Altus Group

The Altus Group Condominium Apartment Monitor

GTA Edition

Data as of June 2024

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New Condominium Apartment Dashboard

June 2024			YTD June 2024	
Sales	**Inventory**	**Benchmark Price**	**Sales**	**Benchmark Price**
732	**17,391**	**$1,023,389**	**3,097**	**$1,046,446**
-61%	**+17%**	**-6%**	**-59%**	**-7%**
2nd lowest June on record	***Highest June since 2015***	***Lowest June since 2020***	***Lowest YTD June on record***	***Lowest YTD June since 2021***

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

Highlights

- **Total new condominium apartment sales in June 2024 across the GTA were the 2nd lowest June** (roughly matching the 2020 pandemic-impacted level) **on record**.
- **The inventory of available new condo apartments in June 2024 climbed higher from the previous month and remained well above the 10-year average.**
- **The benchmark price of a new condominium apartment was down in June 2024 and recorded a 19th consecutive year-over-year decline.**
- GTA new homes sales remained weak in June. Where activity did occur, new home buyers are finding homes that meet their needs and that they can afford. Despite a 2nd rate cut by the Bank of Canada, buyers are likely to largely remain on the sidelines until additional rate cuts ease affordability constraints.

Condominium Apartment KPIs

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GTA Condominium Apartment Key Performance Indicators

	Jun-23	May-24	Jun-24	*Yr-Over-Yr % Change*	YTD Jun 2023	YTD Jun 2024	*Yr-Over-Yr % Change*
New Condominium Apartments (Altus Group data)*							
Total active sites	378	354	352	*-7%*	360	352	*-2%*
New projects opened	9	4	3	*-67%*	42	15	*-64%*
Units in new projects opened	2,247	1,234	1,251	*-44%*	11,124	4,240	*-62%*
Total sales (units)	1,893	540	732	*-61%*	7,509	3,097	*-59%*
Sales as % of total new & resale	*47%*	*22%*	*33%*		*40%*	*23%*	
Inventory (units)	14,828	16,911	17,391	*17%*	13,540	16,876	*25%*
Sales-to-inventory ratio	13%	3%	4%	*-67%*	9%	3%	*-66%*
Months of inventory	13.8	20.1	23.3	*69%*	11.4	17.9	*57%*
Benchmark price	$1,090,494	$1,043,861	$1,023,389	*-6%*	$1,108,228	$1,046,446	*-6%*
Price PSF Benchmark	$1,366	$1,348	$1,336	*-2%*	$1,371	$1,349	*-2%*
Unit size Benchmark (sq. ft)	798	774	766	*-4%*	809	776	*-4%*
Units completed	3,252	616	2,247	*-31%*	10,246	11,373	*11%*
Resale Condominium Apartments (Toronto Real Estate Board data)							
Total sales (units)	2,122	1,942	1,520	*-28%*	11,376	10,238	*-10%*
New listings (units)	4,572	5,844	5,520	*21%*	21,525	28,217	*31%*
Inventory ("active listings", units)	4,796	8,183	8,806	*84%*	4,075	6,617	*62%*
Sales-to-inventory ratio	44%	24%	17%	*-61%*	46%	27%	*-42%*
Months of inventory	3.0	5.2	5.8	*94%*	2.6	4.2	*61%*
Average price of units sold	$739,395	$730,815	$727,861	*-2%*	$723,210	$712,437	*-1%*
HPI constant quality price index (Jan 2005=100)	383.5	366.3	365.4	*-5%*	369.8	362.4	*-2%*

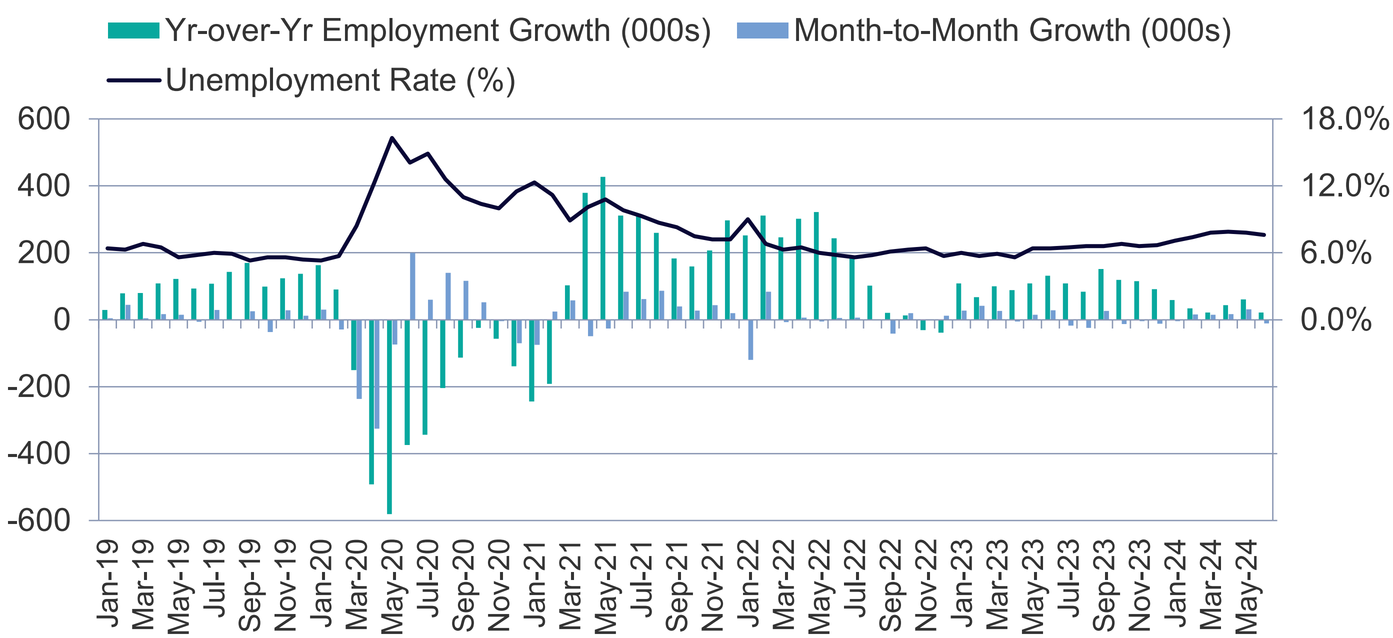
** see end of report for Definitions*

- **Year-over-year employment growth continued on a positive note in June with an 18th consecutive month of positive year-over-year growth although the gain was the smallest yet recorded. Month-to-month growth turned negative after 3 consecutive months of positive gains.** The GTA unemployment rate eased slighted but remained above 7.5% for a 4th consecutive month.

- **The Bank of Canada reduced the target for the overnight rate for a 2nd consecutive time at its latest rate announcement on July 24**, stating that "*In Canada, economic growth likely picked up to about 1½% through the first half of this year. However, with robust population growth of about 3%, the economy's potential output is still growing faster than GDP, which means excess supply has increased. Household spending, including both consumer purchases and housing, has been weak. There are signs of slack in the labour market . . . The Bank expects CPI inflation to be close to 3% during the first half of this year, move below 2½% in the second half, and reach the 2% inflation target in 2025. . . Ongoing excess supply is lowering inflationary pressures. At the same time, price pressures in some important parts of the economy—notably shelter and some other services—are holding inflation up. Governing Council is carefully assessing these opposing forces on inflation.*" **The next rate announcement date is September 4.**

- **With the latest 2 rate cuts, the gap between variable rate mortgage interest rates and the average 5-year fixed special rate has fallen from almost 190 basis points to just over 150 points** *(chart next page, bottom).*

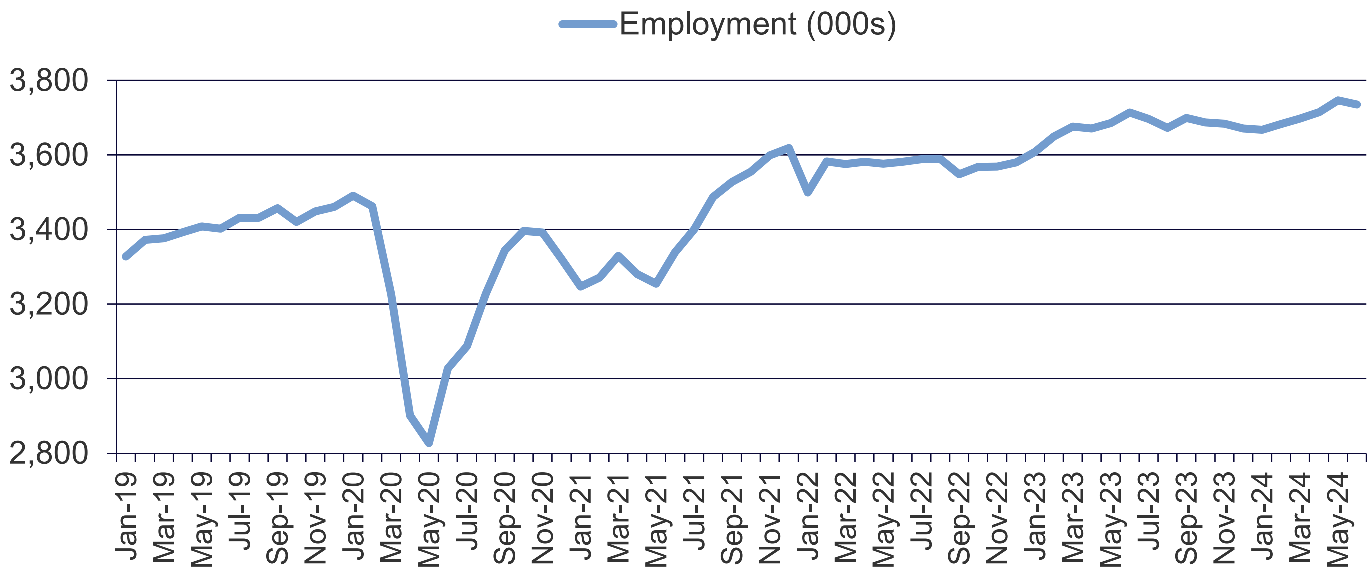
GTA Employment Snapshot*



Source: Altus Group based on Statistics Canada data

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

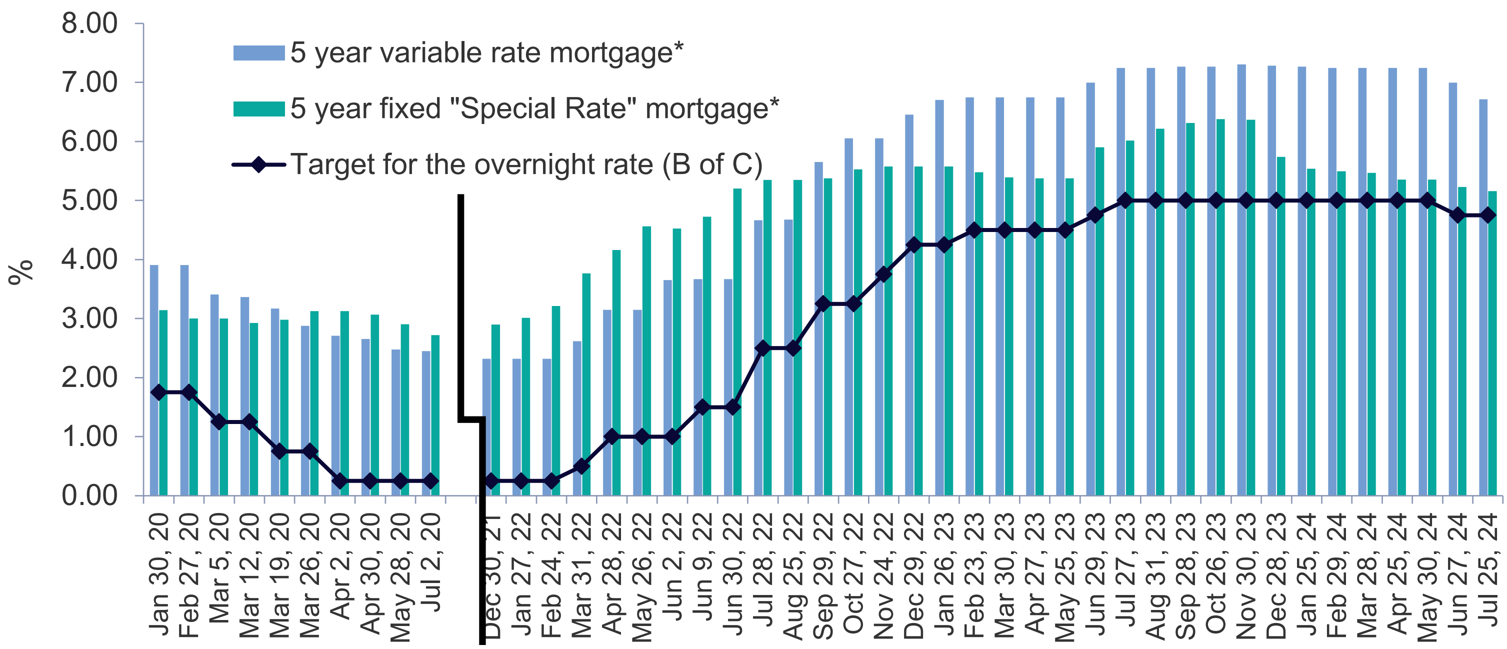
GTA Total Employment*



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

Source: Altus Group based on Statistics Canada data

Selected Interest Rates

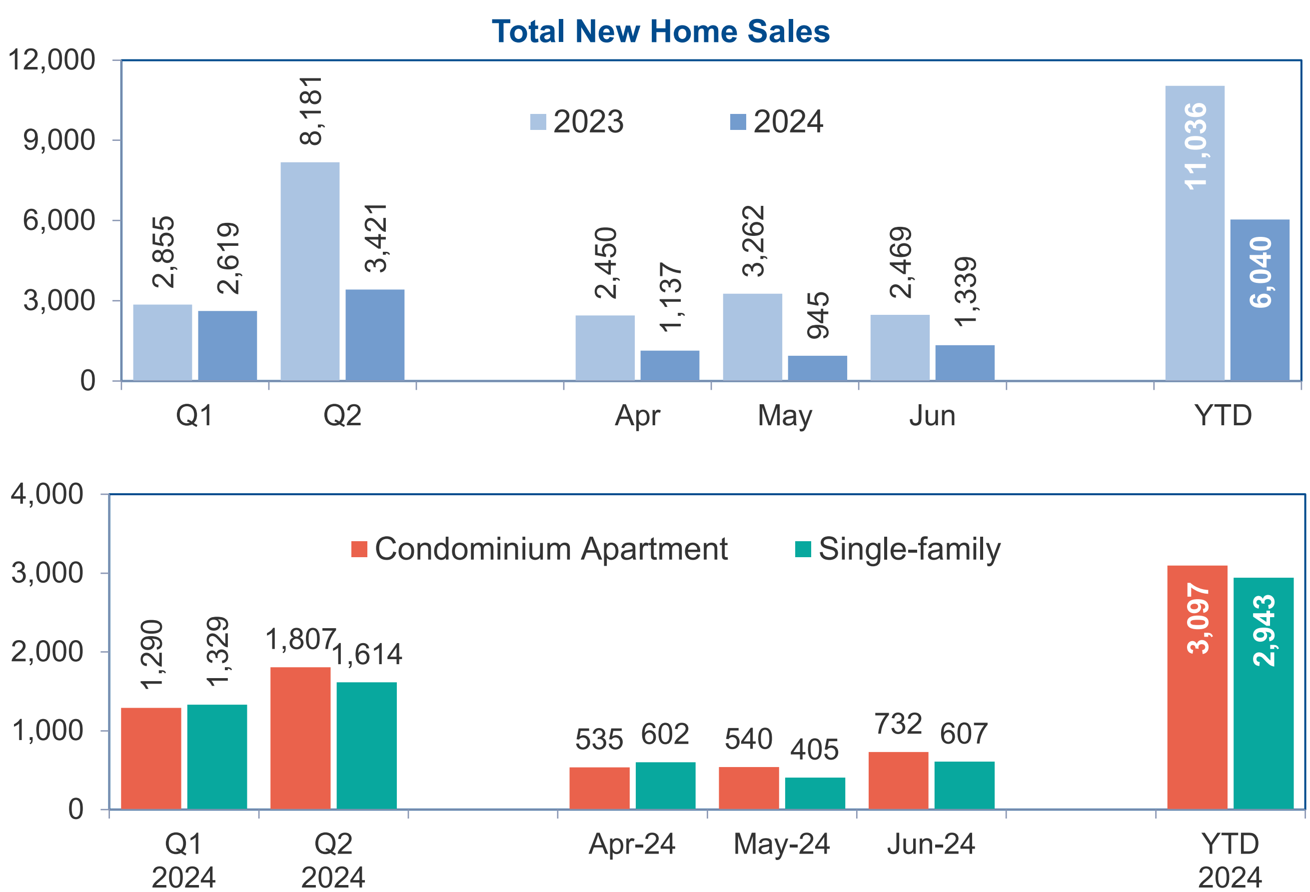


** Average for the major banks*

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

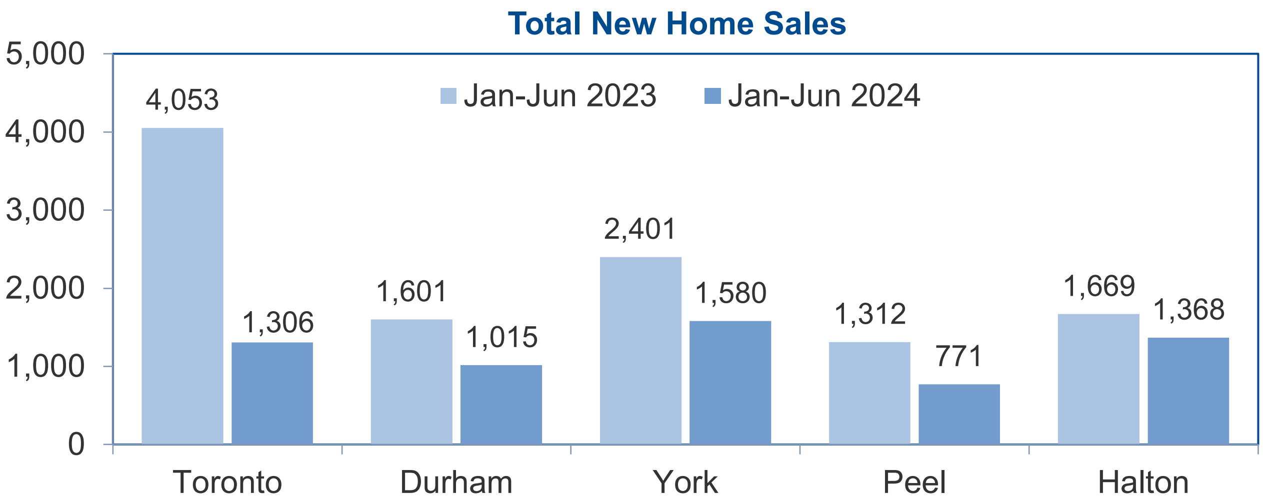
- **GTA new home sales remained weak in June 2024, recording their lowest June level on record.** June sales of new condominium apartments fell 61 percent compared to the previous year while new single-family home sales registered a slight increase, though remain well below the 10-year average.
- **All regions recorded lower total new home sales through the first half of 2024.** All regions also recorded lower sales year-to-date for both new condominium apartments and new single-family sales except for a minimal increase in the single-family sector in Toronto (*charts next page*).
- **Milton and Richmond recorded higher sales compared to last but most of the remining areas reported at falloff (***chart on page following next***).**

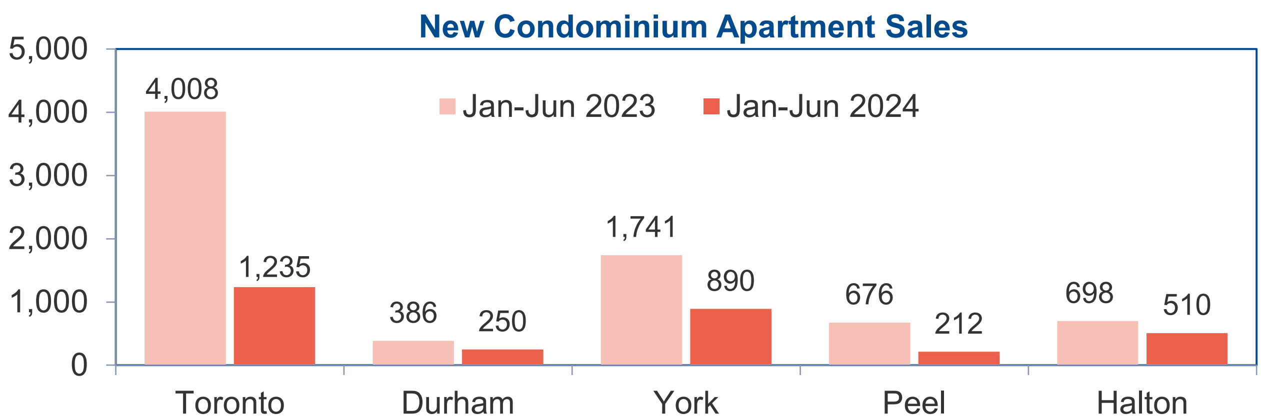
GTA New Home Sales

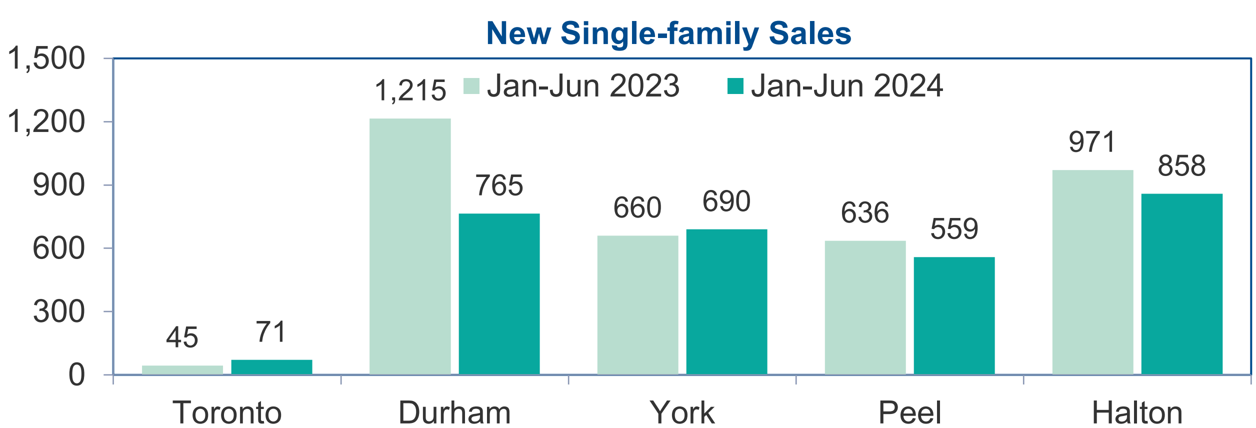


Source: Altus Group

GTA New Home Sales by Region

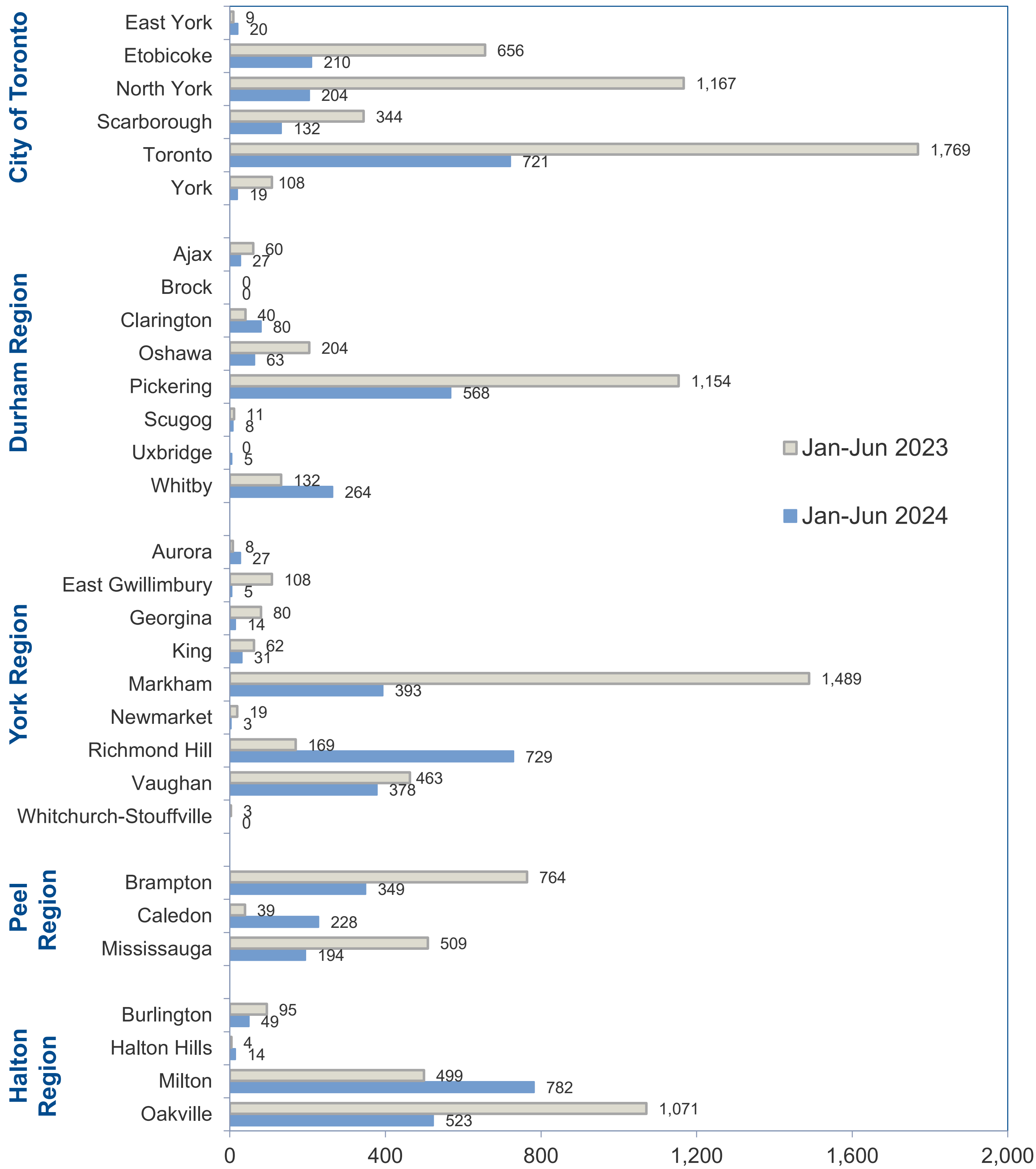






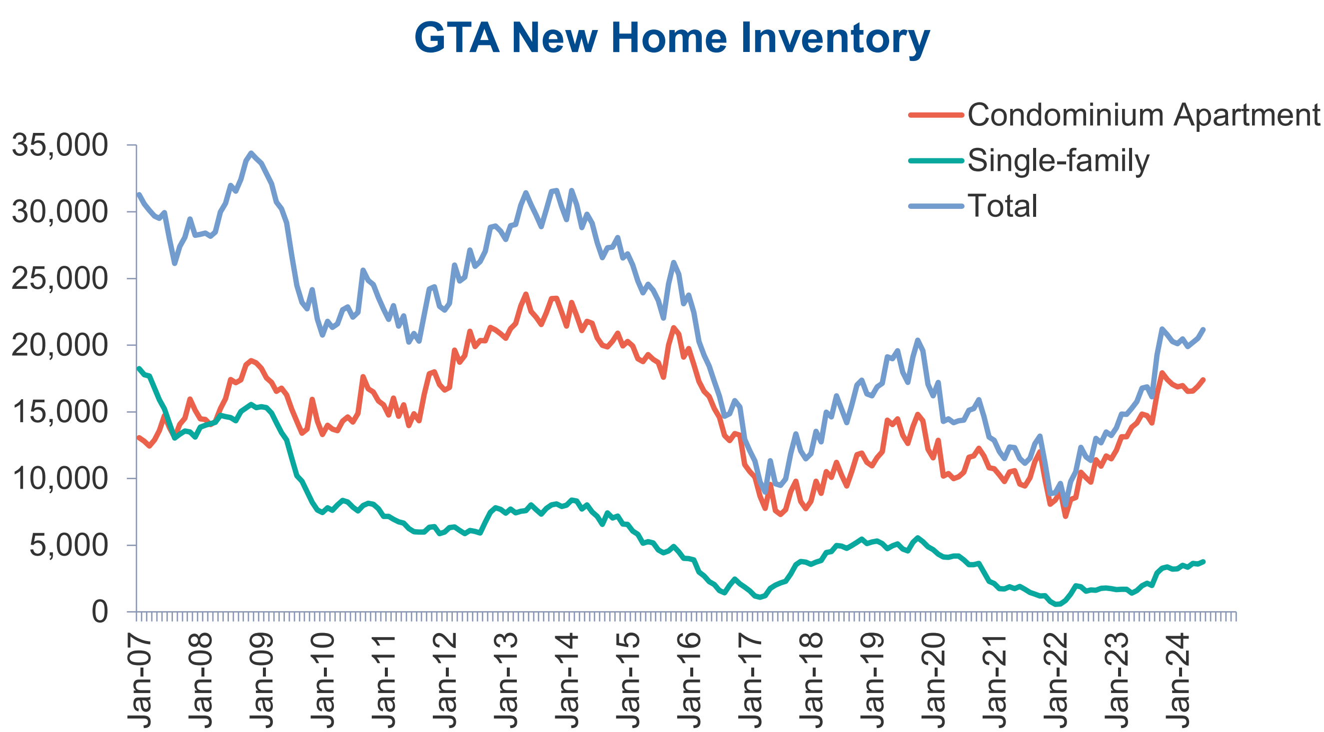
Source: Altus Group

GTA Total New Home Sales by Municipality



Source: Altus Group

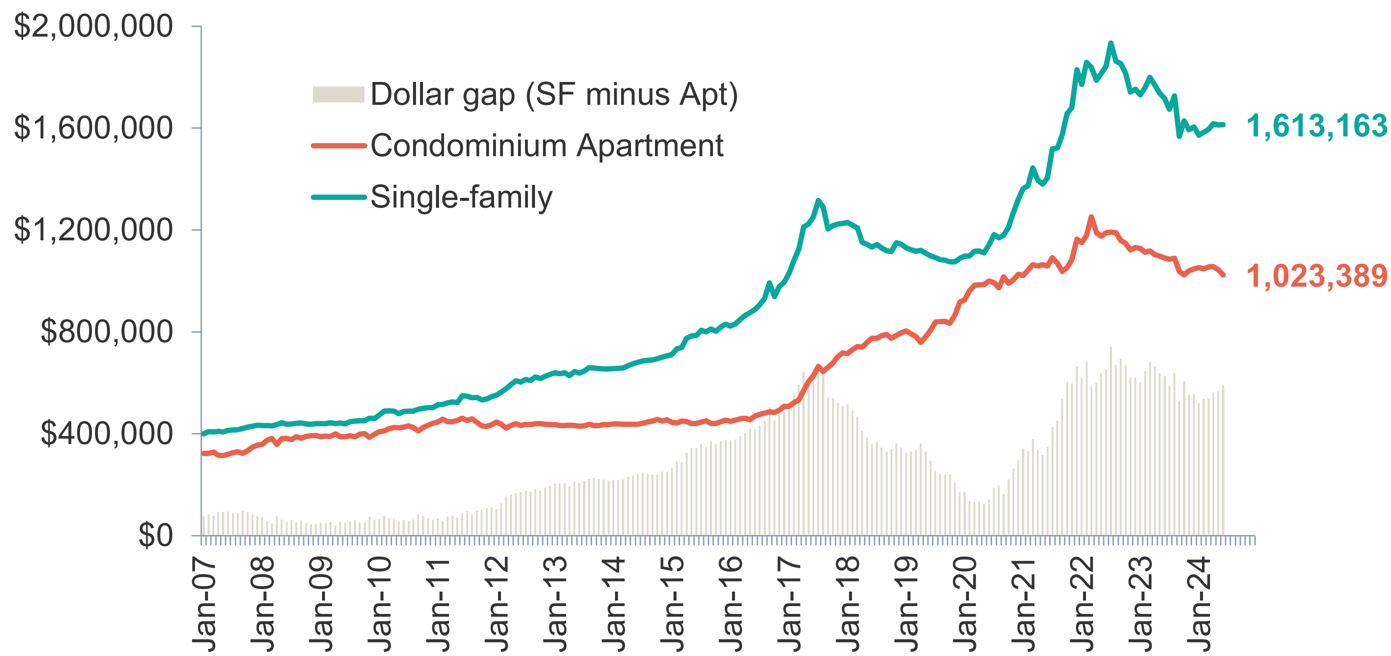
- **The total inventory of new homes across the GTA rose in June 2024 and sat about one-third above the 10-year average.** Total inventory exceeded last year by about one-quarter.
- Based on average monthly total new home sales over the past 12 months, there were 14.5 months of available supply of total new homes at the end of June 2024, well above the long-term average for June of about 7 months.



Source: Altus Group

- **The benchmark price for a new condominium apartment eased by six percent in June 2024 compared to the previous year,** as did the single-family benchmark price.
- **The price advantage of available new condominium apartments compared to new single-family homes widened further in June.** Both the condominium apartment benchmark price and the single-family benchmark price registered year-over-year declines for the 19th consecutive month (*charts next page*).
- It should be kept in mind that the benchmark prices represent units available to purchase at month's end. For new projects opened during the month, lower-priced products may sell out more quickly, and therefore not be represented in these data.

GTA New Home Benchmark Prices*



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

Source: Altus Group

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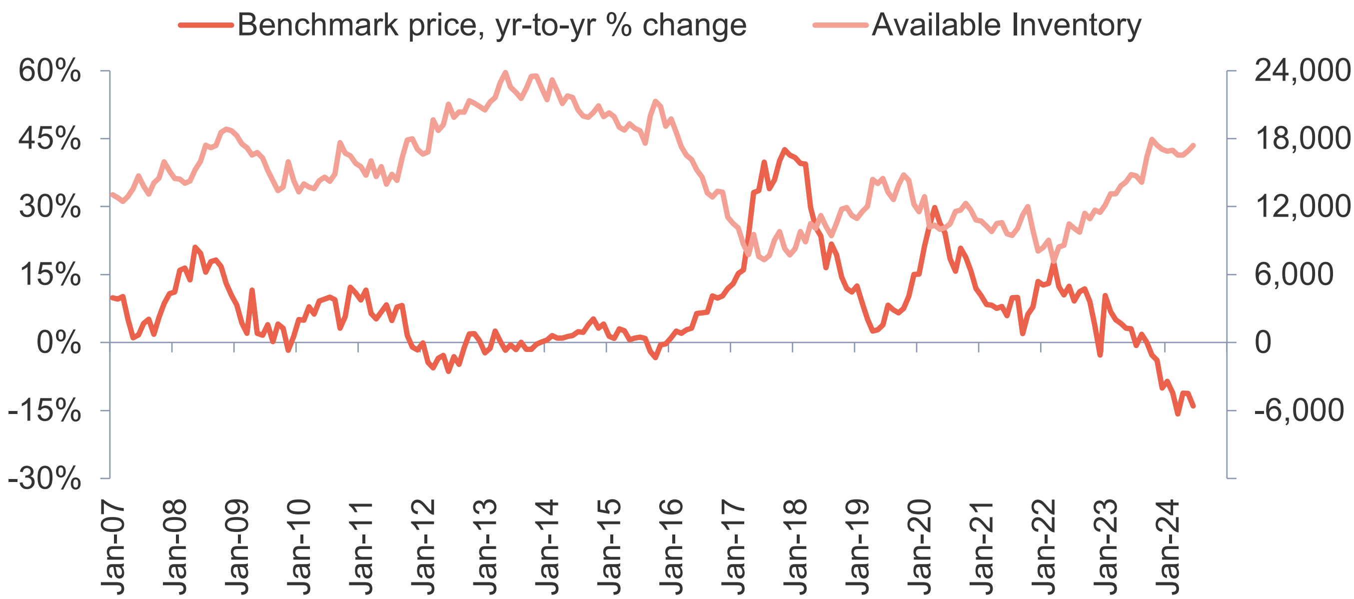
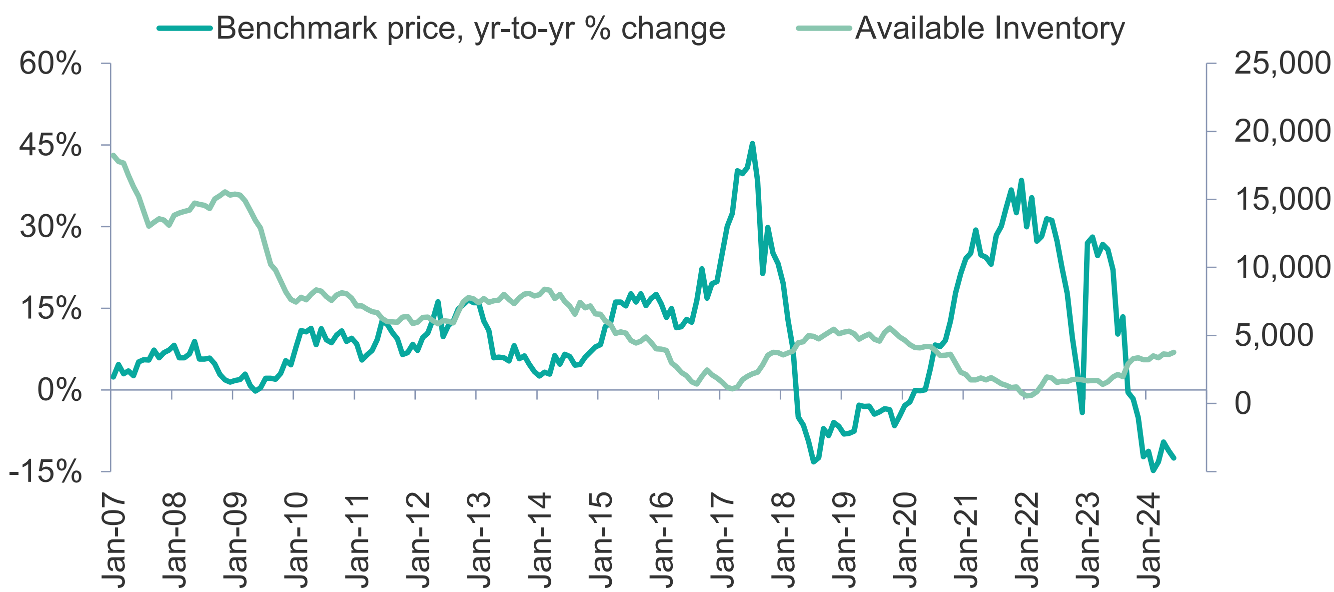
GTA New Condominium Apartment Benchmark Price Changes and Available Inventory



Source: Altus Group

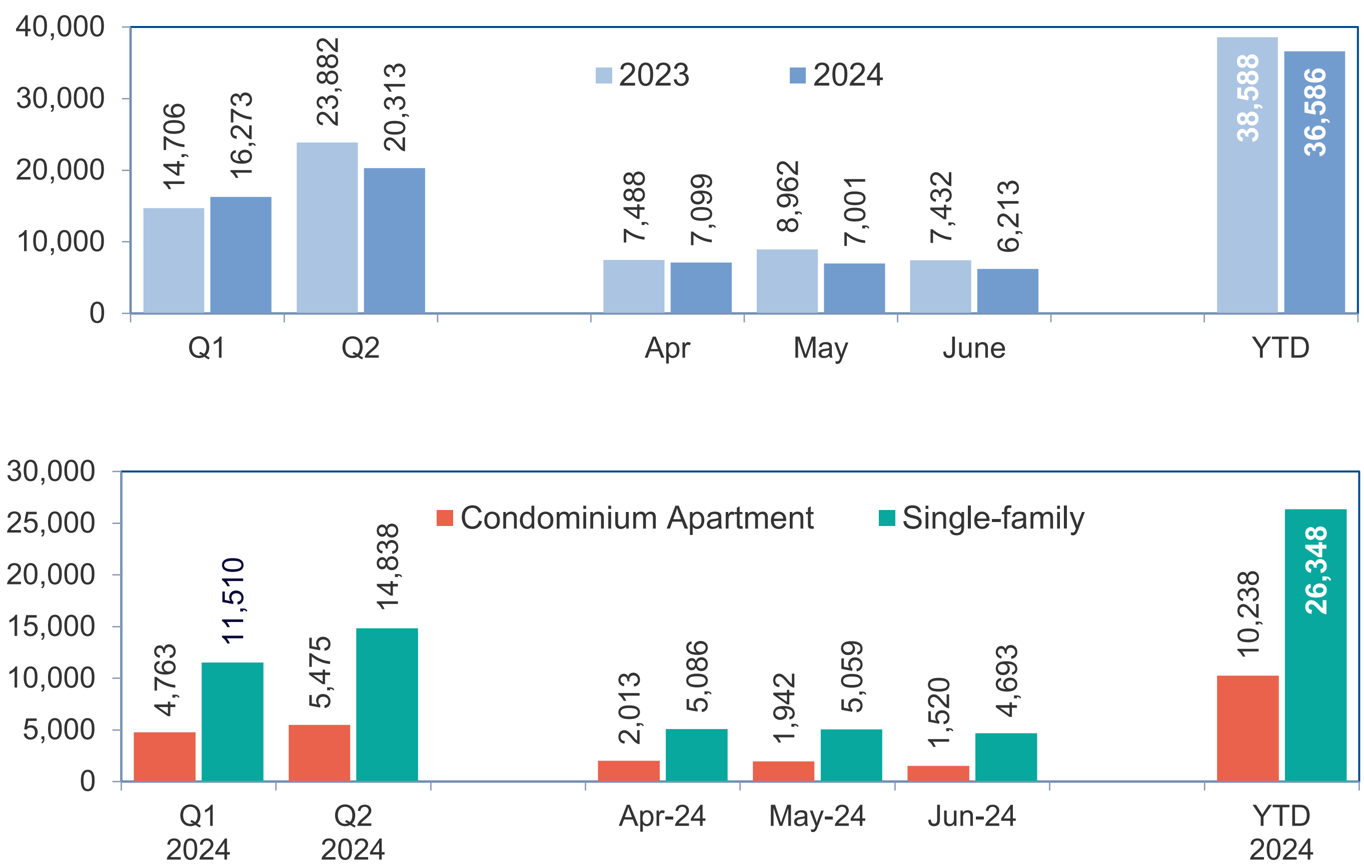
GTA New Single-Family Home Benchmark Price Changes and Available Inventory



Source: Altus Group

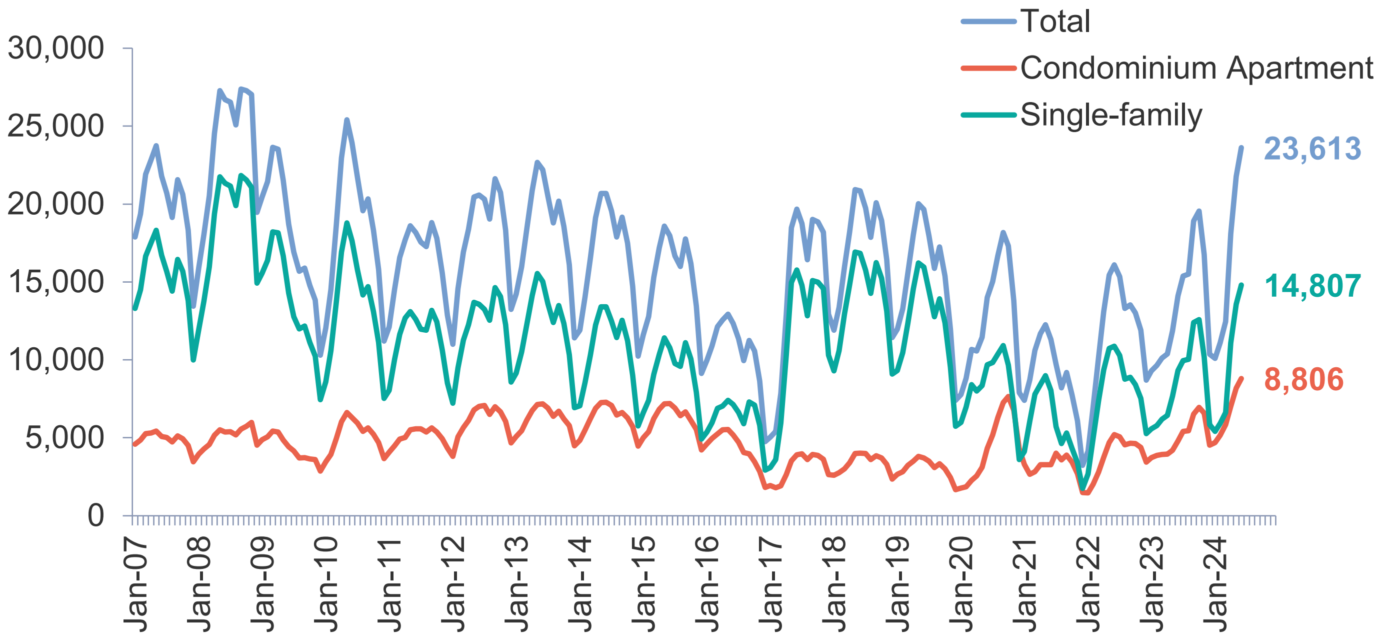
- **Sales of existing homes in June 2024 were down 16 percent year-over-year** and remain well below the 10-year average.
- **Total inventory rose another 67 percent year-over-year to a 14-year high** as both resale condominium apartment and single-family inventory contributed to the increase from June 2023 *(chart next page, top).*
- The average sales price for existing condominium apartment and single-family homes in June 2024 were down slightly from a year earlier *(chart next page, bottom).*

GTA Resale Home Sales



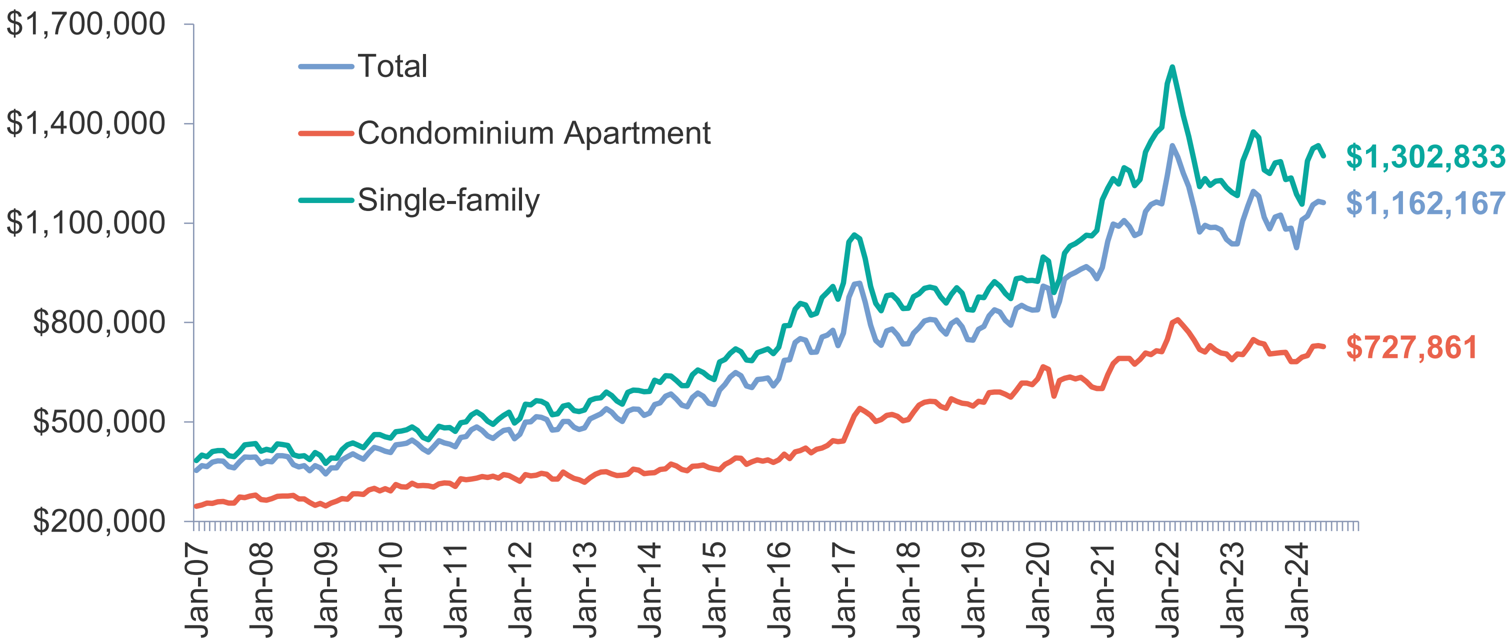
Source: Altus Group based on Toronto Regional Real Estate Board data

GTA Resale Home Inventory (“Active Listings”)



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

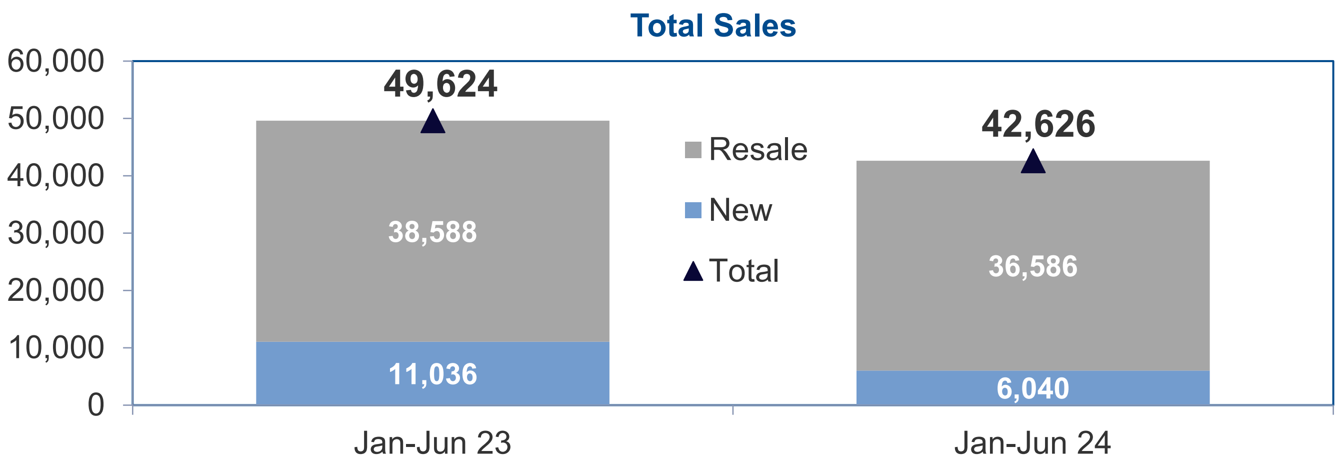
GTA Resale Home Prices

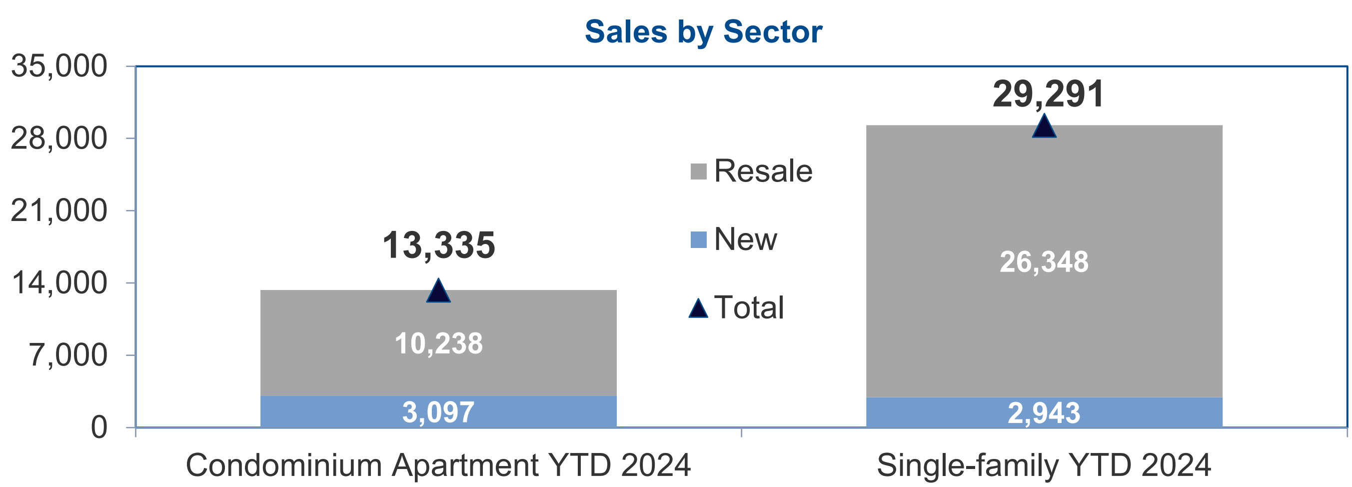


Source: Altus Group based on Toronto Regional Real Estate Board data

- **Year-to-date total home sales in the GTA through the first half of 2024 were down 14 percent from a year earlier.** The new home sector was down 45 percent, while the resale sector was down just 5 percent.
- **The new home sector accounted for about 1 out of every 7 home for the first half of 2024** – this is down from 1 in 5 for the same period in 2023. 1 in 10 single-family and 1 in 4 condominium apartment homes sold were new homes.

GTA Combined New & Resale Home Sales

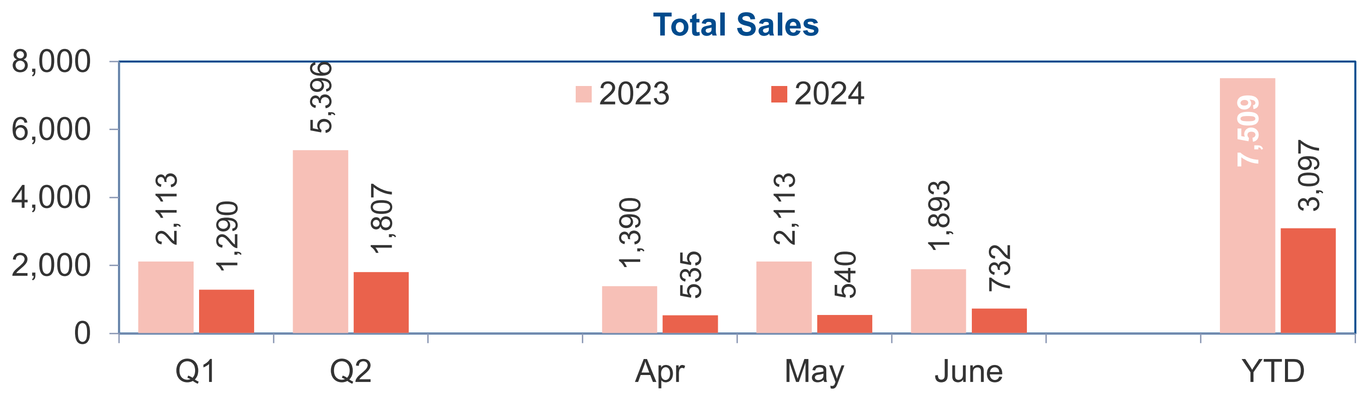


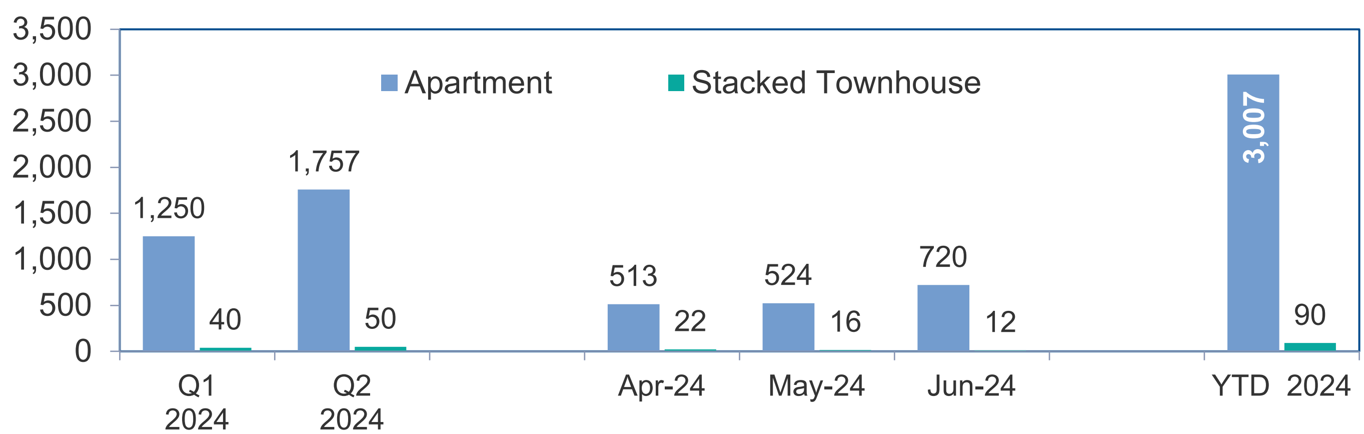


Source: Altus Group and Toronto Regional Real Estate Board data

- **Total new condominium apartment sales in June 2024 across the GTA were the 2nd lowest June** (roughly matching the 2020 pandemic-impacted level) **on record**.
- **New condominium sales in June 2024 were down across all regions compared to the previous year** *(chart top of next page)*.
- **Lower new condominium sales were recorded year-to-date across all regions with the large falloff in Toronto weighing heavily on the overall GTA numbers** (*chart middle of next page*). Toronto has lost market share of new condominium apartment sales, mainly to Halton and York (*chart bottom of next page*).
- At the local municipality level, the falloff in sales in the first half of 2024 is evident with most municipalities recording declines from the previous year with the main exceptions of Richmond Hill and Milton *(chart after next page)*.

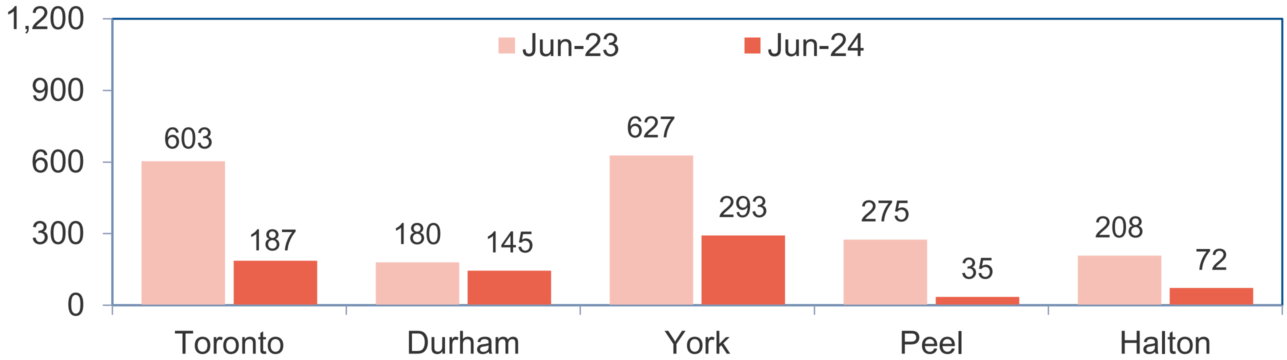
GTA New Condominium Apartment Sales

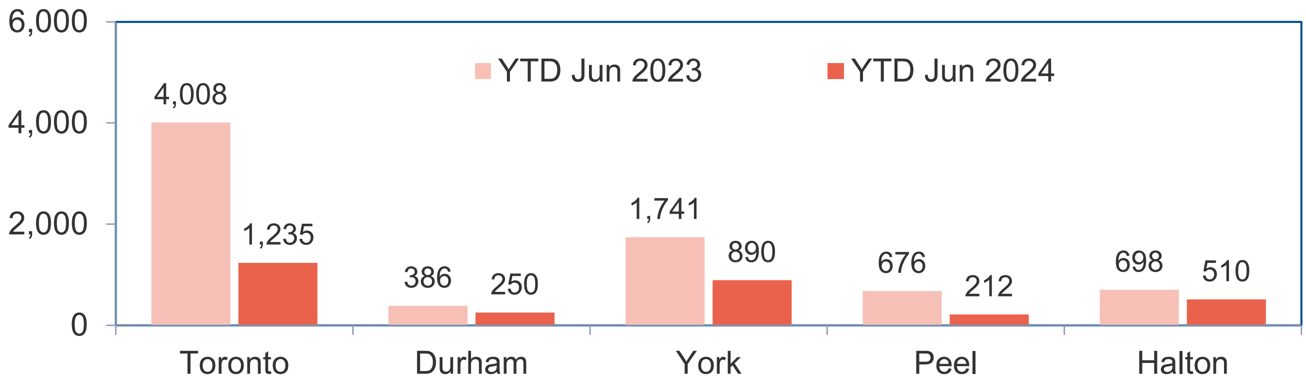


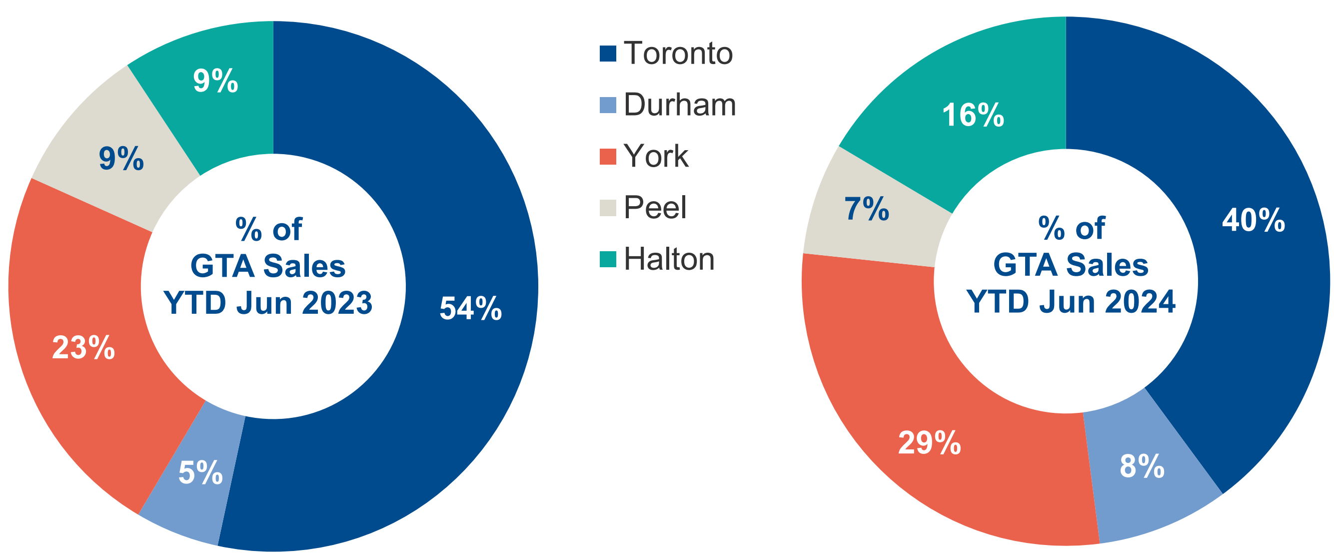


Source: Altus Group

GTA New Condominium Apartment Sales by Region







Source: Altus Group

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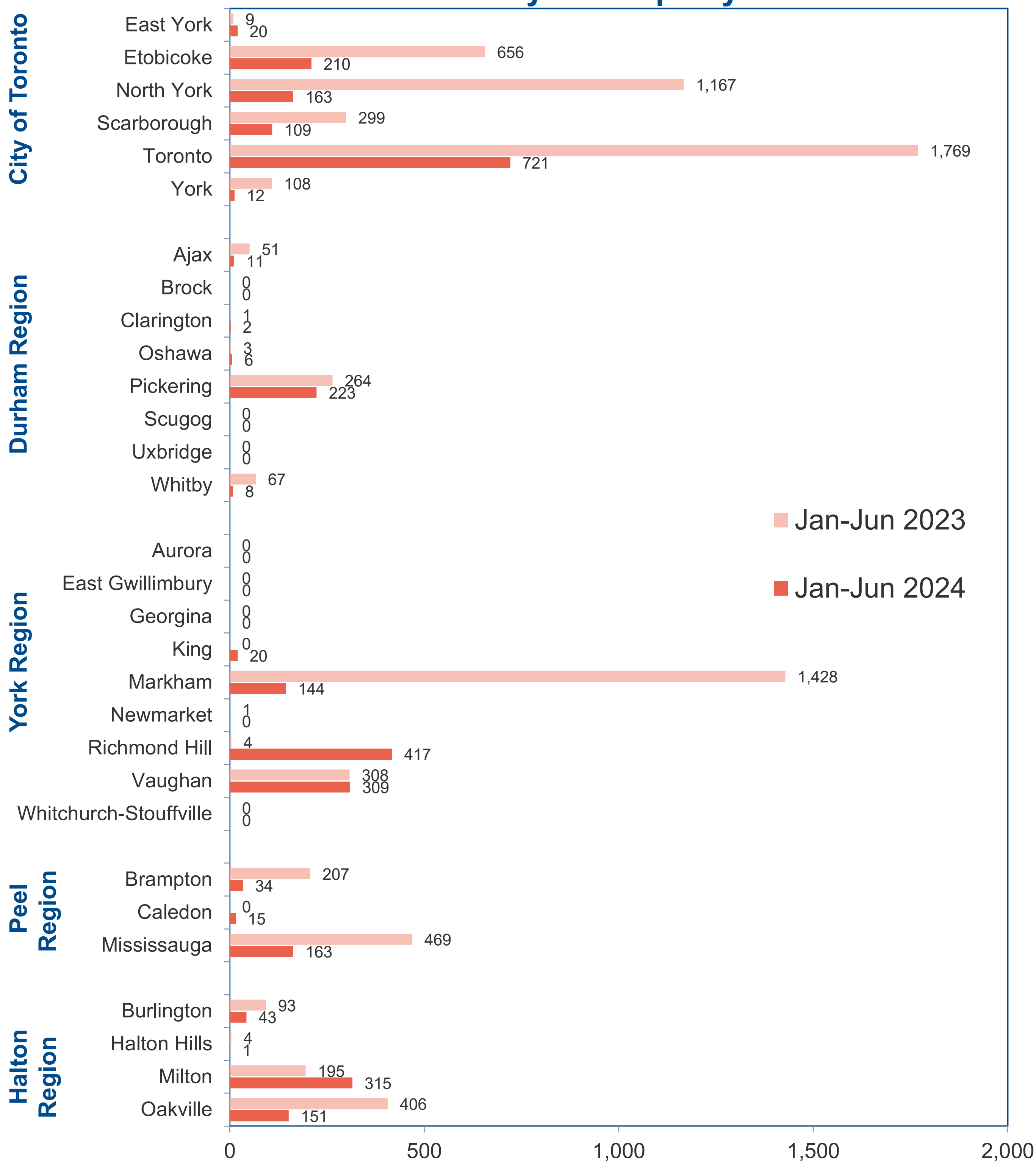
GTA New Condominium Apartment Sales by Municipality

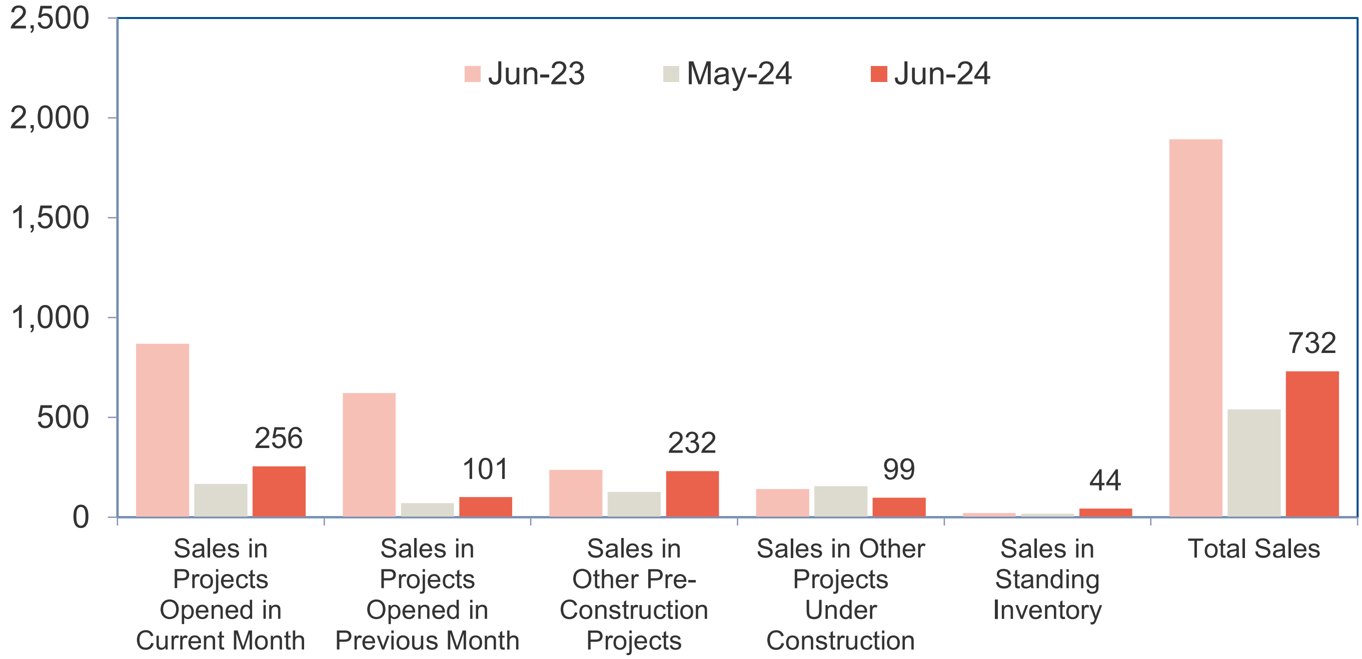


Source: Altus Group

New Condominium Apartments - Sales

- **About one in three new condominium apartment sales in June occurred in the 3 newly launched projects during the month.** Most of the remaining sales in June were in pre-construction projects opened more than two months or more ago.
- **There is typically little inventory still available to purchase when projects are completed** (*see chart next page, top*) and therefore very few sales in the "standing inventory" category.

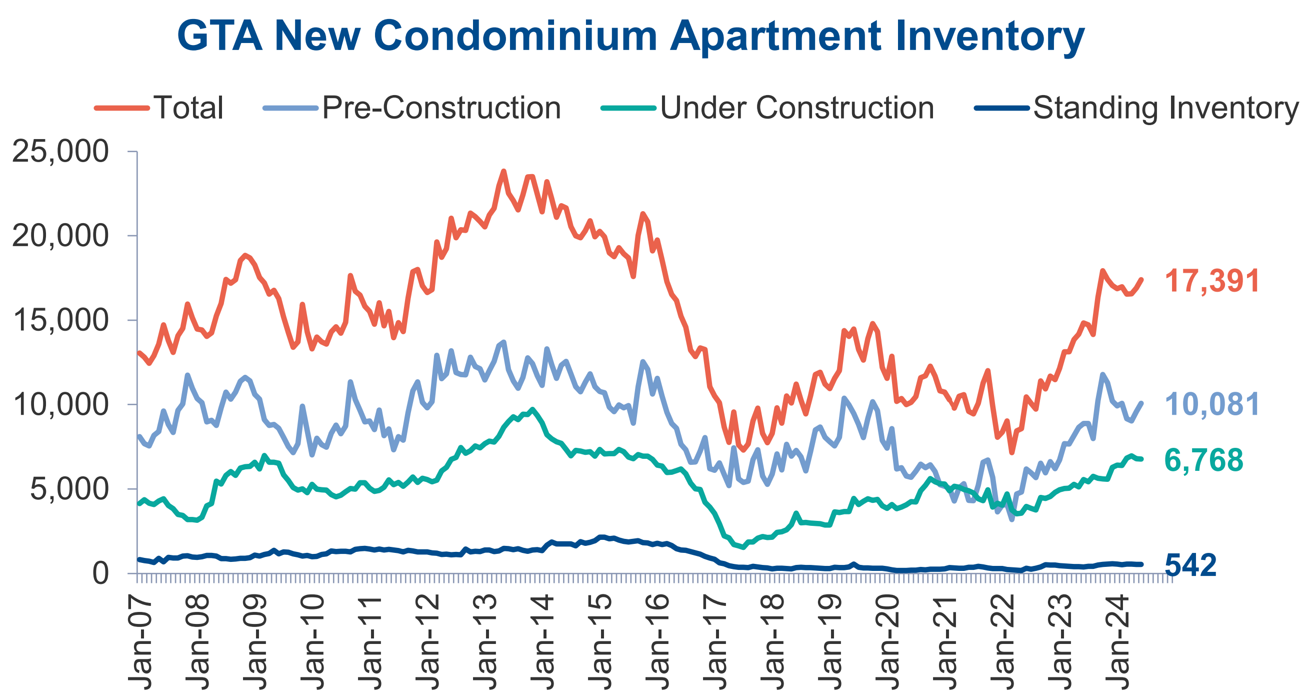
GTA New Condominium Apartment Sales by Construction Status



Source: Altus Group

New Condominium Apartments - Inventory

- **The inventory of available new condo apartments in June 2024 climbed higher from the previous month and remained well above the 10-year average.**
- **The current unsold inventory at new condominium apartment projects represents over 23 months of supply** at the average monthly pace of sales seen over the past 12 months, **the highest level yet recorded**.
- **Over two-thirds of the available new condominium apartment inventory is concentrated in the City of Toronto.** Based on sales in the past 12 months, months of inventory ranged from a low of roughly 13.5 months in Durham to a high of about 30 months in Peel.

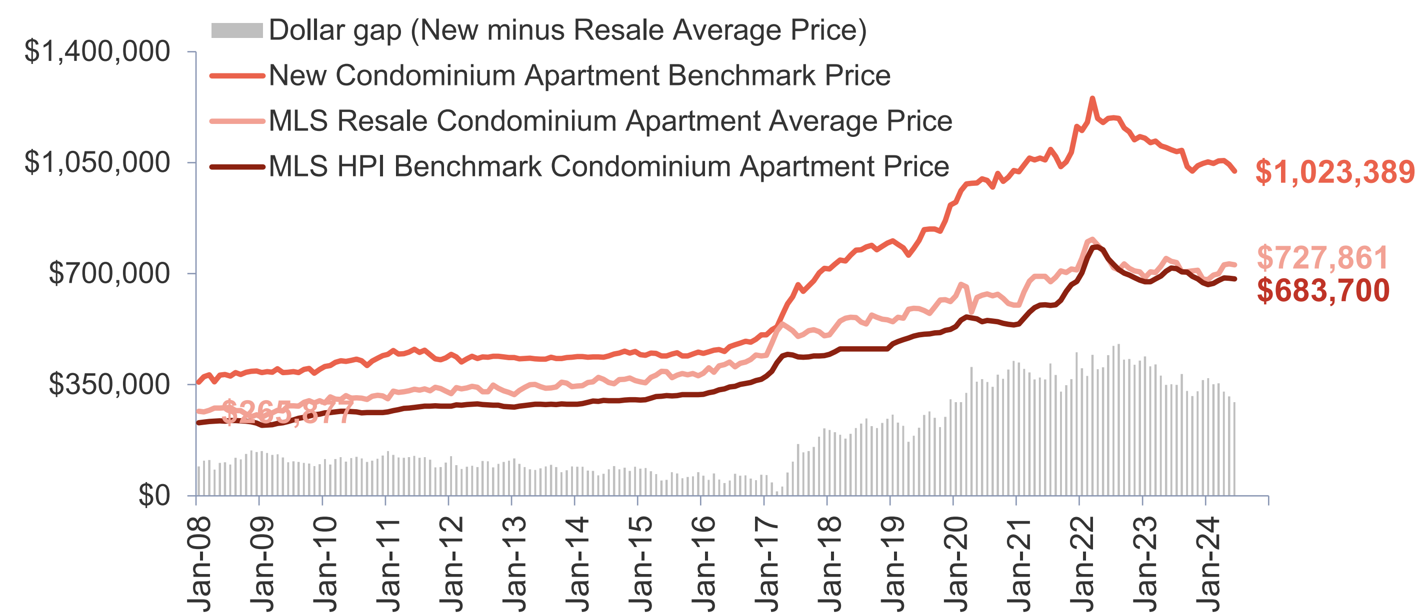


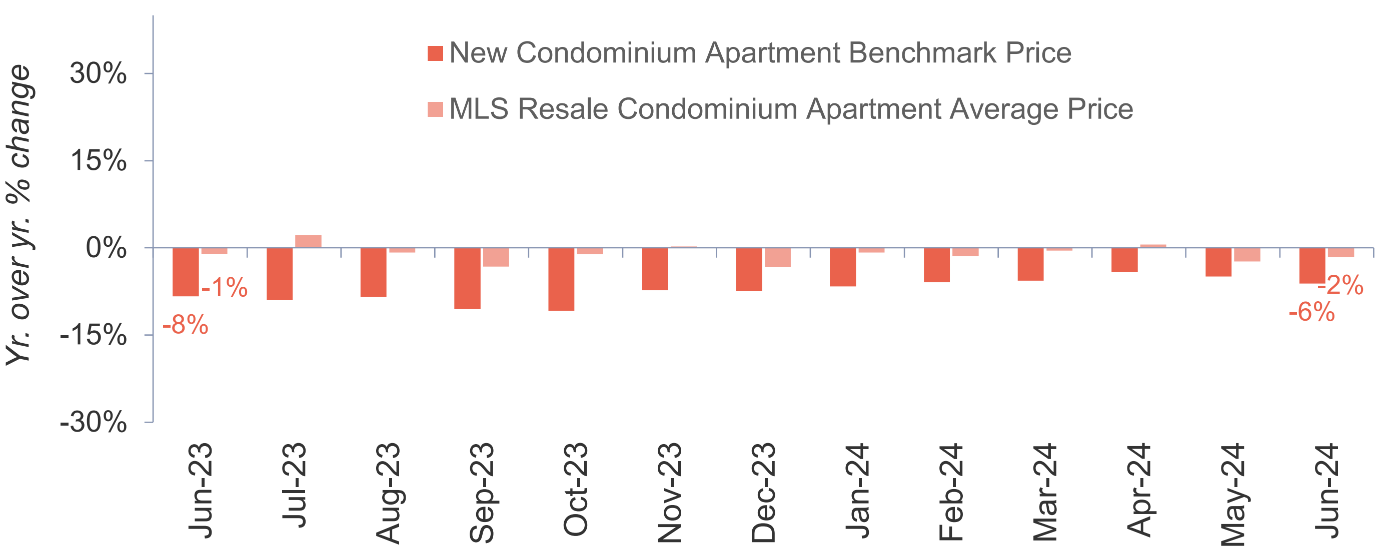
Source: Altus Group

New Condominium Apartments - Prices

- **The benchmark price of a new condominium apartment was down in June 2024 and recorded a 19th 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 June.**

GTA New and Resale Condominium Apartment Prices





Source: Altus Group and Toronto Real Estate Board data

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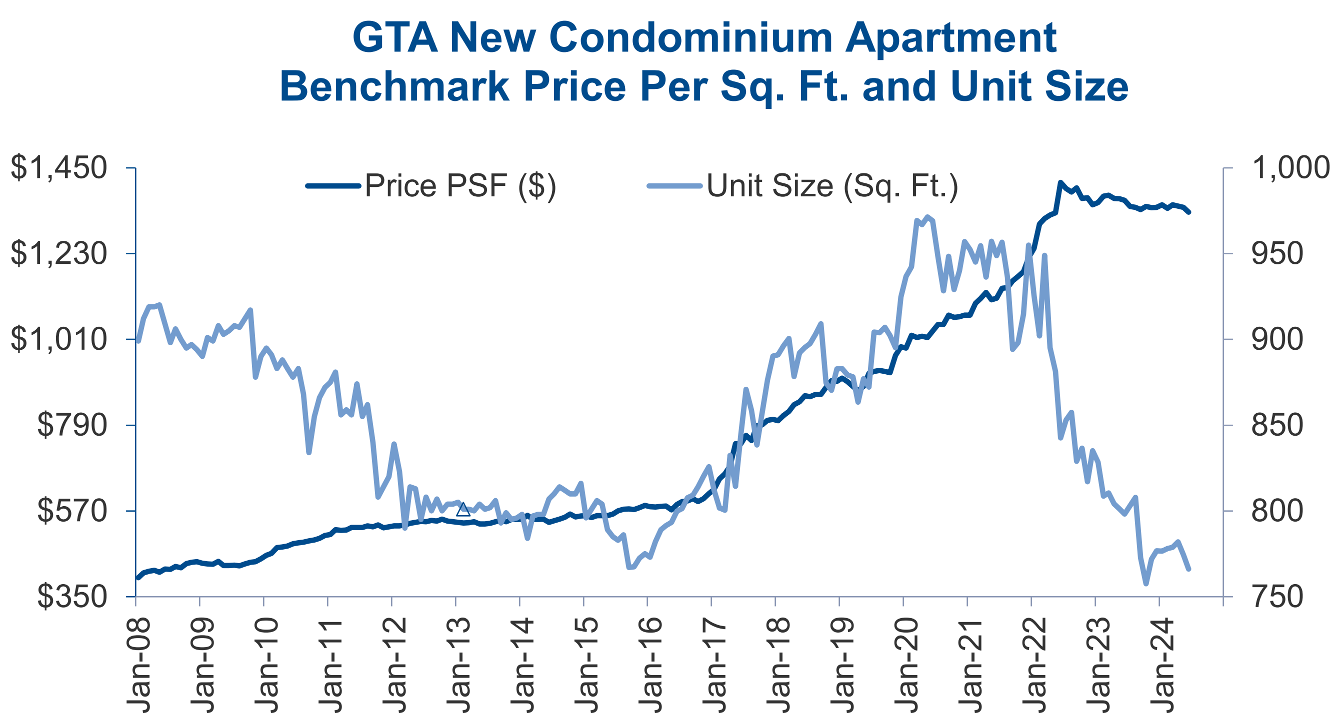
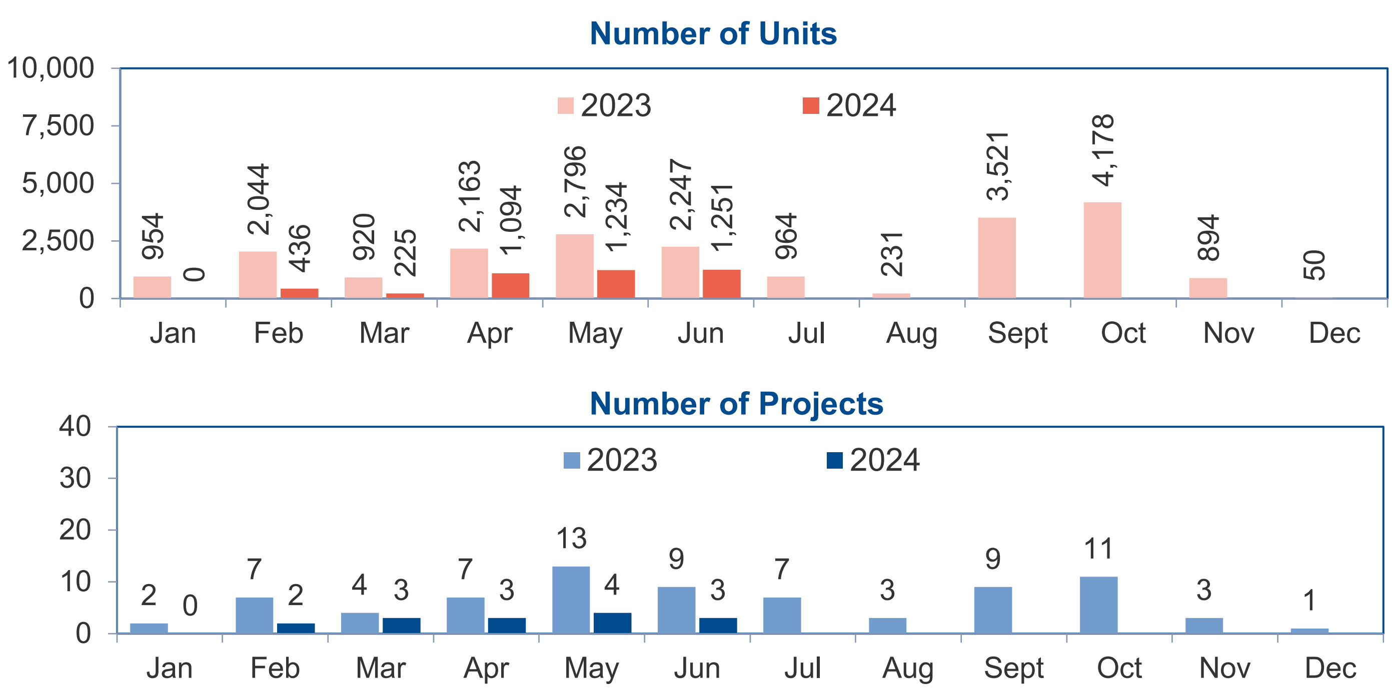
- **Both the price per square foot and unit size for a new condominium apartments decreased in June 2024.**
- Caution needs to be used in interpreting the data for any specific timeframe, as smaller unit sizes on average have higher prices per square foot. For example, an increase in the price per square foot could reflect both a "pure" price increase, as well as a decline in the average size of available units (and, of course, location shifts).



Source: Altus Group

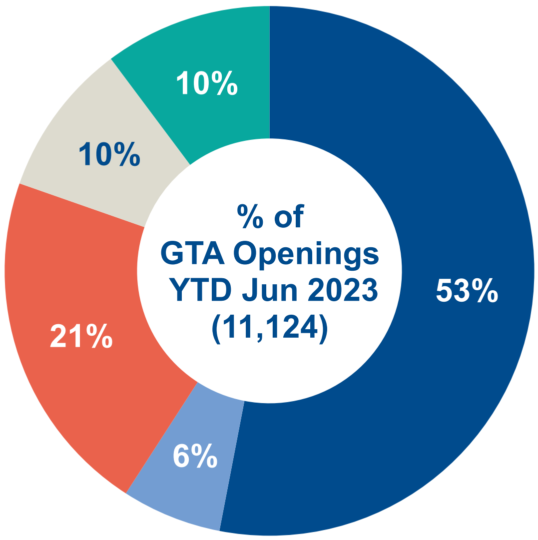
- **Three new condominium apartment were launched in June 2024**.
- **New launches through the first half of 2024 shifted away from Toronto to Durham, Halton and York compared to last year** *(chart next page, top).* The old City of Toronto and Scarborough have accounted for all of the new launches in Toronto through the first six months of 2024 *(chart next page, bottom)*.
- On the pages following the next page are maps showing the location of new projects launched in May and June 2024 accompanied by summary tables with additional details on each project.

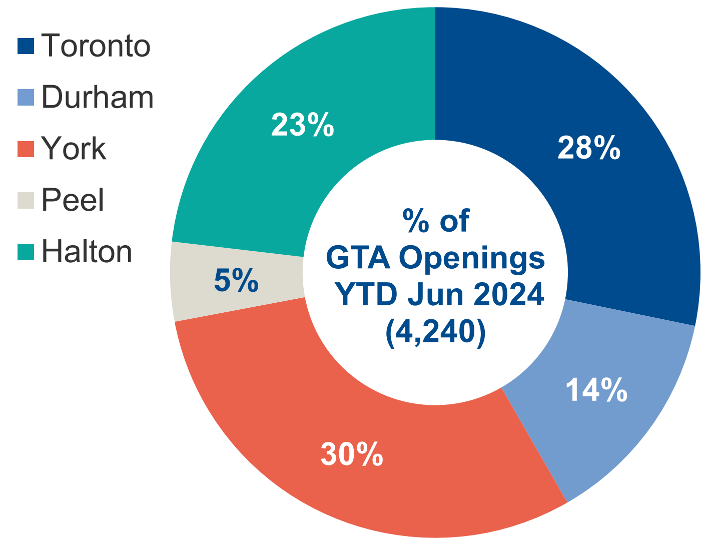
GTA New Condominium Apartment Project Openings



Source: Altus Group

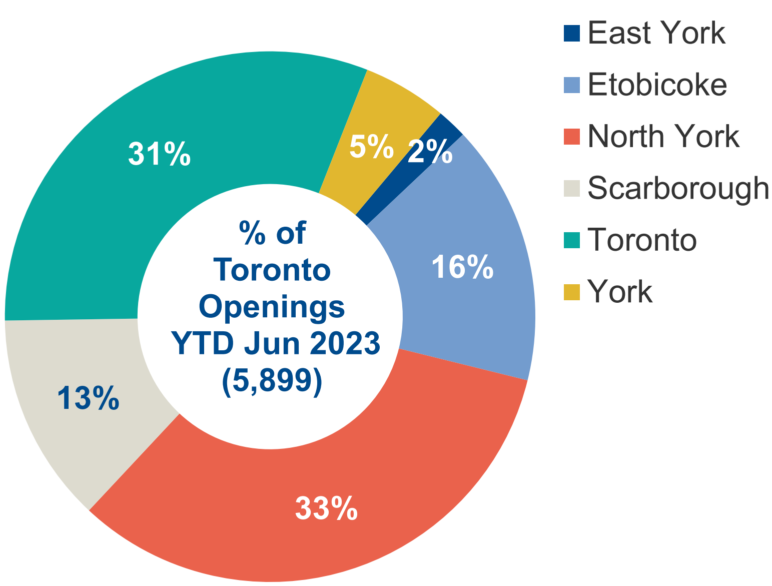
GTA Condominium Apartment Units in New Openings by Region

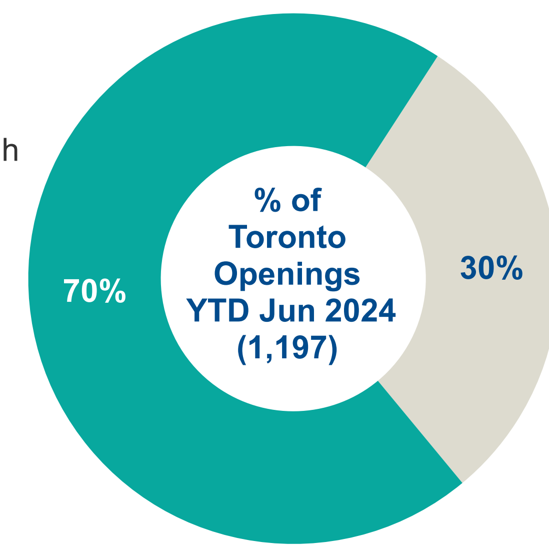




Source: Altus Group

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

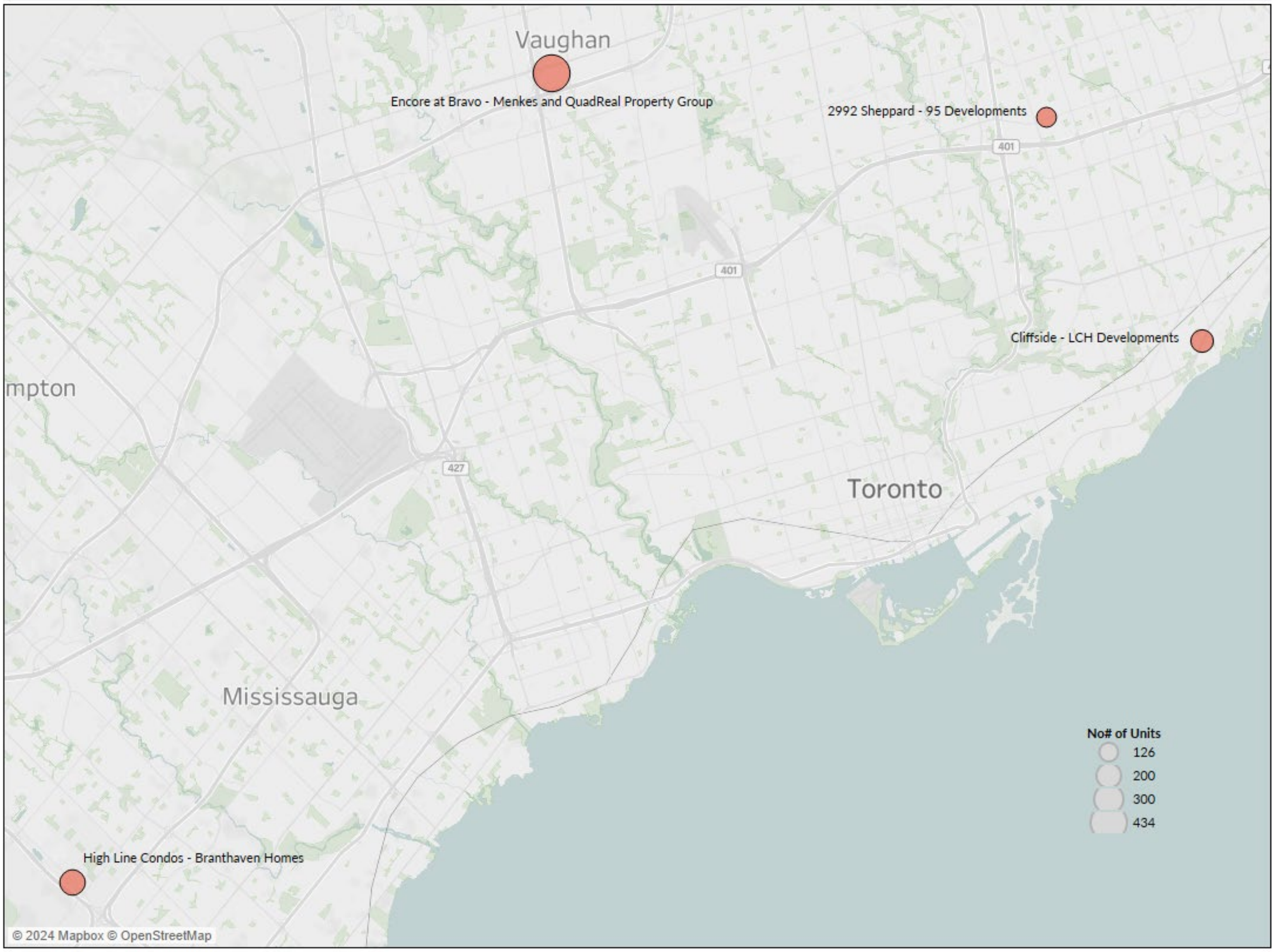




Source: Altus Group

New Condominium Apartments - Openings

May 2024 New Project Launches by Number of Units



Source: Altus Group

New Condominium Apartments - Openings

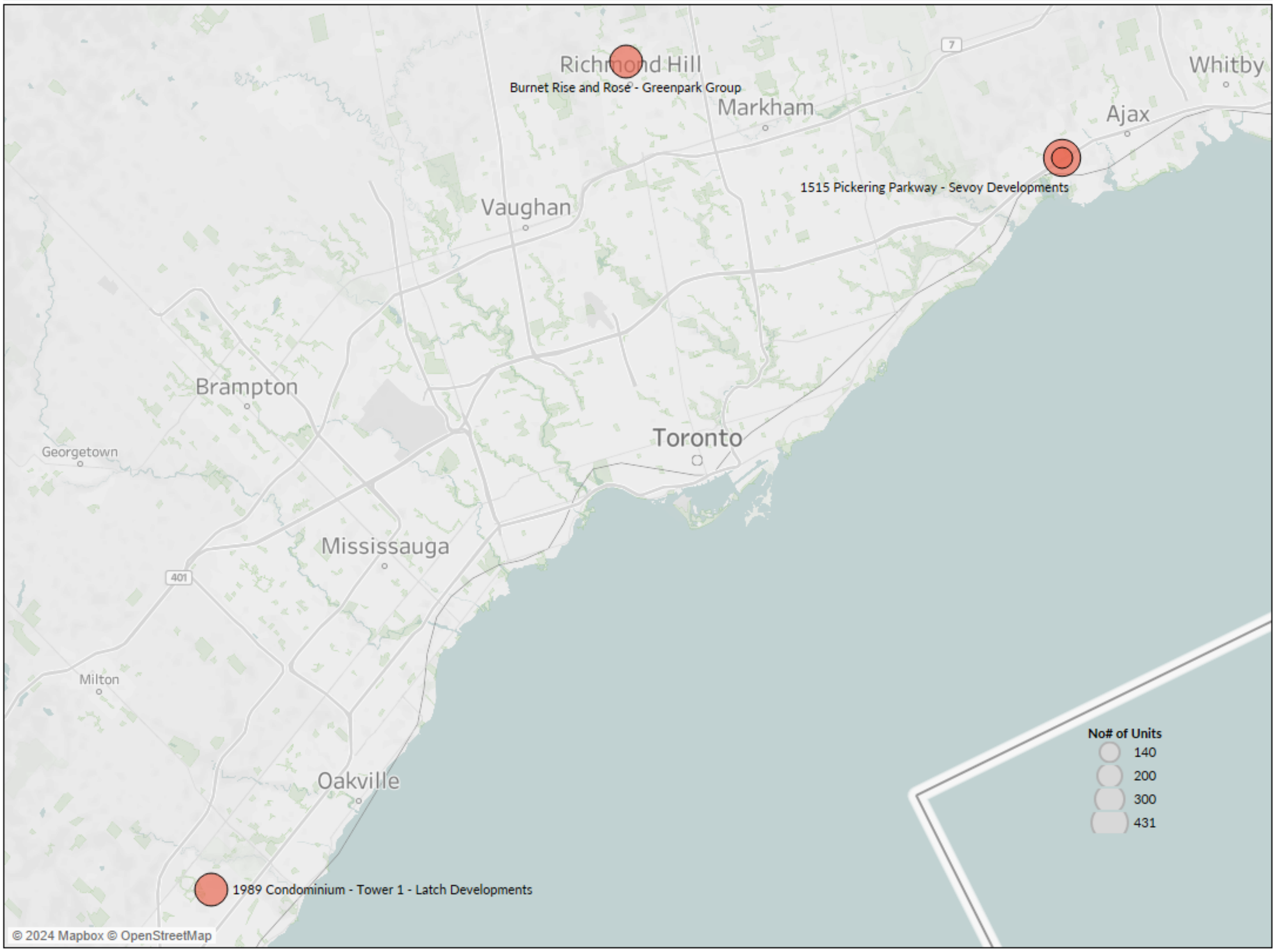
New Condominium Apartment Project Openings - May 2024

Project Name	2992 Sheppard	Cliffside	Encore at Bravo	High Line Condos
Developer	95 Developments	LCH Developments	QuadReal Property Group	Branthaven Homes
Date Opened	May 30, 2024	May 11, 2024	May 11, 2024	May 4, 2024
Municipality	Scarborough	Scarborough	Vaughan	Mississauga
Region	Toronto	Toronto	York	Peel
Structural Type	Apartment	Apartment	Apartment	Apartment
Floors	15	10	58	6
Project Total Units	**158**	**199**	**672**	**205**
Total Units Released	**126**	**164**	**434**	**205**
Studio	-	28	3	-
1 Bedroom	25	73	102	31
1 Bedroom + den	57	25	69	121
2 Bedroom	18	19	260	29
2 Bedroom + den	-	3	-	24
3 Bedroom & up	26	10	-	-
Penthouse	-	-	-	-
Townhouse	-	-	-	-
Other	-	6	-	-
Opening Month Sales	**0**	**20**	**95**	**52**
Next Month Sales	**20**	**0**	**76**	**5**
% Sold (of released units)	16%	12%	39%	28%
Remaining Available Inventory	106	144	263	148
Original $PSF	$1,217	$1,113	$1,211	$1,125
Minimum Size (sq. ft.)	476	321	390	480
Maximum Size (sq. ft.)	861	1,189	698	950
Minimum Price	$629,900	$399,990	$483,990	$595,900
Maximum Price	$954,900	$1,149,900	$838,790	$980,900
Notes				

Source: Altus Group

New Condominium Apartments - Openings

June 2024 New Project Launches by Number of Units



Source: Altus Group

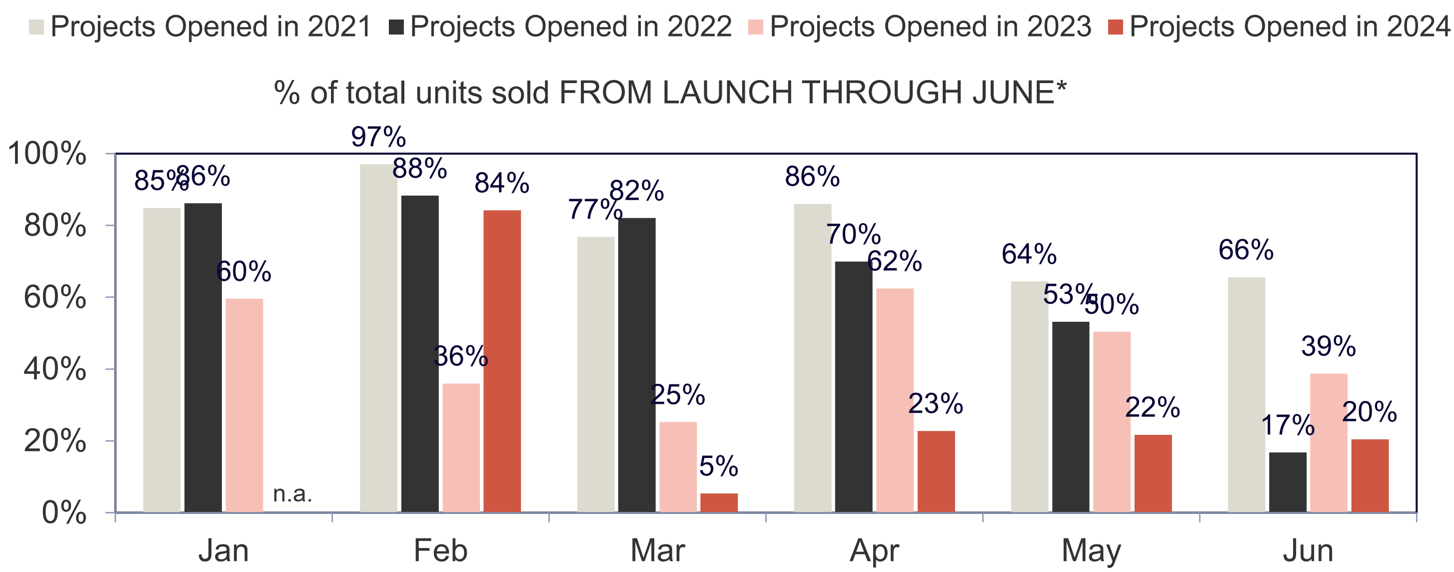
New Condominium Apartments - Openings

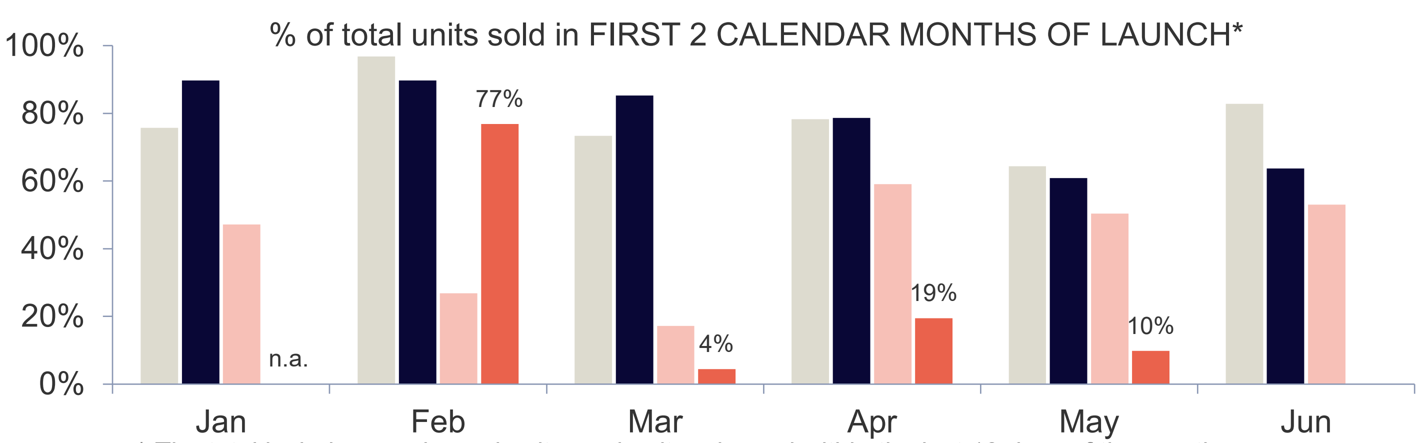
New Condominium Apartment Project Openings - June 2024			
Project Name	**1515 Pickering Parkway**	**1989 Condominium - Tower 1**	**Burnet Rise and Rose**
Developer	Sevoy Developments	Latch Developments	Greenpark Group
Date Opened	June 15, 2024	June 15, 2024	June 5, 2024
Municipality	Pickering	Burlington	Richmond Hill
Region	Durham	Halton	York
Structural Type	Apartment	Apartment	Apartment
Floors	40	22	31
Project Total Units	**571**	**342**	**338**
Total Units Released	**431**	**342**	**338**
Studio	35	-	-
1 Bedroom	167	53	43
1 Bedroom + den	105	165	163
2 Bedroom	124	118	101
2 Bedroom + den	-	-	3
3 Bedroom & up	-	6	28
Penthouse	-	-	-
Townhouse	-	-	-
Other	-	-	-
Opening Month Sales	**86**	**25**	**145**
% Sold (of released units)	20%	7%	43%
Remaining Available Inventory	345	317	193
Original $PSF	$1,095	$1,013	$1,052
Minimum Size (sq. ft.)	300	496	590
Maximum Size (sq. ft.)	659	1,144	1,145
Minimum Price	$407,990	$524,999	$621,900
Maximum Price	$699,990	$1,016,000	$1,050,900
Notes			

Source: Altus Group

- **Just 20 percent of units launched in June have sold.** This is behind the pace in 20221 and 2023 but in line with 2022.
- After 2 months of sales, projects opened in March, April and May have lagged well behind the pace of previous three years.
- 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 June*



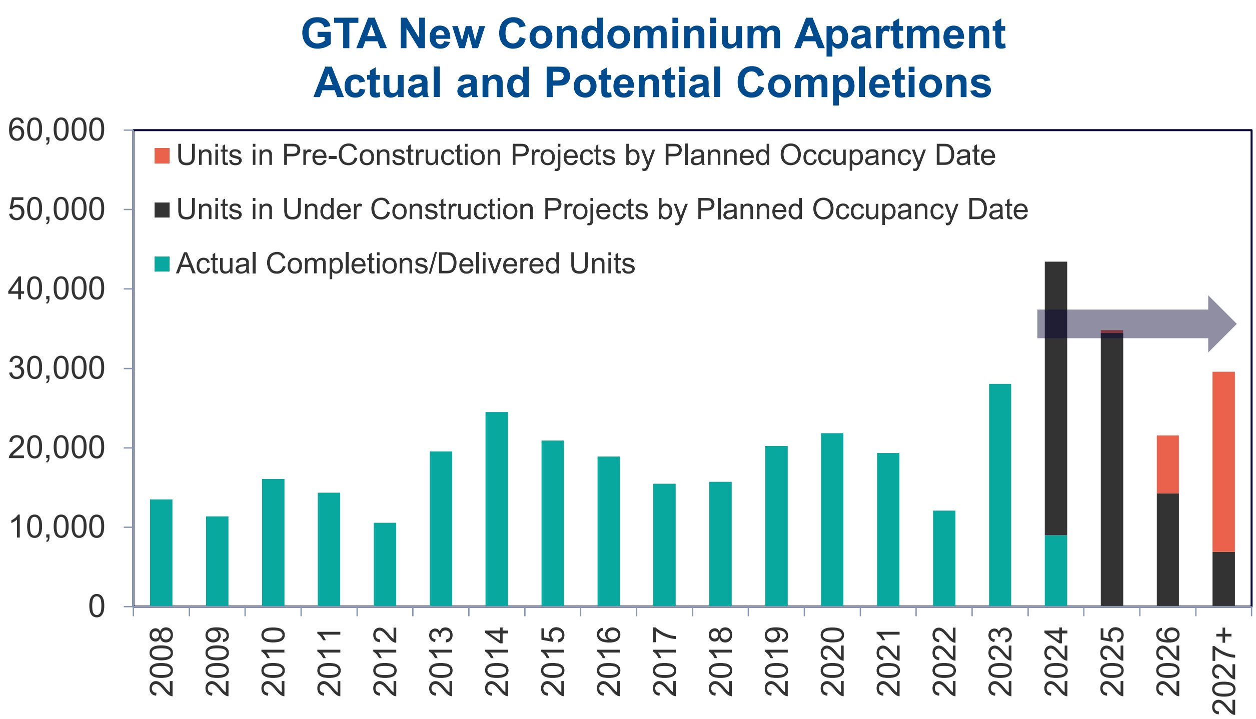


** The total includes unreleased units, and units released within the last 10 days of the month*

Source: Altus Group

New Condominium Apartments - Completions

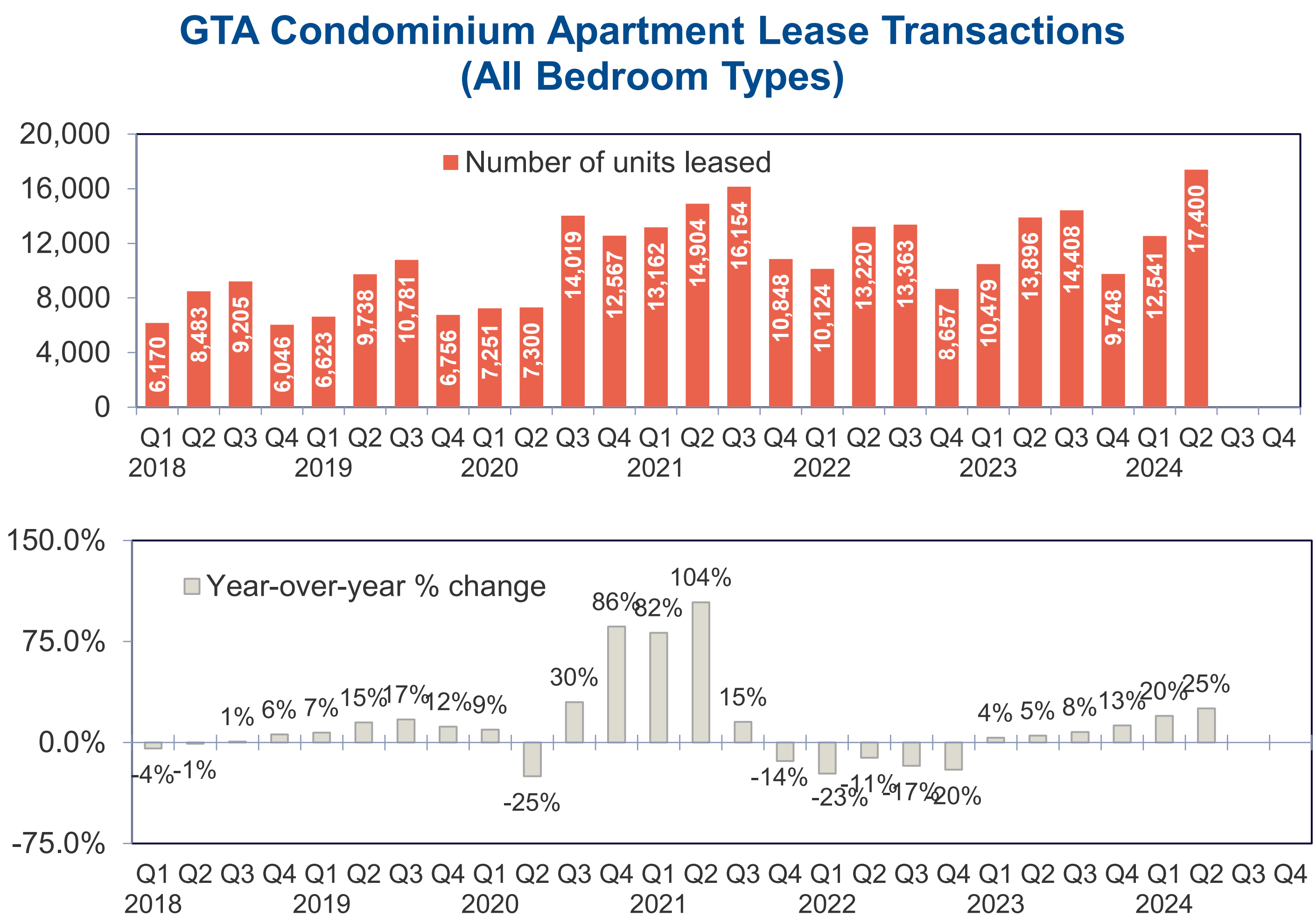
- As of the end of June 2024, there were about 120,400 new condominium apartment units in projects either under construction or in pre-construction stages.
- **There were roughly 2,250 units delivered in June 2024.** Year-to-date completions through the first half of 2024 are about 10 percent ahead of the pace set last year – annual completions in 2023 were a record high.
- 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 2024. 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.



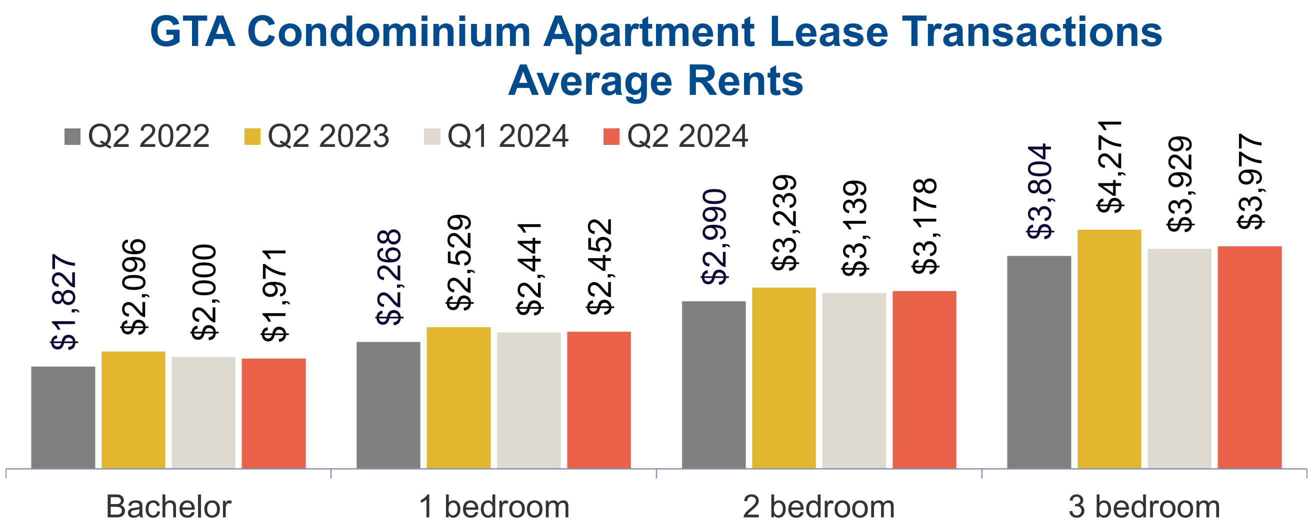
Source: Altus Group

Condominium Apartment Rentals

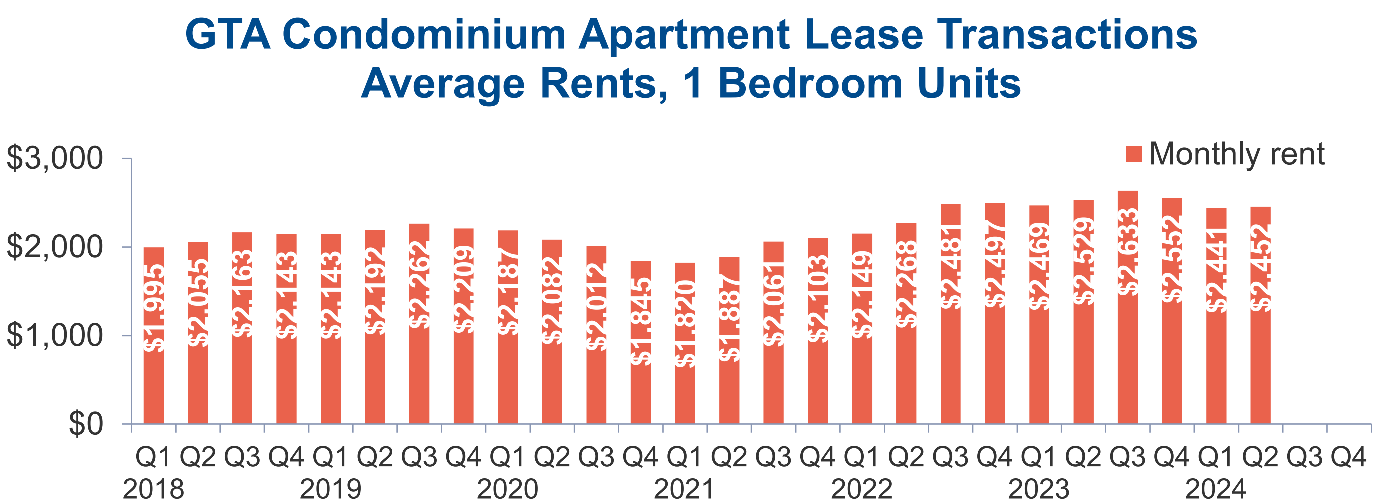
- **The number of GTA condo apartment lease transactions surged higher in Q2 2024** (according to data from the Toronto Regional Real Estate Board) to its highest level in the 14 years the data have been available.
- **Rising rents are important for investor interest in the sector.** Apartment rents in the GTA have more than recovered from the losses that occurred at the early stages of the pandemic and year-over-year increases had been in double digit territory for multiple quarters though have recently slowed and turned negative in Q1 2024 for the first time since Q2 2021 *(charts next page)*. Rents rebounded strongly in Q2 2024. The recovery in rents, coupled with a chronic shortage of purpose-built rental supply, extended construction timelines for new condominium apartments and record levels of immigration continue to be supportive of increases in supply.

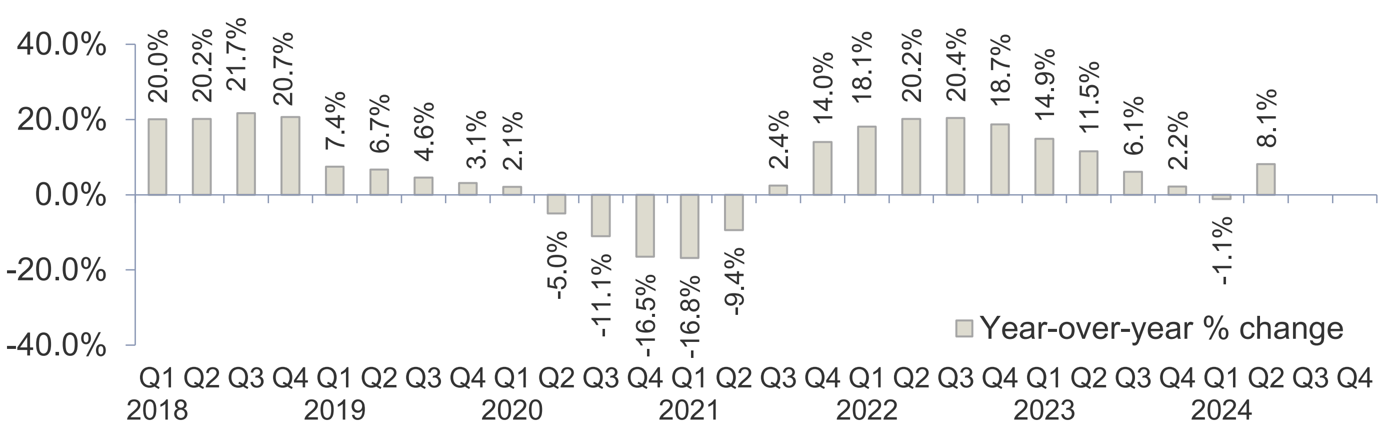


Source: Altus Group based on Toronto Regional Real Estate Board data



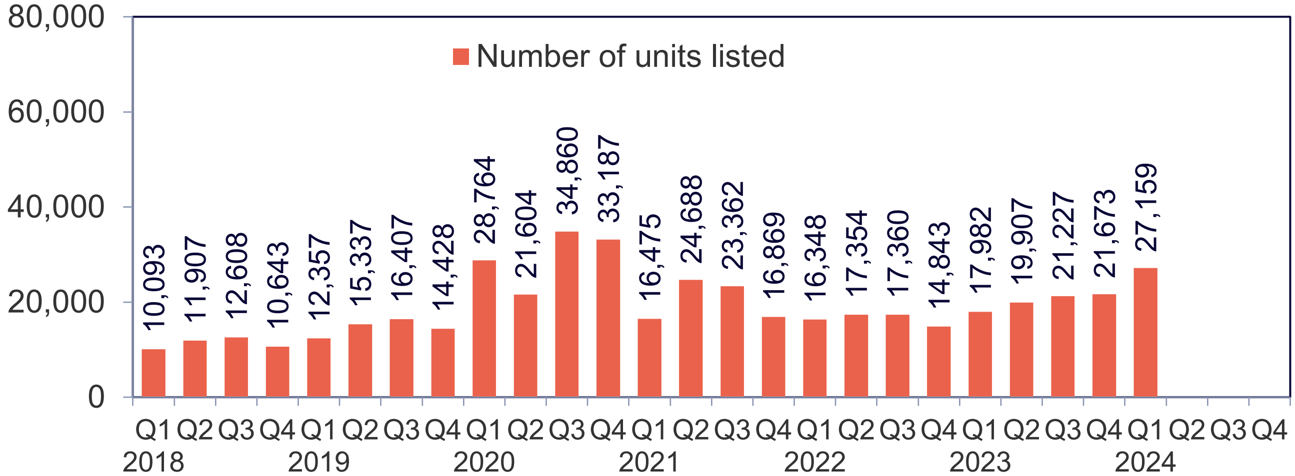
Source: Altus Group based on Toronto Regional Real Estate Board data



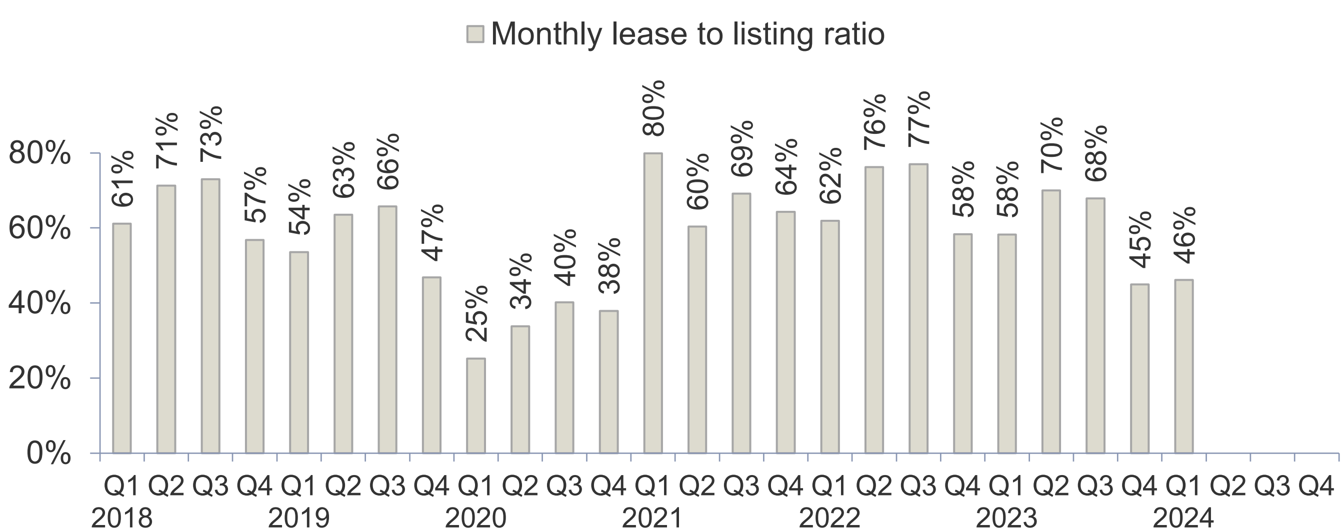


Source: Altus Group based on Toronto Regional Real Estate Board data

GTA Condominium Apartment Lease Listings (All Bedroom Types)



GTA Condominium Apartment Lease to Listing Ratio (All Bedroom Types)



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

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

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