



Highlights

- Toronto home sales rise in September by 12 per cent; prices steady
- Ontario sees no major change in population in second quarter of 2025
- Once a source of significant population growth, non-permanent resident migration recedes in Ontario

Toronto sales pick up but price trends still soft

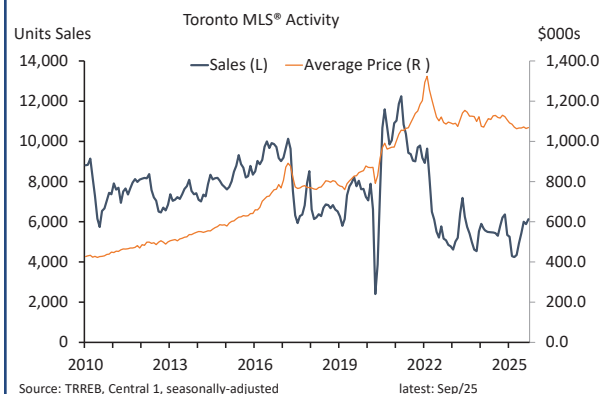
Bryan Yu, Chief Economist

Toronto's housing market showed more life in September as declining prices and prospects of lower borrowing costs had more buyers re-entering the market. Home sales in the region popped higher by 12 per cent y/y to 5,592 units, and by our calculation 4 per cent on a seasonally-adjusted basis. This was the strongest September since 2021, but sales remained tempered near the top-end of the range seen over the past two years, and 20 per cent below the pre-pandemic pace. Year-to-date, sales were down 8.1 per cent. Economic uncertainty, affordability, and migration caps remain constraints to a recovery.

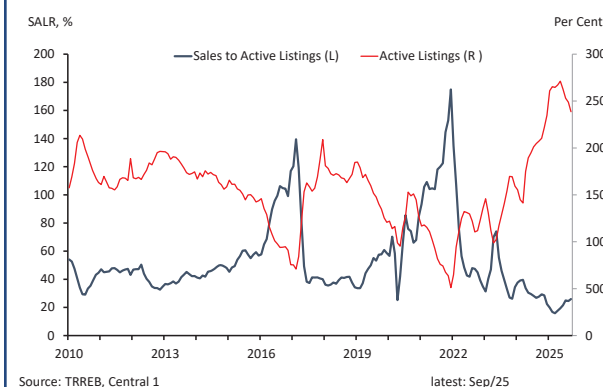
Despite the pick-up in sales, Toronto's housing market is still heavily slanted in favour of buyers. New listings were 6.5 per cent higher than a year ago, with active listings up 15 per cent to 29,400 units. The latter is off-peak, but still near the highest on record, albeit unadjusted for the housing stock. Sales-to-active listings have climbed above the spring trough but, at about 20 per cent, is still the lowest since 2008/09 and consistent with softening prices.

That said, average prices were steady during the month. At \$1.059 million, the average price jumped 3.6 per cent m/m, but likely due to some seasonal factors. Year-over-year, the price level was down 4.3 per cent, and up 0.4

Sales gain traction in September, prices remain subdued



Inventory eases, buyers remain in control



per cent m/m on a seasonally-adjusted basis. There are signs of stability after a 22 per cent decline since the peak in 2022. There are however ongoing signs of weakness in the apartment market which is grappling with high new home inventory. While composite prices were down 5.5 per cent y/y, apartments fell 8.1 per cent (including a 1.1 per cent m/m drop). Apartment weakness likely owes in large part to the shifting population landscape and the reduction in temporary residents which drove investment demand for rental properties.

Toronto MLS® Activity, TRREB									
	Actual			m/m % ch		s.a. m/m % ch		y/y % ch	
	2024M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09
Unit Sales	4,996	5,211	5,592	-14.6	7.3	-2.0	4.2	4.7	11.9
Average Price	1,107,291	1,022,143	1,059,377	-2.8	3.6	-0.7	0.4	-4.9	-4.3
New Listings	18,089	14,038	19,260	-20.3	37.2	4.9	-3.5	11.9	6.5
Active Listings	25,612	27,495	29,394	-9.0	6.9	-1.7	-4.1	21.4	14.8
Sales-to-Active Listings	19.5	19.0	19.0	n/a	n/a	n/a	n/a	n/a	n/a
Benchmark Price									
	Actual			m/m % ch		s.a. m/m % ch		y/y % ch	
	2024M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09
Total	322.1	307.5	304.5133	-1.1	-1.0	0.2	-0.3	-5.2	-5.5
Singles	344.4	327.8	324.8725	-1.2	-0.9	0.1	-0.1	-5.6	-5.7
Townhome	366	340	341.9904	-1.0	0.6	-0.3	0.5	-8.0	-6.6
Apartment	308.9	288.2	284.0027	-1.1	-1.5	0.0	-1.1	-7.0	-8.1

Toronto MLS® Activity, TRREB , Year-to-Date					
	Actual			y/y % ch	
	2024M09	2025M08	2025M09	2025M08	2025M09
Unit Sales	52,092	42,294	47,886	-10.2	-8.1
Average Price	1,120,589	1,080,123	1,077,700	-3.7	-3.8
New Listings	133,277	133,866	153,126	16.2	14.9
Active Listings	18,806	25,977	26,357	44.7	40.1
Sales-to-Active Listings	34.1	20.5	20.3	na	na

Ontario population growth halts as non-permanent resident migration falls

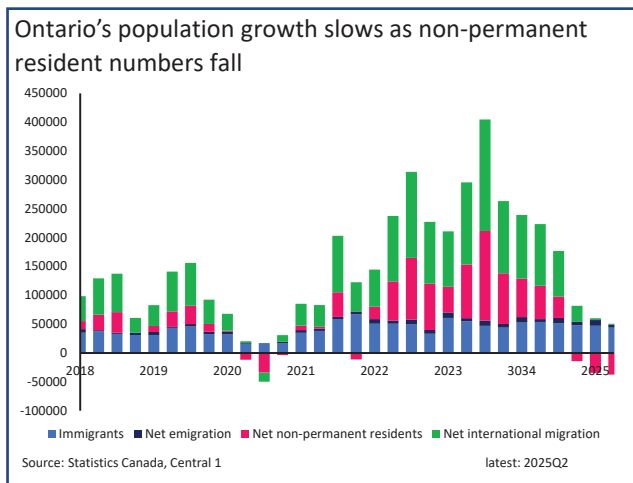
Eloho Ennah, Economic Analyst

Ontario population remained largely unchanged in the second quarter of 2025, as recent growth trends continued to point to a sharp pullback from the rapid expansion of the last three years. Quarter-over-quarter, Ontario's population edged up by just 0.01 per cent to reach 16.3 million as of July 1, 2025, equal to the previous quarter and echoing the broader national trend of population stagnation. This period's increase was a stark slowdown compared to same period in 2024, when the province's population grew by 0.6 per cent. Outside of the pandemic lows when border restrictions brought growth to a standstill, this was one of the lowest growth rates in ten years.

The lacklustre gain noted in the quarter was due to a rise in immigrants/permanent residents, up by 44.1k. That said, the impact was offset by a steep drop in non-permanent resident migration as the effect of revised immigration caps have begun to materialize. In prior years, the significant population

growth experienced by the province and Canada as a whole stemmed from historically elevated levels of non-permanent resident migration, but that trend has now reversed. In Ontario, non-permanent resident figures peaked as of October 2024 at 1.5 million and began to decline soon after. As of July 2025, total non-permanent resident numbers had fallen to 1.4 million (-37.4k), down by 2.6 per cent compared to the previous quarter and falling 3.4 per cent year-over-year. This period's decline was due to reduced work and study permit holders (-7.3 per cent). It is likely that some permit holders transitioned to permanent residents while other exited Canada as their permits expired. Emigration losses (-5k) also contributed to slower growth.

Out-migration from Ontario also contributed to the waning population growth rates. In the second quarter of 2025, the province lost more than 6k individuals to other provinces. This was also the 15th consecutive loss and the largest amongst the provinces. Most of the individuals exited the province to Alberta, B.C., and Quebec.



Ontario's subpar population growth in the second quarter of 2025 marks a turning point after years of rapid expansion, as federal immigration caps go into effect. Slower inflows will no doubt impact the number of entrants into the labour force while softening demand in the housing and rental markets. The slowing growth would also weigh on consumer demand and revenues for businesses in the province, dampening economic activity.

For more information, contact economics@central1.com.