AltusGroup

The Altus Group Condominium Apartment Monitor

GTA Edition

Data as of April 2023

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New Condominium Apartment Dashboard

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April 2023			YTD April 2023	
Sales	**Inventory**	**Benchmark Price**	**Sales**	**Benchmark Price**
1,327	**13,588**	**$1,102,904**	**3,456**	**$1,115,282**
-57%	**+68%**	**-7%**	**-71%**	**-6%**
Lowest April since 2020	***Highest April since 2019***	***2nd highest April on record***	***Lowest YTD April since 2009***	***2nd highest YTD April on record***

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

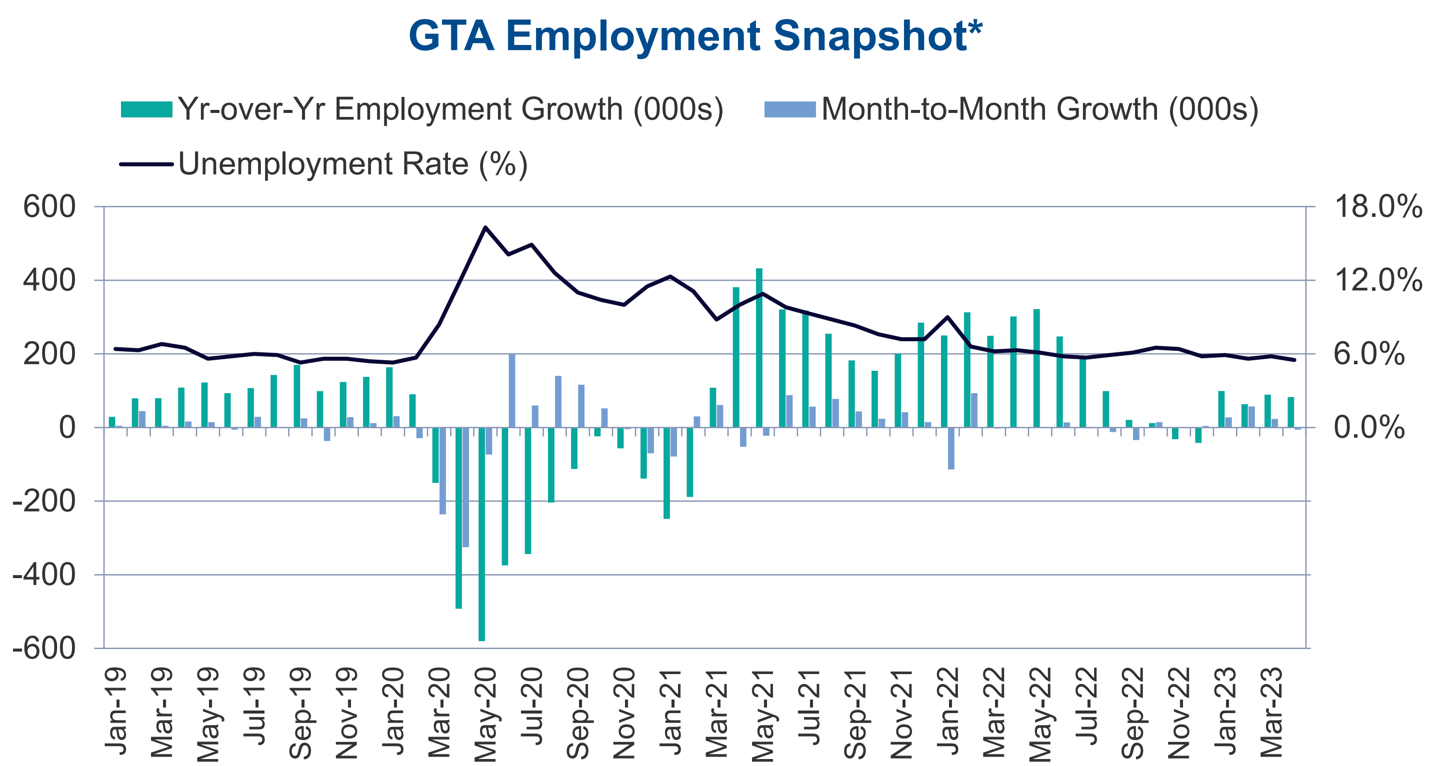
Highlights

- **GTA homebuyers returned to the market driving new home sales higher.** GTA new condominium apartment sales were stronger than during the first quarter of the year though remain almost 60 percent behind last year. New single-family sales are up 81 percent over last year as this sector had started to slow earlier due to the combined impacts of affordability and interest rate hikes.
- **The inventory of new condominium apartments grew further and is near its 10-year average.**
- **The benchmark price of a new condominium apartment slipped lower in April 2023 relative to last month, recording a 5th consecutive year-over-year decline.**
- **The fundamentals had pointed to a rebound in April and that strength is expected to continue through the Spring market.** However, the upswing in sales is predicated on buyers' expectations of interest rate stability and inflation levels continuing to ease.

GTA Condominium Apartment Key Performance Indicators

	Apr-22	Mar-23	Apr-23	*Yr-Over-Yr % Change*	YTD Apr 2022	YTD Apr 2023	*Yr-Over-Yr % Change*
New Condominium Apartments (Altus Group data)*							
Total active sites	316	353	359	*14%*	321	352	*10%*
New projects opened	15	4	7	*-53%*	41	20	*-51%*
Units in new projects opened	3,928	920	2,144	*-45%*	11,413	6,048	*-47%*
Total sales (units)	3,065	950	1,327	*-57%*	11,978	3,456	*-71%*
Sales as % of total new & resale	*59%*	*31%*	*38%*		*54%*	*34%*	
Inventory (units)	8,091	12,873	13,588	*68%*	8,072	12,844	*59%*
Sales-to-inventory ratio	38%	7%	10%	*-74%*	38%	7%	*-82%*
Months of inventory	2.8	10.7	12.8	*359%*	2.8	10.0	*264%*
Benchmark price	$1,189,134	$1,117,867	$1,102,904	*-7%*	$1,192,518	$1,115,282	*-6%*
Price PSF Benchmark	$1,329	$1,379	$1,372	*3%*	$1,300	$1,372	*6%*
Unit size Benchmark (sq. ft)	895	811	804	*-10%*	918	813	*-11%*
Units completed	972	2,550	1,090	*12%*	3,281	4,496	*37%*
Resale Condominium Apartments (Toronto Real Estate Board data)							
Total sales (units)	2,173	2,121	2,160	*-1%*	10,115	6,686	*-34%*
New listings (units)	4,723	3,600	3,439	*-27%*	16,150	12,593	*-22%*
Inventory ("active listings", units)	3,753	3,930	3,944	*5%*	2,506	3,866	*54%*
Sales-to-inventory ratio	58%	54%	55%	*-5%*	111%	43%	*-61%*
Months of inventory	1.4	2.6	2.6	*89%*	0.9	2.5	*174%*
Average price of units sold	$789,869	$703,566	$724,118	*-8%*	$790,234	$708,365	*-10%*
HPI constant quality price index (Jan 2005=100)	408.9	353.6	358.9	*-12%*	393.8	353.4	*-10%*

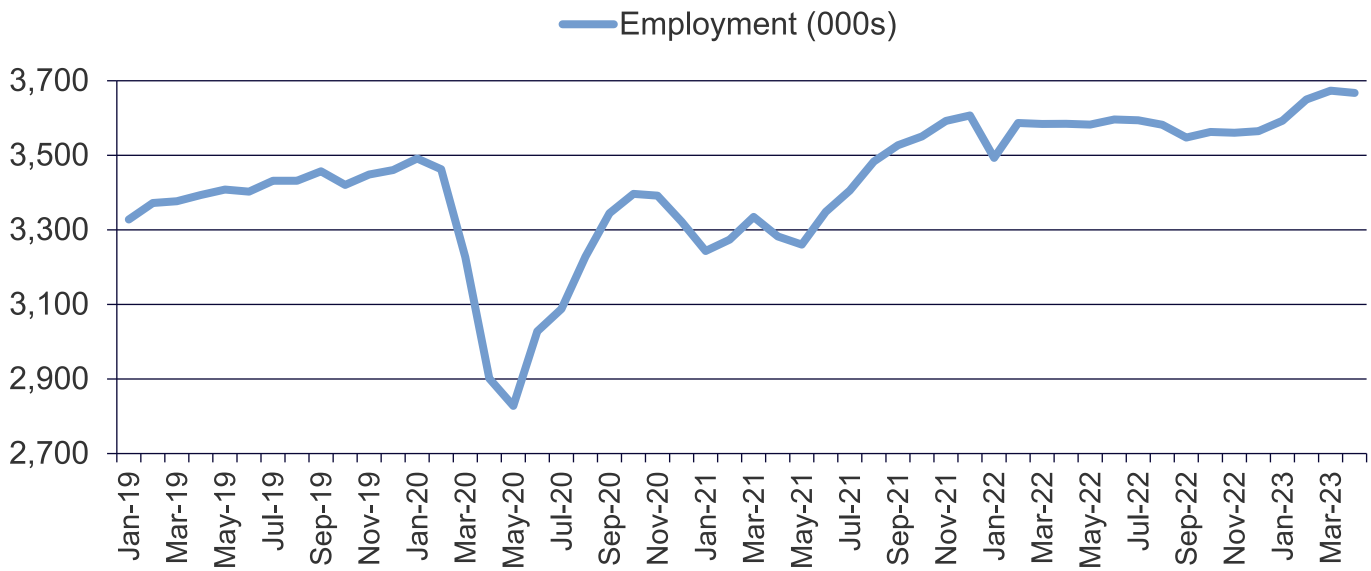
- **The GTA labour market continued to roll along.** Year-over-year employment growth in May 2023 was positive while month-to-month growth dipped slightly. The GTA unemployment rate for May 2023 fell to 5.5 percent, its lowest level since January 2020 just prior to the onset of the pandemic.
- **The Bank of Canada left the target for the overnight rate unchanged at 4.5 percent at its latest rate announcement on April 12**, stating that **"***In Canada, demand is still exceeding supply and the labour market remains tight... As more households renew their mortgages at higher rates and restrictive monetary policy works its way through the economy more broadly, consumption is expected to moderate this year. Softening foreign demand is expected to restrain exports and business investment . . . Quantitative tightening continues to complement this restrictive stance. Governing Council continues to assess whether monetary policy is sufficiently restrictive to relieve price pressures and remains prepared to raise the policy rate further if needed to return inflation to the 2% target.*" **The next rate announcement date is June 7.**
- **Both the 5-year variable rate and 5-year fixed "special" mortgage interest rates were unchanged at the end of May relative to April.** The 5-year fixed special rate had fallen by 20 basis points since the end of January following an over 325 basis point increase from the recent low in early Fall 2021 *(chart next page, bottom).*



Source: Altus Group based on Statistics Canada data

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

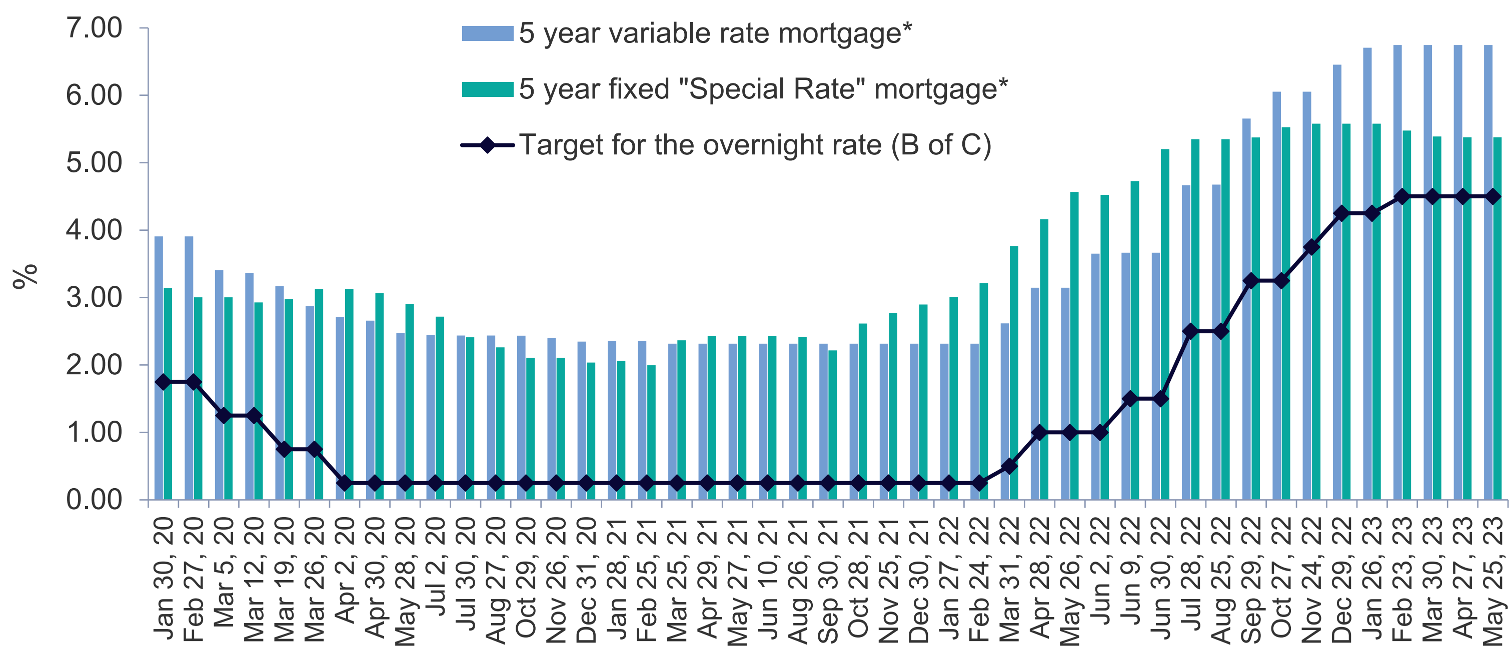
GTA Total Employment*



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

Source: Altus Group based on Statistics Canada data

Selected Interest Rates



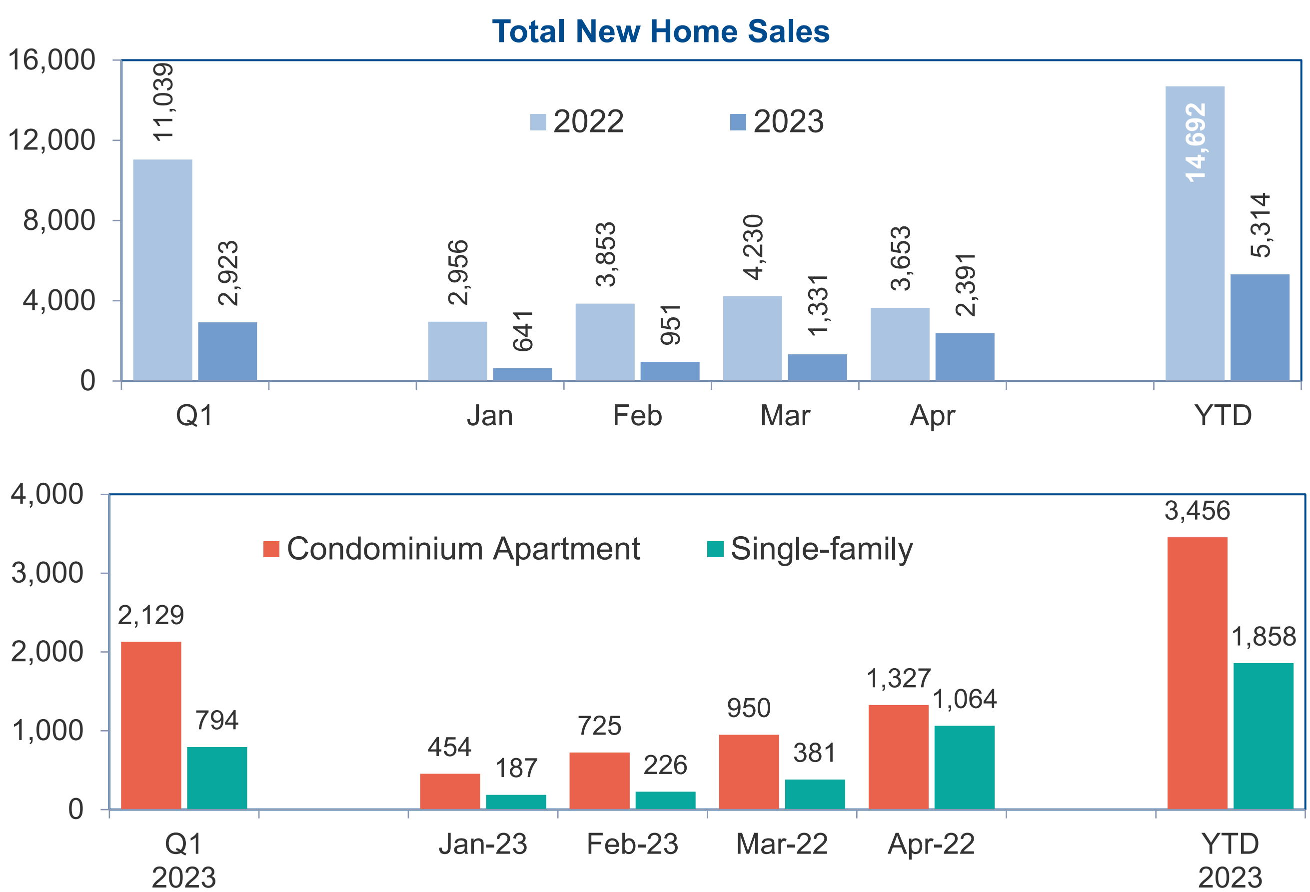
** Average for the major banks*

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

New Home Market - Sales

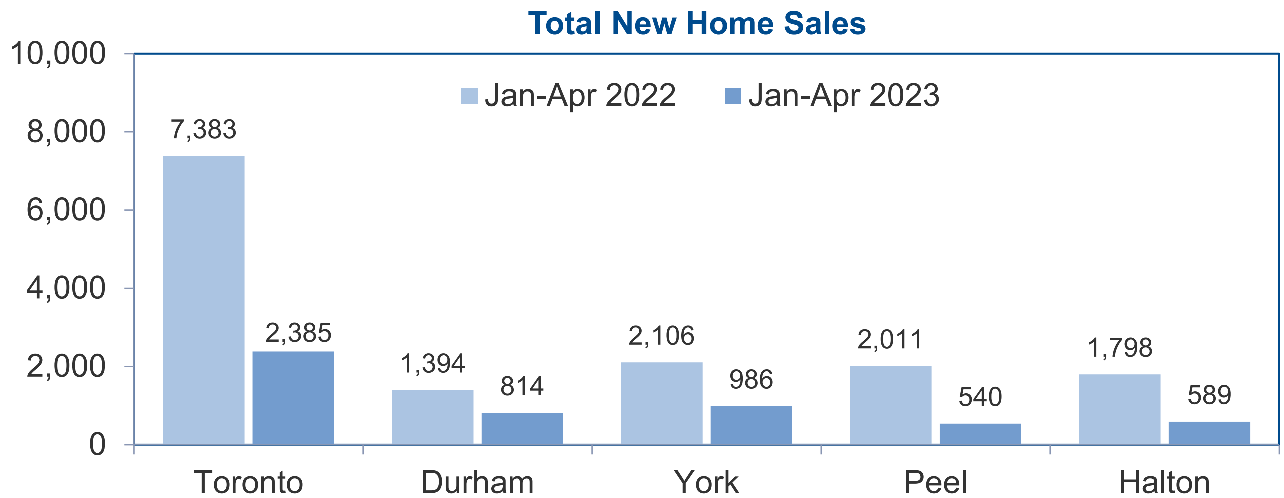
- **Total new home sales in April 2023 improved as buyers returned.** Although down 35 percent from April 2022, total sales reached their highest level in almost a year on a seasonally adjusted basis.
- **Both the new single-family and condominium apartment sectors shared in the upswing in sales**.
- **All regions recorded lower total new home sales through the first four months of 2023.** Each region also recorded lower sales year-to-date for both new condominium apartment and new single-family sales except for an increase in single-family sales in Durham Region (*charts next page*).

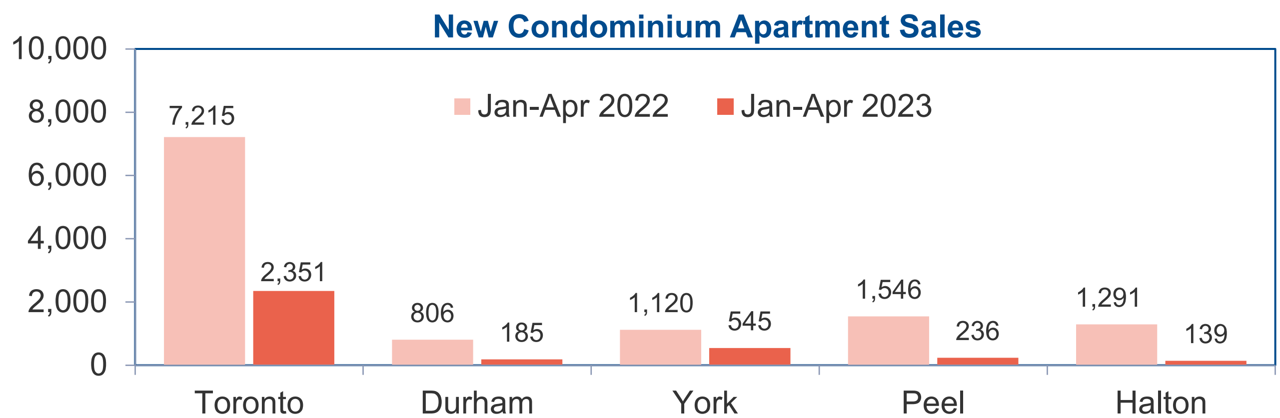
GTA New Home Sales

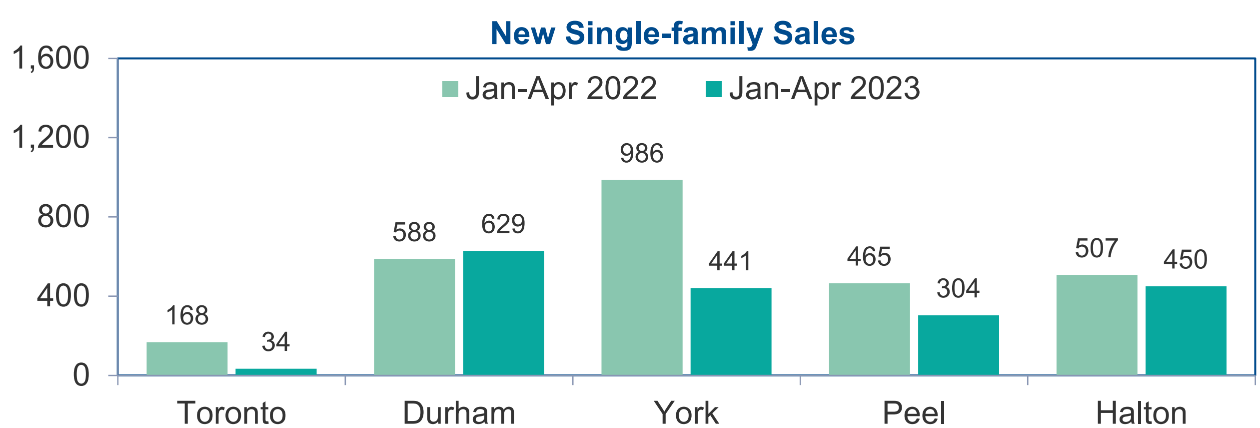


Source: Altus Group

GTA New Home Sales by Region

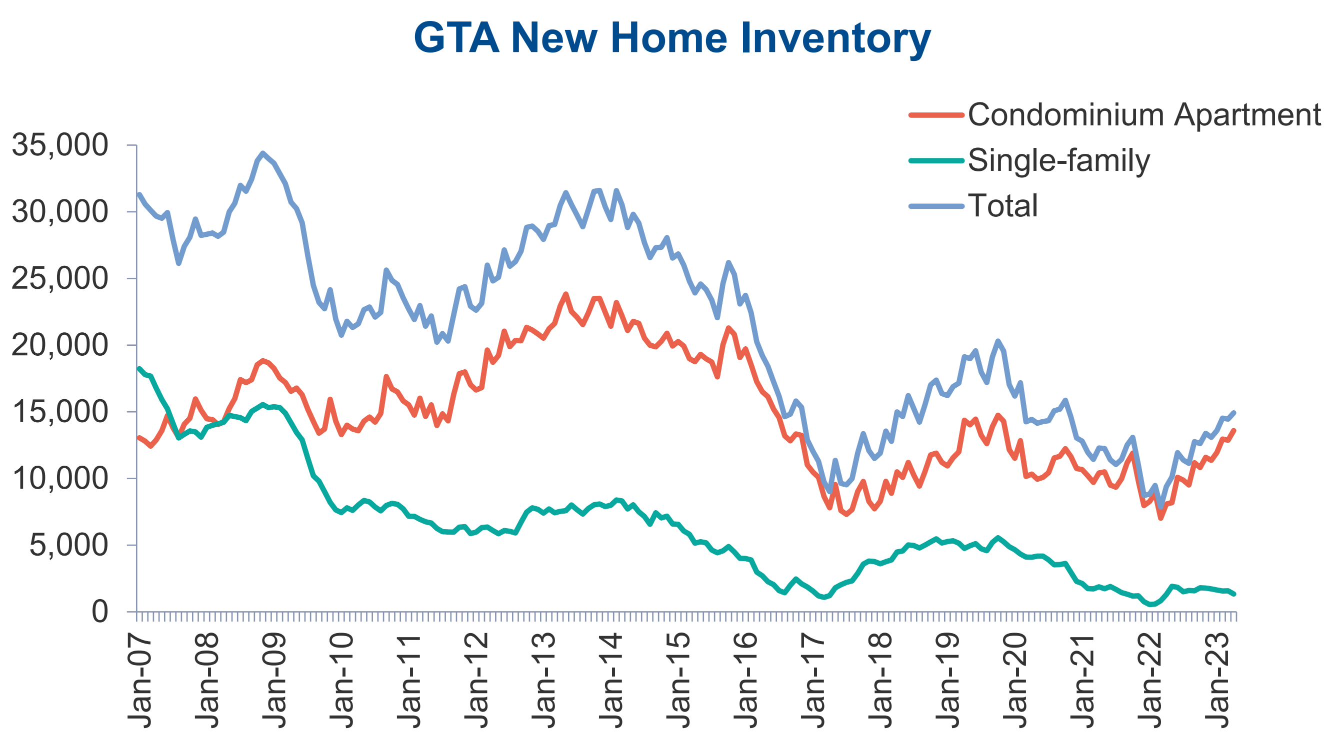






Source: Altus Group

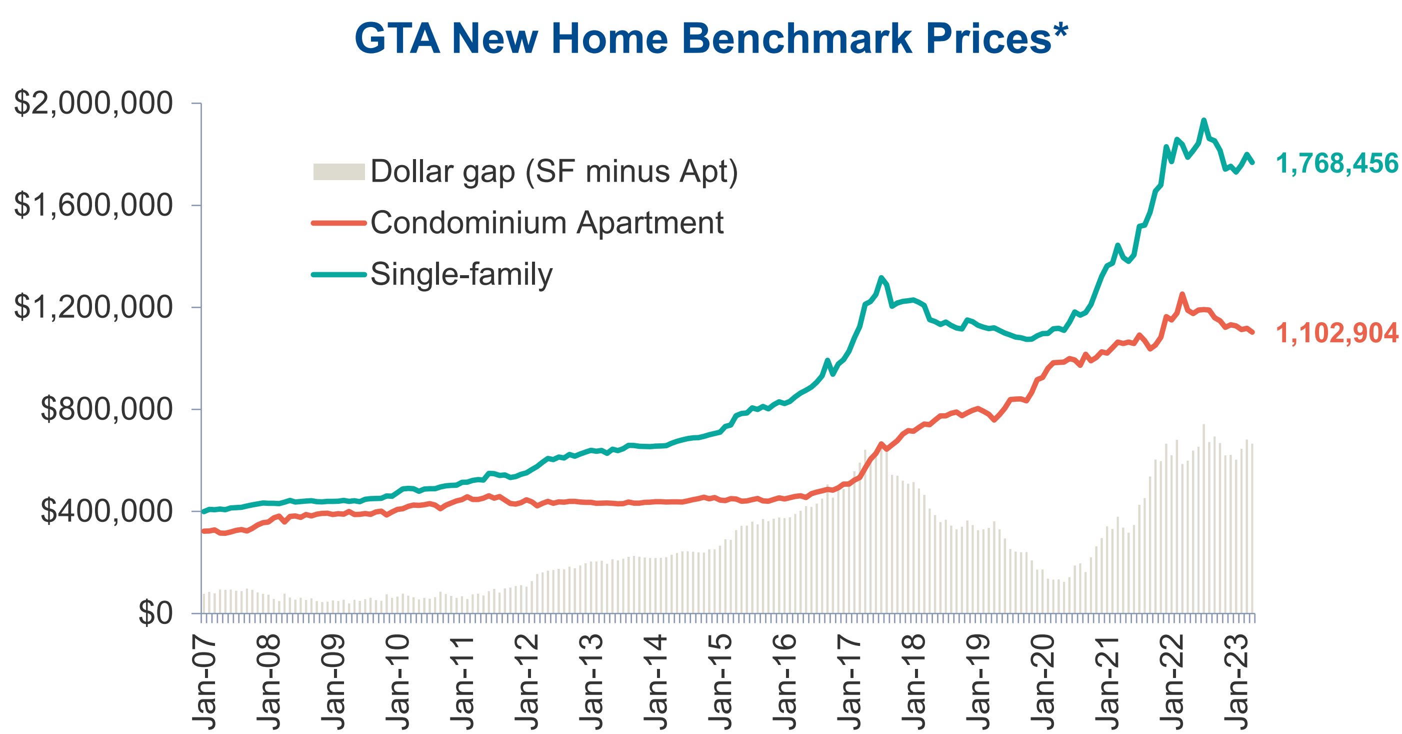
- **The total inventory of new homes across the GTA crept upwards in April 2023.** Total inventory was up by nearly 60 percent compared to a year earlier though still remains well below the 10-year average.
- Based on average monthly total new home sales over the past 12 months, there were 4 months of available supply of total new homes at the end of April 2023, well below the 10-year average for April of more than 6½ months.
- **Condominium apartment inventory rose in April 2023 but remained below the 10-year average for April** while single-family inventory slipped from March's level and is just one-third of the 10-year average.



Source: Altus Group

New Home Market - Prices

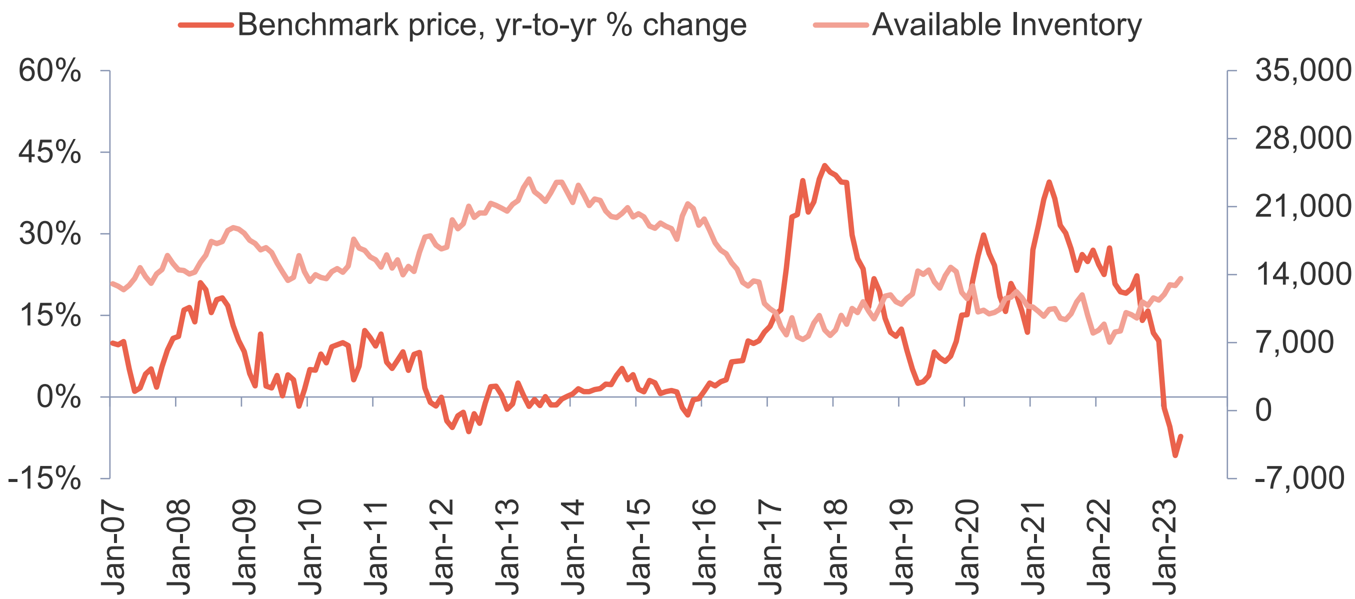
- **The benchmark price for a new condominium apartment in April 2023 was lower relative to both last year and last month**, down 7 percent year-over-year. Single-family benchmark pricing also moved lower in April compared to last month and last year but is down just 1 percent year-over-year.
- **The price advantage of available new condominium apartments compared to new single-family homes narrowed in April.** Both the condominium apartment benchmark price and the single-family benchmark price registered year-over-year declines for the 5th consecutive month (*charts next page*).
- 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*

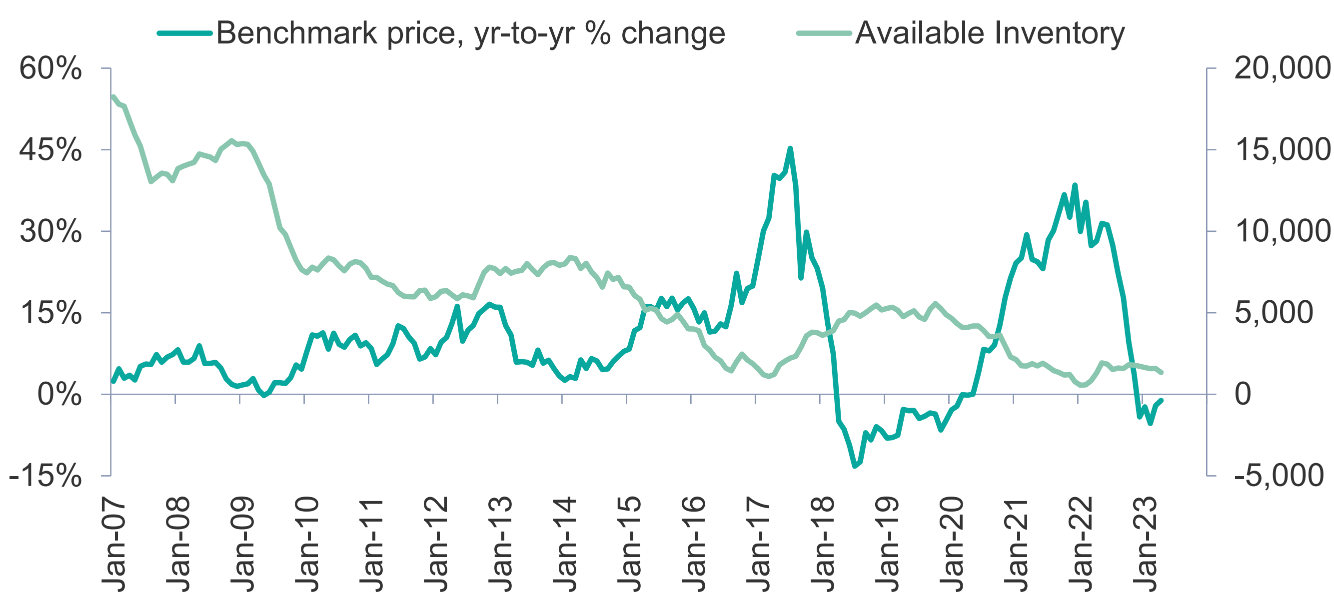
Source: Altus Group

GTA New Condominium Apartment Benchmark Price Changes and Available Inventory



Source: Altus Group

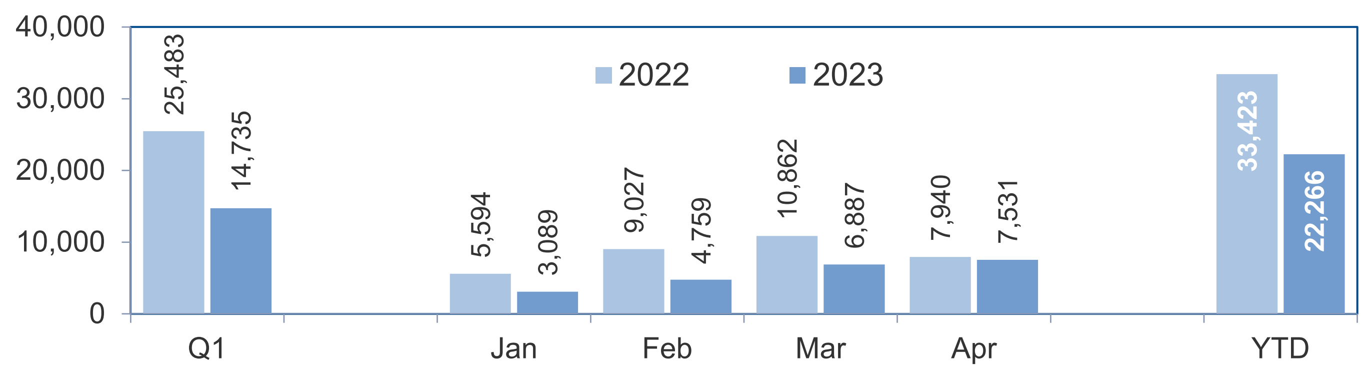
GTA New Single-Family Home Benchmark Price Changes and Available Inventory

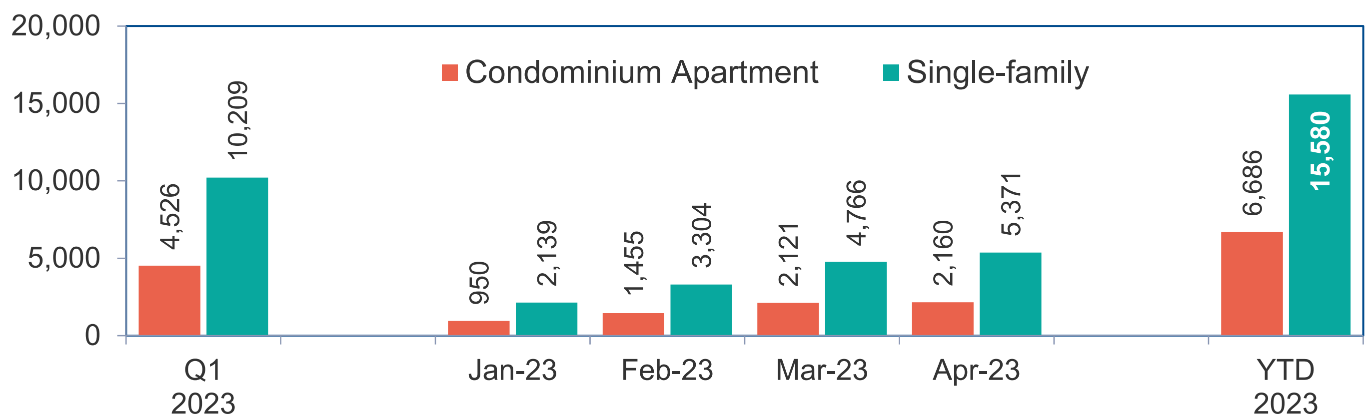


Source: Altus Group

- **Sales of existing homes rose further in April 2023** and were just 5 percent behind April 2022. Year-to-date total resales for 2023 were down by one-third compared to the same period in 2022 due mainly to the low levels for the first three months of 2023.
- Both the single-family and condo apartment sectors shared in the increase in resales from last month to sit near the level of a year ago.
- **Total resale inventory lags relative to both last year as well as the longer-term average.** Conditions were very tight with about 2.5 months of inventory in the resale condominium apartment sector and about 1.5 months of inventory in the resale single-family sector**.**
- Average resale prices in April 2023 in both the condominium apartment and single-family sectors moved higher compared to last month and the decline from last year is down to single digits in both sectors *(charts next page).*

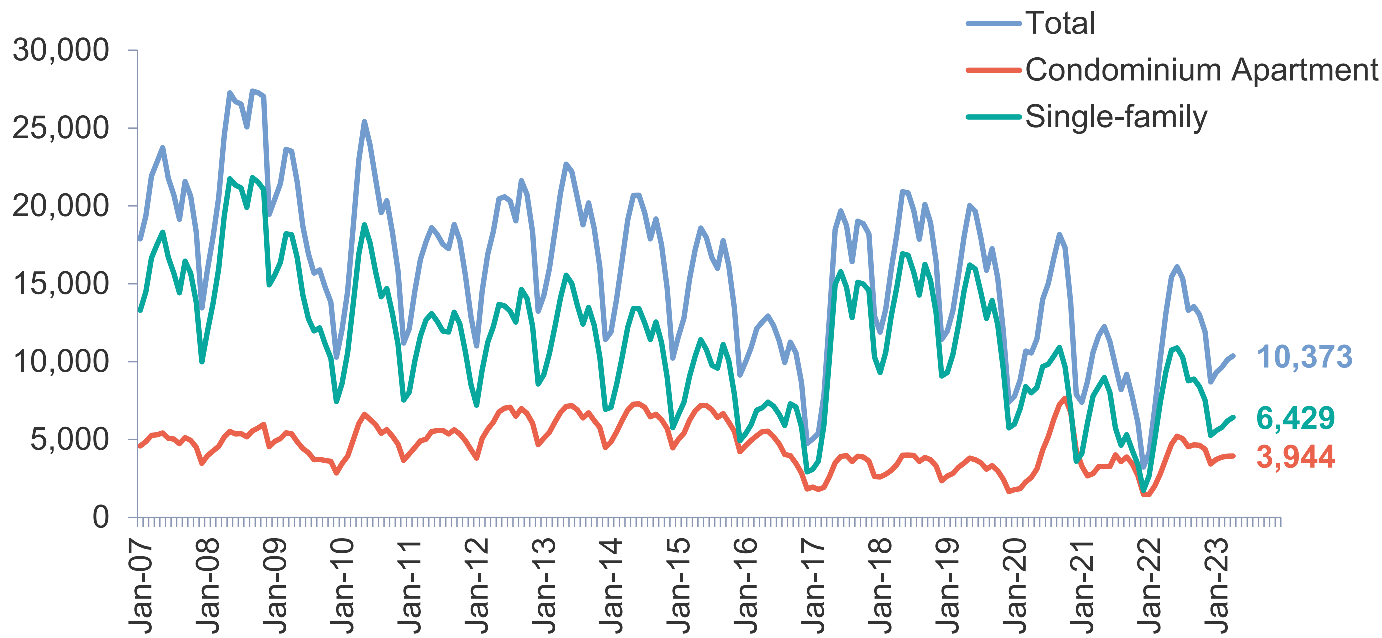
GTA Resale Home Sales





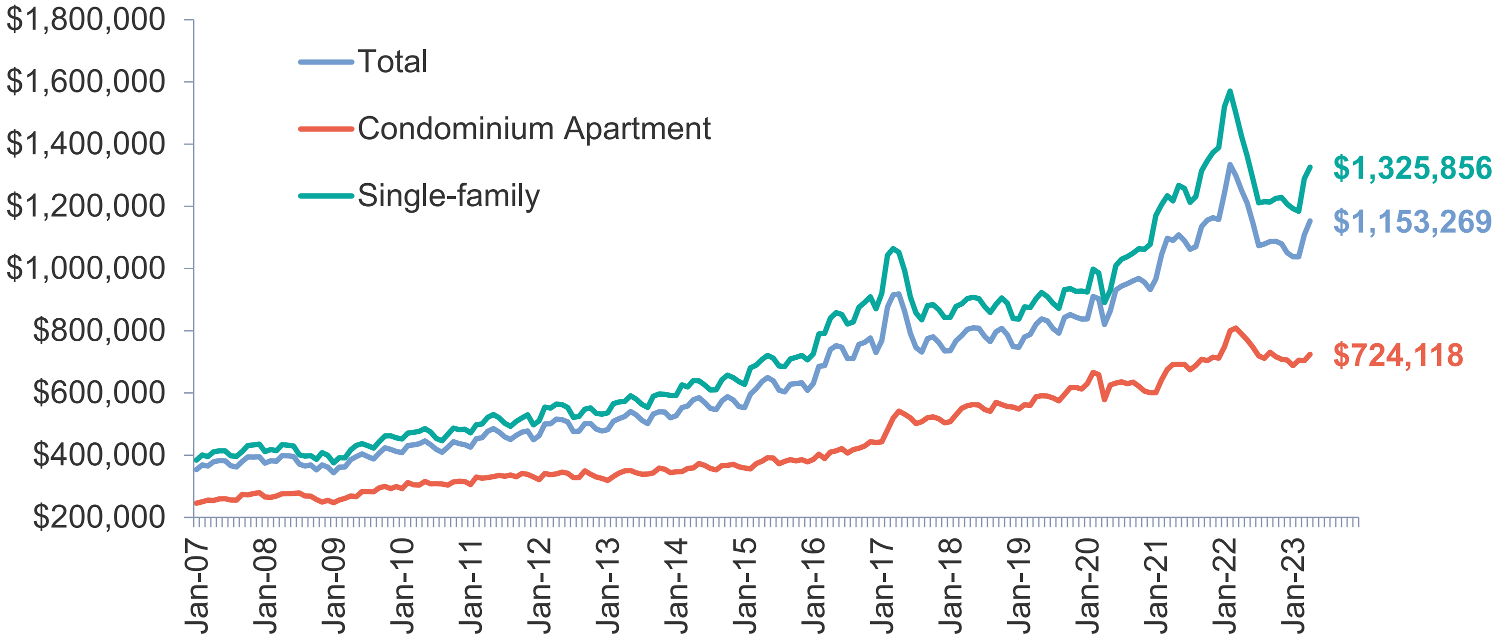
Source: Altus Group based on Toronto Regional Real Estate Board data

GTA Resale Home Inventory ("Active Listings")



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

GTA Resale Home Prices

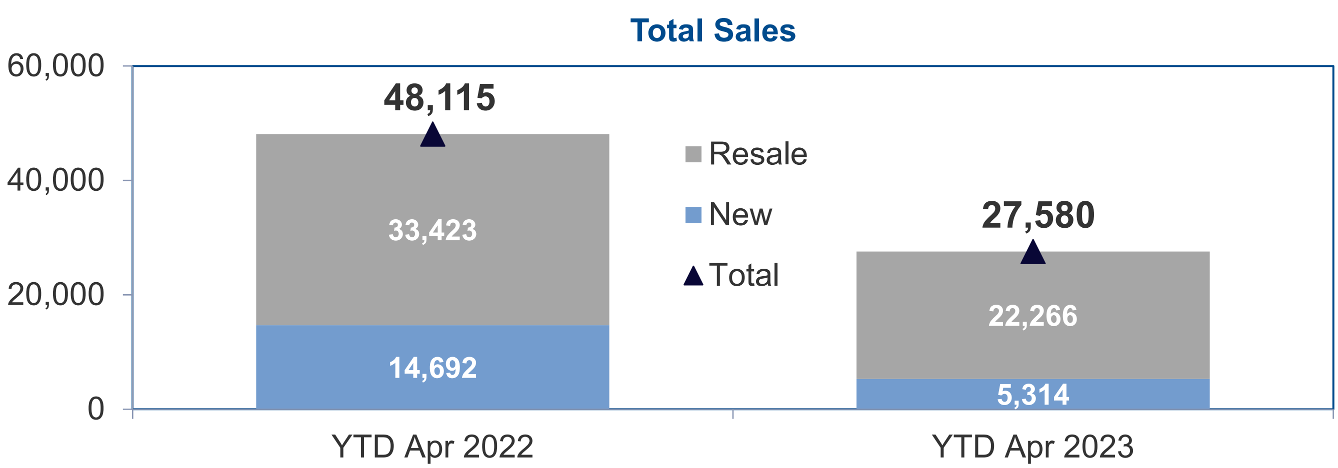


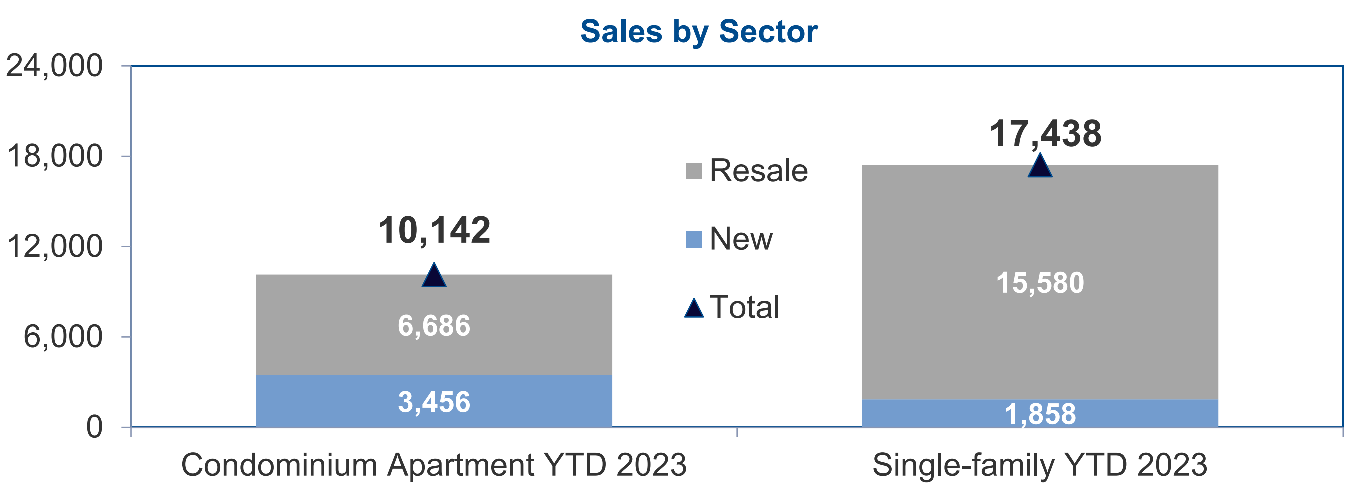
Source: Altus Group based on Toronto Regional Real Estate Board data

Overall Home Market - Sales

- **Total home sales in the GTA in April 2023 were down over 40% from a year earlier**. The decline was evident in both the single-family (-33%) and apartment (-54%) sectors.
- **The new home sector accounted for roughly 1 out of every 5 home sales through April 2023** – this compares to about 3 in 10 for 2022. About 1 in 9 single-family and 1 in 3 condo apartment homes sold were new homes.

GTA Combined New & Resale Home Sales



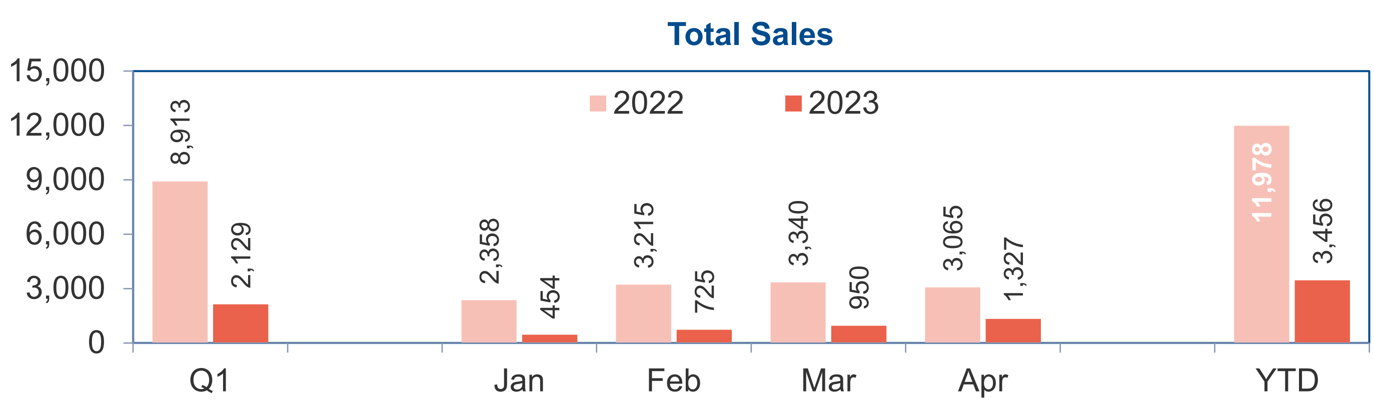


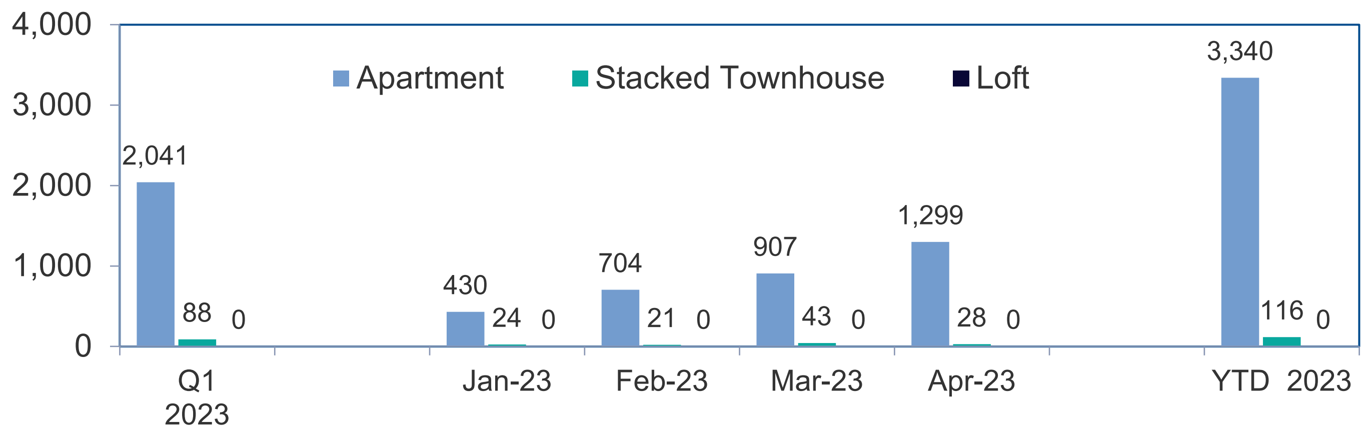
Source: Altus Group and Toronto Regional Real Estate Board data

New Condominium Apartments - Sales

- **GTA new condominium apartment sales strengthened in April 2023 as buyers began to return.** Despite the upswing compared to the first quarter of 2023, April sales are still well behind the level of the past two years. Year-to-date sales reached their lowest total since 2009.
- **Most of the improvement in April new condominium apartment sales was due to a jump in York Region,** which also surpassed its sales from April 2022. The remaining areas of the GTA reported lower sales both on a year-over-year basis as well as for year-to-date (*charts next page*).

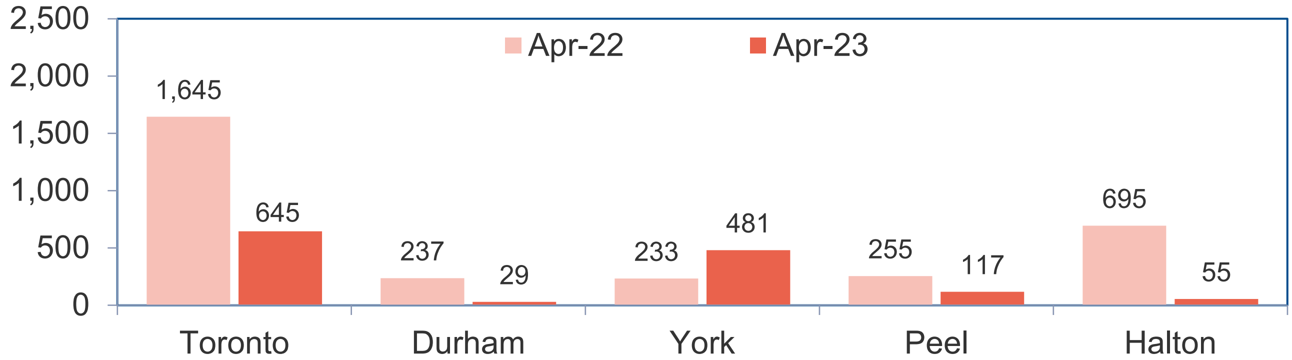
GTA New Condominium Apartment Sales

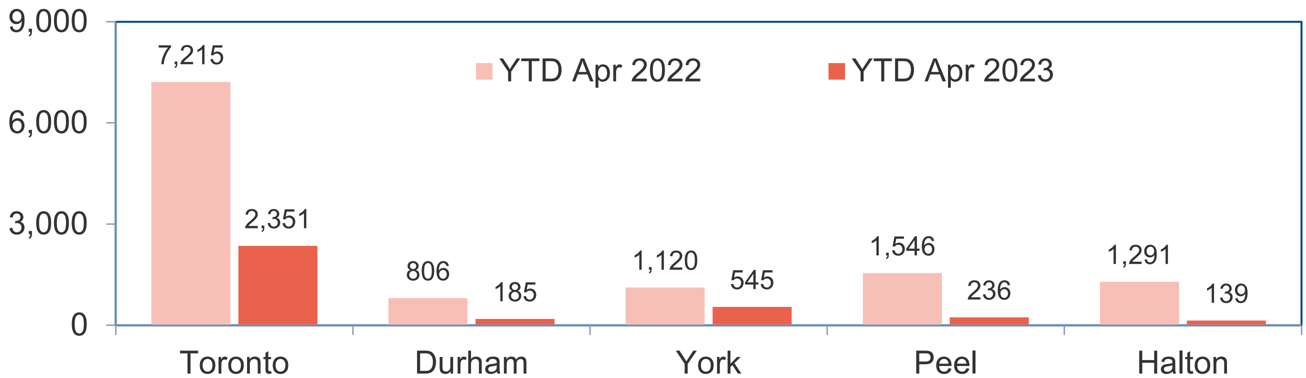


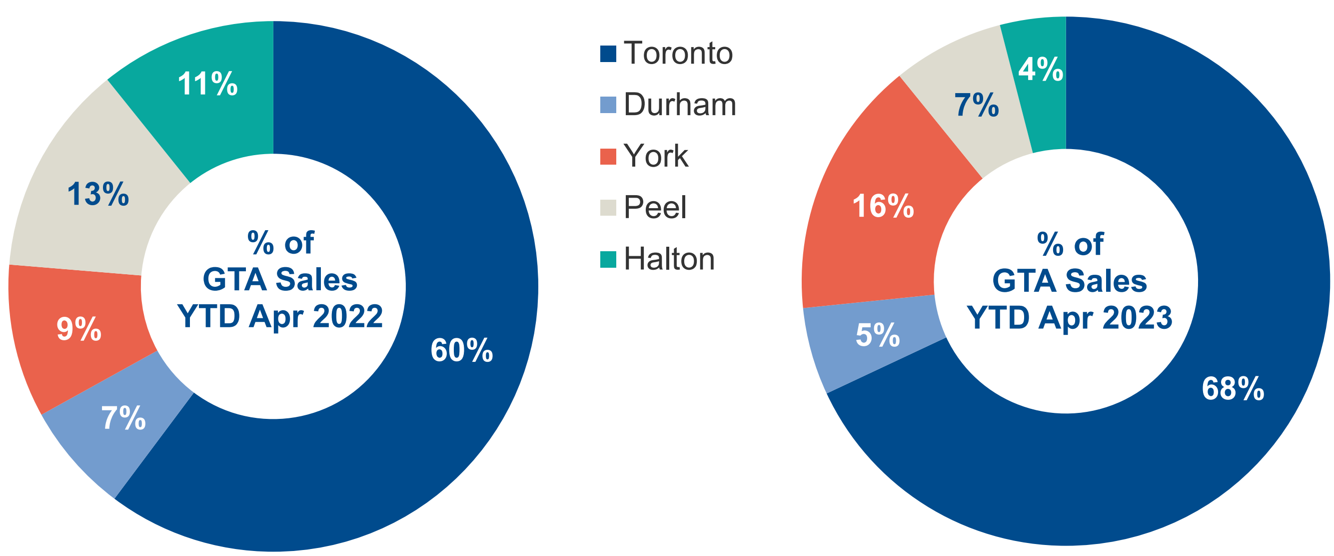


Source: Altus Group

GTA New Condominium Apartment Sales by Region





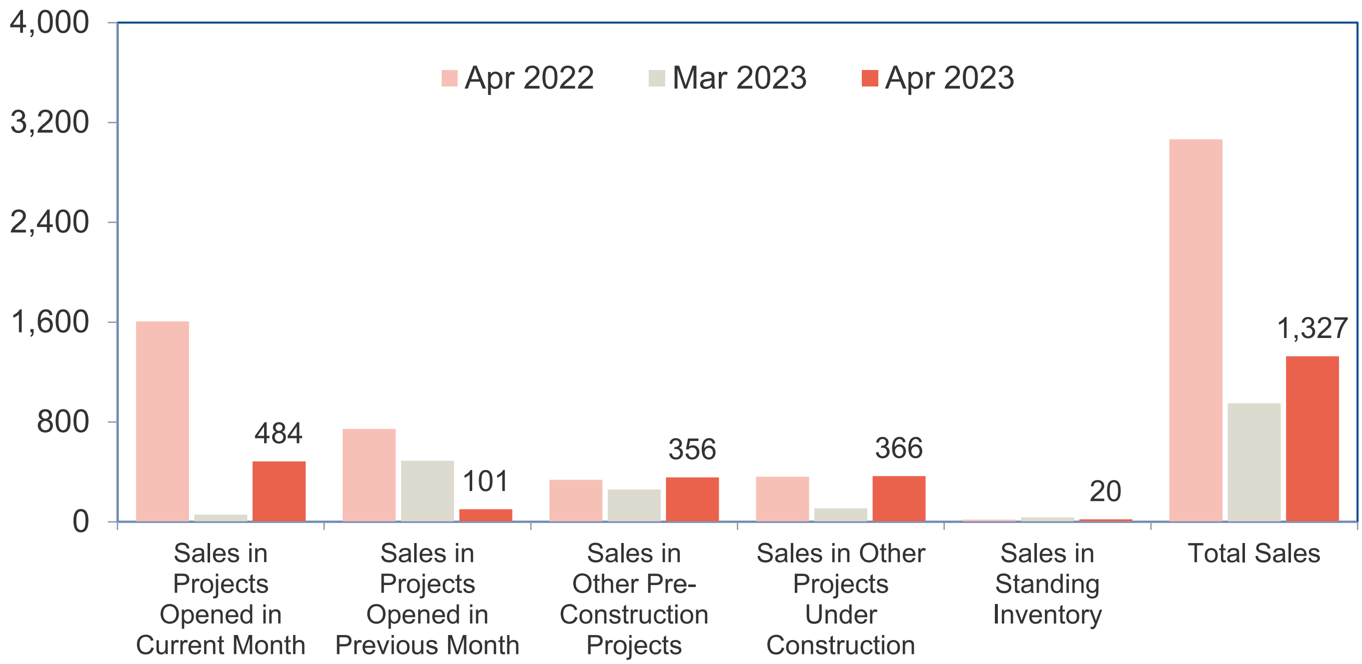


Source: Altus Group

New Condominium Apartments - Sales

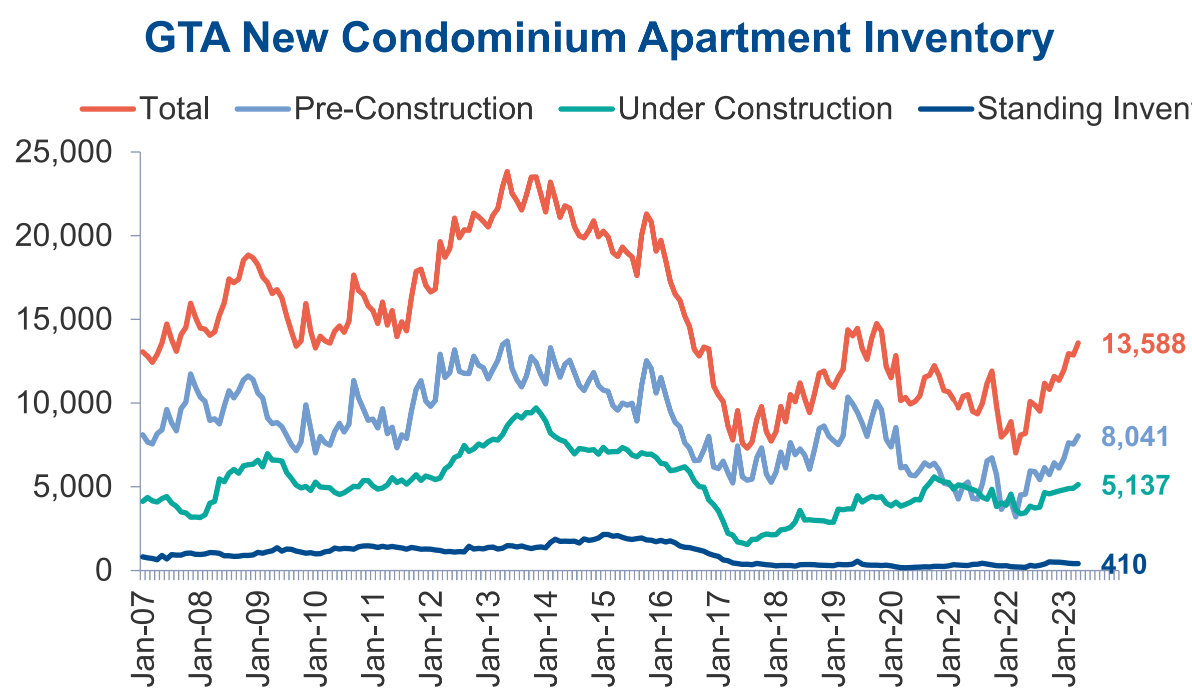
- **Over one-third of new condominium apartment sales in April 2023 occurred in newly opened projects,** despite four of the seven projects not recording sales due to opening towards the end of the month.
- Sales in pre-construction projects opened more than two months ago and in projects under construction each accounted for just over one-quarter of 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.

GTA New Condominium Apartment Sales by Construction Status



Source: Altus Group

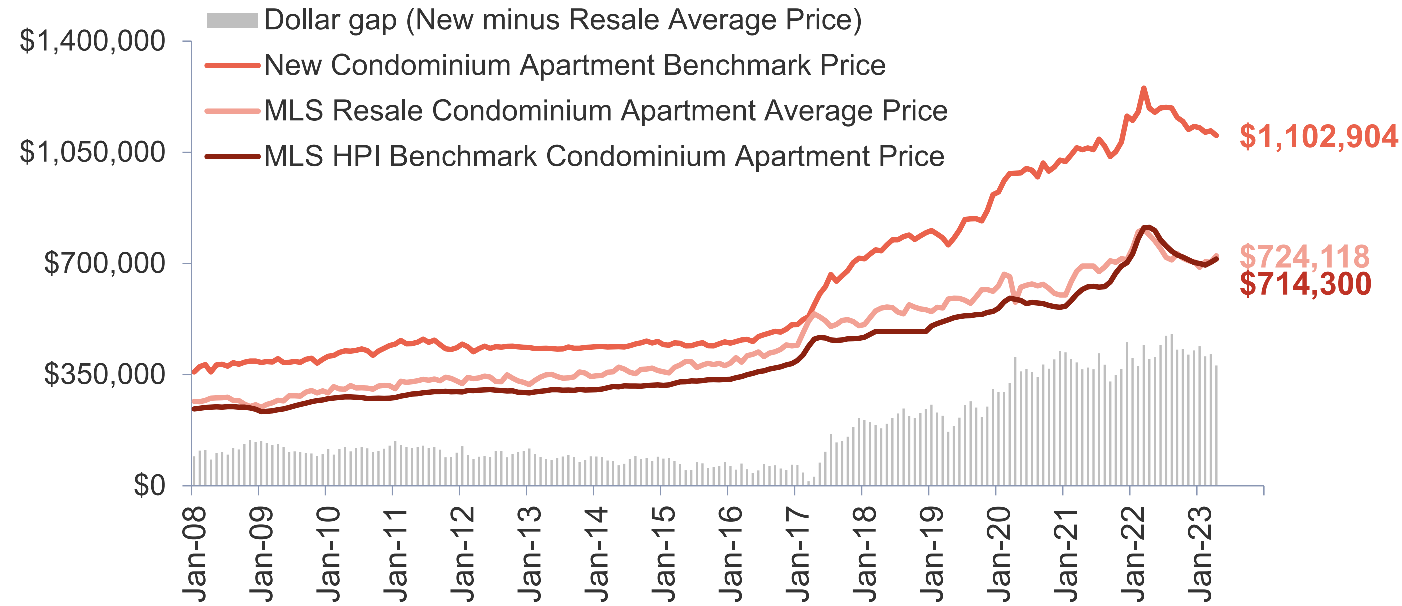
- **New condo apartment inventory moved to its highest level since the start of the pandemic** as new openings in April outpaced sales for the month.
- **The current unsold inventory at new condominium apartment projects represents over 12.5 months of supply** at the average monthly pace of sales seen over the past 12 months, **moving into an "oversupply" situation.**
- **Available inventory continued to be concentrated in the City of Toronto** with nearly two-thirds of the inventory. Based on sales in the past 12 months, Peel and Halton Regions were in "balanced" territory (roughly 9-12 months of inventory) while Toronto, Durham and York were in an "oversupply" position.

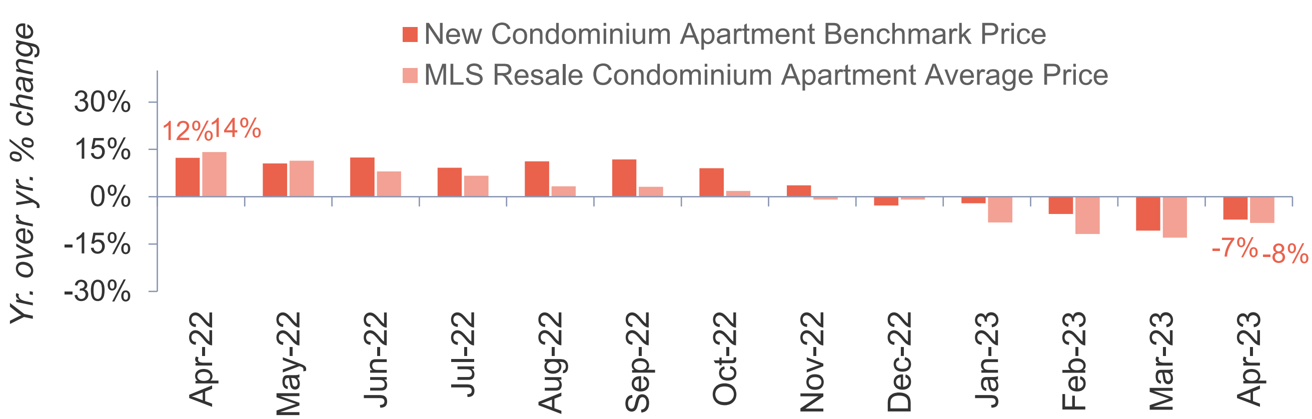


Source: Altus Group

- **The benchmark price of a new condominium apartment dipped lower in April 2023** relative to last month. The benchmark price registered its 5th consecutive year-over-year decline *(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 narrowed in April,** as new condominium apartment benchmark prices ticked lower while resale prices moved higher.

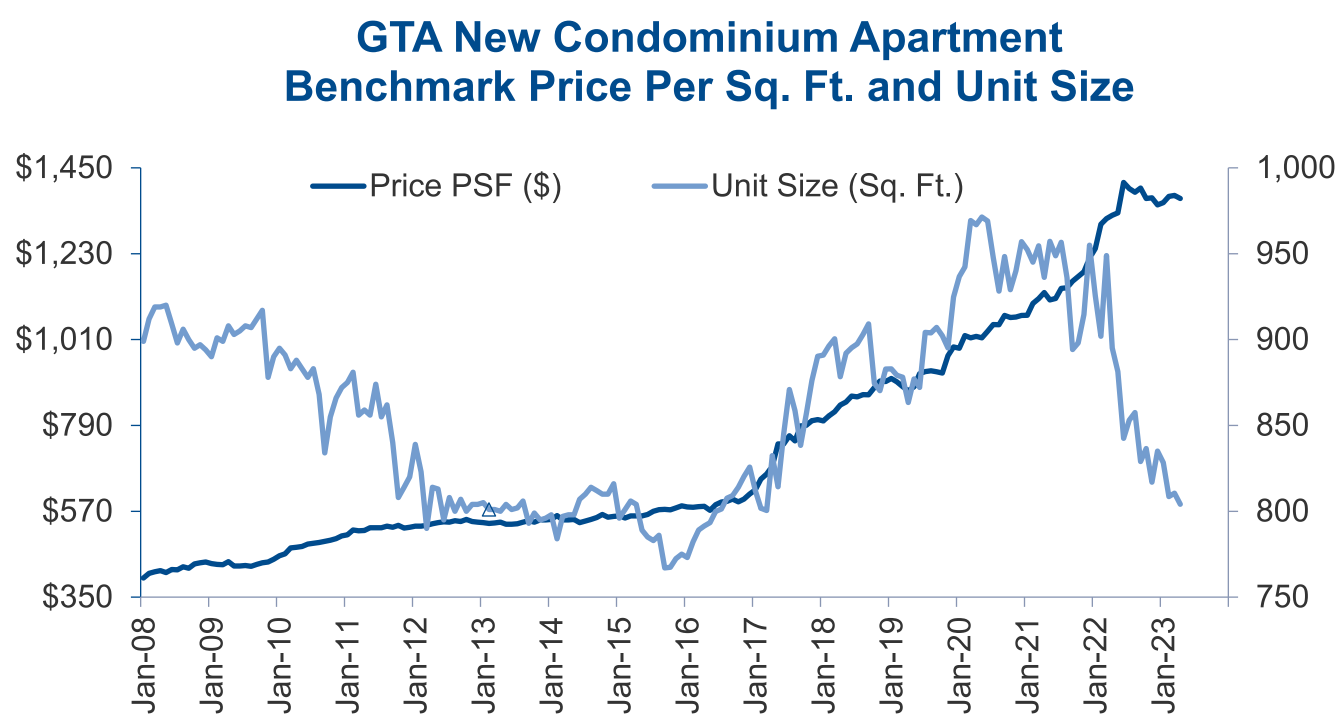
GTA New and Resale Condominium Apartment Prices





Source: Altus Group and Toronto Real Estate Board data

- **Both the price per square foot for a new condominium apartments and the average unit size moved slightly lower in April 2023,** leading to the drop in the benchmark price.
- 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).

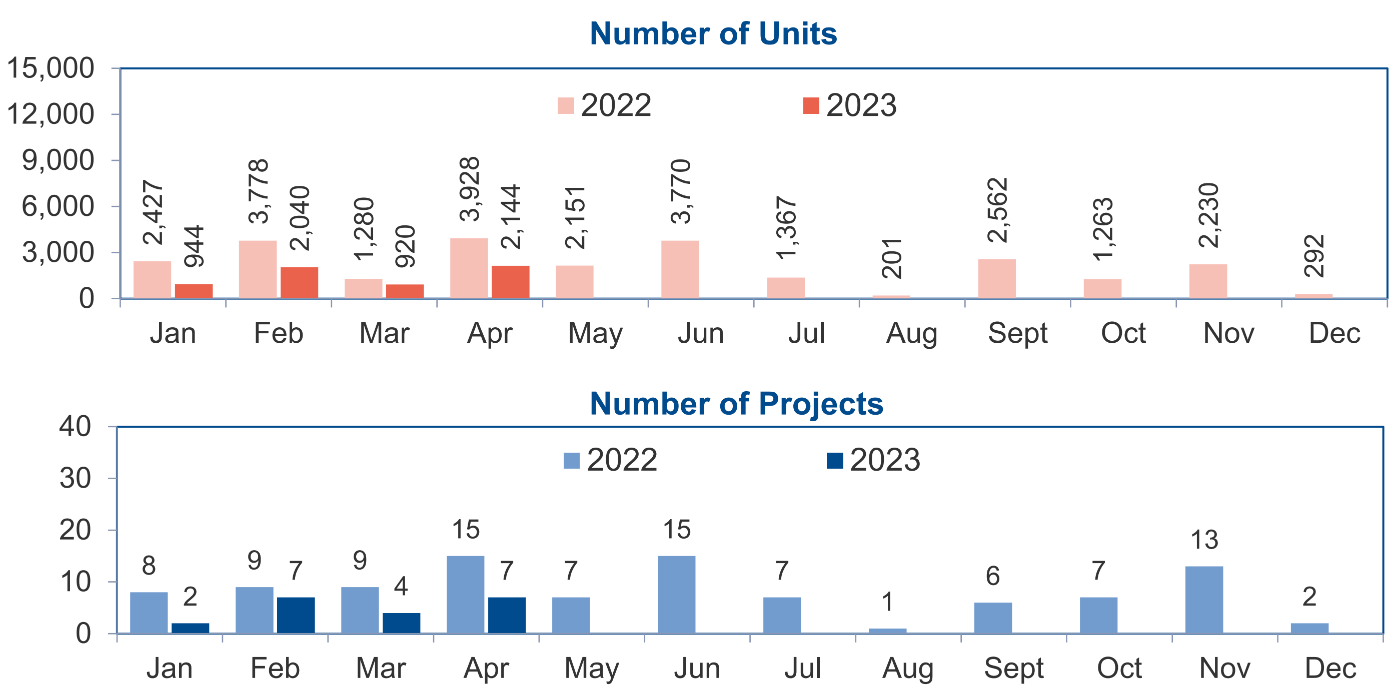


Source: Altus Group

New Condominium Apartments - Openings

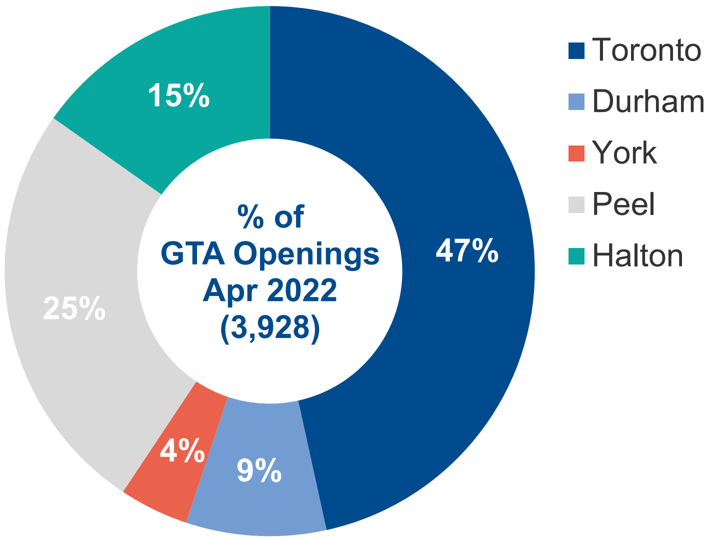
- **Seven new condominium apartment projects launched in April 2023 adding over 2,100 units.** The average size of new projects was just over 300 units.
- **York Region and Toronto each accounted for about 4 in 10 units in newly opened projects** *(chart next page, top)*. Within the City of Toronto, the old cities of Toronto and Scarborough accounted for all of the new units, roughly equally split *(chart next page, bottom)*.
- On the pages following the next page are maps showing the location of new projects launched in March and April 2023 accompanied by summary tables with additional details on each project. *Note that due to the large number of openings, there are 2 maps and 2 tables for the April openings.*

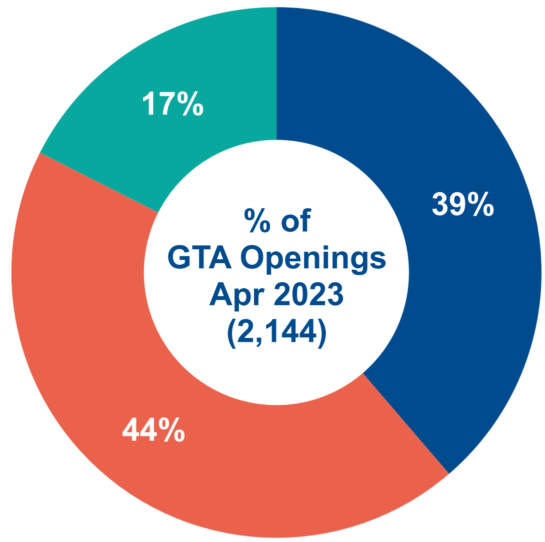
GTA New Condominium Apartment Project Openings



Source: Altus Group

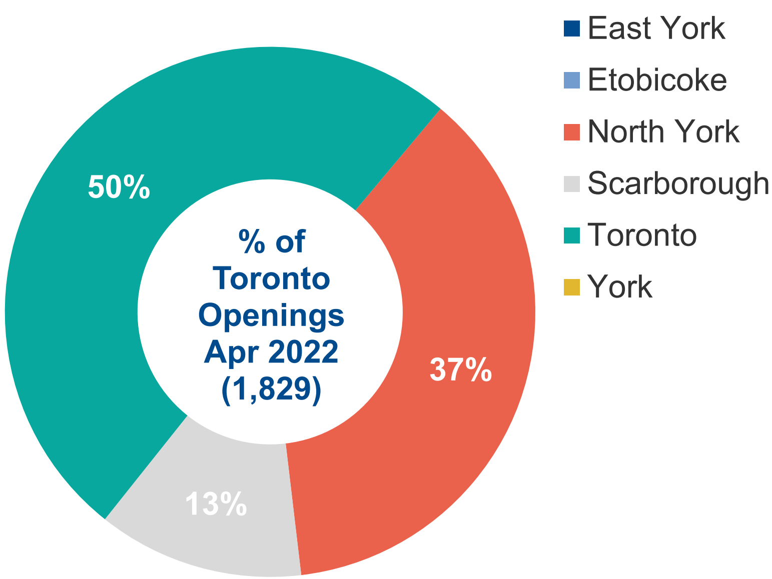
GTA Condominium Apartment Units in New Openings by Region

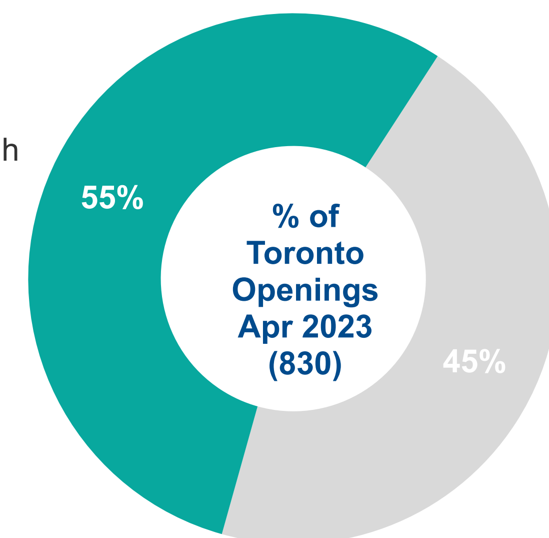




Source: Altus Group

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





Source: Altus Group

New Condominium Apartments - Openings

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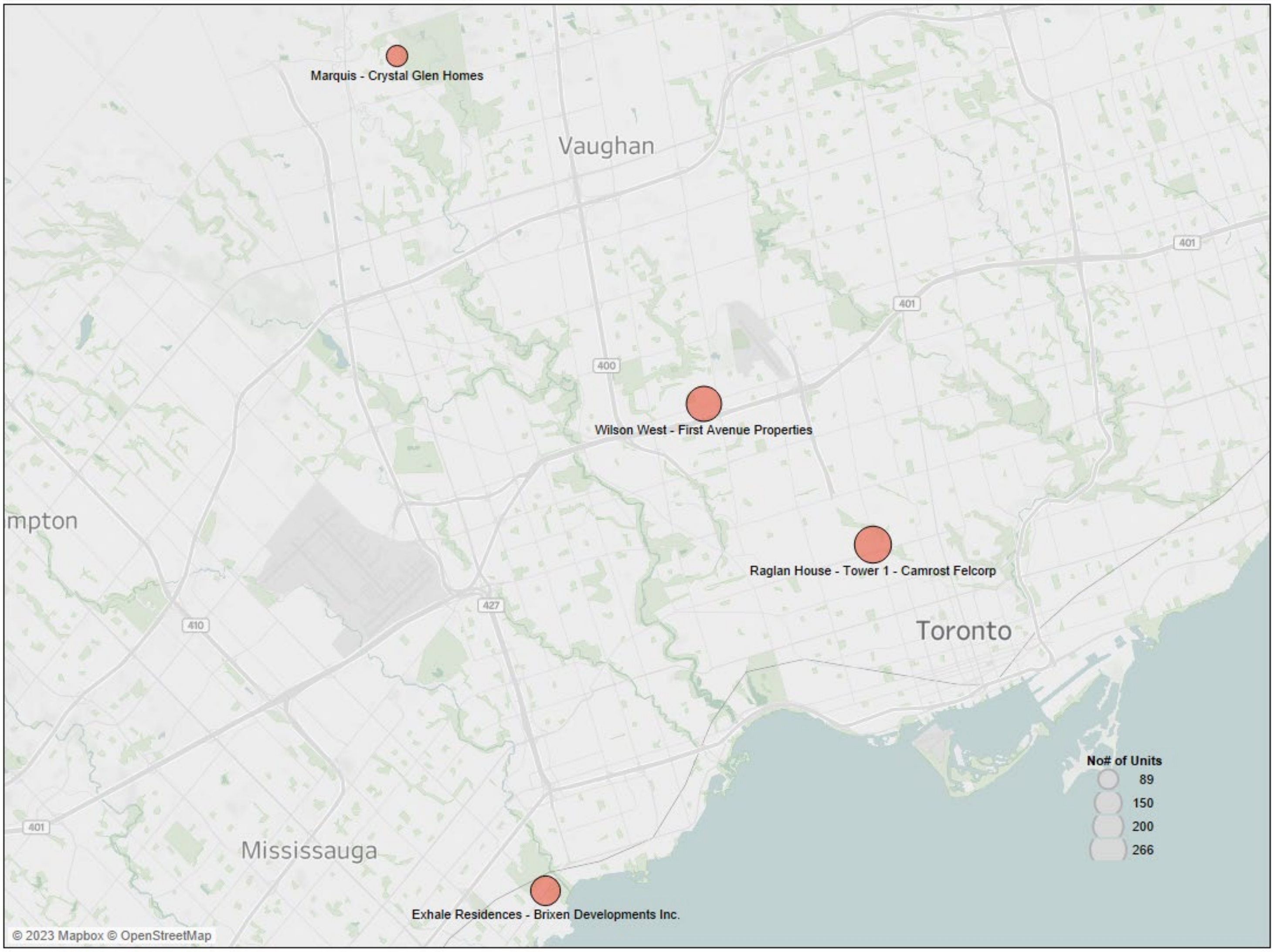
March 2023 New Project Launches by Number of Units



Source: Altus Group

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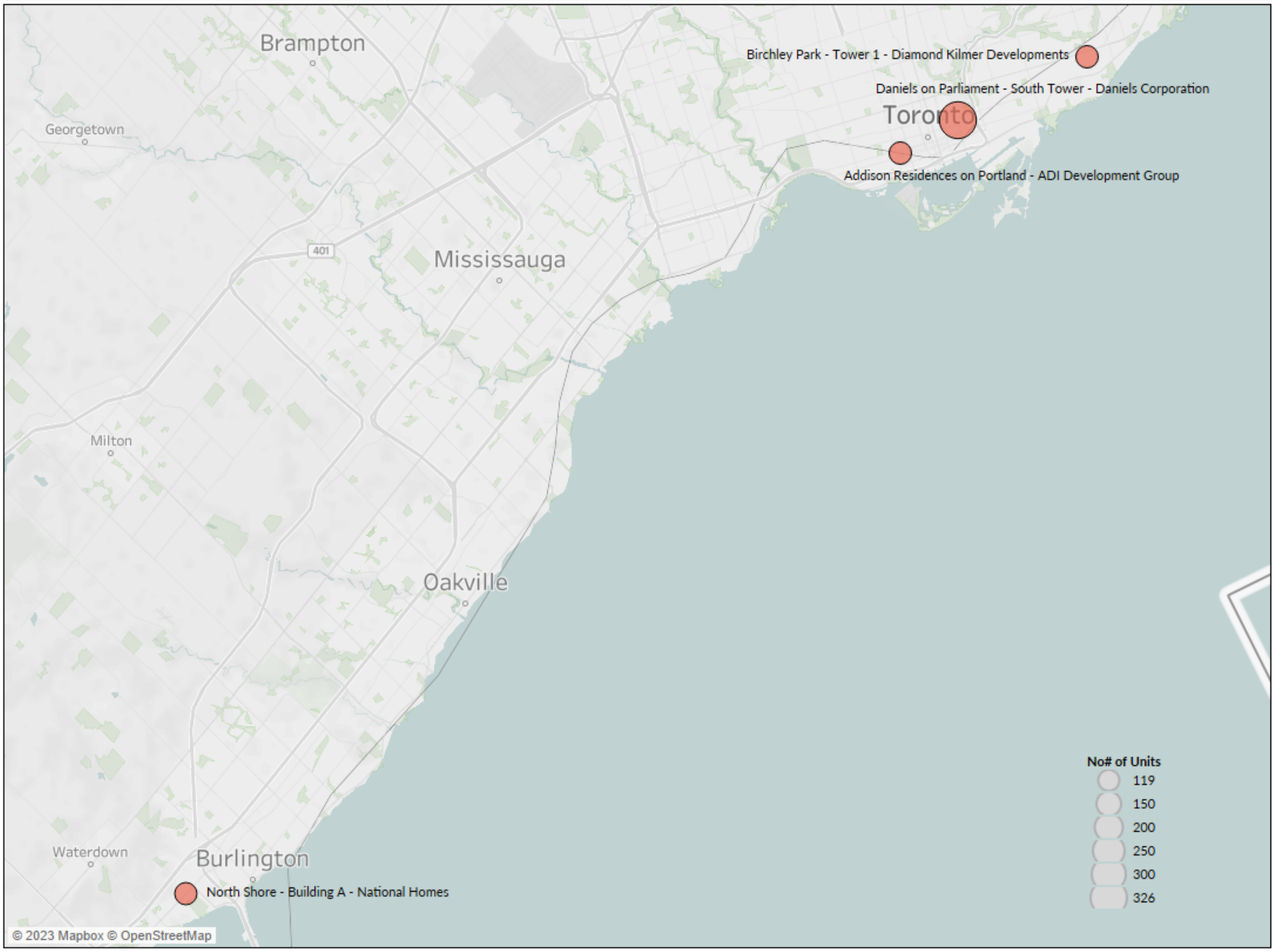
New Condominium Apartment Project Openings - March 2023				
Project Name	**Exhale Residences**	**Marquis**	**Raglan House - Tower 1**	**Wilson West**
Developer	Brixen Developments Inc.	Crystal Glen Homes	Camrost Felcorp	First Avenue Properties
Date Opened	March 23, 2023	March 4, 2023	March 21, 2023	March 4, 2023
Municipality	Mississauga	Vaughan	York	North York
Region	Peel	York	Toronto	Toronto
Structural Type	Apartment	Apartment	Apartment	Apartment
Floors	11	5	28	12
Project Total Units	**272**	**90**	**303**	**255**
Total Units Released	**172**	**89**	**266**	**241**
Studio	9	-	-	1
1 Bedroom	51	4	65	49
1 Bedroom + den	58	47	63	89
2 Bedroom	47	29	105	84
2 Bedroom + den	4	9	33	-
3 Bedroom & up	3	-	-	18
Penthouse	-	-	-	-
Townhouse	-	-	-	-
Other	-	-	-	-
Opening Month Sales	**0**	**7**	**0**	**50**
Next Month Sales	**48**	**4**	**32**	**17**
% Sold (of released units)	28%	12%	12%	28%
Remaining Available Inventory	124	78	234	174
Original $PSF	$1,259	$1,270	$1,758	n.a.
Minimum Size (sq. ft.)	307	514	454	457
Maximum Size (sq. ft.)	985	839	2,482	1,129
Minimum Price	$510,900	$744,990	$829,900	$580,900
Maximum Price	$1,127,900	$1,012,990	$4,964,900	$1,190,900
Notes				

Source: Altus Group

New Condominium Apartments - Openings

April 2023 New Project Launches by Number of Units



Source: Altus Group

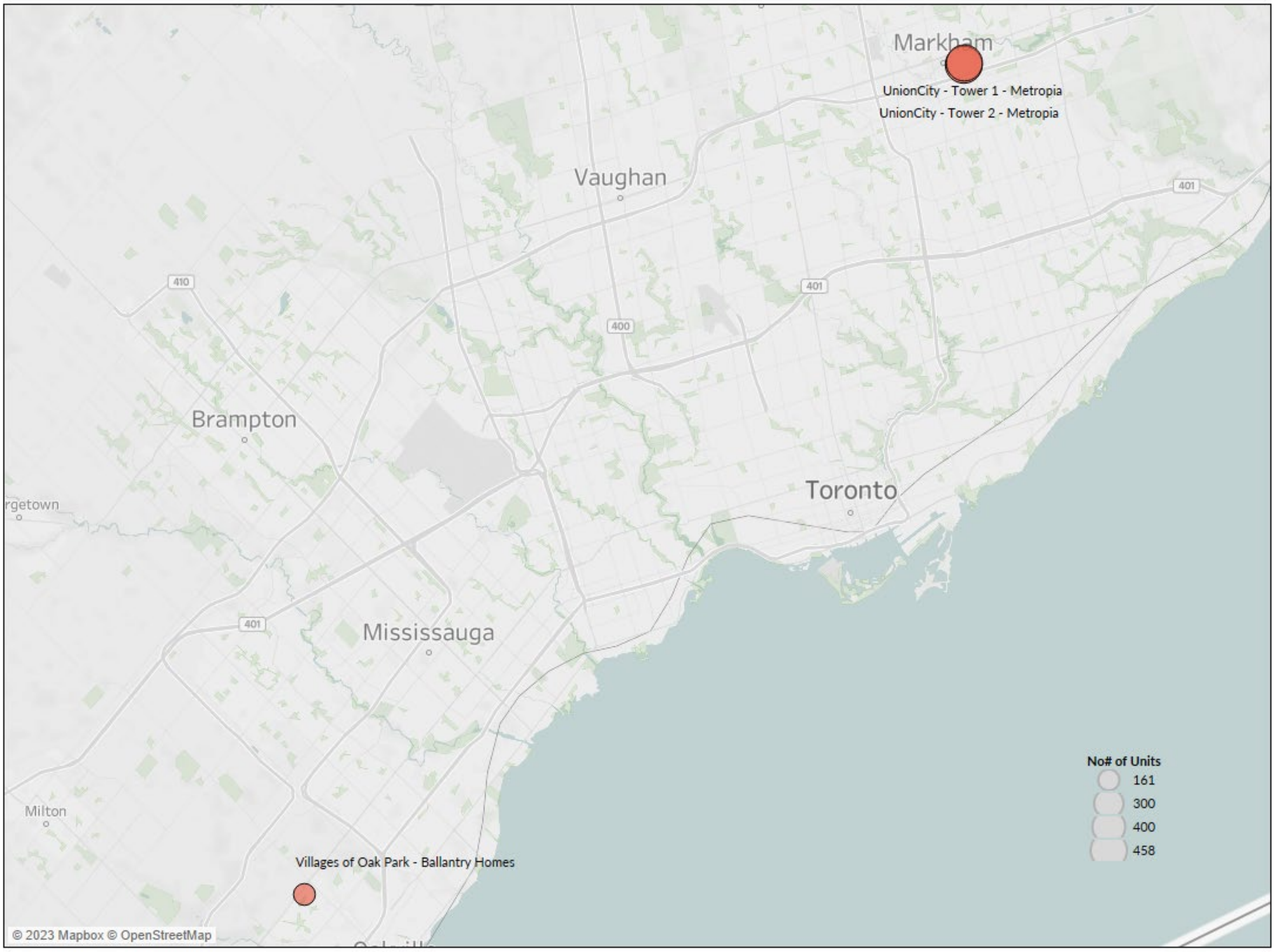
Map 1 of 2

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

New Condominium Apartment Project Openings - April 2023 (1 of 2)				
Project Name	**Addison Residences on Portland**	**Birchley Park - Tower 1**	**Daniels on Parliament - South Tower**	**North Shore - Building A**
Developer	ADI Development Group	Diamond Kilmer Developments	Daniels Corporation	National Homes
Date Opened	April 3, 2023	April 25, 2023	April 29, 2023	April 27, 2023
Municipality	Old Toronto	Scarborough	Old Toronto	Burlington
Region	Toronto	Toronto	Toronto	Halton
Structural Type	Apartment	Apartment	Apartment	Apartment
Floors	16	12	25	8
Project Total Units	**129**	**375**	**326**	**153**
Total Units Released	**126**	**121**	**326**	**119**
Studio	13	9	6	-
1 Bedroom	34	19	126	30
1 Bedroom + den	18	29	16	57
2 Bedroom	50	33	135	17
2 Bedroom + den	-	27	6	7
3 Bedroom & up	11	4	23	8
Penthouse	-	-	-	-
Townhouse	-	-	-	-
Other	-	-	14	-
Opening Month Sales	**91**	**0**	**0**	**0**
% Sold (of released units)	72%	0%	0%	0%
Remaining Available Inventory	35	121	326	119
Original $PSF	$1,578	$1,163	$1,322	$1,019
Minimum Size (sq. ft.)	392	413	379	490
Maximum Size (sq. ft.)	970	862	1,640	998
Minimum Price	$589,990	$499,900	$549,900	$499,990
Maximum Price	$1,499,990	$936,900	$1,991,900	$1,012,990
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	No firm sales as all deals were subject to the 10-day conditional period

Source: Altus Group

April 2023 New Project Launches by Number of Units



Source: Altus Group

Map 2 of 2

New Condominium Apartments - Openings

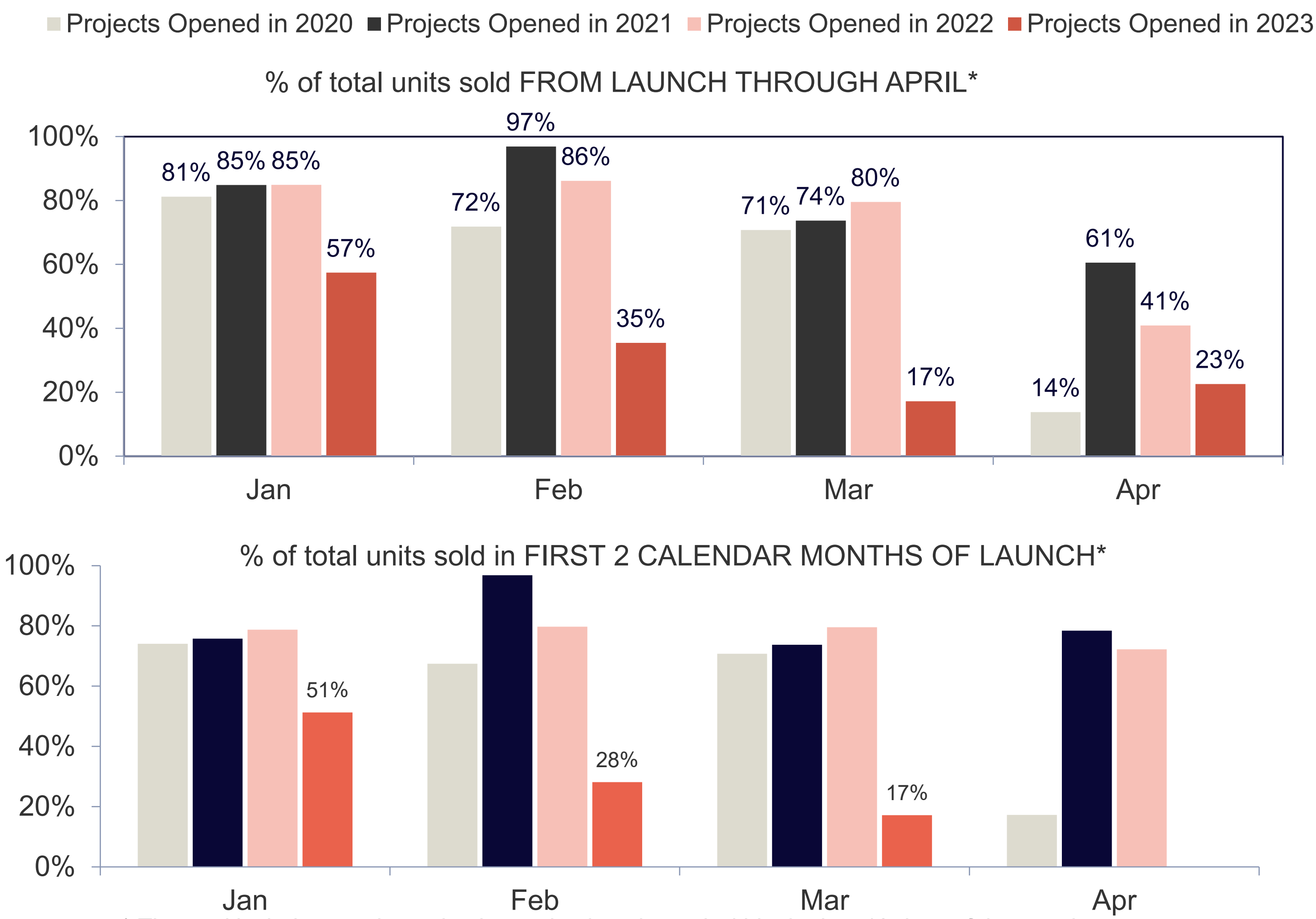
New Condominium Apartment Project Openings - April (2 of 2)			
Project Name	**Villages of Oak Park**	**UnionCity - Tower 1**	**UnionCity - Tower 2**
Developer	Ballantry Homes	Metropia	Metropia
Date Opened	April 12, 2023	April 8, 2023	April 21, 2023
Municipality	Oakville	Markham	Markham
Region	Halton	York	York
Structural Type	Apartment	Apartment	Apartment
Floors	13	40	44
Project Total Units	**223**	**480**	**458**
Total Units Released	**161**	**439**	**458**
Studio	-	20	23
1 Bedroom	27	111	43
1 Bedroom + den	51	161	245
2 Bedroom	60	13	109
2 Bedroom + den	18	65	38
3 Bedroom & up	-	69	-
Penthouse	-	-	-
Townhouse	-	-	-
Other	5	-	-
Opening Month Sales	**0**	**393**	**0**
% Sold (of released units)	0%	90%	0%
Remaining Available Inventory	161	46	458
Original $PSF	$1,150	$40	n.a.
Minimum Size (sq. ft.)	434	453	425
Maximum Size (sq. ft.)	1,235	862	971
Minimum Price	$661,990	$609,000	$586,900
Maximum Price	$1,732,900	$996,000	$1,130,900
Notes			No firm sales as all deals were subject to the 10-day conditional period

Source: Altus Group

New Condominium Apartments - Openings

- Nearly 1 in 4 units opened in April have sold. **Focusing on the 3 projects opened in April before the last 10 days of the month, two-thirds of released units were sold by month end.**
- After 2 months of sales, projects opened in each of the first four months of 2023 lag the pace of the previous three years, although April sales narrowed the gap.
- 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 April)*

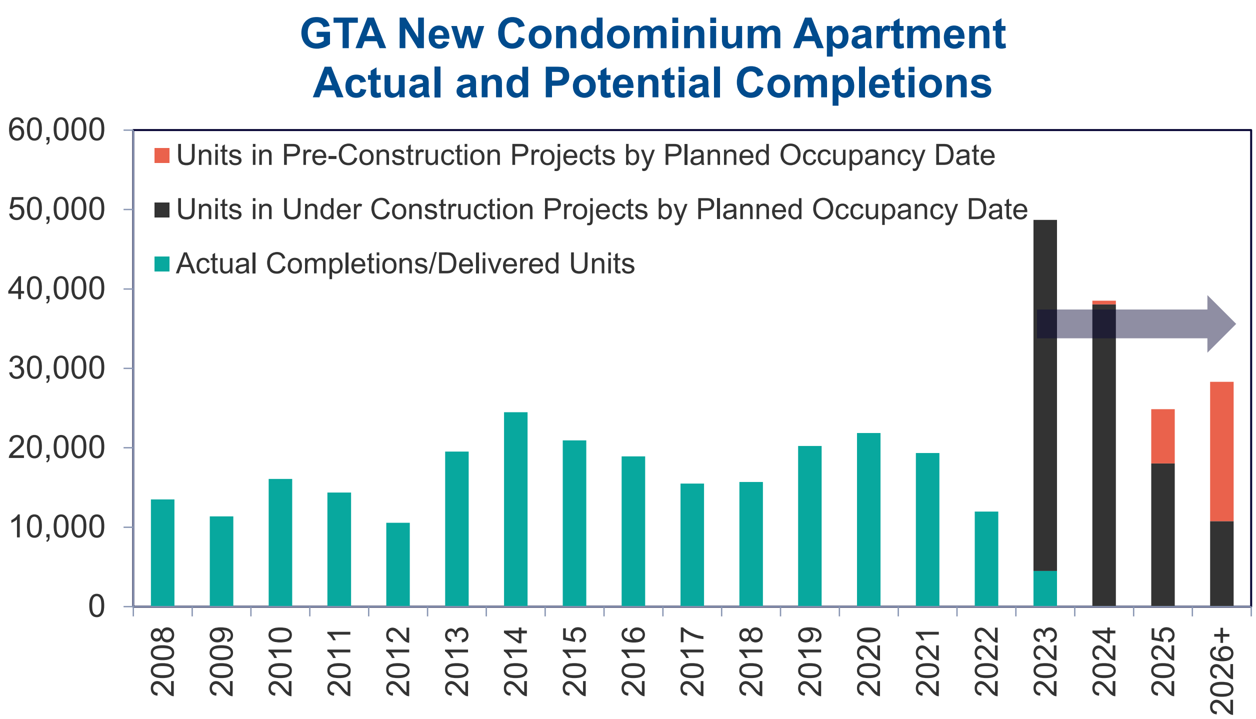


** The total includes unreleased units, and units released within the last 10 days of the month*

Source: Altus Group

New Condominium Apartments - Completions

- As of the end of April 2023, there were about 135,000 new condominium apartment units in projects either under construction or in pre-construction stages.
- **Close to 1,100 new condominium apartment units were completed in April 2023.** Year-to-date completions for 2023 are ahead of the pace set last year but are still well below the 10-year average.
- Based on planned occupancy dates, and only considering units currently under construction, one might expect that annual completions of condominium apartment units will be much higher in 2023. However, as in recent years, industry capacity thresholds are likely to push the delivery timeline for some of these units out further than originally planned dates. Rising construction and borrowing costs are also top of mind for developers, with the potential to further add to delays.



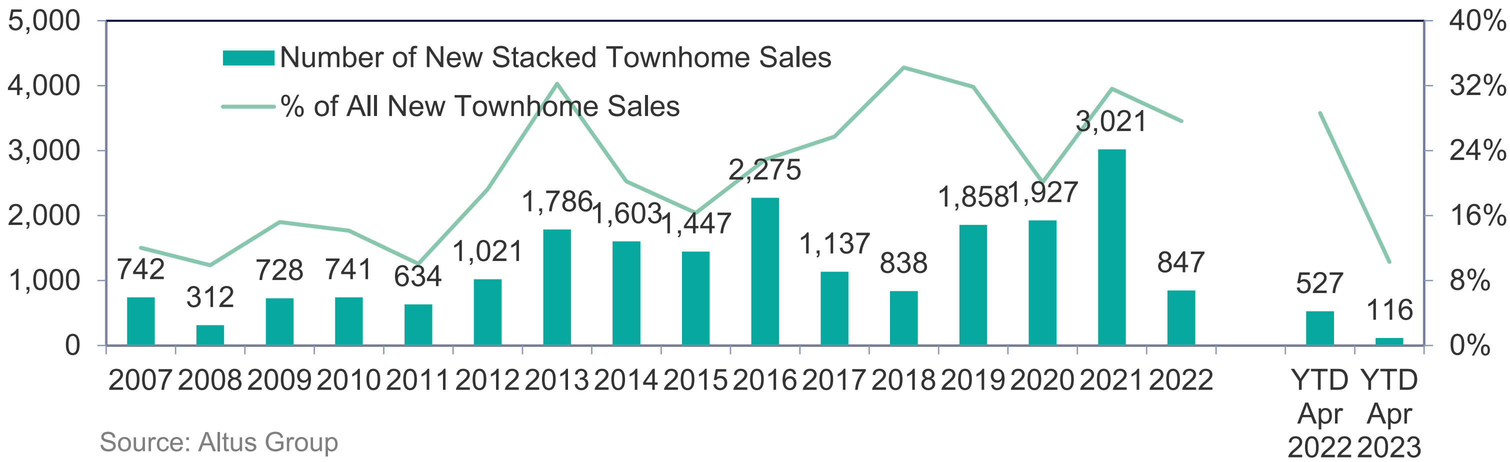
Source: Altus Group

New Stacked Townhomes

AltusGroup

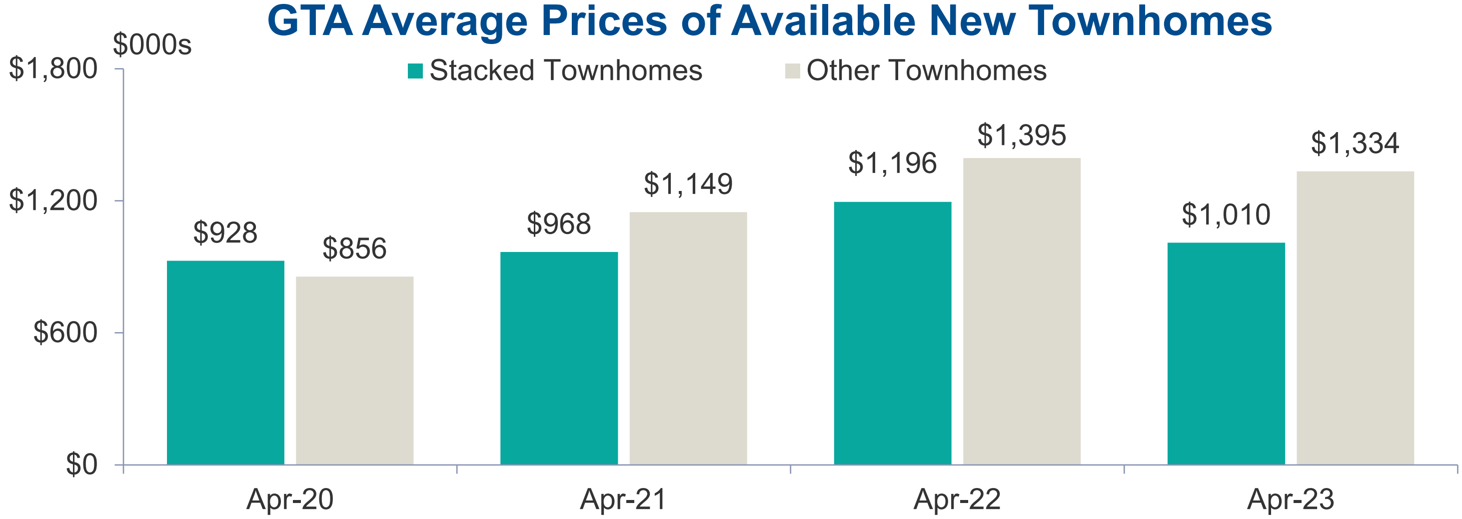
- Stacked townhomes are included in the previous data on condominium apartments. Here we break this product type out separately to look at recent trends in this segment, and to also combine it with traditional townhome information to cover townhomes as a group.
- **New stacked townhomes sales in 2022 shrank to about 850 units after setting a record high in 2021** while sales of traditional townhomes also declined in 2022 after two very strong years. Stacked townhomes' share of total townhouse sales dipped to below 1 in 3 in 2022.
- **Sales of new stacked townhome units fell much lower in the first four months of 2023** while sales of new traditional townhomes also were down, though by a smaller margin. **The share of total townhome sales accounted for by stacked townhomes has fallen to just 1 in 10**.
- The lower average price-point of new stacked townhomes vs. traditional townhomes provides an attractive alternative for many buyers seeking more affordable options for obtaining more space. **Although prices of both products were lower in April 2023, the gap in pricing became even more favourable for stacked townhouses.**

GTA New Stacked Townhome Sales



Source: Altus Group

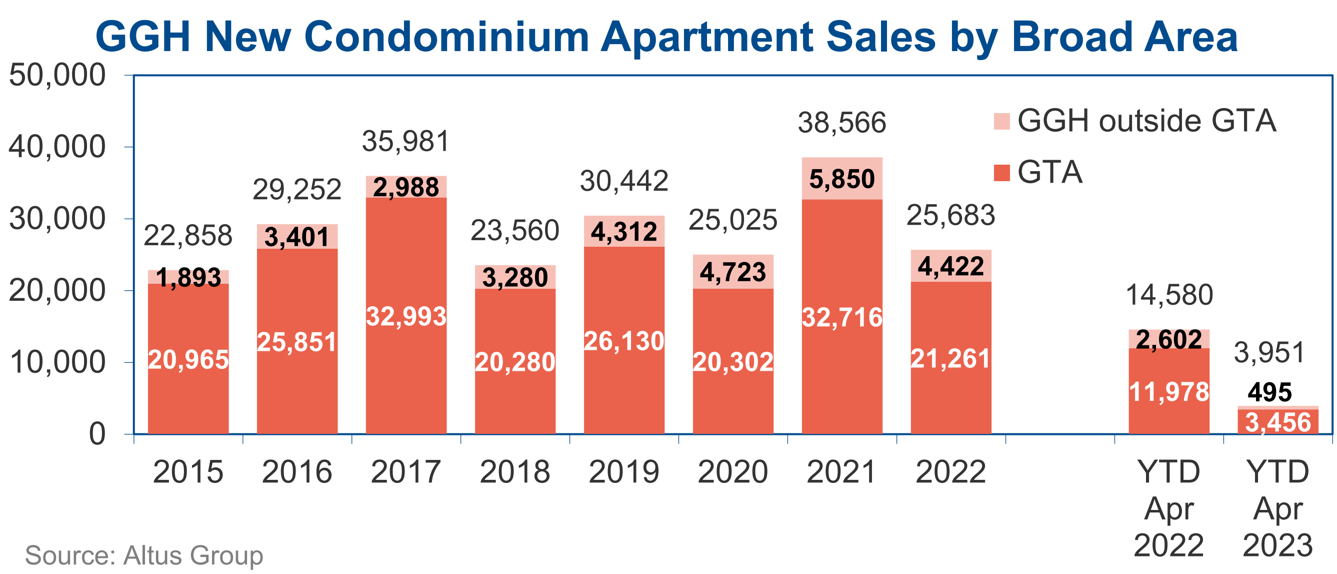
GTA Average Prices of Available New Townhomes



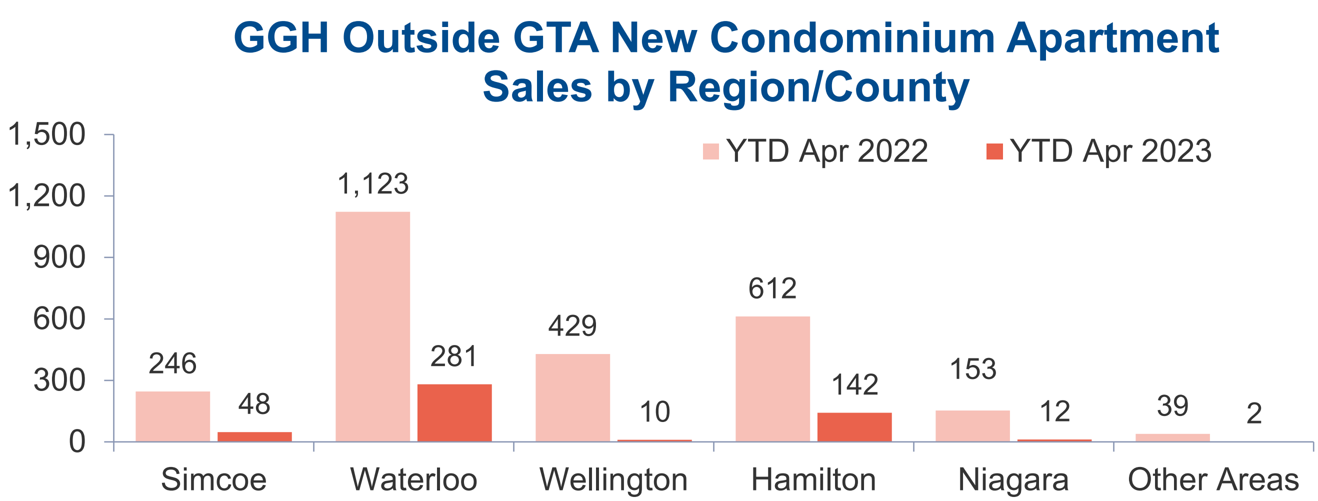
Source: Altus Group

New Condominium Apartments – GGH Sales

- Altus Group also tracks new condominium apartment sales (as well as new single-family sales) in most areas of the Greater Golden Horseshoe (GGH) outside of the GTA. Like the GTA, **new condominium apartment sales declined in 2022 in other areas of the GGH** covered by Altus Group. Year-to-date 2023, sales in other areas of the GGH are well below the level of last year (*chart top of next page*).
- **After five years of averaging about a 15 percent share of all GGH new condominium apartment sales, the GGH areas outside the GTA have captured a much smaller share so far in 2023** (*chart bottom of next page*).

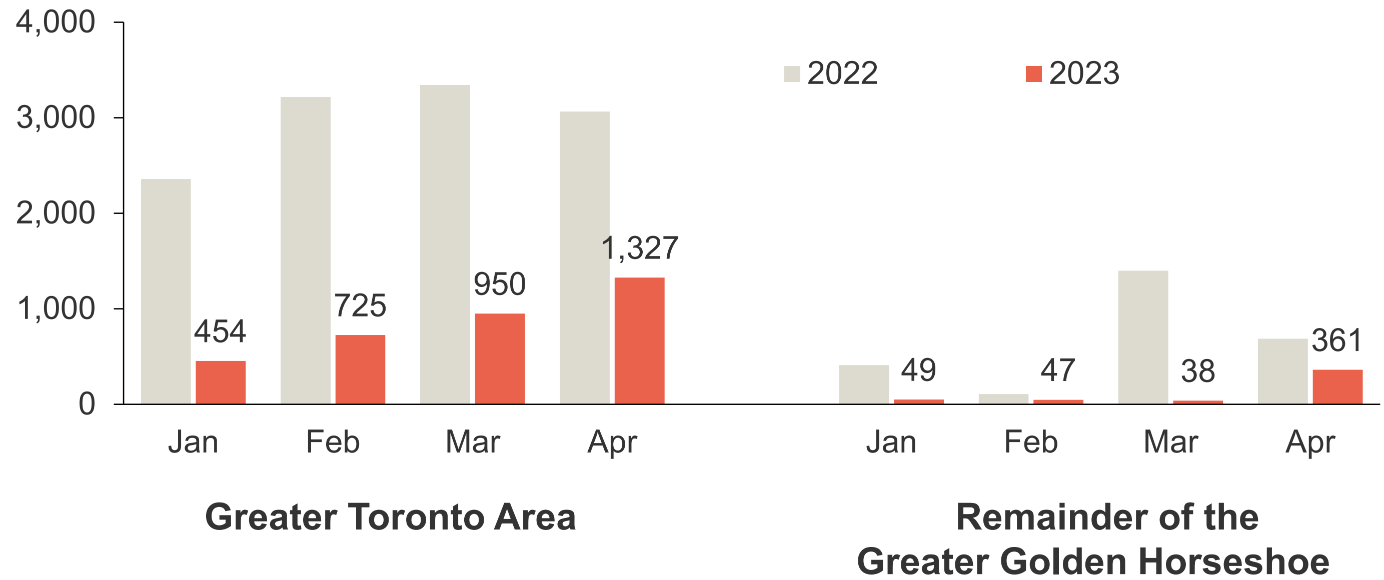


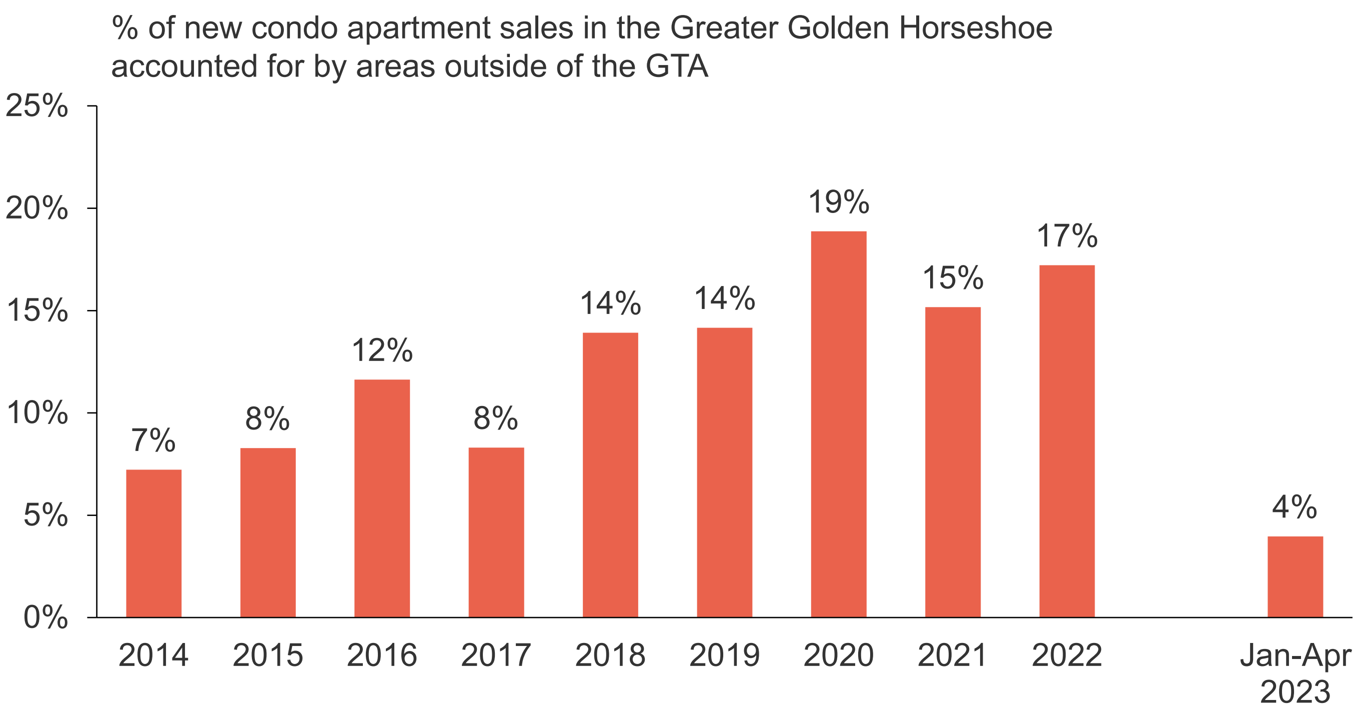
Source: Altus Group



Source: Altus Group

Total New Condominium Apartment Sales, GTA and Other GGH Areas

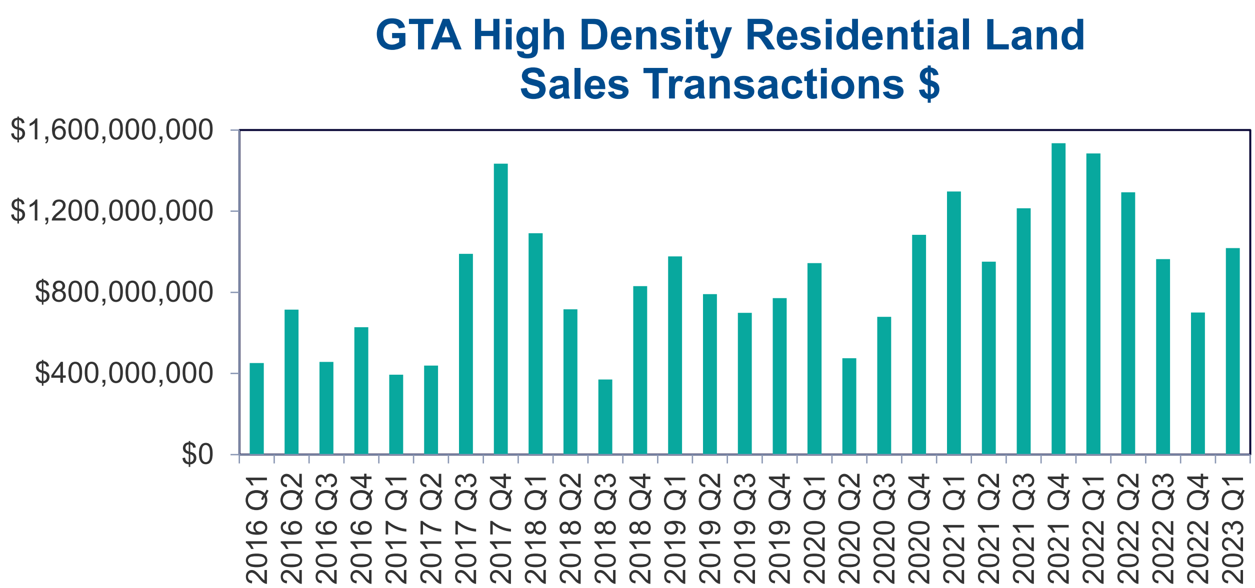




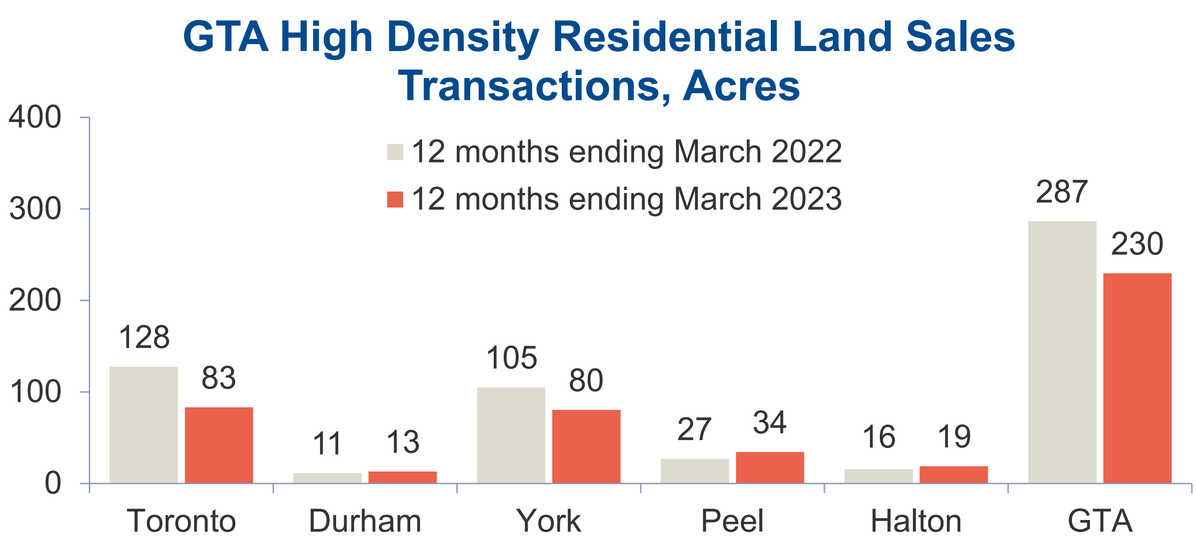
Source: Altus Group

High Density Residential Land Sales

- **High density residential land sales have rebounded after four consecutive quarterly declines.** However, the dollar volume of sales of high-density residential land in the GTA in Q1 2023 was down about 30 percent year-over-year, according to Altus Group transactions data.
- For the 12 months ending March 2023 as a whole, the volume of residential land traded was down almost 25 percent from the preceding year. There has been a corresponding decrease in the number of acres of high-density residential land traded - down by 20% driven by declines in Toronto and York.



Source: Altus Group



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