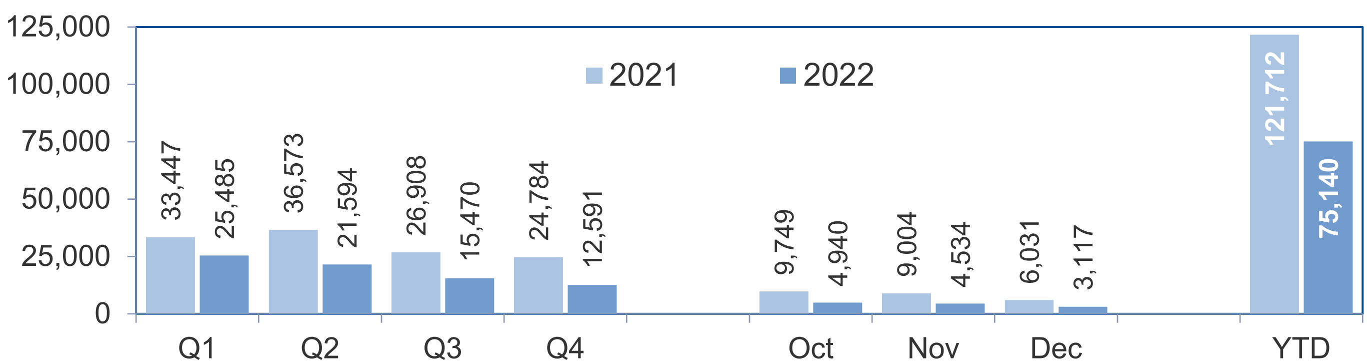
Source: Altus Group

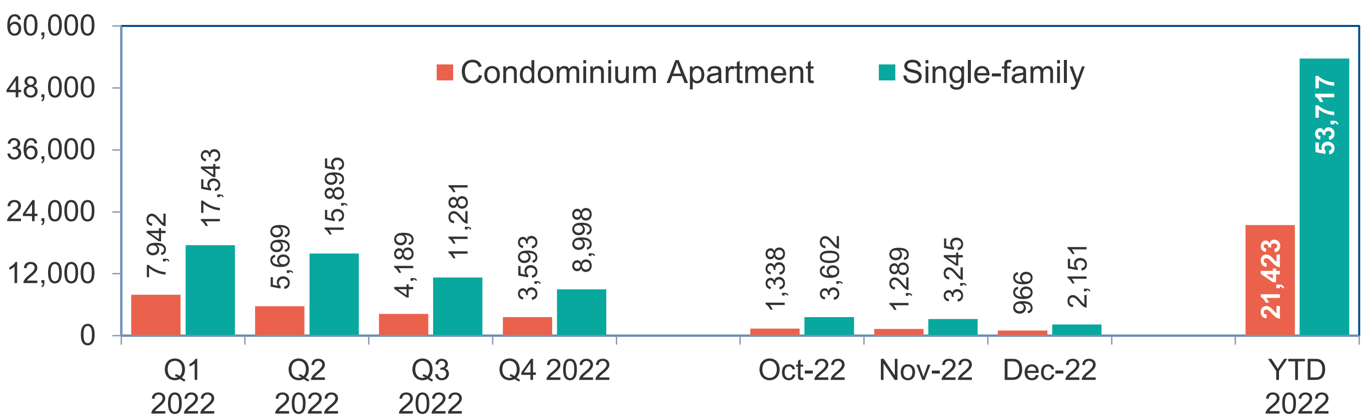


Source: Altus Group

- **Sales of existing homes in December 2022 fell to their lowest level in 14 years, about 50 percent below the previous year.** Year-to-date total resales sank to a 20 year low, about 40 precent below the record high of 2021. Both the single-family and condo apartment segments of the resale market contributed to both the year-over-year decline in sales activity in December as well as the yearly falloff.
- **Lower resale inventory in both the single-family and apartment sectors led to the decline in the total inventory numbers in December 2022.** Total resale inventories are more the 2½ times the level from December 2021**.**
- Average prices slid 13 percent year-over-year in the single-family sector with condominium apartment price changes off by one precent over the previous year *(charts next page).*

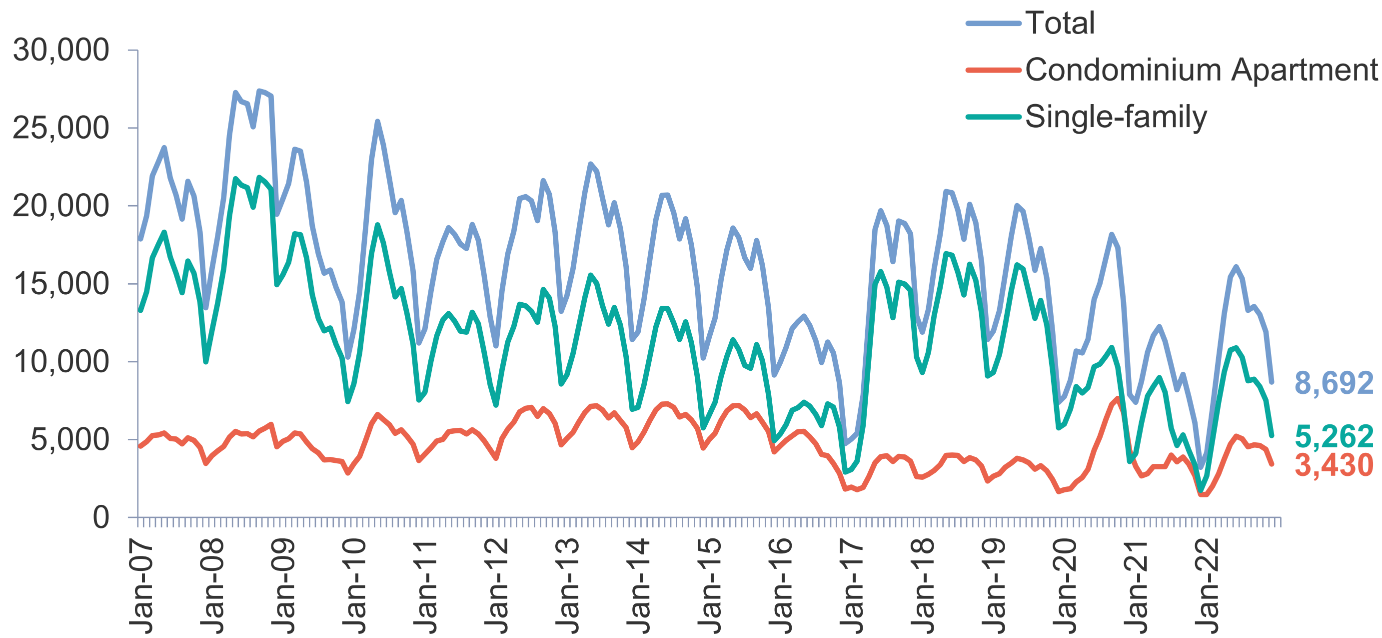
GTA Resale Home Sales





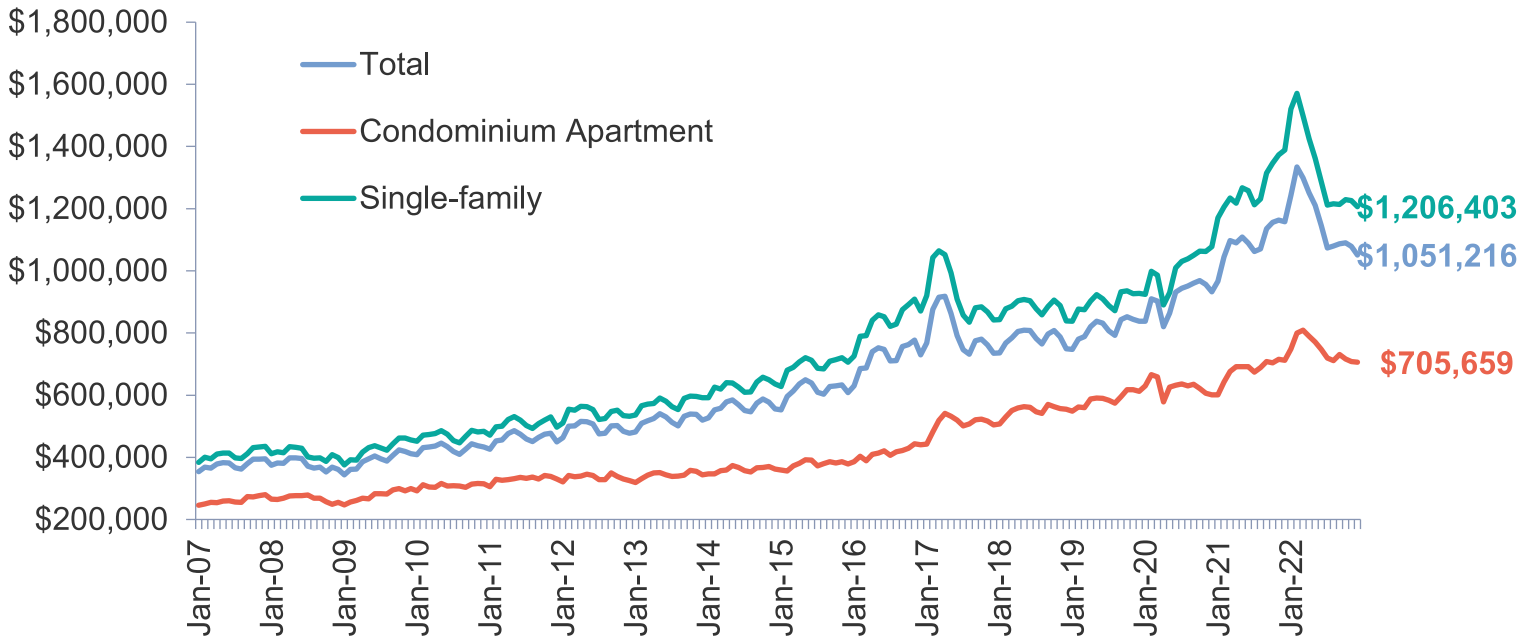
Source: Altus Group based on Toronto Regional Real Estate Board data

GTA Resale Home Inventory ("Active Listings")



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

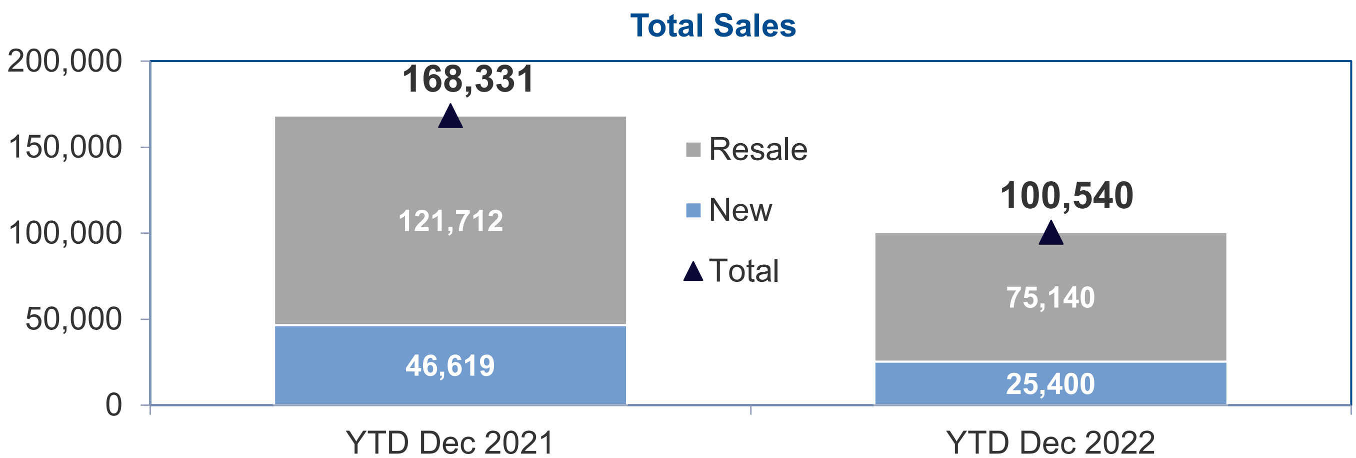
GTA Resale Home Prices

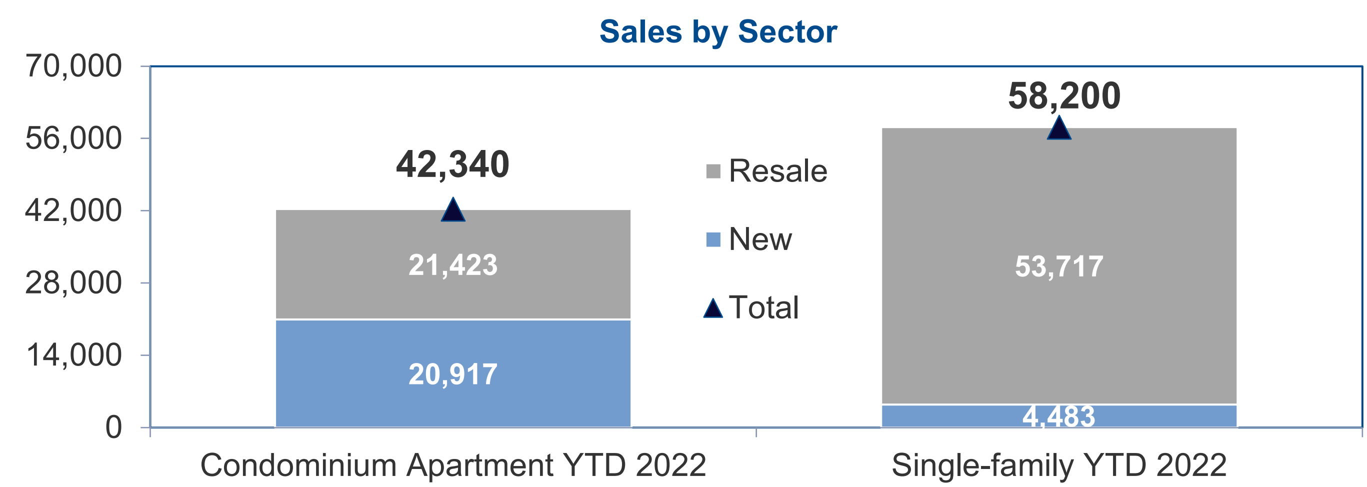


Source: Altus Group based on Toronto Regional Real Estate Board data

- **Combined new and resale home sales in the GTA during 2022 were down 40 percent from a year earlier and hit a 22 year low**.
- **The new home sector accounted for about 1 in 4 home sales in 2022** – similar to 2021. About 1 in 13 single-family homes sold were new homes (down from about 1 in 7 a year ago) while new condo apartments continue to account for half of the total apartment sales.

GTA Combined New & Resale Home Sales

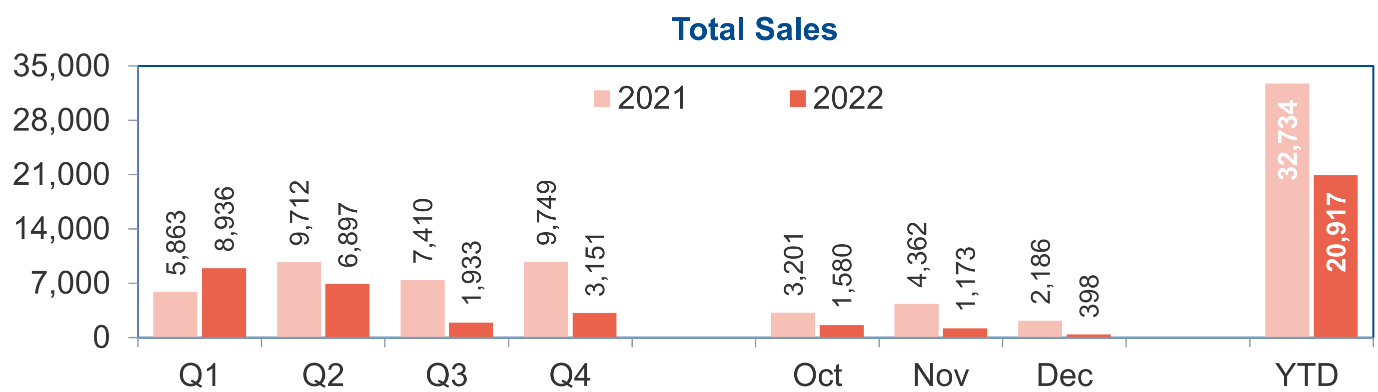


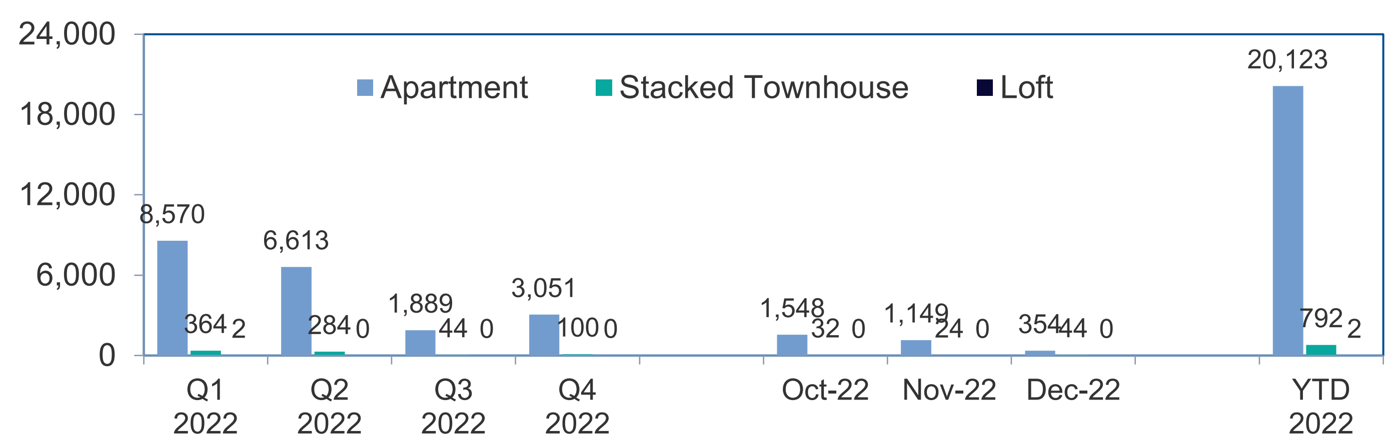


Source: Altus Group and Toronto Regional Real Estate Board data

- **GTA new condominium apartment sales slumped in December 2022 falling to a 14 year low.** After a record start to the year through April, year-to-date sales were over one-third lower than the 2021 level.
- **Stacked townhouse sales for 2022 were well behind the levels of the previous three years**.
- **The slowdown in new condo apartment sales has been widespread**, **both on a year-over-year basis as well as compared to the first part of 2022** (*chart next page*).
- Nearly all municipalities recorded lower condominium apartment sales in 2022, the main exceptions being Brampton, North York and Pickering *(chart following next page)*.

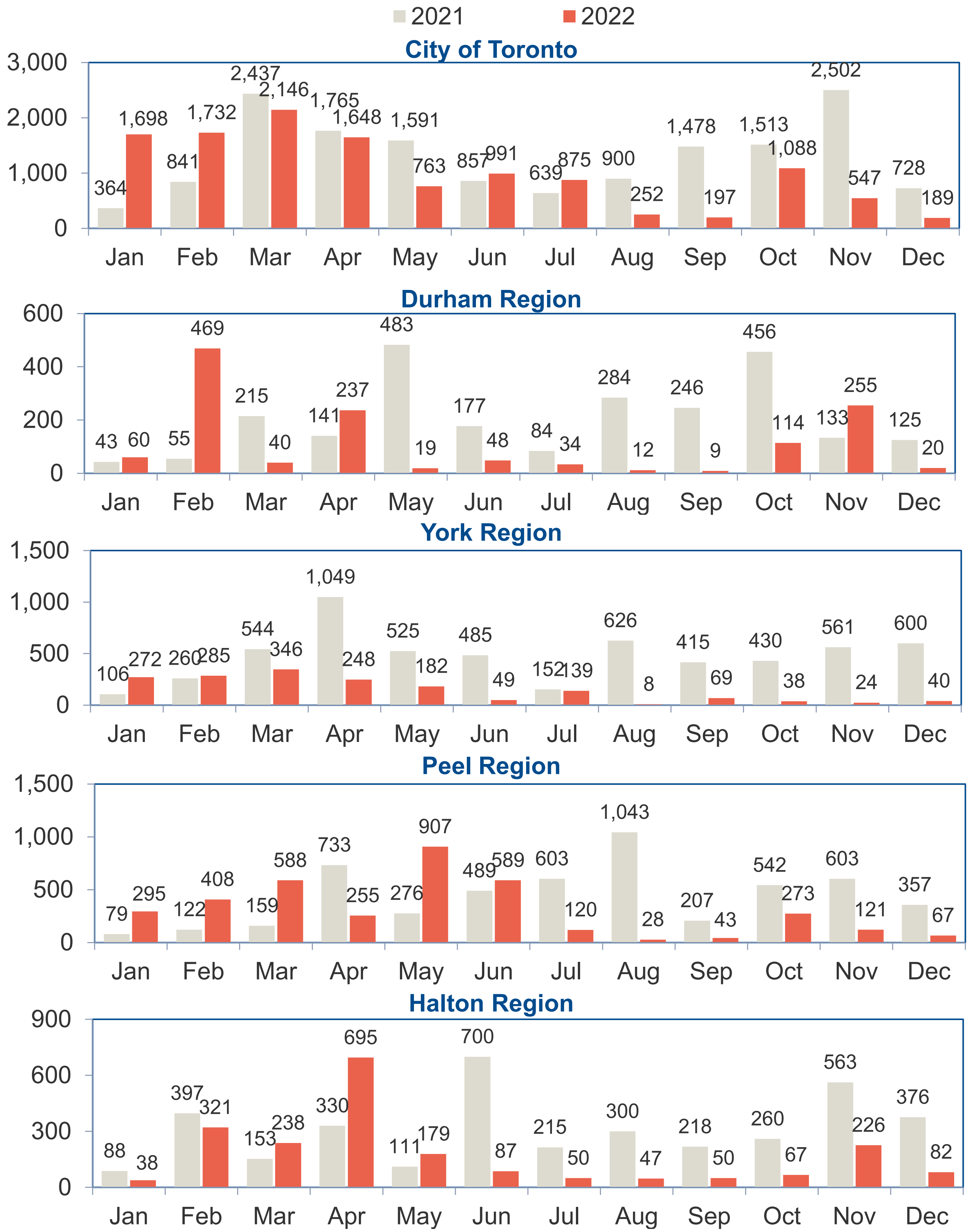
GTA New Condominium Apartment Sales



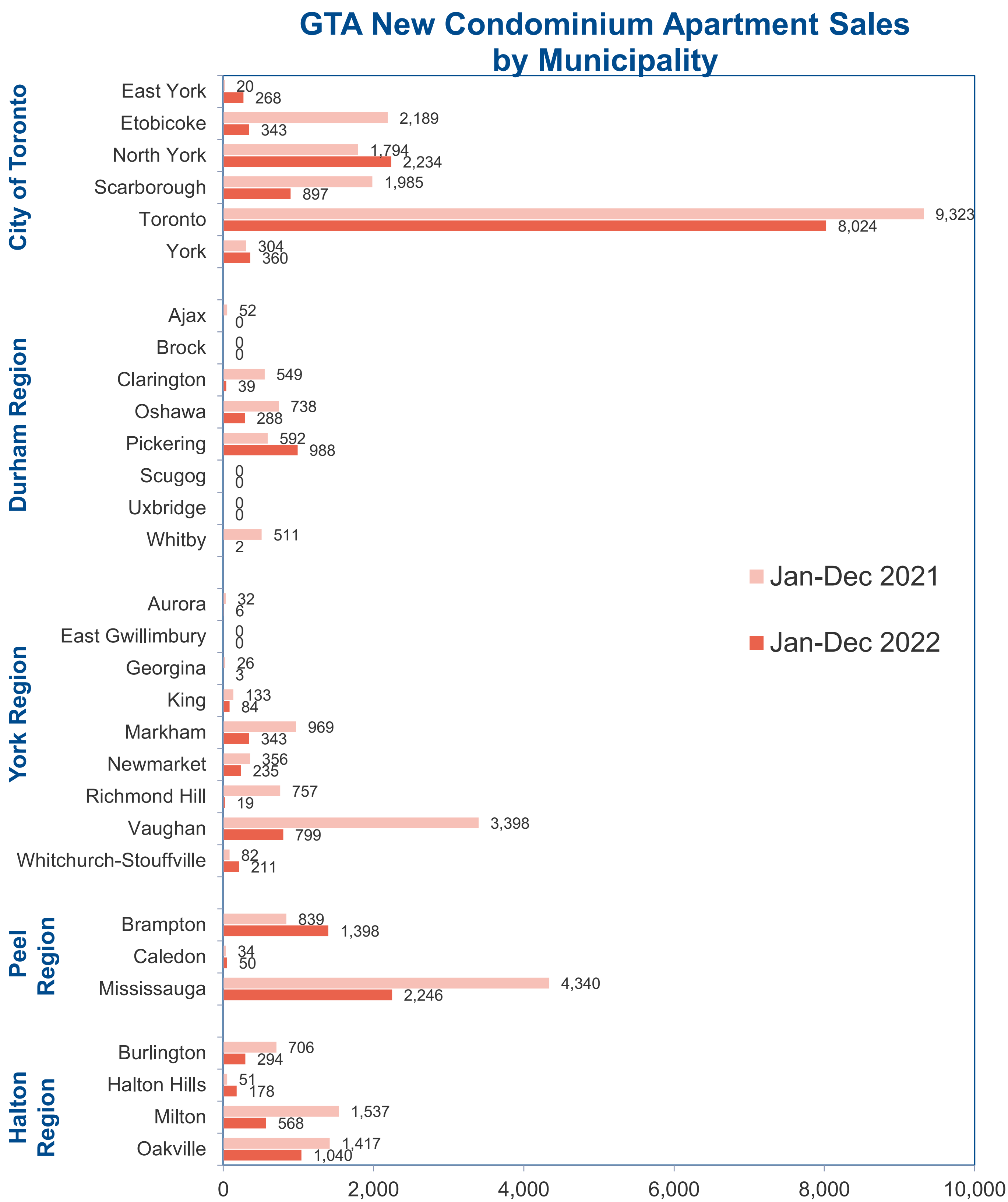


Source: Altus Group

New Condo Apartment Sales by Region and Month



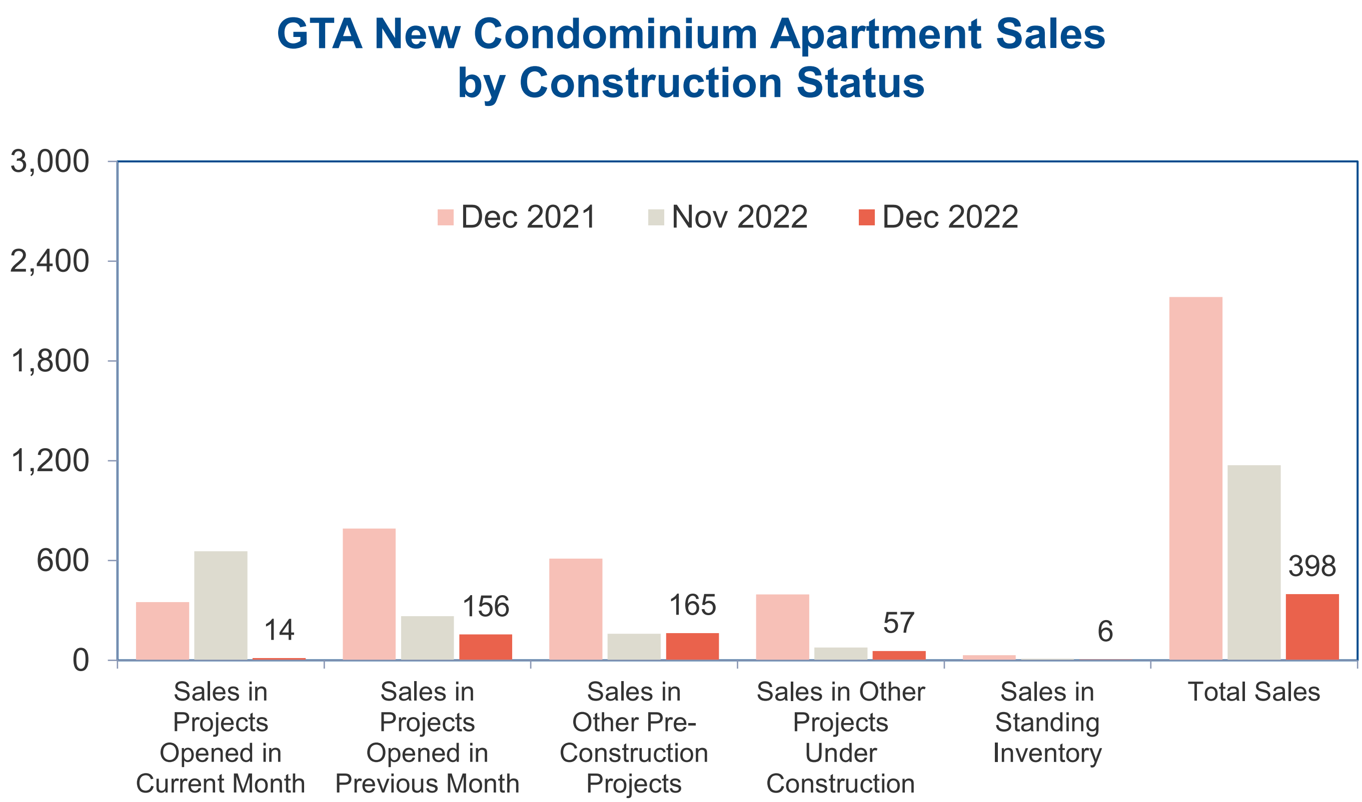
Source: Altus Group



Source: Altus Group

New Condominium Apartments - Sales

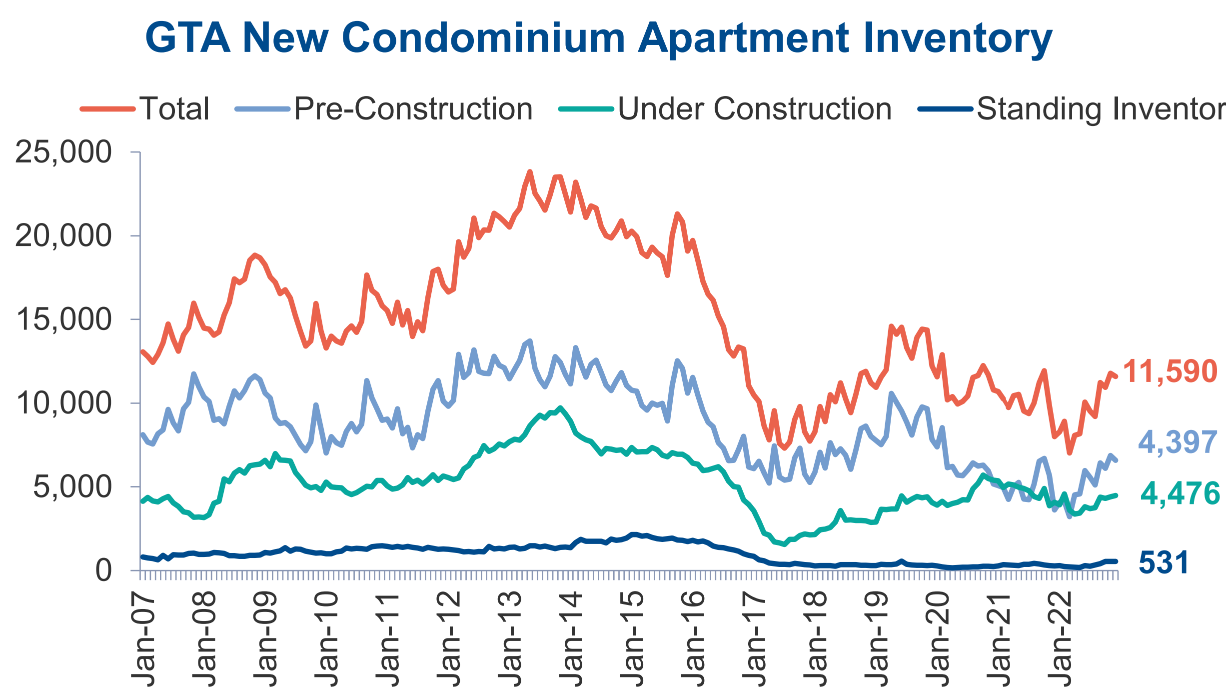
- **Very little of December 2022's new condominium apartment sales occurred in newly opened projects** (under four percent). The majority of the December sales occurred in projects opened in November 2022 or earlier, together accounting for 80 percent of December sales.
- **There is typically little inventory still available to purchase when projects are completed** and therefore very few sales in the "standing inventory" category.



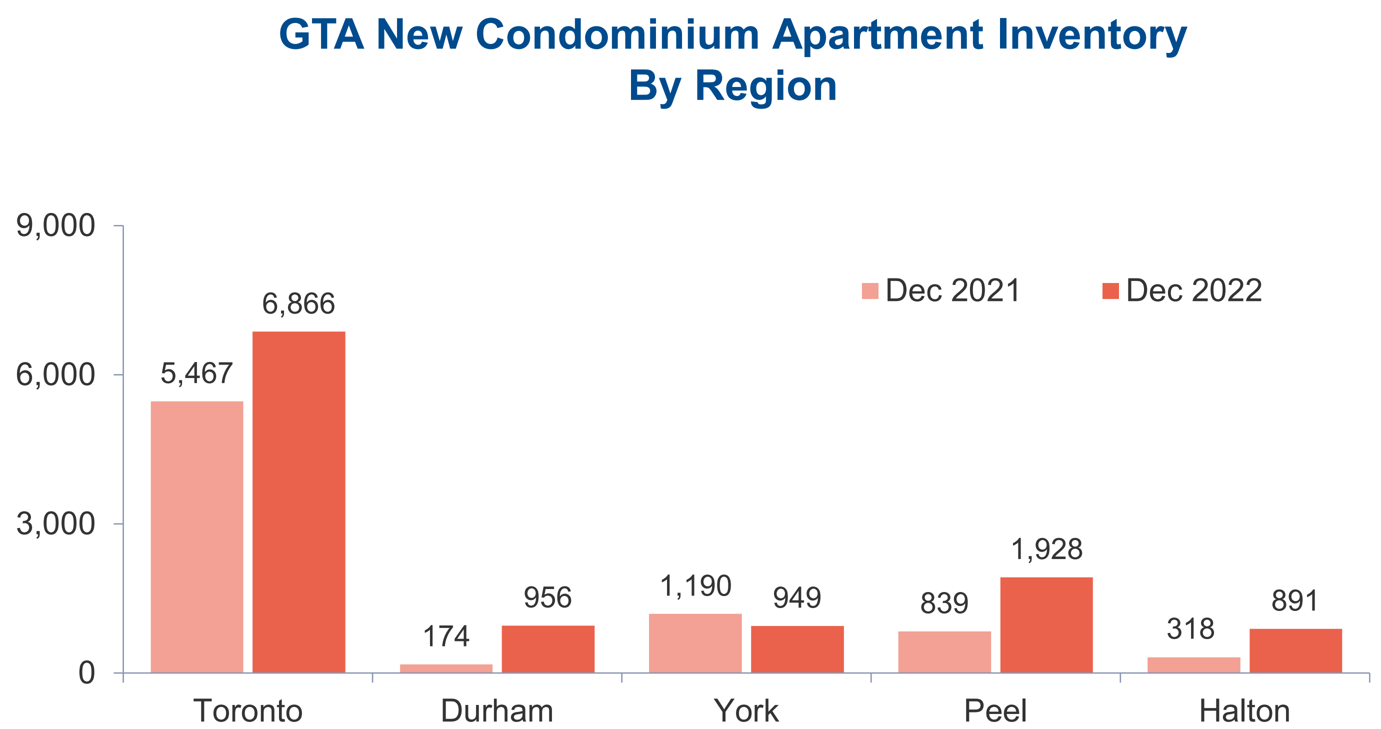
Source: Altus Group

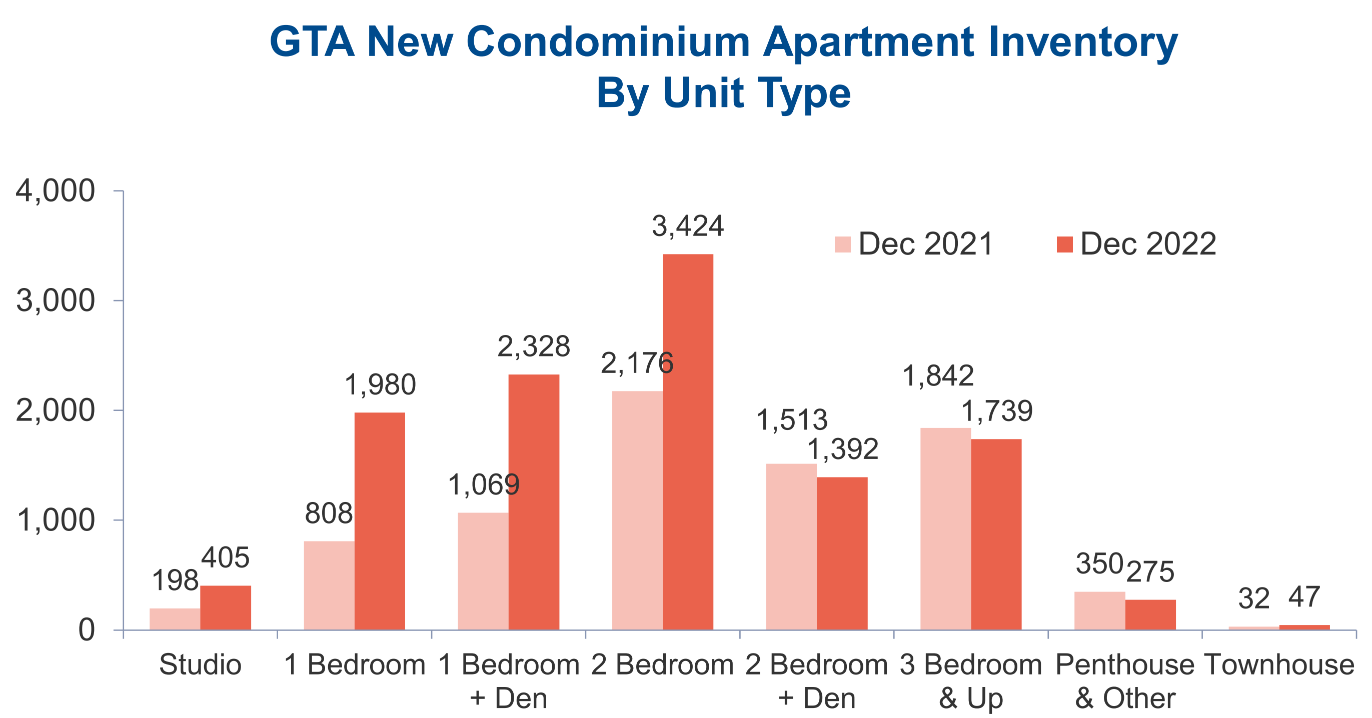
New Condominium Apartments - Inventory

- **The inventory of available new condo apartments dipped in December and remained well below the 10-year average.** The combination of very low sales and fewer openings led to the small decline. The number of completed apartment units outpaced the units in new openings which led to a decrease in pre-construction inventory levels.
- **The current unsold inventory at new condominium apartment projects represents about 6.5 months of supply** at the average monthly pace of sales seen over the past 12 months, down by about 30 percent from the longer-term average for December of just over 9 months.
- **About 60 percent of the available inventory is concentrated in the City of Toronto.** Based on sales in the past 12 months, most of the Regions can be characterized as ”tight”, with months of inventory ranging from about 5 months in Halton to 7 months in Toronto. Durham Region inventory has been growing and that market is now approaching a “balanced” level.
- **Each region of the GTA has seen an increase in new condo apartment inventory in the past year except York Region**, both in terms of number of units (*chart top of next page*), and relative to recent demand patterns (rising months of inventory).
- The increase in inventory over the previous year was concentrated in 2-bedroom and smaller units – a reflection of the shift by builders as affordable concerns grew (*chart bottom of next page*).



Source: Altus Group

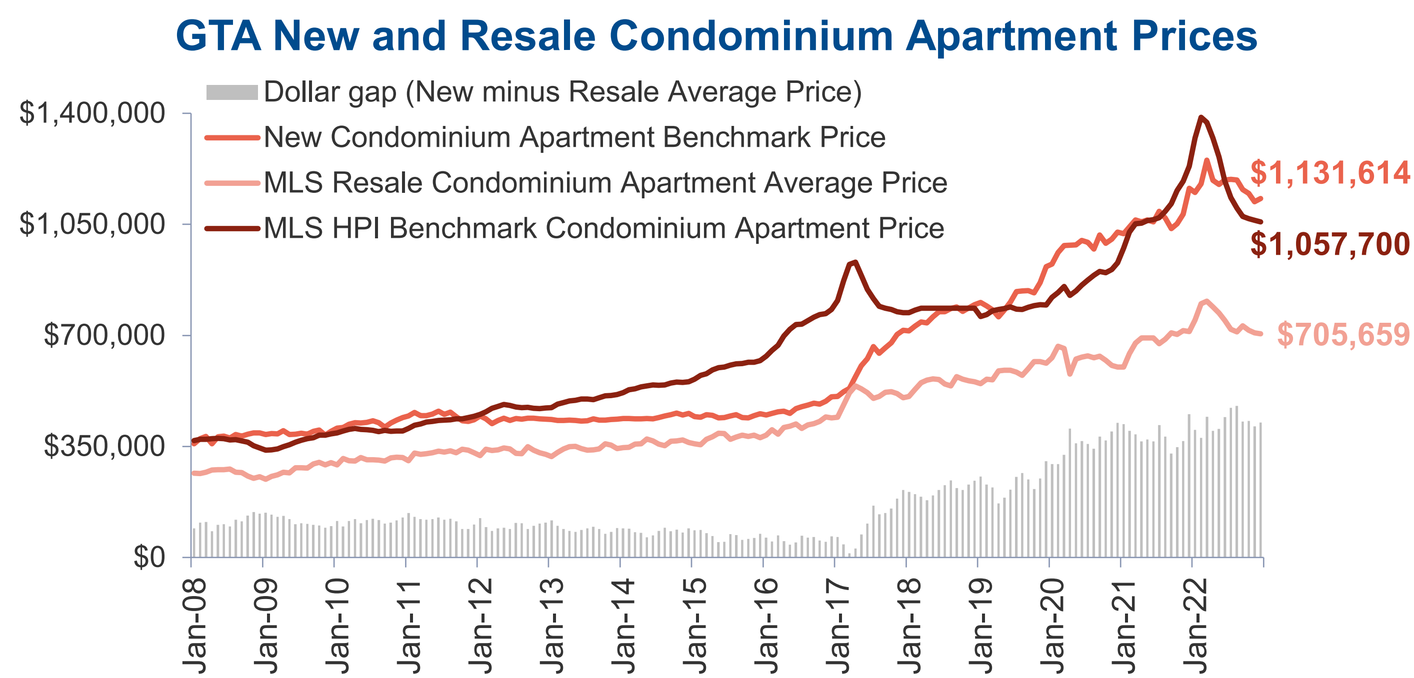


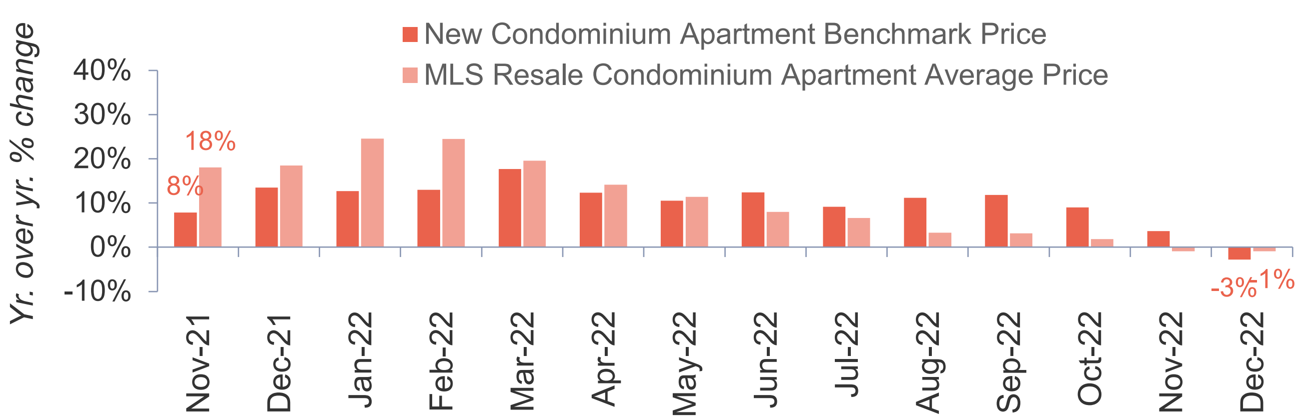


Source: Altus Group

New Condominium Apartments - Prices

- **The benchmark price of a new condominium apartment moved higher in December 2022 although the year-over-year change in the benchmark price is now negative for the 1st time in seven years** *(this benchmark measures prices of available units at the end of the month - see benchmark price definition at the end of this report).*
- With resale apartment prices drifting lower in December, **the price difference between a new and resale condominium apartment unit widened in December**.



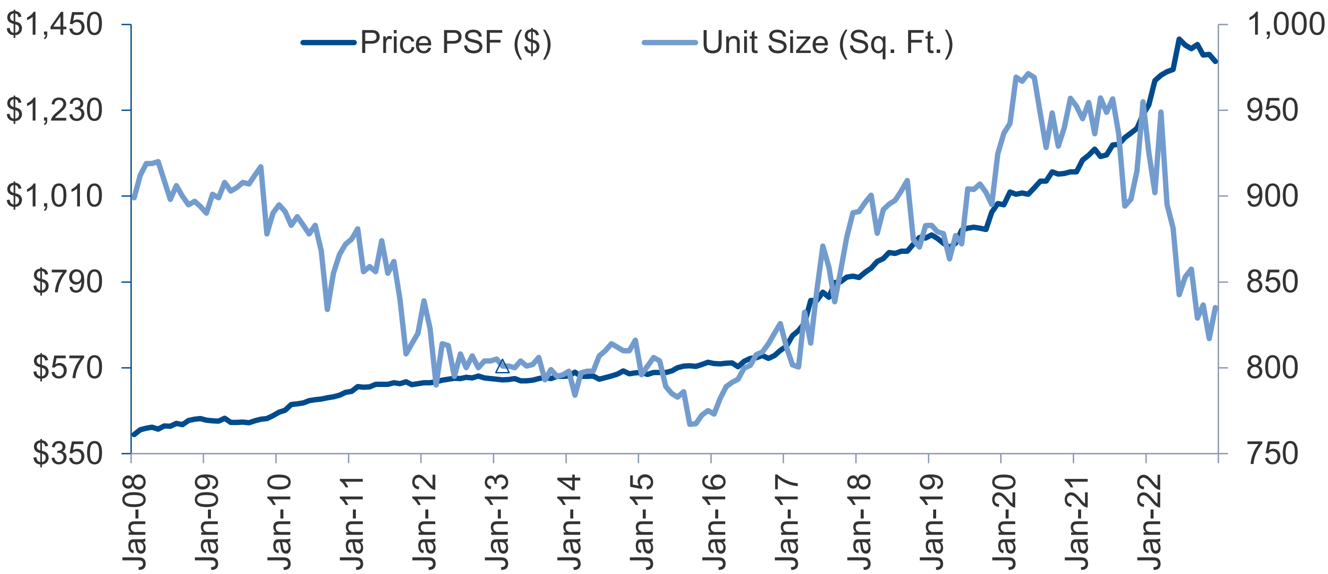


Source: Altus Group and Toronto Real Estate Board data

New Condominium Apartments - Prices

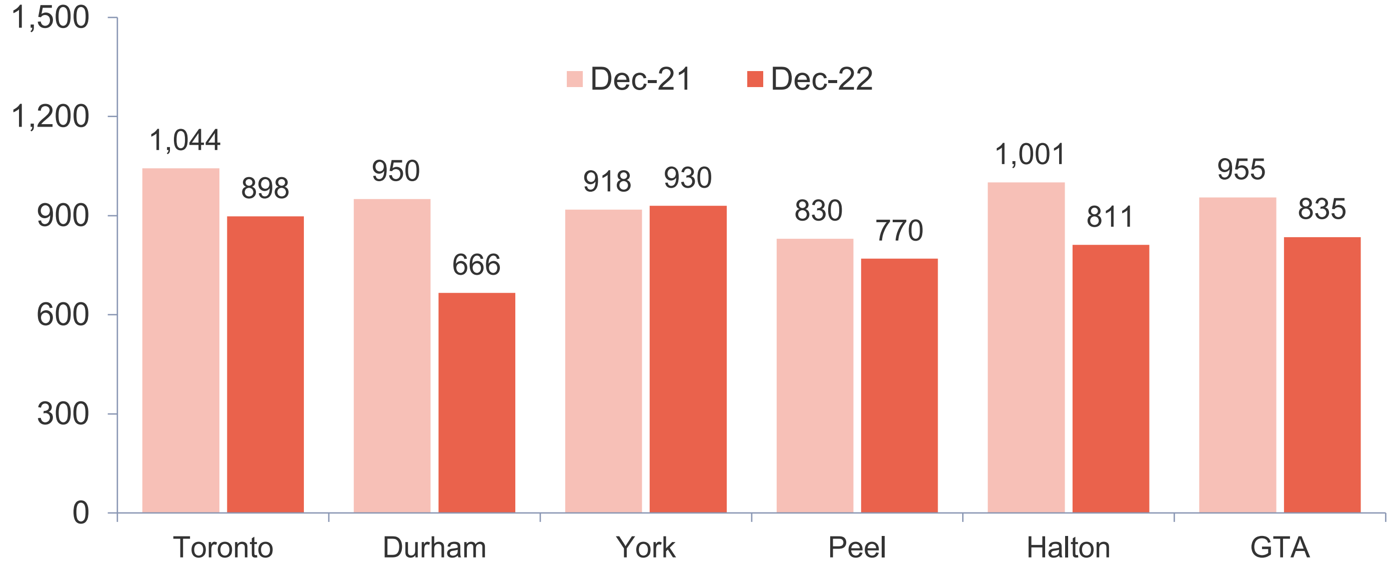
- **The price per square foot of new condominium apartments was lower in December 2022 while unit sizes rose.** This occurs as there is more inventory in the market and units are priced competitively.
- Caution needs to be used in interpreting the data for any specific timeframe, as smaller unit sizes 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).
- All of the regions recorded smaller overall unit sizes for available inventory at the end of December 2022 except for York Region (*chart top of next page*).
- The average size of remaining inventory at the end of December 2022 was down across most unit types though studio and 1 bedroom units saw a slight increase in size (*chart bottom of next page*).

GTA New Condominium Apartment Benchmark Price Per Sq. Ft. and Unit Size

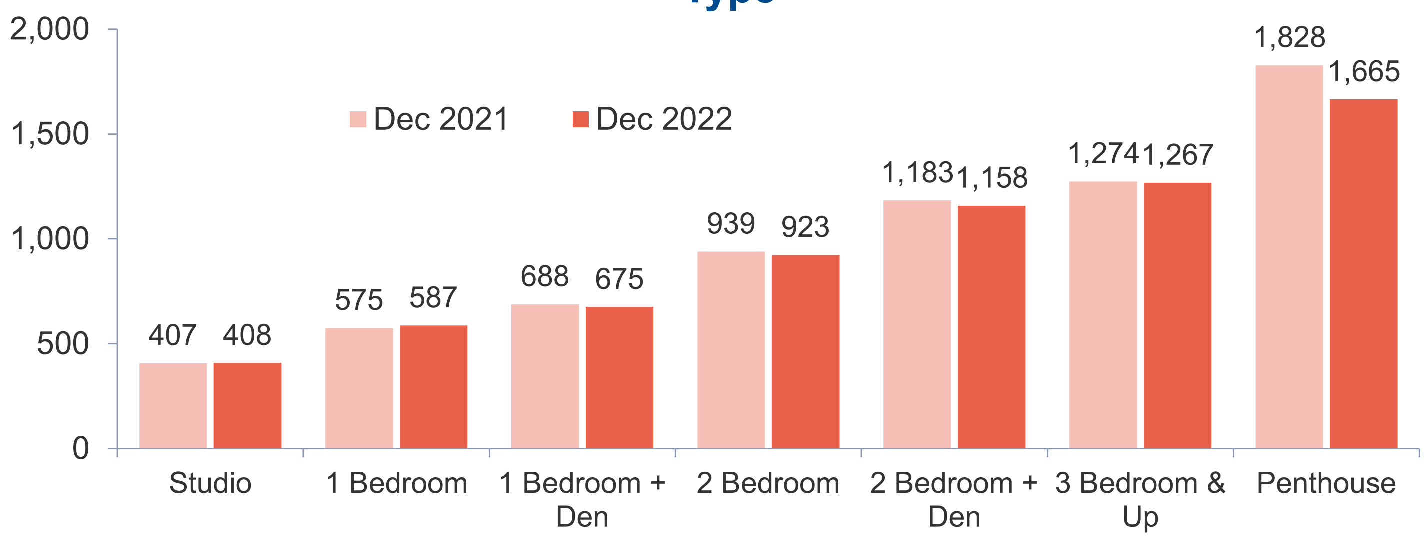


Source: Altus Group

GTA New Condominium Apartment Average Size (Sq. Ft.) of Available Inventory by Region



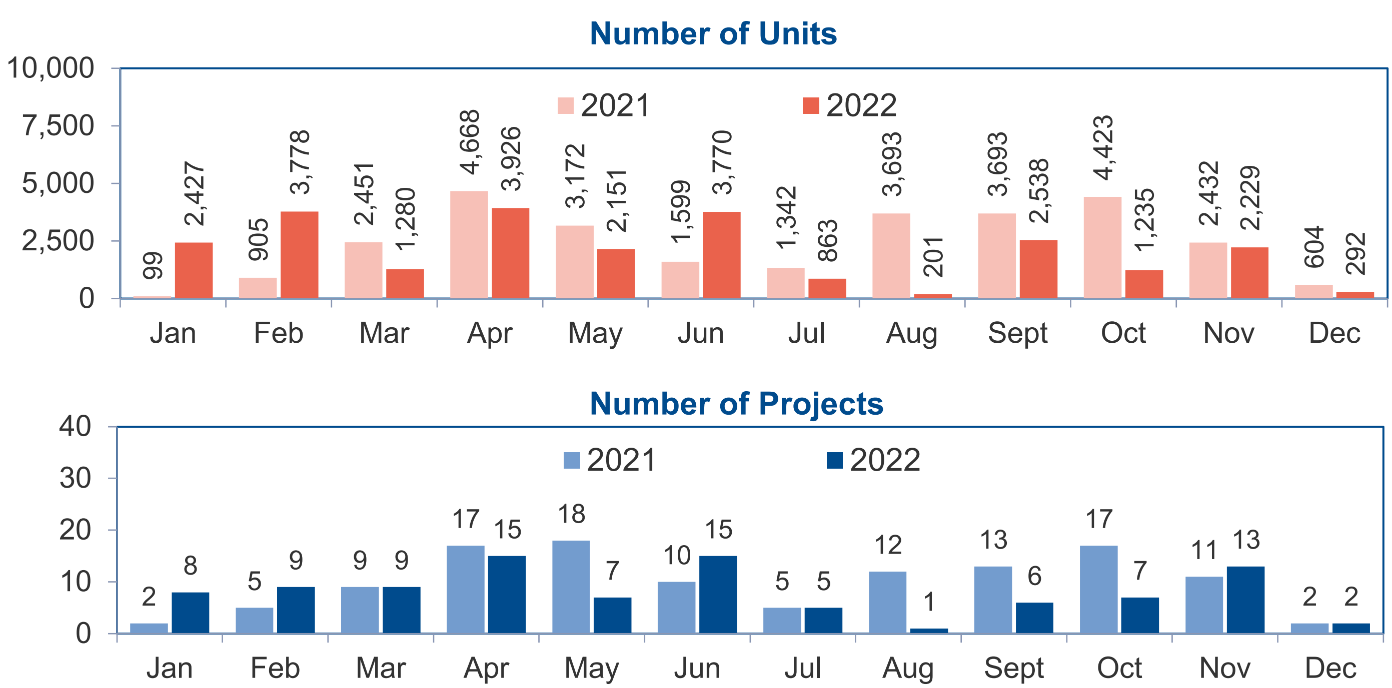
GTA New Condominium Apartment Average Size (Sq. Ft.) of Remaining Inventory by Unit Type



Source: Altus Group

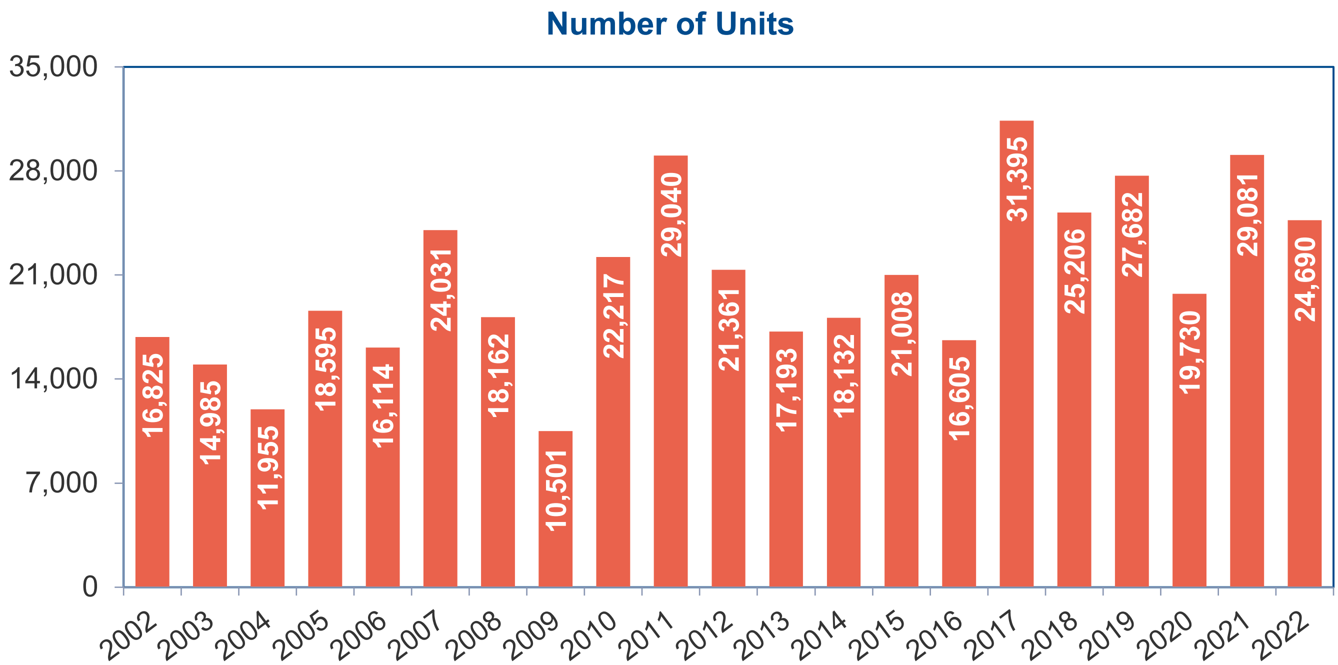
- **December 2022 saw the launch of just 2 new projects containing fewer than 300 units.**
- For the year as a whole, there were 97 new project openings, with about 24,700 new units (*charts next page*), down 15 percent from 2021's strong year. **Year-to-date units in newly launched projects sat at a record level through April before slowing sharply in the 2nd half of the year.**
- **Toronto and, to a lesser extent, Peel Region increased their share of new opening units, largely at the expense of York Region** *(chart next page, top).* Within the City of Toronto, the former municipality of Toronto and North York have increased their share of new condominium apartment openings from the previous year while the shares for Etobicoke and Scarborough have declined *(chart next page, bottom)*.
- The composition of new projects launched shifted in 2022 away from 2 bedroom units to more 1 bedroom and 1 bedroom plus den units (*chart top of page after next 2 pages*). This shift to smaller units was driven largely by Durham and Peel Regions (*chart bottom of page after next 2 pages*).
- On the pages following the next 3 pages are maps showing the location of new projects launched in November and December 2022 accompanied by summary tables with additional details on each project. *Note that due to the large number of openings, there are 3 maps and 3 tables for the November openings.*

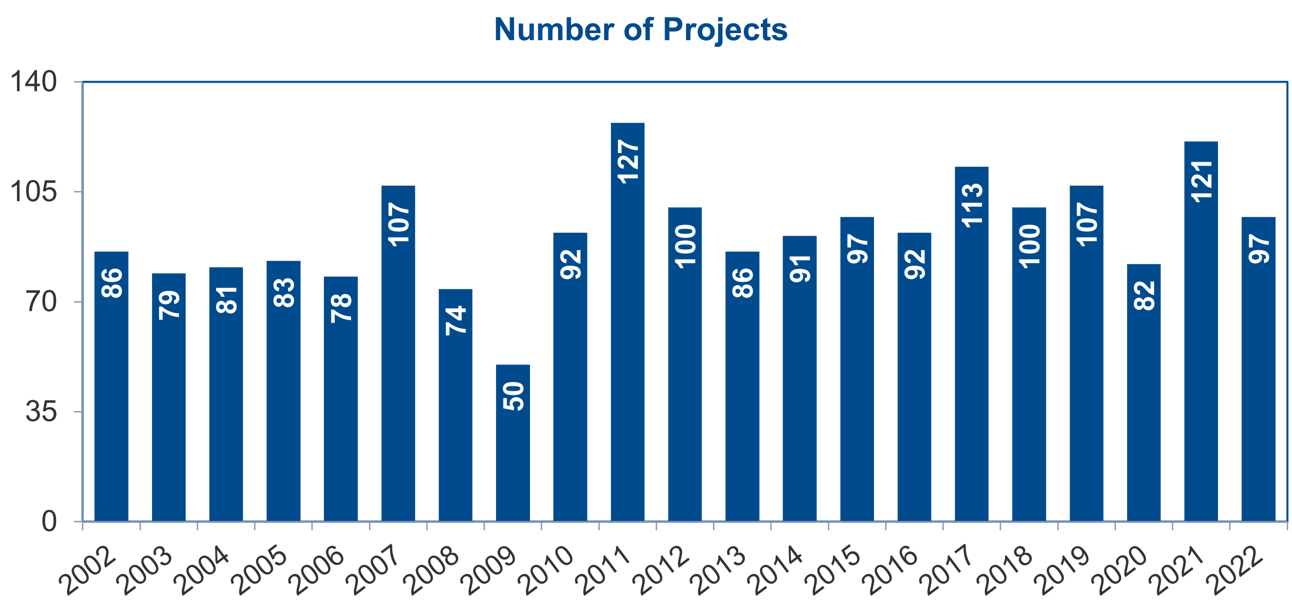
GTA New Condominium Apartment Project Openings



Source: Altus Group

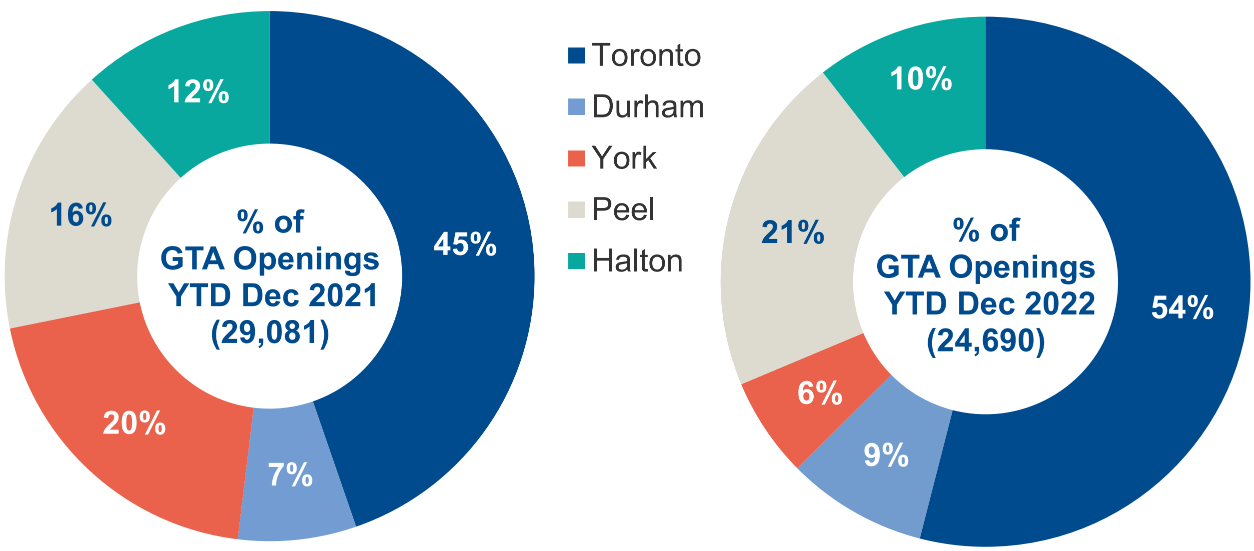
GTA New Condominium Apartment Project Openings





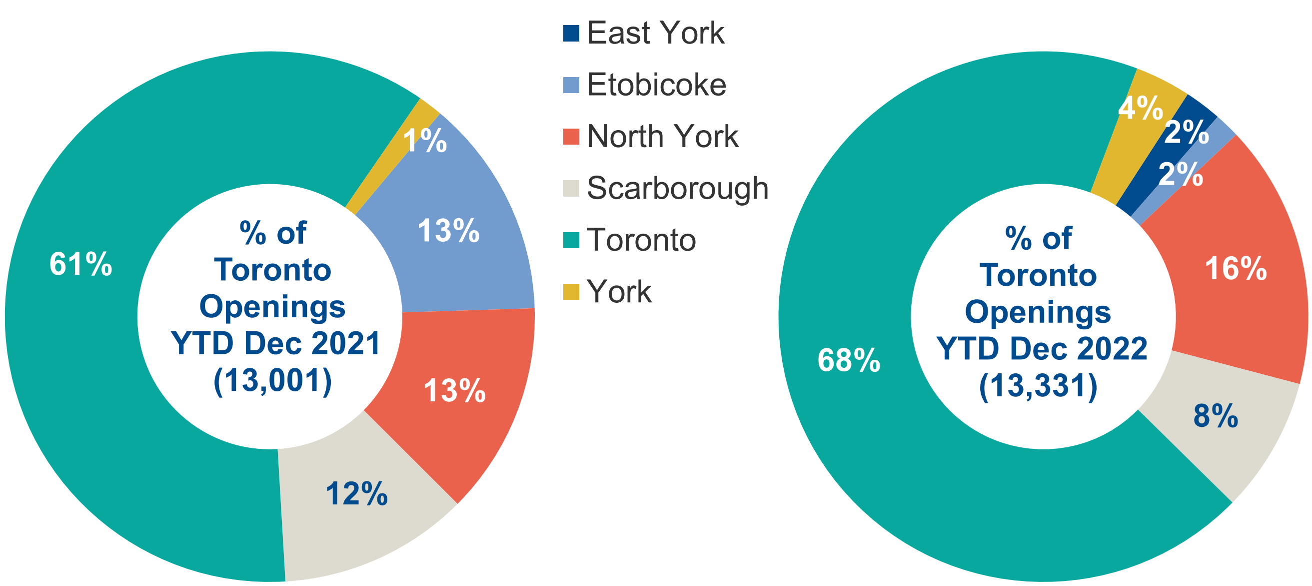
Source: Altus Group

GTA Condominium Apartment Units in New Openings by Region



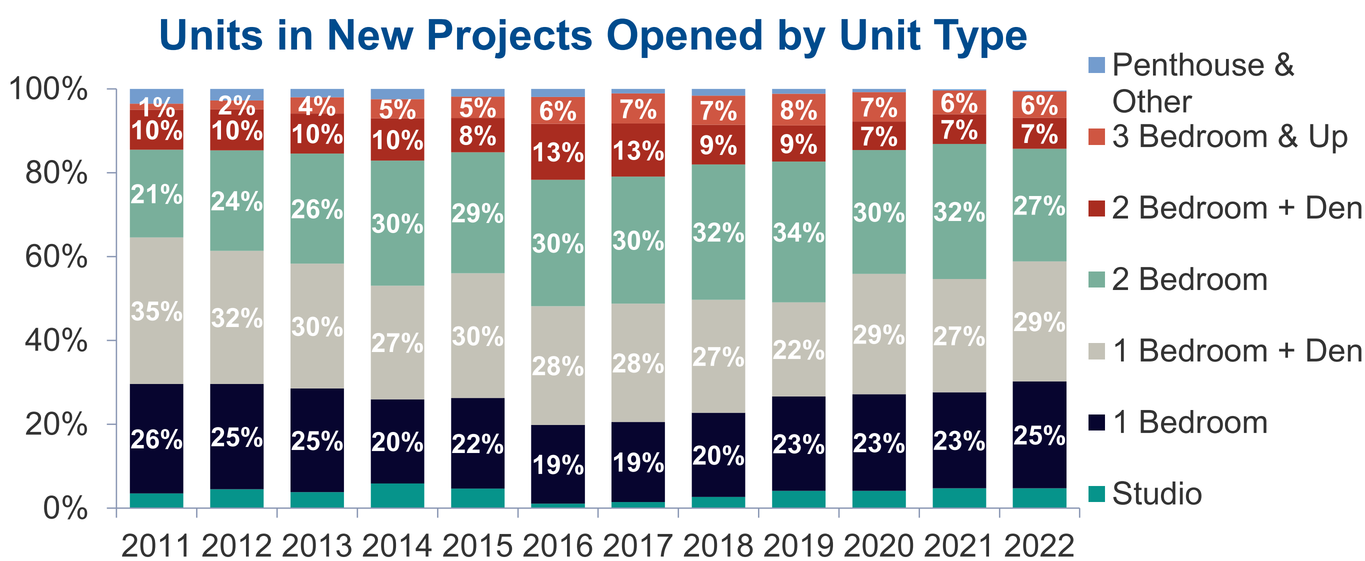
Source: Altus Group

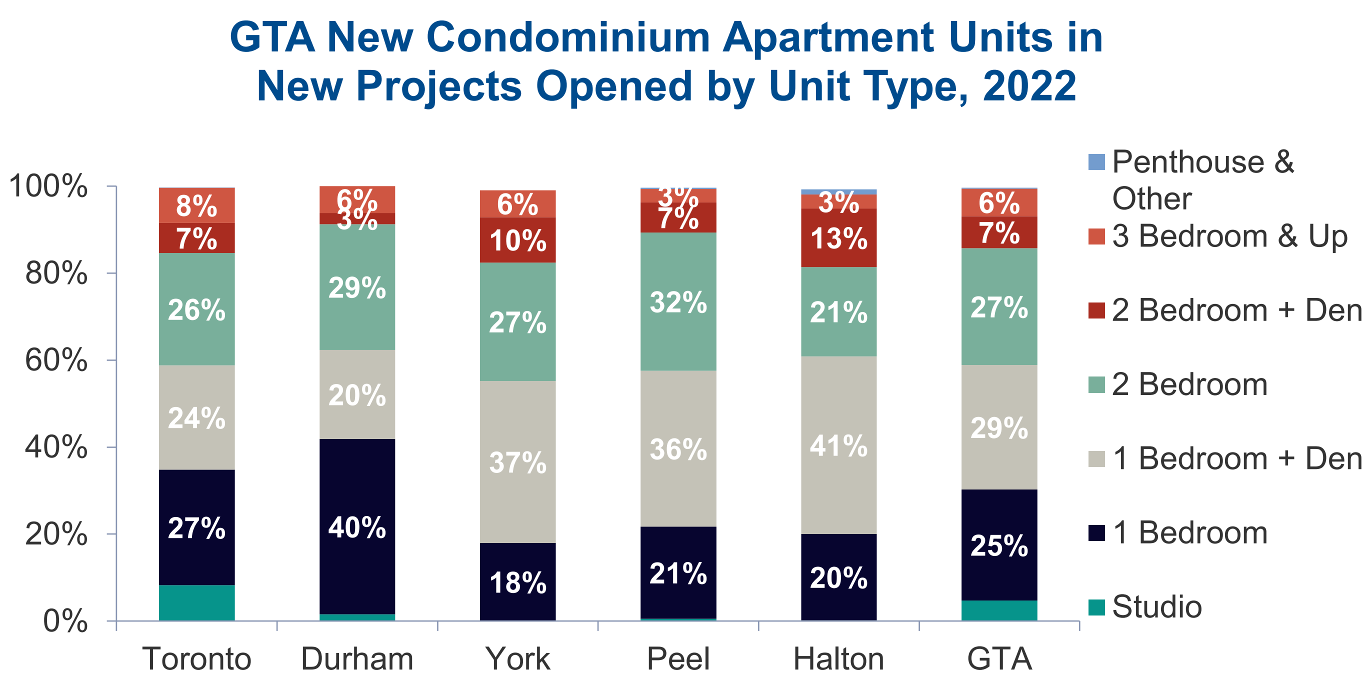
City of Toronto Condominium Apartment Units in New Openings by Former Municipality



Source: Altus Group

GTA New Condominium Apartments

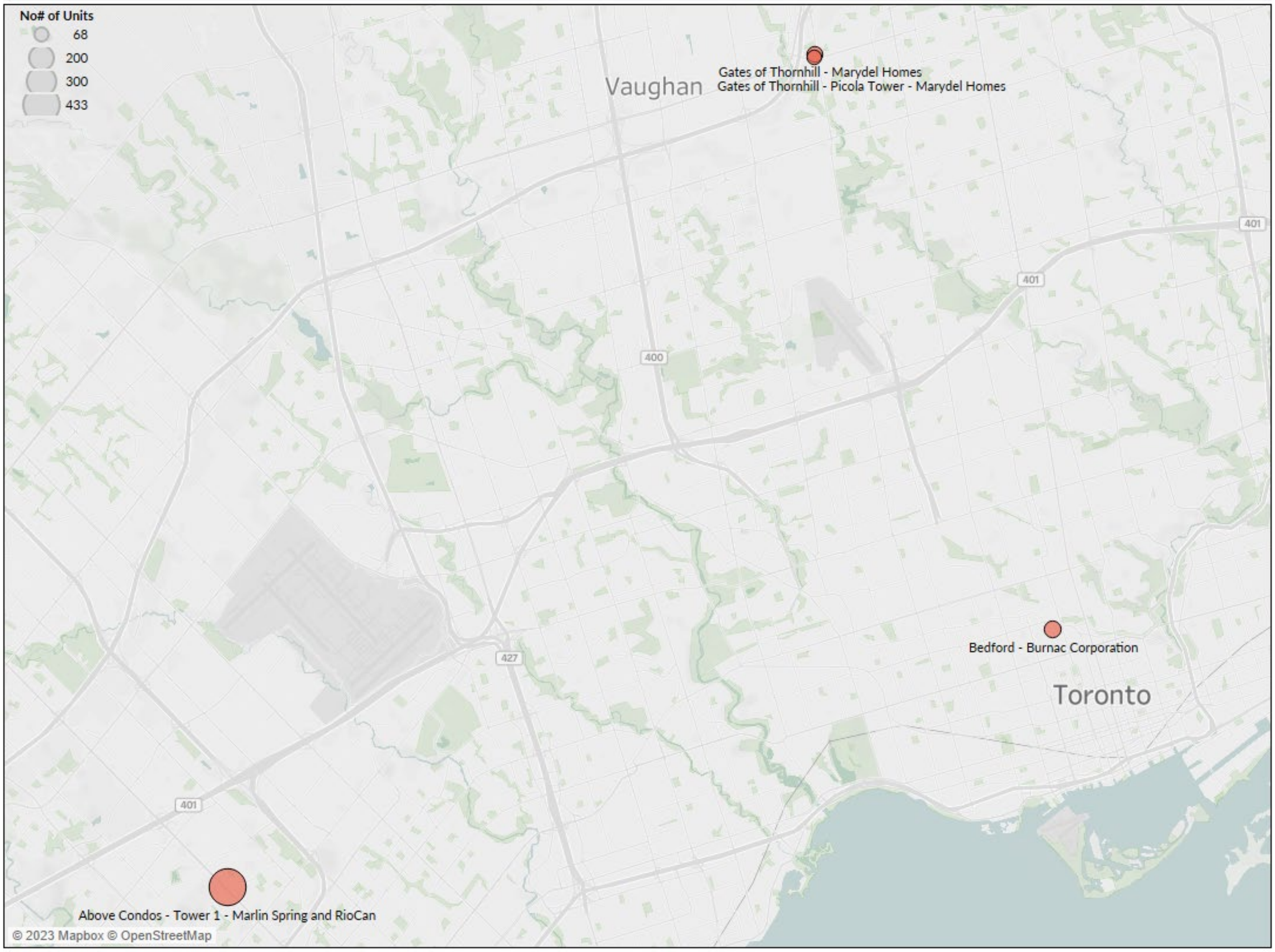




Source: Altus Group

AltusGroup

November 2022 New Project Launches by Number of Units



Source: Altus Group

Map 1 of 3

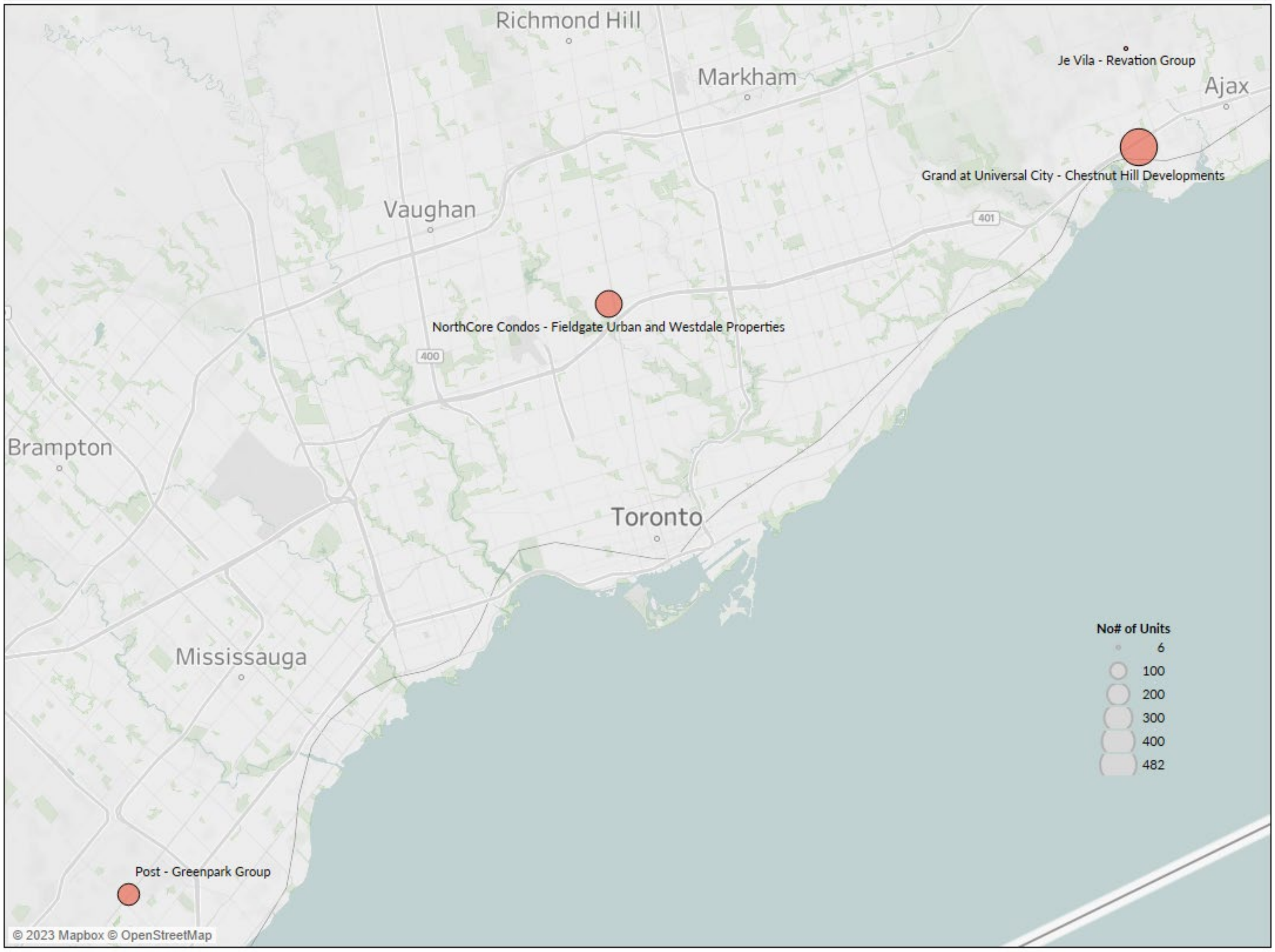
Note: due to the large number of openings in November, project maps and details each have 3 pages.

AltusGroup

New Condominium Apartment Project Openings - November 2022 (1 of 3)				
Project Name	**Above Condos - Tower 1**	**Bedford**	**Gates of Thornhill**	**Gates of Thornhill - Picola Tower**
Developer	Marlin Spring and RioCan	Burnac Corporation	Marydel Homes	Marydel Homes
Date Opened	November 11, 2022	November 12, 2022	November 12, 2022	November 26, 2022
Municipality	Mississauga	Old Toronto	Vaughan	Vaughan
Region	Peel	Toronto	York	York
Structural Type	Apartment	Apartment	Stacked	Apartment
Floors	24	13	3	6
Project Total Units	**440**	**90**	**68**	**80**
Total Units Released	**433**	**90**	**68**	**80**
Studio	16	-	-	-
1 Bedroom	134	14	-	14
1 Bedroom + den	149	2	-	28
2 Bedroom	99	40	66	29
2 Bedroom + den	21	20	-	9
3 Bedroom & up	14	14	2	-
Penthouse	-	-	-	-
Townhouse	-	-	-	-
Other	-	-	-	-
Opening Month Sales	**59**	**38**	**8**	**0**
Next Month Sales	**13**	**8**	**2**	**8**
% Sold (of released units)	17%	51%	15%	10%
Remaining Available Inventory	361	44	58	72
Original $PSF	$1,263	$2,211	$875	$1,010
Minimum Size (sq. ft.)	431	734	822	622
Maximum Size (sq. ft.)	1,319	3,586	1,375	1,168
Minimum Price	$574,990	$1,449,900	$869,900	$639,900
Maximum Price	$1,713,990	$10,499,900	$1,059,900	$1,099,900
Notes				

Source: Altus Group

November 2022 New Project Launches by Number of Units



Source: Altus Group

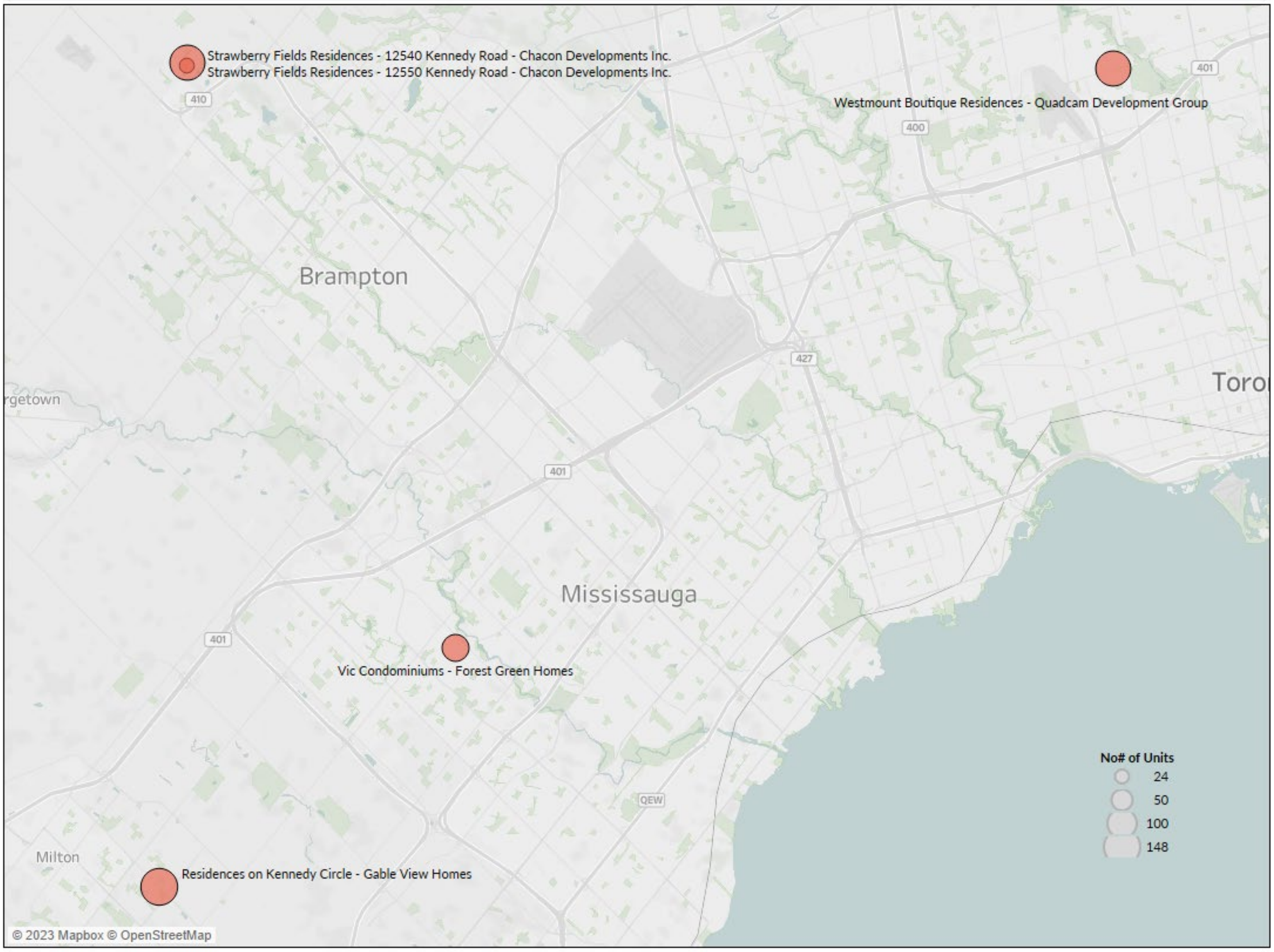
Map 2 of 3

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

Project Name	**Grand at Universal City**	**Je Vila**	**NorthCore Condos**	**Post**
Developer	Chestnut Hill Developments	Revation Group	Fieldgate Urban and Westdale	Greenpark Group
Date Opened	November 8, 2022	November 12, 2022	November 5, 2022	November 1, 2022
Municipality	Pickering	Pickering	North York	Oakville
Region	Durham	Durham	Toronto	Halton
Structural Type	Apartment	Stacked	Apartment	Apartment
Floors	37	4	16	8
Project Total Units	**482**	**30**	**352**	**168**
Total Units Released	**482**	**6**	**250**	**168**
Studio	-	-	20	-
1 Bedroom	157	-	130	31
1 Bedroom + den	172	-	50	64
2 Bedroom	105	-	30	39
2 Bedroom + den	36	2	-	26
3 Bedroom & up	12	4	20	8
Penthouse	-	-	-	-
Townhouse	-	-	-	-
Other	-	-	-	-
Opening Month Sales	**229**	**2**	**200**	**0**
Next Month Sales	**10**	**0**	**15**	**55**
% Sold (of released units)	50%	33%	86%	33%
Remaining Available Inventory	243	4	35	113
Original $PSF	$1,163	$680	$1,495	$1,100
Minimum Size (sq. ft.)	469	1,065	333	473
Maximum Size (sq. ft.)	994	1,715	1,026	1,803
Minimum Price	$565,900	$848,000	$495,000	$566,900
Maximum Price	$1,129,900	$1,040,000	$1,692,000	$1,094,900
Notes				

Source: Altus Group

November 2022 New Project Launches by Number of Units



Source: Altus Group

Map 3 of 3

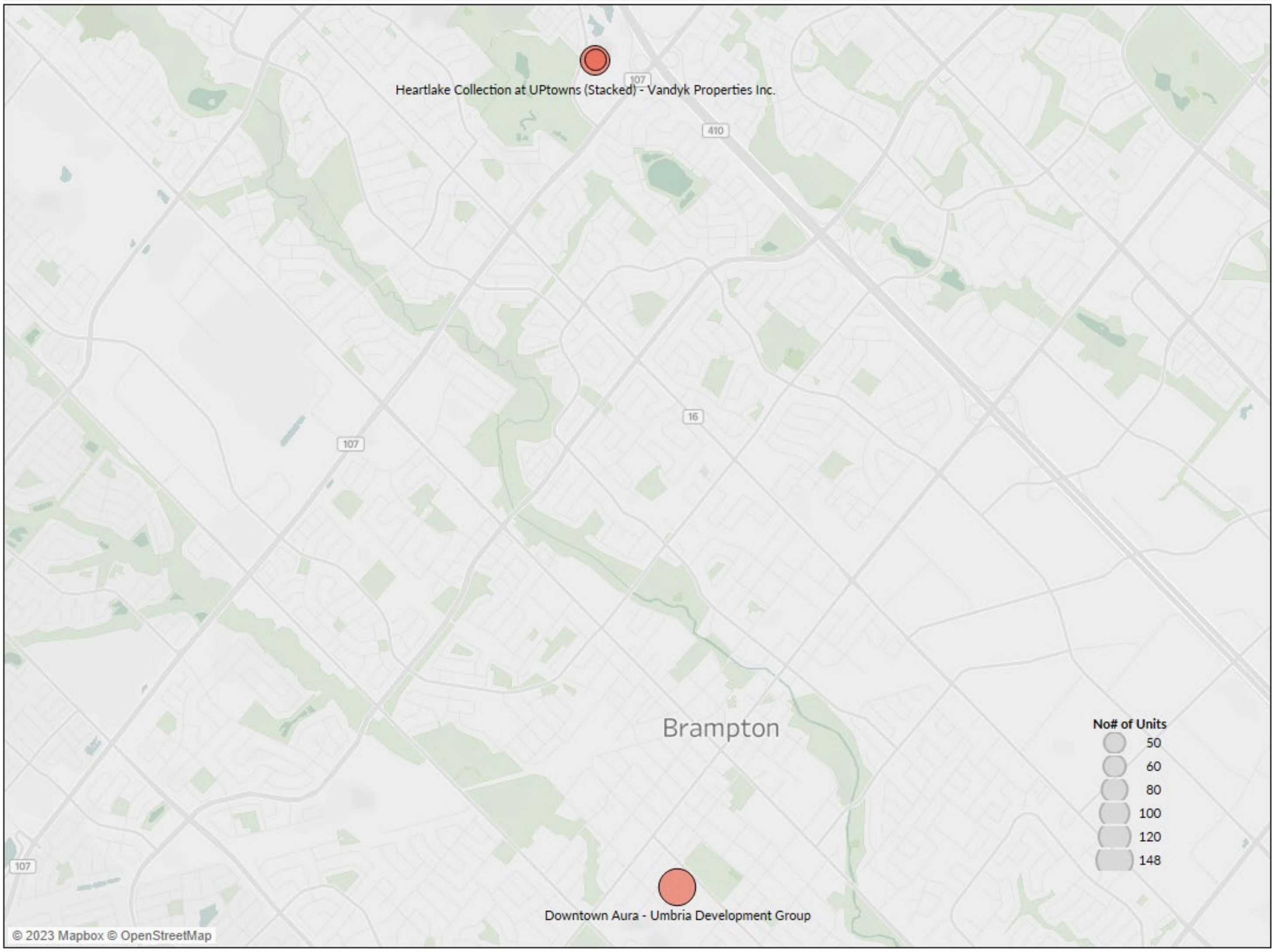
New Condominium Apartments - Openings

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

Project Name	Residences on Kennedy Circle	Strawberry Fields Residences - 12540 Kennedy Road	Strawberry Fields Residences - 12550 Kennedy Road	Vic Condominiums	Westmount Boutique Residences
Developer	Gable View Homes	Chacon Developments Inc.	Chacon Developments Inc.	Forest Green Homes	Quadcam Development Group
Date Opened	November 24, 2022	November 1, 2022	November 1, 2022	November 17, 2022	November 5, 2022
Municipality	Milton	Caledon	Caledon	Mississauga	North York
Region	Halton	Peel	Peel	Peel	Toronto
Structural Type	Apartment	Apartment	Apartment	Apartment	Apartment
Floors	6	4	3	5	10
Project Total Units	**148**	**134**	**24**	**79**	**134**
Total Units Released	**148**	**134**	**24**	**79**	**134**
Studio	-	-	-	-	-
1 Bedroom	59	39	2	24	20
1 Bedroom + den	48	71	18	25	47
2 Bedroom	41	21	-	22	54
2 Bedroom + den	-	3	4	8	13
3 Bedroom & up	-	-	-	-	-
Penthouse	-	-	-	-	-
Townhouse	-	-	-	-	-
Other	-	-	-	-	-
Opening Month Sales	**0**	**17**	**1**	**8**	**40**
Next Month Sales	**67**	**21**	**1**	**3**	**6**
% Sold (of released units)	45%	28%	8%	14%	34%
Remaining Available Inventory	81	96	22	68	88
Original $PSF	$1,026	$951	n.a.	$1,293	$1,403
Minimum Size (sq. ft.)	606	493	633	495	530
Maximum Size (sq. ft.)	1,042	857	858	965	1,214
Minimum Price	$674,990	$504,999	$504,999	$631,900	$759,880
Maximum Price	$900,900	$849,999	$849,999	$1,268,900	$1,717,880
Notes					

Source: Altus Group

December 2022 New Project Launches by Number of Units



Source: Altus Group

New Condominium Apartment Project Openings - December 2022

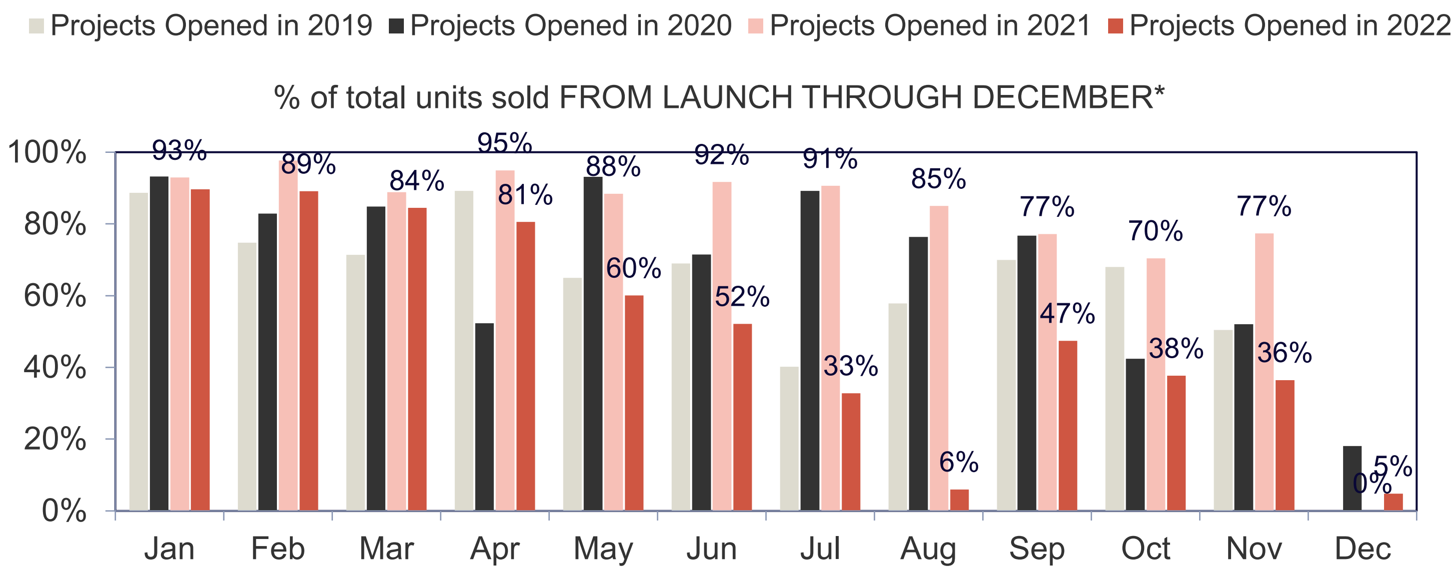
Project Name	**Downtown Aura**	**Heartlake Collection at UPtowns**
Developer	Umbria Development Group	Vandyk Properties Inc.
Date Opened	December 5, 2022	December 3, 2022
Municipality	Brampton	Brampton
Region	Peel	Peel
Structural Type	Stacked	Stacked
Floors	3	3
Project Total Units	**148**	**144**
Total Units Released	**148**	**94**
Studio	-	-
1 Bedroom	-	8
1 Bedroom + den	-	-
2 Bedroom	148	74
2 Bedroom + den	-	-
3 Bedroom & up	-	12
Penthouse	-	-
Townhouse	-	-
Other	-	-
Opening Month Sales	**6**	**8**
% Sold (of released units)	4%	9%
Remaining Available Inventory	142	86
Original $PSF	$936	$757
Minimum Size (sq. ft.)	818	556
Maximum Size (sq. ft.)	1,178	1,139
Minimum Price	$798,900	$599,990
Maximum Price	$1,069,990	$834,990
Notes		

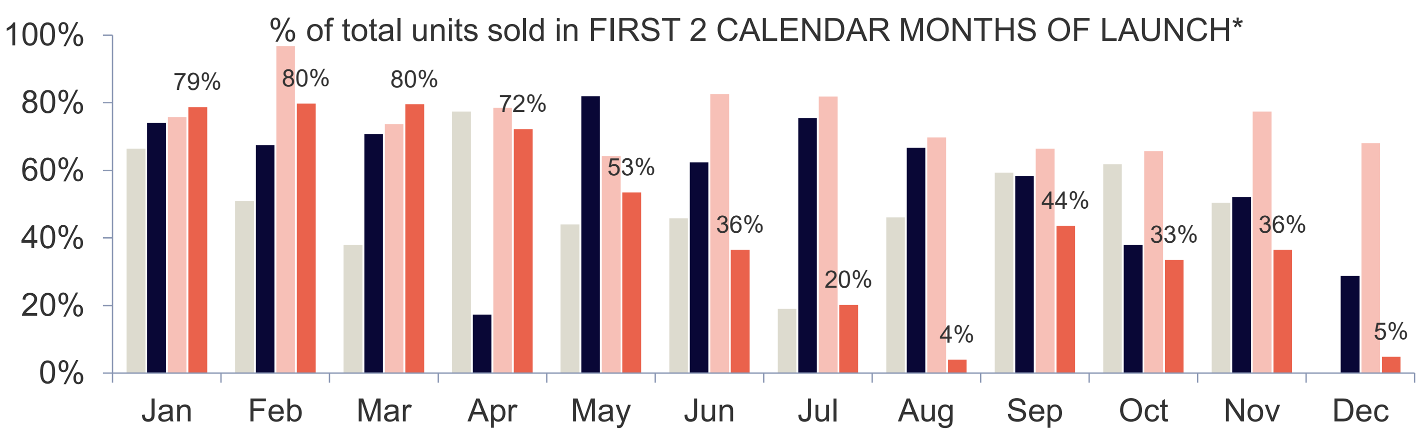
Source: Altus Group

New Condominium Apartments - Openings

- **Focusing on the 2 projects opened in December, just five percent of units launched were sold during the month**.
- Overall, the sales of projects launched over the past eight months have greatly lagged previous years as the impact of the rising cost of borrowing, along with the housing affordability crisis, took hold.
- 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 December)*



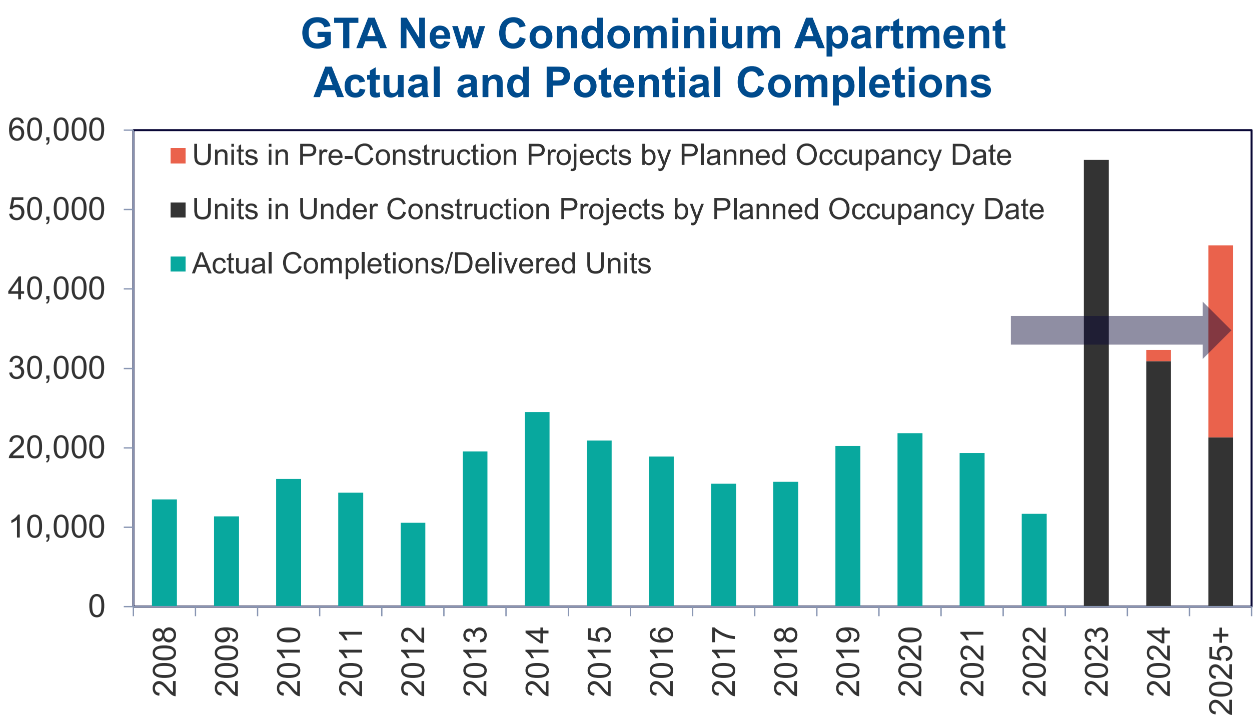


** The total includes unreleased units, and units released within the last 10 days of the month*

Source: Altus Group

New Condominium Apartments - Completions

- As of the end of 2022, there were about 134,000 new condominium apartment units in projects either under construction or in pre-construction stages (over 15,000 units more than at the end of 2021).
- **There have only been 11,689 units delivered in the entirety of 2022.** This is 40 percent below the level of completions in 2021 and about half the level of 2020.
- Based on planned occupancy dates, and only considering units currently under construction, one might expect that annual completions of condominium apartment units will be substantial higher in 2023. **However, ongoing supply chain issues along with pandemic-related protocol disruptions may continue to add to the "typical" construction delays experienced in the recent pre-pandemic years**. Rising construction costs and interest rate hikes are also top of mind for both consumers and developers, further contributing to potential delays.

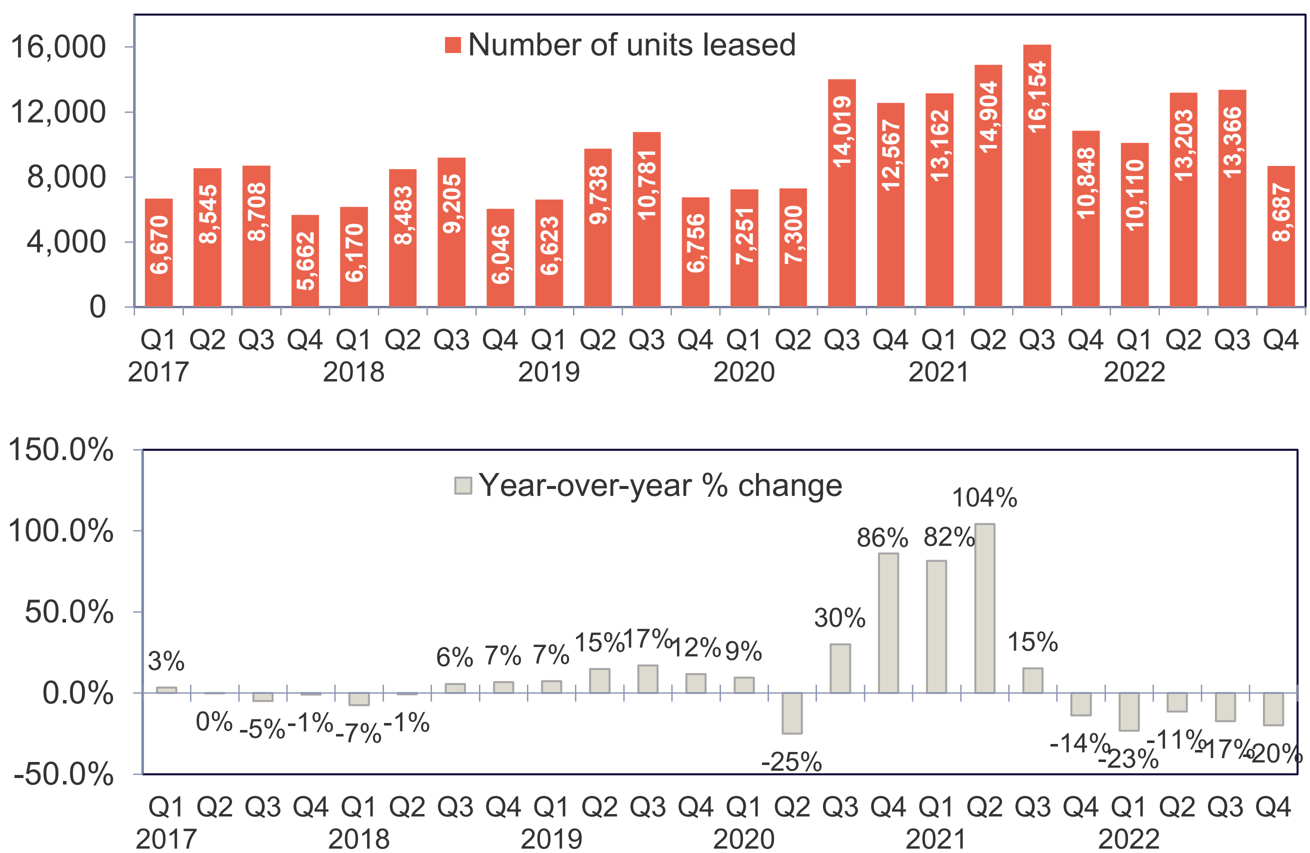


Source: Altus Group

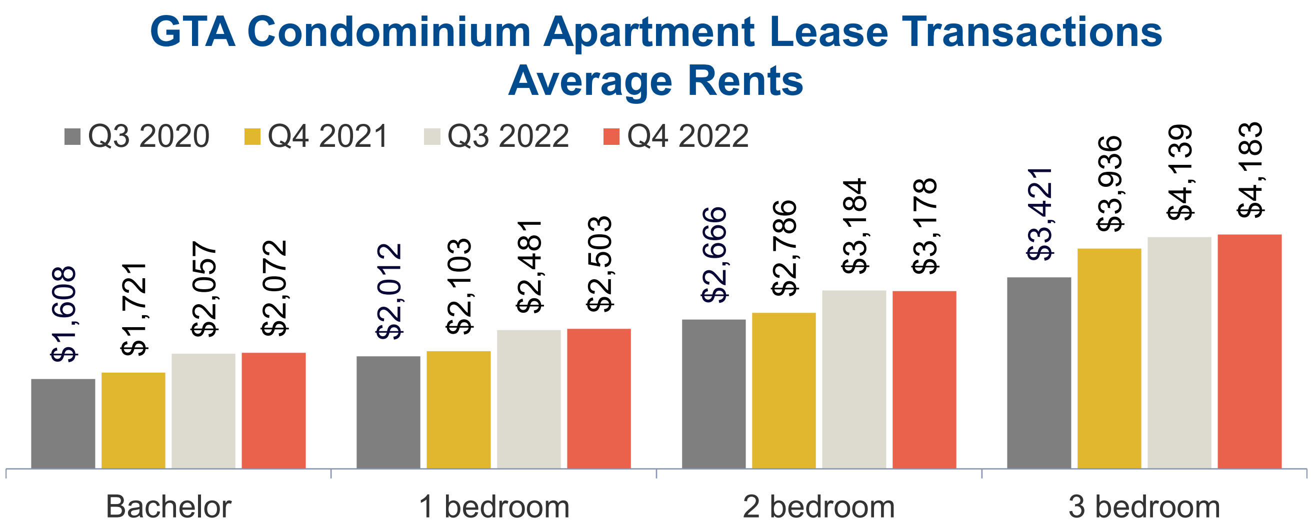
Condominium Apartment Rentals

- **The number of GTA condo apartment lease transactions slowed again in Q4 2022** (according to data from the Toronto Regional Real Estate Board) compared to both the previous year and previous quarter.
- **Rising rents are important for investor interest in the sector.** Apartment rents in the GTA have fully recovered from the losses that occurred at the start of the pandemic *(charts next page)*. **Tighter conditions continued in Q4 2022**, as both listings and units leased were down from the previous quarter (*charts after next page*), which could contribute to additional rent increases in the near term.

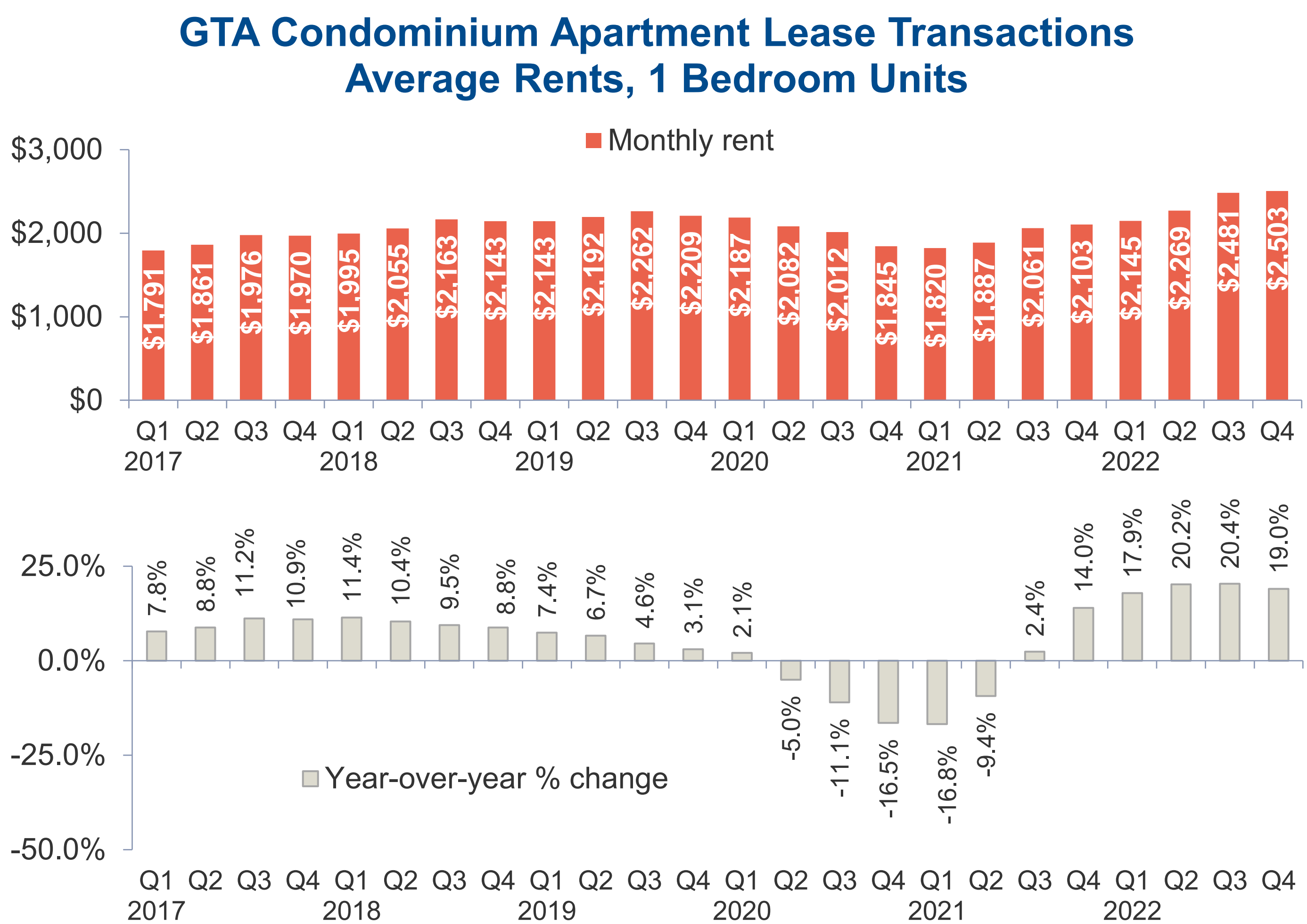
GTA Condominium Apartment Lease Transactions (All Bedroom Types)



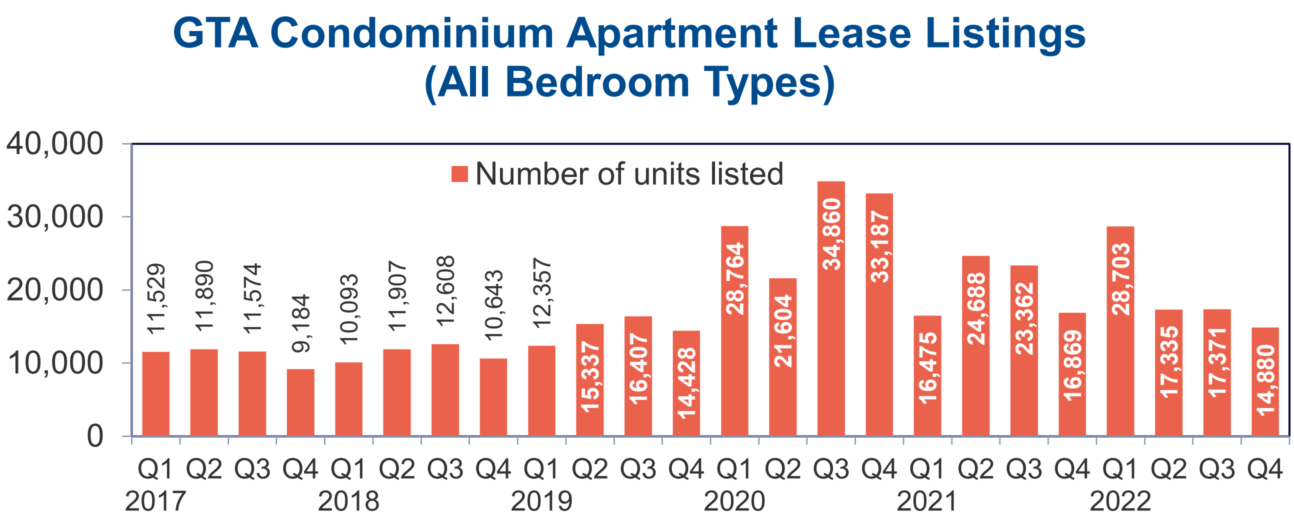
Source: Altus Group based on Toronto Regional Real Estate Board data

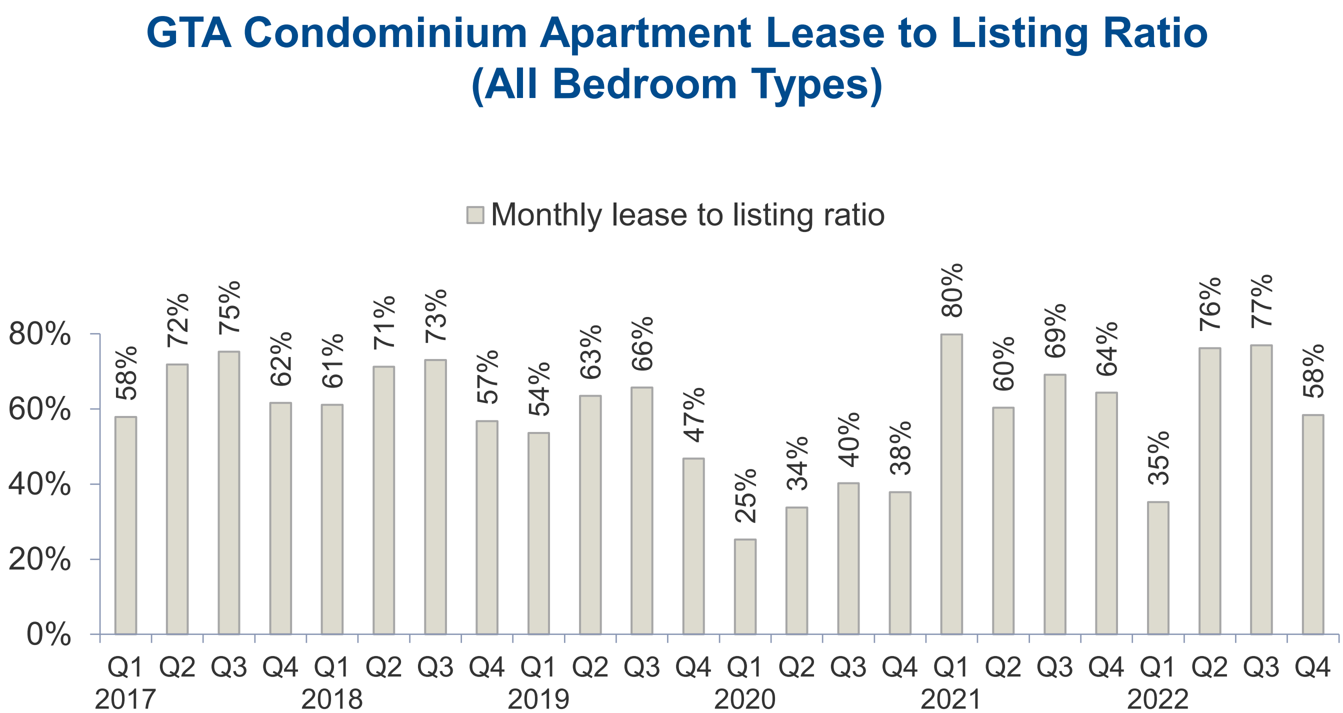


Source: Altus Group based on Toronto Regional Real Estate Board data



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

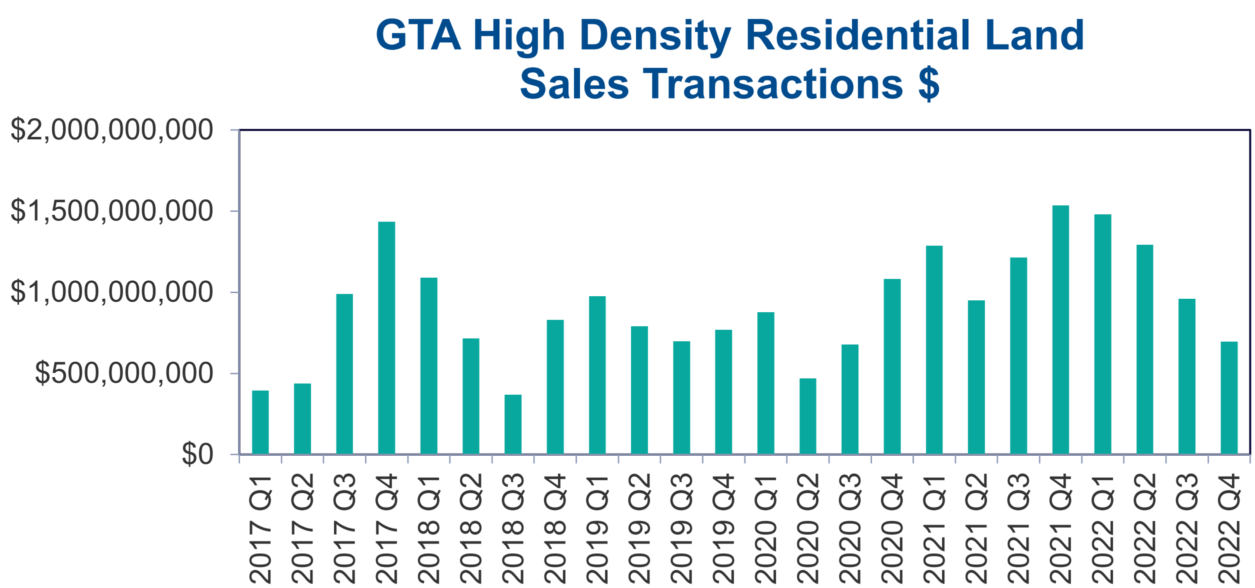




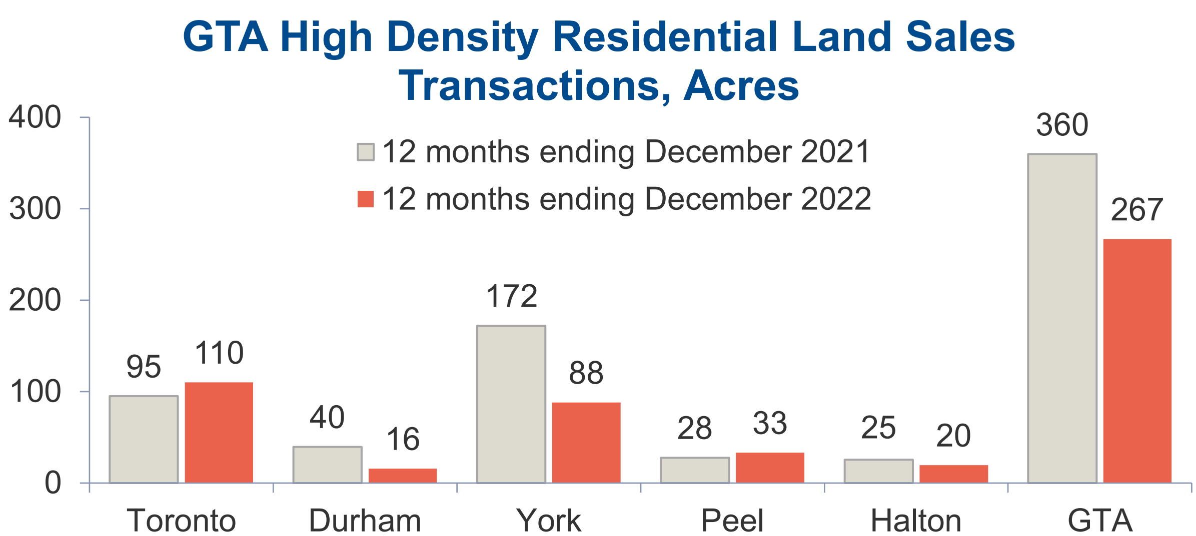
Source: Altus Group based on Toronto Regional Real Estate Board data

High Density Residential Land Sales

- **High density residential land sales continue to be buoyant, confirming confidence in the long-term prospects for the multi-family sector.** However, transactions have fallen year-over-year for the 2nd consecutive quarter, following a similar path for the wider market, according to Altus Group transactions data.
- For 2022 as a whole, $4.4 billion of high density residential land traded – about 10 percent less than in 2021. The decrease in the number of acres of high density residential land traded outpaced the investment decline, down 25 percent from the previous year.



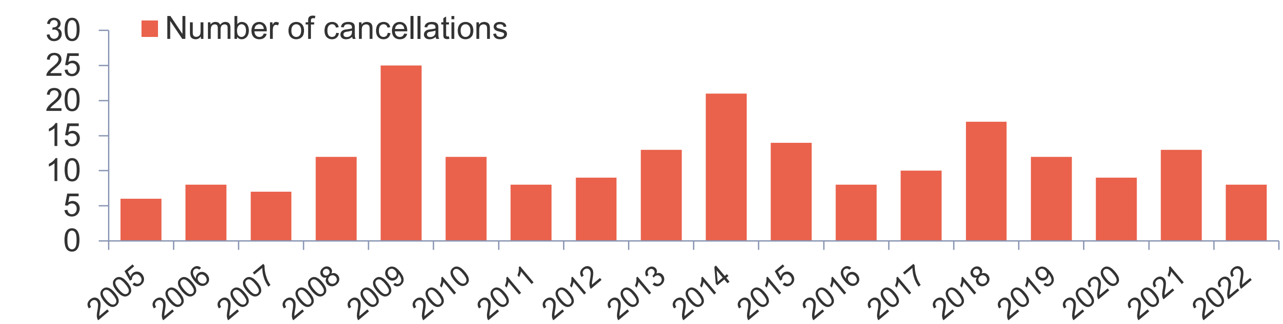
Source: Altus Group

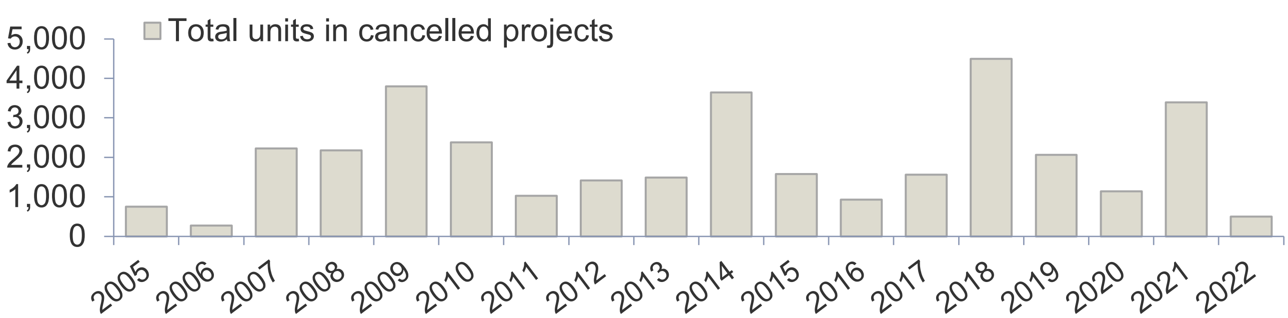


Source: Altus Group

- **Fewer new condo projects were cancelled in 2022 than in 2021.** In addition, the average size of projects cancelled was only roughly 62 units – well below the average size of 175 units per cancelled project over the past 15 years.
- **The vast majority of non-cancelled projects that opened before 2020 are now under construction or completed** (*charts next page*), and therefore less at risk of being cancelled (although this could still occur).
- **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 (in particular for less experienced builders). Looking at the results for projects cancelled in the 2005 to 2016 period (*chart after next page*), the majority had sales of less than 70% of the units (the typical threshold for construction financing). For projects cancelled in 2017, 2018 and 2019, however, this was not the case: most had achieved sales of 70% or more. In 2020, poor sales again were a factor in cancelled projects while for projects cancelled in 2021, about two-thirds had sold 70% or more of the units, but none had sold out. In 2022, 2 of the 8 cancelled projects had sold out and another 3 had at least 70% of their units sold.

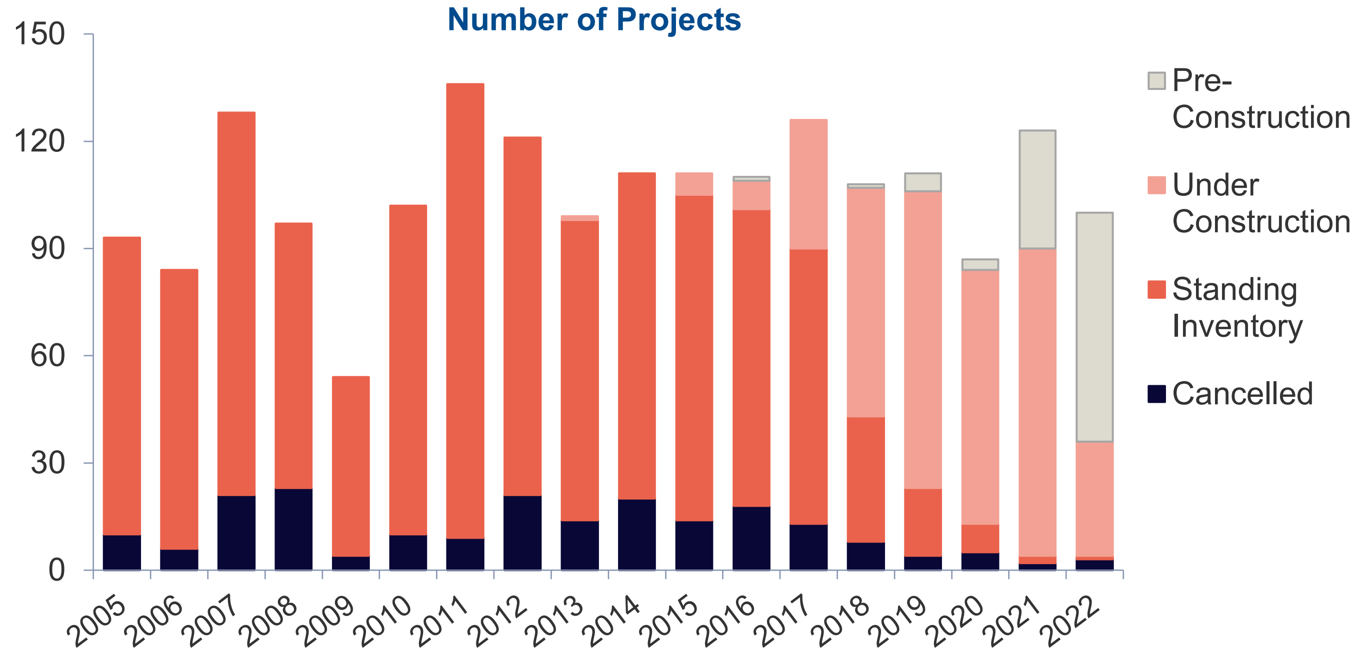
Condominium Apartment Projects Cancelled During Each Year, GTA

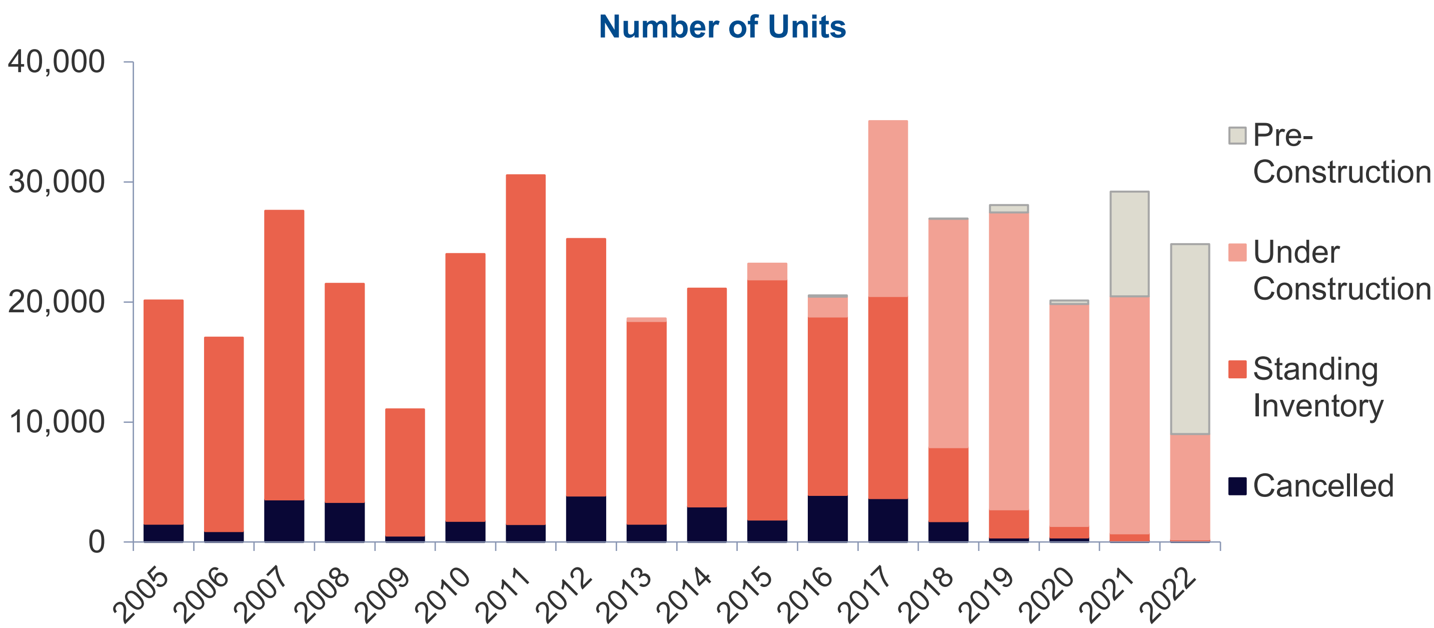




Source: Altus Group

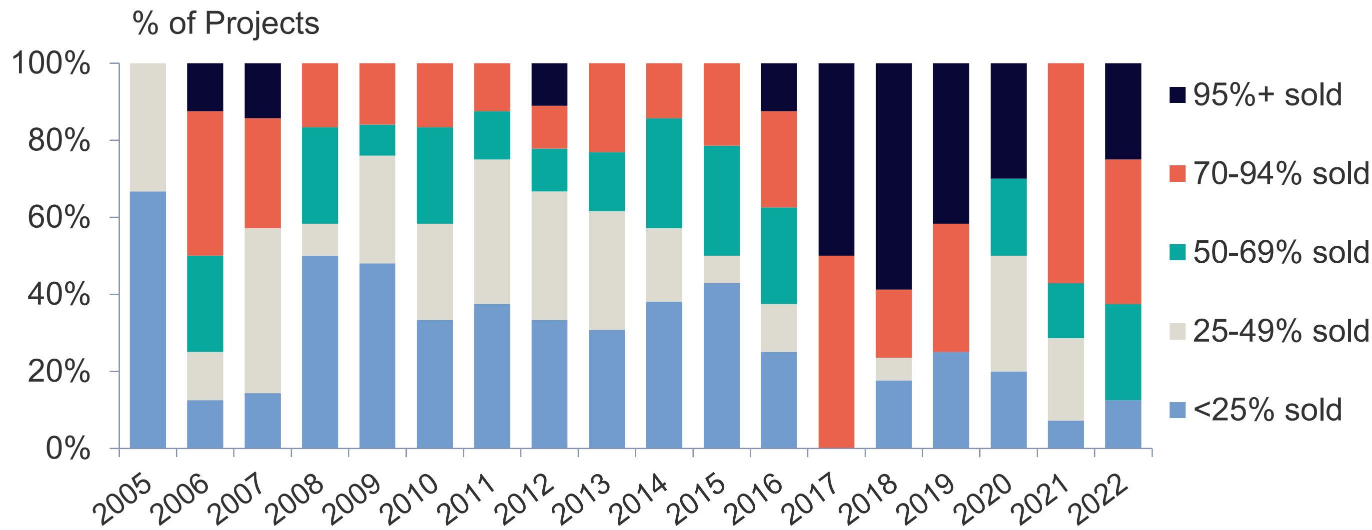
Current Status of Condominium Apartment Projects by Year Opened, GTA





Source: Altus Group

Cancelled Condominium Apartment Projects by Year Cancelled Showing % of Units Sold, GTA



Source: Altus Group

Altus Group GTA New Home Data Definitions

AltusGroup

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