

# Toronto Real Estate Market Charts

May 2019



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# Toronto Real Estate

## Monthly Market Charts

### Introduction

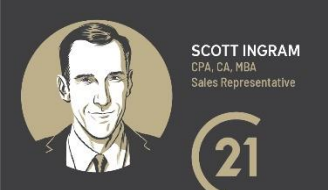
You read sales last month were up x% over last year. What does that really mean??

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.

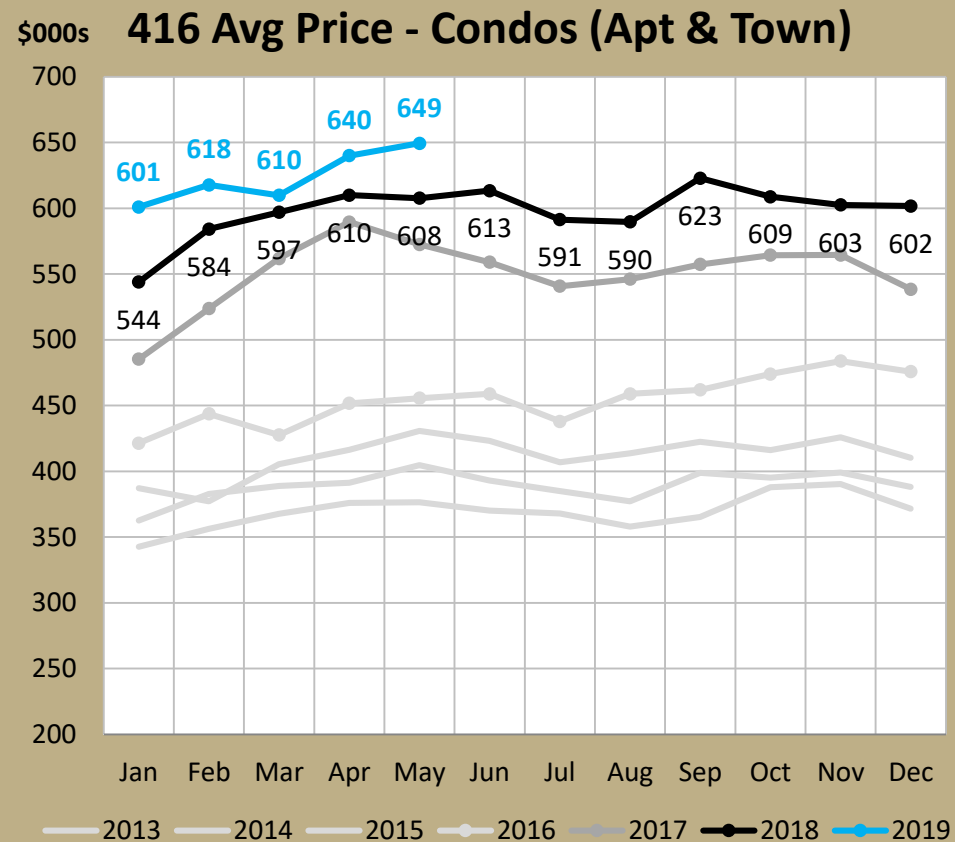
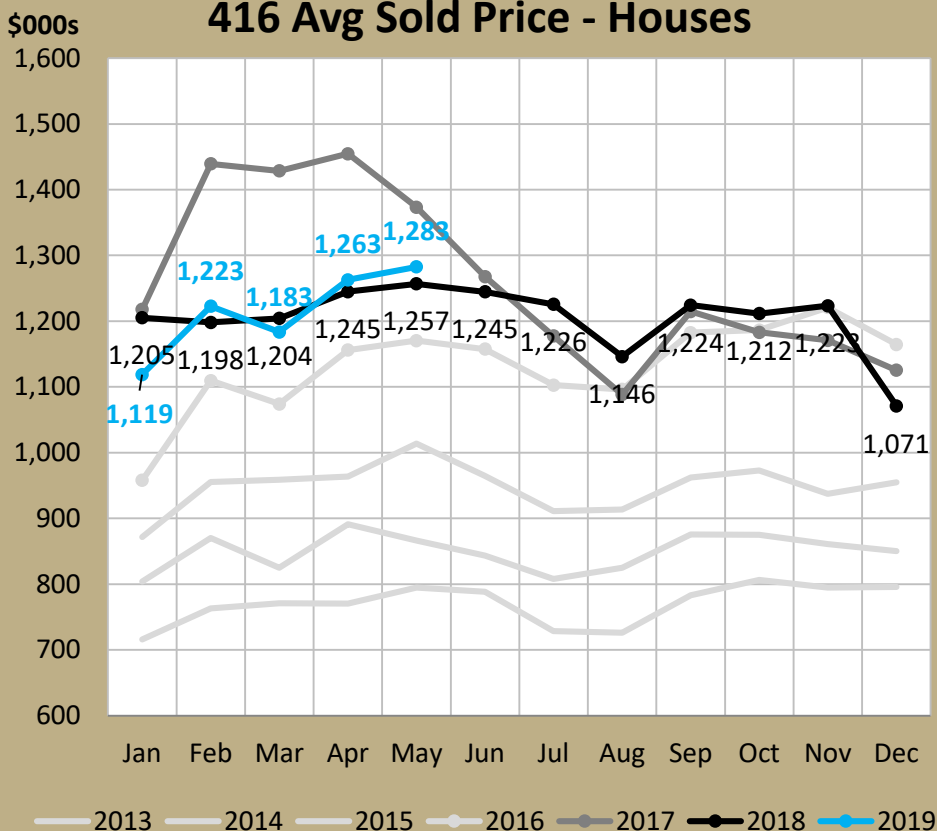
↑↓ indicator points to heating up (favours sellers), ↑↓ denotes cooling down (favours buyers)





# 416 Average Sold Price

(dollar volume ÷ number of transactions in the month)



**Detached \$1,384K / Semi \$1,051K / Row \$1,041K**

Apr vs. '18: ▲ \$26K (2.1%)

Apr vs. '14: ▲ \$416K (48%)

5 year CAGR: ▲ 8.2%

- Highest detached avg price since June 2017
- Last 4 months all within +/- 2% of 2018
- Detached +1.5%, Semi -0.2%, Row +11.5%

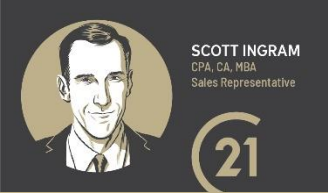
**Condo Apt \$643K / Condo Townhouse \$694K**

Apr vs. '18: ▲ \$42K (6.9%)

Apr vs. '14: ▲ \$245K (60%)

5 year CAGR: ▲ 9.9%

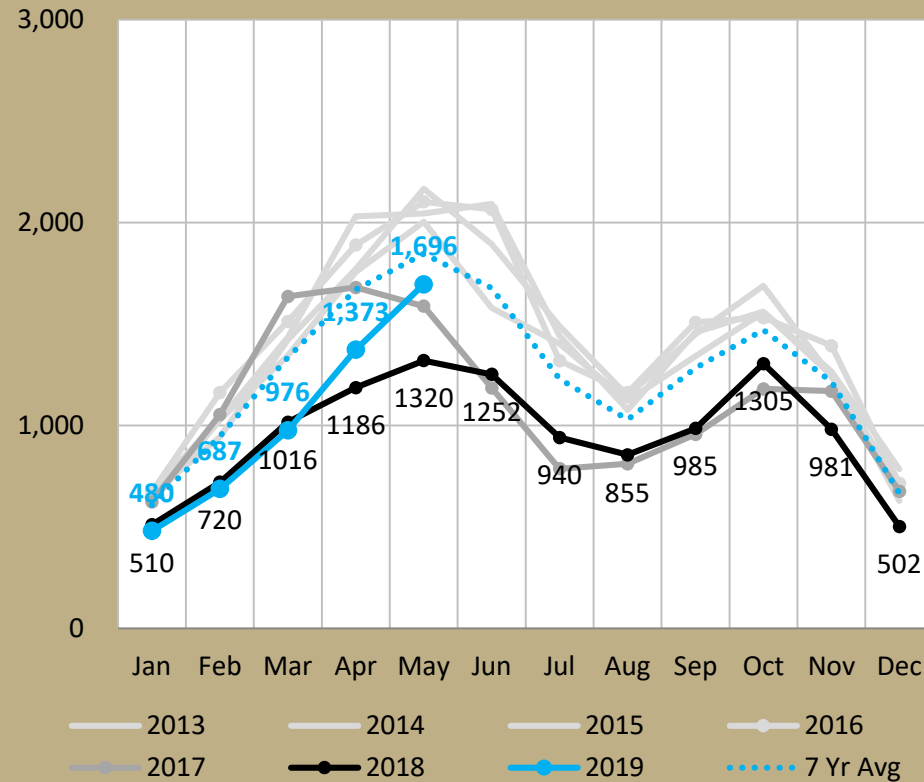
- Second new condo high in a row (\$623K of Sep 2018)
- Condos haven't had negative YoY since Feb 2015 (50 straight months and 70 of last 71)



# 416 Residential Sales Volume

(number of sold transactions in the month)

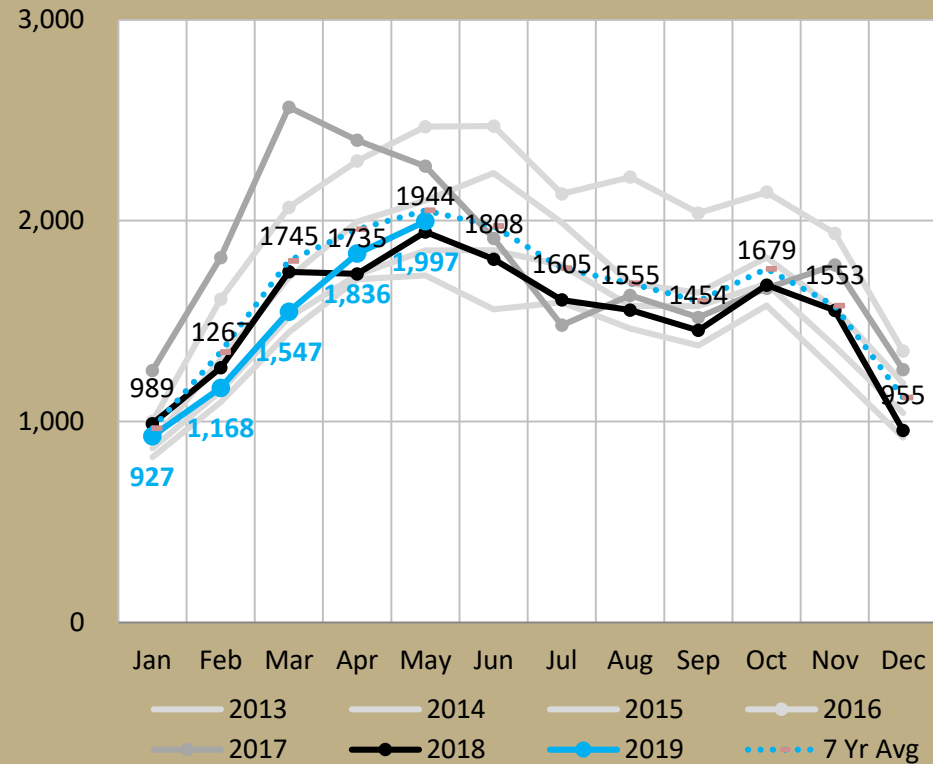
## 416 Sales - Houses (Det & Semi & Row)



Apr vs. '18: ▲ 28.5% (vs. 7 Yr Avg: ▼ 8%)  
YTD vs. '18: ▲ 10%

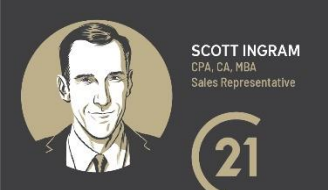
- Big turnaround from historically low Q1. Gone from -5% YTD to +10% YTD in just two months

## 416 Sales - Condos (Apt & Town)



Apr vs. '18: ▲ 2.7% (vs. 7 Yr Avg: ▼ 3%)  
YTD vs. '18: ▼ 3%

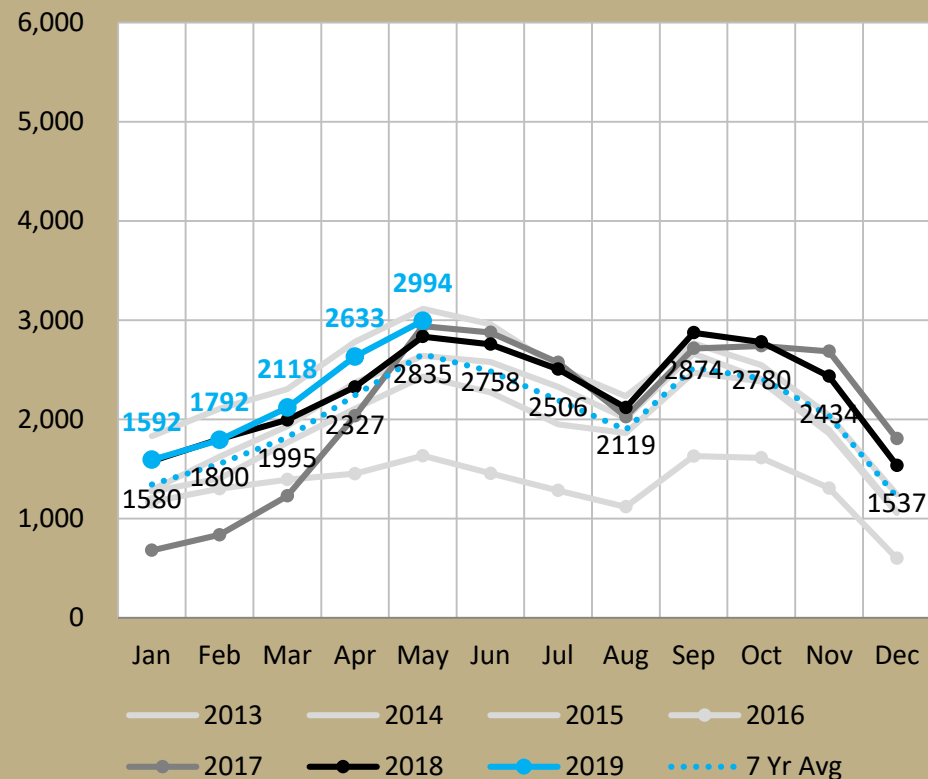
- Last 2 months above 2018 sales levels
- 21 of last 25 months were lower than previous year



# 416 Active Listings

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

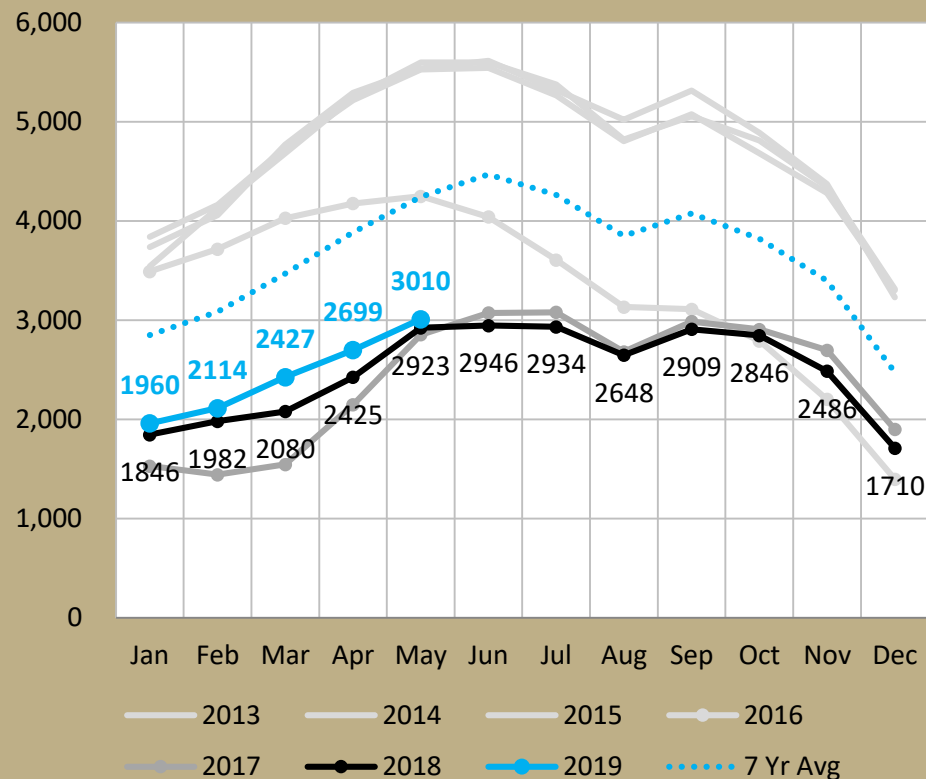
## 416 Active Listings - Houses



Apr vs. '18: ▲ 5.6% (vs. 7 Yr Avg: ▲ 13%)  
 YTD vs. '18: ▲ 6%

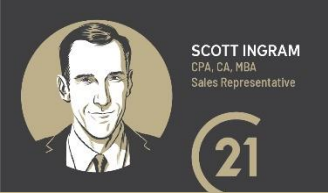
- Within recent seasonal ranges, though at higher end and above 7 Yr Avg.

## 416 Active Listings - Condos



Apr vs. '18: ▲ 3.0% (vs. 7 Yr Avg: ▼ 29%)  
 YTD vs. '18: ▲ 8%

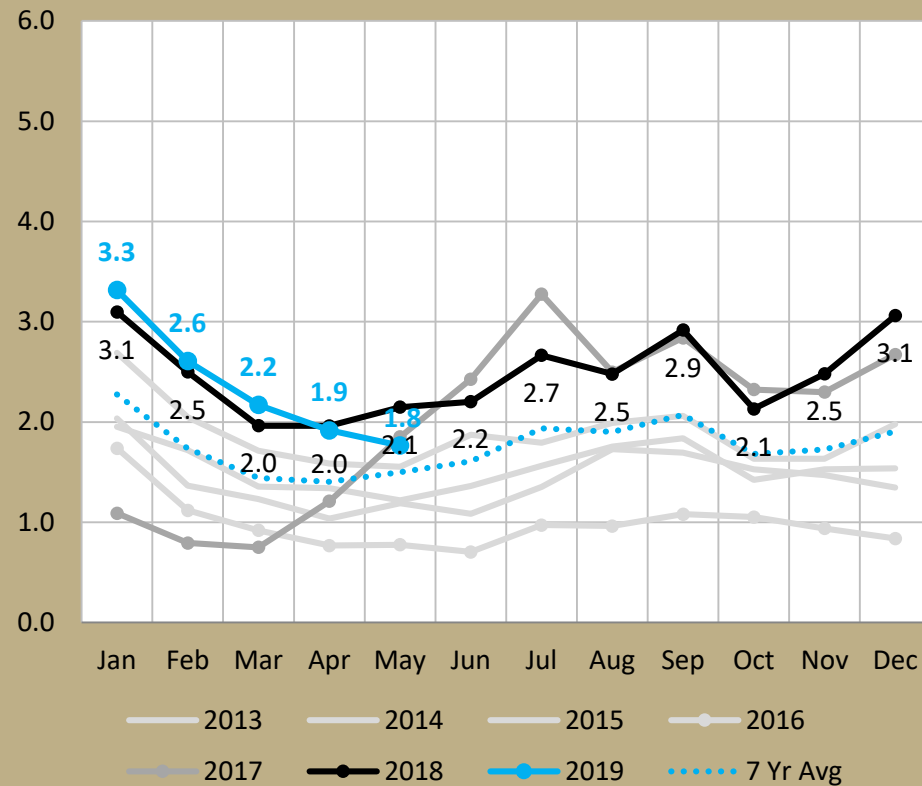
- Higher than last 2 years, but lower than any other Apr after 2001
- Active Listings around 1,200 less than 7 Yr Avg



# 416 Months Of Inventory

(active listings at month end ÷ sales for month)

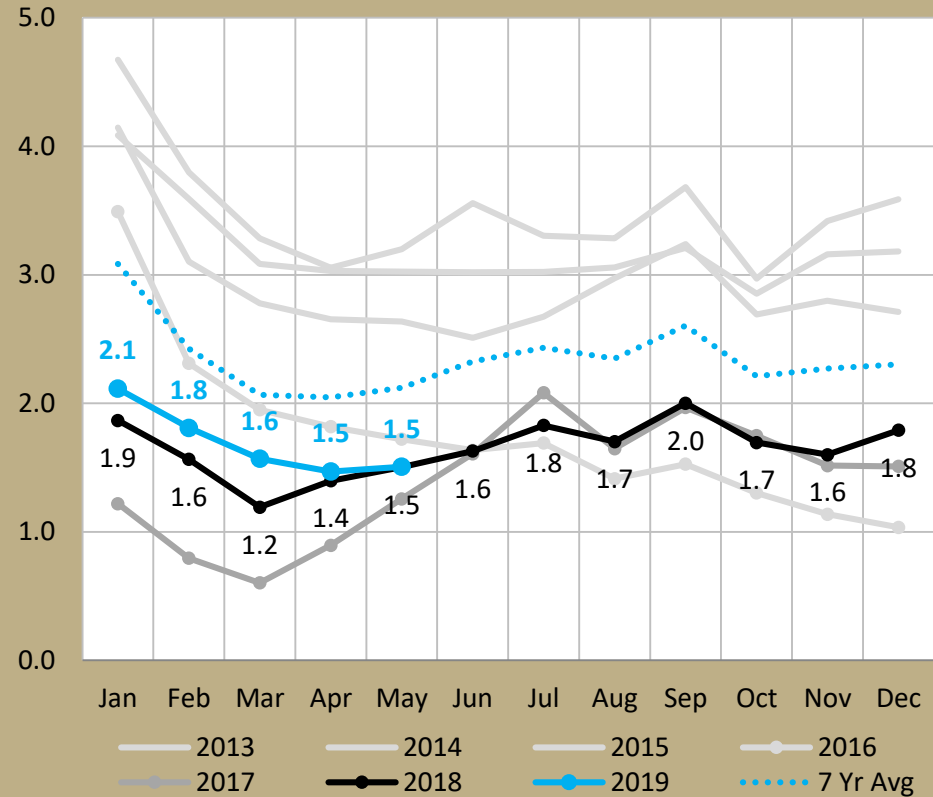
## 416 MOI - Houses (Det & Semi & Row)



Apr vs. '18: ▼ 0.4 months (-18%)  
 Apr vs. 7 Yr Avg: ▲ 0.3 months (18%)

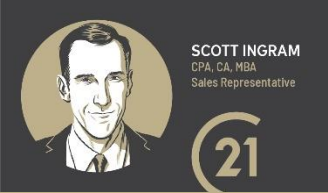
- Slightly below May average for last 24 years of 2.0
- Underlying w/ prior 2 months: Detached down a lot to 2.1 (2.2, 2.6), Semi 0.9 (1.3, 1.1), Row 1.7 (1.4, 1.3)

## 416 MOI - Condos (Apt & Town)



Apr vs. '18: ↔ 0.0 months (0%)  
 Apr vs. 7 Yr Avg: ▼ 0.6 months (-29%)

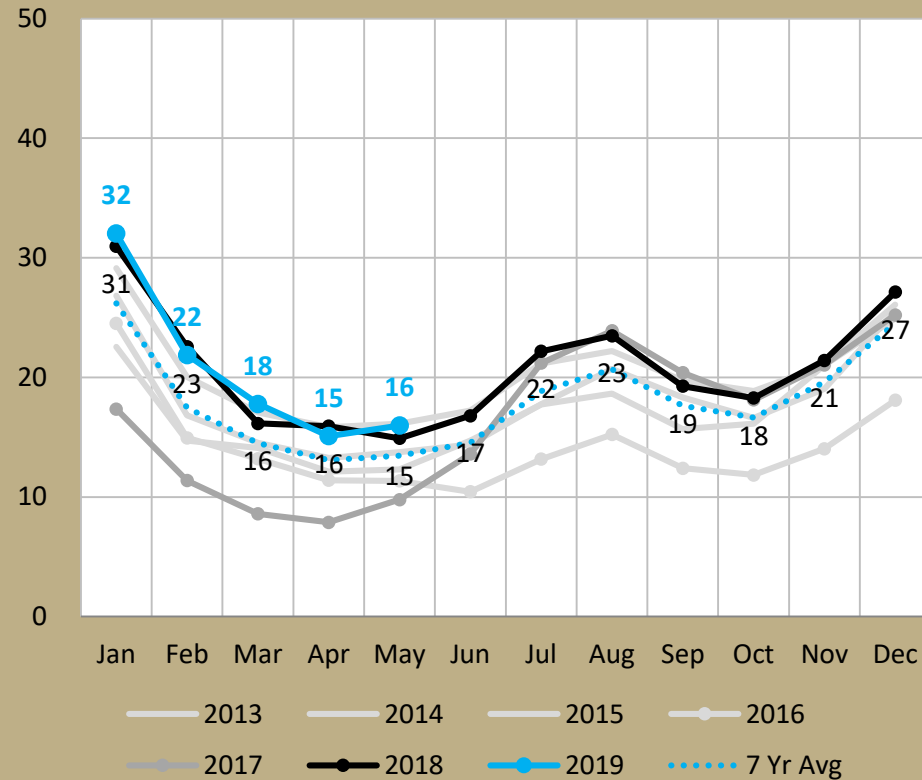
- Below 2.000 36 of last 38 months
- Record 26 months in row condos < houses. In 254 months before March 2017, this only happened 19 times in total.



# 416 Average Days On Market

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

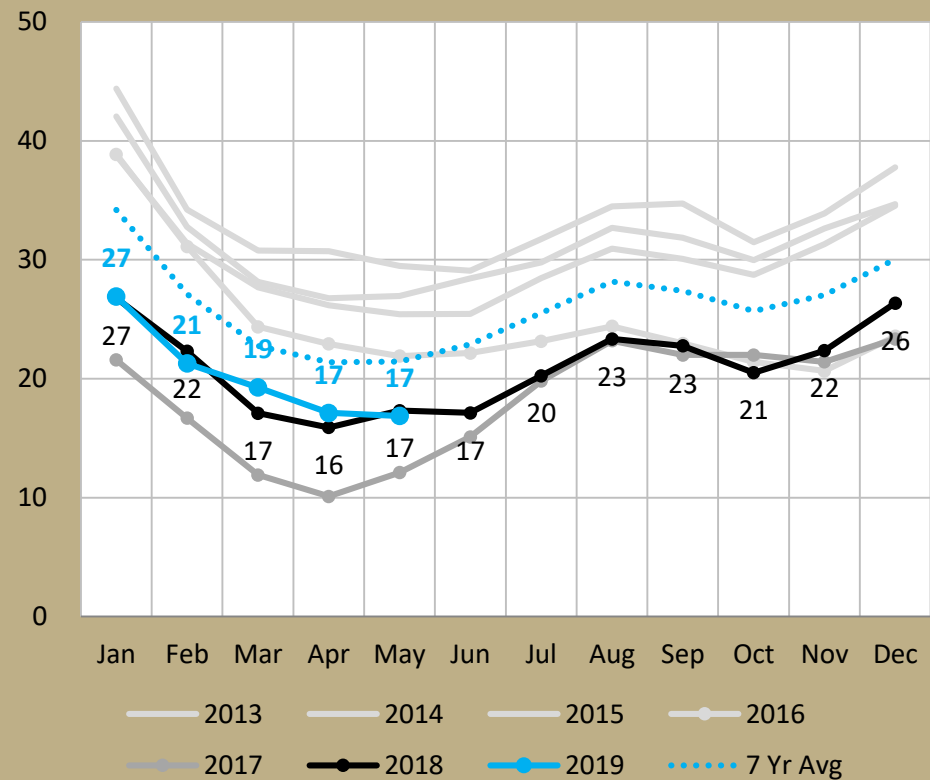
## 416 DOM - Houses (Det & Semi & Row)



Apr vs. '18: ▲ 1.1 days (7%)  
 Apr vs. 7 Yr Avg: ▲ 2.5 days (19%)

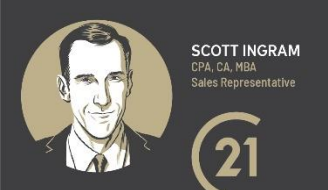
- Following seasonal patterns but at high end of range
- Below 24 year May average of 21, but slightly above 10 year average of 14

## 416 DOM - Condos (Apt & Town)



Apr vs. '18: ▼ 0.4 days (3%)  
 Apr vs. 7 Yr Avg: ▼ 4.6 days (-21%)

- Diverged lower from averages in spring 2016 and has stayed low since
- May median and avg for last 24 years is 33 so still in historically low period (10 year avg is 23)

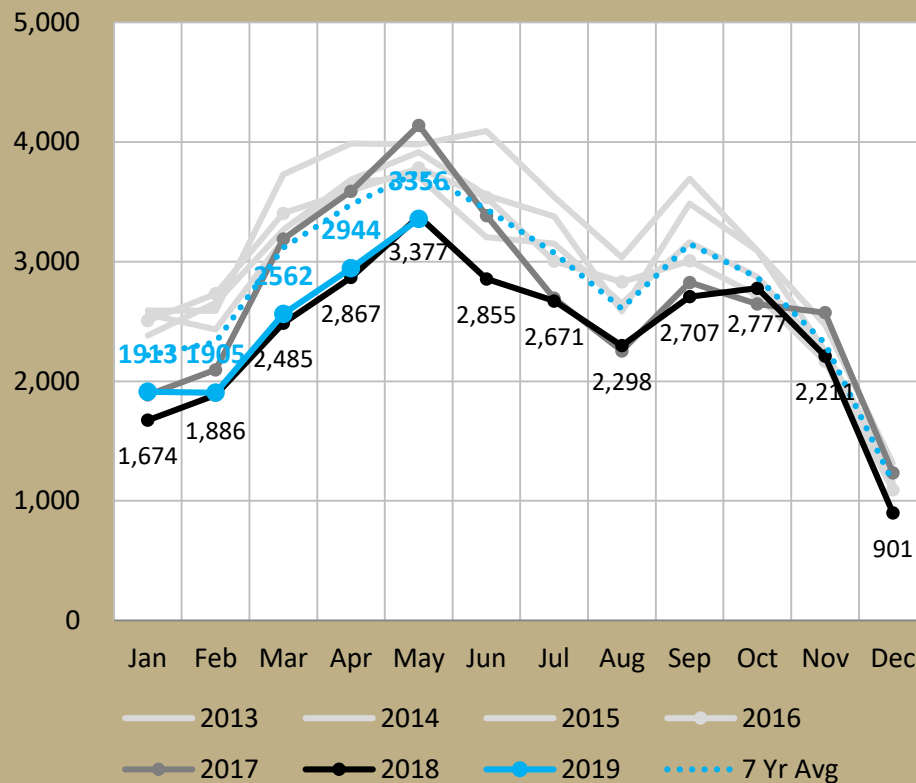
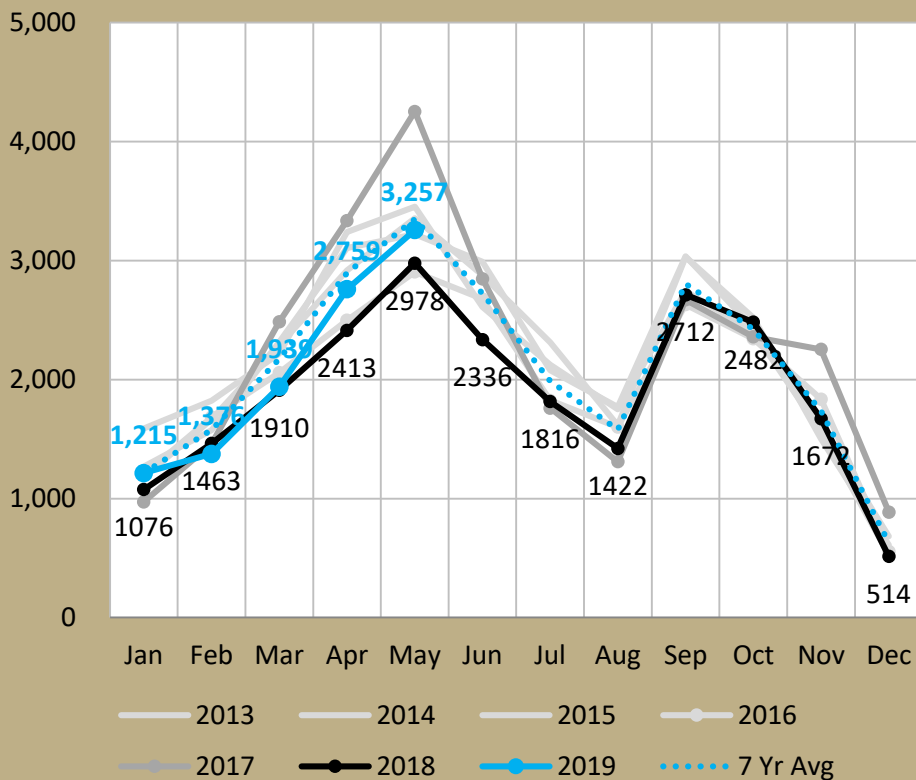


# 416 New Listings

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

## 416 New Listings - Houses

## 416 New Listings - Condos (Apt & Town)



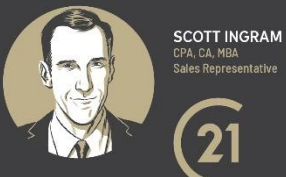
Apr vs. '18: ▲ 9.4% (vs. 7 Yr Avg: ▼ 3%)  
YTD vs. '18: ▲ 9%

- Almost back to 7-year average (89 listings below)
- terminations and re-listings distort this stat

Apr vs. '18: ▼ 0.6% (vs. 7 Yr Avg: ▼ 11%)  
YTD vs. '18: ▲ 3%

- Closely following 2018 pattern in last 4 months
- Touch lower than last year (21 listings), but that was very low historically

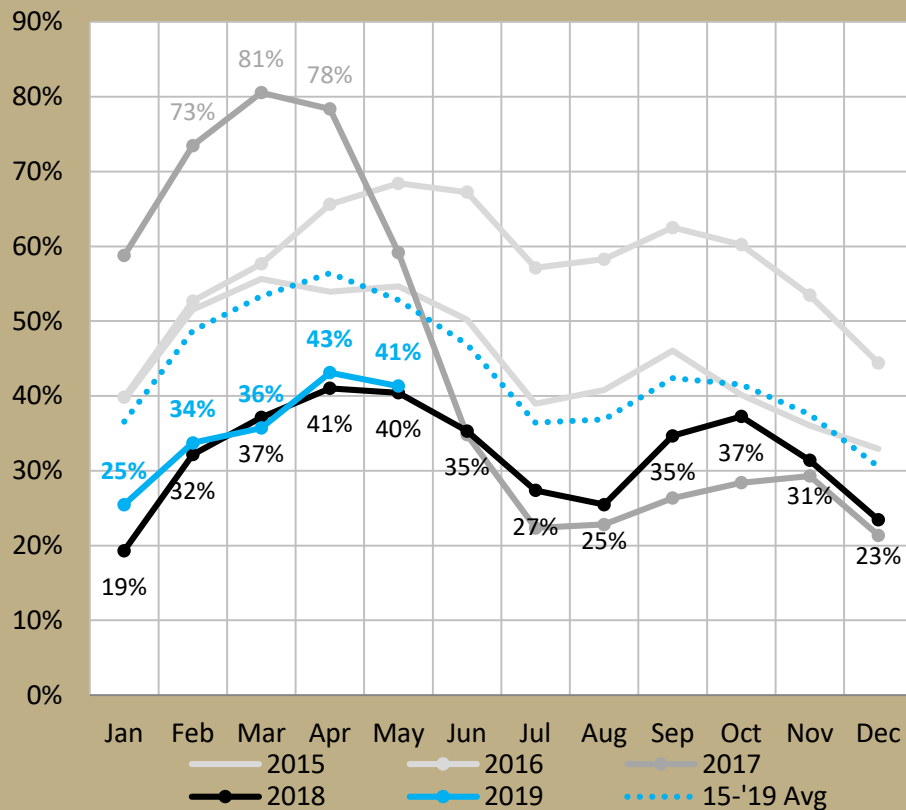




# 416 Sold Over Asking

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

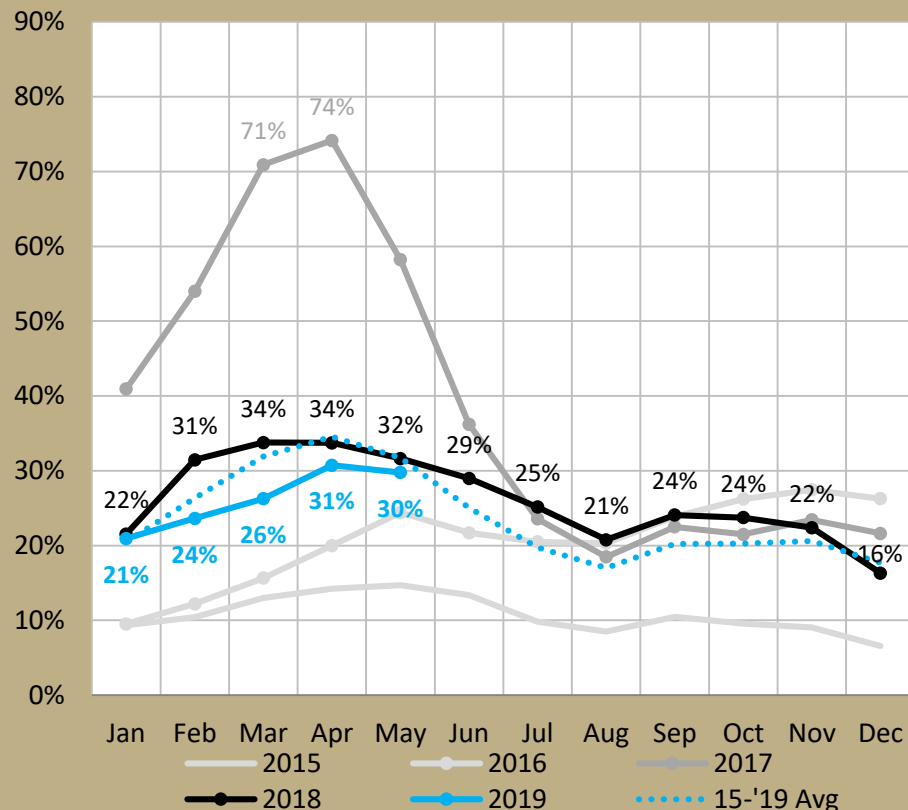
## 416 Sold Over Asking - Houses



101% or more of asking Apr vs. '18: ▲ 1 pp  
 Month-over-month: ▼ 2 pp

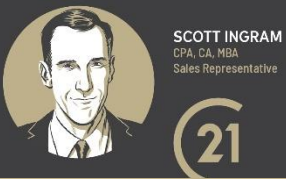
- 11 of last 12 months higher than prior year
- Full year numbers: 2015 47% / 2016 60% / 2017 49% / 2018 34% / YTD 2019 38%

## 416 Sold Over Asking - Condos



101% or more of asking Apr vs. '18: ▼ 2 pp  
 Month-over-month: ▼ 1 pp

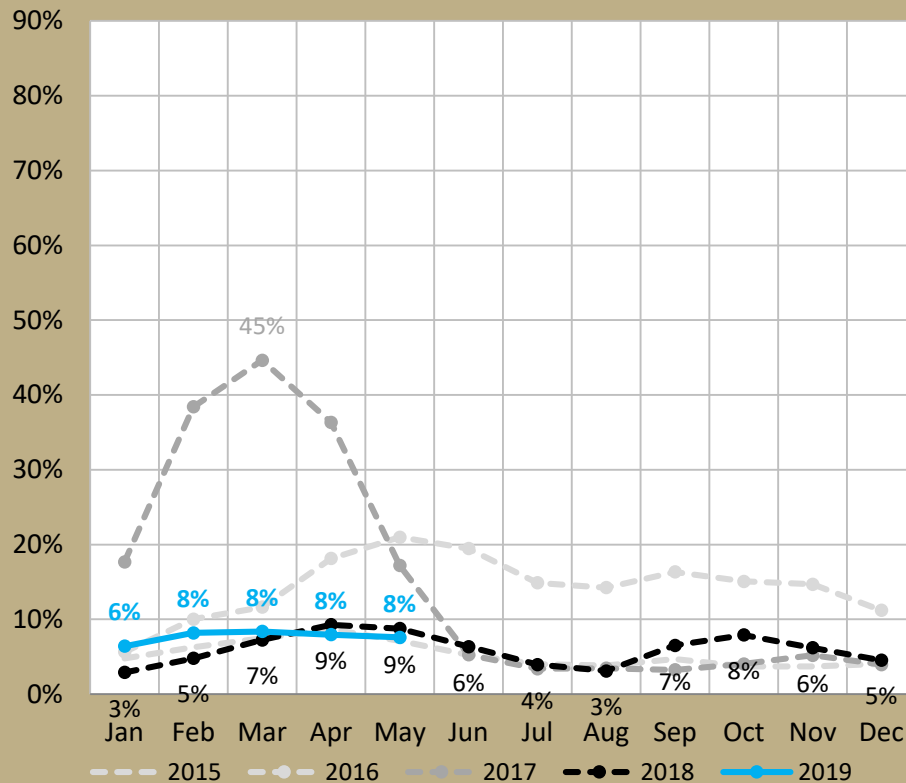
- While freeholds better than 2018, condos are worse
- Days of SOA for a condo being just for special properties (11% for all 2015 sales) seem to be gone (27% for all 2018 sales, 27% YTD 2019)



# 416 Sold 20% Over Asking

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

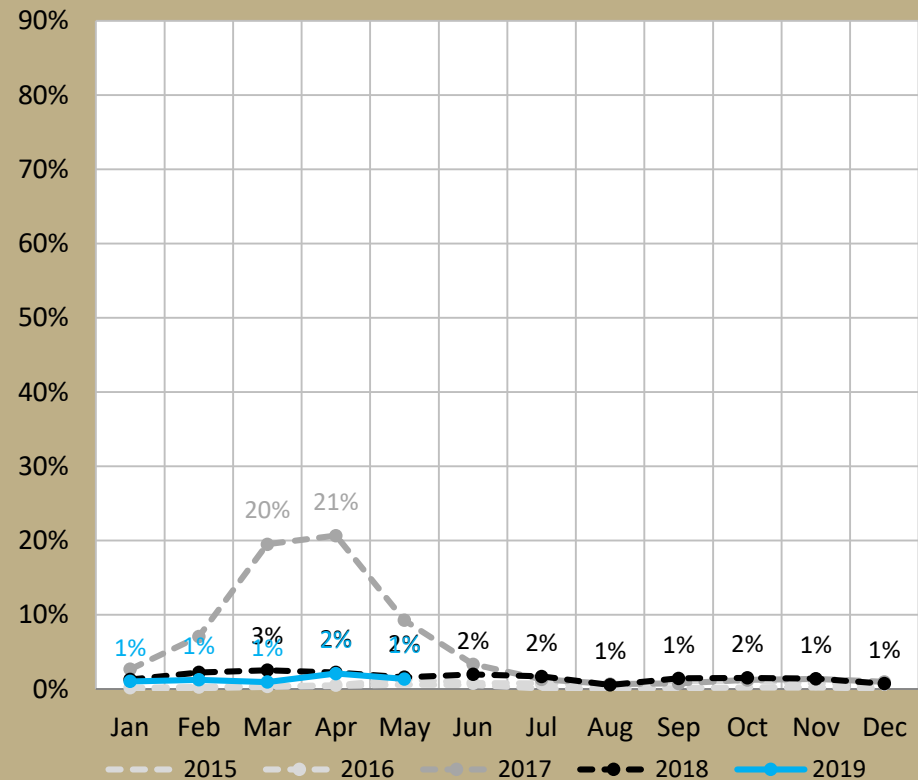
## 416 Sold 20% Over Asking - Houses



120% or more of asking Apr vs. '18:  $\downarrow$  1 pp  
Month-over-month:  $\leftrightarrow$  0 pp

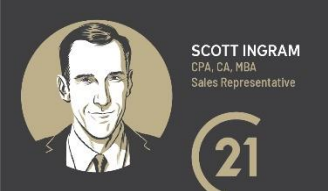
- 20% SOA activity (and strategy of grossly underlisting) has moderated, with 2016 and the first bit of 2017 looking to be the outlier period

## 416 Sold 20% Over Asking - Condos



120% or more of asking Apr vs. '18:  $\leftrightarrow$  0 pp  
Month-over-month:  $\leftrightarrow$  0 pp

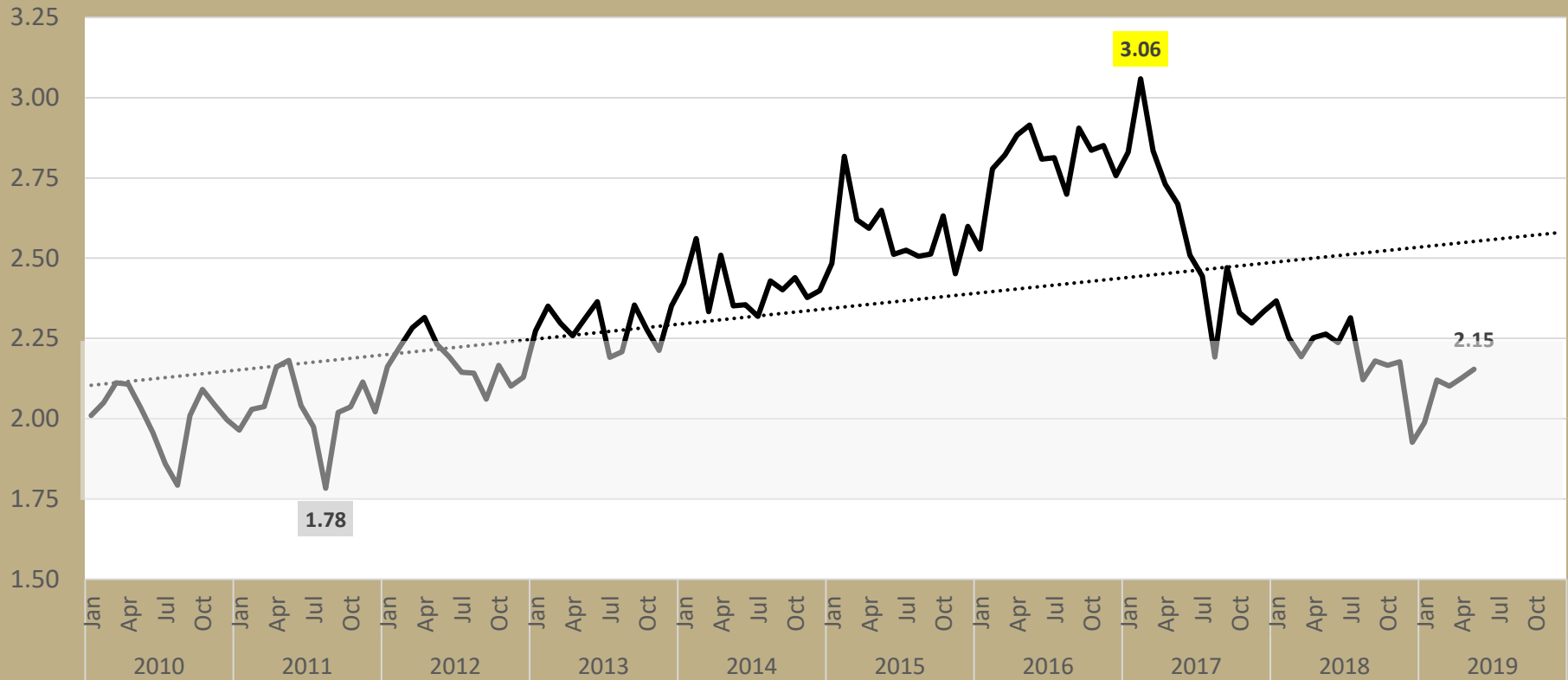
- This is pretty dead now. Only 4 months have been  $> 3\%$ , and those were all in early 2017.



# 416 Detached/Condo price ratio

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

## Ratio of Avg Prices: 416 Detached/416 Condo Apt

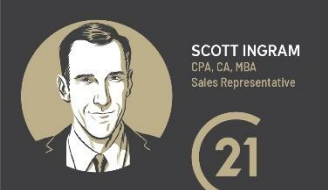


Current ratio: 2.15  
Month-over-month: ▼ 0.02

Current dollar gap: \$742K  
Prior month dollar gap: \$718K (▲ \$24K)

- Dec and Jan was first time under 2.00 since Aug 2011
- Average since Jan 1996 = 2.13
- Median since Jan 1996 = 2.06
- Max = 3.06, Min = 1.72

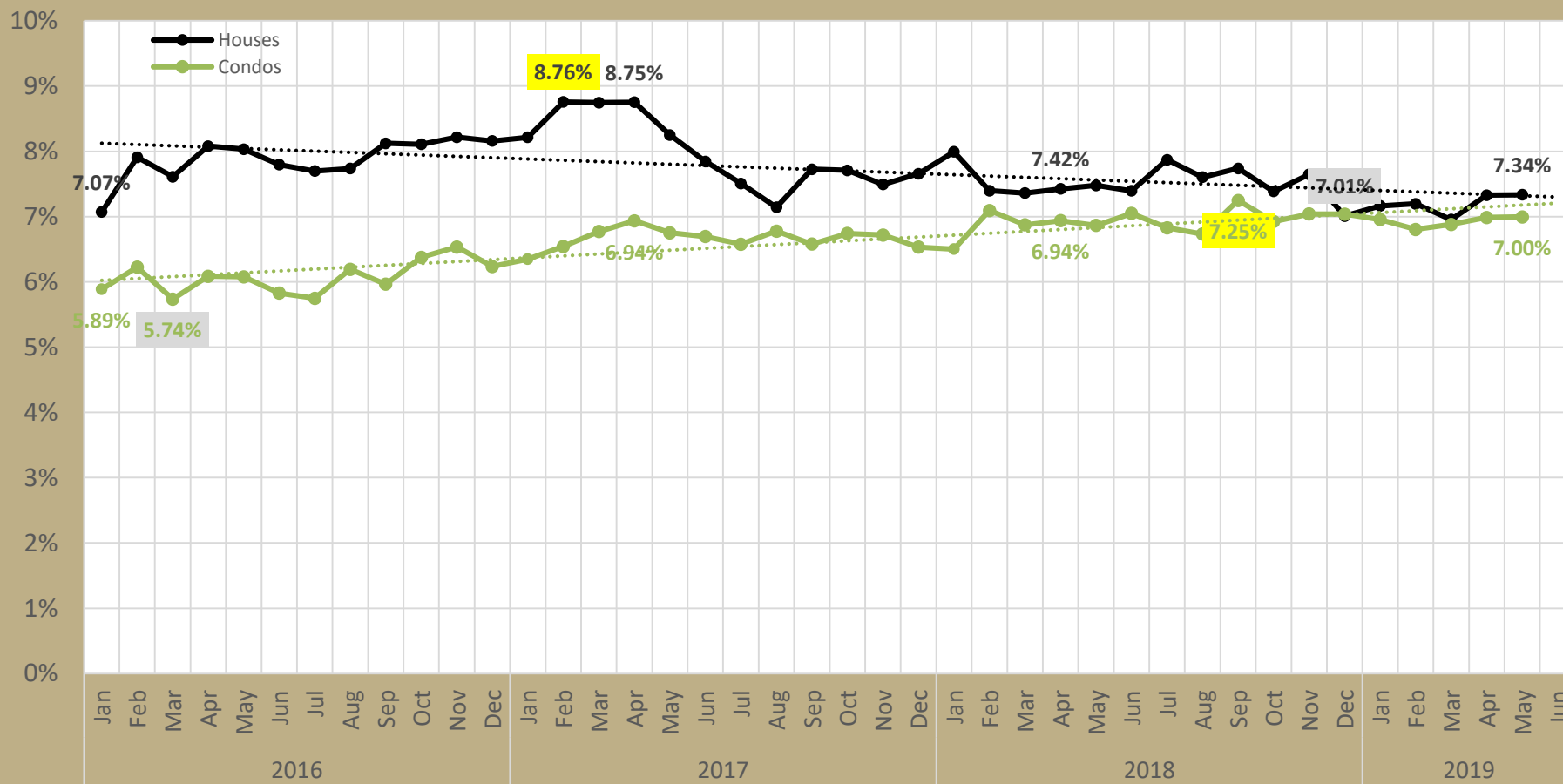
Prior year dollar gap: \$762K (▼ \$20K)  
2 years prior dollar gap: \$944K (▼ \$202K)



# 416 20-year Price CAGR

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

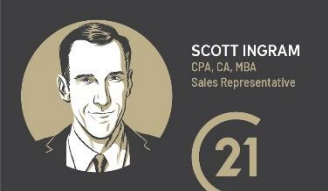
## 416 Average Prices: 20 Year CAGR



20 year **House** performance: 20 year CAGR (as at current month) is 7.32%; MoM change ▲ 37 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 6.98%; MoM change ▲ 11 bps

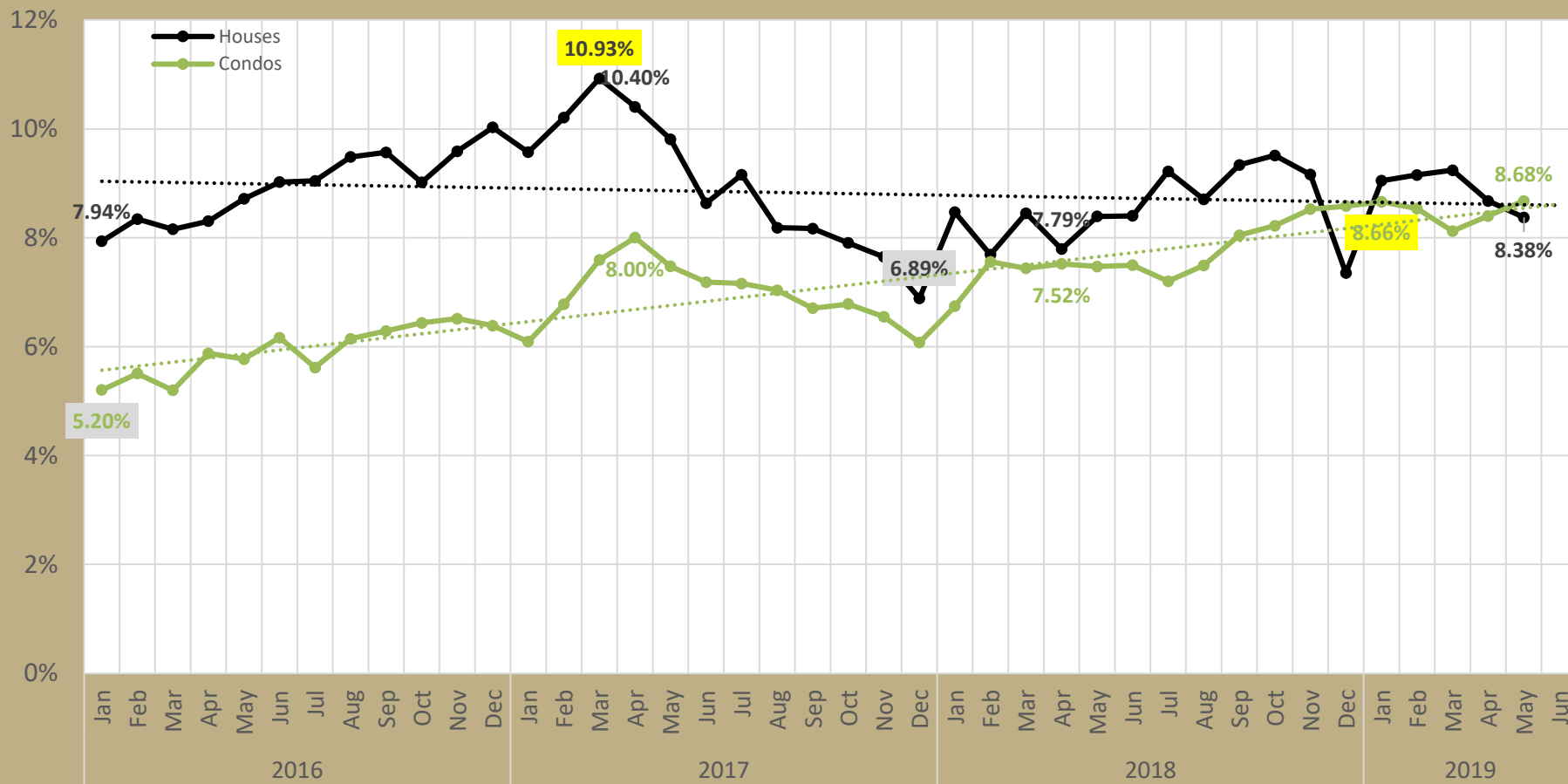




# 416 10-year Price CAGR

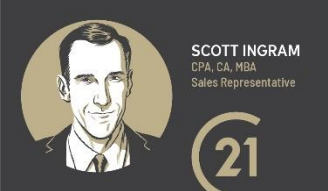
(Compound annual growth rate, current month vs. same month 10 years ago)

## 416 Average Prices: 10 Year CAGR



10 year **House** performance: 10 year CAGR (as at current month) is 9.23%; MoM change ⬇ 57 bps

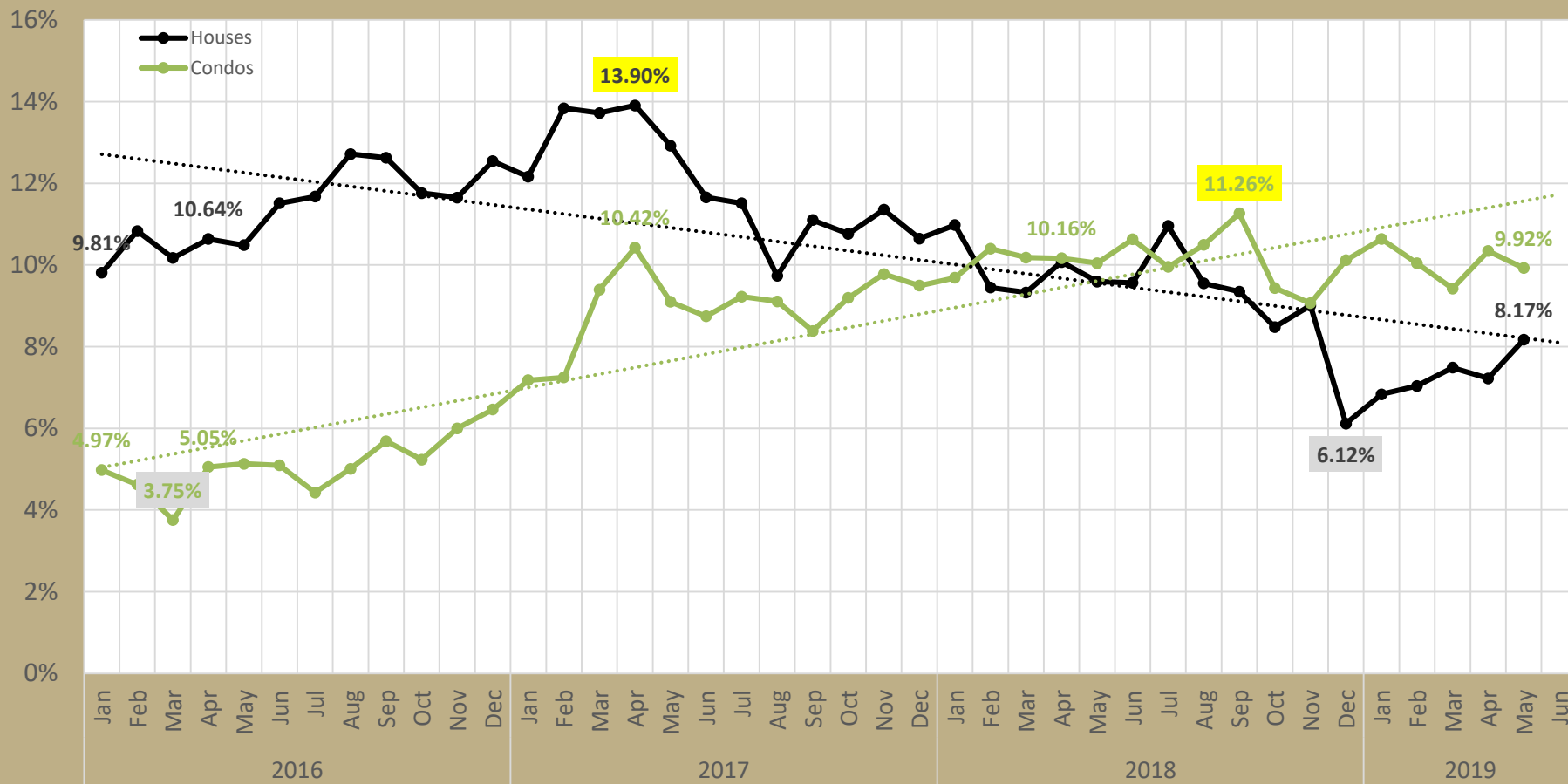
10 year **Condo** performance: 10 year CAGR (as at current month) is 8.12%; MoM change ⬆ 27 bps



# 416 5-year Price CAGR

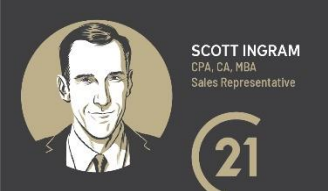
(Compound annual growth rate, current month vs. same month 5 years ago)

## 416 Average Prices: 5 Year CAGR



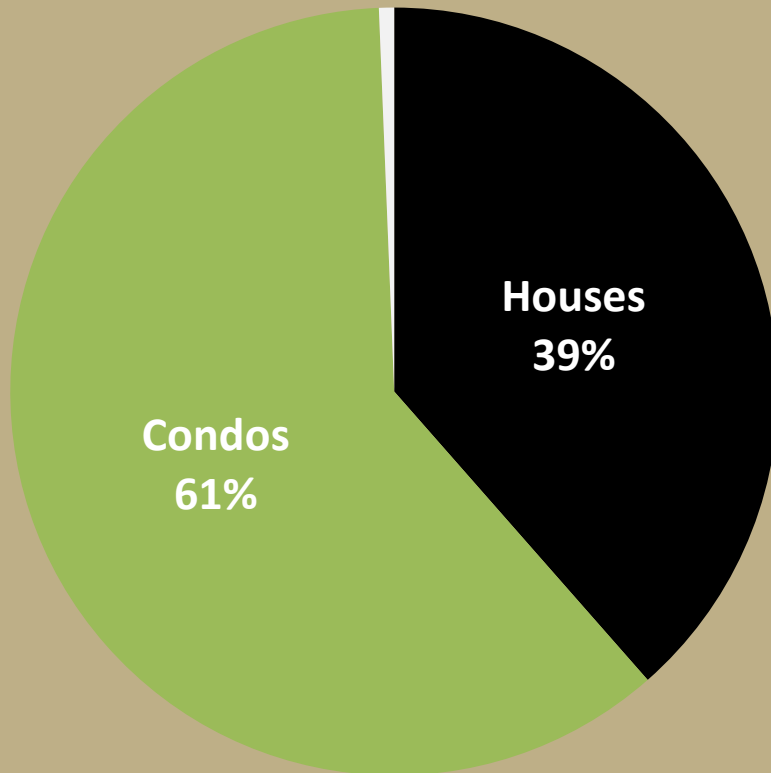
5 year **House** performance: 5 year CAGR (as at current month) is 7.47%; MoM change ⬇ 27 bps

5 year **Condo** performance: 5 year CAGR (as at current month) is 9.43%; MoM change ⬆ 91 bps

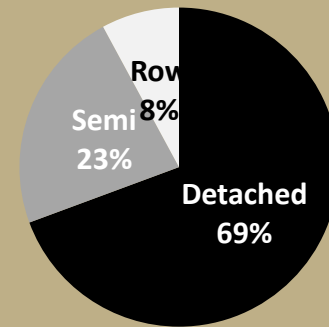


# 416 Market Breakdown

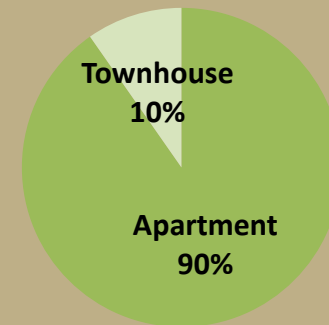
Share of Transactions - last 12 months



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%

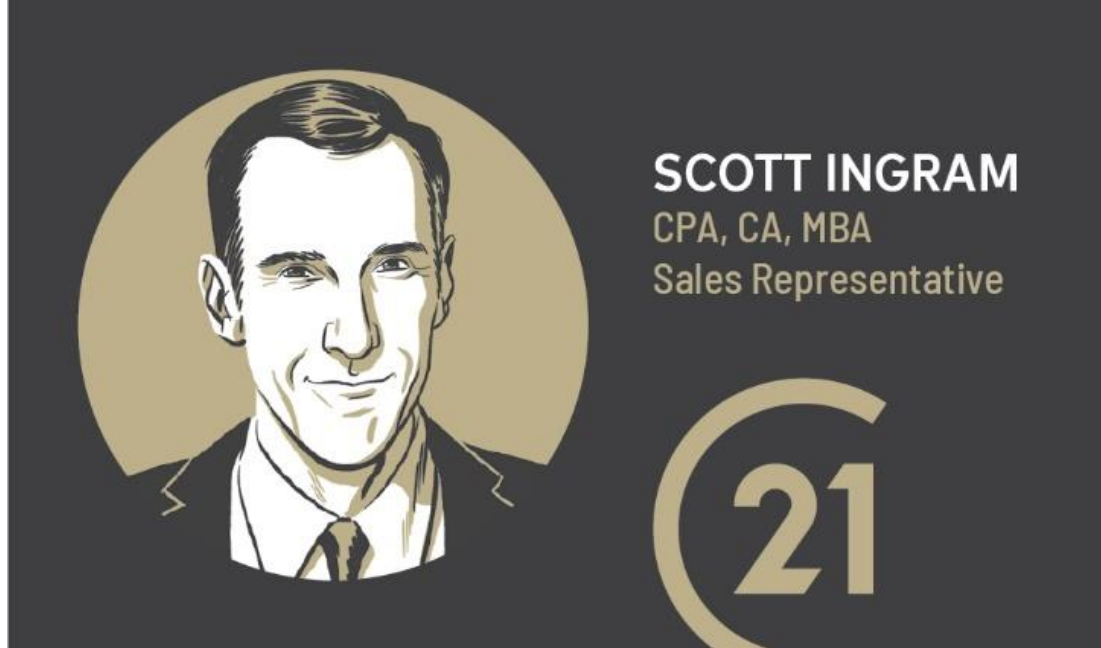
10 years ago: Condos 49% / Houses 50%

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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