

Caledon housing market sees modest increase in 2019

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House prices in Caledon enjoyed a modest increase in 2019, joining the GTA market.

But these increases are growing faster than people's incomes, placing a strain on affordability.

A report released by Zoocasa compares how 2019 home values have increased relative to local household incomes in the GTA.

Specifically, they compiled 2019 median home prices in municipalities within seven GTA regions including Peel Region and compared them to the median after-tax incomes earned in each to see how much home values have increased or decreased as a percentage of local household earnings.

Peel Region overall experienced the second-highest year-over-year median price increase, up 6% to \$700,000 ? a difference of \$40,000, accounting for 53% of local incomes. Individual municipalities saw price growth between 4 to 7%, accounting for 31% to 64% of incomes.

Caledon Homes experienced a \$30,000 hike, to an average of \$850,000, the 5th highest in the GTA.

Caledon is behind King (\$1.27 million), Vaughan (\$918,000), Oakville (\$910,000) and Markham (\$880,000).

Caledon outpaces its Peel neighbours Brampton (\$698,000) and Mississauga (\$685,000).

York Region as a whole experienced a 2% growth in median home prices, to \$850,150, a difference of \$20,150 that accounts for 24% of local incomes.

Nearby King Township saw the second-largest decrease in median prices in the GTA, falling 2% to \$1,270,000. That's a difference of -\$20,000, and accounting for -20% of local incomes.

The remainder of York region saw year-over-year prices changes between 2 to 5%, accounting for 22 to 54% of local incomes.

Coupled with a decline in MLS listings, that effectively put the boil under price growth in 2019 ? home prices rose an average of 4% across the GTA year over year to \$819,319, requiring buyers to come up with \$32,079 more than they needed the previous year. Sold home prices in Toronto rose 5.6% to an average of \$883,520 over the course of the year.

However, home price jumps were even more significant across median home prices ? the mid-point of the market most likely to impact middle-income buyers. Prices rose 6% in the GTA to \$710,000, a difference of \$40,000. To put that into perspective, that would most impact buyers looking to purchase a condo unit within the city of Toronto, or move-up housing, such as a semi-detached house, in other GTA municipalities.

As well, a common narrative in Canada's hottest markets is that home price growth has steadily outpaced that of local incomes.

The findings reveal that the City of Toronto experienced the greatest increase in median home prices throughout 2019, with gains nearly equivalent to an entire year of after-tax income; median home prices rose by 8% to \$720,000 ? a difference of \$55,000 that accounts for nearly 94% of the median Torontonians' after-tax income of \$58,264.

The largest increases took place in Toronto Central, where median prices rose 9% year over year to \$705,800, a difference of \$55,800, accounting for 96% of income. That's followed by Toronto West, which rose 8% to \$715,000, up \$55,000 and accounting

for 94%, while Toronto East experienced a 6% increase to \$740,000, up \$45,000 and accounting for 77% of income.

On the other end of the scale were some of the GTA's northern-most markets, with Simcoe County and York Region home to municipalities with the smallest price increases, accounting for the least proportion of local incomes.

By comparison, Orangeville saw median home prices rise 5% to \$551,500, a difference of \$26,500, accounting for 36% of median incomes. Likewise, in Halton region, home prices rose 4% to \$770,000, a difference of \$32,500 ? accounting for 37% of incomes, with individual municipalities increasing 4 to 7%, accounting for 34 to 53% of incomes.