

Your Mortgage Renewal Might Be the Best Time to Move — Here's Why

Hi everyone,

I want to share something a little more personal this week. Our own mortgage renewal is coming up — and going through the numbers myself has reminded me why renewal season is such an underrated window of opportunity for GTA homeowners.

Why renewal timing matters right now

If you locked in your rate back in 2020–2021, you're likely renewing into a very different environment. The Bank of Canada has held its policy rate at 2.25% through most of 2026, and lenders are currently offering:

5-year fixed: roughly 4.0%–4.3%
5-year variable: roughly 3.35%–3.65%

Rates aren't expected to fall much further this year — most economists are forecasting a “higher for longer” environment rather than another round of cuts. That makes renewal timing something worth planning around, not just reacting to.

The upgrade window most people miss

Here's the part that doesn't get talked about enough: your renewal date is one of the only times you can move without paying a prepayment penalty.

If you're outgrowing your current home and thinking about upsizing, a bigger lot, a better school zone, or simply a change — breaking your mortgage mid-term to buy something new can cost thousands in penalties (especially with fixed-rate mortgages, where the Interest Rate Differential, or IRD, can be steep). But if your renewal is already on the horizon, that penalty disappears from the equation entirely.

That means the 3–6 months before your renewal date is genuinely one of the smartest times to:

1. Get a sense of what your home is worth in today's market
2. Explore what you could afford in your next home at current rates
3. Time a move so your existing mortgage rolls off cleanly, without a penalty eating into your equity

What I'd suggest

If your renewal is coming up in the next year, it's worth having two conversations well ahead of the date — one with a mortgage professional about your renewal options (don't just accept your lender's first offer; it's rarely their best one), and one with me about what your home could sell for and what's realistic for your next move in today's GTA market.

I'm not a mortgage advisor, so I won't get into the specifics of your renewal numbers — but I'm always happy to run the real estate side of the equation with you, no pressure, just information.

If your renewal is on the horizon and you've been quietly wondering "should we just move instead of renewing?" — that's exactly the conversation I'd love to have with you this month.