

Expect Amazing

FYI



LivingInToronto.com

416-465-7850

UltimateHomeBuyersGuide.com

May 2020 Toronto Real Estate Market Report

May sales up almost 55% from April - listings increased by 47% in the same period

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

Our Toronto real estate market improved slightly during the month.

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.

Slide 2

In May, at the height of the traditionally busy spring market, sales were undoubtedly the lowest they've ever been since maybe the 1960s with a 54% drop from last year with just 4,606 houses and condominiums changing hands in all the districts.

Condo townhouse and high-rise suite sales were down by 58% with a 30% share of the market and just 1,371 units being sold. This however is a 50% jump over April 2020 sales!

The May average sale price for all GTA homes came in at \$863,599, up about \$40,000 from the month before and a 3% 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 May compared to historical numbers was lower by a huge 43% compared to last year at this time.

It's clear that the coronavirus has hit our market hard... both buyers and sellers have been intimidated by the threat of possible virus transmission although showing numbers are improving as we go along.

Expect Amazing

FYI



LivingInToronto.com

416-465-7850

UltimateHomeBuyersGuide.com

May 2020 Toronto Real Estate Market Report

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.

While in April that ratio dropped dramatically to 28.2% indicating an almost neutral market, May came in at 40.2% which is edging into moderate seller market territory.

The days-on-market average for GTA / Toronto homes was 24 days, 5 days slower than April.

Slide 3

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 sale price for May was \$774,679. That average was 4.1% above the same time last year but significantly lower than what we'd seen in February and March of this year.

With 192 condo sales in the month, the numbers were down a gigantic 56% compared to 2019.

There were 684 active listings on the market in May – up 10.7% from last year.

The ratio of sales to listings edged up to 28.1% which puts C01 into neutral market territory.

The average days-on-market came in at 20 – 4 days slower than last month.

Slide 4

Now east of Yonge and south of Bloor in the C08 TREB district, the average sale price for May was \$774,459. That average was 10.4% above the same time last year and only about roughly \$20,000 below our March 2020 average.

Expect Amazing

FYI



LivingInToronto.com

416-465-7850

UltimateHomeBuyersGuide.com

May 2020 Toronto Real Estate Market Report

And with 82 condo sales in the month, the numbers were down a significant 59% compared to last year.

There were 308 active listings on the market in May – up 12.4% from 2019.

The ratio of sales to listings stayed steady at 26.6% which puts C08 into 'neutral' market territory.

The average days-on-market came in at 23, 2 days slower than last month.

Here's a snapshot summary of the significant real estate milestones for Toronto in May 2020 as the coronavirus took a hold on our economy.

- ◆ May sales down 54% compared to last year (4,606)
- ◆ The ratio of sales-to-listings increased slightly to 40.2% in May – a nice bump into 'moderate' seller market territory
- ◆ The May average sale price came in at **\$863,599** – about \$30,000 above May 2019 but a negative \$40,000 decline from the average in March of 2020
- ◆ The big unknown is how long our social distancing requirements, restrictions on safe showings and the absence of open houses will affect our usually robust spring real estate market.
- ◆ The GTA real estate market overall averaged 24 days-on-market
- ◆ Detached home sales in May 2020 with a purchase price over \$2,000,000 were down 56% (115 houses) while condo apartment sales over \$2M were lower by 59% (7 suites) compared to May 2019
 - ◆ The CONDO share of the market was relatively steady at 29.8% during the month
 - ◆ Downtown condo active listing numbers were UP by 10.7% in C01 and by 12.4% in C08 from last year at this time
 - ◆ May condo sales showed a dramatic drop... down by 56% in C01 and a decline in C08 by 59% compared to 2019

Expect Amazing

FYI



LivingInToronto.com

416-465-7850

UltimateHomeBuyersGuide.com

May 2020 Toronto Real Estate Market Report

- ◆ The downtown condo days-on-market average was 20 days in C01 and 23 days in C08
- ◆ The **ratio of sales-to-listings** for condos downtown showed significant declines in C01 (from 70% in 2019 to 28.1%) and in C08 (from 73% in 2019 to 26.6%) – They decreased more than the overall market (from 50% in 2019 down to 40.2%).
- ◆ Influenced by the lower demand and higher inventories due to the virus effect, condo values still beat the averages seen in May 2019 and appreciation gains over the last 12 months were held at lower numbers although still positive
- ◆ The big question everyone has is “Is this to be the new normal OR will market activity and prices rebound once this crisis is under control?”
- ◆ Sales numbers are down 65-75% in many 905 neighbourhoods with May bringing flat to slightly positive appreciation to detached, townhouse and condo apartments in the 905.
- ◆ **With the long-term impact of the coronavirus epidemic uncertain, there will certainly be a short-term (2-6 month) adjustment to sales numbers and prices as we work through this crisis. The question is... what will happen to numbers once the ‘spring rush’ is past and we’re still in some level of corona virus lockdown.**
- ◆ **There are multiple points of view as to ‘should you list now or wait’ and ‘what will happen to prices’. The answers to each of those questions will hinge in part on your personal situation and you need to get specific advice based on that.**

Slide 5

As the Realtor community adjusted to the showing restrictions and rules, showing numbers increased across the GTA in May almost week by week.

New rules put into effect by the Toronto Real Estate Board mandated that buyers and agents disclose any exposure to the corona virus before the showing and usually hand sanitizer products are supplied in the homes for the buyers to use upon entry.

Buyers and showing agents have been instructed to touch as little as possible in each home...

Expect Amazing

FYI



LivingInToronto.com

416-465-7850

UltimateHomeBuyersGuide.com

May 2020 Toronto Real Estate Market Report

sellers have typically turned on all lights and opened closet doors to minimize contact with anything in the home.

May sales were down a big 54% from 2019 BUT increased by over 50% from April 2020. Overall listing inventories were lower by 43% year-over-year but up slightly from April.

Slide 6

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 July for our JUNE 2020 Toronto Real Estate Market Report summary.