

# Top-Tier Report

2019 YEAR END REAL ESTATE REPORT



Sotheby's | Canada  
INTERNATIONAL REALTY



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# Introduction

Sotheby's International Realty Canada's Top-Tier Real Estate Report is a bi-annual study highlighting market trends for residential properties with values over \$1 million in Canada's largest urban centres.<sup>1</sup>

It is the only Canadian report to compare data for sales volume, and percentage of properties sold over asking price for condominiums, attached homes and single family homes sold between \$1–2 million, \$2–4 million and over \$4 million on MLS.

As the benchmark price for conventional housing is above \$1 million in several metropolitan markets across the country, the report also provides insight into the price and market performance of luxury real estate in a sampling of premier Canadian neighbourhoods.

This report analyzes year-over-year data and key market variables for 2019, offering insight into trends in the market for real estate over \$1 million in Vancouver, Calgary, the Greater Toronto Area (GTA) and Montreal.

A database of active and sold listings is also available on the Sotheby's International Realty Canada website at [sothebysrealty.ca](http://sothebysrealty.ca).



<sup>1</sup> The information contained in this report references market data from MLS boards across Canada. Sotheby's International Realty Canada cautions that MLS market data can be useful in establishing trends over time, but does not indicate actual prices in widely divergent neighborhoods or account for price differentials within local markets. This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information and analysis presented in this report, no responsibility or liability whatsoever can be accepted by Sotheby's International Realty Canada or Sotheby's International Realty Affiliates for any loss or damage resultant from any use of, reliance on or reference to the contents of this document.

# National Summary

Canada's two largest top-tier metropolitan real estate markets rallied in 2019, gaining steady traction throughout the year. After enduring a tentative start to 2019, the Greater Toronto Area (GTA) led the country in top-tier real estate performance with consistent and confident increases in sales activity and pricing, bolstered by the region's strong population gains, healthy economic growth and robust labour market. Vancouver overcame several years of uncertainty fostered by ongoing government and regulatory interventions to see revitalized confidence and activity in the \$1 million-plus real estate market by the last half of 2019. Montreal's luxury real estate market achieved notable milestones in its condominium sector, as the city set new records in top-tier market performance in spite of limited premier inventory. Despite improvements in the market for real estate under \$500,000, Calgary's uneven economic performance and political turbulence dampened a top-tier market already burdened with oversupply. As a result, recovery continued to lag.

Despite an extended winter that delayed the start of the spring real estate cycle, the Greater Toronto Area's (Durham, Halton, Peel, Toronto and York) top-tier real estate market thrived in 2019. In contrast to the market pullback experienced in 2018 following the implementation of stricter mortgage lending practices shortly after the 2017 introduction of the Ontario Fair Housing plan, residential real estate sales over \$1 million (condominiums, attached homes, and single family homes) increased 23% year-over-year. The City of Toronto continued to see \$1 million-plus activity escalate in 2019, with sales over \$1 million increasing 20%. The migration of luxury real estate sales away from Multiple Listings Service (MLS) to exclusive sales and marketing platforms offering greater privacy continued to skew sales data. With this shift, GTA and City of Toronto

sales over \$4 million on MLS reflected a slight 3% decline and a modest 5% gain in spite of healthy activity through 2019.

Following several years of lackluster performance, the City of Vancouver's top-tier real estate market recovered in the latter half of 2019. Activity resumed as prospective buyers and sellers returned from the sidelines to engage in the market, with a new willingness to calibrate prices to match current conditions. Overall \$1 million-plus residential real estate sales in Vancouver (condominiums, attached and single family homes) were down 6% in 2019 from 2018 levels, while sales over \$4 million declined 25%. However, activity in the last half of 2019 reflected a strengthening top-tier market as sales over \$1 million increased 37% year-over-year, led by notable gains in the city's single family and attached home segments.

Strong economic fundamentals and consumer confidence, as well as record-setting provincial population gains fostered healthy demand for top-tier real estate in the City of Montreal in 2019. Sales over \$1 million (condominiums, attached and single family homes) saw a 13% increase from 2018 levels, while \$4 million-plus luxury sales soared 64% year-over-year. The rapid evolution of the city's luxury condominium landscape to meet increasing consumer demand resulted in a 39% annual increase in condominium sales over \$1 million.

The City of Calgary's top-tier market faltered with building economic and political anxiety leading up to and following the provincial and federal elections. Overall residential real estate sales over \$1 million (condominiums, attached and single family homes) decreased 13% from 2018 levels. However, activity in the last half of 2019 showed signs of rebalancing, as sales over \$1 million levelled off with a mild 2% decline from the last half of 2018.

Top-tier real estate performance in 2019 reflected the following trends:

## TOP-TIER SINGLE FAMILY AND ATTACHED HOME REBOUND LEADS VANCOUVER, TORONTO MARKET UPSWING

Renewing demand for single family and attached homes in the country's two largest metropolitan areas underpinned the resurgence of Vancouver and Toronto's top-tier real estate market in 2019.

Following three successive years of declining annual sales in the City of Vancouver's market for single family homes over \$1 million, the market firmed in 2019. With prices moderating, top-tier real estate consumers reassessed single family homes with increasing favour relative to condominium and attached home options, driving new activity. As a result, \$1 million-plus single family home sales, which had fallen 16%, 20% and 35% from 2015 – 2016, 2016 – 2017 and 2017 – 2018 respectively, increased a nominal 5% from 2018 to 2019. Market recovery was most evident in the latter half of 2019, when sales over \$1 million rose a significant 39% from the same period in 2018. Vancouver top-tier attached home sales also recovered over the course of 2019. While annual sales of attached homes over \$1 million increased 2% in 2019 from 2018, sales clearly accelerated from July 1 – December 31, 2019, rising 62% year-over-year.

While the GTA's market for \$1 million-plus single family homes experienced a nominal 2% year-over-year uptick in the latter half of 2018, the market solidified in 2019 with a sturdy 23% year-over-year increase in annual sales over \$1 million. \$1 million-plus single family home sales in the City of Toronto rose 18% year-over-year. Attached home sales over \$1 million surged 29% year-over-year in the GTA and increased 31% year-over-year in the City of Toronto. In the last half of 2019, a significant 52% and 58% of attached homes sold over

\$1 million in the GTA and the City of Toronto respectively, did so above list price.

## MONTREAL LUXURY CONDO BOOM RESHAPING LOCAL AND NATIONAL MARKET

Montreal's luxury condominium market surpassed previous years' records in 2019 as the construction and completion of high-end high-rises reshaped its skyline. For the first time in the City of Montreal's history, top-tier condominiums comprised over 20% of residential real estate sales volume over \$1 million. The city continued to raise its profile as a key Canadian luxury condominium market as sales of condominiums over \$1 million set a new record with a 39% year-over-year gain to 219 units sold in 2019. Luxury \$4 million-plus condominium sales increased from one unit sold in 2018, to two units sold in 2019.

Top-tier condo sales also remained brisk in Canada's largest city and its surrounding region. The City of Toronto resurged in 2019 with a 16% year-over-year increase in condominium sales over \$1 million to 1,313 units sold in 2019, while \$4 million-plus condo sales on MLS fell 41% to 10 units sold in 2019. \$1 million-plus condominium sales in the overall GTA region increased 16% year-over-year to 1,464 sold, while \$4 million-plus condo sales on MLS were down 41% to 10 units in 2019, due partly to the shift in ultra-luxury real estate transactions to exclusive channels.

In contrast, the City of Vancouver's previously frothy top-tier condominium market calmed in 2019. Sales over \$1 million contracted 25% to 832 condos sold while condominium sales over \$4 million declined 59% to 16 units sold; however, the market began to firm by the last half of the year with a 21% annual gain to 483 units sold. Condominium sales over \$1 million in the City of Calgary fell 45% from 2018 levels to 16 units sold in 2019.

## RECORD URBAN POPULATION GAINS SUSTAIN TOP-TIER DEMAND IN CANADA'S MAJOR METROPOLITAN AREAS

Record-setting population gains in Canada's largest urban areas continued to be a fundamental yet crucial driver of conventional and top-tier housing demand in 2019.

Canada's population increased to an estimated 37,589,262 as of July 1, 2019, reflecting a year-over-year gain of approximately 531,497 people, the highest annual increase in population that the country has ever posted<sup>1</sup>. This growth was driven largely by the arrival of immigrants as part of the federal government's multi-year plan that targeted the addition of 300,000–350,000 newcomers in 2019<sup>2</sup>, and contributed to a national annual population growth rate of 1.4%, the highest amongst G7 countries<sup>3</sup>. At the same time, Canada continued to become more urbanized as the country's three largest Census Metropolitan Areas (CMAs) of Toronto, Montreal and Vancouver grew as epicentres for immigration and in-migration, now serving as home to over one-third of Canadians<sup>4</sup>.

Population growth absorbed top-tier housing in the country's three largest urban areas and continues to expand the foundation for local housing demand in the short and long term.

## VOLATILE FINANCIAL MARKET BULL RUN DRIVES TOP-TIER DEMAND

In spite of dramatic volatility and numerous headwinds, 2019 marked another strong year for major global stock indexes, including the S&P 500 Index, Dow Jones Industrial Average and the NASDAQ Composite Index, with several posting record annual returns by the end of the year. The continuation of this 10-year market bull run,

combined with slowing global economies and ongoing geo-political conflicts, raised concerns of an imminent cyclical recession through the course of 2019. This had a discernible impact on consumer psychology in favour of Canada's top-tier real estate market.

Sotheby's International Realty Canada experts in major metropolitan markets country-wide saw a noticeable increase in affluent real estate consumers utilizing top-tier real estate as an alternative to investing in stocks and equities in order to diversify portfolios, hedge against inflation, and buffer against financial market volatility and risk. This included consumer decisions to allocate more funds towards a primary home purchase, or to invest in additional secondary home or investment properties, encouraged by persistently low mortgage rates.

Amongst baby boomers closer to retirement, there was also a notable trend for home sellers to consciously delay cashing out of the real estate market expressly due to concerns about the longevity of the financial market's positive trajectory, and to "right-size" into another property instead. There has also been a trend amongst those who had previously sold their primary home with the intention of cashing out, to reinvest in the real estate market because the uncertainty of financial markets did not match their personal risk thresholds.

While projections for the economy and financial markets in 2020 vary, the decade-long bull market, as well as bouts of market unpredictability, are set to influence the Canadian top-tier real estate market in the coming year. Underlying consumer anxiety regarding financial market performance is expected to increase interest and investment in high-end real estate as an attractive tangible asset, bringing more buyers and investors into the market.

<sup>1</sup> Canada's Population Estimates: Age and Sex, Statistics Canada, November 2019

<sup>2</sup> Immigration, Refugees and Citizenship Canada Departmental Plan 2018–2019, Government of Canada, 2019

<sup>3</sup> Canada's Population Estimates: Age and Sex, Statistics Canada, November 2019

<sup>4</sup> Canada's Population Estimates: Subprovincial Areas (July 1, 2018), Statistics Canada, March 2019



# Vancouver Top-Tier Report

2019 YEAR END REAL ESTATE REPORT

# Vancouver Market Summary<sup>1</sup>

Following several years of uneven performance, the City of Vancouver's top-tier real estate market began to find its footing in the latter half of 2019, reflecting clear signs that it was on the path to recovery. As prices adjusted downward to reflect more balanced market conditions, buyers and investors returned tentatively in the first half of the year, and more steadily in the latter half of 2019. By the end of the year, sales activity had been restored to levels slightly above the 10-year average<sup>2</sup>, while the \$1 million-plus market had regained positive momentum.

Overall, \$1 million-plus real estate sales in Vancouver (condominiums, attached and single family homes) experienced a 6% decrease to 2,967 units sold in 2019 when compared to sales of 3,151 units sold in 2018, with sales between \$1–2 million, \$2–4 million and over \$4 million down 4%, 7% and 25% respectively.

However, activity in the last half of 2019 reflected a strengthening top-tier market. Sotheby's International Realty Canada experts noted that the market for real estate over \$1 million was uncharacteristically active over the summer months, bucking the trend for a seasonal slowdown. This was followed by a significant upswing in top-tier market activity in the fall, as busy open houses and expressions of consumer interest translated into transactions for premier properties that were appropriately priced. Overall \$1 million-plus sales between July 1– December 31, 2019 were up 37% year-over-year from the last half of 2018 to 1,659 properties sold. During this time, \$1–2 million sales rose 44% year-over-year and \$2–4 million sales increased 32%. Luxury real estate activity over \$4 million placed a drag on overall

top-tier market performance, remaining 12% below sales in the last half of 2018. This cooldown in the ultra-luxury market is attributable to several factors related to the introduction of multiple taxes and policies aimed at limiting international investment and unoccupied dwellings. These have calmed demand from pure investors and second-home buyers, redirecting some of that interest to markets such as Montreal and Toronto.

Recovery in the \$1 million-plus market was led by the city's renewing single family home market, which saw 2019 sales come into balance with a 5% year-over-year increase from 2018 levels to 1,586 homes sold. Single family home sales over \$1 million in the last half of 2019 rose a more robust 39% from the last of 2018, reflecting a market in steady recovery.

Tight supply, as well as a shift in consumer interest to the rebalancing single family home market, resulted in an overall incline in \$1 million-plus attached home sales by 2% year-over-year with 549 homes sold compared to 539 sold in 2018. In spite of inventory constraints, strengthening consumer confidence and underlying need translated into surging sales in the latter half of 2019, as the volume of attached homes sold over \$1 million rose 62% from 2018 levels.

The renewal of Vancouver's \$1 million-plus condo market lagged behind that of the single family and attached home markets, but showed signs of strengthening in the latter half of 2019. While condominium sales over \$1 million saw a 25% decrease in 2019 with 832 units sold compared to 1,107 units sold in 2018, sales volume between July 1 – December 31, 2019 increased 21% from 2018 levels.

In spite of price reductions across all housing types through the course of the year, the MLS® Home Price Index composite benchmark price for all residential properties in the City of Vancouver

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<sup>2</sup> Real Estate Board of Greater Vancouver, November 2019



remained firmly above the \$1 million mark, falling a nominal 4.5% and 5.3% in Vancouver East and Vancouver West to \$1,044,000 and \$1,224,700<sup>3</sup>. Housing affordability remains a critical challenge, particularly in light of stricter mortgage lending rules that heightened barriers of entry for potential homebuyers. Furthermore, there are indicators that housing prices are beginning to firm: while the Teranet-National Bank House Price Index reported a decline of 5.19% from 2018 levels, the index saw a slight rise of 0.41% month-over-month by November 2019<sup>4</sup>. The Royal Bank of Canada also reported an uptick in prices by the fall accompanied by thinning inventory<sup>5</sup>.

The outlook for the provincial and local economy, and subsequently Vancouver's top-tier real estate market, is promising leading into 2020. British Columbia's real GDP, which grew by 2.6% in 2019 is expected to expand 3% in 2020, buoyed by the development of projects such as LNG Canada, the TMX Pipeline and the Site C Dam. Vancouver placed second only to Montreal in GDP growth rankings for Canada's metropolitan areas in 2019, with its expansion of 2.8% due to record housing starts and strong job gains<sup>6</sup>. With a strong economy propelling in-migration and immigration to a city that ranked sixth in the Economist Intelligence Unit's Global Liveability Index in 2019, Vancouver's top-tier market is expected to strengthen into the first quarter of 2020.

## CONDOMINIUMS

Vancouver's top-tier \$1 million-plus condominium market, which was comparably resilient throughout 2017 and 2018, experienced a slower start in 2019 but showed signs of rebalancing in the latter half of the year. Lifestyle buyers, as well as those sidelined into

condominium living due to being priced out of the attached and detached home markets, continued to drive demand.

Following 2018, which saw top-tier condominium sales contract 14% from the historic high of 1,285 units sold over \$1 million in 2017, the top-tier market calmed in 2019. Overall, 832 condos over \$1 million sold in 2019, a 25% decrease from the 1,107 condos sold in 2018. The \$1–2 million segment experienced the majority of top-tier condominium transactions despite a 22% year-over-year decline to 725 units sold in 2019 compared to 931 units sold in 2018. Condo sales between \$2–4 million fell 34% to 91 units sold in 2019 compared to 137 the year prior. Sales in the luxury \$4 million-plus segment experienced the most significant decline as sales fell 59% to 16 units sold from 39 units sold in 2018.

The top-tier condo market gained ground in the last half of 2019 as sales over \$1 million increased 21% from sales in the latter half of 2018. Over the same time period, 8% of condos sold over \$1 million did so above list price, and Sotheby's International Realty Canada market experts reported improved open house activity and qualified offers. Between July 1 – December 31, 2019 sales between \$1– 2 million increased 27% and sales between \$2– 4 million saw no change when compared to the same period in 2018; however, luxury condo sales over \$4 million remained 31% below levels seen in the last half of 2019.

While the recovery of Vancouver's top-tier condo market has lagged behind that of attached and single family homes, there are indicators that the market is beginning to stabilize. Furthermore, downward price adjustments have remained less pronounced than for lower density housing types. The benchmark price for condominiums in Vancouver East fell a slight 3.9% year-over-year to \$551,800 in November 2019 and declined 4% in Vancouver West to \$750,400.

<sup>3</sup> Real Estate Board of Greater Vancouver, November 2019

<sup>4</sup> Teranet-National Bank House Price Index, November 2019

<sup>5</sup> Royal Bank of Canada, Monthly Housing Market Update, November 2019

<sup>6</sup> Conference Board of Canada, November 2019

With buyer and seller confidence steadily resuming, the city's top-tier condo market is expected to normalize into the first quarter of 2020.

## ATTACHED HOMES

The \$1 million-plus attached home market in the City of Vancouver experienced a significant resurgence in demand and sales activity in 2019. As prospective buyers re-engaged in a strengthening market, top-tier attached homes remained attractive alternatives for those upgrading from condominiums, as well as those "rightsizing" from single family homes. Given the city's chronic deficiency of attached home inventory, the market rapidly tilted in favour of sellers by the end of the year.

Overall, 549 attached homes over \$1 million sold in 2019, a 2% increase year-over-year when compared to the 539 homes sold in 2018. Attached homes sales between \$1–2 million experienced a 1% increase to 495 homes sold, compared to 490 homes in 2018. Sales between \$2–4 million increased 16% to 52 homes sold in 2019 compared to 45 homes sold in 2018. Due in part to lack of supply, two luxury attached homes sold over \$4 million compared to four homes sold one year prior.

The recovery of the top-tier attached home market clearly intensified in the latter half of 2019, as sales over \$1 million surged 62% year-over-year to 313 homes sold between July 1 – December 31, 2019. 11% of \$1 million-plus attached homes sold did so above list price. During this time, sales between \$1– 2 million and \$2– 4 million increased 63% and 80% respectively. While two attached homes sold over \$4 million in the last half of 2018, there were no transactions over this price point in the last half of 2019, due in part to a dearth of luxury resale supply.

As demand for attached homes from multiple demographic segments continues to outstrip available inventory, and with conventional sales on a steep upward trajectory given a significant

59.9% year-over-year upswing in sales in November 2019<sup>7</sup>, the outlook for Vancouver's top-tier attached home market is promising for 2020.

## SINGLE FAMILY HOMES

Following three consecutive years of tumbling sales activity which saw \$1 million-plus single family home sales decline 16% from 2015 to 2016, 20% from 2016 to 2017, and fall a further 35% from 2017 to 2018, Vancouver's \$1 million-plus single family home market experienced a notable uptick in fall 2019. Consumer confidence in the real estate market renewed, and as prices adjusted downward to match market conditions, single family homes emerged as an increasingly viable opportunity for prospective top-tier homebuyers.

Over the course of 2019, 1,586 single family homes sold over \$1 million, a nominal 5% increase from the 1,505 homes sold in 2018. Sales between \$1–2 million comprised 55% of \$1 million-plus sales and experienced a 15% increase with 867 homes sold in 2019 compared to 751 homes sold in 2018. Sales between \$2–4 million contracted 2% to 590 homes sold in 2019 compared to 602 homes sold in 2018, while luxury \$4 million-plus sales fell 15% to 129 homes sold compared to 152 in the year prior.

The recovery in the market for single family homes over \$1 million was most palpable in the last half of 2019. Sales between July 1 – December 31, 2019 rose 39% compared to sales in the last half of 2018. During this time, sales between \$1– 2 million and \$2– 4 million increased 51% and 36% from the same period in 2018, signalling the firming of the market for top-tier homes under \$4 million. Luxury home sales over \$4 million showed signs of rebalancing but continued with a slight lag with sales down 5% in the last half of 2019 compared to the same period in 2018.

Overall single family home sales led the recovery of the top-tier and conventional Vancouver real estate market in 2019, as sales rose

<sup>7</sup> Real Estate Board of Greater Vancouver, November 2019

59.9% year-over-year in November 2019, according to the Real Estate Board of Greater Vancouver<sup>8</sup>. While the benchmark price of a single family home fell 9.3% and 5.8% to \$2,904,200 in Vancouver West and \$1,377,100 in Vancouver East<sup>9</sup> low density housing remained out of reach for many, as the city continued to grapple with the challenge of housing affordability.

A buoyant provincial economy, populations gains that add new demand for housing, and the restoration of local consumer confidence in the housing market bode well for Vancouver's top-tier market in the coming months. Pent-up demand from previous years' slowdown is expected to steadily restore the market to normalized levels into the first quarter of 2020.



<sup>8</sup> Real Estate Board of Greater Vancouver, November 2019  
<sup>9</sup> Real Estate Board of Greater Vancouver, November 2019

# VANCOUVER OVERALL MARKET

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>2,087</b>	<b>733</b>	<b>147</b>
Jul 1- Dec 31 2019	1,179	406	74
Jan 1 - Jun 30 2019	908	327	73
<b>Total 2018</b>	<b>2,172</b>	<b>784</b>	<b>195</b>
Jul 1- Dec 31 2018	820	308	84
Jan 1 - Jun 30 2018	1,352	476	111

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>13%</b>	<b>8%</b>	<b>4%</b>
Jan 1 - Jun 30 2019	12%	9%	1%
Jul 1- Dec 31 2018	10%	10%	2%
Jan 1 - Jun 30 2018	26%	16%	8%



# VANCOUVER CONDOMINIUMS

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>725</b>	<b>91</b>	<b>16</b>
Jul 1- Dec 31 2019	417	55	11
Jan 1 - Jun 30 2019	308	36	5
<b>Total 2018</b>	<b>931</b>	<b>137</b>	<b>39</b>
Jul 1- Dec 31 2018	328	55	16
Jan 1 - Jun 30 2018	603	82	23

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>9%</b>	<b>0%</b>	<b>0%</b>
Jan 1 - Jun 30 2019	6%	6%	0%
Jul 1- Dec 31 2018	8%	7%	0%
Jan 1 - Jun 30 2018	30%	18%	22%



# VANCOUVER ATTACHED HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>495</b>	<b>52</b>	<b>2</b>
Jul 1- Dec 31 2019	286	27	0
Jan 1 - Jun 30 2019	209	25	2
<b>Total 2018</b>	<b>490</b>	<b>45</b>	<b>4</b>
Jul 1- Dec 31 2018	176	15	2
Jan 1 - Jun 30 2018	314	30	2

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>11%</b>	<b>7%</b>	<b>N/A</b>
Jan 1 - Jun 30 2019	18%	12%	0%
Jul 1- Dec 31 2018	6%	0%	0%
Jan 1 - Jun 30 2018	31%	17%	50%



# VANCOUVER SINGLE FAMILY HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>867</b>	<b>590</b>	<b>129</b>
Jul 1- Dec 31 2019	476	324	63
Jan 1 - Jun 30 2019	391	266	66
<b>Total 2018</b>	<b>751</b>	<b>602</b>	<b>152</b>
Jul 1- Dec 31 2018	316	238	66
Jan 1 - Jun 30 2018	435	364	86

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>17%</b>	<b>10%</b>	<b>5%</b>
Jan 1 - Jun 30 2019	12%	10%	2%
Jul 1- Dec 31 2018	14%	12%	3%
Jan 1 - Jun 30 2018	17%	15%	3%



# VANCOUVER SAMPLE NEIGHBOURHOODS

JUL 1- DEC 31 2019

<b>Condominiums</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Coal Harbour	78	\$1,402,278	66
Kerrisdale	42	\$1,017,139	51
Point Grey / UBC	13	\$829,653	54
Shaughnessy	6	\$504,500	11
Yaletown	283	\$1,055,036	37
<b>Attached Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Coal Harbour	1	\$1,875,000	115
Kerrisdale	4	\$1,658,666	34
Point Grey / UBC	4	\$1,117,000	24
Shaughnessy	5	\$2,089,600	26
Yaletown	7	\$1,563,428	65
<b>Single Family Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Coal Harbour	0	N/A	N/A
Kerrisdale	19	\$3,194,227	41
Point Grey / UBC	42	\$3,423,606	66
Shaughnessy	24	\$4,799,620	89
Yaletown	0	N/A	N/A





# Calgary Top-Tier Report

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# Calgary Market Summary<sup>1</sup>

Following a fragile market in 2018, the prospect for recovery in Calgary's \$1 million-plus real estate market was tenuous in 2019. A challenging market prevailed into the year as weakness in the energy and agriculture sectors permeated the local economy. As Alberta's growth forecast slowed to 0.6%<sup>2</sup> in 2019, Calgary's real GDP contracted 0.4%<sup>3</sup> and the unemployment rate hit 6.9%<sup>4</sup>, well above the national rate of 5.9%<sup>5</sup>. Economic and political anxiety built up in the months leading up to a contentious federal election in October 2019 and remained elevated in the months that followed. Consumer confidence also faltered following the end-of-year release of a provincial budget that aims to reduce expenditures by \$1.3 billion from previous year's spending levels.

In spite of these compounding challenges, Calgary's overall real estate sales activity in October improved by nearly 10% compared to last year, according to the Calgary Real Estate Board, driven largely by improvements in the market for housing under \$500,000<sup>6</sup>. New listings also eased in the conventional and luxury segments, which helped reduce inventory levels; however, Calgary remained saturated with supply and prices remained below 2018 levels. By November, sales activity had eased, due largely to pullbacks in the condominium market.

Overall, given the province's uneven economic performance, recovery in Calgary's top-tier real estate market was elusive in 2019.

Sales activity and housing prices trended downward throughout 2019, and buyers' market conditions endured. Residential real estate sales over \$1 million (condominiums, attached and single family homes) decreased 13% to 531 units sold in 2019 compared to 611 sold in 2018. Sales between \$1–2 million decreased by 12% to 475 properties sold in 2019, compared to 540 in 2018, while the \$2–4 million segment experienced a 23% decline in sales to 54 properties sold in 2019, compared to 70 sold the year prior. Two homes were sold over \$4 million on Multiple Listing Service in 2019, compared to one home sold the year prior, reflecting soft demand in the city's ultra-luxury market. However, Sotheby's International Realty Canada and Concierge Auction's sale of a prestigious estate in December 2019 at a price that was the highest for a detached home in Calgary since January 2015 reflected the persistence of demand for the city's premier real estate, so long as strategic pricing, targeted marketing and comprehensive exposure aligned.

In spite of this annual decline, top-tier sales in the last half of 2019 reflected signs of regaining balance. Between July 1 – December 31, 2019, residential sales over \$1 million dipped 2% year-over-year to 256 properties sold. During this time sales between \$1–2 million pulled ahead 2%, while sales between \$2–4 million fell 30%. Luxury sales over \$4 million remained on par with the last half of 2018 at one property sold.

Overall, however, housing prices stagnated citywide. The benchmark price for homes fell to \$419,100 in November 2019, 2% lower than in November 2018, while the benchmark price for detached homes and condominiums contracted to \$481,500 and \$247,900 respectively<sup>7</sup>. The Teranet-National Bank House Price Index was also down 0.9%

<sup>1</sup> The information contained in this report references market data from MLS boards across Canada. Sotheby's International Realty Canada cautions that MLS market data can be useful in establishing trends over time, but does not indicate actual prices in widely divergent neighborhoods or account for price differentials within local markets. This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information and analysis presented in this report, no responsibility or liability whatsoever can be accepted by Sotheby's International Realty Canada or Sotheby's International Realty Affiliates for any loss or damage resultant from any use of, reliance on or reference to the contents of this document.

<sup>2</sup> Government of Alberta, November 2019

<sup>3</sup> Metropolitan Outlook: Calgary–Autumn 2019, Conference Board of Canada, November 2019

<sup>4</sup> Statistics Canada, November 2019

<sup>5</sup> Statistics Canada, November 2019

<sup>6</sup> Calgary Real Estate Board, October 2019

<sup>7</sup> Calgary Real Estate Board, November 2019

from 2018 levels<sup>8</sup>. Prices in the city's prestigious real estate markets also remained soft, with a negligible 4% of real estate over \$1 million selling above list price in the last half of 2019.

## CONDOMINIUMS<sup>9</sup>

Following an uptick in \$1 million-plus condominium sales activity in 2018, which resulted in 29 units sold compared to 12 units sold in 2017, Calgary's top-tier condominium market waned in 2019. Sales over \$1 million declined 45% year-over-year to 16 units sold, and the market remained heavily favourable to prospective buyers and investors.

More than 80% of sales over \$1 million took place in the \$1–2 million segment, which saw sales activity decrease 50% year-over-year to 13 units sold in 2019 compared to 26 units sold in 2018. Sales in the \$2–4 million price segment experienced no change with three units sold in 2018 and 2019. In keeping with 2018 levels, the luxury \$4 million-plus condo market experienced no sales in 2019.

While Calgary's conventional condo market experienced intermittent glimpses of improvement in 2019 as listings supply eased briefly to just under six months<sup>10</sup>, oversupply remained persistent in the city's luxury market. As a result, buyers' conditions are expected to remain entrenched well into 2020.

## ATTACHED HOMES<sup>11</sup>

Calgary's top-tier attached home market saw a persistent decline in activity in 2019, with sales of homes over \$1 million falling 12% to 38 homes sold in 2019, compared to 43 homes sold in 2018. The majority of sales took place in the \$1–2 million segment of the market where 38 homes sold in 2019, compared to 42 homes sold

in 2018, a 10% decline. The \$ 2–4 million segment of the market experienced no home sales in 2019, compared to one sale in 2018.

## SINGLE FAMILY HOMES<sup>12</sup>

Single family home sales comprised the vast majority of \$1 million-plus residential sales volume in Calgary in 2019, at 90%. However, consumer demand within this market-dominant segment continued to waver in 2019. \$1 million-plus single family home sales decreased 12% year-over-year with 477 homes sold in 2019 compared to 539 homes sold in 2018. The highest level of activity was in the \$1–2 million segment of the market, which experienced a 10% decrease in sales volume to 424 homes sold in 2019, compared to 472 homes sold in 2018. Sales between \$2–4 million fell 23% to 51 homes sold in 2019, compared to 66 homes sold in 2018. Two luxury homes sold over \$4 million in 2019 on MLS, compared to one home sold in 2018.

Sales of \$1 million-plus single family homes stabilized in the latter half of the year, remaining on par with activity in the last half of 2018 at 234 homes sold. During this time, sales between \$1–2 million increased 5%, while \$2–4 million sales fell 38%. As in the latter half of 2018, one single family home sold over \$4 million in the last half of 2019.

As Calgary's real estate market continues to confront challenges leading into 2020, comprehensive marketing, as well as market-responsive pricing strategies, have become imperative to selling a luxury home. Sotheby's International Realty Canada has noted an increase in prospective home sellers specifically seeking local, national and international marketing solutions, as well as unique, non-traditional sales models such as the use of exclusive or preferred

<sup>8</sup> Teranet-National Bank House Price Index, November 2019

<sup>9</sup> Condominiums - CREB Property Type: Apartment; Condo Type: Conventional; Building Type: Lowrise Apartment, High Rise Apartment, Multi Unit

<sup>10</sup> Calgary Real Estate Board, November 2019

<sup>11</sup> Attached Homes - CREB Property Type: Attached; Condo Type: Bare Land, Conventional, Not a Condo

<sup>12</sup> Single Family Homes - CREB Property Type: Detached; Condo Type: Bare Land, Conventional, Not a Condo

auction partners, to ensure a sale at a market-driven tempo and price.

With Alberta's economic growth projected at 2.4% for 2020 as construction on the Trans Mountain Expansion project begins and as the outlook for energy investment improves<sup>13</sup>, Calgary's top-tier real estate market is expected to endure a prolonged, uneven, but determined path towards recovery into the coming year.



<sup>13</sup> Conference Board of Canada, November 2019

# CALGARY OVERALL MARKET

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>475</b>	<b>54</b>	<b>2</b>
Jul 1- Dec 31 2019	232	23	1
Jan 1 - Jun 30 2019	243	31	1
<b>Total 2018</b>	<b>540</b>	<b>70</b>	<b>1</b>
Jul 1- Dec 31 2018	227	33	1
Jan 1 - Jun 30 2018	313	37	0

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
Jul 1- Dec 31 2019	4%	9%	0%
Jan 1 - Jun 30 2019	2%	3%	0%
Jul 1- Dec 31 2018	5%	3%	0%
Jan 1 - Jun 30 2018	9%	8%	N/A



# CALGARY CONDOMINIUMS

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>13</b>	<b>3</b>	<b>0</b>
Jul 1- Dec 31 2019	7	3	0
Jan 1 - Jun 30 2019	6	0	0
<b>Total 2018</b>	<b>26</b>	<b>3</b>	<b>0</b>
Jul 1- Dec 31 2018	11	1	0
Jan 1 - Jun 30 2018	15	2	0

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
Jul 1- Dec 31 2019	0%	0%	N/A
Jan 1 - Jun 30 2019	0%	N/A	N/A
Jul 1- Dec 31 2018	9%	100%	N/A
Jan 1 - Jun 30 2018	0%	0%	N/A



# CALGARY ATTACHED HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>38</b>	<b>0</b>	<b>0</b>
Jul 1- Dec 31 2019	12	0	0
Jan 1 - Jun 30 2019	26	0	0
<b>Total 2018</b>	<b>42</b>	<b>1</b>	<b>0</b>
Jul 1- Dec 31 2018	14	0	0
Jan 1 - Jun 30 2018	28	1	0

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	0%	N/A	N/A
Jan 1 - Jun 30 2019	0%	N/A	N/A
Jul 1- Dec 31 2018	14%	N/A	N/A
Jan 1 - Jun 30 2018	0%	0%	N/A



# CALGARY SINGLE FAMILY HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>424</b>	<b>51</b>	<b>2</b>
Jul 1- Dec 31 2019	213	20	1
Jan 1 - Jun 30 2019	211	31	1
<b>Total 2018</b>	<b>472</b>	<b>66</b>	<b>1</b>
Jul 1- Dec 31 2018	202	32	1
Jan 1 - Jun 30 2018	270	34	0

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>4%</b>	<b>10%</b>	0%
Jan 1 - Jun 30 2019	3%	3%	0%
Jul 1- Dec 31 2018	4%	0%	0%
Jan 1 - Jun 30 2018	10%	9%	N/A





# CALGARY SAMPLE NEIGHBOURHOODS

JUL 1- DEC 31 2019

<b>Condominiums</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Altadore	5	\$284,100	49
Aspen Woods	6	\$391,988	102
Elbow Park	0	N/A	N/A
Lower Mount Royal	24	\$291,758	83
Upper Mount Royal	2	\$318,500	29
<b>Attached Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Altadore	44	\$693,337	57
Aspen Woods	10	\$434,100	60
Elbow Park	0	N/A	N/A
Lower Mount Royal	2	\$733,750	81
Upper Mount Royal	0	N/A	N/A
<b>Single Family Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Altadore	25	\$938,192	73
Aspen Woods	43	\$956,167	87
Elbow Park	23	\$1,350,489	84
Lower Mount Royal	2	\$397,500	10
Upper Mount Royal	12	\$1,527,625	52



# Greater Toronto Area Top-Tier Report

2019 YEAR END REAL ESTATE REPORT

# Greater Toronto Area<sup>1</sup>

## Market Summary<sup>2</sup>

In spite of an extended winter that slowed the start of the spring real estate cycle, consumer confidence and activity in the Greater Toronto Area's (Durham, Halton, Peel, Toronto and York) top-tier real estate market flourished in 2019, thriving with the region's strong population gains, healthy economy and robust labour market. Demand for premier real estate was strong relative to available listings, as tightening market conditions continued to spark multiple offer scenarios for premier properties. Overall, active sellers' market conditions prevailed across all top-tier housing types, particularly within the City of Toronto.

In contrast to the brief market lull experienced in 2018 following the introduction of stricter mortgage lending policies on the heels of the 2017 unveiling of the Ontario Fair Housing plan, the Greater Toronto Area's \$1 million-plus residential real estate market experienced a 23% year-over-year increase in sales activity with 17,532 properties (condominiums, attached and single family homes) sold in 2019 compared to 14,255 properties sold in 2018. Demand for GTA properties in the \$1–2 million price range was the most robust, representing 87% of total sales volume above \$1 million and increasing 25% year-over-year to 15,202 units sold in 2019 compared to 12,139 sold in 2018. Sales between \$2–4 million increased 12% year-over-year. As property owners sought privacy from new transaction transparency, luxury sales continued to migrate away from Multiple Listings Service (MLS) towards exclusive sales and

marketing platforms. As a result, annual sales over \$4 million tracked on MLS reflected a 3% decline to 228 properties sold.

Top-tier real estate sales activity within the City of Toronto escalated in 2019. Between January 1–December 31, 2019, 7,877 \$1 million-plus properties sold compared to 6,562 units sold in 2018, a 20% year-over-year gain. Sales between \$1–2 million and \$2–4 million increased 23% and 10% year-over-year respectively, while \$4 million-plus luxury real estate sales on MLS amounted to 178 units sold, a 5% increase from 2018. This modest increase was due in part to the ongoing shift of luxury real estate transactions to exclusive sales and marketing channels.

While \$1 million-plus sales activity revitalized by mid-2019, real estate consumer and industry confidence continued to build momentum through the last half of the year. From July 1–December 31, 2019, the GTA's \$1 million-plus real estate market saw a 36% year-over-year increase in sales with 8,920 properties sold, compared to 6,571 properties sold in the last half of 2018. During this time, \$1–2 million sales rose 40% year-over-year and \$2–4 million sales increased 14%, while luxury real estate sales over \$4 million rose 17% above sales in the last half of 2018.

Sales in the last half of 2019 in the City of Toronto mirrored this positive trajectory. Between July 1 –December 31, 2019, sales over \$1 million increased a healthy 28% year-over-year to 3,885 properties sold. During the same time, the \$1–2 million and \$2-4 million segment saw sales increase 32% and 14% respectively, while \$4 million-plus sales posted gains of 14%.

With consumer confidence restored in the region's conventional and top-tier real estate market, housing prices rose steadily through the course of 2019 with the Teranet-National Bank House Price

<sup>1</sup> Durham, Halton, Peel, Toronto & York

<sup>2</sup> The information contained in this report references market data from MLS boards across Canada. Sotheby's International Realty Canada cautions that MLS market data can be useful in establishing trends over time, but does not indicate actual prices in widely divergent neighborhoods or account for price differentials within local markets. This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information and analysis presented in this report, no responsibility or liability whatsoever can be accepted by Sotheby's International Realty Canada or Sotheby's International Realty Affiliates for any loss or damage resultant from any use of, reliance on or reference to the contents of this document.

Index reporting a 4.2% increase year-over-year<sup>3</sup>. According to the Toronto Real Estate Board, the average sale price in the GTA for all home types combined rose 7.1% year-over-year in November 2019 to \$843,637.<sup>4</sup>

Toronto remains a growing North American economic hub and the financial and business capital of Canada. Over the past several years Toronto has experienced strong economic gains, with GDP outpacing the national average<sup>5</sup>. According to the Conference Board of Canada, Toronto is projected to follow its 2% increase in GDP in 2019 with a 2.2% growth rate in 2020<sup>6</sup>. Furthermore, population gains are expected to place unrelenting pressure on conventional and top-tier housing demand as Ontario recorded one of its highest population growth rates in 30 years in 2018/2019<sup>7</sup> with Toronto acting as a key gateway for newcomers drawn to a city ranked seventh in the Economist Intelligence Unit's Global Liveability Index in 2019<sup>8</sup>.

These underlying influences, coupled with continued international and local investor interest, are expected to propel the GTA's top-tier real estate market to new levels of activity and pricing into the first quarter of 2020.

## CONDOMINIUMS<sup>9</sup>

In the GTA, top-tier condominium sales for 2019 reflected a healthy and strengthening market. While sales over \$1 million in 2018 had contracted a mild 3% from 2017 levels due largely to muted performance in the first quarter, \$1 million-plus condominium sales increased 16% year-over-year from 1,259 units sold in 2018 to 1,464 sold in 2019. There was a significant 19% year-over-year uptick in sales from \$1–2 million, with 1,287 units sold in 2019 compared to 1,084 units sold in 2018. \$2–4 million condo sales experienced a

modest 6% increase as 167 units sold in 2019 compared to 158 in 2018. Although \$4 million-plus condo sales on MLS were down 41% year-over-year from 17 units sold in 2018 to 10 units in 2019, this was partly attributable to the shift in ultra-luxury real estate sales to exclusive channels.

Following 2018 top-tier condo sales volume that was on par with 2017 levels, the City of Toronto's \$1 million-plus condominium market resurged in 2019 with a 16% year-over-year increase in sales activity from 1,129 units sold in 2018 to 1,313 sold in 2019. Sales between \$1–2 million experienced an 18% uptick from 970 units sold in 2018 to 1,148 units sold in 2019, while \$2–4 million condo sales experienced a slight 9% uptick in activity with 155 units sold this year when compared to 142 units sold in 2018. Luxury \$4 million-plus condo sales registered on MLS fell 41% from 17 units sold in 2018 to 10 units sold in 2019.

Price gains in the GTA condominium market have surpassed that of lower density housing types, with the average price for condominiums across the region up 11.1% to \$617,658, while the average price within the City of Toronto experienced a 10.9% year-over-year gain to \$659,855<sup>10</sup>. The market for top-tier condominiums has experienced comparable gains, supported by demand from a broad cross-section of buyers seeking high-end, low-maintenance lifestyle solutions, as well as those simply priced out of lower density housing. Furthermore, according to Sotheby's International Realty Canada experts, the top-tier condo market has benefited from strengthening interest from prospective domestic and foreign investors dissuaded by the plethora of recent taxes and policies in Vancouver targeting unoccupied housing and foreign ownership.

<sup>3</sup> Teranet-National Bank House Price Index, November 2019

<sup>4</sup> Toronto Real Estate Board, November 2019

<sup>5</sup> City of Toronto, 2019

<sup>6</sup> Conference Board of Canada, December 2019

<sup>7</sup> Population Projections: Canada, Provinces and Territories, 2018 to 2068, Statistics Canada, September 2019

<sup>8</sup> Global Liveability Index, The Economist Intelligence Unit, 2019

<sup>9</sup> Condominiums - All Condo Types (Residential Condo & Other): Common Element Condo, Condo Apt, Condo Townhouse, Co-op Apt, Co-Ownership Apt, Detached Condo, Leasehold Condo, Locker, Other, Parking Space, Phased Condo, Semi-detached Condo, Time Share, Vacant Land Condo

<sup>10</sup> Toronto Real Estate Board, November 2019

Due to population and demographic pressures, the GTA conventional and top-tier condominium market is expected to strengthen into 2020.

## ATTACHED HOMES<sup>11</sup>

Top-tier attached homes remained one of the GTA's most coveted housing types in 2019, as a diverse cross-section of buyers competed for limited inventory. While GTA attached sales over \$1 million had increased a modest 8% in the last half of 2018 compared to the same months in 2017, the region's \$1 million-plus attached homes market saw a 29% year-over-year increase from 1,513 homes sold in 2018 to 1,958 sold in 2019.

Thriving demand resulted in brisk sales and a notable 52% of \$1 million-plus attached homes selling above list price in the last half of the year. The \$1–2 million segment experienced a significant 32% increase in sales activity with 1,843 homes sold in 2019 compared to 1,391 homes sold in 2018. Despite robust demand, limited top-tier attached home supply between \$2–4 million contracted 6% in sales from previous year's levels, decreasing from 116 homes sold in 2018 to 109 homes sold in 2019. However, luxury \$4 million-plus attached home sales remained on par with 2018 levels at six homes sold in both years.

The City of Toronto's \$1 million-plus attached homes market experienced an impactful 31% year-over-year increase in sales with 1,707 homes sold in 2019 compared to 1,301 homes sold in 2018. Sales of attached homes between \$1–2 million surged 35%; 1,594 homes sold in 2019 compared to 1,182 homes sold in the year prior. Attached home sales between \$2–4 million fell 5% to 107 homes sold in 2019 compared to 113 in 2018, while sales of \$4 million-plus

luxury attached homes remained on par with 2018 levels at six units sold.

Across the region, average prices rose 5.7% and 3% for semi-detached and townhouses to \$837,573 and \$666,744 respectively<sup>12</sup>, a trend that was also reflected in the top-tier market.

Given the region's limited stock of top-tier attached homes, and as the market continues to attract a broad cross-section of buyers seeking lifestyle and financial alternatives to condominiums and single family homes, demand is set to far outstrip supply into 2020.

## SINGLE FAMILY HOMES<sup>13</sup>

The GTA top-tier single family home market gained steady traction in 2019. While sales over \$1 million in the latter half of 2018 reflected a nominal 2% year-over-year gain from the last half of 2017, the GTA's \$1 million-plus single family home market saw a 23% annual gain from 11,483 units sold in 2018 to 14,110 units sold in 2019. 19% of \$1 million-plus single family homes sold in the last half of the year did so at above asking price. The \$1–2 million segment experienced a 25% year-over-year increase to 12,072 homes sold in 2019 compared to 9,664 in 2018. Moreover, sales between \$2–4 million experienced a 14% increase from 1,826 homes sold in 2019 compared to 1,608 sold in 2018. Luxury single family home sales over \$4 million on MLS posted a negligible gain from 211 units sold in 2018 to 212 sold in 2019.

Across the GTA, \$1 million-plus single family home sales continued to strengthen in the last half of 2019, as sales between July 1 – December 31, 2019 rose 37% compared to sales in the last half of 2018. During this time, sales between \$1–2 million increased 41% year-over-year while sales between \$2–4 million increased a modest 15% from 2018 levels. The market for luxury homes over \$4 million showed signs of notable recovery in the latter half of 2019.

<sup>11</sup> Attached Homes - Attached/Row/Townhouse, Semi-Detached, Duplex (Residential Freehold)

<sup>12</sup> Toronto Real Estate Board, November 2019

<sup>13</sup> Single Family Homes - Detached, Detached with Common Elements, Links (Residential Freehold)

While sales over \$4 million in the last half of 2018 had declined 24% year-over-year from the same period in 2017, sales between July 1 – December 31, 2019 on MLS increased 24% from the same period in 2018, in spite of the fact that luxury home sales continued to move to exclusive channels.

Within the City of Toronto, the \$1 million-plus single family home market experienced an 18% year-over-year gain in annual sales activity, with 4,857 homes sold in 2019 compared to 4,132 homes in 2018. In the \$1–2 million segment, sales increased 20% to 3,571 homes sold in 2019 compared to 2,980 homes sold in 2018. Sales between \$2–4 million experienced a slight 12% increase to 1,124 homes sold in 2019 compared to 1,006 sold in the year prior. Luxury single family home sales over \$4 million on MLS experienced a 11% increase to 162 homes sold compared to 146 in 2018.

According to the Toronto Real Estate Board, the average price of a single family home in the region rose 3.5% year-over-year in November 2019 to \$1,044,138, while the average City of Toronto single family home price increased a more notable 4.9% to \$1,360,246 .

With demand expected to outstrip the levels of supply available in the region's premier neighbourhoods in the first quarter of 2020, strengthening velocity and pricing are anticipated.



# GREATER TORONTO AREA OVERALL MARKET

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>15,202</b>	<b>2,102</b>	<b>228</b>
Jul 1- Dec 31 2019	7,753	1,042	125
Jan 1 - Jun 30 2019	7,449	1,060	103
<b>Total 2018</b>	<b>12,139</b>	<b>1,882</b>	<b>234</b>
Jul 1- Dec 31 2018	5,551	913	107
Jan 1 - Jun 30 2018	6,588	969	127

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>24%</b>	<b>15%</b>	<b>7%</b>
Jan 1 - Jun 30 2019	26%	19%	11%
Jul 1- Dec 31 2018	22%	16%	7%
Jan 1 - Jun 30 2018	25%	24%	17%



# GREATER TORONTO AREA CONDOMINIUMS

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>1,287</b>	<b>167</b>	<b>10</b>
Jul 1- Dec 31 2019	649	87	6
Jan 1 - Jun 30 2019	638	80	4
<b>Total 2018</b>	<b>1,084</b>	<b>158</b>	<b>17</b>
Jul 1- Dec 31 2018	514	79	8
Jan 1 - Jun 30 2018	570	79	9

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>21%</b>	<b>13%</b>	<b>0%</b>
Jan 1 - Jun 30 2019	23%	24%	0%
Jul 1- Dec 31 2018	25%	18%	13%
Jan 1 - Jun 30 2018	33%	16%	22%





# GREATER TORONTO AREA ATTACHED HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>1,843</b>	<b>109</b>	<b>6</b>
Jul 1- Dec 31 2019	912	50	1
Jan 1 - Jun 30 2019	931	59	5
<b>Total 2018</b>	<b>1,391</b>	<b>116</b>	<b>6</b>
Jul 1- Dec 31 2018	653	50	4
Jan 1 - Jun 30 2018	738	66	2

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>53%</b>	<b>30%</b>	<b>100%</b>
Jan 1 - Jun 30 2019	61%	53%	0%
Jul 1- Dec 31 2018	55%	40%	25%
Jan 1 - Jun 30 2018	57%	52%	50%



# GREATER TORONTO AREA SINGLE FAMILY HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>12,072</b>	<b>1,826</b>	<b>212</b>
Jul 1- Dec 31 2019	6,192	905	118
Jan 1 - Jun 30 2019	5,880	921	94
<b>Total 2018</b>	<b>9,664</b>	<b>1,608</b>	<b>211</b>
Jul 1- Dec 31 2018	4,384	784	95
Jan 1 - Jun 30 2018	5,280	824	116

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>20%</b>	<b>15%</b>	<b>7%</b>
Jan 1 - Jun 30 2019	21%	17%	12%
Jul 1- Dec 31 2018	17%	14%	6%
Jan 1 - Jun 30 2018	20%	22%	16%



# GREATER TORONTO AREA SAMPLE NEIGHBOURHOODS

JUL 1- DEC 31 2019

<b>Condominiums</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Annex	146	\$1,311,928	26
Bridle Path-Sunnybrook-York Mills	31	\$1,362,194	34
Forest Hill	35	\$778,650	34
Lawrence Park	16	\$876,244	16
Rosedale-Moore Park	78	\$1,124,443	21
<b>Attached Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Annex	35	\$1,974,286	22
Bridle Path-Sunnybrook-York Mills	0	N/A	N/A
Forest Hill	5	\$1,721,800	7
Lawrence Park	17	\$1,420,134	15
Rosedale-Moore Park	9	\$2,120,111	21
<b>Single Family Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Annex	27	\$2,930,704	23
Bridle Path-Sunnybrook-York Mills	34	\$4,896,016	47
Forest Hill	39	\$3,797,308	30
Lawrence Park	97	\$2,366,651	20
Rosedale-Moore Park	38	\$3,485,372	21



# Montreal Top-Tier Report

2019 YEAR END REAL ESTATE REPORT

# Montreal Market Summary<sup>1</sup>

The City of Montreal's top-tier real estate market achieved new records in 2019 as it registered strong annual increases in sales volume and pricing, even as inventory remained limited in premier neighbourhoods. Exceptional sales gains were experienced in the luxury \$4 million-plus segment of the real estate market, while the city's top-tier condominium market surpassed past records to achieve new highs in 2019. Montreal continued to attract new attention as a global luxury real estate destination, even as the market remained largely driven by local buyers.

Overall sales of \$1 million-plus residential real estate (condominiums, attached and single family homes) in Montreal experienced an increase of 13% to 995 properties sold in 2019, compared to 883 units sold in 2018. Top-tier sales between \$1–2 million rose 13% to 821 properties sold in 2019, compared to 726 units sold in 2018, while sales in the \$2–4 million market posted modest gains of 7% to 156 units sold compared to 146 sold units in 2018. In contrast to 2018 when \$4 million-plus luxury sales held steady at 2017 levels with 11 properties sold, 18 properties sold over \$4 million in 2019, up 64% year-over-year.

Momentum strengthened in the last half of 2019 as sales rose 21% year-over-year to 511 properties sold.

Across Montreal's conventional and luxury housing market, overall inventory fell for the 50th consecutive month in November<sup>2</sup>, igniting bidding wars, steep price gains, and triggering concerns that segments of the Montreal market were at risk of overheating. Healthy consumer demand coupled with limited supply boosted the Teranet-National Bank House Price Index by 6.37% year-over-year in November 2019<sup>3</sup>. Meanwhile, according to the Quebec Professional Association of Real Estate Brokers, the median price of a single-family home reached \$350,000 by the end of 2019, while that of a condominium reached \$290,000, a 6% and 9% year-over-year gain respectively<sup>4</sup>.

Strengthening economic fundamentals and unprecedented population gains are fueling Montreal's real estate boom. The Conference Board of Canada confirmed that Montreal led the nation's major metropolitan areas in economic growth in 2019 at a rate of 3%, due to strong performance across key industries including manufacturing, finance, insurance and real estate<sup>5</sup>. The Montreal Census Metropolitan Area also continued to post steady low unemployment rates which fell to 5.8% in November 2019, a 0.1% decline from November 2018<sup>6</sup>. Between 2018 and 2019, Quebec experienced its largest population increase in three decades<sup>7</sup>.

These factors translated into a growing consumer base with a positive inclination for Montreal's top-tier real estate in 2019 and will continue to underpin healthy market performance into the first quarter of 2020.

<sup>1</sup> The information contained in this report references market data from MLS boards across Canada. Sotheby's International Realty Canada cautions that MLS market data can be useful in establishing trends over time, but does not indicate actual prices in widely divergent neighborhoods or account for price differentials within local markets. This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information and analysis presented in this report, no responsibility or liability whatsoever can be accepted by Sotheby's International Realty Canada or Sotheby's International Realty Affiliates for any loss or damage resultant from any use of, reliance on or reference to the contents of this document.

<sup>2</sup> Quebec Professional Association of Real Estate Brokers, November 2019

<sup>3</sup> Teranet-National Bank House Price Index, November 2019

<sup>4</sup> Quebec Professional Association of Real Estate Brokers, November 2019

<sup>5</sup> Conference Board of Canada Metropolitan Outlook: Montreal–Autumn 2019, November 2019

<sup>6</sup> Statistics Canada, November 2019

<sup>7</sup> Canada's Population Estimates: July 1, 2019, Statistics Canada, September 2019

## CONDOMINIUMS

Montreal's luxury new and resale condominium market soared in 2019 as end-user and investor demand for high-end, high-density housing strengthened, and as the city's skyline evolved with new development. The construction of luxury condominium projects such as the ground-breaking 58- and 61-storey towers comprising the city's iconic Maestria, as well as the recent completion of luxury developments including the Four Seasons Private Residences Montréal, resulted in an influx of presale, new and resale inventory. This new inventory was readily absorbed by market demand.

For the first time in its history, condominiums comprised over 20% of residential real estate sales over \$1 million in the city. Overall, Montreal's \$1 million-plus condominium sales increased 39% year-over-year to 219 units sold in 2019, surpassing the city's previous top-tier sales record of 157 units sold over \$1 million in 2018. The \$1–2 million segment experienced a 41% year-over-year increase in sales activity with 190 units sold in 2019, compared to 135 in 2018. Condominium sales between \$2–4 million increased 29% to 27 units sold in 2019, compared to 21 units in 2018. Luxury \$4 million-plus condominium sales increased from one unit sold in 2018, to two units sold in 2019.

With Montreal's luxury real estate consumers increasingly embracing condominium lifestyles and investment opportunities, and as developers meet those demands with new projects, it is expected that the city's luxury condominium sales will continue to escalate into the first quarter of 2020.

## ATTACHED HOMES

Following a significant 40% surge in top-tier attached home sales in 2018 from 2017 levels, Montreal's \$1 million-plus attached home market experienced another 22% gain in sales activity in 2019 to 353 homes sold, compared to 290 homes sold in 2018. Sales between \$1–2 million surpassed levels of activity seen in 2018: 322

homes sold in 2019, compared to 270 homes sold in 2018, a 19% increase. The \$2–4 million segment of the market experienced a 55% increase in sales volume to 31 homes sold, compared to 20 sold in 2018.

## SINGLE FAMILY HOMES

Following several consecutive years of sales gains which saw single family home sales over \$1 million increase 21% from 2016 to 2017 and another 8% from 2017 to 2018, the top-tier single family home market in Montreal moderated in 2019 with a 3% decrease to 423 homes sold, compared to 436 homes sold in 2018. Sales between \$1–2 million contracted 4% to 309 homes sold in 2019, down from 321 homes sold in 2018. Similarly, the \$2–4 million segment of the market saw a 7% decrease in sales volume to 98 homes sold, compared to 105 home sales the year prior. The most significant uptick was experienced in the luxury \$4 million-plus market, which saw sales increase 60% year-over-year to 16 homes sold compared to 10 sold over \$4 million in 2018.

In spite of steady price escalation across Montreal's top-tier real estate market in 2019, the city's high-end real estate remains one of the most affordable compared to other major North American metropolitan areas. With the outlook for economic fundamentals positive, and with robust population gains anticipated, healthy top-tier market conditions are projected for the city well into the first quarter of 2020.

# MONTREAL OVERALL MARKET

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>821</b>	<b>156</b>	<b>18</b>
Jul 1- Dec 31 2019	423	81	7
Jan 1 - Jun 30 2019	398	75	11
<b>Total 2018</b>	<b>726</b>	<b>146</b>	<b>11</b>
Jul 1- Dec 31 2018	349	66	8
Jan 1 - Jun 30 2018	377	80	3

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>12%</b>	<b>7%</b>	<b>0%</b>
Jan 1 - Jun 30 2019	17%	8%	0%
Jul 1- Dec 31 2018	13%	11%	0%
Jan 1 - Jun 30 2018	16%	14%	0%



# MONTREAL CONDOMINIUMS

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>190</b>	<b>27</b>	<b>2</b>
Jul 1- Dec 31 2019	91	14	1
Jan 1 - Jun 30 2019	99	13	1
<b>Total 2018</b>	<b>135</b>	<b>21</b>	<b>1</b>
Jul 1- Dec 31 2018	65	10	1
Jan 1 - Jun 30 2018	70	11	0

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>12%</b>	<b>21%</b>	<b>0%</b>
Jan 1 - Jun 30 2019	15%	8%	0%
Jul 1- Dec 31 2018	8%	0%	0%
Jan 1 - Jun 30 2018	10%	36%	N/A





# MONTREAL ATTACHED HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>322</b>	<b>31</b>	<b>0</b>
Jul 1- Dec 31 2019	168	16	0
Jan 1 - Jun 30 2019	154	15	0
<b>Total 2018</b>	<b>270</b>	<b>20</b>	<b>0</b>
Jul 1- Dec 31 2018	111	8	0
Jan 1 - Jun 30 2018	159	12	0

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>12%</b>	<b>6%</b>	<b>N/A</b>
Jan 1 - Jun 30 2019	25%	13%	N/A
Jul 1- Dec 31 2018	20%	13%	N/A
Jan 1 - Jun 30 2018	22%	25%	N/A



# MONTREAL SINGLE FAMILY HOMES

# of Units Sold	\$1-2M	\$2-4M	\$4M+
<b>Total 2019</b>	<b>309</b>	<b>98</b>	<b>16</b>
Jul 1- Dec 31 2019	164	51	6
Jan 1 - Jun 30 2019	145	47	10
<b>Total 2018</b>	<b>321</b>	<b>105</b>	<b>10</b>
Jul 1- Dec 31 2018	173	48	7
Jan 1 - Jun 30 2018	148	57	3

% of Homes Sold Over List Price	\$1-2M	\$2-4M	\$4M+
<b>Jul 1- Dec 31 2019</b>	<b>11%</b>	<b>4%</b>	<b>0%</b>
Jan 1 - Jun 30 2019	11%	6%	0%
Jul 1- Dec 31 2018	10%	13%	0%
Jan 1 - Jun 30 2018	12%	7%	0%



# MONTREAL SAMPLE NEIGHBOURHOODS

JUL 1- DEC 31 2019

<b>Condominiums</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Côte-Des-Neiges / NDG	250	\$466,692	48
Hampstead	8	\$785,000	60
Outremont	130	\$605,131	51
Town Of Mont Royal	85	\$538,282	52
Westmount	97	\$896,727	76
<b>Attached Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Côte-Des-Neiges / NDG	82	\$966,049	49
Hampstead	5	\$896,250	78
Outremont	23	\$1,537,667	52
Town Of Mont Royal	28	\$1,168,556	58
Westmount	52	\$1,624,438	92
<b>Single Family Homes</b>	<b># of Units Sold</b>	<b>Avg. Sold Price</b>	<b>Avg. Days on Market for Solds</b>
Côte-Des-Neiges / NDG	27	\$829,022	61
Hampstead	22	\$1,462,325	68
Outremont	10	\$2,296,875	110
Town Of Mont Royal	57	\$1,820,706	65
Westmount	23	\$3,136,389	147



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