

MARKET REPORT

NOVEMBER 2025

TORONTO REAL ESTATE

MARKET OVERVIEW

The interest rate cut in September brought renewed optimism to the housing market, prompting more sellers to list their homes in the belief that now is the time to capitalize on improving sentiment. This was reflected in the significant increase in new listings throughout October.

However, the surge in supply has not been matched by an equal rise in buyer conviction. A widening disconnect between what sellers believe their homes are worth and what buyers are prepared to pay has left much of the new inventory lingering on the market.

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In a surprise move, the Bank of Canada implemented back-to-back rate cuts, underscoring its commitment to restoring confidence and providing economic stability. The central bank recognizes the pivotal role a healthy real estate market plays in sustaining broader economic performance.

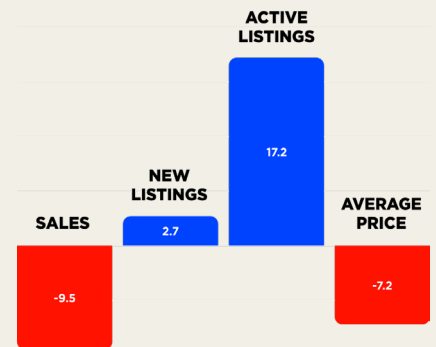
These rate cuts aim to gradually encourage sidelined buyers to re-enter the market. While this renewed affordability may boost activity, the forecast is a slow and measured recovery, with price appreciation remaining subdued in the short term. Buyers who are confident in their employment and financial outlook stand to benefit most from today's more favorable conditions. Still, some may remain cautious until there is greater certainty in the overall economic landscape.

FREEHOLD MARKET TRENDS

The resale freehold market showed uneven performance, varying not only by neighbourhood but often by street. Some areas are seeing multiple-offer situations and quick sales, while others experience conditional offers even in competitive settings.

Media headlines and broad market summaries often fail to reflect these localized differences. Buyers who take the time to study neighbourhood-level data and work closely with experienced real estate professionals will be best positioned to recognize opportunities amid the noise.

YEAR-OVER-YEAR OCTOBER 2025



Source: Toronto Regional Real Estate Board

SALES AND LISTINGS ACTIVITY

GTA REALTORS® reported 6,138 home sales through TRREB's MLS® System in October 2025 – down by 9.5 percent compared to October 2024. New listings entered into the MLS® System amounted to 16,069 – up by 2.7 percent year-over-year.

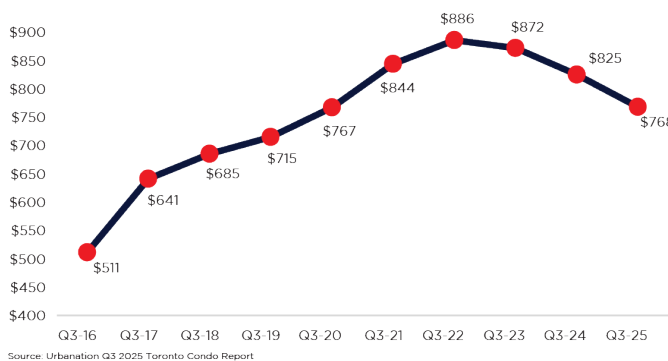
On a seasonally adjusted basis, October home sales were down month-over-month compared to September 2025. New listings were also down compared to September.

The MLS® Home Price Index (MLS® HPI) Composite benchmark was down by five per cent year-over-year in October 2025. The average selling price, at \$1,054,372, was also down by 7.2 per cent compared to October 2024.

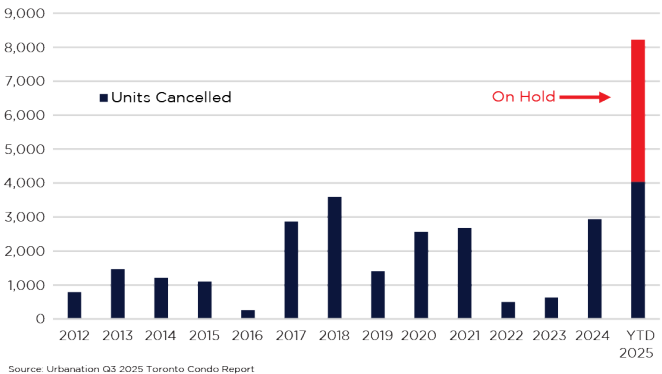
CONDOMINIUM MARKET DYNAMICS

The condominium sector remains divided between two distinct segments: pre-construction and resale

Average GTHA Resale Condominium Apartment Price PSF Toronto, All Condo Apartments



GTHA Condominium Apartment Cancellations Toronto, All Condo Apartments



PRE-CONSTRUCTION MARKET

Developers continue to navigate a challenging environment marked by high inventory levels and limited new project launches. It’s estimated that over 22,000 unsold units remain in developer pipelines. A further 10 projects were cancelled in Q3, bringing the year-to-date total to 18 cancelled projects. There is another 20 projects that are currently on hold or in receivership, with a high likelihood of near-term cancellation. Overall, condo construction activity has dropped to its lowest level since 2017. The lack of new launches will only exacerbate the supply shortage in the coming years and will put significant upward pressure on prices within 24 months.

CONDO RESALE MARKET

The resale condominium market is showing signs of stability, with inventory levels maintaining around six months of supply — providing buyers with more choice and negotiation opportunities compared to the typical balanced range of 3–4 months.

The average resale price now sits around \$768 per square foot, representing a 22% correction from the market peak in 2022. Market softness is most pronounced in the 905 Region, where prices declined 8.6% year-over-year, compared to a 6.1% decrease in the City of Toronto.

RECAP & LOOKING AHEAD

October’s data highlights a market that is working to find its footing. Increased listings signal seller optimism following the rate cuts, but buyer hesitation persists. While demand remains tempered, the continued easing of interest rates and seasonal slowdown create a unique environment for strategic buyers and sellers who understand the nuances of local market dynamics.

As we move deeper into the seasonal market, activity traditionally moderates through late fall and winter. However, this period may present one of the best windows of opportunity before the Spring 2026 market.

- **Buyers:** Those confident in their financial outlook can benefit from less competition, more negotiating power, and continued affordability gains from lower borrowing costs.
- **Sellers:** Listing strategically during a quieter season may help stand out from the competition before new supply floods the market next spring.

While the broader recovery will likely remain gradual and uneven, the combination of stabilizing economic policy, more certainty on the economic front with relations with U.S and China and lower interest rates, increasing long-term confidence suggests that we are setting the foundation for a healthier recovery market heading into 2026.