

Toronto Real Estate Market Charts

December 2020



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Toronto Real Estate

Monthly Market Charts

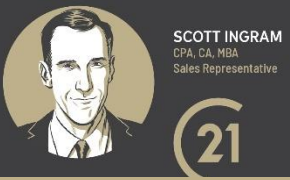
Introduction

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.

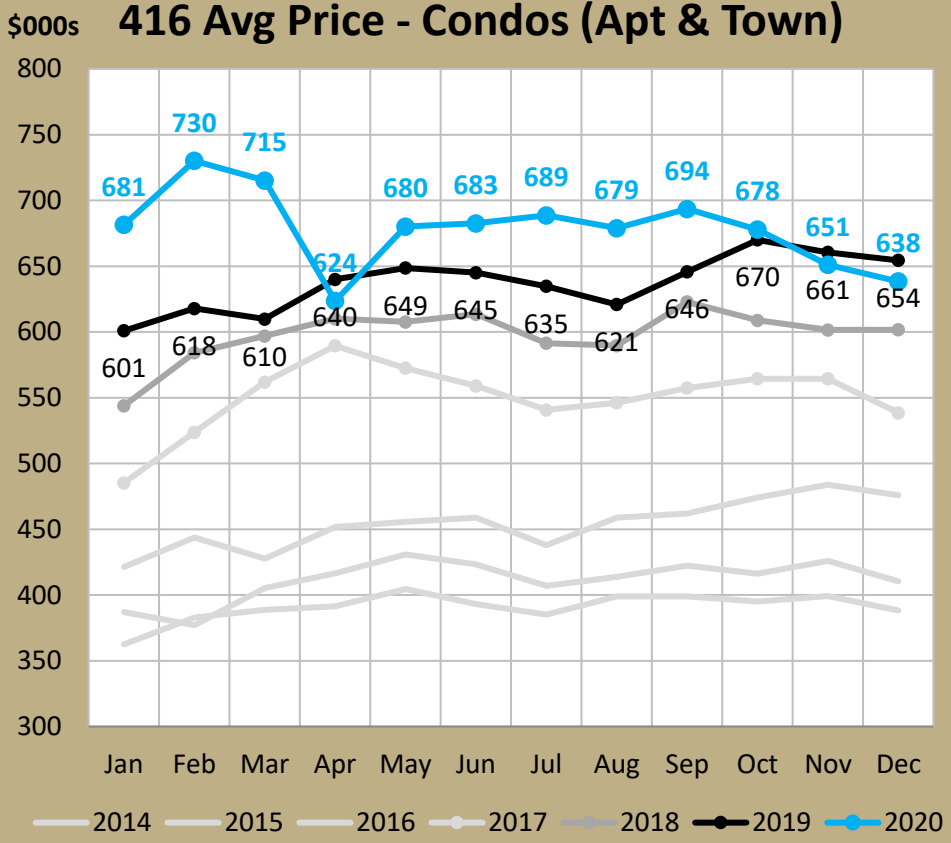
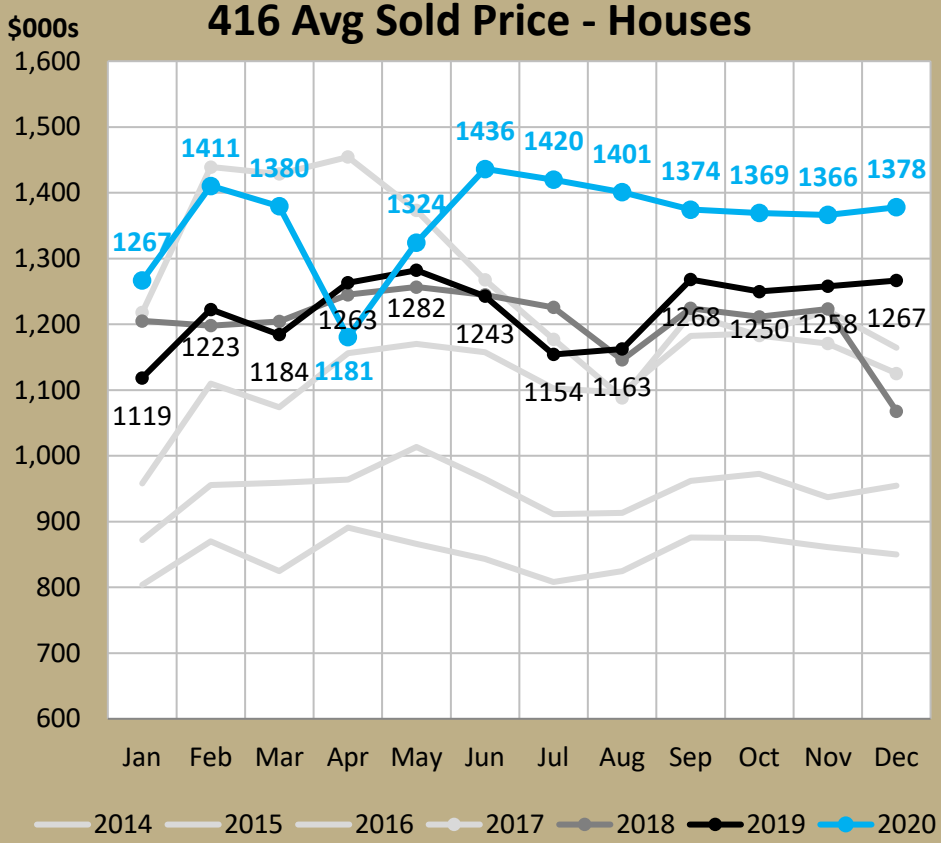
I also separate Toronto's **two distinct market segments**: houses (freeholds) and condos, because lumping them together obscures a lot of information, and you are probably more interested in one than the other. With segmentation and some historical context, I aim to give you a clearer vision of market 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 \$1,476K / Semi \$1,160K / Row \$1,126K

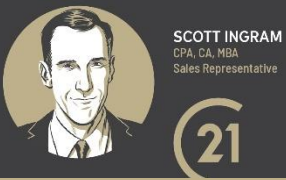
- Dec vs. '19: ▲ \$111K (8.8%)
- Dec vs. '15: ▲ \$423K (44%)
- 5 year CAGR: ▲ 7.6%

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

Condo Apt \$626K / Condo Townhouse \$730K

- Dec vs. '19: ▼ \$16K (2.5%)
- Dec vs. '15: ▲ \$228K (56%)
- 5 year CAGR: ▲ 9.2%

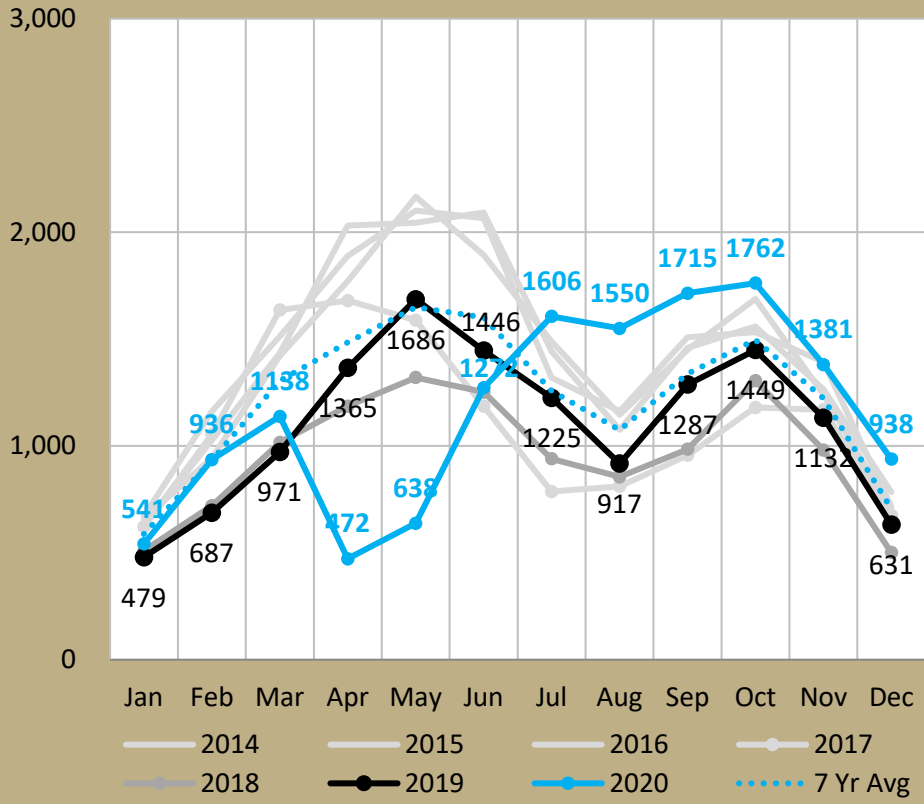
- Other than anomaly in April, last time avg condo price lower than prior year was Feb 2015



416 Residential Sales Volume

(number of sold transactions in the month)

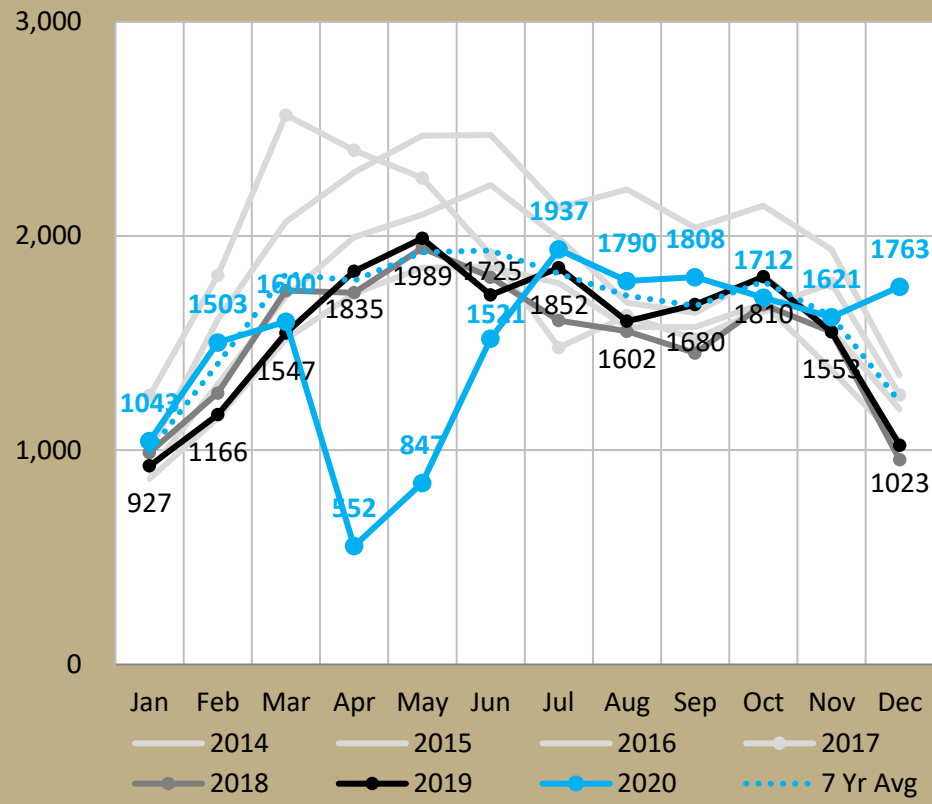
416 Sales - Houses (Det & Semi & Row)



Dec vs. '19: ▲ 49% (vs. 7 Yr Avg: ▲ 33%)
 YTD vs. '19: ▲ 5%

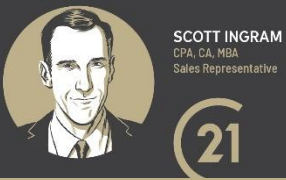
- High Dec since 2009, 5th highest ever
- 33% above 7-year average is second highest this year after August (44%)

416 Sales - Condos (Apt & Town)



Dec vs. '19: ▲ 72% (vs. 7 Yr Avg: ▲ 44%)
 YTD vs. '19: ▼ -5%

- New Dec record, beating old record (2016) by 31%
- YTD was -26% at end of May, has now climbed back to only 5% behind last year (vs. freehold above by 5%)

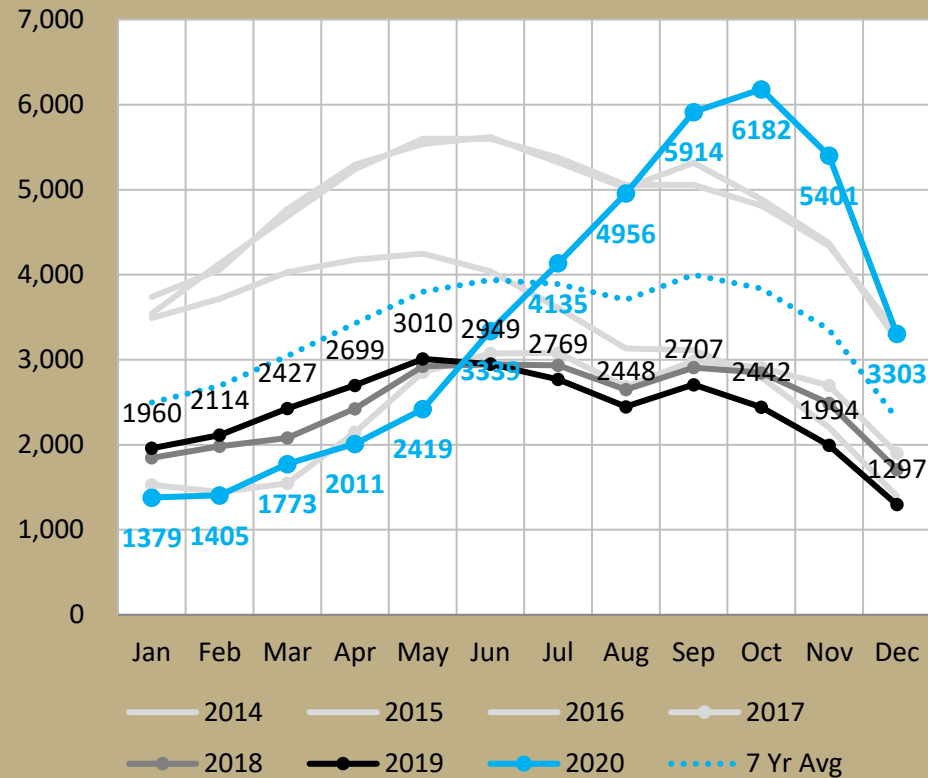
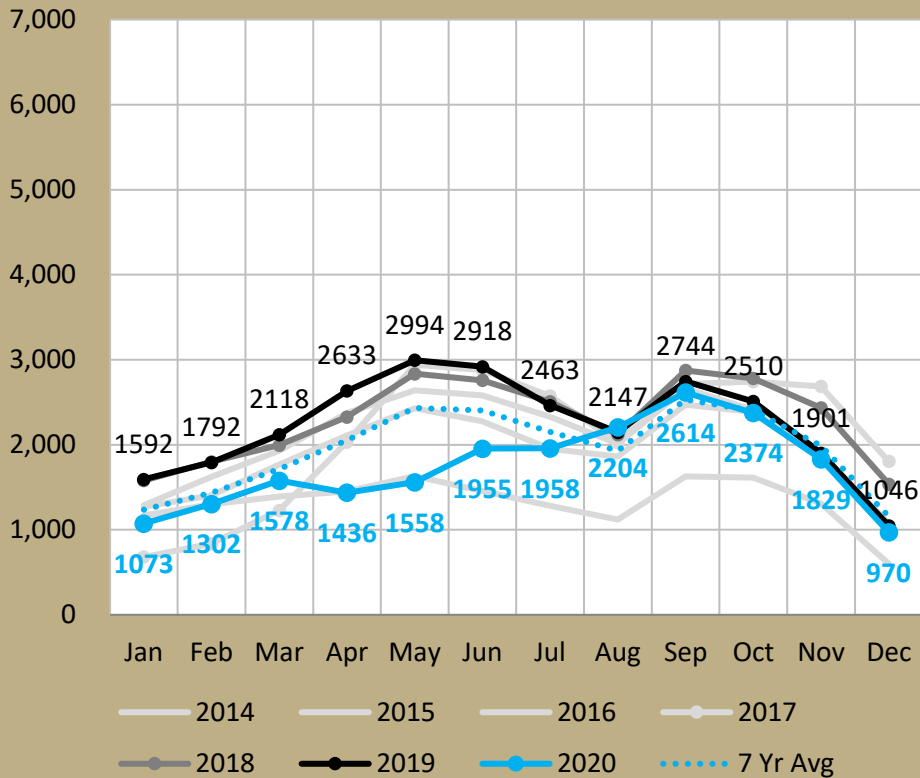


416 Active Listings

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

416 Active Listings - Houses

416 Active Listings - Condos

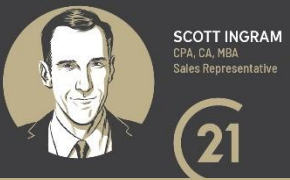


Dec vs. '19: ↓ -7% (vs. 7 Yr Avg: ↓ -16%)
 YTD vs. '19: ↓ -23%

- Lowest since 2016, 2nd lowest ever
- Every month but August had lower listings than 2019
- Dec's -16% vs 7-7r was lowest since June

Dec vs. '19: ↑ 155% (vs. 7 Yr Avg: ↑ 43%)
 YTD vs. '19: ↑ 47%

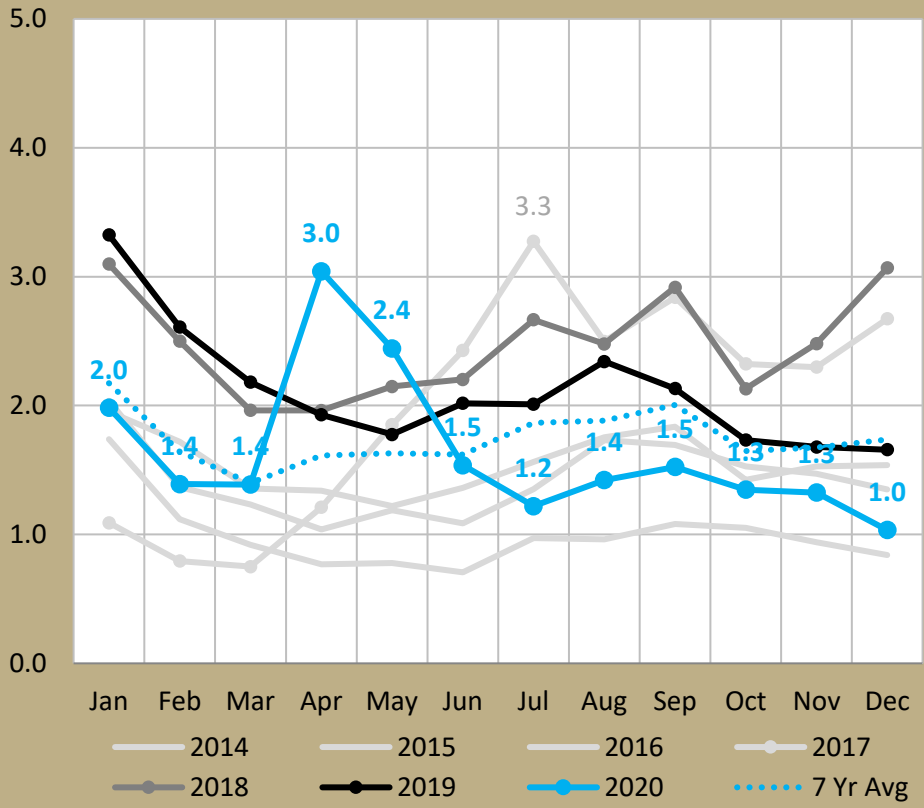
- Finally back down around some recent years and right near 2010-15 avg of 3357
- "Only" 43% above 7-yr avg is lowest since Aug



416 Months Of Inventory

(active listings at month end ÷ sales for month)

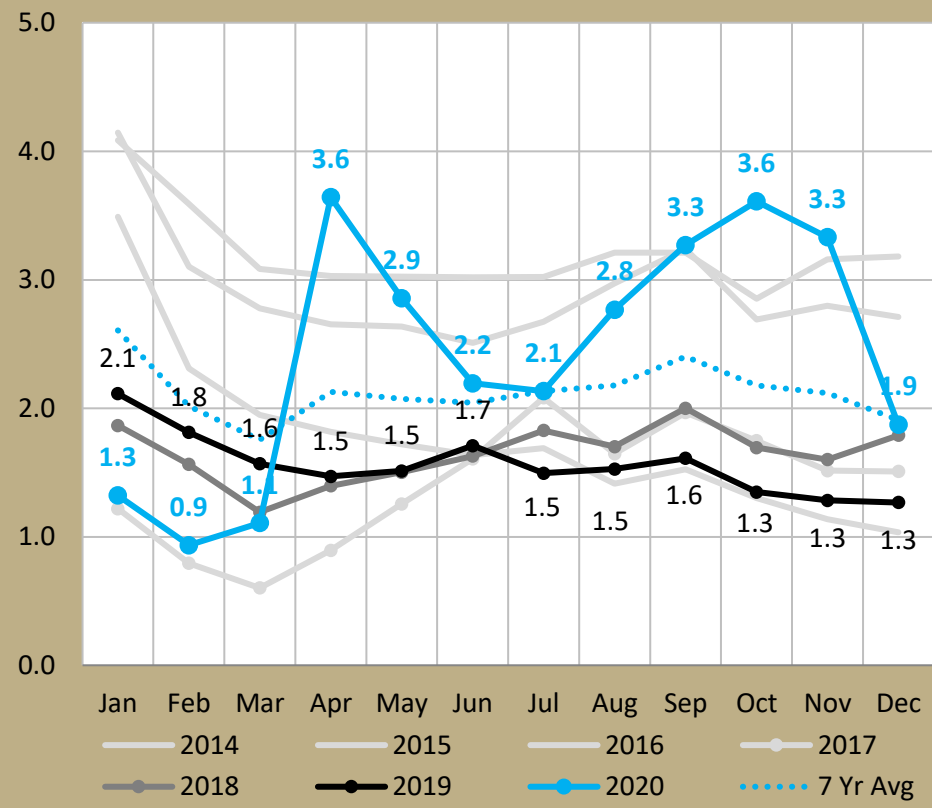
416 MOI - Houses (Det & Semi & Row)



Dec vs. '19: ▼ 0.6 months (-38%)
 Dec vs. 7 Yr Avg: ▼ 0.7 months (-40%)

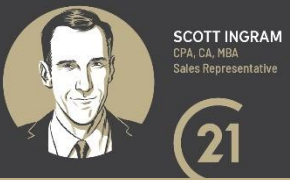
- Lowest since 2016, 3rd lowest Dec ever
- Prior 5 months were second tightest ever for those months, behind only 2016

416 MOI - Condos (Apt & Town)



Dec vs. '19: ▲ 0.6 months (48%)
 Dec vs. 7 Yr Avg: ↔ 0.0 months (-2%)

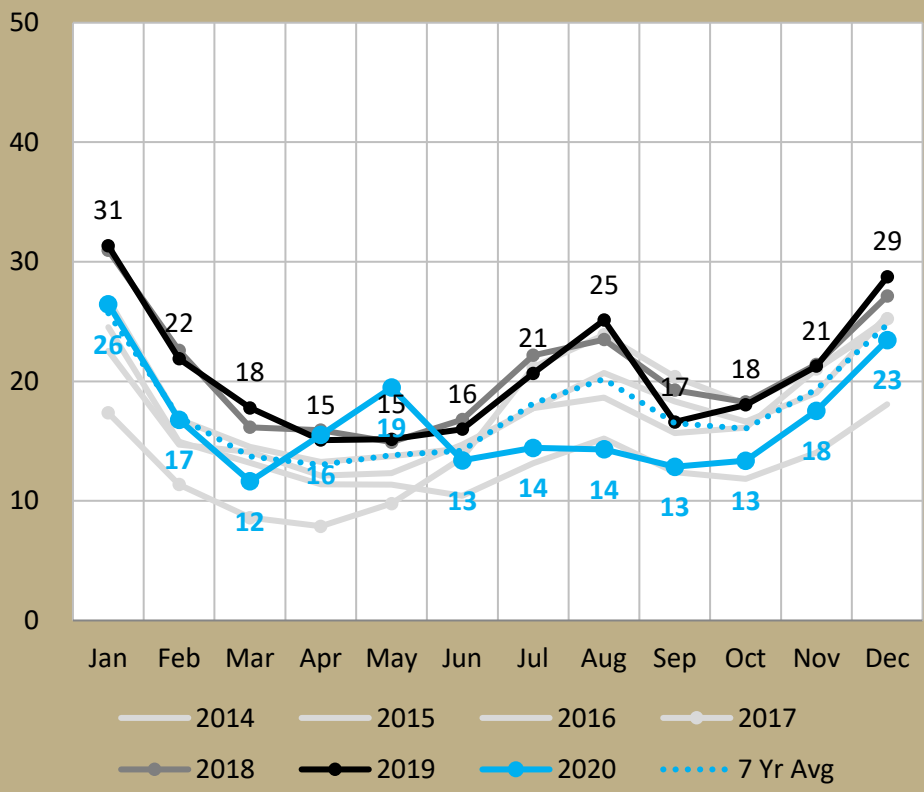
- Highest Dec since 2015, but not far off 1.8 of 2018
- Back to 7-yr avg for first time since July
- April ended record 36 months in row condos < houses



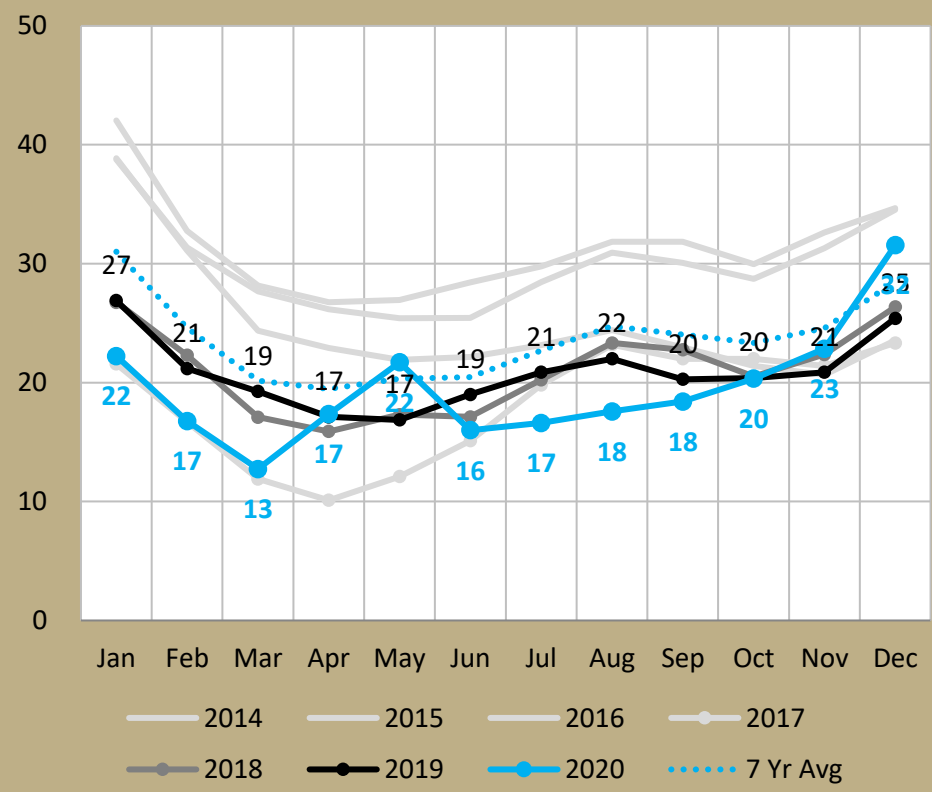
416 Average Days On Market

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

416 DOM - Houses (Det & Semi & Row)



416 DOM - Condos (Apt & Town)

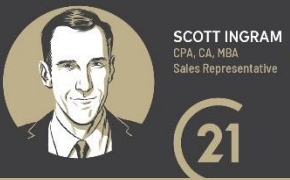


Dec vs. '19: ↓ 5.3 days (-18%)
 Dec vs. 7 Yr Avg: ↓ 1.3 days (-5%)

Dec vs. '19: ↑ 6.1 days (24%)
 Dec vs. 7 Yr Avg: ↑ 3.1 days (11%)

- Lowest Dec since 2016, 2nd lowest ever, but subject to limitations below
- This uses LDOM (listing days on market), tracking the MLS# (doesn't count prior listings, TRREB calls property days on market, or PDOM)

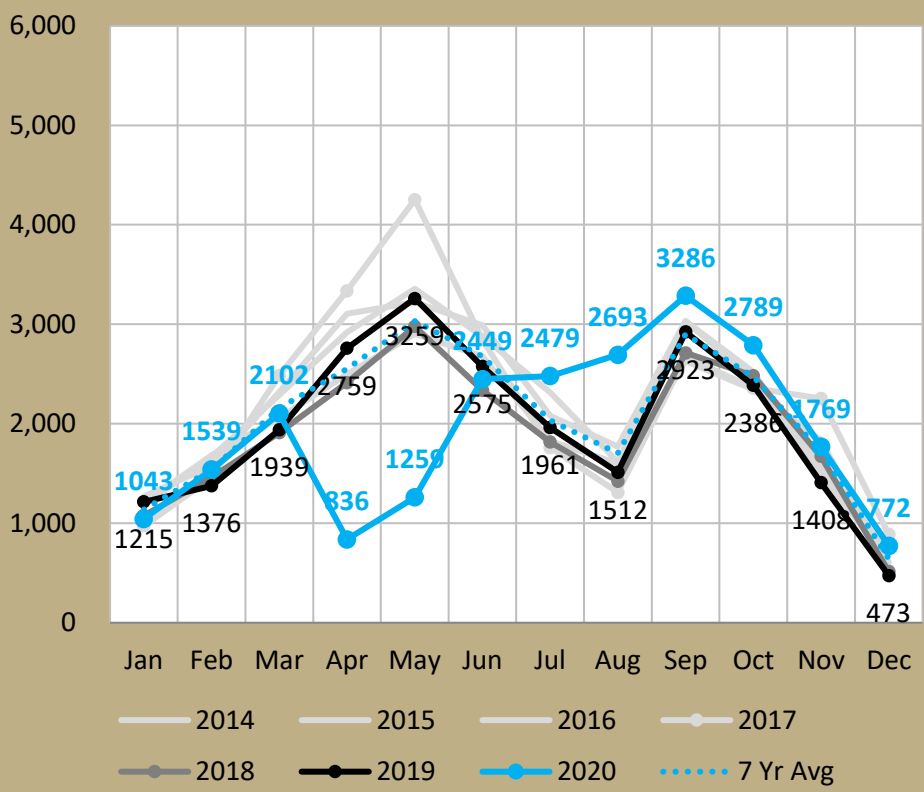
- Above 7-year avg; suspect a lot of Dec sales were bargain hunters snapping up stuff lingering on market
- Garbage stat now though, will all the re-listings
- Diverged lower from historical averages in spring 2016 and has stayed low since



416 New Listings

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

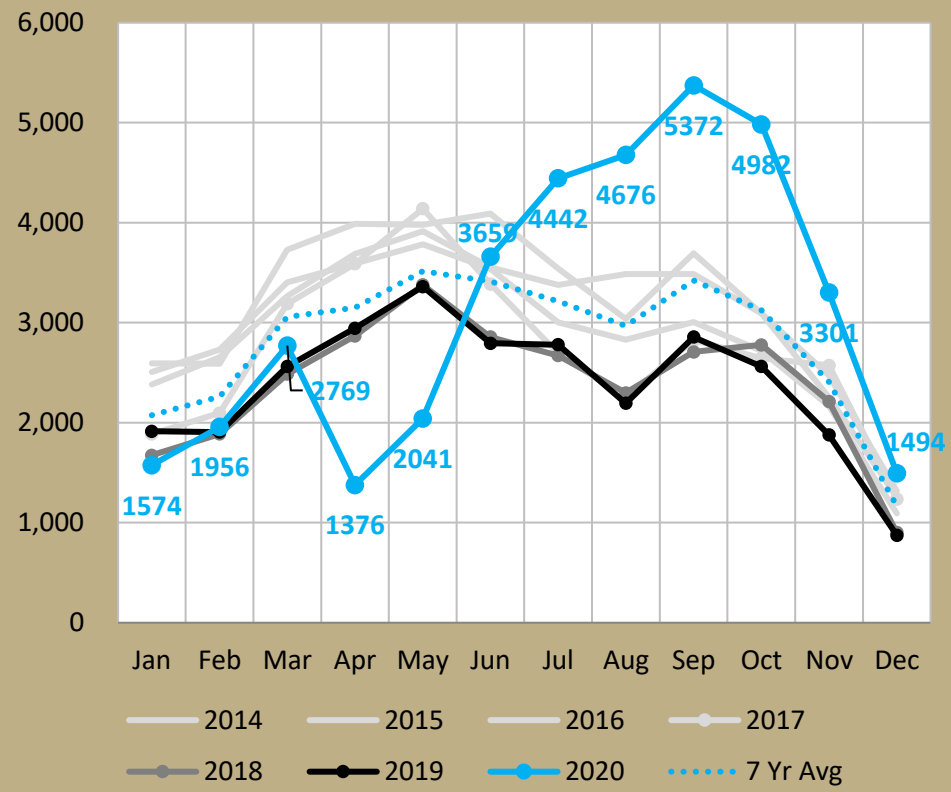
416 New Listings - Houses



Dec vs. '19: ▲ 63% (vs. 7 Yr Avg: ▲ 20%)
 YTD vs. '19: ▼ -3%

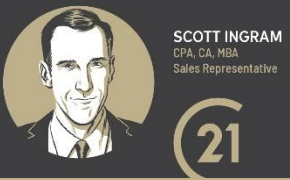
- Above seasonal norms the last half of year
- Terminations and re-listings distort this stat

416 New Listings - Condos (Apt & Town)



Dec vs. '19: ▲ 71% (vs. 7 Yr Avg: ▲ 28%)
 YTD vs. '19: ▲ 32%

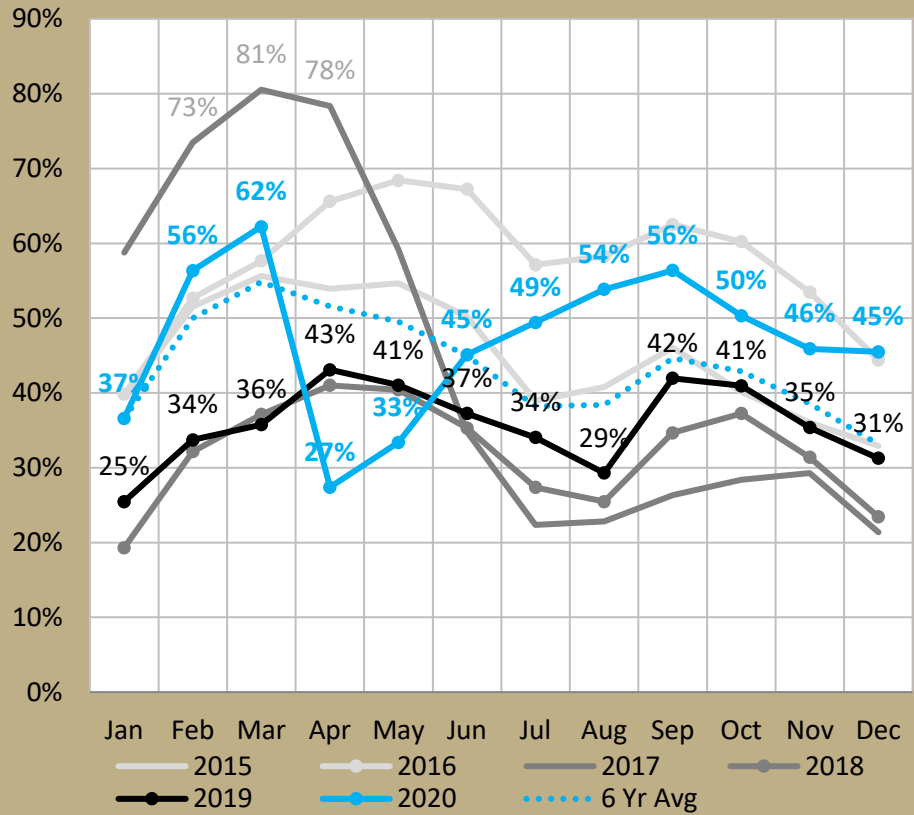
- 620 more new listings in Dec this year vs last year
- 28% above 7-year avg is lowest since June
- Garbage stat – especially now because high volume of re-listings occurring seriously distort this stat



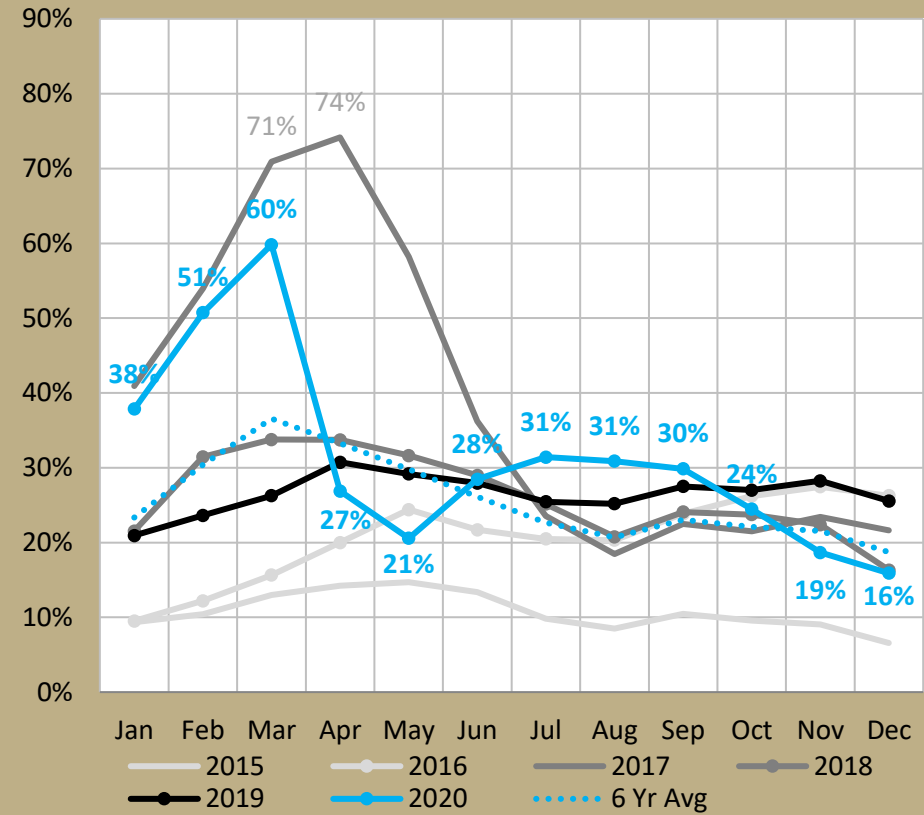
416 Sold Over Asking

(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. '19: ▲ 14 pp
 Month-over-month: ▼ -1 pp

- Highest December recorded
- Full year numbers: 2015 47% • 2016 60% • 2017 49% • 2018 34% • 2019 37% • YTD 2020 49%

101% or more of asking Dec vs. '19: ▼ -10 pp
 Month-over-month: ▼ -3 pp

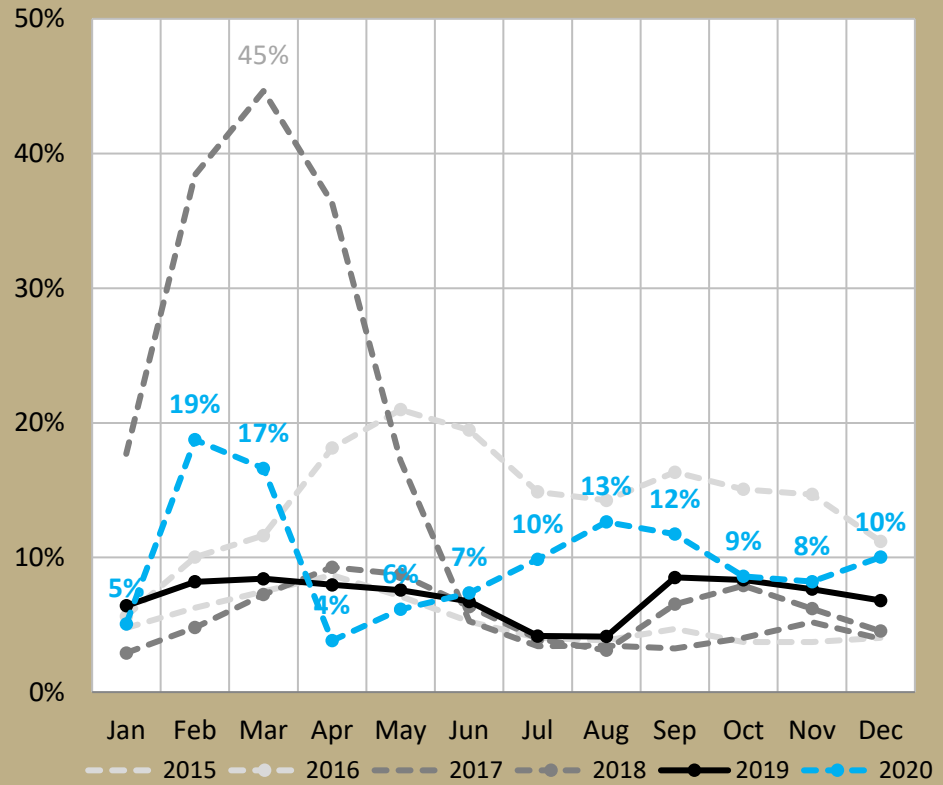
- Lowest mark in any month since Dec 2018
- Full year numbers: 2015 11% • 2016 21% • 2017 42% • 2018 27% • 2019 27% • YTD 2020 32%



416 Sold 20% Over Asking

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

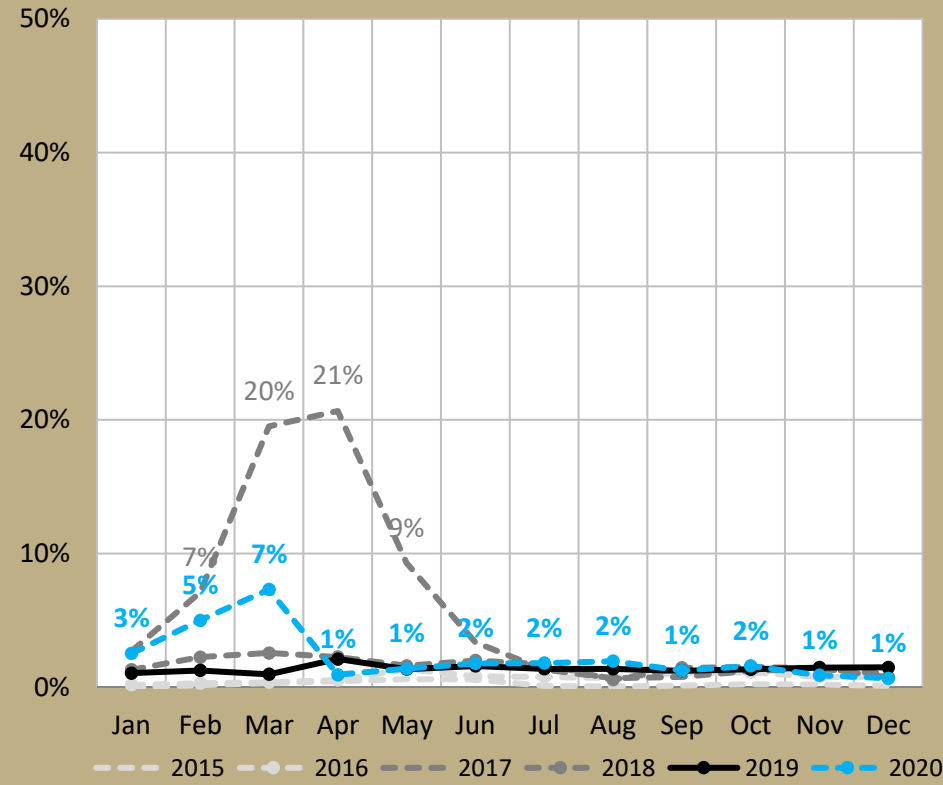
416 Sold 20% Over Asking - Houses



120% or more of asking Dec vs. '19: ▲ 3 pp
 Month-over-month: ▲ 2 pp

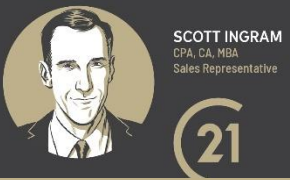
- Highest Dec since 2016

416 Sold 20% Over Asking - Condos



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

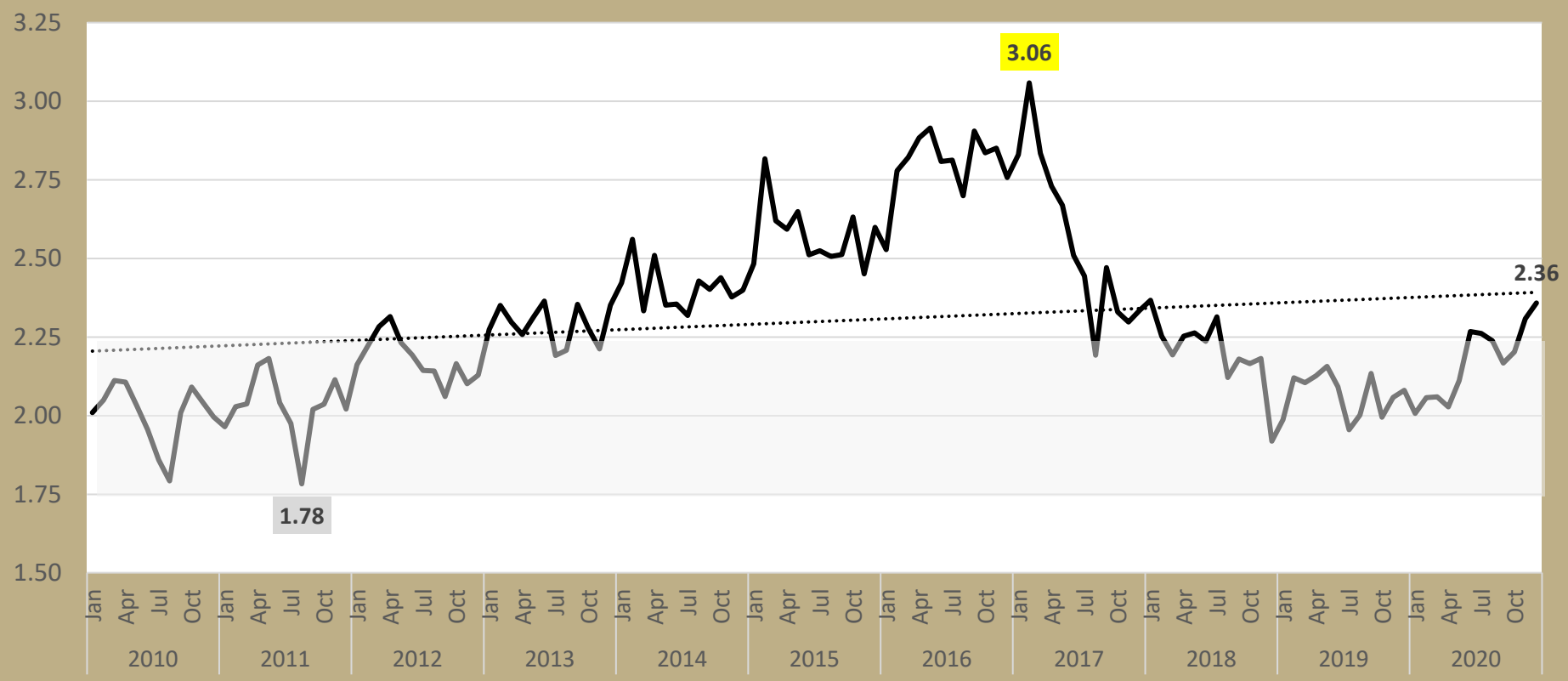
- Back to the usual 1% or 2% after high first 3 months



416 Detached/Condo price ratio

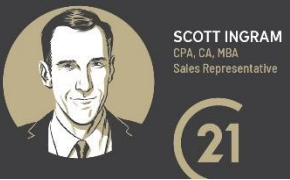
(average price for detached divided by average price of condo apartment)

Ratio of Avg Prices: 416 Detached/416 Condo Apt



Current ratio: 2.36
 Month-over-month: ▲ 0.05

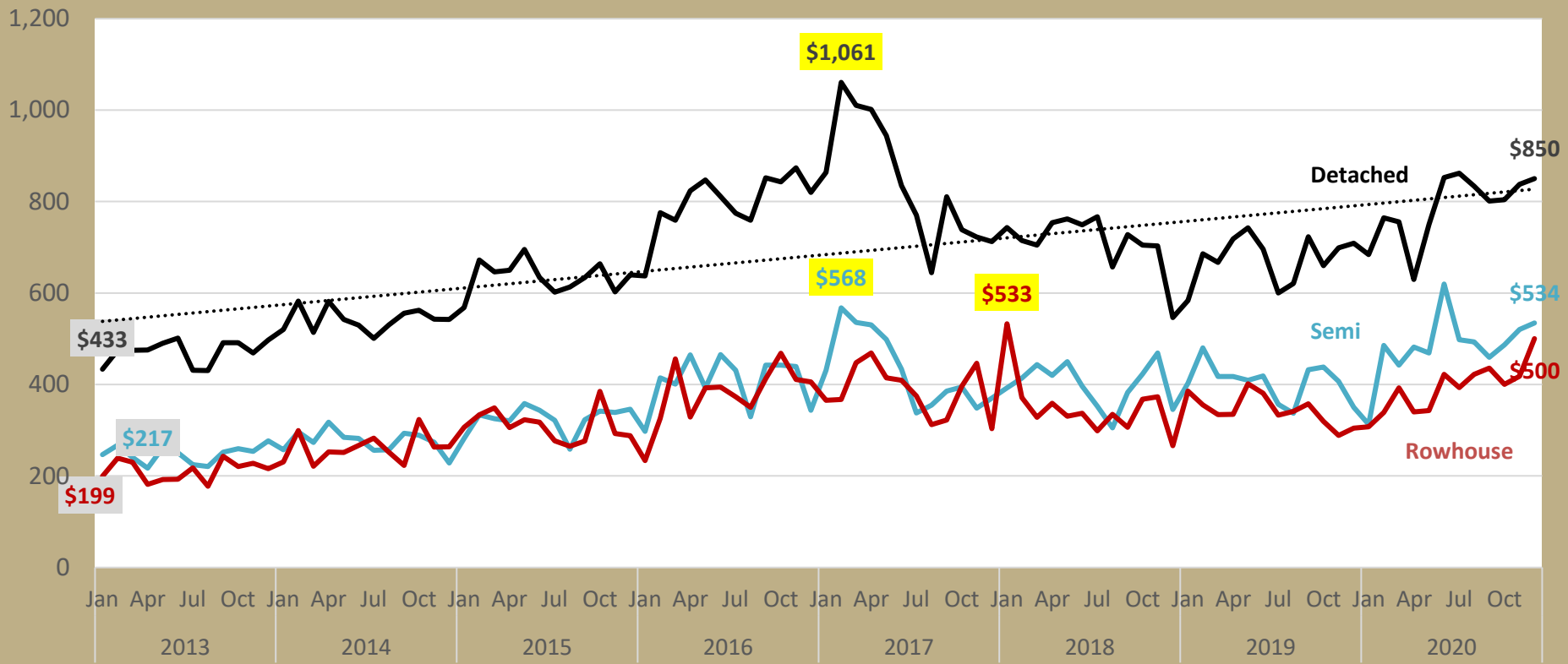
- Average since Jan 1996 = 2.13
- Median since Jan 1996 = 2.06
- Max = 3.06
- Min = 1.72



416 Price Gaps vs. Condo Apt

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

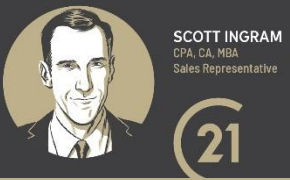
416 Price Gaps vs. Condo Apt ('000s)



Current **Detached** dollar gap: \$850K
 Prior month dollar gap: \$837 (▲ \$13K)
 Prior year dollar gap: \$709K (▲ \$141K)
 2 yrs prior dollar gap: \$547K (▲ \$303K)

Current **Semi** dollar gap: \$534K
 Prior mth dollar gap: \$521K (▼ \$13K)
 Prior year dollar gap: \$350K (▲ \$184K)
 2 yrs prior dollar gap: \$345K (▲ \$189K)

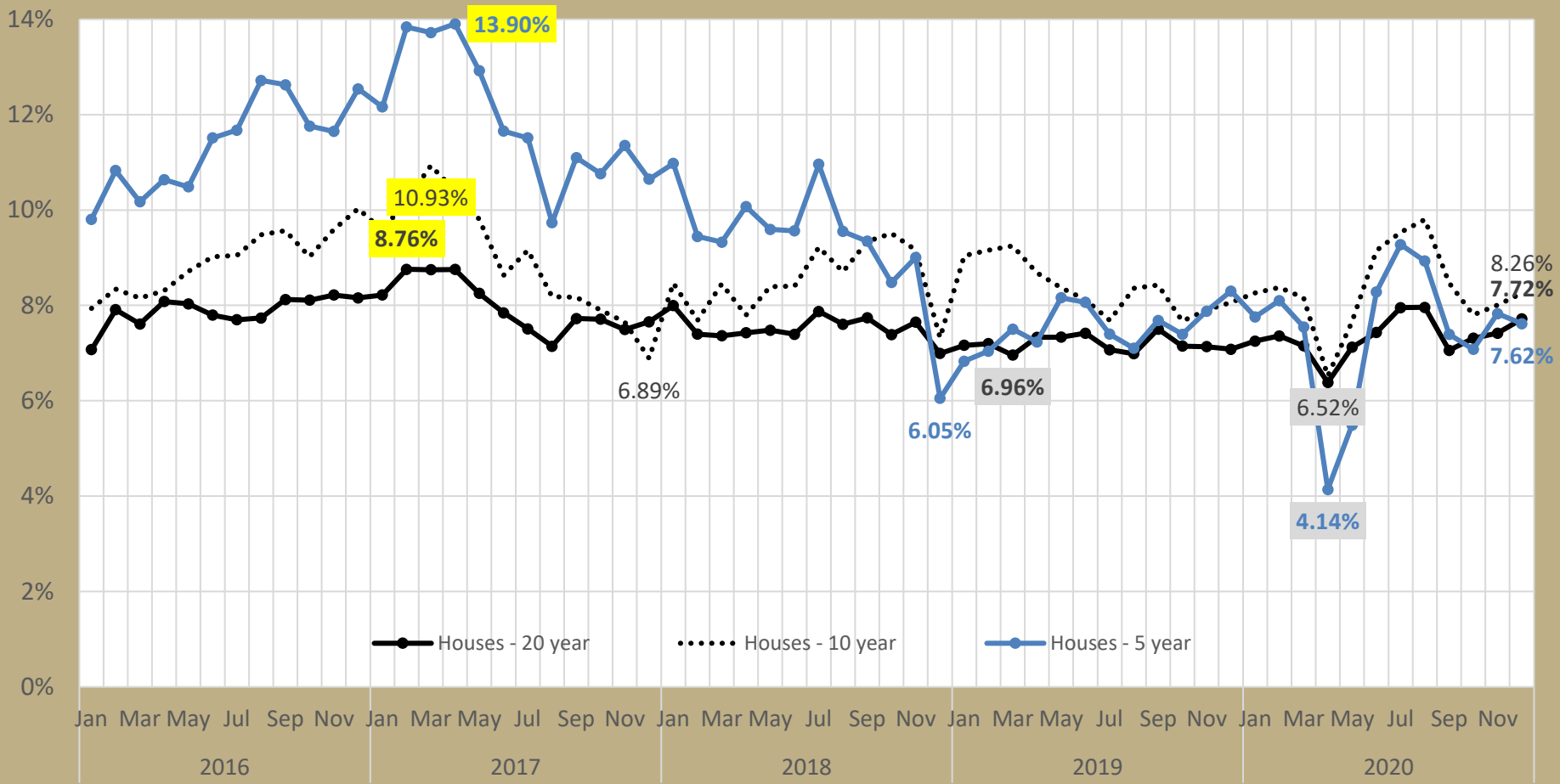
Current **Rowhouse** dollar gap: \$500K
 Prior month dollar gap: \$418K (▲ \$82K)
 Prior year dollar gap: \$304K (▲ \$196K)
 2 yrs prior dollar gap: \$266K (▲ \$234K)



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 7.72%; MoM change ▲ 31 bps

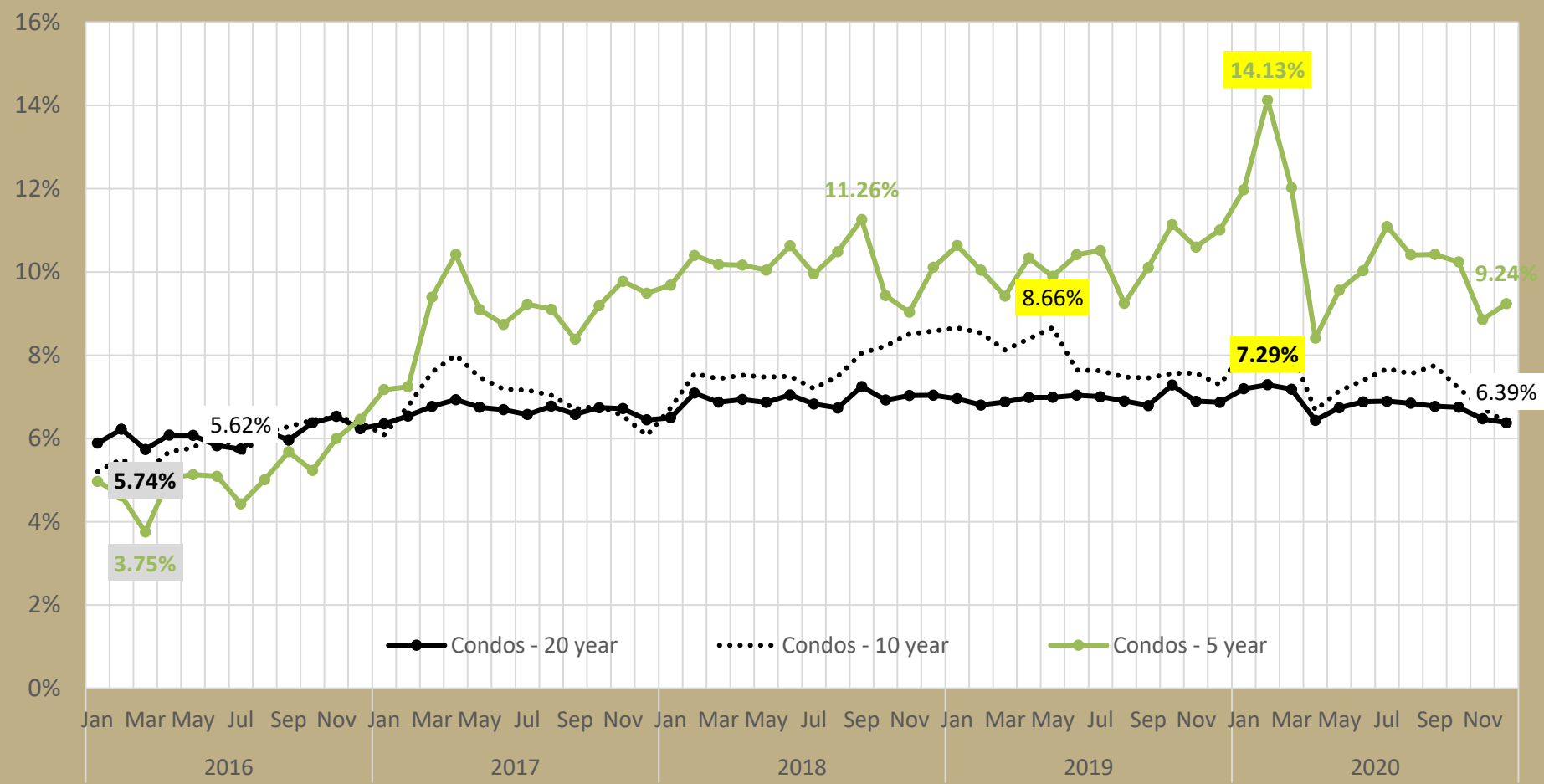
20 year **Condo** performance: 20 year CAGR (as at current month) is 6.39%; MoM change ▼ 9 bps



416 Price CAGRs – Condo

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

416 Condos - Average Price CAGRs



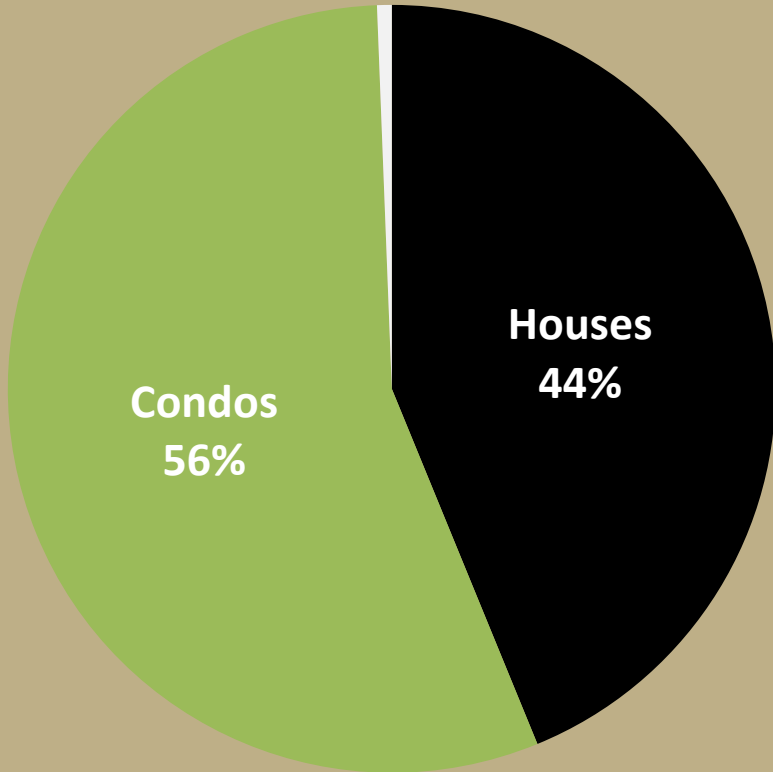
20 year **House** performance: 20 year CAGR (as at current month) is 7.72%; MoM change ▲ 31 bps

20 year **Condo** performance: 20 year CAGR (as at current month) is 6.39%; MoM change ▼ 9 bps

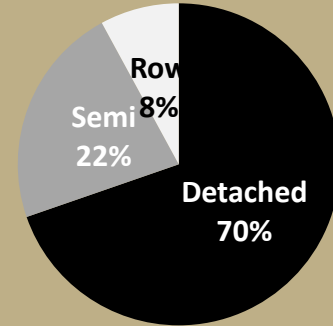


416 Market Breakdown

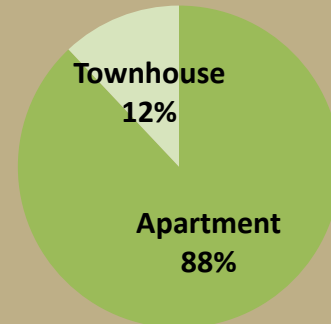
Share of Transactions - last 12 months



Share of House Transactions - last 12 months



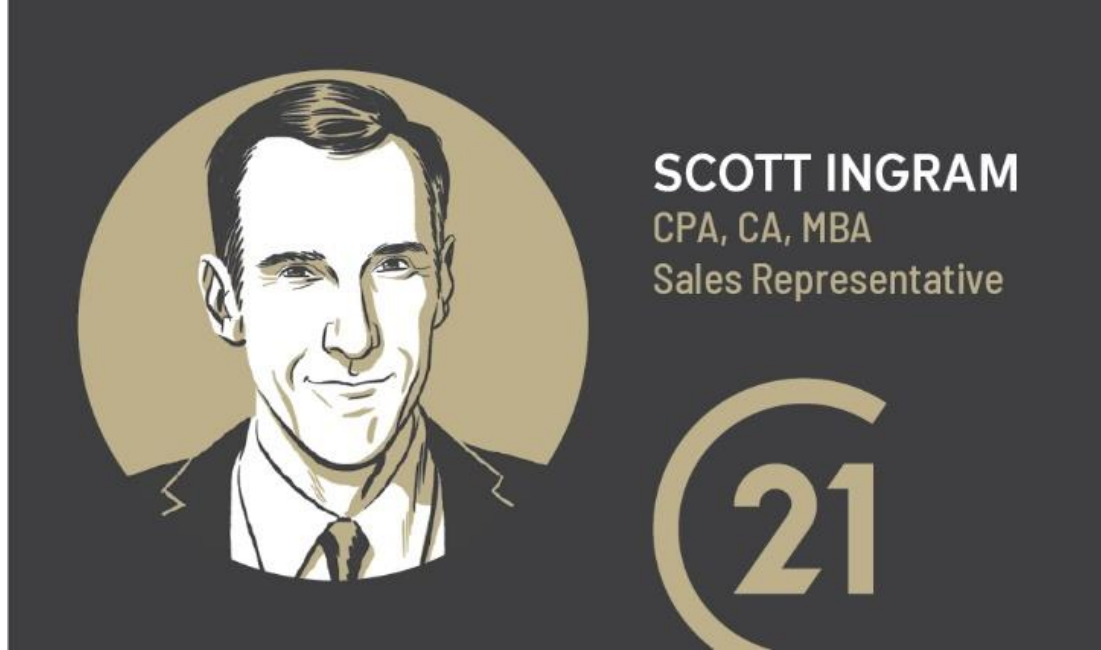
Share of Condo Transactions - last 12 months



- 1 year ago: Condos 58% / Houses 41%
- 5 years ago: Condos 54% / Houses 45%
- 10 years ago: Condos 51% / Houses 48%
- 15 years ago: Condos 44% / Houses 55%
- 20 years ago: Condos 42% / Houses 56%

As the supply of houses is essentially fixed, and more new condos are completed, transaction share should keep **shifting towards condos**. But 2020 reversed course.

While **houses** were only 44% of 2020 sales transactions, they were **61% of dollar volume**. (2019: 41% v. 57%, 2018: 39% v. 56%, 2017: 38% v. 59%, 2016: 41% 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.

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