



## December 2021- Quick Facts<sup>1</sup>

**TRREB (incl. City of Toronto,  
Dufferin, Durham, Halton, Peel,  
Simcoe, York Regions)**

### Average Transaction Price

Detached Homes	Condo Apartments
<b>\$1,598,735</b>	<b>\$711,933</b>
<b>+28.9%</b>	<b>+18.5%</b>

### Number of Transactions

<b>2,437</b>	<b>2,058</b>
<b>-19.8%</b>	<b>-6.2%</b>

### Average Days on the Market

<b>13</b>	<b>19</b>
<b>-41.7%</b>	<b>-40.8%</b>

### Total Homes for Sale (Active Listings)

<b>1,334</b>	<b>1,488</b>
<b>-50.0%</b>	<b>-65.3%</b>

### Ratio - Sales to Listings

<b>76%</b>	<b>76%</b>
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## Real Metrics - January 2022 Edition <sup>1</sup>

### It's déjà vu once again - listing inventory hits another low

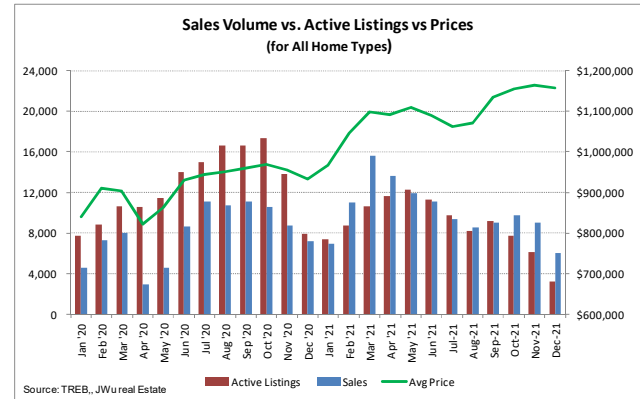
It's beginning to feel like a day in the life of Phil Connors, portrayed by actor Bill Murray in the film Groundhog Day where every day is the same as the one before where nothing changes the repetitive loop. Well, the Toronto real estate market is in a similar cycle as markets test new highs for prices and listing inventory hits new lows. It seems to be the same story year after year. The number of sales transactions for all TRREB areas which include Toronto, York, Peel, Durham and Simcoe regions was 6,031 in December - a 29% increase compared to the historical average, while active listings of 3,232 were 68% below historical levels. Just observing these two numbers illustrate that

demand is nearly twice the level of supply. And we all know what happens to prices when demand outstrips supply. The average sales price for all home types in December was \$1.158 mm, just shy of the November all time record of \$1.116 mm, and an increase of 24.2% from the prior year. This is a \$190,000 increase in price for the average home in one year! If you think that's a lot, the average detached home is now \$1.598 mm. Prior to the pandemic, it was hovering around \$1 mm.

So it begs the question (albeit a simplistic one): is it a demand or supply issue? Well, it's really both. For years now, we've been discussing the issue about the lack of supply in the market. Provincial

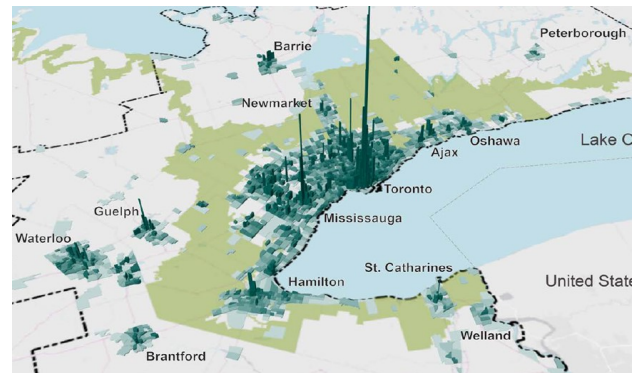
intensification policies aimed to limit urban sprawl, increase urban density and infill, and protect greenbelt spaces have restricted the ability of builders to add new housing stock in and around the city (other than perhaps condominiums). As with other large global metropolises, space and land are coming at a high premium in Toronto, and this is unlikely to change materially in the near term. Exhibit 2 illustrates the areas where the province anticipates the highest concentrations of people and jobs - not surprisingly in urban centres like Toronto, Mississauga, Vaughan, Markham and Hamilton. Geographic constraints also limit development, as the GTA is surrounded by greenbelt areas to the north, east and west, and Lake Ontario to the south. Certainly, the impact of the pandemic on supply chains and labour shortages are likely to exacerbate the situation in the near term with increased construction costs and delays.

**Exhibit 1: Sales, Listings and Prices - TRREB areas**



**Exhibit 2: Provincial forecast of areas of concentration of jobs and people per hectare in 2051**

Source: Province of Ontario





## December 2021- Quick Facts <sup>1</sup>

### City of Toronto

Average Transaction Price  
Detached Homes      Condo Apartments

**\$1,698,178**      **\$730,792**  
**+15.1%**      **+16.8%**

Number of Transactions

**567**      **1,447**  
**-13.7%**      **-6.7%**

Average Days on the Market

**16**      **20**  
**-38.5%**      **-38.3%**

Total Homes for Sale (Active Listings)

**395**      **1,189**  
**-48.1%**      **-61.9%**

Ratio - Sales to Listings

**74%**      **77%**

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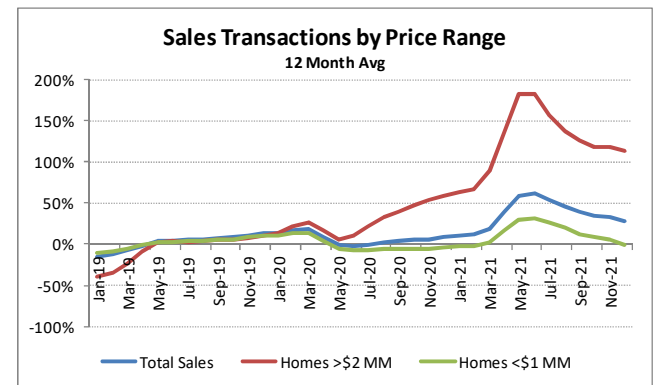
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Meanwhile, demand has surged in the past year. Total sales in TRREB areas was 121,958 in 2021 representing an all time record high for number of transactions, and an increase of 27.6% from 2020! Record low interest rates and the impact of the pandemic (i.e. work from home trends, etc.) have fueled this demand. Investor demand has also remained robust. With rising inflation, policy makers and central banks are moving towards a tightening phase with higher interest rates on the horizon. While this will likely take some of the edge off demand, we expect a potential demand surge in the near term, as buyers look to transact before rate hikes occur.

### Affordability challenges continue to rise

We analyzed sales data by price range which show how challenging the market is for most buyers in this market. Over the past year, the sales growth for homes in the \$2 MM+ range has outpaced other price ranges - growing 114% year over year compared to 28% for the overall market, and a **decrease** of 0.4% for properties under \$1 MM. Indeed some of this is related to luxury markets being strong, but also the fact that even homes geared to middle income families have now surpassed \$2 MM in many markets. Nevertheless, the bigger concern is the lack of product under \$1 MM. By most measures, even \$1 MM is unaffordable and would require family incomes in the range of \$150,000 per year plus a sizeable down payment. Meanwhile, the median family income in Ontario is in the \$90,000 range demonstrating the challenges of affordability for the average family in the GTA.

**Exhibit 3: Transaction volumes for homes prices in the upper range outpace the overall market**



Some buyers have looked further afield for their home ownership dreams, while others consider smaller properties or condos, or renting until affordability or incomes improve. On the former, even markets such as Barrie (average home price of \$790k), Hamilton (\$862k), Ajax (\$1.09 MM) and Milton (\$1.2 MM) are also becoming quite expensive.

**Exhibit 4: Summary by Region**

Neighbourhood-Region	Avg Price	% Change Y/Y	% Change vs Last	Units Sold	% Change Y/Y	Active Listings	% Change Y/Y	New Listings	% Change Y/Y
<b>GTA</b>									
Single family detached	\$1,598,735	28%	2%	2,437	-20%	1,334	-50%	2,181	-9%
Condo apartment	\$711,933	9%	0%	2,058	-6%	1,488	-65%	1,638	-18%
<b>City of Toronto</b>									
Single family detached	\$1,698,178	16%	-6%	567	-14%	395	-48%	502	-9%
Condo apartment	\$730,792	6%	-2%	1,447	-7%	1,189	-62%	1,160	-14%
<b>York Region</b>									
Single family detached	\$1,816,614	29%	3%	557	-25%	444	-53%	519	-9%
Condo apartment	\$703,323	14%	1%	219	-11%	111	-78%	169	-27%

Source: TREB, \* City of Toronto includes Scarborough and Etobicoke. Note: % change can vary greatly from one period to the next depending on the number of transactions. Also note, Y/Y % Price Change is based on 12-month average prices to smooth out monthly variations.



## December 2021- Quick Facts <sup>1</sup>

### York Region (Markham, Richmond Hill, Vaughan)

Average Transaction Price  
Detached Homes      Condo Apartments

**\$1,816,614**      **\$703,323**  
**+34.7%**      **+25.4%**

Number of Transactions

**557**      **219**  
**-25.4%**      **-11.3%**

Average Days on the Market

**16**      **17**  
**-45.8%**      **-45.7%**

Total Homes for Sale (Active Listings)

**444**      **111**  
**-53.1%**      **-77.6%**

Ratio - Sales to Listings

**77%**      **85%**

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## Exhibit 5: Summary of Activity: December 2021 - Detached Homes\*

Neighbourhood-Region	Avg Price	% Change Y/Y	% Change vs Last Month	Units Sold	% Change Y/Y	% Change vs Last Month	Active Listings	% Change Y/Y	New Listings	% Change Y/Y	Months of Inventory
GTA	\$1,598,735	28%	2%	2,437	-20%	-37%	1,334	-50%	2,181	-9%	0.5
City of Toronto	\$1,698,178	16%	-6%	567	-14%	-38%	395	-48%	502	-9%	0.7
C01 Downtown West	\$1,187,500	4%	-48%	2	-71%	-87%	6	-33%	6	-89%	3.0
C02 Annex-Casa Loma	\$2,679,960	16%	-28%	12	33%	50%	6	-50%	3	-63%	0.5
C03 Forest Hill South-Cedarvale	\$2,167,184	3%	-17%	17	-11%	-37%	18	29%	14	56%	1.1
C04 Forest Hill North-Lawrence Pa	\$2,584,000	16%	-3%	18	-38%	-65%	21	-59%	26	-33%	1.2
C06 Bathurst Manor-Clanton Park	\$1,719,655	16%	1%	10	-9%	-57%	10	-38%	12	50%	1.0
C07 Willowdale-Newtonbrook W	\$2,040,264	10%	-8%	22	-42%	-45%	25	-66%	24	-40%	1.1
C09 Rosedale-Moore Park	\$4,541,834	24%	-12%	6	500%	-45%	5	-29%	5	150%	0.8
C10 Mount Pleasant	\$2,710,543	10%	-1%	7	75%	-30%	5	-50%	6	0%	0.7
C11 Leaside-Thorncliffe Park	\$2,239,200	8%	-22%	5	-38%	-50%	2	-50%	3	-50%	0.4
C12 St. Andrew Windfields-Bridle	\$3,360,600	17%	-26%	5	-50%	-74%	61	-22%	11	-31%	12.2
C13 Banbury-Parkwoods-Donalda	\$2,015,505	22%	-4%	14	8%	-26%	22	-72%	13	-19%	1.6
C14 Willowdale East-Newtonbrook	\$2,580,827	14%	0%	30	50%	15%	36	-98%	22	-92%	1.2
C15 Bayview Village/Woods	\$2,097,518	15%	-9%	17	-26%	-6%	17	-96%	19	-95%	1.0
E02 Beaches-East Danforth	\$1,631,000	7%	-12%	8	-50%	-65%	3	-97%	3	-73%	0.4
York Region	\$1,816,614	29%	3%	557	-25%	-35%	444	-53%	519	-9%	0.8
Markham	\$1,915,528	26%	2%	118	-11%	-33%	1	-100%	1	-99%	11.9
Richmond Hill	\$2,044,947	24%	4%	106	-21%	-38%	105	-51%	95	9%	1.0
Vaughan	\$1,944,689	27%	-1%	119	-32%	-30%	85	-100%	115	-99%	0.7
Durham Region	\$1,178,857	36%	6%	402	-19%	-40%	105	-95%	339	-73%	0.3
Pickering	\$1,351,351	34%	-8%	39	-36%	-40%	11	-68%	35	-77%	0.3
Ajax	\$1,228,397	34%	6%	52	-34%	-44%	12	-52%	37	-81%	0.2
Peel Region (Mississauga, Brampton)	\$1,351,550	24%	0%	1,074	75%	0%	819	126%	1,455	204%	0.8
City of Toronto (416 Area Code)	\$1,698,178	16%	-6%	567	-14%	-38%	395	-48%	502	-9%	0.7
905 Area Code	\$1,568,583	33%	5%	1,870	-21%	-36%	939	-51%	1,679	-8%	0.5

Source: TREB, \* City of Toronto includes Scarborough and Etobicoke. Note: % change can vary greatly from one period to the next depending on the number of transactions. Also note, Y/Y % Price Change is based on 12-month average prices to smooth out monthly variations.

## Exhibit 6: Summary of Activity: December 2021 - Condo Apartments\*

Avg Price	Avg Price	% Change Y/Y	% Change vs Last Month	Units Sold	% Change Y/Y	% Change vs Last Month	Active Listings	% Change Y/Y	New Listings	% Change Y/Y	Months of Inventory
GTA	\$711,933	9%	0%	2,058	-6%	-28%	1,488	-65%	1,638	-18%	0.7
City of Toronto	\$730,792	6%	-2%	1,447	-7%	-27%	1,189	-62%	1,160	-14%	0.8
C01 Downtown West	\$823,862	4%	-3%	354	-14%	-23%	355	-64%	310	-16%	1.0
C02 Annex-Casa Loma	\$1,076,894	-1%	-13%	40	11%	-35%	65	-52%	32	-24%	1.6
C03 Forest Hill South-Cedarvale	\$1,103,800	6%	10%	10	43%	-64%	14	-55%	11	38%	1.4
C04 Forest Hill North-Lawrence Park	\$889,010	14%	5%	19	58%	-34%	10	-60%	11	10%	0.5
C06 Bathurst Manor-Clanton Park	\$641,933	3%	7%	15	-17%	-35%	11	-27%	14	8%	0.7
C07 Willowdale-Newtonbrook West	\$692,612	6%	-3%	50	-14%	-22%	27	-69%	44	26%	0.5
C08 St. James-Moss Park	\$774,880	-16%	0%	179	-7%	-34%	206	0%	160	-54%	1.2
C09 Rosedale-Moore Park	\$1,054,000	-4%	-2%	16	100%	0%	19	-54%	9	-25%	1.2
C10 Mount Pleasant	\$787,777	2%	6%	46	12%	-39%	28	-78%	25	-40%	0.6
C11 Leaside-Thorncliffe Park	\$553,163	5%	-4%	27	8%	8%	9	-83%	16	-48%	0.3
C12 St. Andrew Windfields-Bridlepath	\$1,972,875	7%	12%	8	100%	167%	6	-25%	3	50%	0.8
C13 Banbury-Parkwoods-Donalda	\$652,431	8%	2%	39	0%	0%	17	-60%	24	9%	0.4
C14 Willowdale East-Newtonbrook	\$709,991	3%	4%	74	-19%	-36%	34	0%	65	-77%	0.5
C15 Bayview Village/Woods	\$650,567	5%	-30%	100	14%	-17%	80	-50%	85	8%	0.8
E02 Beaches-East Danforth	\$752,250	4%	-72%	4	-69%	-80%	11	-62%	7	-36%	2.8
York Region	\$703,323	14%	1%	219	-11%	-32%	111	-78%	169	-27%	0.5
Markham	\$732,455	15%	1%	65	-11%	-39%	14	-91%	43	-42%	0.2
Richmond Hill	\$670,175	16%	1%	53	-24%	-35%	18	-83%	41	-21%	0.3
Vaughan	\$698,433	9%	0%	85	2%	-21%	68	-67%	75	-12%	0.8
Durham Region	\$560,272	21%	2%	50	14%	-23%	17	-65%	33	-8%	0.3
Pickering	\$611,833	14%	-4%	15	0%	0%	7	0%	10	11%	0.5
Ajax	\$543,833	34%	-12%	6	0%	20%	1	-67%	4	100%	7.0
City of Toronto (416 Area Code)	\$730,792	6%	-2%	1,447	-7%	-27%	1,189	-62%	1,160	-14%	0.8
905 Area Code	\$667,269	23%	3%	611	-5%	-31%	299	-75%	478	-26%	0.5

Source: TREB, \* City of Toronto includes Scarborough and Etobicoke. Note: % change can vary greatly from one period to the next depending on the number of transactions. Also note, Y/Y % Price Change is based on 12-month average prices to smooth out monthly variations.

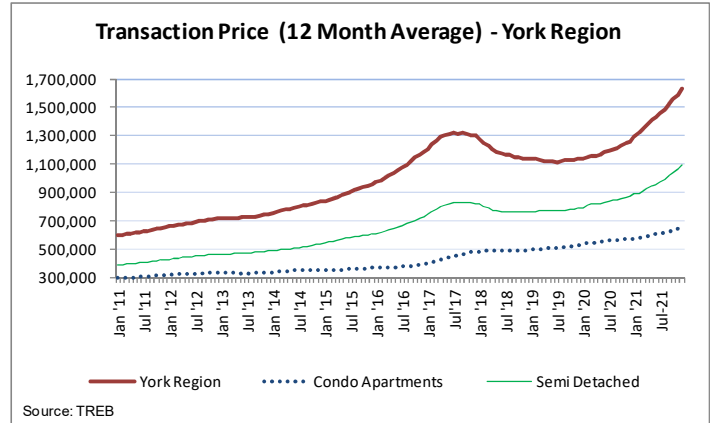
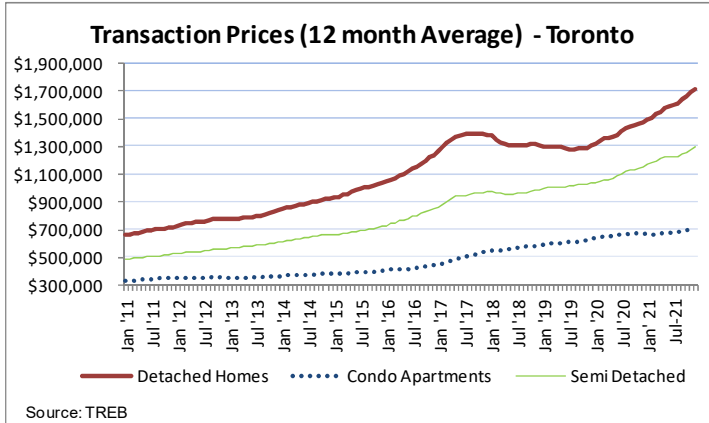
As always, feel free to contact us if you have any questions regarding the contents of this update or about the market in general.

Best Regards,

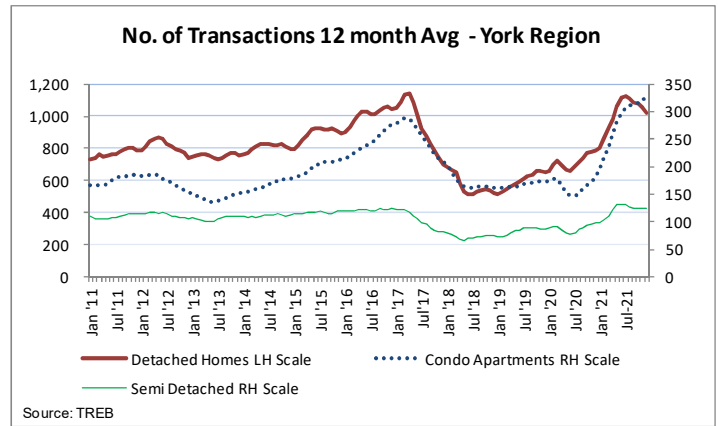
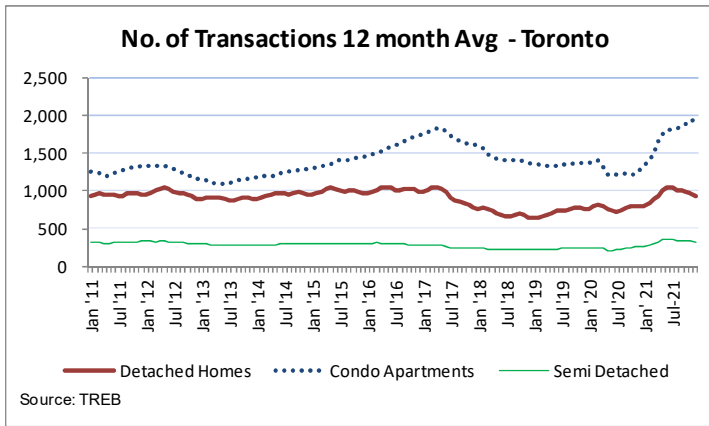
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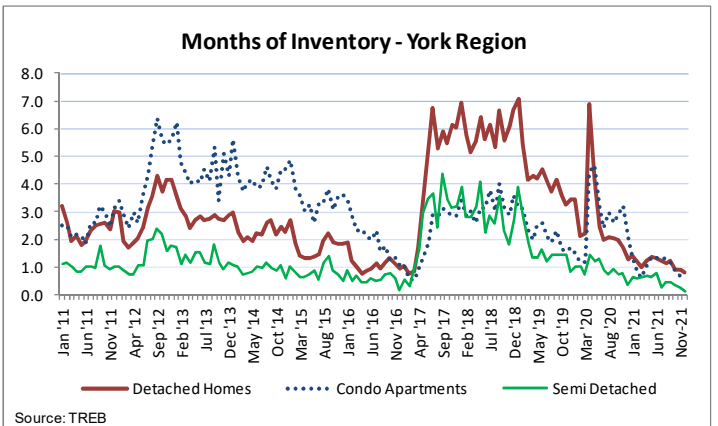
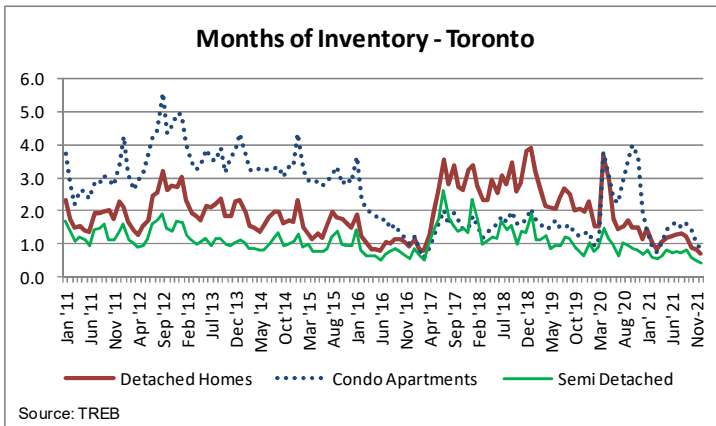
**Exhibit 7: Prices have soared in the past year on strong demand and lack of inventory**



**Exhibit 8: Sales volumes are strong driven by low rates**



**Exhibit 9: Inventory is at all 25+ year lows**



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