

Toronto Real Estate Monthly Charts

Dec
2018



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Chalmers House
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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.

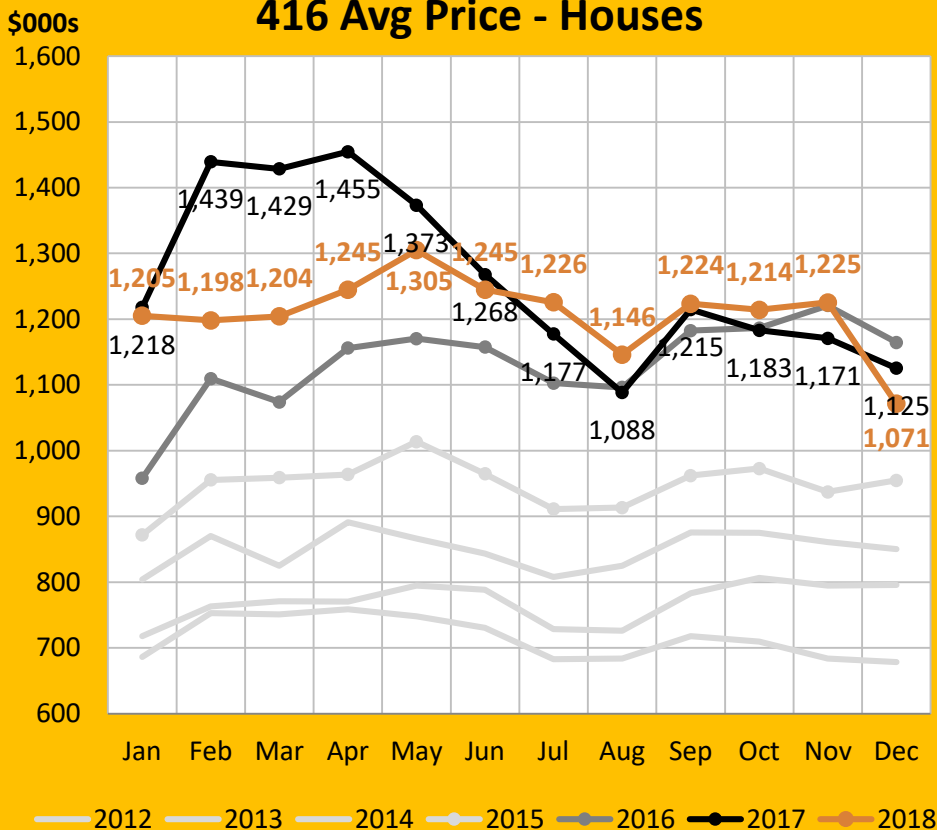
↑↓ indicator points to heating up (favours sellers), ↑↓ denotes cooling down (favours buyers)



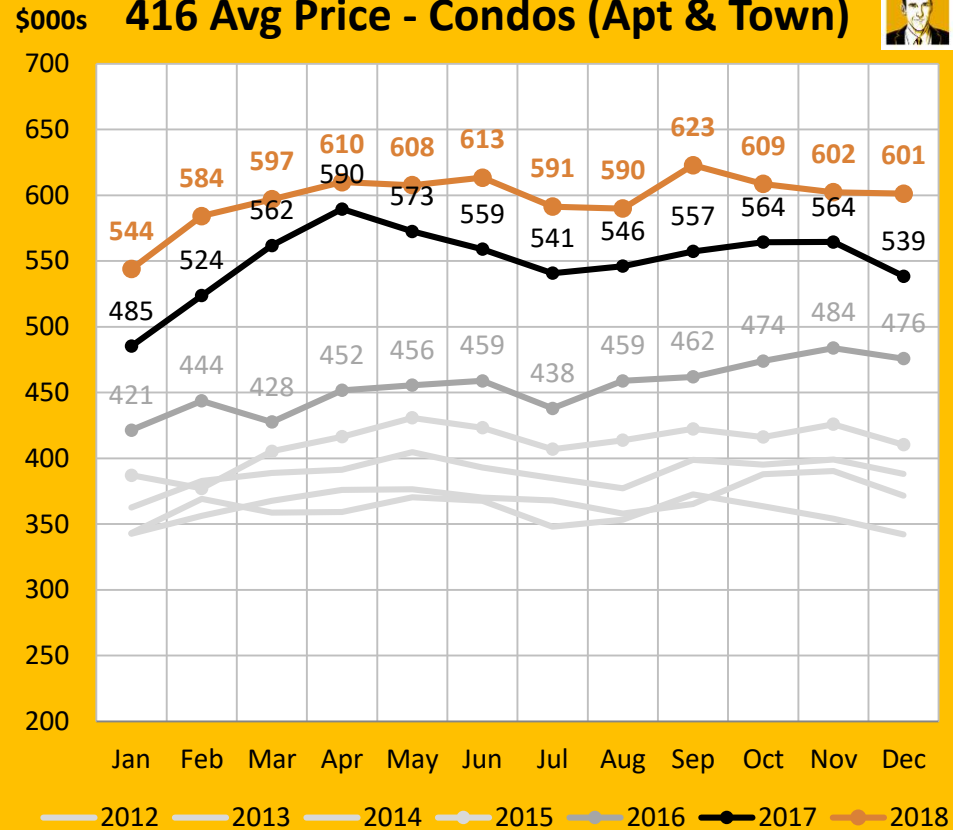
416 Average Sold Price

(dollar volume ÷ number of transactions in the month)

416 Avg Price - Houses



416 Avg Price - Condos (Apt & Town)



Detached \$1,146K / Semi \$940K / Row \$861K

Dec vs. '17: ↓ \$54K (4.8%)

Dec vs. '13: ↑ \$275K (41%)

5 year CAGR: ↑ 6.1%

Condo Apt \$594K / Condo Townhouse \$653K

Dec vs. '17: ↑ \$63K (11.7%)

Dec vs. '13: ↑ \$230K (62%)

5 year CAGR: ↑ 10.1%

- Ended streak of 5 positive months vs. last year
- First time this year price below 2016 level
- All driven by Detached -8.0%. Semi +4.0%, Row +2.9%

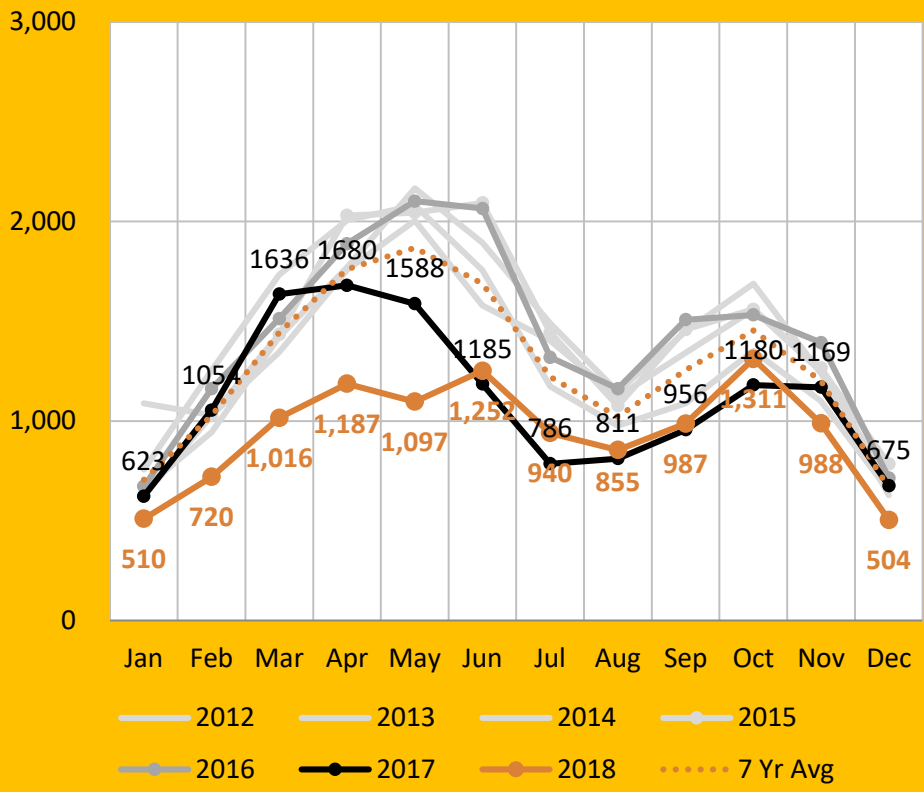
- Unlike Houses, is well clear of 2017 and 2016 prices



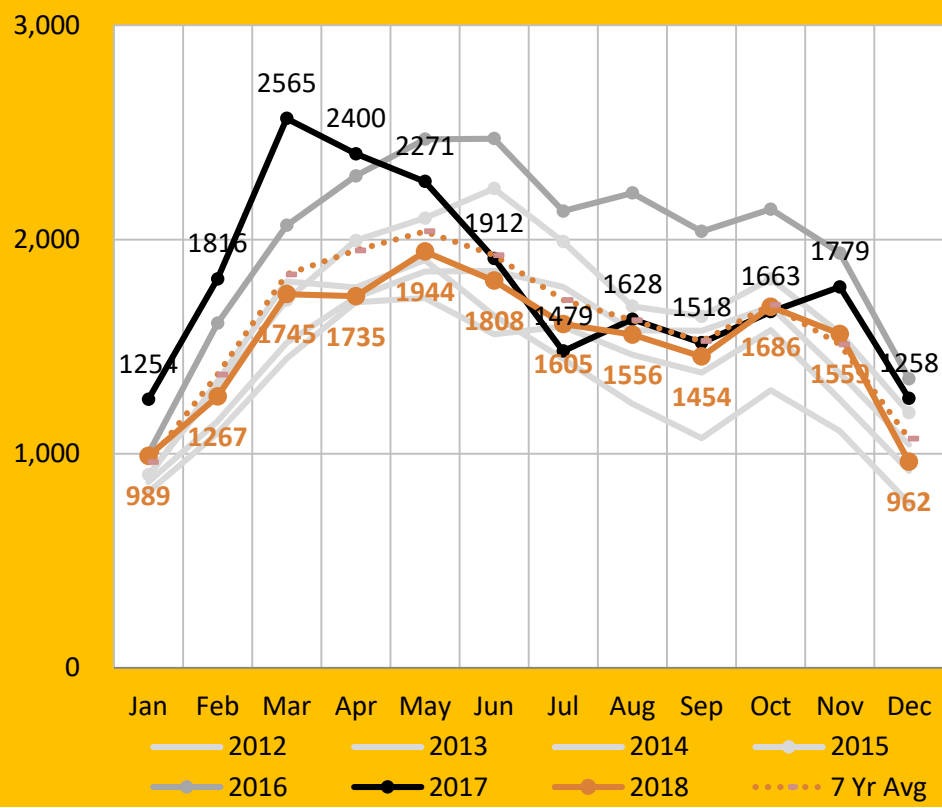
416 Residential Sales Volume

(number of sold transactions in the month)

416 Sales - Houses (Det & Semi & Row)



416 Sales - Condos (Apt & Town)



Dec vs. '17: ↓ 25.3% (vs. 7 Yr Avg: ↓24%)
 YTD vs. '17: ↓15%

Dec vs. '17: ↓ 23.5% (vs. 7 Yr Avg: ↓10.1%)
 YTD vs. '17: ↓15%

- 2 negative YoY month in a row after 5 consecutive positive months. Largely due to 2017 late rush to beat Jan 1 stress test implementation
- Lowest Dec total from Jan '96 to today

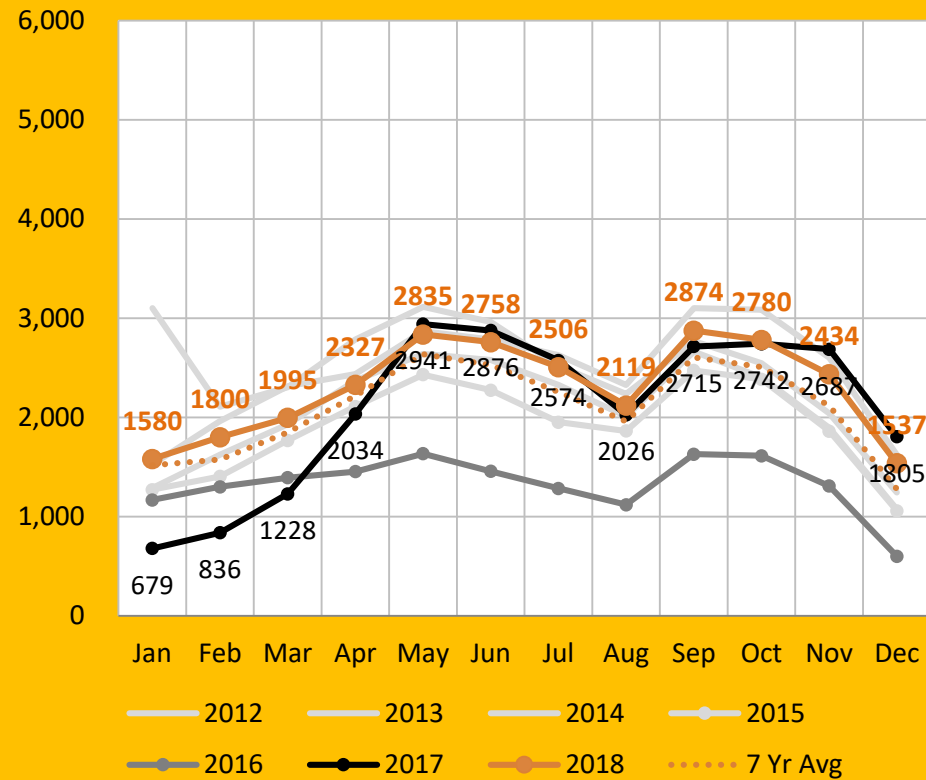
- Ten of 12 months were lower than 2017
- Dec 10% lower than 7 year avg, 2nd worst this year
- Rolling 12 month sales dropped to 18,310 – lowest since Feb 2015.



416 Active Listings

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

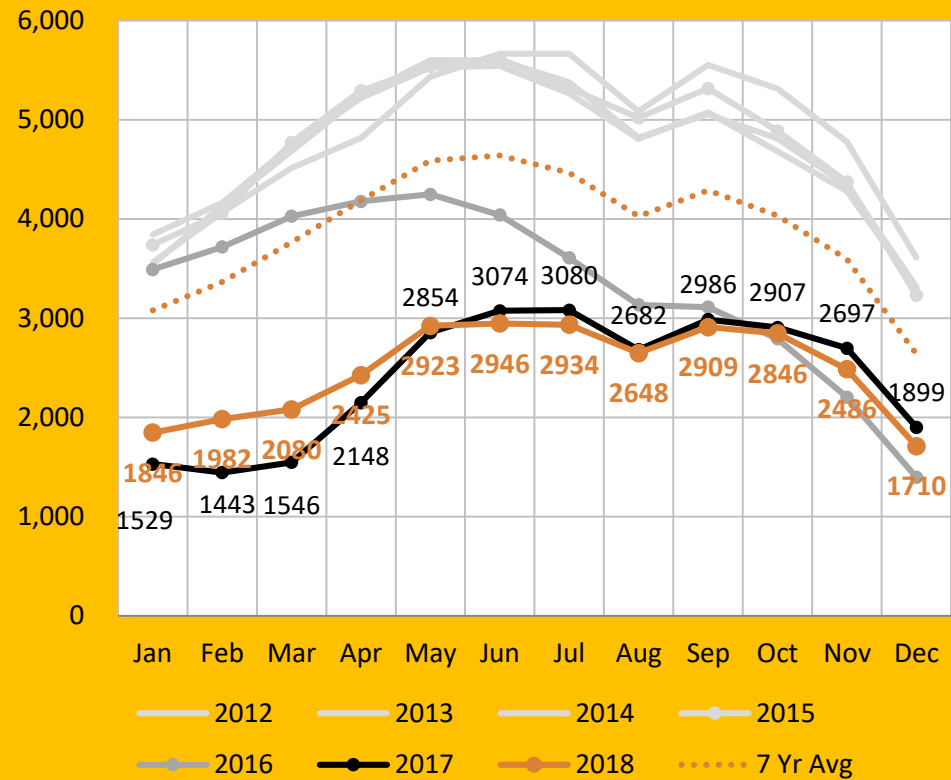
416 Active Listings - Houses



Dec vs. '17: ↓ 14.8% (vs. 7 Yr Avg: ↑ 20%)
 YTD vs. '17: ↑ 10%

- Within recent seasonal ranges, though at higher end
- Low 2016 numbers look like the big outlier
- Still lower than 23-year median (1690) and avg (1939)

416 Active Listings - Condos



Dec vs. '17: ↓ 10.0% (vs. 7 Yr Avg: ↓ 35%)
 YTD vs. '17: ↑ 3%

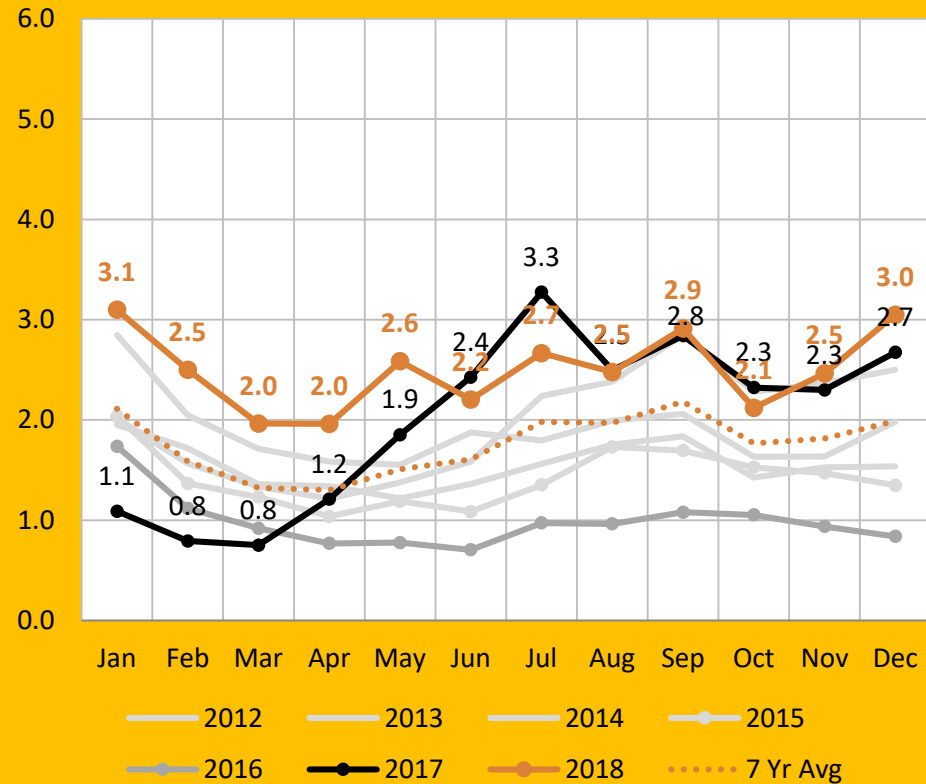
- Second lowest October number since 2002
- Active Listings 900 less than 7 Yr Avg
- Following seasonal patterns this year – just at much lower levels



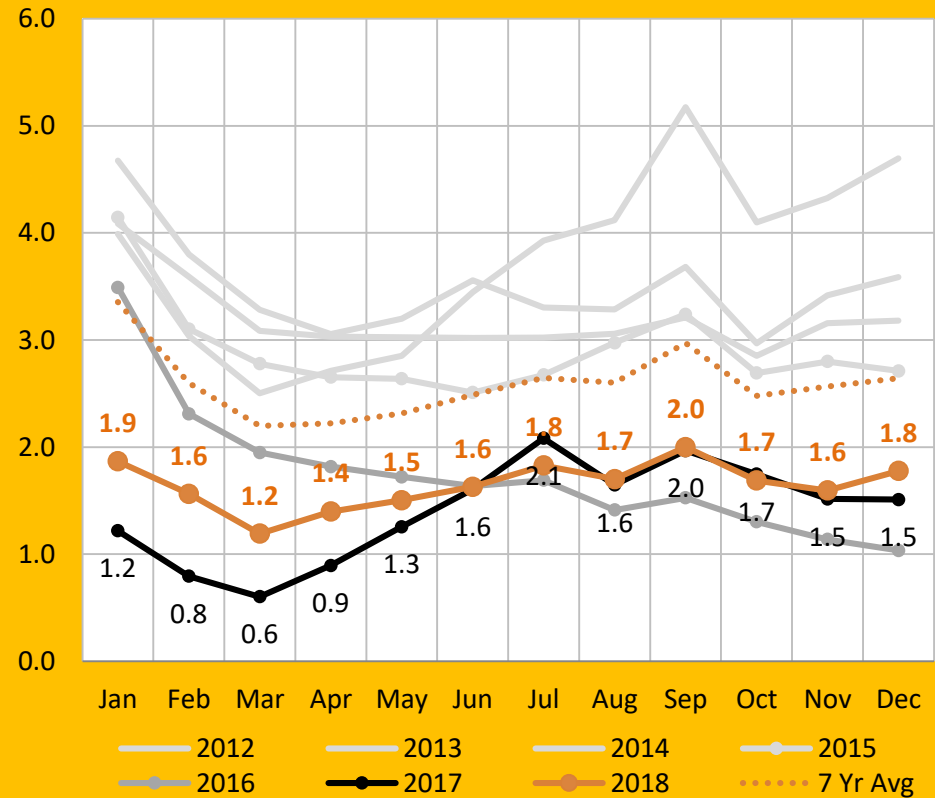
416 Months Of Inventory

(active listings at month end ÷ sales for month)

416 MOI - Houses (Det & Semi & Row)



416 MOI - Condos (Apt & Town)



Dec vs. '17: ▲0.4 months (14%)
 Dec vs. 7 Yr Avg: ▲1.1 months (53%)

- Highest Dec since Dec 2008 (7.8)
- Highest Nov to Dec rise (0.59) since 2008 (0.86)
- As always, varies a lot by housing type. Detached 3.8 / Semi 1.3 / Row 1.9. Of those 3, Detached only one to increase vs. Nov

Dec vs. '17: ▲0.3 months (18%)
 Dec vs. 7 Yr Avg: ▼0.9 months (-33%)

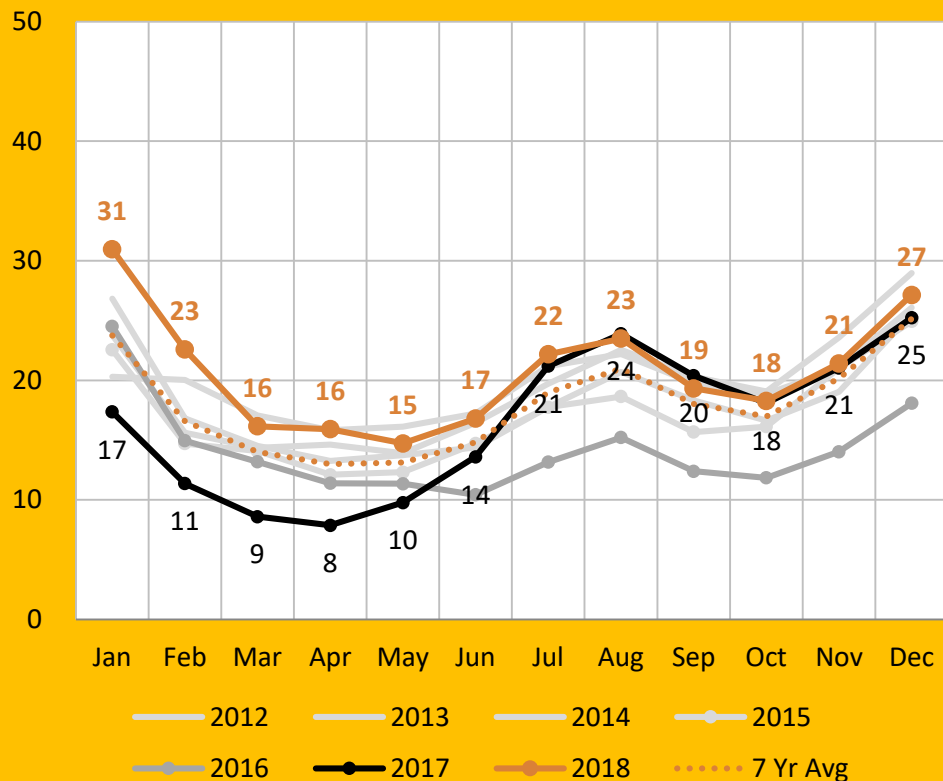
- 33 of last 34 months have been below 2.000
- Record 22 months in row condos < houses. In 254 months before March 2017, this only happened 19 times in total. Current spread (-1.27) is second largest ever, and highest since one month fluke of May 1996



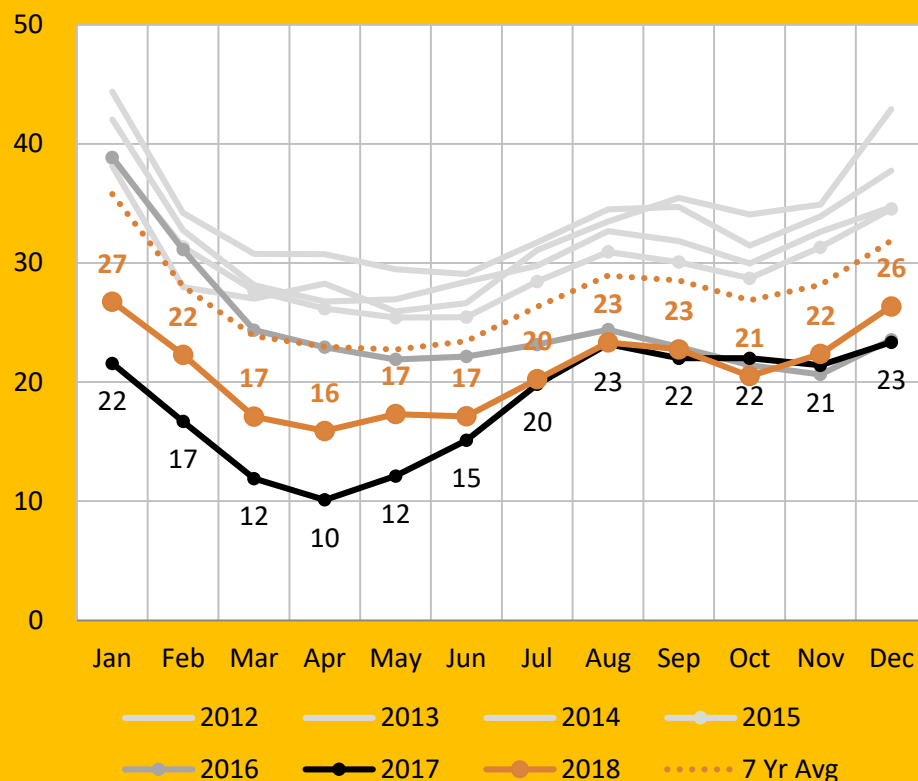
416 Average Days On Market

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

416 DOM - Houses (Det & Semi & Row)



416 DOM - Condos (Apt & Town)



Dec vs. '17: ▲ 1.9 days (8%)
 Dec vs. 7 Yr Avg: ▲ 2.0 days (8%)

- Following seasonal patterns this year, just at high end of recent ranges
- Highest Dec since 2012 (29)
- Still close to Dec average of last 10 years of 26

Dec vs. '17: ▲ 3.0 days (13%)
 Dec vs. 7 Yr Avg: ▼ 5.5 days (-17%)

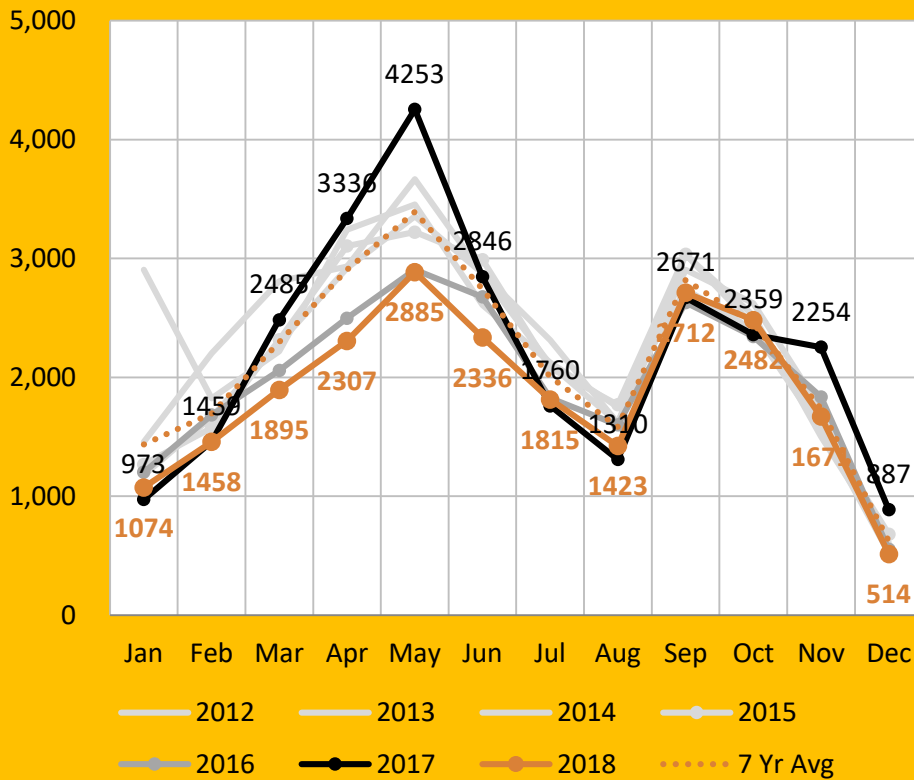
- Highest since 2015 (35) but still 3rd lowest in 23 years
- Only one month this year (Oct) was lower than 2017
- Well below historical Dec avg since Jan '96 of 43, or last 10 years of 32



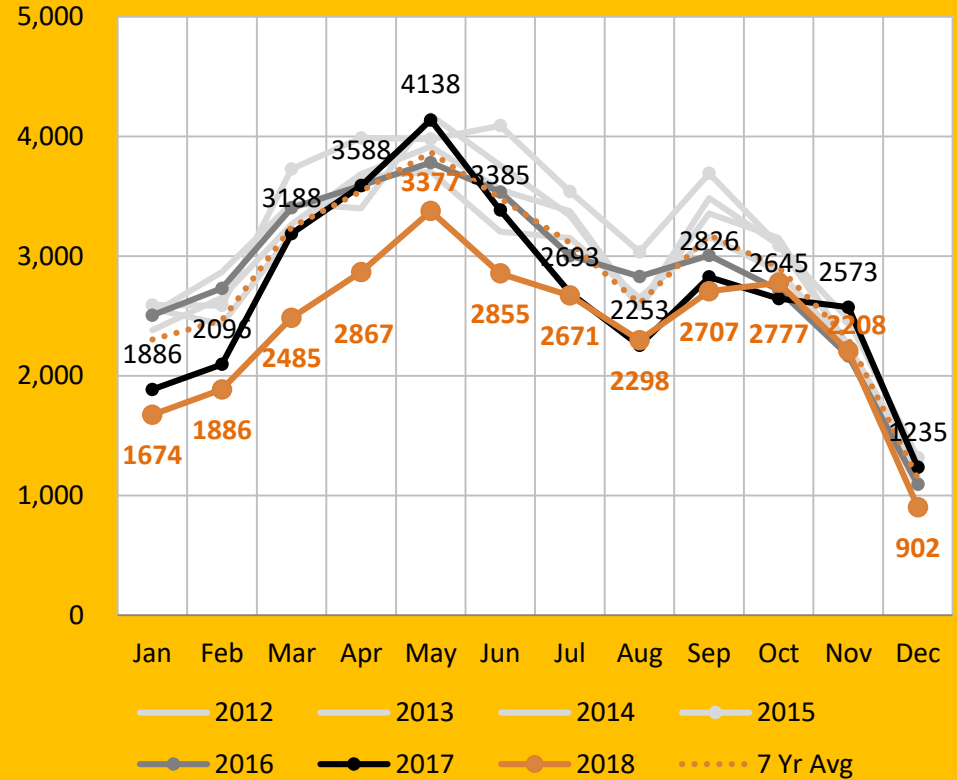
416 New Listings

(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. '17: ↓ 42.1% (vs. 7 Yr Avg: ↓ 18%)
 YTD vs. '17: ↓ 15%

Dec vs. '17: ↓ 27.0% (vs. 7 Yr Avg: ↓ 21%)
 YTD vs. '17: ↓ 12%

- Last year saw higher new listings in Nov and Dec to try to beat the Jan 1 stress test implementation
- terminations and re-listings distort this stat

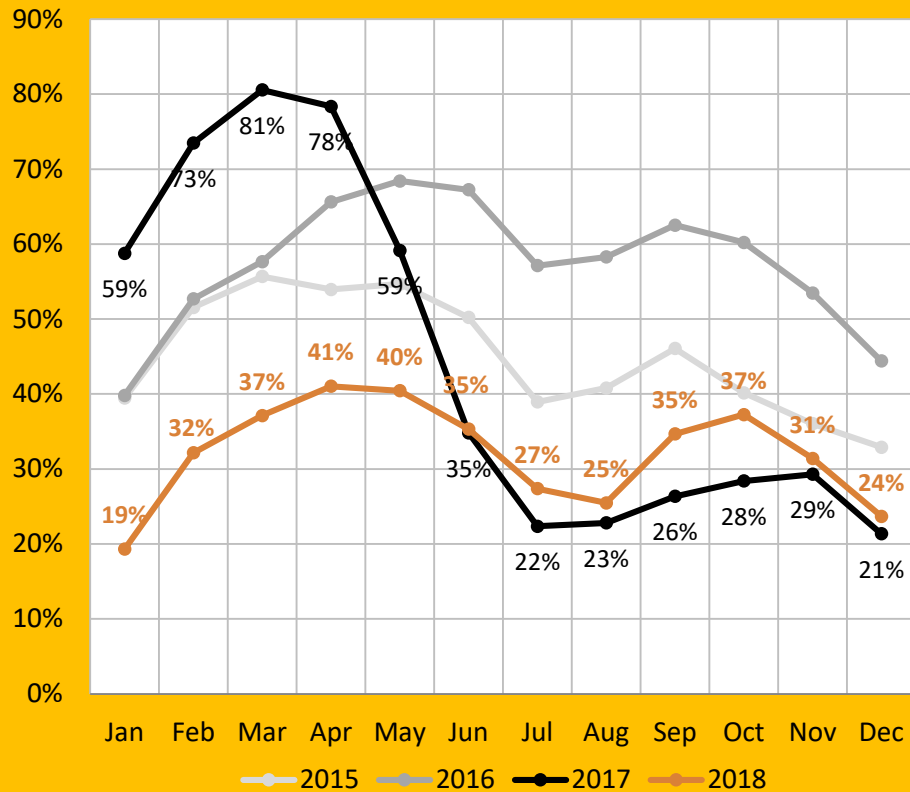
- Only 2 months this year were higher than 2017
- 902 new listings in Dec were first month <1000 since Dec 2002 month was lowest since Dec 2001 (781)



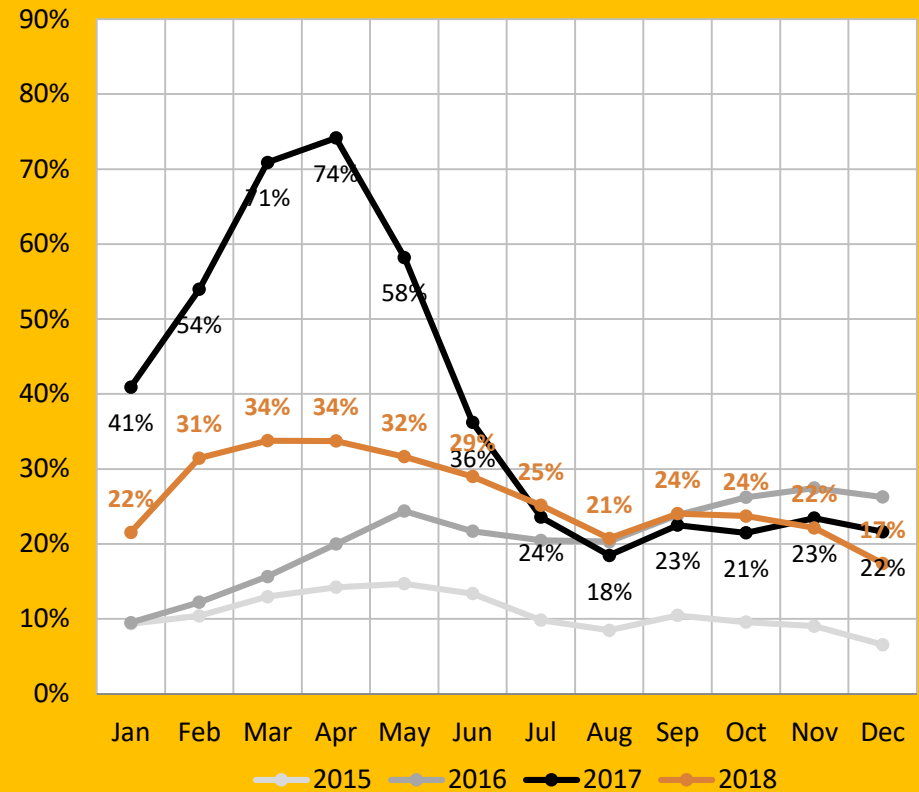
416 Sold Over Asking

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

416 Sold Over Asking - Houses



416 Sold Over Asking - Condos

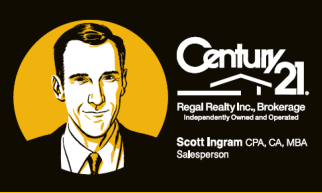


101% or more of asking Dec vs. '17: ▲ 2 pp
 Month-over-month: ▼ 7 pp

- Seventh month in a row higher than last year

101% or more of asking Dec vs. '17: ▼ 4 pp
 Month-over-month: ▼ 5 pp

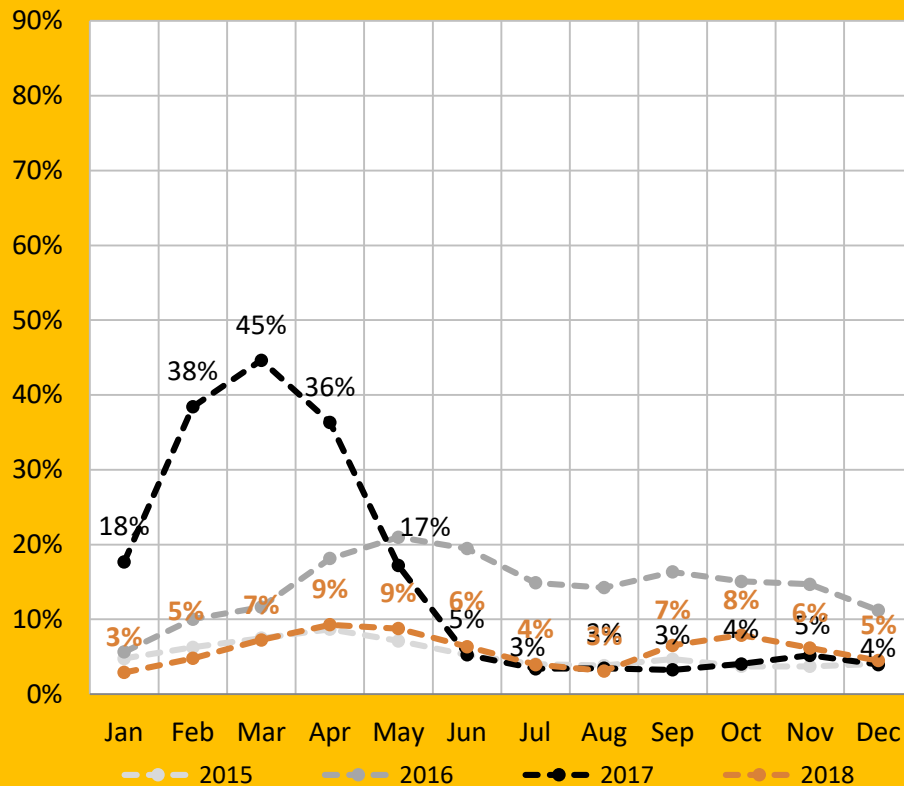
- 2 months in a row lower than last year, after 4 in a row higher
 - Whole last half of year has been close to 2016 and 2017 numbers



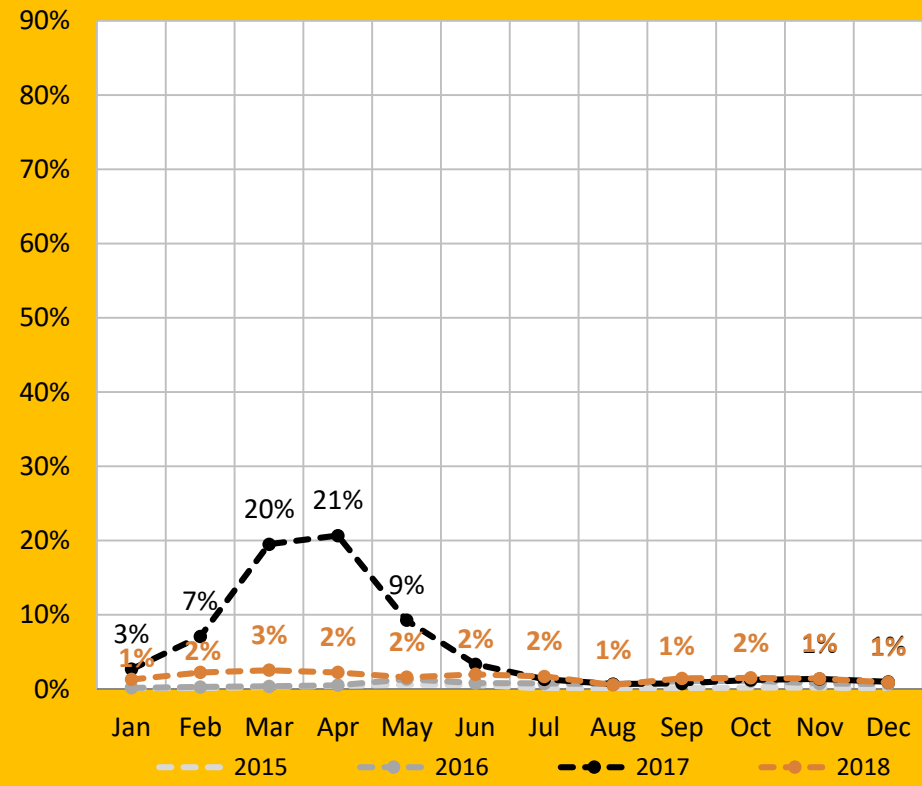
416 Sold 20% Over Asking

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

416 Sold 20% Over Asking - Houses



416 Sold 20% Over Asking - Condos



120% or more of asking Dec vs. '17: ▲ 1 pp
 Month-over-month: ▼ 1 pp

- Positive YoY in 7 of last 8 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

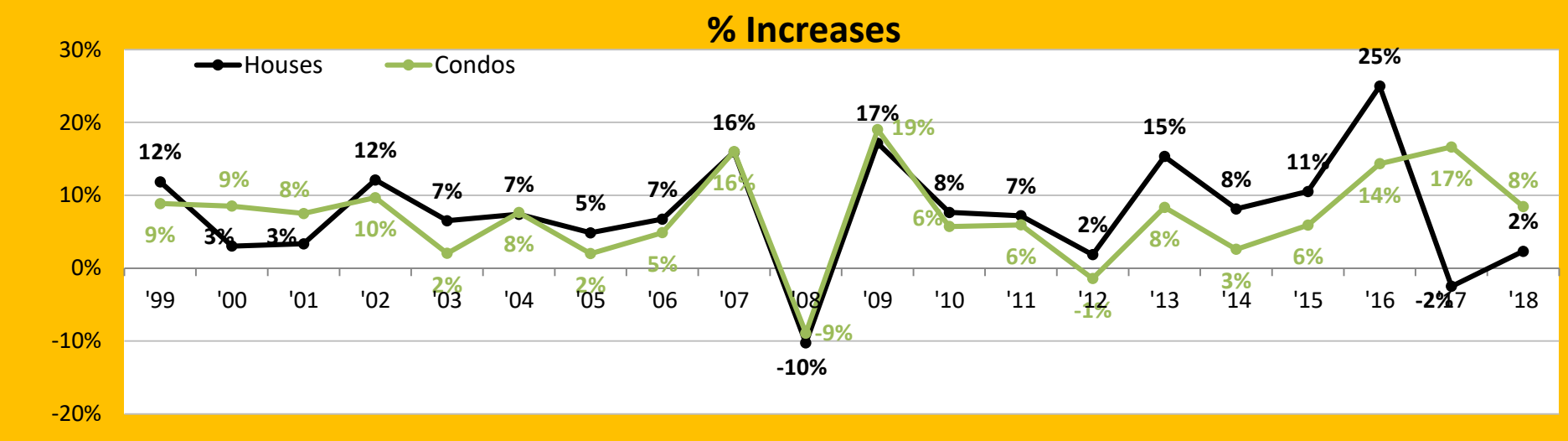
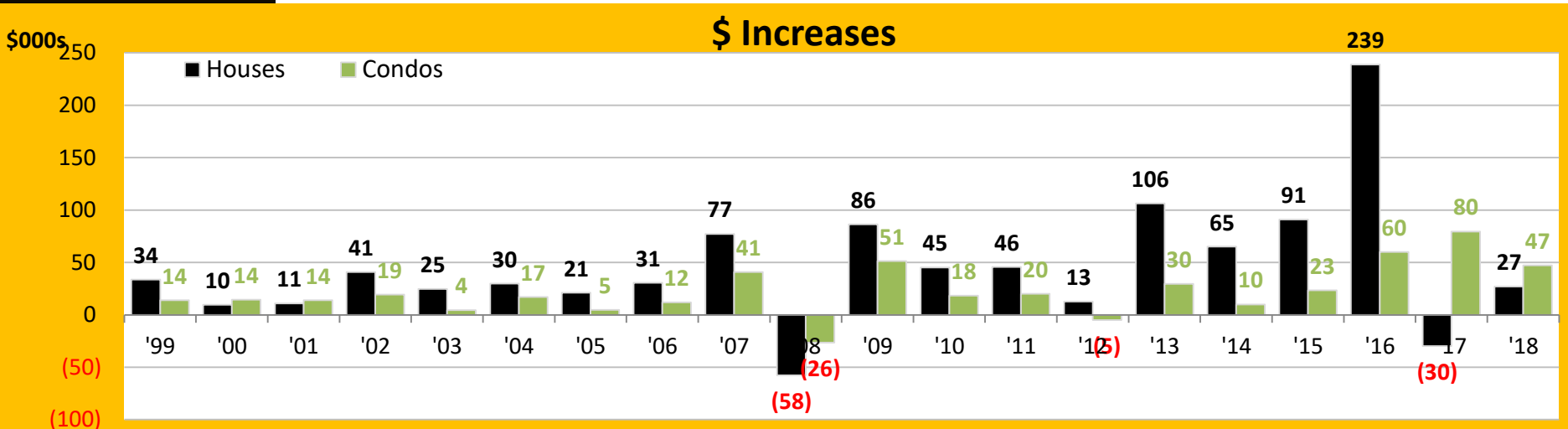
120% or more of asking Dec vs. '17: ◄► 0 pp
 Month-over-month: ◄► 0 pp

- This practice is back to being rare in condos – the 4 months Feb to May 2017 stand out as a blip



416 Annual Price Increases

(Q4 vs. prior Q4 average price)



20 year **House** performance: ▲ 18 years ▼ 2 years (Avg ▲ \$45)

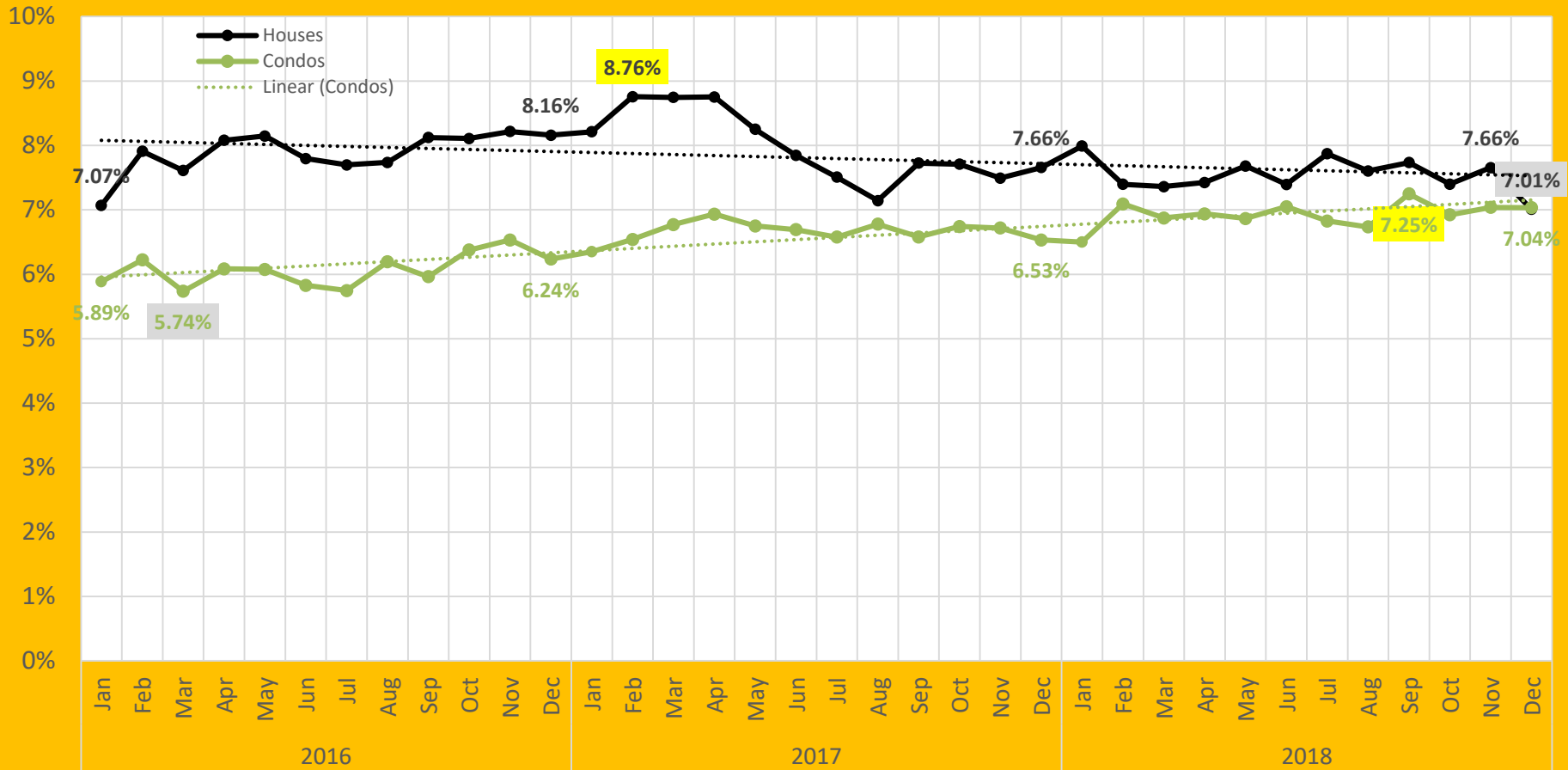
20 year **Condo** performance: ▲ 18 years ▼ 2 years (Avg ▲ \$22)



416 20-year Price CAGR

(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 7.01%; MoM change ↓ 65 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 7.04%; MoM change ↔ 0 bps

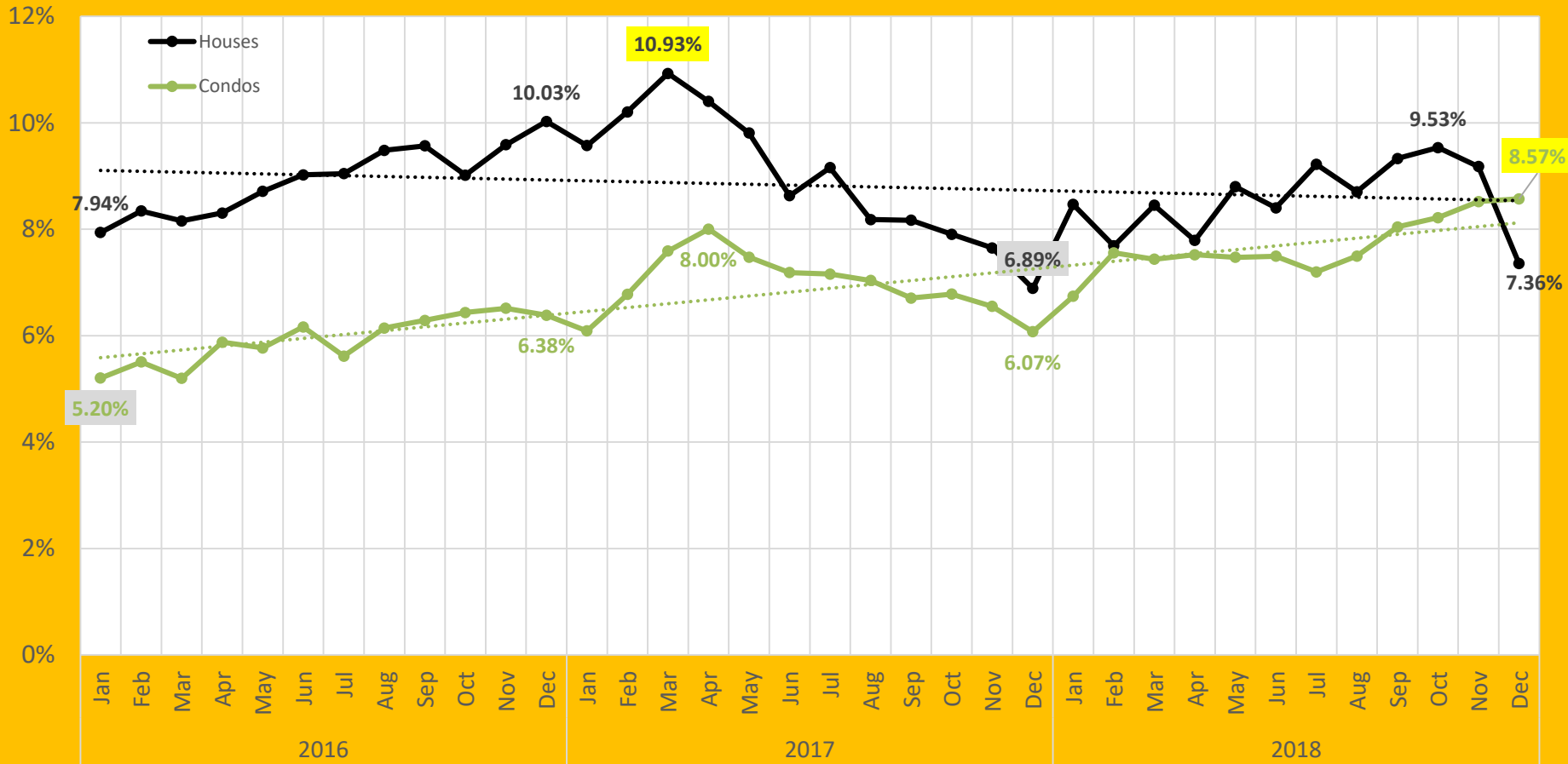


416 10-year Price CAGR

(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 7.36%; MoM change ↓ 182 bps

10 year **Condo** performance: 10 year CAGR (as at current month) is 8.57%; MoM change ↑ 5 bps

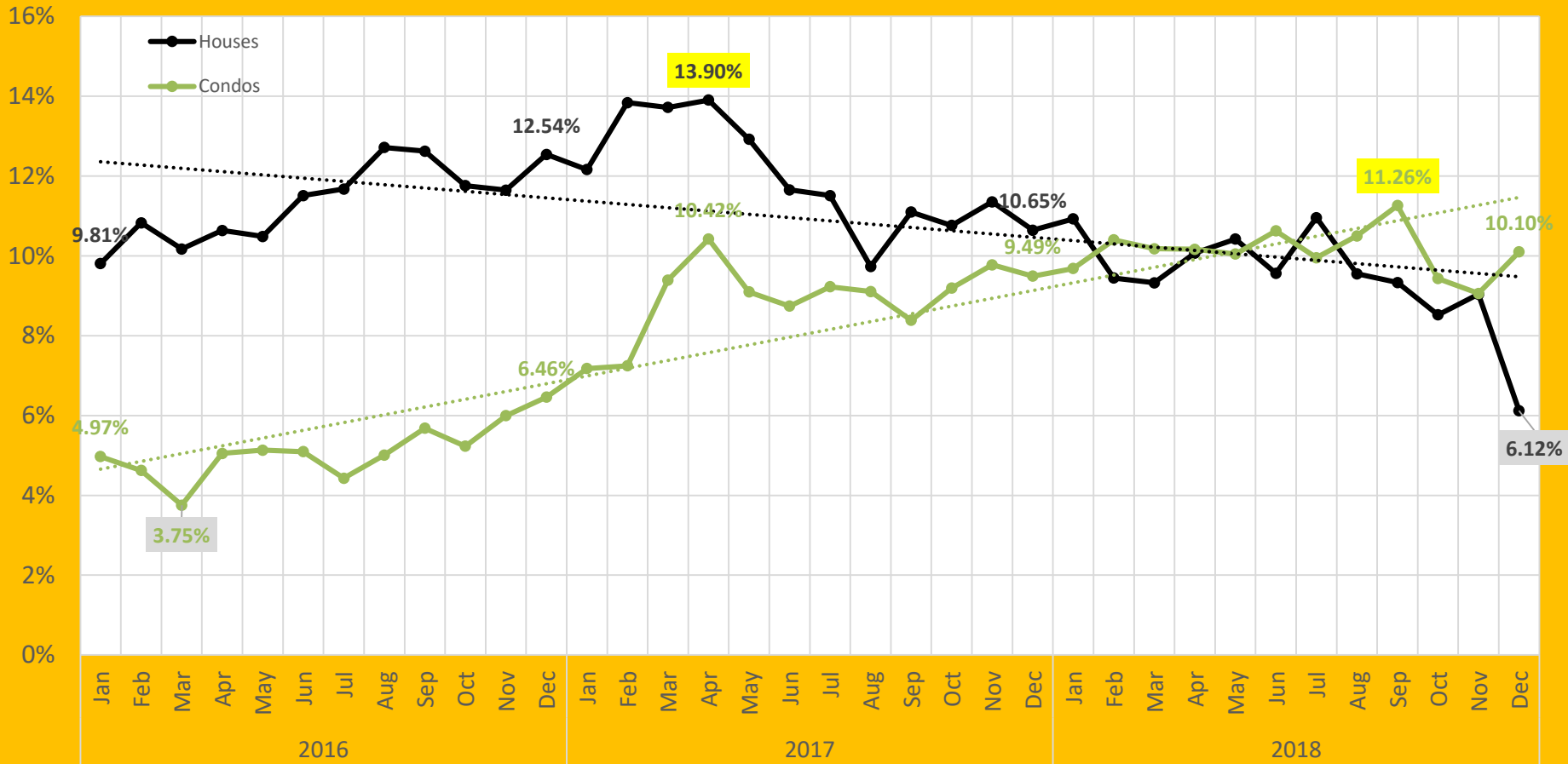


416 5-year Price CAGR

(Current month vs. same month 5 years ago)

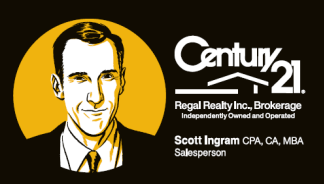


416 Average Prices: 5 Year CAGR



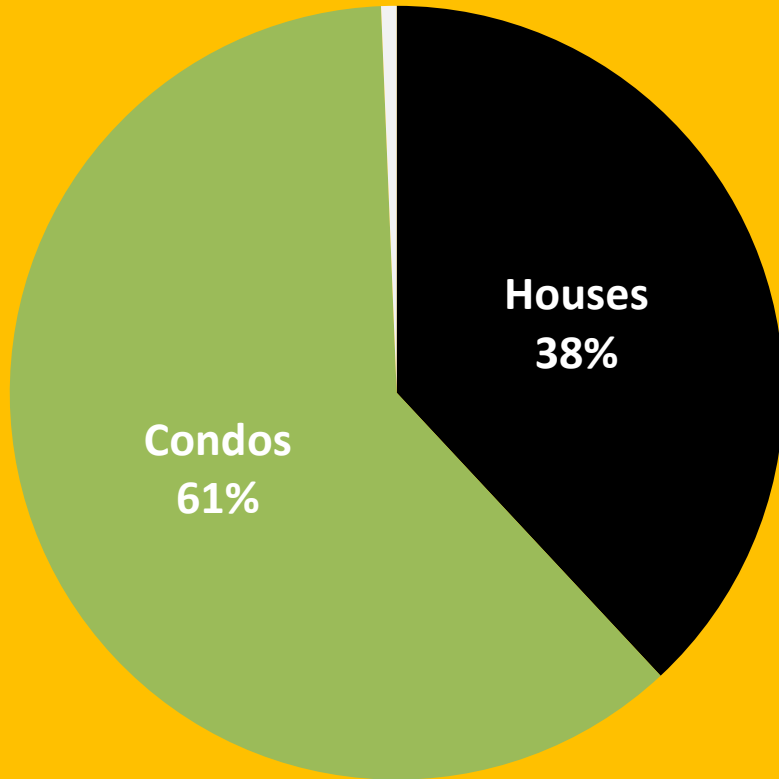
5 year **House** performance: 5 year CAGR (as at current month) is 6.12%; MoM change ↓ 292 bps

5 year **Condo** performance: 5 year CAGR (as at current month) is 10.10%; MoM change ↑ 104 bps

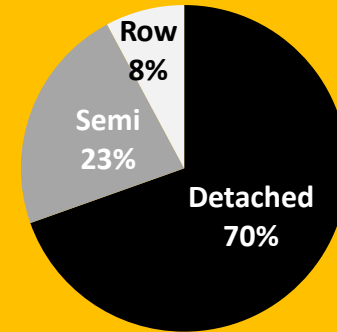


416 Market Breakdown

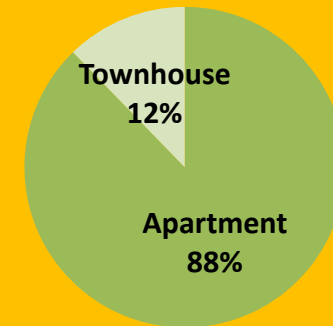
Share of Transactions - last 12 months



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 50% / Houses 49%
- 20 years ago: Condos 38% / 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 38% of 2017 sales transactions, they were **56% of dollar volume** (38% and 59% in 2017, 35% and 64% in 2016).



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