



Low inventory heats up Greater Toronto Area home prices

Pockets of GTA see significant price growth as demand continues to outstrip supply

TORONTO, January 9, 2020 – According to the Royal LePage House Price Survey¹ released today, the aggregate price of a home in the Greater Toronto Area (GTA) increased 4.8 per cent year-over-year to \$843,609 in the fourth quarter of 2019.

When broken down by housing type, in the fourth quarter, the median price of a standard two-storey home increased 4.4 per cent year-over-year to \$982,944 and the price of a bungalow rose 2.4 per cent year-over-year to \$806,977. During the same period, condominiums in the region continued to see strong price appreciation, with the median price rising 7.8 per cent to \$565,919.

Home price growth in the GTA remained strong in the fourth quarter of 2019 as low supply fueled both the condo and detached segments. Significant price gains were seen in Pickering and Mississauga, where the aggregate price increased 9.7 per cent and 7.9 per cent year-over-year, respectively. The aggregate price of a home in the City of Toronto increased 6.6 per cent year-over-year.

“The Greater Toronto Area is at a pivot point where we are seeing signs that prices could begin to rapidly increase,” said Kevin Somers, Chief Operating Officer, Royal LePage Real Estate Services Limited. “The region has a very low supply of listings while we are seeing more potential buyers trying to enter the market.”

Ajax and Oshawa were the only two regions to show a year-over-year decline in aggregate price. The aggregate price of a home in Ajax and Oshawa decreased 1.2 per cent and 1.8 to \$661,049 and \$524,423, respectively.

Greater Toronto Area Market Summaries

Homes in the **City of Toronto** saw strong price appreciation in the fourth quarter of the year, with an aggregate price increase of 6.6 per cent year-over-year. The median price of a standard two-storey home and bungalow increased 6.3 per cent and 3.8 per cent to \$1,325,189 and

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

\$894,769 respectively. Sales growth is outpacing new listings in the city, causing price increases across all segments. The aggregate price of a condominium continued to see strong appreciation. The median price of a condominium in the City of Toronto increased 8.1 per cent year-over-year to \$621,884.

The aggregate price of a home in **Brampton** increased 5.0 per cent year-over-year to \$743,118. The median price of a condominium increased 9.2 per cent year-over-year to \$412,868. During the same period, the median price of a standard two-storey home and bungalow increased 4.9 per cent and 4.6 per cent year-over-year to \$768,932 and \$672,076 respectively.

The aggregate price of a home in **Mississauga** increased 7.9 per cent year-over-year to \$788,150. The median price of condominium rose 9.1 per cent year-over-year to \$457,937, while the price of a standard two-storey home increased 9.0 per cent to \$910,365. The median price of a bungalow modestly declined in the fourth quarter, decreasing 0.9 per cent year-over-year to \$833,627.

The aggregate price of a home in Oakville increased 1.5 per cent to \$1,096,588 in the fourth quarter. The median price of a standard two-storey home increased 2.2 per cent year-over-year to \$1,212,883 while bungalows decreased 3.8 per cent year-over-year to \$917,271.

The aggregate price of a home increased 2.0 per cent year-over-year to \$951,228 in **Markham**. The median price of a bungalow decreased 2.1 per cent year-over-year to \$969,810 year-over-year while the price of a standard two-storey home an increase of 1.9 per cent year-over-year to \$1,059,219. During that period, the median price of a condominium in the area increased 4.9 per cent year-over-year to \$486,898.

The aggregate price of a home in **Richmond Hill** increased 1.2 per cent year-over-year to \$1,064,653. The median price for a standard two-storey home in the region increased 1.6 per cent year-over-year to \$1,213,979 while the median price of a bungalow decreased 7.0 per cent year-over-year to \$804,248. The median price of a condominium increased 5.9 per cent year-over-year to \$468,971.

Vaughan's aggregate home price increased 2.2 per cent year-over-year in the fourth quarter to \$995,792. The median price of a standard two-storey home and bungalow increased 1.8 per cent and 0.9 per cent year-over-year to \$1,090,690 and \$1,275,468, respectively. The median price of a condominium increased 7.4 per cent to \$509,561.

Condominiums and standard two-storey homes saw significant price growth in **Scarborough** in the fourth quarter of 2019. The median price of a condominium and two-storey home in the region increased 7.4 per cent and 5.5 per cent year-over-year to \$425,674 and \$819,381,

respectively. Bungalows increased 4.3 per cent to \$761,089, while the aggregate price of a home in the area rose 5.5 per cent to \$690,690.

Milton's aggregate home price increased 5.0 per cent year-over-year to \$765,395. The price of a standard two-storey home, bungalow and condominium increased 5.0 per cent, 4.4 per cent and 4.8 per cent year-over-year to \$797,267, \$798,307 and \$457,265, respectively.

In the Durham Region, aggregate home prices decreased in **Ajax** and **Oshawa**, decreasing 1.2 and 1.8 per cent to \$661,049 and \$524,423, respectively. **Whitby** homes continued to see modest price appreciation, with the aggregate price increasing 1.1 per cent year-over-year to \$677,977. For the second consecutive quarter, **Pickering** home prices experienced the highest price appreciation in the region. The aggregate price of a home in Pickering increased 9.7 per cent to \$744,979.

In the [Royal LePage Market Survey Forecast released in December](#), Royal LePage forecast that the aggregate price of a home in the Greater Toronto Area would increase 4.75 per cent year-over-year in 2020, rising to \$883,700.

Nationally, the aggregate price of a home in Canada increased 2.2 per cent year-over-year to \$648,544 in the fourth quarter of 2019. Similar to the third quarter, potential buyers are continuing to come back to the real estate market. In the first half of 2019, buyers had remained largely at the sidelines waiting to gauge the potential impact of the federal mortgage stress test.

“The federal government has signaled that changes could come to the mortgage stress test mechanism in 2020,” said Phil Soper, president and CEO, Royal LePage. “The stress test pushed people out of real estate markets across Canada temporarily. For the most part, buyers have adjusted, yet it still represents a significant hurdle as families pursue the dream of owning their own home.”

Soper added that the impact of the regulations-driven drop in demand is felt very differently in different parts of the country.

“We believe policy makers have the necessary experience to modify the tool to meet the reality of today's Canada - that we have very different and varied economies, and by extension housing policy needs, from region to region,” said Soper.

The Royal LePage National House Price Composite is compiled from proprietary property data in 64 of the nation's largest real estate markets. When broken out by housing type, the median price of a two-storey home rose 2.3 per cent year-over-year to \$761,817, while the median price of a bungalow increased modestly by 0.7 per cent to \$537,622.

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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 64 of the nation's largest real estate markets. Housing values in the Royal LePage House Price Survey are based on the Royal LePage Canadian Real Estate Market Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, RPS Real Property Solutions, 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

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For further information, please contact:

Stella Karami
Proof
skarami@getproof.com
(416) 969-2665