



**July 2023**

Welcome to our Liahona Capital Q2, 2023 newsletter!

### **Real Estate Market View**

As of the latest update, the Bank of Canada has raised the Overnight Rate to 5.00%, the highest level observed since March 2001. Consequently, the Prime Rate has increased to 7.20%, which is anticipated to have a cooling effect on the market in the coming months.

Larry Cerqua, Chair of Canadian Real Estate Association (CREA), stated that “housing markets seem to be stabilizing as they head into the summer, following a period of significant ups and downs in the past year”. He continued, “most importantly, the recovery in new listings over the last few months will give buyers more choice and should help to slow price growth over the second half of the year.”

Shaun Cathcart, CREA's Senior Economist, added that “with sales leveling off near historically average levels and new listings starting to catch up, housing markets appear to be settling down”. Cathcart mentioned that “price growth typically responds with a slight lag”, and with the recent Bank of Canada rate hikes, it is expected that price growth will moderate in the months ahead. There may still be some upward pressure on prices, but it is likely to be less than what was experienced in the past three months.

According to CREA, the sales-to-new listings ratio decreased to 63.6% in June from 66.4% in May and a recent high of 68.3% in April. However, it remains significantly higher than the long-term average of 55.2%. At the end of June 2023, there were 3.1 months of inventory on a national level, the same as in May. This represents a decline of more than a full month from the previous peak in January. The long-term average for this measure is approximately five months. These fewer months of inventory indicate that Liahona MIC can expect that prices may remain inflated until more supply hits the market.



Did you know that Liahona Capital provides a holistic approach to insurance and investments?

When you choose Liahona Insurance & Wealth Creation for all of your life insurance, and living benefits (Critical Illness, Disability, Group Benefits & Travel Insurance), you benefit from having both services under one roof.

We can provide to you:

**Comprehensive Financial Planning:** By integrating your insurance and investment strategies, Liahona Insurance & Wealth Creation helps you develop a comprehensive financial plan. This approach ensures that your insurance coverage aligns with your investment goals, providing a unified and coordinated strategy.

**Personalized Risk Management:** Having your insurance and investments in one place allows for a more thorough risk assessment. Liahona's team can evaluate your overall financial situation, identify potential risks, and recommend appropriate solutions tailored to your specific needs.

**Simplified Administration:** Consolidating your insurance and investment accounts simplifies the administrative aspects of managing your finances. With Liahona, you have a single point of contact for both services, making it easier to stay organized and access the information you need.

**Seamless Communication and Coordination:** Liahona Insurance & Wealth Creation offers a seamless communication and coordination experience. With a dedicated team familiar with your entire financial picture, you can expect efficient and effective support for your insurance and investment needs.

**Long-Term Relationship:** Choosing Liahona for both insurance and investments allows you to build a long-term relationship with a trusted financial partner. Over time, gaining a deeper understanding of your financial goals, enabling us to provide ongoing guidance and adapt your strategy as needed.

Consider the benefits of consolidating your insurance policies with Liahona Insurance & Wealth Creation. By having a second look at your policies, our integrated approach, personalized service, and comprehensive financial planning can help you achieve your financial objectives more effectively.

Insurance products provide you with the peace of mind that your funds will not be jeopardized in the event of an emergency. This provides you and your family with financial independence and security.

Contact us today at [clientrelations@liahonainsurance.ca](mailto:clientrelations@liahonainsurance.ca)

## Did You Know?

Liahona Capital has built trusting relationships and set up referral agreements with multiple Portfolio Management (PM) Firms. What this means for you is that we can offer you a well-rounded investment portfolio which includes not just the private investments offered through Liahona Capital, but we can also offer a link to public investments offered by a PM that fits your specific needs and financial goals.

Did you know you can also buy segregated funds and annuities through Liahona Insurance & Wealth Creation? Segregated funds are like mutual funds in that offer a pool of investments. But unlike mutual funds, a segregated fund policy includes insurance guarantees that can protect a large portion and in some cases all of your original investment. An annuity is a financial product that guarantees steady cash flow during someone's retirement years.

Speak with your Dealing Representative today to learn more!

## What's New?

Liahona staff are now working completely in a remote capacity!

After successfully working from home for the past 2+ years, we decided to move to a permanent remote workplace.

What does this mean for you? You will still receive the excellent client service you have received over the years, as the staff has not missed a beat during this transition.

Also, we still have a small location on Bryne Dr. in Barrie and would be happy to accommodate any in-person meetings as required. Please note to book any in person meetings well in advance so we can accommodate your request.

## Fund Updates

To keep you informed about the various investments Liahona Capital offers, we are happy to share some recent Fund updates with you. This quarter we will highlight Equiton REIT!

### Equiton Real Estate Investment Trust (REIT)

Equiton REIT has been on the Liahona shelf since 2018 and has been a popular investment choice for investors. The REIT has grown to \$866 Million and has had 86 consecutive months of positive returns since inception! This investment is also tax efficient with distributions being 100% return of capital (to date).

The REIT currently holds 32 properties across Canada predominantly within Ontario. As of Q1, 2023 the REIT's property portfolio was 97.8% tenant occupied and it holds mortgage debt of just 47.18% with a weighted mortgage rate of 3.02%.

We are excited to see what the balance of 2023 holds for Equiton and look forward to being a part of their continued growth!

For information on our products, or to make an investment, please contact your Liahona Dealing Representative!

Robert Rumley



Brandon Renault



Adam Gignac



Doug Edwards



Eric Anderson

Chris Molder

Levi Renault



## Summary

We appreciate your continued interest and investment with us. For additional information visit our website at [www.liahona.ca](http://www.liahona.ca)

As always, we welcome your feedback.

Sincerely,

## **The Liahona Team**

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