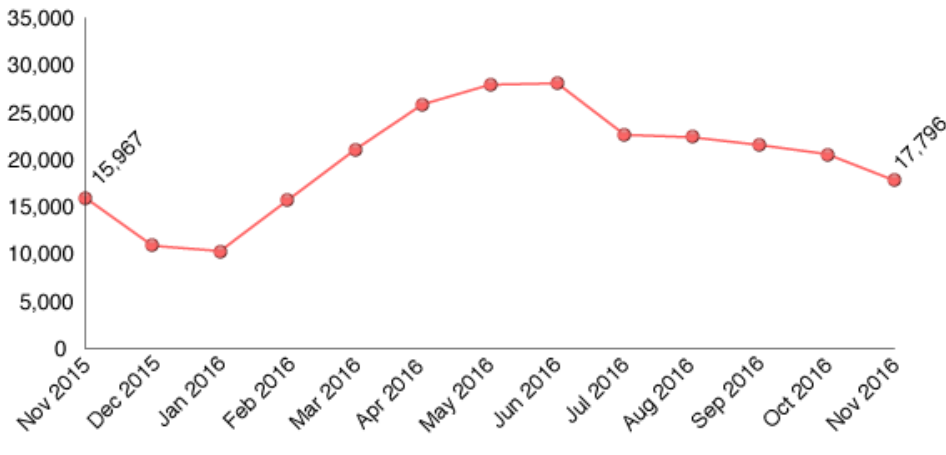*Special Edition*

INSIGHTS
Real Estate in Ontario

A year in review of the market from November 2015 to November 2016

The Ontario real estate market remained strong in 2016, set new sales records, and continued to be a seller's market. Ontario residential unit sales in November numbered 17,796 up 12.6% from a year ago. And, the provincial house price was $571,696 rising 21.2% from a year earlier. The number of newly listed homes was 21,440, a slight change compared to the same time a year ago where there were 21,131 new listings.
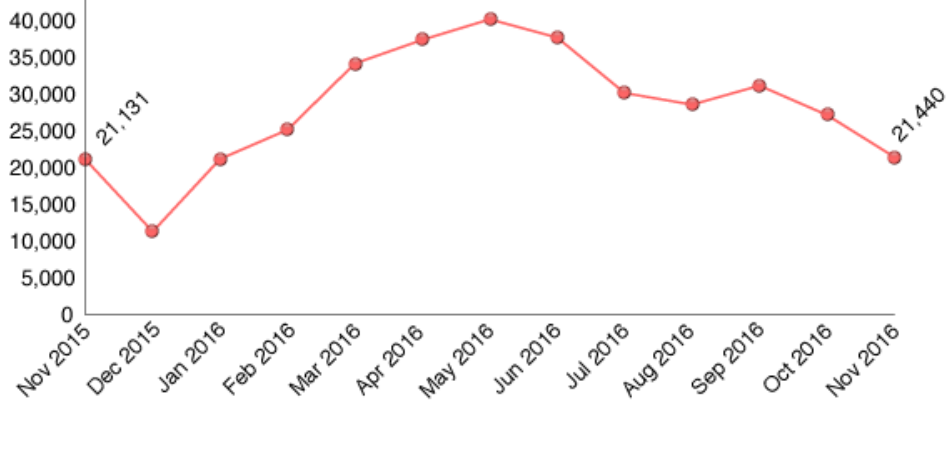
The high demand and low supply caused the months of inventory to follow a downward trend during the past twelve months. The number of months of inventory in November was 1.9 compared to 3 at the same time last year. Demand also had an impact on Sales to New Listings Ratio. The ratio started at 63% in November 2015 and flowed an upward trend to reach 70.6% this November.
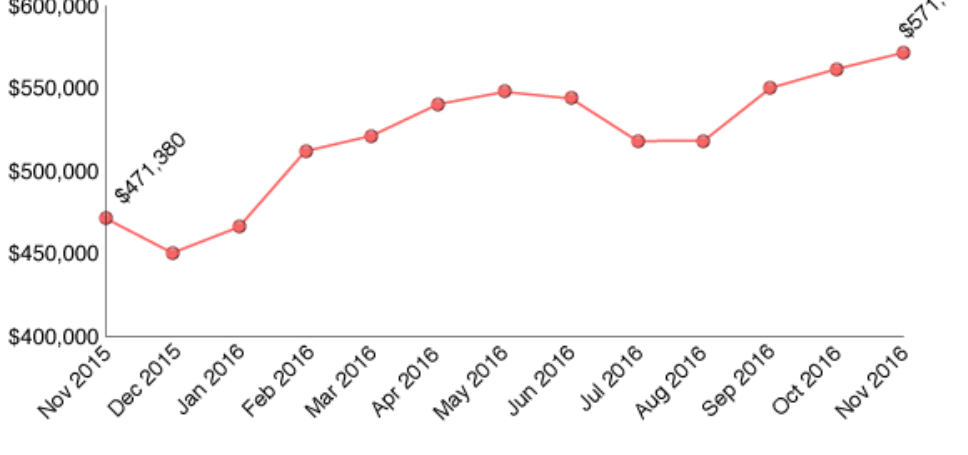
Unit Sales

Residential sales activity reported through the MLS® Systems of real estate Boards and Associations in Ontario numbered 17,796 units in November 2016, up 12.6% from a year earlier.
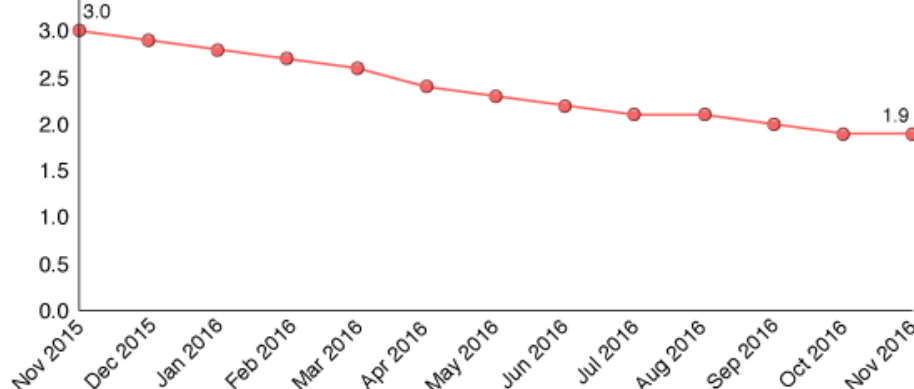
Newly Listed Units

New listings on the MLS® Systems of real estate boards in Ontario numbered 21,440 units in November 2016, a slight increase compared to 21,131 units the same time a year earlier.
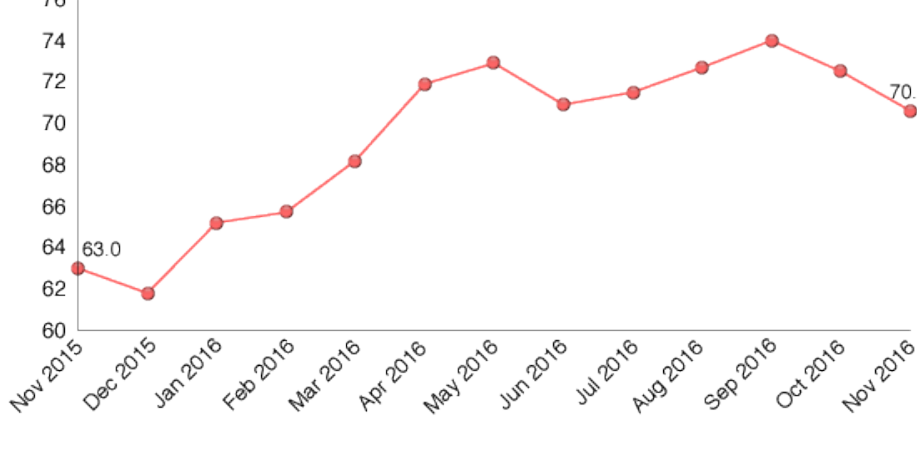
Average House Price

The provincial average price for homes sold in November 2016 was a record $571,696 rising 21.2% from a year earlier.

Months of Inventory

The months of inventory have followed a steady decline since November 2015 and are now sitting at 1.9 down from 3.0 months from the same time a year ago. The number of months of inventory is the number of months it would take to sell current inventories at the current rate of sales activity. The number of months of inventory (MOI) is an important measure for determining the supply and demand equilibrium in the housing market. A market is said to be buyer's market when there are six months of inventory or more. It's a balanced market if there are four to six months of inventory. And, it's said to be a seller's market if there are four months of inventory or less.

Sales to New Listings Ratio

The Sales to New Listing Ratio followed an upward trend during the past 12 months and is now at 70.6% compared to 63% during the same period a year ago. A sales-to-new listings ratio between 40 and 60 percent is generally consistent with balanced housing market conditions, with readings below and above this range indicating buyers' and sellers' markets respectively.

[View detailed report]