

December 5, 2025

Members of the Toronto Executive Committee
Toronto City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Re: EX28.1 – “[Making life more affordable for families by asking luxury-home buyers to chip in more](#)”

Dear Mayor Chow and Members of the Executive Committee,

On behalf of the Toronto Regional Real Estate Board (TRREB), representing more than 70,000 REALTOR® members serving Toronto and the Greater Toronto Area, I would like to submit our comments in response to item EX28.1 – “[Making life more affordable for families by asking luxury-home buyers to chip in more](#)” to be addressed by the Executive Committee at the December 9, 2025 meeting.

As Toronto Executive Committee and City Council consider a proposal to increase the Municipal Land Transfer Tax (MLTT) on higher-value homes, new Ipsos polling conducted for TRREB shows that 416 residents are deeply concerned about housing affordability and believe the City is already relying far too heavily on this tax. More than half of Toronto residents (56 per cent) say the City depends too much on the MLTT, placing it alongside property taxes as one of the most overused municipal revenue tools. At the same time, residents overwhelmingly believe government-imposed housing taxes are worsening affordability, with 88 per cent agreeing that housing-related taxes are already too high.

The MLTT suppresses housing supply by adding thousands of dollars in costs at the time of title transfer when a property is sold. Increasing taxes on homes valued at over \$3 million discourages owners from moving, reducing the number of move-up properties available. With fewer higher-end homes coming onto the market, higher-income buyers are more likely to compete in lower price ranges, intensifying pressure on first-time buyers.

Municipal land transfer taxes take thousands of dollars out of Toronto buyers' pockets. With average home prices now exceeding \$1 million, the MLTT alone adds more than \$17,000 to upfront closing costs. Raising this tax will not make our City more affordable. In fact, it can further increase the cost of housing redevelopment for properties being converted into multiplexes, six-plexes, or other forms of 'missing middle' housing.

Toronto is the only municipality in Ontario that applies a second land transfer tax, on top of the provincial levy. As a result, a buyer purchasing an average-priced home faces roughly \$34,000 in land transfer taxes as an upfront closing cost, expenses that cannot be rolled into a mortgage. This makes Toronto one of the highest-taxed housing markets in North America.

Each time the City has raised the MLTT, supporters have claimed the additional revenue would help make rental and other forms of housing more affordable. However, there is no data or evidence showing that higher housing taxes improve affordability. In fact, both market trends and the lived experience of homebuyers point to the opposite outcome.

According to the same recent Ipsos poll commissioned by TRREB, Toronto residents are deeply concerned about the state of affordability in the city. Key findings included:

- 88 per cent of 416 residents are concerned about housing affordability.
- Concern is even higher among vulnerable groups, including 94 per cent of low-income households (\$40,000/year) and 92 per cent of young people aged 18-34.
- Four in ten (41 per cent) of 416 residents say they are likely to leave Toronto in the next five years due to affordability pressures.
- 81 per cent agree that high development fees and taxes contribute to the housing affordability crisis.
- 82 per cent are frustrated by the lack of progress on improving housing affordability.
- 78 per cent support lowering taxes for all homebuyers.

Torontonians clearly recognize that high taxes are making housing challenges worse. Young people and families are increasingly being priced and taxed out of the city, leading many to consider leaving the GTA altogether. If Toronto City Council is serious about improving affordability, the first step should be lowering taxes for first-time homebuyers, not raising the MLTT yet again.

Toronto's MLTT rebate for first-time homebuyers sits at \$4,475 and has not been updated since 2016. Today, the land transfer tax bill for a first-time buyer purchasing an average-priced home in Toronto is **over \$25,000**. By comparison, when the MLTT was first introduced in 2008, a first-time buyer would have paid **no MLTT at all** after applying the rebate.

Toronto homebuyers already face the highest land transfer tax burden in North America. Another increase to the MLTT will only make life more difficult for residents and move us further away from building an affordable, vibrant city. We urge the Executive Committee and City Council to reject this latest tax increase. After 17 years, the Toronto Land Transfer Tax has not made our City more affordable.

When young people and families are priced out of Toronto, the long-term consequences extend far beyond housing. As more of the next generation moves elsewhere, businesses will face growing challenges attracting and retaining the skilled talent they need to succeed which will have an impact on Toronto's economic competitiveness and may undermine the city's future growth and innovation.

Sincerely,



Elechia Barry-Sproule
President

Cc: Paul Johnson, City Manager
Stephen Conforti, Chief Financial Officer and Treasurer
Karla Webber-Gallagher, Chief of Staff, Office of the Mayor
Nicolas Valverde, Deputy Director, Legislative Affairs & Budget, Office of the Mayor