

# Toronto Real Estate Market Charts

August 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.

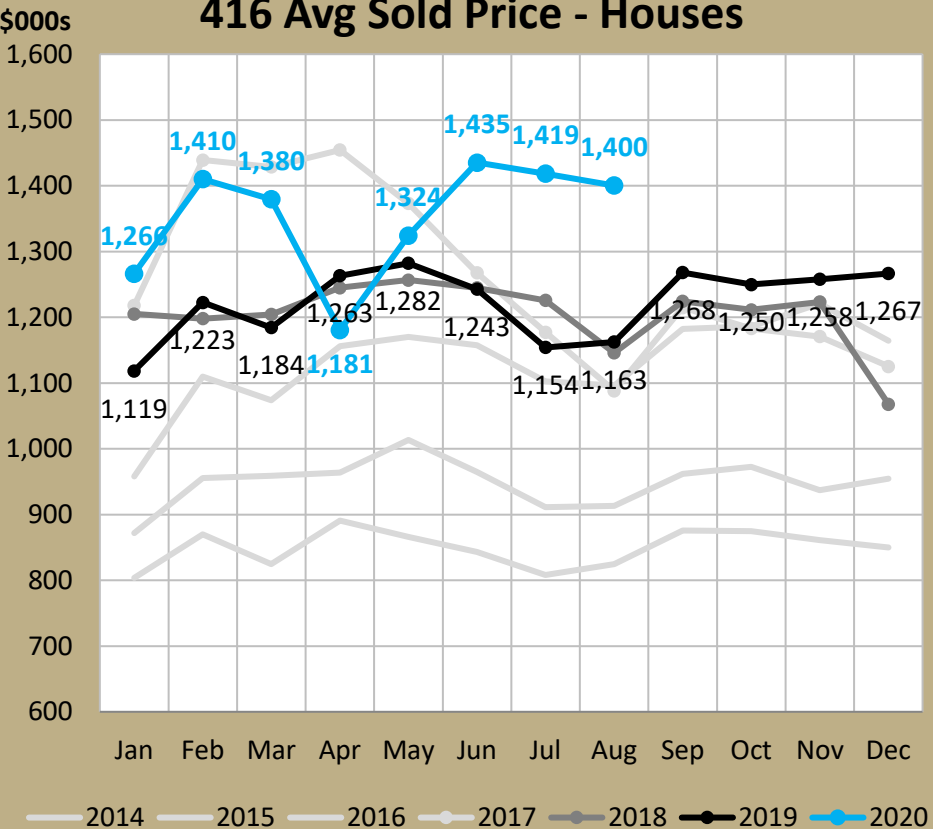
↑↓ indicator points to heating up (favours sellers), ↑↓ denotes cooling down (favours buyers)



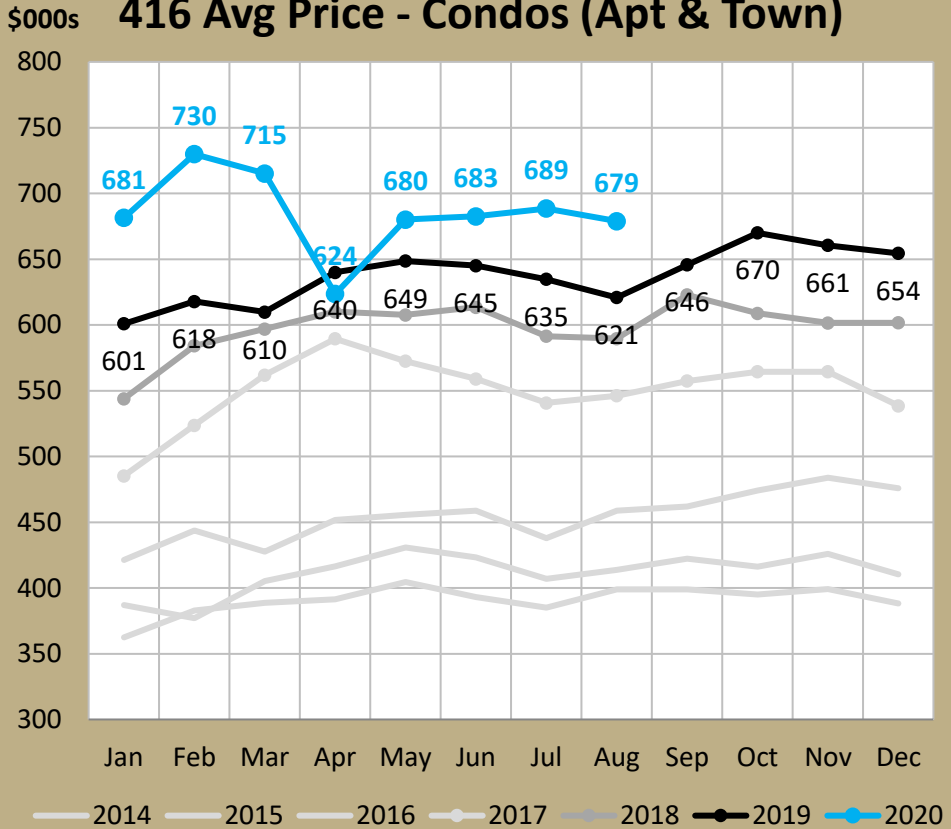
# 416 Average Sold Price

(dollar volume ÷ number of transactions in the month)

## 416 Avg Sold Price - Houses



## 416 Avg Price - Condos (Apt & Town)



**Detached \$1,505K / Semi \$1,166K / Row \$1,095K**

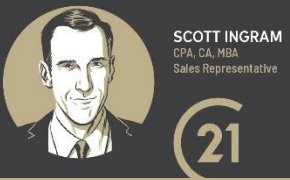
- Aug vs. '19: ▲ \$192K (20.5%)
- Aug vs. '15: ▲ \$470K (53%)
- 5 year CAGR: ▲ 8.9%

- Sloping down last 2 months
- Highest August ever, by far

**Condo Apt \$673K / Condo Townhouse \$714K**

- Aug vs. '19: ▲ \$58K (9.4%)
- Aug vs. '15: ▲ \$265K (64%)
- 5 year CAGR: ▲ 10.4%

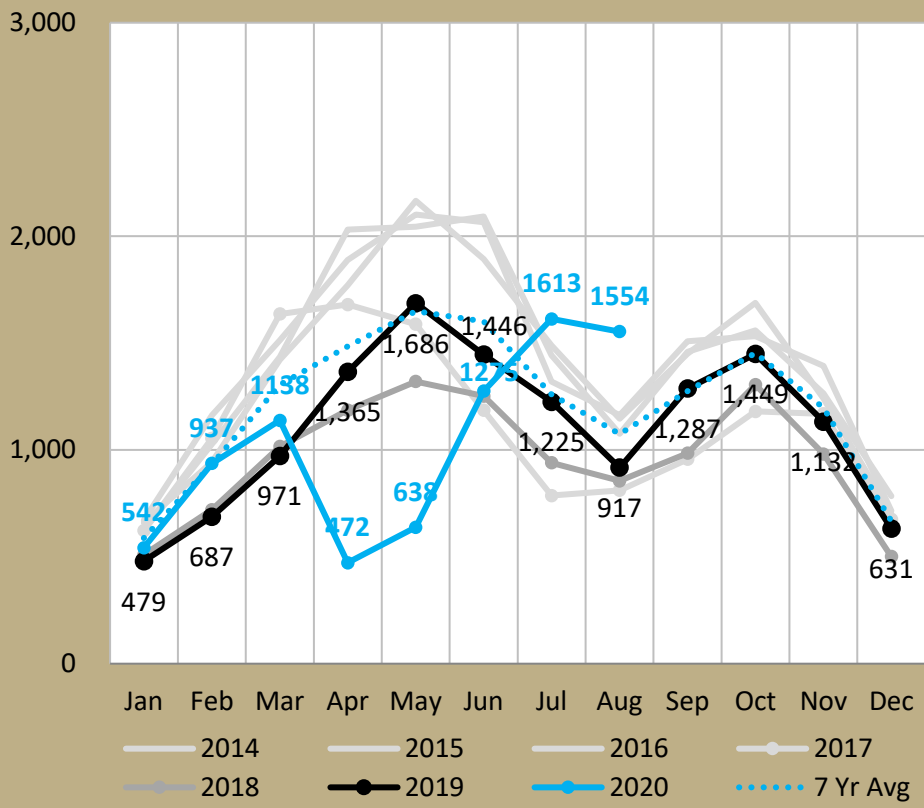
- Highest Aug ever
- YoY price growth actually accelerated from 8.5% in July



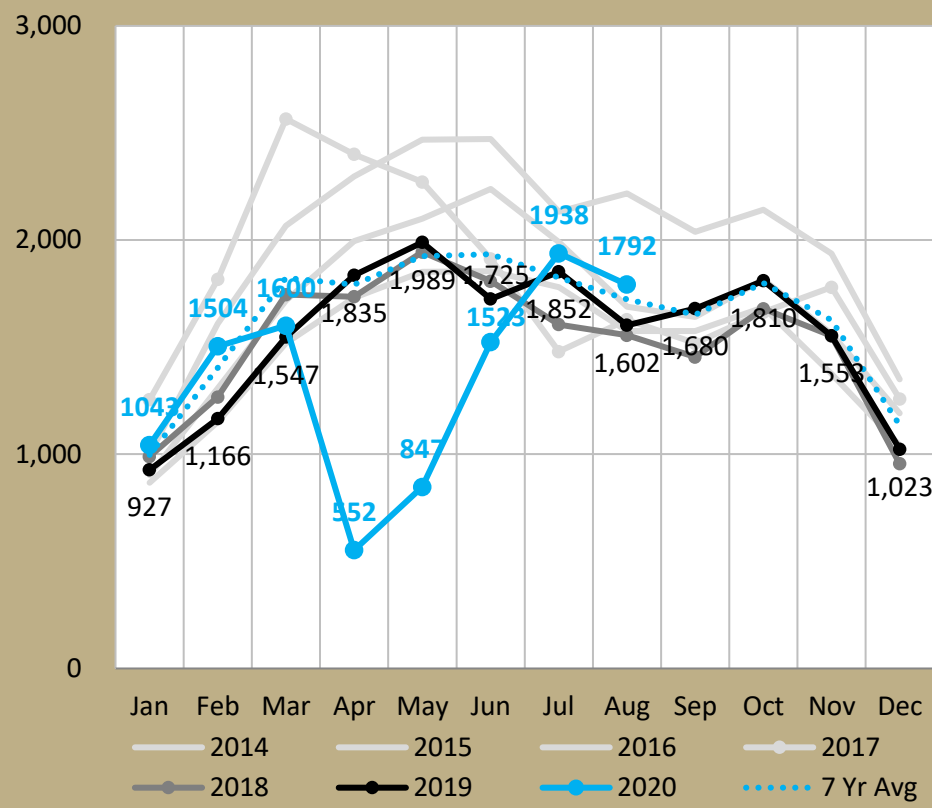
# 416 Residential Sales Volume

(number of sold transactions in the month)

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



## 416 Sales - Condos (Apt & Town)



Aug vs. '19: ▲ 69% (vs. 7 Yr Avg: ▲ 45%)  
 YTD vs. '19: ▼ 19%

- Record sales for July and Aug, but still appears to be catch-up sales from missed spring
- 43% above 10 year average

Aug vs. '19: ▲ 12% (vs. 7 Yr Avg: ▲ 4%)  
 YTD vs. '19: ▼ 25%

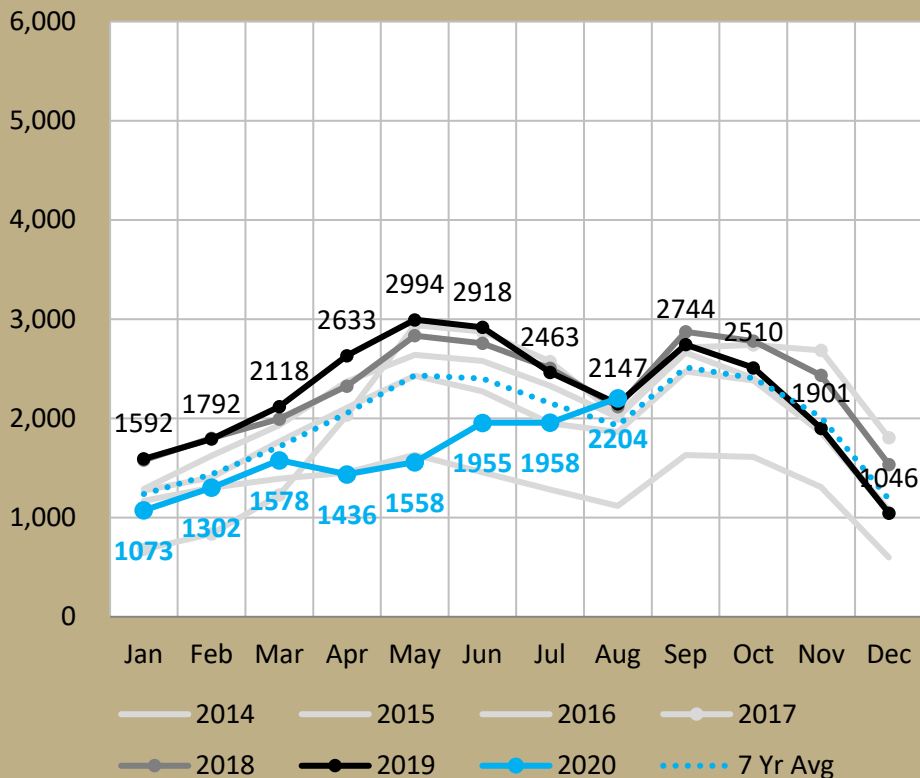
- Second highest Aug ever, behind only bananas 2016
- YTD is still 25% behind last year



# 416 Active Listings

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

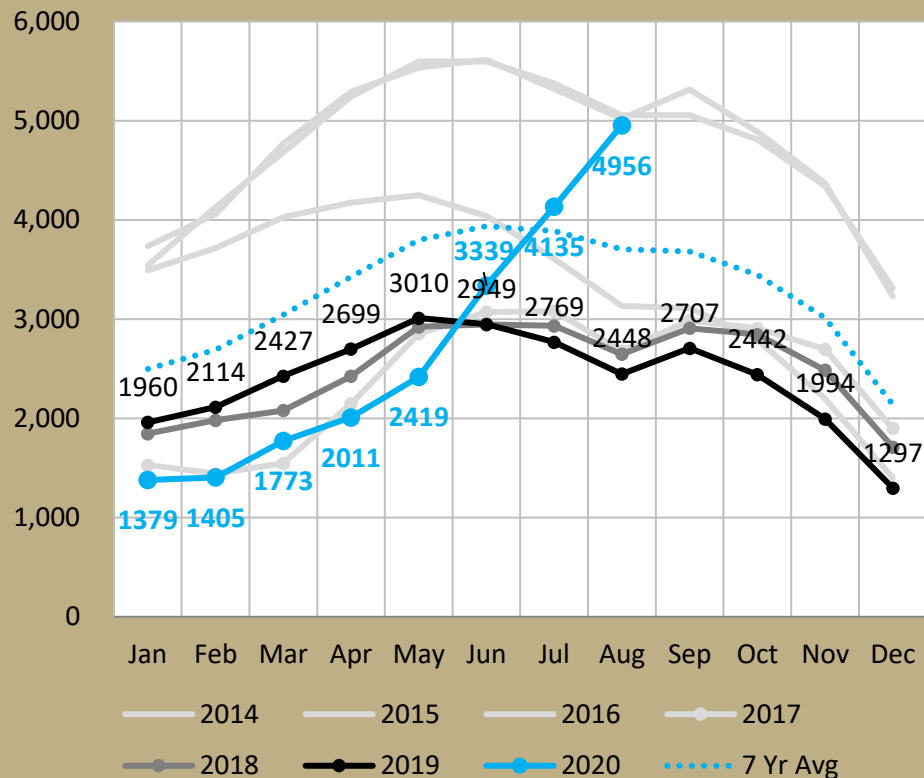
## 416 Active Listings - Houses



Aug vs. '19: ▲ 3% (vs. 7 Yr Avg: ▲ 14%)  
 YTD vs. '19: ▼ 39%

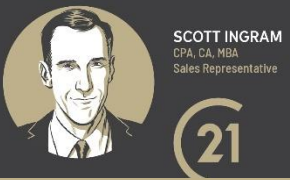
- First month this year above 2019 and 7-yr avg

## 416 Active Listings - Condos



Aug vs. '19: ▲ 102% (vs. 7 Yr Avg: ▲ 34%)  
 YTD vs. '19: ▲ 5%

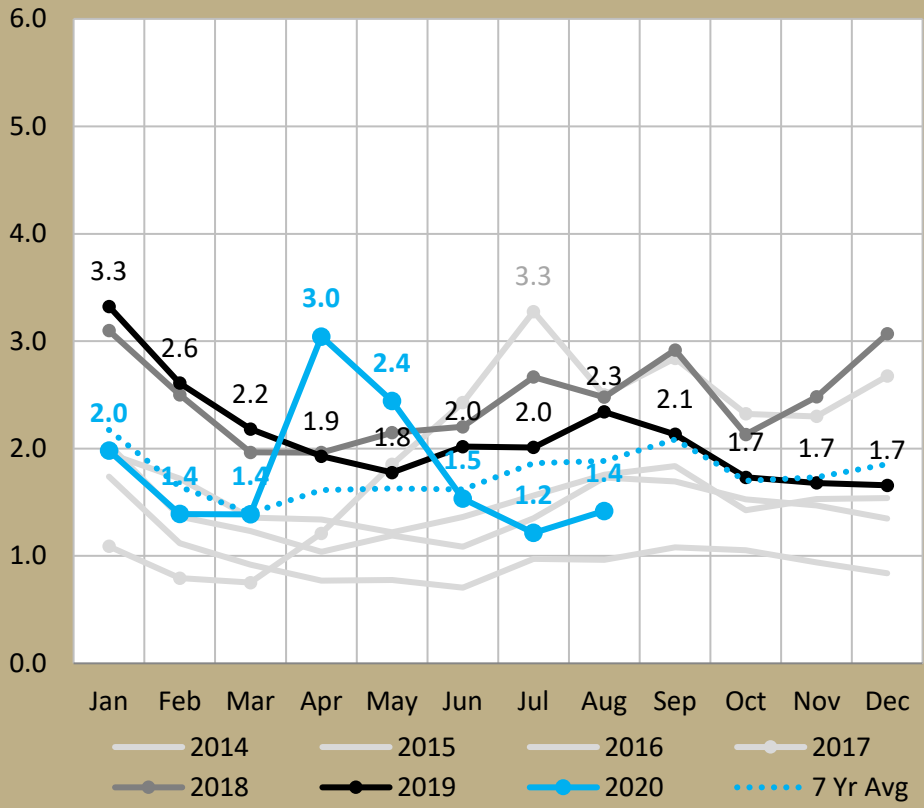
- Way higher than last 5 years, but actually consistent with 2010-15 average of 4,853  
 - Continued to climb last couple of months, though normally decline through summer



# 416 Months Of Inventory

(active listings at month end ÷ sales for month)

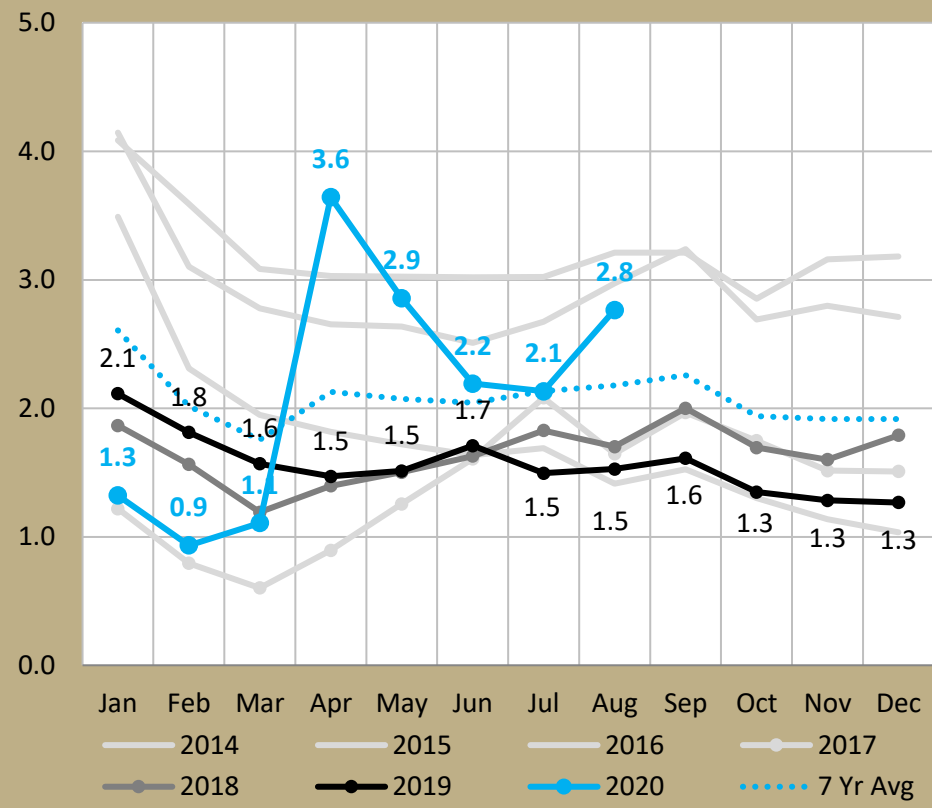
## 416 MOI - Houses (Det & Semi & Row)



Aug vs. '19: ▼ 0.9 months (-39%)  
 Aug vs. 7 Yr Avg: ▼ 0.5 months (-25%)

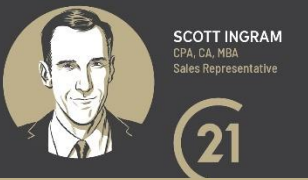
- Second lowest Aug ever, behind only 2016 (1.0)

## 416 MOI - Condos (Apt & Town)



Aug vs. '19: ▲ 1.2 months (81%)  
 Aug vs. 7 Yr Avg: ▲ 0.6 months (27%)

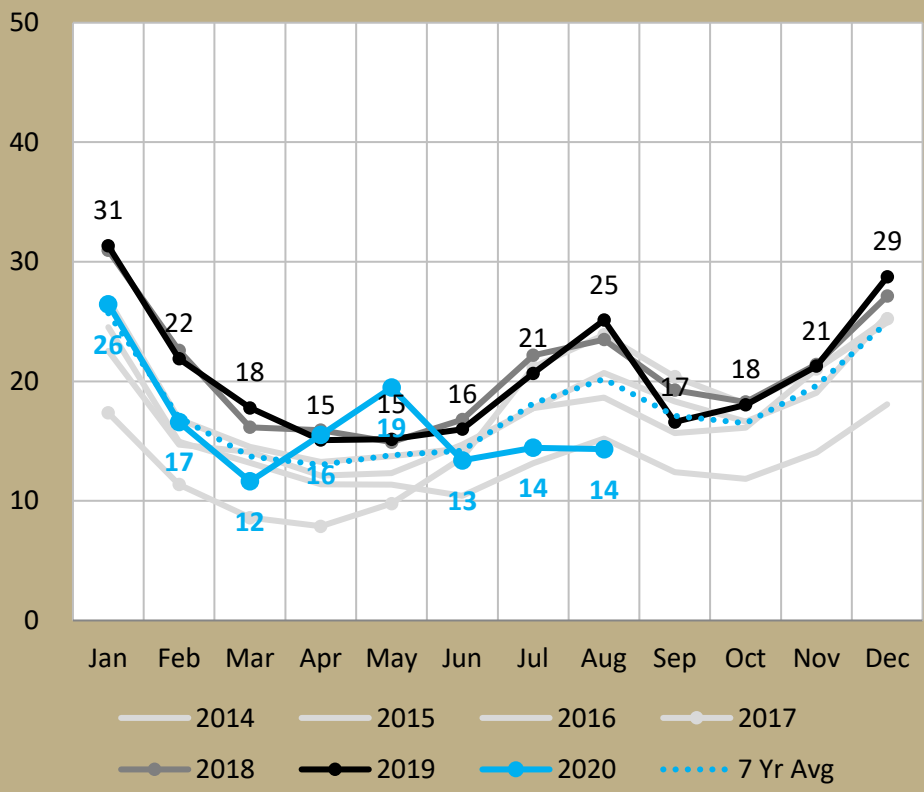
- Highest Aug since 2015 (3.0)
- Above 10-yr avg (2.5) but at 25-yr avg (2.8)
- April ended record 36 months in row condos < houses



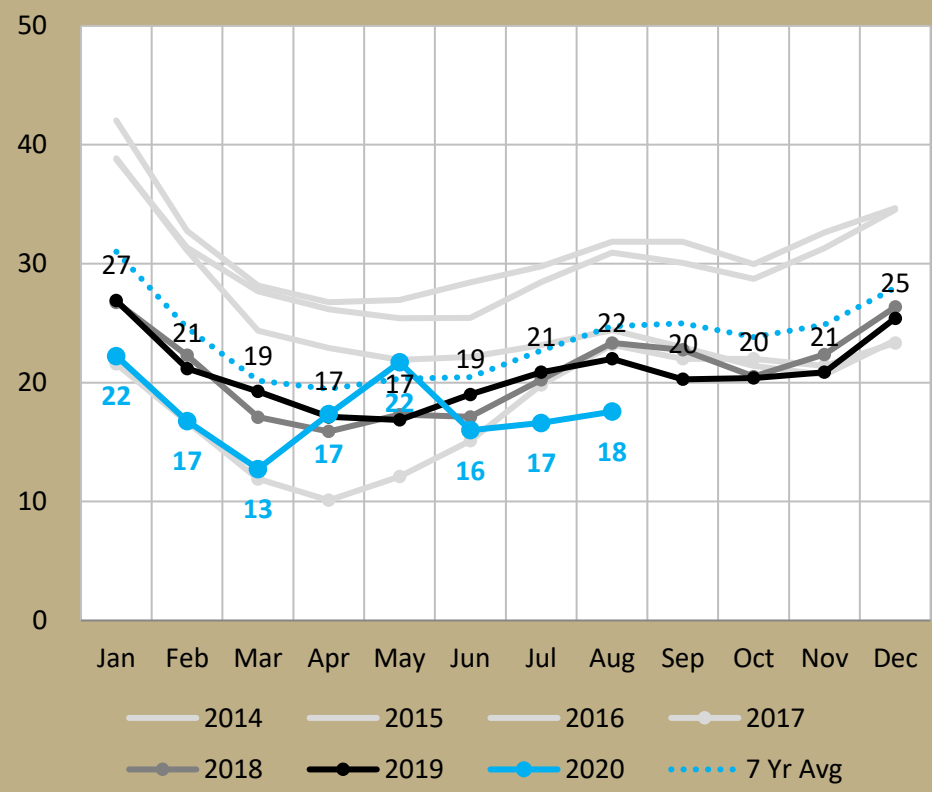
# 416 Average Days On Market

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

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



## 416 DOM - Condos (Apt & Town)



Aug vs. '19: ↓ 10.8 days (-43%)  
 Aug vs. 7 Yr Avg: ↓ 5.9 days (-29%)

- Lowest Aug on record (since 1996) but subject to limitations below
- This uses LDOM (listing days on market), tracking the MLS#, not the property (TRREB calls PDOM)

Aug vs. '19: ↓ 4.4 days (-20%)  
 Aug vs. 7 Yr Avg: ↓ 7.2 days (-29%)

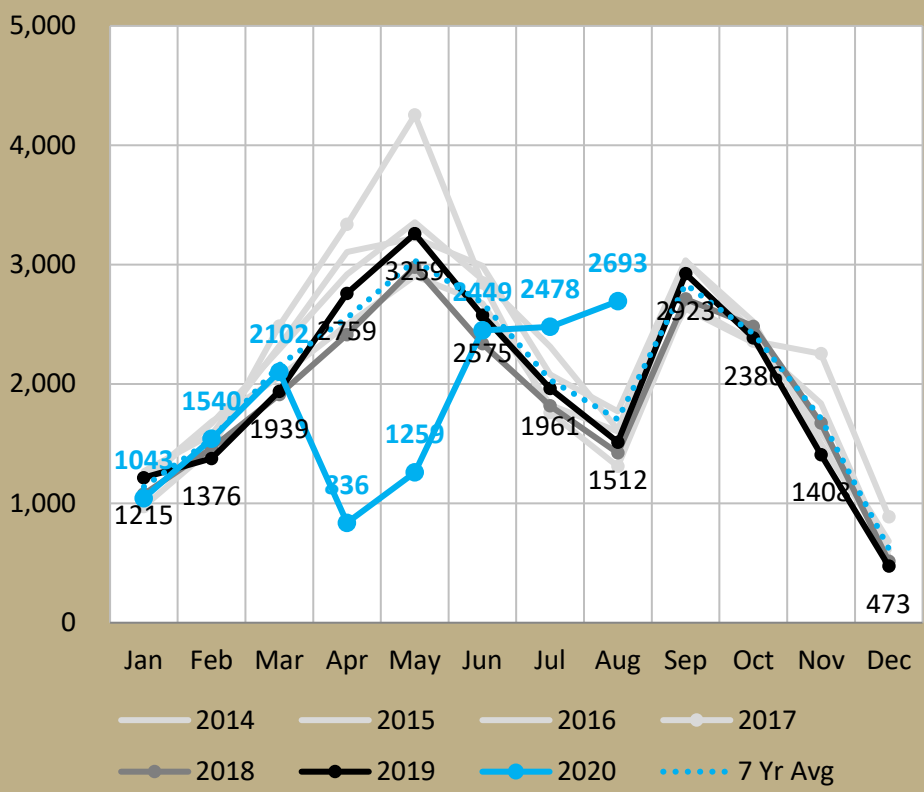
- Lowest Aug on record, which is strange since other stats showing condo weakness
- Diverged lower from averages in spring 2016 and has stayed low since



# 416 New Listings

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

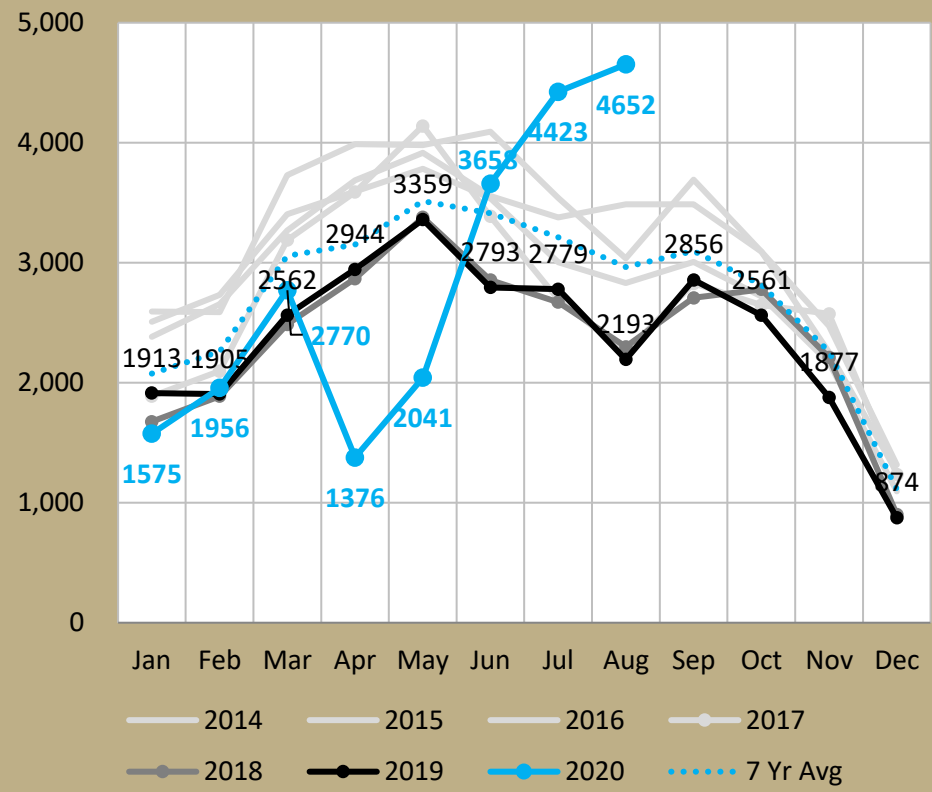
## 416 New Listings - Houses



Aug vs. '19: ▲ 78% (vs. 7 Yr Avg: ▲ 58%)  
 YTD vs. '19: ▼ 13%

- Above seasonal norms the last couple of months
- Terminations and re-listings distort this stat

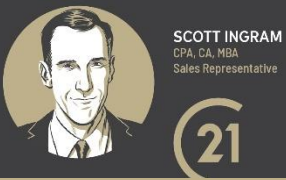
## 416 New Listings - Condos (Apt & Town)



Aug vs. '19: ▲ 112% (vs. 7 Yr Avg: ▲ 57%)  
 YTD vs. '19: ▲ 10%

- In Apr this was 56% below 7-yr avg, now is 57% above
- Last year dropped 2200 from May to Aug, this year grew 2600

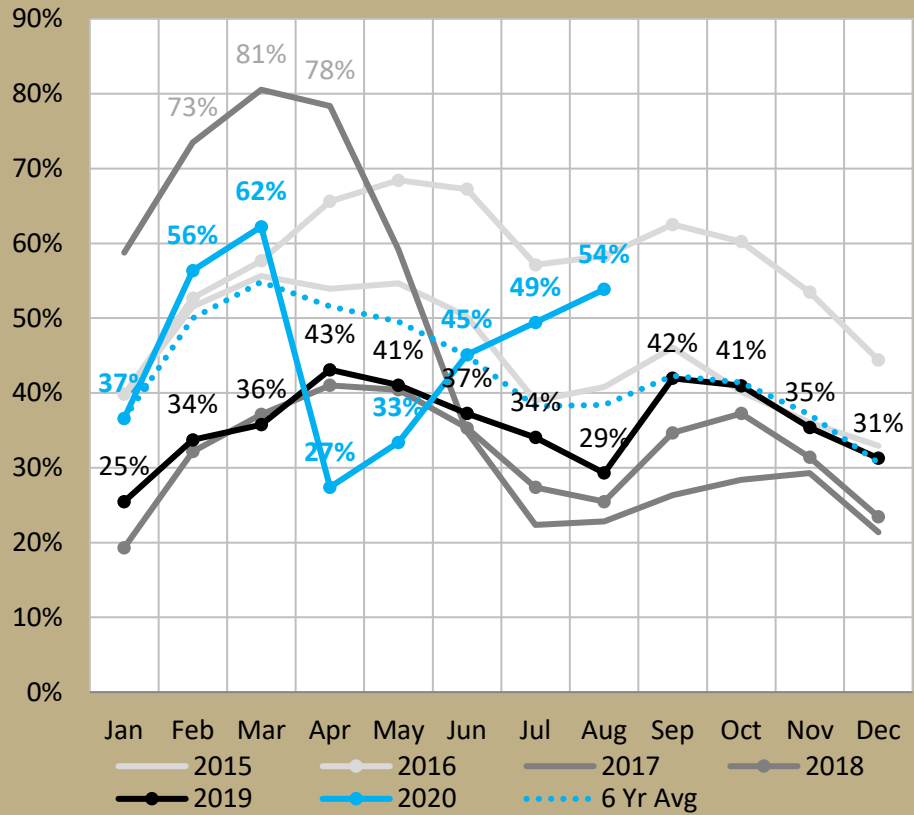




# 416 Sold Over Asking

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

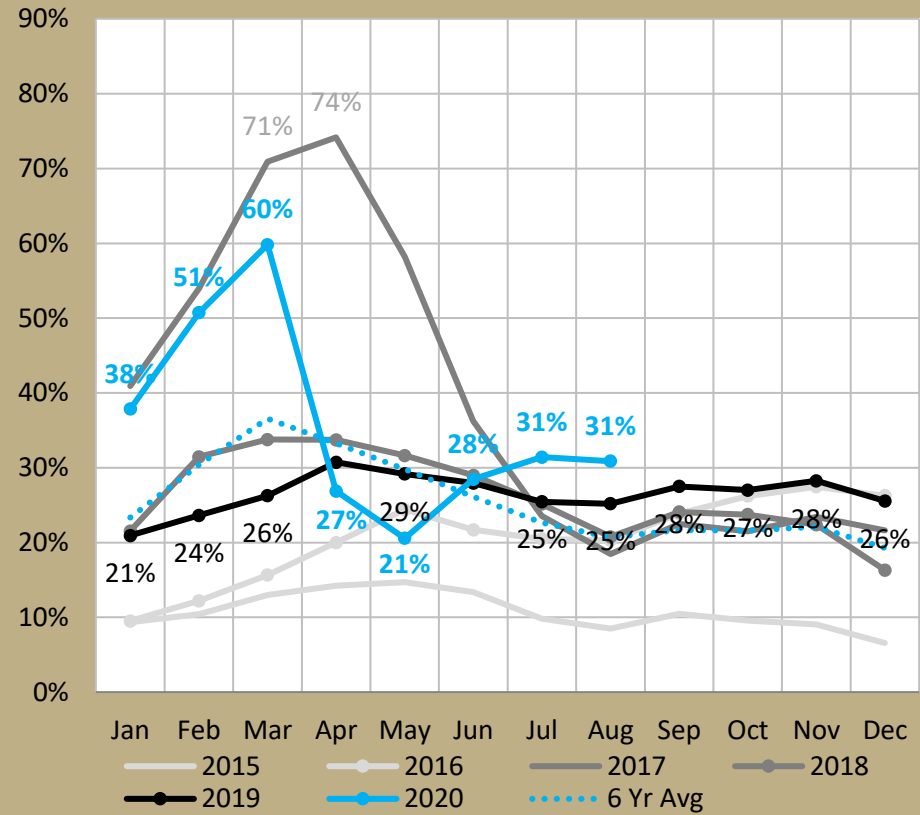
## 416 Sold Over Asking - Houses



101% or more of asking Aug vs. '19: ▲ 25 pp  
 Month-over-month: ▲ 5 pp

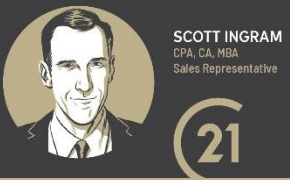
- Second highest Aug ever behind 2016
- Full year numbers: 2015 47% • 2016 60% • 2017 49% • 2018 34% • 2019 37%

## 416 Sold Over Asking - Condos



101% or more of asking Aug vs. '19: ▲ 6 pp  
 Month-over-month: ◄► 0 pp

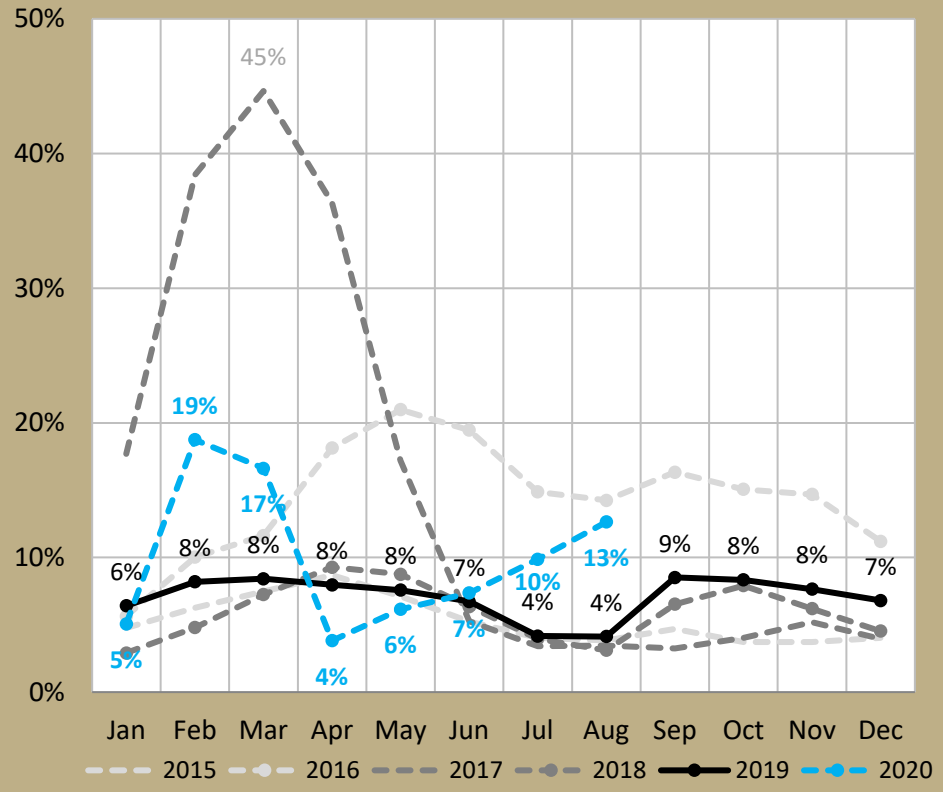
- Usually a reflection of a hot market, but highs last couple of months feel contra to market reality
- Full year numbers: 2015 11% • 2016 21% • 2017 42% • 2018 27% • 2019 27%



# 416 Sold 20% Over Asking

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

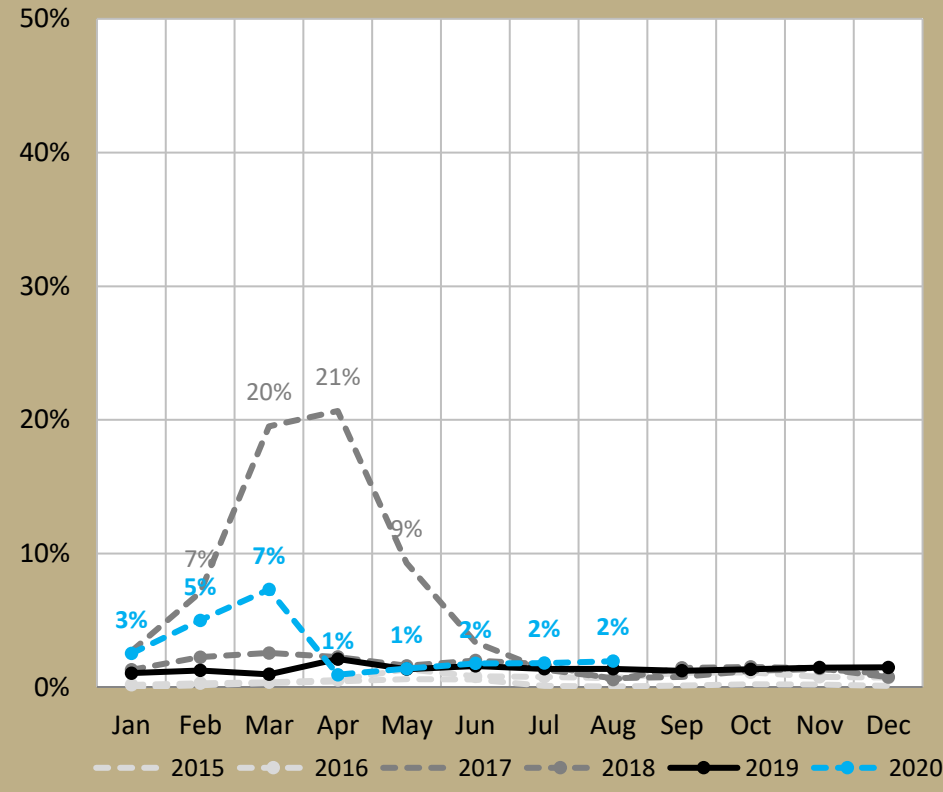
## 416 Sold 20% Over Asking - Houses



120% or more of asking Aug vs. '19:  $\uparrow$  9 pp  
 Month-over-month:  $\uparrow$  3 pp

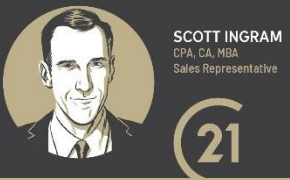
- Abnormally high for summer months
- Even high for most springs

## 416 Sold 20% Over Asking - Condos



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

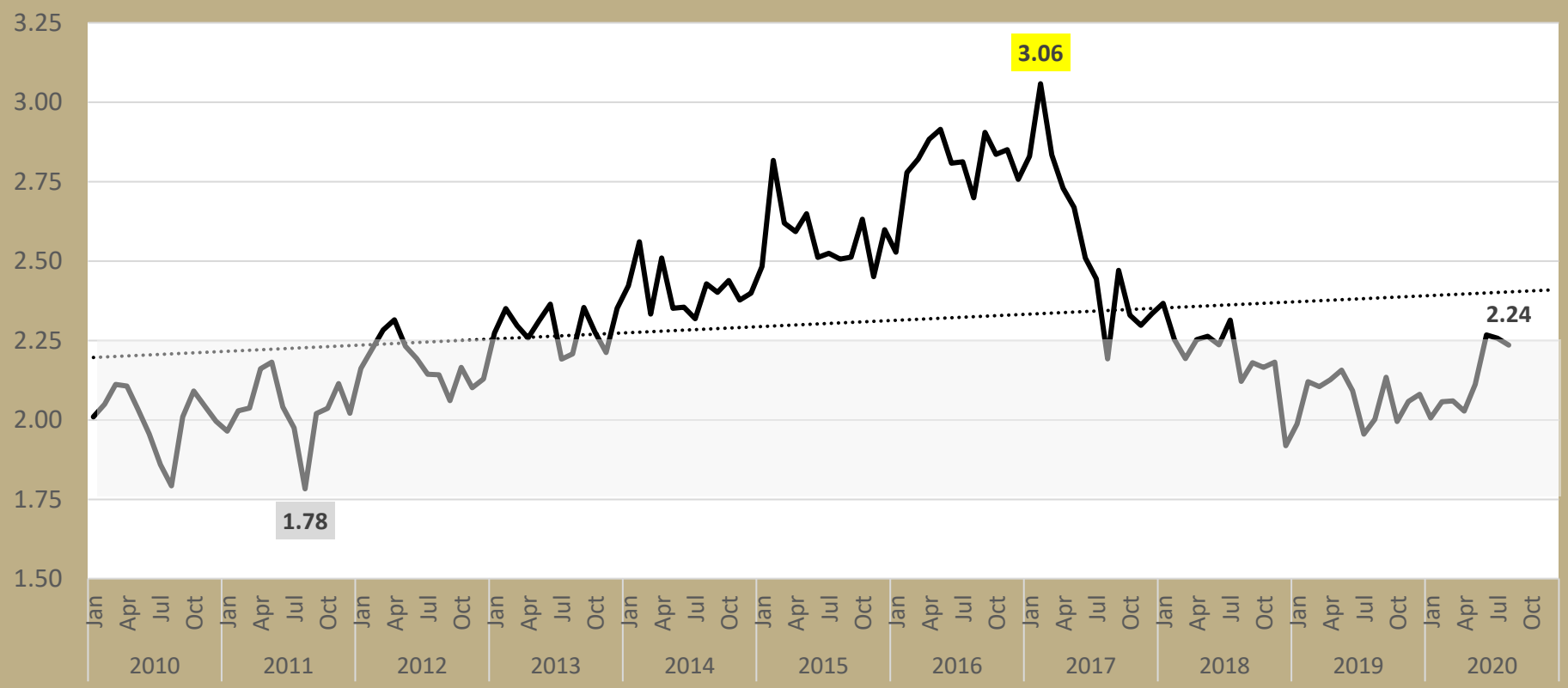
- Back to the usual 1% or 2%



# 416 Detached/Condo price ratio

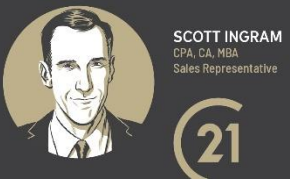
(average price for detached divided by average price of condo apartment)

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



Current ratio: 2.24  
Month-over-month: ↓ 0.03

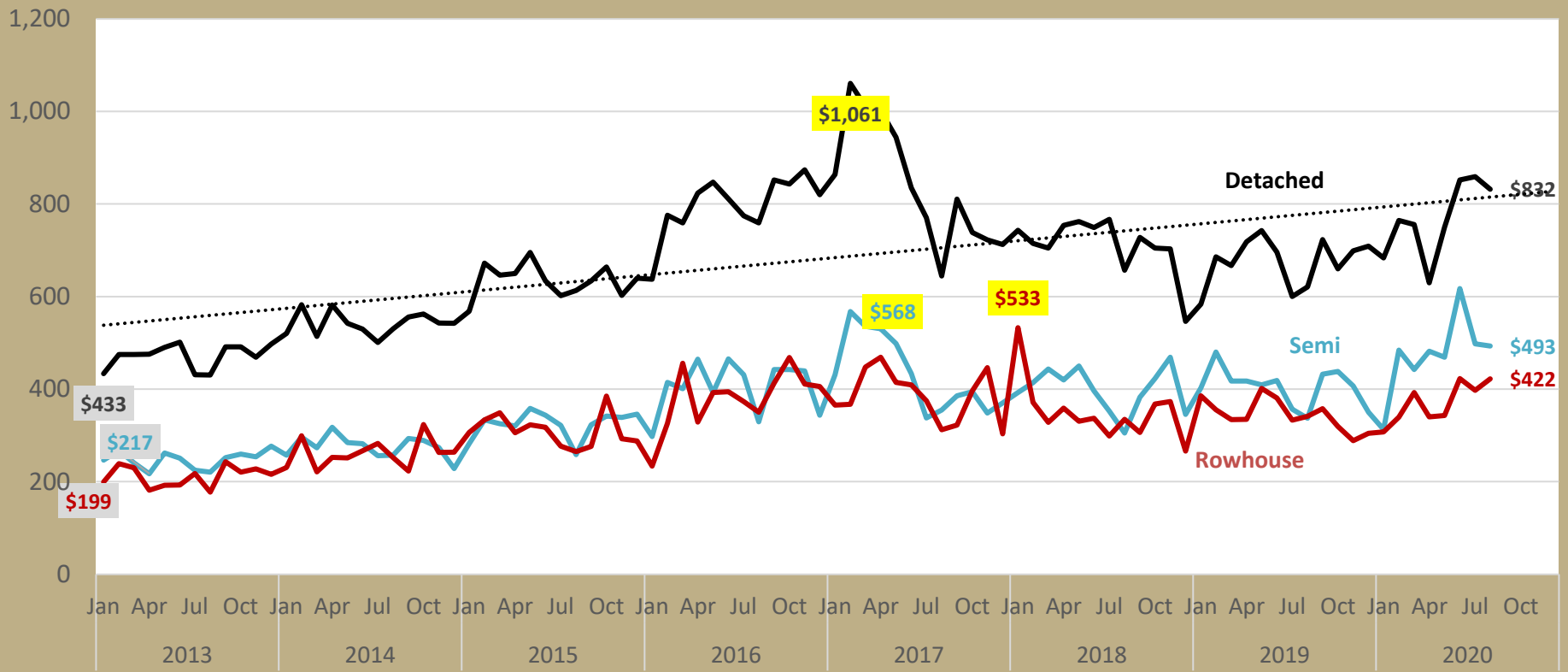
- Average since Jan 1996 = 2.13
- Median since Jan 1996 = 2.06
- Max = 3.06
- Min = 1.72



# 416 Price Gaps vs. Condo Apt

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

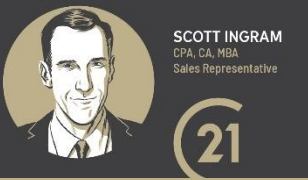
## 416 Price Gaps vs. Condo Apt ('000s)



Current **Detached** dollar gap: \$832K  
 Prior month dollar gap: \$859 ( ▼ \$27K)  
 Prior year dollar gap: \$621K ( ▲ \$211K)  
 2 yrs prior dollar gap: \$657K ( ▲ \$175K)

Current **Semi** dollar gap: \$493K  
 Prior mth dollar gap: \$498K ( ▼ \$5K)  
 Prior year dollar gap: \$337K ( ▲ \$156K)  
 2 yrs prior dollar gap: \$305K ( ▲ \$188K)

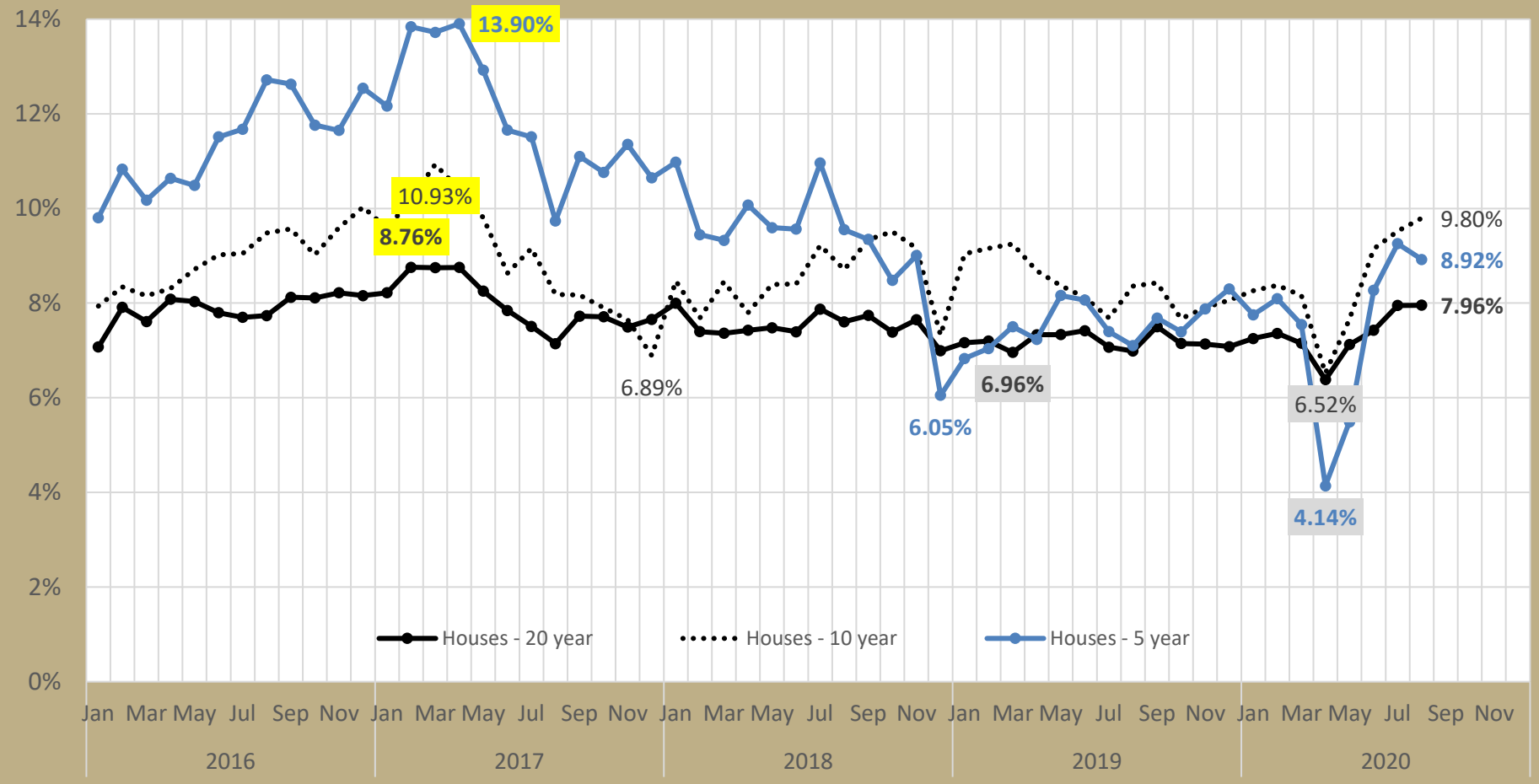
Current **Rowhouse** dollar gap: \$422K  
 Prior month dollar gap: \$397K ( ▲ \$25K)  
 Prior year dollar gap: \$341K ( ▲ \$81K)  
 2 yrs prior dollar gap: \$334K ( ▲ \$88K)



# 416 Price CAGRs – Freehold

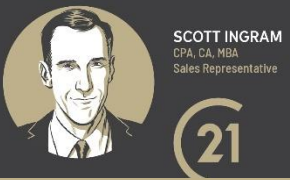
(Compound annual growth rate, current month vs. same month 5, 10, 20 years ago)

## 416 Freeholds - Average Price CAGRs



20 year **House** performance: 20 year CAGR (as at current month) is 7.96%; MoM change ▲ 1 bps

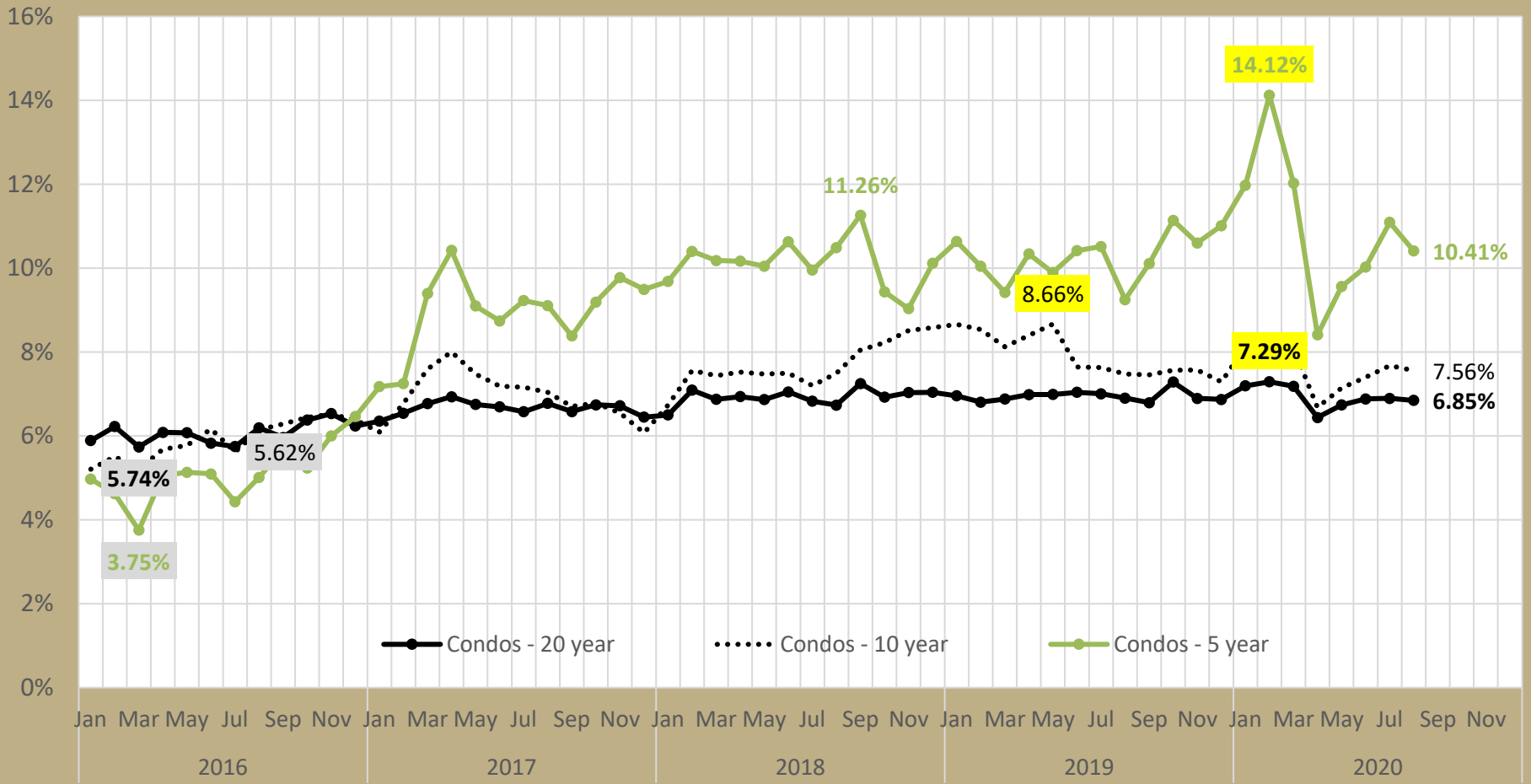
20 year **Condo** performance: 20 year CAGR (as at current month) is 6.88%; MoM change ▼ 5 bps



# 416 Price CAGRs – Condo

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

## 416 Condos - Average Price CAGRs



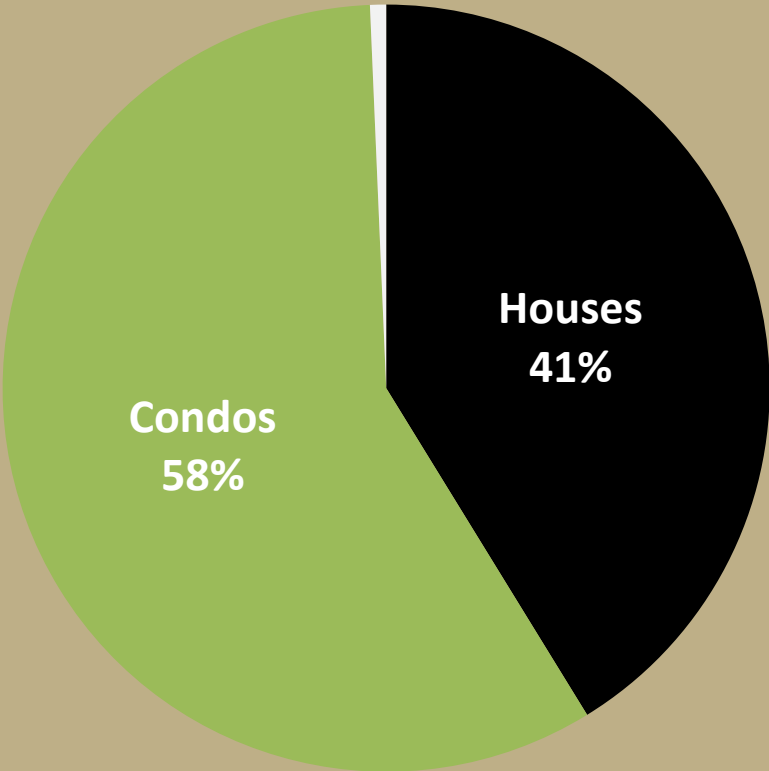
20 year **House** performance: 20 year CAGR (as at current month) is 7.42%; MoM change ▲ 1 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 6.88%; MoM change ▼ 5 bps

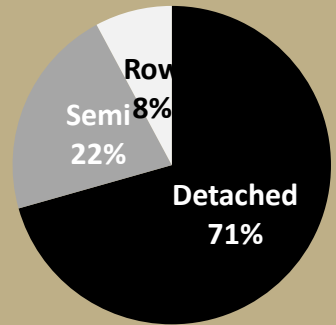


# 416 Market Breakdown

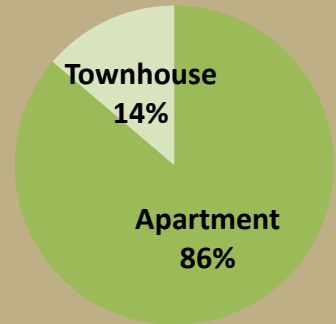
### Share of Transactions - last 12 months



### Share of House Transactions - last 12 months



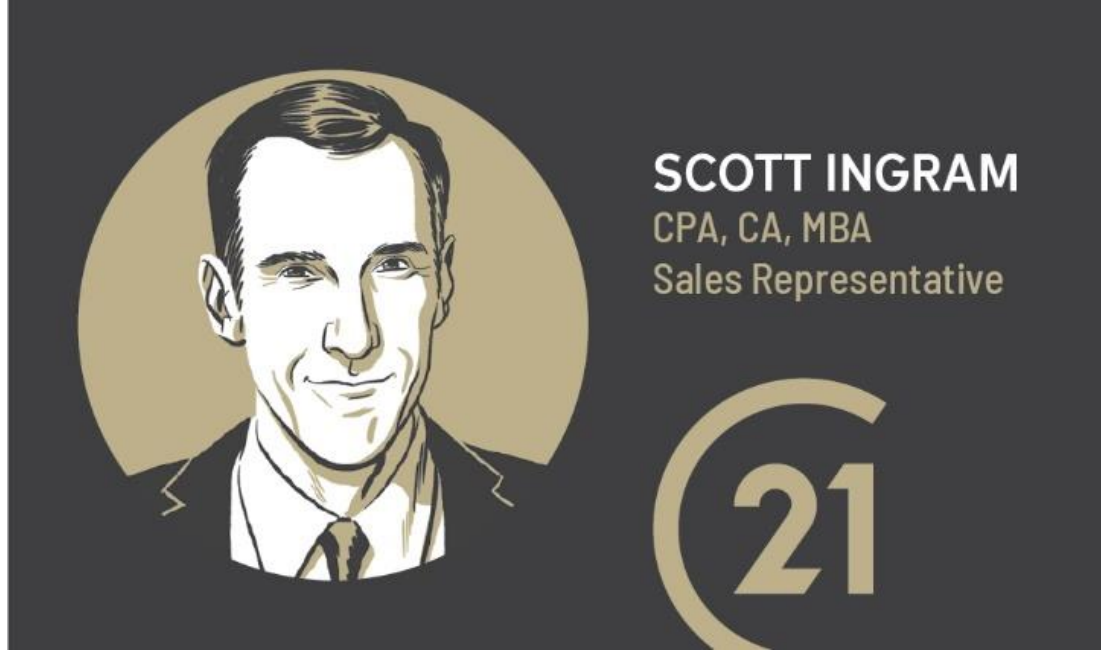
### Share of Condo Transactions - last 12 months



- 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%).



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