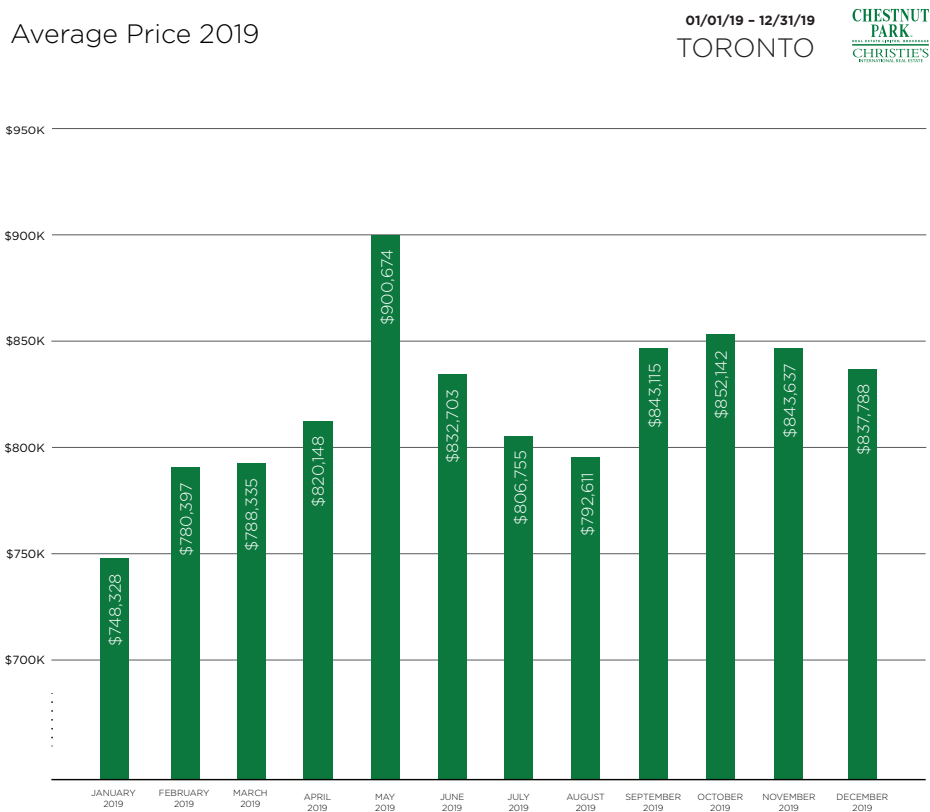


# REAL ESTATE MARKET REPORT

## DECEMBER 2019: TORONTO REGION

The December market for residential resale properties came in exactly as anticipated, with substantially higher sales and average sale prices compared to last December, and not surprisingly, the month and year ended with a critical shortage in available resale inventory.

In December 4,399 properties were reported sold. This is not a record high for the month, but these sales represented more than a 17 percent increase compared to the 3,746 properties reported sold last December. Past Decembers have seen more properties sold during the month, but the 4,399 properties that were sold was a very healthy recovery from last year's dismal results.



TREB Stratus MLS stats only. Information is deemed reliable but not guaranteed. Does not reflect all market activity.

The average sale price for all properties sold in the Greater Toronto Area came in at \$837,788, almost 12 percent higher than the average sale price of \$749,014 achieved last year. Homeowners will no doubt be happy with this increase, but the rapidly rising prices, once again approaching record levels, put a strain on affordability and their longer term sustainability, especially with salaries and wages increasing by about 3 percent annually.

The average sale price in the City of Toronto was even higher coming in at \$885,132, an exceptionally high number for the month of December when sales of higher priced properties decline. This increase was driven by the sale of 465 detached properties sales having an average sale price of \$1,363,477, a 19.5 percent increase compared to the number of detached properties that were reported sold in December of 2018.

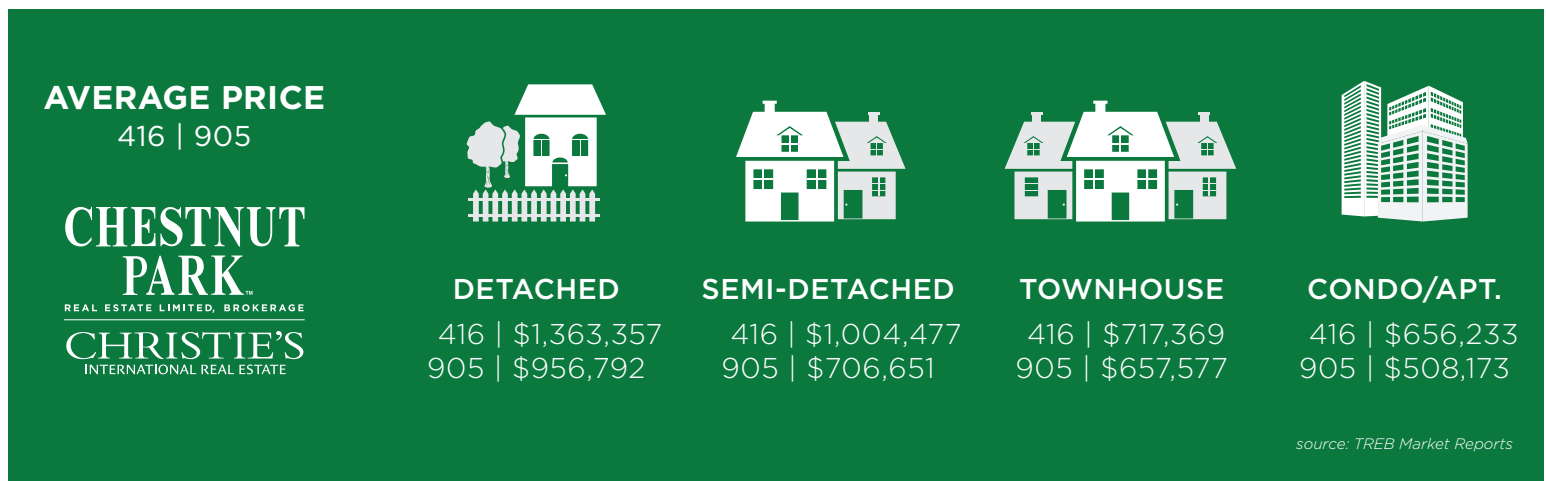
# REAL ESTATE MARKET REPORT

## DECEMBER 2019: TORONTO REGION

On a yearly basis, 87,825 residential resale properties were reported sold. This represents a strong 12 percent recovery compared to the 78,015 properties reported sold for 2018. Compared to recent resale history, 2019's results are still weak. In 2014, 92,782 properties were reported sold. That number jumped to 101,213 in 2015 and then to 113,040 in 2016, before dropping to 92,335 in 2017. The 113,040 properties sold in 2016 remains the record high for Toronto and area sales.

Notwithstanding rising resale prices, 2019 sales results might have been higher had there been more inventory for consumers to buy. Housing data related to inventory at the end of December is seriously concerning.

In December 3,531 new properties came to market. That compares poorly with the 4,309 that came to market last December. Unfortunately, we witnessed inventory declines throughout 2019. As a result, at the end of the year there were only 7,406 properties available to potential buyers, a stunning 35 percent decline compared to the 11,431 properties available at the end of 2018. In some trading areas the situation has gone beyond critical. For example: in all of Toronto's eastern trading areas 49 semi-detached properties were reported sold. At the end of December and heading into 2020 here were only 7 detached properties available to potential buyers. These are unprecedented low numbers. At the end of the year there were no semi-detached properties available in Toronto's popular eastern trading areas: Riverdale, Leslieville, and the Beaches.



The inventory shortage has also spread to Toronto's condominium apartment sector. In December 844 condominium apartments were sold in the City of Toronto. During the same period only 779 new condominium apartment listings came to market, clearly far less than the overwhelming demand. As for the end of December there were only 1,148 condominium apartments for sale in the City of Toronto – based on December's sales that is just 1.2 months of inventory.

Year end numbers indicate that inventory will play a crucial role in the success of the Toronto area residential resale market in 2020. If sellers decide to take advantage of the near record sale prices and bring their properties to market, Toronto's residential resale market will be strong and produce year-end sales that exceed the 87,825 properties that were reported sold this year. Price appreciation should be muted by the fact the average prices are at record highs and restrained from further growth by affordability.

CHESTNUT PARK MARKET REPORT  
DECEMBER 2019: **TORONTO — GTA**



AVERAGE SELLING PRICE

**\$837,788**

DECEMBER 2018: **\$749,014** | *UP 11.9%*

**3,531**  
NEW LISTINGS

DEC 2018: **4,309** | *DOWN 18.1%*



**29**  
DAYS ON  
MARKET

**4,399**  
PROPERTIES SOLD

DEC 2018: **3,746** | *UP 17.4%*



## CONCLUSION

December finished strong with sales in the greater Toronto area increasing dramatically (17.4%) accompanied by strong price growth (11.9%). There is a no doubt that demand is high. The concern is supply. We enter the new year with only 7,406 active listings, a 35% decline compared to the number of available properties last year.

**CHESTNUT  
PARK™**

REAL ESTATE LIMITED, BROKERAGE

**CHRISTIE'S**  
INTERNATIONAL REAL ESTATE

**TOTAL SALES &  
AVERAGE PRICES  
(TORONTO ONLY)**



**DETACHED**

465 SALES | +38.0%  
\$1,363,357 | +19.5%

*As compared to December 2018*



**SEMI-DETACHED**

126 SALES | +8.6%  
\$1,004,477 | +6.9%

*As compared to December 2018*



**CONDO/APT.**

884 SALES | +5.1%  
\$656,233 | +10.3%

*As compared to December 2018*