

Condo Market Shows Resiliency as Overall Home Sales Decline



Sandra Jackson

cell 416-579-7862
SJ@SandraJackson.biz

 urbantoronto.ca

2017 has been a turbulent year for the Greater Toronto Area (GTA) housing market, with the Ontario government's Fair Housing Plan ushering in a frenzied wave of transactions, now being followed by a steep decline in sales. Despite the turmoil, new figures released by the [Toronto Real Estate Board](http://www.treb.ca) (TREB) show that while overall home sales declined in the second quarter of 2017, the condominium submarket continues to show signs of resiliency.



Toronto skyline, image by wyliepoon via Flickr

TREB's Q2 2017 Condo Market Report reports that 8,223 condominium apartment sales were recorded between the start of April and end of June, an 8% year-over-year decline. In contrast, new listings actually improved slightly over the 8,942 sales reported during Q2 2016, recording a 0.7% year-over-year increase. At the same time, the GTA average selling price has increased 28.1% over Q2 2016's figures, with the average price in Toronto now sitting at \$566,513.

A prepared statement from TREB President Tim Syrianos explains the market conditions likely responsible for this continued demand, saying "the condominium apartment market was quite resilient, especially when compared to low-rise market segments. Condo apartment sales accounted for a greater share of overall transactions during the spring compared to the same period last year. Market conditions also remained tight, which resulted in the continuation of strong annual rates of price growth."

Figures have also been released for the condominium apartment rental market, showing that the tight market

conditions witnessed in the second quarter of 2016 remain in Q2 2017, with similar year-over-year transaction figures recorded. The number of units listed during the quarter declined from Q2 2016's figures, while annual rates for apartment rents increased by 8%. With the supply of units still constrained and demand considered strong in comparison to previous years, rental rates remain high. The average rent for a one-bedroom condo apartment unit increased by 8.8% year-over-year to \$1,861 per month, while average two-bedroom rent was up by 8.7% to \$2,533.

"It is clear that we continue to suffer from a lack of available rental units", said TREB President Tim Syrianos. "The Fair Housing Plan announced by the Government of Ontario committed to measures designed to increase housing supply. Conversely, the Fair Housing Plan also expanded rent controls, which could preclude investment in rental properties, thereby further constricting supply" continued Mr. Syrianos, although no evidence of this being the case has been presented yet.



Sandra Jackson

cell 416-579-7862
SJ@SandraJackson.biz