



May 24, 2023

An Open Letter to Toronto Voters

Dear Torontonians,

We love Toronto and its people. We're proud to help every resident of this City every day find an affordable place to call home. But our city is facing some big challenges.

The Toronto Regional Real Estate Board (TRREB) is Canada's largest real estate board, representing 70,000 REALTORS® living and doing business in Toronto and GTA. Our REALTOR® members help residents in the Greater Toronto Area and beyond with their housing needs, both ownership and rental.

In the mayoral by-election this June, we are asking for your help to send a message to all candidates that Toronto must fight to keep housing affordable in our city.

To do that, Toronto must build 285,000 homes over the next ten years. It's an ambitious goal, but if we're successful, we'll help keep homeownership and rental properties affordable in our city for future generations.

Here's TRREB's plan to build more homes and make housing affordable in Toronto:

Double Down on the Housing Action Plan

For years, the City of Toronto has, for years, faced a serious housing supply shortage and cannot afford to go backwards on housing supply. The next mayor must do whatever it takes to increase the supply of homes to assist residents with the costs of homeownership and rental housing. More specifically, the next mayor must double down on the City's *2023 Housing Action Plan* which commits to building 285,000 homes over the next 10 years.

Notably, TRREB supports the "Expanding Housing Options in Neighbourhoods" initiative which calls for the end of exclusionary zoning rules and more mid-density housing. These changes will build more homes for Torontonians.

No New Fees & Charges on Housing

We recognize that taxation, fees, and development charges play important roles in funding communities, but they shouldn't make the housing affordability challenge worse.

Toronto homebuyers pay, on average, over \$350,000 in taxes and government fees on detached homes and over \$180,000 on every condo. These taxes and fees add up to 31% of the purchase price of homes in the GTA – the highest in the country. These costs get passed on to young families and singles looking to find an affordable place to call home. If the City is going to address the housing affordability crisis, it starts with no new fees or taxes on housing.

Hand-Up for First-Time Home Buyers

Young people are struggling the most in the current Toronto housing market, and they need a hand up to achieve their dreams of owning a home.

Toronto should waive the Municipal Land Transfer Tax for first-time homebuyers or increase the rebate and encourage the province to follow suit. This move would save first-time home buyers up to \$19,000 on an average-priced Toronto home.

Fair Property Tax Increases

Property taxes are crucial to good quality public services that benefit all Torontonians. TRREB understands the financial pressures that City Council must consider when making operating budget decisions. REALTORS® have always supported reasonable property tax increases because property taxes are the most equitable option available to the City.

To mitigate their impact on housing affordability going forward, increases should be fair to ensure everyone is contributing adequately.

End the Reliance on the Municipal Land Transfer Tax

The Municipal Land Transfer Tax (MLTT) is a city-imposed cost that impacts homebuyers and housing affordability. This tax is directly felt through substantial up-front costs, and indirectly by affecting the supply of homes available to residents for purchase.

Toronto continues to be the only city in Ontario that charges two land transfer taxes: provincial and municipal. This double taxation adds almost \$38,000 in tax on the average-priced Toronto home (\$19,000 in MLTT).

TRREB continues to disagree with this tax in principle, and strongly believes that prudent budgeting means that the City should be relying less on this revenue, not more, to guard against potential volatility in expected revenue. The Municipal Land Transfer Tax has become the City of Toronto's fiscal safety blanket, and simply put, the ongoing reliance on this tax to balance the budget must end.

Investments in Critical Infrastructure

When new housing developments are approved, they are often delayed by the need for municipal infrastructure to service the new area or building. Without roads or sewers, construction cannot even begin, hence adding another barrier to bringing more housing supply to the market. Municipalities often lack the funding or staff to adequately expand services.

Infrastructure investment funding comes from the provincial and federal governments. New transit and transportation services will allow for higher-density and mixed-use communities which means more housing options. Inadequate essential services, coupled with a sluggish economy that could be facing a recession, will have a negative effect on real estate in Toronto.

What's at Stake

Toronto has a bright future ahead of it.

We have a diverse and talented workforce. We have a large and growing population. Our residents are well educated and connected throughout the global economy.

That's what's at stake in this mayoral by-election if we don't fix the housing supply crisis. Left unaddressed, the cost of housing will continue to increase, and those talented individuals and diverse young families of the future will look to another city to call home.

On behalf of TRREB and our 70,000 Members, we implore you, as voters, to send a message to all mayoral candidates that Toronto must fight to keep housing affordable in our city.

Discuss the issues of importance to you with your friends and family and candidates who ask for your support. Most importantly, on June 26, get out and vote!

For more information on how to vote and where your polling station is located, visit [2023 By-Election for Mayor: Voter Information – City of Toronto](#).

Yours very sincerely,



Paul Baron

President
Toronto Regional Real Estate Board