

What's the Big Deal?

A look into the Greater Toronto Area Real Estate Crisis

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Key Definitions

- Affordable housing is defined as costing no more than 30% of a person's monthly income, before-tax (City of Toronto).
- Core Housing Need: Housing that falls below at least one of the following standards: i) Adequacy, ii) Affordability, iii) Suitability (Stat Can).



Need to Know...

142%

Average Home Price Increase (2012 vs 2019)

VS

6%

Average Income Increase (2012 vs 2019)

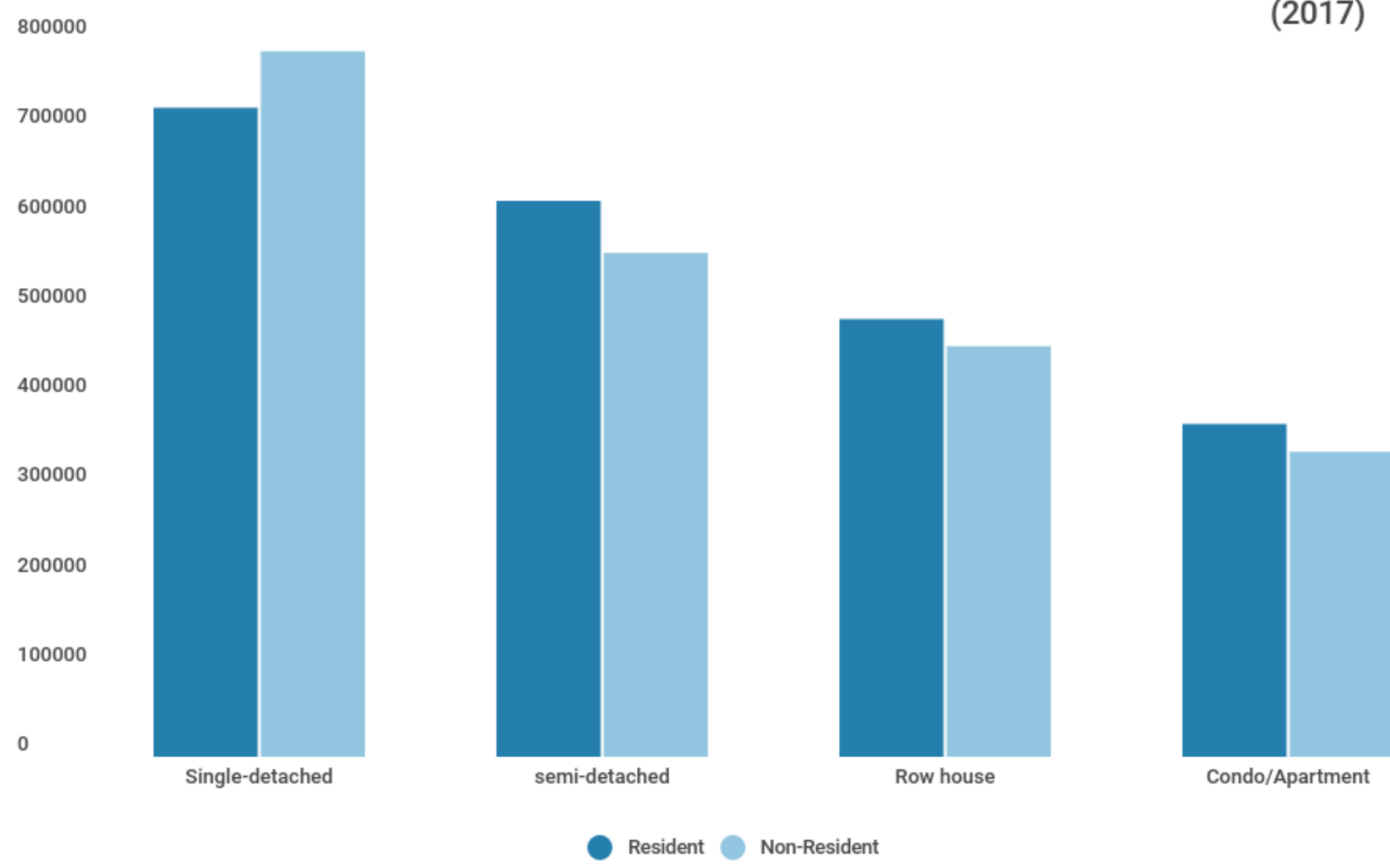
Average GTA Home Price
\$1,254,436

Average GTA Income
\$40,000-50,000

Average Home Price in Most Affordable GTA Areas

- 1) Brock: \$857,224
- 2) Essa: \$918,126
- 3) Oshawa: \$936,561

Resident vs Non-Resident Property Ownership (2017)



Key Finding: Single-detached is mainly owned by foreign residents.



Home prices increased **244%** in Toronto (2012 vs 2022)



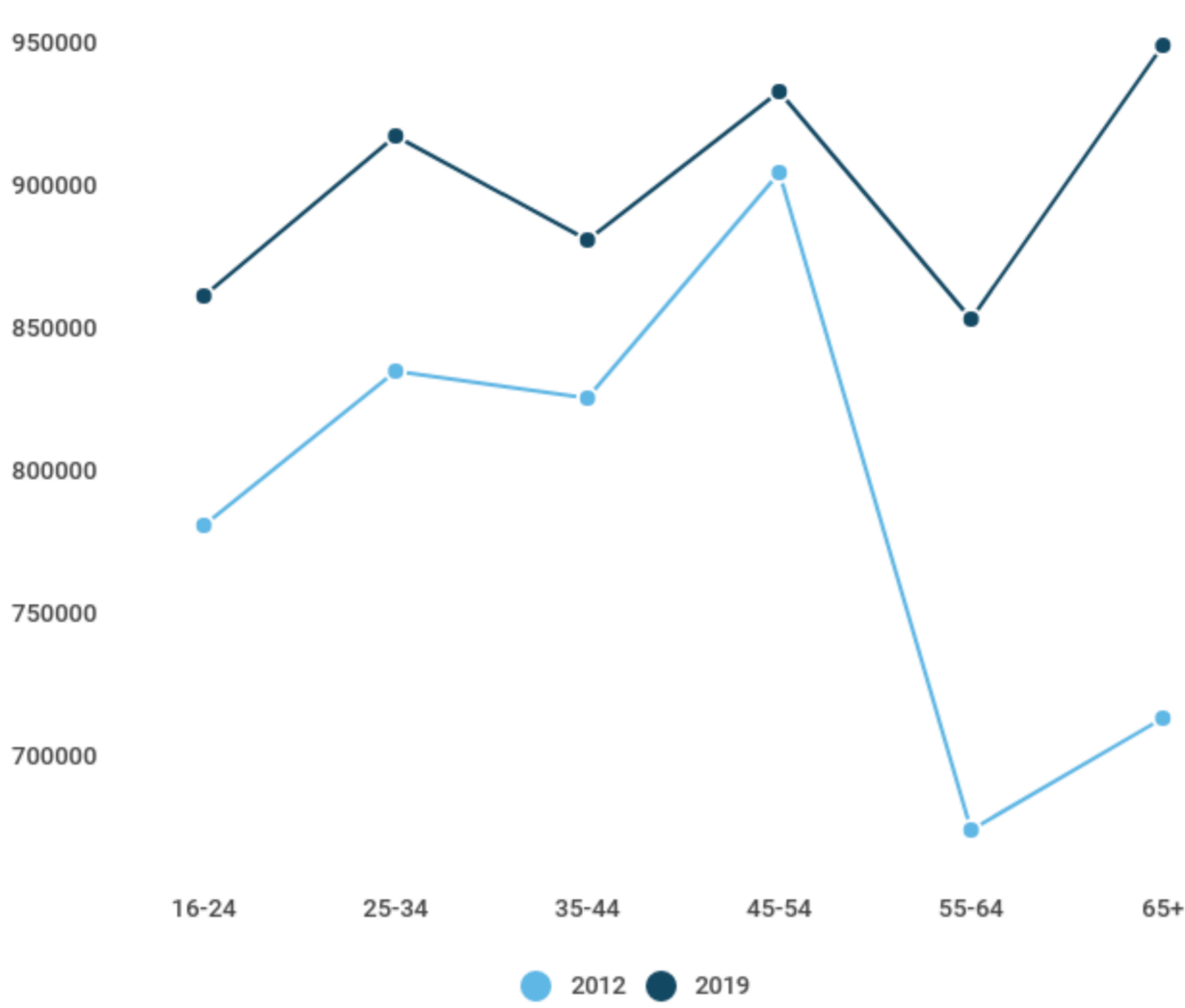
Home prices increased **142%** in the Greater Toronto Area (2012 vs 2022)

Resulting In...

24% and 8% Drops
In detached home sales for Toronto and GTA (respectively) from 2012-2022

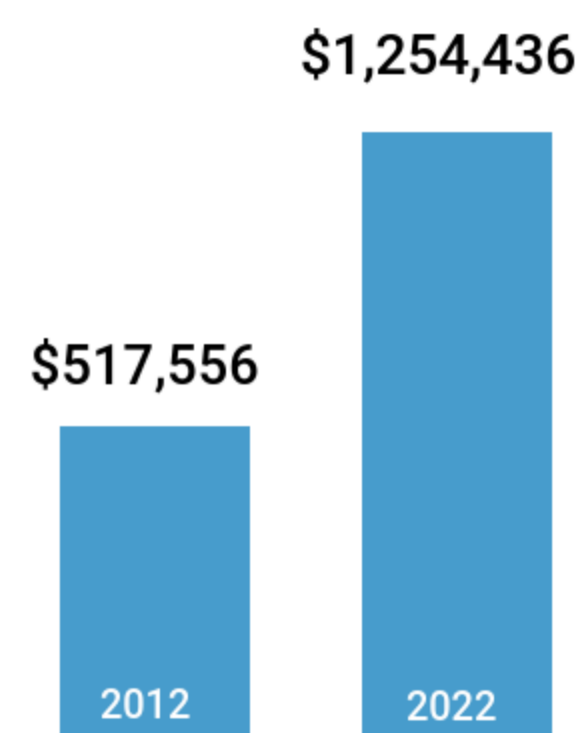
19% Increase
In families that are in Core Housing Need (2017-2019)

Population Change (2012 vs 2019)



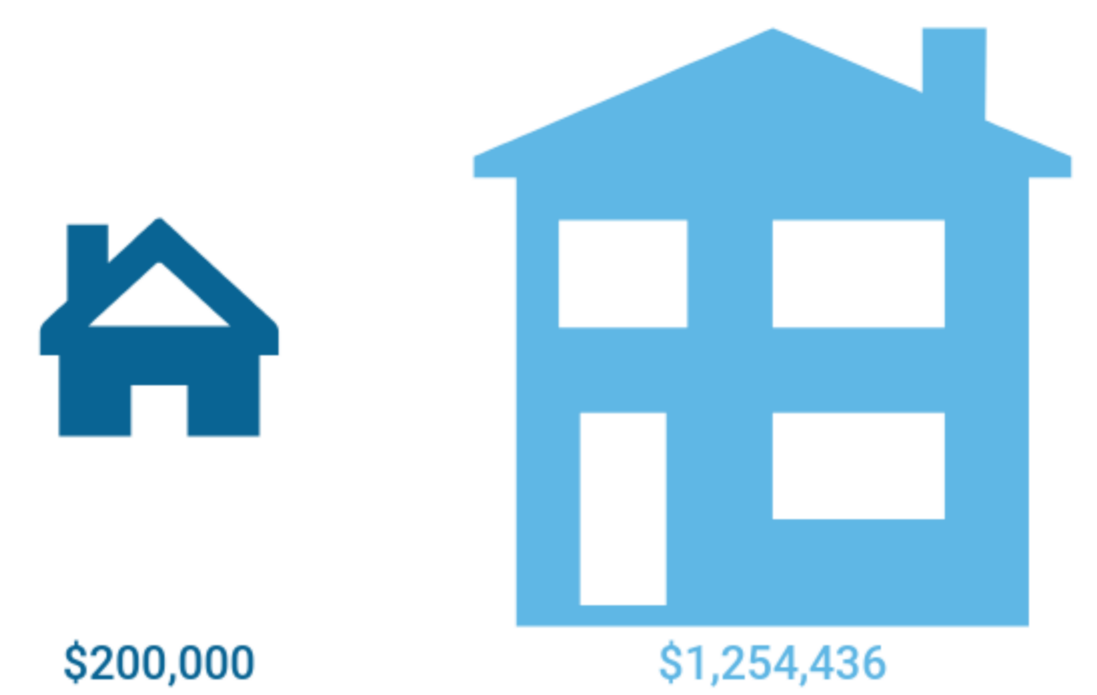
Key Finding: Canadian Population is growing in all age groups especially 25-34 and 55+, demand and prices will follow suit

Average Price for House Across GTA 2012 vs 2022



Key Finding: The average GTA home price has increased **242%** over the last decade.

Average Affordable Mortgage vs Average GTA Home Price



Key Finding: The average GTA home costs **6** times more than the average affordable mortgage rate.

Recommendations & Solutions

- Ontario needs to build 1.5 million more homes in the next decade to meet demand.
- Increase supply by greenlighting permits for houses, condos, and apartments across the Greater Toronto Area.
- Decrease foreign demand by increasing the foreign tax policy.
- Restrict real estate companies and corporate investors from purchasing for some time.
- Change by-laws in Toronto which make building anything besides single-family homes incredibly difficult.



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