

September 2021 Housing Report

CREA September 2021

Canadian home prices continue to re-accelerate in September

Home sales recorded over Canadian MLS® Systems were up 0.9% between August and September 2021, marking the first month-over-month increase since March. (Chart A)

The actual (not seasonally adjusted) number of transactions in September 2021 was down 17.5% on a year-over-year basis, from the record for that month set last year. That said, it was still the second-highest ever September sales figure by a sizeable margin.

“September provided another month’s worth of evidence from all across Canada that housing market conditions are stabilizing near current levels,” said Cliff Stevenson, Chair of CREA. “In some ways that comes as a relief given the volatility of the last year-and-a-half, but the issue is that demand/supply conditions are stabilizing in a place that very few people are happy about. There is still a lot of demand chasing an increasingly scarce number of listings, so this market remains very challenging. That’s why your best bet is to consult with your local REALTOR® for information and guidance about navigating the current market,” continued Stevenson.

“The small changes observed in most key housing market metrics over the last couple of months suggest that the worst of the pandemic-related volatility we’ve experienced since last spring is in the rear-view mirror at this point,” said Shaun Cathcart, CREA’s Senior Economist. “Having said that, given we are still stuck at around 2 months of inventory nationally, the thing to keep a close eye on going forward will be the behaviour of prices. While the acceleration in home prices we saw in September was more than most would have expected, the fact that prices are now moving back in that direction is not surprising.”

The number of newly listed homes fell by 1.6% in September compared to August, as gains in parts of Quebec were overwhelmed by declines in the Lower Mainland, in and around the GTA and in Calgary.

With sales up and new listings down in September, the sales-to-new listings ratio tightened to 75.1% compared to 73.2% in August. The long-term average for the national sales-to-new listings ratio is 54.8%.

Based on a comparison of sales-to-new listings ratio with long-term averages, a small but growing majority of local markets are moving back into seller's market territory. As of September it was close to a 60/40 split between seller's and balanced markets.

There were 2.1 months of inventory on a national basis at the end of September 2021, down slightly from 2.2 months in August and 2.3 months in June and July. This is extremely low and indicative of a strong seller's market at the national level and in most local markets. The long-term average for this measure is more than 5 months.

In line with tighter market conditions, the Aggregate Composite MLS® Home Price Index (MLS® HPI) accelerated to 1.7% on a month-over-month basis in September 2021.

The non-seasonally adjusted Aggregate Composite MLS® HPI was up 21.5% on a year-over-year basis in September, up a bit from the 21.3% year-over-year gain recorded in August. (Chart B)

Looking across the country, year-over-year price growth is creeping up above 20% in B.C., though it is lower in Vancouver, on par with the provincial number in Victoria, and higher in other parts of the province.

Year-over-year price gains are in the mid-to-high single digits in Alberta and Saskatchewan, while gains are into the low double-digits in Manitoba.

Ontario saw year-over-year price growth pushing 25% in September; however, as with B.C. big, medium and smaller city trends, gains are notably lower in the GTA and Ottawa, around the provincial average in Oakville-Milton, Hamilton-Burlington and Guelph, and considerably higher in many of the smaller markets around the province.

Greater Montreal's year-over-year price growth remains at a little over 20%, while Quebec City is now at 13%. Price growth is running a little above 30% in New Brunswick (higher in Greater Moncton, a little lower in Fredericton and Saint John), while Newfoundland and Labrador is now at 12% year-over-year (a bit lower in St. John's).

The MLS® HPI provides the best way to gauge price trends because averages are strongly distorted by changes in the mix of sales activity from one month to the next.

The actual (not seasonally adjusted) national average home price was \$686,650 in September 2021, up 13.9% from the same month last year. The national average price is heavily influenced by sales in Greater Vancouver and the GTA, two of Canada's most active and expensive housing markets. Excluding these two markets from the calculation in September 2021 cuts over \$146,000 from the national average price.

[Click Here to View Charts and Statistics for September 2021](#)

Mississauga Real Estate Board MLS® home sales decline but remain above average even as supply continues to fall

The number of homes sold through the MLS® System of the Mississauga Real Estate Board totaled 862 units in September 2021. This was a decline of 18.9% from September 2020. Home sales were 9.3% above the five-year average and 4.4% above the 10-year average for the month of September.

On a year-to-date basis, home sales totaled 9,025 units over the first nine months of the year. This was a significant increase of 43.4% from the same period in 2020.

"Home sales were down from last year's extreme record but still managed to come in above the five and 10-year average for the month of September," said Mike Ursini, President of the Mississauga Real Estate Board. "This is an impressive feat when you consider the fact that new listings posted their lowest showing for this time of year since 1999. Although demand has eased from the first half of the year there is obviously still a lot of interest out there among prospective homebuyers, who are snapping up almost all the new supply coming onto the market. With so little in the way of available listings left over at the end of the month it's no surprise that MLS® HPI benchmark price gains are now trending just above 20%."

The MLS® Home Price Index (HPI) tracks price trends far more accurately than is possible using average or median price measures. The overall MLS® HPI composite benchmark price was \$1,135,600 in September 2021, up by 20.5% compared to September 2020.

The benchmark price for single-family homes was \$1,371,100, an increase of 22.6% on a year-over-year basis in September. By comparison, the benchmark price for townhouse/row units was \$890,000, a gain of 19.7% compared to a year earlier, while the benchmark apartment price rose 14.7% to \$632,900, from year-ago levels.

The average price of homes sold in September 2021 was \$1,037,972, increasing by 14.2% from September 2020.

The more comprehensive year-to-date average price was \$1,010,880, a gain of 14.8% from the first nine months of 2020.

The dollar value of all home sales in September 2021 was \$894.7 million, down by 7.4% from the same month in 2020.

The number of new listings saw a notable decline of 38.7% from September 2020. There were 1,139 new residential listings in September 2021. This was the lowest number of new listings added in the month of September in more than two decades.

New listings were 22% below the five-year average and 26.2% below the 10-year average for the month of September.

Active residential listings numbered 731 units on the market at the end of September, decreasing substantially by 53.2% from the end of September 2020.

Active listings haven't been this low in the month of September in more than 25 years.

Active listings were 47.8% below the five-year average and 56% below the 10-year average for the month of September.

Months of inventory numbered 0.8 at the end of September 2021, down from the 1.5 months recorded at the end of September 2020 and below the long-run average of 2.1 months for this time of year. 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.

Residential housing activity
Mississauga
September 2021



Seasonally Adjusted ¹		Percentage change compared to					
		1 month ago	2 months ago	3 months ago	4 months ago	5 months ago	6 months ago
		August 2021	July 2021	June 2021	May 2021	April 2021	March 2021
Sales Activity	812	1.5	-4.2	-2.6	-4.1	-16.6	-32.3
Average Price	\$1,037,921	1.7	6.6	3.9	0.1	5.4	1.1
Dollar Volume*	\$842.8	3.3	2.1	1.2	-4.1	-12.1	-31.5
New Listings	986	-4.0	-11.1	-19.1	-22.2	-27.9	-37.8
Active Listings	457	-22.5	-29.5	-37.9	-43.8	-49.1	-53.6

Actual ²		Percentage change compared to					
		1 year ago	2 years ago	3 years ago	5 years ago	7 years ago	10 years ago
		September 2020	September 2019	September 2018	September 2016	September 2014	September 2011
Sales Activity	862	-18.9	10.9	40.2	-17.6	-1.7	-2.6
Average Price	\$1,037,972	14.2	36.0	41.2	62.2	105.5	145.7
Dollar Volume*	\$894.7	-7.4	50.8	98.0	33.6	101.9	139.3
New Listings	1,139	-38.7	-16.3	-15.8	-20.6	-33.4	-29.6
Active Listings	731	-53.2	-45.0	-53.7	-28.1	-65.4	-62.6

Year-to-date ³		Percentage change compared to					
		1 year ago	2 years ago	3 years ago	5 years ago	7 years ago	10 years ago
		September 2020 YTD	September 2019 YTD	September 2018 YTD	September 2016 YTD	September 2014 YTD	September 2011 YTD
Sales Activity	9,025	43.4	31.9	45.1	-3.9	10.8	5.7
Average Price	\$1,010,880	14.8	35.1	42.9	62.5	100.3	139.1
Dollar Volume*	\$9,123.2	64.7	78.2	107.3	56.1	122.0	152.6
New Listings	12,584	14.6	9.5	8.0	-2.7	-15.7	-8.9
Active Listings**	851	-20.1	-33.6	-40.7	-25.3	-57.1	-50.8

Market Balance ⁴		Compared to					
		1 month ago	3 months ago	6 months ago	1 year ago	2 years ago	5 years ago
		August 2021	June 2021	March 2021	September 2020	September 2019	September 2016
Sales to New Listings Ratio	82.4	77.9	68.4	75.7	63.9	66.7	84.4
Months of Inventory	0.6	0.7	0.9	0.8	1.4	1.4	0.7

¹ Seasonal adjustment removes normal seasonal variations, enabling analysis of monthly changes and fundamental trends in the data.

² Actual (not seasonally adjusted) data as processed through the MLS® System of the Mississauga Real Estate Board.

³ Sum of actual data from January to present month of any given year.

⁴ Seasonally adjusted; sales to new listings ratio=sales/new listings*100; months of inventory=active listings at the end of the month/sales for the month.

* In millions of dollars.

** The year-to-date active listings figure is a monthly average of the number of homes on the market at the end of each month so far this year.

Mississauga Real Estate Board Housing Market Update for September 2021*



*Based on residential data from the Mississauga Real Estate Board MLS® System.
All percentage changes are year-over-year comparisons.



Home sales down 18.9%

Home sales numbered 862 units in September 2021, down 18.9% compared to the 1,063 units sold in September 2020.



Market balance

At the end of September 2021, the market balance was in sellers market territory.



New listings down 38.7%

There were 1,139 new listings added in September 2021, down 38.7% compared to the 1,859 listings added in September 2020.



Benchmark price up 20.5%

The benchmark price was \$1,135,600 in September 2021, up 20.5% from \$942,800 in September 2020.



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