



Toronto Real Estate Market Charts

December 2019



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Toronto Real Estate

Monthly Market Charts

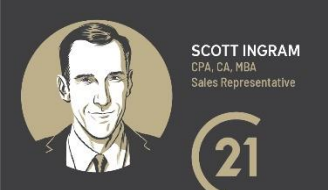
Introduction

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.

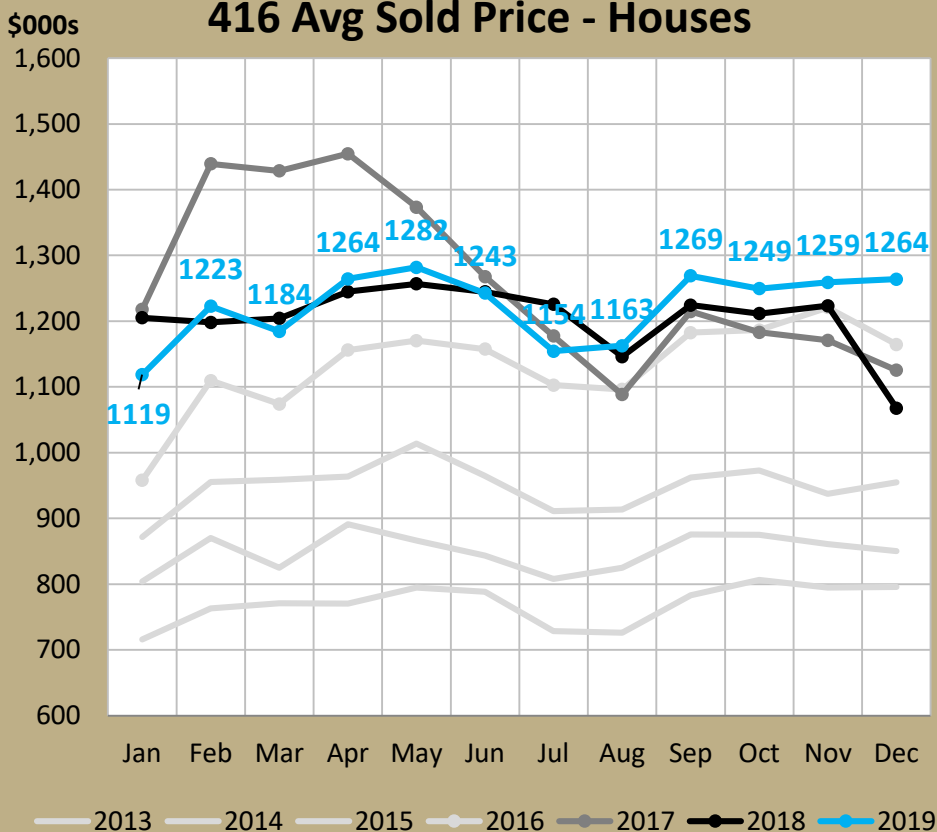
I also separate Toronto's **two distinct market segments**: houses (freeholds) and condos, because lumping them together obscures a lot of information, and you are probably more interested in one than the other. With segmentation and some historical context, I aim to give you a clearer vision of market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



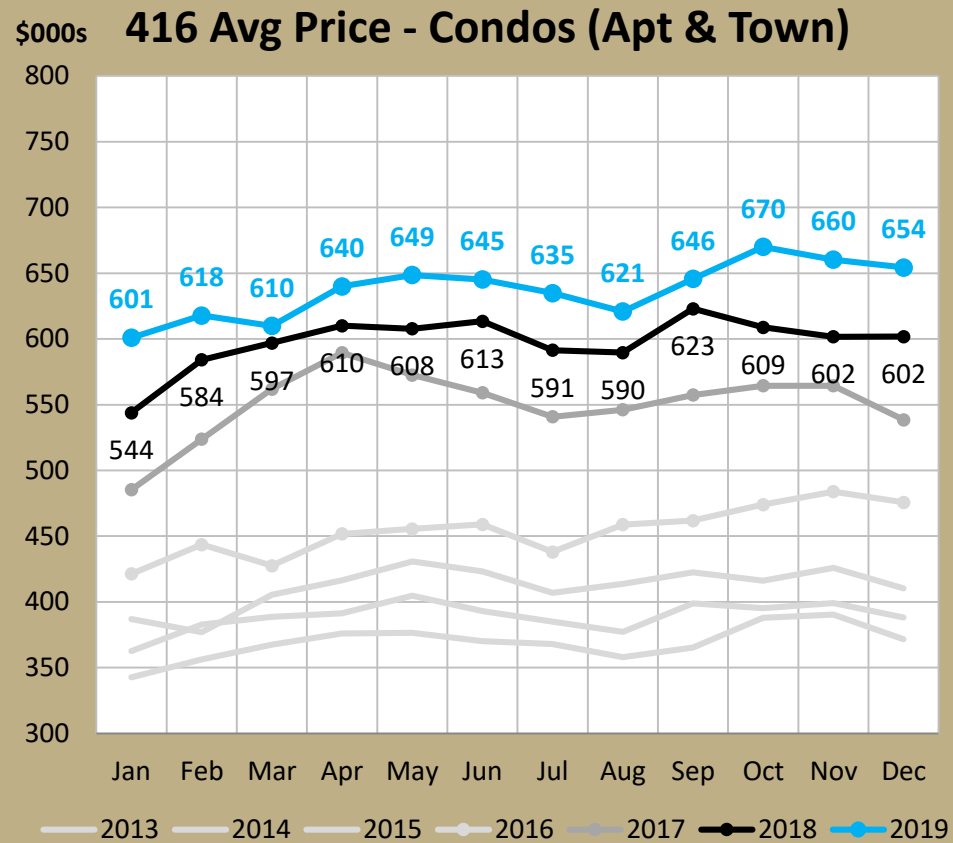
Detached \$1,363K / Semi \$1,004K / Row \$956K

Dec vs. '18: ⬆️ \$196K (18.4%)

Dec vs. '14: ⬆️ \$414K (49%)

5 year CAGR: ⬆️ 8.3%

- Dec up very high percentage YoY, but due to anomaly low Dec 2018
- Over last 5 years, prices have grown \$6.9K/month



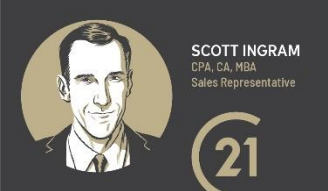
Condo Apt \$656K / Condo Townhouse \$643K

Dec vs. '18: ⬆️ \$53K (8.7%)

Dec vs. '14: ⬆️ \$266K (69%)

5 year CAGR: ⬆️ 11.0%

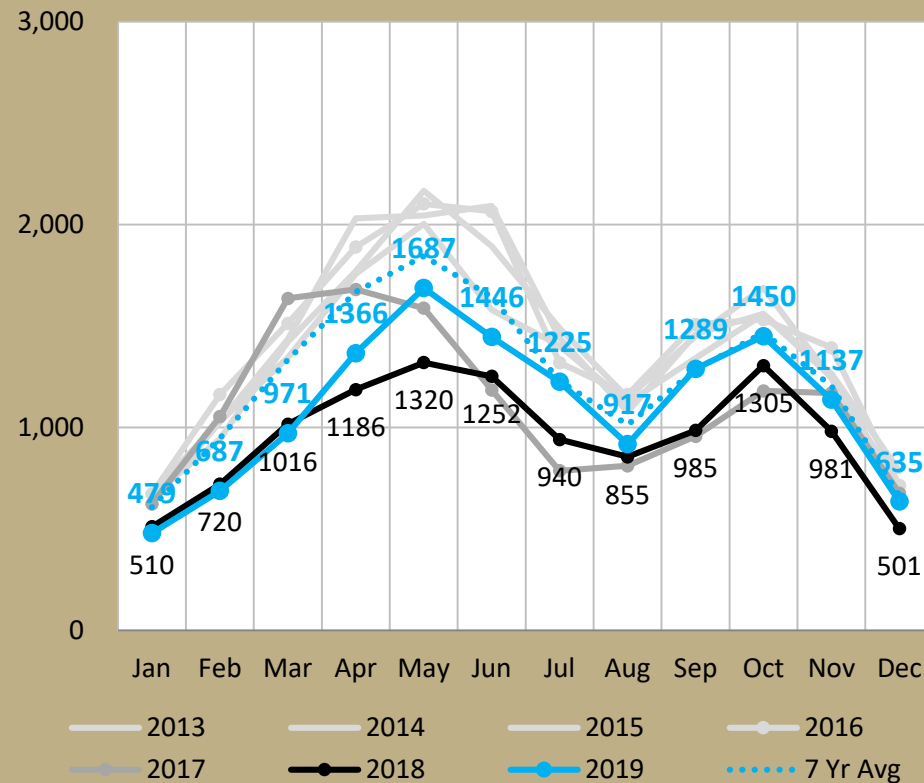
- Condos haven't had negative YoY since Feb 2015 (55 straight months and 75 of last 76)
- Over last 5 years, prices have grown \$4.4K/month



416 Residential Sales Volume

(number of sold transactions in the month)

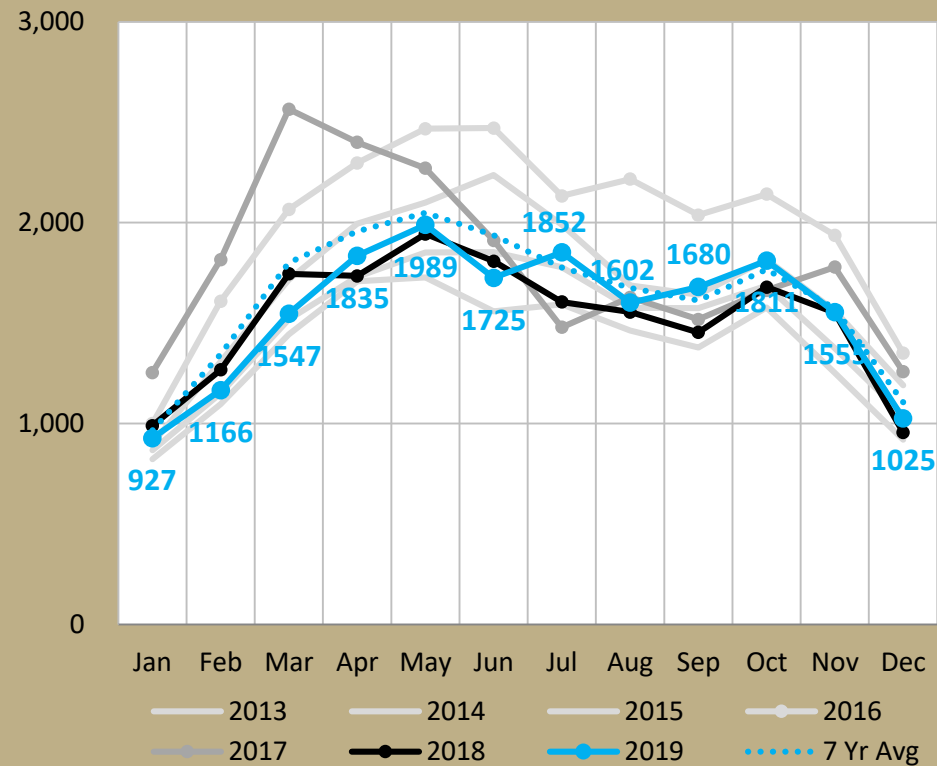
416 Sales - Houses (Det & Semi & Row)



Dec vs. '18: ▲ 26.7% (vs. 7 Yr Avg: ▼ 4%)
YTD vs. '18: ▲ 15%

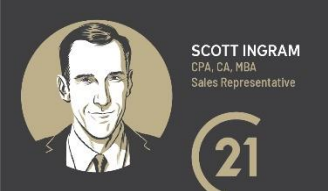
- Big turnaround from historically low Q1, with 8 of last 9 months +10% or more over last year.
- July and Sept touched 7 year averages, but last 3 months have been -1%, -6%, -4%

416 Sales - Condos (Apt & Town)



Dec vs. '18: ▲ 7.3% (vs. 7 Yr Avg: ▼ 7%)
YTD vs. '18: ▲ 2%

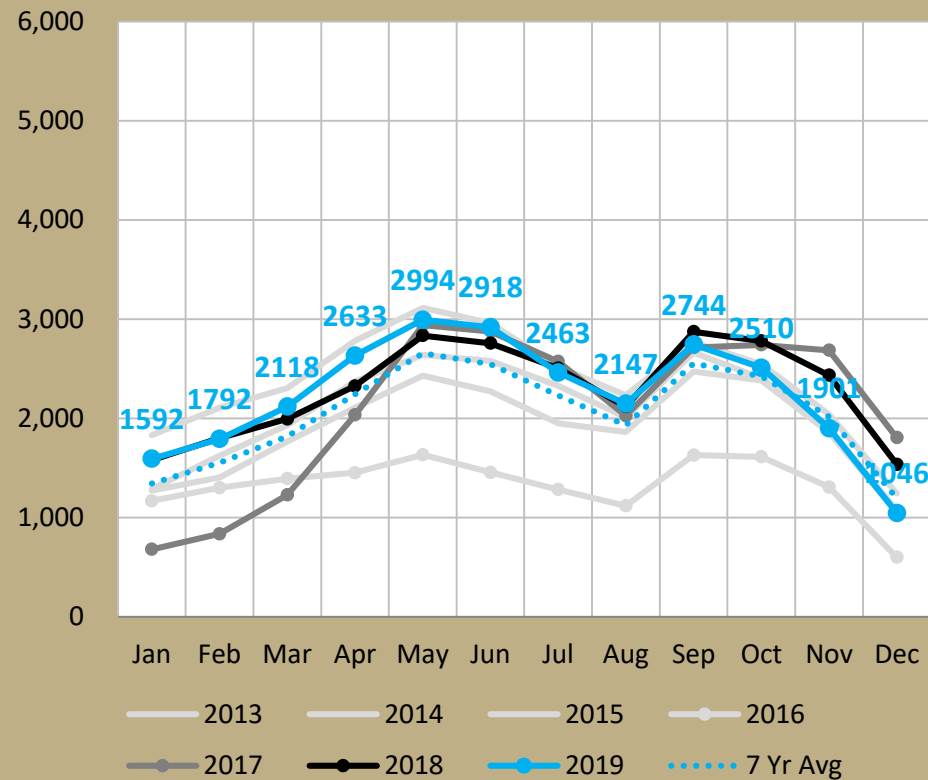
- After stretch of 21 of 23 months being lower sales than previous year, are now at 8 of the last 9 being higher



416 Active Listings

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

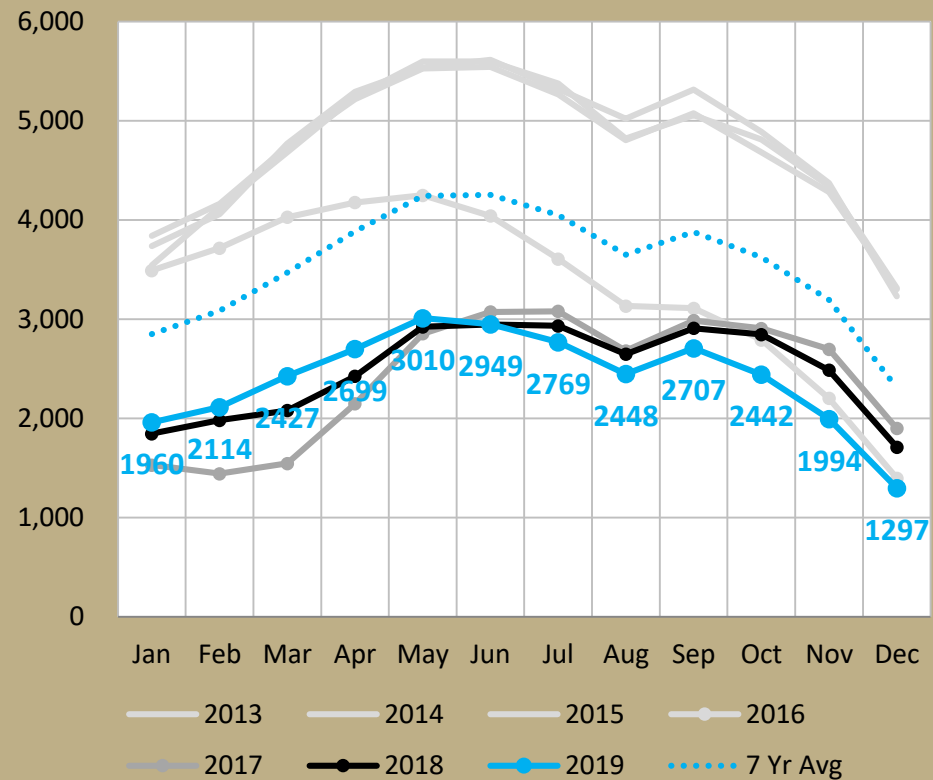
416 Active Listings - Houses



Dec vs. '18: ↓ 21.9% (vs. 7 Yr Avg: ↓ 6%)
YTD vs. '18: ↑ 1%

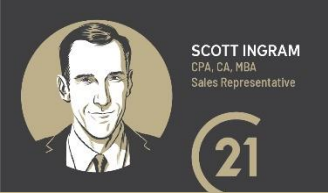
- Has been above 7 Yr Avg. all year before November
- In August was 1.3% more listings than 2018, now 3 months later has taken dive to -21.9% lower

416 Active Listings - Condos



Dec vs. '18: ↓ 19.8% (vs. 7 Yr Avg: ↓ 38%)
YTD vs. '18: ↓ 2%

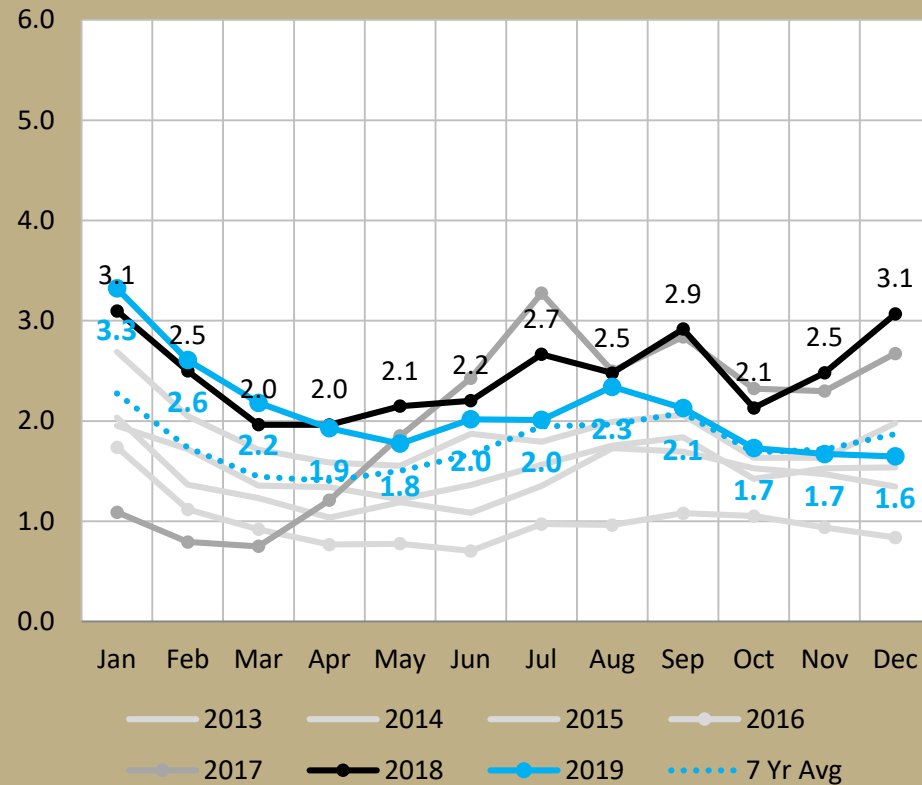
- First 6 months had higher inventory than last year, last 5 months has tightened
- Lowest December since 1999 (1,113)
- Active Listings around 1,000 less than Dec 7 Yr Avg



416 Months Of Inventory

(active listings at month end ÷ sales for month)

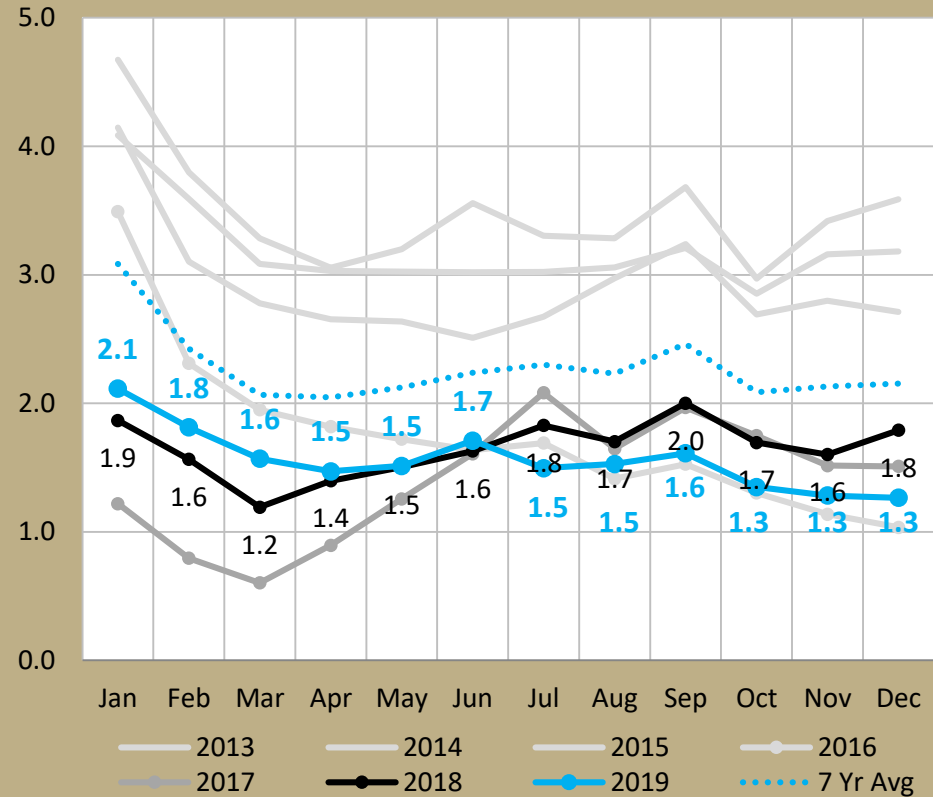
416 MOI - Houses (Det & Semi & Row)



Dec vs. '18: ↓ 1.4 months (-46%)
Dec vs. 7 Yr Avg: ↓ 0.2 months (-12%)

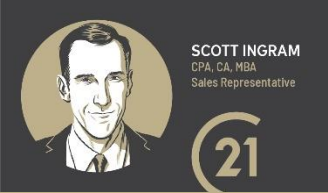
- Last 8 months were lower than 2018
- December was first month this year to dip below 7 year average

416 MOI - Condos (Apt & Town)



Dec vs. '18: ↓ 0.5 months (-29%)
Dec vs. 7 Yr Avg: ↓ 0.9 months (-41%)

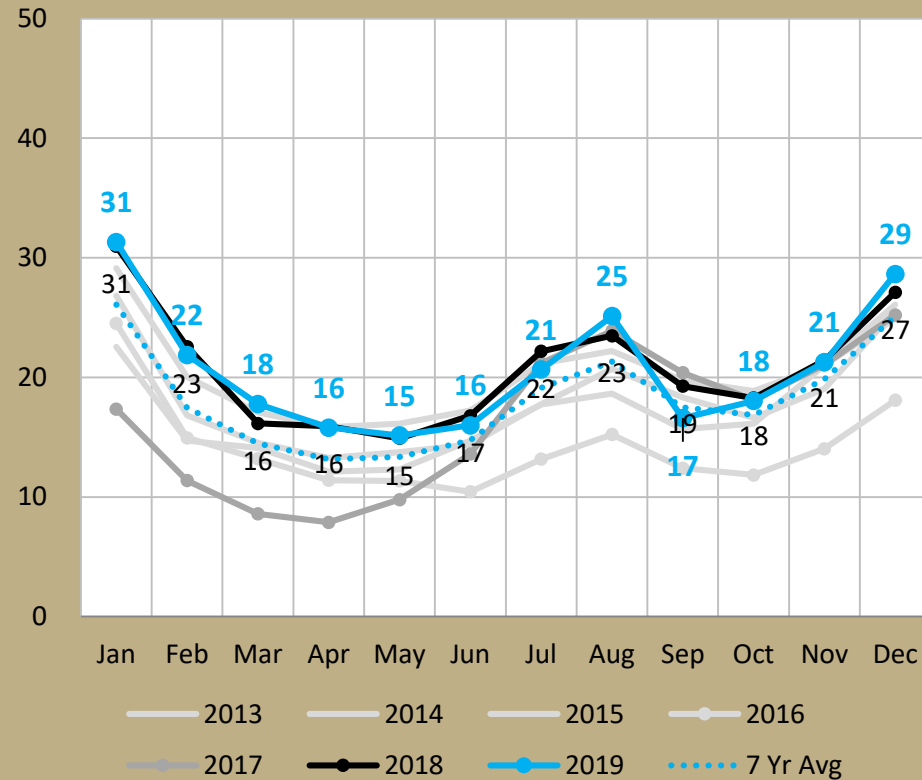
- 6 months in row < 2018 after first 6 months all above
- Below 2.000 43 of last 45 months
- Record 33 months in row condos < houses. In 254 months before March 2017, this only happened 19 times in total.



416 Average Days On Market

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

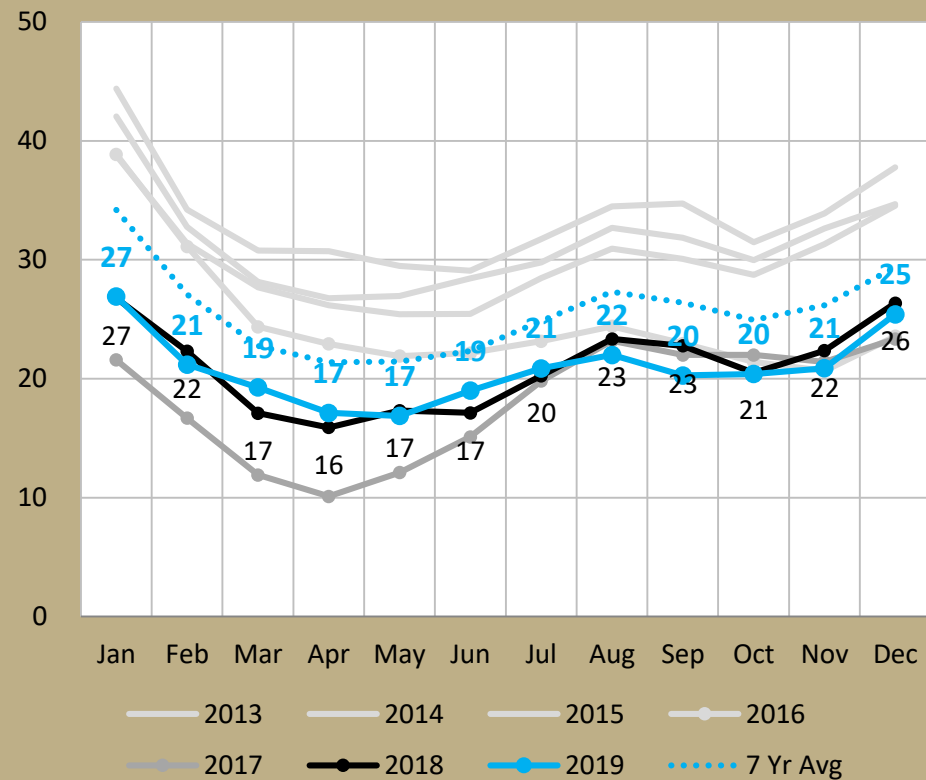
416 DOM - Houses (Det & Semi & Row)



Dec vs. '18: ▲ 1.5 days (6%)
Dec vs. 7 Yr Avg: ▲ 3.6 days (14%)

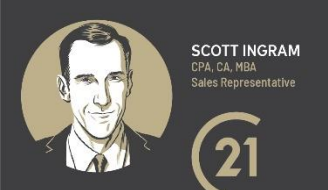
- September was only month this year below 7-year average

416 DOM - Condos (Apt & Town)



Dec vs. '18: ▼ 0.9 days (-4%)
Dec vs. 7 Yr Avg: ▼ 4.0 days (-14%)

- Diverged lower from averages in spring 2016 and has stayed low since

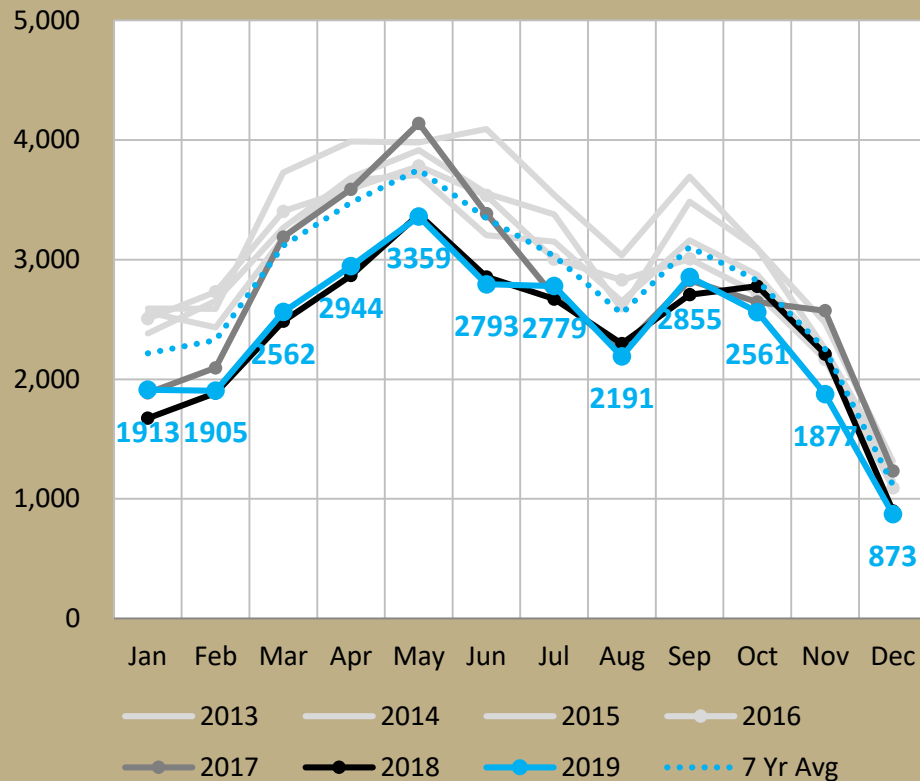
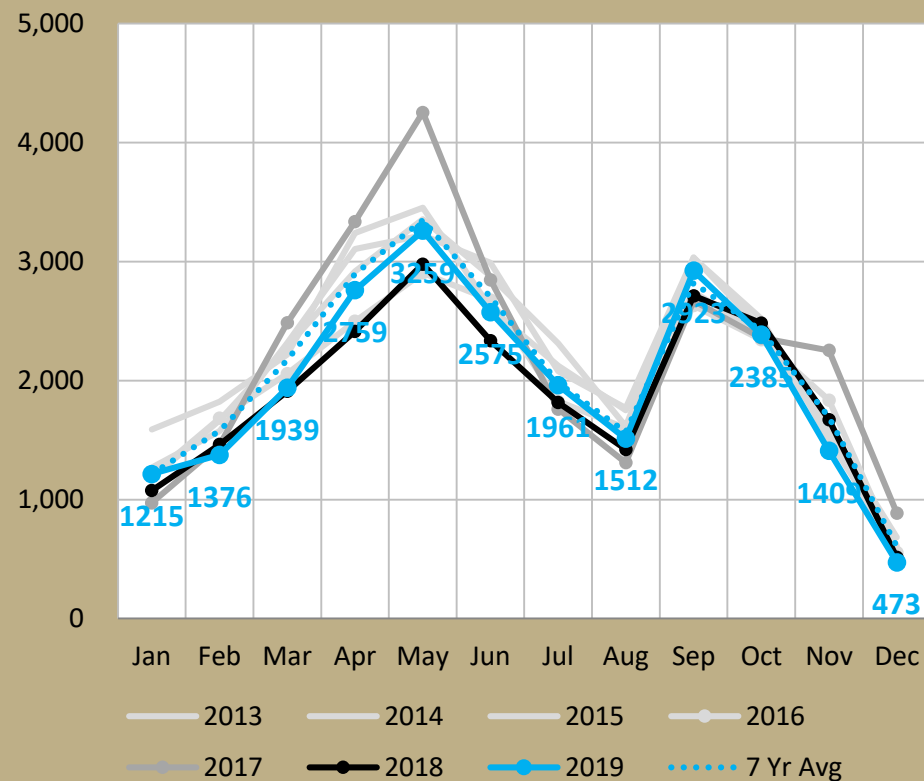


416 New Listings

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

416 New Listings - Houses

416 New Listings - Condos (Apt & Town)

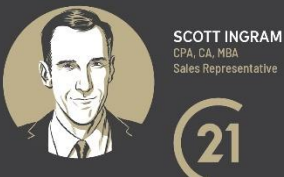


Dec vs. '18: ↓ 8.0% (vs. 7 Yr Avg: ↓ 22%)
YTD vs. '18: ↑ 4%

Dec vs. '18: ↓ 3.1% (vs. 7 Yr Avg: ↓ 22%)
YTD vs. '18: ↔ 0%

- After 7 months in a row within 5% of 7-year averages, dropped down to -17% in Nov and -22% in Dec
- After Sept was +8% YTD, then dropped last 3 months
- terminations and re-listings distort this stat

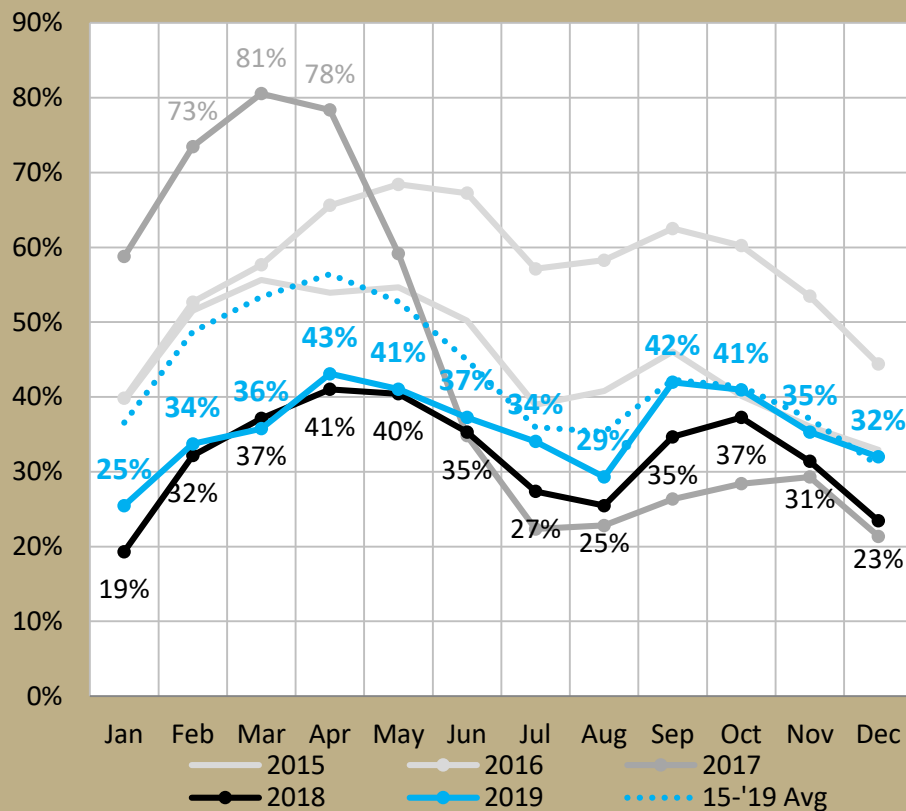
- Concerningly low
- 6 of last 8 months lower than last year
- Have to go back to 2001 to find Dec with lower new listings (781)



416 Sold Over Asking

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

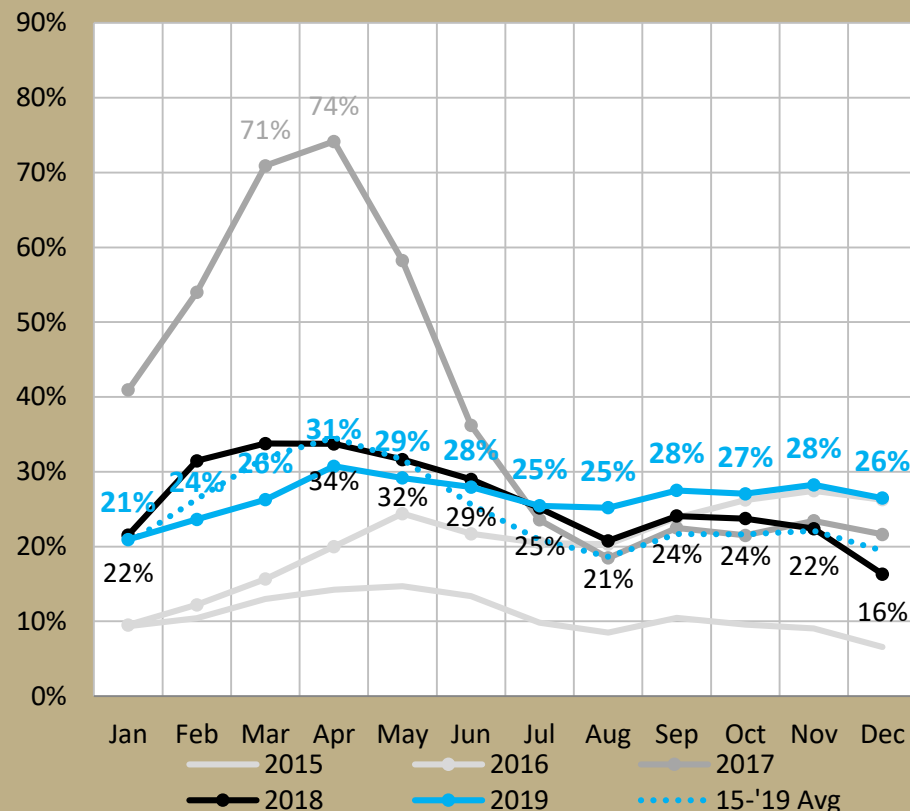
416 Sold Over Asking - Houses



101% or more of asking Dec vs. '18: ▲ 9 pp
Month-over-month: ▼ 3 pp

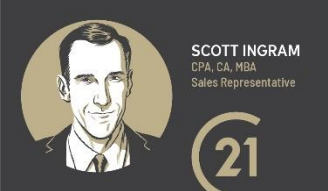
- 17 of last 18 months higher than prior year
- Full year numbers: 2015 47% • 2016 60% • 2017 49% • 2018 34% • 2019 37%

416 Sold Over Asking - Condos



101% or more of asking Dec vs. '18: ▲ 10 pp
Month-over-month: ▼ 2 pp

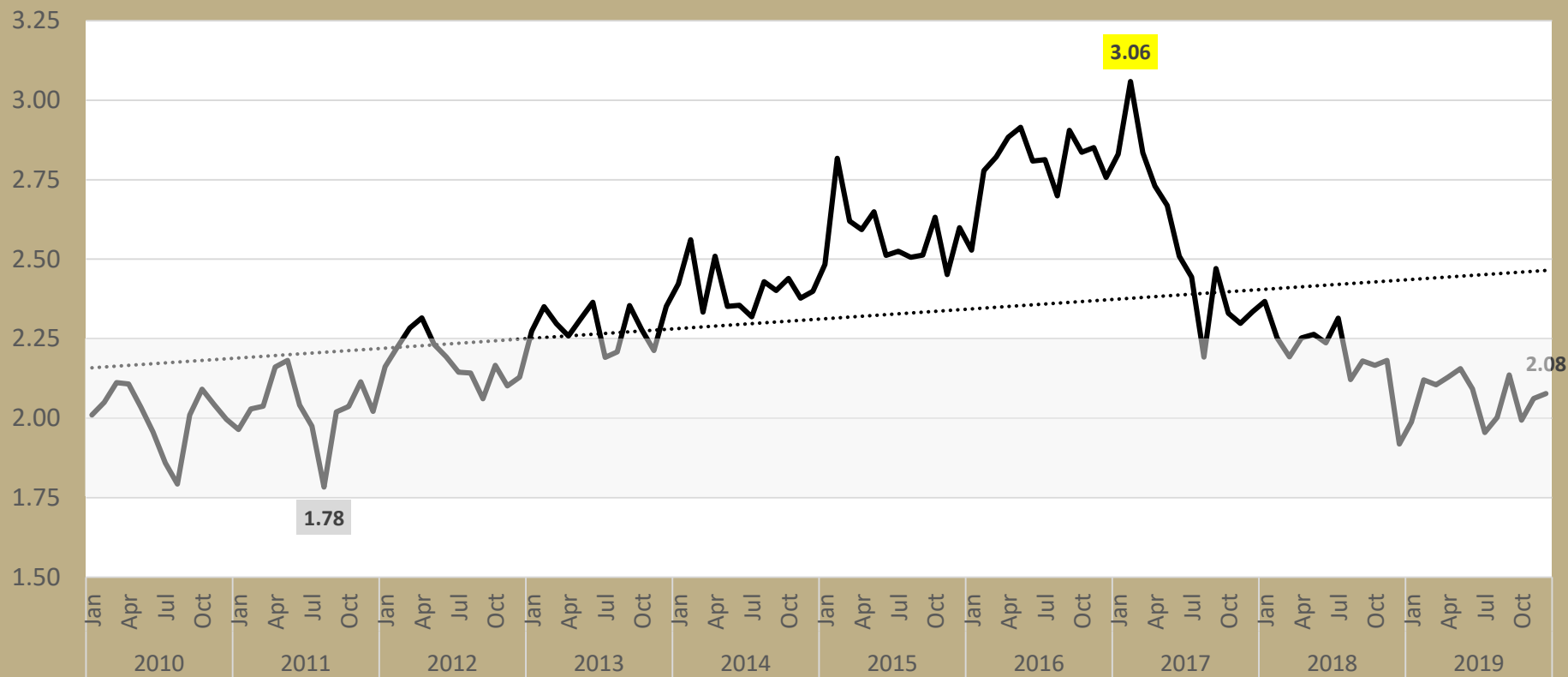
- Condos turned it up last 6 months to be > 2018
- Days of SOA for a condo being just for unique properties (11% for all 2015 sales) seem to be gone (2016 21% • 2017 42% • 2018 27% • 2019 27%)



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: 2.08

Month-over-month: ▲ 0.02

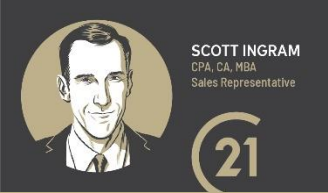
- Average since Jan 1996 = 2.13
- Median since Jan 1996 = 2.06
- Max = 3.06, Min = 1.72

Current dollar gap: \$707K

Prior month dollar gap: \$701K (▲ \$6K)

Prior year dollar gap: \$547K (▲ \$160K)

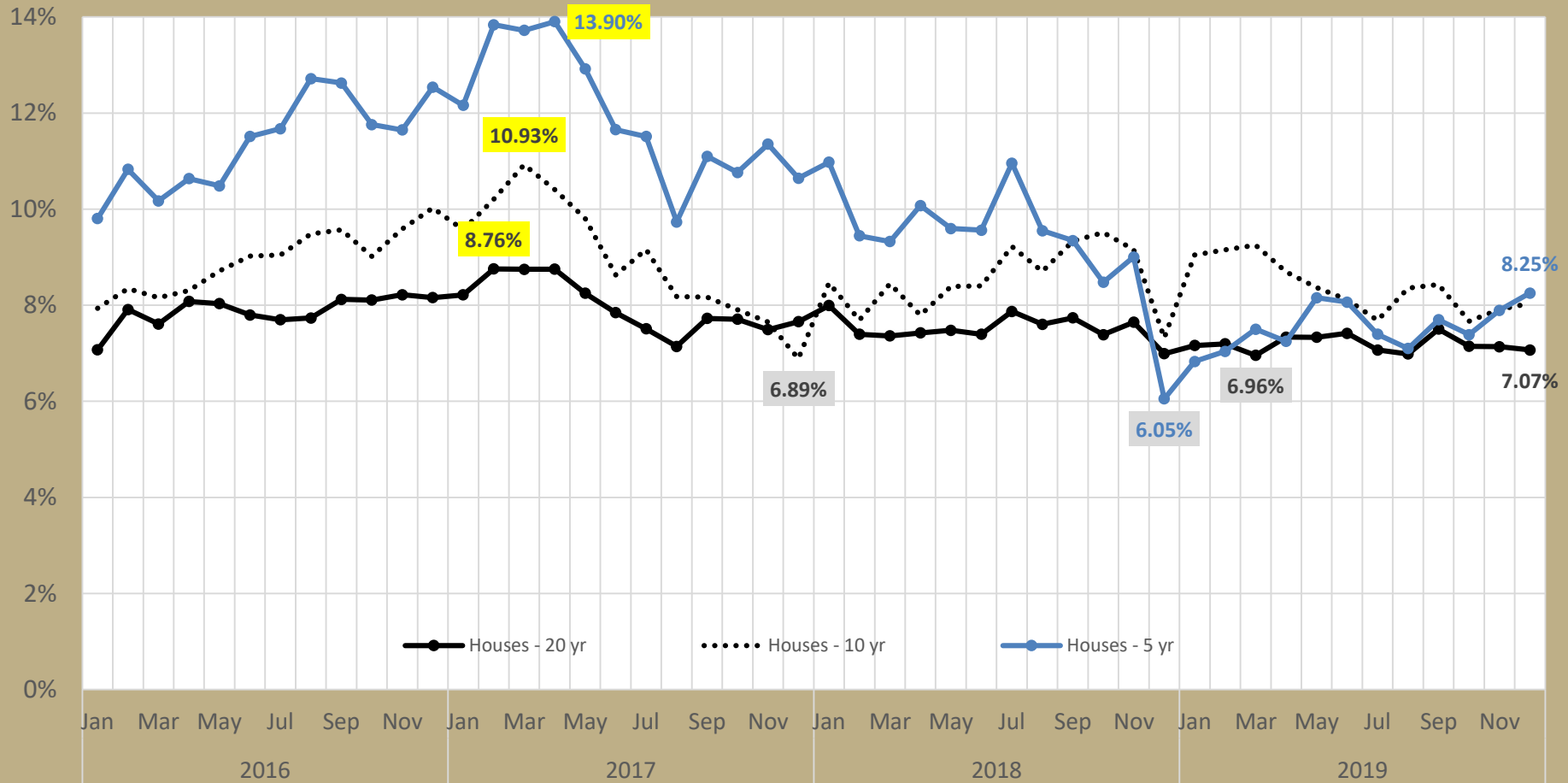
2 years prior dollar gap: \$712K (▼ \$5K)



416 Price CAGRs – Freehold

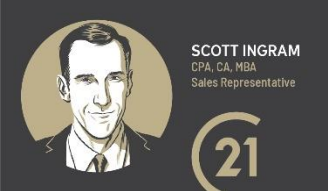
(Compound annual growth rate, current month vs. same month 5, 10, 20 years ago)

416 Freeholds - Average Price CAGRs



20 year **House** performance: 20 year CAGR (as at current month) is 7.07%; MoM change ⬇ 7 bps

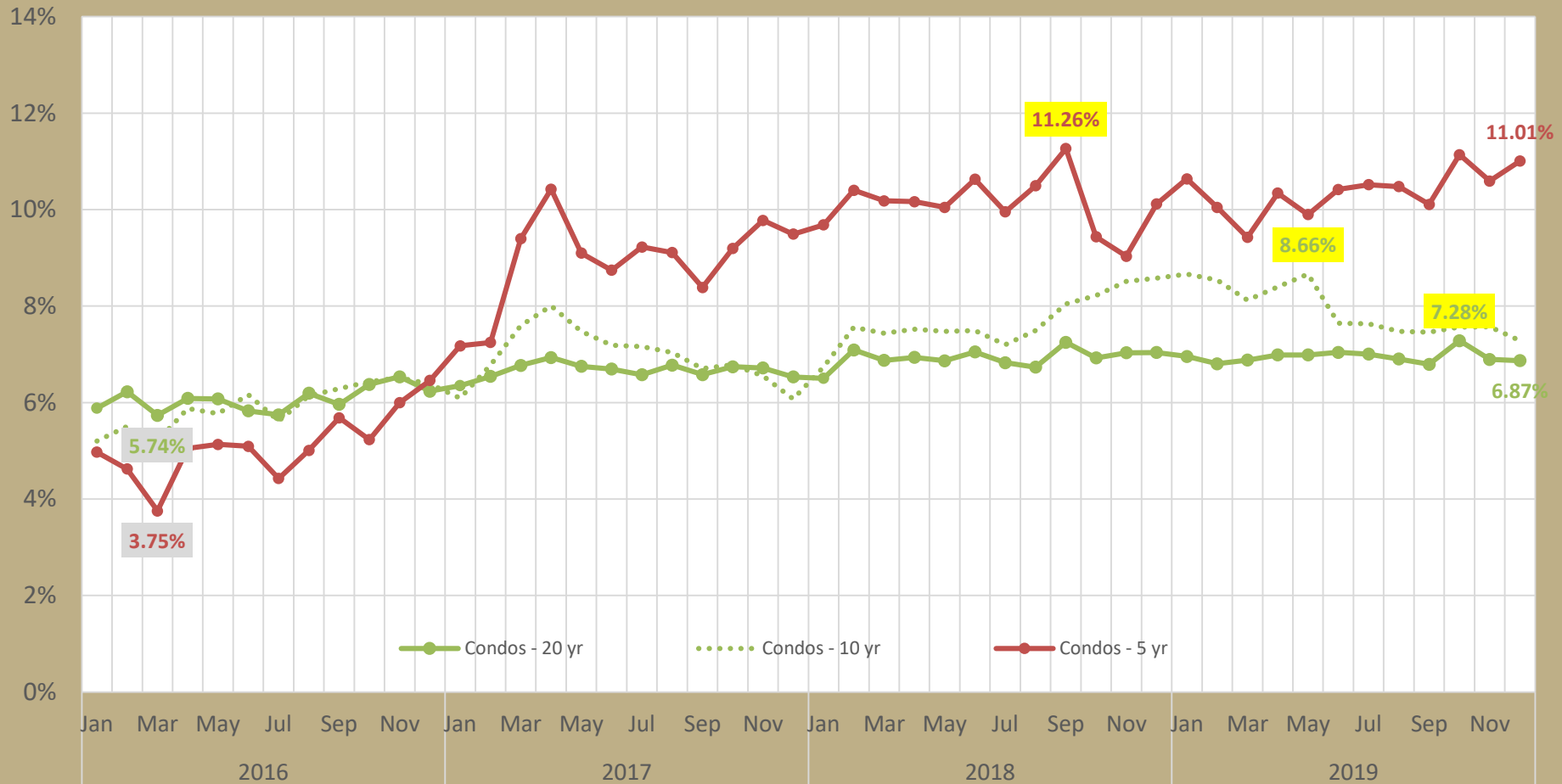
20 year **Condo** performance: 20 year CAGR (as at current month) is 6.87%; MoM change ⬇ 2 bps



416 Price CAGRs – Condo

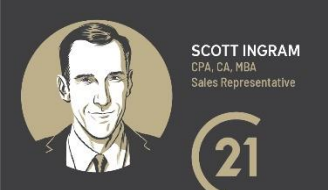
(Compound annual growth rate, current month vs. same month 5, 10, 20 years ago)

416 Condos - Average Price CAGRs



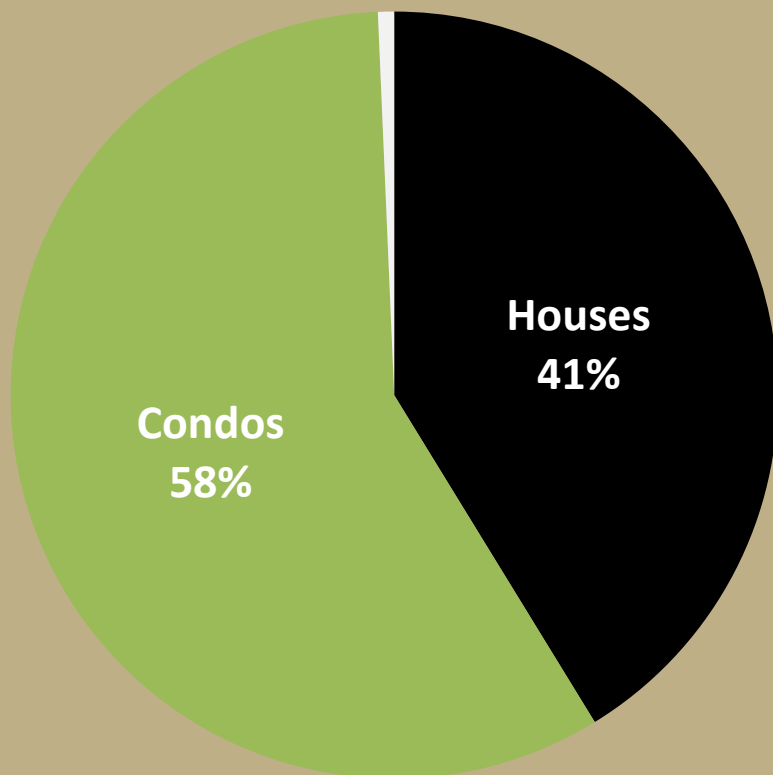
20 year **House** performance: 20 year CAGR (as at current month) is 7.07%; MoM change ↓ 7 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 6.87%; MoM change ↓ 2 bps

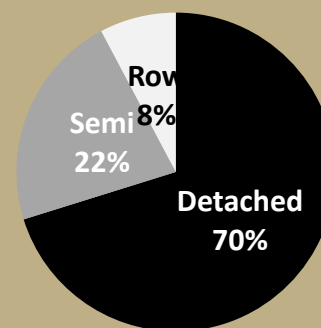


416 Market Breakdown

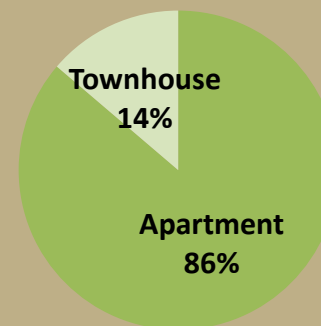
Share of Transactions - last 12 months



Share of House Transactions - last 12 months



Share of Condo Transactions - last 12 months



1 year ago: Condos 61% / Houses 39%

5 years ago: Condos 52% / Houses 47%

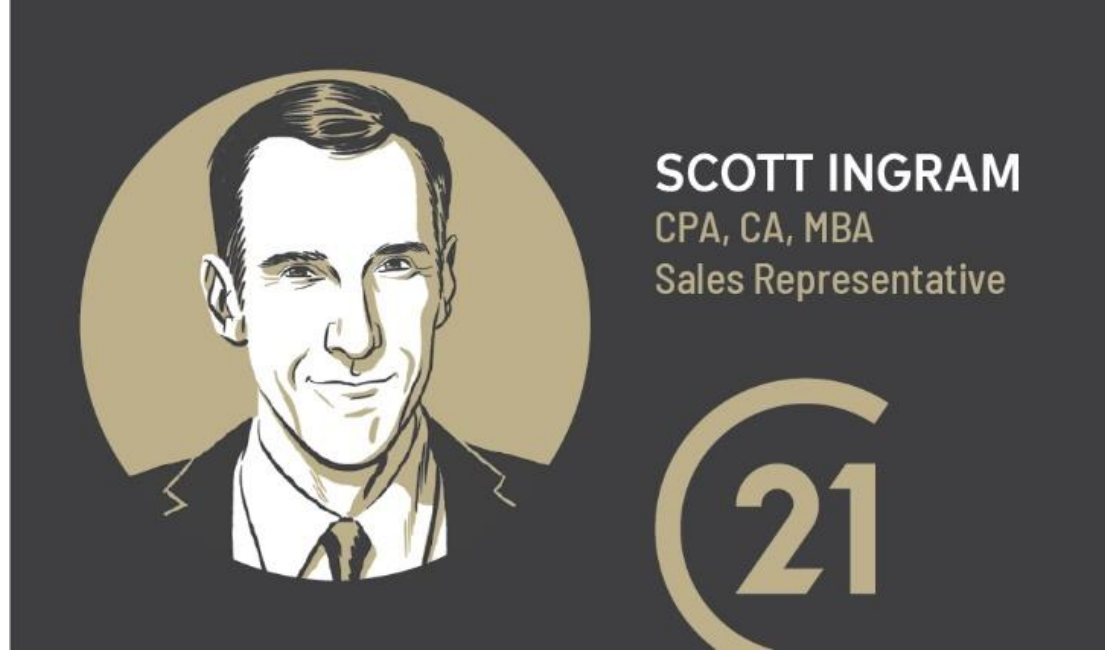
10 years ago: Condos 49% / Houses 50%

15 years ago: Condos 43% / Houses 55%

20 years ago: Condos 40% / Houses 60%

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 41% of 2018 sales transactions, they were **58% of dollar volume** (2018: 38% v. 55%, 2017: 38% v. 59%, 2016: 35% v. 64%).



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