

TREB MARKET WATCH HIGHLIGHTS FOR APRIL 2019

Toronto Real Estate Board President Garry Bhaura announced that Greater Toronto Area REALTORS® reported a substantial year-over-year increase in home sales in April 2019. The number of residential transactions jumped by 16.8 per cent to 9,042 compared to 7,744 in April 2018. On a preliminary seasonally adjusted basis, sales were up 11.3 per cent compared to March 2019. New listings were also up year-over-year by eight per cent. However, the annual growth rate for new listings was much lower than that reported for sales. This suggests that market conditions continued to tighten which points toward an acceleration in price growth.

The year-over-year rate of price growth generally edged up in April relative to the first three months of the year. The MLS® HPI Composite benchmark was up by 3.2 per cent – the highest rate of growth in more than a year. The average selling price was up by 1.9 per cent to \$820,148, representing the strongest annual rate of growth so far in 2019. On a preliminary seasonally adjusted basis, the average selling price was also up by 1.1 per cent compared to March 2019. Price growth continued to be driven by the condominium apartment segment and higher-density low-rise segments. The average price for detached houses dipped year-over-year, specifically in regions surrounding the City of Toronto. The detached market segment, with the highest price point on average, has arguably been hardest hit by measures such as the OSFI stress test.

Condos continue to trend as a positive driver of year-over-year price growth. However, active listings for the month dropped below levels seen in April 2018 and new listings are not keeping pace with sales - an environment that supports pricing acceleration. This, in combination with the OSFI mortgage stress test, represents a formidable challenge to the first time home buyer, the root of the real estate market. A report issued May 3rd by Canada Mortgage and Housing Corp. citing that there has been “improved alignment overall between house prices and housing market fundamentals” since the stress test was implemented, can be seen as an indicator of the government’s intent to keep the stress test in place for the foreseeable future.

Sales & Average Price By Major Home Type^{1,7} April 2019

	Sales			Average Price		
	416	905	Total	416	905	Total
2019						
Detached	982	3,191	4,173	\$1,355,764	\$914,249	\$1,018,147
Semi - Detached	281	575	856	\$1,051,765	\$690,059	\$808,796
Townhouse	344	1,193	1,537	\$757,150	\$626,826	\$655,994
Condo Apartment	1,608	749	2,357	\$637,181	\$482,945	\$588,168

Year-Over-Year Per Cent Change

Detached	20.9%	22.2%	21.9%	-0.0%	-1.7%	-1.3%
Semi - Detached	6.0%	28.9%	20.4%	2.9%	5.1%	2.0%
Townhouse	24.6%	19.1%	20.3%	-4.7%	3.7%	1.6%
Condo Apartment	2.6%	16.7%	6.7%	5.8%	5.7%	5.1%

Year Over Year Summary

	Mar 2019	Mar 2018	% Change
Sales	7,187	7,188	0.0%
New Listings	13,996	14,753	-5.1%
Active Listings	15,576	15,971	-2.5%
Average Price	\$788,335	\$784,514	0.5%
Average DOM	21	20	5.0%