

INTEREST RATE HIKES DRIVE DOWN HOME SALES AND NEW LISTINGS IN NOVEMBER *TRREB CALLS INCREASED BORROWING COSTS 'SHORT-TERM SHOCK'*

TORONTO, ONTARIO, December 6, 2022 – Homeownership market activity in November continued to be influenced by the impact of higher borrowing costs on affordability. Sales were down markedly compared to the same period last year, following the trend that unfolded since the commencement of interest rate hikes in the spring. New listings were also down substantially from last year, and at a very low level historically. The fact that the supply of homes for sale has remained low, has supported average selling prices at the \$1.08 to \$1.09 million mark since August.

Greater Toronto Area (GTA) REALTORS® reported 4,544 sales through TRREB's MLS® System in November 2022 – down 49 per cent compared to November 2021, but remaining at a similar level to October especially after considering the recurring seasonal downward trend in the fall. New listings, at 8,880, were down on both a year-over-year basis and month-over-month basis.

“Increased borrowing costs represent a short-term shock to the housing market. Over the medium- to long-term, the demand for ownership housing will pick up strongly. This is because a huge share of record immigration will be pointed at the GTA and the Greater Golden Horseshoe (GGH) in the coming years, and all of these people will require a place to live, with the majority looking to buy. The long-term problem for policymakers will not be inflation and borrowing costs, but rather ensuring we have enough housing to accommodate population growth,” said TRREB President Kevin Crigger.

“We have seen a lot of progress this year on the housing supply and related governance files such as the [More Homes Built Faster Act](#). This is obviously good news. However, we need these new policies to turn into results over the next year. Otherwise, the current market lull will soon be behind us, population growth will be accelerating, and we will have done nothing to account for our growing housing need. The result would be enhanced unaffordability and reduced economic competitiveness,” said TRREB CEO John DiMichele.

The MLS® Home Price Index Composite Benchmark was down by 5.5 per cent year-over-year in November 2022. The average selling price for all home types combined was down by 7.2 per cent year-over-year. Annual price declines continued to be greater for more expensive market segments, including detached and semi-detached houses.

“Selling prices declined from the early year peak as market conditions became more balanced and homebuyers have sought to mitigate the impact of higher borrowing costs. With that being said, the marked downward price trend experienced in the spring has come to an end. Selling prices have flatlined alongside average monthly mortgage payments since the summer,” said TRREB Chief Market Analyst Jason Mercer.

Summary of TRREB MLS® System Sales and Average Price November 1–30, 2022

	2022			2021		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	1,798	1,050,788	3,562	3,576	1,096,875	4,253
Rest of GTA ("905")	2,746	1,098,127	5,318	5,403	1,206,041	5,791
GTA	4,544	1,079,395	8,880	8,979	1,162,564	10,044

TRREB MLS® System Sales & Average Price by Home Type November 1–30, 2022

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	542	1,514	2,056	1,560,548	1,329,165	1,390,162
Yr./Yr. % Change	-40.6%	-48.2%	-46.4%	-13.8%	-10.9%	-11.3%
Semi-Detached	169	217	386	1,187,016	924,080	1,039,200
Yr./Yr. % Change	-40.3%	-53.8%	-48.7%	-17.1%	-13.7%	-13.9%
Townhouse	178	596	774	995,074	872,014	900,314
Yr./Yr. % Change	-53.3%	-44.0%	-46.4%	1.4%	-8.7%	-6.4%
Condo Apartment	899	390	1,289	734,797	648,332	708,636
Yr./Yr. % Change	-54.5%	-55.9%	-54.9%	-1.5%	0.3%	-0.9%

November 2022 Year-Over-Year Per Cent Change in the MLS® HPI

	Composite (All Types)	Single-Family Detached	Single-Family Attached	Townhouse	Apartment
TRREB Total	-5.49%	-7.73%	-6.81%	-1.42%	2.88%
Halton Region	-11.18%	-12.49%	-12.63%	-7.67%	1.14%
Peel Region	-5.08%	-7.13%	-7.02%	0.43%	6.66%
City of Toronto	-4.25%	-7.94%	-7.34%	1.78%	2.05%
York Region	-1.57%	-2.99%	-1.40%	-0.76%	4.62%
Durham Region	-8.57%	-9.03%	-9.56%	-2.93%	2.06%
Orangeville	-4.04%	-4.97%	-4.97%	2.84%	13.47%
South Simcoe County¹	-9.17%	-10.08%	-5.48%	-1.15%	5.00%

Source: Toronto Regional Real Estate Board

¹South Simcoe includes Adjala-Tosorontio, Bradford West Gwillimbury, Essa, Innisfil and New Tecumseth

Please note the methodology used to calculate MLS® HPI has been changed. For more information, click [HERE](#).

Year-to-Date Summary of TRREB MLS® System Sales and Average Price November 2022

	2022			2021		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto ("416")	26,616	1,145,933	53,937	41,101	1,058,539	61,097
Rest of GTA ("905")	45,442	1,225,238	94,859	74,525	1,110,582	100,326
GTA	72,058	1,195,945	148,796	115,626	1,092,082	161,423

YTD TRREB MLS® System Sales & Average Price by Home Type November 2022

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	7,368	24,872	32,240	1,798,881	1,479,149	1,552,219
Yr./Yr. % Change	-32.4%	-39.9%	-38.3%	4.6%	9.1%	8.4%
Semi-Detached	2,484	4,175	6,659	1,374,125	1,079,080	1,189,140
Yr./Yr. % Change	-33.8%	-38.9%	-37.1%	5.9%	13.6%	10.8%
Townhouse	2,660	9,474	12,134	1,045,249	982,379	996,162
Yr./Yr. % Change	-41.2%	-38.6%	-39.2%	11.1%	14.3%	13.4%
Condo Apartment	13,898	6,465	20,363	784,526	709,189	760,608
Yr./Yr. % Change	-35.9%	-35.7%	-35.8%	10.1%	16.8%	12.0%

Source: Toronto Regional Real Estate Board

Seasonally Adjusted TRREB MLS® Sales and Average Price¹

	Sales	Month-over-Month % Chg.	Average Price	Month-over-Month % Chg.
November '21	9,906	11.2%	\$1,184,604	2.2%
December '21	9,583	-3.3%	\$1,212,425	2.3%
January '22	9,105	-5.0%	\$1,272,615	5.0%
February '22	9,466	4.0%	\$1,285,175	1.0%
March '22	8,028	-15.2%	\$1,252,487	-2.5%
April '22	6,644	-17.2%	\$1,203,902	-3.9%
May '22	5,977	-10.0%	\$1,169,407	-2.9%
June '22	5,610	-6.1%	\$1,136,085	-2.8%
July '22	5,224	-6.9%	\$1,109,125	-2.4%
August '22	5,683	8.8%	\$1,123,306	1.3%
September '22	5,091	-10.4%	\$1,098,106	-2.2%
October '22	5,007	-1.6%	\$1,098,046	0.0%
November '22	4,886	-2.4%	\$1,101,730	0.3%

Source: Toronto Regional Real Estate Board; CREA Seasonal Adjustment. ¹ Preliminary seasonal adjustment undertaken by the Canadian Real Estate Association (CREA). Removing normal seasonal variations allows for more meaningful analysis of monthly changes and underlying trends.

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-30-

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