

### GTA : Supply piled up as home sales decreased in April

By Daren King

According to the Toronto Regional Real Estate Board (TRREB), seasonally adjusted home sales decreased 3.4% from March to April, a third monthly decline that followed a rebound in sales in December in January in the wake of more advantageous fixed mortgage interest rates (chart 1). This slowdown comes as major affordability challenges persist. While the housing market should normally be supported by surging population, the Ontario CMA's economy is losing steam. Indeed, Toronto's unemployment rate has worsened significantly in recent months, and is rising at a faster rate than that observed across the country as a whole (chart 2).

On the supply side, new listings jumped 5.9% from March to April, a third increase in four months. Combined with the low level of sales, we estimate that active listings surged 20.8% in April, a first increase in five months. As a result, market conditions in Toronto, defined by the active-listings-to-sales ratio, loosened sharply in April and were looser than the historical average (chart 3). On the price front, despite the slowdown in sales and the surge in listings, seasonally adjusted average price was still up 1.5% during the month, a third consecutive monthly increase.

The dynamics of the Toronto housing market are very different depending on the property segment. Sales in the condo segment jumped 20.1% from

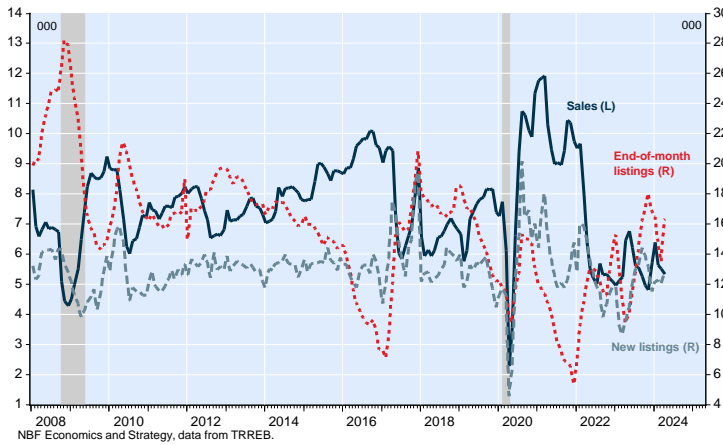
March to April, after two important monthly drawdowns the previous months, while end-of-month listings increased by 5.6% during the month, a tenth increase in eleven months leading to an all-time high (chart 4). Overall, market conditions tightened during the month but remained very loose on a historical basis (chart 5).

Meanwhile, non-condo sales dropped 11.2% in April, a third monthly decline in a row (chart 6). On the supply side, active listings in this segment surged by 37.6%, a first increase in five months. As a result, market conditions loosened sharply during the month and switch from tighter than the historical average the previous month, to looser than the historical average in April (chart 7).

On a year-over-year basis, home sales decreased by 5.5% in April to the lowest level of activity for that period of the year since 2003 (excluding the period at the beginning of the pandemic, chart 8). Meanwhile, on the supply side, active listings jumped 74.4% compared to March 2024. For the first four months of the year, cumulative sales in 2024 were up 5.4% compared to the same period in 2023 (chart 9).

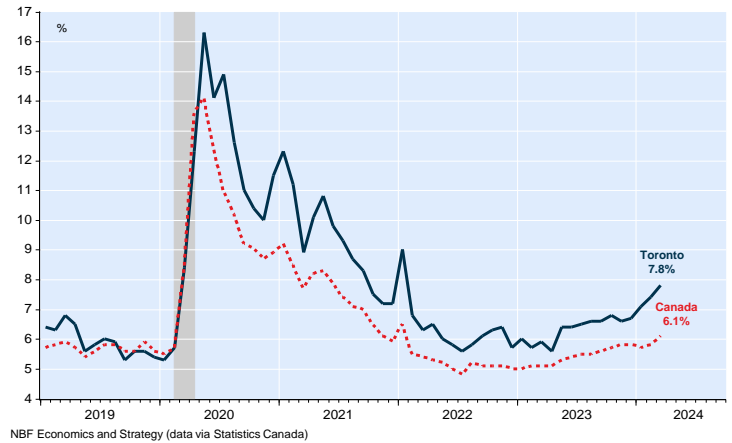
#### 1. Toronto: Home sales and listings

Seasonally adjusted by NBF. Last observation: April 2024



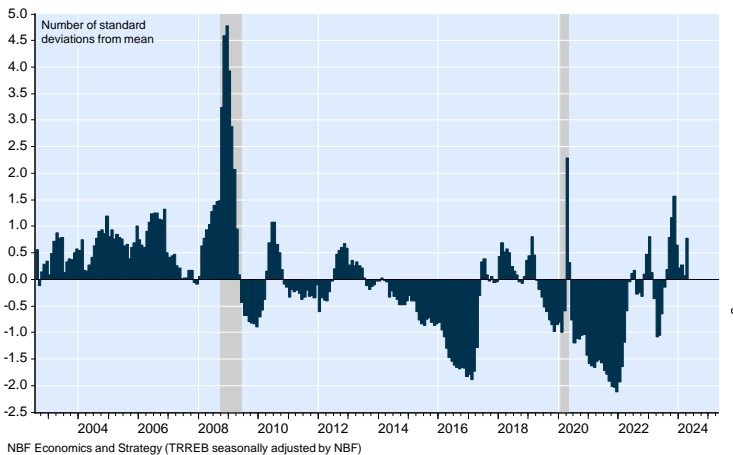
#### 2. Toronto: Unemployment rate rising sharply

Unemployment rate



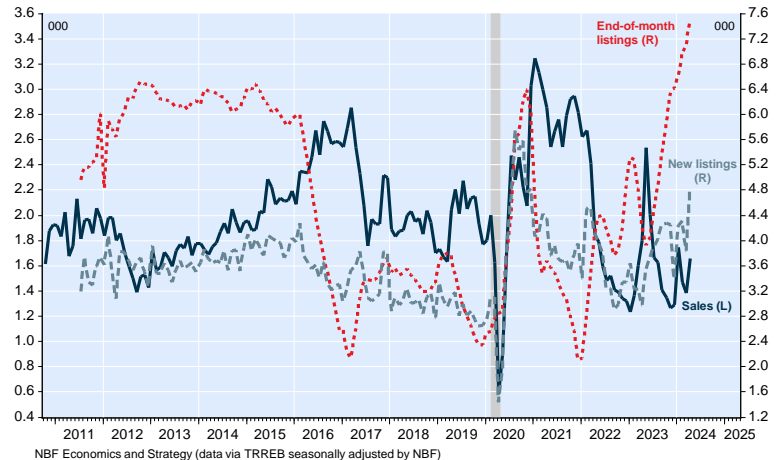
#### 3. Toronto: Home resale market conditions

End-of-month-listing-to-sale ratio. Last observation: April 2024



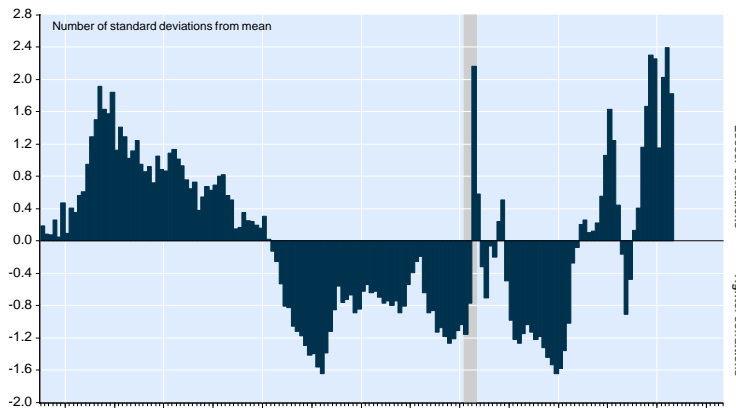
#### 4. Toronto: Home sales and listings, condos apartments

Seasonally adjusted by NBF. Last observation: April 2024



### 5. Toronto: Home resale market conditions, condos

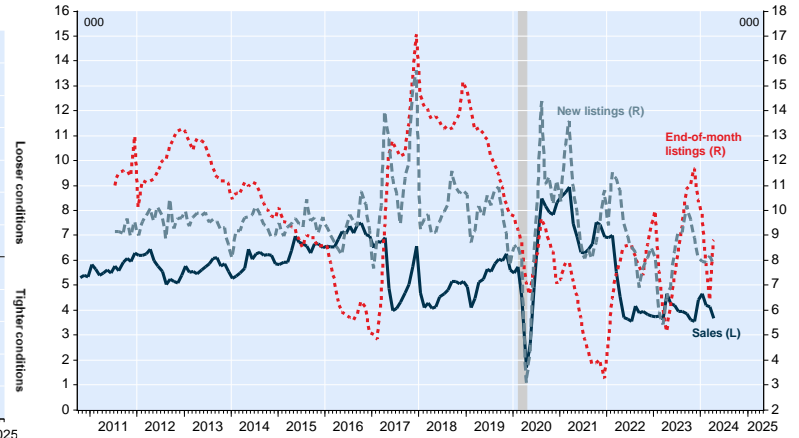
End-of-month-listing-to-sale ratio. Last observation: April 2024



NBF Economics and Strategy (TRREB seasonally adjusted by NBF)

### 6. Toronto: Home sales and listings, dwellings other than apartments

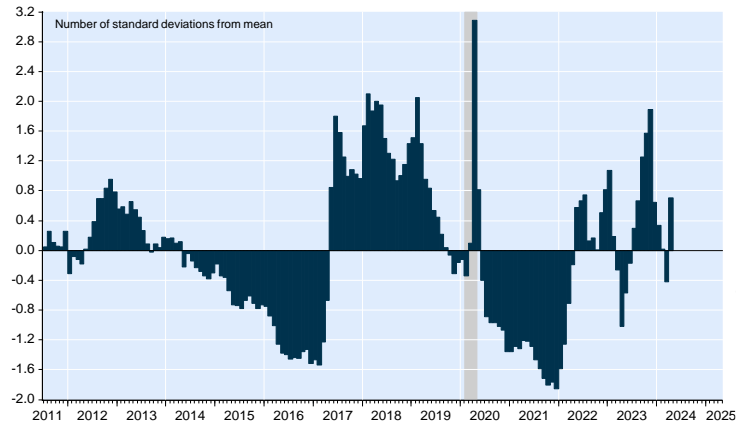
Seasonally adjusted by NBF. Last observation: April 2024



NBF Economics and Strategy, data from TRREB.

### 7. Toronto: Home resale market conditions, other dwellings

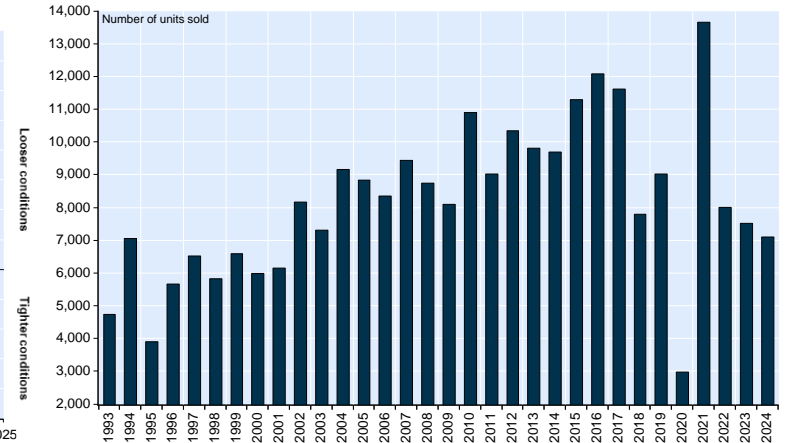
End-of-month-listing-to-sale ratio. Last observation: April 2024



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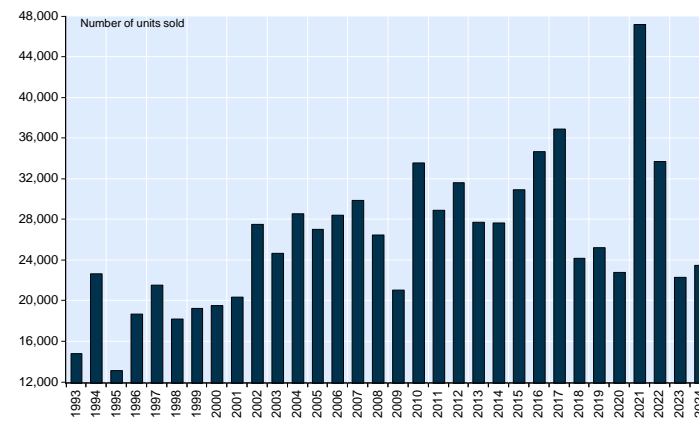
### 8. Toronto: Home sales in April

Raw data, non seasonally adjusted



NBF Economics and Strategy (data via TRREB)

### 9. Toronto: Year-to-date home sales



NBF Economics and Strategy (data via TRREB)

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