

GTA REALTORS® REPORT APRIL RESALE HOUSING FIGURES, AS TREB RELEASES NEW INSIGHTS ON FOREIGN BUYERS, SPECULATION, AND MULTIPLE OWNERSHIP

TORONTO, ONTARIO, May 3, 2017 –The Toronto Real Estate Board has examined property assessment and land registry data in Ontario and has concluded that foreign buyer ownership, as well as speculation by foreign and domestic buyers and multiple ownership in the Greater Golden Horseshoe housing market remains low.

TREB is releasing their analysis of this data at the same time as TREB President Larry Cerqua announces that Greater Toronto Area REALTORS® entered 33.6 per cent more new listings into TREB's MLS® System in April 2017, at 21,630, compared to the same month in 2016. New listings were up by double-digits for all low-rise home types, including detached and semi-detached houses and townhouses. New listings for condominium apartments were at the same level as last year.

Total sales for the TREB market area as a whole amounted to 11,630 – down 3.2 per cent year-over-year. One issue underlying this decline was the fact that Easter fell in April in 2017 versus March in 2016, which resulted in fewer working days this year compared to last and, historically, most sales are entered into TREB's MLS® System on working days.

"The fact that we experienced extremely strong growth in new listings in April means that buyers benefitted from considerably more choice in the marketplace. It is too early to tell whether the increase in new listings was simply due to households reacting to the strong double-digit price growth reported over the past year or if some of the increase was also a reaction to the Ontario Government's recently announced Fair Housing Plan," said Mr. Cerqua.

The MLS® Home Price Index (HPI) Composite Benchmark Price was up by 31.7 per cent year-over-year in April 2017. Similarly, the average selling price for all home types combined was up by 24.5 per cent to \$920,791.

"It was encouraging to see a very strong year-over-year increase in new listings. If new listings growth continues to outpace sales growth moving forward, we will start to see more balanced market conditions. It will likely take a number of months to unwind the substantial pent-up demand that has built over the past two years. Expect annual rates of price growth to remain well-above the rate of inflation as we move through the spring and summer months," said Jason Mercer, TREB's Director of Market Analysis.

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New Insights on Foreign Buyers, Domestic and Foreign Speculation, and Multiple Ownership

TREB is encouraged that all levels of government, including the Province of Ontario, are making the state of the housing market a priority. However, TREB strongly believes that public policy decisions with regard to the housing market should be evidence-based and supported by empirical data.

In an effort to further the research into foreign buying activity, speculative buying and selling (“flipping”), and ownership of more than one property, TREB analyzed aggregated annual property sales, and aggregated residential data provided by the Municipal Property Assessment Corporation (MPAC) and Teranet Inc. (Teranet) for the Greater Golden Horseshoe (GGH), specifically between 2008 and April 2017.

A summary of TREB’s key findings from an analysis of the data:

- The number of buyers with a mailing address outside of Canada is well-below one per cent, regardless of the year. Most of these buyers have a mailing address in the United States.
- Between 2008 and April 2017, the average share of foreign buyers in the GGH was 2.3 per cent. The share was 2.2 per cent in 2016 and 2.6 per cent for the January through April period in 2017. The majority of foreign buyers – 87 to 90+ per cent – purchased their home as a place to live: 91.5 per cent in 2016 and 88 per cent January through April in 2017.
- The trend from 2008 to April 2017 suggests that the share of foreign home buyers has remained low. The results also follow the results from earlier released data from an Ipsos survey of TREB Members conducted in the fall of 2016. The Ipsos survey results estimated that 4.9 per cent of transactions undertaken between the fall of 2015 and the fall of 2016 were accounted for by foreign buyers. The Ipsos survey results had an estimated margin of error of ± 2 percentage points, 19 times out of 20.
- Between 2008 and April 2017, homes bought and sold within a short period of time – within one year of the original transaction – by domestic or foreign buyers accounted for a very small share (less than five per cent in 2016 and approximately seven per cent between January and April 2017) of total transactions.
- TREB analyzed the ratio of property owners that owned more than one property in the GGH to the total number of properties. As of April 2017, this was a relatively small 6.2 per cent of total properties.

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"It is not yet clear what impact the measures contained within the Ontario Government's Fair Housing Plan have had on TREB's market area or the broader Greater Golden Horseshoe. Despite the recent uptick in new listings on TREB's MLS® System, we believe that we all have to be committed to a better understanding of issues affecting demand and supply dynamics in our marketplace. TREB will continue to collect and disseminate data on our marketplace and will continue to work with all levels of government as it relates to housing market policy," said John DiMichele, TREB's Chief Executive Officer.

Source: Summary data provided by the Municipal Property Assessment Corporation (MPAC). Land registry data sourced from Teranet was used by MPAC in the summary reports.

Important Note: The views and opinions expressed in this report and any related press release are the Toronto Real Estate Board's. MPAC provided summary statistics only to the Toronto Real Estate Board. No personal information such as property owners' names or addresses was released.

Summary of TorontoMLS Sales and Average Price April 1 - 30, 2017

	2017			2016		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	4,164	943,947	7,015	4,225	766,838	6,131
Rest of GTA ("905")	7,466	907,877	14,615	7,791	725,078	10,059
GTA	11,630	920,791	21,630	12,016	739,762	16,190

TorontoMLS Sales & Average Price By Home Type April 1 - 30, 2017

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	1,268	4,447	5,715	1,578,542	1,098,827	1,205,262
Yr./Yr. % Change	-8.7%	-4.1%	-5.1%	25.2%	24.5%	24.3%
Semi-Detached	321	704	1,025	1,104,047	727,218	845,230
Yr./Yr. % Change	-13.2%	-7.4%	-9.3%	22.4%	27.0%	24.2%
Townhouse	381	1,288	1,669	793,129	673,942	701,150
Yr./Yr. % Change	-13.2%	-7.5%	-8.9%	29.7%	30.7%	30.1%
Condo Apartment	2,148	865	3,013	578,280	449,792	541,392
Yr./Yr. % Change	8.0%	6.9%	7.7%	32.3%	31.0%	32.1%

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April 2017 Year-Over-Year Per Cent Change in the MLS® HPI

	Composite (All Types)	Single-Family Detached	Single-Family Attached	Townhouse	Apartment
TREB Total	31.70%	33.03%	29.99%	31.81%	29.35%
Halton Region	30.83%	30.10%	31.25%	35.15%	-
Peel Region	32.52%	33.15%	32.46%	33.46%	29.16%
City of Toronto	27.66%	29.74%	25.07%	26.12%	29.19%
York Region	34.04%	35.87%	31.52%	22.52%	29.31%
Durham Region	36.17%	35.34%	33.65%	42.59%	37.62%
Orangeville	29.29%	29.28%	30.64%	-	-
South Simcoe County ¹	38.05%	38.39%	33.30%	-	-

Source: Toronto Real Estate Board

¹South Simcoe includes Adjala-Tosorontio, Bradford West Gwillimbury, Essa, Innisfil and New Tecumseth

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