

CONSUMER CONFIDENCE AND LOW INTEREST RATES DRIVE UP HOMES SALES IN GTA

TORONTO, ONTARIO, April 6, 2021 - For the third straight month of 2021, record home sales continued in March across the Greater Toronto Area (GTA) with buyers taking advantage of favourable borrowing costs and continued improvement in many sectors of the economy.

GTA REALTORS® reported 15,652 sales in March 2021 – close to double that of March 2020. While sales were strong, it is important to remember that for the second half of March 2021, we are comparing against the initial impact of COVID-19 in the second half of March 2020 when sales activity dropped off dramatically. With this in mind, it is important to consider annual sales growth for the pre-COVID period (March 1 to 14, 2020) and the COVID period (March 15 to 31, 2020):

- There were 6,504 sales reported during the first 14 days of March 2021 – up 41 per cent compared to the pre-COVID period in March 2020.
- There were 9,148 sales reported between March 15 and March 31, 2021, an increase of 174 per cent compared to the COVID period of March 2020. This is a stark reminder of the initial impact COVID-19 had on the housing market and overall economy a year ago.

“Confidence in economic recovery coupled with low borrowing costs supported a record pace of home sales last month. While the robust market activity is indicative of widespread consumer optimism, it is also shedding light on the sustained lack of inventory in the GTA housing market, with implications for affordability,” said TRREB President Lisa Patel.

For March 2021 as a whole, new listings were up 57 per cent year-over-year to 22,709. While representing a strong year-over-year increase, the annual growth rate for new listings was well-below that of sales.

“With sales growth outstripping listings growth by a large margin, including in the condo market segment, competition between buyers in some market segments and the potential for double-digit price growth could continue without a meaningful increase in the supply of homes available for sale. This will become more apparent as population growth resumes over the next year,” stressed TRREB Chief Market Analyst Jason Mercer.

The MLS® Home Price Index Composite Benchmark for March 2021 was up by 16.5 per cent compared to March 2020. The average selling price at \$1,097,565 was up by 21.6 per cent over the same period. Following the recent trend, low-rise home sales in regions surrounding the City of Toronto drove price growth.

“The current state of the market has reinvigorated discussions about potential demand-side policy interventions. Policies focussed on demand, such as a capital gains tax on primary residences, can have a short-term impact, but can also be fraught with unintended consequences like further stifling the supply of listings. The federal minister responsible for the housing portfolio has said his government will not entertain such a policy option, which is the right decision. We have been saying for too long now that policymakers must focus on the long-term goal of increasing housing supply in order to accommodate current and future demand,” said TRREB CEO John DiMichele.

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

	2021			2020		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	5,130	1,083,322	7,206	2,753	989,175	4,902
Rest of GTA ("905")	10,522	1,104,509	15,503	5,192	856,981	9,532
GTA	15,652	1,097,565	22,709	7,945	902,787	14,434

TRREB MLS® System Sales & Average Price by Home Type March 1–31, 2021

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	1,450	6,127	7,577	1,750,518	1,320,570	1,402,849
Yr./Yr. % Change	75.1%	111.6%	103.5%	19.2%	31.4%	26.6%
Semi-Detached	471	1,008	1,479	1,288,005	932,215	1,045,519
Yr./Yr. % Change	106.6%	95.0%	98.5%	11.5%	20.6%	17.5%
Townhouse	555	2,076	2,631	960,894	846,401	870,553
Yr./Yr. % Change	90.7%	90.5%	90.5%	15.0%	22.6%	20.7%
Condo Apartment	2,614	1,207	3,821	707,835	607,220	676,052
Yr./Yr. % Change	87.9%	99.2%	91.3%	-0.7%	13.5%	2.6%

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

	Composite (All Types)	Single-Family Detached	Single-Family Attached	Townhouse	Apartment
TRREB Total	16.54%	23.58%	21.91%	16.51%	2.09%
Halton Region	22.21%	25.33%	25.60%	22.62%	12.13%
Peel Region	16.77%	20.64%	21.25%	15.84%	4.92%
City of Toronto	7.45%	17.84%	15.74%	9.71%	0.13%
York Region	19.82%	23.49%	22.48%	14.75%	6.00%
Durham Region	32.83%	33.02%	34.59%	33.05%	20.04%
Orangeville	32.28%	31.63%	34.43%	-	-
South Simcoe County¹	35.57%	34.62%	42.72%	-	-

Source: Toronto Regional Real Estate Board

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

Year-to-Date Summary of TRREB MLS® System Sales and Average Price March 2021						
	2021			2020		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	11,522	1,004,720	15,467	6,803	963,500	11,057
Rest of GTA ("905")	21,981	1,079,199	31,824	12,880	851,925	21,843
GTA	33,503	1,053,585	47,291	19,683	890,488	32,900

YTD TRREB MLS® System Sales & Average Price by Home Type March 2021						
	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	2,882	12,376	15,258	1,699,125	1,311,599	1,384,797
Yr./Yr. % Change	49.0%	69.9%	65.5%	16.9%	31.3%	26.5%
Semi-Detached	928	2,031	2,959	1,285,010	926,920	1,039,224
Yr./Yr. % Change	87.5%	65.1%	71.5%	12.2%	23.6%	20.4%
Townhouse	1,155	4,436	5,591	913,915	837,140	853,001
Yr./Yr. % Change	65.9%	71.0%	69.9%	10.7%	21.4%	18.8%
Condo Apartment	6,475	2,923	9,398	675,844	577,380	645,219
Yr./Yr. % Change	78.0%	84.0%	79.8%	-4.6%	8.6%	-1.4%

Source: Toronto Regional Real Estate Board

Seasonally Adjusted TRREB MLS® Sales and Average Price¹

	Sales	Month-over-Month % Chg.	Average Price	Month-over-Month % Chg.
March '20	6,666	-22.2%	\$891,506	-1.6%
April '20	2,309	-65.4%	\$787,331	-11.7%
May '20	3,518	52.4%	\$825,111	4.8%
June '20	6,303	79.2%	\$902,367	9.4%
July '20	9,206	46.1%	\$949,331	5.2%
August '20	10,407	13.0%	\$980,258	3.3%
September '20	10,078	-3.2%	\$952,703	-2.8%
October '20	9,899	-1.8%	\$958,535	0.6%
November '20	9,635	-2.7%	\$968,145	1.0%
December '20	11,730	21.7%	\$980,507	1.3%
January '21	12,194	4.0%	\$1,013,599	3.4%
February '21	13,631	11.8%	\$1,040,985	2.7%
March '21	13,545	-0.6%	\$1,085,071	4.2%

Source: Toronto Regional Real Estate Board; CREA Seasonal Adjustment

¹Preliminary 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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