

This week in real estate: one big plot twist

Hey friend,

This week the market did that thing it loves: the headline number (prices down again) and the plot twist (almost nobody is listing) point in opposite directions. Sellers are quietly stepping back, and that changes the math more than the scary YoY figures suggest. As always, I do the boring homework so you don't have to.

Meanwhile bond yields nudged up, so fixed mortgage rates crept back over 4% — rude. Over in Waterloo the condos are on sale, Toronto's condo buyers are suddenly awake, and builders are dangling incentives like it's Boxing Day. Let's get into it.

GTA Prices Dip, But Listings Fall Off a Cliff

- TRREB's July numbers (out Aug 6) put the GTA average price at \$1,003,956 — down 4.5% year-over-year, but still clinging to the seven-figure line.
- Sales were basically flat at 5,995 (−0.9%), so demand isn't the story.
- New listings, on the other hand, cratered 17.8% to 14,484 — sellers are pulling back hard.
- The MLS Home Price Index slipped 4.6% YoY, the softest read in months.
- My take: when listings fall faster than sales, the market quietly tightens — this is how a 'falling' market sets the floor for price stability. Serious buyers shouldn't wait for a fire sale that the data says isn't coming.

Bond Yields Twitch, Fixed Rates Sneak Back Over 4%

- The 5-year Government of Canada bond yield climbed to 3.18% on Aug 5, dragged up by oil-fed inflation jitters.
- Fixed mortgage rates follow those yields — most 5-year fixed offers are now back above 4%, with the lowest insured around 3.94%.
- The Bank of Canada's overnight rate is still parked at 2.25% (next decision Sept 2), so variable holders are steady for now.
- My take: if you're shopping, get the pre-approval and rate hold in hand this week — the fixed-rate door is inching closed, not open.

Waterloo Region: The Condo Aisle Is on Clearance

- July resale data shows detached sales down just 1%, but condo sales fell a whopping 24%.
- The all-property median landed at \$675,000, off 2.9% YoY; single-family held at a \$760,000 median.
- Townhouse and condo medians took the real hit — down 10.5% from a year ago.
- My take: KW buyers eyeing a condo or townhome have genuine leverage right now — this is the softest corner of the whole region, and softness is a shopping list.

Toronto & Hamilton Condos: Buyers Wake Up, Prices Snooze

- Condo sales across Toronto and Hamilton jumped roughly 50% year-over-year — four straight months of gains.

- But prices haven't joined the party: the average condo sits near \$636k, down 2.3% YoY, with the 416 and 905 combined off about 6.4%.
- Cheaper prices plus a bit of rate relief are luring first-timers off the sidelines.
- My take: this is a buyer's rebound, not a price rebound — exactly the window where you buy well before the price tags catch up.

Pre-Con Crunch: A Record Wave of Completions Means Real Deals

- About 28,000 GTA condo units are slated to complete in 2026 — the biggest wave in years.
- Fresh launches keep coming, like Graywood's 540-unit Goode Condos at 33 Parliament in the Distillery District.
- Construction delays are running 8–14 months, and developers are sweetening deals with concessions worth 3–8% of the price.
- My take: this is negotiating season for pre-con — push on deposit structures, capped closing costs, and incentives before you sign anything.

QUICK HITS

- Mississauga is holding up better than most — average price around \$919,018 and a brisk 32 days on market.
- Brampton renters catch a break: one-bedroom rents slipped ~2% last month, down 5%+ overall.
- Assignment and pre-con inventory is piling up — more choice (and more motivated sellers) for patient buyers.
- Eglinton Crosstown West extension keeps grinding forward, adding nine km toward Renforth — long-term value for the western corridor.

BY THE NUMBERS

- \$1,003,956 — GTA average selling price, July 2026 (–4.5% YoY)
- 5,995 — GTA home sales in July (–0.9% YoY); new listings 14,484 (–17.8%)
- 3.18% — 5-year GoC bond yield (Aug 5); 5-yr fixed rates back above 4%
- 2.25% — Bank of Canada overnight rate (held; next call Sept 2)
- \$675,000 — Waterloo Region all-types median (–2.9% YoY)

LET'S TALK

Thinking about making a move — or just want to know what all this means for your street? Hit reply, or let's grab a coffee and map it out. No pressure, no jargon, just a straight read on the market from someone who actually reads the reports.