

Market Watch

July 2017

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Economic Indicators

Real GDP Growth ⁱ			
Q1	2017	▲	3.7%
Toronto Employment Growth ⁱⁱ			
June	2017	▼	1.1%
Toronto Unemployment Rate			
June	2017	▼	6.7%
Inflation Rate (Yr./Yr. CPI Growth) ⁱⁱ			
June	2017	▼	1.0%
Bank of Canada Overnight Rate ⁱⁱⁱ			
July	2017	▲	0.75%
Prime Rate ^{iv}			
July	2017	▲	2.95%
Mortgage Rates July 2017			
1 Year	--		3.14%
3 Year	--		3.39%
5 Year	▲		4.84%

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

Market Continued to Adjust in July

TORONTO, ONTARIO, August 3, 2017 – Toronto Real Estate Board President Tim Syrianos announced that Greater Toronto Area REALTORS® reported 5,921 residential transactions through TREB's MLS® System in July 2017. This result was down by 40.4 per cent on a year-over-year basis, led by the detached market segment – both in the City of Toronto and surrounding regions. While sales were down, the number of new listings reported were only slightly (+5.1 per cent) above last year's level.

"A recent release from the Ontario government confirmed TREB's own research which found that foreign buyers represented a small proportion of overall home buying activity in the GTA. Clearly, the year-over-year decline we experienced in July had more to do with psychology, with would-be home buyers on the sidelines waiting to see how market conditions evolve," said Mr. Syrianos.

"Summer market statistics are often not the best indicators of housing market conditions. We generally see an uptick in sales following Labour Day, as a greater cross-section of would-be buyers and sellers start to consider listing and/or purchasing a home. As we move through the fall, we should start to get a better sense of the impacts of the Fair Housing Plan and higher borrowing costs," said TREB CEO John DiMichele.

The MLS® Home Price Index (HPI) Composite Benchmark price was up by 18 per cent on a year-over-year basis. However, the Composite Benchmark was down by 4.6 per cent relative to June. Monthly MLS® HPI declines were driven more so by single-family home types. The average selling price for all home types combined was up by five per cent year-over-year to \$746,218.

"Home buyers benefitted from more choice in the market this July compared to the same time last year. This was reflected in home prices and home price growth. Looking forward, if we do see some would-be home buyers move off the sidelines and back into the market without a similar increase in new listings, we could see some of this newfound choice erode. The recent changes in the sales and price trends have masked the fact that housing supply remains an issue in the GTA," said Jason Mercer, TREB's Director of Market Analysis.

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

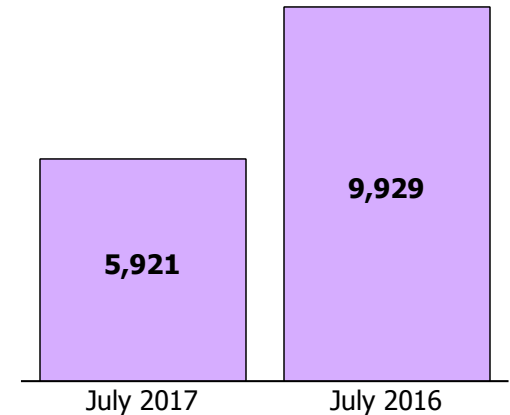
July 2017

	Sales			Average Price		
	416	905	Total	416	905	Total
2017						
Detached	556	1,878	2,434	\$1,304,288	\$910,348	\$1,000,336
Semi - Detached	169	414	583	\$869,227	\$636,844	\$704,207
Townhouse	212	762	974	\$707,269	\$581,541	\$608,907
Condo Apartment	1,345	495	1,840	\$532,502	\$418,191	\$501,750

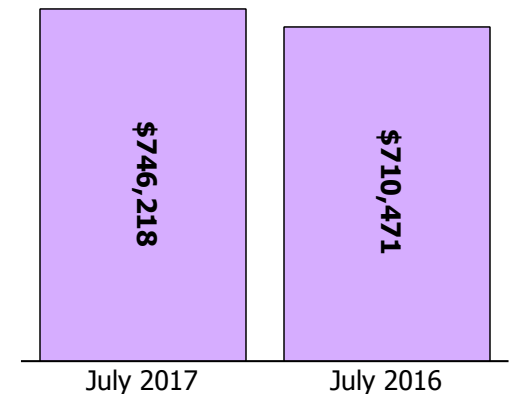
Year-Over-Year Per Cent Change

Detached	-41.7%	-48.9%	-47.4%	8.5%	2.4%	4.9%
Semi - Detached	-39.9%	-38.1%	-38.6%	1.3%	8.0%	5.2%
Townhouse	-38.2%	-36.1%	-36.5%	20.7%	11.3%	13.5%
Condo Apartment	-28.3%	-36.5%	-30.7%	24.6%	16.6%	23.2%

TREB MLS® Sales Activity^{1,7}



TREB MLS® Average Price^{1,7}



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

	2017	2016	% Chg.
Sales	5,921	9,929	-40.4%
New Listings	14,171	13,482	5.1%
Active Listings	18,751	11,346	65.3%
Average Price	\$746,218	\$710,471	5.0%
Average DOM	21	16	31.3%