

TORONTO REGIONAL REAL ESTATE BOARD RELEASES JULY RESALE HOUSING REPORT

TORONTO, ONTARIO, AUGUST 6, 2020 - Toronto Regional Real Estate Board President Lisa Patel announces that Greater Toronto Area REALTORS® reported 11,081 sales through TRREB's MLS® System in July 2020 – a 29.5 per cent increase over July 2019 and a new record for the month of July. On a preliminary seasonally adjusted basis, sales were up by 49.5 per cent compared to June 2020.

Year-over-year sales growth was driven by low-rise home types, particularly in the regions surrounding the City of Toronto. However, condominium apartment sales were also up on an annual basis, including in Toronto.

Total new listings were also up strongly on a year-over-year basis by 24.7 per cent, but this annual growth rate was less than that of sales, which means market conditions tightened on average compared to July 2019. In addition, active listings at the end of July were down by 16.3 per cent.

“Sales activity was extremely strong for the first full month of summer. Normally we would see sales dip in July relative to June as more households take vacation, especially with children out of school. This year, however, was different with pent-up demand from the COVID-19-related lull in April and May being satisfied in the summer, as economic recovery takes firmer hold, including the Stage 3 re-opening. In addition, fewer people are travelling, which has likely translated into more transactions and listings,” said Ms. Patel.

The July 2020 MLS® Home Price Index (HPI) Composite Benchmark was up by 10 per cent compared to July 2019. The overall average selling price was up by 16.9 per cent year-over-year to \$943,710. On a preliminary seasonally adjusted basis, the average selling price was up by 5.5 per cent compared to June 2020.

Price growth was strongest for low-rise home types, notably within the City of Toronto. Despite more balanced market conditions in the condominium apartment market segment, year-over-year price growth remained in the high single digits.

“Competition between buyers continued to increase in many segments of the GTA ownership housing market in July, which fueled a further acceleration in year-over-year price growth in July compared to June. On top of this, we also experienced stronger sales growth in the more-expensive detached market segment, which helps explain why annual growth in the overall average selling price was stronger than growth for the MLS® HPI Composite benchmark,” said Jason Mercer, TRREB's Chief Market Analyst.

Focus on Housing Policy and Economic Recovery

In recent weeks, it was reported that the Canada Mortgage and Housing Corporation (CMHC) contributed funding towards a project that includes research on the idea of a capital gains tax on the sale of a home owner's principal residence. CMHC has publicly indicated that a home equity tax is not the focus of the upcoming research. It has been TRREB's long standing position that such a tax should not be considered and discussion of any research should go no further.

TRREB is encouraged that Minister Ahmed Hussen, who is responsible for the CMHC, has publicly indicated that this proposal is not under consideration by the federal government. TRREB is opposed to taxation of the equity on principal residences because it discourages home ownership and ignores the important role that home ownership plays in stability, security, and wealth creation for individuals and families.

"The long-term solution to housing affordability in Canada, for both ownership and rental, is to ensure that there are adequate and appropriate types and tenures of housing available in the market. This should be the focus of all levels of government and related agencies rather than discussions on capital gains taxes on many Canadians' largest investment and a cornerstone of retirement planning. TRREB would be happy to work with any level of government or related agency on researching and implementing solutions to the persistent housing supply shortage in the GTA and country-wide," said TRREB CEO John DiMichele.

TRREB's policy recommendations related to economic recovery and housing supply are outlined in a [detailed policy](#) brief that was recently submitted to local, provincial, and federal governments, with a key message to use caution in implementing demand-side real estate market stimulus which could contribute to housing price inflation. With regard to housing supply, which is key to improving housing affordability, TRREB's key recommendation is for all governments to expedite the creation of "missing middle" housing. In this regard, TRREB applauds Toronto City Council's recent approval of a plan to create more missing middle housing in the City's "Yellow Belt", which refers to the 35 per cent of the City designated as "neighbourhoods", of which 70 per cent only allow detached housing. TRREB also supports the Province of Ontario's recently announced initiatives around transit oriented mixed use communities and related infrastructure.

Summary of TRREB MLS® Sales and Average Price July 1 - 31, 2020

	2020			2019		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	3,577	1,017,320	6,930	3,100	840,360	4,767
Rest of GTA ("905")	7,504	908,622	11,026	5,455	787,997	9,636
GTA	11,081	943,710	17,956	8,555	806,971	14,403

TRREB MLS® Sales & Average Price By Home Type July 1 - 31, 2020

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	1,102	4,531	5,633	1,541,003	1,060,318	1,154,356
Yr./Yr. % Change	27.5%	48.3%	43.7%	25.5%	14.0%	16.0%
Semi-Detached	372	696	1,068	1,181,014	773,513	915,451
Yr./Yr. % Change	36.3%	20.2%	25.4%	20.0%	11.2%	16.1%
Townhouse	393	1,459	1,852	852,284	701,853	733,775
Yr./Yr. % Change	20.2%	34.7%	31.3%	12.7%	11.1%	11.1%
Condo Apartment	1,689	734	2,423	682,999	527,117	635,778
Yr./Yr. % Change	4.7%	11.7%	6.7%	8.8%	10.6%	8.8%

July 2020 Year-Over-Year Per Cent Change in the MLS® HPI

	Composite (All Types)	Single-Family Detached	Single-Family Attached	Townhouse	Apartment
TRREB Total	10.01%	9.86%	10.63%	12.37%	9.34%
Halton Region	10.67%	10.42%	10.72%	14.06%	12.44%
Peel Region	10.86%	9.62%	11.08%	12.86%	13.55%
City of Toronto	9.06%	10.29%	10.28%	11.55%	7.93%
York Region	10.05%	9.30%	9.86%	10.71%	12.40%
Durham Region	12.27%	11.84%	13.77%	15.60%	10.96%
Orangeville	13.91%	14.01%	16.30%	-	-
South Simcoe County¹	14.12%	10.55%	14.06%	-	-

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

Annual Summary of TRREB MLS® Sales and Average Price Year-to-Date

	2020			2019		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	15,728	980,236	29,667	19,017	876,472	33,532
Rest of GTA ("905")	31,285	865,084	52,626	33,400	771,705	66,574
GTA	47,013	903,607	82,293	52,417	809,715	100,106

Annual TRREB MLS® Sales & Average Price By Home Type Year-to-Date 2020

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	4,672	18,303	22,975	1,471,669	1,008,775	1,102,905
Yr./Yr. % Change	-14.6%	-0.9%	-4.0%	12.2%	10.2%	9.7%
Semi-Detached	1,418	2,953	4,371	1,176,528	750,713	888,852
Yr./Yr. % Change	-19.8%	-9.9%	-13.4%	13.2%	9.7%	9.9%
Townhouse	1,725	6,334	8,059	832,467	687,257	718,338
Yr./Yr. % Change	-12.9%	-6.8%	-8.2%	7.5%	10.6%	9.5%
Condo Apartment	7,818	3,288	11,106	687,898	524,785	639,608
Yr./Yr. % Change	-19.2%	-24.2%	-20.7%	10.0%	11.1%	10.7%

Seasonally Adjusted TRREB MLS® Sales and Average Price¹

	Sales	Month-over-Month % Chg.	Average Price	Month-over-Month % Chg.
July '19	7,884	4.9%	\$824,215	1.5%
August '19	7,989	1.3%	\$825,904	0.2%
September '19	7,993	0.1%	\$837,281	1.4%
October '19	7,840	-1.9%	\$839,945	0.3%
November '19	7,835	-0.1%	\$846,374	0.8%
December '19	7,626	-2.7%	\$874,283	3.3%
January '20	7,763	1.8%	\$875,767	0.2%
February '20	8,902	14.7%	\$904,450	3.3%
March '20	6,936	-22.1%	\$894,745	-1.1%
April '20	2,317	-66.6%	\$789,054	-11.8%
May '20	3,546	53.0%	\$825,707	4.6%
June '20	6,526	84.0%	\$908,596	10.0%
July '20	9,754	49.5%	\$958,713	5.5%

Source: Toronto Regional Real Estate Board; CREA Seasonal Adjustment

¹ Preliminary seasonal adjustment undertaken by the Canadian Real Estate Association (CREA). Removing normal seasonal variations allows for more meaningful analysis of monthly changes and underlying trends.

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The Toronto Regional Real Estate Board is Canada's largest real estate board with more than 56,000 residential and commercial professionals connecting people, property and communities.

