

Greater Toronto Area Housing Prices See Strong Gains

Price increases in some Greater Toronto Area suburbs outpacing Toronto core

TORONTO, October 14, 2015 – The Royal LePage House Price Survey^[1] released today showed double-digit increases in the year-over-year price of homes in 10 of the 13 regions surveyed in the Greater Toronto Area (GTA). In the third quarter of 2015, the aggregate^[2] price of a home in the GTA rose 11.3 per cent over the year prior to \$612,261.

Broken out by housing type, the median price for a two-storey home in the GTA increased significantly, jumping 14.0 per cent year-over-year to \$731,601. Bungalows also saw a strong appreciation when compared to the third quarter of 2014, with the median price increasing 8.0 per cent to \$588,776. During the same period, condominium prices rose moderately by 2.7 per cent year-over-year to \$358,271.

In some cases, price increases and sales activity in the GTA's suburbs are outpacing those in the central core. The greatest price jumps in the region were seen in Richmond Hill and Vaughan, which posted median price increases for two-storey homes of 18.6 and 18.0 per cent to \$963,561 and \$842,173, respectively, while the price in Toronto rose 17.1 per cent to \$961,656. On an aggregate level across housing types, home prices in Richmond Hill rose 17.8 per cent to \$884,802 and in Vaughan by 16.0 per cent year-over-year to \$762,428, while aggregate prices in the city of Toronto climbed 11.2 per cent to \$639,970. Meanwhile, in a similar trend, the price of a home in Ajax rose 14.5 per cent year-over-year to \$524,710, while a home in Pickering rose 12.6 per cent to an aggregate price of \$540,896.

“In addition to continued strong house price appreciation in central Toronto, we are seeing a significant increase in home prices and sales activity in the markets outside of the Toronto core,” said Gino Romanese, senior vice president, Royal LePage. “With a continued influx of buyers into the GTA, listings are staying on the market for shorter periods of time. As a result, buyers are being forced to act quickly, which is putting upward pressure on prices.”

Greater Toronto Area Market Summaries

Reflective of the GTA as a whole, the third quarter of 2015 saw a seller's market in **Toronto** with a combination of increased demand from millennials desiring to live downtown and baby boomers looking to downsize but stay among the city's amenities and conveniences. In the city of Toronto, the aggregate price of a home across housing types surveyed climbed 11.2 per cent to \$639,970.

As prices continue to increase in the central regions of the city, more homebuyers are looking outside the downtown core to more affordable homes in areas of the GTA such as **Scarborough**. In the third quarter, the median price of a bungalow in the area was \$574,989, making this location highly desirable for purchasing and redeveloping homes, according to Royal LePage real estate experts specializing in the Scarborough market.

In the third quarter of 2015, the aggregate home price in Richmond Hill climbed 17.8 per cent year-over-year to \$884,802 – the largest increase in the GTA. The aggregate home price in Vaughan increased 16.0 per cent year-over-year over the same period to \$762,428. A combination of factors including foreign investment, low interest rates and demand outweighing available inventory led to the significant increases in both markets.

According to Royal LePage brokers specializing in **Markham**, many homebuyers in this area are seeking property for investment or redevelopment opportunities. In the third quarter of 2015, the aggregate price of a home in Markham rose 11.7 per cent across housing types surveyed to \$757,849.

In the third quarter of 2015, the aggregate price for a home in **Brampton** reached \$514,747, a year-over-year increase of 12.9 per cent. Leveraging the appreciation in the value of their homes, many empty nesters are selling and moving to Toronto's west end, noted Royal LePage real estate advisors.

Mississauga also saw healthy price appreciation in the third quarter, with the aggregate home price rising 8.4 per cent year-over-year to \$539,909. According to Royal LePage real estate experts in Mississauga, the relatively affordable prices in the nation's sixth largest municipality, complemented by its good schools and all the amenities of a major city, are attracting young and first-time buyers.

The aggregate price of a home in **Milton** increased 7.7 per cent across housing types surveyed to \$541,902. With low inventory levels, in particular for bungalows, Royal LePage brokers in the area cite that they are often dealing with multiple offers on property listings. Though Milton is traditionally known for being a home base for commuters to Toronto, the local council is focusing on creating job growth in the area, which would support additional housing demand.

The third quarter of 2015 saw a continued seller's market in **Oakville**, with the aggregate price of a home in the area increasing 4.6 per cent year-over-year to \$763,765. According to Royal LePage real estate experts in the area, as prices for larger properties are increasing, homeowners are choosing to remain in their homes and renovate versus selling.

Markets in the Durham Region also saw significant price increases across housing types surveyed in the third quarter of 2015. The aggregate price of a home in **Ajax** climbed 14.5 per cent year-over-year to \$524,710, while the aggregate home price in **Pickering** increased 12.6 per cent to \$540,896. During the same period, **Oshawa** and **Whitby** saw notable home price increases of 9.7 per cent to an aggregate price of \$364,366 and 9.6 per cent to \$473,400, respectively.

Market	Bungalows				Two-Storeys				Condominiums				Q3 2015 Average	YOY % Change
	Q3 2015 Average	Q2 2015 Average	Q3 2014 Average	YOY % Change	Q3 2015 Average	Q2 2015 Average	Q3 2014 Average	YOY % Change	Q3 2015 Average	Q2 2015 Average	Q3 2014 Average	YOY % Change		
Greater Toronto Area	\$588,776	\$583,465	\$545,281	8.0%	\$731,601	\$709,241	\$641,842	14.0%	\$358,271	\$356,149	\$348,815	2.7%	\$612,261	8.0%
Toronto	\$662,617	\$659,029	\$607,241	9.1%	\$961,656	\$926,049	\$820,921	17.1%	\$390,456	\$387,766	\$381,238	2.4%	\$639,970	9.1%
Scarborough	\$574,989	\$565,277	\$510,451	12.6%	\$627,336	\$614,391	\$562,843	11.5%	\$270,332	\$263,615	\$242,249	11.6%	\$504,991	12.6%
Richmond Hill	\$748,087	\$711,077	\$655,199	14.2%	\$963,561	\$912,473	\$812,431	18.6%	\$328,482	\$325,145	\$305,661	7.5%	\$884,802	14.2%
Vaughan	\$700,592	\$700,063	\$686,903	2.0%	\$842,173	\$799,592	\$713,509	18.0%	\$364,802	\$360,510	\$346,703	5.2%	\$762,428	2.0%
Markham	\$812,797	\$803,584	\$759,368	7.0%	\$819,800	\$803,462	\$726,756	12.8%	\$337,025	\$337,933	\$336,553	0.1%	\$757,849	7.0%
Brampton	\$442,657	\$434,496	\$408,840	8.3%	\$537,420	\$518,947	\$473,715	13.4%	\$242,623	\$244,491	\$234,376	3.5%	\$514,747	8.3%
Mississauga	\$497,187	\$503,450	\$515,240	-3.5%	\$638,738	\$627,274	\$572,084	11.7%	\$271,726	\$275,957	\$275,831	-1.5%	\$539,909	-3.5%
Milton	\$479,959	\$470,254	\$476,384	0.8%	\$566,692	\$558,474	\$523,638	8.2%	\$314,294	\$303,925	\$294,429	6.7%	\$541,902	0.8%
Oakville	\$653,908	\$654,653	\$631,448	3.6%	\$812,998	\$805,429	\$775,232	4.9%	\$404,598	\$400,718	\$402,006	0.6%	\$763,765	3.6%
Ajax	\$421,500	\$410,889	\$397,061	6.2%	\$541,073	\$526,453	\$470,208	15.1%	\$254,938	\$251,625	\$231,585	10.1%	\$524,710	6.2%
Pickering	\$483,998	\$474,117	\$456,128	6.1%	\$572,426	\$554,192	\$500,923	14.3%	\$287,888	\$300,152	\$293,836	-2.0%	\$540,896	6.1%
Oshawa	\$339,185	\$331,517	\$303,105	11.9%	\$381,210	\$372,640	\$350,081	8.9%	\$193,522	\$187,465	\$195,956	-1.2%	\$364,366	11.9%
Whitby	\$448,396	\$444,710	\$425,701	5.3%	\$485,011	\$476,301	\$438,433	10.6%	\$274,254	\$273,623	\$282,167	-2.8%	\$473,400	5.3%

Nationally, home prices showed moderate to strong year-over-year price increases in most markets in Canada. According to the report, the price of a home in Canada increased 8.0 per cent year-over-year to \$502,643 in the third quarter. The price of a two-storey home rose 9.9 percent year-over-year to \$615,304, and the price of a bungalow increased 6.8 per cent to \$421,757. During the same period, the price of a condominium increased 2.8 per cent to \$338,684.

“Economic slowdowns in energy-dependent markets, most notably in western Canada, have in part been offset by both renewed industrial activity in other parts of the country and the Bank of Canada’s recent interest rate cuts,” said Phil Soper, chief executive officer, Royal LePage. “In line with recent quarters, strong national home price increases are largely being driven by continued double-digit percentage increases in the Greater Toronto Area and Greater Vancouver, where housing affordability is already becoming a growing challenge for many individuals and families.”

“Home ownership remains a bright light amid unsettled investment and savings options in volatile global capital markets. As we lead up to election day, it’s not surprising that all of the major political parties are acknowledging the housing sector’s prominence as the foundation on which the economy has been built for years, and a critical foundation upon which Canadians can build their savings,” continued Soper.

Beginning this quarter, Royal LePage’s House Price Survey includes the Royal LePage National House Price Composite comprising house values for 53 of the nation’s largest real estate markets through the use of a proprietary, custom-built system that analyzes a housing database containing millions of real estate transactions. The enhancements are made possible through Royal LePage’s collaboration with its sister company, Brookfield RPS, a leader in residential real estate data and analytics in Canada.

About the Royal LePage House Price Survey

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 53 of the nation’s largest real estate markets. Housing values in the House Price Survey are based on the Royal LePage National House Price Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, Brookfield RPS, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

About Royal LePage

Serving Canadians since 1913, Royal LePage is the country’s leading provider of services to real estate brokerages, with a network of more than 16,000 sales representatives in 600 offices across Canada. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women’s and children’s shelters, as well as educational programs aimed at ending domestic violence. Royal LePage is an affiliate of Brookfield Real Estate Services Inc., a company listed on the Toronto Stock Exchange under the symbol “TSX: BRE”.

For more information visit: www.royallepage.ca.

For further information, please contact:

Ray McIlroy
Kaiser Lachance Communications
647-680-8316
ray.mcilroy@kaiserlachance.com

[1] Powered by Brookfield RPS

[2] Aggregate prices are calculated via a weighted average of the median values of homes in the regions surveyed