



# TORONTO REAL ESTATE MARKET REPORT

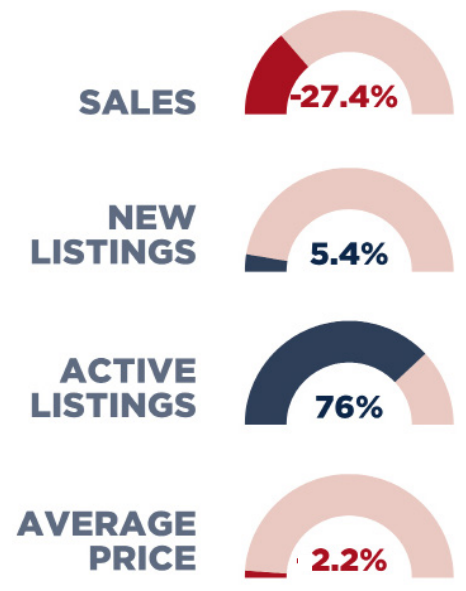
## MARCH 2025

Economic uncertainties, particularly concerns about trade relationships with the United States, continue to dominate headlines. The multiple imposition and subsequent removal of tariffs have sent mixed signals across multiple industries, leading to uncertainty and hesitation among businesses and consumers alike. The housing sector is no exception, as affordability concerns persist, with the long-term effects of these trade policies still unclear.

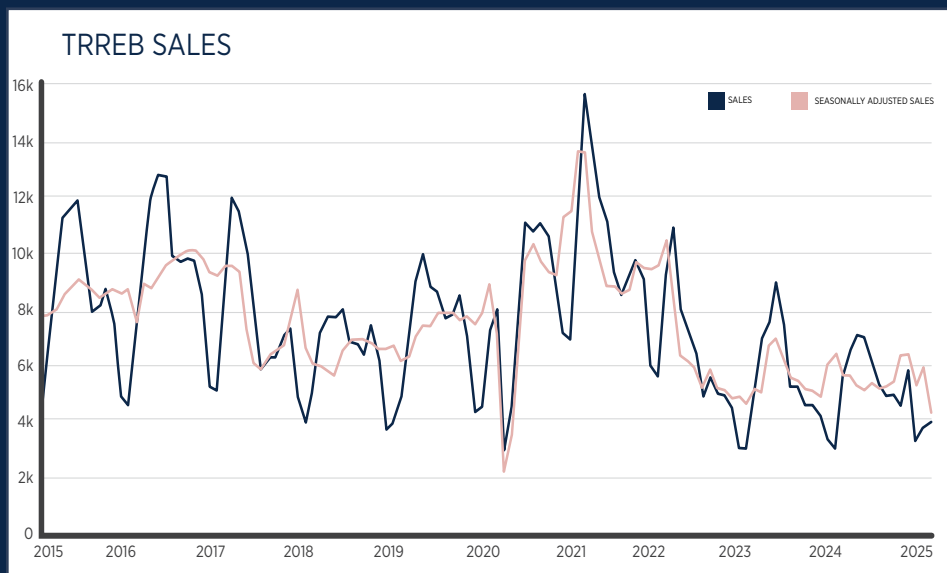
**“ The GTA housing market remains in a transitional phase. ”**

In addition to economic factors, the Greater Toronto Area (GTA) experienced significant snowfall in February, which severely disrupted daily life and business activity. The harsh weather conditions effectively stalled much of the real estate market, with both buyers and sellers choosing to delay transactions. While inventory increased, this rise was largely concentrated in the first two weeks of the month before market activity slowed. As a result, new listings on the MLS® System reached 12,066, reflecting a 5.4% increase year-over-year. However, despite this increase in supply, sales activity remained subdued, with seasonally adjusted figures showing a month-over-month decline compared to January 2025.

### Year-Over-Year Summary FEBRUARY 2025



Source: Toronto Regional Real Estate Board



### TORONTO MLS® SALES Monthly Time Series with Trend Line

This graph plots Yearly MLS® Sales from 2015 to present day.

Source: Toronto Regional Real Estate Board

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## AVERAGE TORONTO CONDO RENT

Q4 | 2024

	LEASED	AVERAGE RENT	YOY % CHANGE
STUDIO	391	\$1,940	↓ -9.0%
1 BEDROOM	6,474	\$2,424	↓ -5.0%
2 BEDROOM	3,850	\$3,154	↓ -3.5%
3 BEDROOM	343	\$4,011	↑ +2.7%

Source: Toronto Regional Real Estate Board

The Toronto Regional Real Estate Board (TRREB) reported 4,037 home sales through its MLS® System in February 2025, marking a significant 27.4% decline compared to the same period in 2024. The MLS® Home Price Index (HPI) Composite benchmark also fell, recording a 1.8% year-over-year decline. Similarly, the average selling price dropped 2.2% from February 2024, settling at \$1,084,547. On a month-over-month basis, both the MLS® HPI Composite and the average selling price edged lower after seasonal adjustment, reflecting continued market hesitation.

Despite weaker sales activity, the increase in new listings has provided buyers with more options, particularly in the condominium segment. Investor-owned, smaller-sized condos have seen a noticeable rise in availability, creating new opportunities for first-time buyers who may have previously been priced out of the market. While the freehold housing segment remains more balanced, improving economic conditions and the potential for further interest rate cuts could drive increased home sales in the months ahead. As spring approaches, alleviating trade uncertainties and declining borrowing costs may encourage more buyers to re-enter the market, particularly in the latter half of the year. In fact, some Toronto neighbourhoods have already begun to experience heightened activity, with multiple offers becoming more common in select areas.

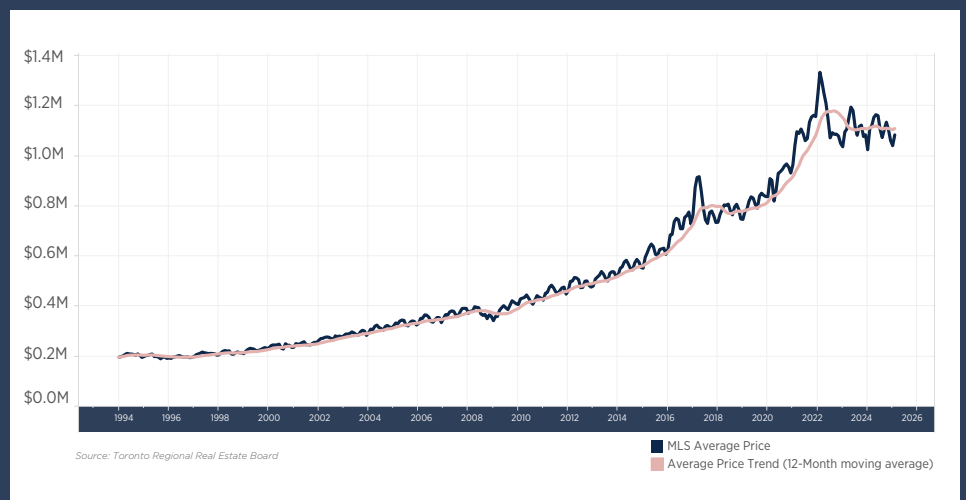
## RENTAL MARKET

On the rental side, tenants in the GTA have continued to benefit from an increased supply of rental properties, particularly as new investor-owned units come to market. Since the beginning of the year, Canada's secondary rental market has experienced declining average asking rents, with condominium rents decreasing by 6.5% year-over-year to \$2,219. Meanwhile, average rents for houses and townhomes started the year by dropping 8.9% over the same period, settling at \$2,144. However, February saw a shift, with rental prices stabilizing instead of continuing to decline. This moderation in rental rates is expected to put pressure on smaller investor landlords, potentially leading to an increase in resale listings as investors look to exit the market.

## LOOKING AHEAD

Looking ahead, the GTA housing market remains in a transitional phase. While economic and weather-related disruptions temporarily slowed market activity, signs of recovery are beginning to emerge. The combination of easing trade tensions, anticipated rate cuts, and an expanding housing inventory suggests that both buyers and sellers may become more active in the coming months. As conditions improve, the Toronto real estate market is likely to regain momentum, particularly in the latter half of 2025.

## TORONTO MLS® AVERAGE PRICE MONTHLY TIME SERIES WITH TREND LINE



Source: Toronto Regional Real Estate Board