

\$70,000

That is what HouseSigma can be off by on a \$1M Toronto home in this market.

I am not anti-AI. I use it every day in my business. But after closing transactions across the GTA for years, I can tell you something the algorithms will never admit: **AI is the most confident wrong person you will ever meet about your home.**

And in a market like ours — TRREB's average GTA sold price down 6.9% year-over-year to \$1,017,796 in March, condos sliding another 9.0%, and detached quietly ticking back up 1.3% month-over-month — that confidence is costing buyers and sellers real money every week.

Here is what I am seeing on the ground from Mississauga to Markham, and why my clients are sleeping better at night because of it.

What the GTA headlines are not telling you

You have probably noticed the shift. With 21,596 active listings on the board (still 69% above the 10-year average), buyers finally have leverage. Five-year fixed rates have settled around 3.74%, the Bank of Canada policy rate sits at 2.25%, and TRREB is forecasting a stable but soft 2026.

In other words: this is exactly the kind of market where AI-driven valuations are at their worst.

Why? Because the algorithms most GTA homeowners check — HouseSigma, Zolo, Realtor.ca's Home Value tool — are, by their own design, **lagging indicators**. They were trained when the market was rising. In a declining or sideways market like this one, they consistently print numbers that are weeks behind reality.

Here are the three failures I see most often, and what they have cost the buyers and sellers who walked in without me:

The lagging-indicator problem. HouseSigma itself acknowledges its accuracy was strongest during the 2022 bidding-war era, when prices only moved one direction. As prices began declining, its error rate widened — because the comps it was using had not yet caught up to where the market had actually moved. In today's softer GTA, that means an algorithmic estimate from last week may be pricing your home for a market that no longer exists.

The private-sale blind spot. HouseSigma, by design, has no data on privately sold homes — and exclusive, off-market, and pocket-listing deals are an increasingly common piece of the GTA's high-end and condo segments. If the comp the algorithm needs sold quietly through a brokerage network, the algorithm cannot see it. I can.

The hyperlocal blind spots no algorithm can fix. AI cannot see the renovation you completed last summer until permits are public. It cannot value the lot in Leaside that backs onto a ravine versus the identical floorplan three doors down that backs

onto Bayview. It cannot read the school catchment shift moving prices in pockets of York Region right now. It cannot tell you that Yellowbelt zoning changes are quietly resetting the development math on certain Toronto streets. *I can.*

Why a great agent matters more in this market, not less

Here is the counterintuitive truth I keep telling my clients:

The more AI enters the GTA market, the more valuable it becomes to have a human agent who knows where AI fails.

When everyone has access to the same HouseSigma estimate, the edge is no longer who has the data. The edge is who can see what the data misses. Who knows that the listing two streets over had its photos retouched in a way that distorted the comp. Who knows that a competing lender just dropped their 5-year fixed two basis points below what your AI broker quoted yesterday. Who has actually walked your potential home and can tell you that the "great natural light" in the listing is southwest exposure that will bake the unit every July afternoon — or that the condo board is sitting on a special assessment most buyers would never find in time.

The best agents in 2026 are not competing with AI. We are using it, double-checking it, and quietly catching its mistakes for our clients before those mistakes become wire transfers, lost deposits, or homes you wish you had bought.