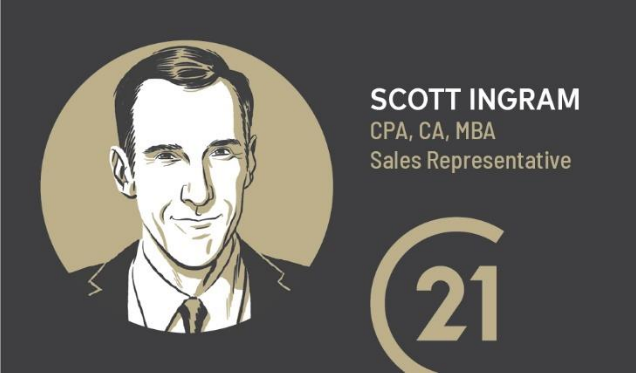
Toronto Real Estate Market Charts

November 2020

Scott Ingram
CPA, CA, MBA
Realtor



Toronto Real Estate

Monthly Market Charts

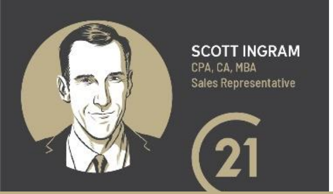
Introduction

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.

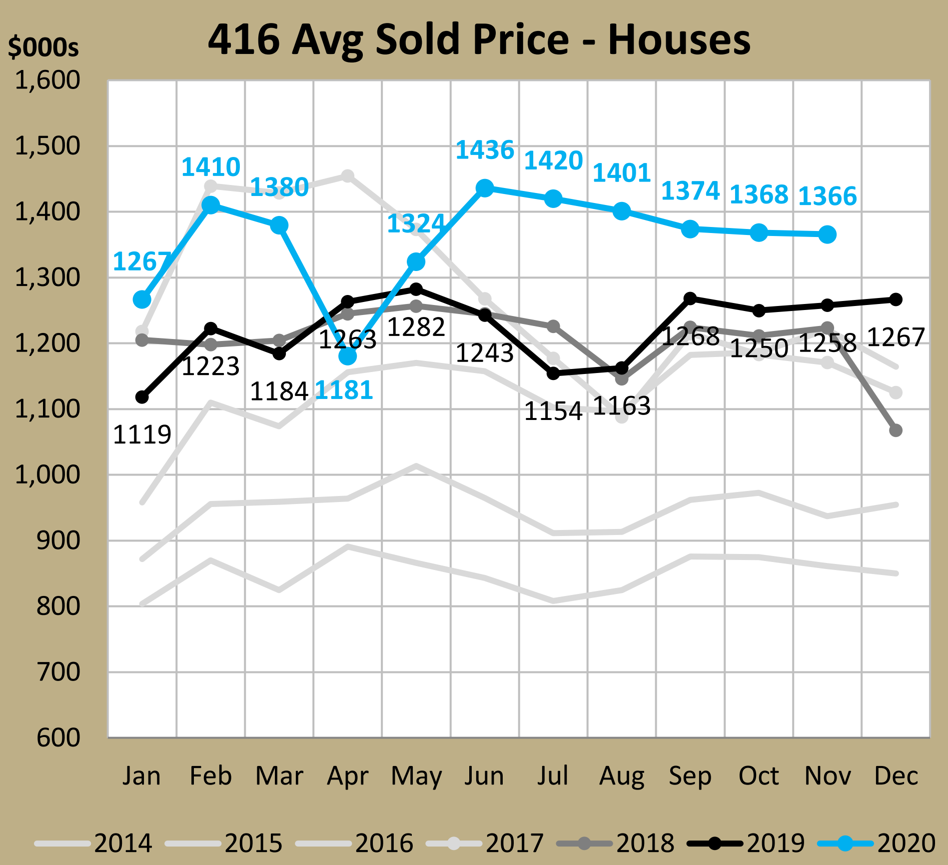
I also separate Toronto's **two distinct market segments**: houses (freeholds) and condos, because lumping them together obscures a lot of information, and you are probably more interested in one than the other. With segmentation and some historical context, I aim to give you a clearer vision of market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

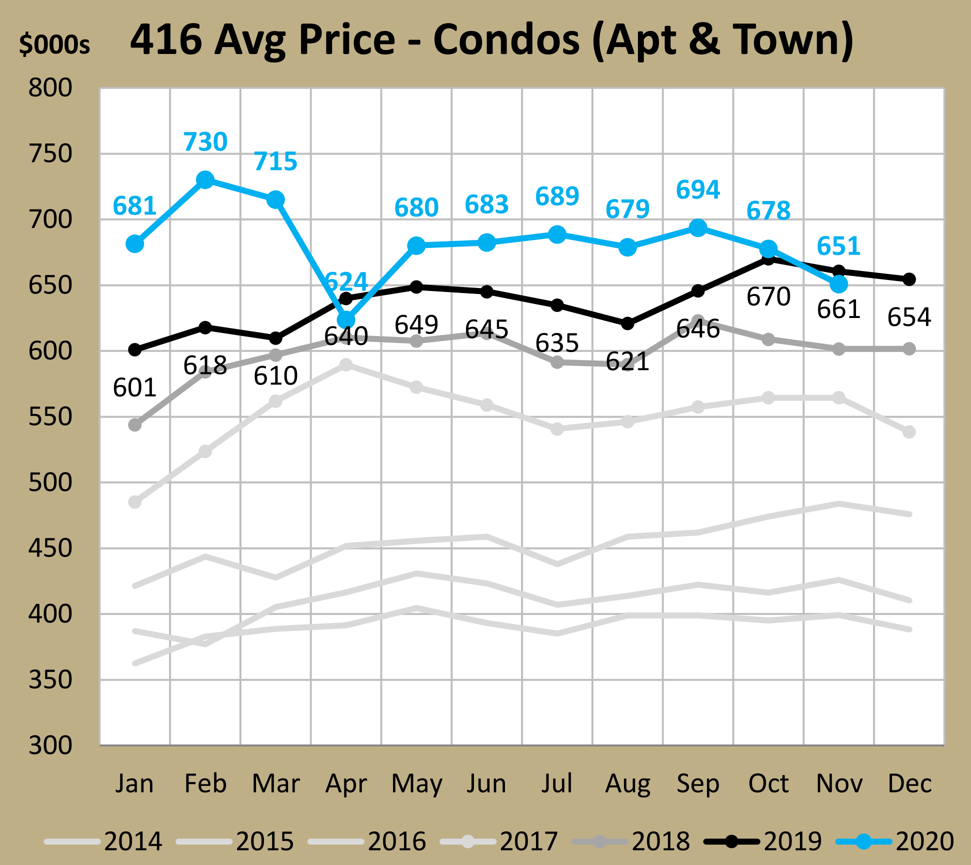
⬆⬇ indicator points to heating up (favours sellers), ⬆⬇ denotes cooling down (favours buyers)



416 Average Sold Price

(dollar volume ÷ number of transactions in the month)





Detached $1,477K / Semi $1,161K / Row $1,058K

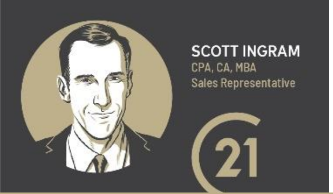
Nov vs. '19: ⬆ $108K (8.6%)
Nov vs. '15: ⬆ $428K (46%)
5 year CAGR: ⬆ 7.8%

- Sloping down last 6 months
- Still monthly records the last 6 months

Condo Apt $640K / Condo Townhouse $710K

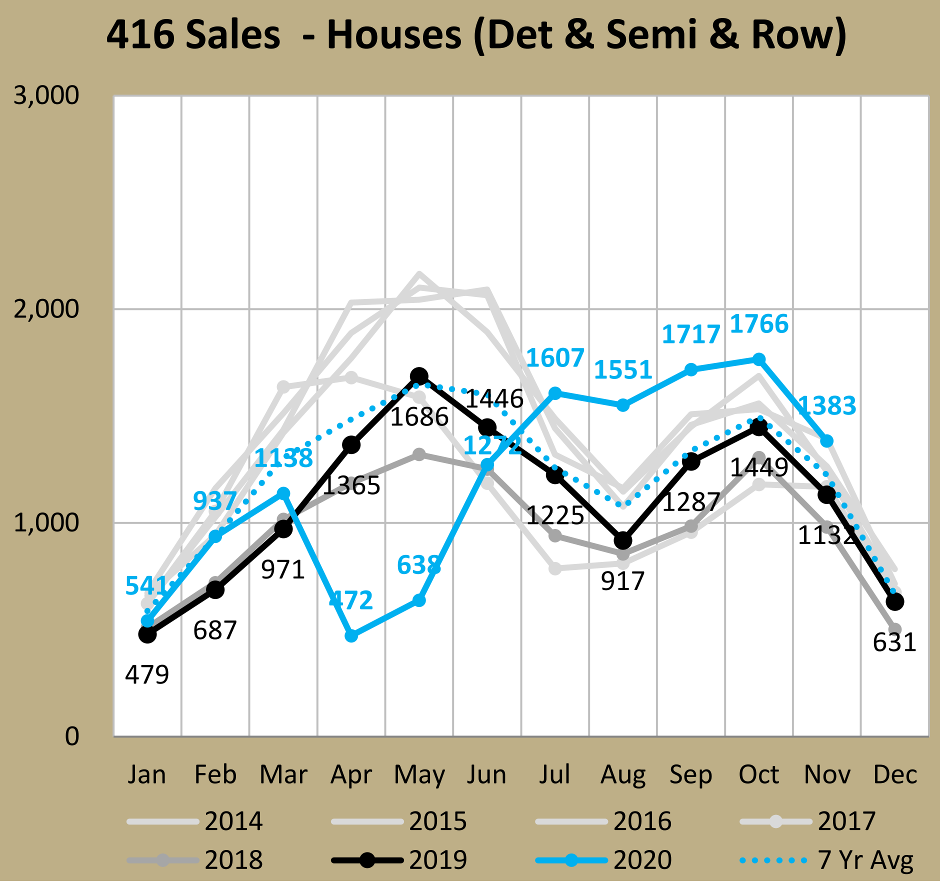
Nov vs. '19: ⬇ $10K (1.5%)
Nov vs. '15: ⬇ $225K (53%)
5 year CAGR: ⬆ 8.8%

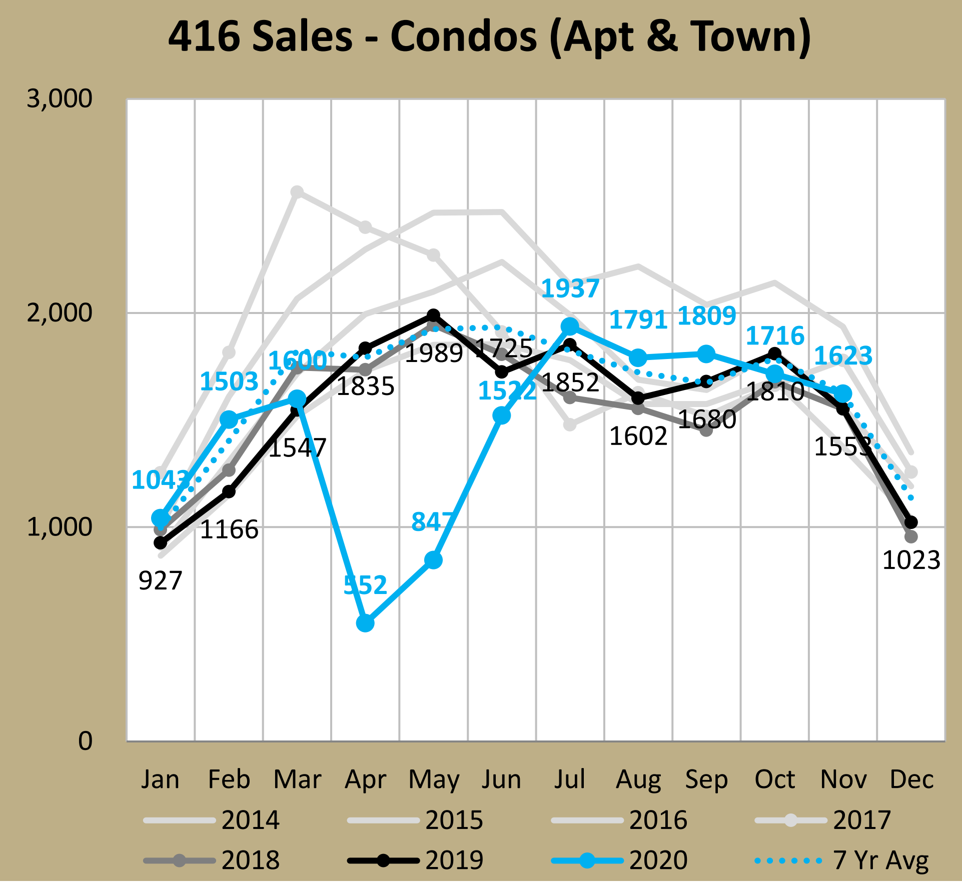
- Other than anomaly in April, last time avg condo price lower than prior year was Feb 2015



416 Residential Sales Volume

(number of sold transactions in the month)





Nov vs. '19: ⬆ 22% (vs. 7 Yr Avg: ⬆ 13%)
YTD vs. '19: ⬆ 3%

- High for recent years (10 sales behind 2016) but 9th in last 25 years
- 13% above 7-year average, down from 18% above last month (gap keeps closing monthly)

Nov vs. '19: ⬆ 5% (vs. 7 Yr Avg: ⬅➡ 0%)
YTD vs. '19: ⬇ -10%

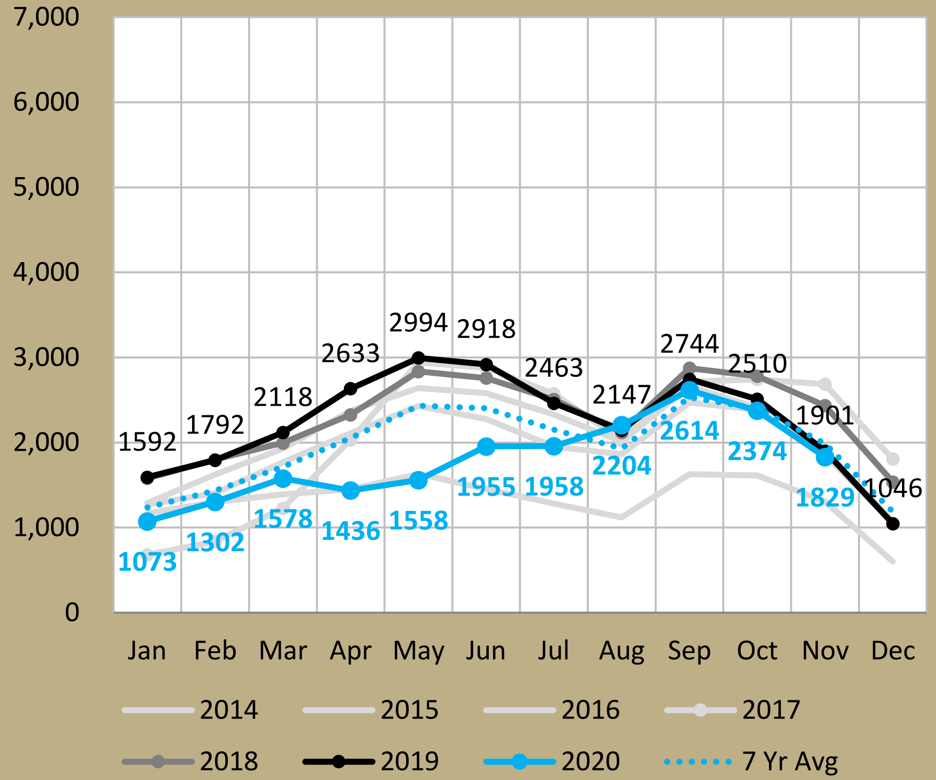
- Third highest Oct ever, but right at average of last 7 years
- YTD was -26% at end of May, has now climbed to -10%behind last year (vs. freehold +3%)

SCOTT INGRAM
CPA, CA, MBA
Sales Representative

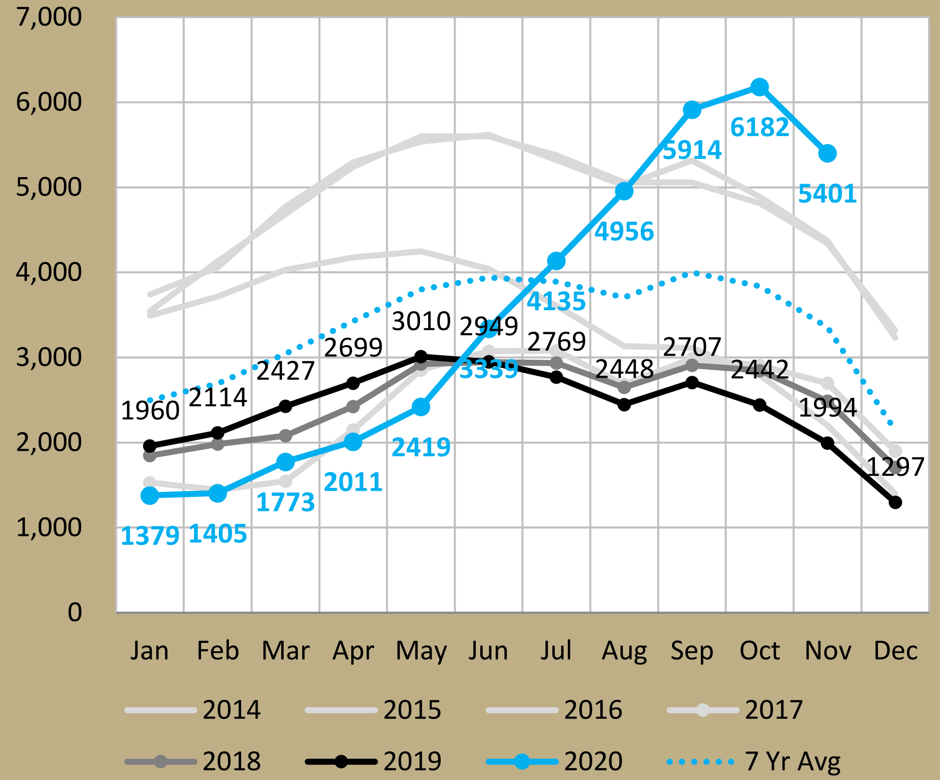
416 Active Listings

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

416 Active Listings - Houses



416 Active Listings - Condos

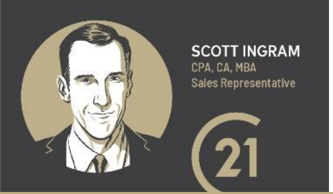


Nov vs. '19: ⬇ -4% (vs. 7 Yr Avg: ⬇ -8%)
YTD vs. '19: ⬇ -23%

- Sitting 8% below 7-year average, and was 4th lowest November in last 25 years behind 2016, 1999, 2000

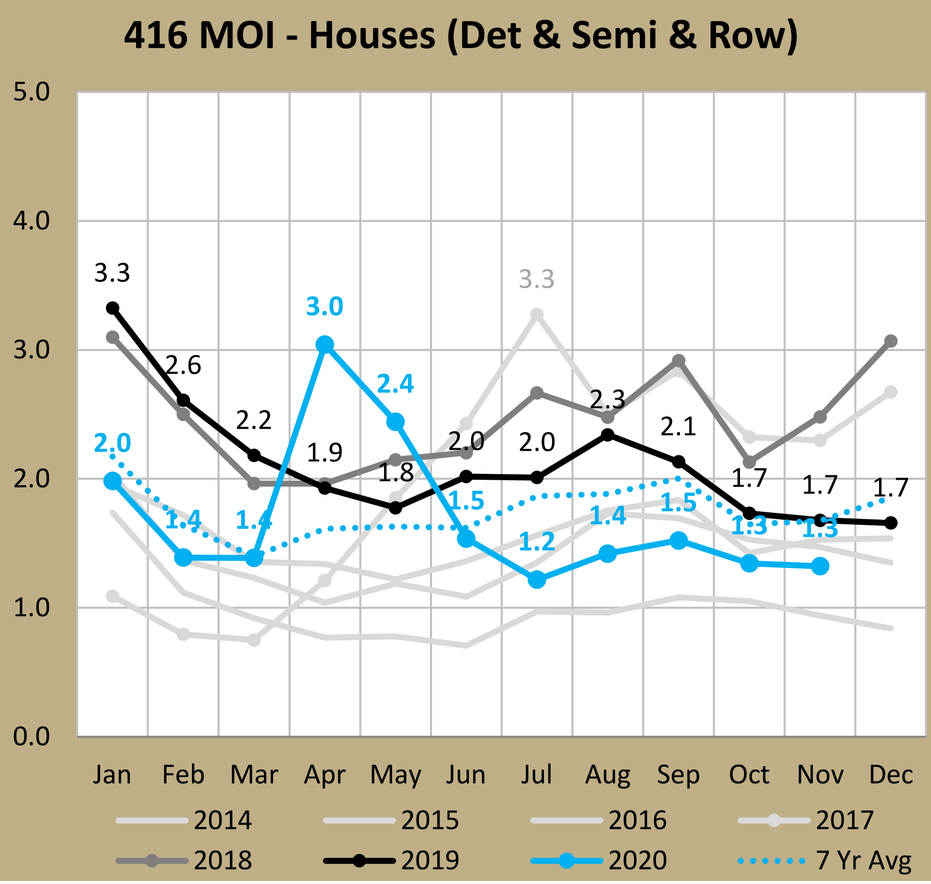
Nov vs. '19: ⬆ 171% (vs. 7 Yr Avg: ⬆ 61%)
YTD vs. '19: ⬆ 41%

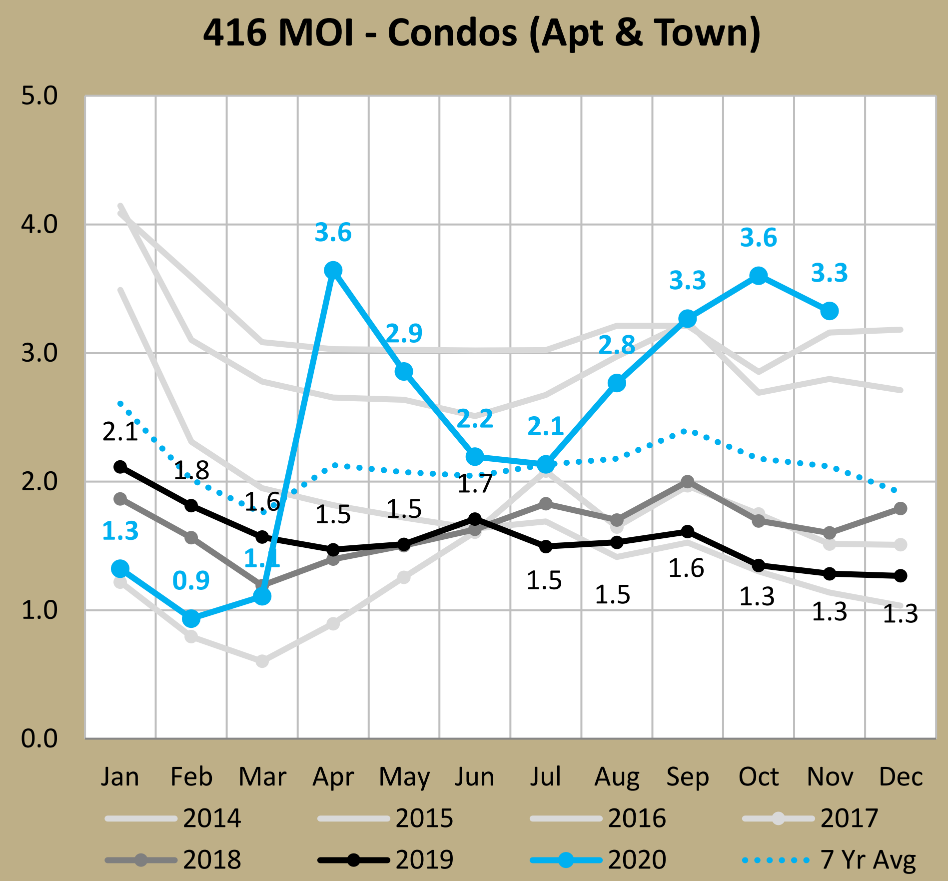
- Highest Nov ever (over 200 more than 2008 at 5,087, which has come down from Oct beating record by 868)
- 2010-15 avg was 5047 so > 5K not unprecedented



416 Months Of Inventory

(active listings at month end ÷ sales for month)





Nov vs. '19: ⬇ 0.4 months (-21%)
Nov vs. 7 Yr Avg: ⬇ 0.4 months (-21%)

- Last 5 months were second tightest ever for those months, behind only 2016

Nov vs. '19: ⬆ 2.0 months (159%)
Nov vs. 7 Yr Avg: ⬆ 2.1 months (57%)

- Highest Nov since 2013 (3.4), but is only 8th highest in last 25 years, and avg from 2012-2015 was 3.4
- Record was 6.8 in 2008
- April ended record 36 months in row condos < houses

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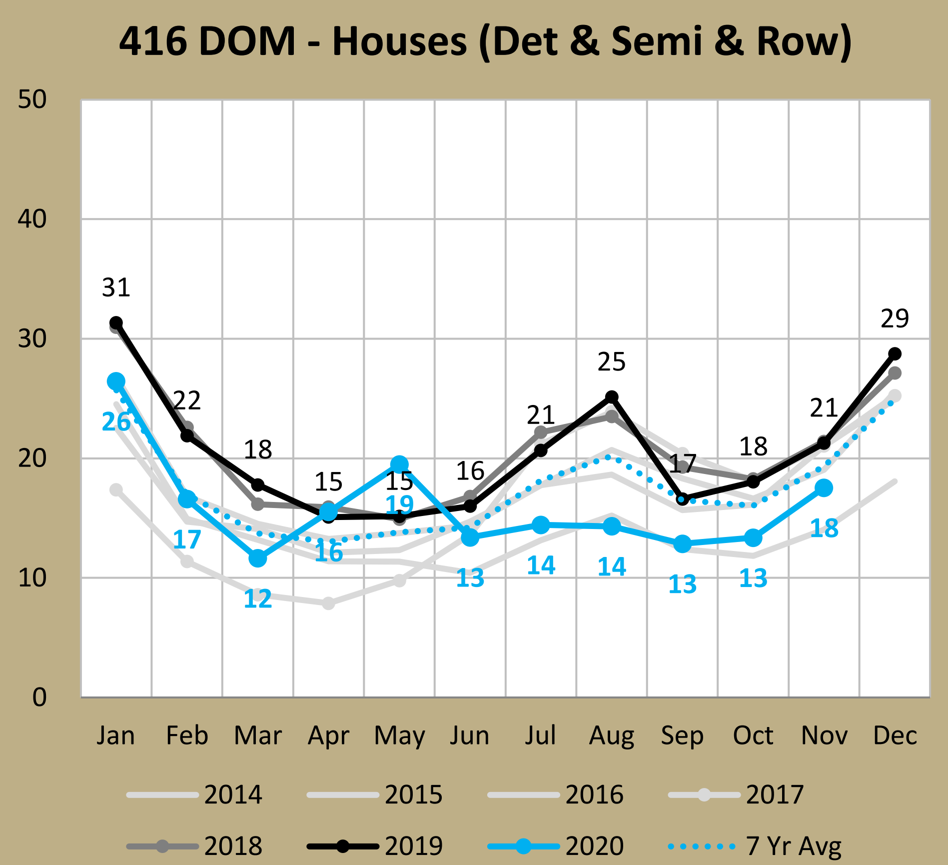
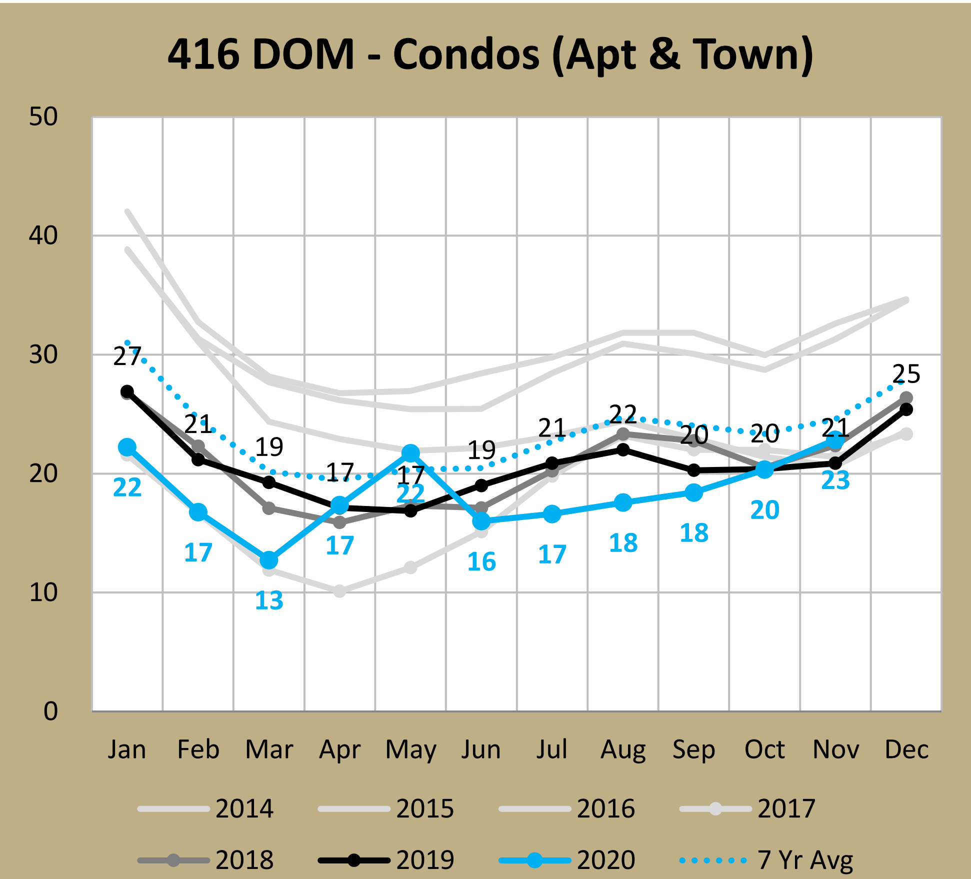
CPA, CA, MBA
Sales Representative

416 Average Days On Market

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



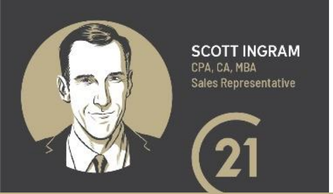


Nov vs. '19: ⬇ 3.7 days (-18%)
Nov vs. 7 Yr Avg: ⬇ 1.8 days (-9%)

- Second lowest Nov 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)

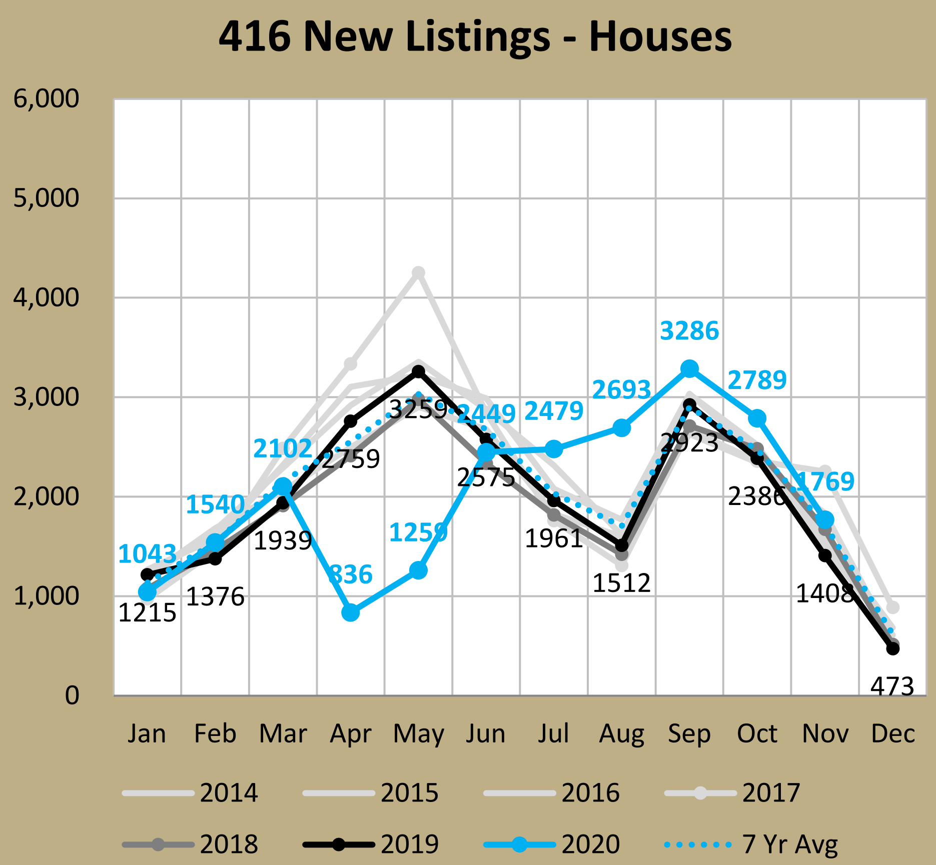
Nov vs. '19: ⬆ 2.0 days (9%)
Nov vs. 7 Yr Avg: ⬇ 1.7 days (-7%)

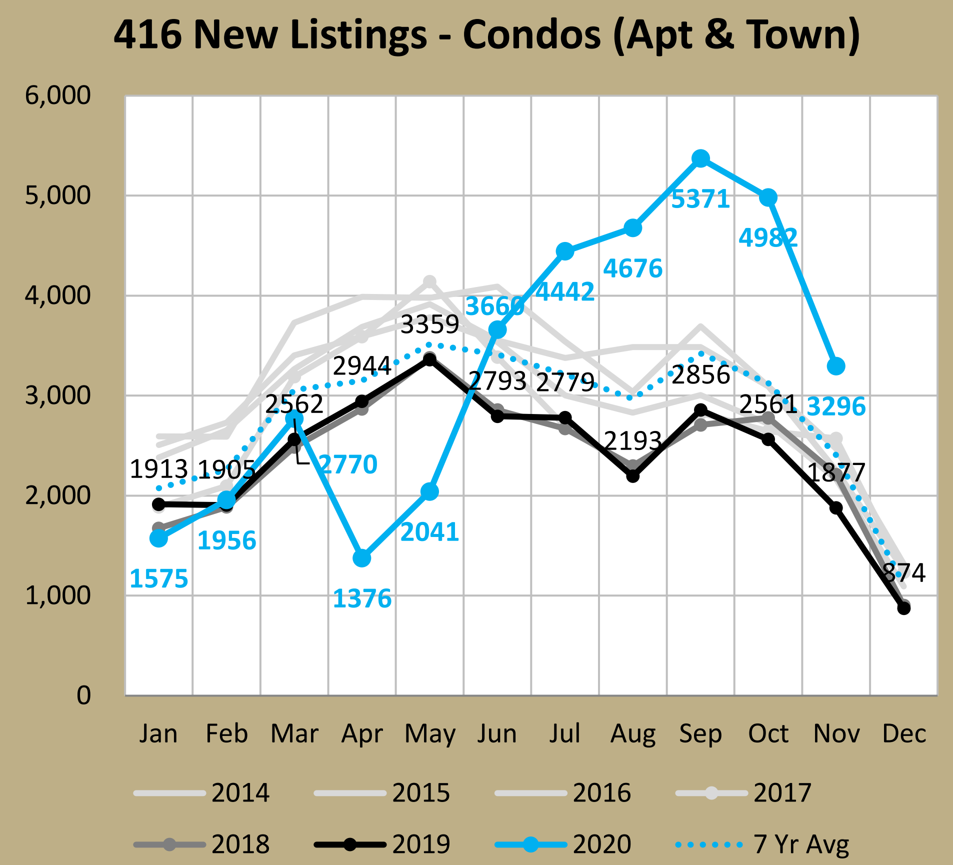
- Below 7-year avg though other stats showing condo weakness
- Garbage stat now though, will all the re-listings
- Diverged lower from historical averages in spring 2016 and has stayed low since



416 New Listings

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



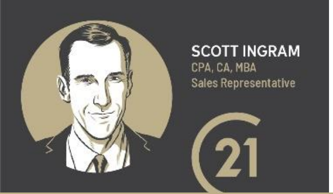


Nov vs. '19: ⬆ 26% (vs. 7 Yr Avg: ⬆ 3%)
YTD vs. '19: ⬇ -5%

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

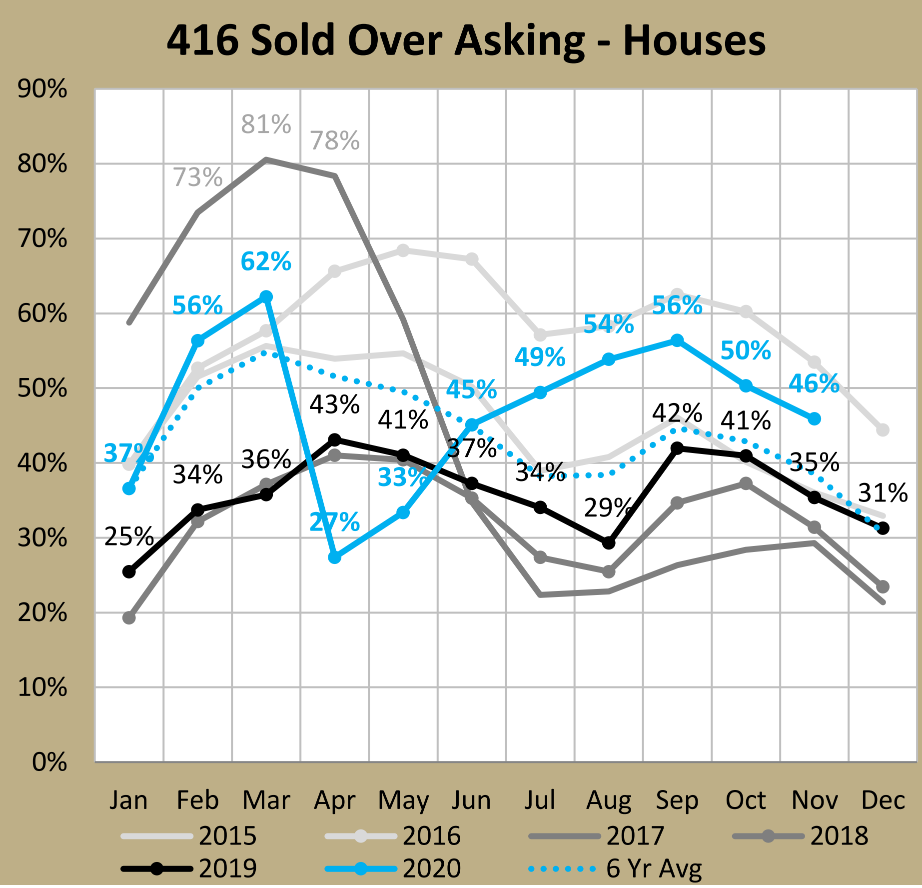
Nov vs. '19: ⬆ 76% (vs. 7 Yr Avg: ⬆ 37%)
YTD vs. '19: ⬆ 27%

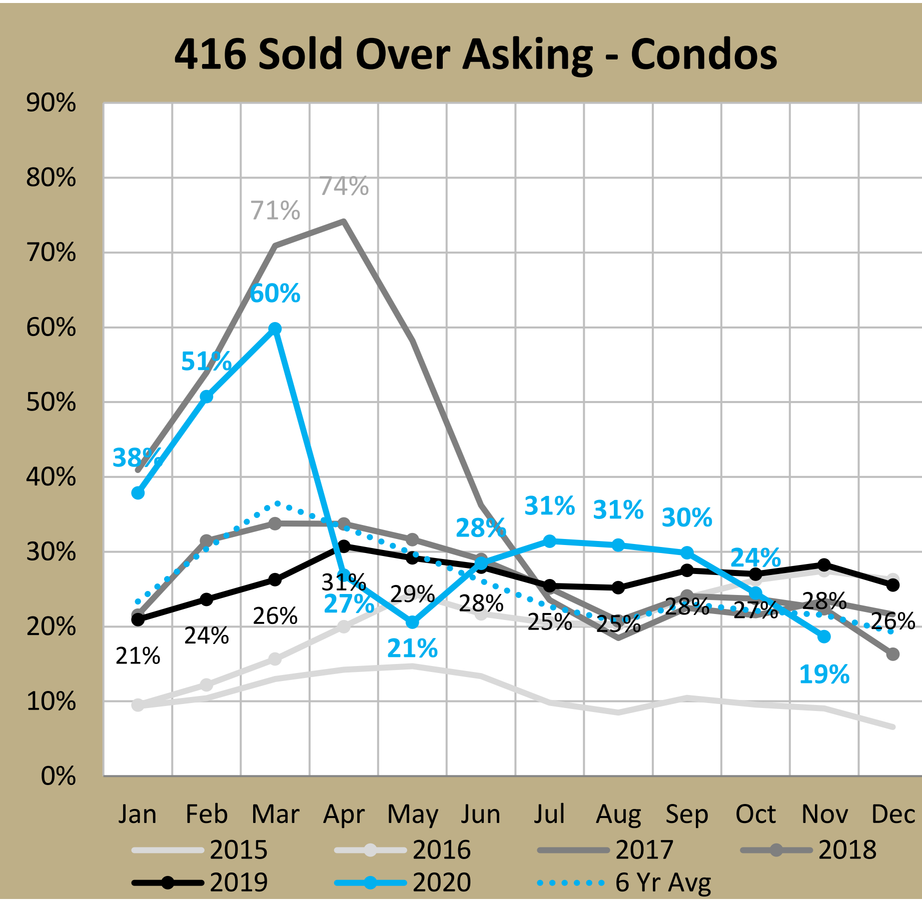
- 1400 more new listings in Nov this year vs last year, which is actually down from 2400 more in Oct
- 37% above 7-year avg is lowest sine June
- Garbage stat – especially now because high volume of re-listings occurring seriously distort this stat



416 Sold Over Asking

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



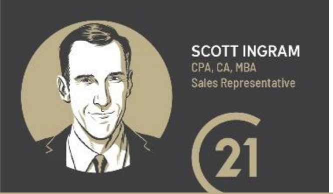


101% or more of asking Nov vs. '19: 11 pp
Month-over-month: -4 pp

- Last 5 months, second highest ever behind 2016
- Full year numbers: 2015 47% • 2016 60% • 2017 49% • 2018 34% • 2019 37% • YTD 2020 50%

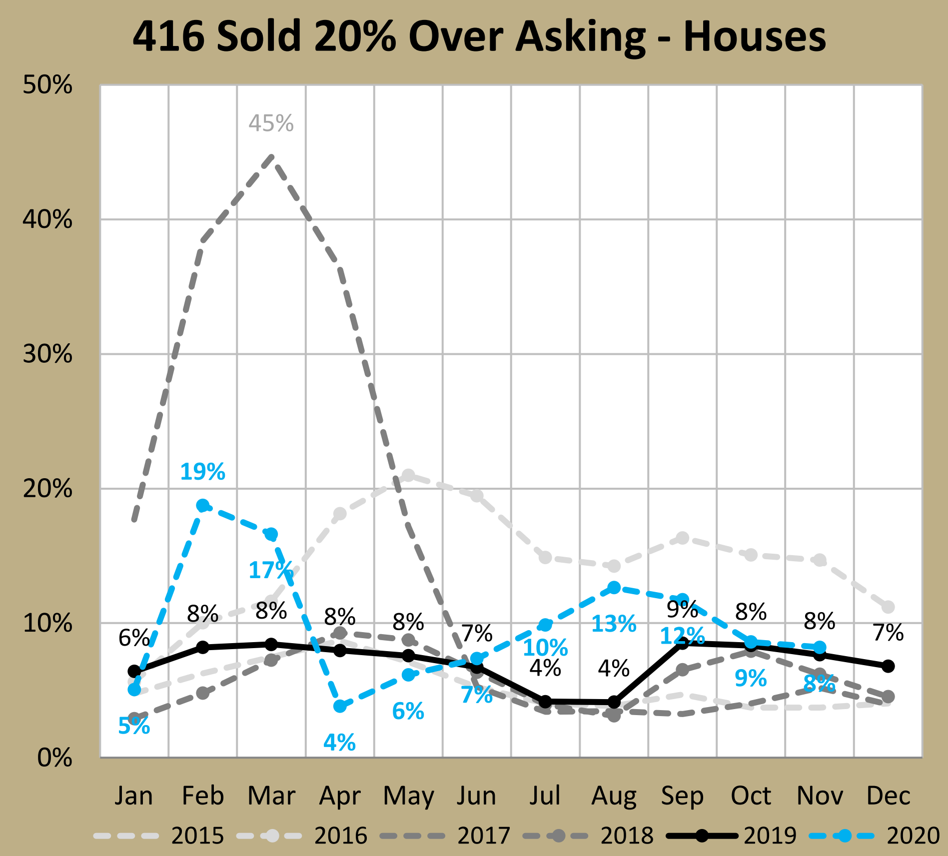
101% or more of asking Nov vs. '19: -10 pp
Month-over-month: -5 pp

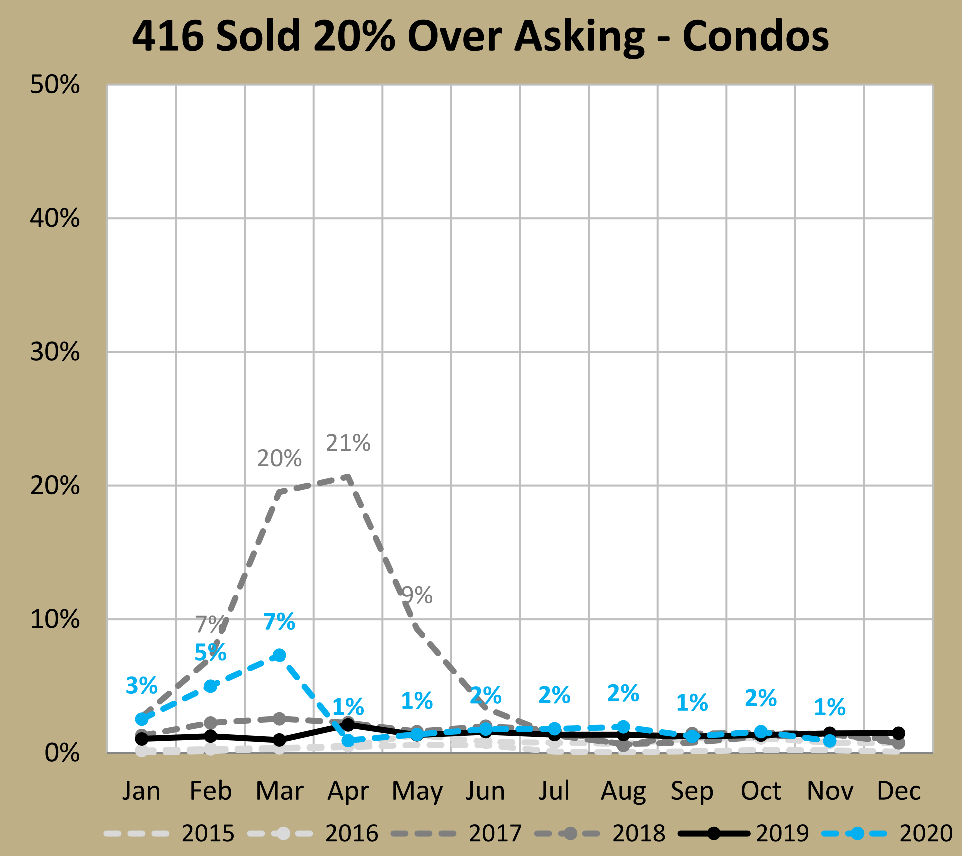
- Has gone from highest in last 6 years to lowest in 2 months
- Full year numbers: 2015 11% • 2016 21% • 2017 42% • 2018 27% • 2019 27% • YTD 2020 33%



416 Sold 20% Over Asking

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





120% or more of asking Nov vs. '19: 1 pp
Month-over-month: -1 pp

- Was abnormally high for summer months
- Highest Oct since 2016

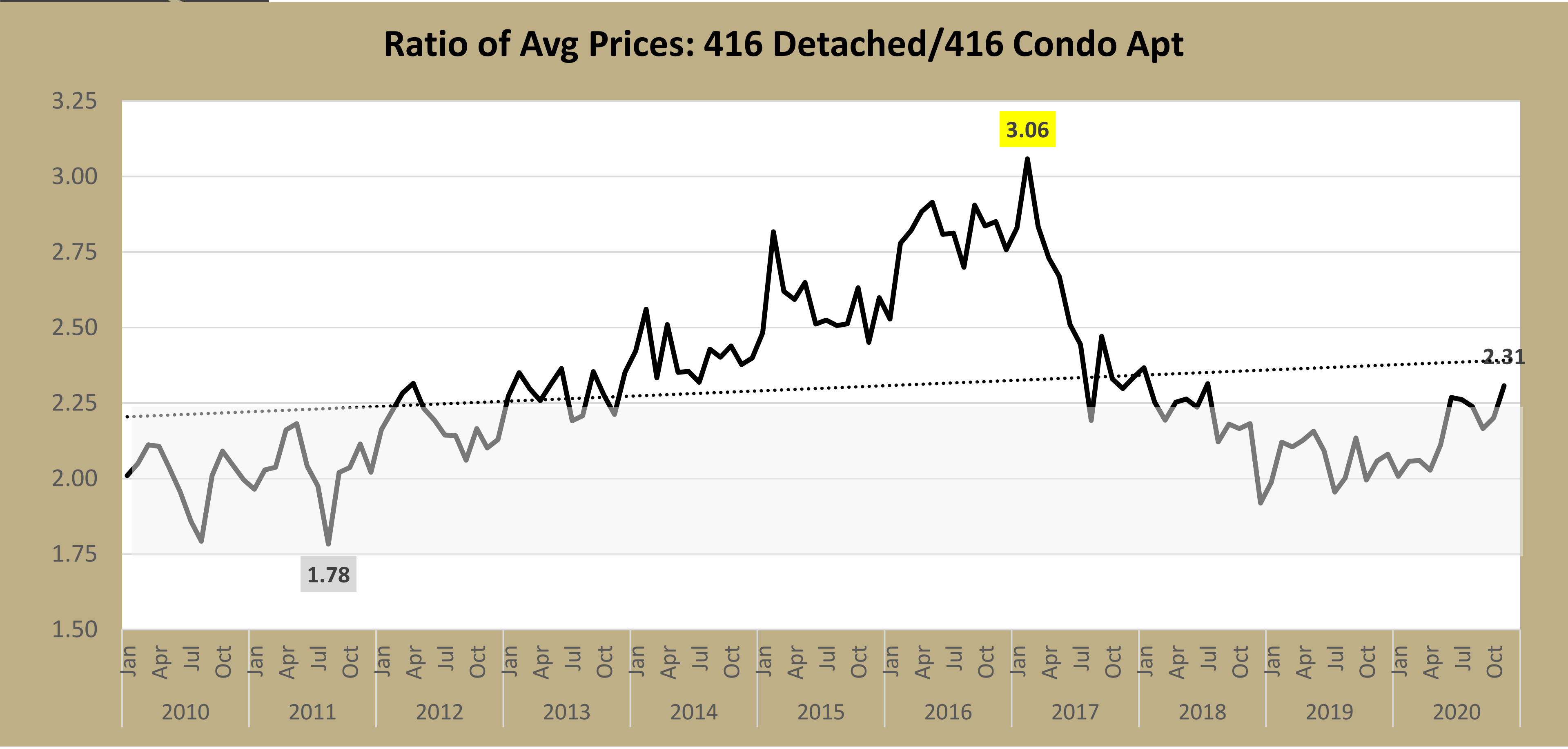
120% or more of asking Nov vs. '19: 0 pp
Month-over-month: -1 pp

- Back to the usual 1% or 2%

SCOTT INGRAM
CPA, CA, MBA
Sales Representative

416 Detached/Condo price ratio

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



Current ratio: 2.31
Month-over-month: ⬆ 0.11

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

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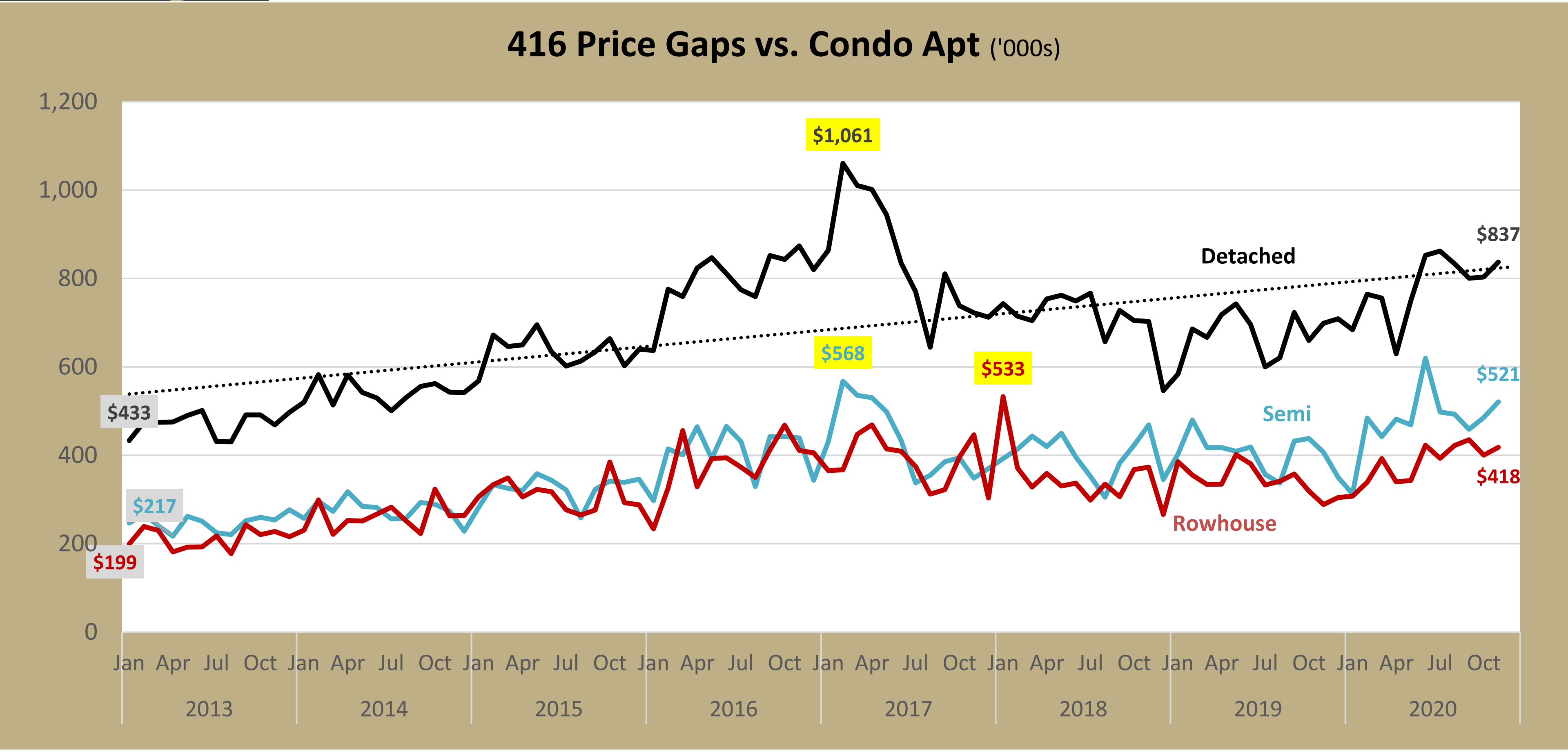
416 Price Gaps vs. Condo Apt

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



Current **Detached** dollar gap: $837K
Prior month dollar gap: $803 (⬆ $34K)

Prior year dollar gap: $699K (⬆ $138K)
2 yrs prior dollar gap: $703K (⬆ $134K)

Current **Semi** dollar gap: $521K
Prior mth dollar gap: $485K (⬇ $36K)

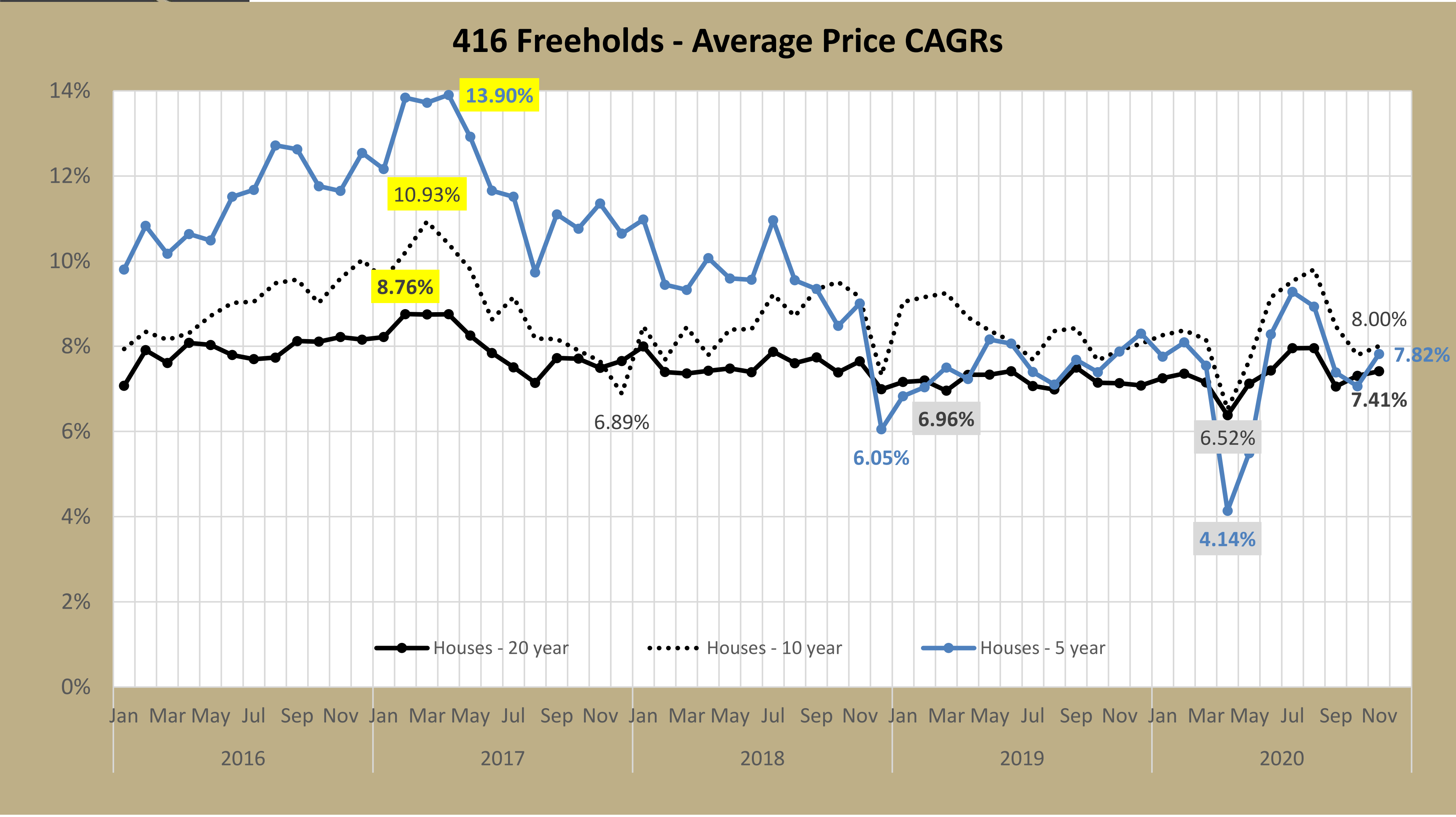
Prior year dollar gap: $407K (⬆ $114K)
2 yrs prior dollar gap: $469K (⬆ $52K)

Current **Rowhouse** dollar gap: $418K
Prior month dollar gap: $400K (⬆ $18K)

Prior year dollar gap: $289K (⬆ $129K)
2 yrs prior dollar gap: $373K (⬆ $45K)

416 Price CAGRs – Freehold

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

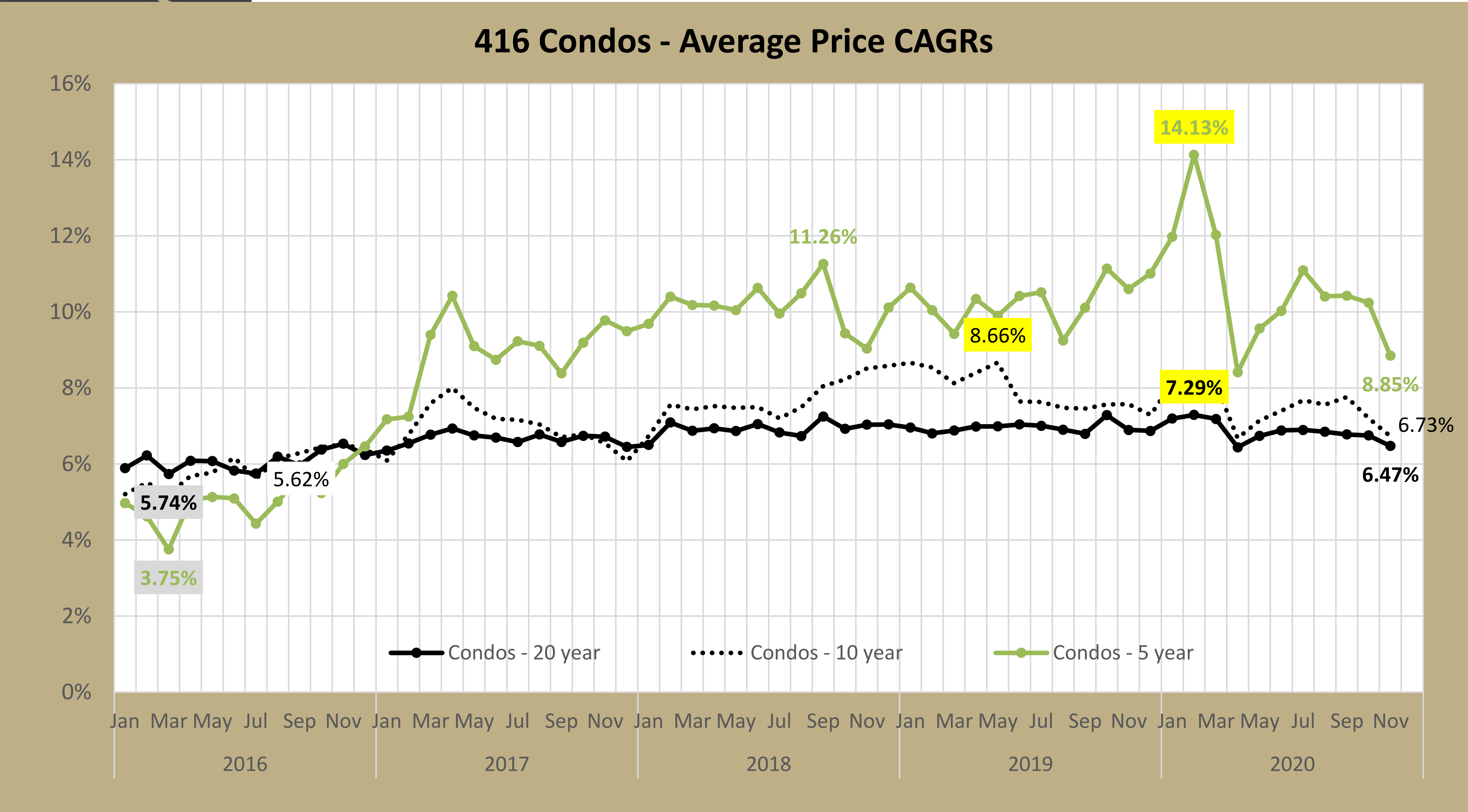


20 year **House** performance: 20 year CAGR (as at current month) is 7.41%; MoM change ⬆ 10 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 6.47%; MoM change ⬇ 28 bps

416 Price CAGRs – Condo

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



20 year **House** performance: 20 year CAGR (as at current month) is 7.41%; MoM change ⬆ 10 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 6.47%; MoM change ⬇ 28 bps

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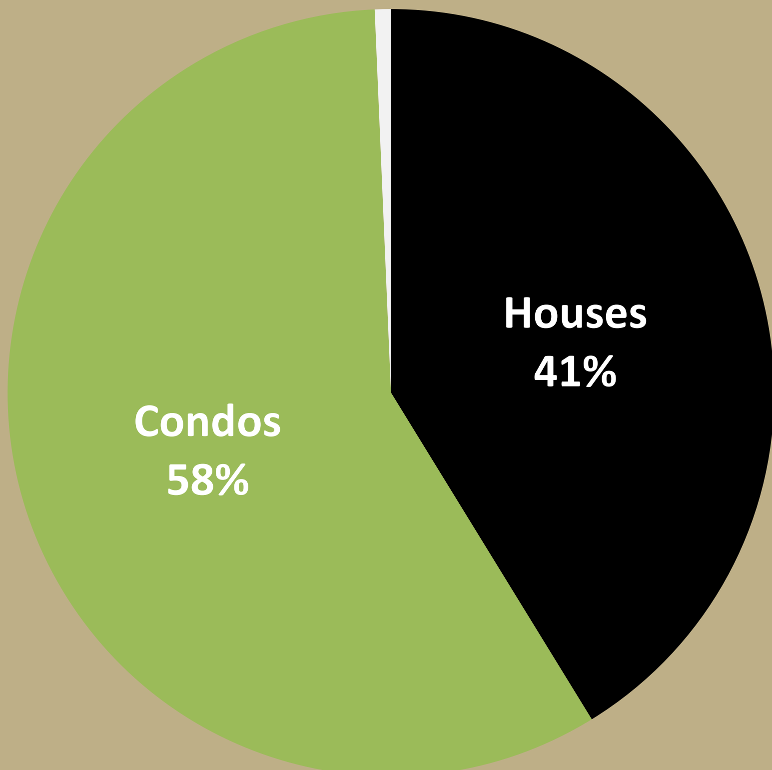
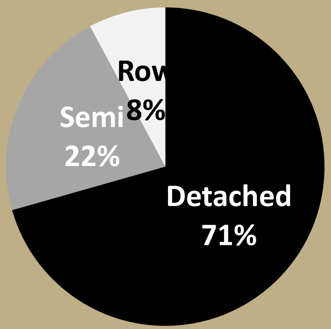
416 Market Breakdown

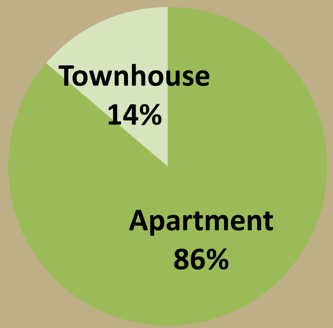
Share of Transactions - last 12 months



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%

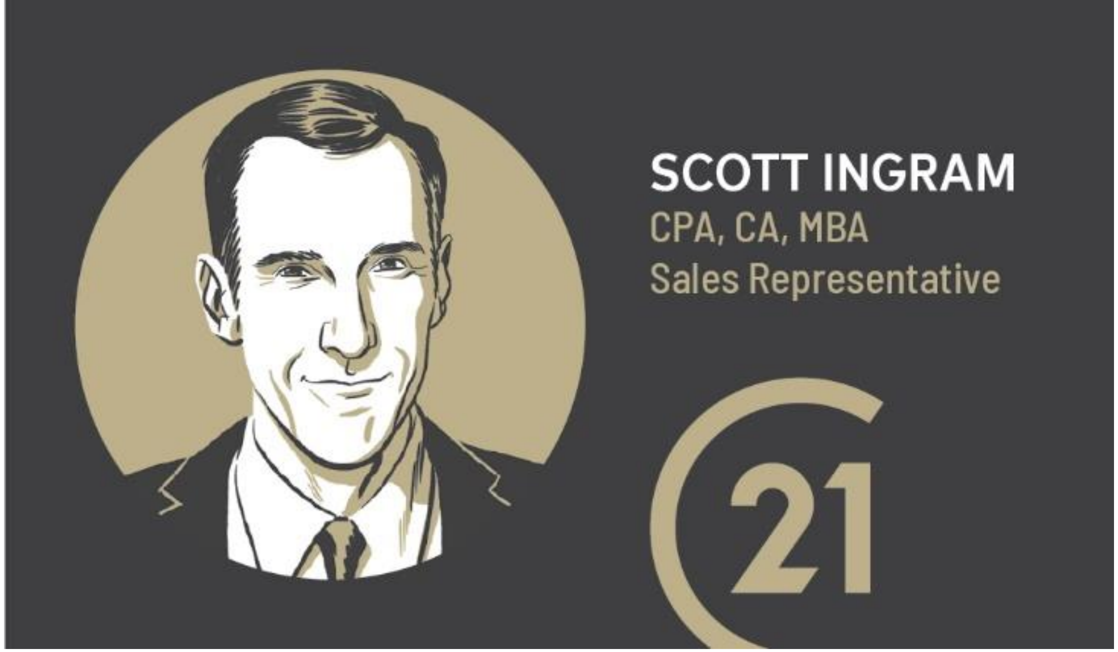
10 years ago: Condos 50% / Houses 49%

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

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