

TORONTO REGIONAL REAL ESTATE BOARD PROVIDES INPUT ON GOVERNMENT ECONOMIC RECOVERY INITIATIVES, RECOMMENDS CAUTION WITH REAL ESTATE MARKET STIMULUS

TORONTO, ONTARIO, July 14, 2020 – The Toronto Regional Real Estate Board (TRREB) has submitted formal input to all levels of government on options for economic recovery initiatives. While TRREB has set out a list of specific policy options, its key message is to use caution in implementing demand-side real estate market stimulus.

“Current real estate indicators are showing a substantial recovery in the GTA real estate market. Before the onset of the COVID-19 pandemic, there was a great deal of pent-up demand in the market. This pent-up demand arguably increased further over the past three months. We are still in the early days of recovery, but barring any setbacks, we should continue to see stronger market conditions in the second half of 2020 as households look to satisfy their ownership housing needs,” said Lisa Patel, TRREB President. “Housing affordability in the GTA should continue to be a priority for policy makers and the best way to address this is by ensuring adequate and appropriate housing supply, rather than demand-side initiatives,” added Patel.

TRREB’s recommendations are outlined in a [detailed policy brief](#) that was submitted to local, provincial, and federal governments. With regard to housing supply, TRREB’s key recommendation is for all governments to expedite the creation of “missing middle” housing, including expediting the City of Toronto’s consideration of expanding “yellow belt” housing opportunities. The “yellow belt” refers to the 35 per cent of City of Toronto land where 70 per cent is currently zoned for detached homes. A recent city report was released in response to a City Council direction to report on options to increase “missing middle” housing options.

TRREB’s Economic Recovery Initiatives brief also outlines recent market statistics, which show a significant rebound in the GTA real estate market since the start of the pandemic. It also outlines results of recent research conducted by Ipsos Public Affairs, which shows that home buying intentions remain stable and that the supply of homes listed for sale could continue to be outpaced by demand.

“Governments should approach with caution when considering any additional demand-side stimulus to the GTA real estate market. Current conditions suggest that there is adequate demand in the market; however, if there is a setback such as a sustained second wave of the pandemic or a prolonged recession, governments could consider additional measures, which we have noted in our submission,” said John DiMichele, TRREB CEO.

TRREB has outlined a number of initiatives that could be considered if economic conditions worsen, including:

- Municipal and Provincial Land Transfer Tax holidays/deferrals, rate adjustments, and expanded rebates for first-time buyers;
- Property Tax deferrals;
- Postponement of consideration of potential Vacancy Taxes;
- Adjustments to the Mortgage Stress Test;
- Allow 30-year amortizations for insured mortgages; and
- Adjustments and expansion of the RRSP Home Buyers’ Plan.

“TRREB has been working closely with all levels of government to provide up-to-date data on the state of the real estate market. We will continue to do so to help decision-makers respond to the current state of affairs in an informed way,” continued DiMichele.

-30-

Media Inquiries:
Mary Gallagher,
Senior Manager, Public Affairs
maryg@trebnet.net
416-443-8158

The Toronto Regional Real Estate Board is Canada’s largest real estate board with more than 56,000 residential and commercial professionals connecting people, property and communities.

