

### **TRREB: HIGHER BORROWING COSTS CONTINUE TO IMPACT HOUSING MARKET IN AUGUST**

**TORONTO, ONTARIO, September 6, 2023** – Higher borrowing costs, continued uncertainty about the economy and Bank of Canada decision making, and the constrained supply of listings resulted in fewer home sales in August 2023 compared to August 2022. The average selling price remained virtually unchanged over the same period. On a seasonally adjusted monthly basis, sales and average price edged lower.

“Looking forward, we know there will be solid demand for housing – both ownership and rental – in the Greater Toronto Area (GTA) and broader Greater Golden Horseshoe. Record immigration levels alone will assure this. In the short term, we will likely continue to see some volatility in terms of sales and home prices, as buyers and sellers wait for more certainty on the direction of borrowing costs and the overall economy,” said Toronto Regional Real Estate Board (TRREB) President Paul Baron.

Greater Toronto Area REALTORS® reported 5,294 sales in August 2023 – down by 5.2 per cent compared to August 2022. New listings were up by 16.2 per cent year-over-over, providing some relief on the supply front, but year-to-date listings are still down substantially compared to the same period last year. Seasonally adjusted sales were down slightly by one per cent month-over-month compared to July 2023, while new listings were up slightly by 1.3 per cent compared to July.

“More balanced market conditions this summer compared to the tighter spring market resulted in selling prices hovering at last year’s levels and dipping slightly compared to July. As interest rates continued to increase in May, after a pause in the winter and early spring, many buyers have had to adjust their offers in order to qualify for higher monthly payments. Not all sellers have chosen to take lower than expected selling prices, resulting in fewer sales,” said TRREB Chief Market Analyst Jason Mercer.

The MLS® Home Price Index Composite benchmark for August 2023 was up by 2.5 per cent year-over-year. The average selling price was also up, but by less than one per cent to \$1,082,496 over the same timeframe. On a month-over-month seasonally adjusted basis, the MLS® HPI Composite benchmark was virtually unchanged and the average price edged lower by 1.6 per cent.

“While higher interest rates have certainly impacted affordability, the prospect of higher taxes will also hit households’ balance sheets, especially younger buyers with limited savings. With the City of Toronto moving to raise the municipal land transfer tax (MLTT) rate on properties over \$3 million as a revenue tool, it must also consider helping first-time home buyers struggling to enter the market by adjusting their tax rebate threshold to reflect today’s higher home prices,” said TRREB CEO John DiMichele.

“All three levels of government need to be focused on the key issue impacting affordability in the GTA: lack of supply. Right now, there continues to be a policy mismatch between population growth through immigration and temporary migration and bringing online enough housing to accommodate this population growth. If we can’t house newcomers, they will look elsewhere, and Canada and the GTA will lose its competitive edge on the global stage,” continued DiMichele.

**TRREB MLS® Sales and Average Price** August 2023

	2023			2022		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto (416)	1,891	\$1,005,945	4,330	1,878	\$1,033,198	3,789
Rest of GTA (905)	3,403	\$1,125,034	7,966	3,706	\$1,102,282	6,789
<b>GTA</b>	<b>5,294</b>	<b>\$1,082,496</b>	<b>12,296</b>	<b>5,584</b>	<b>\$1,079,048</b>	<b>10,578</b>

**TRREB MLS® Sales and Average Price by Home Type** August 2023

	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	<b>451</b> 11.2% ▼	<b>1,813</b> 12.2% ▼	<b>2,264</b> 12.0% ▼	<b>\$1,635,145</b> 0.8% ▼	<b>\$1,361,943</b> 3.8% ▲	<b>\$1,416,366</b> 2.8% ▲
Semi-Detached	<b>138</b> 12.7% ▼	<b>308</b> 15.2% ▼	<b>446</b> 14.4% ▼	<b>\$1,235,723</b> 9.4% ▲	<b>\$992,822</b> 5.4% ▲	<b>\$1,067,980</b> 6.9% ▲
Townhouse	<b>208</b> 15.6% ▲	<b>728</b> 2.9% ▼	<b>936</b> 0.6% ▲	<b>\$971,090</b> 6.2% ▲	<b>\$925,718</b> 3.1% ▲	<b>\$935,800</b> 3.9% ▲
Condo Apartment	<b>1,086</b> 6.5% ▲	<b>523</b> 10.1% ▲	<b>1,609</b> 7.6% ▲	<b>\$724,549</b> 1.8% ▼	<b>\$666,167</b> 1.6% ▲	<b>\$705,572</b> 0.9% ▼

**TRREB MLS® HPI** August 2023

	Composite	Single Family Detached	Single Family Attached	Townhouse	Apartment
<b>All TRREB Areas</b>	<b>2.47% ▲</b>	<b>4.15% ▲</b>	<b>3.90% ▲</b>	<b>1.38% ▲</b>	<b>1.19% ▼</b>
Halton Region	4.58% ▲	5.77% ▲	7.62% ▲	9.51% ▲	1.48% ▼
Peel Region	0.56% ▲	1.44% ▲	1.82% ▲	1.25% ▲	2.57% ▼
City of Toronto	1.12% ▲	4.10% ▲	2.14% ▲	2.45% ▼	1.00% ▼
York Region	5.32% ▲	6.17% ▲	5.94% ▲	3.97% ▲	0.81% ▼
Durham Region	2.70% ▲	3.06% ▲	3.88% ▲	0.97% ▼	1.93% ▼
Orangeville	3.27% ▲	3.63% ▲	4.46% ▲	4.87% ▲	2.29% ▼
South Simcoe County <sup>2</sup>	1.74% ▼	1.40% ▼	0.12% ▼	1.53% ▼	0.36% ▼

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

**TRREB MLS® Sales and Average Price** Year-to-Date 2023

	2023			2022		
	Sales	Average Price	New Listings	Sales	Average Price	New Listings
City of Toronto (416)	17,942	\$1,099,063	36,033	21,184	\$1,165,384	41,787
Rest of GTA (905)	31,220	\$1,155,308	59,805	36,340	\$1,257,484	76,933
<b>GTA</b>	<b>49,162</b>	<b>\$1,134,781</b>	<b>95,838</b>	<b>57,524</b>	<b>\$1,223,567</b>	<b>118,720</b>

**TRREB MLS® Sales and Average Price by Home Type** Year-to-Date 2023

	Sales			Average Price		
	416	905	Total	416	905	Total
<b>Detached</b>	<b>4,956</b> 13.5% ▼	<b>16,923</b> 14.6% ▼	<b>21,879</b> 14.4% ▼	<b>\$1,746,036</b> 6.1% ▼	<b>\$1,398,326</b> 8.1% ▼	<b>\$1,477,089</b> 7.5% ▼
<b>Semi-Detached</b>	<b>1,549</b> 19.9% ▼	<b>2,619</b> 22.8% ▼	<b>4,168</b> 21.8% ▼	<b>\$1,318,151</b> 7.3% ▼	<b>\$1,019,049</b> 8.2% ▼	<b>\$1,130,207</b> 7.6% ▼
<b>Townhouse</b>	<b>1,707</b> 19.7% ▼	<b>6,539</b> 13.7% ▼	<b>8,246</b> 15.1% ▼	<b>\$1,016,202</b> 4.2% ▼	<b>\$945,686</b> 6.0% ▼	<b>\$960,284</b> 5.7% ▼
<b>Condo Apartment</b>	<b>9,619</b> 14.4% ▼	<b>4,832</b> 6.8% ▼	<b>14,451</b> 12.0% ▼	<b>\$749,886</b> 5.4% ▼	<b>\$667,925</b> 7.5% ▼	<b>\$722,481</b> 6.2% ▼

**TRREB MLS® Seasonally Adjusted Stats<sup>1</sup>** August 2023

	Sales	% Change	New Listings	% Change	Average Price	% Change	MLS® HPI <sup>2</sup>	% Change
<b>August 2022</b>	5,617	11.9% ▲	11,508	1.6% ▼	\$1,129,038	2.2% ▲	\$1,136,700	1.5% ▼
<b>September 2022</b>	5,153	8.3% ▼	10,128	12.0% ▼	\$1,096,729	2.9% ▼	\$1,127,200	0.8% ▼
<b>October 2022</b>	5,039	2.2% ▼	10,886	7.5% ▲	\$1,094,887	0.2% ▼	\$1,114,600	1.1% ▼
<b>November 2022</b>	4,964	1.5% ▼	11,484	5.5% ▲	\$1,097,686	0.3% ▲	\$1,105,200	0.8% ▼
<b>December 2022</b>	4,978	0.3% ▲	11,382	0.9% ▼	\$1,099,214	0.1% ▲	\$1,093,000	1.1% ▼
<b>January 2023</b>	4,869	2.2% ▼	11,460	0.7% ▲	\$1,066,647	3.0% ▼	\$1,076,600	1.5% ▼
<b>February 2023</b>	5,142	5.6% ▲	8,986	21.6% ▼	\$1,062,302	0.4% ▼	\$1,071,600	0.5% ▼
<b>March 2023</b>	5,113	0.6% ▼	8,399	6.5% ▼	\$1,073,171	1.0% ▲	\$1,078,600	0.7% ▲
<b>April 2023</b>	6,343	24.1% ▲	9,228	9.9% ▲	\$1,104,156	2.9% ▲	\$1,102,000	2.2% ▲
<b>May 2023</b>	6,759	6.6% ▲	10,318	11.8% ▲	\$1,143,237	3.5% ▲	\$1,130,900	2.6% ▲
<b>June 2023</b>	6,209	8.1% ▼	11,849	14.8% ▲	\$1,159,806	1.4% ▲	\$1,154,900	2.1% ▲
<b>July 2023</b>	5,552	10.6% ▼	12,794	8.0% ▲	\$1,151,015	0.8% ▼	\$1,164,800	0.9% ▲
<b>August 2023</b>	5,499	1.0% ▼	12,959	1.3% ▲	\$1,132,706	1.6% ▼	\$1,163,700	0.1% ▼

Source: Toronto Regional Real Estate Board; CREA Seasonal Adjustment. <sup>1</sup> 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. <sup>2</sup> MLS® HPI Composite Benchmark, seasonally adjusted.

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The [Toronto Regional Real Estate Board](#) is Canada's largest real estate board with over 73,000 residential and commercial professionals connecting people, property and communities.

