



CHRIS SCOTT.CA
REAL ESTATE TEAM

ANNUAL REAL ESTATE REPORT OTTAWA



RECAP OF 2020: A Year We Will Never Forget

It was a record-breaking year of growth and price appreciation in Ottawa. Coming into 2020 our supply levels were at all time lows and demand was strong. When the COVID hit supply also dropped. The demand did not. Buyers were still very much interested in purchasing. Having a stable economy in Ottawa helped matters. The pandemic even brought other people who were not thinking about buying into the fold. Privacy and pools became high priorities for some buyers.

The end result was freehold prices up 20%! The average sale price was \$582,267 in this category. Who would have thought that we would have record price appreciation in the midst of a pandemic. In the condo market prices soared over 19%! It would have been hard to predict these numbers before the start of the year. Even with the lack of inventory the number of units sold were way up too.

This thriving market is due to inventory shortage, multiple offer situations, record-low mortgage rates and buyers from larger markets. 2021 will see a continuation of Ottawa's solid resale market, real estate professionals were deemed essential workers and the market was only slightly shaken by the world-wide pandemic. This market is very active, insulated, and strong.



RESIDENTIAL

\$582,267

Based on 14,455 sales

↑ 20% CDOM: 30



CONDO

\$361,337

Based on 4,516 sales

↑ 19% CDOM: 23



NUMBER OF UNITS SOLD

RES **14,455** **↑ 3%**

CON **4,516** **↓ 1.5%**



COMBINED

\$529,675

Based on 18,971 sales

↑ 19.9% CDOM: 26

Average sales prices are for 2020 based on MLS sales.

Combined is for all property classes. Arrows are gains /losses from 2019.

FORECAST 2021

We are entering the year in the midst of rising COVID cases and economic uncertainty. Not to mention some political unrest with our neighbours to the South. This is a unique place to begin. From a real estate market perspective, I look at the supply and demand metrics to determine where things may be going. We enter this year with very few homes for sale, the sales being recorded so far are noticeably higher than last year. Our supply is exceptionally low and demand still quite high. This will once again make Ottawa a very competitive market for 2021.

Ottawa is a growing city, and I am not sure there is a long-term solution to this price acceleration. Rising prices may be a common theme for the foreseeable future. The biggest change I see in the years to come is in the luxury market. There are many more 1M plus buyers out there now. Half a million can barely afford you a townhouse now in suburbia. It is kind of surreal thinking about my average sale price in my first year in real estate. It was around \$220,000.

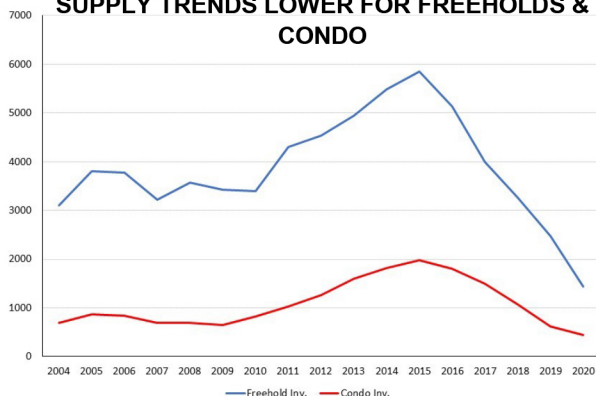
I do predict that freehold prices will continue to appreciate at a higher level than condos. Many major projects in Ottawa are in the building stages with dozens more approved. At some point we will have enough condos to satisfy demand. That will come sooner than on the freehold side. Some condo owners have felt a bit trapped with COVID and working from home. I have had a few reach out to change into a freehold and have a bit more space to spread out.

WORKING FROM HOME: THE NEW NORMAL



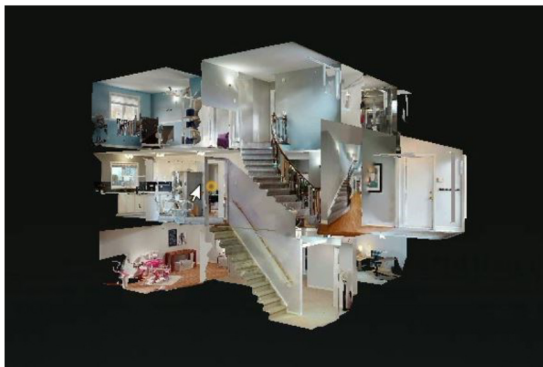
Ottawa's solid public sector is a great foundational piece to our economy. This represents 20% of the workforce in Ottawa. These jobs are high earnings and are very secure. Ottawa is in a unique position to have so many jobs that can be done remotely. The high-tech sector in Ottawa has been booming, tech-giant Shopify has made working from home permanent for their employees. This has kept our local economy sheltered from what is happening elsewhere. It may also have an impact on where people decide to live. With many working from home permanently extra space is becoming more desirable.

SUPPLY TRENDS LOWER FOR FREEHOLDS & CONDO



This graph illustrates the supply available in the Ottawa real estate market. It is so interesting to see where we are from an inventory perspective when compared to the last 15 years. Supply remained low for 2020, and we are starting out 2021 with very little inventory. This is the heartbeat of the market. As we witnessed in 2020 with inventory this low, prices were pushed way up as buyer competed for homes. Early 2021 seems to be trending in that direction as well. Will be an interesting year!

INCREASED USE OF TECHNOLOGY



I think that the way people buy and sell real estate will forever be impacted by COVID. This year has proven that we can do so much virtually. Our team has sold 10 homes to buyers from out of town (mostly military) who never actually stepped foot in the house they purchased until closing day. We would virtually walk them through the house and usually have a 3D tour to share with them. I am not suggesting everyone would have a comfort level with that. However, if you could have me walk you through a house while you are in the comfort of your own home, would that be beneficial? Some buyers are opting for this for the first visit and then coming through if they like what they saw on the virtual visit.

Year	Avg Sale Price	% Change
1981	\$64,896	3.42%
1982	\$71,080	9.53%
1983	\$86,245	21.34%
1984	\$102,084	18.37%
1985	\$107,306	5.12%
1986	\$111,643	4.04%
1987	\$119,612	7.14%
1988	\$128,434	7.38%
1989	\$137,455	7.02%
1990	\$141,438	2.90%
1991	\$143,361	1.36%

Year	Avg Sale Price	% Change
1992	\$143,868	0.35%
1993	\$148,129	2.96%
1994	\$147,543	-0.40%
1995	\$143,193	-2.90%
1996	\$140,513	-1.90%
1997	\$143,873	2.40%
1998	\$143,953	0.10%
1999	\$149,650	4.03%
2000	\$159,511	6.58%
2001	\$175,971	10.32%
2002	\$200,711	14.06%

Year	Avg Sale Price	% Change
2003	\$218,692	9.00%
2004	\$235,678	7.70%
2005	\$244,531	3.80%
2006	\$255,889	4.70%
2007	\$272,618	6.50%
2008	\$289,766	6.30%
2009	\$303,888	4.90%
2010	\$327,255	7.70%
2011	\$343,701	5.20%
2012	\$351,792	2.30%
2013	\$357,346	1.60%

Year	Avg Sale Price	% Change
2014	\$361,707	1.20%
2015	\$367,629	1.70%
2016	\$371,897	1.20%
2017	\$392,474	5.49%
2018	\$407,571	3.89%
2019	\$441,693	8.36%
2020	\$529,675	19.9%
2021	\$582,643	10%

WE GO ABOVE AND BEYOND FOR OUR CLIENTS

2021 Highlights



Santa Zoom Calls



Stittsville Food Bank
Fundraiser



Top 5 in Canada in the team
category!

We are hoping to have many more events in 2021. We cannot wait to get together when it's possible again.

NEW ADDITION TO THE TEAM

Courtney brings her experience from various career paths from Manager of a Farmer's Market to Sales Agent for Home & Auto Insurance to an Executive Assistant in the Financial Industry. One common thread throughout her career has been a passion for relationship building, cultivating over 15 years of client service experience. Courtney expands the support team, and will be working alongside Steph to deliver raving fan service to every one of our clients.



PERSONAL NOTE

I remember sitting at a Boston pizza celebrating my son Aiden's birthday in March when we got an email saying that school break would be an extra week. We thought of how inconvenient that was going to be. One whole week! Little did we know how long this pandemic would last! It has brought about so many challenges for so many people. Imagine everyone on the globe affected by the same thing. Personally I find it hard to be the best father, husband, friend, and leader that I can be under these circumstances. It has been mentally draining at times. That being said I think we just need to get through winter. The world will get back to normal. I am looking forward to concerts, beers with friends, Sunday dinners with family, and all the small things that we have taken for granted. I know that when we are through this we will all come out stronger on the other side. Hang in there everyone!

Cheers,



If you know someone looking to buy or sell this year, keep our team in mind. We are always happy to help.

We have been putting in place a referral rewards program that we are excited about! Just have them mention your name when they get in touch.



Chris Scott | Sales Representative
Keller Williams Integrity Realty | Brokerage Independently Owned and Operated