

Over the past few weeks, the market has felt unusually quiet.

Not declining. Not accelerating. Just waiting.

And then this changed.

Financial markets have sharply increased expectations that the Bank of Canada may need to keep rates higher for longer — even factoring in potential hikes adding up to roughly 0.75%.

That's not a minor adjustment.
That's a shift in direction.

And in real estate, direction matters more than headlines.

What Just Happened (In Plain Terms)

The earlier narrative was simple: rate cuts were coming, and relief was on the horizon.

That narrative has now been pushed back.

Stronger-than-expected economic data and persistent inflation signals are forcing markets to rethink the timeline.

What this means:

- Borrowing costs may stay elevated longer than expected
- The “wait for cheaper money” strategy just got more uncertain
- Confidence has taken a temporary step back

Buyer Behaviour: A Market of Hesitation

Over the past few months, buyers have largely been on pause.

They've been waiting for:

- Interest rates to drop
- Prices to soften further
- A clear bottom to form

This new shift changes that equation.

The Waiting Strategy Is No Longer Clear-Cut

If rates stay higher for longer, the benefit of waiting becomes uncertain. Monthly payments may not improve in the short term, and the expected window of opportunity could shift.

Demand Has Not Disappeared

There is a significant pool of buyers who have simply stepped aside. They are watching closely, and even a small return in confidence can bring them back quickly.

Strategic Buyers Are Already Moving

While most are waiting, a smaller group is acting.

They are taking advantage of:

- Reduced competition
- Greater negotiation leverage
- Sellers who are still adjusting expectations

These are typically the buyers who benefit most from transitional markets.

Seller Behaviour: Cautious but Competitive

Sellers have been equally measured.

Inventory Has Been Held Back

Many potential sellers chose not to list, waiting for stronger pricing conditions. This has kept supply tighter than expected in many areas.

Well-Positioned Homes Are Still Performing

Properties that are priced correctly and presented well are still attracting strong interest. In certain pockets, we continue to see multiple-offer scenarios.

This is not a weak market. It is a selective one.

A Shift in Seller Timing Is Coming

If uncertainty continues:

- Some sellers will move forward sooner to avoid further risk
- Others will eventually adjust expectations and enter the market

This creates a key dynamic:

- Early sellers face less competition
- Later sellers may enter a more crowded environment

What Most People Are Missing

This moment is not about whether rates go up or down.

It is about positioning during uncertainty.

Right now, the market is in a transition phase:

- Buyers are cautious
- Sellers are selective
- Inventory remains controlled

- Demand is building beneath the surface

These phases are typically short-lived.

Once confidence returns — even marginally — activity tends to accelerate quickly.

What This Means for You

If You Are a Buyer

Trying to time the exact bottom rarely works.

The focus should be on:

- Securing the right property
- Negotiating effectively in a less competitive environment
- Structuring financing intelligently

The opportunity today lies in conditions, not predictions.

If You Are a Seller

This is not a market to wait passively.

Success depends on:

- Strategic pricing
- Strong presentation
- Entering the market at the right time

Early, well-prepared sellers continue to achieve strong outcomes.

Final Thought

Every market cycle has a phase where uncertainty holds most people back.

And in that phase, a smaller group makes well-timed decisions.

Those decisions often define the outcome.

If you want to understand how this shift applies specifically to your situation — whether you're planning to buy, sell, or simply evaluate your next move — I'm always available for a straightforward conversation.