Hey friend,

After last week's tour of new Costcos and shiny high schools, we're swinging back to the money side of things — and it's a tale of two markets. Renters keep quietly winning, the condo world has basically frozen solid, and the province is playing surprise buyer for thousands of unsold units. Meanwhile detached homes in the suburbs are doing their own, much calmer thing.

Oh, and mark Wednesday on your calendar: the Bank of Canada makes its next call on rates, and the smart money says... not much. Grab a coffee — here's what actually moved this week.

Renters Are Having a Moment

- **Down again.** The July Rentals.ca report (out this week) shows national asking rents down 4.3% year-over-year in June — the 21st straight month of declines.
- **Ontario.** Ontario's average asking rent slipped to $2,233, off 5.3% from last year.
- **Condos lead the drop.** Condo rents took the hardest hit, down 6.8%, as a wave of new completions floods the market.
- **My take:** For anyone weighing rent-vs-buy, the rental deals are real right now — but if you're an investor, softer rents plus higher carrying costs mean we should run the cash-flow math before you count on a tenant to cover the mortgage.

The Condo Market Is in a Deep Freeze

- **Prices sliding.** Toronto condo-apartment prices are down roughly 10% year-over-year — the softest they've been in years, and buyers finally have real leverage.
- **Launches stalled.** New condo sales are running about 89% below the 10-year average, and only one major project has broken ground in the entire GTA this year.
- **Assignments stuck.** Investors who bought pre-construction back in 2020–2022 are trying to exit, but there's almost no buyer for assignments right now unless you'll sell at or below your original price.
- **My take:** Today's freeze is tomorrow's squeeze — near-zero new supply now sets up a shortage by 2029–30. If you're a patient end-user (not a flipper), this is the buyer's window investors keep talking about.

The Province Is Quietly Buying Up Condos

- **The play.** The Building Ontario Fund has teamed with private firm High Art Capital on a $1.3B initiative to buy unsold GTA condos and convert them into rentals.
- **The scale.** The plan targets roughly 2,200 units in blocks of at least 10, with about 550 set aside as affordable (25% below market or 30% of median income).
- **Why now.** It's aimed squarely at the inventory glut — soaking up finished units developers can't sell in today's frozen market.
- **My take:** This puts a soft floor under the new-condo market. For clients sitting on a hard-to-move pre-con unit, it's worth watching whether bulk buyers move into your building.

Waterloo Region Holds Steady

- **Flat volume.** Cornerstone reported 676 sales in June — essentially flat (+0.3%) year-over-year, though still 21.7% below the 10-year June average.
- **Prices.** The all-property median landed at $690,000; single-family homes at $775,000 (down 6.1% YoY).

• **Two markets.** Detached homes sit at 3.4 months of supply (seller-friendly) while condos/towns are at 5.4 months (buyer-friendly).
• **My take:** This split is a move-up buyer's friend: sell the KW condo into a balanced market and buy the house before detached tightens further.

Rate Watch: Decision Day Is Wednesday
• **Hold expected.** The Bank of Canada announces its next rate call on July 15, and economists overwhelmingly expect another hold at 2.25%.
• **Fixed rates flat.** The 5-year government bond yield sat near 3.02% on July 6, keeping fixed rates sticky; the best 5-year fixed is around 4.34%.
• **No relief coming.** Yields are forecast to hold in the 3.0–3.5% range with an upward bias on oil and geopolitics — so don't bank on a big drop this summer.
• **My take:** If the numbers work today, they'll likely work next week too. Waiting for a rate cut to rescue your budget is a losing game right now — let's get you qualified while the math is stable.

Quick Hits
• Hamilton's benchmark held near $744,000 (-5.4% YoY), with the year-over-year gap narrowing from -7.7% — the correction is clearly losing steam.
• Institutional buyers and trusts are now the only real bid for condo assignments; everyday investors have stepped to the sidelines.
• Condo completions keep landing, which is exactly what's feeding both the rent drop and the resale glut — supply is finally showing up.
• Detached remains the tight spot region-wide: seller-friendly supply in both the GTA suburbs and Waterloo keeps a floor under house prices.

By the Numbers
• 2.25% — BoC overnight rate (next decision July 15)
• ~4.34% — best 5-year fixed mortgage rate
• ~10% — year-over-year drop in Toronto condo-apartment prices
• $2,233 — Ontario average asking rent (-5.3% YoY)
• 676 / $690,000 — Waterloo Region June sales / all-property median

Let's Talk
Trying to figure out whether this is your window to buy a condo, cash in on a tight detached market, or just wait things out? That's exactly the conversation I love having. Hit reply or grab a coffee with me — I read the reports so you don't have to, and I'd love to help you make sense of what it all means for your next move.