



# Toronto Real Estate Market Report

April's market report could be a replica of March's report. We continue to run out of superlatives in attempting to describe the Toronto area residential resale market. As they did in March, average sale prices continue to go up, days on market continue to decline, the inventory of available properties is evaporating, and buyer demand cannot be satisfied. Records in almost all categories are being broken monthly.

In April the average sale price for all properties sold in the greater Toronto area came in at a breath-taking \$739,082, a new monthly record. That's 16.2 percent higher than the \$639,064 that the same house would have sold for in April 2015. Semi-detached and detached houses are substantially more expensive. The average price for a semi-detached house in the city of Toronto in April was \$901,159, 23.8 percent more than a similar property would have sold for in 2015. A detached house will now cost a buyer \$1,257,958, 18.9 percent higher than a similar property sold last April. In central Toronto the numbers are even higher. A detached house now costs \$1,730,000, and buyers must now pay almost \$1 Million for a semi-detached house. A semi-detached house in Toronto's central core now costs \$975,640. These are all new record highs.

Surprisingly, given the high prices that properties in Toronto are selling for, they are also selling in record time. All properties that sold in the greater Toronto area did so in only 15 days. That is a number that in almost any other jurisdiction throughout the world would be regarded as incomprehensible. Not in Toronto. Semi-detached properties sold even faster. All semi-detached properties were reported sold in only 10 days. In central Toronto it took only 9 days for semi-detached properties to sell and although it may sound unbelievable, all semi-detached properties in the eastern districts sold in only 7 days. Detached houses sold just as quickly. Only 12 days on market for all detached properties sold in Toronto. All of these numbers are new records for sales in the Toronto resale market place.

List prices for properties in Toronto are apparently no longer relevant. They are merely a starting point. All detached properties reported sold in Toronto sold for 107 percent of their asking price. In some trading districts the sale price to list ratio was as high as 117 percent. Semi-detached properties in Toronto sold for 110 percent of their list prices. In Toronto's eastern districts they sold for 113 percent of their asking price. Again, all these numbers are new record highs.

A drought in inventory is having a direct impact on sales. At the end of April there were only 12,554 properties available for sale in the entire greater Toronto area. This is almost 27 percent fewer properties for sale than there were last year at this time. This is only 1.6 months of inventory. A balanced market is approximately 4 months of inventory. It's not an easy market for buyers.

The only available, accessible shelter for buyers is condominium apartments, and even that market sector is becoming tighter. In the city of Toronto condominium apartment sales increased by 17.4 percent compared to April 2015. The average price for condominium apartments has increased throughout 2016. In Toronto's central districts the average price for condominium apartment increased to \$484,482. It is interesting to note that the average days on market for condominium apartment, is also dropping. In April average days on market for condominium apartments was only 25, a dramatic decline from the 35 plus days on market only a year ago.

Luxury property sales increased dramatically in April. In April 353 properties having a sale price of \$2 Million or more were reported sold by Toronto area realtors. That is an 81 percent increase compared to the 195 properties reported sold in this category in 2015. In early May Christie's International Real Estate, Chestnut Park's exclusive Toronto area and Muskoka affiliate, produced an international luxury market study. It reported that Toronto was the second hottest luxury market place in the world, behind only Auckland, New Zealand, but well ahead of cities like Paris, London, New York and even Hong Kong. Not only was Toronto the second hottest luxury market in the world, but the fastest selling. All luxury properties in Toronto sold in only 28 days in 2015, substantially faster than any other luxury market place in the world.

Overall 12,085 properties were reported sold for the greater Toronto area market place. This was a new record for sales, and not surprising that it was 7.4 percent higher than the 11,254 properties reported sold last year. On a year-to-date basis, 34,623 properties have been reported sold. This is a 13 percent increase compared to the 30,752 properties reported sold in the first third of 2015. At this rate the Toronto area market place will deliver approximately 115,000 residential resales by year end. Another record. Stay tuned.