

Toronto Real Estate Market Charts

March 2019



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Toronto Real Estate

Monthly Market Charts

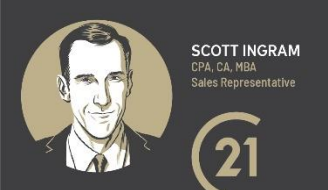
Introduction

You read sales last month were up x% over last year. What does that really mean??

Was last year a down year, an average year, or a record year? Is that GTA number you're seeing driven by the 416 or the 905? Is there a clear trend? The charts that follow will add **context** and **perspective** to Toronto's monthly real estate statistics. My focus is the **416**, so I pull those numbers out of TREB's broader GTA-wide aggregate figures.

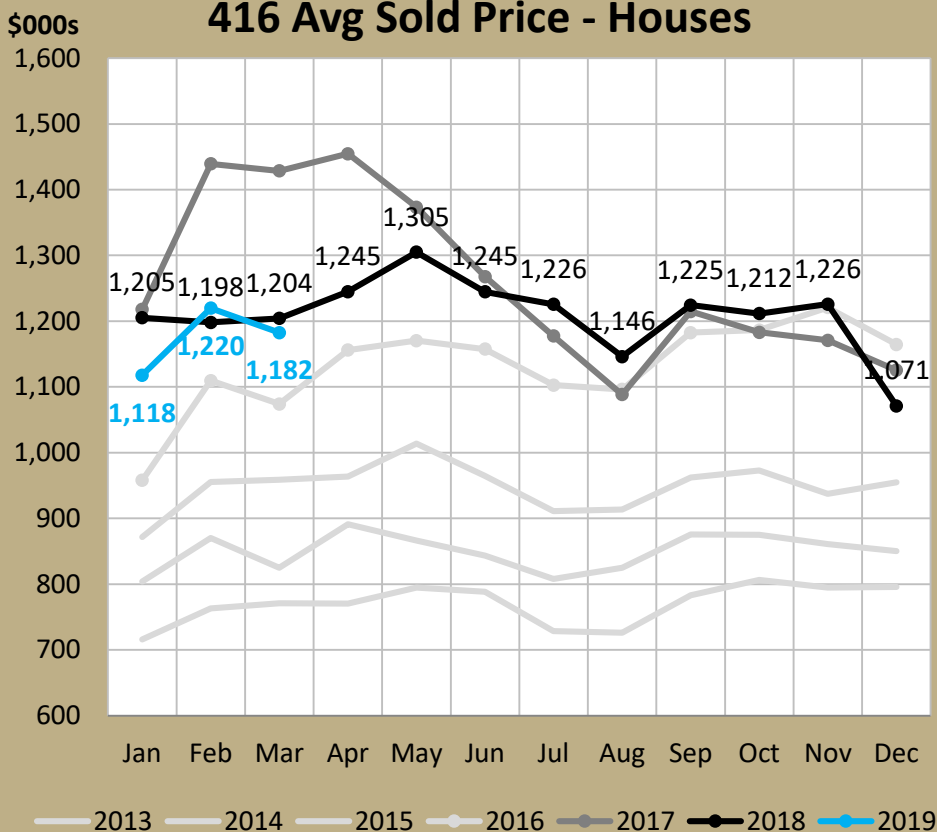
I also separate Toronto's **two distinct market segments**: houses (freeholds) and condos, because lumping them together obscures a lot of information, and you are probably more interested in one than the other. With segmentation and some historical context, I aim to give you a clearer vision of market movements and trends.

↑↓ indicator points to heating up (favours sellers), ↑↓ denotes cooling down (favours buyers)



416 Average Sold Price

(dollar volume ÷ number of transactions in the month)



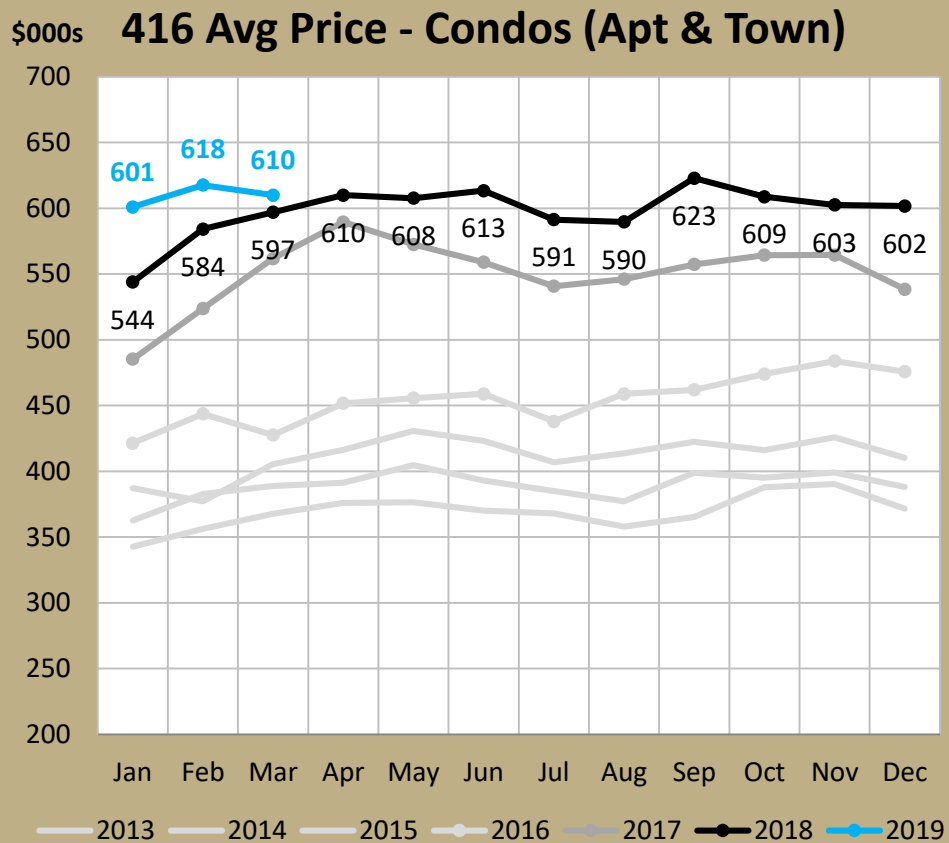
Detached \$1,267K / Semi \$1,021K / Row \$942K

Mar vs. '18: ▼ \$22K (1.8%)

Mar vs. '14: ▲ \$358K (43%)

5 year CAGR: ▲ 7.5%

- Negative YoY in 3 of last 4 months
- Detached -2.1%, Semi -1.3%, Row +2.6%



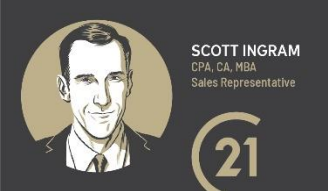
Condo Apt \$604K / Condo Townhouse \$650K

Mar vs. '18: ▲ \$13K (2.2%)

Mar vs. '14: ▲ \$221K (57%)

5 year CAGR: ▲ 9.4%

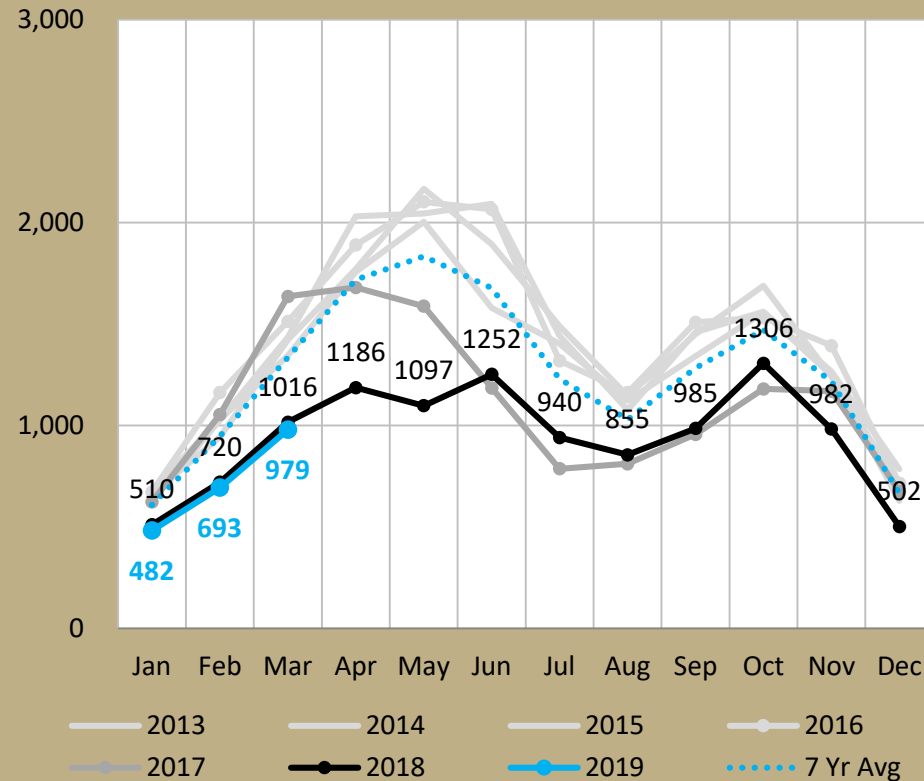
- Condos haven't had negative YoY since Feb 2015 (49 straight months)



416 Residential Sales Volume

(number of sold transactions in the month)

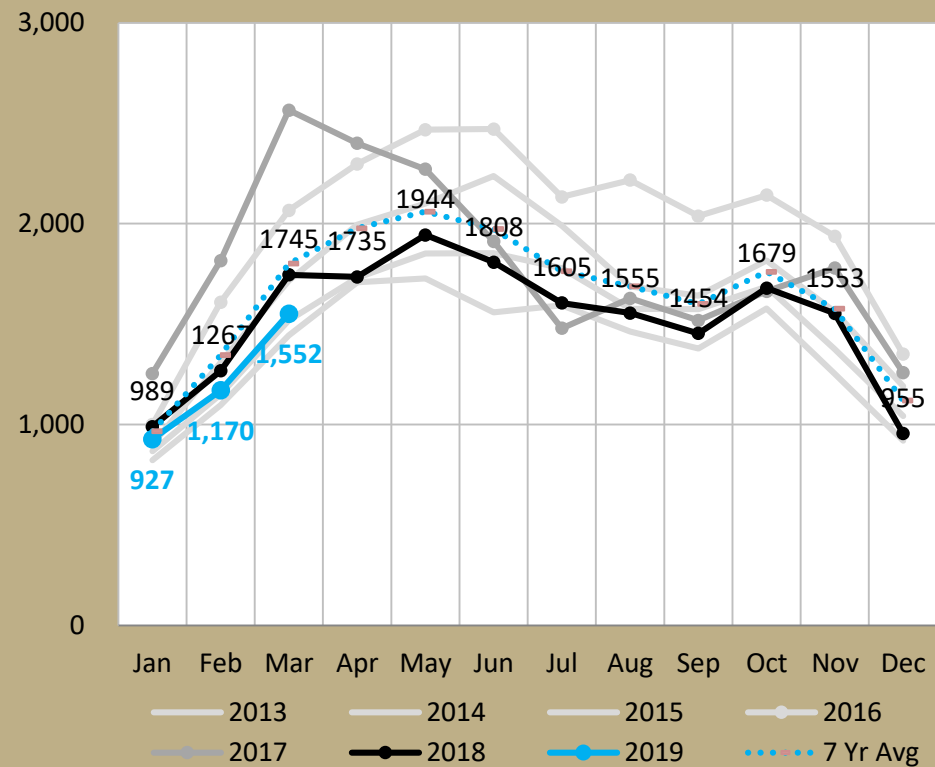
416 Sales - Houses (Det & Semi & Row)



Mar vs. '18: ↓ 3.6% (vs. 7 Yr Avg: ↓ 27%)
YTD vs. '18: ↓ 4%

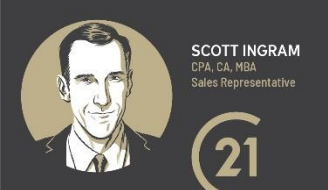
- 4th month in a row that's lowest since have monthly data in 1996
- Is 36% lower than 24 year Mar average

416 Sales - Condos (Apt & Town)



Mar vs. '18: ↓ 11.1% (vs. 7 Yr Avg: ↓ 14%)
YTD vs. '18: ↓ 9%

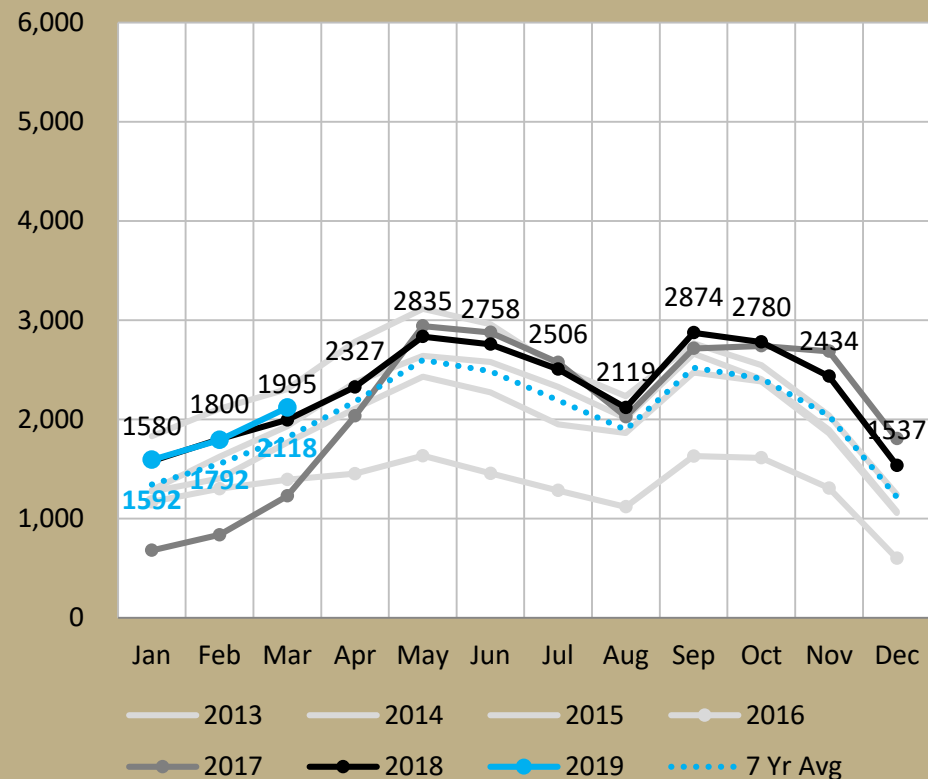
- 21 of last 23 months were lower than previous year
- Lowest Mar sales since Mar 2014 (same story for Feb)
- Rolling 12 month sales down 5th straight month. Now at below 18,000 for first time since Nov 2014.



416 Active Listings

(snapshot of properties available for sale at end of each month)

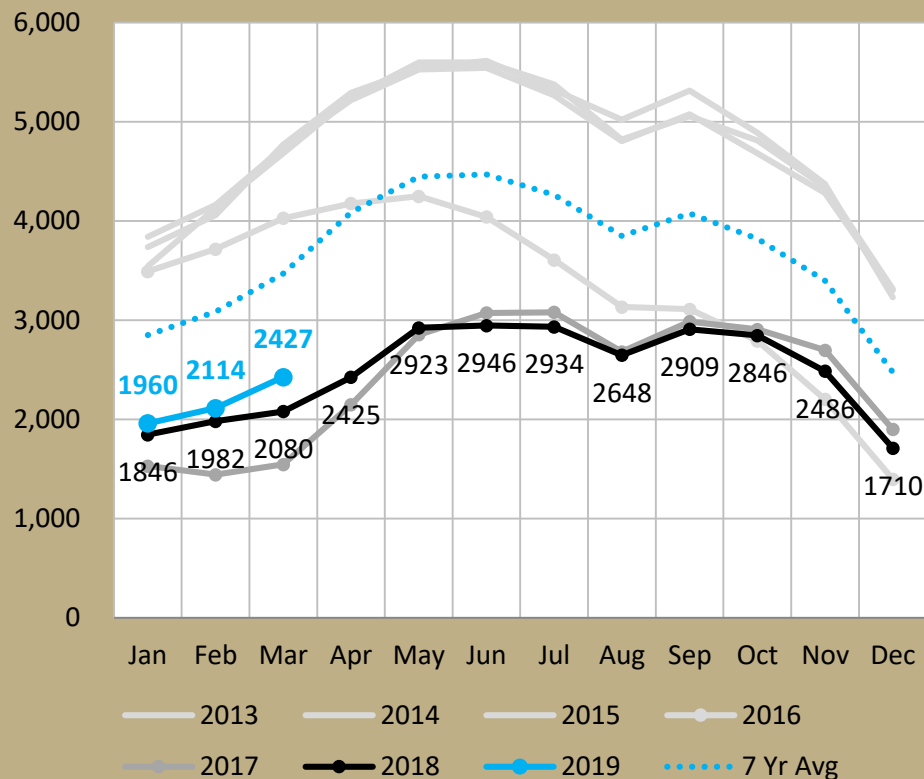
416 Active Listings - Houses



Mar vs. '18: ▲ 6.2% (vs. 7 Yr Avg: ▲ 16%)
YTD vs. '18: ▲ 2%

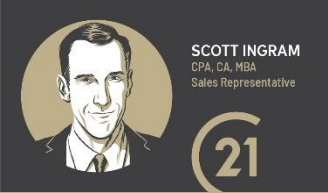
- Within recent seasonal ranges, though at higher end and 15% above 7 Yr Avg.

416 Active Listings - Condos



Mar vs. '18: ▲ 16.7% (vs. 7 Yr Avg: ▼ 30%)
YTD vs. '18: ▲ 10%

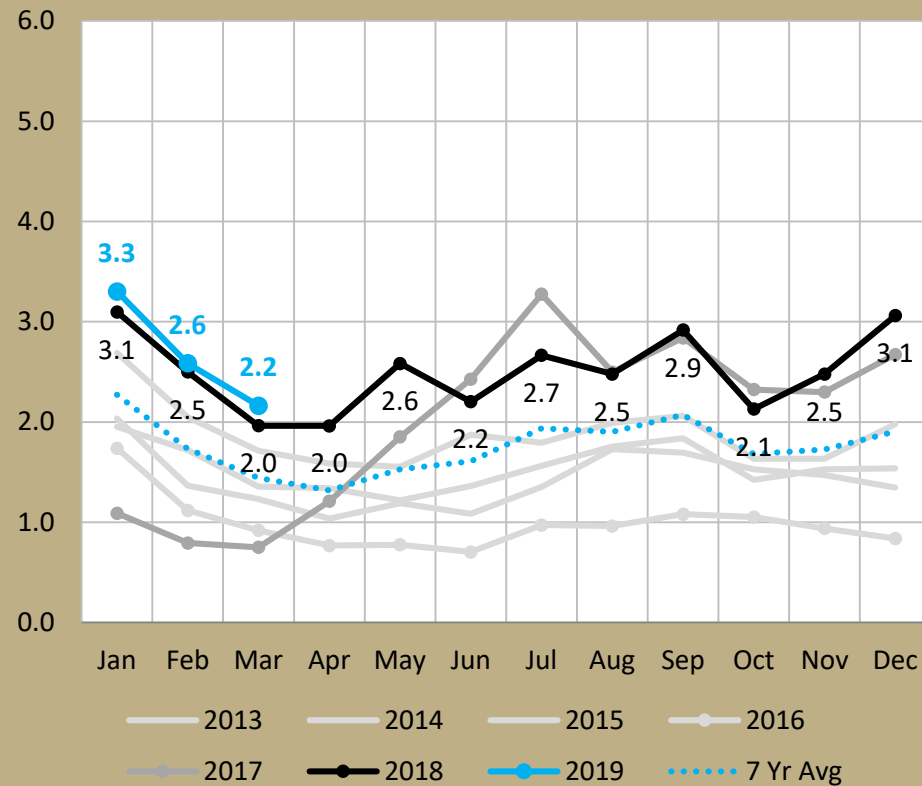
- Higher than last 2 years, but lower than any other Jan after 2002
- Active Listings 973 less than 7 Yr Avg



416 Months Of Inventory

(active listings at month end ÷ sales for month)

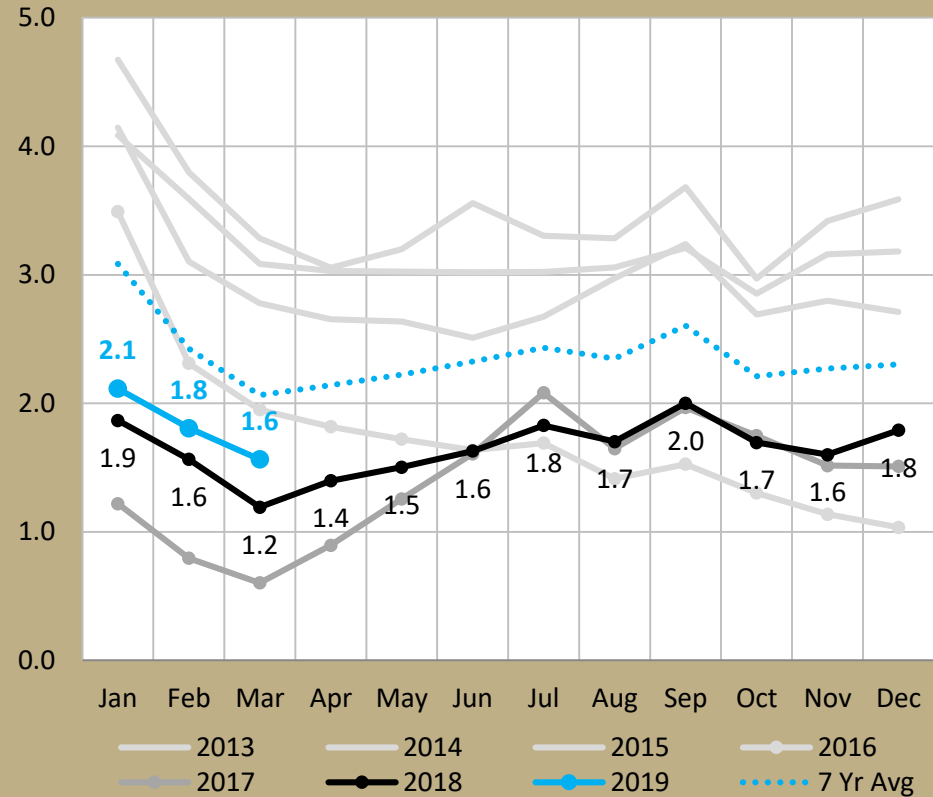
416 MOI - Houses (Det & Semi & Row)



Mar vs. '18: ▲ 0.2 months (10%)
 Mar vs. 7 Yr Avg: ▲ 0.7 months (50%)

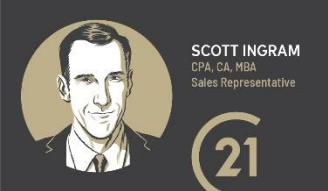
- Highest Feb since 2009 (4.5)
- Median and average for last 24 years is 2.2
- Underlying w/ prior 2 months: Detached 3.2 (3.9, 3.8), Semi 1.1 (1.9, 1.3), Row weirdly up to 2.0 (1.7, 1.9)

416 MOI - Condos (Apt & Town)



Mar vs. '18: ▲ 0.4 months (31%)
 Mar vs. 7 Yr Avg: ▼ 0.5 months (-24%)

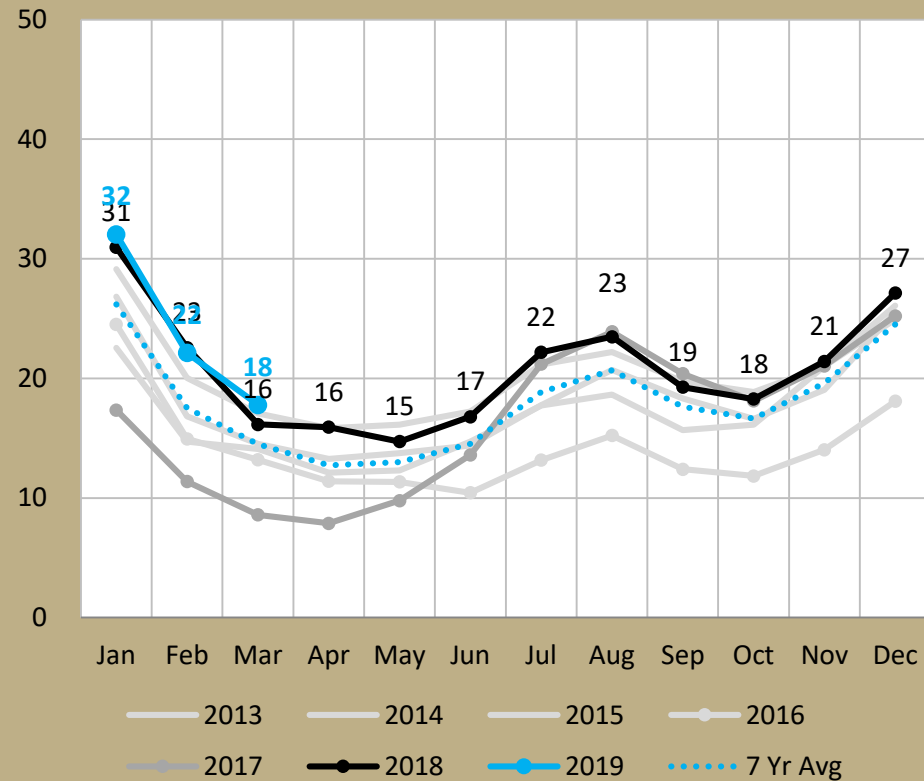
- Below 2.000 34 of last 36 months
- Record 24 months in row condos < houses. In 254 months before March 2017, this only happened 19 times in total.



416 Average Days On Market

(days from listed to sold, for those properties sold during the month)

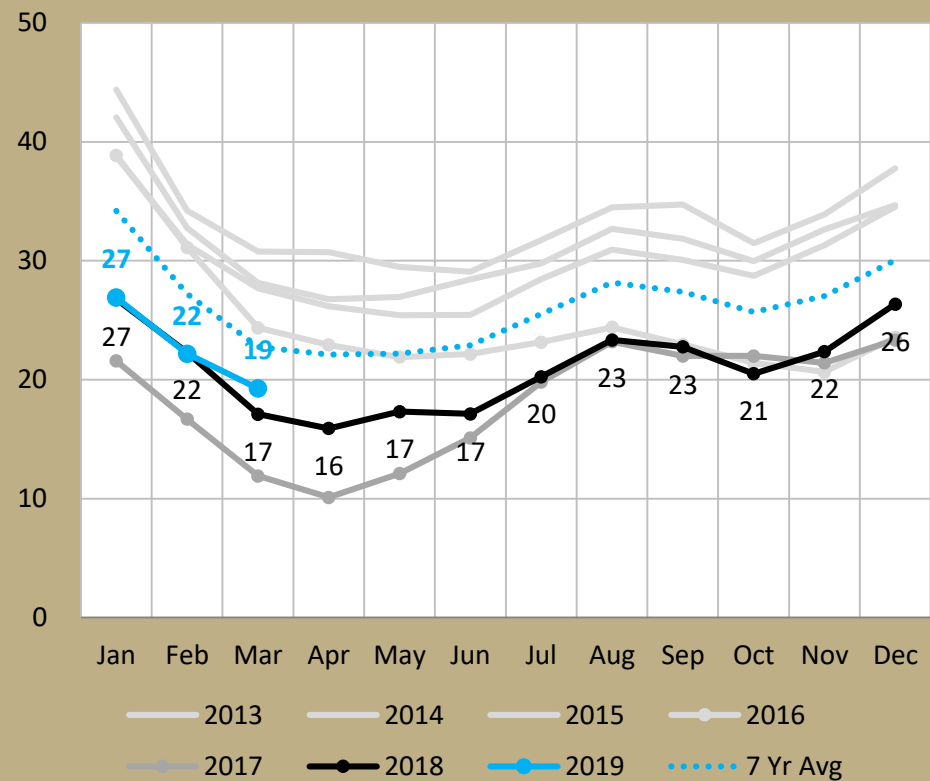
416 DOM - Houses (Det & Semi & Row)



Mar vs. '18: ⬆ 1.6 days (10%)
Mar vs. 7 Yr Avg: ⬆ 3.3 days (23%)

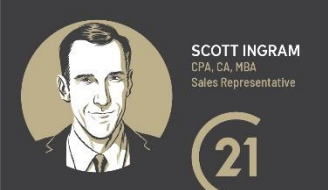
- Following seasonal patterns but at high end of range
- First month lower than prior year since September

416 DOM - Condos (Apt & Town)



Mar vs. '18: ⬆ 2.2 days (13%)
Mar vs. 7 Yr Avg: ⬇ 3.5 days (-15%)

- Diverged lower from averages in spring 2016 and has stayed low since
- Median and avg for last 24 years is 36 so still in historically low period

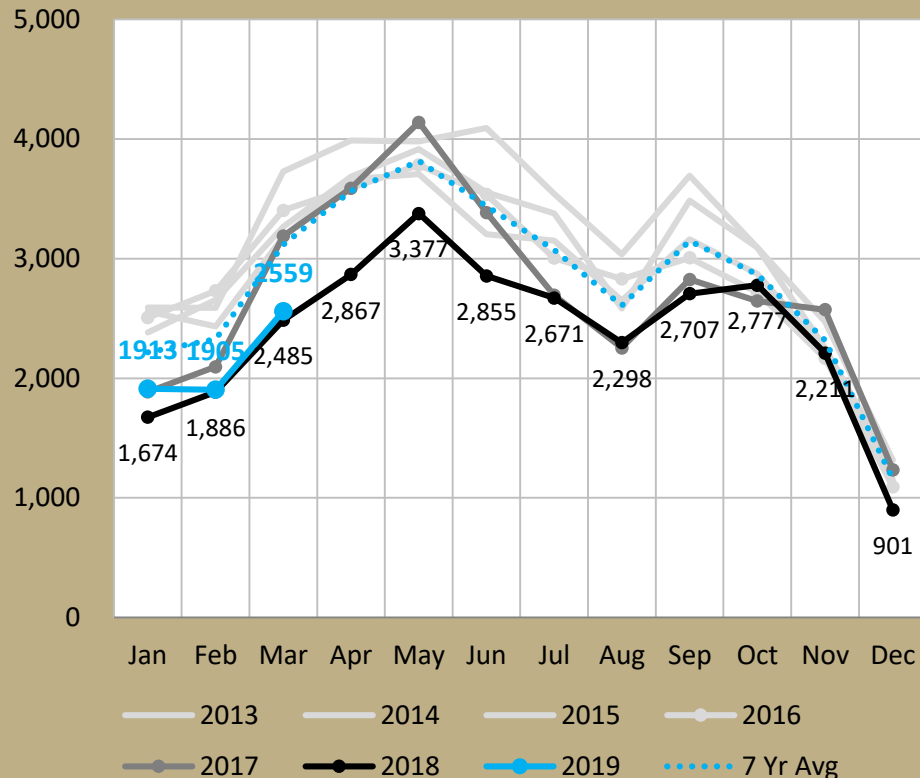
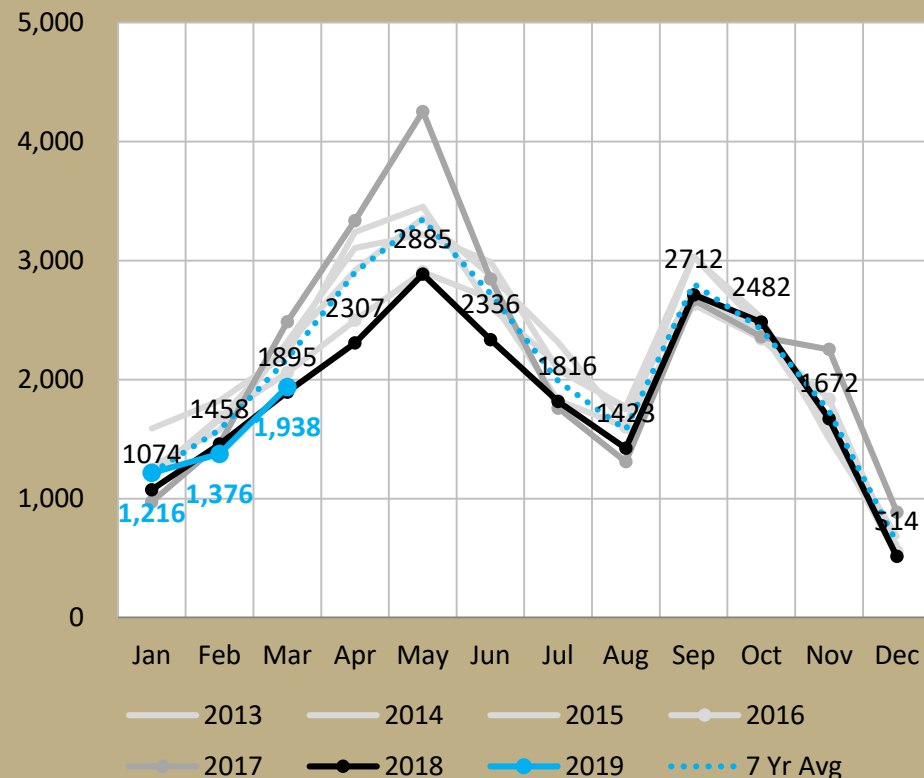


416 New Listings

(number of new MLS #s during the month – unfortunately includes re-listed properties)

416 New Listings - Houses

416 New Listings - Condos (Apt & Town)

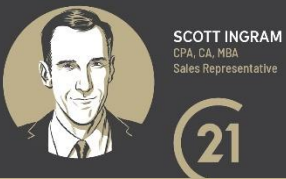


Mar vs. '18: ▲ 2.3% (vs. 7 Yr Avg: ▼ 11%)
YTD vs. '18: ▲ 2%

Mar vs. '18: ▲ 3.0% (vs. 7 Yr Avg: ▼ 18%)
YTD vs. '18: ▲ 5%

- Last year saw higher new listings in Nov and Dec to try to beat the Jan 1 stress test implementation so Jan/Feb 2018 were lower than normal
- terminations and re-listings distort this stat

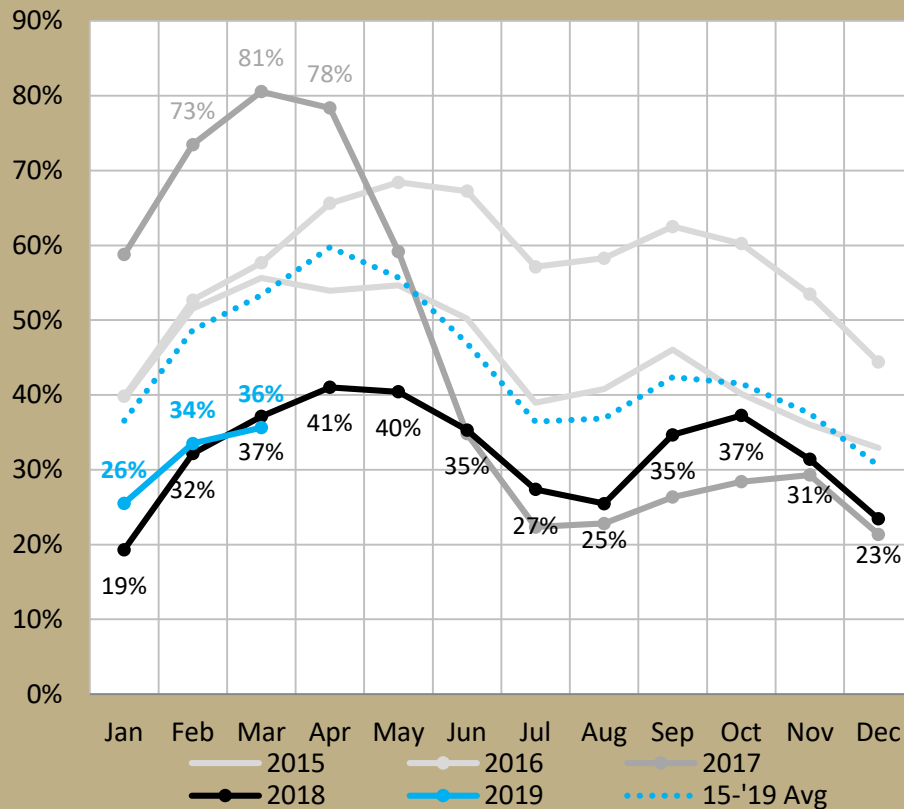
- Only 3rd time in last 9 years was less new listings in Feb than in Jan
- Touch higher than last year, but that was very low historically



416 Sold Over Asking

(properties that sold at $\geq 101\%$ of list price, as percent of total monthly sales)

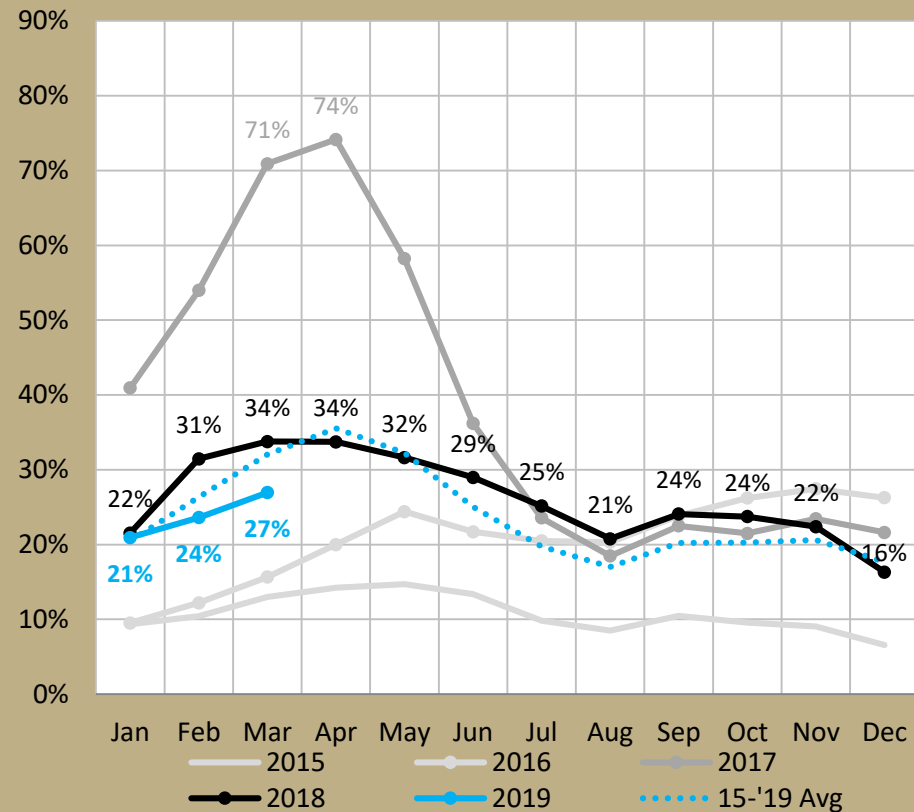
416 Sold Over Asking - Houses



101% or more of asking Mar vs. '18: ↓ 1 pp
Month-over-month: ↑ 2 pp

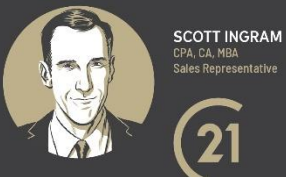
- 9th month in a row higher than prior year
- Full year numbers: 2015 47%, 2016 60%, 2017 49%, 2018 34%

416 Sold Over Asking - Condos



101% or more of asking Mar vs. '18: ↓ 7 pp
Month-over-month: ↑ 3 pp

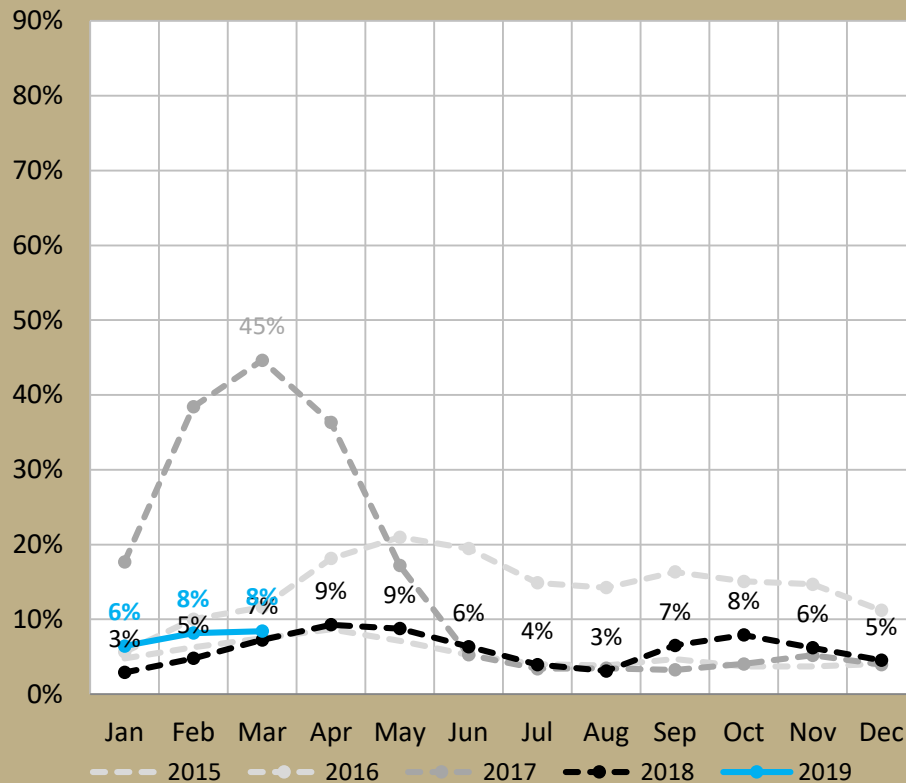
- 7 pp difference from prior year is largest divergence since June
- Days of SOA for a condo being just for special properties (11% for all 2015 sales) seem to be gone (27% for all 2018 sales)



416 Sold 20% Over Asking

(properties that sold at $\geq 120\%$ of list price, as percent of total monthly sales)

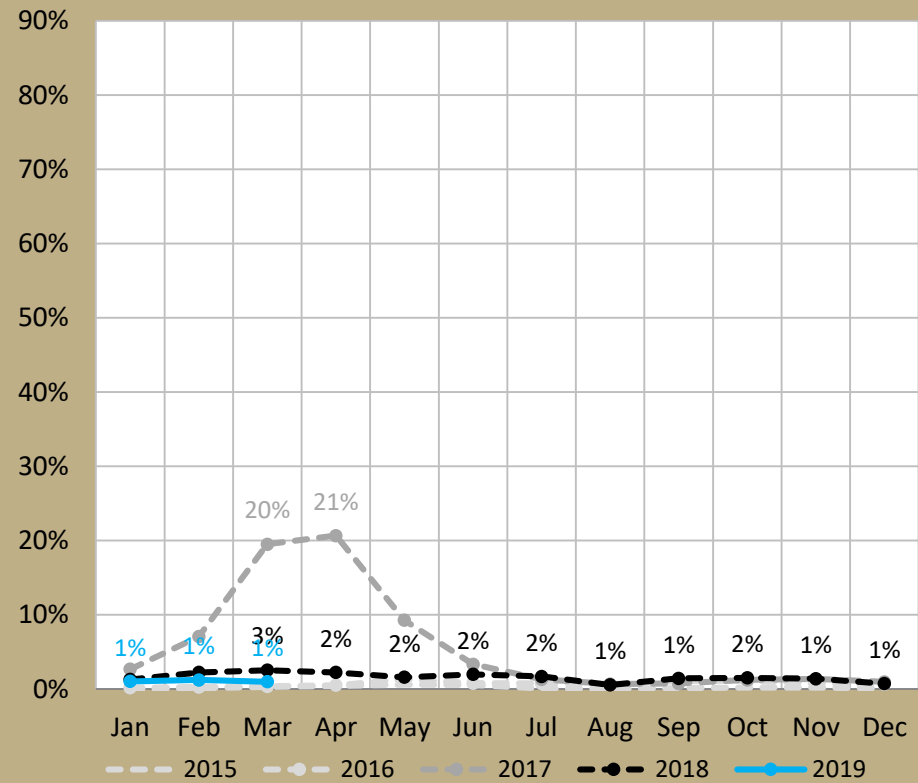
416 Sold 20% Over Asking - Houses



120% or more of asking Mar vs. '18: ▲ 1 pp
Month-over-month: ↔ 0 pp

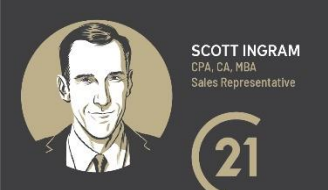
- YoY increases in 8 of last 9 months
- 20% SOA activity (and strategy of grossly underlisting) has moderated, with 2016 and the first bit of 2017 looking to be the outlier period

416 Sold 20% Over Asking - Condos



120% or more of asking Mar vs. '18: ▼ 2 pp
Month-over-month: ↔ 0 pp

- This is pretty dead now. Hasn't reached 3.0% since June of 2017 when it was coming down off crazy time blip

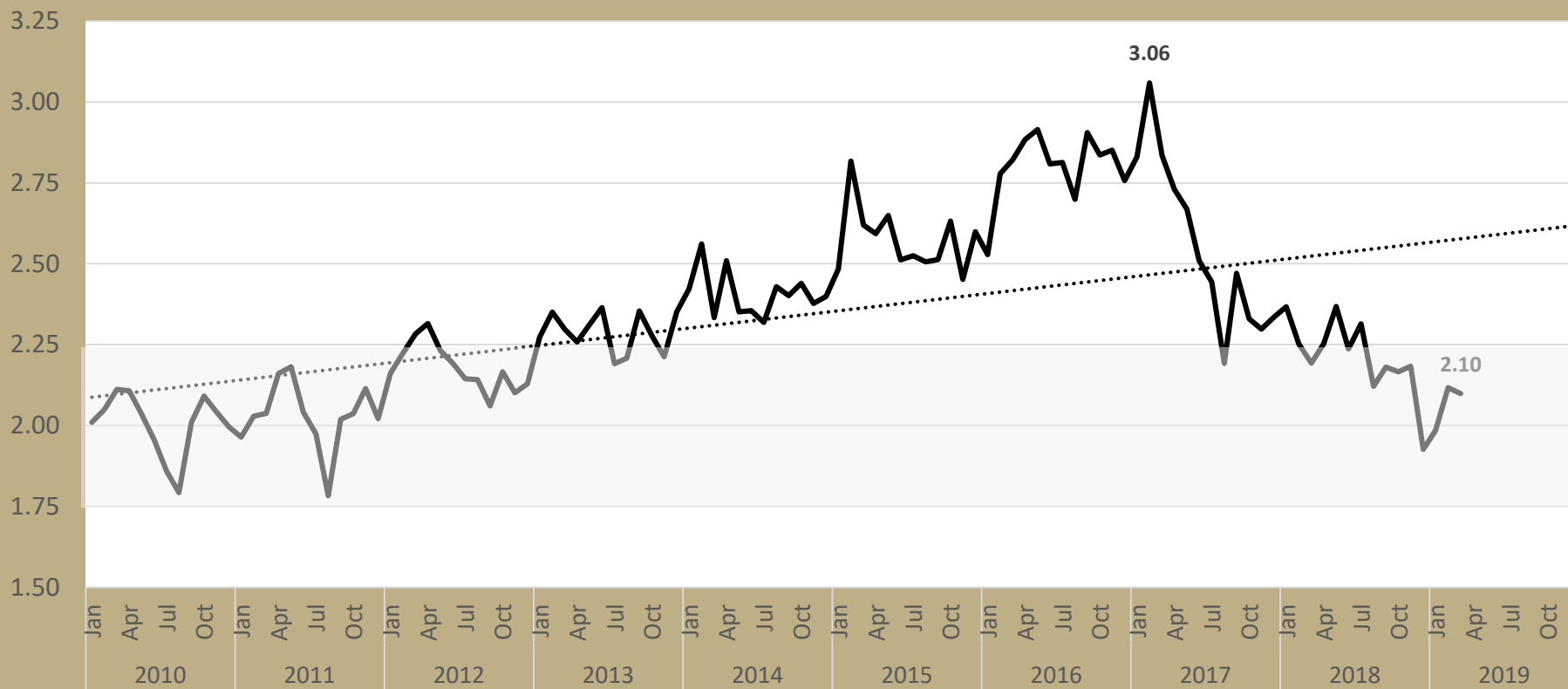


416 Detached/Condo price ratio

(average price for detached divided by average price of condo apartment)

NEW

Ratio of Average Prices: 416 Detached/416 Condo Apt



Current ratio: 2.10

Month-over-month: ▼ 0.02

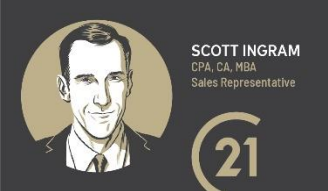
- Dec and Jan was first time under 2.00 since Aug 2011
- Average since Jan 1996 = 2.13
- Median since Jan 1996 = 2.05
- Max = 3.06, Min = 1.72

Current dollar gap: \$664K

Prior month dollar gap: \$684K (▼ \$20K)

Prior year dollar gap: \$704K (▼ \$41K)

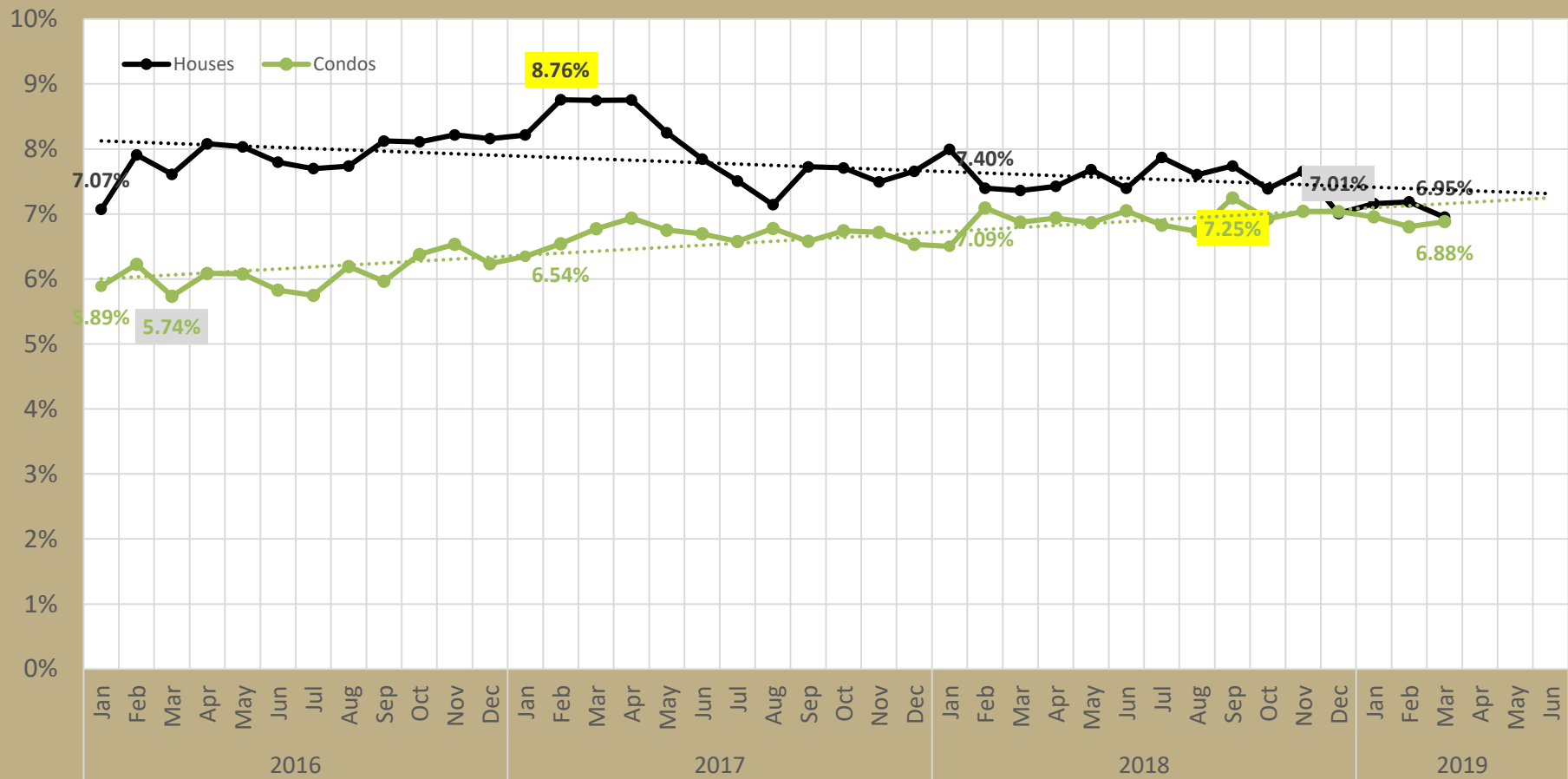
2 years prior dollar gap: \$1,010K (▼ \$347K)



416 20-year Price CAGR

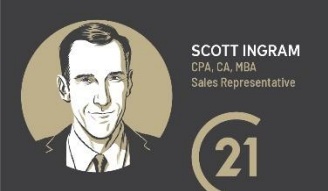
(Compound annual growth rate, current month vs. same month 20 years ago)

416 Average Prices: 20 Year CAGR



20 year **House** performance: 20 year CAGR (as at current month) is 6.95%; MoM change ⬇ 24 bps

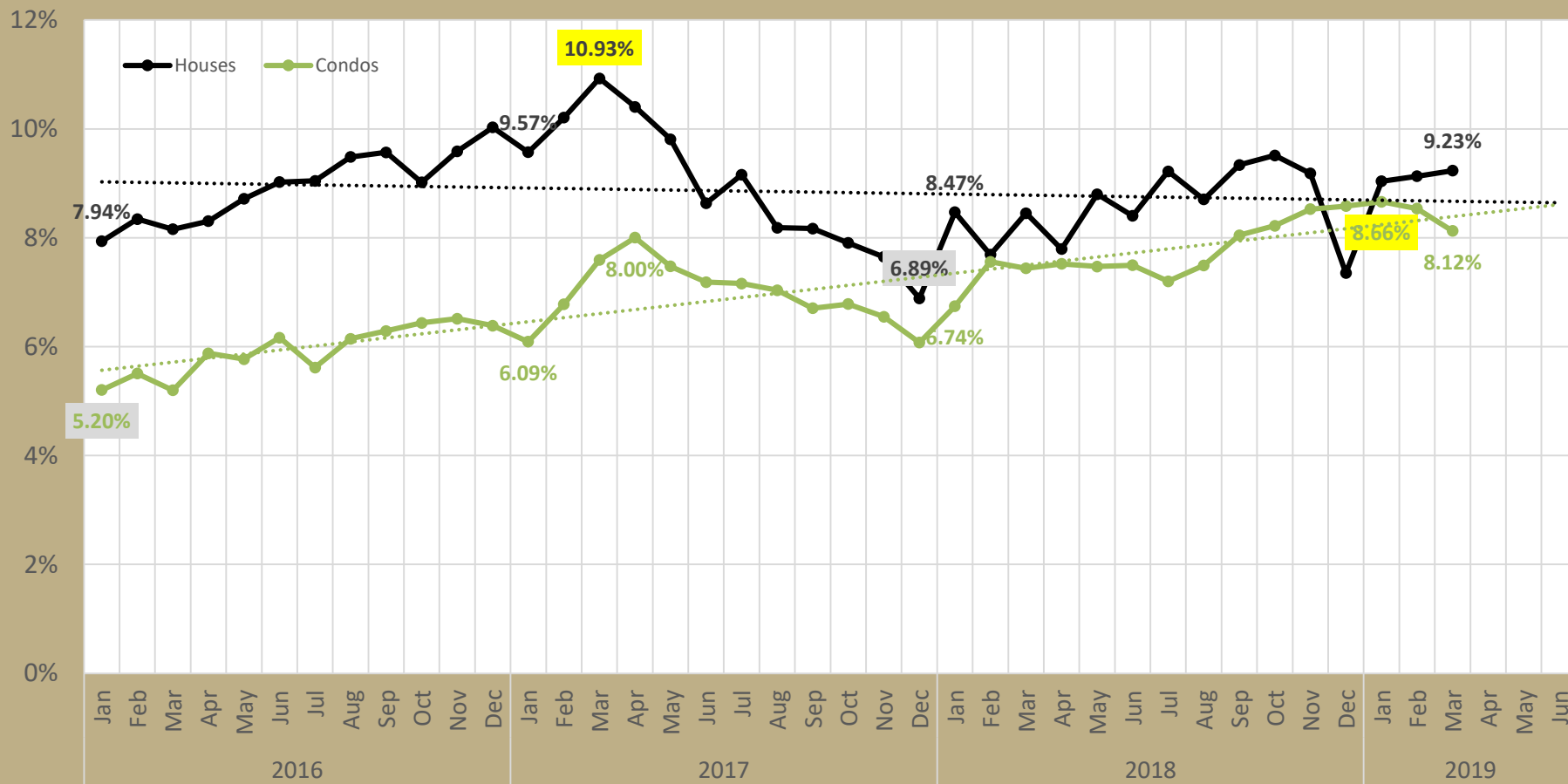
20 year **Condo** performance: 20 year CAGR (as at current month) is 6.88%; MoM change ⬆ 8 bps



416 10-year Price CAGR

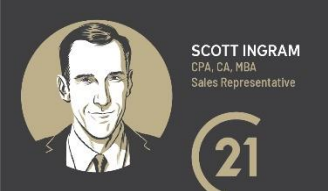
(Compound annual growth rate, current month vs. same month 10 years ago)

416 Average Prices: 10 Year CAGR



10 year **House** performance: 10 year CAGR (as at current month) is 9.23%; MoM change ▲ 10 bps

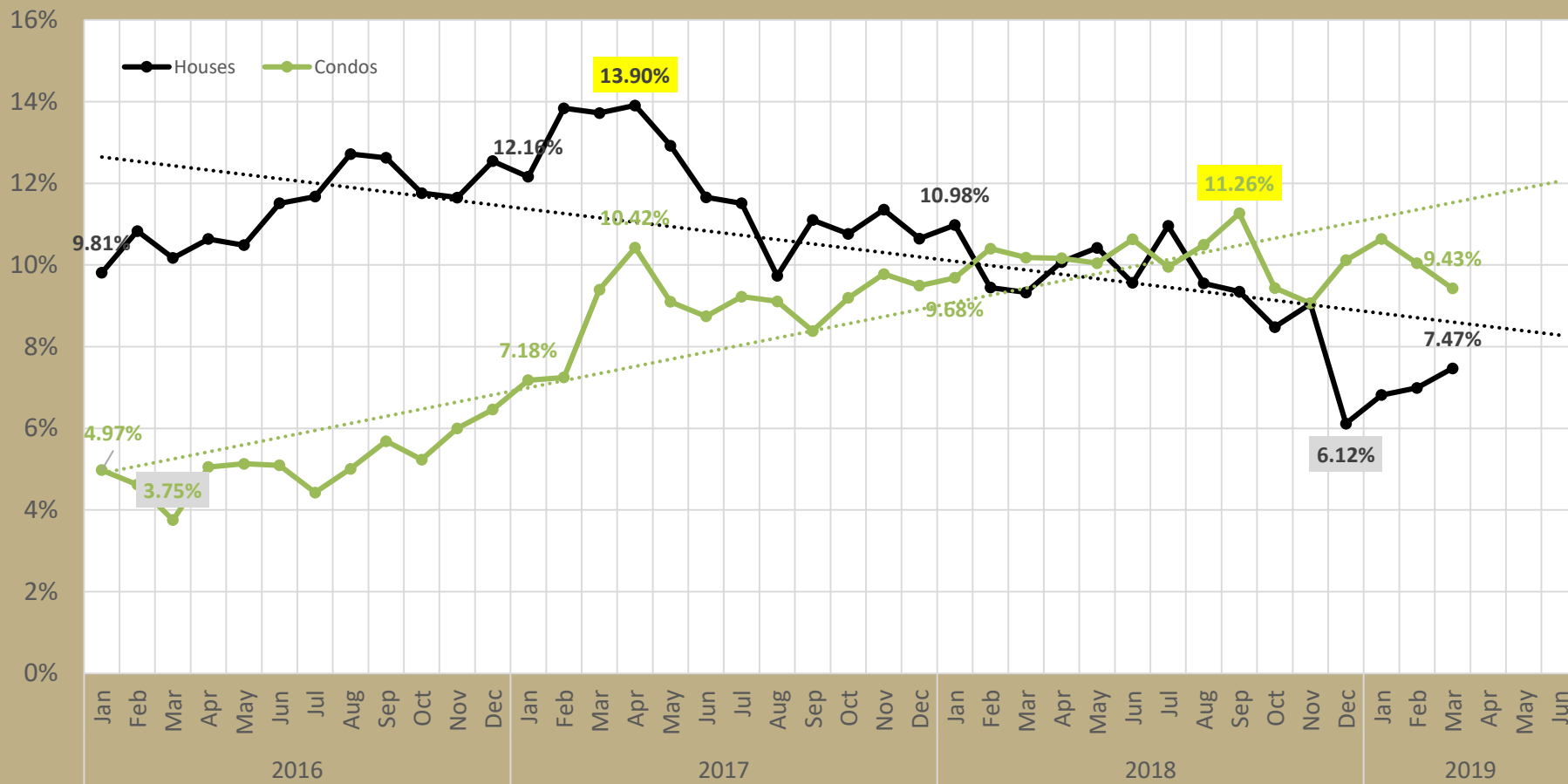
10 year **Condo** performance: 10 year CAGR (as at current month) is 8.12%; MoM change ▼ 41 bps



416 5-year Price CAGR

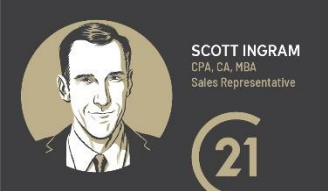
(Compound annual growth rate, current month vs. same month 5 years ago)

416 Average Prices: 5 Year CAGR



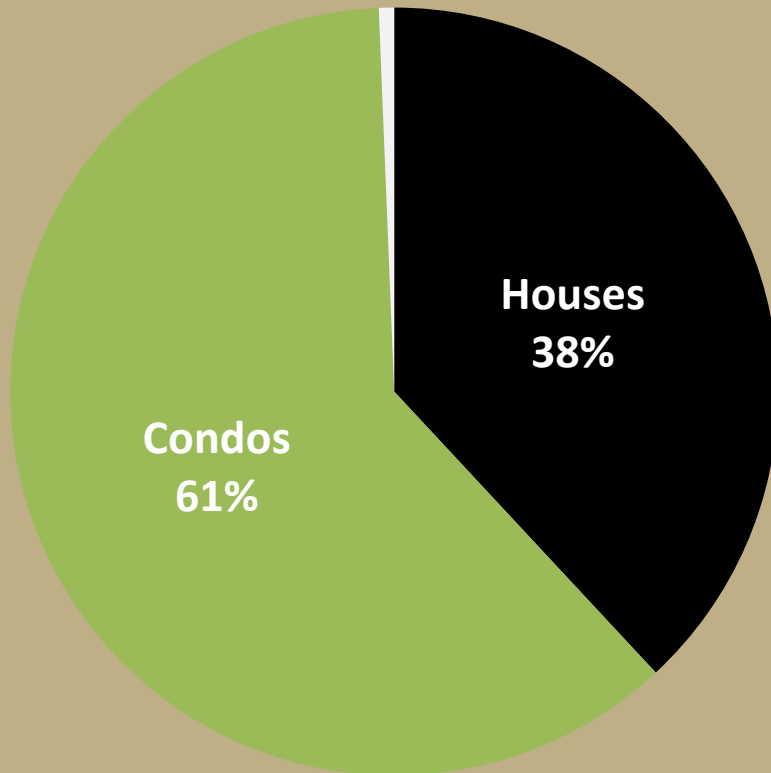
5 year **House** performance: 5 year CAGR (as at current month) is 7.47%; MoM change ▲ 48 bps

5 year **Condo** performance: 5 year CAGR (as at current month) is 9.43%; MoM change ▼ 61 bps

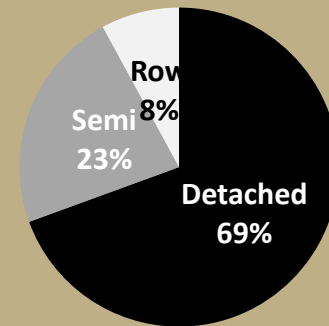


416 Market Breakdown

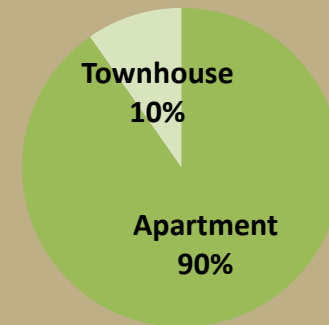
Share of Transactions - last 12 months



Share of House Transactions - last 12 months



Share of Condo Transactions - last 12 months



1 year ago: Condos 61% / Houses 38%

5 years ago: Condos 51% / Houses 48%

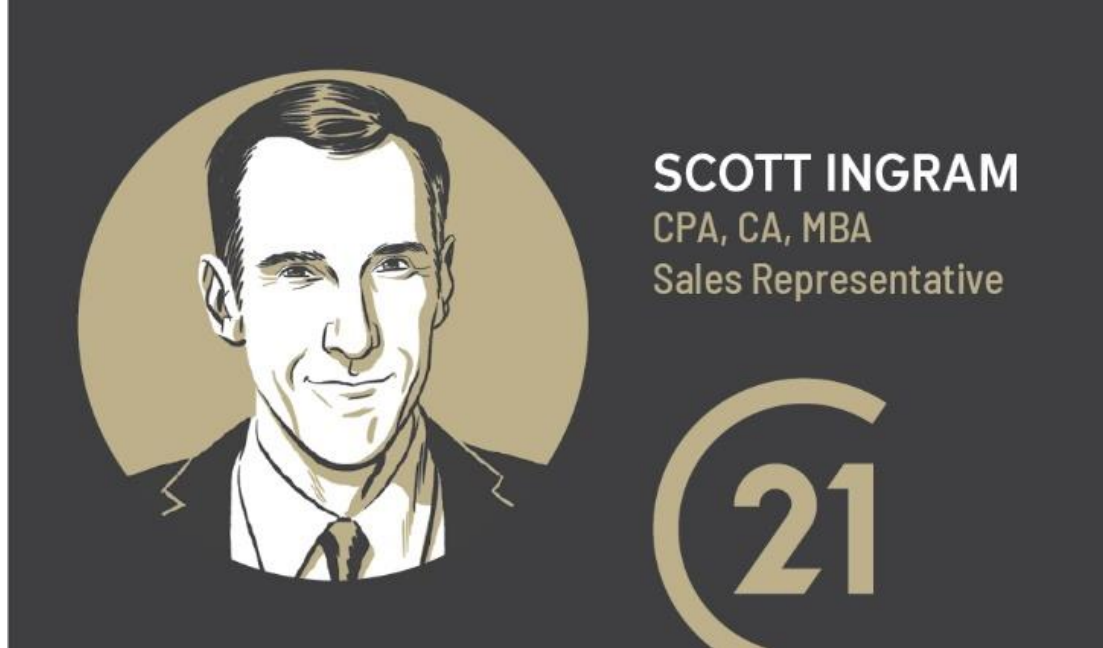
10 years ago: Condos 49% / Houses 50%

15 years ago: Condos 43% / Houses 55%

20 years ago: Condos 39% / Houses 59%

As the supply of houses is essentially fixed, and more new condos are completed, transaction share should keep **shifting towards condos**. Also, condos are often a “starter home” and not held onto as long on average as houses.

While **houses** were only 38% of 2018 sales transactions, they were **55% of dollar volume** (38% and 59% in 2017, 35% and 64% in 2016).



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