

TRREB: Tighter Market Conditions in January 2024 When Compared to the Previous Year

TORONTO, ONTARIO, February 6, 2024 – Home sales were up in January 2024 in comparison to January 2023. This annual increase came as some homebuyers started to benefit from lower borrowing costs associated with fixed rate mortgage products. New listings were also up year-over-year but by a lesser annual rate compared to sales. The resulting tighter market conditions when compared to the same period a year earlier, potentially points toward renewed price growth as we move into the spring market.

“We had a positive start to 2024. The Bank of Canada expects the rate of inflation to recede as we move through the year. This would support lower interest rates which would bolster home buyers' confidence to move back into the market. First-time buyers currently facing high average rents would benefit from lower mortgage rates, making the move to homeownership more affordable,” said TRREB President Jennifer Pearce.

There were 4,223 sales reported through TRREB's MLS® System in January 2024 – an increase of more than one-third compared to January 2023. The number of new listings was also up year-over-year but by a lesser annual rate of approximately six per cent. Stronger sales growth relative to listings suggests buyers experienced tighter market conditions compared to a year ago.

On a month-over-month seasonally adjusted basis, both sales and new listings were up. Sales increased more than listings which means market conditions tightened relative to December 2023.

“Once the Bank of Canada actually starts cutting its policy rate, likely in the second half of 2024, expect home sales to pick up even further. There will be more competition between buyers in 2024 as demand picks up and the supply of listings remains constrained. The end result will be upward pressure on selling prices over the next two years,” said TRREB Chief Market Analyst Jason Mercer.

The MLS® Home Price Index Composite in January 2024 was down by less than one per cent year-over-year in January. The average selling price was down by one per cent year-over-year to \$1,026,703. On a month-over-month seasonally adjusted basis, both the MLS® HPI Composite and the average selling price also trended lower.

“While housing market conditions are expected to improve with lower borrowing costs, there are still a number of policy issues that need to be addressed. At the federal level, more reflection on the Office of the Superintendent of Financial Institution (OSFI) mortgage stress test is required, especially to its application at different points in the interest rate cycle. The focus for the Province needs to remain on building 1.5 million new homes. At the municipal level, raising property taxes without consistent support from the federal and provincial governments won't eliminate Toronto's structural deficit. Helping first-time homebuyers get into the ownership

market will ease movement across the entire spectrum and relieve pressure on the rental market,” said TRREB CEO John DiMichele.

On Thursday, February 8, TRREB is releasing its *2024 Market Outlook and Year in Review* report and digital digest. This sought-after resource provides industry insights and forecasts what’s in store for the GTA real estate market. Readers will discover new research on the social implications of unaffordability and what’s required to adequately prepare for a rising population.

TRREB MLS® Sales and Average Price							January 2024
	2024			2023			
	Sales	Average Price	New Listings	Sales	Average Price	New Listings	
City of Toronto (416)	1,472	\$959,915	3,456	1,107	\$986,617	3,019	
Rest of GTA (905)	2,751	\$1,062,439	4,856	1,976	\$1,065,108	4,817	
GTA	4,223	\$1,026,703	8,312	3,083	\$1,036,925	7,836	

TRREB MLS® Sales and Average Price by Home Type							January 2024
	Sales			Average Price			
	416	905	Total	416	905	Total	
Detached	342 7.5% ▲	1,403 32.9% ▲	1,745 27.0% ▲	\$1,570,520 5.7% ▲	\$1,297,275 0.1% ▲	\$1,350,828 0.8% ▲	
Semi-Detached	106 26.2% ▲	237 51.9% ▲	343 42.9% ▲	\$1,199,531 4.3% ▲	\$966,193 1.8% ▲	\$1,038,303 1.8% ▲	
Townhouse	131 42.4% ▲	634 57.3% ▲	765 54.5% ▲	\$895,307 8.8% ▼	\$890,645 2.9% ▲	\$891,443 0.5% ▲	
Condo Apartment	883 46.4% ▲	452 31.4% ▲	1,335 41.0% ▲	\$709,419 0.1% ▲	\$628,375 2.7% ▼	\$681,979 0.6% ▼	

TRREB MLS® HPI						January 2024
	Composite	Single Family Detached	Single Family Attached	Townhouse	Apartment	
All TRREB Areas	0.44% ▼	0.29% ▲	0.41% ▲	0.34% ▲	0.67% ▼	
Halton Region	1.44% ▼	0.82% ▼	0.24% ▲	0.25% ▲	1.15% ▲	
Peel Region	0.37% ▲	1.80% ▲	0.99% ▲	0.48% ▲	1.80% ▼	
City of Toronto	1.17% ▼	0.73% ▼	1.20% ▼	0.96% ▲	0.69% ▼	
York Region	0.17% ▲	0.38% ▲	1.03% ▲	3.46% ▲	0.50% ▼	
Durham Region	0.19% ▼	0.11% ▲	0.36% ▼	1.80% ▼	0.82% ▼	
Orangeville	0.11% ▲	1.24% ▲	2.54% ▲	2.47% ▼	3.15% ▼	
South Simcoe County ²	0.24% ▲	1.16% ▲	2.85% ▲	8.25% ▼	0.32% ▼	

TRREB MLS® Seasonally Adjusted Stats ¹								January 2024	
	Sales	% Change	New Listings	% Change	Average Price	% Change	MLS® HPI ²	% Change	
January 2023	4,919	2.8% ▼	11,691	1.0% ▼	\$1,074,904	2.4% ▼	\$1,079,100	1.3% ▼	
February 2023	5,029	2.2% ▲	9,102	22.1% ▼	\$1,069,173	0.5% ▼	\$1,075,300	0.4% ▼	
March 2023	5,127	1.9% ▲	8,499	6.6% ▼	\$1,078,766	0.9% ▲	\$1,083,400	0.8% ▲	
April 2023	6,283	22.5% ▲	9,384	10.4% ▲	\$1,107,746	2.7% ▲	\$1,106,400	2.1% ▲	
May 2023	6,608	5.2% ▲	10,455	11.4% ▲	\$1,143,396	3.2% ▲	\$1,134,200	2.5% ▲	
June 2023	6,123	7.3% ▼	12,065	15.4% ▲	\$1,157,217	1.2% ▲	\$1,155,100	1.8% ▲	
July 2023	5,591	8.7% ▼	13,082	8.4% ▲	\$1,146,412	0.9% ▼	\$1,161,900	0.6% ▲	
August 2023	5,535	1.0% ▼	13,178	0.7% ▲	\$1,128,925	1.5% ▼	\$1,157,500	0.4% ▼	
September 2023	5,288	4.5% ▼	14,563	10.5% ▲	\$1,124,645	0.4% ▼	\$1,145,100	1.1% ▼	
October 2023	5,002	5.4% ▼	14,017	3.7% ▼	\$1,123,361	0.1% ▼	\$1,125,400	1.7% ▼	
November 2023	4,924	1.6% ▼	13,180	6.0% ▼	\$1,097,639	2.3% ▼	\$1,106,300	1.7% ▼	
December 2023	5,884	19.5% ▲	11,504	12.7% ▼	\$1,135,787	3.5% ▲	\$1,091,300	1.4% ▼	
January 2024	6,448	9.6% ▲	12,035	4.6% ▲	\$1,062,111	6.5% ▼	\$1,078,500	1.2% ▼	

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