Sotheby's INTERNATIONAL REALTY | Canada

Top-Tier Real Estate

FALL 2022: STATE OF LUXURY

SOTHEBYSREALTY.CA

Contents

COVER: MLS# A1259673

LEFT: Image Credit: Don Kaveen (Unsplash)

Disclaimer

The information contained in this report references market data from MLS boards across Canada. Sotheby's International Realty Canada cautions that MLS market data can be useful in establishing trends over time but does not indicate actual prices in widely divergent neighbourhoods or account for price differentials within local markets. This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information and analysis presented in this report, no responsibility or liability whatsoever can be accepted by Sotheby's International Realty Canada or Sotheby's International Realty Affiliates for any loss or damage resulting from any use of, reliance on, or reference to the contents of this document.

Executive Summary

2022 THIRD QUARTER HIGHLIGHTS

- Canada's luxury market continues to transition from an era of pandemic over-exuberance, particularly in regions that saw the most acceleration over the past two years. Sellers and buyers continue to process the impact of interest rate hikes, rising inflation, volatile financial markets and geo-political headwinds, and many remain watchful from the sidelines.
- Inventory evaporated from Canada's luxury housing market in the third quarter of 2022, leaving pent-up local demand for top-tier housing and housing mobility unfulfilled.
- Calgary's luxury market remained buoyant with consumer optimism and economic confidence as $1 million-plus residential sales diminished a mild 12% in July and August compared to the summer months of 2021, then held ground with a negligible 5% year-over-year dip in September.
- Montréal residential sales over $1 million posted a modest annual decline of 26% in July and August, while September sales indicated continued market moderation with a 39% annual shortfall.
- Luxury real estate inventory dissipated from the Greater Toronto Area in the third quarter, capping potential transactions and contributing to a decline in residential sales over $4 million by 42% year-over-year in July and August, and a 63% annual decline in September.
- Vancouver luxury sales over $4 million continued to recede from historic highs with a 51% year-over-year decline in July and August, while September sales fell 58% from previous year's levels.

Image credit: Khloe Arledge(Unsplash)

Canada's luxury real estate market continued to recede from anomalous historic highs over the third quarter of 2022, as top-tier inventory faded across key metropolitan areas. As multiple interest rate hikes, surging inflation, financial market volatility and forceful geo-political headwinds impacted the market, prospective real estate sellers and buyers responded by temporarily retreating to watchful and strategic positions on the sidelines. Diminished top-tier real estate supply was magnified by a significant surge in summer travel that resulted in an exodus from the market, amplifying the housing market's seasonal lull. The market also required time to adapt to the Bank of Canada's succession of interest rate hikes, including a September 7 rate hike that saw the target overnight rate reach 3.25%, its highest level since early 2008 before the financial crisis. As a result, while underlying local demand for top-tier real estate and housing mobility remains unrelenting, the country's major metropolitan real estate saw muted sales activity over the summer months and into the initial weeks of fall, with consumer sentiment and sales activity poised for further adjustment in the season ahead.

According to new data compiled by Sotheby's International Realty Canada, luxury sales activity in Canada's largest residential real estate market calmed from previous records in the third quarter of 2022, even as consumer confidence in long-term market fundamentals remained robust. As real estate listings inventory declined in premier neighbourhoods from July 1 – August 31 in the Greater Toronto Area (GTA), residential real estate sales over $4 million (condominiums, attached and single family homes) fell 42% year-over-year from the previous summer's heated records. Three properties sold over $10 million on MLS, compared to six units sold above this ultra-luxury price point in the summer of 2022. Overall, residential sales over $1 million declined 39% year-over-year in the GTA in the summer months. Preliminary fall data foreshadows a tempered market ahead, as luxury sales over $4 million in the GTA were down 63% year-over-year between September 1–30 as the $10 million-plus market, which saw three properties sold last September, remained quiet on MLS. Overall residential sales over $1 million saw an annual decline of 52% in the month of September.

Sales activity in Vancouver's luxury real estate market also cooled in the third quarter of the year, as prospective sellers and buyers paused in anticipation of further market adjustments, and as high-end housing supply evaporated from the market. From July 1– August 31, luxury residential sales over $4 million fell 51% from the record summer of 2021, with two properties selling over $10 million on MLS compared to one sold in the summer months of last year. $1 million-plus residential sales were down 37% year-over-year overall during this time. Luxury sales in the month of September signal a return to moderated levels of market activity,

Image: 48 Rose Avenue, Toronto, ON (SOLD) as residential sales over $4 million receded 58% from September 2021 levels, while sales over $1 million declined 70% year-over-year. The city's ultra-luxury $10 million-plus market, however, remained active with two sales recorded on MLS between September 1–30 compared to one property sold in this price range during the same period last year.

Montréal's $4 million-plus residential real estate market, which saw sales volume increase 71% year-over-year in the first half of 2022 to new highs, gradually tapered to balanced conditions in the third quarter of 2022. From July 1–August 31, $4 million-plus residential sales remained relatively stable with a nominal decline to eight transactions compared to nine in the previous summer levels, while sales over $1 million were down 26% year-over-year. Luxury sales activity in the city in the month of September reflects a market coming into balance with two properties sold over $4 million between September 1–30 compared to six sold in September last year. Overall, September sales over $1 million were down 39%.

Economic growth and diversification, a revitalized oil and gas sector, strengthening consumer confidence, and in-migration from other Canadian markets bolstered Calgary's luxury market in the third quarter of 2022, positioning the city as an outlier amongst the country's largest metropolitan markets. Residential sales over $1 million remained stable over the summer with a mild 12% year-over-year contraction in sales volume between July 1– August 31. One property sold over $4 million over the summer, on par with the number of sales above this price point in the summer of 2021. Preliminary fall sales activity also reflects an active market. In the month of September, sales over $1 million remained largely comparable with September 2021 levels, with sales tightening a negligible 5%.

> **Canada's conventional and luxury real estate markets are undergoing a long awaited transition after an era of over exuberance during the pandemic, particularly in those regions that saw the most acceleration over the past two years. The market is still absorbing the effects of rapid-fire interest rate hikes, as well as changes in the domestic and global economic landscape, and real estate sellers and buyers are taking a step back to strategize," says Don Kottick, President and CEO of Sotheby's International Realty Canada. "It is critical to note however, that the primary challenge within major metropolitan housing markets, particularly in Toronto and Vancouver, is a chronic undersupply of housing. Given high levels of local demand, population gains, as well as needs for housing mobility with changing lifestyle and generational needs, this foundational inventory shortage will support housing values and challenge affordability until the gap is closed. Demand-side policies and taxes, including bans and taxes on foreign buyers, will offer little benefit, while creating unintended consequences when Canada is striving to attract and retain people with desperately needed skills and talent.**

According to Kottick, prices are stabilizing across the conventional and luxury real estate market and prospective buyers and investors are no longer willing to pay bullish prices as was the case during the most frenzied days of the pandemic period. As a result, while properties priced correctly for current market conditions are seeing activity and sales, those priced too ambitiously are languishing on the market.

Vancouver

The City of Vancouver's luxury real estate market continued to pull back as anticipated in the third quarter of 2022, following unsustainable price and activity acceleration during the pandemic. Increasing watchfulness amongst real estate buyers and sellers considering sharp interest rate hikes, mounting economic and housing market uncertainty, as well as a rebound in summer travel and tourism activity that diminished property listings, resulted in a quiet summer market and an uneasy start to fall.

According to Sotheby's International Realty Canada, Vancouver's affordability challenges have only sharpened with rising mortgage rates and inflation, however, underlying local consumer demand for housing and housing mobility remains relentless, as is confidence in the long-term prospects of the city's real estate market. However, despite the greater financial resilience of luxury and ultra-luxury buyers and investors to absorb the impact of rising interest rates and inflationary pressures, many have temporarily positioned themselves on the sidelines in anticipation of future price declines. At the same time, the reluctance of many sellers to list and sell properties at appropriate prices for new market realities has resulted in what is widely regarded as a temporary period during which price and activity stickiness will prevail as buyers and sellers adjust to new norms.

As a result of this changing landscape, luxury residential real estate sales over $4 million (condominiums, attached and single family homes) fell 51% year-over-year to 27 properties sold between July 1–August 31. Two properties sold over $10 million on Multiple Listing Services (MLS) during this period, double the one unit sold in this ultra-luxury price range in the summer of 2021. Overall, residential real estate sales over $1 million were down 37% year-over-year to 512 properties, reflecting continued market normalization from the frenetic sales activity of the previous year. While multiple offers became a rarity, properties priced competitively for current market

Image: 415 1869 Spyglass Place, Vancouver West, BC (SOLD) conditions continued to sell, while those priced above changing market norms required price reductions to prompt buyer interest.

According to Sotheby's International Realty Canada experts, preliminary fall data and real estate consumer behaviour points to a luxury market approaching balanced conditions. Between September 1–30, residential sales over $4 million (condominium, attached and single family homes) declined 58% to 11 properties sold, with two of these transacting over $10 million, compared to one sold over this ultra-luxury price point in September 2021. $1 million-plus residential sales fell 70% to 139 properties sold. However, September data also masks strong underlying consumer demand for housing mobility, as well as signals of market revival this fall. With top-tier inventory remaining low in relation to the city's strong undercurrent of housing demand, competitively priced properties in premier neighbourhoods have continued attract bids, and on rare occasion, bidding wars.

The city's luxury $4 million-plus condominium market, which saw annual gains of 32% in the first half of 2022 to new records, saw sales come into balance over the summer with seven units sold in July and August, down 22% from last summer. As was the case in the summer months of 2021, there were no ultra-luxury condominium sales over $10 million recorded on MLS during this time. Overall, $1 million-plus sales volume fell 30% year-over-year to 172 units sold in July and August. September data reveals a condominium market that continues to normalize from the previous year; there were no transactions over $4 million during this time compared to two units sold last September, while sales over $1 million were down 71% to 37 units sold.

Luxury single family home sales activity quieted in the third quarter of 2022 in the City of Vancouver, coming into balance following a year that had seen sales over $4 million soar by 172% year-over-year in 2021. From July 1– August 31, 20 single family homes sold over $4 million, down 55% from the previous summer. Two ultra-luxury single family homes sold over $10 million on MLS, compared to one sold in the summer of 2021. Overall, single family home sales over $1 million were down 45% year-over-year, with 219 homes sold in July and August. Despite anecdotes of sporadic bidding wars for single family homes in September, sales over $4 million during this time were down 50% to 11 homes sold. Two homes sold over $10 million, up from one home sold in this price range in September 2021. Overall, 70 single family homes sold over $1 million, down 69% from last September's levels.

Luxury attached home sales fell over the third quarter of 2022, despite underlying demand for affordable alternatives to single family homes. Between July 1– August 31, the market for attached homes over $4 million saw no sales, down from two homes sold during the same period in 2021. Overall, attached home sales over $1 million experienced a 30% year-over-year decline to 121 units sold in the summer. September attached home sales reflect a market that continues to battle both inventory constraints and slowing market engagement; there were no attached homes sold over $4 million, down from two sold in September 2021. During this period, attached home sales over $1 million fell 72% year-over-year to 32 homes sold.

The City of Vancouver's real estate market was exceptionally exuberant over the last two years; therefore, the effects of rising interest rates and other headwinds are expected to be more prominently reflected in the city's conventional and luxury real estate market as it normalizes. Sotheby's International Realty Canada experts note that as sellers moderate their price expectations to new norms over the coming months and as inventory rises concurrently, prospective buyers will be increasingly motivated to re-enter a more favourable market and overall sales activity will resume.

Calgary

Renewed optimism in Alberta's economic prospects which was bolstered by surging oil and gas prices, and continued diversification in the local economy, resulted in stronger-than-expected housing market activity over the third quarter of 2022. As a result, the City of Calgary's conventional and luxury housing market performance was more resilient than other major metropolitan areas through the summer and early fall despite confronting the challenges of rising inflation and interest rates. The city's favourable cost of living and opportunities for greater purchasing power within its housing market have continued to attract interprovincial migration from Ontario and British Columbia, as professionals and families seek the benefits of relocating to a city that has been deemed the most liveable in Canada by the Economist Intelligence Unit in 2022.

Although the Calgary real estate market gradually returned to a more balanced state from heated sellers' market conditions experienced at the start of the year, consumer confidence remained buoyant, and sales activity remained healthy through the third quarter. According to the Calgary Real Estate Board (CREB), the City of Calgary saw 1,901 property sales in September, much stronger than levels achieved prior to the pandemic and above long-term trends for September. Coupled with housing inventory declining 20.8% from last year's levels, strong demand led to price gains across all housing types, with single family home, semi-detached, row and condominium prices up 12.9%, 10.4%, 15.1% and 10.7% year-over-year respectively.[1]

The city's luxury real estate market transitioned to more balanced and healthy conditions during this period. Between July 1– August 31, residential real estate sales over $1 million (condominiums, attached and single family homes) contracted 12% from the previous year's heated summer performance to 153 properties sold. During this

1 Calgary Real Estate Board, September 2022

Image credit: Igor Kyryliuk (Unsplash)

time, one property sold over $4 million, on par with summer 2021 levels. September top-tier sales activity also points to active and healthy market conditions for the fall ahead. Between September 1–30, 69 properties sold over $1 million, a nominal 5% decline from September 2021 levels. There were no luxury properties sold over $4 million during this preliminary month of fall, compared to one property sold above this price point in September of the previous year.

Consumer confidence in Calgary's market-dominant single family home market remained resilient through the third quarter of the year despite a seasonal easing of sales activity over the summer. A gradual uptick in luxury supply supported normalized conditions overall, however, inventory limitations in specific areas led to price resilience in some of Calgary's most sought-after neighbourhoods. Overall, single family home sales over $1 million contracted 17% year-over-year to 134 properties sold between July 1– August 31, with one of these selling over $4 million, on par with last summer's levels. Single family home sales over $1 million in the month of September also suggest a healthy, but more balanced market in the months ahead. Between September 1–30, 60 homes sold over $1 million, a slight 12% year-over-year decline. There were no transactions yet recorded over $4 million, compared to one single family home sold above this price point in September 2021.

A notable shortfall in conventional and luxury attached home inventory in relation to robust consumer demand limited potential sales activity and bolstered price escalation. Between July 1– August 31, attached home sales over $1 million surged a significant 67% to 15 properties sold as buyers seeking space sought affordable alternatives to single family homes. As was the case last summer, there were no attached home transactions over $4 million during this time. In the month of September, two $1 million-plus attached home sold, however, there were no transactions over $4 million in this initial month of fall, on par with the same period in 2021.

Calgary's conventional and luxury condominium market continued to rally through the third quarter of 2022, as end-user and investor confidence in the economy and the city's downtown core continued to revitalize, and as interprovincial migration gained momentum. Luxury condominium sales over $1 million saw healthy gains over the summer months and into the early fall: $1 million-plus sales increased 33% year-over-year to four properties sold from July 1– August 31, while seven luxury condominiums sold over $1 million in September 2022, more than double the three units sold in September 2021. There were no condominium sales over $4 million in the third quarter of the year, consistent with the same period last year.

According to Sotheby's International Realty Canada experts, all indicators point to a return to a more balanced, but confident luxury real estate market this fall. According to the Conference Board of Canada, Alberta's economy will expand a healthy 4.9% in 2022, with employment projected to climb by a similar 4.9% this year.[2] With sound economic fundamentals, the outlook for the city's luxury real estate market is bright for the months ahead.

2 Conference Board of Canada, Provincial Outlook, September 2022

Image: 226 Glyde Park, Calgary, AB (SOLD)

Greater Toronto Area (GTA)

Despite enduring local demand for luxury real estate in the Greater Toronto Area (Durham, Halton, Peel, Toronto and York), sales activity calmed through the third quarter of 2022 as dissipating inventory in premier neighbourhoods discouraged potential buyers. Interest rate gains, inflationary cost of living pressures and growing economic uncertainty continued to widen the gap in consumer sentiment between prospective buyers in the conventional real estate market, and those in the luxury and ultra-luxury segments. While the former grappled with the challenges of diminishing purchasing power, the confidence of less price sensitive luxury and ultra-luxury home buyers remained resilient, with this cohort temporarily retreating from the market largely to re-strategize and await additional listings supply. Overall, luxury market conditions came into balance over the course of the third quarter, evening the playing field for buyers to enter the market in the months ahead.

Between July 1– August 31, residential real estate sales over $4 million (condominiums, attached and single family homes) fell 42% year-over-year to 58 properties sold in the GTA as buyer fatigue and a dramatic summer spike in travel and tourism removed prospective buyers and property listings from the market, exacerbating the market's traditional seasonal lull. Sales over $10 million on Multiple Listings Service (MLS) fell to three properties sold compared to six sold in the same period of 2021, due in part to the migration of ultra-luxury sales to exclusive channels. Overall, real estate sales over $1 million declined 39% year-over-year to 4,396 properties sold in the GTA between July 1– August 31. Within the City of Toronto, luxury transactions over $4 million were down 58% year-over-year to 26 properties sold in July and August, as one property sold over $10 million on MLS compared to three units sold in this ultra-luxury price range last summer. $1 million-plus sales in the City of Toronto were down 35% year-over-year to 1,322 properties sold between July 1– August 31.

According to Sotheby's International Realty Canada experts, the scarcity of top-tier properties for sale has restricted potential activity, as the undercurrent of demand for housing and housing mobility remains charged in the GTA, even as potential buyers and investors are willing to bide their time for the right opportunity and anticipated price changes. September sales figures foreshadow a calm and steady luxury market for the region. Between September 1–30 , GTA residential sales over $4 million (condominium, attached and single family homes) fell 63% to 27 properties sold. None of these transacted over $10 million on MLS compared to three properties sold over this price point in September 2021. GTA residential sales over $1 million declined 52% to 2,040 properties sold. During this period, City of Toronto sales over $4 million fell 60% year-over-year to 16 properties sold, with none of these doing so over $10 million on MLS, down from two properties that did so in September 2021. Sales over $1 million were down 58% from last year's levels in the City of Toronto overall, to 578 properties sold this September.

Although annual percentage gains in GTA luxury condominium sales on the residential resale market surpassed that of the region's luxury single family home market in the first half of 2022, with sales over $4 million rising 13% year-over-year to historic highs, the market came into balance in the third quarter of 2022. Three condominiums sold over $4 million between July 1–August 31, down from five sold the previous summer, all in the City of Toronto. There were no condominiums sold over $10 million on MLS during this time, compared to one unit sold in the summer of 2021. Overall, $1 million-plus condominium sales were down 30% year-over-year

Image Credit: Berkay Gumustekin (Unsplash) to 304 units sold in the summer of 2022. In the City of Toronto specifically, $1 million-plus condominium sales were down 31% year-over-year to 243 units sold.

GTA luxury condo sales activity in the month of September reflects a market that has evolved to more balanced conditions. Condominium sales over $4 million between September 1–30 held fairly steady at three units sold, down from two sold in the same period last year, with none of these transacting over $10 million, on par with September 2021. Overall, condominium sales over $1 million declined 44% year-over-year to 168 units sold in September. In the City of Toronto, September condominium sales over $4 million maintained September 2021 levels at two properties sold. As in September 2021, no sales were yet recorded over $10 million. $1 million-plus condominium sales were down 47% year-over-year to 122 units sold in the City of Toronto in September.

The GTA's top-tier attached home market also came into balance in the third quarter of 2022. Continually challenged by lack of inventory and confronting new consumer reticence, sales over $1 million dropped 35% year-over-year to 767 properties sold between July 1– August 31. There were no $4 million-plus attached homes sold during this period, compared to one unit sold in the summer of 2021. During this time in the City of Toronto, attached home sales over $1 million were down 33% overall to 272 homes sold between July 1– August 31. September luxury attached home sales suggest calm ahead, as $1 million-plus sales fell 56% year-over-year to 350 homes sold between September 1–30 in the GTA, with one of these doing so above $4 million in the City of Toronto, on par with September 2021. Overall, attached home sales in the City of Toronto saw an annual decline of 78% to 70 properties sold in the month of September.

Luxury single family home sales in the GTA continued to ease from 2021's historic records through 2022 as inventory dwindled and wary buyers and sellers retreated to the sidelines. Although sales over $4 million had climbed 6% year-over-year in the first half of 2022 to new highs, sales from July 1–August 31 were down 41% year-over-year from previous summer's levels with 55 homes sold. Of these, three ultra-luxury homes sold over $10 million on MLS, compared to five sold in this price range in the summer of 2021. Overall, single family home sales over $1 million saw a 41% decline to 3,325 properties sold in the summer months. In the City of Toronto, $4 million-plus luxury single family home sales saw a 59% annual decline to 23 properties sold. Of these, one home sold over $10 million on MLS compared to two sold in summer of 2021. $1 million-plus single family home sales were down 36% to 807 homes sold in the City of Toronto between July 1– August 31.

GTA luxury single family sales activity in the initial month of fall points to calmer market conditions in the season ahead. Between September 1–30, 23 single family homes sold over $4 million, down 67% from September 2021. There were no homes sold over $10 million on MLS during this time, compared to three properties sold last September. Overall, single family home sales over $1 million declined 52% year-over-year to 1,522 properties sold the September. Within the City of Toronto, $4 million-plus sales fell 65% year-over-year to 13 properties sold in September. There were no sales over $10 million on MLS during this time, compared to two homes sold in the same month of 2021. Overall, $1 million-plus single family home sales saw a 53% year-over-year decline to 386 units sold in the City of Toronto in September.

As the luxury market continues to come into balance, Sotheby's International Realty Canada experts note that one of the key factors impeding sales activity is the gap in luxury seller and buyer pricing expectations, and while property listings priced for current local market conditions continue to attract offers, those listed above new market pricing norms receive little qualified activity. Furthermore, general consumer uncertainty about the potential for further price reductions down the road is resulting in hesitation to act immediately.

In a fall market that is no longer responsive to over-pricing, it is expected that as sellers' motivation to transact intensifies with time and personal need, and as real estate consumers adjust more broadly to new market realities, luxury real estate prices will ease, and buyers and investors will re-enter the market to pursue opportunities.

Montréal

The City of Montréal's residential real estate market is returning to a more stable state following several years of heightened activity. Sales activity and listings inventory gradually normalized across all property types in the third quarter of the year. Montréal has also seen median prices stabilize, with slight year-over-year gains posted for single family homes and condominiums at 6% and 4% respectively in September, and a nominal 1% annual contraction in median pricing for attached (-plex) dwellings.[3]

The city's luxury real estate market has also returned to more sustainable conditions. Over the summer months, top-tier residential real estate sales over $1 million (condominiums, attached and single family homes) decreased 26% year-over-year to 178 properties sold between July 1– August 31. Eight of these properties sold over $4 million, compared to nine properties sold in this price range in the summer 2021, a nominal 11% dip. $1 million-plus sales activity in the month of September indicate that market moderation can be anticipated this fall. Between September 1–30, sales over $1 million fell 39% to 82 properties sold, while luxury property sales over $4 million declined from six properties sold in September 2021, to two properties sold this September. According to Sotheby's International Realty Canada experts, the demand for ultra-luxury Montréal residences remains robust, but continues to migrate towards exclusive sales and marketing channels to ensure the confidentiality of purchasers and sellers. As a result, there were no residential sales recorded over $10 million on MLS for the City of Montréal in the third quarter of 2022.

The City of Montréal's top-tier single family home market came into balance over the third quarter of the year. Between July 1– August 31, sales over $1 million saw a 30% year-over-year decrease to 80 homes sold, while luxury sales over $4 million remained relatively stable at six homes sold in the summer months compared to seven homes sold last summer. $1 million-plus single family home sales were down 35% year-over-year to 40 homes sold in September, however, luxury sales over $4 million held steady at two homes sold.

3 Quebec Professional Association of Real Estate Brokers, September 2022

Image Credit: Michael Beener (Unsplash)

The city's luxury attached home segment saw sales over $1 million decline 23% year-over-year to 48 homes sold between July 1–August 31, while $4 million-plus sales fell from one property sold last summer to none sold in this price range in the summer of 2022. In September, $1 million-plus attached home sales fell 29% overall to 22 properties sold, while the market for attached homes over $4 million remained quiet, down from one home sold in September 2021.

The $1 million-plus luxury condominium market, which experienced a 29% year-over-year increase in sales volume in the first half of 2022, saw sales normalize over the third quarter of 2022. However, population gains in the downtown core as well as the revitalization of urban living continued to support healthy luxury activity. While $1 million-plus condominium sales contracted 23% year-over-year in the summer months to 50 units sold between July 1– August 31, luxury condominium sales over $4 million doubled to two properties sold. Initial September sales figures point to a market coming into balance. In the month of September condominium sales over $1 million were down 52% year-over-year to 20 units sold, while the luxury segment over $4 million saw no transactions, compared to three units sold in the month of September last year.

According to Sotheby's International Realty Canada experts, the City of Montréal is experiencing a shift in luxury real estate market dynamics, as activity gradually recalibrates to a more sustainable level. Because the city was less exposed to the rapid and extreme price escalation and bidding wars experienced in major metropolitan cities such as Toronto and Vancouver during the pandemic era, its current pace of market normalization has been measured. Overall, the city is poised for fall luxury market conditions that are expected to be balanced, with more options and opportunities for buyers and investors to make strategic housing and investment decisions.

Liza Kaufman and Alfee Kaufman of The Kaufman Group recently broke Quebec's record for the highest-priced residential sale in a private and exclusive transaction.

Sotheby's INTERNATIONAL REALTY | Canada

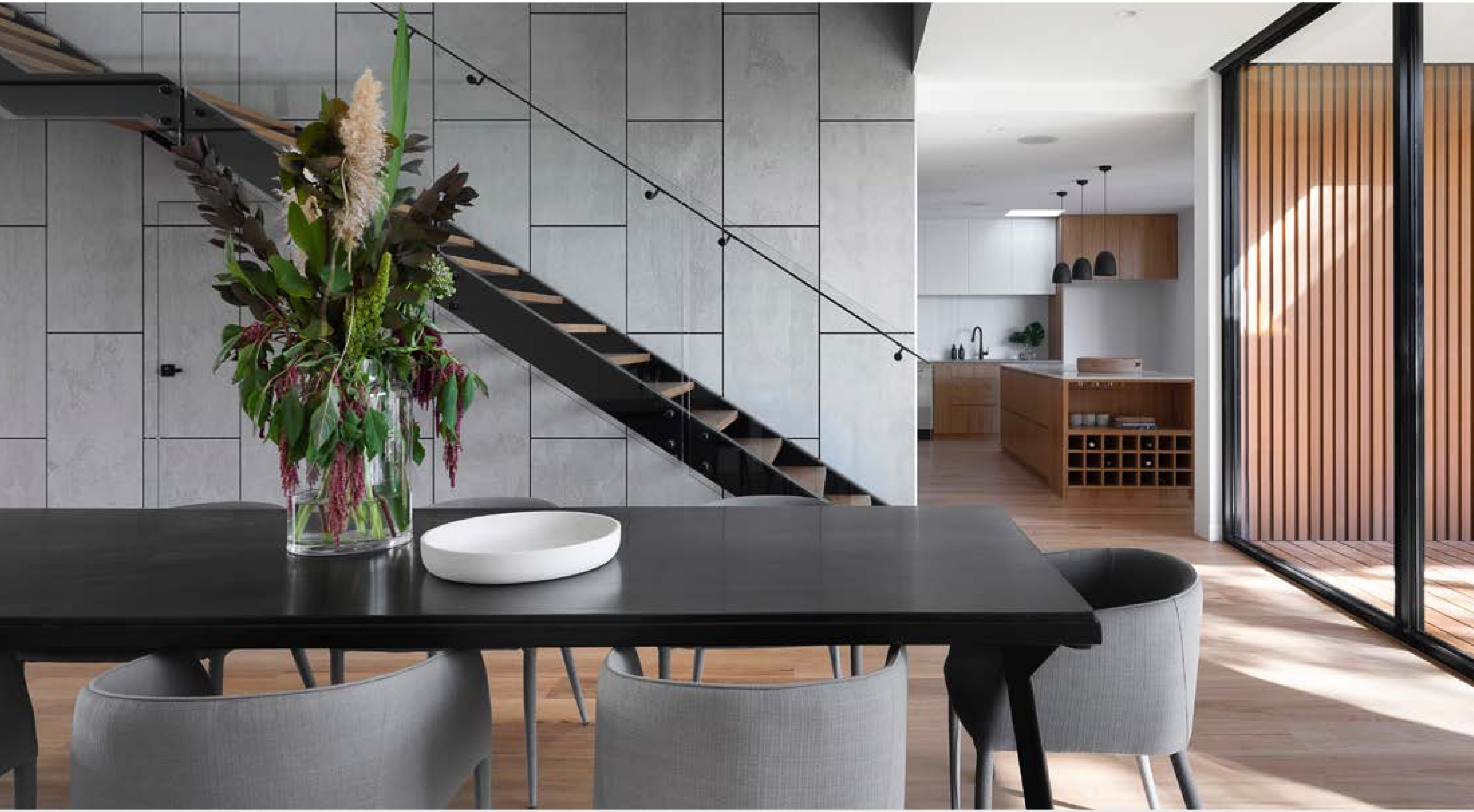

Image Credit: R-Architecture (Unsplash)

SOTHEBYSREALTY.CA