

Market Watch

May 2017

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Economic Indicators

Real GDP Growth ⁱ		
Q1	2017	▲ 3.7%
Toronto Employment Growth ⁱⁱ		
April	2017	▲ 1.6%
Toronto Unemployment Rate		
April	2017	▼ 6.9%
Inflation Rate (Yr./Yr. CPI Growth) ⁱⁱ		
April	2017	-- 1.6%
Bank of Canada Overnight Rate ⁱⁱⁱ		
May	2017	-- 0.50%
Prime Rate ^{iv}		
May	2017	-- 2.70%
Mortgage Rates May 2017		
1 Year	--	3.14%
3 Year	--	3.39%
5 Year	--	4.64%

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

Active Listings Increase in May

TORONTO, June 5, 2017 – Toronto Real Estate Board President Larry Cerqua announced that Greater Toronto Area REALTORS® reported 10,196 sales through TREB's MLS® System in May 2017 – down by 20.3 per cent compared to 12,790 sales reported in May 2016. Sales of detached homes were down by 26.3 per cent. Sales of condominium apartments were down by 6.4 per cent.

Active listings – the number of properties available for sale at the end of May – were up by 42.9 per cent compared to the lowest level in 15 years recorded in May 2016, but remained below the average and peak during that period. The number increased considerably for low-rise home types including detached and semi-detached houses and townhouses. Active listings for condominium apartments were down compared to May 2016.

“Home buyers definitely benefitted from a better supplied market in May, both in comparison to the same time last year and to the first four months of 2017. However, even with the robust increase in active listings, inventory levels remain low. At the end of May, we had less than two months of inventory. This is why we continued to see very strong annual rates of price growth, albeit lower than the peak growth rates earlier this year,” said Mr. Cerqua.

Selling prices continued to increase strongly in May compared to the same month in 2016. The MLS® HPI Composite Benchmark price was up by 29 per cent year-over-year. The average selling price for all home types combined for the TREB Market Area as a whole was up by 14.9 per cent to \$863,910. Year-over-year price increases were greater for condominium apartments compared to low-rise home types. This likely reflects the fact that the low-rise market segments benefitted most from the increase in listings.

“The actual, or normalized, effect of the Ontario Fair Housing Plan remains to be seen. In the past, some housing policy changes have initially led to an overreaction on the part of homeowners and buyers, which later balanced out. On the listings front, the increase in active listings suggests that homeowners, after a protracted delay, are starting to react to the strong price growth we've experienced over the past year by listing their home for sale to take advantage of these equity gains,” said Jason Mercer, TREB's Director of Market Analysis.

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

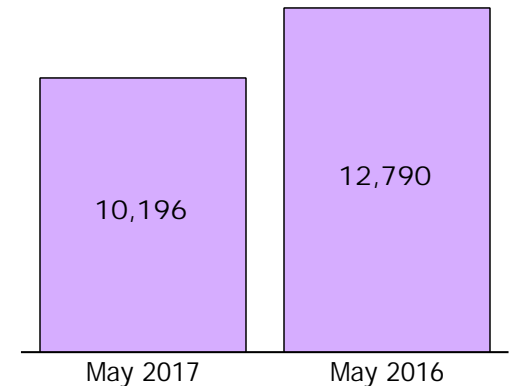
May 2017

	Sales			Average Price		
	416	905	Total	416	905	Total
2017						
Detached	1,146	3,611	4,757	\$1,503,868	\$1,025,893	\$1,141,041
Semi - Detached	348	582	930	\$1,062,318	\$682,565	\$824,667
Townhouse	367	1,146	1,513	\$741,211	\$629,229	\$656,392
Condo Apartment	2,038	816	2,854	\$564,808	\$448,867	\$531,659

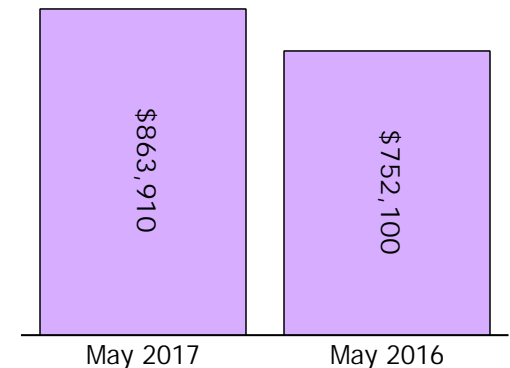
Year-Over-Year Per Cent Change

Detached	-26.1%	-26.4%	-26.3%	16.6%	15.0%	15.6%
Semi - Detached	-14.1%	-27.1%	-22.7%	27.2%	16.1%	22.9%
Townhouse	-24.3%	-15.9%	-18.1%	18.0%	19.2%	18.4%
Condo Apartment	-4.3%	-11.1%	-6.4%	27.7%	29.0%	28.4%

TREB MLS® Sales Activity^{1,7}



TREB MLS® Average Price^{1,7}



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

	2017	2016	% Chg.
Sales	10,196	12,790	-20.3%
New Listings	25,837	17,356	48.9%
Active Listings	18,477	12,931	42.9%
Average Price	\$863,910	\$752,100	14.9%
Average DOM	11	15	-26.7%