



YOUR NEIGHBOURHOOD *Update*

OH CANADA!

In the real estate arena, the emphasis on this opening statement is to describe more shock and surprise than celebration. Last year at this time, we were indeed celebrating, as, for the first time ever, our average detached resale value in the Durham Region broke through the \$1 million glass ceiling in May of 2021. Today, our May 2022 stats are painting a very different picture; and for some, its quite a painful, stark reality. As with the late spring market of 2017, we are seeing a strong downward cycle that is picking up momentum month over month. With interest rates on the rise and gasoline rumoured to spike higher at the pumps in the coming weeks, the real estate market is unequivocally in a downturn and prices will continue to fall until inflation gets under control.

Real estate analysis always happens in the review mirror; our stats are released at the beginning of the following month, so all that we study, weigh and appraise is accomplished through the lens of what has already happened. Like the stock market, it is impossible to time the peak or the bottom. The best we can ever do is follow the data, scrutinize the economy and listen to what the news outlets are reporting. We say that because the media holds the power of self-fulfilling prophesy. If they say things are bad, people believe things are bad. If they say things are good, people believe things are good. The media can, unfortunately, speculate, theorize and postulate all they want about the Canadian real estate market – without an ounce of real insight or information -- and in doing so, they can actually influence its trajectory without anything more solid than sensationalized headlines. And doom and gloom is exactly what they are selling right now.

So what's the positive take away? Well, its great news for buyers, who now have a selection of homes to choose from, and we hope that translates to a further influx in migration from Toronto to our area. It also means the return of the local buyer to our marketplace – no more driving vast distances to find more affordable, or even available, housing options. For sellers, it means strategy and negotiation have never been more essential, and analyzing the competitive micro market is of paramount importance. It means that only a true professional can navigate a seller through this climate, so a culling of the herd of the almost 67,000 licensed agents out there in the GTA is well on its way. One thing is evident: it is essential to have strong, reliable and wise representation in this market; don't let your family, friends and neighbours try to manage a move without us! We promise you, their best interests will always be our chief priority. Thank you for recommending us!

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*The kindest compliment
you can give me is the
referral of your family
and friends.*

Thank you for your trust

Find Out What
Your Home Is
Worth

Please do not hesitate to call.
I will be happy to assess the
Current Market Value of your
home and talk about any Real
Estate queries you may have.
It is always a pleasure!

Not intended to solicit those already under contract
with a brokerage

THE MONTH OF MAY IN REVIEW

In May, the Durham Region Association of REALTORS reported 1,025 residential sales in the Durham Region, down 6% from the 1,089 sales of April, and down 35% from May 2021, when 1,574 sales were reported. Year-to-date we are down 30% in sales from the same period in 2021.

The average selling price in the Durham Region for the month of May was \$995,688 – the first time the average price has fallen below the one million dollar mark so far this year. This represents a decrease of 7.5% from April and a 19% loss from February, which posted the highest ever average sale price for the Durham Region at \$1,228,990. Despite that, this new average still represents an increase of \$93,533 or 10% -- over the previous May average of \$902,135, which is an incredible yearly gain by any definition.

The amount of new listing inventory coming onto the market in May was 2,261 units, down just 3.5% or 77 units from April and up 10.5% from May 2021 when 2,048 new listings enter the market. Year-to-date we are down just 6% in the number of listings coming onto the market compared to 2021. These numbers are a little misleading as they do not account for the large amount of terminations and suspensions of property, and then the re-listing of same, that we are currently witnessing.

The average days on market for May rose to 10 days. The average Sale Price to List Price Ratio (SP/LP) for all properties sold in May was still an impressive 108%.

The current Months of Inventory factor rose again this month, peaking at 1.4-- still a low number but not nearly as low as we have seen over the past 2 years. The Sales to New Listing Ratio (SNLR) for the month of May was a very balanced 45.3% -- the lowest number we have seen in a very long time. Typically, ratios between 40% and 60% reflect market balance, with anything below that range suggesting a market that favours buyers and anything above it, a market that benefits sellers.

The Durham Region saw a dollar volume in sales of \$1,020,559,260 in May -- making the year-to-date total 12% lower than the previous year-to-date for 2021. Oshawa once again led the way, with a volume in excess of \$248 million, making Oshawa's total 11% lower year-to-date than 2021, but its average sale price still up 28% year-to-date over 2021. Whitby placed an honourable second at \$203 million, down 10% year-to-date from 2021 but up 26% year-to-date in average sale price. Clarington posted \$182 million, with a year-over-year decrease of 13% but an average sale price increase of 25% year-to-date.

Source: DRAR

As always, I have included below a snapshot of performance of the overall market in Durham Region for the month. For a more specific look at your community, your neighbourhood and your housing style, just call me. I am always available to update you personally on current statistics and inventory, and how they are affecting your home's value.

HERE'S THE AVERAGE PRICE BREAKDOWN FOR MAY:

The average detached dwelling sold for \$1,094,693 at 108% of list price in 9 days. 679 units sold.

The average semi-detached dwelling sold for \$812,146 at 111% of list price in 10 days. 71 units sold.

The average link dwelling sold for \$899,233 at 109% of list price in 8 days. 9 units sold.

The average freehold townhouse sold for \$907,885 at 109% of list price in 10 days. 135 units sold.

The average condominium apartment sold for \$633,509 at 109% of list price in 12 days. 58 units sold.

The average condominium townhouse sold for \$713,946 at 107% of list price in 11 days. 72 units were sold.

Source: DRAR



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