Economics / August 2020

Economic Analysis of Ontario

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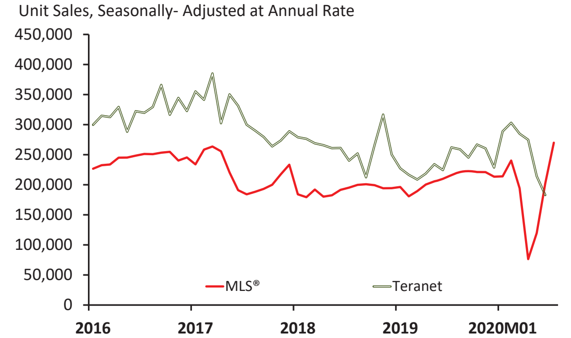
Ontario Housing Forecast 2020-2021

Highlights:

- Home ownership market on fire this summer but will weaken over remainder of 2020;
- Home sales to decrease by 2.9 per cent in 2020 before rebounding by 5 per cent in 2021;
- Housing starts – currently tracking 14.7 per cent above last year's pace – set to decline by 1 per cent in 2020, before an 8 per cent increase in 2021;
- Tight market conditions to favour price growth in 2020: average home price to increase by 9.8 per cent in 2020;
- Purchase of vacation homes on the rise during this flurry of activity;
- Rental vacancy rate to increase to 2.5 per cent in 2020, before shifting down to 2.2 per cent in 2021 – average rents to grow by 1.8 per cent in 2020 and by 2.2 per cent in 2021;
- Economic outlook remains highly uncertain; recovery dependent on potential second COVID-19 wave in the Fall-Winter.

Ontario Housing Market on Fire Since Economic Restart



Source: CREA, Teranet, Central 1 Credit Union, Latest data point: Jul.-20 (CREA) and Jun.-20 (Teranet)

Ontario's housing market has been on a tear since its economy re-opened in May and buyers who were held back in the Spring joined the post-lockdown Summer rush, all flush with money, unscathed by the pandemic and keen to take advantage of attractive mortgage rates and remote working which is creating a trend away from high-density multi-family purchases to single-detached and townhomes –increasingly outside the confines of the main urban centres.

As a result, average home sales across the province's seven real estate boards jumped 73 per cent between April and May and by 65 per cent between May and June. Toronto – which typically accounts for nearly half of all sales in the province – saw a 29.5 per cent increase over July 2019 and a new sales record for the month of July. The average Ontario home price is expected to increase by 9.8 per cent in 2020 (to $666,443) and by 7 per cent in 2021 (to $713,093).

Despite the housing market currently seeming impervious to the pandemic, this red-hot situation will fizzle out by the end of 2020 and home sales through the MLS® system are expected to fall by 2.9 per cent in 2020 before rebounding by 5 per cent 2021. Total resale transactions are expected to fall 3.2 per cent in 2020 before a 4.8 per cent recovery in 2021. The ongoing situation will cool off due to economic uncertainty, the removal of government emergency funds such as the Canadian Emergency Response Benefit (CERB), a lack of tourism, a stubbornly high unemployment rate, range bound wage growth, tepid business investments, and increased consumer and business insolvencies/bankruptcies. Consumer confidence is not expected to fully return until a COVID-19 vaccine becomes widely available.

Windsor-Sarnia, Hamilton-Niagara-Peninsula, the Northwest, and Northeast can expect to see housing market activity slide towards the end of 2020 as economic growth slows due to a new chapter of trade tensions with the U.S. and an already weakened foreign consumer demand effecting the production and sale of key goods such as new cars, and commodities such as lumber and metals.

The rental market can expect to see a little slack due to less tourism (Air B&Bs are now being used as long-term rental accommodation), immigration and foreign students in 2020. Vacancy rates will be at their highest since 2015 – up 0.5 per cent from this time last year to 2.5 per cent. They will edge back down to 2.2 per cent by 2021. Purpose-built average monthly rents (includes townhomes and apartment units) will increase slightly in 2020 (up 1.8 per cent) and by 2021 a tighter rental market will push average rents up 2.2 per cent.

Pace of sales and price growth astonishing amid pandemic

Canadian Real Estate Association (CREA) data shows that Ontario's sales over May and June increased by 56.6 per cent and 67 per cent, respectively with additional growth of 33.4 per cent in July. For context on the current pace, last year over the same period sales increased by an average of 2.6 per cent. Moreover, July's sales reached 112.5 per cent of February levels.

This was a broad-based recovery as all real estate boards posted strong sales growth (some areas experienced triple-digit growth). In July, all of Ontario's real estate boards recorded strong sales growth, in some cases, high double-digit growth month-over-month. Year-to-date, the following real estate boards continue to be insulated from the pandemic's effects and current year-to-date sales are still outpacing last year's tally:

- Barrie (up 15.5 per cent)
- Durham (up 8.7 per cent)
- Grey-Bruce (up 6.8 per cent)
- Muskoka/Haliburton (up 11.3 per cent)
- Parry Sound (up 28.9 per cent)
- Tillsonburg (up 8.5 per cent)

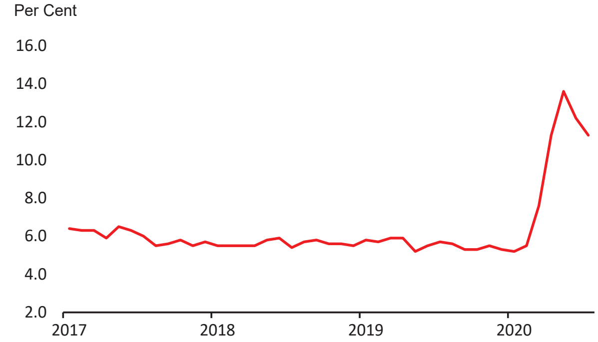
Many of these markets are largely cottage country markets. With very attractive mortgage rates and many current homeowners with money to spare are likely taking advantage to enter the vacation home market.

Toronto which typically accounts for nearly half of all sales in the province saw a 29.5 per cent increase over July 2019 and a new record for the month of July.

With a very hot market, average prices have increased since the restart, moving up 6 per cent in May and an additional 10.1 per cent in June and an additional 8.4 per cent in July. Despite declining average prices over March and April, CREA average home price in Ontario is tracking over 13 per cent ahead of last year's pace. Benchmark home prices from CREA for the seven real estate boards surveyed shows substantial price increases in July over June in the following markets:

- Guelph (up 3.0 per cent from 1.5 per cent in June),
- Greater Toronto (up 2.7 per cent from -0.2 per cent in June)
- Ottawa (up 3.0 per cent from 1.1 per cent in June)

Ontario Unemployment Remains High Despite the Restart

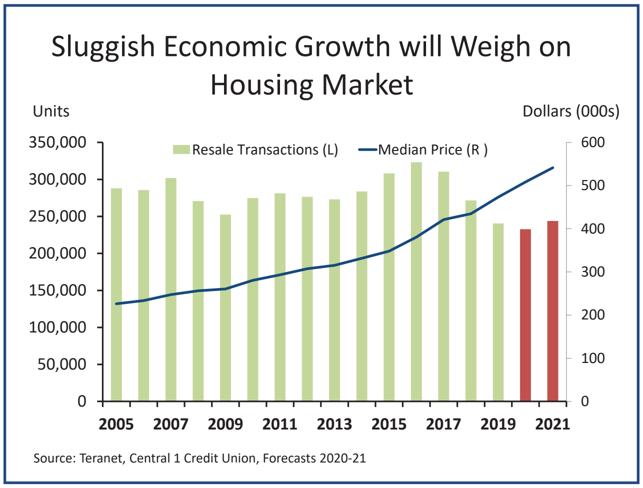


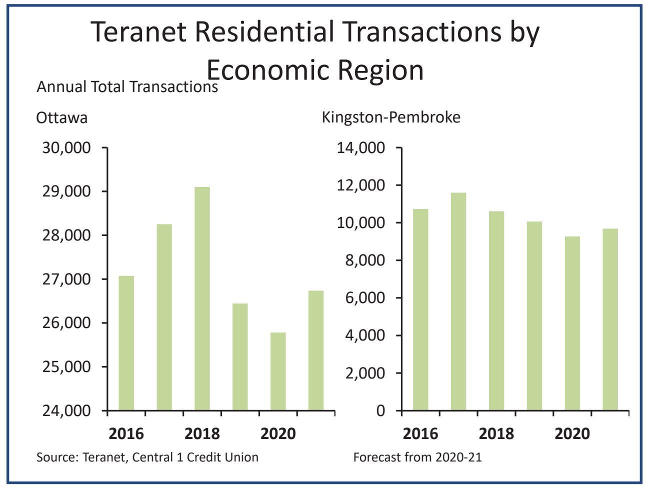
Source: Statistics Canada, Central 1, Latest data point: Jul.-20
Note: Seasonally adjusted data presented

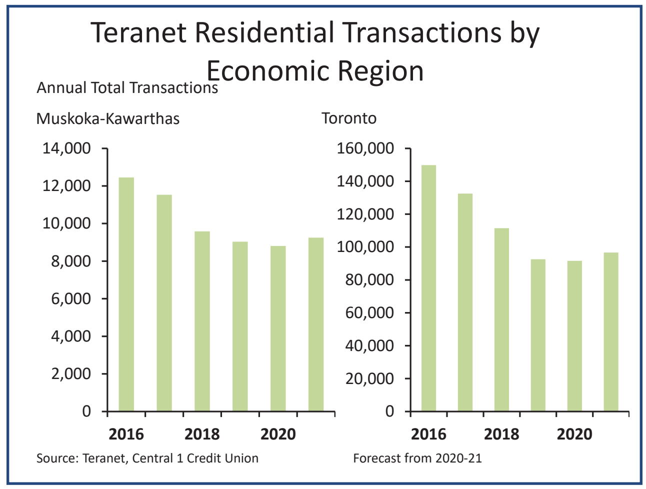
In July, all seven markets for which benchmark prices are available showed an average price increase of 2.0 per cent. By contrast, the long-term average monthly price growth is 0.5 per cent.

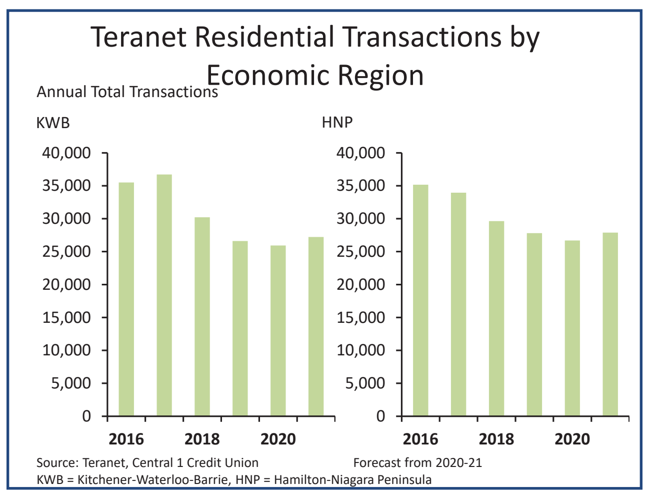
That pace of growth is robust during normal times but even more astonishing in the middle of an ongoing pandemic. The current price appreciation comes down to several factors currently driving it over the short-term:

- Mortgage rates: The Bank of Canada has lowered its policy bank rate substantially to allow liquidity in the market and to insulate it from significant economic scarring. The lower policy rate and lower bond yields helps to deflate mortgage rates and make them very attractive to pass on for potential buyers.
- A large group of unscathed potential buyers: While unemployment remains high, the brunt of job losses is in lower paying services jobs employing renters, rather than homeowners (e.g. young relatively inexperienced workers, new immigrants, women, and some visible minorities.) Those who have been able to work remotely (i.e., professional, and scientific services, public administration, finance, teachers) have relatively safe, stable well-paying jobs and had been thinking about buying a home before the pandemic hit. The low mortgage rates are a significant motivating factor for this subgroup to enter homeownership.
- Listings scarcity: Two buyer groups are now descending on the market, Springtime and Summer buyers. This has led to too many buyers chasing too few listings and competition becomes fierce with multiple offers the norm and sale prices many times over the asking price.







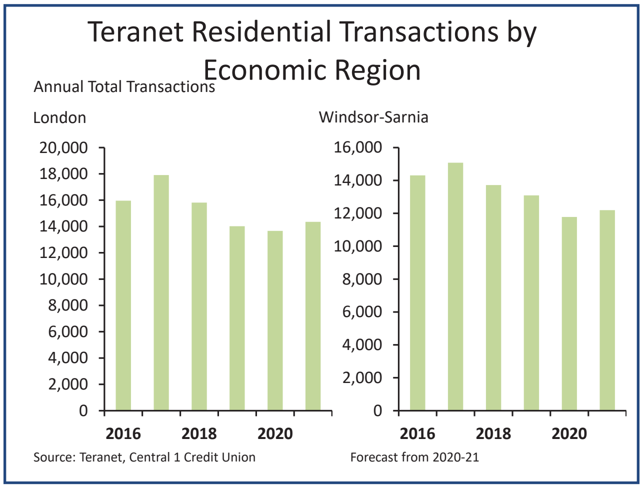


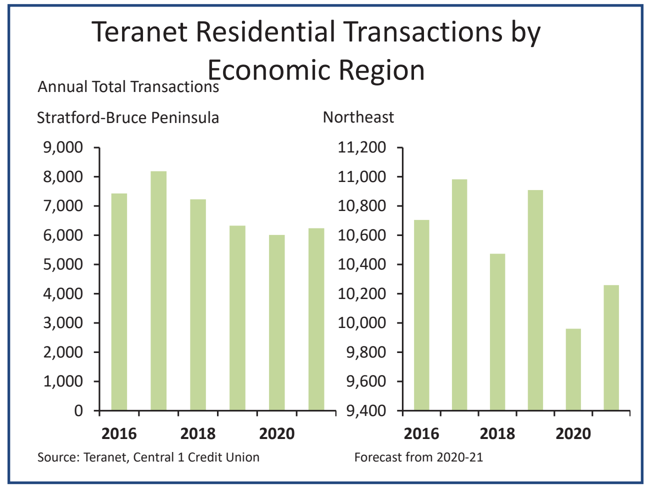
- Compositional demand shifts: This pandemic has altered buyer demand from smaller living spaces in multi-family housing to an immediate need for greater openness and street-facing home entrances in single-family housing - likely in less dense markets. July TRREB data alludes to the shift to low-rise housing as the constant quality price index for all housing types has moved up 2.8 per cent – up from a 0.7 per decrease in June. Much of the growth in the index has come from price growth for low-rise housing options (i.e., single-detached and townhomes) at the expense of condo apartments. Single-detached and townhome indices moved up 4.1 per cent and 1.8 per cent in July compared to one per cent for condo apartments. Smaller to medium sized markets have also seen a spike in demand as households seek space.

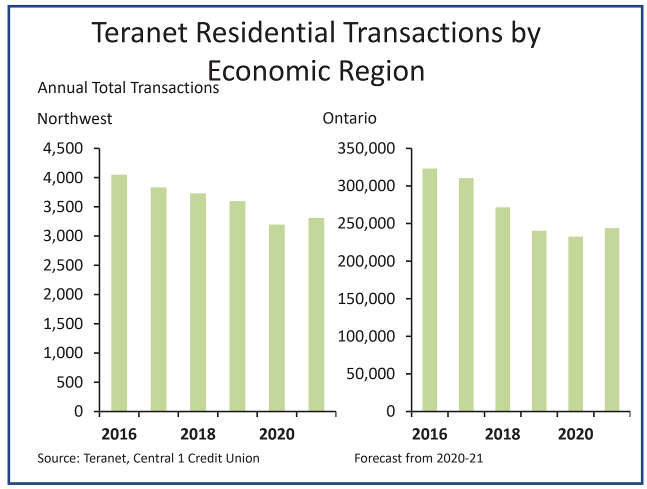
Housing starts to decline one per cent in 2020 but increase by 8 per cent in 2021

The new homes market has also heated up. Builders have returned to construction sites eager to chip away at the backlog of projects that would have broken ground in the Spring but now have been pushed back to Summer and beyond. Over the first seven months of 2020, seasonally adjusted at annual rate (SAAR) housing starts in all areas of Ontario are tracking 14.7 per cent above last year's pace averaging over 75,600 units.

A range of measures since 2017 to curtail the extent of households' exposure to mortgage debt will act as an added dampening force on new housing demand at a time when households' finances are weakened. Also, recent mortgage insurance changes by the Canada Mortgage and Housing Corporation (CMHC) which came into effect this summer will exclude some potential first-time buyers from the market especially in Ontario's larger and expensive markets such as Toronto, Ottawa-Gatineau, London, and, Kitchener-Cambridge-Waterloo. Finally, the pandemic has changed building sites for the foreseeable future until a vaccine or treatment becomes widely available. To protect the public health, fewer workers are allowed on jobsites and this has significantly slowed progress. Over the first six months of 2020 the average length of time to complete a project has jumped up 24.7 per cent to 19.9 months compared to 2019. Moving forward, with the pandemic-effect fully baked-in time to complete projects will only increase as sites have to be vigilant of following stricter public health measures







(i.e., less workers, staggered shifts, physical distancing, tool use and deep cleaning)

By 2021, a gradual economic recovery will rekindle new housing demand. Households looking to prudently enter home ownership are expected to focus demand on multi-residential units (i.e., townhomes and semi-detached homes) in the periphery of larger markets particularly, if as expected, remote work becomes a reality for many workers in the post-COVID-19 economy. With no need to be tied down geographically to work, smaller urban areas and the peripheries of larger ones should benefit from this trend and the market will see a slow exodus from large dense urban markets.

Total housing starts are forecast to decline one per cent in 2020 to 68,300 units with declines of 1.5 per cent to single-detached starts and 0.8 per cent to multi-residential starts. Starts climb by 8 per cent to 73,800 units by 2021 with a larger increase expected for multi-residential starts (up 10.1 per cent) relative to single-detached homes (up 2.6 per cent).

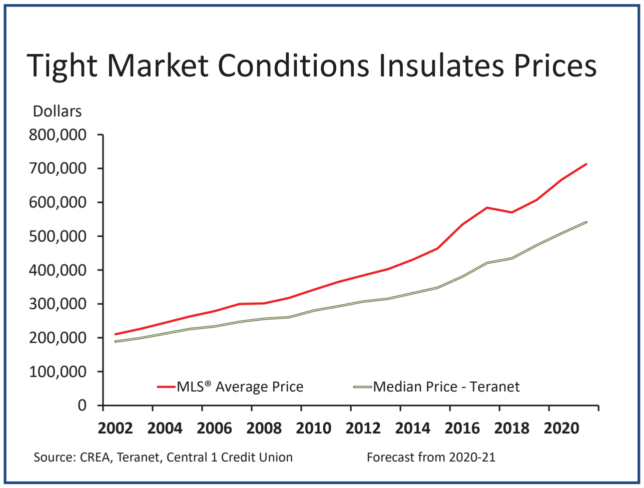
High unemployment and economic uncertainty to hamper continued growth

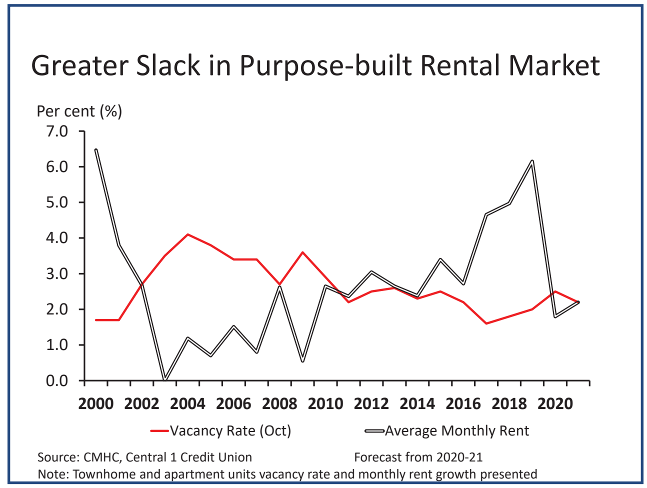
Too much economic uncertainty remains on the horizon to keep the housing market unscathed forever. An uncertain economic future for many, even if the desire to purchase homes is high, will not translate to greater sales beyond the current flurry of activity.

The unemployment rate remains stubbornly high even with the economic restart. July data from Statistic Canada's Labour Force Survey reports the Ontario unemployment rate at 11.3 per cent – down from the 13.6 per cent record high rate reported in May but still a long way from the 5.5 per cent unemployment rate in February 2020.

Consumer unease means foot fall in stores is unlikely to fully recover until a vaccine is found. Less foot traffic will keep many businesses from fully tapping into their idle workforce and a greater share of shopping is now done via e-commerce to the detriment of brick and mortar stores. SMEs that cannot or will not pivot to at least make some revenue will close or have already closed (i.e., many restaurants) creating possible long-term scars to the economy.

The longer workers remain removed from their jobs the higher the probability that these temporary job losses could turn permanent. Even workers that have been lucky to return to work on the restart are working less than full-time hours and in some cases at reduced pay. Add to that, the recent trend of remote work and many previously thriving businesses will see revenue losses and, in some cases, not be able to survive as their client bases dwindle with less people coming in daily to urban centres to work. If the job losses become permanent and other companies are forced to close or make additional cuts to stay afloat, an unfortunate game of tumbling dominoes will ensue, affecting many sectors. Under such a scenario, fewer people will be willing to take on such large debt from a home purchase at such a wobbly time for the economy particularly after the government starts to remove or tweak lifelines such as the Canadian Emergency Re-



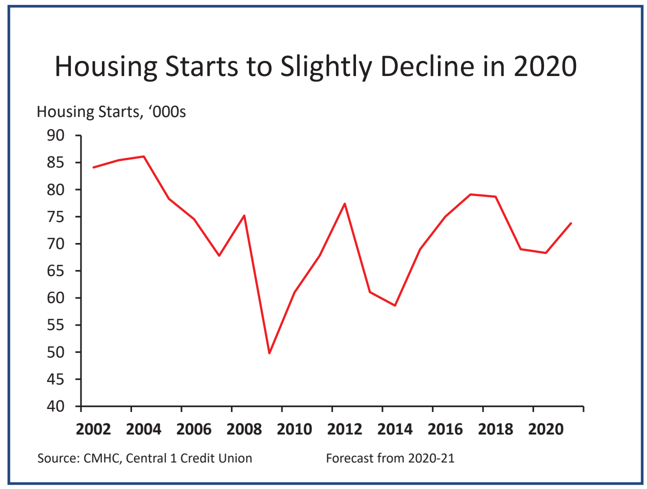


sponse Benefit (CERB) or the Canadian Emergency Wage Subsidy (CEWS) and other supports. Even with such lifelines, many small and medium enterprises may not survive this shock removing or even tweaking them in the Fall or Winter will only make the situation potentially more dire. For example, groups such as the Canadian Federation of Independent Business (CFIB) in a recently released survey reported that five per cent of businesses may never be profitable again and 14 per cent of businesses are considering filing for bankruptcy due to the pandemic with this sentiment skewing heavier to client facing businesses such as retail or hospitality; this will weigh on most households for several periods to come who need a thriving economy to maintain household spending and debt servicing.

Central 1 economics is calling for the unemployment rate to increase to 10.1 per cent in the baseline projection for 2020 and slide down to eight per cent by 2021. Under a second wave of infections the scarring to the economy would be significant given greater business failures and consumer insolvencies and unemployment would increase beyond 10.1 per cent in 2020 and remain elevated into 2021 well above the baseline eight per cent.

Rental vacancy rates to increase to 2.5 per cent (highest level in five years) due to lack of immigration and foreign students

Despite strong supply growth from public and private investments pre-pandemic the rental market remained tight as population swelled from permanent and non-permanent immigration. Moreover, economic growth and tight market conditions kept average monthly rents well above the rate of inflation. For example, average monthly rent growth in the purpose-built rental market from 2017 to 2020 averaged 5.3 per cent whereas inflation over that time averaged 1.9 per cent. Post pandemic, Ontario faces a modest economic recovery which will soften the rental market. Demand-side



factors such as less tourism, immigration, and high youth unemployment will let some air out of the market in 2020.

Tourism will decline sharply in 2020 and recover very slowly thus forcing investors to minimize risk and/or losses and move units from the short-term rental market to the secondary rental market adding additional slack to the market and shifting negotiating power from the landlord to tenants. Therefore, 2020 will provide a rare opportunity for a smaller pool of potential tenants to negotiate cheaper leases for units in high-demand neighbourhoods, especially in saturated condo apartment markets such as Toronto, the Greater Toronto Area (GTA) and to a lesser extent markets such as Ottawa-Gatineau, London, and Kitchener-Cambridge-Waterloo, before the market begins to tighten-up once again by 2021 on increased immigration and economic activity.

In 2020, the purpose-built vacancy rate will move up to 2.5 per cent (up 0.5 points from 2019), the highest level since 2015, before edging back down to 2.2 per cent by 2021. Purpose-built average monthly rents (apartments and townhomes) will increase slightly in 2020 (up 1.8 per cent) and by 2021 a tighter rental market will push average rents up 2.2 per cent.

Recovery dependent on vaccine rollout

The forecast presented here supposes a gradual recovery once the health crisis is brought under control with no further substantial waves of COVID-19 infections as seen from March to April. Yet, a second wave of infections could materialize in the Fall or Winter seasons as many scientific experts have been warning. With no vaccines and/or therapeutics yet widely available this could roll back the clock on hard-earned gains for the economy. Under this scenario a deeper economic contraction in 2020 would occur with a much slower recovery in 2021 or perhaps even into 2022.

Moreover, further current downside risks to the baseline forecast includes a new lockdown of the U.S. economy disrupting trade with Ontario further and a very slow roll out of a COVID-19 vaccine in Canada especially if initial supplies are limited and Canada has to compete with other nations such as the U.S., the U.K. and the European Union. Recently, government officials reported that Canada entered into conditional vaccine agreements with Pfizer and Moderna for unknown quantities of their experimental vaccines. Hopefully, once one or both these vaccines are approved by Health Canada, Canadians will get vaccines in a timely manner with no delays.

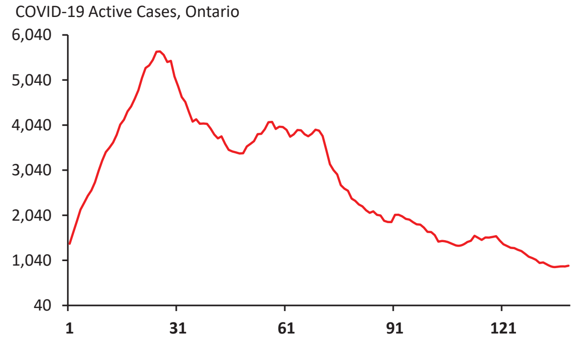
If a vaccine or therapeutic treatment is approved before the end of 2020 and roll out begins in 2020 this will be a significant upside risk to the forecasts. Under this scenario consumer and business confidence will rebound much sooner and ensure the economy gets back on track much quicker in 2021.

A stronger second wave of COVID-19 would send Ontario's economy reeling

Even though Ontario has so far done a good job of controlling the COVID-19 pandemic since it emerged here in January 2020 (i.e., less than 1,000 active cases as of this writing), with active cases now on a downward trend, the virus remains a constant risk to people and the economy.

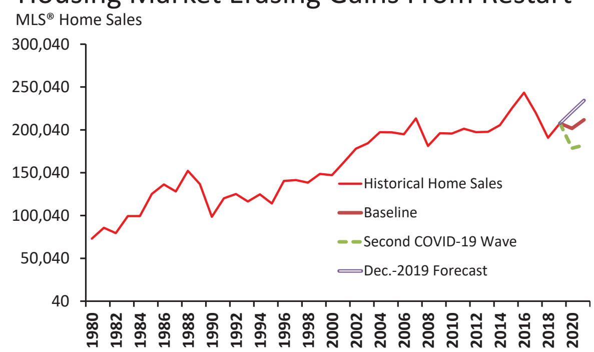
Canadian public health experts are hoping for a best-case scenario in the medium-term where cases in the Fall-Winter seasons are kept in check, but they are also bracing for the worst-case scenario. Should the worse-case materialize, COVID-19 would roar back in the Fall-Winter with an initial wave stronger than what occurred over March and April followed by ongoing peaks and valleys putting excessive demands on the health care system. Ontario would have to send the population and the economy once again into hibernation and near shutdown keeping only essential services open and undoing all the gains to areas such as employment and the housing market.

A Stronger Second Wave of COVID-19 Still Possible in the Fall-Winter Seasons



Source: Ontario Public Health, Central 1 CU Latest date: August 16, 2020.
X-axis, number of days since March 31, 2020.

A Second COVID-19 Wave Would Batter Housing Market Erasing Gains From Restart



Source: CREA, Central 1 Credit Union Forecast from 2020-21

Central 1 economics has done some analysis and, assuming the worst-case scenario materializes, home sales though the MLS® system would be significantly below long-term trend over the last three to four months of the year and cause a drop in total sales in 2020 of 14 per cent over 2019 with even more muted sales in 2021, up two per cent, as the economy recovers from another shock. A similar scenario would occur for new housing starts as building sites would once again shutter. If construction sites are completely shut from October to December total housing starts would fall by 13.5 per cent in 2020 over 2019.

The Forecast: a very tight market with very little supply ensures prices remain elevated in 2020

Notwithstanding the robust market activity since the restart in May, the tail end of 2020 will see muted housing activity. Factors such as a high unemployment rate, range bound wage growth, tepid future business investments, increased consumer and business insolvencies and/or bankruptcies and the lack of a widely available vaccine will temper the market for 2020 and into 2021 keeping increasingly more potential buyers on the sidelines especially many first-time buyers.

Sales (according to the MLS® system) will decrease by 2.9 per cent in 2020 before starting to rebound by 2021 moving up by five per cent. Similarly, total resale transactions (as measured by title transfer data through Teranet) are expected to fall 3.2 per cent in 2020 before a 4.8 per cent recovery in 2021.

Relative affordability concerns and an uncertain economy will pull down sales in regions such as Toronto and Ottawa once the summer rush is over. Export-heavy or goods-sector-heavy regions such as Windsor-Sarnia, Hamilton-Niagara-Peninsula, the Northwest, and Northeast will also see housing market activity slide on weaker trade activity. Trade tensions with the U.S. and an already weakened foreign consumer demand will affect production and sales of manufactured goods and commodities, adversely affecting economic growth in those regions. Regions with significant tourism exposure such as Hamilton-Niagara-Peninsula, Ottawa, and Toronto will see fewer tourist visits as well as many travelers remain highly hesitant to take flights or cruises until a vaccine is widely available, coupled with thick borders keeping any willing travelers from even attempting to visit.

Ontario will see dramatically fewer new listings in 2020, down 12 per cent according to the MLS® system, from brisk sales activity in the summer dwindling down supply and later in the year from fewer sellers deciding to list their homes due to general uncertainty. By 2021, new listings will begin to climb again, increasing 7 per cent. The jump in listings in 2021 will come from some stress selling by homeownerships unable to remain financially afloat.

Significantly fewer new listings will offset the drop in sales, thereby maintaining firm prices. Average home prices through the MLS® system are expected to move up 9.8 per cent in 2020. By 2021, even with grater slack in the market from increased listings and a shift in sales composition acting as price decelerators, the strong price hand-off from 2020 baked into the numbers means average price growth for 2021 could rise 7 per cent.

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Ontario

	2016	2017	2018	2019	2020	2021
Teranet						
Residential Transactions	323,284	310,576	271,609	240,528	232,790	243,877
Growth (%)	4.9	-3.9	-12.5	-11.4	-3.2	4.8
Median Price ($)	380,701	421,096	434,741	473,361	508,390	541,435
Growth (%)	9.4	10.6	3.2	8.9	7.4	6.5
Multiple Listings Service						
Sales	243,487	219,549	190,805	207,695	196,272	206,085
Growth (%)	8.0	-9.8	-13.1	8.9	-2.9	5.0
New Listings	340,537	361,958	329,694	328,717	289,271	309,520
Growth (%)	-7.5	6.3	-8.9	-0.3	-12.0	7.0
Average Price ($)	$534,944	$584,949	$570,430	$606,960	$666,443	$713,093
Growth (%)	15.1	9.3	-2.5	6.4	9.8	7.0
Sales-to-New-Listings-Ratio (%)	71.5	60.7	57.9	63.2	67.9	66.6
Housing Starts ('000s)	75.0	79.1	78.7	69.0	68.3	73.8
Growth (%)	6.8	5.6	-0.5	-12.3	-1.0	8.0
Single-detached Starts	30.1	29.7	23.8	19.3	19.0	19.5
Growth (%)	20.5	-1.2	-19.9	-18.9	-1.5	2.6
Multi-family Starts	44.9	49.4	55.0	49.7	49.3	54.3
Growth (%)	-1	10.1	11.2	-9.6	-0.8	10.1
Purpose-built Rental Vacancy Rate (%)*	2.2	1.6	1.8	2.0	2.5	2.2
Purpose-built Average Monthy Rent (%)*	2.7	4.7	5.0	6.2	1.8	2.2
Population ('000s)	13,875	14,070	14,309	14,552	14,712	14,859
Growth(%)	1.2	1.4	1.7	1.7	1.1	1.0
Unemployment Rate (%)	6.5	6.0	5.6	5.6	10.1	8.0

Sources: Teranet, CREA, CMHC, Central 1 CU,2020 to 2021 are forecasts.

*Includes townhomes and apartments

Terms

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Teranet Residential Sales						
	2016	2017	2018	2019	2020	2021
Ottawa	27,075	28,254	29,103	26,445	25,784	26,738
%ch	-0.4	4.4	3.0	-9.1	-2.5	3.7
Kingston-Pembroke	10,738	11,600	10,617	10,068	9,273	9,690
%ch	9.9	8.0	-8.5	-5.2	-7.9	4.5
Muskoka-Kawarthas	12,455	11,533	9,585	9,038	8,812	9,253
%ch	8.7	-7.4	-16.9	-5.7	-2.5	5.0
Toronto	149,883	132,508	111,477	92,590	91,664	96,706
%ch	4.1	-11.6	-15.9	-16.9	-1.0	5.5
Kitchener-Waterloo-Barrie	35,504	36,717	30,213	26,622	25,930	27,226
%ch	10.2	3.4	-17.7	-11.9	-2.6	5.0
Hamilton-Niagara Peninsula	35,166	33,962	29,635	27,808	26,696	27,897
%ch	4.7	-3.4	-12.7	-6.2	-4.0	4.5
London	15,963	17,911	15,819	14,024	13,673	14,357
%ch	11.2	12.2	-11.7	-11.3	-2.5	5.0
%ch	6.6	5.4	-9.0	-4.6	-10.0	3.5
Stratford Bruce Peninsula	7,432	8,191	7,232	6,329	6,013	6,241
%ch	11.6	10.2	-11.7	-12.5	-5.0	3.8
Northeast	10,705	10,983	10,474	10,910	9,961	10,260
%ch	-4.6	2.6	-4.6	4.2	-8.7	3.0
Northwest	4,051	3,834	3,730	3,598	3,199	3,311
%ch	-8.4	-5.4	-2.7	-3.5	-11.1	3.5
Ontario	323,284	310,576	271,609	240,528	232,790	243,877
%ch	4.9	-3.9	-12.5	-11.4	-3.2	4.8

Source: Teranet, Central 1 CU, 2020 to 2021 are forecasts

Teranet Median Price

	2016	2017	2018	2019	2020	2021
Ottawa	$315,062	$331,086	$347,021	$370,925	$408,018	$448,003
%ch	0.6	5.1	4.8	6.9	10.0	9.8
Kingston-Pembroke	$234,714	$257,618	$280,409	$296,768	$313,090	$331,563
%ch	4.7	9.8	8.8	5.8	5.5	5.9
Muskoka-Kawarthas	$279,563	$333,847	$353,598	$384,528	$409,522	$434,094
%ch	10.7	19.4	5.9	8.7	6.5	6.0
Toronto	$544,922	$626,003	$617,598	$692,338	$740,802	$788,954
%ch	14.3	14.9	-1.3	12.1	7.0	6.5
Kitchener-Waterloo-Barrie	$359,178	$428,672	$442,296	$482,633	$516,417	$544,820
%ch	12.9	19.3	3.2	9.1	7.0	5.5
Hamilton-Niagara Peninsula	$327,030	$388,539	$414,609	$447,500	$483,300	$512,298
%ch	9.8	18.8	6.7	7.9	8.0	6.0
London	$249,900	$281,614	$329,242	$355,755	$384,215	$407,268
%ch	9.3	12.7	16.9	8.1	8.0	6.0
Windsor-Sarnia	$179,756	$206,801	$231,850	$262,694	$287,387	$310,378
%ch	6.4	15.0	12.1	13.3	9.4	8.0
Stratford Bruce Peninsula	$244,230	$269,114	$294,653	$338,355	$382,341	$416,370
%ch	6.2	10.2	9.5	14.8	13.0	8.9
Northeast	$186,378	$198,372	$197,361	$202,690	$212,824	$219,209
%ch	2.6	6.4	-0.5	3.1	5.0	3.0
Northwest	$183,588	$200,000	$197,875	$210,889	$211,943	$217,242
%ch	0.8	8.9	-1.1	6.6	0.5	2.5
Ontario	$380,701	$421,096	$434,741	$473,361	$508,390	$541,435
%ch	9.4	10.6	3.2	8.9	7.4	6.5

Source: Teranet, Central 1 CU, 2020 to 2021 are forecasts

Teranet Residential Sales

	2016	2017	2018	2019	2020	2021
Ottawa	20,289	21,289	21,862	19,611	19,199	19,871
%ch	-1.4	4.9	2.7	-10.3	-2.1	3.5
Kingston	3,377	3,830	3,641	3,358	3,089	3,213
%ch	1.9	13.4	-4.9	-7.8	-8.0	4.0
Peterborough	3,040	2,754	2,384	2,246	2,190	2,277
%ch	13.0	-9.4	-13.4	-5.8	-2.5	4.0
Toronto	142,788	126,113	105,786	87,259	85,688	90,144
%ch	4.3	-11.7	-16.1	-17.5	-1.8	5.2
Oshawa	10,109	9,902	8,183	7,282	7,537	7,951
%ch	4.9	-2.0	-17.4	-11.0	3.5	5.5
KCW	11,958	13,077	10,926	9,577	9,251	9,705
%ch	13.6	9.4	-16.4	-12.3	-3.4	4.9
Barrie	6,324	5,753	4,930	4,433	4,384	4,647
%ch	11.5	-9.0	-14.3	-10.1	-1.1	6.0
Guelph	3,831	3,997	3,260	2,935	2,891	3,062
%ch	-2.1	4.3	-18.4	-10.0	-1.5	5.9
Hamilton	17,134	16,265	14,834	14,246	13,605	14,190
%ch	-1.3	-5.1	-8.8	-4.0	-4.5	4.3
SCN	11,604	11,278	9,054	8,477	8,138	8,455
%ch	13.7	-2.8	-19.7	-6.4	-4.0	3.9
London	11,820	13,542	12,127	10,677	10,357	10,854
%ch	9.4	14.6	-10.4	-12.0	-3.0	4.8
Windsor	8,260	8,565	7,568	7,257	6,459	6,678
%ch	8.4	3.7	-11.6	-4.1	-11.0	3.4
Greater Sudbury	2,634	2,582	2,696	2,765	2,500	2,570
%ch	-2.2	-2.0	4.4	2.6	-9.6	2.8
Thunder Bay	2,163	2,130	1,993	1,943	1,706	1,757
%ch	-5.9	-1.5	-6.4	-2.5	-12.2	3.0
All metro areas**	255,331	241,077	209,244	182,066	176,994	185,375
%ch		-5.6	-13.2	-13.0	-2.8	4.7

Source; Teranet, Central 1 CU, 2020 to 2021 are forecasts

Note: SCN = St. Catharines-Niagara, KCW = Kitchener-Cambridge-Waterloo

**excludes Belleville and Brantford

Teranet Median Price

	2016	2017	2018	2019	2020	2021
Ottawa	$342,345	$358,323	$377,288	$404,489	$446,960	$489,422
%ch	2.3	4.7	5.3	7.2	10.5	9.5
Kingston	$277,233	$303,264	$328,336	$350,829	$378,194	$406,558
%ch	5.2	9.4	8.3	6.9	7.8	7.5
Peterborough	$285,913	$346,160	$379,242	$407,027	$431,449	$458,198
%ch	10.6	21.1	9.6	7.3	6.0	6.2
Toronto	$558,106	$630,555	$632,896	$709,474	$766,232	$822,167
%ch	14.6	13.0	0.4	12.1	8.0	7.3
Oshawa	$437,899	$519,613	$514,662	$530,250	$546,158	$573,465
%ch	16.5	18.7	-1.0	3.0	3.0	5.0
KCW	$329,803	$400,820	$415,352	$469,414	$514,008	$555,129
%ch	6.8	21.5	3.6	13.0	9.5	8.0
Barrie	$379,626	$475,489	$458,422	$493,724	$508,042	$538,525
%ch	16.3	25.3	-3.6	7.7	2.9	6.0
Guelph	$370,750	$449,431	$458,940	$500,262	$540,283	$572,700
%ch	9.5	21.2	2.1	9.0	8.0	6.0
Hamilton	$393,569	$467,118	$469,068	$510,279	$551,612	$584,708
%ch	12.2	18.7	0.4	8.8	8.1	6.0
SCN	$257,339	$317,603	$352,010	$379,847	$414,033	$453,366
%ch	12.0	23.4	10.8	7.9	9.0	9.5
London	$249,809	$286,543	$331,416	$360,082	$388,889	$412,222
%ch	6.1	14.7	15.7	8.6	8.0	6.0
Windsor	$182,911	$217,094	$241,899	$277,374	$304,557	$328,921
%ch	6.6	18.7	11.4	14.7	9.8	8.0
Greater Sudbury	$234,895	$245,780	$249,061	$247,465	$259,838	$267,633
%ch	1.3	4.6	1.3	-0.6	5.0	3.0
Thunder Bay	$207,660	$222,283	$223,067	$237,434	$242,183	$247,026
%ch	6.9	7.0	0.4	6.4	2.0	2.0

Source; Teranet, Central 1 CU, 2020 to 2021 are forecasts

Note: SCN = St. Catharines-Niagara, KCW = Kitchener-Cambridge-Waterloo