

A TRREB STATS JOURNEY

-

From Macro To Micro

*A data-driven analysis of
TRREB Stats to identify
trends and projections.*

Feb 2021 & Beyond



SUMMARY

TRREB – February 2021 Results

- One million reasons to tune-in!

“Core 416” TRREB Zone Details

- Why year-over-year tracking isn't enough
- Critical stats review and their 1yr, 3yr, 5yr, 10yr comparisons

Choose Your Own Adventure

- Links to 38 different custom TRREB zone combinations including 1yr, 3yr, 5yr, 10yr comparisons across all major stat categories

Mortgage Update

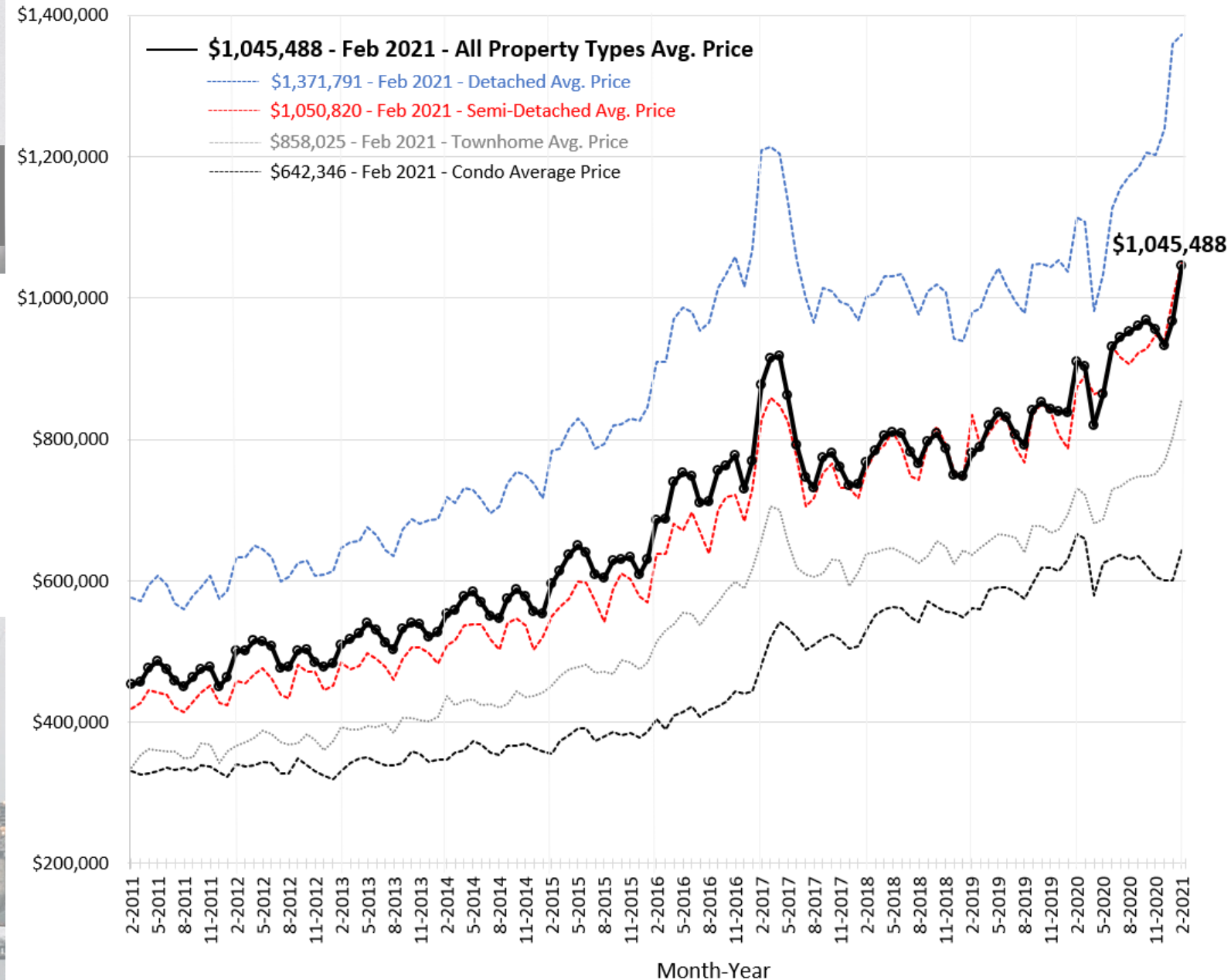
- Now that fixed rates have increased where do things go from here?



Journey to \$1 Million+ Average Price - All TRREB Zone Summary

Feb 2021 vs. Feb 2020
All TRREB / All Prop. Types

	2020	2021	% Chg.
Sales	7,193	10,970	52.5%
New Listings	10,618	15,137	42.6%
Active Listings	8,816	8,727	-1.0%
Average Price	\$910,142	\$1,045,488	14.9%
Avg. LDOM	17	14	-17.6%
Avg. PDOM	23	19	-17.4%



Feb 2021 - 416 vs. 905

	Sales		Average Price	
	416	905	416	905
Detached	915	4,028	1,684,073	1,300,853
Semi-Detached	295	682	1,324,244	932,551
Townhouse	341	1,500	913,037	845,518
Condo Apt	2,167	949	676,837	563,587

Year-Over-Year Per Cent Change

Detached	29.8%	47.4%	13.2%	27.8%
Semi-Detached	64.8%	48.6%	9.7%	25.6%
Townhouse	49.6%	65.7%	7.8%	20.3%
Condo Apt	63.2%	66.8%	-6.4%	5.4%

Overservations:

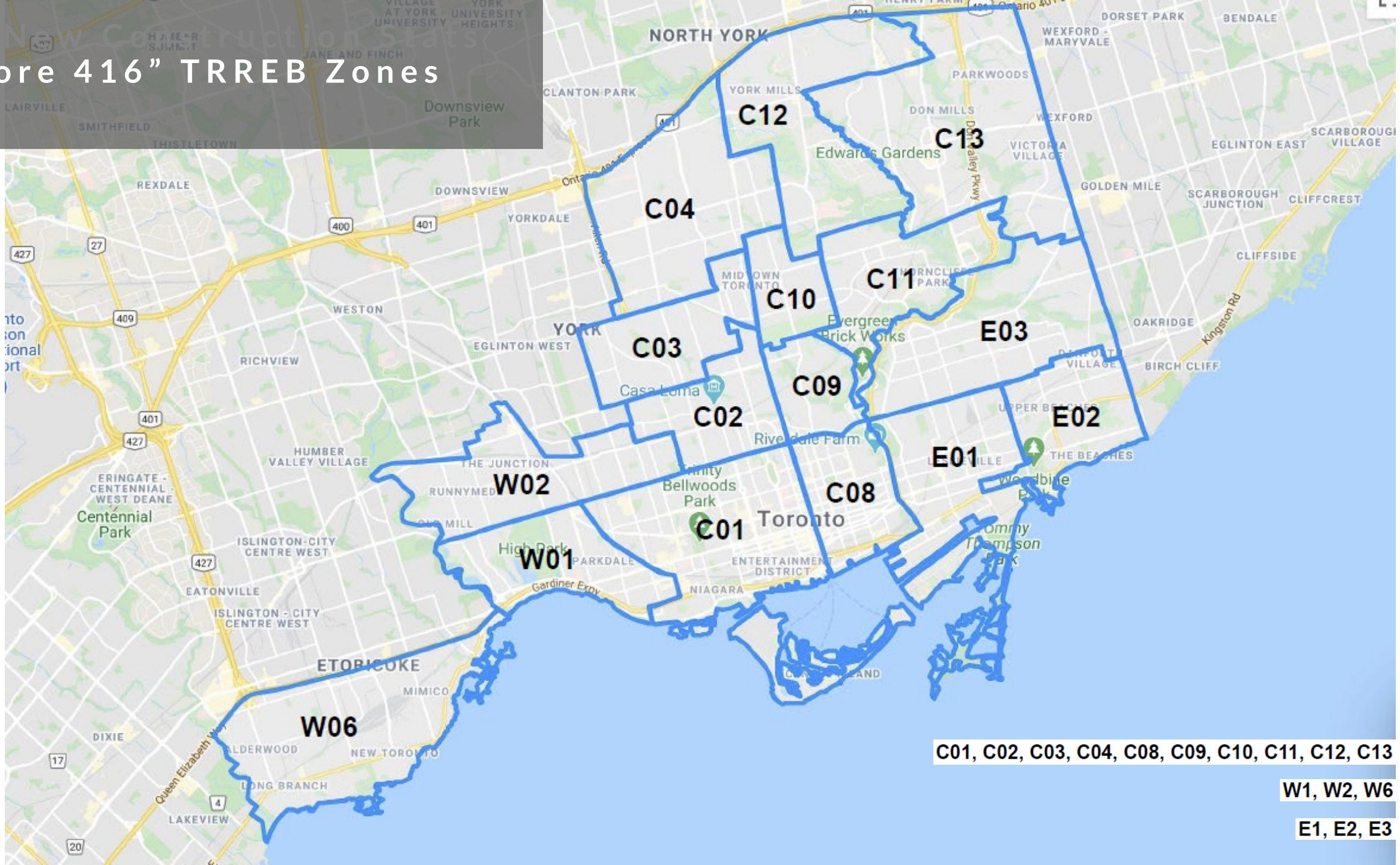
- ✓ Sales: the year-over-year increase in sales has started to level off across property types.
- ✓ Average Price: year-over-year price gains in the 905 continue to outpace 416 across all property segments.



When year-over-year stats are not enough:

- ✓ Given the COVID environment in 2020 it will become critical to gauge results on more than just a year-over-year basis.
- ✓ 1yr, 3yr, 5yr, and 10yr comparisons will be important to determine longer term results/trends.

“Core 416” TRREB Zones



C01, C02, C03, C04, C08, C09, C10, C11, C12, C13

W1, W2, W6

E1, E2, E3



Number of Sales

Difference vs. Previous → 1yr → 3yr → 5yr → 10yr

Property Type	Feb 2021	Feb 2020	%Chg
Detached	342	267	28%
Semi-Detached	189	106	78%
Townhomes	130	92	41%
Condos	1,382	760	82%



TRREB Zones: C01, C02, C03, C04, C08, C09, C10, C11, C12, C13 // W01, W02, W06 // E01, E02, E03

“Core 416” Toronto Zones - Sales Statistics

- Sales up across all property types
- Condo sales up significantly year-over-year, but how does it compare to longer term averages?

Property Type	Difference vs. Previous		→ 1yr	→ 3yr	→ 5yr	→ 10yr			
	Feb 2021	Feb 2020	%Chg	3yr Feb Average	%Chg	5yr Feb Average	%Chg	10yr Feb Average	%Chg
Detached	342	267	28%	254	35%	252	36%	275	24%
Semi-Detached	189	106	78%	137	38%	124	52%	131	44%
Townhomes	130	92	41%	98	33%	95	37%	94	39%
Condos	1,382	760	82%	917	51%	870	59%	749	84%

TRREB Zones: C01, C02, C03, C04, C08, C09, C10, C11, C12, C13 // W01, W02, W06 // E01, E02, E03

“Core 416” Toronto Zones - Sales Statistics

- Sales were up not only year-over-year, but also up significantly over the past 3yr, 5yr, and 10yr average age for a February.

Difference vs. Previous \longrightarrow 1yr \longrightarrow 3yr \longrightarrow 5yr \longrightarrow 10yr

Property Type	Feb 2021	Feb 2020	%Chg	3yr Feb Average	%Chg	5yr Feb Average	%Chg	10yr Feb Average	%Chg
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TRREB Zones: C01, C02, C03, C04, C08, C09, C10, C11, C12, C13 // W01, W02, W06 // E01, E02, E03

“Core 416” Toronto Zones - Sales Statistics

- Sales were up not only year-over-year, but also up significantly over the past 3yr, 5yr, and 10yr average age for a February.

✓ Sales Comparison - By Sold Price Band

“Core 416” Zones - Detached

Sold Price Bands #1	# of Sales Change		
	Feb 2021	Feb 2020	%Chg
< \$599K	-	-	n/a
\$600K to \$999K	16	27	-40.7%
\$1M to \$1.499M	96	79	21.5%
\$1.5M to \$2.249M	105	88	19.3%
\$2.5M to \$3.499M	83	56	48.2%
\$3.5M+	42	17	147.1%
Total	342	267	28.1%

“Core 416” Zones - Condos

Sold Price Bands #2	# of Sales Change		
	Feb 2021	Feb 2020	%Chg
< \$350K	1	1	0.0%
\$350K to \$499K	120	49	144.9%
\$500K to \$749K	823	386	113.2%
\$750K to \$999K	311	200	55.5%
\$1.0M to \$1.499M	89	87	2.3%
\$1.5M to \$2.499M	29	25	16.0%
2.5M+	9	12	-25.0%
Total	1,382	760	81.8%

“Core 416” Toronto Zones - Sales Statistics by Sold Price Band

- \$3.5M+ detached sales were up significantly year-over-year (42 vs. 17)
- After a slow start to 2021, \$2.5M condos are starting to show signs of life again
- \$350K to \$750K condos sales were up significantly year-over-year



Active Listings Trends

Difference vs. Previous \longrightarrow 1yr \longrightarrow 3yr \longrightarrow 5yr \longrightarrow 10yr

Property Type	Feb 2021	Feb 2020	%Chg
Detached	376	467	-19%
Semi-Detached	106	87	22%
Townhomes	139	101	38%
Condos	1,330	884	50%

TRREB Zones: C01, C02, C03, C04, C08, C09, C10, C11, C12, C13 // W01, W02, W06 // E01, E02, E03

“Core 416” Toronto Zones - Active Listings

- In-line with previous month trends, active listings for condos remain significantly higher than the previous year, while detached remains lower.

Property Type	Difference vs. Previous → 1yr			→ 3yr		→ 5yr		→ 10yr	
	Feb 2021	Feb 2020	%Chg	3yr Feb Average	%Chg	5yr Feb Average	%Chg	10yr Feb Average	%Chg
Detached	376	467	-19%	468	-20%	434	-13%	496	-24%
Semi-Detached	106	87	22%	104	2%	102	4%	118	-10%
Townhomes	139	101	38%	124	12%	118	18%	148	-6%
Condos	1,330	884	50%	1,108	20%	1,038	28%	1,607	-17%

TRREB Zones: C01, C02, C03, C04, C08, C09, C10, C11, C12, C13 // W01, W02, W06 // E01, E02, E03

“Core 416” Toronto Zones - Active Listings

- While Feb 2021 condo active listings were 66% above Feb 2020 (primarily given very strong/tight market conditions in Feb 2020), they were less than the 10-year average and approaching 3/5yr averages.

✓ Active Listings (Condos)

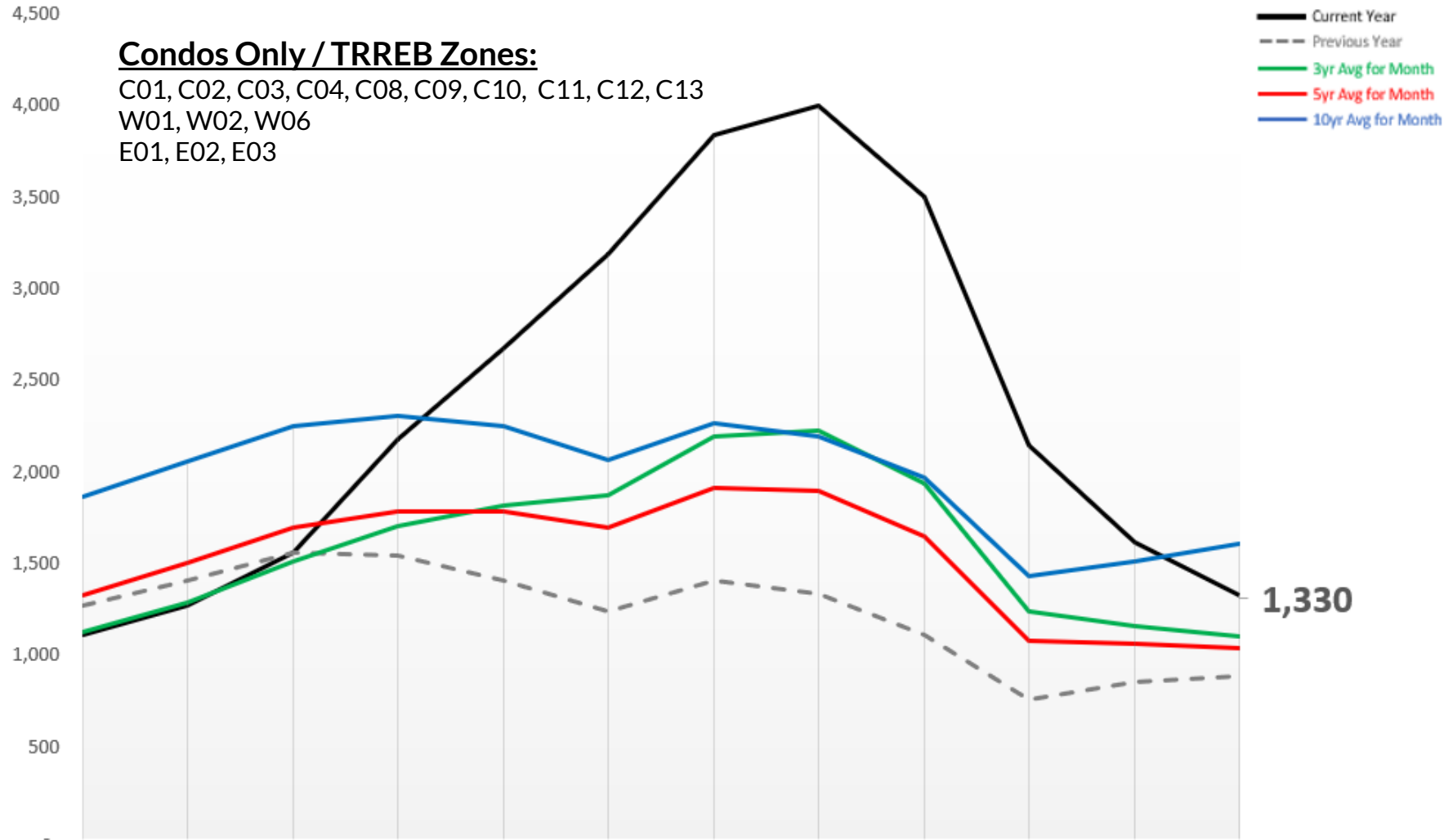
% change in year-over-year active condo listings (declining trend = increasing absorption rates):

- Nov 2020 vs. 2019: +215%
- Dec 2020 vs. 2019: +183%
- Jan 2021 vs. 2020: +90%
- Feb 2021 vs. 2020: +50%

Year-over-year, change vs. 3yr, 5yr, 10yr found in this table: →

Condos Only / TRREB Zones:

C01, C02, C03, C04, C08, C09, C10, C11, C12, C13
W01, W02, W06
E01, E02, E03



	Mar-2020	Apr-2020	May-2020	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021	12 Mth
Curr Yr	1,109	1,272	1,559	2,178	2,677	3,189	3,842	4,000	3,504	2,149	1,620	1,330	
Prev Yr	1,273	1,410	1,564	1,548	1,407	1,238	1,410	1,341	1,111	759	852	884	
%Chg	-13%	-10%	0%	41%	90%	158%	172%	198%	215%	183%	90%	50%	
3yr Avg	1,131	1,287	1,513	1,704	1,817	1,874	2,196	2,231	1,938	1,241	1,163	1,108	
%Chg	-2%	-1%	3%	28%	47%	70%	75%	79%	81%	73%	39%	20%	
5yr Avg	1,332	1,509	1,694	1,789	1,785	1,696	1,917	1,899	1,650	1,081	1,064	1,038	
%Chg	-17%	-16%	-8%	22%	50%	88%	100%	111%	112%	99%	52%	28%	
10yr Avg	1,866	2,061	2,253	2,308	2,250	2,066	2,268	2,197	1,971	1,432	1,516	1,607	
%Chg	-41%	-38%	-31%	-6%	19%	54%	69%	82%	78%	50%	7%	-17%	

Refer to Monthly Data



Average Price Change

Property Type	Feb 2021	Feb 2020	1yr CAGR
Detached	\$ 2,167,095	\$ 1,921,788	12.8%
Semi-Detached	\$ 1,525,650	\$ 1,443,086	5.7%
Townhomes	\$ 1,120,596	\$ 1,094,461	2.4%
Condos	\$ 738,761	\$ 835,022	-11.5%

CAGR = Compound Annual Growth Rate

TRREB Zones: C01, C02, C03, C04, C08, C09, C10, C11, C12, C13 // W01, W02, W06 // E01, E02, E03

“Core 416” Toronto Zones – Average Price

- Detached had significant growth year-over-reaching an all-time high mark of \$2,289,399.
- Condos were down primarily given a very strong Feb 2020, however, average price was also skewed downward given a relative slowdown in the luxury segments.

Property Type	Feb 2021	Feb 2020	1yr CAGR	Feb 2018	3yr CAGR	Feb 2016	5yr CAGR	Feb 2011	10yr CAGR
Detached	\$ 2,167,095	\$ 1,921,788	12.8%	\$ 1,594,990	10.8%	\$ 1,538,312	7.1%	\$ 1,010,908	7.9%
Semi-Detached	\$ 1,525,650	\$ 1,443,086	5.7%	\$ 1,125,485	10.7%	\$ 1,023,234	8.3%	\$ 614,887	9.5%
Townhomes	\$ 1,120,596	\$ 1,094,461	2.4%	\$ 1,001,224	3.8%	\$ 737,798	8.7%	\$ 514,169	8.1%
Condos	\$ 738,761	\$ 835,022	-11.5%	\$ 653,181	4.2%	\$ 507,123	7.8%	\$ 411,468	6.0%

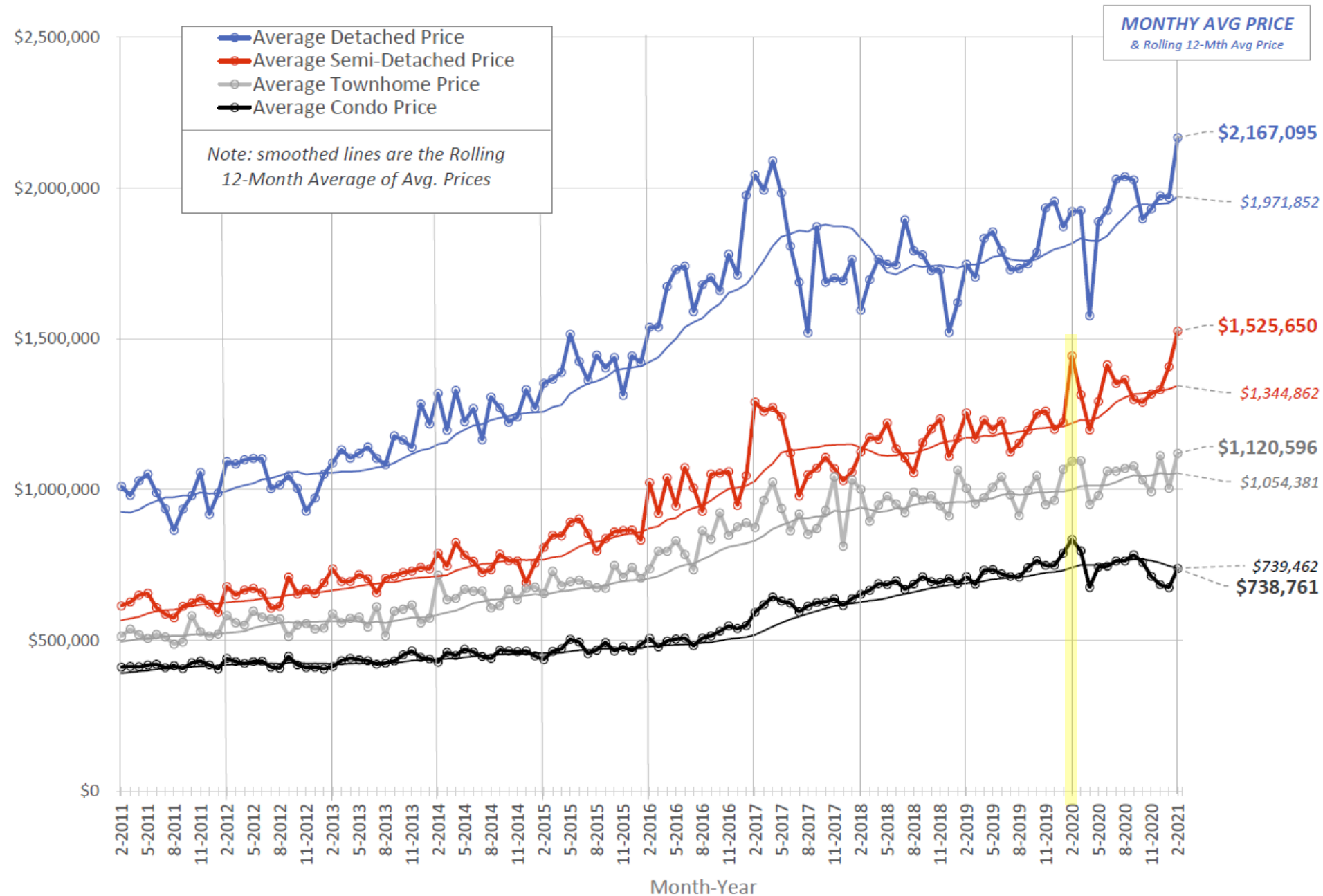
CAGR = Compound Annual Growth Rate

TRREB Zones: C01, C02, C03, C04, C08, C09, C10, C11, C12, C13 // W01, W02, W06 // E01, E02, E03

“Core 416” Toronto Zones - Average Price

- Longer-term, all property types have performed well, however, condos are lagging given the recent relative slow-down.

Average Price Chart - 10 years



The “Core 416” TRREB zones are well positioned to capitalize on any “back-to-the-city” trends.

Overall, average price has remained relatively flat over the past year, however, February marked a significant uptick across most property types (crossing well above the 12month rolling average).

TRREB Zones:

- C01, C02, C03, C04, C08, C09, C10, C11, C12, C13
- W01, W02, W06
- E01, E02, E03

Choose Your Own TRREB Adventure!

- ✓ 1yr, 3yr, 5yr, 10yr stat comparisons for 39 TRREB zone combinations.
- ✓ Detailed charts/tables for Sales, New Listings, Average Price, Sale-New-Listings Ratio, Months-of-Inventory, etc.
- ✓ Executive Summary and detailed file links included in the following slides

"416" TRREB Zone Combinations	Exec Summary (5page report)	Stats Outline (38page report)
"All 416" C01 to C15 // E01 to E11 // W01 to W10	[Click Here]	[Click Here]
"Core 416" C1,2,3,4,8,9,10,11,12 // E1,2,3 // W1,2,6	[Click Here]	[Click Here]
"Outer 416" (opposite to above) C6,7,11,12,13,14,15 // E4,5,6,7,8,9,10,11 // W3,4,5,7,8,9,10	[Click Here]	[Click Here]
"Central 416" C1,2,3,8,9,10 // E1,2,3 // W1,2,6	[Click Here]	[Click Here]
"Former City of Toronto (Pre-Amalgamation)" C1,2,3,4,8,9,10,11,12 // E1,2,3 // W1,2,6	[Click Here]	[Click Here]
"Outer 416 (Pre-Amalgamation)" C6,7,11,12,13,14,15 // E3,4,5,6,7,8,9,10,11 // W3,4,5,6,7,8,9,10	[Click Here]	[Click Here]
C01, C02, C03, C08, C09, C10	[Click Here]	[Click Here]
C01, C08	[Click Here]	[Click Here]
C01	[Click Here]	[Click Here]
C08	[Click Here]	[Click Here]
C09, C10, C11	[Click Here]	[Click Here]
C10, C11	[Click Here]	[Click Here]

"416" TRREB Zone Combinations	Exec Summary (5page report)	Stats Outline (38page report)
C09	[Click Here]	[Click Here]
C04, C12	[Click Here]	[Click Here]
C12	[Click Here]	[Click Here]
E01, E02, E03, E06, E08	[Click Here]	[Click Here]
E01, E02, E03	[Click Here]	[Click Here]
E02	[Click Here]	[Click Here]
E01	[Click Here]	[Click Here]
W01, W02, W03, W06, W07, W08	[Click Here]	[Click Here]
W01, W02, W07	[Click Here]	[Click Here]
W06, W07, W08, W09	[Click Here]	[Click Here]
W01, W02, W06	[Click Here]	[Click Here]
W01	[Click Here]	[Click Here]

"905" TRREB Zone Combinationsc	Exec Summary (5page report)	Stats Outline (38page report)
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"All 905" Halton / Peel / Simcoe / (Orangeville) / York / Durham	[Click Here]	[Click Here]
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All Halton / All Peel	[Click Here]	[Click Here]
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Halton Burlington, Halton Hills, Milton, Oakville	[Click Here]	[Click Here]
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Peel Brampton, Caledon, Mississauga	[Click Here]	[Click Here]
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Mississauga	[Click Here]	[Click Here]
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Oakville	[Click Here]	[Click Here]
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Burlington	[Click Here]	[Click Here]
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"905" TRREB Zone Combinations	Exec Summary (5page report)	Stats Outline (38page report)
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All York Aurora, East Gwillimbury, Georgina, King, Markham, Newmarket, Richmond Hill, Vaughn, Whitchurch-Stouffville	[Click Here]	[Click Here]
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Aurora, King, Markham, Newmarket, Richmond Hill, Vaughn, Whitchurch-Stouffville	[Click Here]	[Click Here]
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Aurora, Markham, Richmond Hill	[Click Here]	[Click Here]
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All Simcoe Essa, Innisfil, Adjala-Tosorontio, Bradford West Gwillimbury, New Tecumseth	[Click Here]	[Click Here]
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All Durham Ajax, Brock, Clarington, Oshawa, Pickering, Scugog, Uxbridge, Whitby	[Click Here]	[Click Here]
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Ajax, Clarington, Pickering, Oshawa, Whitby	[Click Here]	[Click Here]
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Brock, Scugog, Uxbridge	[Click Here]	[Click Here]
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Report Sample

5 Page Exec. Summary Reports

“Executive Summary Reports”

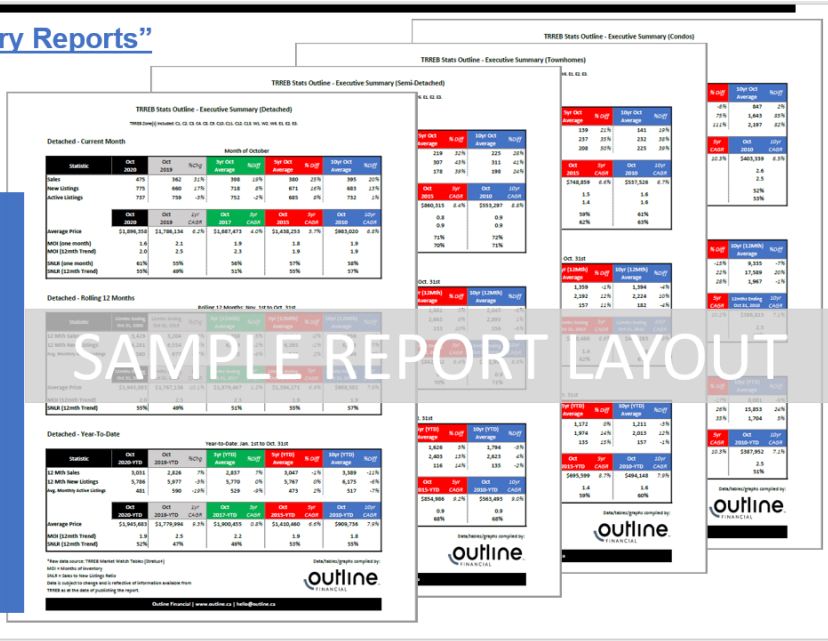
Sample report layout. 5-page report for each TRREB zone grouping option.

Territory (Zone) Specific

Data Comparisons:
1yr, 3yr, 5yr, 10yr

Key Statistics:
Sales
New Listings
Active Listings
Average Price
MOI
SNLR

Summary Options:
Monthly
Year-to-date
Rolling 12-month



38 Page Detailed Report with Charts

TRREB Stats Outline Reports

- Each Report is Territory (zone) specific
- Additional 38 pages of graphs, tables, charts illustrating the details from the Executive Summary.

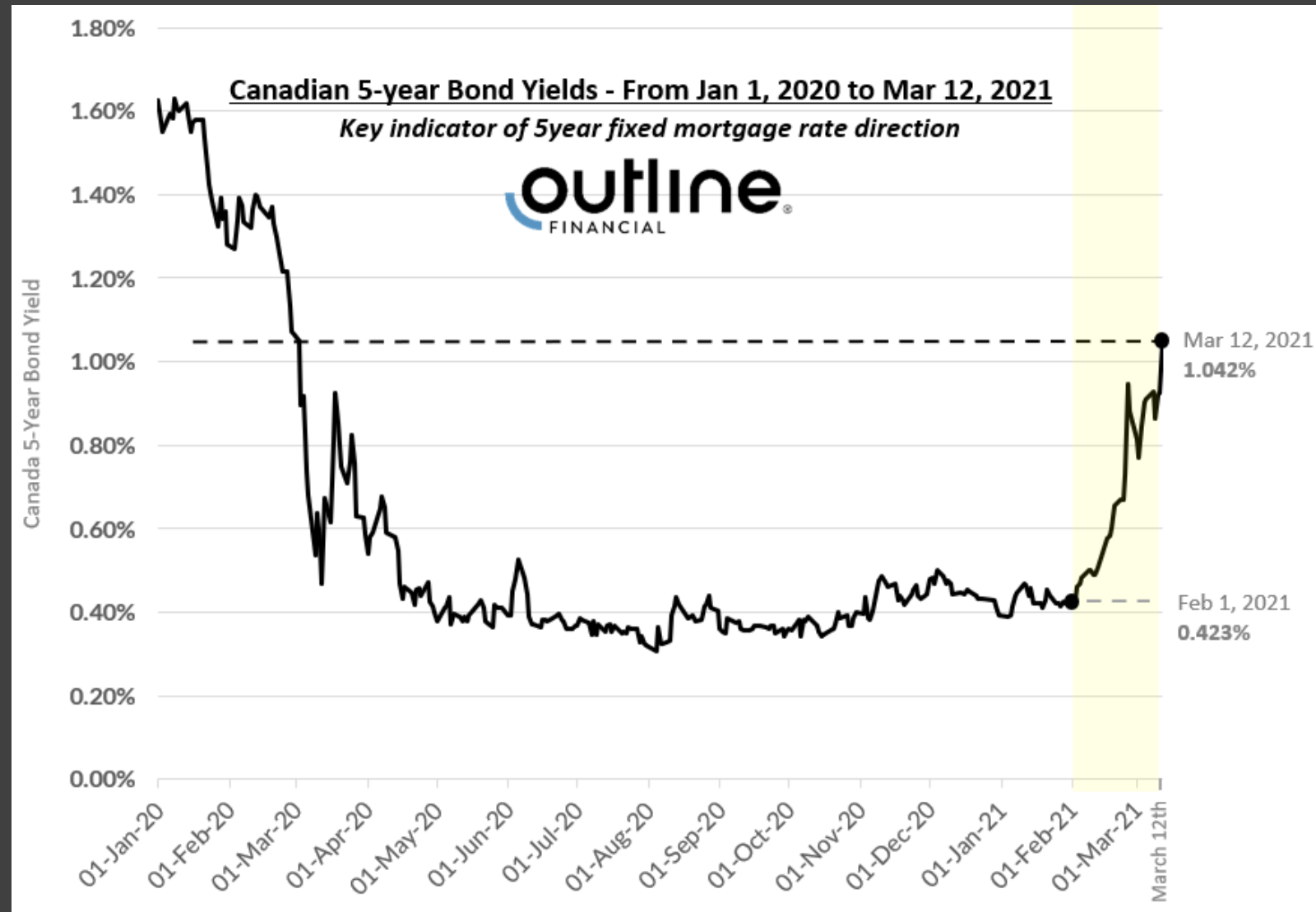




Outline Financial Presents
- Mortgage Update -

Let's talk interest rates...

Where are they and where are they headed?



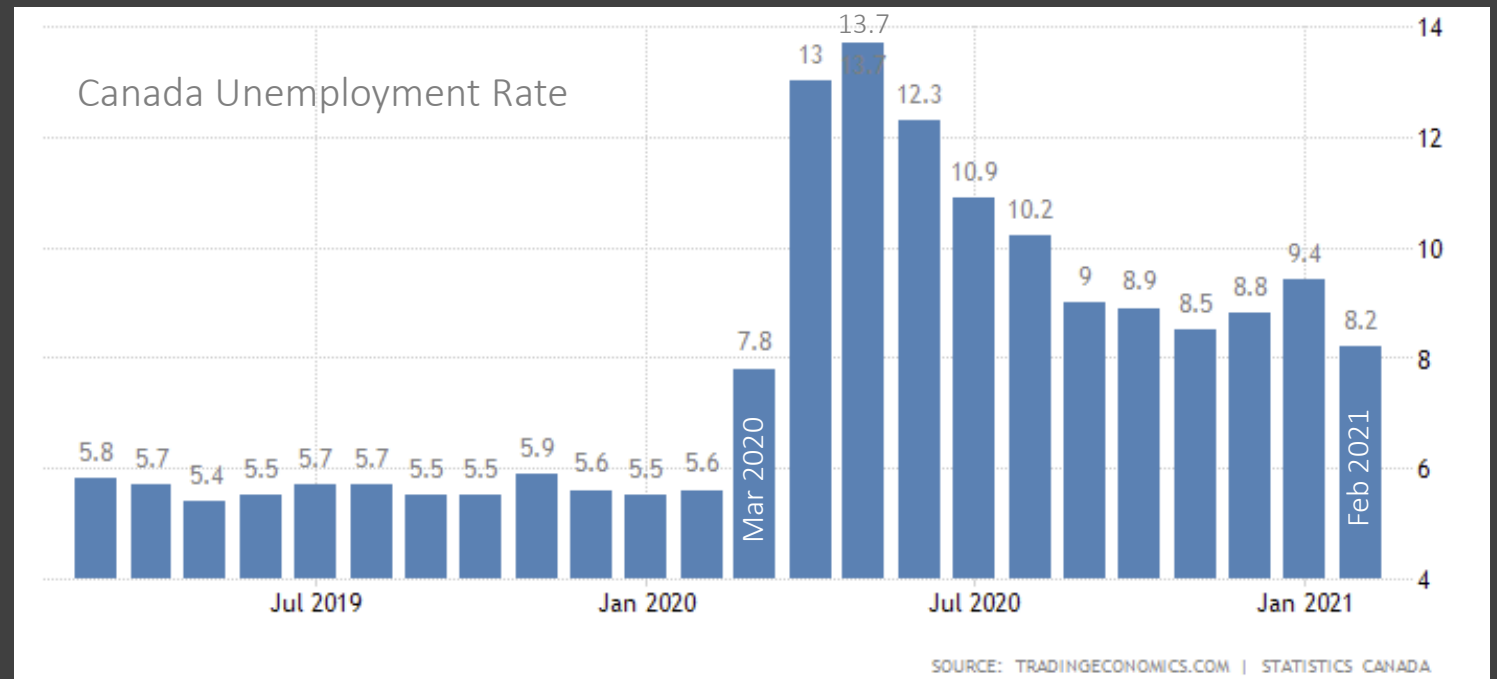
- 5-year fixed mortgage rates follow the Canadian 5-year bond yields.
- From Feb 1st to Mar 12th, bond yields rose by more than ½ percent over the period.
- Yields have now reached their highest levels since the pandemic began.

What is causing bond yields – and therefore, fixed rates – to rise?

- Increased optimism coming from the US has many forecasting earlier than expected inflationary pressure (and in turn, rising interest rate pressure).
- The Canadian economy is highly correlated to the US economy.
- Vaccines are starting to change the outlook of the pandemic as a potential end is in sight.

What is the outlook for Variable Rates?

- The Bank of Canada conveying a message that they won't move on their key interest rate (overnight rate) until 2023.
- Given a more positive outlook, some economists think BofC could move in Q4 2022.
- Still very much a wait and see situation.
- Unemployment rate continues to decline. Currently 8.2% after significant February job gains (+259,000)
- The next BofC move is more than likely upward -- question is when?



Potential impact of rising rates?

- Could a sharp rise in interest rates put a damper on the real estate market?
- Rates are still well below the 20-year average (closer to 5%+)
- Prior to the pandemic (Feb 2020) 5-year fixed mortgage rates were around the 3% mark, then dropped to a low of 1.5% (Dec 2020). What does an increasing rate environment look like?

- Sample calculations for a \$1,000,000 mortgage / 30-year amortization over a 5-year term →

<u>Interest Rate --></u>	<u>1.50%</u>	<u>2.00%</u>	<u>2.50%</u>	<u>3.00%</u>
Monthly Payments	\$3,488	\$3,692	\$3,944	\$4,206
Total Interest	\$69,788	\$93,419	\$117,203	\$141,123
Total Payments	\$206,936	\$221,523	\$236,669	\$252,361

- Summary? A sharp increase in rates COULD have a dampening impact on the real estate market as potential buyers feel the pinch of higher carrying costs; however, as we've seen countless times before, the GTA real estate market is extremely resilient.



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THANK YOU



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