

# TO MY VALUED CLIENTS

## Canada's 2026 mortgage renewal wave: manageable, not a meltdown

After the first wave of pandemic-era mortgage renewals in 2025, an even larger cohort of borrowers will reset in 2026 as five-year terms signed during the 2020-21 ultra-low-rate boom mature.

When the Bank of Canada began aggressively hiking rates in 2022-23 to fight inflation, fears grew that homeowners would face severe payment shock at renewal time. The policy rate peaked at 5% — its highest level in 22 years — pushing mortgage and HELOC costs sharply higher. The International Monetary Fund flagged mortgage renewals and high household debt as key financial risks.

But the picture has improved. Through 2024 and 2025, the Bank delivered nine rate cuts, more than halving its benchmark rate before moving to a pause.

As a result, borrowers renewing today face a far less punishing rate environment than at the height of the inflation battle.

Economists now describe renewal shock as “meaningful but manageable.” Bank of Montreal and TD Bank both suggest most households will adjust — though with less financial flexibility. The result: pressure on spending, but no systemic crisis.

As usual, your client referrals are both highly valued and greatly appreciated. Until next time, take care!



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## PEARLS OF WISDOM



“In the middle of difficulty lies opportunity.”

– **Albert Einstein**

“Success is not final, failure is not fatal; it is the courage to continue that counts.”

– **Winston Churchill**

“It always seems impossible until it's done.”

– **Nelson Mandela**

“It does not matter how slowly you go as long as you do not stop.”

– **Confucius**

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# MARKET NEWS

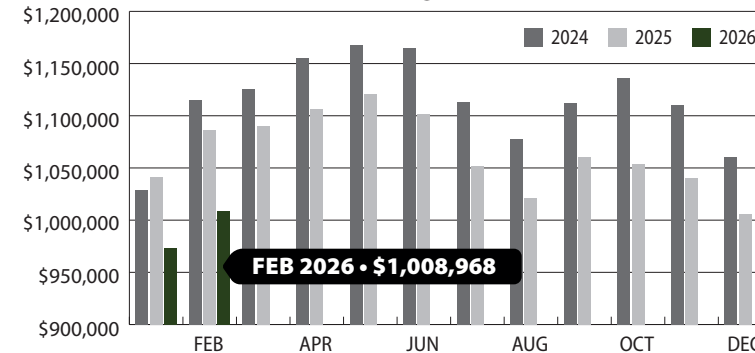
## GTA HOUSING MARKET CONTINUES SOFT TREND

### Market Highlights

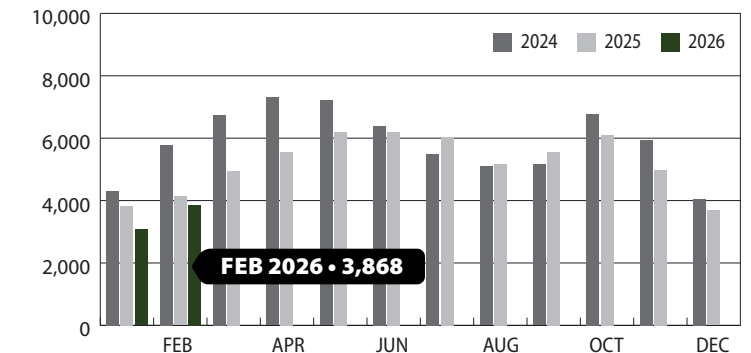
- February sales of 3,868 units were down by 6.3% versus February 2025 and were also 39.3% below the latest 10-year average for the month
- While sales were down year-over-year, new listings declined by a greater annual rate (17.7% versus 6.3%), resulting in tighter market conditions as compared to February 2025
- There is substantial pent-up demand with more than 100,000 buyers holding off on making a home purchase, as buyers continue to wait for prices to further level off and for positive news on the trade front
- The February MLS® Home Price Index Composite benchmark declined by 7.9% year-over-year while the average selling price was also down by 7.1% to \$1,008,968 over the same timeframe

Average Resale Price	Feb 2026	Feb 2025
<b>-7.1%</b> <small>year/year</small>	<b>\$1,008,968</b>	<b>\$1,086,586</b>
Resale Home Sales	Feb 2026	Feb 2025
<b>-6.3%</b> <small>year/year</small>	<b>3,868</b>	<b>4,127</b>
New Listings	Feb 2026	Feb 2025
<b>-17.7%</b> <small>year/year</small>	<b>10,705</b>	<b>13,004</b>

GTA Average Resale Price



GTA Resale Home Sales



for more detailed GTA statistics: **AGATHAJOSEPH.INFO**



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## The Winter Damage You Don't See — But Buyers Will

Winter doesn't just wear homes down — it plants clues that surface months later. Long after the snow melts, buyers, inspectors and appraisers can spot the quiet signals winter creates. These signs are easy for homeowners to overlook because they rarely cause immediate problems, but they often carry outsized weight during resale, refinancing or inspections. What feels cosmetic or minor to a seller can feel cautionary to a buyer seeing the home for the first time.

### Roof Issues That Show Up Later

Winter roofing damage doesn't always announce itself with a leak. Ice, heavy snow accumulation and repeated freeze-thaw cycles can loosen flashing, lift shingle edges and compromise seals in small but meaningful ways. These changes may not cause water intrusion right away, but they leave evidence behind. During inspections, granule loss, minor staining or separated flashing often raises questions about maintenance history and remaining roof life — even when the roof is technically functional.

### Basement Moisture After the Thaw

Some of the most concerning winter damage appears after winter ends. As frozen ground thaws, soil shifts and water pressure increases around foundations. Hairline cracks can widen just enough to allow moisture through, leading to damp spots, peeling paint or white mineral deposits on walls. Buyers rarely view these signs as temporary and often

anticipate ongoing water issues, which can affect confidence, pricing, and inspection negotiations.

### How Winter Loosens a Home

Cold temperatures cause materials to contract, while warmer days force them to expand again. Over time, this repeated movement quietly loosens caulking, seals, fasteners, and fixtures throughout the home. Doors may stick or swing unevenly, windows can feel drafty, railings loosen, and exterior trim separates slightly. These details may seem minor, but together they influence how buyers judge overall upkeep and longevity.

### Exterior Wear Buyers Notice First

Winter is particularly hard on exterior surfaces. Snow accumulation, ice buildup, road salt and other de-icing products can accelerate wear on siding, steps, decks and walkways. Peeling paint, loose boards, rusting hardware and uneven pavers often appear once winter weather subsides. Because exterior conditions shape first impressions, visible wear outside can influence how buyers interpret everything they see inside.

### Why Buyers Assume Neglect

Buyers aren't just evaluating a home's condition — they're evaluating patterns of care. When several small post-winter issues go unaddressed, buyers may assume maintenance has been consistently deferred. That assumption often leads to increased

scrutiny, repair requests or price adjustments, even if the home has no major defects.

### Fix Now vs. Later

Post-winter maintenance doesn't mean fixing everything at once. Re-sealing windows, tightening hardware, clearing gutters, touching up exterior surfaces, repairing minor flashing issues and addressing early moisture signs are relatively low-cost fixes that protect value and confidence. Larger repairs often require evaluation by a qualified professional rather than a quick fix. Knowing which fixes prevent doubt, and which can wait, helps preserve negotiating strength and avoid unnecessary price reductions.



## What You Need to Know About EVs in Condo Parking



Electric vehicles are becoming a permanent part of Canada's transportation landscape. The federal government plans to phase out the sale of new gas and diesel passenger vehicles by 2035, supported by new regulations and national sales targets. As EV adoption grows, condo owners and corporations are increasingly facing questions about charging access in multi-residential buildings.

EVs can be charged using three types of systems. Level 1 chargers use a standard 120-volt outlet and are the slowest option, often taking a full day to charge a vehicle. Level 2 and Level 3 chargers deliver significantly more power and reduce charging time, but they require 208- or 240-volt electrical capacity. Many EVs, including most Teslas, are designed for Level 2 or 3 charging, though adapters can allow limited Level 1 use.

Installing a dedicated charger in a condo parking space typically costs between \$5,000 and \$10,000

per station, depending on the building's electrical infrastructure. Owners interested in installation must work with their condo corporation to assess feasibility, capacity, and approvals.

There is currently no national requirement forcing condos to provide EV charging, and rules vary by province. In Ontario, the Condominium Authority of Ontario introduced a formal approval process that requires condo boards to reasonably consider owner requests. Applications can only be refused for specific reasons such as safety, legal, or structural concerns. British Columbia has taken similar steps, lowering the approval threshold and preventing strata councils from unreasonably denying requests.

As EV ownership expands, condos across Canada are expected to continue adapting their policies and infrastructure to meet growing demand.

"EVs can be charged using three types of systems."



## SHOULD YOU PAY DOWN YOUR MORTGAGE OR INVEST?

If you receive extra cash — a bonus, tax refund, or gift — you may wonder whether to put it toward your mortgage or invest it. The right choice depends on your financial goals, risk tolerance, and mortgage rate.

### Reasons to Invest

If your employer matches RRSP, TFSA, or pension contributions, investing may offer an immediate return. If your expected investment returns are higher than your mortgage interest rate, you could build more wealth over time. Investments also provide liquidity — funds can be accessed in an emergency, whereas money paid toward your mortgage is harder to retrieve. RRSP contributions

may also reduce taxable income if you're in a higher marginal tax bracket.

### Reasons to Pay Down Your Mortgage

Making lump-sum payments reduces total interest costs and helps you become debt-free sooner. If you're nearing retirement or expect lower income, eliminating mortgage payments can significantly reduce monthly expenses. Paying down debt also offers a guaranteed return equal to your mortgage rate, with no market risk. And for many homeowners, the emotional benefit of being mortgage-free outweighs potential investment gains.

### The Bottom Line

If you're comfortable with market risk and your mortgage rate is low, investing may offer greater long-term growth. If stability and peace of mind matter more, accelerating your mortgage could be the smarter move. Many homeowners choose a balanced approach — investing while making occasional extra payments.

**"THE RIGHT CHOICE DEPENDS ON YOUR FINANCIAL GOALS, RISK TOLERANCE, AND MORTGAGE RATE."**

*This content is general information only and not financial or legal advice. Consult a qualified professional for guidance tailored to your situation.*