

Toronto Real Estate Market Charts

June 2020



Scott Ingram
CPA, CA, MBA
Realtor



SCOTT INGRAM
CPA, CA, MBA
Sales Representative



Toronto Real Estate

Monthly Market Charts

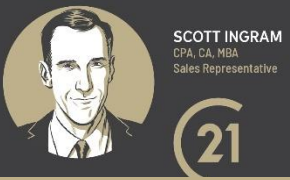
Introduction

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.

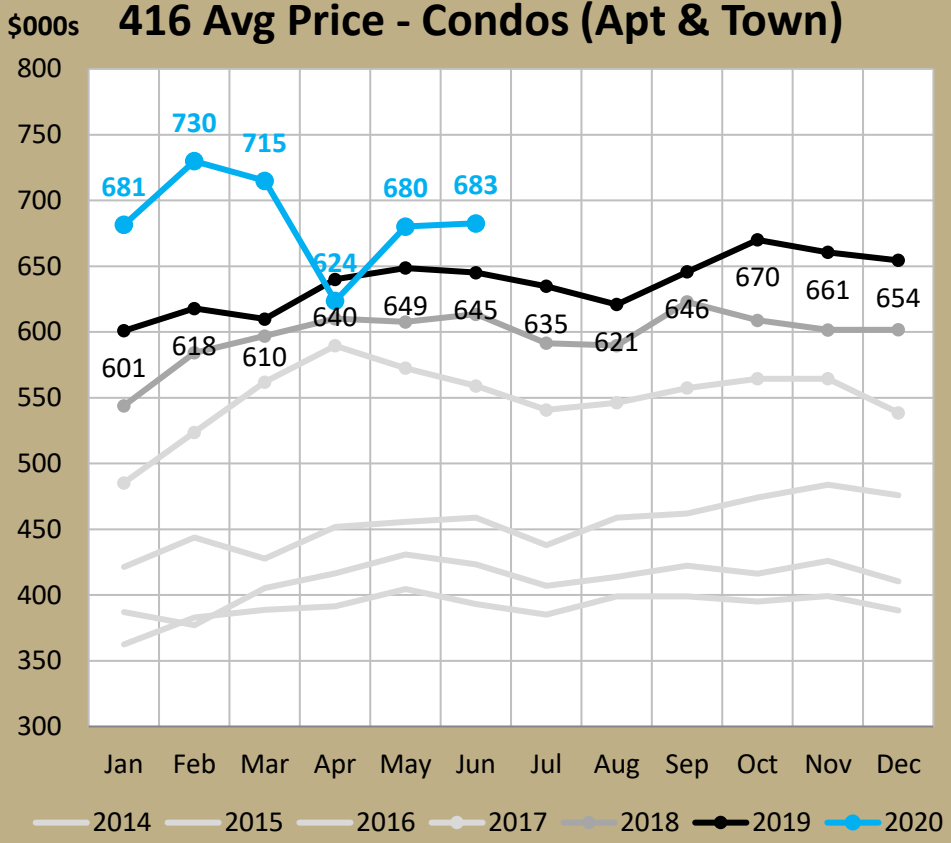
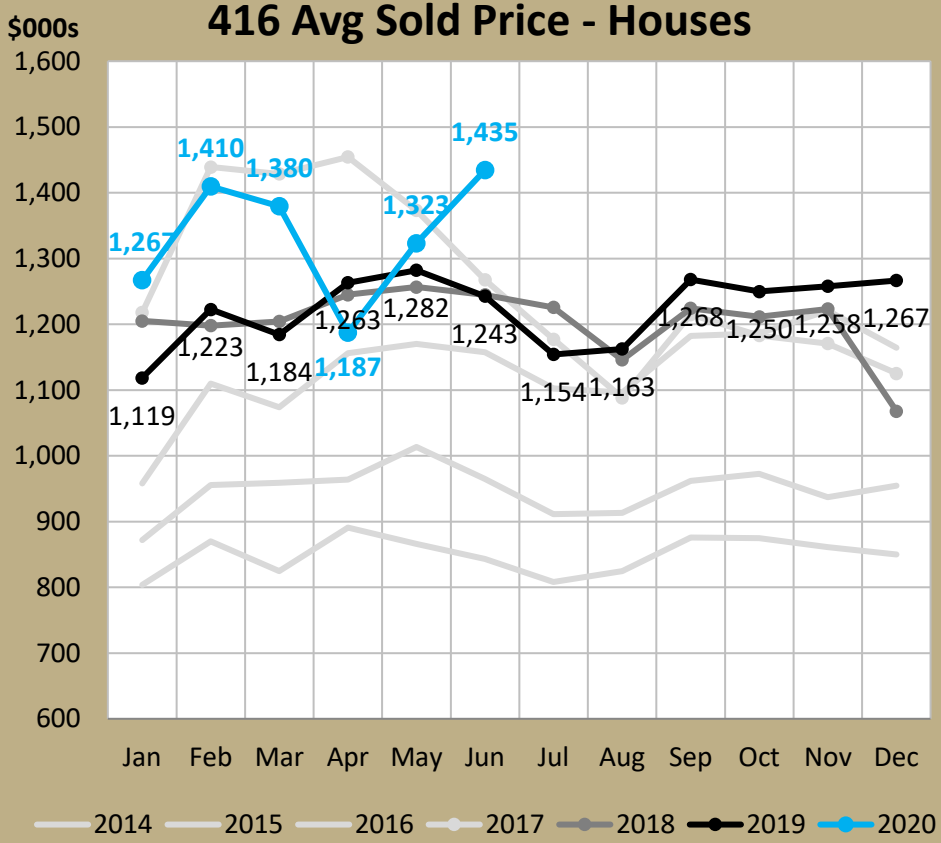
I also separate Toronto's **two distinct market segments**: houses (freeholds) and condos, because lumping them together obscures a lot of information, and you are probably more interested in one than the other. With segmentation and some historical context, I aim to give you a clearer vision of market 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 \$1,524K / Semi \$1,287K / Row \$1,095K

- Jun vs. '19: ▲ \$192K (15.4%)
- Jun vs. '15: ▲ \$470K (49%)
- 5 year CAGR: ▲ 8.3%

- 3rd highest month ever (behind Feb & Apr 2017)
- I suspect will be anomaly month

Condo Apt \$672K / Condo Townhouse \$736K

- Jun vs. '19: ▲ \$37K (5.8%)
- Jun vs. '15: ▲ \$259K (61%)
- 5 year CAGR: ▲ 10.0%

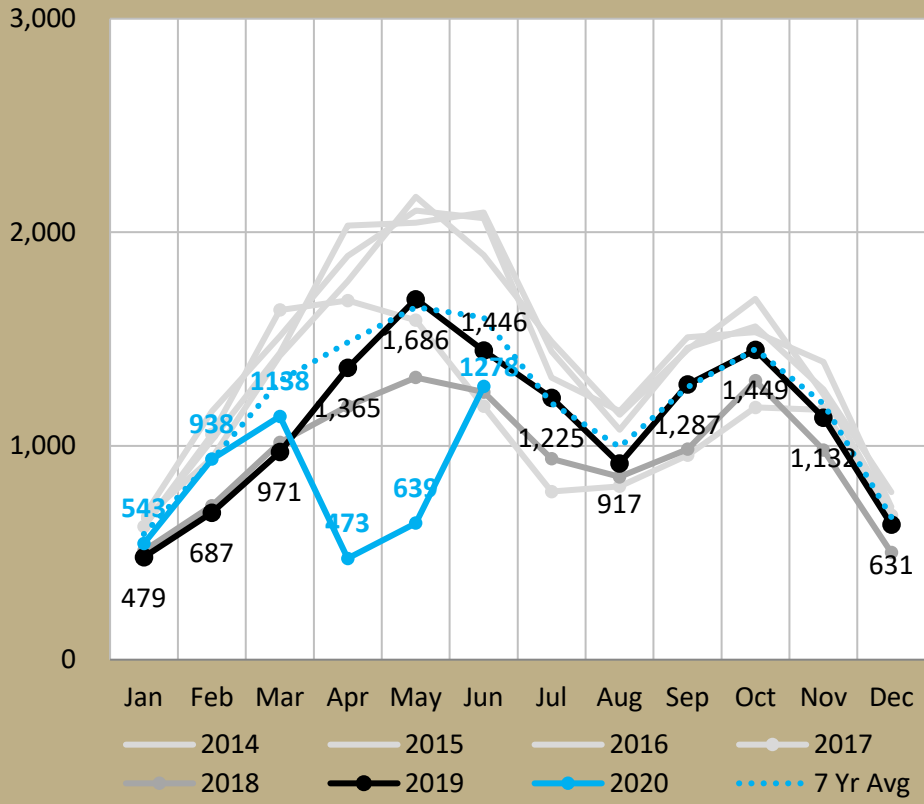
- 3rd highest month ever (behind Feb & Mar 2020), and highest May ever
- Apr was 1st YoY decrease since Feb 2015 (61 months)



416 Residential Sales Volume

(number of sold transactions in the month)

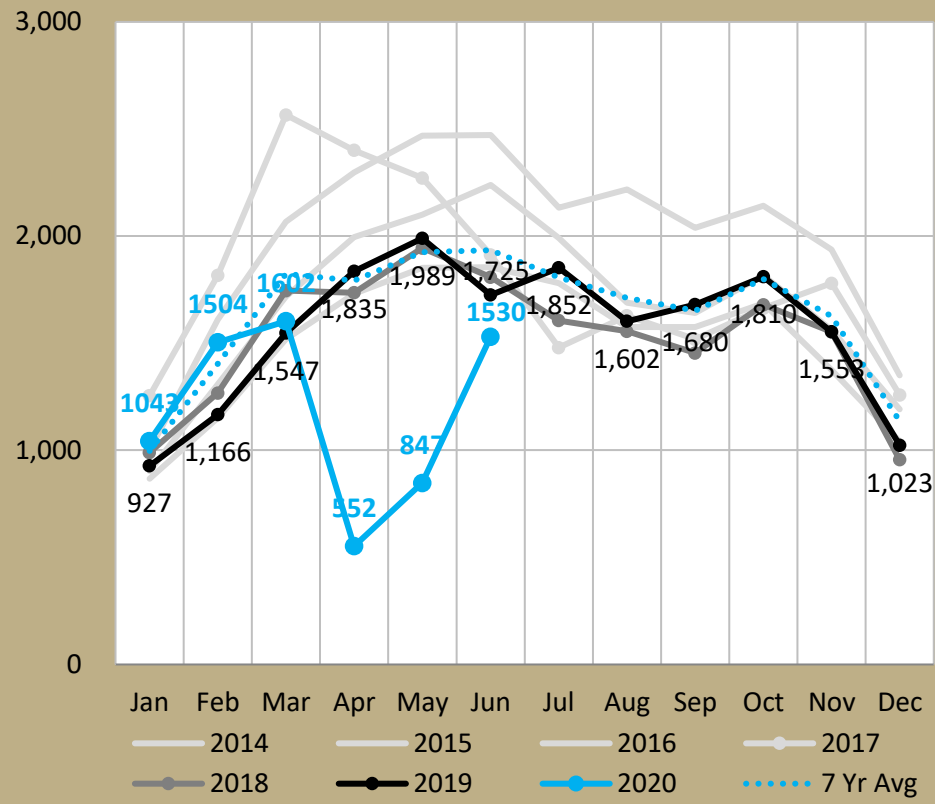
416 Sales - Houses (Det & Semi & Row)



Jun vs. '19: ↓ 12% (vs. 7 Yr Avg: ↓ 20%)
 YTD vs. '19: ↓ 24%

- June volumes 20% less than 7-yr avg, but higher than 2017 and 2018 so away from 25-year lows we had in Apr and May

416 Sales - Condos (Apt & Town)



Jun vs. '19: ↓ 11% (vs. 7 Yr Avg: ↓ 21%)
 YTD vs. '19: ↓ 23%

- April was lowest volume in at least 25 years (by 23%), May has "improved" to worst volume since 1998, June is worst since 2003

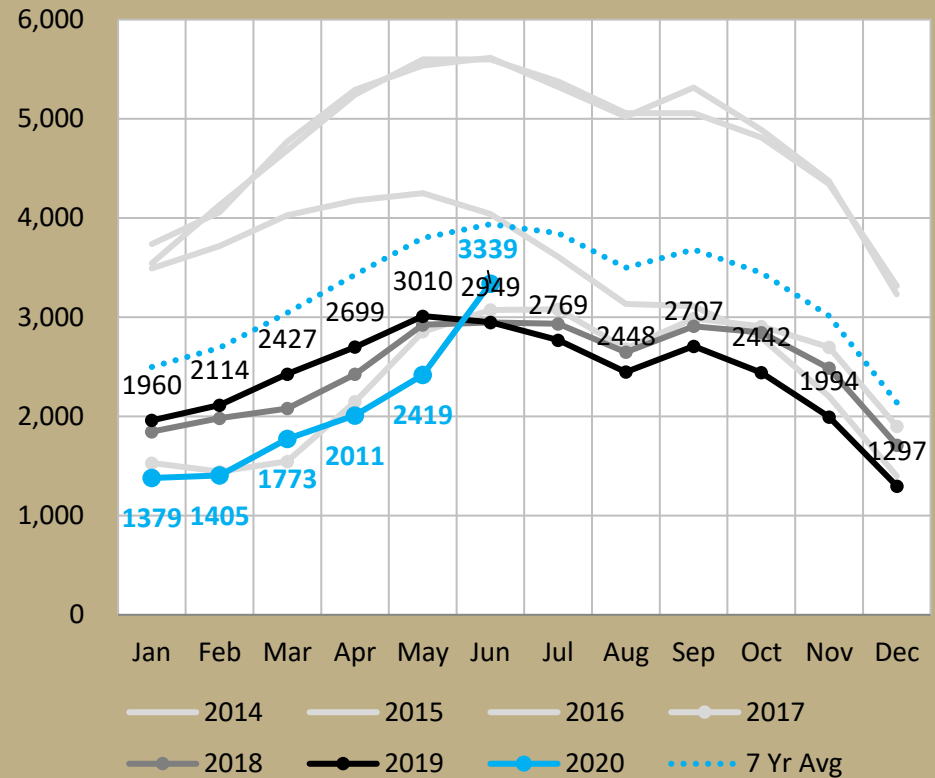
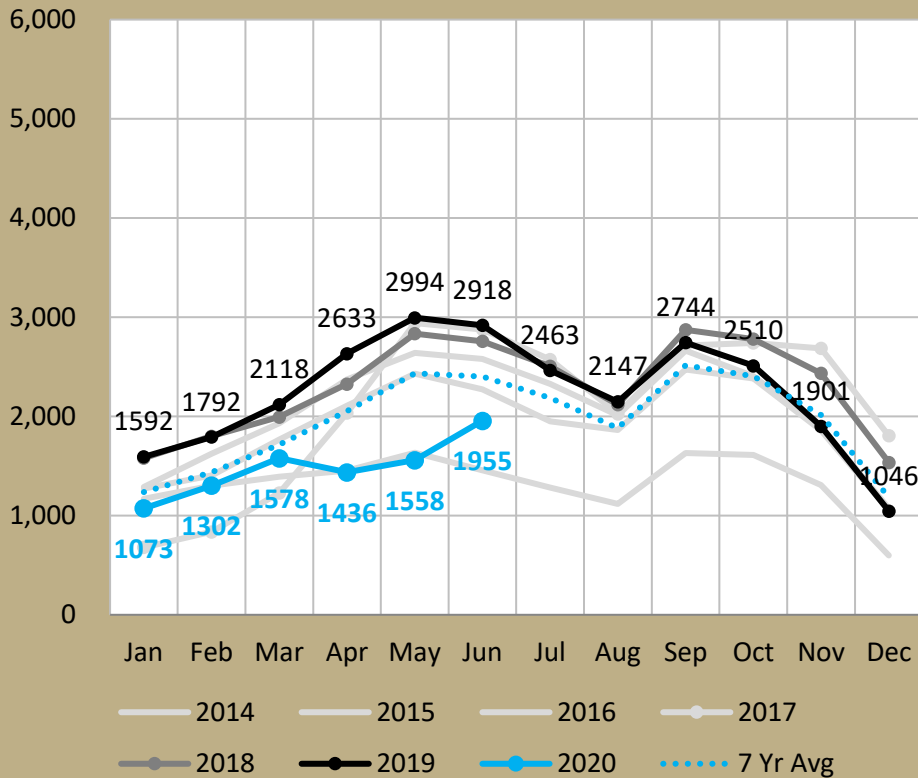


416 Active Listings

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

416 Active Listings - Houses

416 Active Listings - Condos

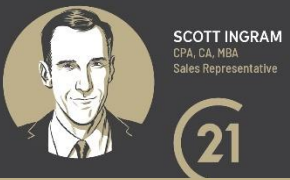


Jun vs. '19: ↓ 33% (vs. 7 Yr Avg: ↓ 19%)
 YTD vs. '19: ↓ 37%

Jun vs. '19: ↑ 13% (vs. 7 Yr Avg: ↓ 15%)
 YTD vs. '19: ↓ 19%

- May was lowest ever (1996 and on), June is just lowest since 2016 (record volume year)
- Active Listings around 450 less than Jun 7-yr avg (May was 900 less)

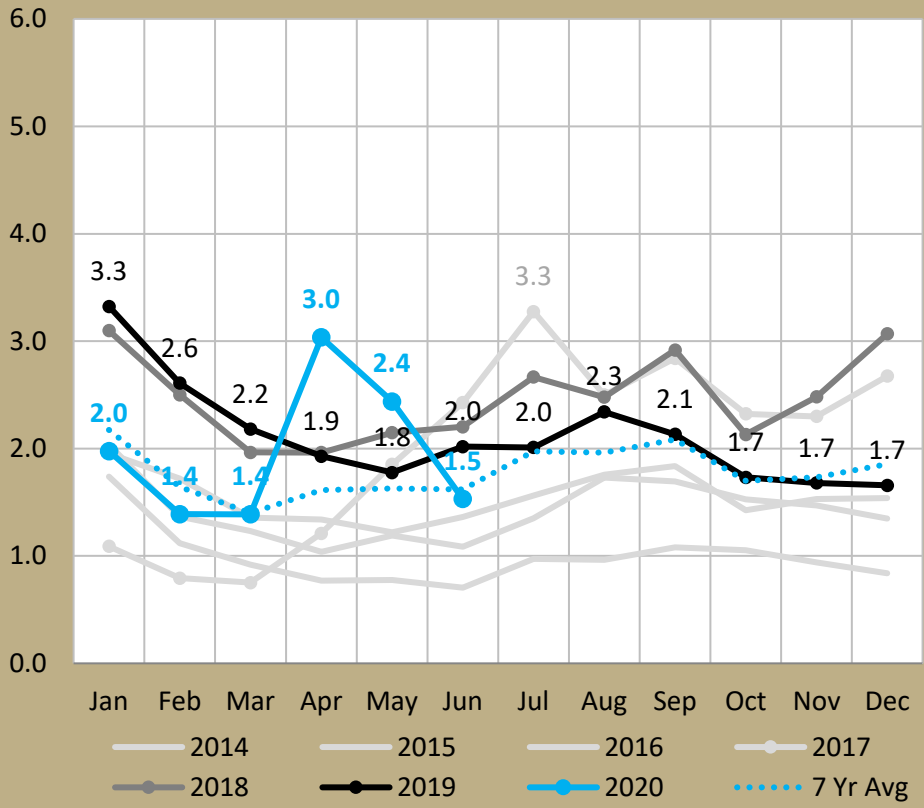
- June around 600 listings less than 7-yr avg, while May was around 1,400 less
- Highest since 2016
- Is continuing to climb in July (when normally declines)



416 Months Of Inventory

(active listings at month end ÷ sales for month)

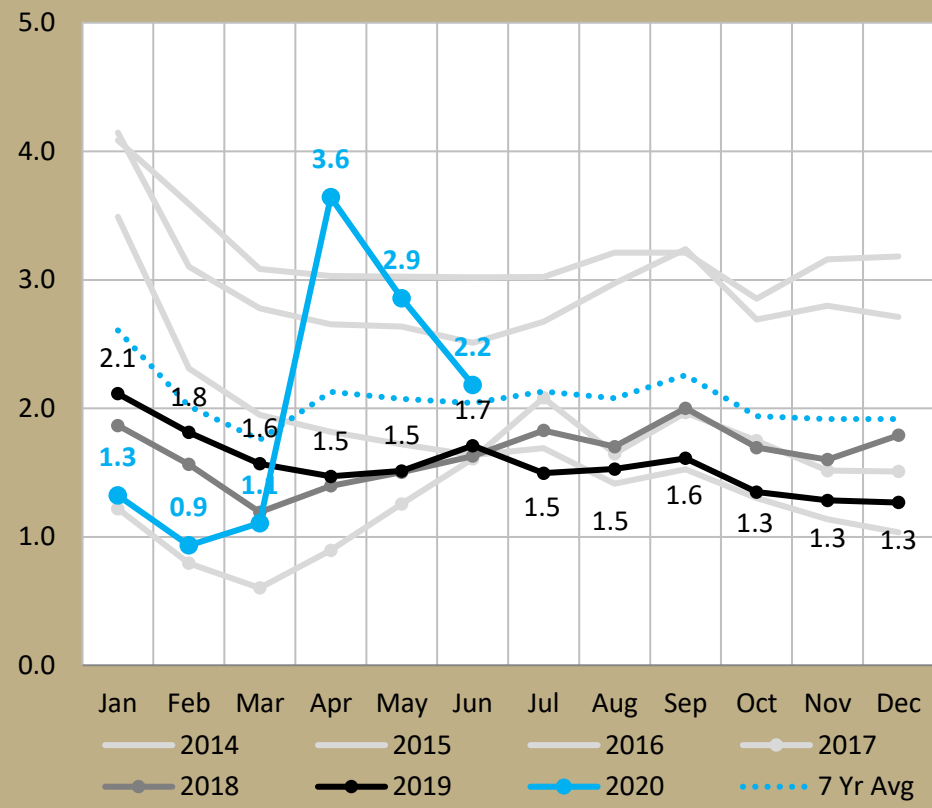
416 MOI - Houses (Det & Semi & Row)



Jun vs. '19: ↓ 0.5 months (-24%)
 Jun vs. 7 Yr Avg: ↔ 0.1 months (-5%)

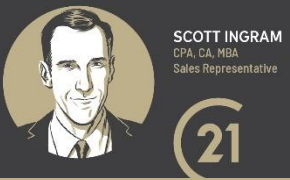
- Very sharp rise in April (+1.6), but came right back down (to 1.5) close to March (1.4)
- Lower than the last 3 Junes

416 MOI - Condos (Apt & Town)



Jun vs. '19: ↑ 0.5 months (28%)
 Jun vs. 7 Yr Avg: ↑ 2.0 months (7%)

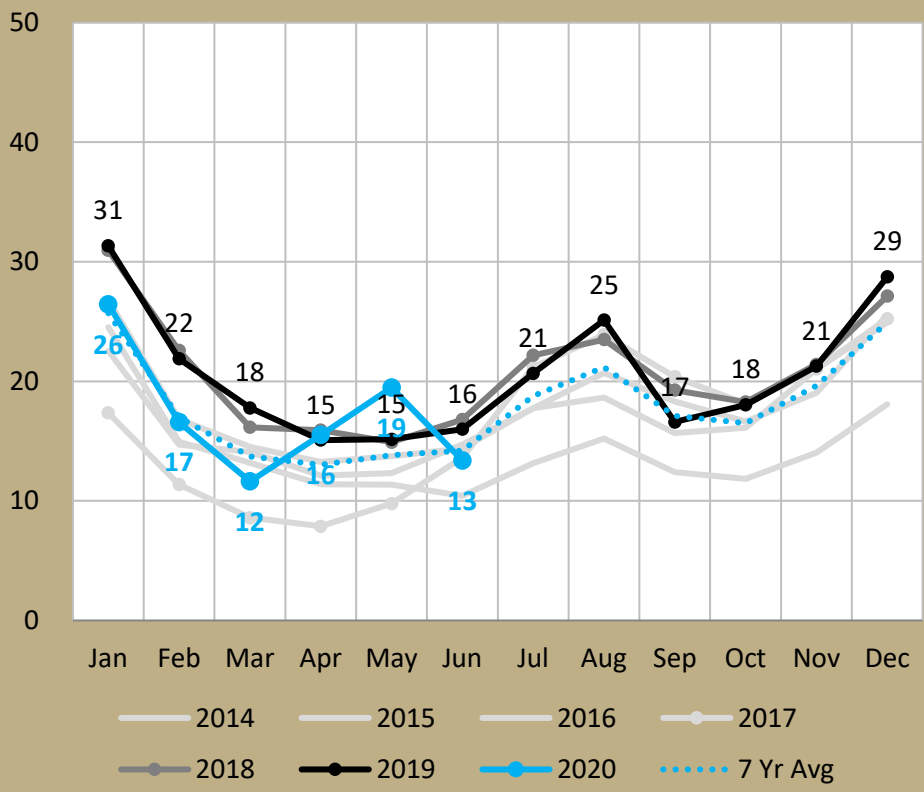
- Reverse of houses: highest in last 5 years
- Still, not far off of 7-yr avg
- April ended record 36 months in row condos < houses



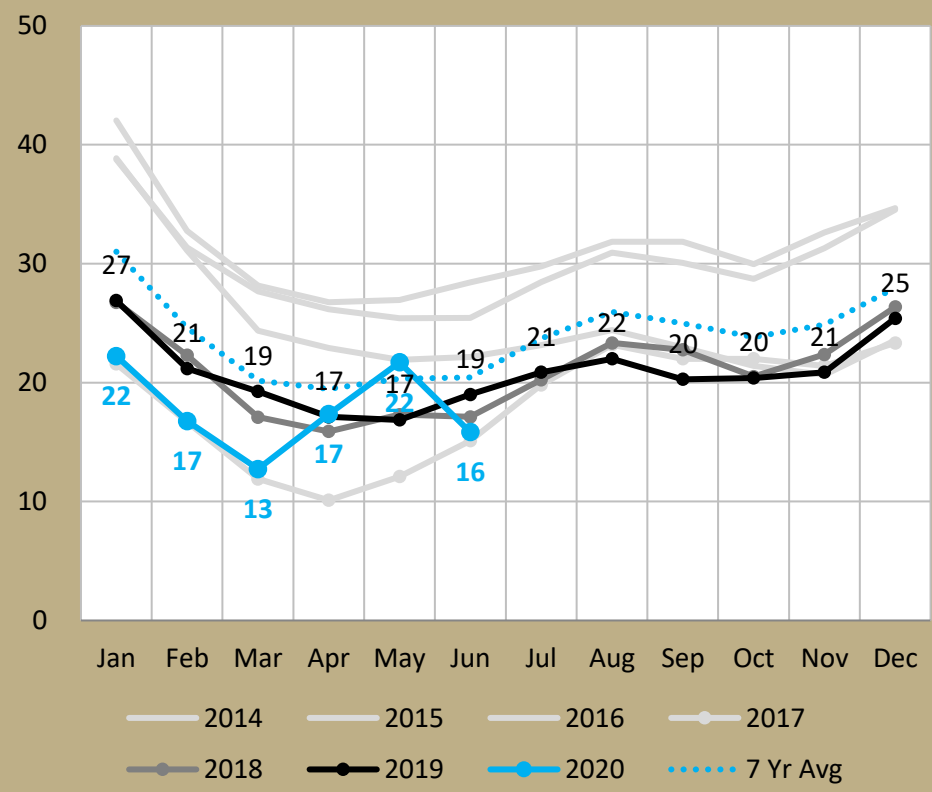
416 Average Days On Market

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

416 DOM - Houses (Det & Semi & Row)



416 DOM - Condos (Apt & Town)



Jun vs. '19: ↓ 2.6 days (-16%)
 Jun vs. 7 Yr Avg: ↓ 0.8 days (-6%)

- Lowest June since 2016 (10)
- This uses LDOM (listing days on market), tracking the MLS#, not the property (TRREB calls PDOM)

Jun vs. '19: ↓ 3.2 days (-17%)
 Jun vs. 7 Yr Avg: ↓ 4.6 days (-23%)

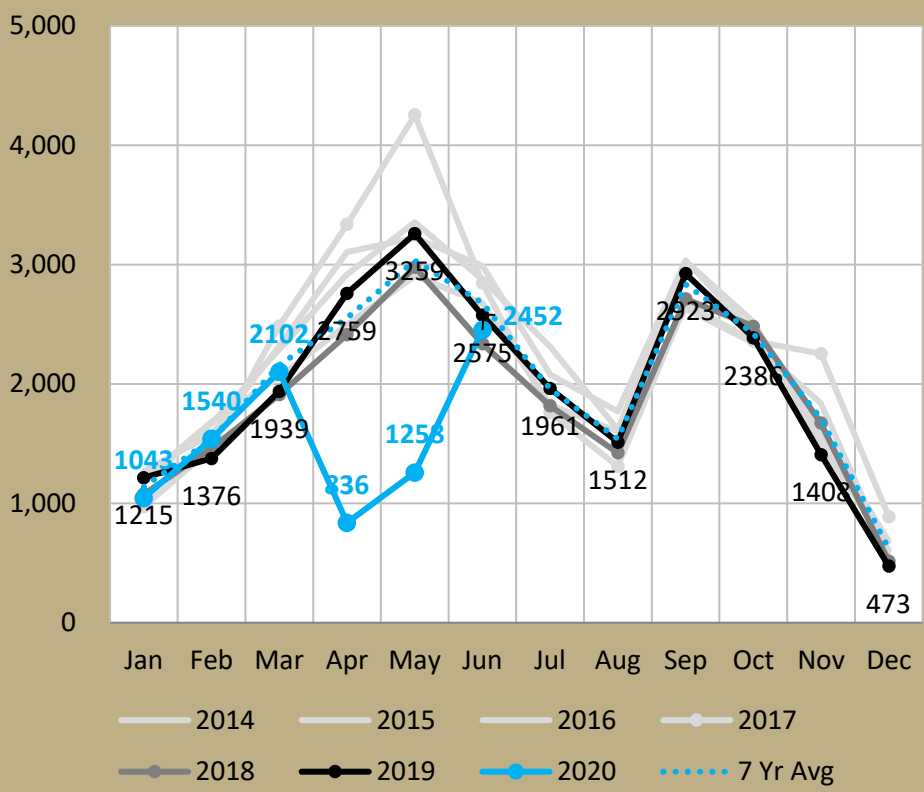
- Lowest June since 2017, which is weird since some other stats going opposite direction
- Diverged lower from averages in spring 2016 and has stayed low since



416 New Listings

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

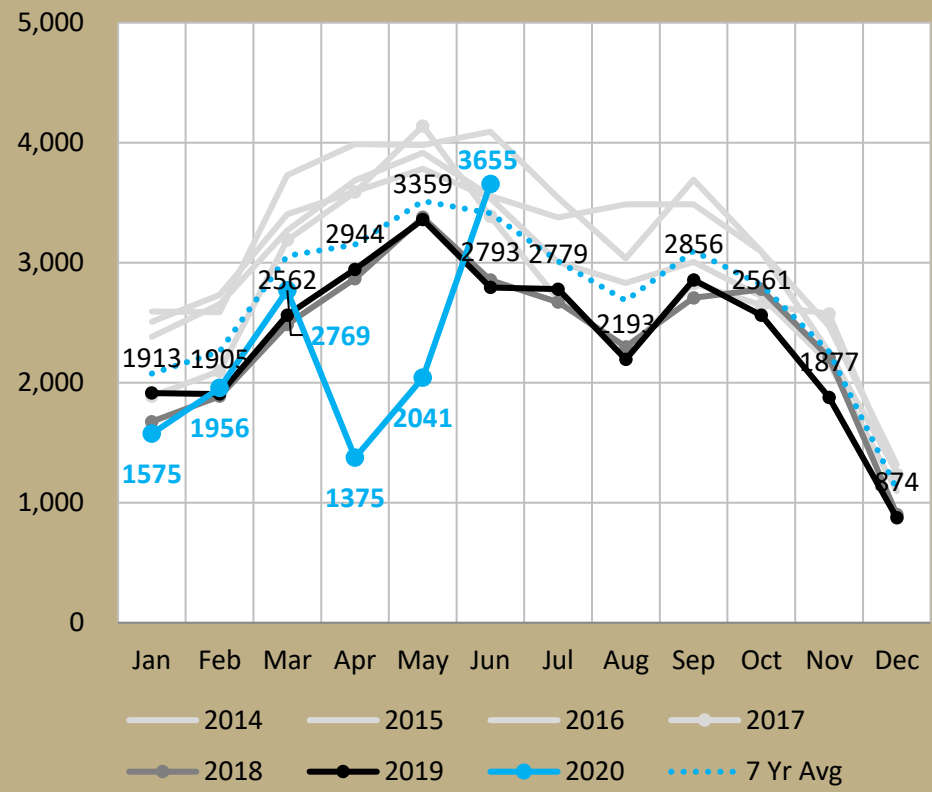
416 New Listings - Houses



Jun vs. '19: ▼ 5% (vs. 7 Yr Avg: ▼ 8%)
 YTD vs. '19: ▼ 30%

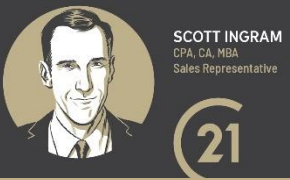
- Back to seasonal norms after big couple of month COVID-dip
- Terminations and re-listings distort this stat

416 New Listings - Condos (Apt & Town)



Jun vs. '19: ▲ 31% (vs. 7 Yr Avg: ▲ 7%)
 YTD vs. '19: ▼ 14%

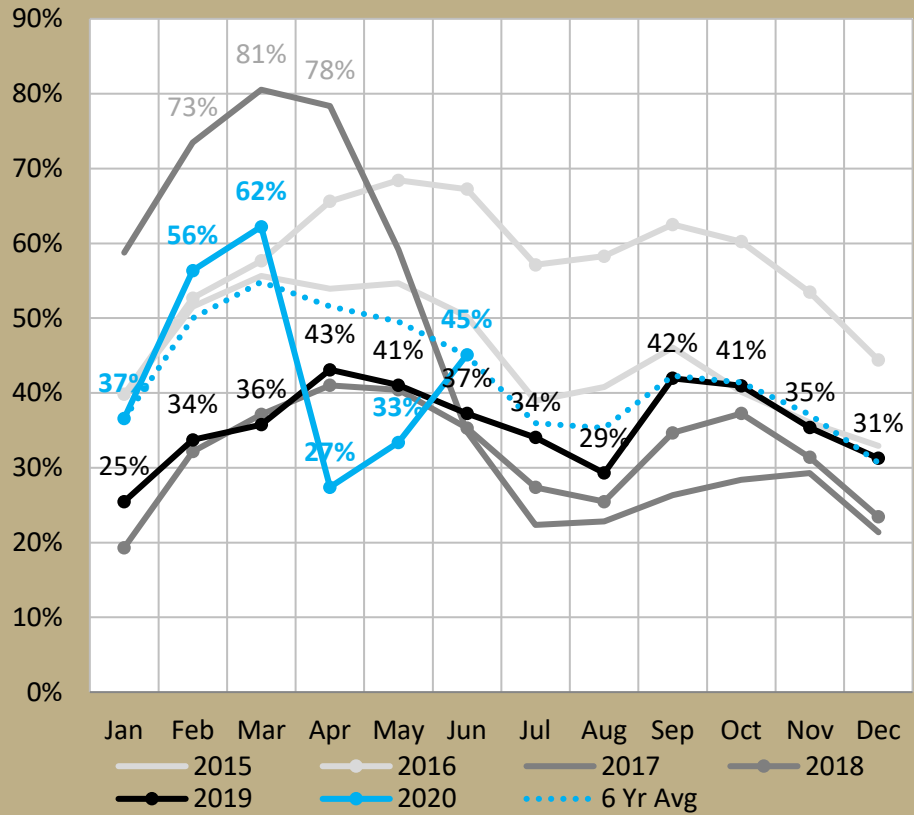
- Went from 1500 less than 7-yr avg to 250 above in one month
- Have been growing in July though usually decline



416 Sold Over Asking

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

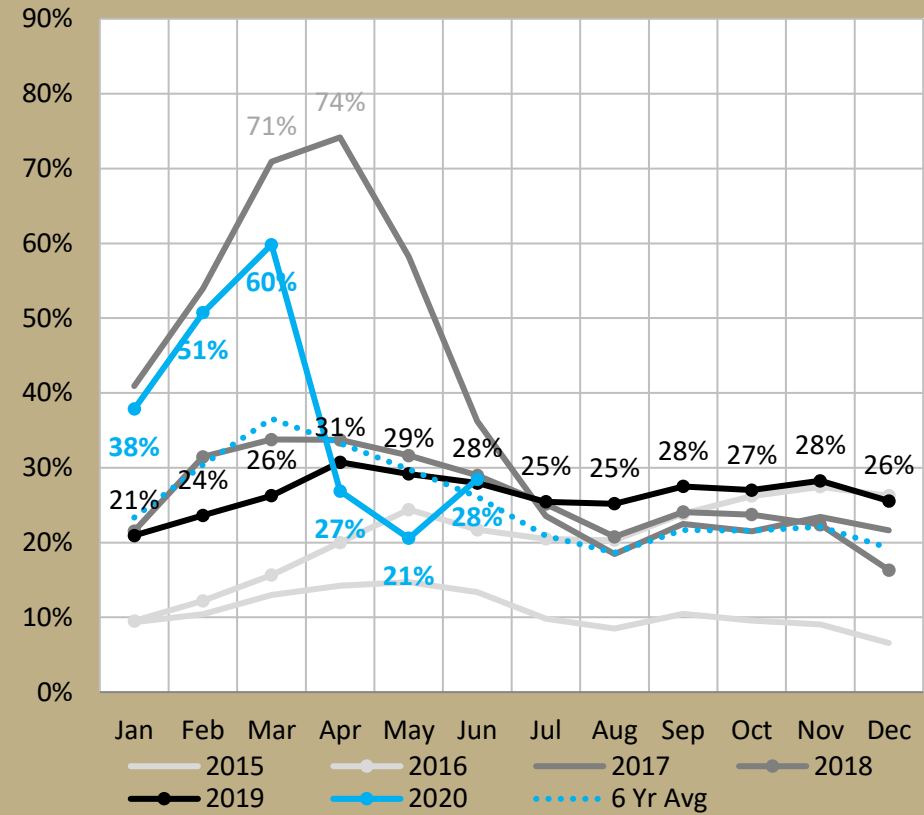
416 Sold Over Asking - Houses



101% or more of asking Jun vs. '19: ▲ 8 pp
 Month-over-month: ▲ 12 pp

- Back to 6-yr avg for June
- Full year numbers: 2015 47% • 2016 60% • 2017 49% • 2018 34% • 2019 37%

416 Sold Over Asking - Condos



101% or more of asking Jun vs. '19: ◄◄ 0 pp
 Month-over-month: ▲ 7 pp

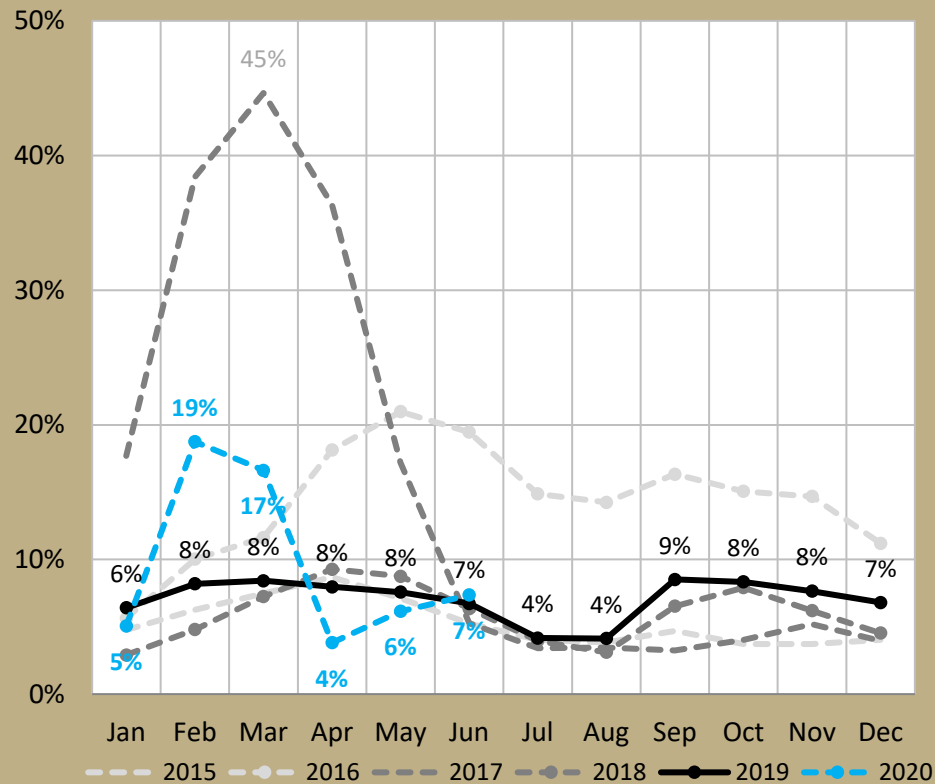
- Bouncing back from low May to around 6-yr avg
- Full year numbers: 2015 11% • 2016 21% • 2017 42% • 2018 27% • 2019 27%



416 Sold 20% Over Asking

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

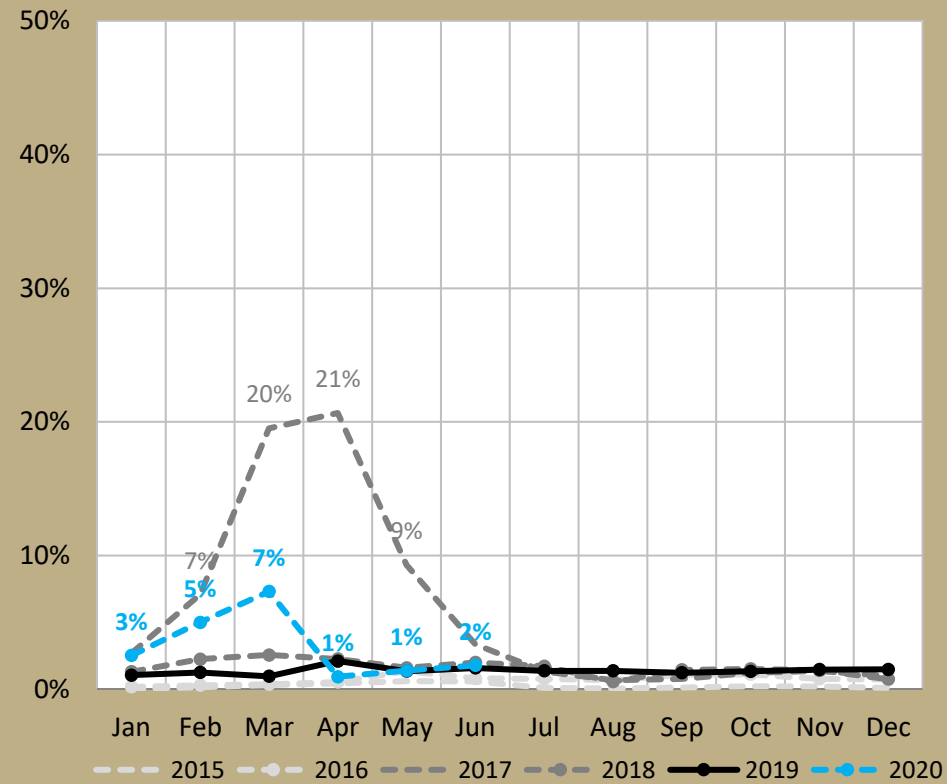
416 Sold 20% Over Asking - Houses



120% or more of asking Jun vs. '19: \leftrightarrow 0 pp
 Month-over-month: \uparrow 1 pp

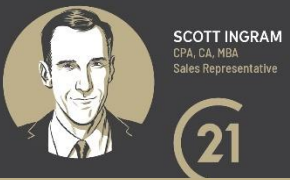
- Back to regular range after really high in Feb & Mar, and really low in April

416 Sold 20% Over Asking - Condos



120% or more of asking Jun vs. '19: \leftrightarrow 0 pp
 Month-over-month: \uparrow 1 pp

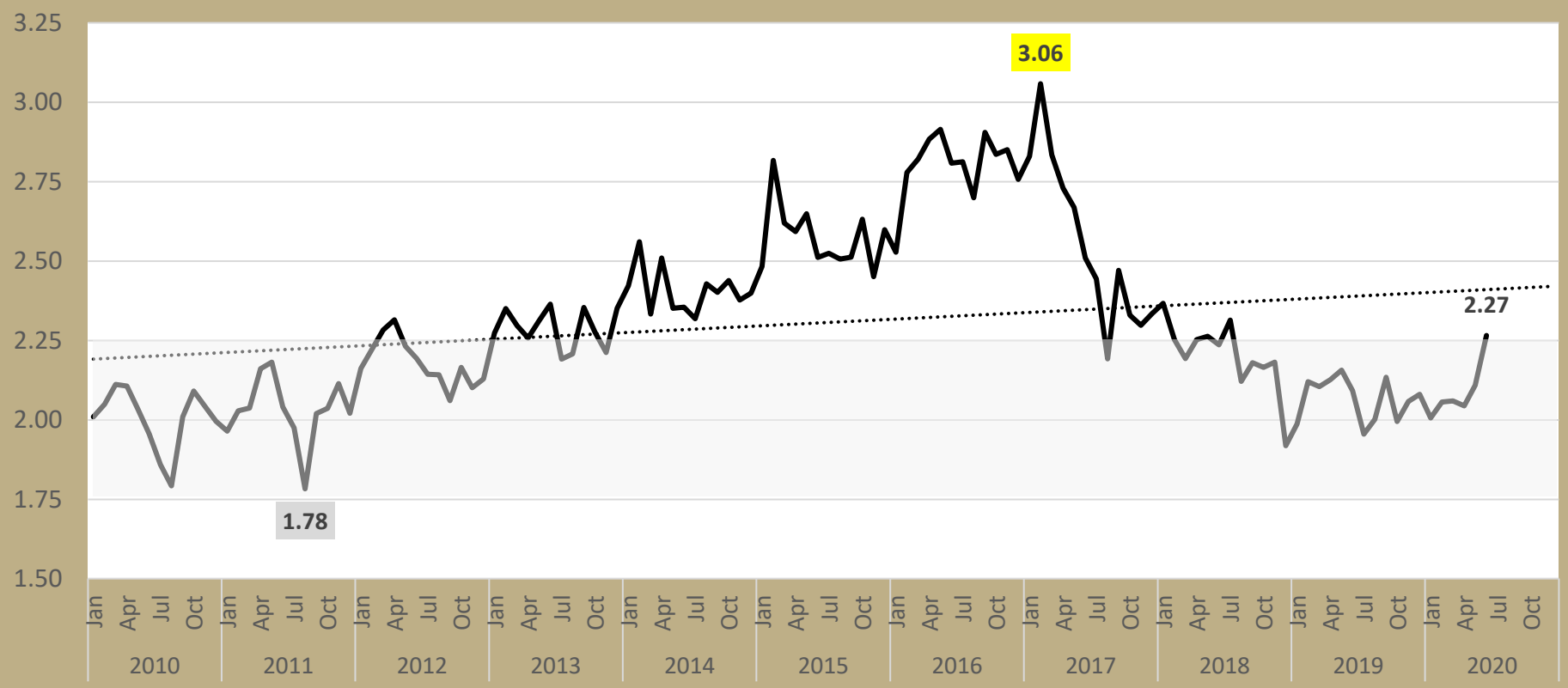
- Back to the usual 1% or 2%



416 Detached/Condo price ratio

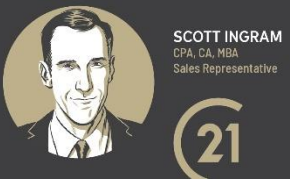
(average price for detached divided by average price of condo apartment)

Ratio of Avg Prices: 416 Detached/416 Condo Apt



Current ratio: 2.27
Month-over-month: ▲ 0.16

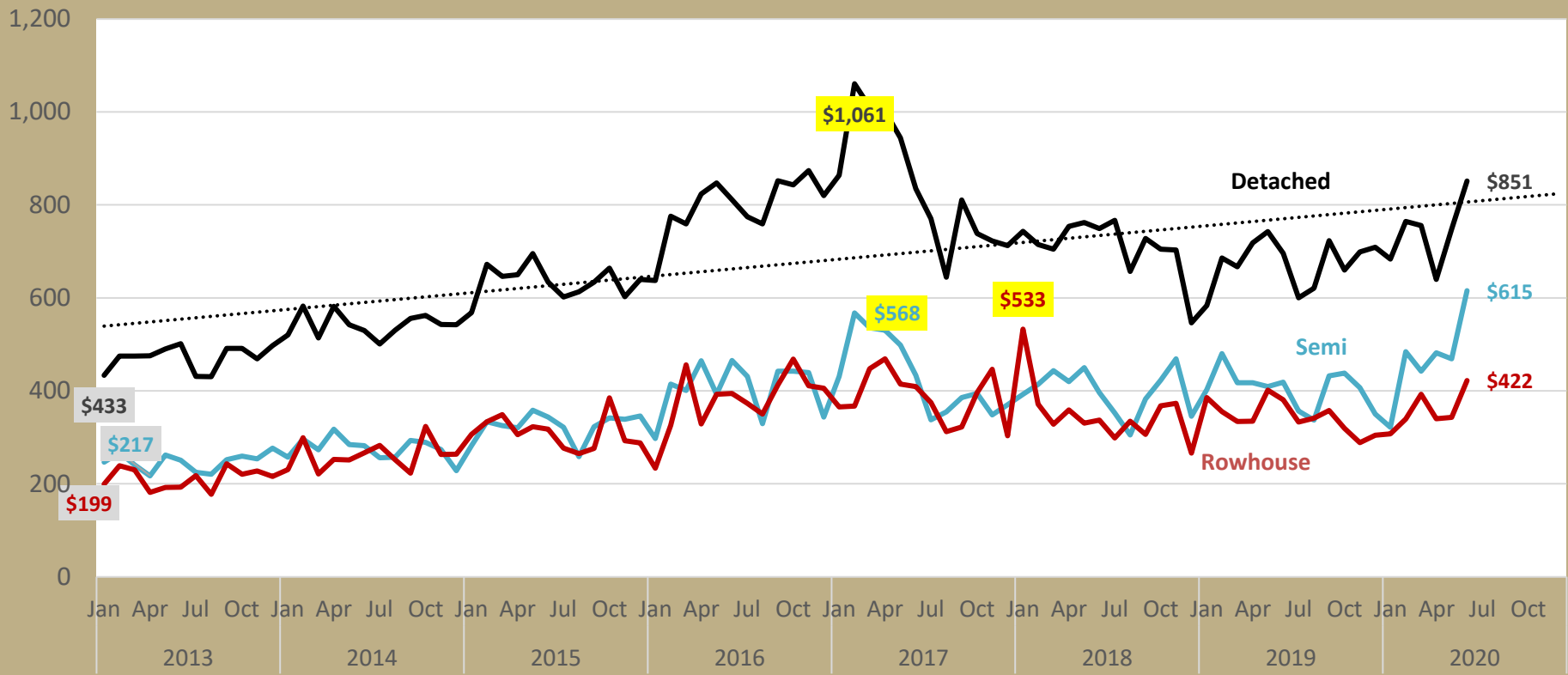
- Average since Jan 1996 = 2.13
- Median since Jan 1996 = 2.06
- Max = 3.06
- Min = 1.72



416 Price Gaps vs. Condo Apt

(average price for detached/semi/row minus average price of condo apartment)

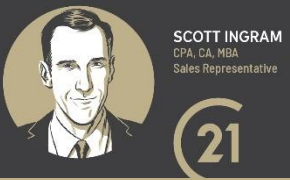
416 Price Gaps vs. Condo Apt ('000s)



Current **Detached** dollar gap: \$851K
 Prior month dollar gap: \$748 (▲ \$103K)
 Prior year dollar gap: \$696K (▲ \$155K)
 2 yrs prior dollar gap: \$749K (▲ \$102K)

Current **Semi** dollar gap: \$615K
 Prior mth dollar gap: \$469K (▲ \$146K)
 Prior year dollar gap: \$418K (▲ \$60K)
 2 yrs prior dollar gap: \$396K (▲ \$219K)

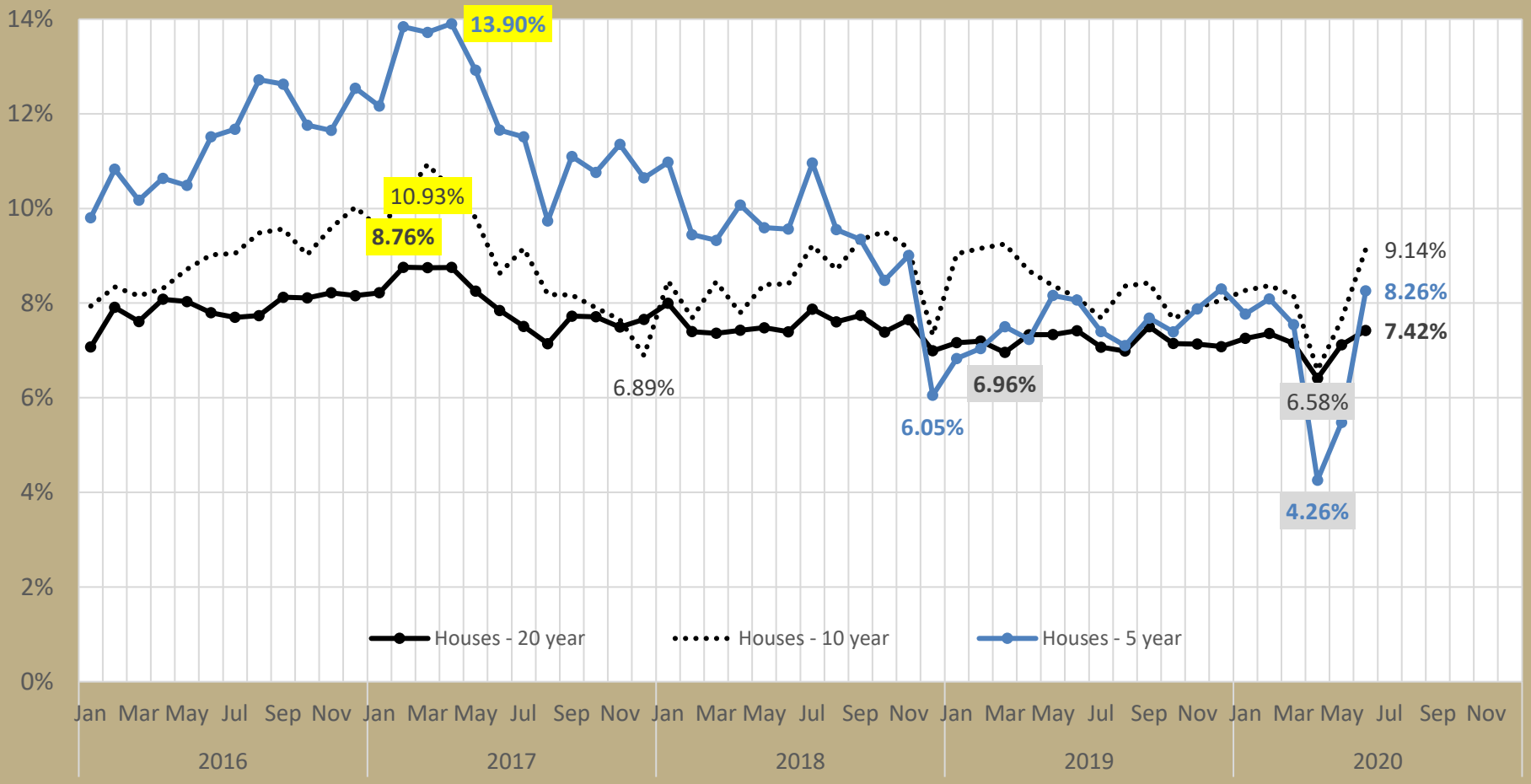
Current **Rowhouse** dollar gap: \$422K
 Prior month dollar gap: \$343K (▲ \$79K)
 Prior year dollar gap: \$380K (▲ \$42K)
 2 yrs prior dollar gap: \$337K (▲ \$85K)



416 Price CAGRs – Freehold

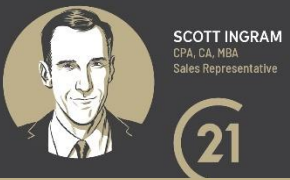
(Compound annual growth rate, current month vs. same month 5, 10, 20 years ago)

416 Freeholds - Average Price CAGRs



20 year **House** performance: 20 year CAGR (as at current month) is 7.42%; MoM change ▲ 30 bps

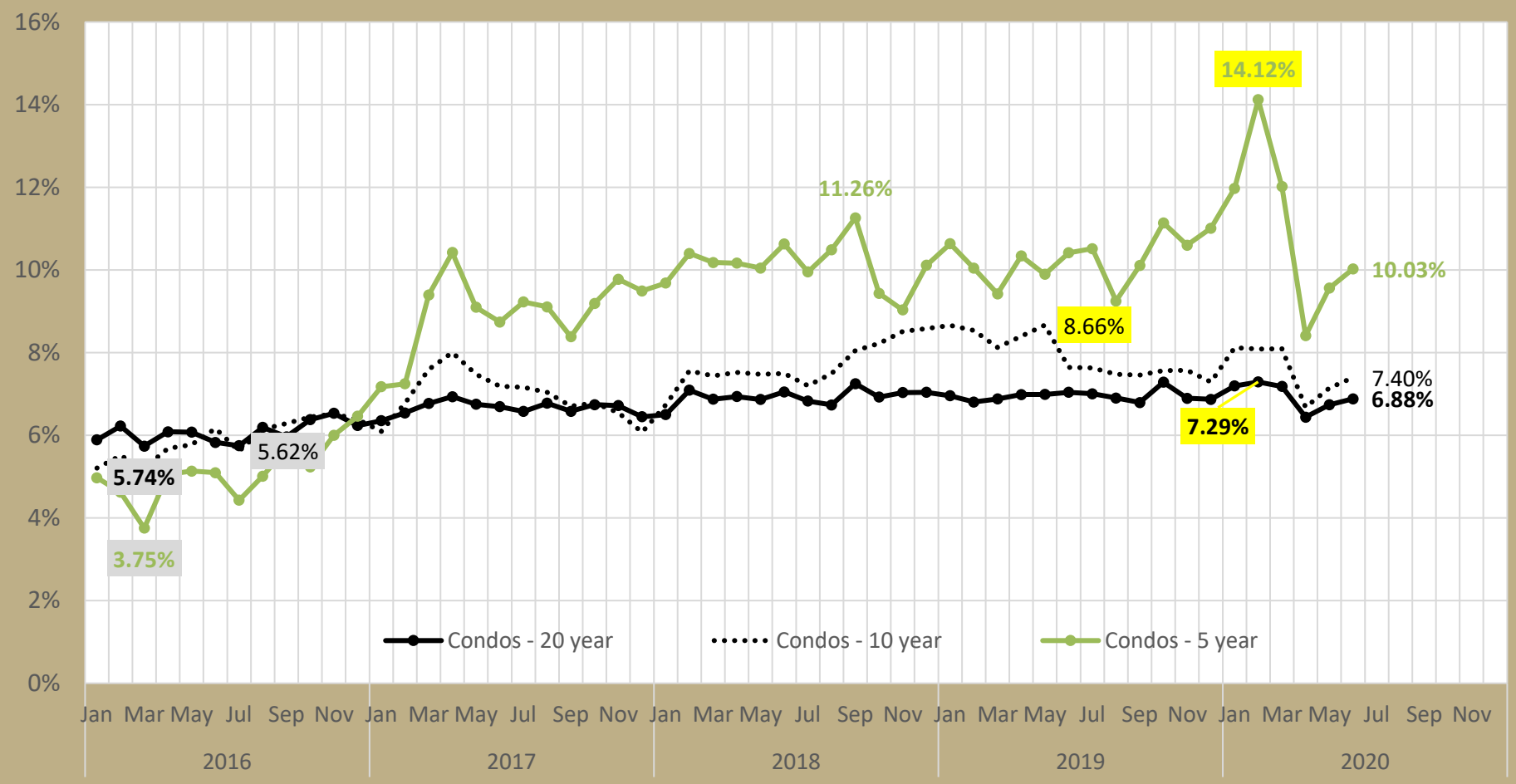
20 year **Condo** performance: 20 year CAGR (as at current month) is 6.88%; MoM change ▲ 14 bps



416 Price CAGRs – Condo

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

416 Condos - Average Price CAGRs



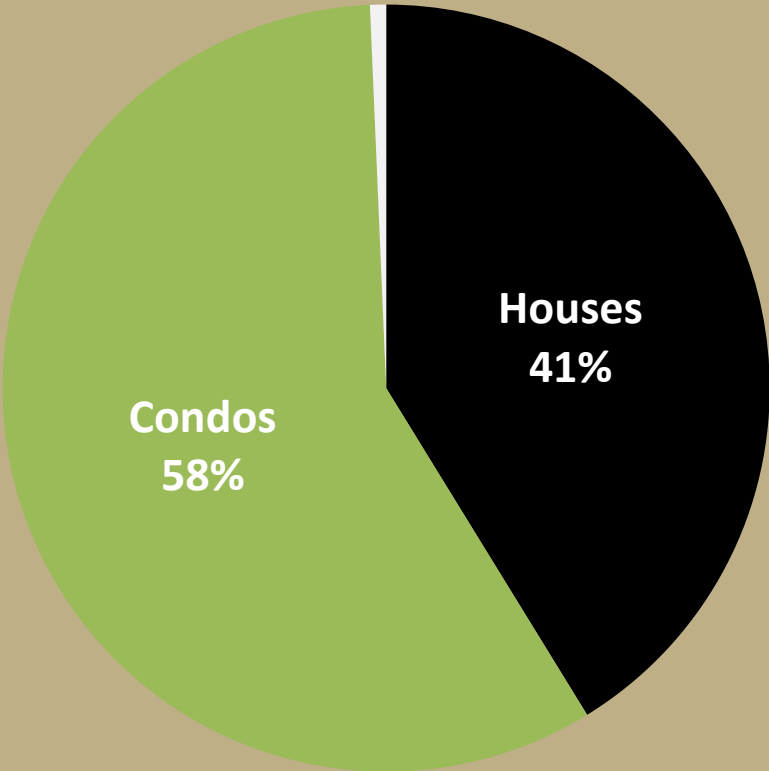
20 year **House** performance: 20 year CAGR (as at current month) is 7.42%; MoM change ▲ 30 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 6.88%; MoM change ▲ 14 bps

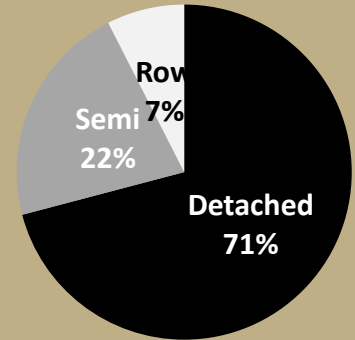


416 Market Breakdown

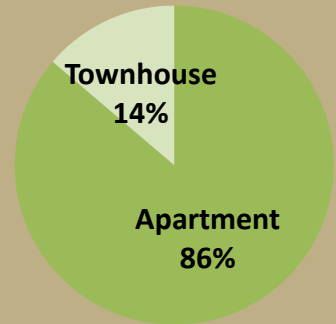
Share of Transactions - last 12 months



Share of House Transactions - last 12 months



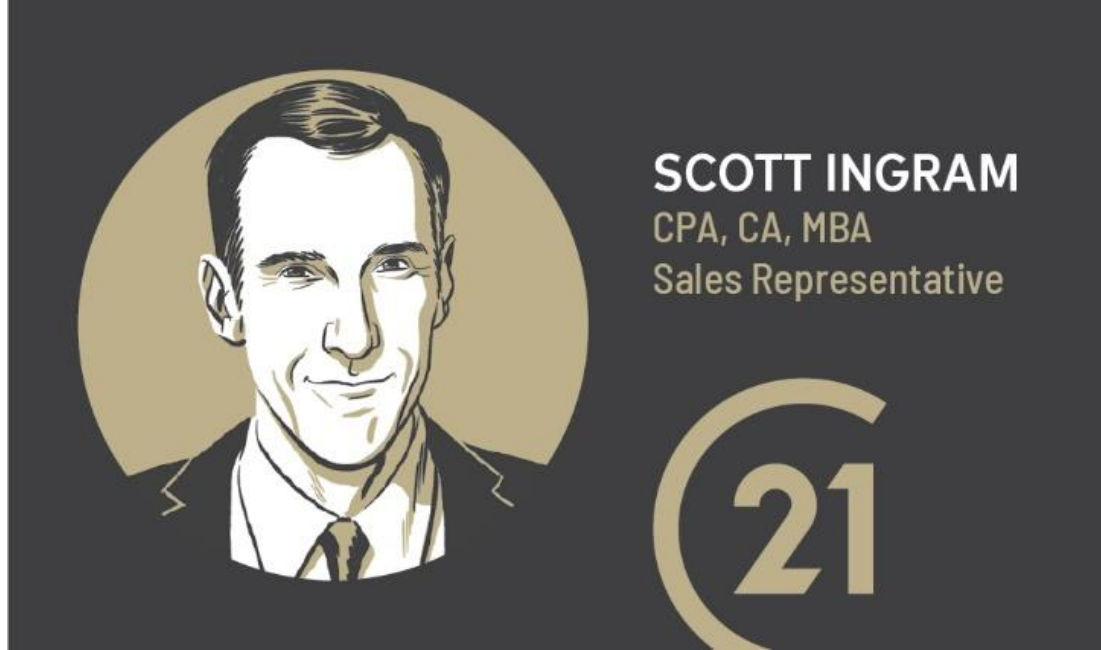
Share of Condo Transactions - last 12 months



- 1 year ago: Condos 60% / Houses 40%
- 5 years ago: Condos 53% / Houses 46%
- 10 years ago: Condos 50% / Houses 49%
- 15 years ago: Condos 43% / Houses 56%
- 20 years ago: Condos 40% / Houses 58%

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 2019 sales transactions, they were **58% of dollar volume** (2018: 38% v. 55%, 2017: 38% v. 59%, 2016: 35% v. 64%).



Would you like to make better-informed real estate decisions? I believe knowledge is power. So I invest a lot of time researching and analyzing data and trends in the Toronto real estate market. My Chartered Accountant (CPA, CA) side also compels me to dig way deeper than most agents into the numbers on individual properties my clients are interested in. If you would like to benefit from the same type of analysis and insight that is sought by media outlets and institutional investors, reach out. Because better information = better decisions.

Your home is the single largest investment you'll make — trust it with an accountant.

Click for more fresh statistics and insight on Toronto real estate:

 [@areacode416](https://twitter.com/areacode416)

areacode416homes.com