August 2020 Toronto Real Estate Market Report

Market won't slow down… several records have been smashed

Hi, it's Toronto's Real Estate Team at RE/MAX and here is our AUGUST 2020 Toronto real estate market report.

Pent-up demand and low interest rates are attracting buyers to the market.

I'll comment more on that in this broadcast as we go through the market report.

So… let's review some of the Toronto Real Estate Board statistics and see what's happened.

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Big numbers came in once again for August as the traditionally slower summer month showed record sales of 10,775 sales of houses and condos across the GTA. Our real estate market is displaying the pent-up demand generated after months of being shut down due to Covid.

Condo townhouse and high-rise suite sales were up by 16.6% with a 28.8% share of the market and 3,104 units being sold. Although not a record, August 2020 sales were only exceeded by those in 2016 (by just over 400 suites).

The August average sale price for all GTA homes came in at $951,404… a big 20.1% increase compared to one year ago.

The active listing inventory is one of the strongest indicators of how slow or fast the market has been moving. The inventory average for the month of August compared to historical numbers was higher by just 5% compared to last year at this time.

Toronto's Real Estate Team - Thomas Cook - Real Estate Sales Representative at RE/MAX Hallmark Realty Ltd Brokerage
Your Real Estate Consultant For Life Working a "By Referral Only" Business… One Of Toronto's Top Teams For RE/MAX Since 2002
785 Queen St E, Toronto ON M4M 1H5 www.LivingInToronto.com Phone/Text: 647-962-1650 Thomas@LivingInToronto.com

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Compare that slight inventory increase to a 40% year-over-year sales increase. That's why we're seeing such a big jump in appreciation.

The sales-to-listings OR percent-chance-of-selling ratio is how we determine what type of market we're actually in. 24-28% is a neutral market, below 24% is a buyer's market and above 28% is a seller's market.

Despite the busy market… the August ratio declined slightly to 64.7%... still a very busy seller market.

The days-on-market average for GTA / Toronto homes remained steady at 17 days.

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So let's look at what's happening in the downtown Toronto condominium market.

West of Yonge and south of Bloor in the C01 TREB district, the average adjusted sale price for August was $775,766. That average was 10% above the same time last year but a lower appreciation number than what we'd seen in the first 6 months of this year.

With 342 condo sales in the month, the numbers were almost the same when compared to 2019.

There were 1436 active listings on the market in August – 162% higher than last year.

The ratio of sales to listings dropped to 23.8% which puts C01 into neutral market territory.

The average days-on-market came in at 19 – 3 days slower than last month.

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Now east of Yonge and south of Bloor in the C08 TREB district, the average adjusted sale price for August was $751,977. That average was 7.6% above the same time last year.

And with 170 condo sales in the month, the numbers were up a robust 22.3% compared to last year.

There were 684 active listings on the market in August – up a huge 242% from 2019.

The ratio of sales to listings declined to 24.9% which puts C08 into neutral market territory.

The average days-on-market came in at 20, 2 days slower than last month.

Here's a snapshot summary of the significant real estate milestones for Toronto in August 2020 as we finish the 6th month of the coronavirus pandemic.

- August sales were 39.7% higher than last year (10,775) – a record for August on TRREB
- The ratio of sales-to-listings declined slightly to 64.7% in August – still in busy seller market territory
- The August average sale price came in at $**951,404**– 20.1% above August 2019 and the **highest EVER average sale price for the GTA**
- The GTA real estate market overall averaged 17 days-on-market
- Detached home sales in August 2020 with a purchase price over $2,000,000 were up a big 152% (377 houses) while condo apartment sales over $2M were up by a busy 260% (18 suites) compared to August 2019
- The CONDO share of the market was steady at 28.8% during the month

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- Downtown condo active listing numbers were UP by a big 162% in C01 and by 242% in C08 from last year at this time
- August condo sales were flat in C01 and increased in C08 by 22.3% compared to 2019
- The downtown condo days-on-market average was 19 days in C01 and 20 days in C08
- The **ratio of sales-to-listings** for condos downtown continued to show significant declines in C01 (from 62% in 2019 to 23.8%) and in C08 (from 70% in 2019 to 24.9%)
- Even when influenced by the lower demand and higher inventories due to the virus effect, condo values still beat the averages seen in August 2019 and appreciation gains over the last 12 months stayed strong
- August saw detached homes in the 905 appreciate by an average 18.5% while sales were up over 47%. 905 condo apartment sales were up 14.5% while average sale prices rose by 12.9%
- **It looks like pent-up buyer demand and very low interest rates will continue to spur the market throughout the fall season as long as we keep a handle on Covid case numbers**

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Checking the graphic you can see that positive numbers abound everywhere with some really big sales and price increases in both Toronto and in the surrounding GTA communities.

Detached and semi-detached houses are showing the biggest sales increases over August 2019.

Although lagging behind houses, condo sales and price appreciation numbers are still very respectable across the entire GTA.

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So what's a terrific way to make your first baby-step into Toronto's real estate market and find out where those more affordable choices are?

The BEST first step is to go on a **Market Experience Tour** of condo or house neighbourhoods with one of our Team members. Leave your chequebook at home - what a tour is **NOT** intended to do is show you homes with the intention that you'd immediately buy one.

What it **IS** intended to do is to give you an opportunity to get a clearer idea of what's available on the market in your favourite parts of the city and in your price range without worrying about being pressured into having to make an immediate buying decision.

Once you've had your Tour, we want you to go back home and think about what you saw. You'll then be better able to set up a good home buying plan and make smart, educated decisions about where and when you want to be in your new home.

You can sign up for your condo tour at **MarketExperienceTour.com** and a tour of houses at **DailyTorontoHomeTours.com.**

Remember to check back here in early October for our SEPTEMBER 2020 Toronto Real Estate Market Report summary.

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