



March 2024

RE/MAX JAZZ

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MARCH DATES TO REMEMBER

- 01 *Employee Appreciation Day*
- 03 *World Wildlife Day*
- 08 *International Women's Day*
- 10 *Daylight Savings Begins*
- 11-15 *Public and Separate School March Break*
- 17 *St Patrick's Day*
- 19 *Spring Equinox*
- 23 *National Puppy Day*

MARCHING TO THE BEAT OF THE SAME DRUM...

If anything can be said about Canadian weather, it's just how predictably unpredictable it so often is. Case in point: the winter season we are currently enjoying. With record setting high temperatures and a dearth of snow, the unseasonably mild start to the new year has sparked an early flurry of activity in the real estate market. The spring-like conditions have encouraged buyers out into house-hunting mode well in advance of what is typical, and when coupled with the usual inventory shortages of January and February, this phenomenon has spelled out a recipe for bidding wars and a rapid increase in sales values once again. As you will read, January sales data shows a healthy spike upwards in the average home price sale here in the Durham Region.

So is it really just all about the weather? Well, yes and no. Certainly it has played a starring role in creating the perfect conditions for selling for those lucky sellers who were already on the market or were about to come on. In real estate, timing is everything and this particular set of circumstances was impossible to forecast. However, inventory levels will increase when true spring occurs, and when they do, this micro market will undoubtedly diffuse some of its steam. Buyer confidence though, does seem to be on the rebound as the Bank of Canada rate continues to maintain its comfortable position of status quo. Buyers are trusting that rates will start to creep down sometime during this year. Is that going to happen anytime soon? No, and even when they do begin to drop, the percentage changes will be nominal and incrementally applied at best. The BOC is all about restraint and caution. However, it has been said that every 1% drop in the Bank of Canada rate will bring 100,000 buyers back into the market, and let's face it, the rate hikes swept a huge swath of potential buyers to the sidelines, and they are tired of waiting. Overall, the current climate is showing that buyers are ready to take on mortgages at variable rates again, banking on the long term to win.

As has happened before, the current buying activity of Durham Region house hunters is flying in the face of those dour forecasts and predictions that say we haven't reached the bottom yet. There are a lot of factors to take into account that could swing the pendulum literally either way. And as we experienced for the last two years, that pendulum moves a lot! We seem to climb in Q1 and Q2 and erode those gains in Q3 and Q4! This could be yet another year of repeats.

As a brokerage, RE/MAX Jazz provides in-depth market analytics every week to all of its agents, and even includes the volume of showing activity on our collective listings – a key metric that goes largely unexamined by most brokerages. That information is vital to understanding the market. It informs all of the successful strategies we employ for our clients and it educates our buyers and sellers accurately on the real time condition of our local market. This is just one of the many reasons why RE/MAX Jazz continues to be a leader in the local marketplace, 15 years and counting.

We are just a call, text, email or visit away from guiding you and your loved ones through the single most important transaction of your life. Thank you for your trust.



RE/MAX JAZZ is thrilled to announce its completion of the \$150k pledge made to building the brand new pediatric department at Heart Place Cancer Support Centre! In 2020 we launched our support of Their Opportunity, an organization that funds kids' sports programs for underprivileged and at risk youth locally. Our \$150k commitment to this worthy undertaking will help hundreds of children realize their dreams of enrolment and participation in sports and recreation, giving them direction, purpose and invaluable life skills. It's all thanks to you, our loyal clients, who trust us with your real estate transactions! Every buy and sell that happens through RE/MAX JAZZ carries with it a donation to WEEMAX, our charitable arm that has funded these most worthy causes! You have made this amazing achievement possible! Thank you!!!

**HAPPILY SERVING
YOU SINCE 2009**



THE MONTH OF JANUARY IN REVIEW

In January, the Durham Region Association of REALTORS reported 539 residential sales in the Durham Region, up 37% from the 394 sales of the year-over-year and up 15% from December 2023, when 468 sales were reported.

The average selling price in the Durham Region for the month of January was \$894,825. This new average represents an impressive improvement of 4%, or \$34,203, over December 2023, when the average price was \$860,622. It also represents a nominal increase of \$7,976 from January 2023 when the average was \$886,849. The amount of new listing inventory coming onto the market in January 2024 was 828 units, up 75.5% over December's 472 units, and down 4% from the same period the year before, which saw 863 new listings enter the market.

The average days on market for January 2024 was 33 days. The average Sale Price to List Price Ratio (SP/LP) for all properties sold in January was 99%.

The current Months of Inventory factor sits at a very low 1.4. The Sales to New Listing Ratio (SNLR) for the month of January was a very stable 65%, inching into sellers market territory. Typically, ratios between 40% and 60% reflect market balance, with anything below that range suggesting a market that favours buyers and anything above it, a market that benefits sellers.

The Durham Region saw a dollar volume in sales of \$482,310,471 in January -- 39% higher than the previous year. Oshawa once again led the way, with a volume in excess of \$131 million, making Oshawa's total 53% higher than January of 2023. Whitby placed an honourable second at \$110 million, with a 46% increase from the previous year, and Ajax posted \$69 million, with a year-over-year increase of 33%.

Source: CLAR

As always, we have included a snapshot of performance of the overall market in the Durham Region for the month. For a more specific look at your community, your neighbourhood and your housing style, just call us! We are always available to update you personally on current statistics and inventory, and how they are affecting your home's value.

HIGH HOUSING VALUES, INTEREST RATES AND TAXES CONTRIBUTE TO POST-PANDEMIC EXODUS FROM CANADA'S MOST EXPENSIVE PROVINCES, SAYS RE/MAX

While land transfer taxes and new property assessments in key markets appear to have little effect on the surface, eroding affordability levels are slowly shifting migration patterns and changing the landscape in major Canadian centres, according to a new report released today by RE/MAX Canada. RE/MAX Canada examined key markets in six Canadian provinces, including Vancouver, Calgary, Winnipeg, Toronto, Montreal and Halifax, and found governments at all levels are collecting billions from Canadian homebuyers through levies and development fees on new construction, as well as land transfer and property taxes on residential properties. Tax rate increases, in tandem with record-high housing values and mortgage rates, have sparked a post-pandemic exodus from the country's most expensive markets, contributing to a significant uptick in interprovincial migration numbers in Alberta and Atlantic Canada in 2023. While some homebuyers were content to move outside of core markets within their province, close to 60,000 Canadians found their answer to the current housing crisis in Alberta and, to a lesser extent, Nova Scotia, New Brunswick and Prince Edward Island.

INDUSTRY STATS

Durham Region: \$894,825

Oshawa: \$789,252

Clarington: \$834,430

Whitby: \$1,029,071

Scugog: \$1,011,760

Ajax: \$927,118

Pickering: \$954,524

Uxbridge: \$1,103,433

Source: CLAR

AVERAGE PRICE

BREAKDOWNS FOR JANUARY

The average detached dwelling sold for \$988,200 at 99% of list price in 33 days. 351 units sold.

The average semi-detached dwelling sold for \$838,920 at 101% of list price in 21 days. 30 units sold.

The average link dwelling sold for \$795,071 at 99% of list price in 19 days. 7 units sold.

The average freehold townhouse sold for \$813,714 at 100% of list price in 34 days. 74 units sold.

The average condominium apartment sold for \$514,756 at 99% of list price in 45 days. 40 units sold.

The average condominium townhouse sold for \$646,324 at 99% of list price in 34 days. 37 units were sold.

Source: CLAR

GREATER TORONTO AREA

After a flurry of home-buying activity at luxury price points in the final quarter of 2023 in Toronto Proper due to upcoming changes to the city's 2024 land transfer taxes, the housing market has slowed in the Greater Toronto Area. Sales are currently trending on par or slightly ahead of year-ago levels, with economic concerns and high interest rates leaving many buyers sitting on the sidelines. While the Bank of Canada (BOC) held firm on rates in January for the fourth consecutive time since its July 2023 rate hike, inflation remains high, placing the BOC in a challenging position. That said, there are signs that quantitative tightening is drawing to a close and some economists predict rates will start coming down by mid-year. With the promise of lower rates on the horizon, the spring market is expected to be active, with trade-up buyers leading the charge, cashing in on equity gains realized over the past decade. Unlike years prior, this spring market will be characterized by a greater selection of homes available for sale and less competition in the marketplace.

Sales in the spring will ideally position seasoned buyers with a three-month closing to potentially dovetail with interest rate cuts. First-time buyers, however, will continue to struggle to achieve home ownership, given a continuation of tight inventory levels at entry-level price points. Although buyers are still active in the Toronto market, there are those that are moving to areas outside of the GTA where housing values are lower. And, in the first three quarter of 2023, there were more people leaving the province than arriving, with net interprovincial migration numbers down by just over 32,500. While interprovincial migration has been offset by close to half a million immigrants, net emigration, and net non-permanent residents, it's clear the cost of living in Ontario – with its high housing values and tax base – is resulting in migration to other areas of the country.

Source: RE/MAX Canada

Each Office Independently Owned & Operated. Not intended to solicit properties already listed or Buyers signed under contract.