

DEMAND FOR HOUSING IN THE GTA CONTINUES TO SURGE

It appears that some people who initially moved to the sidelines due to the psychological impact of the Fair Housing Plan and changes to mortgage lending guidelines have re-entered the market. Home buyers in the GTA recognize that home ownership is a quality long-term investment and have pushed **prices up year over year for the second consecutive month**. Prices are also up for 5 of the past 7 months.

They have also come to the realization that waiting any longer creates a two-pronged challenge – increasing home prices and increasing borrowing costs. As a result, many understand that **now is the time to buy**.

The key factors leading to the increasing prices continues to be the combination of strong employment growth, historically low interest rates, and strong population growth*.

Brampton



July was the second consecutive month with year over year price increases and the 6th monthly price increase since December of 2017. Prices in July 2018 rose 10% to \$707,017 compared to July of 2017. July average prices are 9% higher than December of 2017. This was driven by strong increases in detached homes. The July 2018 average price is down by only 8% from the all-time high set in March of 2017.

Supply remains tight at just 2.4 months of inventory on hand. This tight supply will continue to create upward pressure on average prices moving forward.

Days on market have remained low at 22, which represents a significant improvement from the beginning of the year, when days on market reached 31.

July posted the second consecutive month of year over year sales increases, rising a dramatic 16% compared to the same month in 2017 to 668 homes. The current level of sales is consistent with the strong, yet more balanced activity experienced in 2013 and 2014.

Brampton Real Estate Stats

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Homes Sold												
2018	430	485	702	807	684	771	668					
2017	531	788	1,108	1,120	918	743	578	625	606	650	718	537
	-19%	-38%	-37%	-28%	-25%	4%	16%	-100%	-100%	-100%	-100%	-100%
Active Listings												
2018	1,065	1,081	1,412	1,400	1,525	1,579	1,588					
2017	309	315	607	1,282	1,781	1,900	1,885	1,676	1,731	1,633	1,651	1,293
	245%	243%	133%	9%	-14%	-17%	-16%	-100%	-100%	-100%	-100%	-100%
Average Price												
2018	671,332	677,951	690,888	703,210	708,944	695,904	707,017					
2017	670,078	725,249	765,156	763,092	733,590	686,002	640,946	644,841	663,191	669,389	656,017	648,957
	0%	-7%	-10%	-8%	-3%	1%	10%	-100%	-100%	-100%	-100%	-100%
MOI												
2018	2.5	2.2	2.0	1.7	2.2	2.0	2.4					
2017	0.6	0.4	0.5	1.1	1.9	2.6	3.3	2.7	2.9	2.5	2.3	2.4
DOM												
2018	31	24	18	18	19	20	22					
2017	16	9	7	8	11	16	20	23	24	24	22	25

Mississauga



July was the second consecutive month of the year over year prices increases and the 5th monthly price increase since December of 2017. Prices in July 2018 rose 1% to \$706,570 compared to July of 2017. July average prices are 5% higher than December of 2017. This was driven by increases in the condo market. The July average price is down by 12% from the all-time high set in March of 2017.

Supply remains tight at just over 2 months of inventory. This supply will continue to create upward pressure on average price moving forward.

Days on market are at 24, and represents a significant improvement from the 32 days on market experienced earlier in the year.

For the first time this year, sales are up year over year at 729 homes. The current level of sales is consistent with the strong, yet more balanced activity experienced in 2013 and 2014.

Mississauga Real Estate Stats

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Homes Sold												
2018	409	481	769	791	829	833	729					
2017	509	779	1,155	1,127	1,071	837	670	633	627	689	754	490
	-20%	-38%	-33%	-30%	-23%	0%	9%	-100%	-100%	-100%	-100%	-100%
Active Listings												
2018	936	1,036	1,278	1,511	1,736	1,552	1,654					
2017	448	496	683	1,148	1,736	1,901	1,821	1,594	1,796	1,677	1,526	1,087
	109%	109%	87%	32%	0%	-18%	-9%	-100%	-100%	-100%	-100%	-100%
Average Price												
2018	631,372	655,804	716,690	721,160	726,897	726,211	706,570					
2017	700,369	724,431	798,670	796,555	760,645	699,935	699,403	644,770	670,627	685,860	674,834	675,656
	-10%	-9%	-10%	-9%	-4%	4%	1%	-100%	-100%	-100%	-100%	-100%
MOI												
2018	2.3	2.2	1.7	1.9	2.1	1.9	2.3					
2017	0.9	0.6	0.6	1.0	1.6	2.3	2.7	2.5	2.9	2.4	2.0	2.2
DOM												
2018	32	23	19	19	19	20	24					
2017	17	12	8	8	10	15	21	24	23	24	25	26

Caledon



Year over year sales increased for 2 consecutive months, rising 6% over July of 2017.

The average price in July of \$904,223 is down 6% from July of 2017. As there are relatively very few transactions that occur in Caledon on a monthly basis, the average price is significantly swayed by the mix of properties as opposed to a reflection of the trending of price. A clearer picture of Caledon's market will appear in the fall.

Supply eased up to 4.1 months and remains consistent with the beginning of the year.

Days on market eased up to 36 and remains consistent with the beginning of the year.

Caledon Real Estate Stats

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Homes Sold												
2018	48	58	75	91	96	89	69					
2017	41	59	119	119	119	82	65	49	55	77	82	49
	17%	-2%	-37%	-24%	-19%	9%	6%	-100%	-100%	-100%	-100%	-100%
Active Listings												
2018	194	209	237	264	281	302	281					
2017	81	86	126	185	278	309	272	264	294	282	258	193
	140%	143%	88%	43%	1%	-2%	3%	-100%	-100%	-100%	-100%	-100%
Average Price												
2018	874,413	1,014,685	926,614	962,721	915,313	874,690	904,223					
2017	829,978	971,687	942,205	987,087	1,096,950	998,263	964,082	885,914	834,059	888,038	879,656	1,018,106
	5%	4%	-2%	-2%	-17%	-12%	-6%	-100%	-100%	-100%	-100%	-100%
MOI												
2018	4.0	3.6	3.2	2.9	2.9	3.4	4.1					
2017	2.0	1.5	1.1	1.6	2.3	3.8	4.2	5.4	5.3	3.7	3.1	3.9
DOM												
2018	38	29	31	31	22	24	36					
2017	33	17	14	10	13	17	25	29	24	29	33	28

Milton



July was the first month this year, with year over year price increase and the 4th monthly price increase since December of 2017. Prices in July 2018 rose 5% to \$711,394 compared to July of 2017. July average prices are 3% higher than December of 2017. This was driven by similar increases in detached homes. The July 2018 average price is down by 12% from the all-time high set in April of 2017.

Supply remains tight at just 2.2 months of inventory on hand. This tight supply will continue to create upward pressure on average prices moving forward.

Days on market have remained low at 23 which represents a significant improvement from the beginning of the year, when days on market reached 30.

July was the first time this year with year over year sales increases. Sales rose a dramatic 23% compared to the same month in 2017 to 184 homes. The current level of sales is consistent with the strong, yet more balanced activity experienced in 2013 and 2014.

Milton Real Estate Stats

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Homes Sold												
2018	86	131	190	189	192	206	184					
2017	108	162	272	287	245	216	150	154	162	159	190	114
	-20%	-19%	-30%	-34%	-22%	-5%	23%	-100%	-100%	-100%	-100%	-100%
Active Listings												
2018	243	276	362	406	428	421	401					
2017	77	78	142	285	383	401	360	315	326	368	369	278
	216%	254%	155%	42%	12%	5%	11%	-100%	-100%	-100%	-100%	-100%
Average Price												
2018	656,054	708,312	696,354	708,122	721,718	701,595	711,394					
2017	703,947	798,683	802,656	808,094	772,247	752,238	677,774	692,491	675,721	723,170	693,779	688,427
	-7%	-11%	-13%	-12%	-7%	-7%	5%	-100%	-100%	-100%	-100%	-100%
MOI												
2018	2.8	2.1	1.9	2.1	2.2	2.0	2.2					
2017	0.7	0.5	0.5	1.0	1.6	1.9	2.4	2.0	2.0	2.3	1.9	2.4
DOM												
2018	30	21	21	18	19	22	23					
2017	15	8	9	7	10	16	20	23	24	22	21	24

Oakville



Year over year sales increased for 2 consecutive months, rising a very dramatic 51% over July of 2017 to 286 homes.

There have been 5 monthly price increases since December of 2017. Prices in July 2018 decreased 4% to \$1,018,108 compared to July of 2017. July average prices are 2% higher than December of 2017. This was driven by strong increases in the condo market. The July 2018 average price is down by 22% from the all-time high set in March of 2017.

Supply tightened for the first time in 3 months to 3.2 months of inventory on hand. This tightening of supply should create upward pressure on average prices moving forward.

Days on market have eased up slightly to 30, which represents a significant improvement from the beginning of the year, when days on market reached 38.

Oakville Real Estate Stats

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Homes Sold												
2018	153	224	281	284	308	298	286					
2017	177	346	488	434	348	258	189	221	205	230	252	161
	-14%	-35%	-42%	-35%	-11%	16%	51%	-100%	-100%	-100%	-100%	-100%
Active Listings												
2018	631	731	886	1,007	1,108	1,060	907					
2017	228	405	401	595	800	837	800	704	819	888	847	625
	177%	80%	121%	69%	39%	27%	13%	-100%	-100%	-100%	-100%	-100%
Average Price												
2018	1,011,950	1,020,612	1,029,335	1,042,417	1,007,683	1,074,230	1,018,108					
2017	1,057,669	1,300,827	1,303,010	1,238,357	1,207,210	1,079,615	1,060,760	1,073,644	1,098,735	1,098,781	1,061,846	1,001,763
	-4%	-22%	-21%	-16%	-17%	0%	-4%	-100%	-100%	-100%	-100%	-100%
MOI												
2018	4.1	3.3	3.2	3.5	3.6	3.6	3.2					
2017	1.3	1.2	0.8	1.4	2.3	3.2	4.2	3.2	4.0	3.9	3.4	3.9
DOM												
2018	38	29	22	26	25	28	30					
2017	20	13	12	10	15	22	25	29	28	28	29	37

Burlington



Year over year sales increased for 2 consecutive months, rising 13% over July of 2017 to 189 homes.

July was the second consecutive month of the year with year over year prices increases and the 4th monthly price increase since December of 2017. Prices in July 2018 rose 6% to \$791,712 compared to July of 2017. July average prices are 9% higher than December of 2017. This was driven by strong increases in the condo market. The July 2018 average price is down by only 10% from the all-time high set in May of 2017.

Supply eased to 2.8 months of inventory on hand.

Days on market have eased up slightly to 30, which represents a significant improvement from the beginning of the year, when days on market reached 38.

Burlington Real Estate Stats

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Homes Sold												
2018	113	136	189	229	262	236	189					
2017	123	209	320	264	291	232	168	155	145	203	201	126
	-8%	-35%	-41%	-13%	-10%	2%	13%	-100%	-100%	-100%	-100%	-100%
Active Listings												
2018	284	324	435	531	599	588	532					
2017	119	140	172	266	407	495	455	441	531	517	454	308
	139%	131%	153%	100%	47%	19%	17%	-100%	-100%	-100%	-100%	-100%
Average Price												
2018	769,012	701,336	784,190	755,917	807,704	774,059	791,712					
2017	762,769	809,389	870,326	831,473	878,631	768,047	748,465	753,528	810,531	728,818	720,079	723,685
	1%	-13%	-10%	-9%	-8%	1%	6%	-100%	-100%	-100%	-100%	-100%
MOI												
2018	2.5	2.4	2.3	2.3	2.3	2.5	2.8					
2017	1.0	0.7	0.5	1.0	1.4	2.1	2.7	2.8	3.7	2.5	2.3	2.4
DOM												
2018	38	27	24	23	25	26	30					
2017	24	15	13	9	13	15	23	32	30	29	33	31

Conclusion

As we move further into the year, growth in sales and selling prices is expected to continue. Expect stronger price growth in the comparatively more affordable townhouse and condominium apartment segments. This being said, listings supply will likely remain below historical average in many neighbourhoods in the Peel and Halton, which, over the long-term, could put more upward pressure on prices across all market segments.

***Some Key Economic indicators for a healthy real estate forecast:**

Peel Region expected to grow by 500,000 people in next 2 decades <https://www.insauga.com/500000-new-residents-expected-in-mississauga-and-surrounding-cities-over-next-two-decades>

Employment in July 2018 <https://www150.statcan.gc.ca/n1/daily-quotidien/180810/dq180810a-eng.htm>

Interest rates increase slightly in July <https://globalnews.ca/news/4324879/bank-of-canada-interest-rate-hike-july-2018/>

Key economic indicators – Statistics Canada <https://www.statcan.gc.ca/eng/start>

Consumer confidence index <https://www.conference-board.org/data/consumerconfidence.cfm>