



Condo Sales Keep Market from Over Heating

OTTAWA, July 5, 2018 - Members of the Ottawa Real Estate Board sold 2,070 residential properties in June through the Board's Multiple Listing Service® System, compared with 2,163 in June 2017, a decrease of 4.3 per cent. The five-year average for June sales is 1,914. June's sales included 455 in the condominium property class, an increase of 11.5 per cent from June 2017 and 1,615 in the residential property class, a decrease of 8 per cent from a year ago.

"The first half of 2018 has performed very well with the number of year to date residential sales almost identical to this time last year," states Ralph Shaw, Ottawa Real Estate Board President. "Condo unit sales have led the way, increasing by 16.8 per cent over the same period."

"The robust condo numbers are likely fueled by lack of inventory, particularly in the lower price points of the single-family resale market. For example, in the first half of the year there has been a decrease of 37 per cent in the number of single-family units sold at the \$250-275K price point and a 41 per cent decrease for the \$275-300K price range, whereas there is a corresponding increase in condo sales of 49 per cent and 22 per cent respectively for those same price points," Shaw points out.

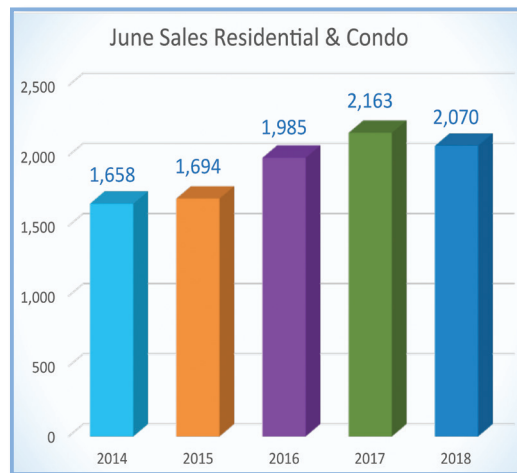
"This suggests that at the lower end of the single-family resale market, buyers are turning towards condominium units as a way of achieving ownership at a price they can afford. The oversupply in our condo market that once was an issue is now helping to ease our overall inventory shortage."

"Further, with construction costs up (concrete is one example) as well as increasing development fees, and skilled labour at a premium which is extending build timelines, the price of purchasing a new build is simply out of reach for many entry-level buyers," he adds. "The options then become to move further outside the urban boundary to less expensive markets in surrounding communities."

The year to date average Days on Market (DOM) for residential homes has decreased 18 per cent from 46 days in 2017 to 37 days currently. For condos, the DOM has decreased from 71 days

they would happily list their homes if we could offer them a property that fits into the lifestyle that they want. The downtown apartment condo is not at the top of their list," remarks Shaw.

The average sale price of a residential-class property sold in June in the Ottawa area was \$449,200, an increase of 3.4 per cent over June 2017. The average sale price for a condominium-class property was \$293,303, an increase of 1.2 per cent from June 2017. Year to date, residential properties have seen a 5.2 per cent increase in average price with a 1.1 per cent price increase for condominiums.*



"Ottawa's real estate market continues to move forward at a reasonable pace. Undoubtedly, inventory remains low, but our property prices continue to be stable and affordable. We are very fortunate not to be experiencing the volatility of other markets in our country," Shaw acknowledges.

In addition to residential and condominium sales, OREB Members assisted clients with renting 1,320 properties since the beginning of the year.

to 52 days, a 27 per cent decrease from June 2017.

"The decrease in DOMs indicates that inventory is turning over much more quickly, likely due to the lack of available inventory in certain areas of Ottawa. To increase the number of listings available, we need the right product availability to entice sellers to give up their homes, particularly boomers. Many have indicated

* *The Board cautions that the average sale price can be useful in establishing trends over time but should not be used as an indicator that specific properties have increased or decreased in value. The calculation of the average sale price is based on the total dollar volume of all properties sold. Price and conditions will vary from neighbourhood to neighbourhood.*



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June 2018 - Residential and Condominium Sales

Ottawa Real Estate Board

Property Class	Type	Number of Units			Average Sale Price		
		2018	2017	% Chg	2018	2017	% Chg
RES	1 1/2 Storey	46	45	2.2	\$311,589	\$315,426	-1.2
	2 Storey	951	1,001	-5.0	\$475,999	\$458,066	3.9
	3 Storey	79	107	-26.2	\$576,518	\$530,757	8.6
	Bungalow	402	429	-6.3	\$403,772	\$391,604	3.1
	Double	2	2	0.0	\$483,500	\$343,500	40.8
	Duplex	10	15	-33.3	\$462,080	\$557,427	-17.1
	Hi Ranch	51	53	-3.8	\$342,867	\$362,751	-5.5
	Mobile	8	14	-42.9	\$83,072	\$88,036	-5.6
	Modular	1	0	0.0	\$97,000	\$0	0.0
	Other	2	5	-60.0	\$362,500	\$455,700	-20.5
	Split Level	63	84	-25.0	\$413,157	\$395,913	4.4
			1,615	1,755	-8.0	\$449,200	\$434,501
CON	2 Storey	165	147	12.2	\$244,434	\$243,830	0.2
	3 Storey	33	24	37.5	\$317,928	\$282,890	12.4
	Bungalow	6	9	-33.3	\$391,433	\$321,139	21.9
	One Level	235	223	5.4	\$321,935	\$322,900	-0.3
	Other	12	4	200.0	\$303,283	\$147,475	105.7
	Split Level	4	1	300.0	\$246,750	\$162,100	52.2
		455	408	11.5	\$293,303	\$289,905	1.2
		2,070	2,163	-4.3	\$414,933	\$407,226	

Year To Date June 2018 - Residential and Condominium Sales

Ottawa Real Estate Board

Property Class	Type	Number of Units			Average Sale Price		
		2018	2017	% Chg	2018	2017	% Chg
RES	1 1/2 Storey	224	189	18.5	\$332,351	\$318,809	4.2
	2 Storey	4,517	4,472	1.0	\$469,962	\$445,166	5.6
	3 Storey	374	415	-9.9	\$558,629	\$538,771	3.7
	Bungalow	1,785	1,810	-1.4	\$419,664	\$391,644	7.2
	Double	10	15	-33.3	\$594,490	\$507,207	17.2
	Duplex	56	54	3.7	\$496,345	\$513,743	-3.4
	Hi Ranch	228	233	-2.1	\$348,789	\$339,185	2.8
	Mobile	42	46	-8.7	\$83,292	\$86,498	-3.7
	Modular	10	0	0.0	\$138,100	\$0	0.0
	Other	7	15	-53.3	\$555,786	\$323,753	71.7
	Split Level	325	312	4.2	\$415,031	\$410,852	1.0
			7,578	7,561	0.2	\$450,278	\$427,841
CON	1 1/2 Storey	3	1	200.0	\$307,633	\$835,000	-63.2
	2 Storey	788	685	15.0	\$235,791	\$236,581	-0.3
	3 Storey	132	95	38.9	\$277,325	\$279,683	-0.8
	Bungalow	27	37	-27.0	\$350,200	\$323,735	8.2
	Hi Ranch	3	2	50.0	\$175,500	\$155,500	12.9
	Modular	1	0	0.0	\$180,000	\$0	0.0
	One Level	1,118	967	15.6	\$307,556	\$301,796	1.9
	Other	56	35	60.0	\$264,144	\$216,090	22.2
	Split Level	8	6	33.3	\$261,750	\$279,400	-6.3
			2,136	1,828	16.8	\$278,197	\$275,070
		9,714	9,389	3.5	\$412,440	\$398,097	