



Rural Home MARKET REPORT

GREATER GOLDEN HORSESHOE

LAND & TITLE

2019-2020

DISCOVER THE BEST IN RURAL LIVING

See Country Living From a New **PERSPECTIVE**

"Living the dream." This is one of the most common things rural home owners say about living in the countryside. The privilege of owning a piece of paradise is something many of us are passionate about. This report is about providing people with information on the Greater Golden Horseshoe Rural Real Estate Market. It aims to help both those searching for a country home, preparing them for what to expect as they start their rural home search, and those who already own a country home and want to see how the market is performing.

There is no other report like this in Ontario, that focuses entirely, and specifically on country homes.

Land & Title leads the province in offering information and advice about rural real estate and outdoor recreational properties. Although there is no timing the market, we keep a very close eye on all real estate trends that may have an impact on the rural real estate market. While country homes, equestrian properties and rural homes are our specialty, we often look to farmland in our market analysis as well.

Just as you would with any other property, rural properties must be looked at as a good investment. An asset that will appreciate over time. With land values being what they are these days, many have benefited from buying real estate. And country homes are no different. They are both a good investment for your current lifestyle, and your future.

In the last decade, we have seen a large increase in property values all around the GTA and the Greater Golden Horseshoe, that is likely not a secret to anyone. With the implementation of the foreign buyers tax as well as the "stress test" for mortgage qualification in 2017 putting a temporary damper on the fire, there was a brief and very subtle reprieve from the intensity, but the coals were still burning hot.

You'll soon see that most counties and regions stayed stable or saw increases from 2018 - 2019. An important factor in this was that inventory never

really came back to a level that could contribute to a balanced market.

Once everyone digested the mortgage changes and foreign investors tax made in April of 2017, things started to ramp up again. In general by the end of 2019 we were pretty much back to where we were in early 2017. Demand for property well beyond supply driven by year over year increases to immigration quotas, and access to cheap credit made for ample fuel to keep the increase in Southern Ontario real estate prices going strong.

This growth was not seen solely in urban and suburban real estate. This was also seen in the rural property market as well. In fact, rural real estate prices in the Greater Golden Horseshoe area saw approximately 10% appreciation in values year over year.

In this report we will be covering a summary of the 15 County's/Regions around the Greater Golden Horseshoe. Covering exactly what has been going on in each county and region. We explore historic trends over the past 5 years, average price points across various sized acreages in 2019 and how long it appears to take to sell a rural home in these 15 areas.

We will be looking at values on properties that are a minimum of .5 acres and up to 100+ acres.

Let's get into it!

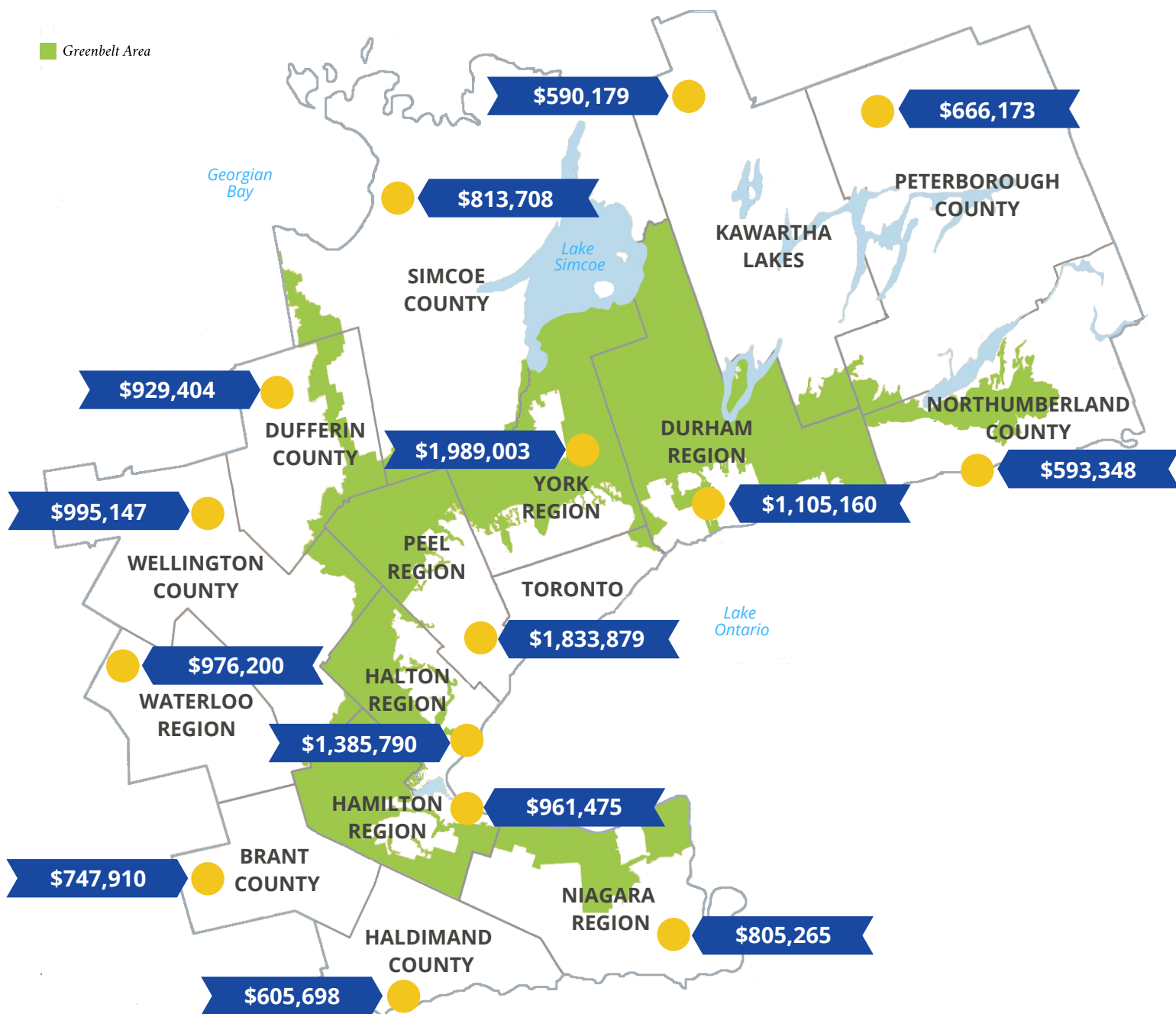
LAND & TITLE

Average Sales Prices in 2019 for Rural Homes Above .5 of an Acre

The Greater Golden Horseshoe encompasses 15 regions and counties in the southern section of Ontario. These regions pride themselves on having impeccable and diverse landscapes, excellent agricultural opportunities and offering rural home seekers world class country living. The Greater Golden Horseshoe area offers a lot of diversity in the types of properties available for rural living. Most of which are all within a 1-2 hours drive to downtown Toronto.

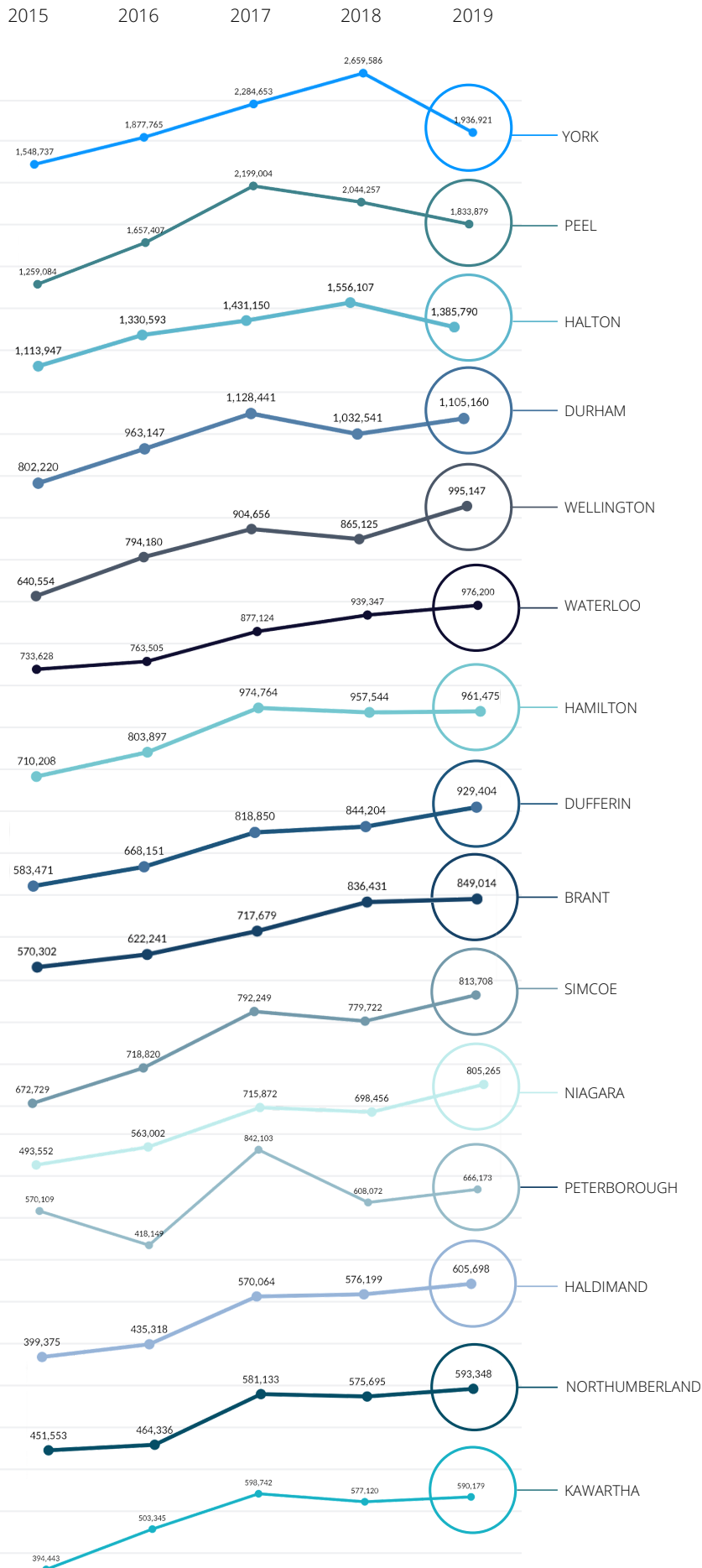
You can find everything from rural estates to modest cottage style homes. Both large and small scale farm properties, be it equestrian facilities, working farms, orchards or vineyards. If you want cleared land or a forested retreat on which to build your dream home, those are on offer as well.

Below is a map of the Greater Golden Horseshoe broken into the 15 County/Regions we are looking at in this report. The arrowed numbers show the average sale prices for all rural properties sold in 2019.



LAND & TITLE

5 Year Historical Price Trend - Rural Home Index



Let's look back over the last 5 years to get a better picture of the price trends seen in the rural real estate market in the Greater Golden Horseshoe.

To your left you will see a basic index showing the price trend of each county / region in the GGHS.

We do see some areas, namely York, Peel and Halton, experiencing a slight decline in price point in 2018 and 2019. This does not necessarily indicate a falling market price in these areas but can be as a result to a number of market factors. For instance, when we looked at listed properties in these areas, there was less inventory in 2019 compared to 2017. This would cause a likely reduction in the number of sale which could be why we see this.

And let's be honest, as is the case with other sectors of real estate, the higher priced regions are always more susceptible to market conditions and changes. These areas have been a tough market to enter for the last 5 years, which could be another contributing factor to the price trend we see here.

Regions such as Durham, Dufferin, Simcoe and Niagara all experienced **increases** in their price points in 2019. Interestingly though, inventory levels for rural real estate specifically in these regions has been comparable for the last 5 years without much drastic changes there.

However, these areas also offer the opportunity to buy a larger property for less when compared to the higher priced regions like those named earlier.

Notably, Peterborough saw big gains in average property value from 2016-2017. This was likely caused by the same market pressures that affected the other areas as well. However, being that this county is the furthest from Toronto and other major city centres found on the west side of the GTA, it did see a little more of a correction when compared to the other areas in the GGHS.

The other counties and regions show a steady and reliable incline over the years which is encouraging.

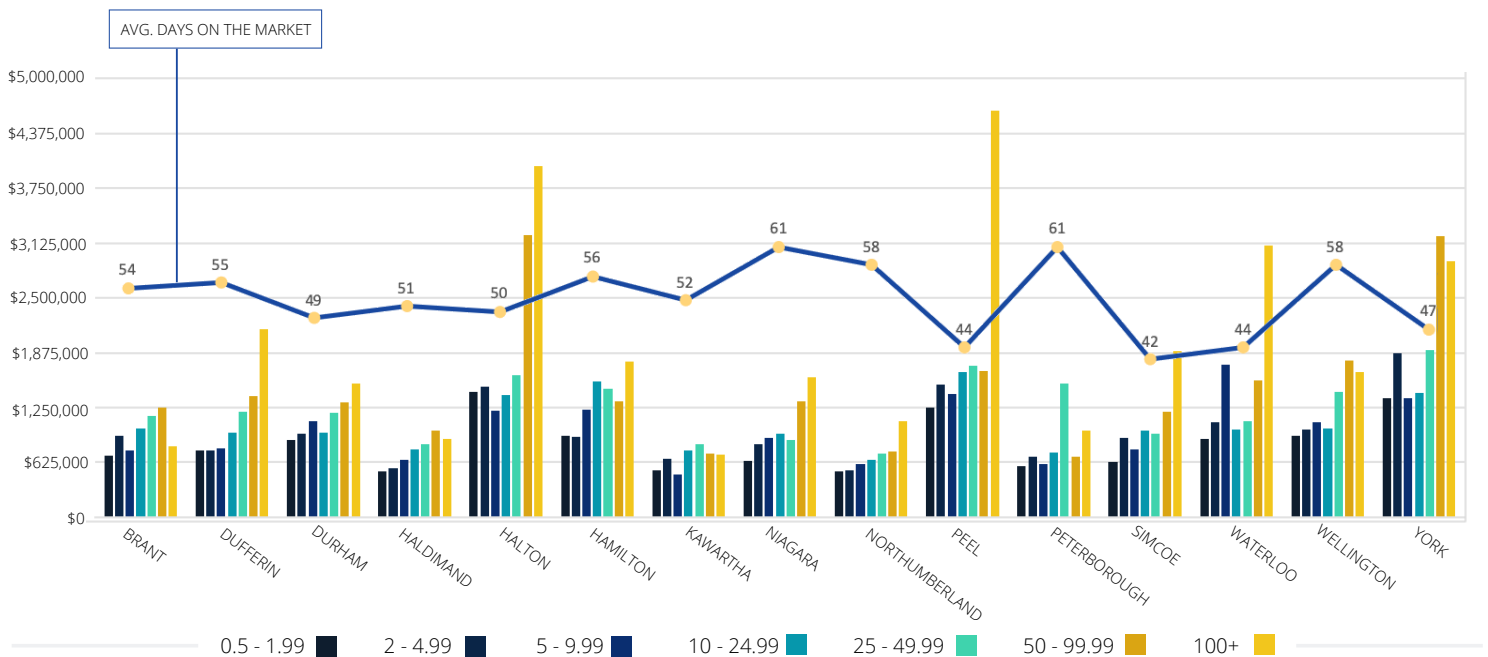
LAND & TITLE

How Long Does it Take to Sell A Rural Property?



Above us is a graph illustrating a quick historical snapshot of the average days on market for rural properties sold in the Greater Golden Horseshoe area over the last 5 year period. This lines up very well with continued growth in the market from 2015-2017, then the subtle reprieve in 2018, and then the heating up again in 2019. With low inventory and high demand, days on market remained very low.

Average Sales Price by Acreage across the Greater Golden Horse Shoe Area



For those of you that prefer to see the numerical data you can see the actual average sale prices based on acreage in a table on the next page.

The above graph is simple. Breaking down the average sale prices for each acreage size in each of the 15 counties and regions we are looking at in this report. The main point of this graph is to show you a comparison of how far your dollar goes across these 15 different areas.

The Days on The Market indicator is based on an average across ALL acreages but specific to each County and Region. This line is there to simply give you an idea of how long, on average, it seems to take for country homes to sell in these counties and regions. The data shows the larger the property, the longer days, on average, the listings remain on the market.

Now, it is important to note that when it comes to 100+ acre properties, there are often **very** few listings (sometimes as little as 1) that come up for sale. Values can be very different from year to year and across regions depending on the properties that comes up during that year. For example, we can tell you that only one 100+ acre farm came up for sale in Brant County, priced at \$805,000 which is not necessarily indicative of what you might find in terms of prices if you're searching for a 100+ acre farm there in the future.

LAND & TITLE

Average Sales Price by Acreage across the Greater Golden Horse Shoe Area

As you might imagine, the majority of all listings can be found in the 0.5-1.99 acreage range. These properties are popular for the majority of buyers, because they are in closer proximity to city centres, manageable in terms of size, more affordable and see less financing restrictions when compared to larger acreages. There are also fewer large acreages available for sale and these often come with a higher price tag.

Not surprisingly Halton, Peel and York remain the highest priced County / Regions across acreages and the more further out County / Regions of Haldimand, Kawartha and Northumberland seem to offer the lowest priced properties.

ACRES	0.5 - 1.99.	2.0 - 4.99.	5.0 - 9.99.	10.0 - 24.99.	25.0 - 49.99.	50 - 99.99.	100+
Average Sale Prices 2019							
BRANT	\$701,900	\$930,564	\$765,070	\$1,006,225	\$1,154,950	\$1,250,000	\$805,000
DUFFERIN	\$766,945	\$760,235	\$781,963	\$966,489	\$1,197,321	\$1,382,650	\$2,142,325
DURHAM	\$879,094	\$954,076	\$1,099,083	\$958,713	\$1,188,842	\$1,315,433	\$1,526,538
HALDIMAND	\$526,305	\$564,140	\$651,675	\$767,521	\$831,540	\$992,850	\$890,000
HALTON	\$1,429,791	\$1,491,379	\$1,218,028	\$1,397,529	\$1,613,500	\$3,220,714	\$4,000,000
HAMILTON	\$927,961	\$912,394	\$1,221,731	\$1,551,528	\$1,469,075	\$1,322,300	\$1,775,000
KAWARTHA	\$532,653	\$666,648	\$492,000	\$763,250	\$827,540	\$728,390	\$716,656
NIAGARA	\$641,734	\$835,403	\$901,534	\$956,302	\$880,026	\$1,321,944	\$1,600,000
NORTHUMBERLAND	\$527,355	\$532,002	\$604,984	\$651,357	\$726,750	\$755,150	\$1,100,625
PEEL	\$1,244,448	\$1,515,125	\$1,409,714	\$1,658,752	\$1,729,778	\$1,670,000	\$4,635,224
PETERBOROUGH	\$578,557	\$693,519	\$607,500	\$735,750	\$1,527,500	\$688,425	\$988,148
SIMCOE	\$628,190	\$908,405	\$777,844	\$983,980	\$956,497	\$1,202,733	\$1,888,733
WATERLOO	\$890,811	\$1,087,954	\$1,735,633	\$1,005,580	\$1,097,450	\$1,558,750	\$3,100,000
WELLINGTON	\$926,549	\$999,744	\$1,082,479	\$1,007,288	\$1,431,658	\$1,780,567	\$1,660,714
YORK	\$1,356,011	\$1,866,227	\$1,358,840	\$1,411,703	\$1,909,545	\$3,205,000	\$2,912,500

Some Quick Tidbits About The 2019 Rural Real Estate Market



Simcoe and Waterloo didn't surprise us much for having short average DOMs. We were however, were a little surprised by the average DOM for both Peel and York as these two regions have the highest average price point across the Greater Golden Horse Shoe. But in fairness, they will also see some of the highest family income when compares to other regions and counties.



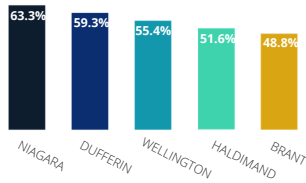
Simcoe, Niagara and Wellington take the cake for most number of rural listings sold in 2019. Simcoe does have a big advantage over other regions based solely on size and price point. Niagara has for some time been gaining popularity to buy a home. Wellington did well too with the next closest being over 100 listings behind this region.

LAND & TITLE

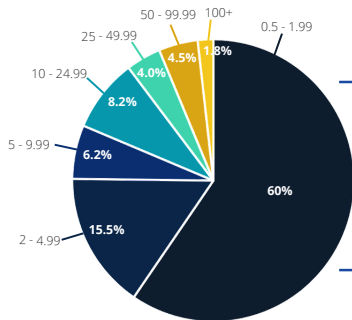
Some Quick Tidbits About The 2019 Rural Real Estate Market

What do we consider to be the top performing regions?

** percentage price increase from 2015 - 2019*



We have taken the percentage of price increase as well as sold listings, sale price, popularity and what we see on a daily basis into account to choose these 5 regions. These regions show immense potential for continued popularity and appreciation. These regions also seem to offer people the most bang for their buck when it comes to property type, condition, size and price point.



What acreage range sees the highest amount of sales?

** based on the total number of sold properties in the GGHA*

As discussed earlier, the lower acreage range properties saw the most trades in 2019. Prices are most affordable here and a smaller property appeals to more people than say a 25 acre property. Financing restrictions will also be a factor. These numbers will also depend on availability and listed price points during a given year but these are the results for 2019.

The Future of Rural Real Estate

The real estate market (of any sector) can not be completely predicted year over year, no matter how hard people try to convince you their luck was a well calculated "timing of the market". We of course can look at economic trends, immigration policies and numbers as well as financing rules to make a well informed decision about the future, but without a crystal ball there is no guarantee what the future holds with absolute certainty.

Looking back over the course of real estate history, the data shows that owning and holding land and a good piece of real estate can often be of great benefit to you and your family. And rural real estate is no different.

We know that most people do not purchase a rural home as an income-generating investment. For those that are able to purchase an operating farm, sure, this is an option. Most people buy a rural home for the lifestyle it can afford them. That is, to use the property for recreational enjoyment or self sustainability. But that does not mean they cannot benefit from the same asset. In rural real estate around the Greater Golden Horseshoe, we have seen a 40% price increase in total over the last 5 years. While we always want to be cautious in the short term in how we make decisions, we are long term very optimistic given the market fundamentals we have that are unlike almost any other place in the world.

Until next time,

Aimee & JP

An inevitable Disclaimer:

This report is intended to be informative as it relates to the country home real estate market in the Greater Golden Horseshoe. The information provided in this report has been taken from the Multiple Listing Service, Toronto Real Estate Board and the Hamilton-Burlington Real Estate Board. All of which cover the 15 regions and counties laid out in this report covering January 1, 2019 to December 31st, 2019. The statistics and information obtained from these sources is deemed to be reliable but cannot be guaranteed. It is possible that data may not reflect current market conditions at your time of reading this report since we cannot forecast with absolute certainty and cannot possibly know the future of market conditions. This report, the information contained herein, Land & Title and Land & Title's logo are all copy-written and cannot be duplicated or used in any way without written permission. Should you want to use any information in this report, contact Aimee at aimee@landandtitle.ca.

LAND & TITLE
OUTDOOR PROPERTIES

The Country Home Real Estate Guide
LAND & TITLE

© 2019. Land & Title.
By Aimee Wesson & J.P. Gulbis

WWW.LANDANDTITLE.CA

