The Altus Group Condominium Apartment Monitor

GTA Edition

Data as of August 2024

Table of Contents

New Condominium Apartment Dashboard

August 2024			YTD August 2024	
Sales	**Inventory**	**Benchmark Price**	**Sales**	**Benchmark Price**
235	**17,233**	**$1,031,356**	**3,588**	**$1,041,276**
-61%	**+21%**	**-5%**	**-60%**	**-7%**
Lowest August on record	***Highest August since 2015***	***Lowest August since 2020***	***Lowest YTD August on record***	***Lowest YTD August since 2020***

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

Highlights

- **Total new condominium apartment sales in August 2024 across the GTA recorded a 3rd consecutive all-time monthly low.**
- **The inventory of available new condo apartments in August 2024 dipped marginally from the previous month but was 21 percent above year ago levels and remained well above the 10-year average.**
- **The benchmark price of a new condominium apartment was down in August 2024 year-over-year for the 21st consecutive month but did manage to improve from the previous month.**
- August new home sales across the GTA continued to be weak leading to elevated inventory levels. With most new homes taking months to construct, buyers can take advantage of current pricing and the future prospects for affordability improvements arising from mortgage rate declines that are expected to fall even further and the changes to mortgage rules set to come into effect later this year.

GTA Condominium Apartment Key Performance Indicators

	Aug-23	Jul-24	Aug-24	*Yr-Over-Yr % Change*	YTD Aug 2023	YTD Aug 2024	*Yr-Over-Yr % Change*
New Condominium Apartments (Altus Group data)*							
Total active sites	385	346	345	*-10%*	366	349	*-5%*
New projects opened	3	2	0	*-100%*	52	17	*-67%*
Units in new projects opened	231	632	0	*-100%*	12,286	4,872	*-60%*
Total sales (units)	596	281	235	*-61%*	8,980	3,588	*-60%*
Sales as % of total new & resale	*27%*	*16%*	*14%*		*38%*	*21%*	
Inventory (units)	14,212	17,461	17,233	*21%*	13,819	17,042	*23%*
Sales-to-inventory ratio	4%	2%	1%	*-67%*	8%	3%	*-67%*
Months of inventory	13.5	25.2	26.0	*93%*	12.0	19.9	*65%*
Benchmark price	$1,089,012	$1,020,179	$1,031,356	*-5%*	$1,102,893	$1,041,276	*-6%*
Price PSF Benchmark	$1,348	$1,334	$1,341	*-1%*	$1,366	$1,346	*-1%*
Unit size Benchmark (sq. ft)	808	765	769	*-5%*	808	774	*-4%*
Units completed	1,161	2,014	1,134	*-2%*	12,175	15,015	*23%*
Resale Condominium Apartments (Toronto Real Estate Board data)							
Total sales (units)	1,609	1,482	1,417	*-12%*	14,490	13,137	*-9%*
New listings (units)	3,893	5,331	3,959	*2%*	29,752	37,507	*26%*
Inventory ("active listings", units)	5,455	8,879	8,336	*53%*	4,415	7,115	*61%*
Sales-to-inventory ratio	29%	17%	17%	*-42%*	42%	24%	*-42%*
Months of inventory	3.4	5.9	5.6	*66%*	2.8	4.6	*64%*
Average price of units sold	$705,572	$718,698	$678,785	*-4%*	$722,494	$709,514	*-2%*
HPI constant quality price index (Jan 2005=100)	322.7	316.5	311.0	*-4%*	309.6	314.2	*1%*

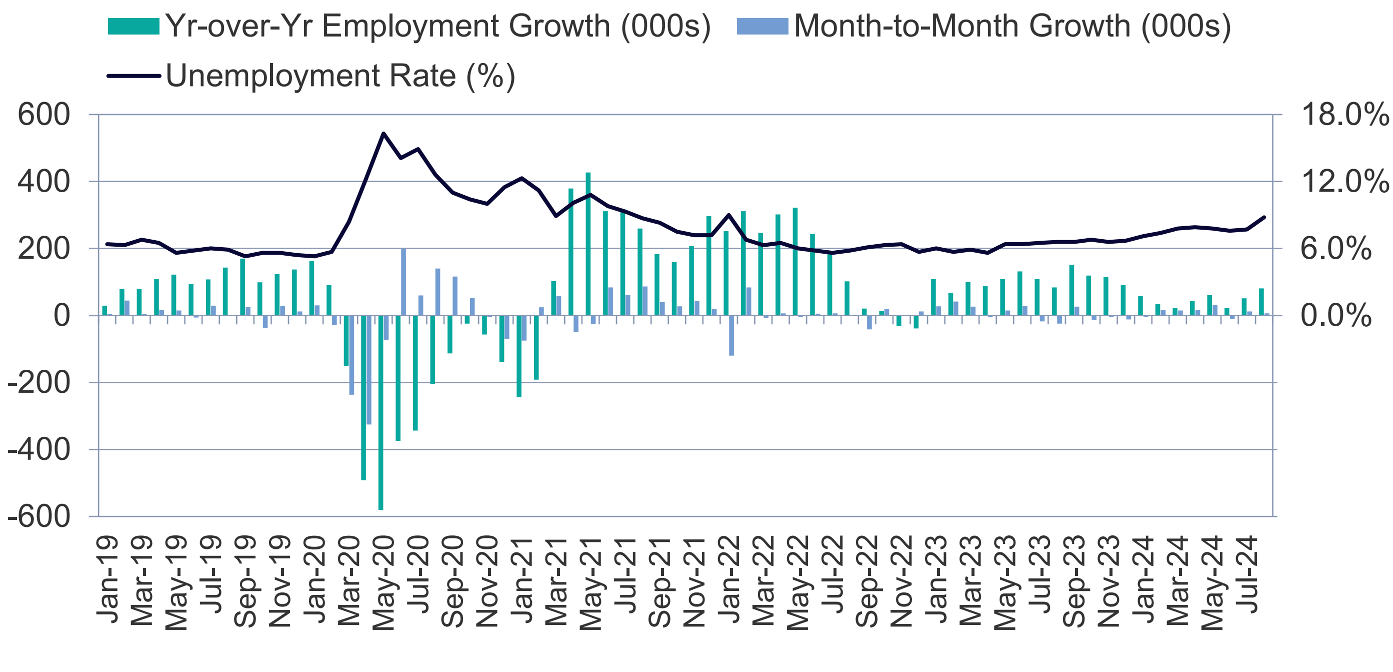
** see end of report for Definitions*

- **Year-over-year employment growth accelerated in August with a 20th consecutive month of positive year-over-year growth. Month-to-month growth remained in positive territory for a 2nd month.** However, the GTA unemployment rate jumped to 8.8% - is highest level since the start of 2022.

- **The Bank of Canada reduced the target for the overnight rate for a 3rd consecutive time at its latest rate announcement on September 4**, stating that **"***In Canada, the economy grew by 2.1% in the second quarter, led by government spending and business investment. This was slightly stronger than forecast in July, but preliminary indicators suggest that economic activity was soft through June and July. The labour market continues to slow, with little change in employment in recent months. Wage growth, however, remains elevated relative to productivity. . . . As expected, inflation slowed further to 2.5% in July. . . High shelter price inflation is still the biggest contributor to total inflation but is starting to slow. Inflation also remains elevated in some other services.. . . Excess supply in the economy continues to put downward pressure on inflation, while price increases in 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 October 23.**

- **The average 5-year fixed special rate has fallen by almost 170 basis points from the end of October 2023, more than double the decline in the average 5-year variable rate** *(chart next page, bottom).*

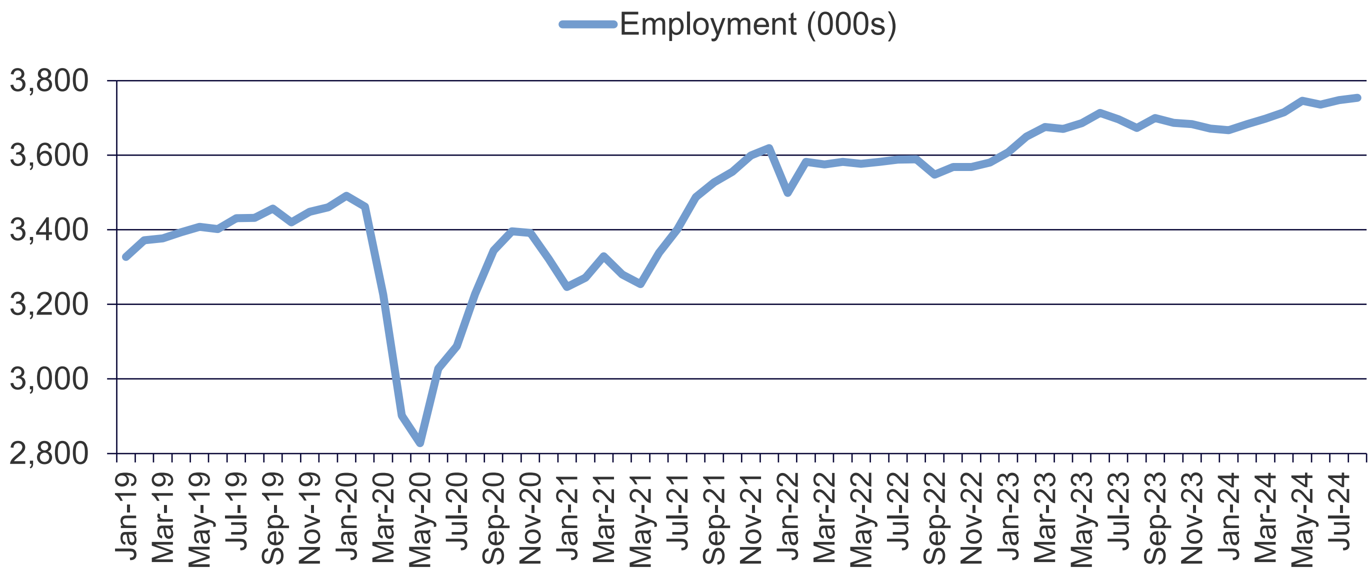
GTA Employment Snapshot*



Source: Altus Group based on Statistics Canada data

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

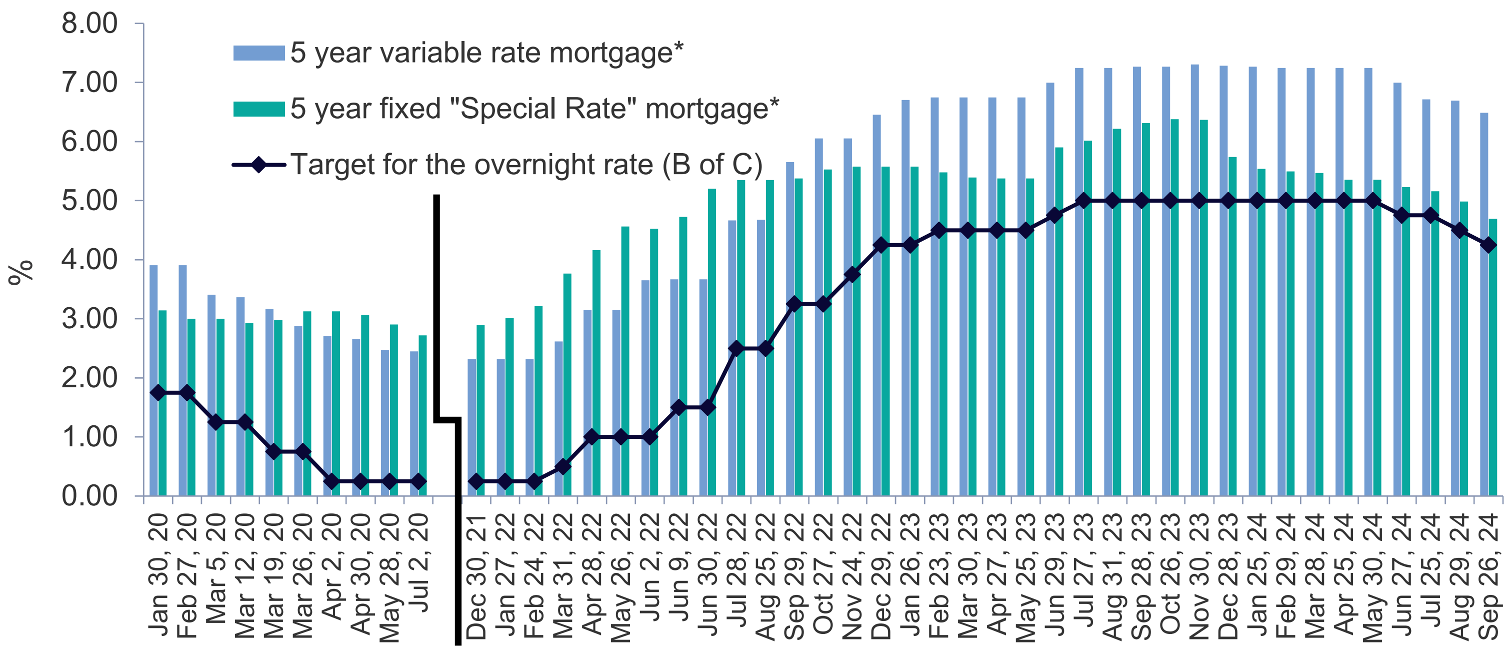
GTA Total Employment*



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

Source: Altus Group based on Statistics Canada data

Selected Interest Rates

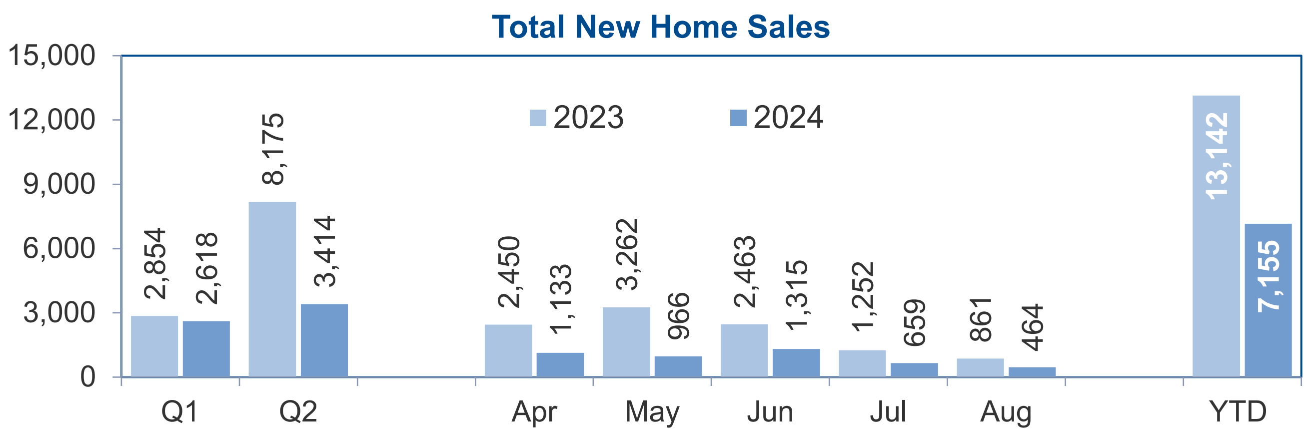


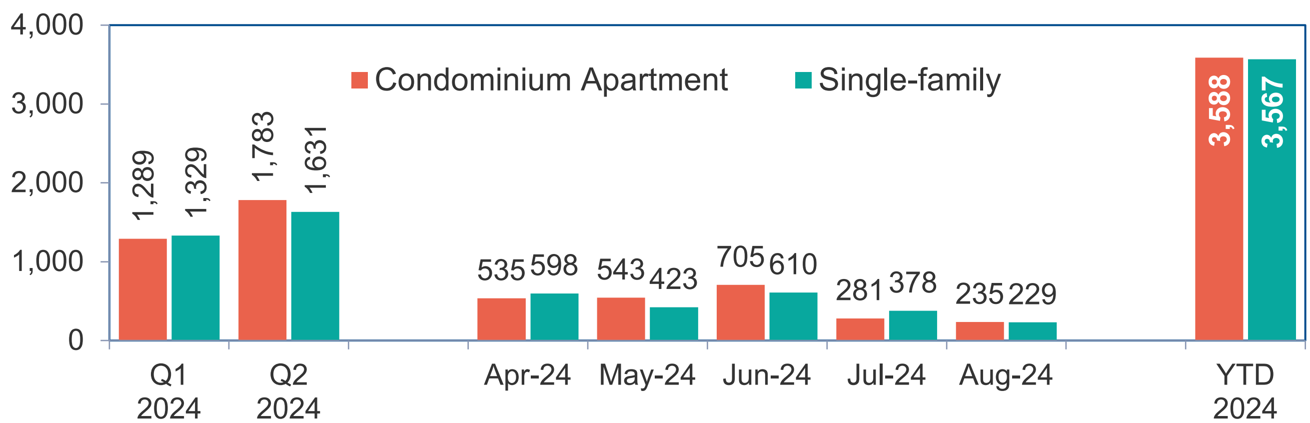
** Average for the major banks*

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

- **GTA new home sales in August 2024 sank to close to the all-time low.** August sales of new condominium apartments fell by 60 percent compared to the previous year while new single-family home sales were off 14 percent from last year's level.
- **All regions recorded lower total new home sales through the first eight months 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 increases in the single-family sector in Toronto (*charts next page*).

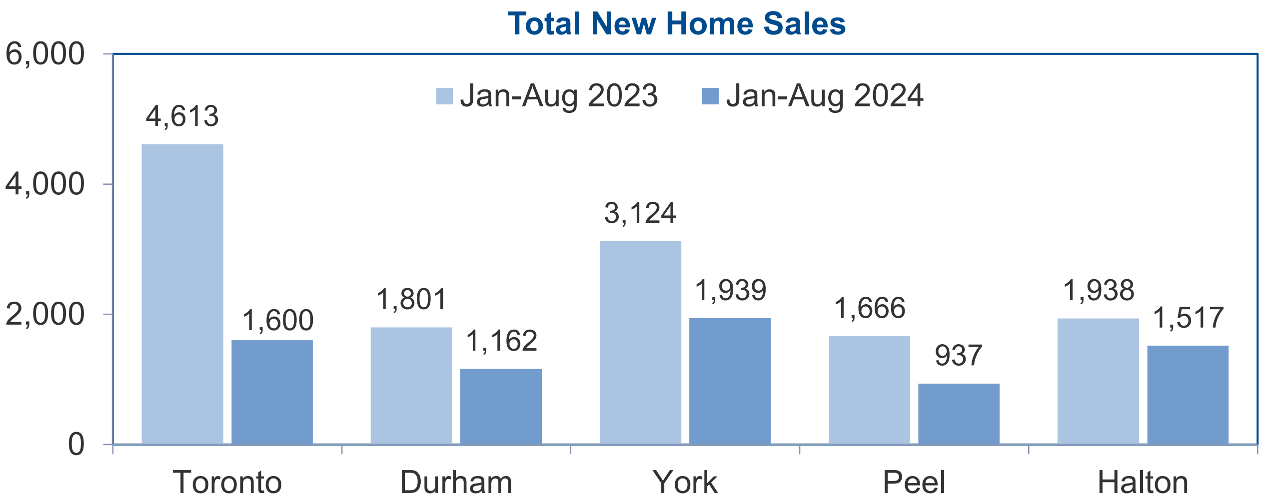
GTA New Home Sales

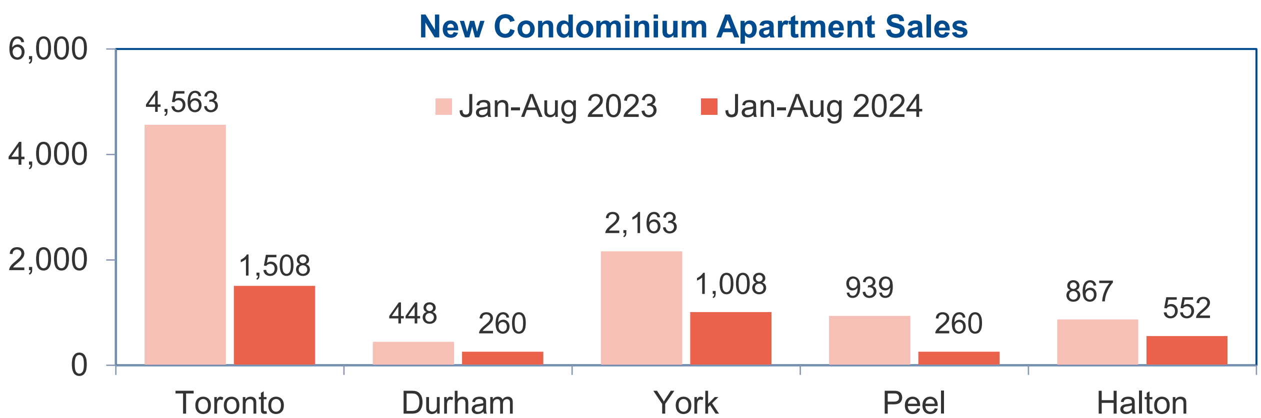


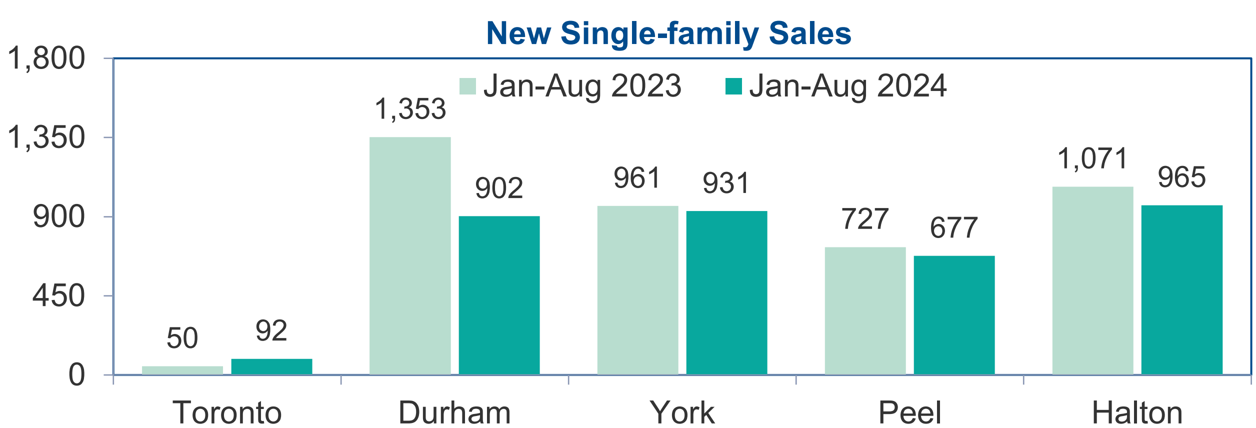


Source: Altus Group

GTA New Home Sales by Region

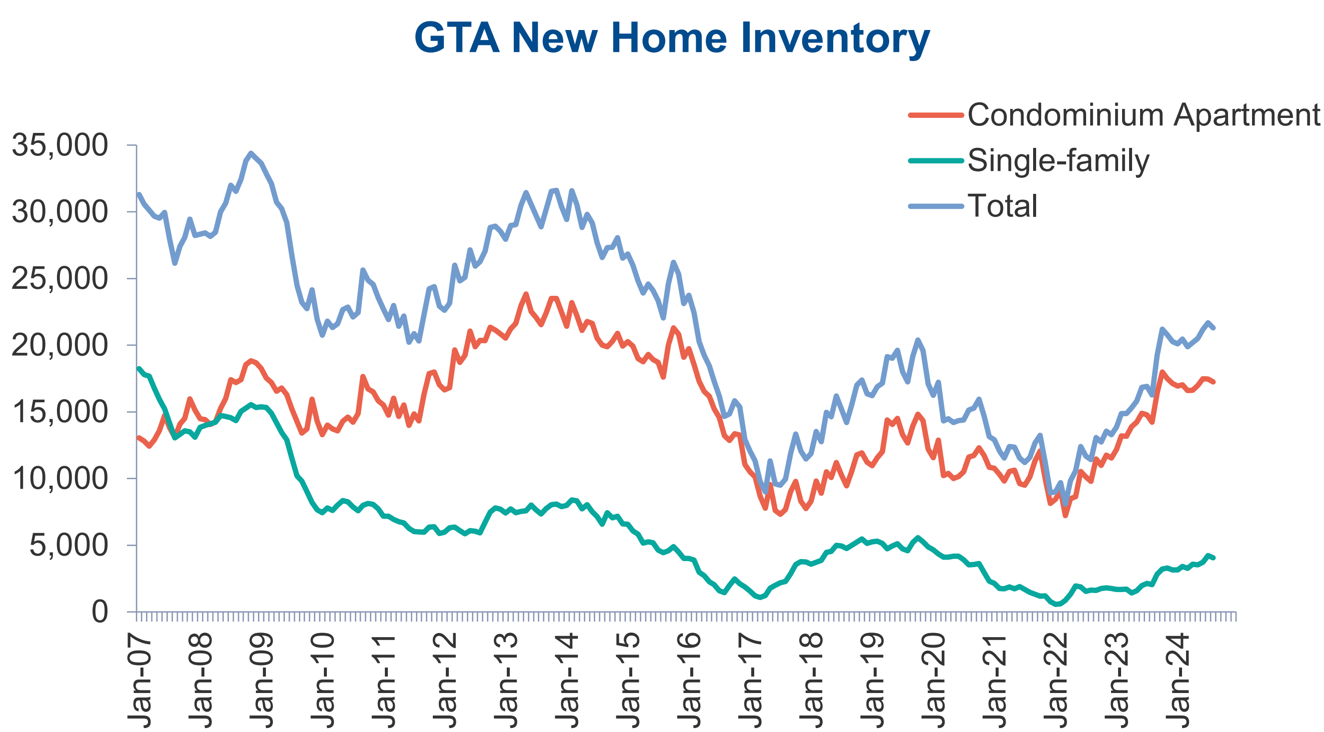






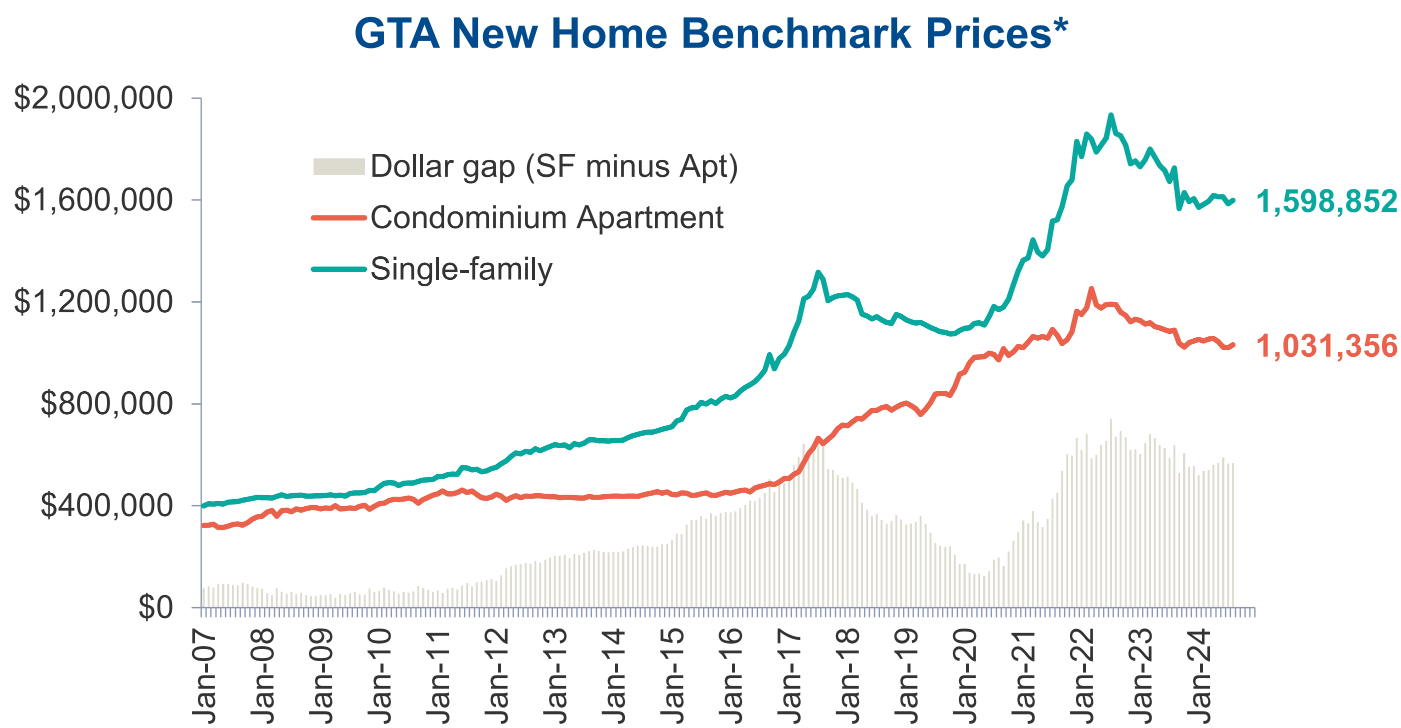
Source: Altus Group

- **The total inventory of new homes across the GTA remained elevated in August 2024, nearly 40 percent above the 10-year average.** Total inventory exceeded last year by about 30 percent.
- 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 August 2024, just shy of last month's peak level.



Source: Altus Group

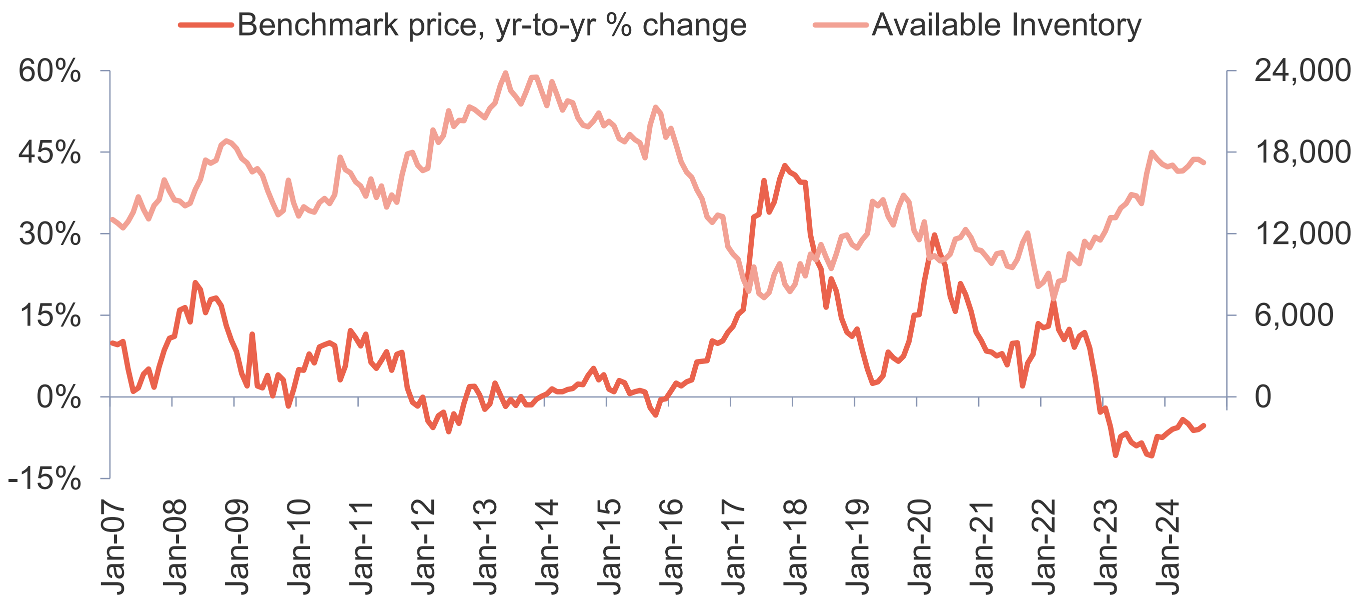
- **The benchmark price for a new condominium apartment fell by five percent in August 2024 compared to the previous year,** while the single-family benchmark price fell by seven percent.
- **The price advantage of available new condominium apartments compared to new single-family homes widen slightly in August.** Both the condominium apartment benchmark price and the single-family benchmark price registered year-over-year declines for the 21st 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.



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

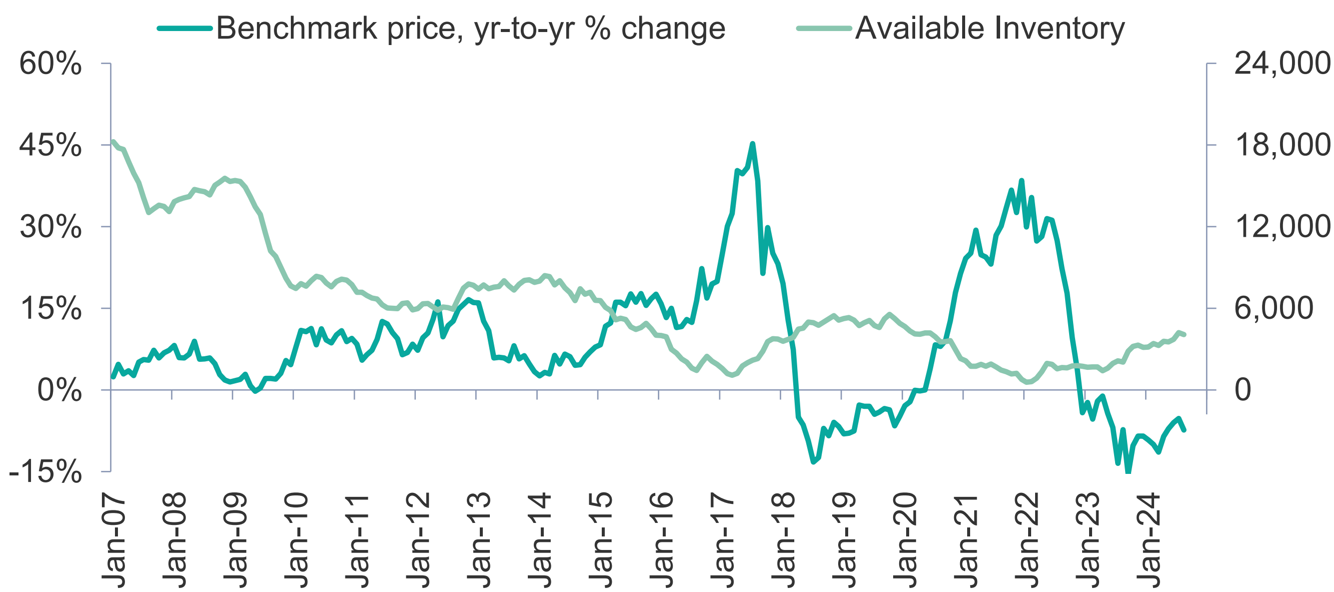
Source: Altus Group

GTA New Condominium Apartment Benchmark Price Changes and Available Inventory



Source: Altus Group

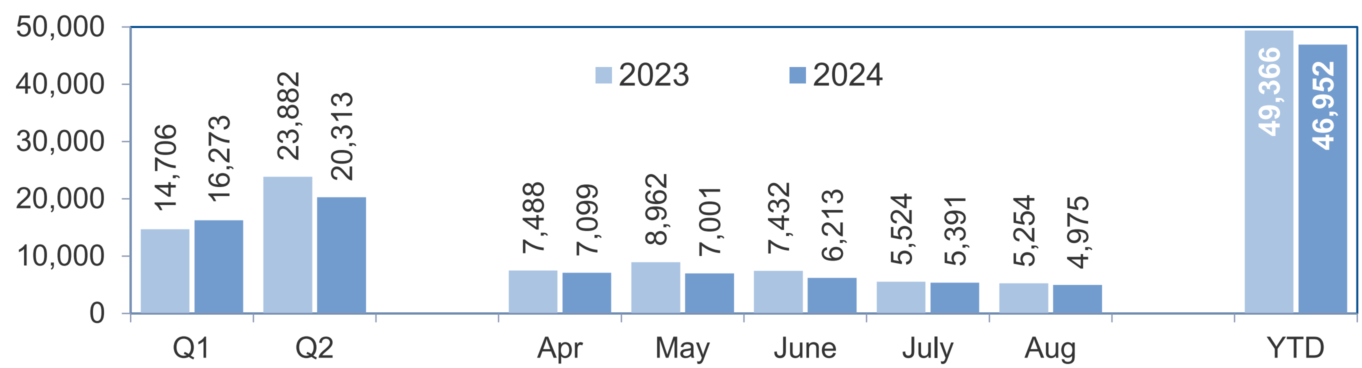
GTA New Single-Family Home Benchmark Price Changes and Available Inventory

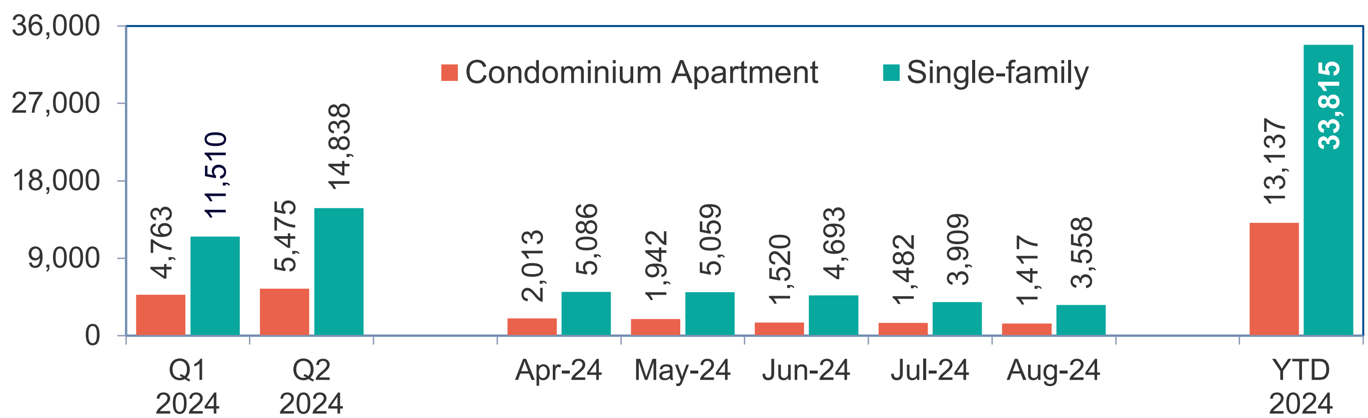


Source: Altus Group

- **Sales of existing homes in August 2024 were within a fraction of the all-time low for that month, down five percent year-over-year** and less than half the 10-year average.
- **Total inventory was up 46 percent year-over-year** as both resale single-family and condominium apartment shared in the increase from August 2023 *(chart next page, top).*
- The average sales price for existing condominium apartment and single-family homes in August 2024 slipped lower from a year earlier *(chart next page, bottom).*

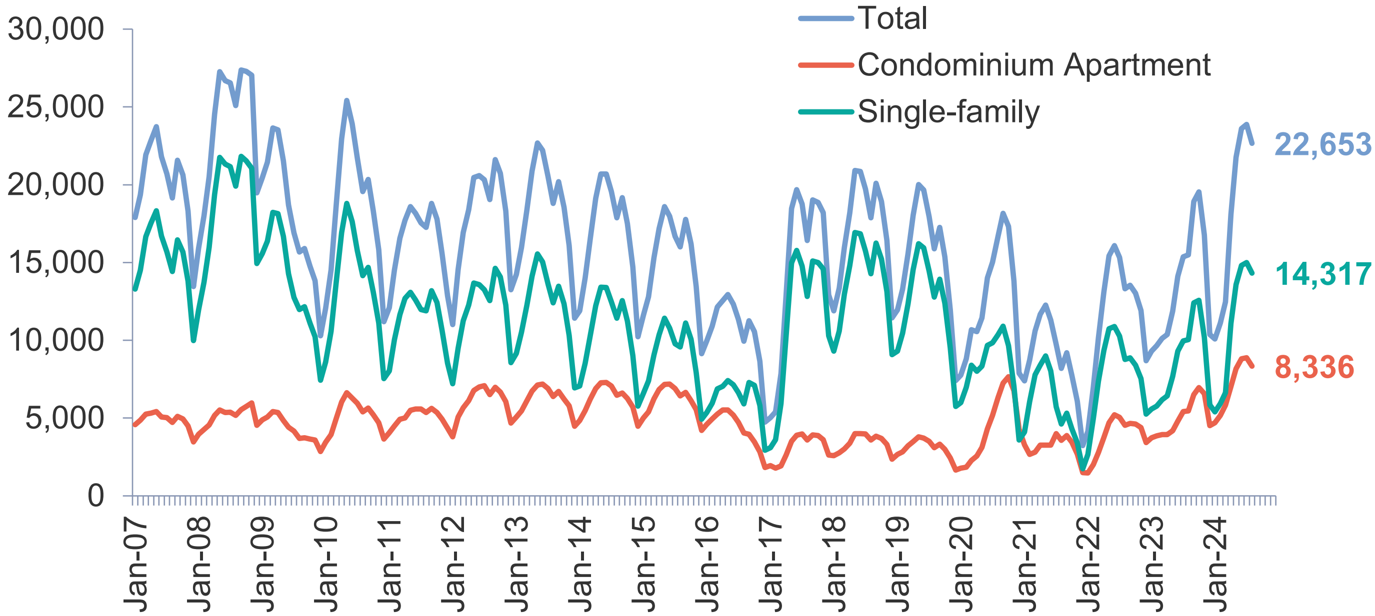
GTA Resale Home Sales





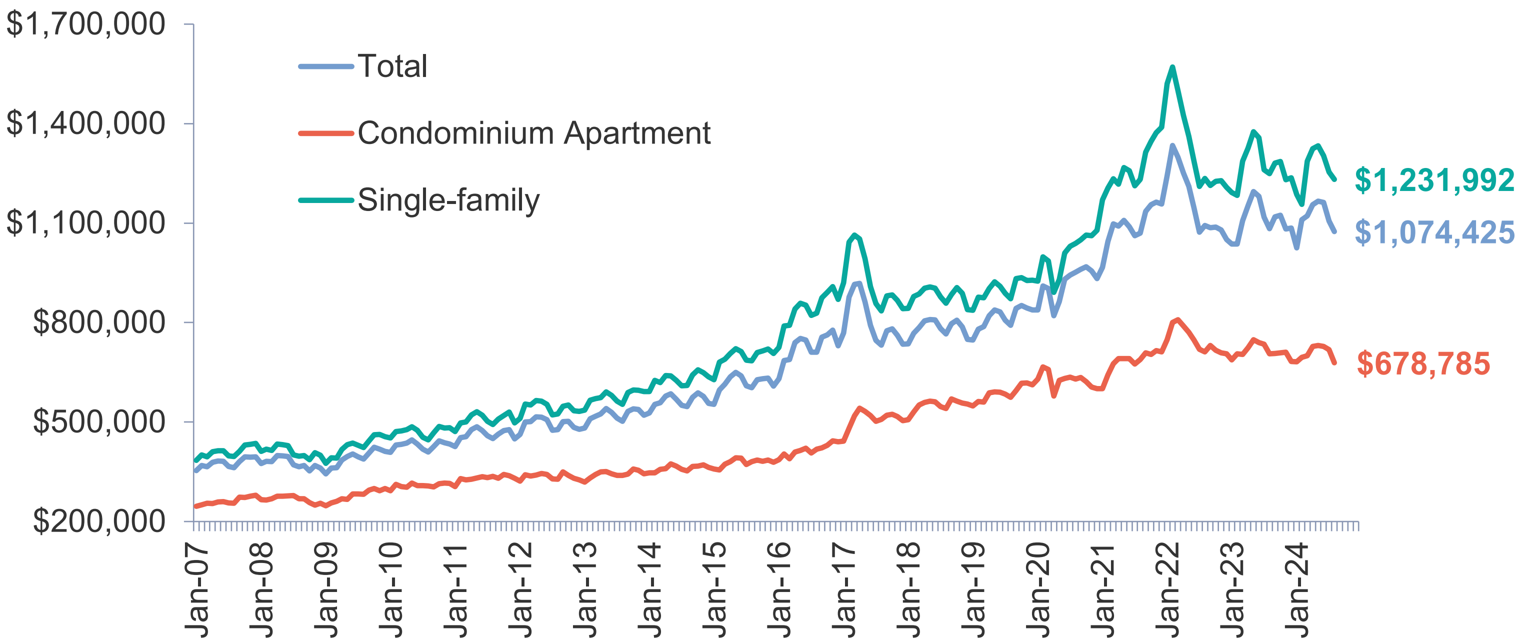
Source: Altus Group based on Toronto Regional Real Estate Board data

GTA Resale Home Inventory ("Active Listings")



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

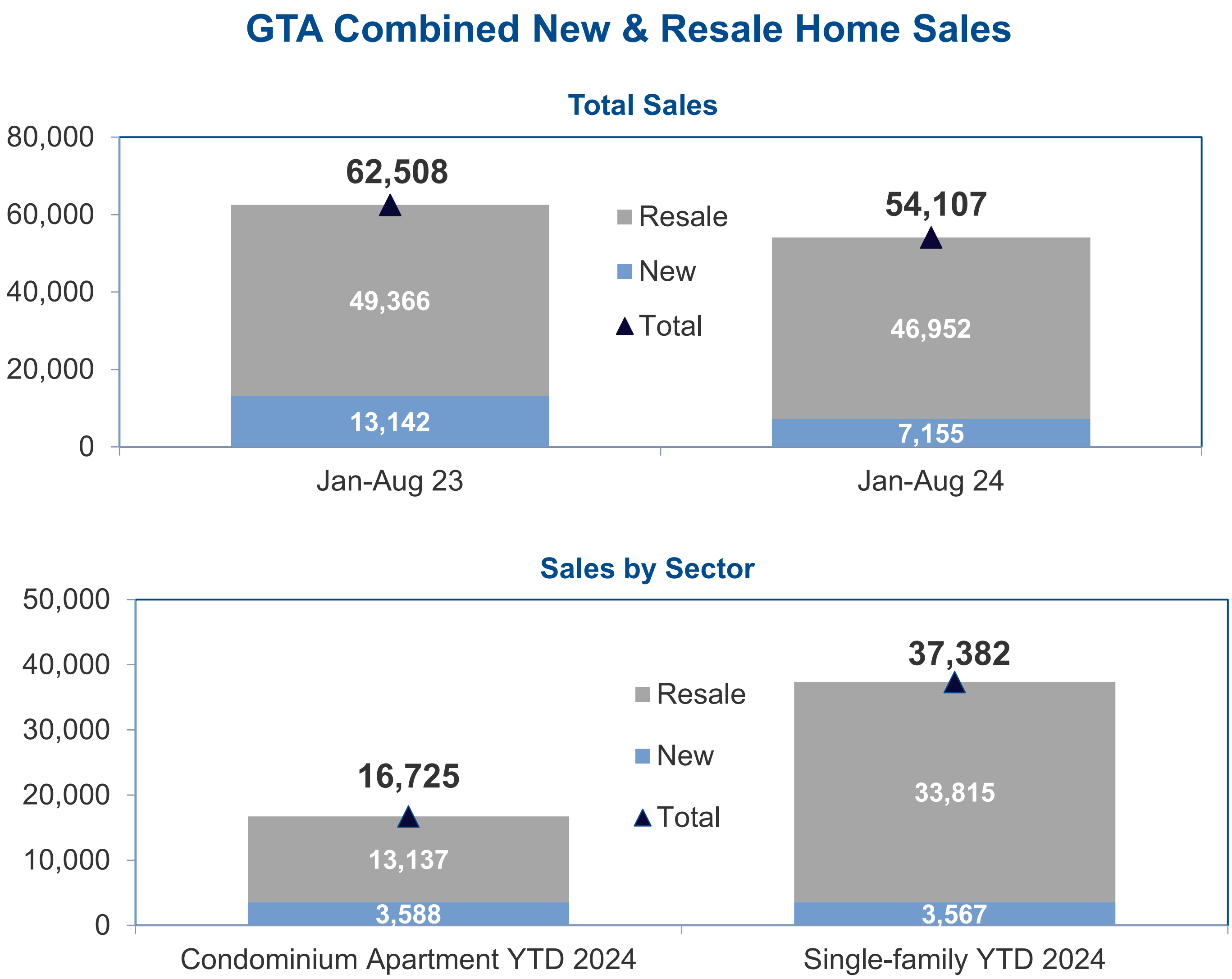
GTA Resale Home Prices



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

Overall Home Market - Sales

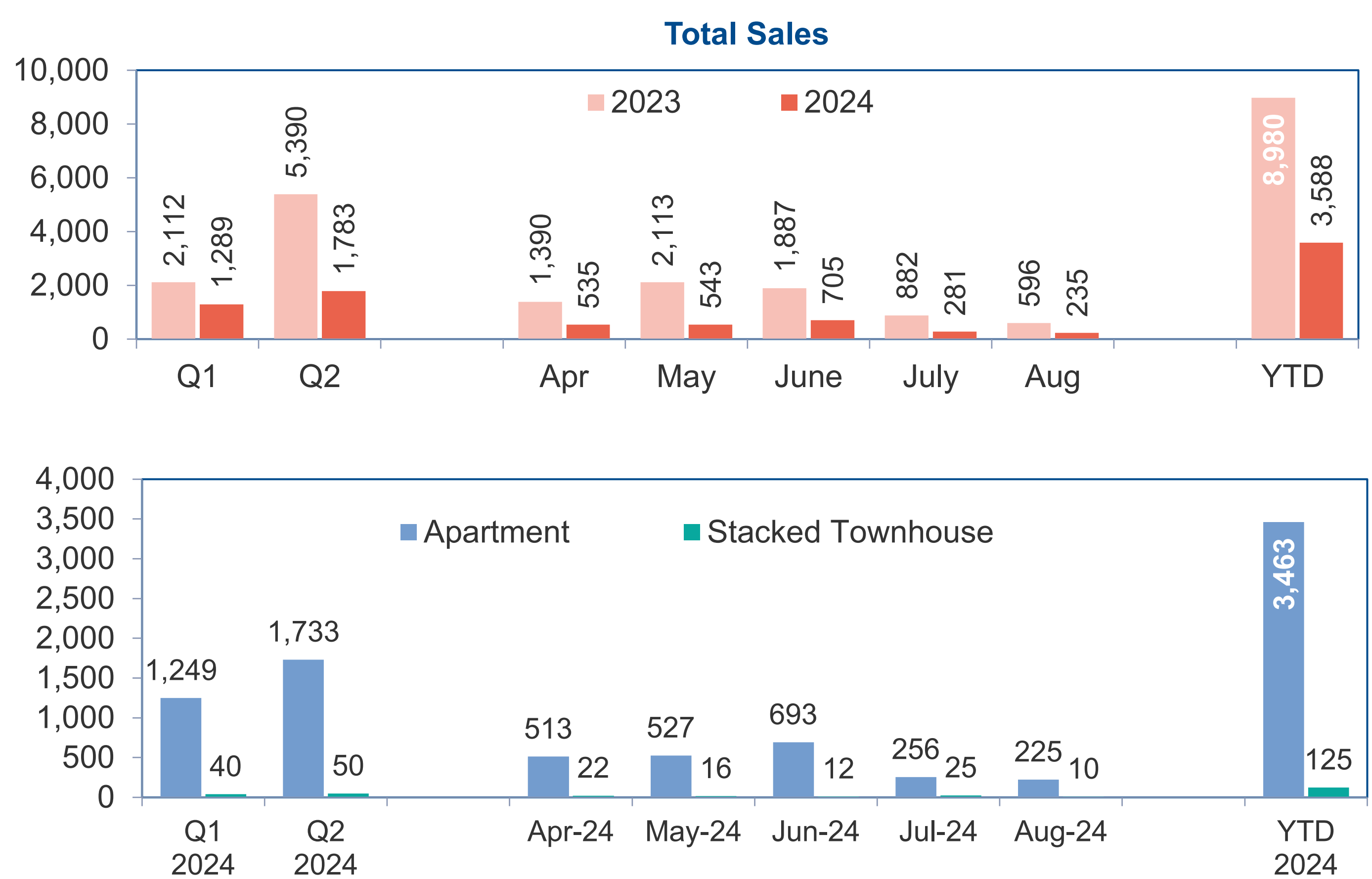
- **Year-to-date total home sales in the GTA through August 2024 were down 13 percent from a year earlier**. The new home sector was down 46 percent, while the resale sector was down just 5 percent.
- **The new home sector accounted for over 1 out of every 7 homes so far in 2024** – this is down from nearly 1 in 5 for the same period in 2023. 1 in 10 single-family and about 1 in 5 condominium apartment homes sold were new homes.



Source: Altus Group and Toronto Regional Real Estate Board data

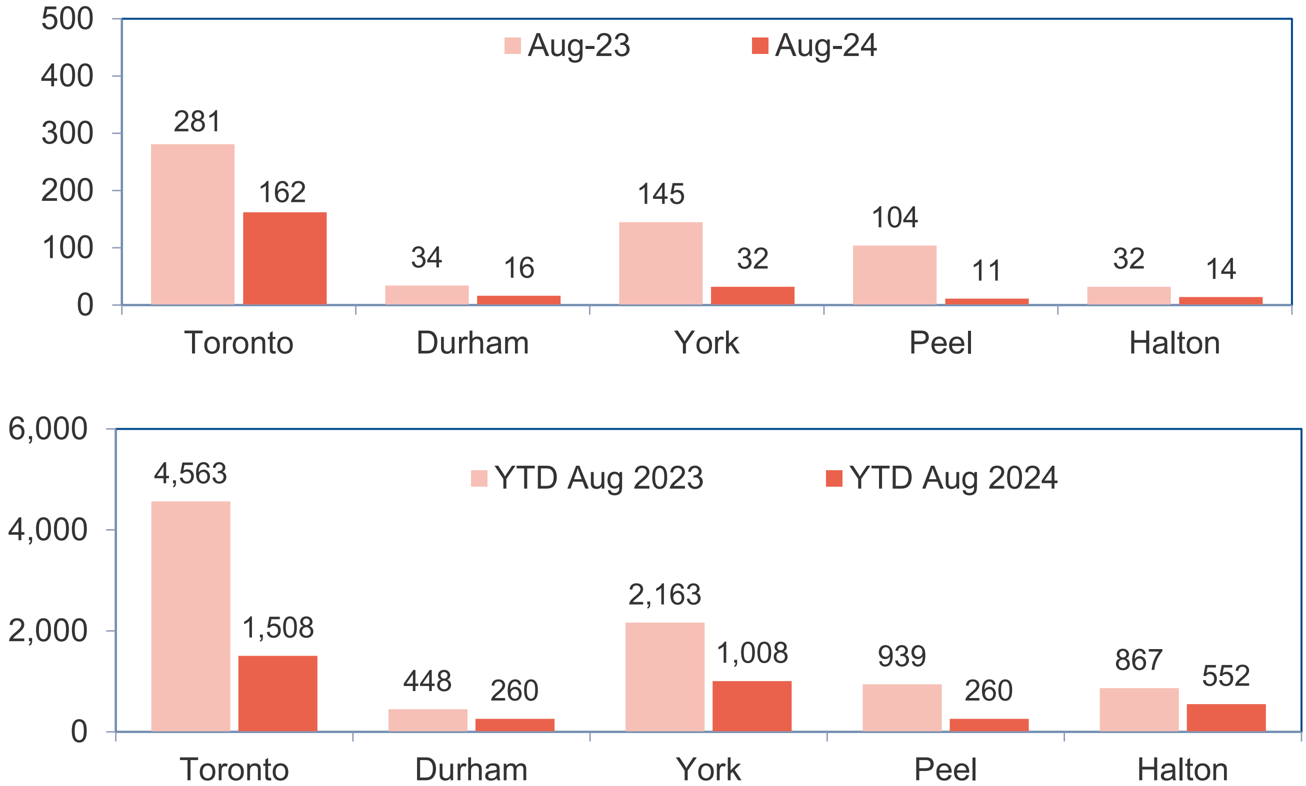
- **Total new condominium apartment sales in August 2024 across the GTA recorded a 3rd consecutive all-time monthly low.**
- **New condominium sales in August 2024 were down across all regions compared to the previous year** *(chart top of next page)*.
- **Lower new condominium sales were recorded year-to-date across all regions with the large falloff in Toronto continuing to drag down the overall GTA numbers** (*chart middle of next page*). Toronto has lost market share of new condominium apartment sales to Halton and York (*chart bottom of next page*).

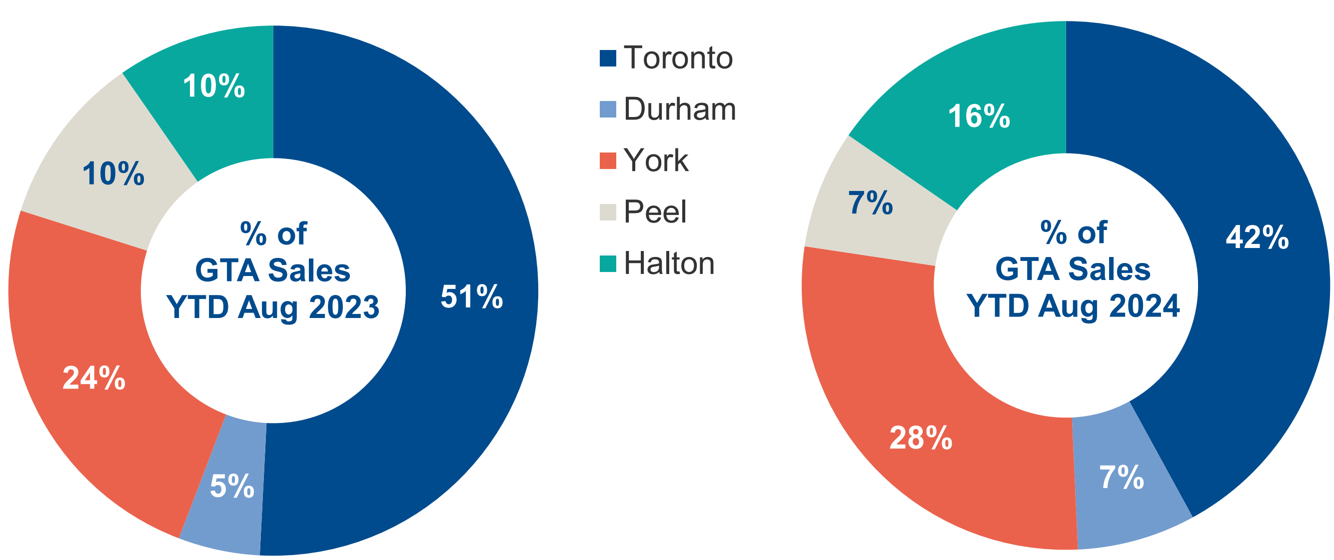
GTA New Condominium Apartment Sales



Source: Altus Group

GTA New Condominium Apartment Sales by Region



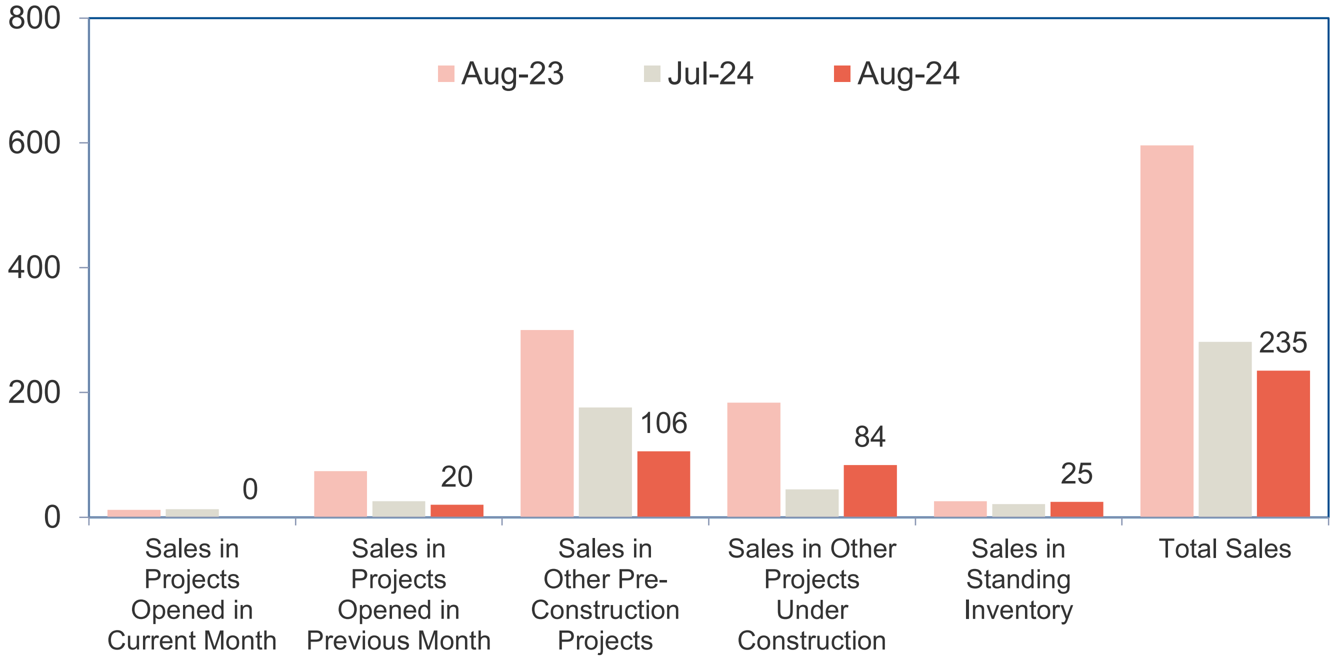


Source: Altus Group

New Condominium Apartments - Sales

- **With no new openings in August 2024, there was an absence of sales in newly launched project recording sales during the month and very low sales activity in the two projects in the previous month.** Most of the remaining sales in August were in pre-construction projects opened more than two months ago and projects already under construction.
- **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.

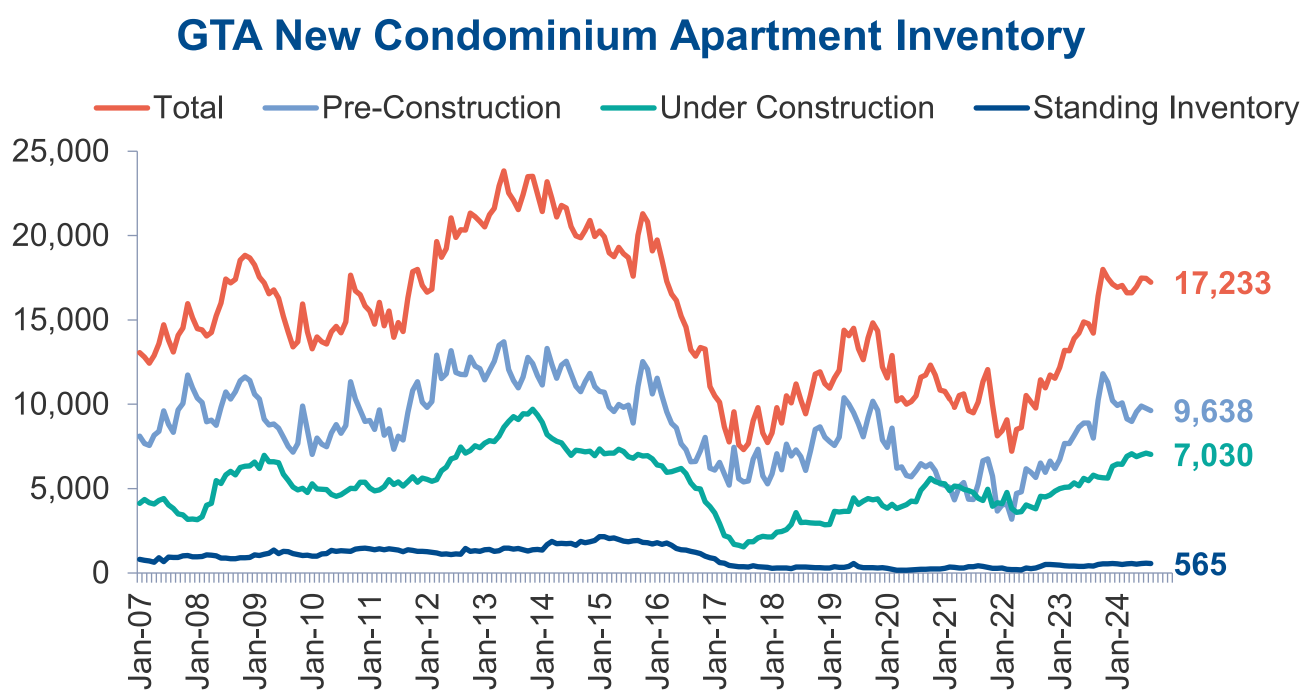
GTA New Condominium Apartment Sales by Construction Status



Source: Altus Group

New Condominium Apartments - Inventory

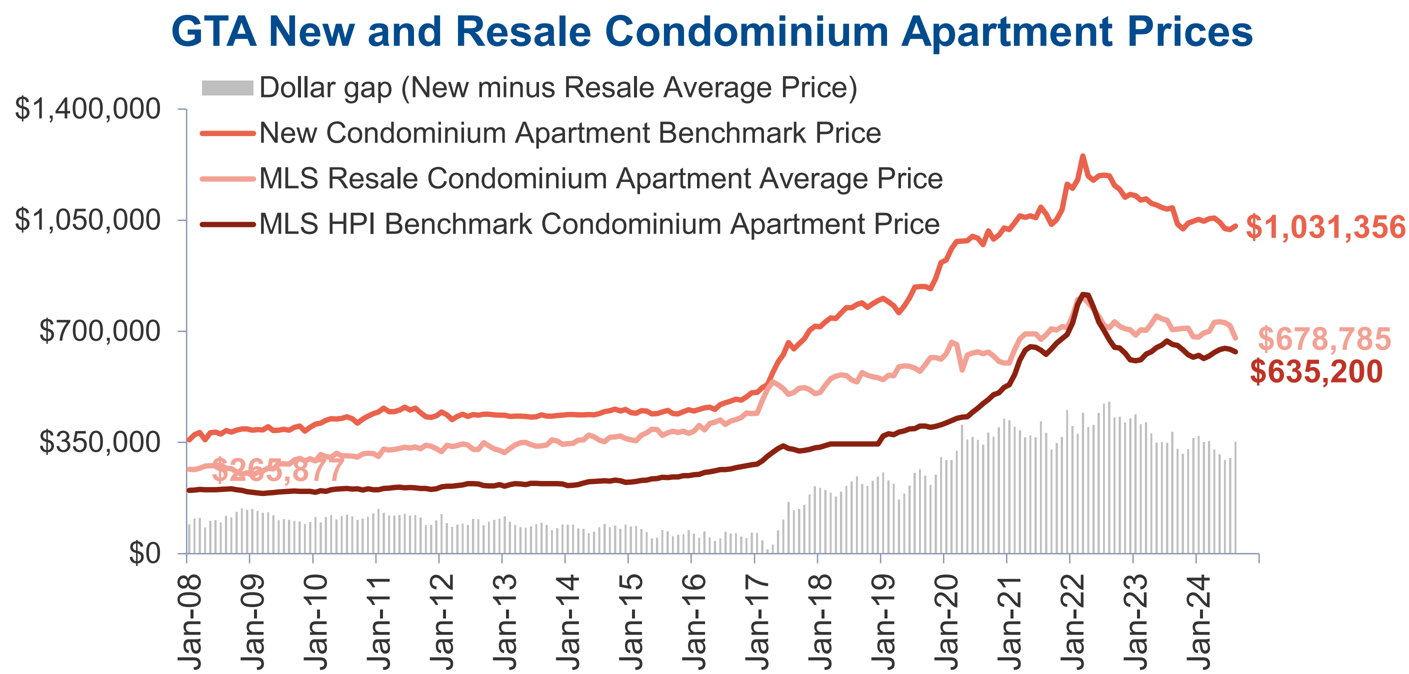
- **The inventory of available new condo apartments in August 2024 dipped marginally from the previous month but was 21 percent above year ago levels and remained well above the 10-year average.**
- **The current unsold inventory at new condominium apartment projects represents a record high 26 months of supply** at the average monthly pace of sales seen over the past 12 months.
- **About 70 percent 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 14 months in Durham to a high of over 41 months in Peel.

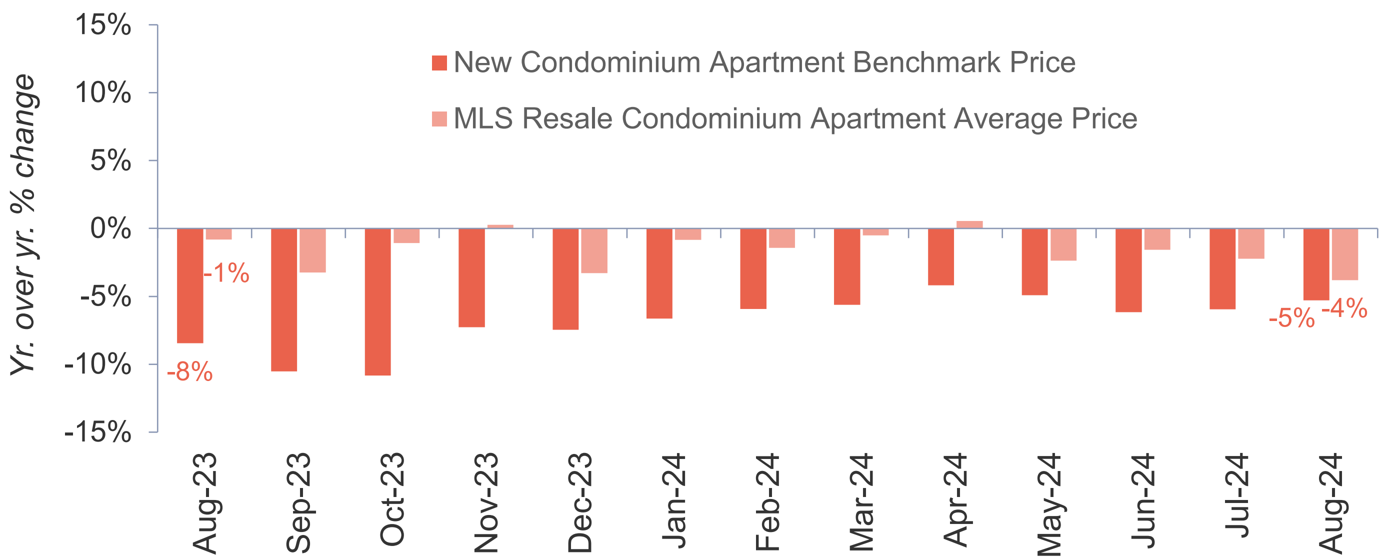


Source: Altus Group

New Condominium Apartments - Prices

- **The benchmark price of a new condominium apartment was down in August 2024 year-over-year for the 21st consecutive month but did manage to improve from the previous month** *(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 widened in August.**

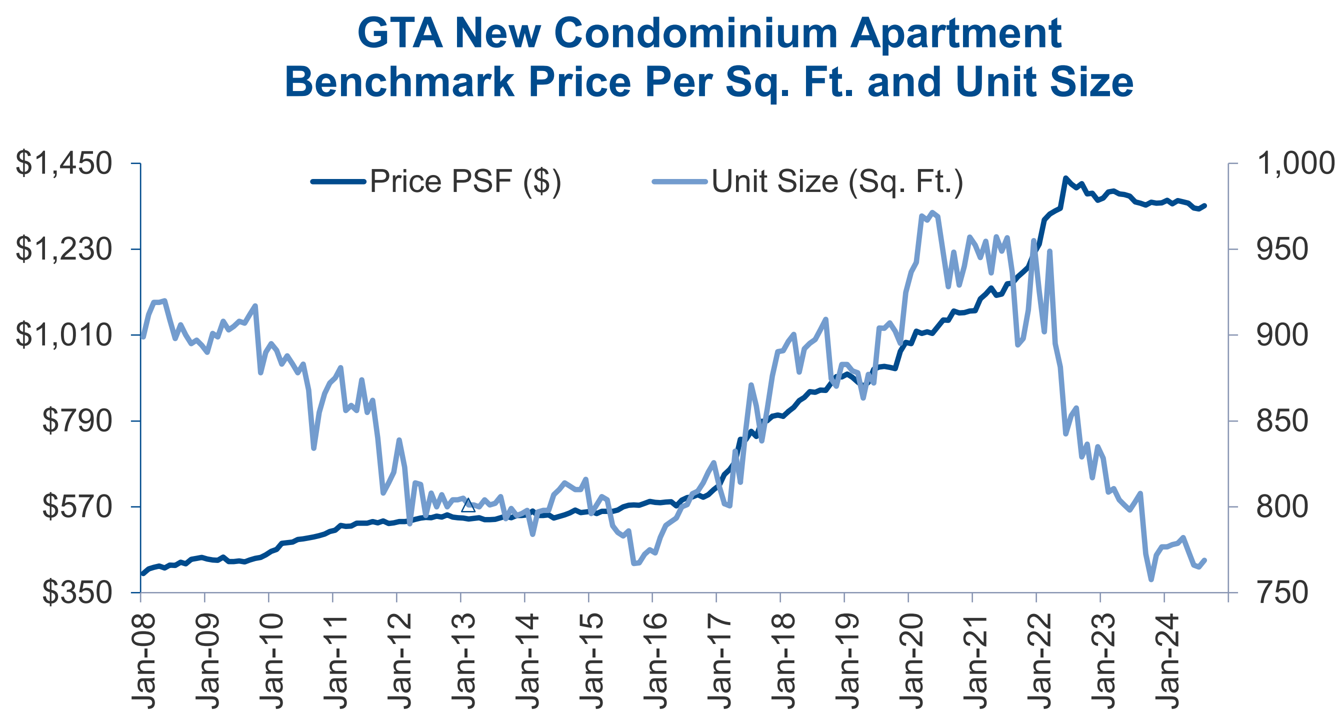




Source: Altus Group and Toronto Real Estate Board data

New Condominium Apartments - Prices

- **Both the price per square foot and unit size for a new condominium apartments moved higher in August 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).

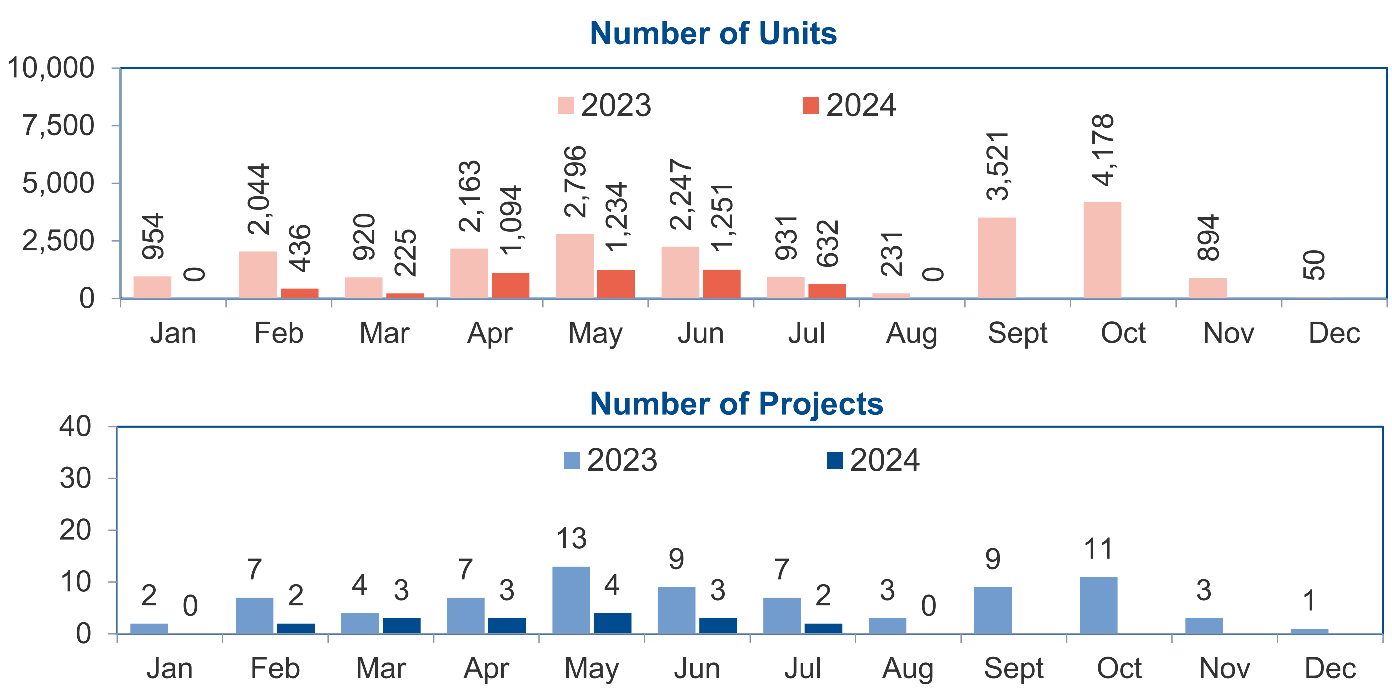


Source: Altus Group

New Condominium Apartments - Openings

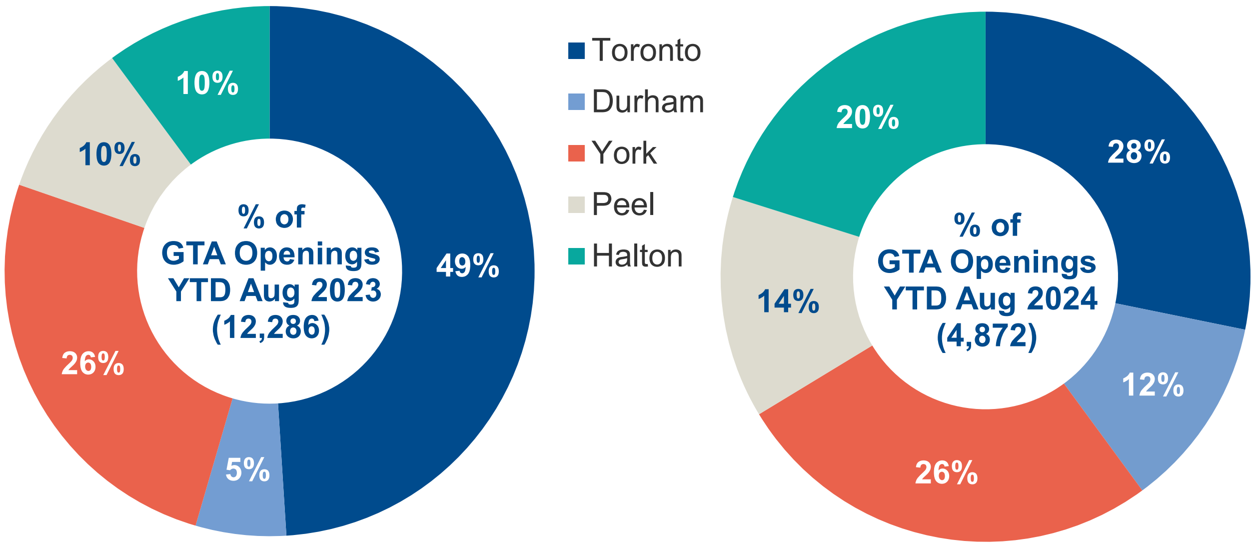
- **No new condominium apartment were launched in August 2024**.
- **New launches through the first eight months of 2024 shifted away from Toronto to Durham, Halton and Peel compared to last year** *(chart next page, top).* The old City of Toronto, Scarborough and Etobicoke have accounted for all of the new launches in Toronto through the first eight months of 2024 *(chart next page, bottom)*.
- On the pages following the next page are maps showing the location of new projects launched in July 2024 (there were no new project openings in August 2024) accompanied by a summary table with additional details on each project.

GTA New Condominium Apartment Project Openings



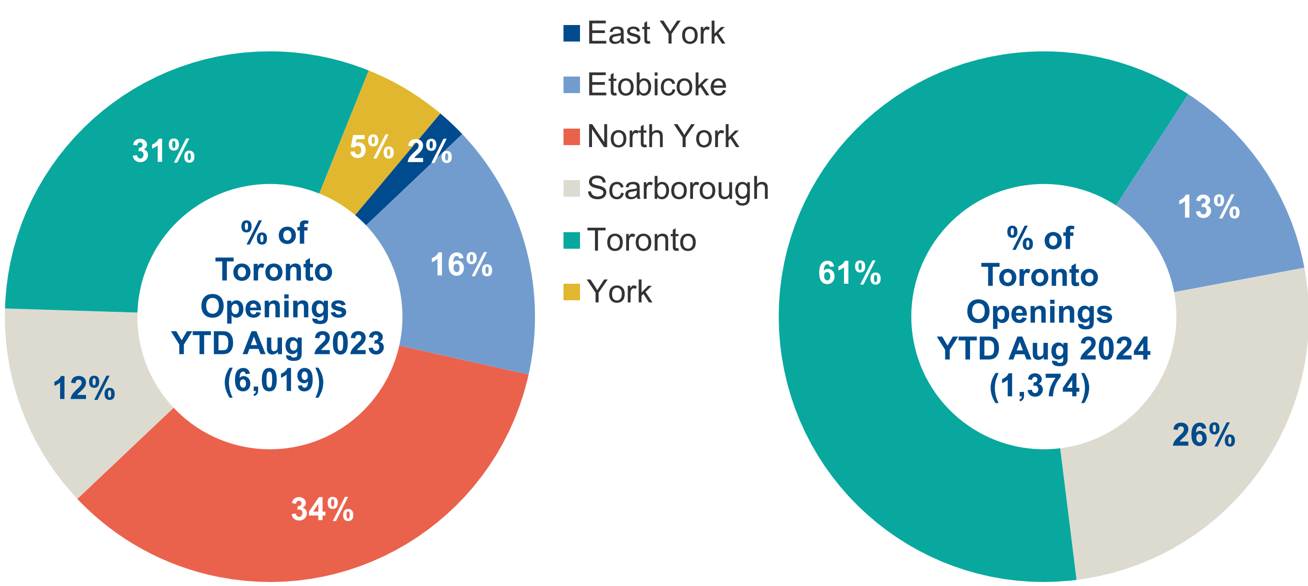
Source: Altus Group

GTA Condominium Apartment Units in New Openings by Region



Source: Altus Group

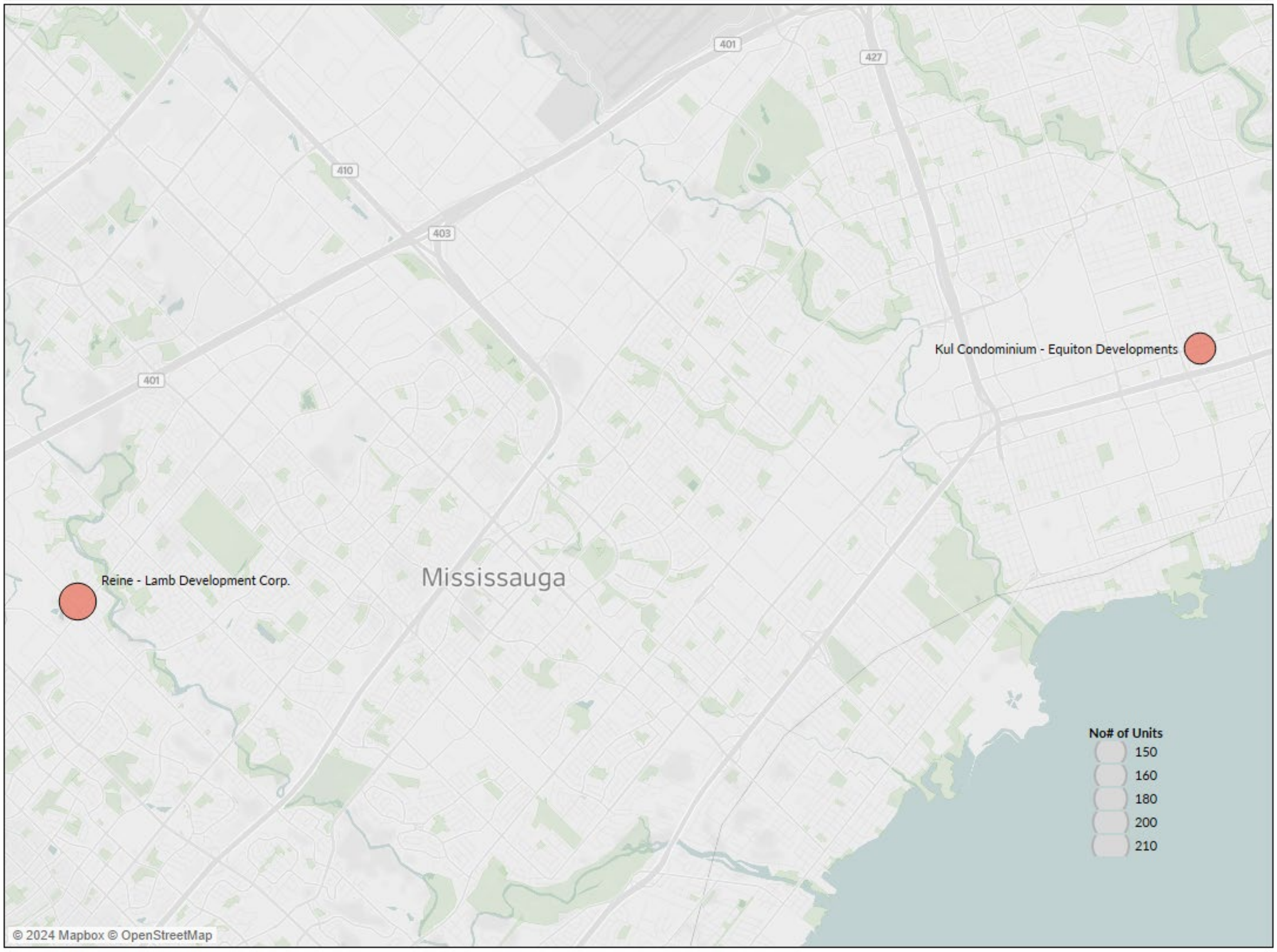
City of Toronto Condominium Apartment Units in New Openings by Former Municipality



Source: Altus Group

New Condominium Apartments - Openings

July 2024 New Project Launches by Number of Units



Source: Altus Group

New Condominium Apartments - Openings

AltusGroup

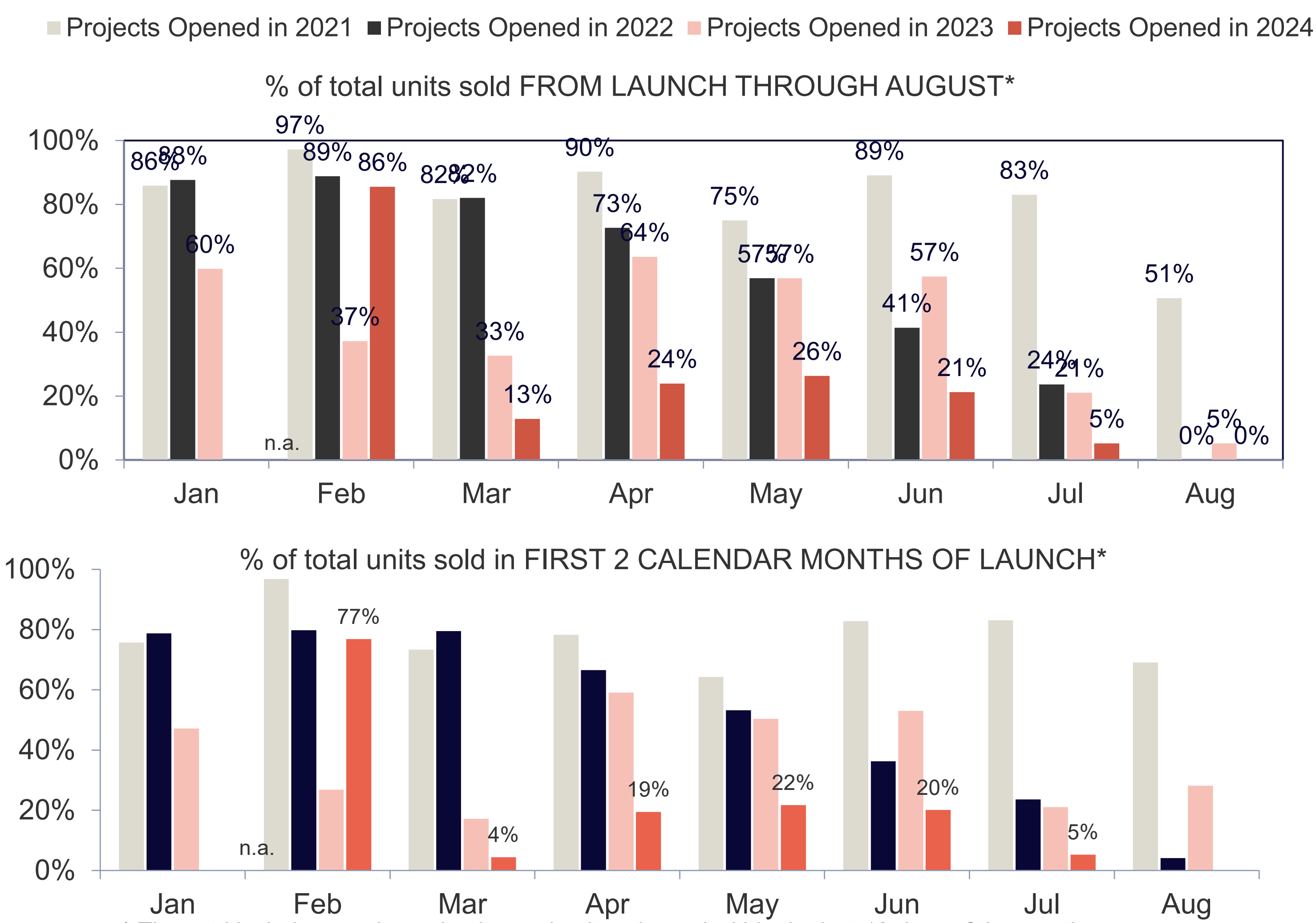
New Condominium Apartment Project Openings - July 2024

Project Name	**Kul Condominium**	**Reine**
Developer	Equiton Developments	Lamb Development Corp.
Date Opened	July 27, 2024	July 6, 2024
Municipality	Etobicoke	Mississauga
Region	Toronto	Peel
Structural Type	Apartment	Apartment
Floors	12	10
Project Total Units	**177**	**455**
Total Units Released	**150**	**210**
Studio	5	61
1 Bedroom	38	3
1 Bedroom + den	19	107
2 Bedroom	21	38
2 Bedroom + den	51	-
3 Bedroom & up	16	1
Penthouse	-	-
Townhouse	-	-
Other	-	-
Opening Month Sales	**0**	**13**
Next Month Sales	**16**	**4**
% Sold (of released units)	11%	8%
Remaining Available Inventory	134	193
Original $PSF	$1,128	$1,287
Minimum Size (sq. ft.)	327	350
Maximum Size (sq. ft.)	1,017	1,217
Minimum Price	$399,990	$465,900
Maximum Price	$1,151,990	$1,540,900
Notes		

Source: Altus Group

- **No new projects were launched in August 2024**.
- After 2 months of sales, projects opened since March 2024 have lagged well behind the pace of the 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 August*

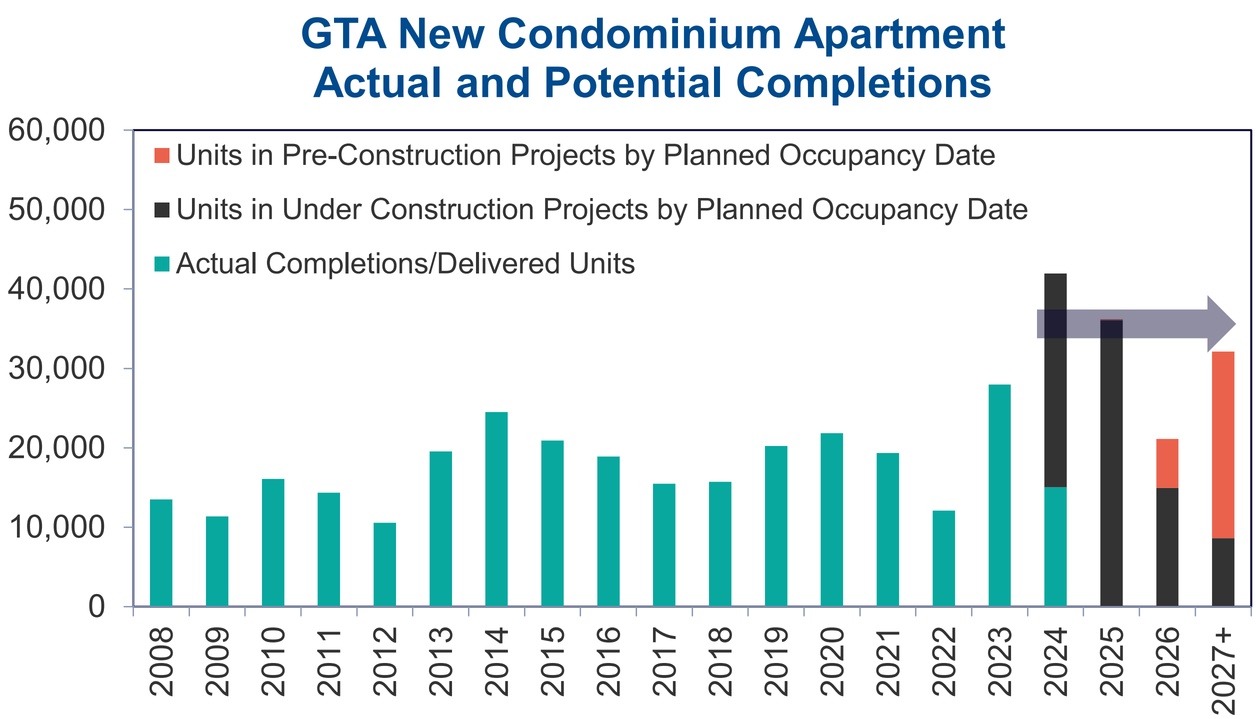


** The total includes unreleased units, and units released within the last 10 days of the month*

Source: Altus Group

New Condominium Apartments - Completions

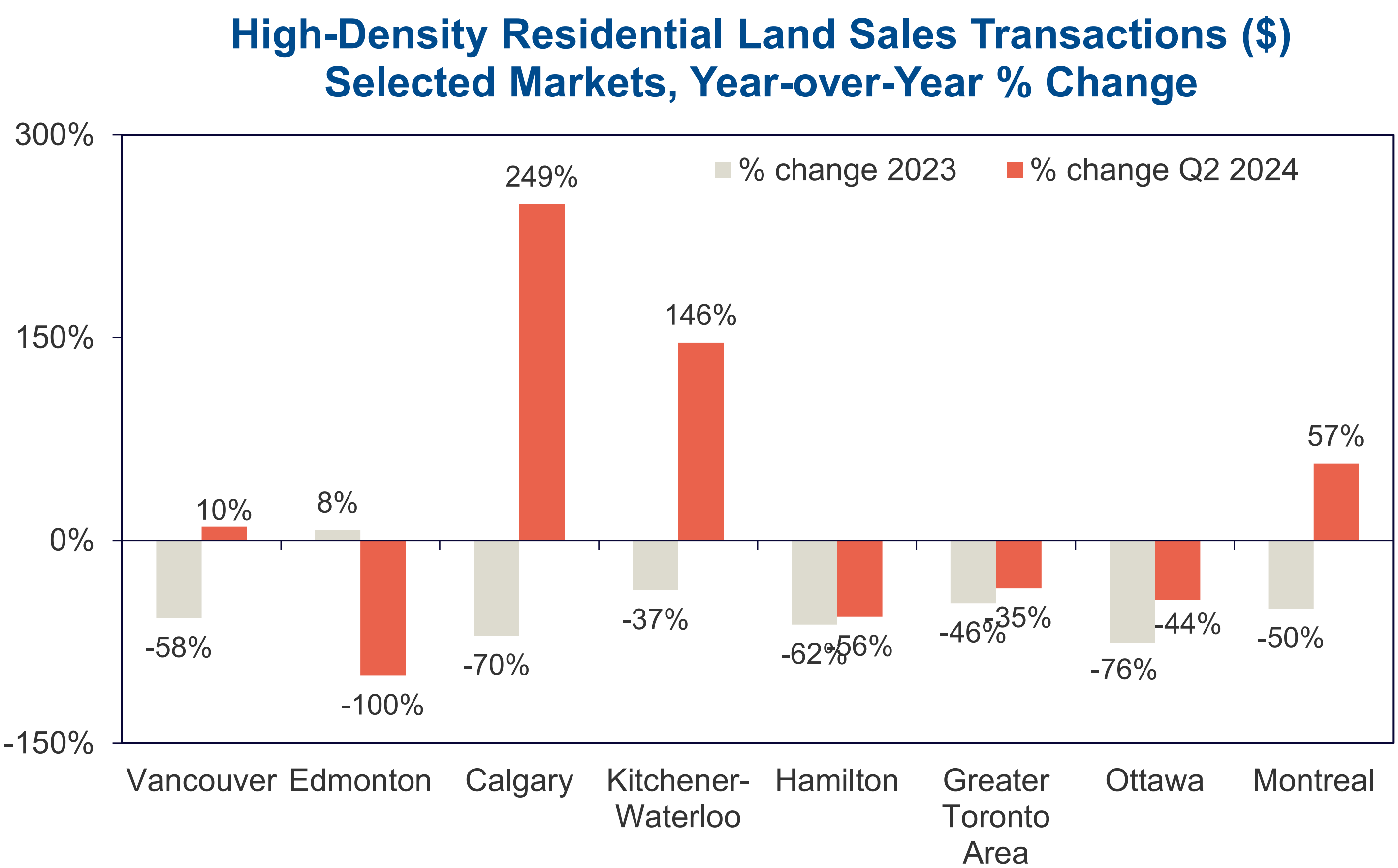
- As of the end of August 2024, there were about 116,300 new condominium apartment units in projects either under construction or in pre-construction stages.
- **There were roughly 1,135 units delivered in August 2024.** Year-to-date completions through the first eight months of 2024 are almost 25 percent 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

High-Density Residential Land Sales

- **Investors had pulled back on their acquisition of land for high-density development but are starting to increase purchases in specific markets** (i.e. land for condominium apartment and purpose-built rental projects).
- **Sales of high-density residential land slowed in the GTA in the first half of 2024**, extending the slowdown that began during 2022.
- **Calgary, Kitchener and Montreal registered large year-over-year increases while Vancouver recorded a smaller pick-up through the first half of 2024.**



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

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