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GLEN ABBEY MARKET AT A GLANCE

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Average Sale Price Detached Homes -Glen Abbey



Glen Abbey Market Highlights:

- > Average sale price detached homes: \$1.87M;
- > Prices 25.4% down from height of the market but up 9.4% Year-Over-Year
- > Average Days On Market: 50
- > Homes selling on average at 97.7% of the asking price
- > Number of sales down 50% Year-Over-Year

Statistics contained in this report were compiled from the Oakville Milton and District Real Estate Board. The information is presented without any warranty or representations as to its accuracy and is believed to be reliable.

Housing Market Fluctuations Create Uncertain

Properly timed decisions in real estate market cycles can maximize value for home buyers and sellers, but it became increasingly difficult to do so in the past few years. The key is *to get ahead of the trend* in a downward market.

The Canadian housing market is in the initial stages of a correction as it pulls back from the unsustainable pace of price increases during the pandemic. Inflation is at a four-decade high, causing the Bank of Canada (BOC) to act more aggressively with its policy interest rate increases than many economists previously predicted. The rising interest rates are forcing some buyers to the sidelines, cooling housing market activity and leaving many people with uncertainty about whether the market will continue on a downward trend or reverse its course.

Direct Correlation Between Sale Prices And Interest Rate Increases

In 2022, the average sale price of detached homes in Glen Abbey rose sharply until March when the BOC began its series of policy interest rate hikes. This had an immediate impact on resale property values. In March, resale prices dropped 15.7% Month-Over-Month (MoM). After the BOC's 100 basis point rate increase in July, the average resale price in Glen Abbey dropped by 20.2%. In August, it rebounded with a 19.3% increase. Although the current average resale price is 25.3% lower than at the height of the market, it is 9.4% higher than this time last year. A market correction of 15%-20% is not surprising given the meteoric rise in prices in the past two years.

Cooling Market Gives Buyers More Leverage

In August, the number of detached home sales in Glen Abbey was down 50% Year-Over-Year, due to rising interest rates, the increase to the Non-Resident Speculation Tax to 20%, and a seasonal slowdown. Bidding wars are no longer commonplace, reducing competition and creating more negotiating leverage for buyers.

The average time it takes to sell a home has more than doubled since 2021. A closer look at home sales in Glen Abbey in the past 90 days reveals a clear pattern. Some sellers listed their homes for sale at pre-March prices. These listings sat on the market for 60-90 days compared to a 22 day average for homes priced at market value. Overpricing your property *in a downward market* and then having to reduce your price is known as "chasing the market down". History has proven that these listings sit on the market longer and sell for less than those priced at market value, where it is still possible to generate multiple offers.

Act Now Or Wait? Location Matters

Market swings and recession fears have left many people unsure about whether to move forward or hold off on their real estate plans. The "right" decision will depend on your situation, risk tolerance and *performance of your market area*. An experienced real estate agent that specializes in your market can provide valuable local insight and guidance, to help you make an informed decision.

Deborah has been helping clients achieve maximum value for their real estate for more than 25 years

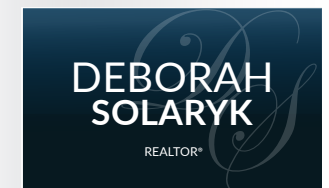


Wondering what
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Honesty, tenacity and dedication are what Deborah gives to her clients.
She helps from beginning to end with whatever you need. (NR)