

Market Watch

August 2018

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Economic Indicators

Real GDP Growth ⁱ			
Q2	2018	▲	2.9%
Toronto Employment Growth ⁱⁱ			
July	2018	▲	2.7%
Toronto Unemployment Rate			
July	2018	▼	6.1%
Inflation Rate (Yr./Yr. CPI Growth) ⁱⁱ			
July	2018	▲	3.0%
Bank of Canada Overnight Rate ⁱⁱⁱ			
August	2018	--	1.50%
Prime Rate ^{iv}			
August	2018	--	3.70%
Mortgage Rates August 2018			
1 Year	--	3.49%	
3 Year	--	4.30%	
5 Year	--	5.34%	

Sources and Notes:

i - Statistics Canada, Quarter-over-quarter growth, annualized

ii - Statistics Canada, Year-over-year growth for the most recently reported month

iii - Bank of Canada, Rate from most recent Bank of Canada announcement

iv - Bank of Canada, Rates for most recently completed month

GTA REALTORS® Release August Stats

TORONTO, ONTARIO, September 6, 2018 – Toronto Real Estate Board President Garry Bhaura announced sales and price increases on a year-over-year basis in August. Greater Toronto Area REALTORS® reported 6,839 sales through TREB's MLS® System in August 2018 – an 8.5 per cent increase compared to August 2017.

Both the average selling price, at \$765,270, and the MLS® Home Price Index Composite Benchmark for August 2018 were up compared to the same month in 2017, by 4.7 per cent and 1.5 per cent respectively. The average selling price increased by more than the MLS® HPI Composite due, at least in part, to a change in the mix of sales compared to last year. Detached home sales were up by double digits on a year-over-year percentage basis – substantially more than many other less-expensive home types.

"It is encouraging to see a continued resurgence in the demand for ownership housing. Many home buyers who had initially moved to the sidelines due to the Ontario Fair Housing Plan and new mortgage lending guidelines have renewed their search for a home and are getting deals done much more so than last year. In a region where the economy remains strong and the population continues to grow, ownership housing remains a solid long-term investment," said Mr. Bhaura.

Month-over-month sales and price growth also continued in August. On a preliminary seasonally adjusted basis, August 2018 sales were up by two per cent compared to July 2018. The seasonally adjusted August 2018 average selling price was down slightly by 0.2 per cent compared to July 2018, following strong monthly increases in May, June and July.

"Market conditions in the summer of 2018, including this past August, were tighter than what was experienced in the summer of 2017. In August, the annual rate of sales growth outpaced the annual rate of new listings growth. We only have slightly more than two-and-a-half months of inventory in the TREB market area as a whole and less than two months of inventory in the City of Toronto. This means that despite the fact the sales remain off the record highs from 2016 and 2017, many GTA neighbourhoods continue to suffer from a lack of inventory. This could present a problem if demand continues to accelerate over the next year, which is expected," said Jason Mercer, TREB's Director of Market Analysis.

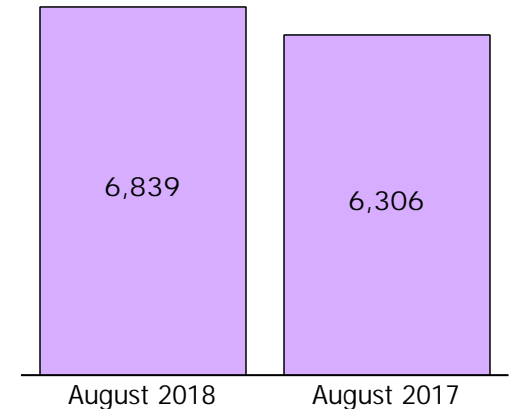
Sales & Average Price By Major Home Type^{1,7}

	Sales			Average Price		
	416	905	Total	416	905	Total
2018						
Detached	619	2,382	3,001	\$1,244,275	\$907,780	\$977,187
Semi - Detached	191	386	577	\$891,208	\$667,979	\$741,873
Townhouse	225	918	1,143	\$683,160	\$610,088	\$624,472
Condo Apartment	1,388	612	2,000	\$585,355	\$440,748	\$541,106

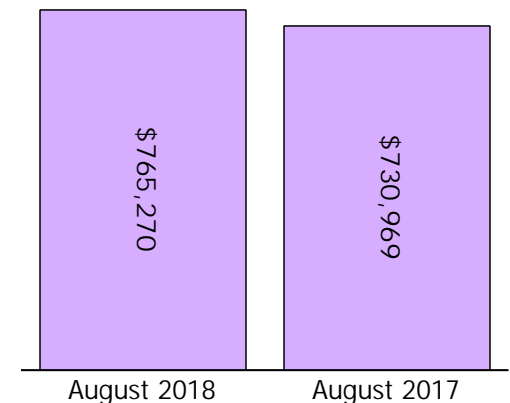
Year-Over-Year Per Cent Change

Detached	12.3%	19.2%	17.7%	4.9%	0.3%	1.2%
Semi - Detached	6.1%	-4.2%	-1.0%	-0.5%	5.1%	3.6%
Townhouse	-4.7%	8.5%	5.6%	-0.1%	4.6%	3.2%
Condo Apartment	-5.6%	18.6%	0.7%	8.3%	5.9%	6.4%

TREB MLS® Sales Activity^{1,7}



TREB MLS® Average Price^{1,7}



Year-Over-Year Summary^{1,7}

	2018	2017	% Chg.
Sales	6,839	6,306	8.5%
New Listings	12,166	11,481	6.0%
Active Listings	17,864	16,419	8.8%
Average Price	\$765,270	\$730,969	4.7%
Average DOM	27	25	8.0%