# The Altus Group Condominium Apartment Monitor

**GTA Edition**

Data as of July 2019

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# New Condominium Apartment Dashboard

| July 2019 | | | YTD July 2019 | |
|---|---|---|---|---|
| **Sales** | **Inventory** | **Benchmark Price** | **Sales** | **Benchmark Price** |
| **2,297** | **12,873** | **$838,824** | **14,934** | **$794,125** |
| **22%** ▲ | **29%** ▲ | **8%** ▲ | **28%** ▲ | **6%** ▲ |
| ***2nd highest July on record*** | ***Below 10 year average*** | ***Record high*** | ***3rd highest YTD July*** | ***Record for YTD July*** |

*% change is from same period a year earlier*

## Highlights

- **Typically, buyers take a bit of a vacation from the new condominium apartment market in July.** This year was no different**, although the decline in sales was less pronounced than usual, resulting in the 2nd strongest July on record**. While few new projects launched in July, sales at projects opened in June were brisk.
- **The benchmark price for a new condominium apartment unit** moved up for the 3rd month in a row in July, to **set a new record**.
- Although completions/deliveries are up this year**, the inventory of unsold units in completed projects remains low, and there are few unsold units in projects expected to be completed through 2020.**
- **Looking ahead**, with more favourable interest rates, reduced mortgage stress-test income thresholds, still challenging (although improving) affordability of single-family homes, reduced resale inventory and the start of the Federal First Time Home Buyer incentive on September 2, **we expect new condominium apartment sales over the next 6 months to remain above previous-year levels.**

# Condominium Apartment KPIs

Altus Group

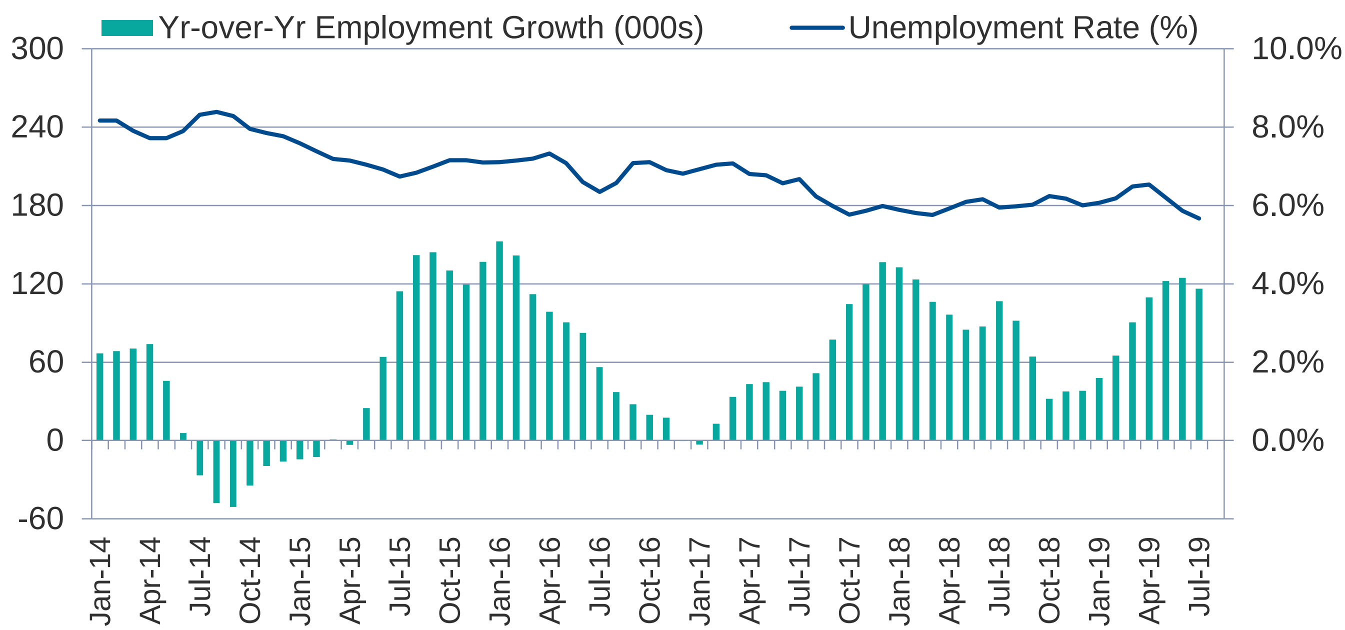
## GTA Condominium Apartment Key Performance Indicators

| | Jul-18 | Jun-19 | Jul-19 | *Yr-Over-Yr % Change* | YTD Jul 2018 | YTD Jul 2019 | *Yr-Over-Yr % Change* |
|---|---|---|---|---|---|---|---|
| **New Condominium Apartments (Altus Group data)*** | | | | | | | |
| Total active sites | 295 | 352 | 352 | *19%* | 286 | 338 | *18%* |
| New projects opened | 2 | 13 | 4 | *100%* | 56 | 63 | *13%* |
| Units in new projects opened | 1,065 | 3,461 | 923 | *-13%* | 14,336 | 16,417 | *15%* |
| Total sales (units) | 1,879 | 2,675 | 2,297 | *22%* | 11,679 | 14,934 | *28%* |
| *Sales as % of total new & resale* | *48%* | *55%* | *50%* | | *46%* | *52%* | |
| Inventory (units) | 9,960 | 13,953 | 12,873 | *29%* | 9,613 | 12,649 | *32%* |
| Sales-to-inventory ratio | 19% | 19% | 18% | *-5%* | 17% | 16% | *-5%* |
| Months of inventory | 5.1 | 6.9 | 6.3 | *24%* | 4.2 | 6.8 | *62%* |
| Benchmark price | $774,759 | $804,591 | $838,824 | *8%* | $747,802 | $794,125 | *6%* |
| Price PSF Benchmark | $863 | $923 | $928 | *8%* | $837 | $903 | *8%* |
| Unit size Benchmark (sq. ft) | 897 | 872 | 904 | *1%* | 893 | 879 | *-1%* |
| Units completed | 1,335 | 2,075 | 2,508 | *88%* | 9,414 | 14,798 | *57%* |
| **Resale Condominium Apartments (Toronto Real Estate Board data)** | | | | | | | |
| Total sales (units) | 2,002 | 2,149 | 2,277 | *14%* | 13,936 | 14,064 | *1%* |
| New listings (units) | 3,383 | 3,333 | 3,391 | *0%* | 22,910 | 22,714 | *-1%* |
| Inventory ("active listings", units) | 3,984 | 3,708 | 3,504 | *-12%* | 3,392 | 3,315 | *-2%* |
| Sales-to-inventory ratio | 50% | 58% | 65% | *29%* | 59% | 60% | *2%* |
| Months of inventory | 2.0 | 2.0 | 1.8 | *-10%* | 1.7 | 1.7 | *4%* |
| Average price of units sold | $546,984 | $590,274 | $584,019 | *7%* | $548,948 | $578,014 | *5%* |
| HPI constant quality price index (Jan 2005=100) | 251.0 | 270.3 | 272.1 | *8%* | 245.8 | 264.3 | *8%* |

** see end of report for Definitions*

- **Job growth continues to be impressive, which is positive for underling housing demand.** Total employment grew on a seasonally adjusted month-to-month basis for the 9th month in a row in July. Over 115,000 more people had jobs in July compared to a year ago. The unemployment rate moved down for the 3rd month in a row.
- **The posted 5 year mortgage rate moved down by 15 basis points in mid July**, the first decline since September 2016 (*chart top of next page*), according to Bank of Canada data, **with further easing possible given recent bond trends.** Moreover, there are "special" mortgage rates to be had in the market well below posted rates, with 5 year fixed rate mortgages available below 3%. The decline in posted rates is beneficial for lowering stress-test income thresholds while lower actual rates in the marketplace have improved the affordability equation.
- Our Summer 2019 FIRM Survey showed still strong overall **homebuying intentions in the GTA compared to the averages for the 2013-2017 period**, although affordability challenges for current renters (the key potential first-time buyer group) have kept their intentions a bit constrained.
- The Bank of Canada maintained the target for the overnight rate at 1.75% at the last rate announcement on July 10. **The next rate announcement is September 4, 2019.**

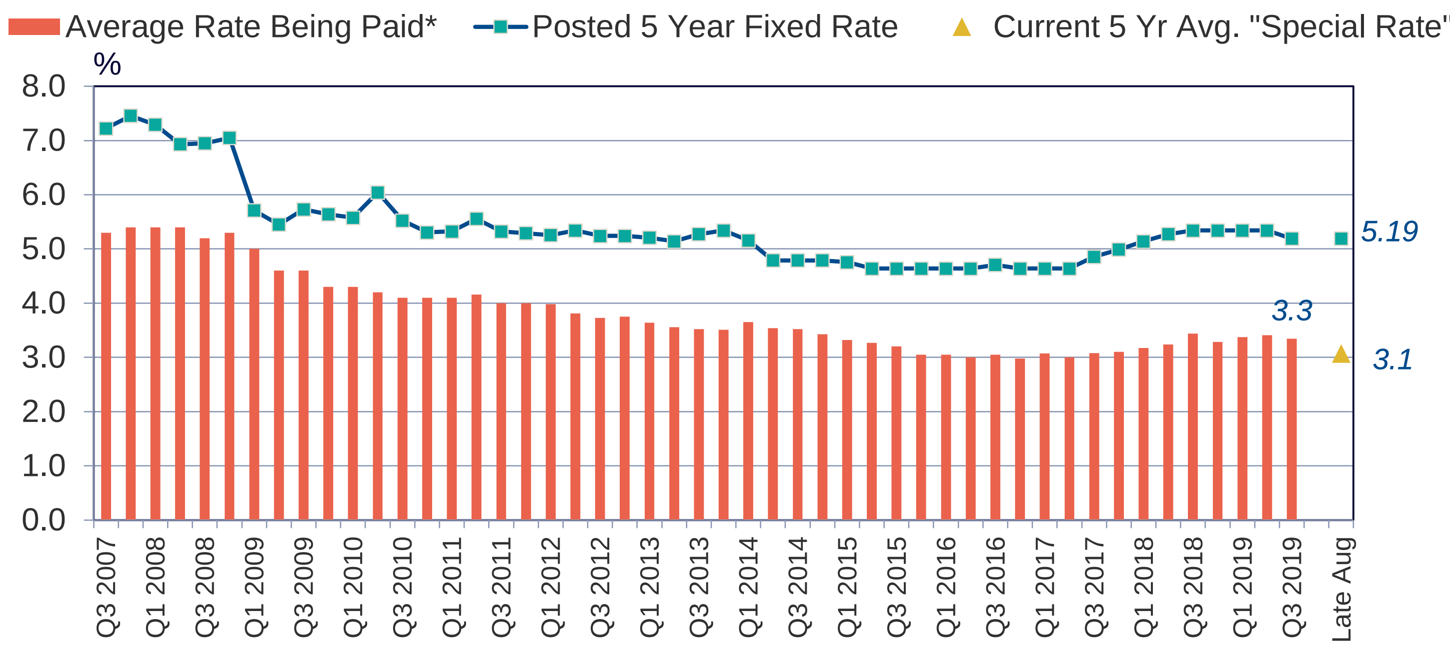
## GTA Employment*




Source: Altus Group based on Statistics Canada data

** Data are based on 3 month moving averages, seasonally adjusted*

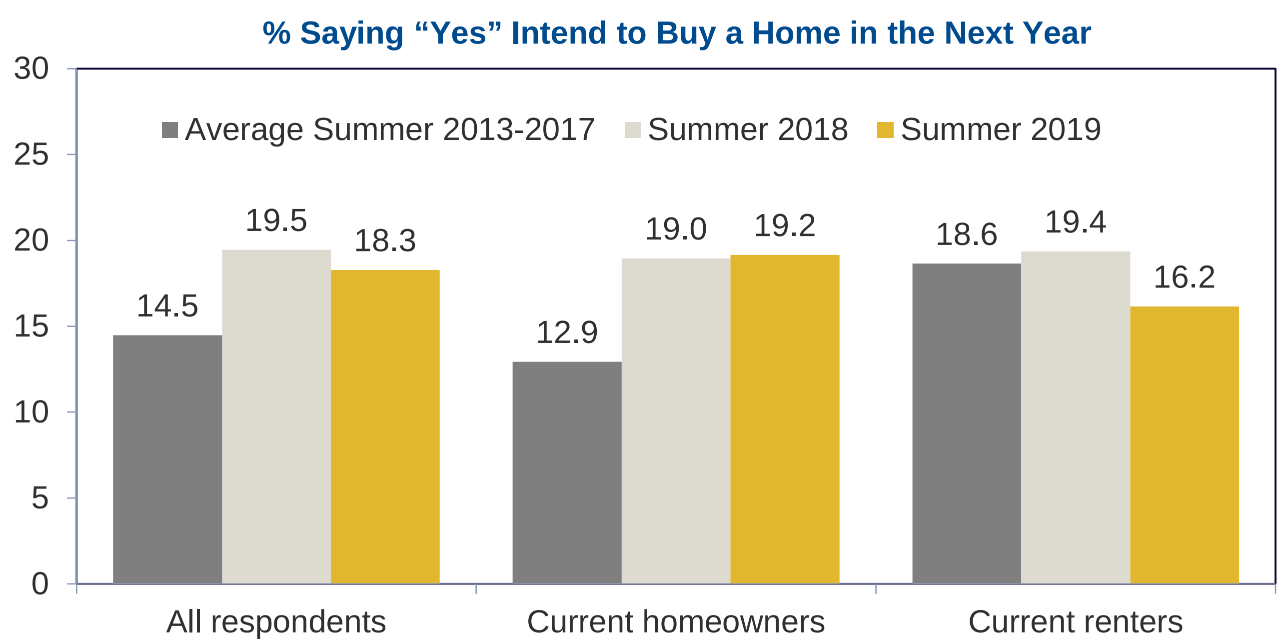
## Canadian Mortgage Rates




Source: Altus Group and Bank of Canada data

** The average rate currently being paid by all mortgage customers, regardless of term or type or when arranged*

## GTA Homebuying Intentions

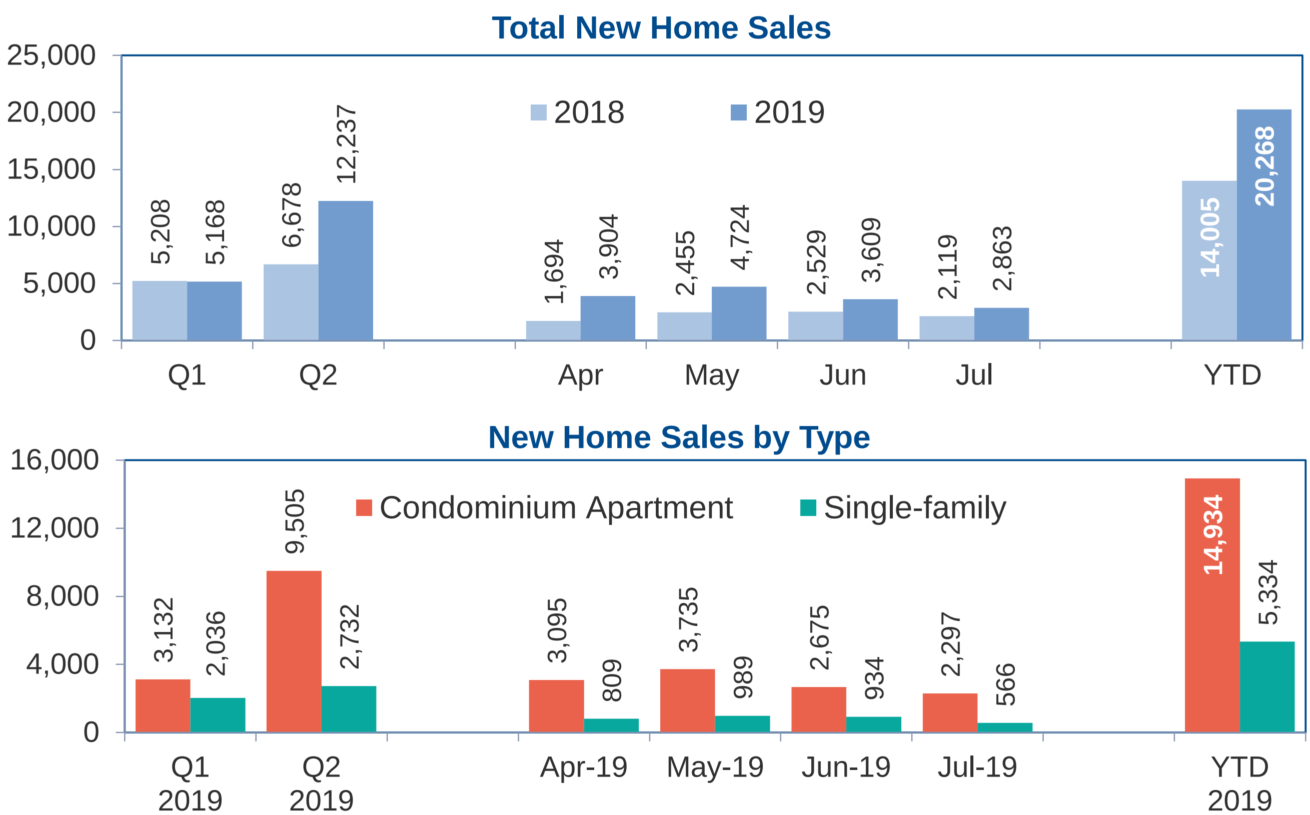



Source: Altus Group

# New Home Market - Sales

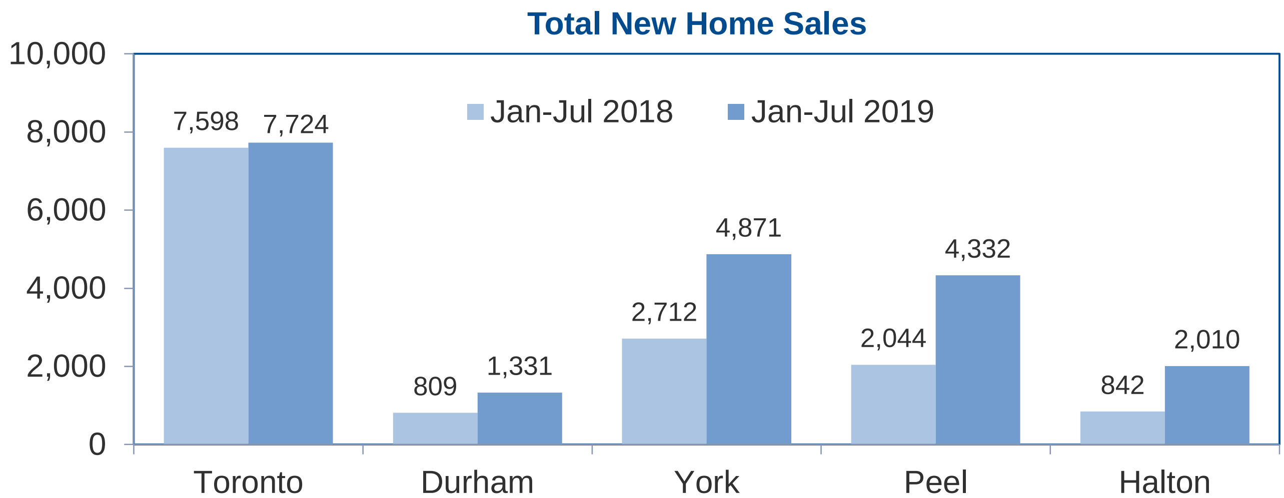
- **Total sales of new homes in the GTA moderated further in July** (a decline in July is typical) but were ahead of year ago levels for the 5th month in a row. Year-to-date total sales are now 45% ahead of 2018 levels.
- **New condominium apartment sales** also were down from June, but **recorded their 2nd best July on record.**
- New single-family home sales were ahead of year ago levels for the 9th month in a row, although sales remain very low in historical terms. **Year-to-date, new single-family home sales are** 129% above 2018, and **more than 1,500 units higher than 2018's annual total**.
- **Total new home sales now are up year-to-date in all regions** (*chart next page*). In the City of Toronto and Durham Region, improvement in new single-family home sales has more than offset slightly fewer new condominium apartment sales.

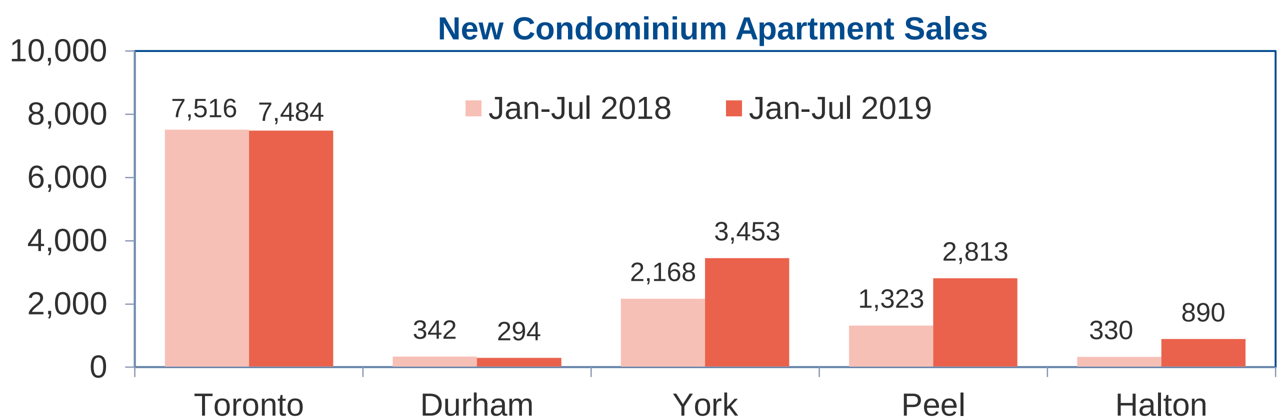
## GTA New Home Sales

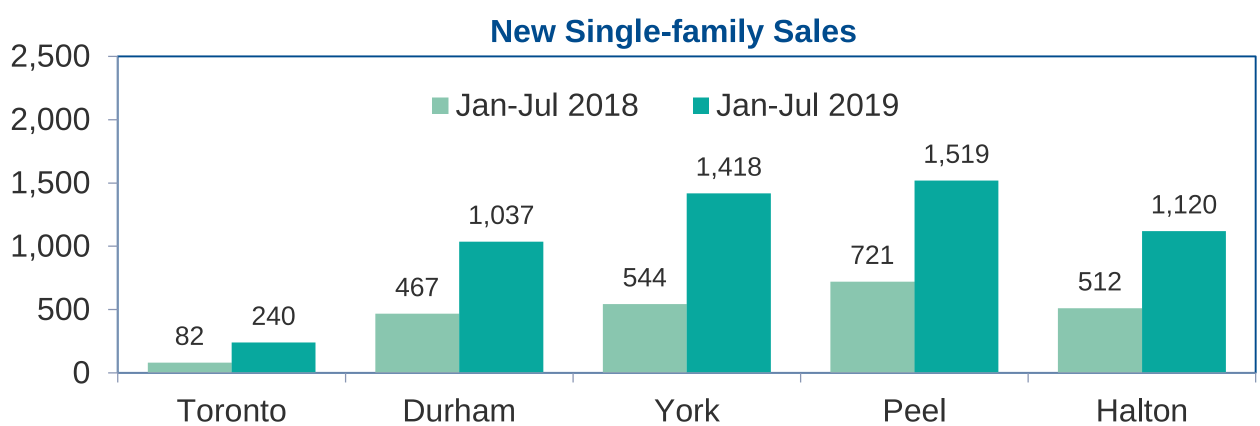



Source: Altus Group

## GTA New Home Sales by Region

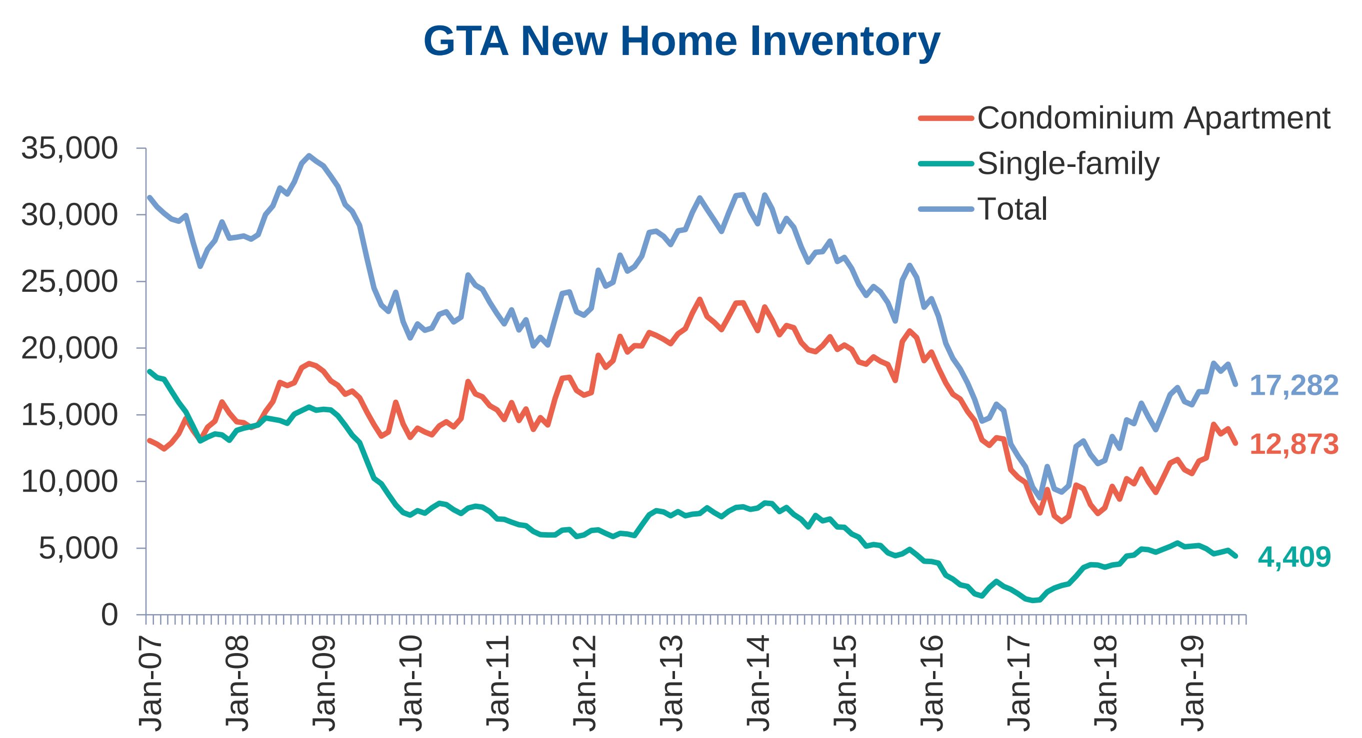


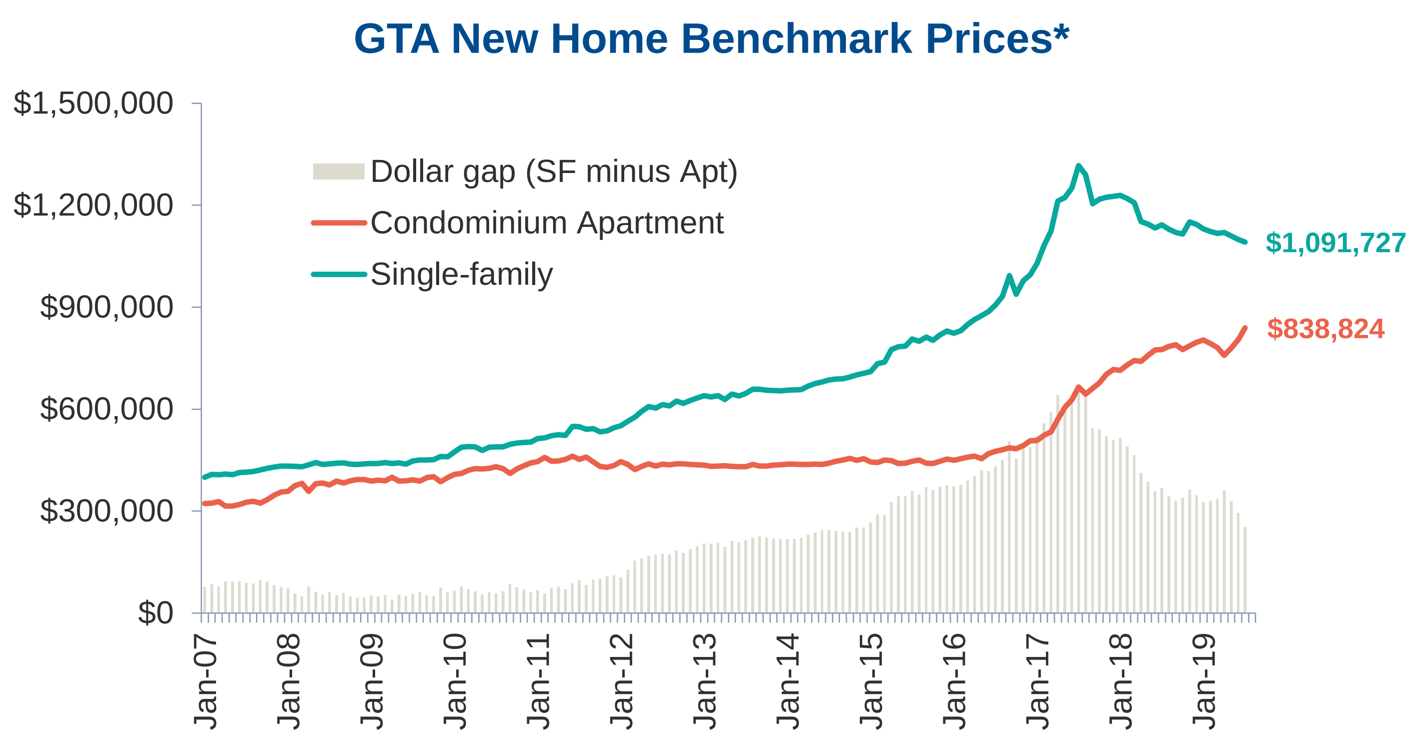

Source: Altus Group

- **Total new home inventory available to purchase moved down in July,** a result of solid sales combined with fewer new openings. Both single-family and condominium apartment inventory dipped.
- Overall, based on the pace of sales in the past 12 months, **the current inventory represents about 6½ months of supply, well below the longer term average** of about 8 months for July.



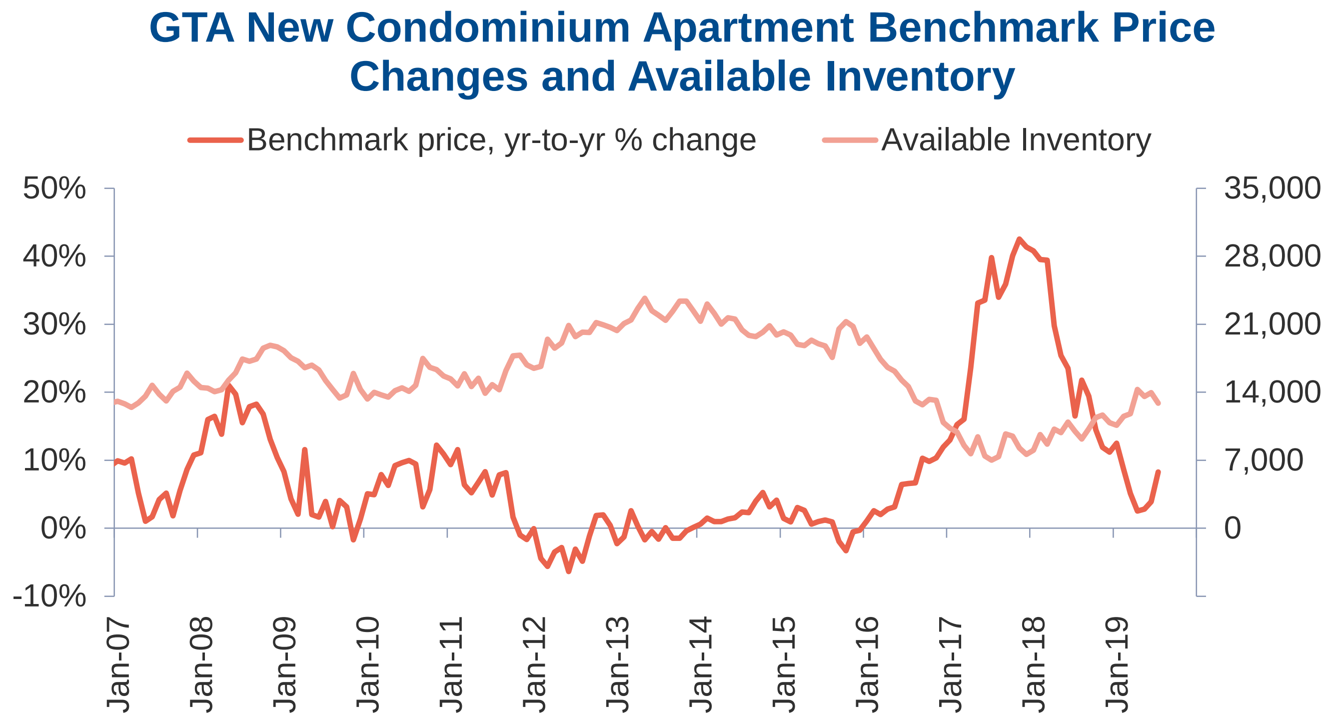

Source: Altus Group

- **The Benchmark price for a new single-family home dipped again in July,** and sits about 4.5% below July 2018 (*chart bottom of next page)* and about $225,000 below the peak in July 2017.
- **The Benchmark price for a new condominium apartment moved up for the 3rd month in a row in July, another new record.** Year-over-year, the benchmark price is up about 6% (*chart top of next page*).
- The gap in the benchmark price of a new single-family and new condo apartment unit has narrowed to its smallest dollar gap since late 2014 (in percentage terms, the gap is its smallest since early 2012). This situation has reduced some of the competitive advantage of new condo apartments in terms of relative affordability, and also helps to explain some of the improvement in new single-family sales..

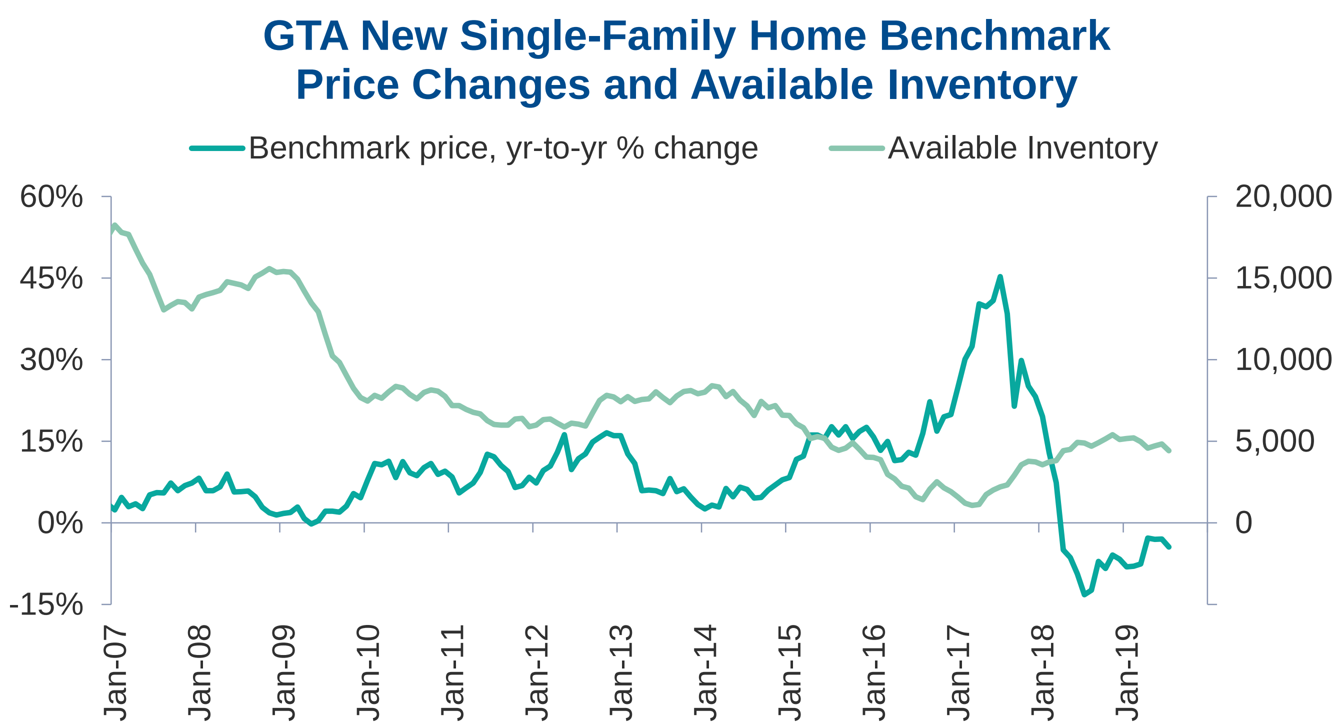



** Average asking price of available new home inventory at end of period with outliers removed*

Source: Altus Group



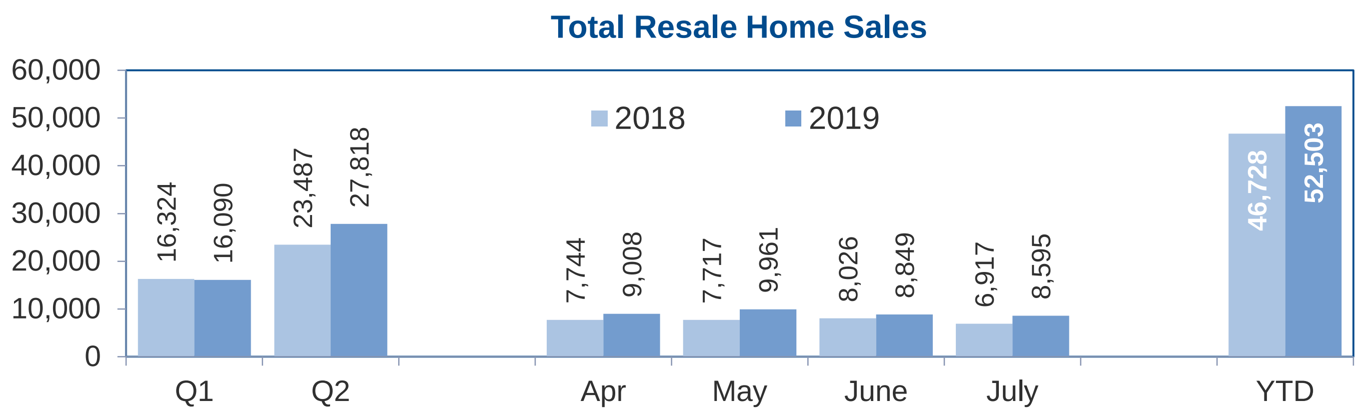

Source: Altus Group

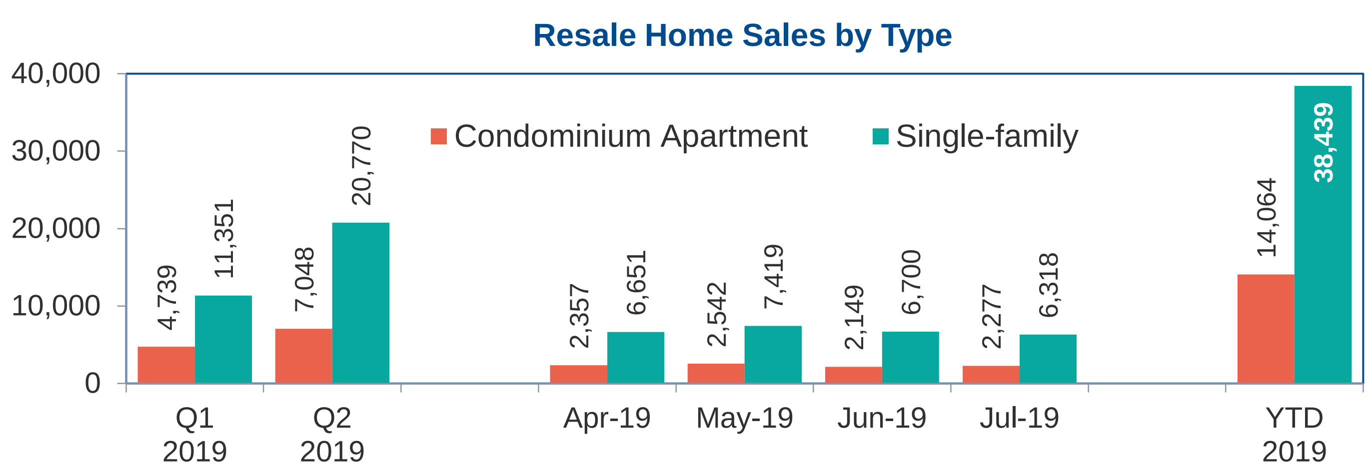



Source: Altus Group

- **Total sales of existing homes in July** (as reported by the Toronto Real Estate Board) **exceeded 2018 for the 4th month in a row.** The improvement was most pronounced for single-family homes, although sales of condominium apartments were also up over last year. Year-to-date total existing home sales are now running 12% above 2018.
- **Resale inventories were down from June (the typical seasonal pattern) and also from last July,** for both single-family and apartment product (*chart top of next page*), meaning somewhat less competition for the new home sector.
- The average price for both resale condominium apartments and single-family units dipped again on a month-to-month basis, but are above last year (*chart bottom of next page*).

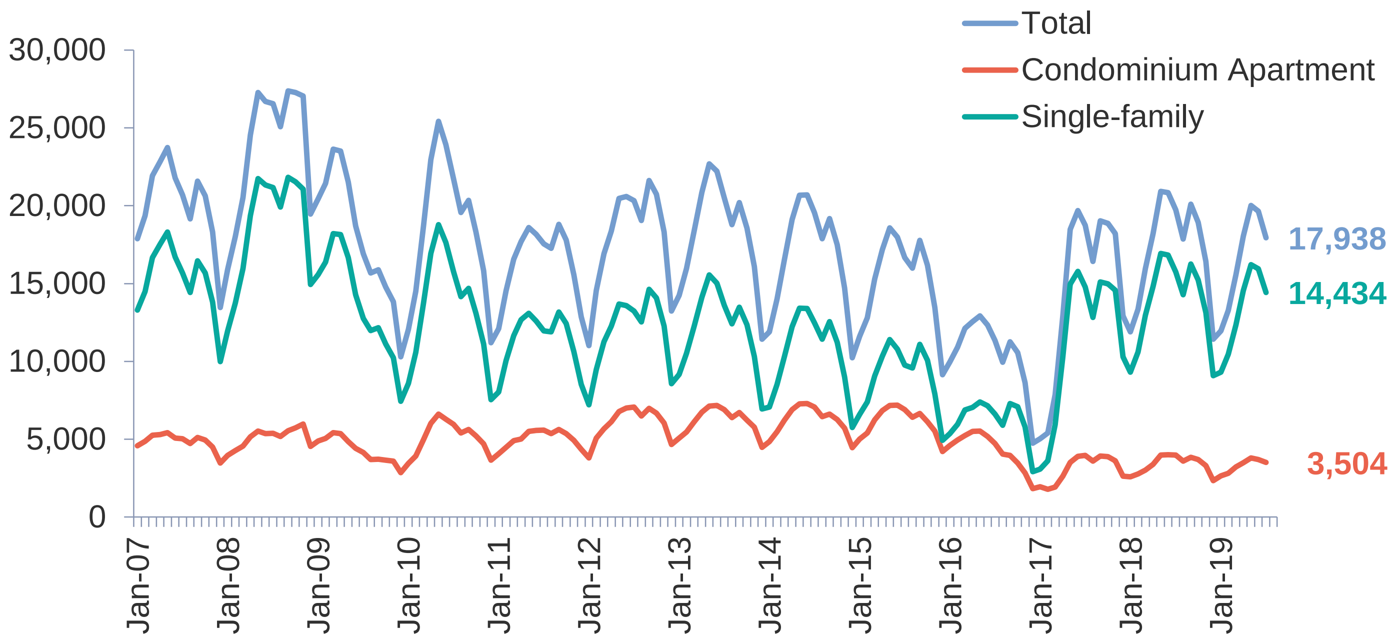
## GTA Resale Home Sales



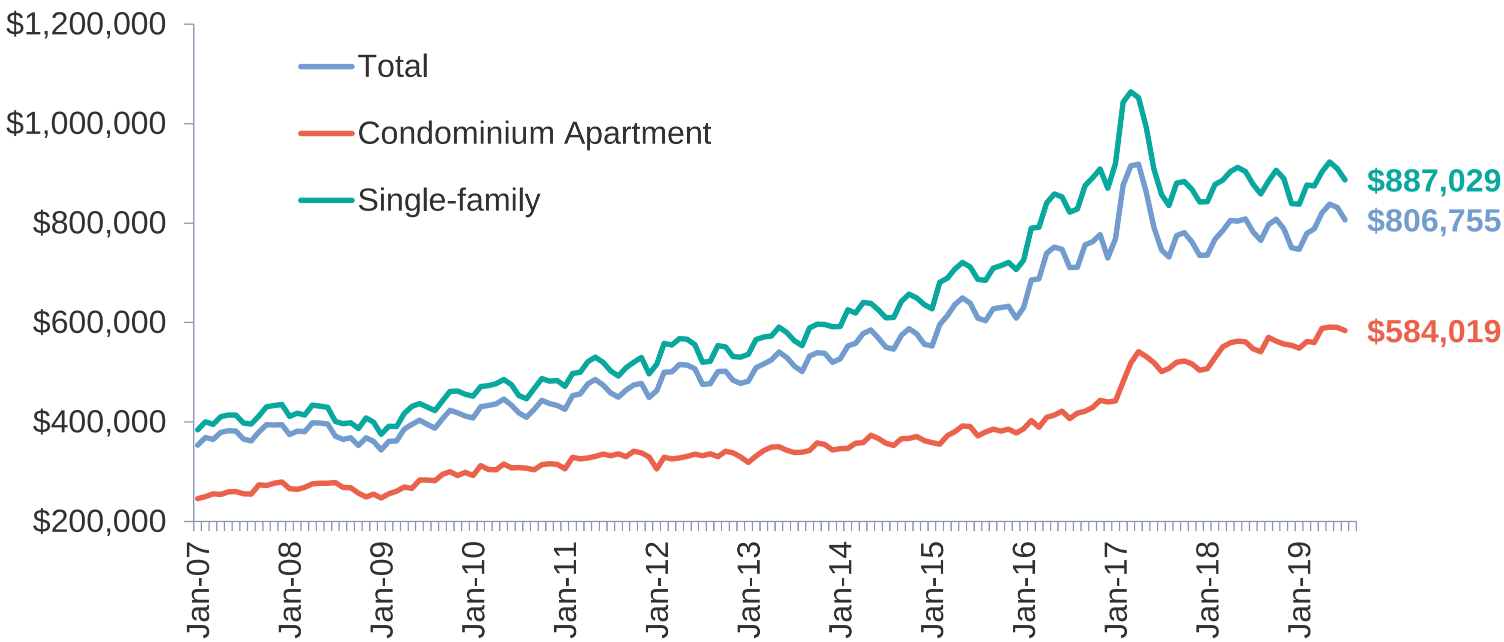

Source: Altus Group based on Toronto Real Estate Board data

## GTA Resale Home Inventory ("Active Listings")




Source: Altus Group based on Toronto Real Estate Board data

## GTA Resale Home Prices

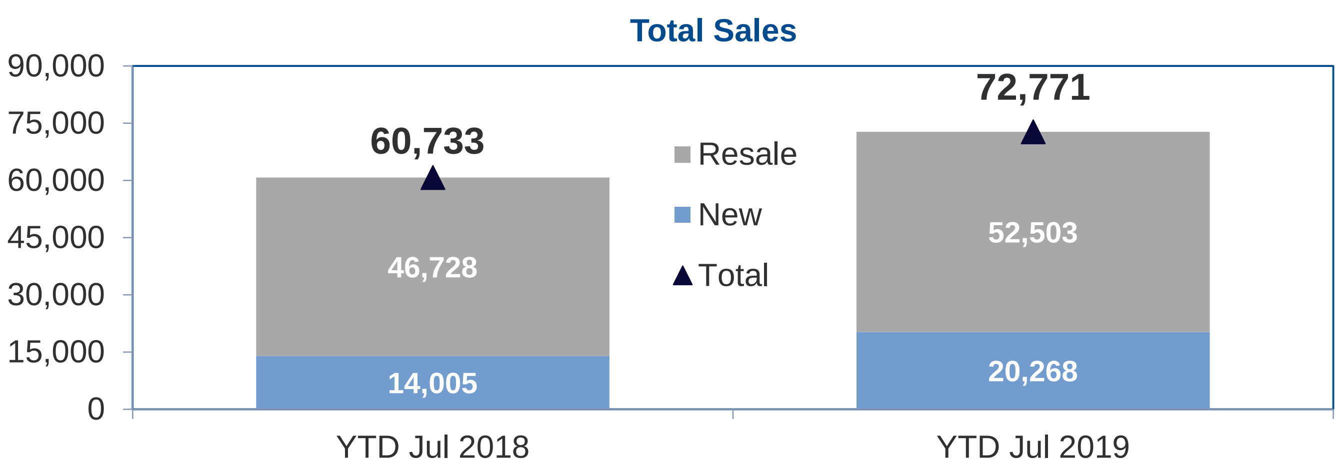


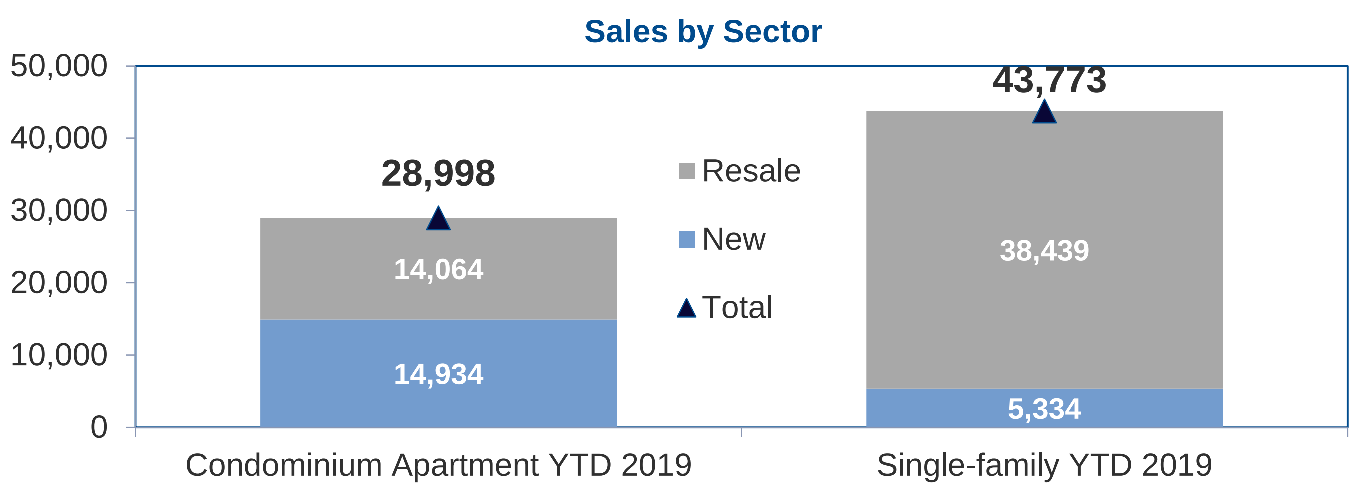

Source: Altus Group based on Toronto Real Estate Board data

# Overall Home Market - Sales

- **Combined resale and new home sales,** as measured by TREB and Altus Group, totaled just under 72,800 units for year-to-date July 2019, **up 20% from last year**. While both the new and resale sectors have contributed to the increase, the increase has been more focused on the new home side in both relative (%) and absolute (unit) terms.
- **Sales of condominium apartments so far this year have been split roughly equally between the new and resale market.** With the improvement in new single-family sales, the new home sector's share of total single-family sales has increased to just over 12% this year, from just under 7% for year-to-date 2018.

## GTA Combined New & Resale Home Sales

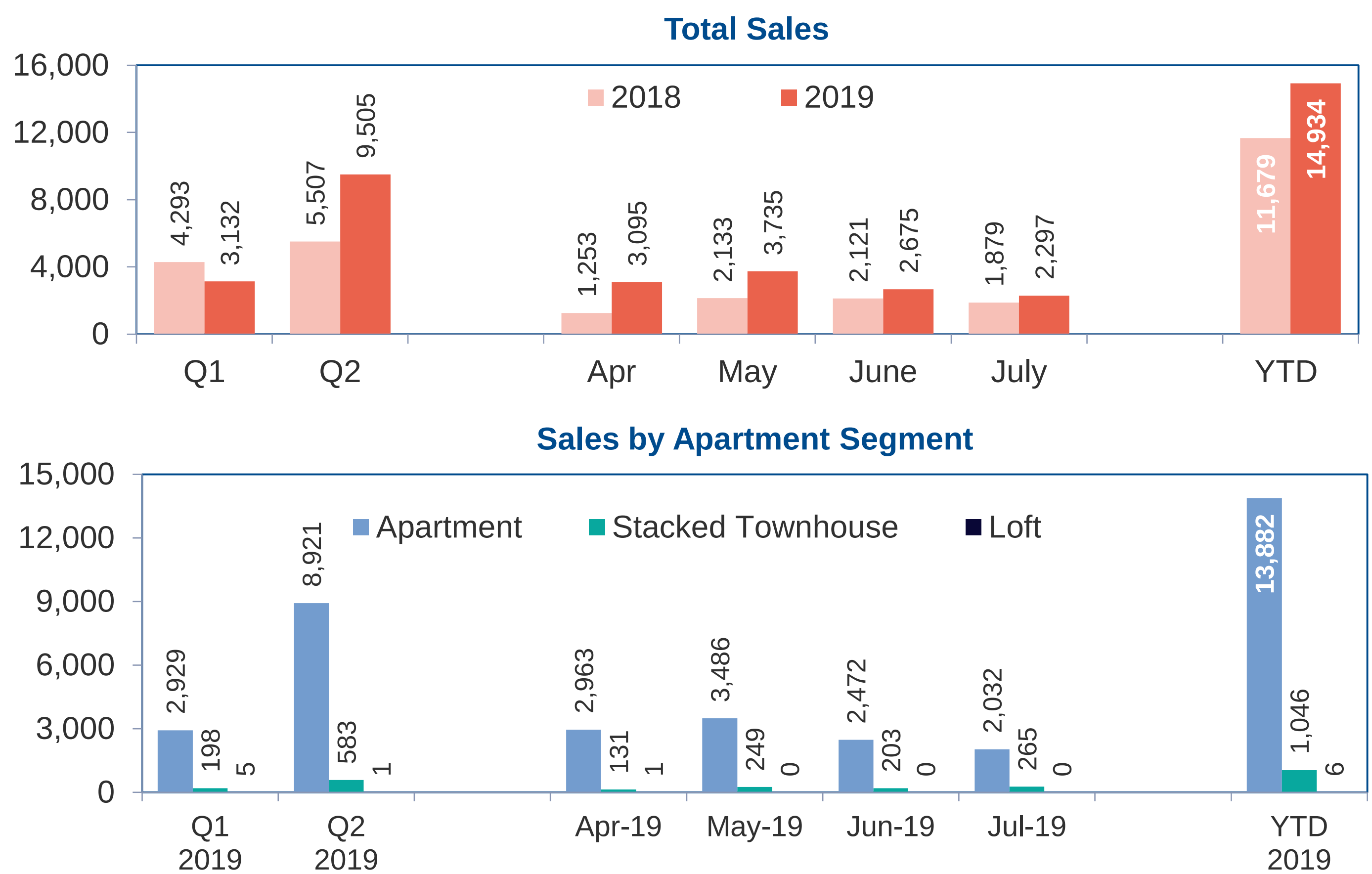



Source: Altus Group and Toronto Real Estate Board data

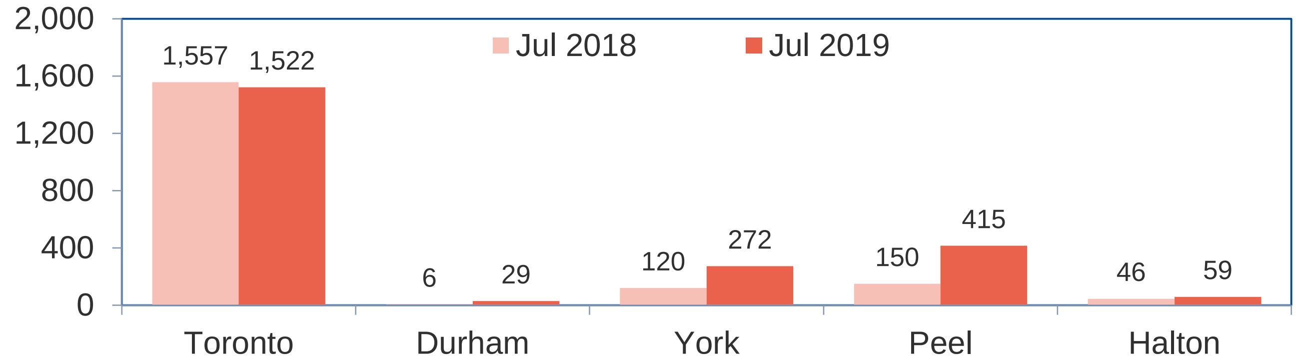
- Total sales of new condominium apartments were down from June (the normal seasonal pattern). However the decline was less pronounced than typical, and sales were not only up from last July, but also reached their 2nd highest July on record.
- **Sales of new stacked townhouses** had another good month, and **reached their highest July on record.** So far this year stacked townhouses have accounted for 7% of total new condominium apartment sales.
- **The pickup in GTA-wide new condominium apartment sales this year has been outside the City of Toronto** *(chart next page).* About 1 in 2 sales this year in the GTA have been in the 905 Regions, up from 1 in 3 sales last year.

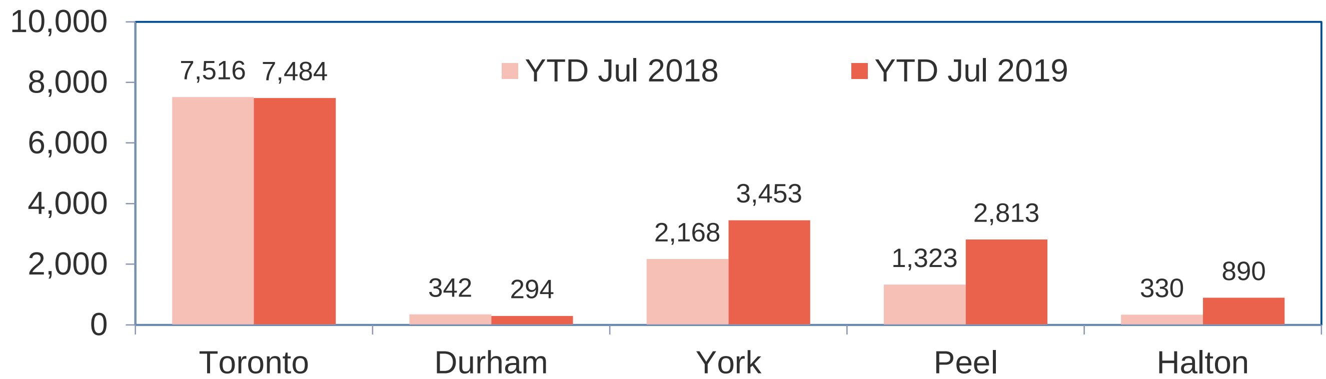
## GTA New Condominium Apartment Sales

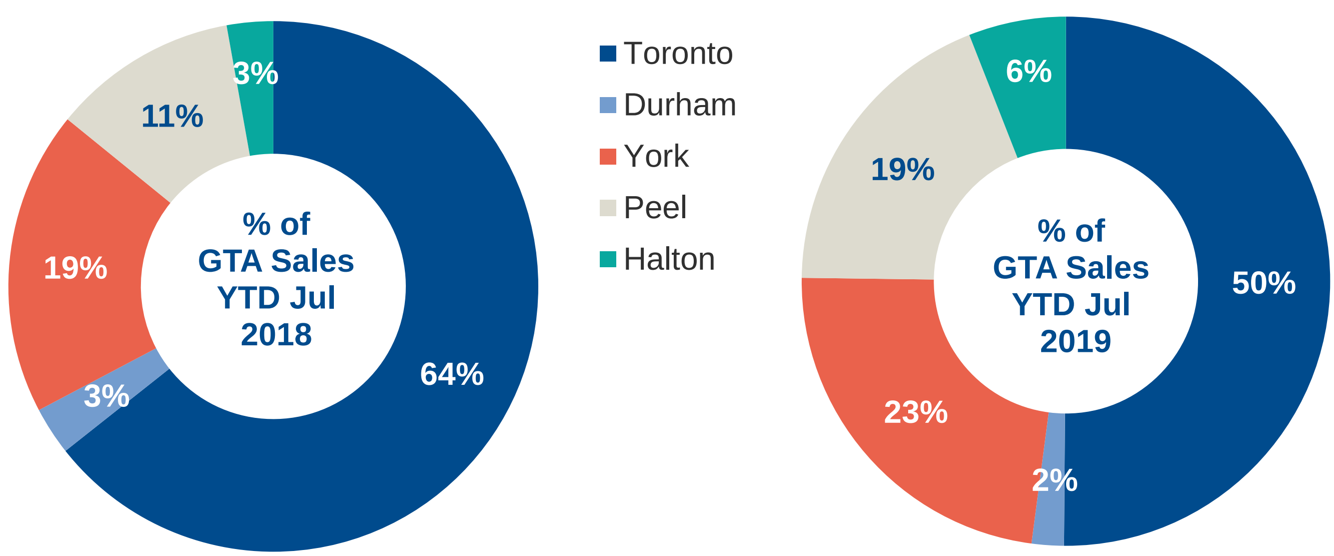



Source: Altus Group

## GTA New Condominium Apartment Sales by Region

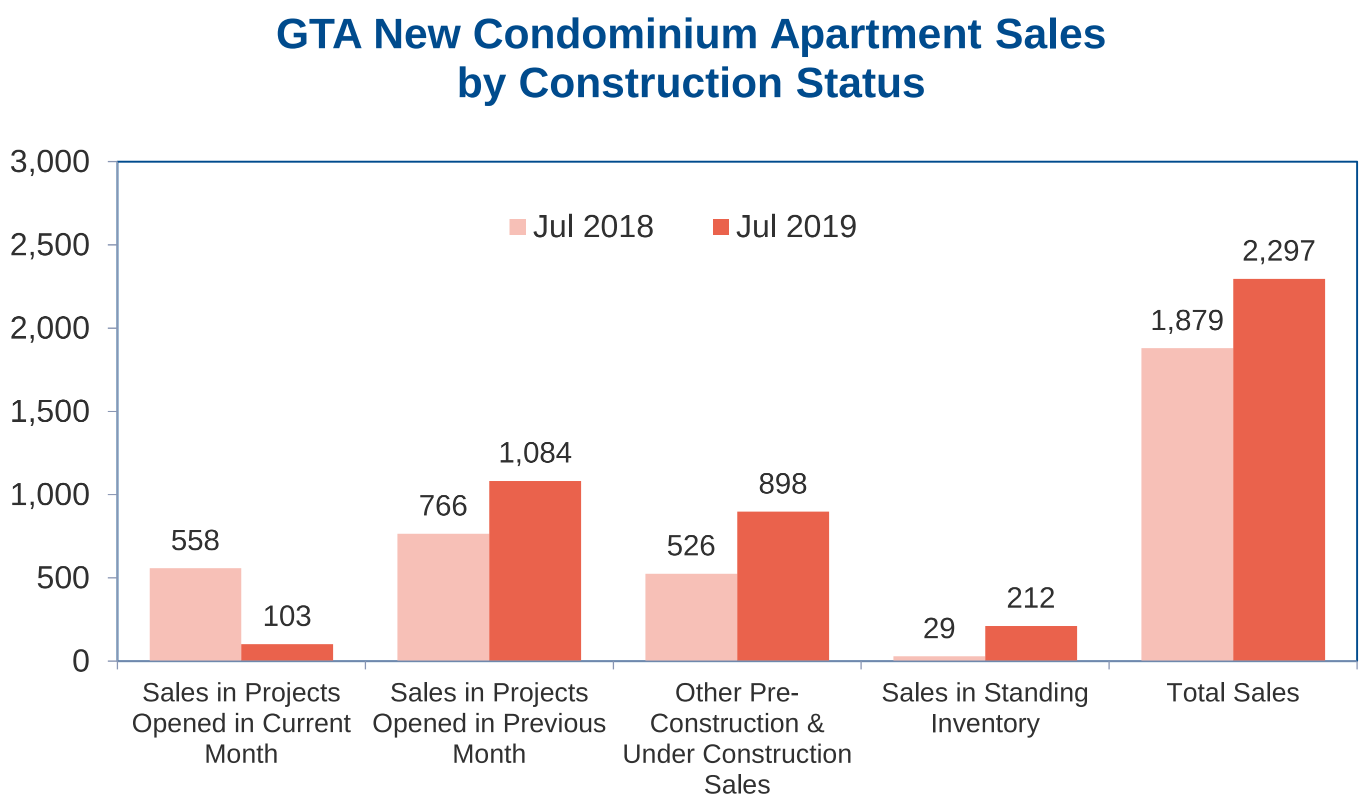



Source: Altus Group

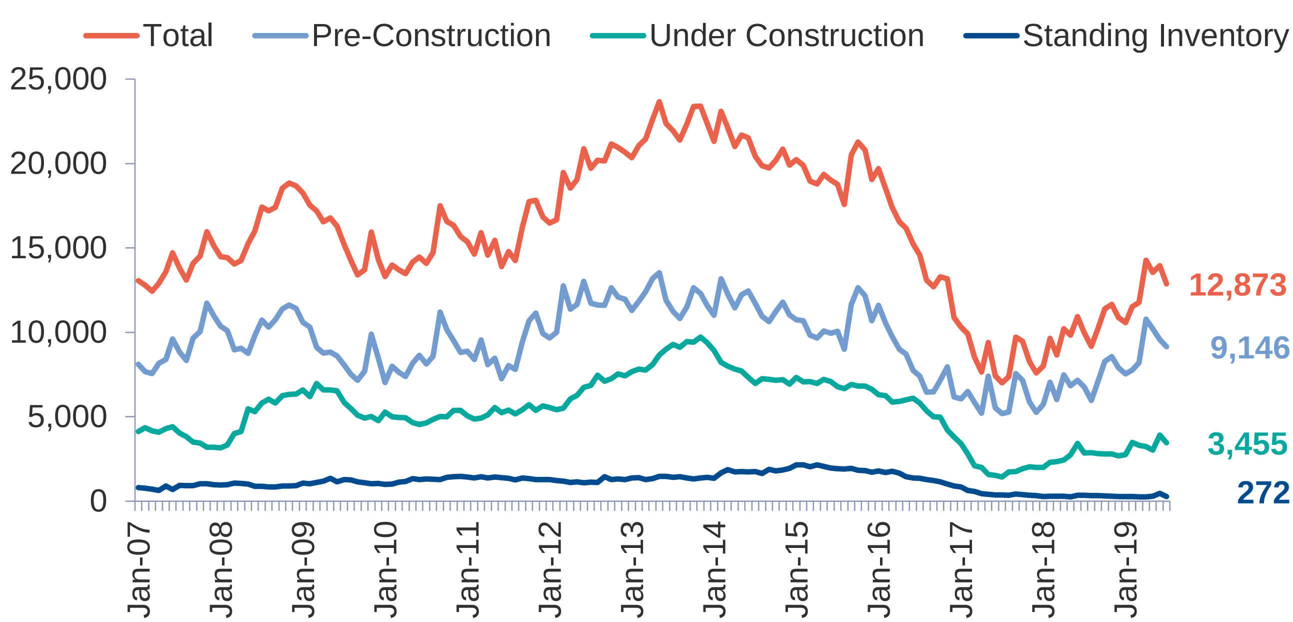
- **Almost half of new condominium apartment sales in July were in the 13 projects opened in June 2019.**
- Projects opened in July (with 2 of 4 opened within the last 10 days of the month, when firm sales are not recorded) accounted for a small proportion of sales in July 2019.
- Sales in standing inventory in July were in fact higher than sales in newly launched projects, and also higher than a year ago. **Higher sales in completed inventory are a function of the higher levels of completed units** (completion trends are discussed later in this report) **and suggest both interest among buyers in product available for immediate occupancy and builder desire to sell out the last few units in projects that have completed construction.**

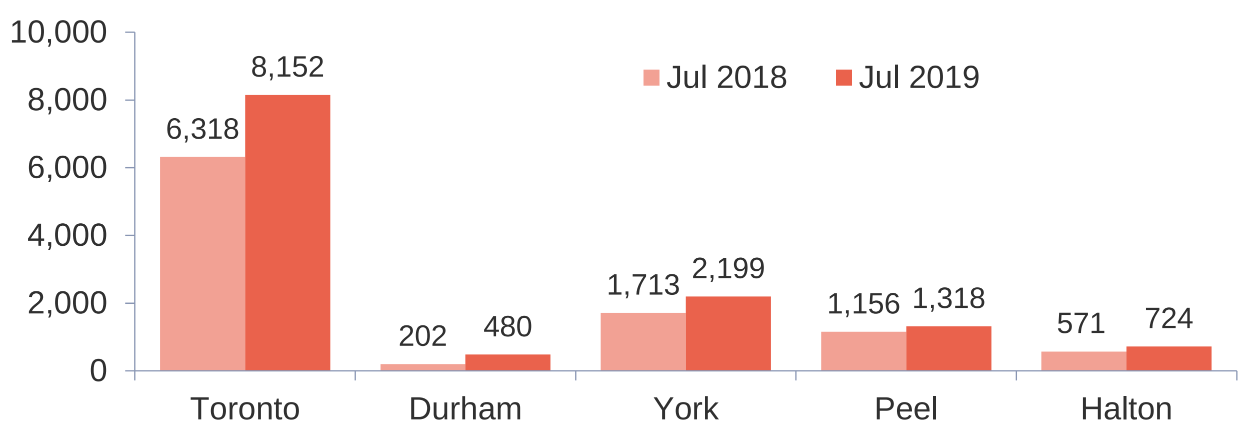



Source: Altus Group

- **New condominium apartment available inventory reversed down again in July**, due to the combination of solid sales, and fewer new projects launched.
- Despite the dip, inventories are higher than a year ago, in all regions. However, they are still relatively low in historical terms. **The current inventory represents just over 6 months of supply** at the pace of sales over the past 12 months, below the long term average for July of about 10 months.
- The increase in standing inventory in June (as more projects were completed) reversed again in July, as the unsold newly completed supply from June was quickly absorbed. In projects delivered during the first 7 months of 2019, there were only 82 unsold units as of the end of July (less than 1% of the total units delivered).

## GTA New Condominium Apartment Inventory

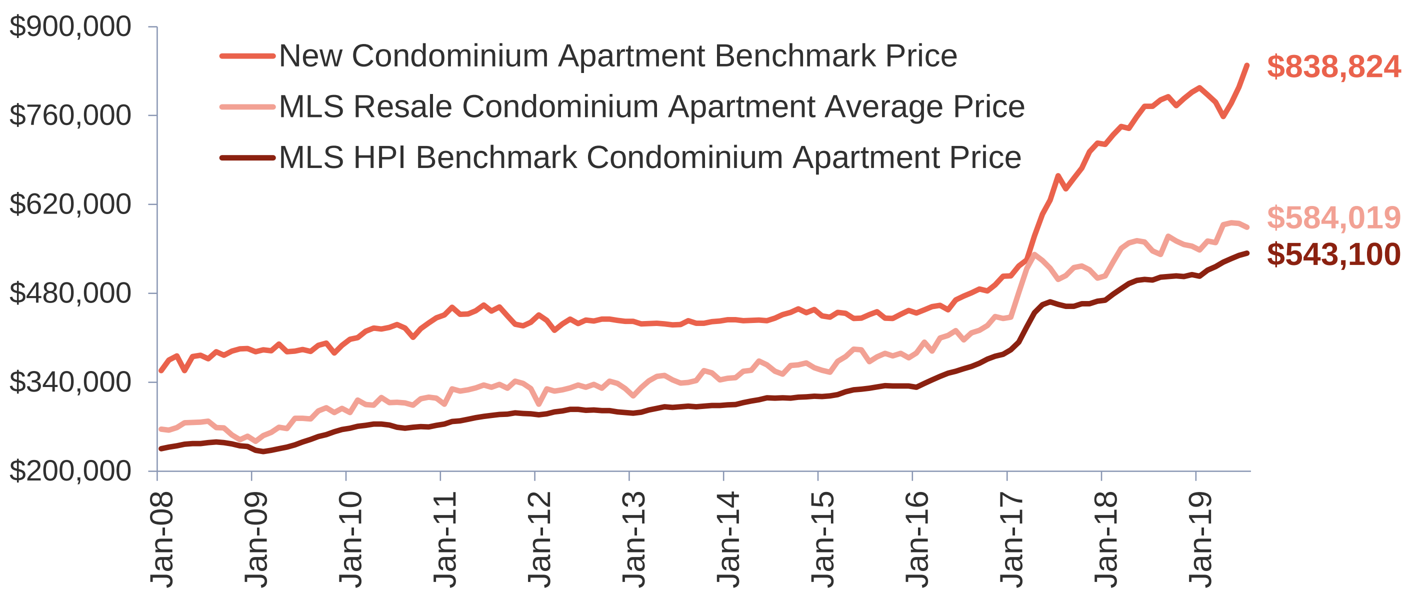


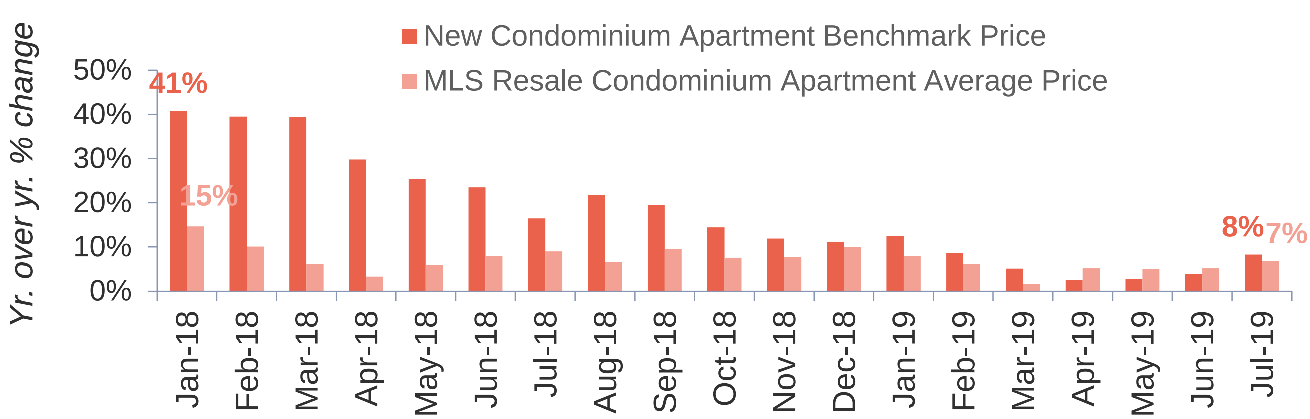




Source: Altus Group

- **The benchmark price for a new condominium apartment increased for the 3rd month in a row in July, pushing it to another new record**.
- **The average price of a resale condominium apartment in July slipped** further below the record set in May 2019.
- **Year-over-year price increases have started to pick up again for both new and resale condominiums**, but remain in the single-digit range.

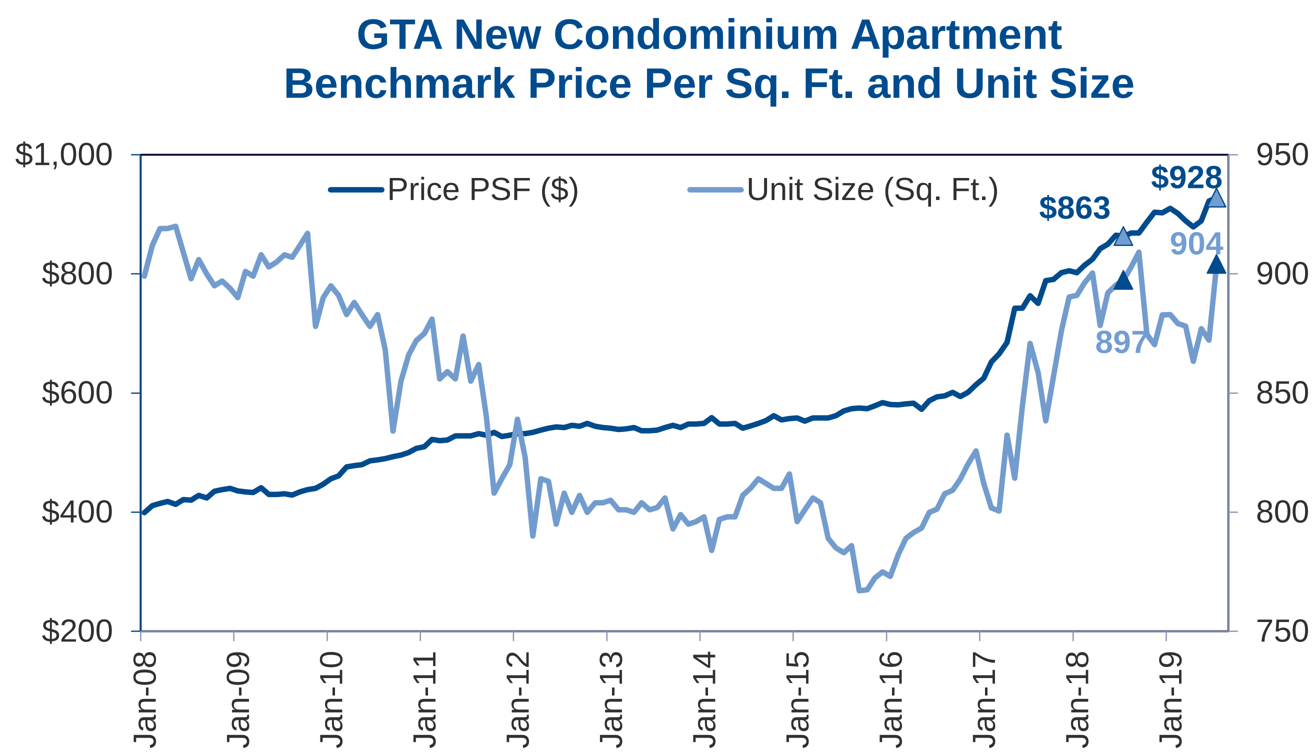
## GTA New and Resale Condominium Apartment Prices



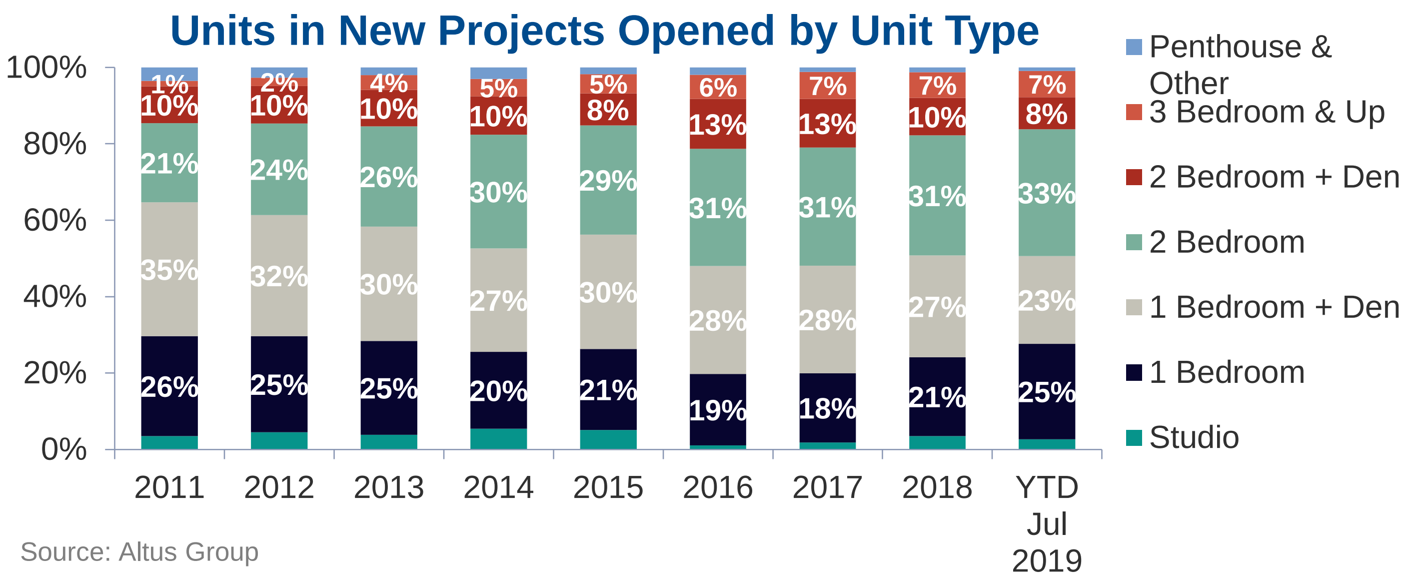

Source: Altus Group and Toronto Real Estate Board data

- **The 8% increase in July 2019 over July 2018 for the benchmark price for a new condominium apartment unit was primarily due to an increase in the price PSF Benchmark** of remaining inventory, although the unit size Benchmark was also up somewhat.
- Caution needs to be used in interpreting the data, as smaller unit sizes on average have higher prices per sq. ft. For example, an increase in the price per sq. ft. could reflect both a "pure" price increase, as well as a decline in average size of available units (and, of course, location shifts).
- Remaining inventory by bedroom type and average size by bedroom type are shown on the next page (*charts middle and bottom of next page*), as well as trends in unit type in new projects opened (*chart top of next page*).

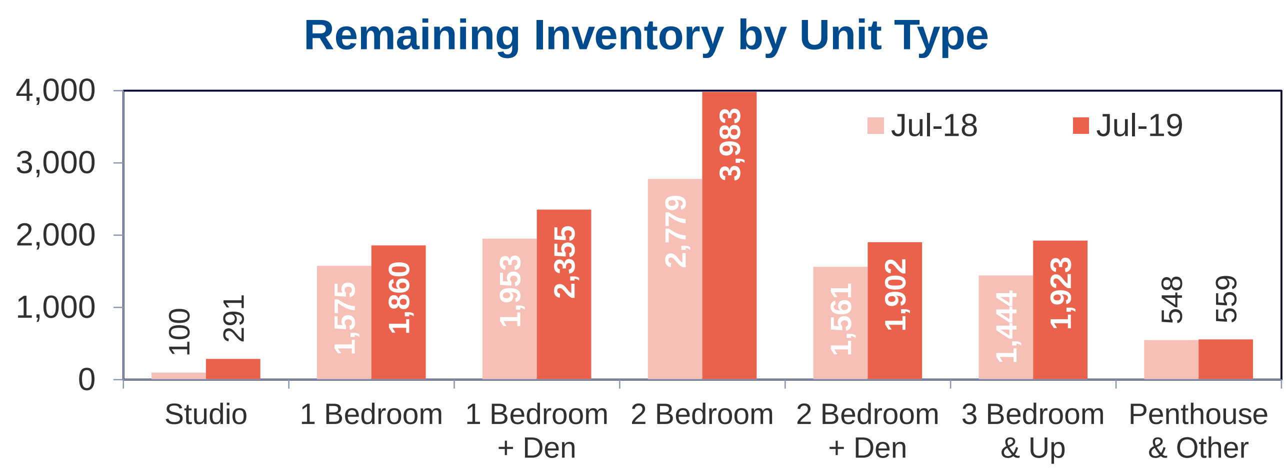


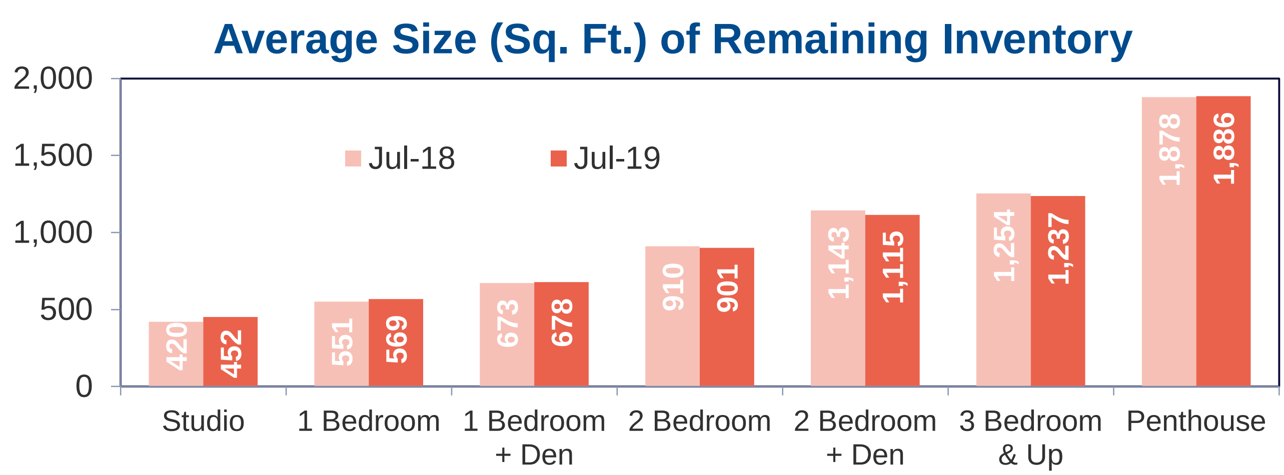

Source: Altus Group

## GTA New Condominium Apartment



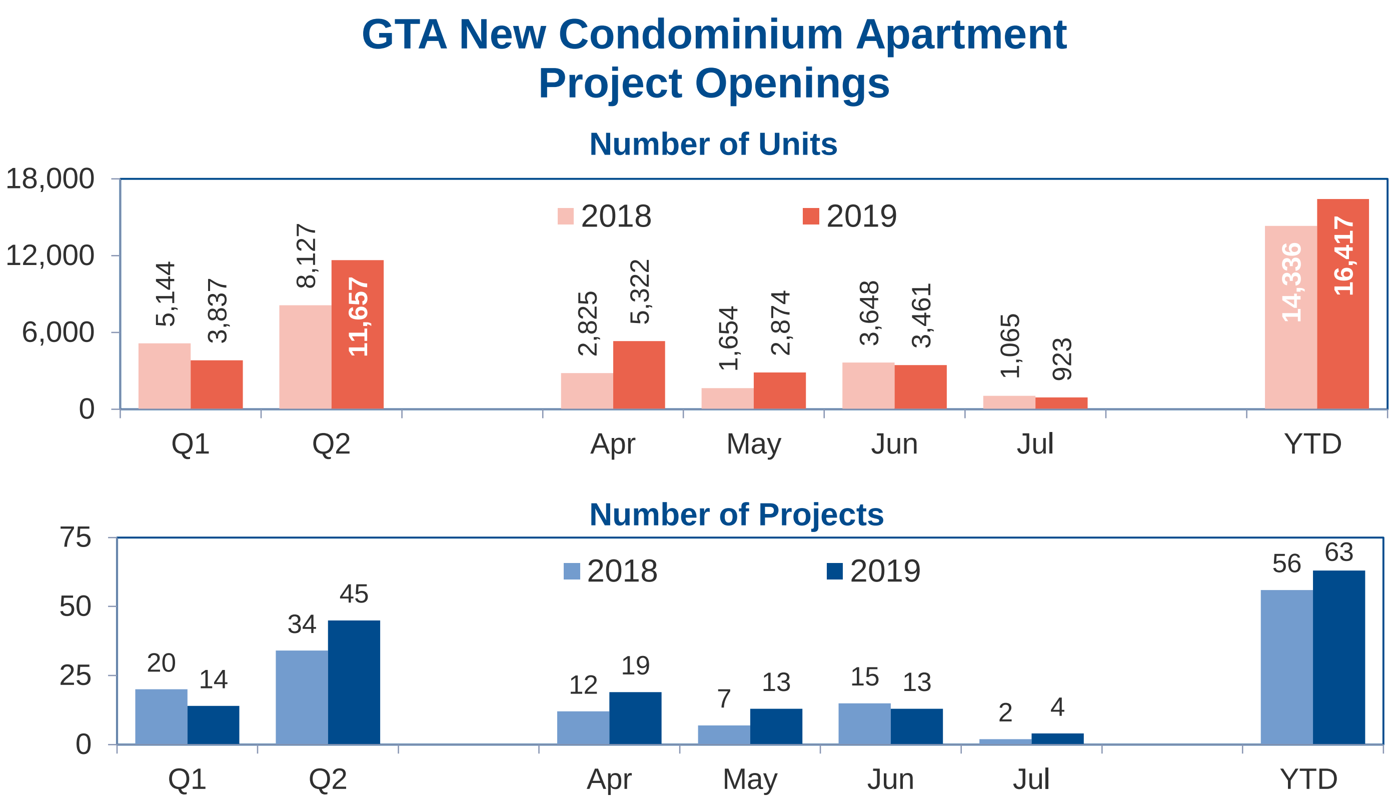

Source: Altus Group



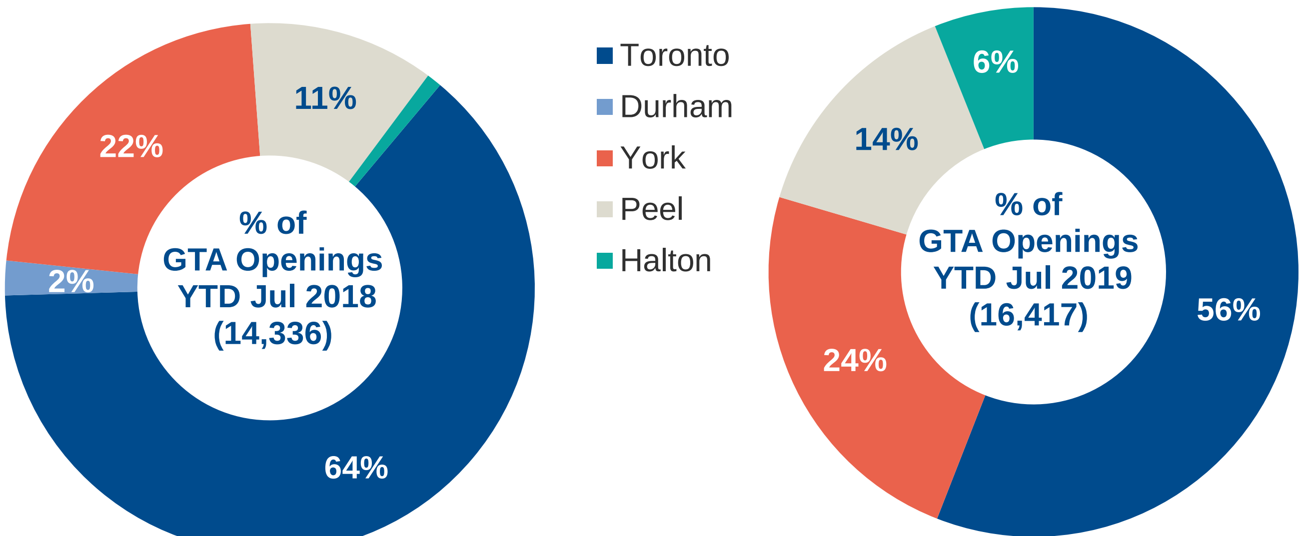

Source: Altus Group

- **Only 4 new condominium apartment projects launched in July 2019 in the GTA.** Of these, 2 opened within the last 10 days of the month. There were less than 1,000 units in the new projects launched. July is typically a slower month for new launches, with an average of 5 projects over the 2000-2018 period.
- Year-to-date there have been 16,500 units in new projects opened, up 15% from last year. **The City of Toronto this year has accounted for a smaller share of units in new projects opened, and within the City, the former City of Toronto has played a reduced role** (*charts next page*).
- Maps follow showing the location of new projects launched in June and July 2019, accompanied by summary tables with additional detail on each project. *Note that due to the large number of openings, there are 2 maps and 2 tables for June openings.*
- *Note: clicking on the "project record" link in the summary tables will take logged-in Altus Group RealNet GTA High-Rise module subscribers directly to the full on-line record for that project; as the on-line record becomes updated, specific data may be more up-to-date than information contained in the report here.*



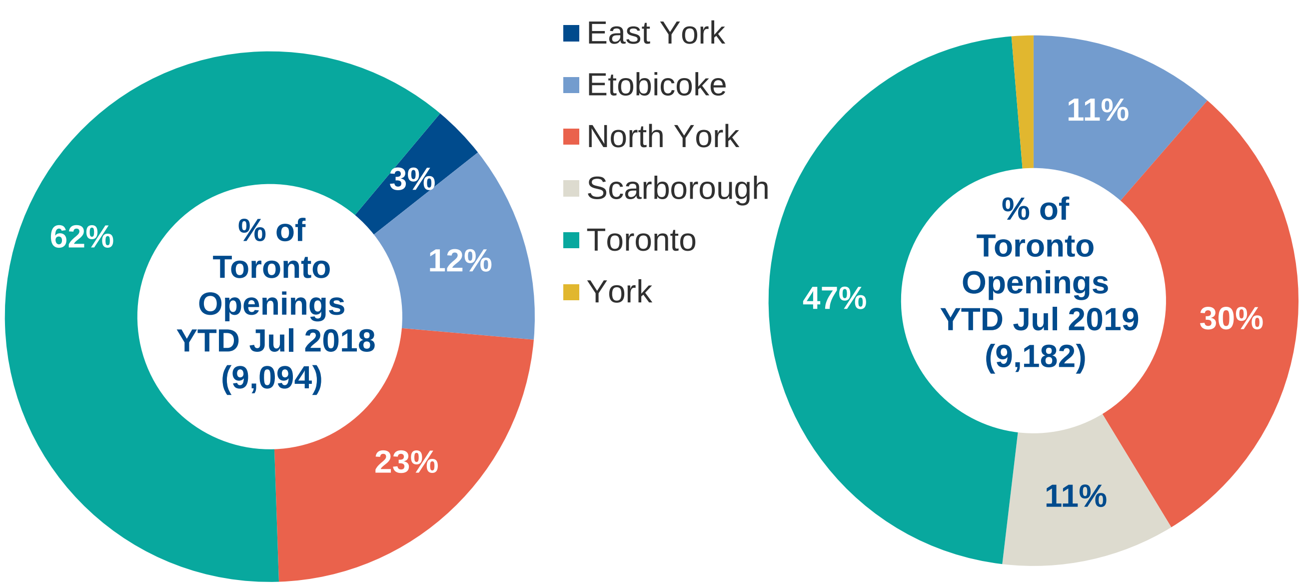

Source: Altus Group

## GTA Condominium Apartment Units in New Openings by Region



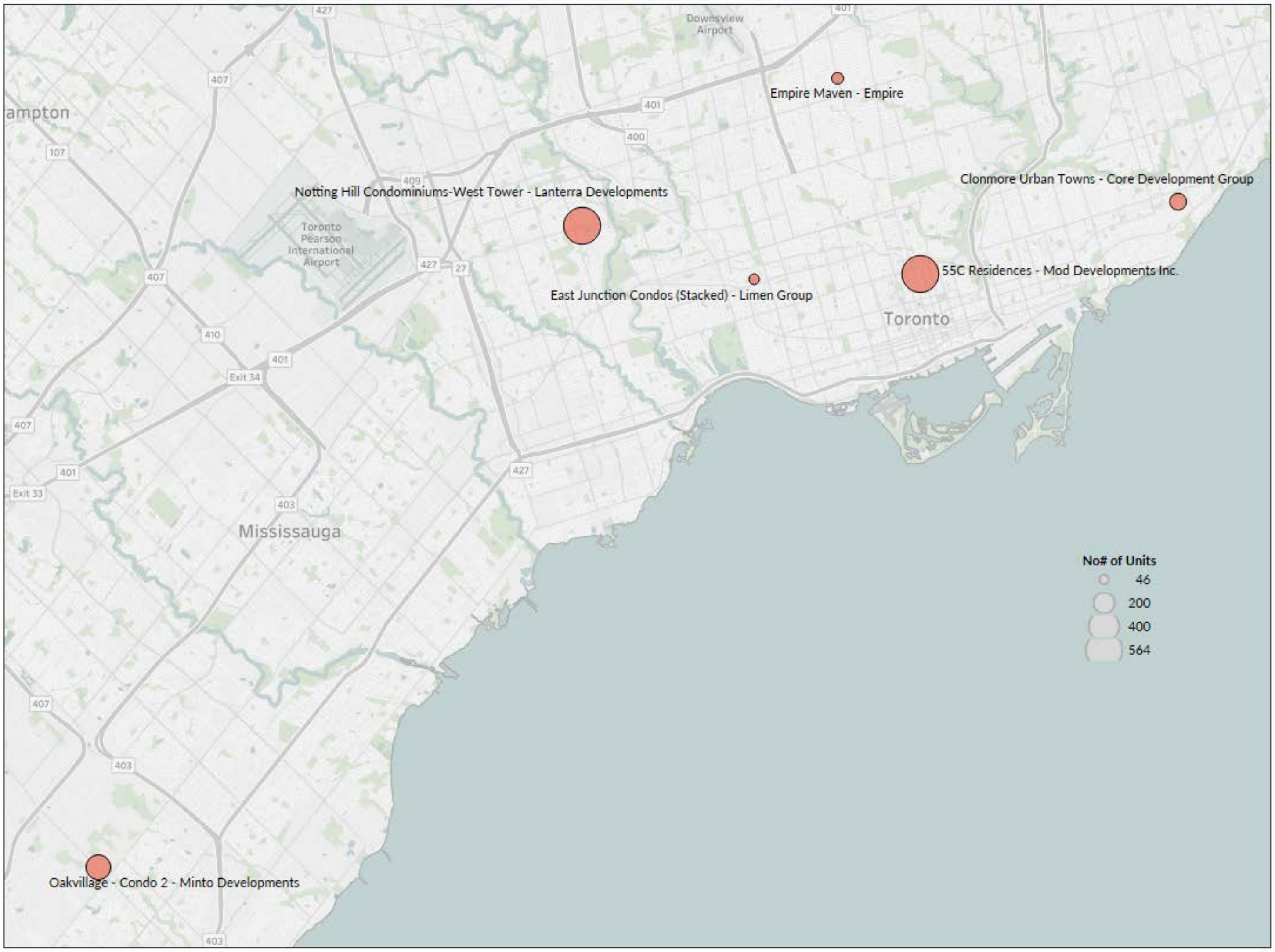

Source: Altus Group

## City of Toronto Condominium Apartment Units in New Openings by Former Municipality




Source: Altus Group

June 2019 New Project Launches by Number of Units




Source: Altus Group

***Map 1 of 2***

*Note: due to the large number of openings in June, project maps and details each have 2 pages.*

# New Condominium Apartments - Openings

AltusGroup

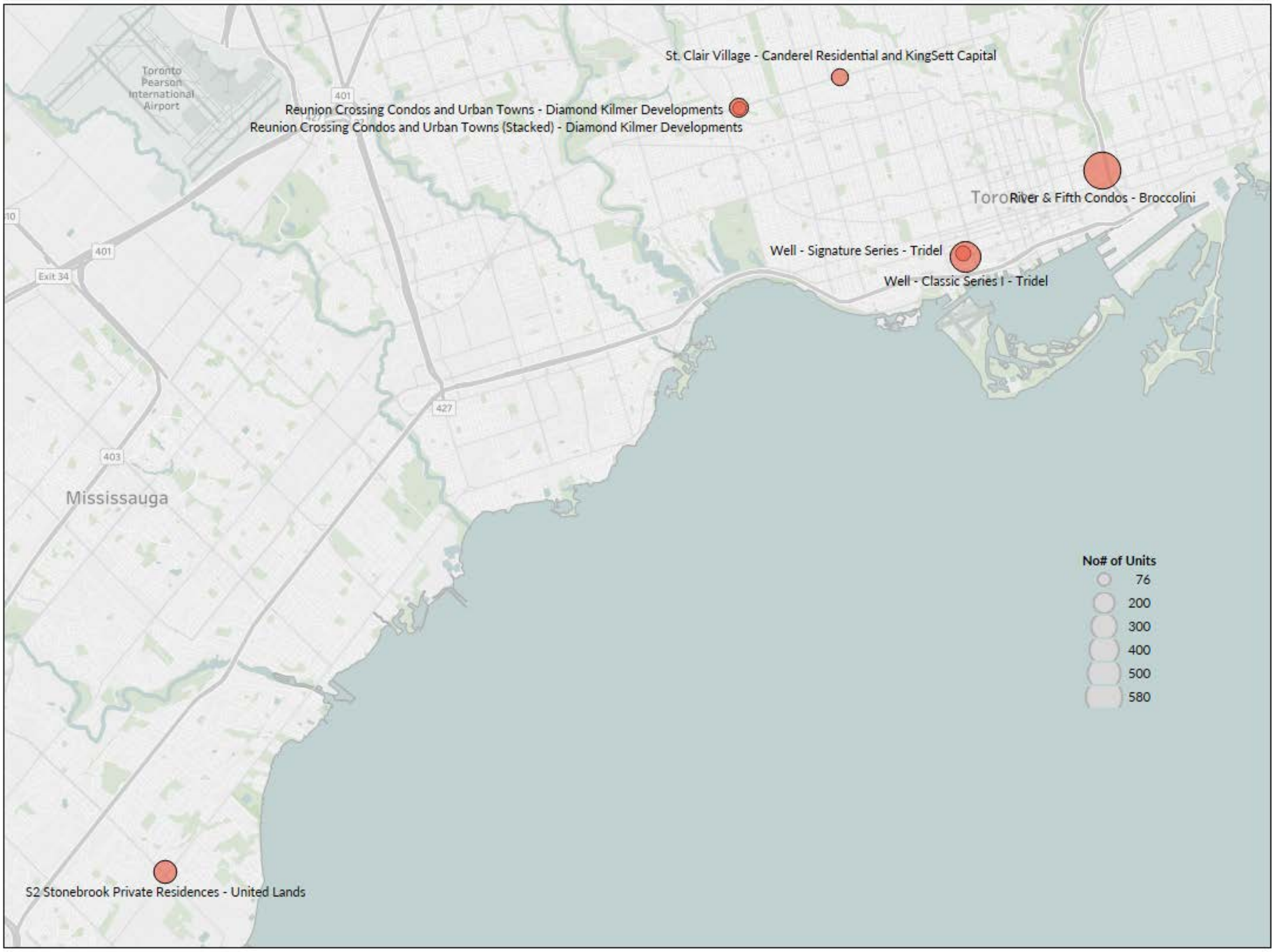
| Project Record | [55C Residences] | [Clonmore Urban Towns] | [East Junction Condos (Stacked)] | [Empire Maven] | [Notting Hill Condominiums - West Tower] | [Oakvillage - Condo 2] |
|---|---|---|---|---|---|---|

## New Condominium Apartment Project Openings - June 2019 (1 of 2)

| **Project Name** | **55C Residences** | **Clonmore Urban Towns** | **East Junction Condos (Stacked)** | **Empire Maven** | **Notting Hill Condominiums - West Tower** | **Oakvillage - Condo 2** |
|---|---|---|---|---|---|---|
| **Developer** | Mod Developments Inc. | Core Development Group | Limen Group | Empire | Lanterra Developments | Minto Developments |
| **Date Opened** | 2019-06-09 | 2019-06-01 | 2019-06-27 | 2019-06-21 | 2019-06-22 | 2019-06-04 |
| **Municipality** | Toronto | Scarborough | Toronto | North York | Etobicoke | Oakville |
| **Region** | Toronto | Toronto | Toronto | Toronto | Toronto | Halton |
| **Structural Type** | Apartment | Stacked | Stacked | Apartment | Apartment | Apartment |
| **Floors** | 48 | 3 | 4 | 7 | 25 | 20 |
| **Project Total Units** | **551** | **118** | **46** | **58** | **564** | **257** |
| **Total Units Released** | **466** | **118** | **46** | **55** | **564** | **248** |
| Studio | 38 | -- | -- | -- | 17 | -- |
| 1 bedroom | 257 | 9 | -- | -- | 131 | 69 |
| 1 bedroom + den | -- | 9 | -- | 1 | 136 | 138 |
| 2 bedroom | 120 | 4 | 21 | 18 | 111 | 29 |
| 2 bedroom + den | -- | -- | -- | 15 | 89 | 12 |
| 3 bedroom & up | 51 | 96 | 25 | 21 | 80 | -- |
| Penthouse | -- | -- | -- | -- | -- | -- |
| Other | -- | -- | -- | -- | -- | -- |
| **Opening month sales** | **211** | **48** | **0** | **0** | **0** | **93** |
| **Next month sales** | **9** | **6** | **0** | **19** | **481** | **19** |
| *% Sold (of released untis)* | *47%* | *46%* | *0%* | *35%* | *85%* | *45%* |
| **Remaining available inventory** | 246 | 64 | 46 | 36 | 83 | 136 |
| **Original $PSF** | $1,437 | $676 | $975 | $1,415 | $747 | $674 |
| **Minimum Size (sq. ft.)** | 335 | 536 | 753 | 701 | 330 | 610 |
| **Maximum Size (sq. ft.)** | 1,006 | 1,730 | 1,316 | 2,530 | 1,174 | 848 |
| **Minimum Price** | $548,900 | $399,900 | $734,175 | $895,000 | $259,900 | $419,990 |
| **Maximum Price** | $1,477,900 | $1,109,900 | $1,283,100 | $3,150,000 | $927,900 | $574,990 |
| **Notes** | | | | | | |

Source: Altus Group

June 2019 New Project Launches by Number of Units




Source: Altus Group

***Map 2 of 2***

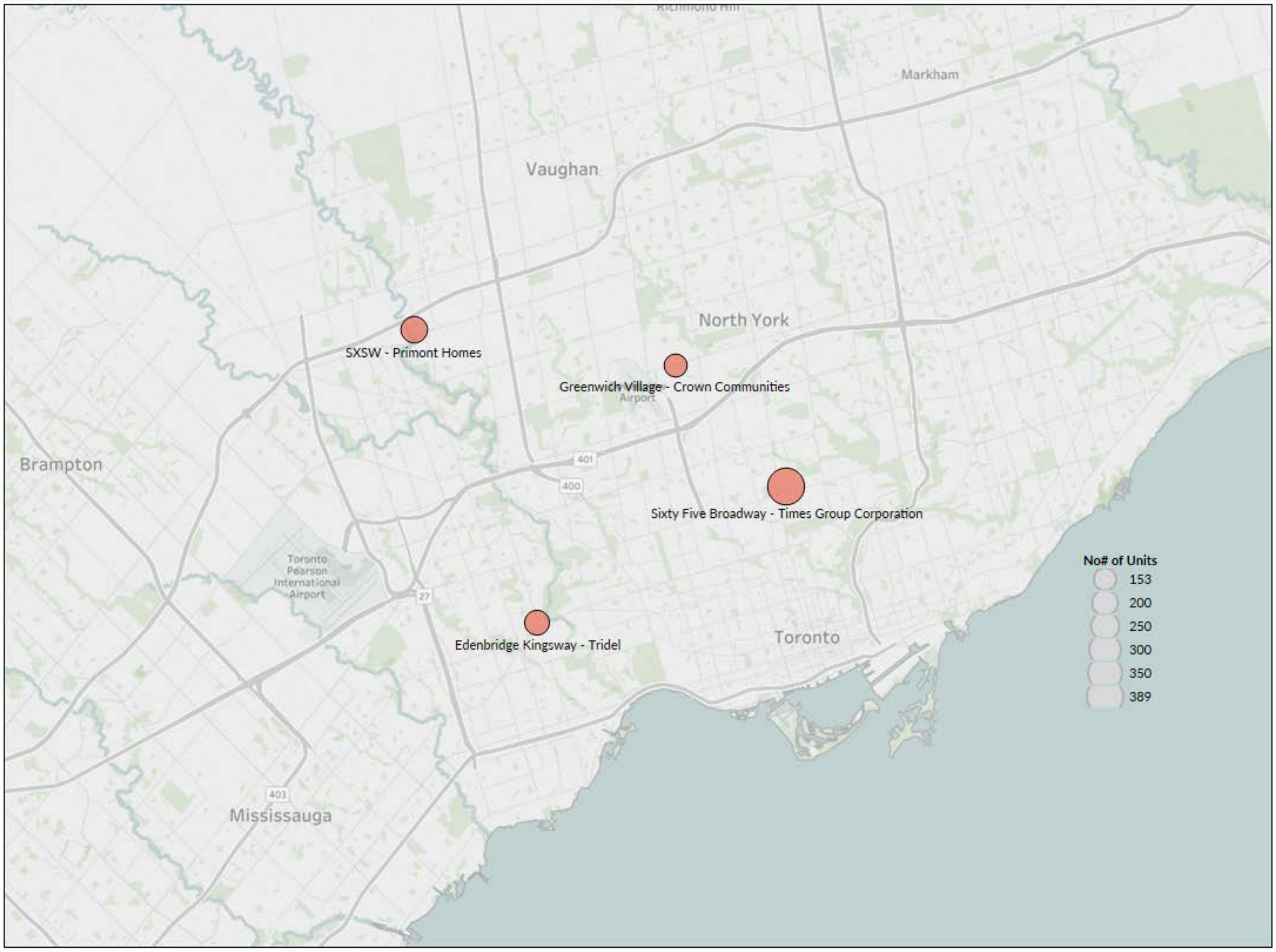
## New Condominium Apartment Project Openings - June 2019 (2 of 2)

| **Project Name** | **Reunion Crossing Condos and Urban Towns** | **Reunion Crossing Condos and Urban Towns (Stacked)** | **River & Fifth Condos** | **S2 Stonebrook Private Residences** | **St. Clair Village** | **Well - Classic Series I** | **Well - Signature Series** |
|---|---|---|---|---|---|---|---|
| **Developer** | Diamond Kilmer Developments | Diamond Kilmer Developments | Broccolini | United Lands | Canderel Residential and KingSett Capital | Tridel | Tridel |
| **Date Opened** | 2019-06-01 | 2019-06-01 | 2019-06-01 | 2019-06-10 | 2019-06-01 | 2019-06-29 | 2019-06-29 |
| **Municipality** | Toronto | Toronto | Toronto | Mississauga | York | Toronto | Toronto |
| **Region** | Toronto | Toronto | Toronto | Peel | Toronto | Toronto | Toronto |
| **Structural Type** | Apartment | Stacked | Apartment | Apartment | Apartment | Apartment | Apartment |
| **Floors** | 11 | 5 | 39 | 18 | 12 | 38 | 14 |
| **Project Total Units** | **153** | **76** | **580** | **225** | **122** | **400** | **98** |
| **Total Units Released** | **148** | **76** | **340** | **225** | **79** | **400** | **98** |
| Studio | -- | -- | 4 | -- | -- | -- | -- |
| 1 bedroom | 31 | -- | 68 | -- | 12 | 94 | -- |
| 1 bedroom + den | 19 | -- | 133 | 105 | 24 | 127 | -- |
| 2 bedroom | 89 | 15 | 79 | 65 | 22 | 120 | 32 |
| 2 bedroom + den | 9 | -- | 22 | 51 | 10 | 17 | 54 |
| 3 bedroom & up | -- | 61 | 34 | 4 | 11 | 42 | 11 |
| Penthouse | -- | -- | -- | -- | -- | -- | 1 |
| Other | -- | -- | -- | -- | -- | -- | -- |
| **Opening month sales** | **46** | **11** | **137** | **67** | **39** | **0** | **0** |
| **Next month sales** | **69** | **21** | **57** | **23** | **18** | **362** | **0** |
| *% Sold (of released untis)* | *78%* | *42%* | *57%* | *40%* | *72%* | *91%* | *0%* |
| **Remaining available inventory** | 33 | 44 | 146 | 135 | 22 | 38 | 98 |
| **Original $PSF** | $811 | $673 | $1,109 | $654 | n.a. | $1,308 | $1,444 |
| **Minimum Size (sq. ft.)** | 435 | 852 | 347 | 727 | n.a. | 491 | 1,062 |
| **Maximum Size (sq. ft.)** | 983 | 1,313 | 998 | 1,991 | n.a. | 1,652 | 3,259 |
| **Minimum Price** | $384,900 | $649,900 | $474,990 | $507,900 | n.a. | $670,000 | $1,375,000 |
| **Maximum Price** | $829,900 | $819,900 | $998,990 | $1,280,900 | n.a. | $2,450,000 | $5,500,000 |
| **Notes** | | | | | | | |

Source: Altus Group

# New Condominium Apartments - Openings

July 2019 New Project Launches by Number of Units



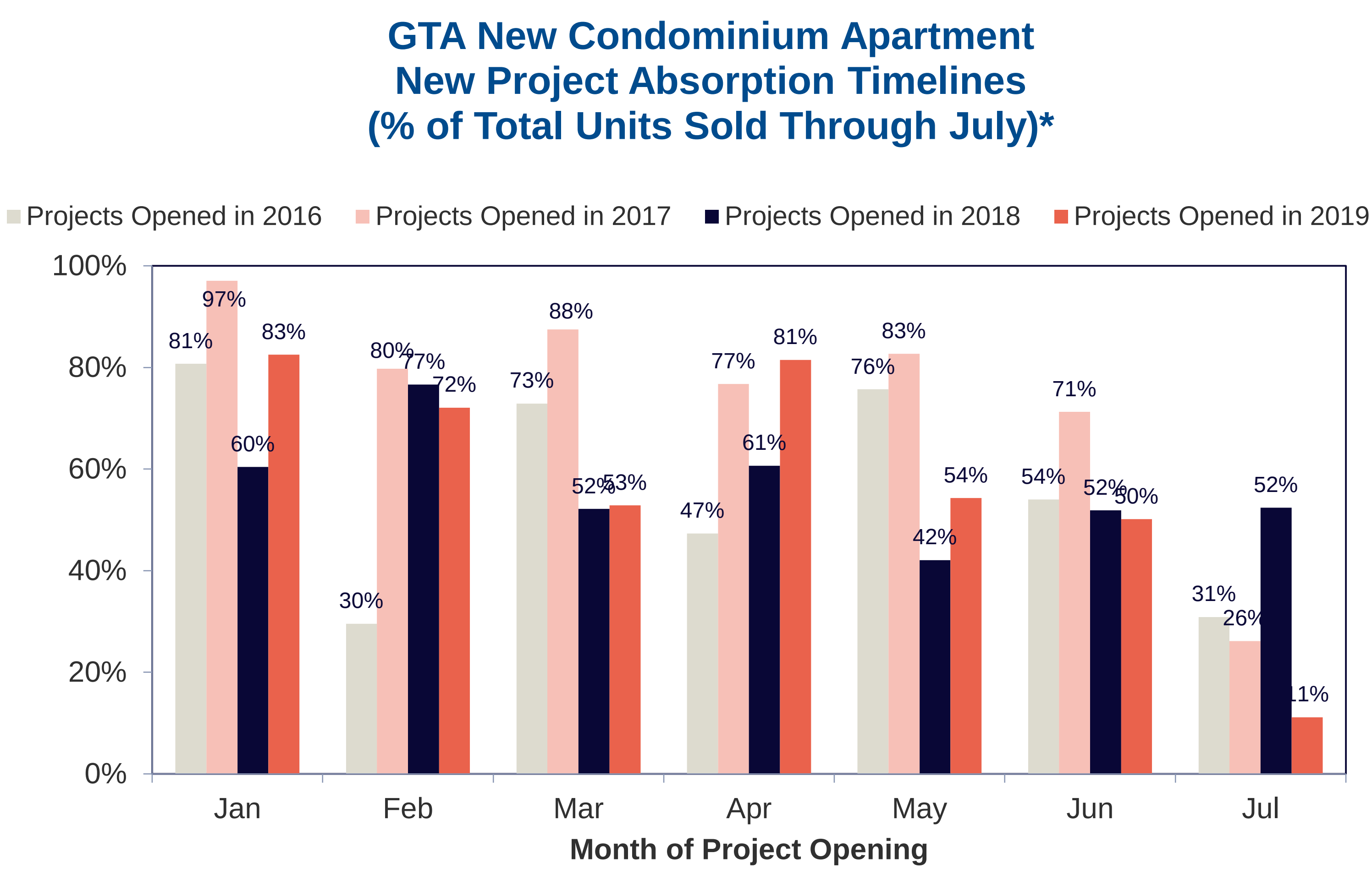

Source: Altus Group

## New Condominium Apartment Project Openings - July 2019

| **Project Name** | **Edenbridge Kingsway** | **Greenwich Village** | **Sixty Five Broadway** | **SXSW** |
|---|---|---|---|---|
| **Developer** | Tridel | Crown Communities | Times Group Corporation | Primont Homes |
| **Date Opened** | 2019-07-06 | 2019-07-25 | 2019-07-29 | 2019-07-06 |
| **Municipality** | Etobicoke | North York | Toronto | Vaughan |
| **Region** | Toronto | Toronto | Toronto | York |
| **Structural Type** | Apartment | Stacked | Apartment | Apartment |
| **Floors** | 9 | 5 | 39 | 20 |
| **Project Total Units** | **179** | **153** | **389** | **202** |
| **Total Units Released** | **179** | **150** | **373** | **186** |
| Studio | -- | 2 | 28 | -- |
| 1 bedroom | 19 | -- | 205 | 16 |
| 1 bedroom + den | 40 | -- | 14 | 34 |
| 2 bedroom | 45 | 52 | 72 | 136 |
| 2 bedroom + den | 39 | 56 | 14 | -- |
| 3 bedroom & up | -- | -- | 40 | -- |
| Penthouse | 12 | -- | -- | -- |
| Other | 24 | 40 | -- | -- |
| **Opening month sales** | **0** | **0** | **0** | **103** |
| *% Sold (of released units)* | *0%* | *0%* | *0%* | *55%* |
| **Remaining available inventory** | 179 | 150 | 373 | 83 |
| **Original $PSF** | $1,113 | $670 | $1,134 | $803 |
| **Minimum Size (sq. ft.)** | 523 | 450 | 375 | 579 |
| **Maximum Size (sq. ft.)** | 2,373 | 2,150 | 1,111 | 820 |
| **Minimum Price** | $525,000 | $459,900 | $460,900 | $428,900 |
| **Maximum Price** | $2,985,000 | $1,519,900 | $1,191,900 | $694,900 |
| **Notes** | Townhouse units included in Other | Townhouse units included in Other. No firm sales as all deals were subject to the 10-day conditional period. | No firm sales as all deals were subject to the 10-day conditional period. | |

Source: Altus Group

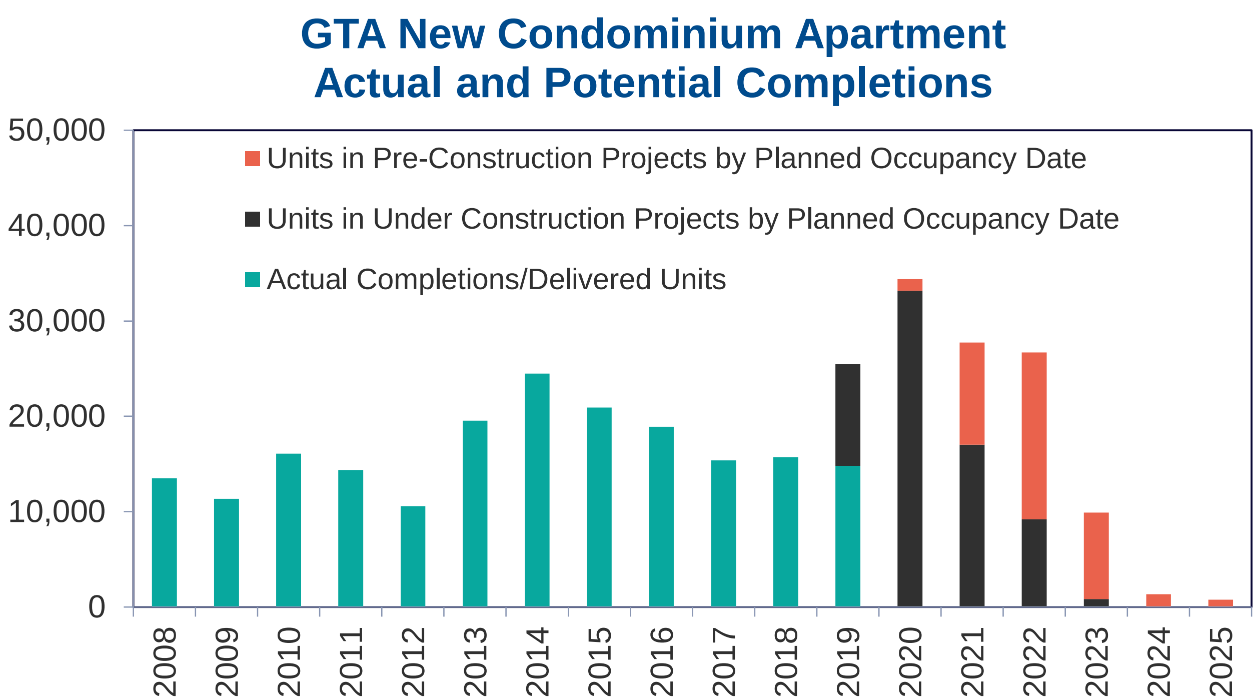
- **Sales to date in projects opened in 2019 compare well with 2018 absorption rates**, with absorption to date in projects opened in various months running generally close to or above last year.
- Caution needs to be used in analyzing sales rates for projects opened in any particular month, as the proportion of projects opened in the last 10 days of the month (when firm sales are not recorded) can vary from one month to another, and from one year to another for the similar month.




** The total includes unreleased units, and units released within the last 10 days of the month*

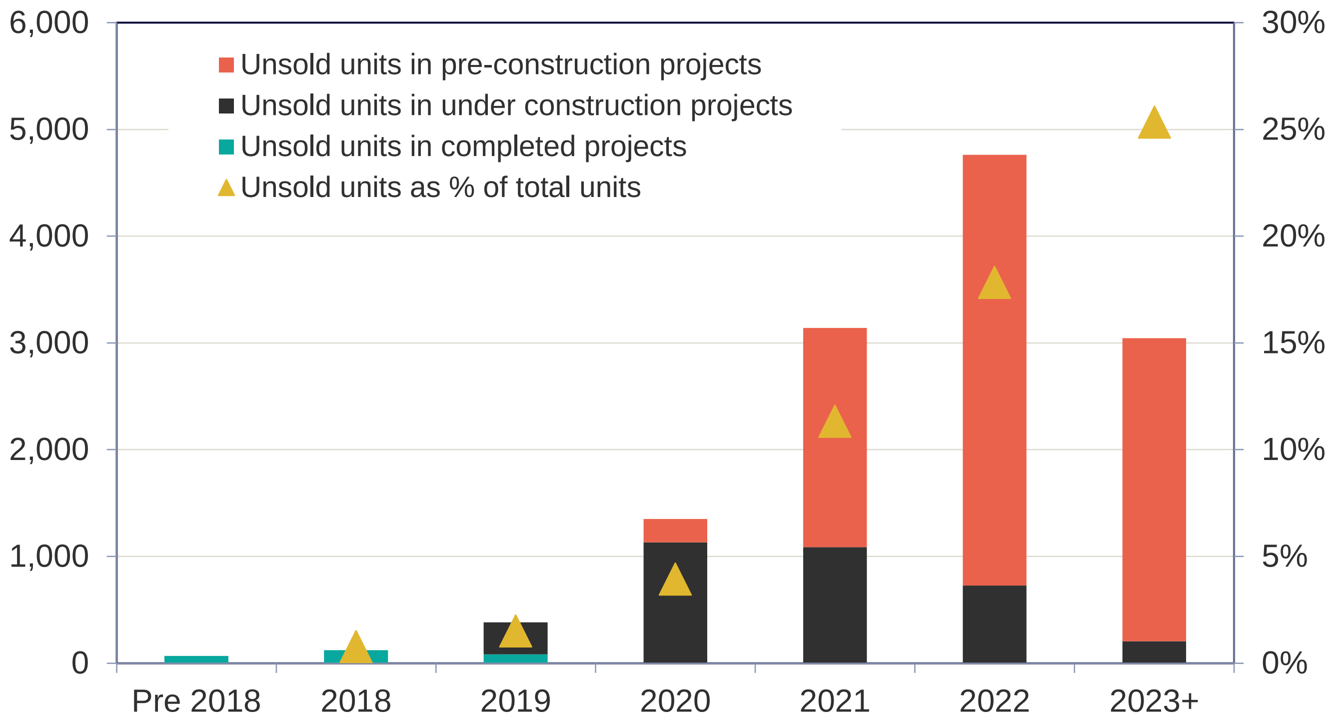
Source: Altus Group

- As of the end of July 2019, there were just over 111,500 new condominium apartment units in projects either under construction or in pre-construction stages.
- **Just under 14,800 units were delivered/ready for occupancy year-to-date in 2019**, based on Altus Group data; this is up from just over 9,400 units for the same period in 2018. Year-to-date completions in 2019 are less than 1,000 units below the level for the entire 2018.
- Based on planned occupancy dates, and only considering units currently under construction, it is likely that annual completions of condominium apartment units could be significantly higher in 2019 and 2020 than in 2018. This would mean a larger number of investor-purchased condominium apartment units entering the rental market, with potential impacts on achievable rents. However, as in recent years, industry capacity thresholds are likely to push the delivery timeline for some of these units out further than originally planned dates.
- **There are few unsold units in projects completed so far in 2019, or scheduled to be completed over the rest of the year** (*chart next page*).



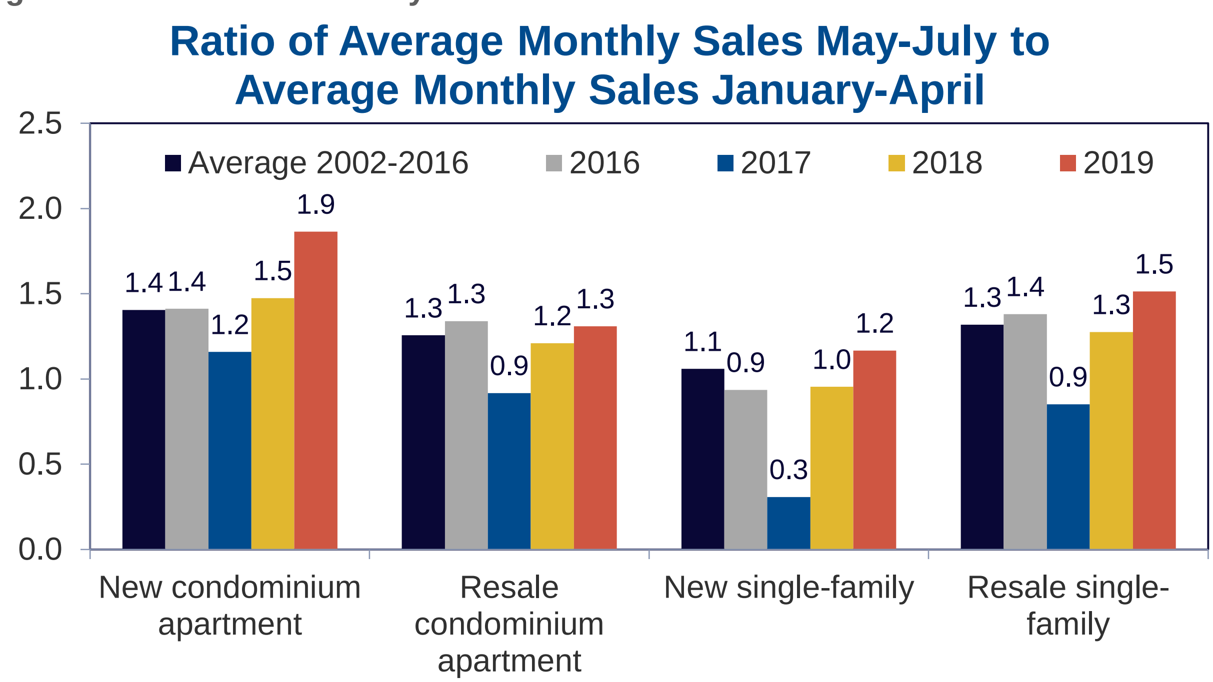

Source: Altus Group

## GTA Current Unsold New Condominium Apartment Units by Actual/ Expected Completion Date



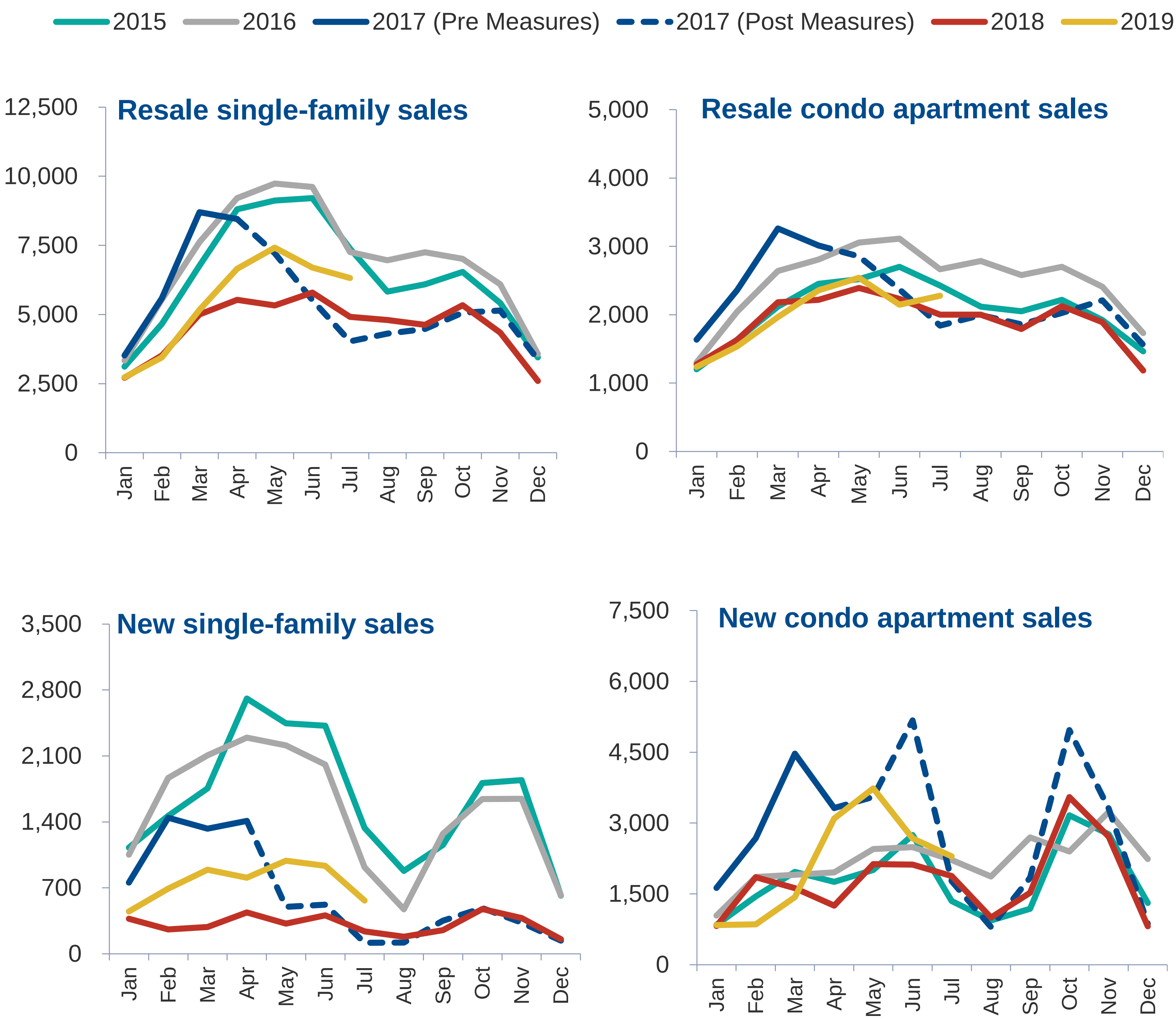

Source: Altus Group

- Given seasonality in home sales patterns, analysts often restrict their comparisons to year-over-year performance, rather than month-to-month trends. But that is limiting in terms of being able to talk about shorter term trends in underlying market strength.
- In July 2017 issue of Altus Group Condominium Apartment Monitor, we explored what if any impact the Province's **Fair Housing Plan** (announced on April 20, 2017) was having on home sales in the subsequent months of the year. To do this, we compared average monthly sales in the May to July period to average monthly sales in the January to April period for the 2002 through 2017 period – and found that the ratio for 2017 was well below what historical seasonal patterns alone would have suggested (*chart bottom on this page*). **We concluded that the measures were indeed a contributing factor to home sales quickly falling off, in both the new and resale sectors** (*see charts next page*), **although there was evidence that the downturn was already starting before the measures were announced**. In our update in July 2018, we noted that the pattern of average monthly sales in May-July 2018 compared to January-April 2018 was tracking close to the historical situation, but that this was only evidence that the situation was not getting worse and that **to call the market improving, we would need to see factors above the historical averages – which was not happening at this time last year.**
- What about this year? For both the new and resale markets, the ratio of May-July average monthly sales vs. January-April average sales is higher than last year and in most cases above the averages for the 2002-2016 period. **The conclusion: sales in recent months have been doing better than earlier in the year.**




Source: Altus Group and data from the Toronto Real Estate Board

# Are GTA Home Sales Improving Yet?




Source: Altus Group and data from the Toronto Real Estate Board

# Altus Group GTA New Home Data Definitions

| | |
|---|---|
| **Condominium apartment** | Includes condominium apartment structures of all heights (low, medium and high-rise), stacked townhouses, and loft units.<br><br>Replaces the former RealNet term “high-rise”. |
| **Single-family** | Includes detached, link, semi-detached and townhouse units (excluding stacked townhouse).<br><br>Replaces the former RealNet term “low-rise”. |
| **Inventory** | New units available to purchase/unsold at end of the period.<br><br>Includes available units in pre-construction, under construction, and completed projects. |
| **Months of inventory** | Unsold available inventory at period end divided by average monthly sales for a defined previous period (e.g. previous 12 months).<br><br>Indicates how long current inventory would last assuming same pace of sales (and no additional product added). |
| **Average price** | Average asking price of all available new home inventory at end of period. |
| **Benchmark price** | Average asking price of available new home inventory at end of period with outliers removed.<br><br>Replaces the former RealNet term “Price Index” |
| **$PSF Benchmark** | Average asking price per square foot for units in remaining inventory at the end of the period with outliers removed. |
| **Unit size Benchmark** | Average size (sq. ft.) of units in remaining inventory at the end of the period, with outliers removed. |
| **Completions** | Units in projects that have reached occupancy status during the period. |
| **“Record” performance** | All “record highs” and “record lows” are based on the time period over which Altus Group has been tracking the variable. |

***Note: all historical data is subject to revision***