

Greater Toronto Area Home Prices See Steady Gains in The Fourth Quarter

Market confidence remains strong in the Greater Toronto Area

Toronto condominiums continue to grow significantly in value

TORONTO, January 11, 2019 – According to the Royal LePage House Price Survey¹ released today, the aggregate price of a home in the Greater Toronto Area (GTA) increased 3.4 per cent year-over-year in the fourth quarter of 2018 to \$843,641.

When broken out by housing type, the median price of a two-storey home in the GTA increased 2.9 per cent year-over-year to \$984,097, while the median price of a bungalow fell 0.3 per cent year-over-year to \$802,785. Meanwhile, the median price of a condominium within the region saw significant price appreciation, increasing 9.0 per cent to \$520,033.

During the three-month period, the GTA saw healthy home price appreciation within the single-digit range. While some suburban regions within the ‘905’ region saw home appreciation increase at a healthy rate year-over-year, Markham, Pickering and Richmond Hill home values continued to decline.

“Despite sluggish sales in the city’s core, sellers are often able to receive their asking price because of the region’s lack of inventory. While market conditions have improved greatly for buyers, Toronto will be a seller’s market until inventory levels increase,” said Chris Slightham, president, Royal LePage Signature Realty.

Slightham added that the GTA’s healthy economy, population growth and good employment are supportive of the overall health of the real estate market.

“While the new OSFI mortgage rules contributed to dampening real estate activity in the Greater Toronto Area, the city’s economic fundamentals remain supportive of the long term health of the real estate market.”

Greater Toronto Area Market Summaries

The aggregate price of a home in the **City of Toronto** increased 8.8 per cent year-over-year to \$901,280 in the fourth quarter of 2018. Over the same period of time, the median price of a condominium increased 10.1 per cent year-over-year to \$569,812.

¹ Aggregate prices are calculated using a weighted average of the median values of all housing types collected. Data is provided by RPS Real Property Solutions.

Scarborough continued to shift towards a balanced market in the fourth quarter. The aggregate price of a home within the region increased slightly by 1.4 per cent year-over-year to \$663,868.

Richmond Hill and **Vaughan** continued to experience declining home appreciation in the fourth quarter of 2018. The aggregate home price in Richmond Hill and Vaughan decreased by 4.9 per cent and 0.6 per cent year-over-year to \$1,101,435 and \$1,034,346, respectively.

The real estate market in **Markham** continued to see year-over-year home price declines in the fourth quarter. The aggregate home price in Markham decreased by 7.1 per cent year-over-year to \$964,585.

Brampton continues to attract many young families because the region's selection of affordable detached two-storey homes. Over the three-month period, the region's aggregate home value increased by 2.7 per cent year-over-year to \$711,649.

Home values in **Mississauga** and **Oakville** increased during fourth quarter of 2018. During the period, the aggregate price of a home in Mississauga and Oakville increased 3.9 per cent and increased 4.5 per cent year-over-year to \$749,049 and \$1,120,872, respectively.

Milton posted modest home price appreciation gains in the fourth quarter. The aggregate home price within the city increased 2.0 per cent year-over-year to \$738,995.

In the fourth quarter, the aggregate home price in **Oshawa** increased 1.3 per cent per cent year-over-year to \$536,910. Within **Ajax** and **Whitby**, home values increased 0.4 per cent and 1.7 per cent to \$677,301 and \$682,557, respectively. However, home values in **Pickering** depreciated when compared to the same time last year, dipping 5.6 per cent to \$671,542.

Nationally, year-over-year home prices made healthy gains in many regions across Canada in the fourth quarter of 2018. The Royal LePage National House Price Composite, compiled from proprietary property data in 63 of the nation's largest real estate markets, showed that the price of a home in Canada increased 4.0 per cent year-over-year to \$631,223 in the fourth quarter of 2018. When broken out by housing type, the median price of a two-storey home rose 3.9 per cent year-over-year to \$745,007, while the median price of a bungalow climbed 1.5 per cent to \$516,950. Condominiums continued to see the highest rate of appreciation nationally when compared to the detached segment, rising 7.2 per cent year-over-year to \$447,915.

“The invisible hand that guides our complex economy hit the real estate reset button in 2018 and that is a good thing,” said Phil Soper, president and CEO, Royal LePage. “Major market home price inflation through much of the decade had led to dangerous overheating in our most



populous regions. Government regulatory intervention and rising interest rates, when combined with property price overshooting, triggered the correctional cycle we find ourselves working through today.”

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