Explore the Digital Digest

2025 Market Outlook & Year in Review

The Triple Challenge:

- Affordability
- Housing Supply
- Traffic

Toronto Regional Real Estate Board

Professionals connecting people, property and communities.

INNOVATIVE SOLUTIONS FOR A GROWING REGION

ADDRESSING AFFORDABILITY AND SUPPLY

A Message from the President and CEO

The Greater Golden Horseshoe (GGH) continues to grow and evolve, presenting opportunities and challenges that demand thoughtful, strategic action. As we reflect on the past year and look ahead, it is clear that traffic congestion can make living in certain areas less desirable, while inadequate housing supply and high demand can contribute to affordability issues. These challenges need to be addressed in tandem to foster economic growth, quality of life, and sustainable development.

"At TRREB, we believe the solution starts with collaboration," said TRREB CEO John DiMichele. "Traffic congestion and affordability are interconnected challenges that require integrated approaches. The current system of high development charges, taxes, and administrative hurdles only exacerbates the issues. This stalls progress on building the housing supply we need to support our growing communities."

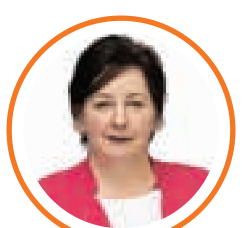
The 2025 Market Outlook & Year in Review report provides a comprehensive analysis of the current market landscape. This year's report explores **Getting Our Region Moving**. It also examines **Fair Taxes on Ontario Homes** and **Breaking the Landlord and Tenant Board Backlog**. These insights offer valuable guidance to policymakers, industry stakeholders, and communities working toward a more sustainable future.

"As we look to the future, prioritizing housing supply and diversity remains paramount," emphasized TRREB President Elechia Barry-Sproule. "Encouraging the development of missing-middle housing—such as townhomes, duplexes, and low-rise multi-unit buildings—is critical to delivering a range of attainable options for families. Purpose-built rentals also play a vital role in ensuring everyone has access to a place they can call home."

TRREB provides timely research and advocacy to help stakeholders understand the broader impact of housing decisions. By leveraging our expertise and partnerships, we're committed to shaping innovative, long-term solutions for a thriving region.

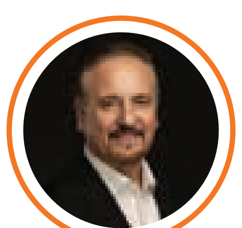
We recognize that no single organization or policy can solve these issues alone. Coordinated efforts between governments, industry stakeholders, and communities are essential to addressing the housing and infrastructure needs of today and tomorrow. We are committed to advocating for pragmatic, long-term solutions that promote affordability and livability across the GGH.

Together, we can create a region where growth and opportunity are supported by a diverse housing market. Thank you for taking the time to explore this report and for joining us in shaping a brighter future.



Elechia Barry-Sproule

2025 President
TRREB



John DiMichele

Chief Executive Officer
TRREB

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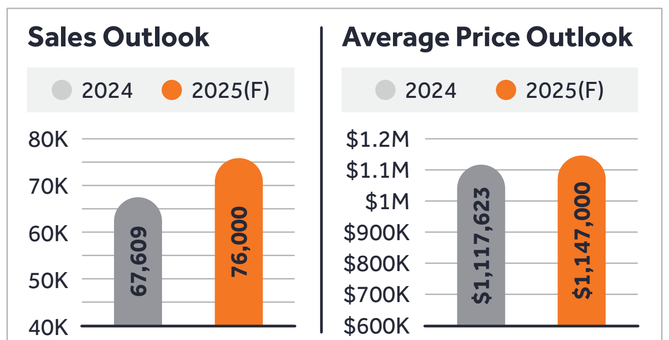
MARKET OUTLOOK & CONSUMER INTENTIONS

There will be 76,000 home sales in the Greater Toronto Area (GTA) in 2025, under TRREB's baseline scenario. Lower borrowing costs will see more homebuyers moving off the sidelines. However, the uptick in transactions could be muted somewhat by the impact of trade disputes on the broader economy and consumer confidence.



Source: Toronto Regional Real Estate Board (TRREB)

A well-supplied market will keep average annual home price growth at the rate of inflation over the course of the year. Expect the average selling price to increase moderately to $1,147,000 – a 2.6 per cent increase compared to 2024. Price growth will be more evident in the single-family market segments, including detached and semi-detached houses and townhouses.

LOWER BORROWING COSTS WILL RESULT IN INCREASED SALES

The story for the 2024 housing market was high borrowing costs and finally interest rate relief. By the end of 2024 we benefitted from cumulative Bank of Canada rate cuts of 175 basis points, including two back-to-back 50 basis point cuts, as concerns about stagnant economic growth per capita prompted more aggressive action on the part of the Bank.

FAST FACT

The average household income in the GTA is currently estimated to be $155,000.

$155,000

Source: TRREB Estimates Based on Stats Canada and BoC Data

Interest rate cuts did have a positive impact on affordability, and as a result, home sales started to trend upward at the end of 2024.

Looking ahead, more interest rate cuts will be required before average homebuying households can comfortably afford monthly mortgage payments. In the most recent Ipsos Home Buyers Survey completed for TRREB in the fall of 2024, many respondents continued to point to high borrowing costs as a key reason for not purchasing a home.

Many would-be homebuyers suggested they still needed further interest rate cuts amounting to at least 200 basis points before they would entertain the purchase of a home. The monthly payment associated with the purchase of a $1 million dollar home was approximately $4,800 at the end of 2024. An affordable monthly payment would have been approximately $4,150 for an average GTA household. This underpins the need for further rate cuts before the pace of sales picks up. The good news is that the Bank of Canada is expected to continue to cut its Target for the Overnight Lending Rate through the spring of 2025. Home sales will trend upward, as households' affordability situation improves. In the second half of this year, home sales are expected to be trending close to 100,000 on an annualized monthly basis.

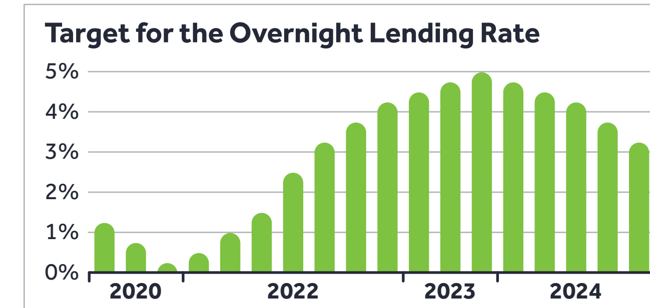
FAST FACT

To afford a home worth $1M, the average GTA family needs to earn $180,000 annually, or see the BoC's policy rate fall by 150 basis points (1.5%).*

Avg. Household Income ($155K) ⟶ **$180K**

2024 Rate Cuts (-1.75%) ⟶ -1.5%=**1.75%**

*Assuming 20% down with an average variable rate mortgage.
Source: TRREB Estimates Based on Stats Canada and BoC Data



Source: Bank of Canada

ECONOMIC UNCERTAINTY COULD BE A DRAG ON CONSUMER CONFIDENCE

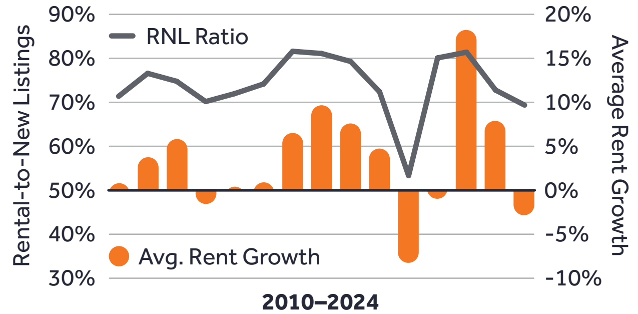
While lower borrowing costs will certainly be important in kickstarting GTA home sales in 2025, homebuyers must also feel confident in their ability to make their mortgage payments in the months ahead. In order to pay their mortgage, homeowners need a job paying a sustained (and hopefully increasing) income over time. The GTA labour market has been somewhat resilient in the face of higher borrowing costs and their impact on consumer spending. However, since the election of Donald Trump as President of the United States of America on November 5, 2024, the outlook for the Canadian economy and labour market has been less certain, with the threat of substantial tariffs on Canadian goods and services exported into the U.S.

U.S. tariffs on Canadian exports would markedly reduce the demand for a wide variety of goods and services south of the border. Reduced demand for a sustained period could prompt some Canadian businesses to cut costs by laying off workers, at least temporarily. Layoffs on a large scale would reduce consumer confidence and spending, including on large ticket purchases like a home. This would act as a counter force on the positive impact of lower borrowing costs on the housing market. The exact impact of tariffs on the GTA economy will also depend on the fiscal and monetary responses from different levels of government. For example, direct financial aid to affected sectors could preclude some layoffs. More aggressive interest rate cuts from the Bank of Canada could provide more support for consumer and business spending.

STRONG RENTAL DEMAND IN 2025

The Ipsos Home Buyers Survey also found that approximately two-thirds of renters would not tolerate any further rent increases before seriously considering the purchase of a home. With borrowing costs dropping and condo prices expected to remain well-below their historic peak this year, it makes sense that many renters are comparing their current rent to average monthly mortgage payments and are deciding to make their first long-term investmeng in the housing market.

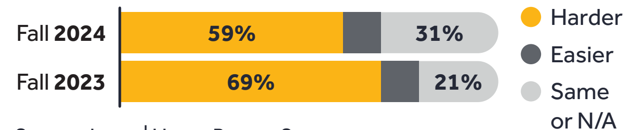
Greater Golden Houseshoe Rental Market Conditions and Average Rent Growth



Source: Toronto Regional Real Estate Board (TRREB)

The transition of renters into homeownership, coupled with investors listing their condominium apartments for rent, will add to the supply of available units in the GTA condo rental market. This will sustain a high level of rental inventory, which will see average rents remain below their recent peak, albeit still high from a historic perspective.

Ease of Finding a New Rental Unit at Preferred Price Point in the Past 6 Months



Source: Ipsos | Home Buyers Survey

The demand for rental accommodation in the GTA will remain strong for the foreseeable future. Despite federal policy changes regarding immigration targets, the regional population will continue to grow at a brisk pace. Historically, newcomers tend to rent first before moving into homeownership. However, Ipsos polling has also found that newcomers tend to move from rental into homeownership more quickly than those born in Canada.

The pipeline for rental supply in the secondary (condominium) rental market will be robust in the short to medium term as completions of investor-held units will remain high. Over the longer term, however, it will be important for policymakers to promote the development of a sustainable, purpose-built rental supply.

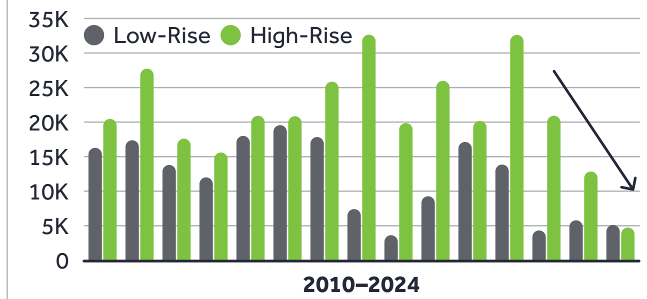
ELEVATED LISTINGS WILL KEEP LID ON PRICE GROWTH

Homebuyers will continue to benefit from a relatively well-supplied market in 2025, especially first-time buyers looking to purchase a condominium apartment. With a lot of choice from a historic perspective, buyers will have strong negotiating power, which will keep a lid on condo price growth through much of this year.

The rate of home price growth will vary across market segments. With a finite supply of low-rise home types like detached and semi-detached homes, expect these segments to experience above-inflation price growth. Conversely, the condominium apartment segment will remain very well-supplied, resulting in a flat-to-downward price trend, which will be beneficial to first-time buyers.

There has been a strong historic relationship between resale housing market conditions and new home sales and price growth. In particular, the relationship between sales and listings in the condominium apartment resale market has correlated strongly with pre-construction sales activity.

New Home Sales Continued to Trend Lower



Source: Altus Data Solutions

When there is a lot of resale choice, and therefore negotiating power on price, there is little incentive for an end user to purchase a new home off of plans for delivery often years down the road. Similarly, investors, who generally account for a large proportion of pre-construction sales, have had little incentive to purchase over the last two years.

FAST FACT

Nearly 4/10 (39%) of likely buyers plan to purchase pre-construction or a new home directly from the builder.

Source: Ipsos | Home Buyers Survey

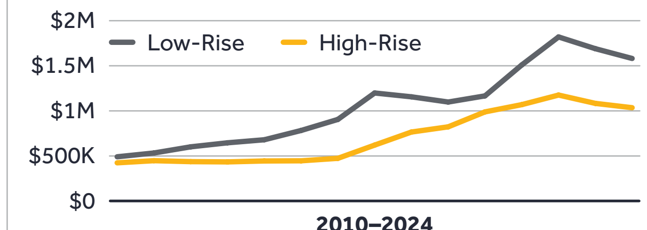
Very high resale condo inventory levels meant that the odds of price appreciation during the construction period have been low, thereby reducing the potential returns for investors. In addition, investors looking to purchase a condo to rent out upon completion have been dissuaded by softening GTA rental market conditions. An increase in rental unit inventory has resulted in downward trending average rents, calling into question the ability to make an acceptable return on investment.

According to Altus Group, there were 9,816 total GTA pre-construction sales last year – down 47 per cent from 18,609 sales in 2023. The dip was largely driven by the high-rise segment, with sales dropping by 63 per cent year-over-year to 4,720. The average annual high-rise sales for the previous 10 years was approximately 23,000.

It will take some time for resale market conditions to tighten and new condo sales to return to normal levels. According to CMHC, there were approximately 70,000 condo units under construction in the GTA at the end of 2024. Some of these units will complete in 2025, maintaining a high level of resale choice, thereby keeping a lid on price growth.

Over the medium to long term, strong population growth will see excess standing resale market inventory absorbed. Policymakers must continue to promote the construction of a greater diversity of home types in the GTA, so we benefit from balanced market conditions on a sustained basis.

Average New Home Benchmark Prices Have Trended Lower



Source: Altus Data Solutions

AVERAGE PRICE BY HOME TYPE

2024 — 2023

	Detached	Condo Apt.	Townhouse	Semi-Detached
2024	$1,453,262	$702,865	$921,837	$1,102,615
2023	$1,463,620	$717,581	$949,647	$1,114,995
	99% of 2023 Prices	98% of 2023 Prices	97% of 2023 Prices	99% of 2023 Prices

AVERAGE PRICE

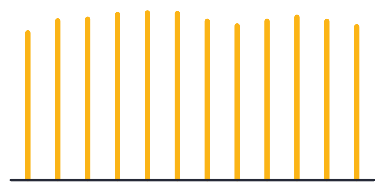
2024 — 2023

Includes all Home Types

$1,117,623

$1,126,263

Average Price by Month



NEW LISTINGS BY HOME TYPE

2024 — 2023

	Detached	Condo Apt.	Townhouse	Semi-Detached
2024	72,790	53,671	27,372	11,145
2023	64,258	44,722	22,508	10,190
	113% of 2023 Listings	120% of 2023 Listings	122% of 2023 Listings	109% of 2023 Listings

TOTAL NEW LISTINGS

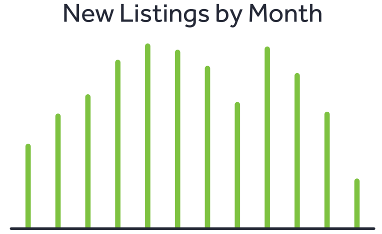
2024 — 2023

Includes all Home Types

166,188

142,725

New Listings by Month



Statistics as of January 24, 2025

SALES BY HOME TYPE

2024 — 2023

	Detached	Condo Apt.	Townhouse	Semi-Detached
2024	30,578	18,696	11,769	5,934
2023	29,450	19,161	10,993	5,700
	104% of 2023 Sales	98% of 2023 Sales	107% of 2023 Sales	104% of 2023 Sales

TOTAL SALES

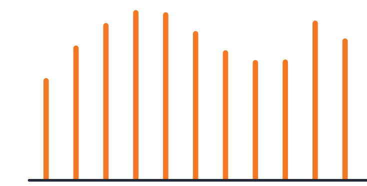
2024 — 2023

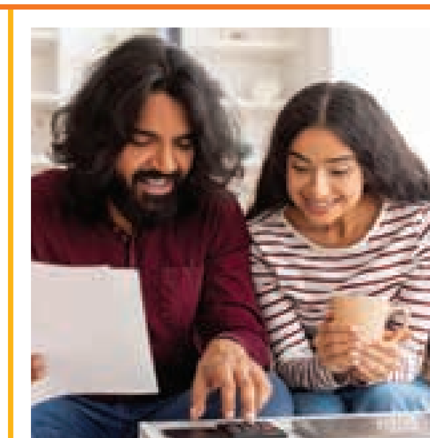
Includes all Home Types

67,609

65,877

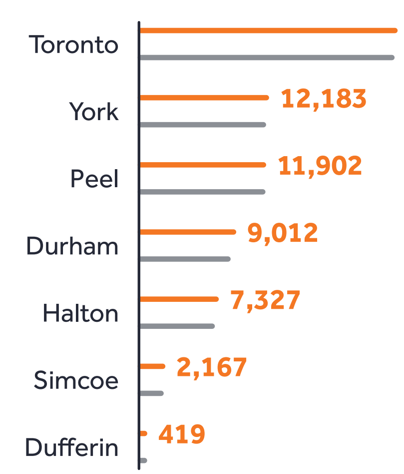
Sales by Month





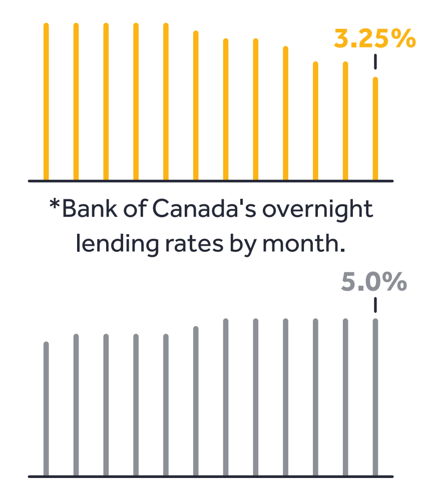
SALES BY GTA REGIONS

2024 — 2023



INTEREST RATES*

2024 — 2023



*Bank of Canada's overnight lending rates by month.

Statistics as of January 24, 2025

GETTING OUR REGION MOVING

The Toronto region is grappling with a severe congestion crisis that is significantly impacting both productivity and the economy. A recent poll conducted by Ipsos for the Toronto Region Board of Trade reveals the stark reality of this challenge.

THE NUMBERS ARE COMPELLING:

1 PUBLIC PERCEPTION:

Residents Concerned about Traffic

- 86 per cent of residents believe congestion is a significant problem.
- 85 per cent agree that congestion directly impacts the economy negatively.

Is it any wonder that residents feel this way? As part of its congestion research, the Board also retained Parsons to conduct a study of congestion in downtown Toronto, to understand both its current state and explore its root causes.

FAST FACT

Over 3/4 of respondants support 24-hour road work or public transit construction.

Source: Ipsos | Traffic and Congestion Survey, June 2024

Read more about the Board's Congestion Task Force and its work.

2 ECONOMIC IMPLICATIONS:

The Effects on Employment and Productivity

- 54 per cent of residents have considered relocating due to congestion.
- 64 per cent are reluctant to commute to work because of traffic challenges.
- Businesses face reduced foot traffic and operational inefficiencies.

3 SOCIETAL IMPACT:

The Effects on Daily Activities and Local Economy

- 31 per cent avoid visiting family and friends, indicating potential mental health implications due to strained social connections.

What the Board found is the crisis has only deepened post-COVID. A typical 30-minute weekday PM peak trip in 2019 now takes 33 minutes, and traffic levels in 2023-24 exceed pre-pandemic levels. Weekend congestion has intensified, with mid-day peaks now surpassing weekday morning rush hours, reflecting a shift in travel patterns and increased leisure trips.

A recent study by the Canadian Centre for Economic Analysis revealed that congestion costs the GTHA a staggering $44.7 billion annually, encompassing both economic and social costs.

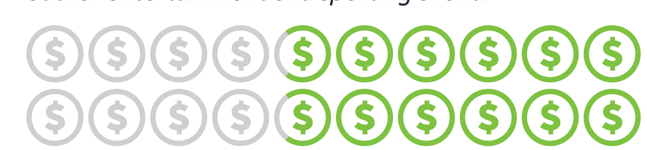
Businesses face operational challenges and reduced foot traffic, while the region's talent retention is at risk with more than half of those in the Board's poll considering relocation. An exodus of skilled workers would undermine our competitive edge and economic growth prospects.

Nearly a third of poll respondents report avoiding social and recreational activities due to traffic concerns. While congestion is a crisis that people feel personally due to its impact on their daily lives, it's the decisions people make that mean businesses bear the brunt, facing operational challenges and economic strain as congestion worsens. The reluctance of workers to commute and the overall reduction in mobility are creating a ripple effect throughout the local economy.

Addressing this multifaceted problem requires a comprehensive approach involving both short-term and long-term solutions. To tackle this issue, the Board established a task force, governed by a CEO's council. The focus is on key principles such as revitalizing downtown's economic vitality and ensuring efficient movement of goods.

FAST FACT

42% said due to congestion, they avoid shopping, going out for entertainment or a sporting event.



Source: Ipsos | Traffic and Congestion Survey, June 2024

The Toronto region's congestion crisis represents a significant challenge to our economic prosperity and quality of life. Immediate and sustained action is necessary to mitigate its impact and ensure our continued growth and attractiveness as a leading global city-region.

FAIR TAXES ON ONTARIO HOMES

Ontario has some of the highest housing taxes in North America. Homeowners, buyers and sellers are increasingly facing financial pressure due to rising property taxes, development charges, and land transfer taxes. These financial burdens are contributing to the province's housing affordability and supply crisis. For consumers, high taxes on housing make homeownership more difficult for both new buyers and existing owners.

Taxes on Ontario homes are too high, and families and individuals need relief.

Scan to read the full section by Real North Strategies Inc.

Through this report, the Toronto Regional Real Estate Board (TRREB) presents five policy recommendations aimed at addressing issues within Ontario's tax, development charge and municipal funding frameworks. These recommendations are designed to support a strong taxation system and ensure fairness, affordability, and transparency for property owners, homebuyers, and municipalities.

FAST FACT

From Jan. 2024–Nov. 2024, Alberta's housing starts more than doubled the pace of Ontario's.

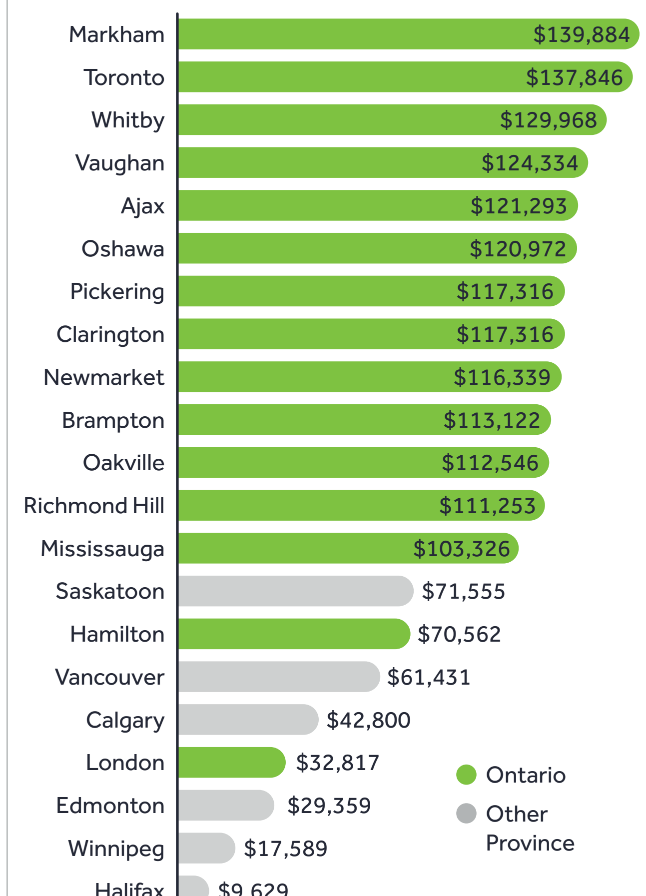
Source: Linkedin.com | Mike Moffatt   *Per 10,000 residents

KEY RECOMMENDATIONS:

1 REDUCE DEVELOPMENT CHARGES

Development charges, taxes and fees add tens of thousands of dollars to the cost of homes in the Greater Toronto Area (GTA). In Ontario, the total tax and fee burden now accounts for almost 36 per cent of the price of a new home. For an average new home constructed in Ontario priced at $1.069 million, total government taxes and fees rise to $380,000, which are passed down to new homebuyers, resulting in higher home prices, increased unaffordability and limiting viability of building more affordable stock. They are a major contributor to the housing affordability crisis. These fees, which have increased by up to 74 per cent since 2022, are among the highest in North America and often exceed the actual costs of growth-related infrastructure, placing an unfair burden on new homebuyers. Ontario must get new home taxes under control. No amount of reduction in red tape or speeding up the approval process will make up for hundreds of thousands of dollars in government charges, taxes, and fees.

Most Expensive Canadian Cities for Medium-Density Development Charges



Source: Respective municipal websites; CHBA 2022

FAST FACT

On average, government taxes/fees make up 35.6% of a new home purchase price in Ontario.

$1,069,698 Total Purchase Cost

35.6%

$687,777 (64.4%) Goods, services, wages, benefits, builder margins

$380,921 (35.6%) Government Taxes/fees

Source: CANCEA 2024

The City of Vaughan's recent commitment to reduce development charges is an example of what is possible when leaders commit to getting new home taxes under control. Ontario should lower development charges and fund growth related infrastructure costs using a stable and predictable source of funding that treats housing as a human right. As a starting point, TRREB recommends that the provincial government conduct audits of large urban municipalities to ensure development charges are transparent, aligned with actual infrastructure costs, and used solely for growth-related expenses.

2 UPDATE THE FEDERAL HST HOME REBATE PROGRAM:

Since the introduction of the Harmonized Sales Tax (HST) on new homes began, the threshold price points for the federal HST rebate on new homes have not changed from $350,000 (maximum $6,300 rebate) or $450,000 (above which no rebate applies). These thresholds leave most GTA homebuyers ineligible for benefits despite a 270 per cent increase in the price of a single family home in Ontario since 1990. TRREB recommends that the federal government immediately review and adjust rebate thresholds to reflect current market realities, implement indexing to ensure future adjustments align with housing price inflation, and enhance transparency to restore fairness and support affordability for new homebuyers. Similarly, Ontario should consider updating its HST Rebate program which has not changed since 2009.

3 REDUCE THE LAND TRANSFER TAX (LTT) ON FIRST-TIME HOMEBUYERS:

LTTs add thousands of dollars to a home purchase. These punishing taxes applied by both the province and the City of Toronto hurt first-time homebuyers the most because they have no existing home equity. The current provincial LTT rebate of $4,000 for first-time homebuyers, along with Toronto's municipal land transfer tax (MLTT) rebate of $4,475 are outdated, given the dramatic rise in home prices.

FAST FACT

Today, first-time buyers pay thousands more in LTTs.

2008 ($400K Purchase)		2025 ($900K Purchase)	
TLTT:	**$0.00**	**TLTT:**	**$10,000.00**
ON. LTT:	**$2,475.00**	**ON. LTT:**	**$10,475.00**
	$2,475.00		**$20,475**

Source: Ontario.ca | Calculating Land Transfer Tax

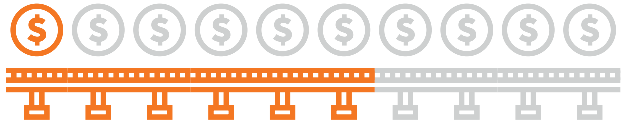
To help ease the financial burden on first-time buyers, the province and the City of Toronto should at a minimum increase their rebates to $8,000 each and index them to inflation. Alternatively, they should consider bold action such as removing this tax completely for these buyers. This would provide meaningful relief to young families and individuals entering the housing market. It would also help make homeownership more attainable in today's market, where the average resale home price across Ontario is around $870,000, and $1.1 million in the GTA.

4 LAUNCH A COMPREHENSIVE REVIEW OF MUNICIPAL REVENUE TOOLS:

Municipalities in Ontario rely heavily on property taxes and development charges to fund infrastructure and essential services. This over reliance on housing taxes is contributing to rising housing costs. A comprehensive review of municipal revenue tools should explore ways to reduce taxes on housing – and specifically look to reduce municipal reliance on property taxes and development charges. Municipal ratepayers are increasingly being called upon to fund social and other services that property and education taxes were never intended to support. The review should aim to lower the tax burden on housing and support an environment for increased housing supply while also ensuring that municipalities have the resources to deliver high-quality public services to residents.

FAST FACT

Canadian municipalities are responsible for 60% of public infrastructure while collecting less than 10% of the overall tax revenue.



Source: Federation of Canadian Municipalities (FCM)

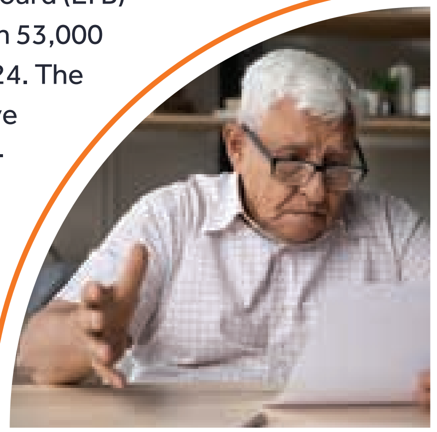
5 INCREASE MUNICIPAL TRANSFERS:

To reduce municipalities' reliance on property taxes and development charges, the province and the federal government should increase transfers to municipalities, particularly for infrastructure projects related to housing, transit, and climate resilience. More stable and predictable funding from the higher levels of government would allow municipalities to reduce the financial burden on residents while still making necessary investments in critical infrastructure. This would also support sustainable economic growth and help address Ontario's housing affordability crisis.

These recommendations represent a balanced approach to addressing the housing affordability crisis through reforming the property tax and development charge system in Ontario. By implementing these changes, the province can create a more equitable, affordable, and transparent tax system that benefits homeowners, homebuyers, renters and municipalities.

Ontario's Landlord and Tenant Board (LTB) is facing a crisis, with more than 53,000 unresolved cases as of February 2024. The province has made efforts to improve operations, such as appointing additional adjudicators and increasing funding. However, more needs to be done to eliminate the backlog and provide more support to landlords and tenants. The Ontario Ombudsman's 2023 audit highlighted the extent of the LTB's dysfunction which has contributed to delays, barriers to access, and discrimination within Ontario's housing system. These issues are impacting the quality of life for tenants and the availability of rental housing supply on the market.

Building on the work of the Ontario Ombudsman, this report identifies critical issues within the LTB and offers concrete recommendations to restore the board's ability to deliver timely and fair justice to tenants and landlords.



Scan to read the full section by Real North Strategies Inc.

FAST FACT

Landlords are seven times more likely than tenants to file a complaint with the LTB.

Source: Ontario Ombudsman 2023

KEY RECOMMENDATIONS:

1 RESTORING ACCESS TO JUSTICE:

The Problem of Virtual-Only Hearings

Virtual hearings were introduced as part of the LTB's "digital-first" strategy in 2020, but they have created significant barriers to justice for many Ontarians, especially vulnerable groups. Access to technology, reliable internet, and private spaces for virtual hearings has proven challenging for tenants and landlords alike, leading to chaotic, delayed, or even inaccessible hearings. Restoring in-person hearings as a default option while maintaining digital hearings when both parties agree would help address these accessibility issues. Real-time technical support must also be provided to reduce delays caused by technology failures.

2 TACKLING THE GROWING BACKLOG:
Delays in Case Resolution

The LTB backlog has reached a critical level, with some cases taking months or even years to be resolved. Many tenants are left in unsafe conditions and landlords struggle with unpaid rent and damaged properties due to delays. The report recommends creating a specialized backlog reduction team focused on addressing older and urgent cases. This team would report directly to the Ministry of the Attorney General and use targeted strategies to expedite the resolution of high-priority cases while keeping the flow of new cases moving efficiently.

3 IMPROVING EFFICIENCY:
Hiring and Retaining Adjudicators

Despite the recent hiring of more adjudicators, the LTB still struggles with efficiency due to a lack of proper training and a reliance on part-time staff. Cross-appointment of adjudicators with other tribunals limits the time they can dedicate to LTB cases. This report recommends enhancing the training process for adjudicators to ensure they are prepared to handle a wide variety of cases. Additionally, part-time adjudicators should be assigned workloads that reflect their availability, and funding should be aligned with service demand to ensure staffing matches the LTB's growing caseload.

4 LTB APPOINTMENTS:
Ensuring Stability in Tribunal Staffing

The current appointment process for LTB adjudicators can be slow and often leads to turnover after elections, disrupting case flow. Adjudicators with significant expertise are often replaced which further exacerbates delays. This report calls for streamlining the appointment process by introducing reforms that ensure qualified, experienced adjudicators remain in their positions. Establishing an independent body, such as an Adjudicative Tribunals Justice Council, would ensure that appointments are based on merit and experience.

FAST FACT

The number of pending cases at the LTB has skyrocketed from 2020 to February 2024.

2020 (20,000) **Feb. 2024** (53,000)

Source: Ontario Ombudsman 2023 1 = 4,000 pending cases

5 INTERNAL CHALLENGES:
Part-Time Adjudicators and Staff Training

The province should ensure the LTB is providing training to all staff and should consider the limited time frame that part-time adjudicators are able to spend on LTB-specific cases when determining future funding and staffing opportunities to the LTB.

6 DELAYED JUSTICE:
Timelines for LTB Cases Prior to Termination Dates

Lengthy delays at the LTB prevent both landlords and tenants from receiving timely decisions on critical issues, such as evictions, rent arrears, and repairs. This report recommends enforcing stricter timelines for resolving cases, particularly those related to tenancy terminations.

7 OPERATIONAL DELAYS:
The Impact of Outdated Technology

The LTB's outdated case management system has contributed to delays and inefficiencies in scheduling and processing cases. Numerous technological failures, including system outages and lost applications, have worsened the backlog. This report recommends the government provide dedicated funding to upgrade the LTB's technology infrastructure and improve case management systems. Regular updates on system functionality should be provided to the Ministry of the Attorney General, and staff must receive proper training to handle increased volumes of cases without significant delays.

8 UNFAIR TERMINATION OF APPLICATIONS:
Enhancing Screening Processes and Guidance

Many LTB applications are dismissed due to minor errors, such as misspelled names or incomplete fields, which could be easily corrected. These so-called "fatal errors" often lead to months of delay before applicants can resubmit their cases. This report calls for better screening processes to prevent these unnecessary terminations. The LTB should alert applicants of any missing or incorrect information within a set time frame, allowing them to make corrections before their applications are dismissed.

FAST FACT

When required, transfering LTB cases to another adjudicator can take up to two months.

45-60 DAYS

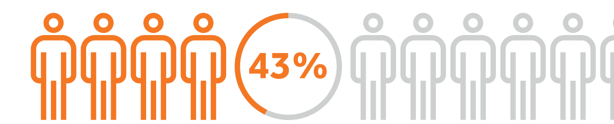
Source: Tribunal Watch Ontario, 2024

9 DELAYED HAND-OFFS:
LTB Member Reappointments and Pending Cases

The expiration of adjudicator terms often leads to unresolved cases being reassigned, causing further delays. The current system of tracking member terms is inefficient; it can take up to 60 days to transfer cases to new adjudicators. This report recommends the LTB take a more proactive approach to managing the expiration of member terms, including starting the reassignment process earlier to avoid bottlenecks. Additionally, the *Residential Tenancies Act* should be amended to allow for longer extensions of adjudicator terms when necessary to complete pending cases.

FAST FACT

Roughly four in 10 REALTORS® have seen a rental deal fall through because of discrimination.



Source: OREA Fighting for Fair Housing Report, 2021

10 FIGHT DISCRIMINATION:
Review Practices Impacting Renters & Landlords

Discrimination against renters – particularly young people, newcomers, and marginalized groups – is a persistent issue in Ontario's rental market. The burden of proving discrimination falls on tenants which discourages many from pursuing complaints. This report recommends introducing a government-subsidized guarantor program to support renters who lack a Canadian credit history or co-signer. Additionally, the government should fund investigative studies into discriminatory practices in the rental housing sector and introduce fairer tenant screening processes to prevent bias based on race or other factors during the application process.

By implementing these recommendations, the Ontario government can significantly improve the operations of the LTB, reduce the backlog of cases, and ensure that all Ontarians have access to fair and timely justice in rental housing disputes. Urgent action is needed to address these critical issues and restore public confidence in the LTB's ability to uphold housing rights across the province.

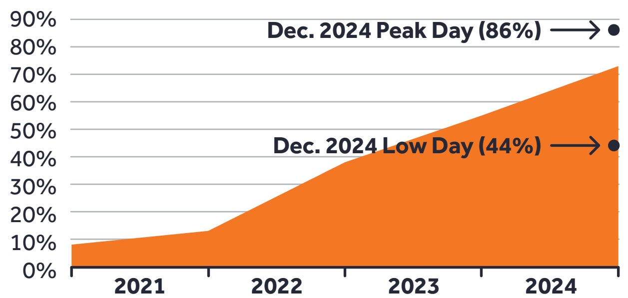
COMMERCIAL MARKET

Prior to President Trump's election in November and subsequent threat of tariffs on Canadian exports, the 2025 outlook for the Canadian economy was relatively positive. The new threats of trade disputes have injected more uncertainty into Canada's economic trajectory over the next 12 months. On the one hand, a prolonged dip in exports will trickle negatively through most sectors of the GTA economy. On the other hand, monetary and fiscal policy initiatives could mitigate the impact of U.S. tariffs and keep consumer and business spending buoyant. It is against this uncertain backdrop that we consider the commercial real estate market.

OFFICE MARKET

The back-to-office push intensified in 2024, but peak weekday utilization was still approximately three-quarters of pre-pandemic levels at the end of the year and still dipped below 50 per cent on some days. While utilization was up, more sustained day-to-day office usage will be required to support long-term valuations and leasing terms close to the pre-COVID period. An uncertain economic outlook could slow the office sector recovery. Longer term, there does appear to be a trend toward improved office space utilization.

Office Occupancy Index Trending Higher

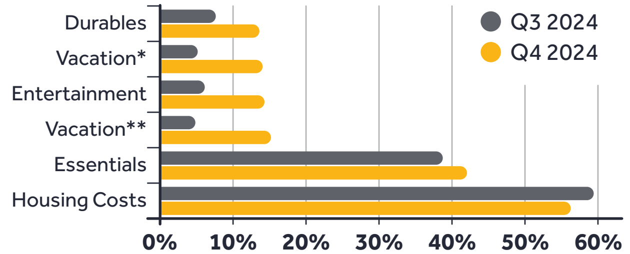


Source: SRRA Research (srraresearch.org/covid); TRREB Trend Estimate; Office occupancy as a percentage of pre-COVID norm.

RETAIL

The Bank of Canada's Q4 2024 *Canadian Survey of Consumer Expectations* reported an uptick in consumer spending intentions for the next year. In fact, for the first time since 2021, survey results pointed to spending growth outpacing inflation. Purchase intentions were up for a wide array of goods and services. This could obviously bode well for the retail sector, especially with borrowing costs expected to trend lower. Interestingly, the Bank of Canada survey was conducted during the initial threat of U.S. tariffs. However, it remains to be seen how much US-Canada trade disputes will dampen consumer confidence and spending.

Consumers Intending on Increasing Spending, while Housing Costs are Expected to Decrease



Source: BoC | Canadian Survey of Consumer Expectations, Q4 2024
*Within Canada | **Outside of Canada

INDUSTRIAL

The traditional industrial segment in Ontario and the GTA has strong ties to export-related markets, including automotive manufacturing and logistics. While these industries could be hampered by an extended trade dispute, industrial space related to retail storage and logistics could continue to be in demand if lower borrowing costs keep consumer spending robust.

WHAT POLICYMAKERS ARE TELLING TRREB

Scan to read their full submissions and hear from Premier Doug Ford

Hon. Paul Calandra | Minister of Municipal Affairs and Housing, Province of Ontario

Since coming to office in 2018, our government has been focused on laying the groundwork for an economic and building boom to support the unprecedented population growth we have seen. This includes finding ways to build smarter. Through our new Provincial Planning Statement, we are encouraging the building of mores homes in areas close to major transit stations, including subway, GO, light rail, and rapid transit bus stations. We want more people living close to public transit to make the best use of our government's historic investments in transit and reduce the gridlock on our roads.

Hon. Kinga Surma | Minister of Infrastructure, Province of Ontario

Ontario is taking a bold, new, innovative approach to city building in response to calls from our municipal partners and stakeholders for more housing and less traffic congestion. As the Minister of Infrastructure, I am leading the Transit-Oriented Communities (TOC) Program, a smart, forward-thinking plan to build vibrant, mixed-use communities that will bring more housing and jobs closer to transit. The province is bringing faster, more reliable, and seamless transit to the Greater Golden Horseshoe by expanding the GO Transit network and delivering four new priority subway projects — the largest subway expansion in Canadian history.

Olivia Chow | Mayor, City of Toronto

We have an ambitious plan in Toronto to build more houses and get Toronto moving. Toronto is a dynamic, diverse, and vibrant city working to balance affordability with rapid growth and prosperity. We are getting back on track by investing in and building a stronger foundation. We are getting the basics right by transforming the housing system to increase the supply of affordable housing and provide stability, support people's safety, and create more efficient transportation networks - including better and safer roads for everyone and more connected transit.

Doug Downey | MPP, Barrie-Springwater-Oro-Medonte and Ministry of the Attorney General

By providing municipalities with a new set of land-use planning rules, the Ontario government is empowering municipalities with the tools and flexibility to hit their housing targets in a way that is responsive to local challenges and reflective of local priorities. Through the new Provincial Planning Statement the province will help support growth by reducing and streamlining planning rules, simplifying approvals to build homes and eliminating duplication.

Basil Clarke | Warden, Simcoe County

The County of Simcoe is experiencing immense growth, creating a vibrant and dynamic region full of opportunities. Our expanding population brings fresh energy, diverse talents, and new possibilities to all our communities. At the heart of our success is our commitment to our residents. Simcoe County is leading the way in affordable housing initiatives, surpassing our goals set out in our 10-year Affordable Housing and Homeless Prevent Strategy that launched in 2014, one year ahead of schedule.

Alex Nuttall | Mayor, City of Barrie

Barrie continues to evolve as one of Ontario's most dynamic and fast-growing cities, but with growth comes challenges that we cannot ignore. Affordability, housing supply, and infrastructure improvements remain top priorities for Council. We're tackling these priorities head-on, recognizing their impact on the quality of life for our residents and the future of our community. Our housing strategy is key to addressing the challenges surrounding housing supply. With a target of 23,000 new homes by 2031, we've already approved over 17,000 units and secured $32 million in federal and provincial funding to accelerate progress.

David West | Mayor, City of Richmond Hill

In Richmond Hill, we're focused on building a livable, sustainable community with a greater range of housing options and a well-connected, accessible, multi-modal transportation network to ensure people can live and move comfortably in our great city. Through our Housing Accelerator Fund initiatives, we're taking action to help expedite the development building process to create more housing for more people, updating our zoning by-laws and allowing for more housing options in major transit areas.

Steven Del Duca | Mayor, City of Vaughan

As Canada's largest real estate board, the Toronto Regional Real Estate Board plays a pivotal role in shaping the landscape of communities across the Greater Toronto Area, including Vaughan. Your collective expertise, dedication, and insights are integral to making Vaughan a place where people aspire to live, work, and thrive. At the City of Vaughan, we are committed to forward-thinking city-building that fosters growth while ensuring affordability and quality of life for all. Our partnership with the federal government through the Housing Accelerator Fund, which secured a historic $59 million, is a testament to our shared vision.

John Henry | Chair, Region of Durham

Durham Region's new Regional Official Plan, Envision Durham, includes a comprehensive set of policies that link transit and housing. With the Region set to accommodate almost 700,000 more people over the next 30 years, significant growth is planned for our Strategic Growth Areas (SGAs). These are areas, such as Protected Major Transit Station Areas, Regional Centres and Rapid Transit Corridors will support intensification and transit-supportive higher-density mixed uses. Envision Durham states that at least 35 per cent of all new residential units created in SGAs are to be affordable to low- and moderate-income households.

Dan Carter | Mayor, City of Oshawa

Oshawa's primary planning documents are the focus of substantive revisions in an effort to support transit-supportive land use planning. This includes the planning of convenient, accessible, safe and connected walking and cycling network options for "first-mile, last-mile" travel for people to get to and from their homes, workplaces, shopping and places of recreation to public transit stops. Oshawa is already advancing "Imagine Oshawa: Update of the Oshawa Official Plan" to implement the new Provincial Planning Statement, 2024, which includes a suite of new policies to facilitate the integration of housing and transit.

Kevin Ashe | Mayor, City of Pickering

The City of Pickering stands as a beacon of growth and transformation, committed to creating a community where families thrive, seniors enjoy vibrant neighborhoods, and entrepreneurs find opportunities to flourish. For these reasons and more, the Globe and Mail has named Pickering as one of the most livable cities in Canada. In 2024, we surpassed our housing targets by over 45 per cent, establishing ourselves as one of Ontario's growth leaders. These achievements reflect our dedication to providing more homes and greater housing choice for both new and long-time residents.

WHAT POLICYMAKERS ARE TELLING TRREB

Nando Iannicca | Chair, Region of Peel

Peel Region, like far too many municipalities across the country, is facing an affordable housing crisis impacting residents from all walks of life. With an estmated 97,000 (one in five) residents living in core housing need; we face a daunting task of helping residents get and keep housing and preventing homelessness. Residents will often experience health issues, isolation, and other challenges compounding their housing struggles. We've seen how vital wraparound supports are in helping residents maintain their housing and experience community integration.

Carolyn Parrish | Mayor, City of Mississauga

Mississauga is taking the housing shortage seriously. A Mayor's Housing Task Force with the top developers and builders, including non-profit and purpose-built rental specialists, has been working diligently on the task force to streamline City Hall's approval times and address concerns about the many fees and charges that are added to the cost of new builds. The attendance at meetings continues to grow each month to over 30 participants. Participation has been positive and enthusiastic. A new Official Plan is in development which will take the original 245,000 housing units to 345,000.

Patrick Brown | Mayor, City of Brampton

The City of Brampton is committed to addressing housing affordability and traffic congestion through smart planning, intensification and infrastructure investment. Our immediate focus is on integrating transit-oriented development to create vibrant, connected communities offering a diverse mix of housing options, especially in Major Transit Station Areas (MTSAs). Medium-term, we envision seamless connectivity across the Greater Golden Horseshoe, leveraging Brampton's strategic location. The expansion of our transit network, including partnerships with Metrolinx to advance regional projects like the Hurontario LRT and GO expansion, is a cornerstone of our strategy.

Gary Carr | Chair, Region of Halton

The population of Halton Region's local municipalities of the City of Burlington and Towns of Oakville, Milton and Halton Hills is forecasted to grow by at least 1.1 million people and 500,000 jobs by 2051. Halton Region is currently completing an Integrated Water, Wastewater and Transportation Master Plan to support a resilient and adaptable transportation system that supports continued growth and travel demand.

> At TRREB, we believe the solution starts with collaboration. Traffic congestion and affordability are interconnected challenges that require integrated approaches. The current system of high development charges, taxes, and administrative hurdles only exacerbates the issues. This stalls progress on building the housing supply we need to support our growing communities.

— John DiMichele | Chief Executive Officer, TRREB

> As we look to the future, prioritizing housing supply and diversity remains paramount. Encouraging the development of missing-middle housing—such as townhomes, duplexes, and low-rise multi-unit buildings—is critical to delivering a range of attainable options for families. Purpose-built rentals also play a vital role in ensuring everyone has access to a place they can call home.

— Elechia Barry-Sproule | 2025 President, TRREB

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