

TRREB Forecasts Strong Demand for Real Estate in 2021 *Highly Anticipated Outlook Report and New Digital Digest Unveiled*

Toronto, ON, February 8, 2021 – The outlook for the GTA real estate market is healthy with strong buying intentions, a near-record sales forecast of more than 100,000, and a record average selling price over \$1 million.

Today, the Toronto Regional Real Estate Board (TRREB) is unveiling its must-read [Market Year in Review & Outlook 2021 Report](#) and eagerly awaited [digital digest](#) containing TRREB’s annual market outlook, up-to-date Ipsos consumer polling results, the most recent Altus new home and commercial statistics, rental market trends, research on innovative approaches to bring on more housing supply and mortgage market trends.

“The pandemic certainly resulted in an unprecedented year for real estate in 2020, but it hasn’t put a damper on the overall demand,” said Jason Mercer, TRREB Chief Market Analyst. “Looking ahead, a strengthening economy and renewed GTA population growth following widespread vaccinations will support the continued demand for both ownership and rental housing. But over the long run, the supply of listings will remain an issue, particularly in low-rise segments.”

2021 Market Outlook

- Combined home sales reported through TRREB’s MLS® System for the GTA, South Simcoe County and Orangeville are expected to reach 105,000.
- Strong sales growth will be supported by continued economic recovery, including jobs and record or near-record lows for borrowing costs.
- The pace of new condominium apartment listings will start to ebb, especially in the second half of the year. With low-rise listings remaining constrained, expect total new listings to come in at the 160,000 mark.
- Market conditions for low-rise homes, including detached houses, will remain very tight, with sales rising at a faster pace than listings.
- The overall average selling price for all home types and areas combined will eclipse the \$1,000,000 mark for the first time, reaching \$1,025,000 and representing a year-over-year increase of 10 per cent.
- While mortgage deferrals were initially a concern early on in the pandemic, Mortgage Professionals Canada does not anticipate any pronounced uptick in mortgage delinquencies that would create systemic concerns as we move through 2021. Most property owners who took advantage of mortgage deferrals did so out of an abundance of caution rather than financial necessity and therefore have resumed their regular payments.

January 2021 Market Stats

- January home sales amounted to 6,928 – up by more than 50 per cent compared to January 2020. This strong start to 2021 included sales growth across all major segments, including condominium apartments, both in the City of Toronto and surrounding GTA regions.

- New listings were also up on a year-over-year basis in January, but not by the same annual rate as sales. This means market conditions tightened compared to January 2020, resulting in the continuation of double-digit growth in the MLS® Home Price Index and the average selling price.
- The average selling price for January 2021 was up by 15.5 per cent to \$967,885 year over year. The MLS® HPI Composite Benchmark was up by 11.9 per cent over the same period.
- Price growth was driven by the low-rise market segments, while the average condo apartment price was down in Toronto. However, if we continue to see condo sales growth outstrip condo listings growth, we could start to see renewed growth in condo prices later this year.

2020 Market Year in Review

2020 was a roller coaster year with unpredictable ups and downs, but the second half of 2020 was marked by consecutive monthly records for home sales and average selling prices. The end result was the third best annual sales total on record and a new record for the average selling price. The suburbs experienced the strongest sales growth, especially in single-family homes with the average selling price topping out at almost \$930,000.

“Together as REALTORS®, we’ve become an essential part of the economic recovery. The results of the past year were driven by TRREB Members who act as vital instruments driving economic activity in our communities as they work on a daily basis with home buyers, home sellers, renters and business owners,” said Lisa Patel, TRREB President.

“When the pandemic hit, TRREB outlined a detailed policy brief on government economic initiatives to municipal, provincial and federal governments. With regards to housing supply, our key recommendations are to expedite the creation of missing middle housing, that is, multi-unit low-rise housing between detached and mid- to high-rises. It is crucial that we expand these development opportunities in residential areas which are currently only zoned for detached and semi-detached housing. This is why we asked Urban Strategies to research and propose innovative and workable ideas around the provision of missing middle housing across our region,” said John DiMichele, TRREB CEO.

The Potential of the Missing Middle

Currently, there is a lack of variety in housing and due to municipal zoning restrictions most of our urban areas are occupied by low density, single-family homes. Research commissioned by TRREB and conducted by Urban Strategies found that increasing the different types of housing will address the missing middle in those areas while significantly, and quickly, alleviating the tight housing supply.

“Allowing conversions of single-family houses for additional units could result in the rapid addition of 300,000–400,000 units in Toronto and would make a major contribution to addressing housing affordability. Increasing the missing middle can also stabilize the population while helping to sustain schools, social and retail amenities,” said Joe Berridge, Urban Strategies Inc. Partner.

Discover new research on much-needed [missing housing](#), delve into the latest market insights and trends in the [full report](#) and explore the new [interactive website and videos](#) showcasing the key takeaways from this year’s report.

Summary of TRREB MLS® Sales and Average Price January 1–31, 2021

	2021			2020		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	2,665	\$866,331	3,547	1,593	\$880,113	2,635
Rest of GTA ("905")	4,263	\$1,031,371	5,883	2,953	\$815,416	5,213
GTA	6,928	\$967,885	9,430	4,546	\$838,087	7,848

Source: Toronto Regional Real Estate Board

TRREB MLS® Sales & Average Price By Home Type January 1–31, 2021

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	522	2,244	2,766	\$1,581,400	\$1,308,393	\$1,359,915
Yr./Yr. % Change	30.2%	35.4%	34.4%	16.0%	36.6%	31.2%
Semi-Detached	162	344	506	\$1,204,857	\$898,810	\$996,794
Yr./Yr. % Change	84.1%	35.4%	48.0%	21.5%	25.4%	26.6%
Townhouse	259	865	1,124	\$814,396	\$800,339	\$803,578
Yr./Yr. % Change	46.3%	44.4%	44.8%	4.1%	20.0%	15.9%
Condo Apartment	1,703	768	2,471	\$624,886	\$547,488	\$600,830
Yr./Yr. % Change	85.5%	85.5%	85.5%	-8.0%	4.8%	-4.7%

January 2021 Year-Over-Year Per Cent Change in the MLS® HPI

	Composite (All Types)	Single-Family Detached	Single-Family Attached	Townhouse	Apartment
TRREB Total	11.94%	16.64%	15.61%	12.86%	1.70%
Halton Region	18.27%	21.78%	22.03%	16.61%	7.56%
Peel Region	12.91%	15.61%	16.40%	12.68%	4.21%
City of Toronto	4.99%	11.84%	9.59%	9.31%	0.00%
York Region	13.34%	15.20%	14.78%	10.14%	5.86%
Durham Region	24.40%	24.08%	27.59%	25.63%	14.99%
Orangeville	21.01%	20.86%	22.83%	-	-
South Simcoe County¹	25.23%	25.51%	17.69%	-	-

Source: Toronto Regional Real Estate Board

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

Seasonally Adjusted TRREB MLS® Sales and Average Price¹

	Sales	Month-over-Month % Chg.	Average Price	Month-over-Month % Chg.
January '20	7,055	-2.4%	\$874,695	-0.2%
February '20	8,727	23.7%	\$905,553	3.5%
March '20	7,023	-19.5%	\$895,785	-1.1%
April '20	2,416	-65.6%	\$791,355	-11.7%
May '20	3,683	52.4%	\$828,392	4.7%
June '20	6,530	77.3%	\$904,625	9.2%
July '20	9,390	43.8%	\$951,247	5.2%
August '20	10,448	11.3%	\$981,298	3.2%
September '20	9,996	-4.3%	\$951,864	-3.0%
October '20	9,721	-2.8%	\$956,009	0.4%
November '20	9,308	-4.2%	\$964,141	0.9%
December '20	11,281	21.2%	\$975,050	1.1%
January '21	11,506	2.0%	\$1,008,947	3.5%

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.

TRREB Annual MLS® System Statistics 2021 Sales, New Listings and Average Price Outlook

Year	Sales	New Listings	Average Price
2016	113,040	154,230	\$729,821
2017	92,340	178,412	\$822,496
2018	78,018	156,504	\$787,845
2019	87,750	152,737	\$819,853
2020	95,115	156,755	\$929,692
2021(F)	105,000	160,000	\$1,025,000

Source: TRREB

FOR THE FULL REPORT, CLICK [HERE](#).

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The Toronto Regional Real Estate Board is Canada's largest real estate board with more than 57,000 residential and commercial professionals connecting people, property and communities.

