

Western Ontario Housing Economic Summit

Emerging Housing Market
Trends in Western Ontario

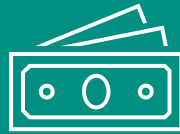




What factors will influence housing demand in 2024-2025?



Mortgage rates to gradually trend down but remain elevated



Slow economic growth this year, with recovery expected in 2025



Strong population growth

High immigration expected based on federal targets

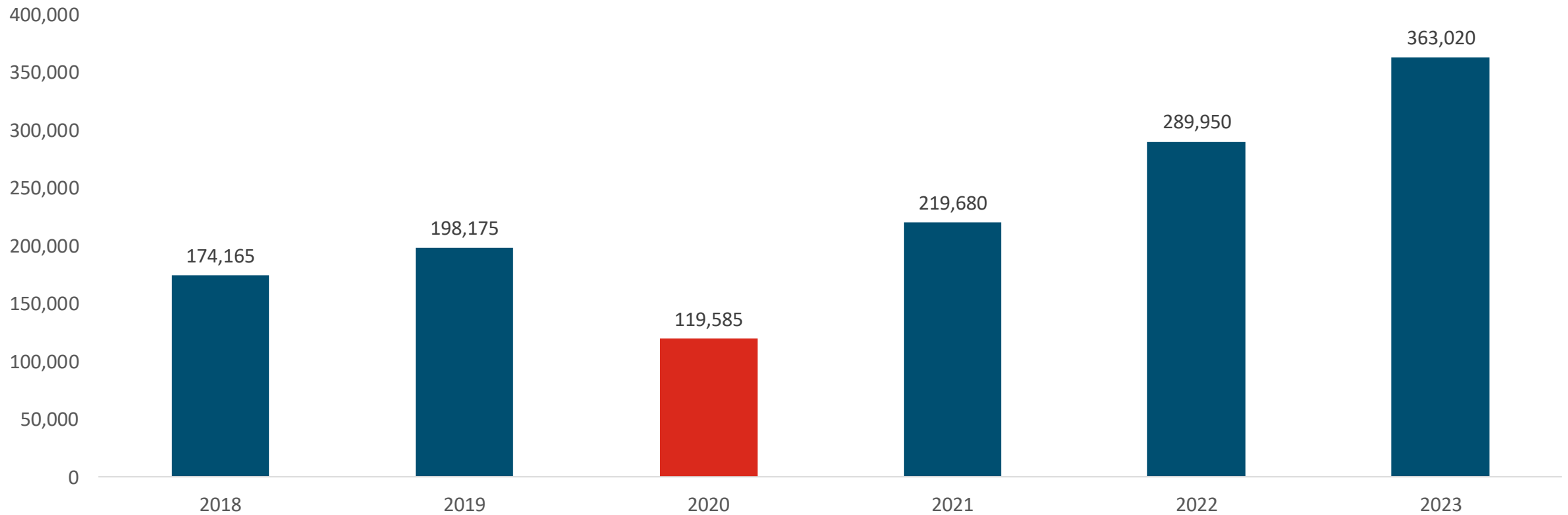


	Actual Immigration 2020-2022	Projected Immigration 2023-2025
Oxford	753	700 - 1,000
Huron	221	200 - 400
Perth	586	500 - 800
Middlesex	13,091	14,000 - 18,000
Elgin	427	400 - 700
Chatham-Kent	472	500 - 700

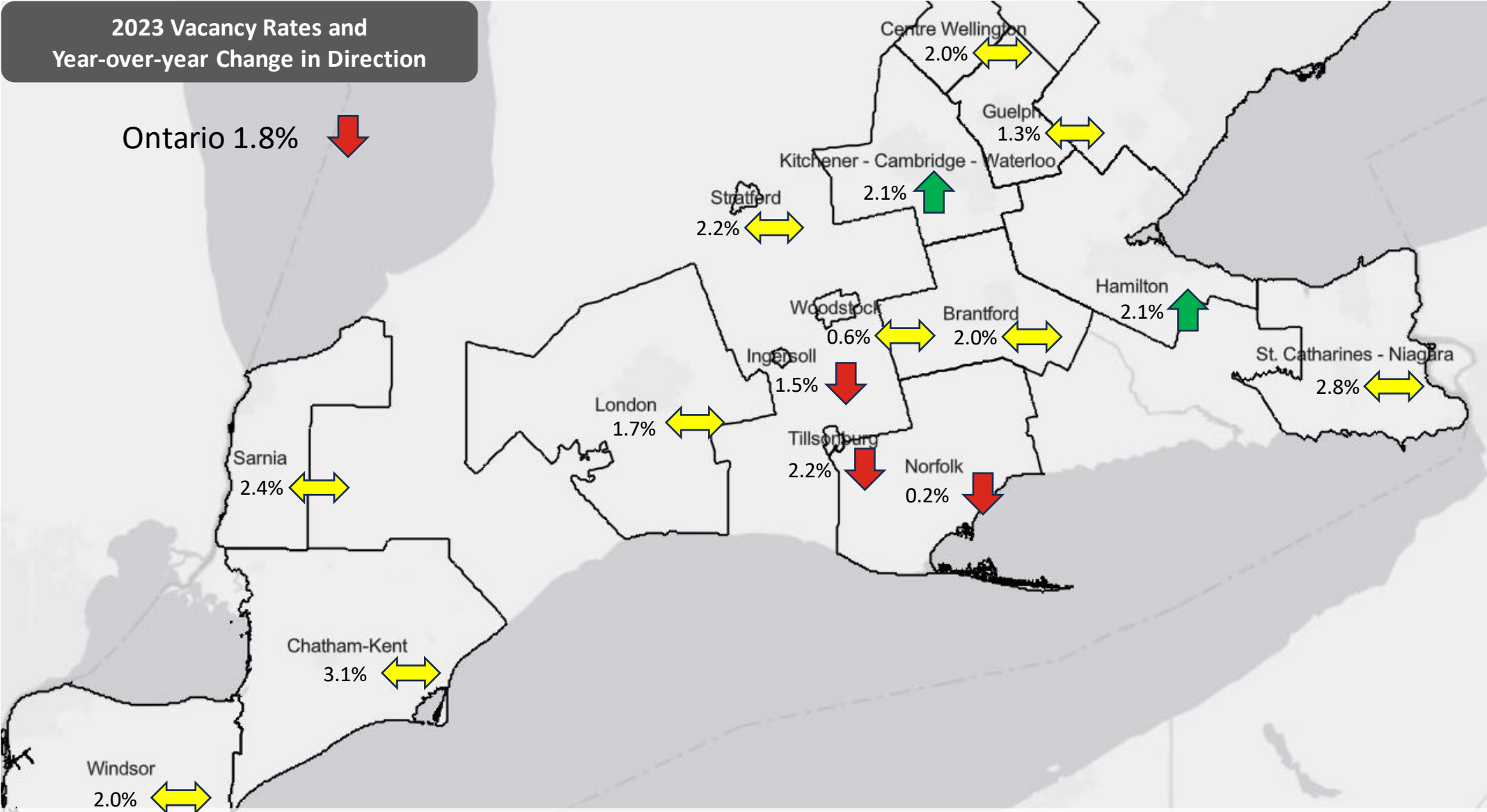
Source: Statistics Canada, Immigration, Refugees and Citizenship Canada, CMHC calculations.
Projections based on each region's recent historical shares of overall immigration and the Government of Canada's Immigration Levels Plan 2023-2025.

Growth in international students to ease

Number of temporary residents in Ontario with study permits



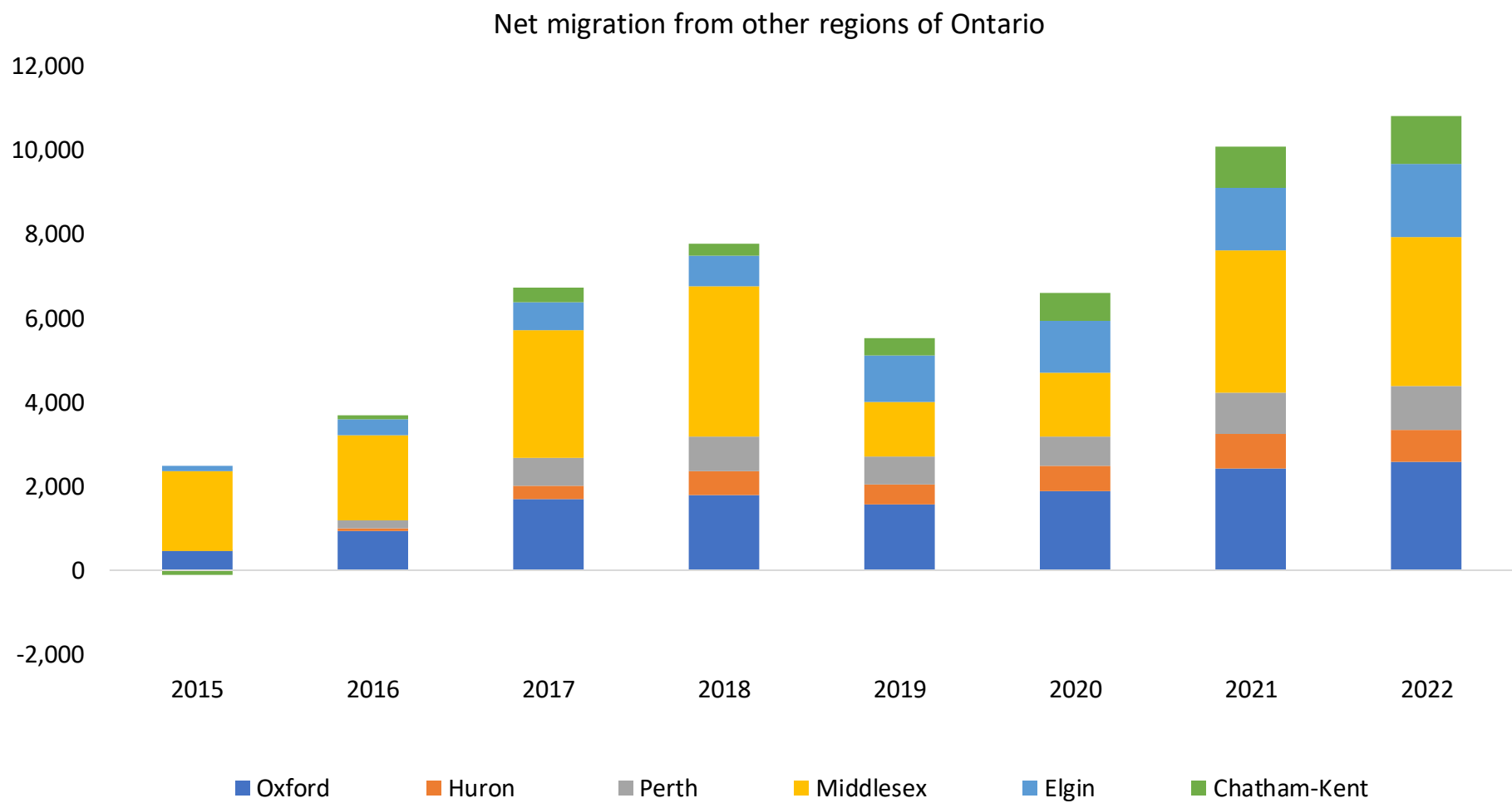
Low rental vacancy rates produced strong rent growth



Resale Market



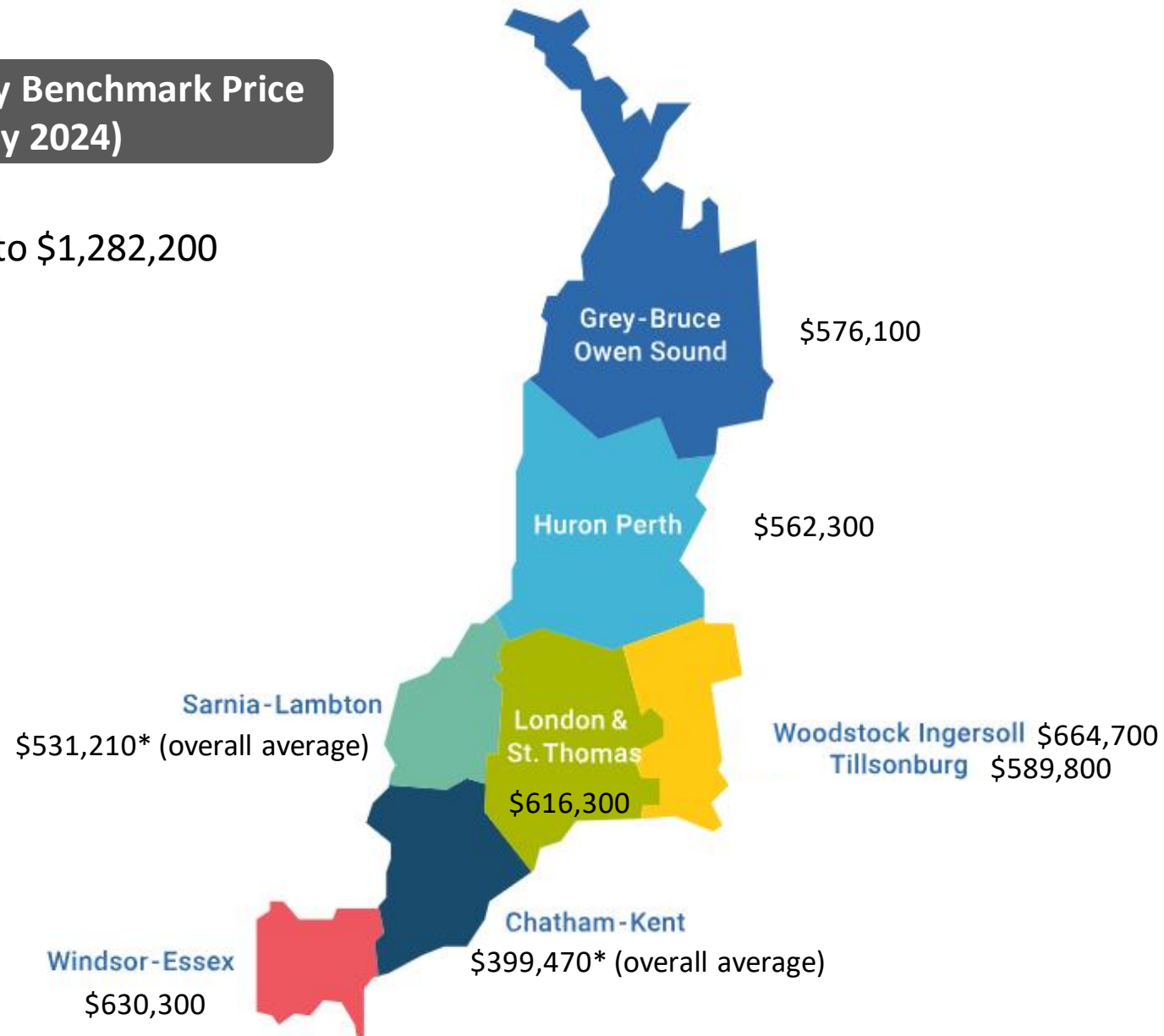
Torontonians moving to Western Ontario provided a major boost to housing demand



Prices in Toronto strongly influence sales in other regions

MLS® Single-family Benchmark Price
(January 2024)

Greater Toronto \$1,282,200



Single-family home prices have more than doubled since 2015



MLS® Single-family Benchmark Price Change

	Jan 2015 to Jan 2024	Mar 2020 to Jan 2024	Feb 2022 to Jan 2024
Huron-Perth	+152%		
London-St. Thomas	+161%		
Tillsonburg	+208%		
Woodstock-Ingersoll	+173%		
Chatham-Kent (overall average price)	+170%		

Single-family home prices still up significantly since the pandemic



MLS® Single-family Benchmark Price Change

	Jan 2015 to Jan 2024	Mar 2020 to Jan 2024	Feb 2022 to Jan 2024
Huron-Perth	+152%	+52%	
London-St. Thomas	+161%	+46%	
Tillsonburg	+208%	+71%	
Woodstock-Ingersoll	+173%	+51%	
Chatham-Kent (overall average price)	+170%	+49%	

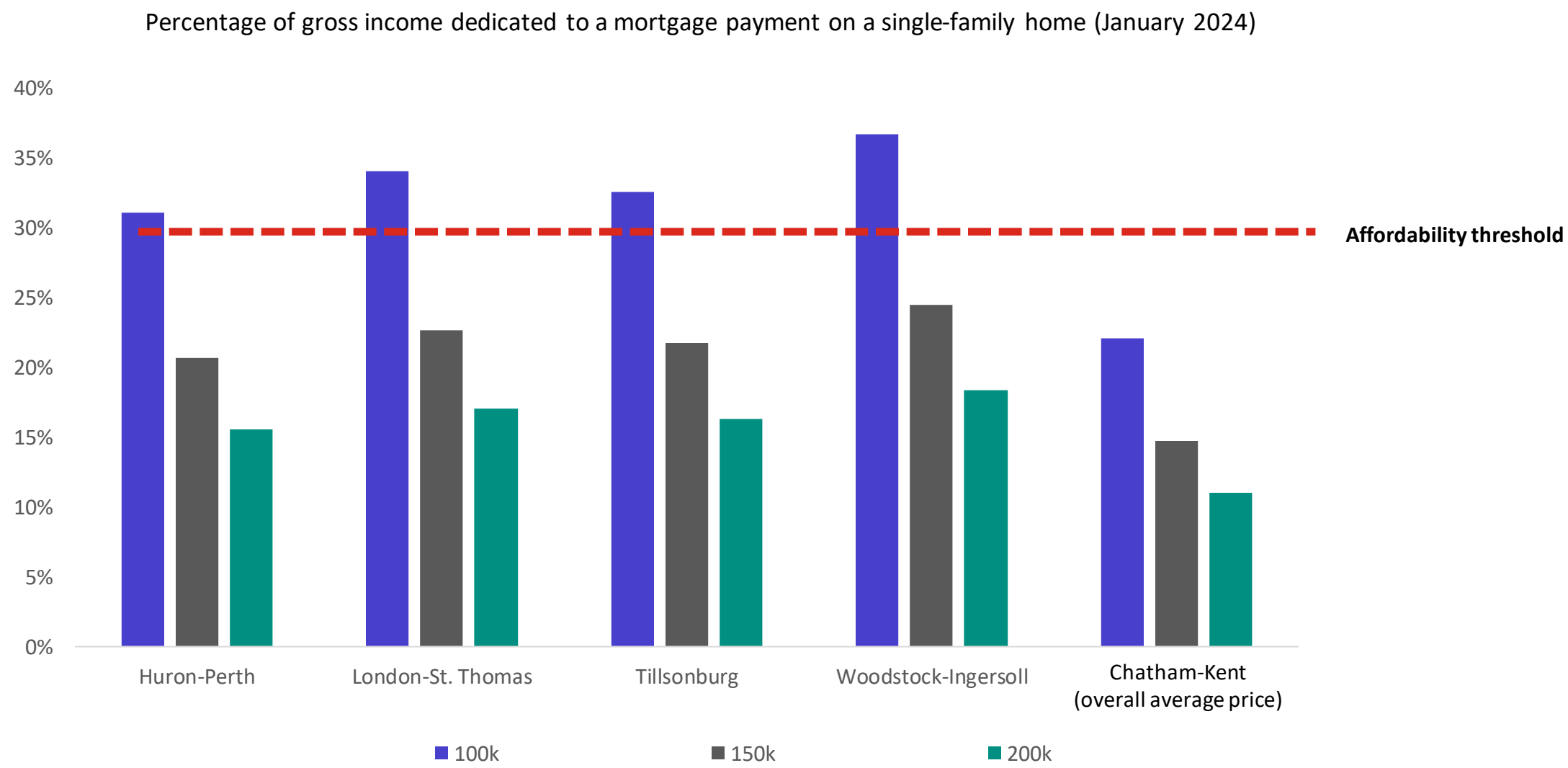
Single-family home prices expected to recover from recent declines



MLS® Single-family Benchmark Price Change

	Jan 2015 to Jan 2024	Mar 2020 to Jan 2024	Feb 2022 to Jan 2024
Huron-Perth	+152%	+52%	-14%
London-St. Thomas	+161%	+46%	-24%
Tillsonburg	+208%	+71%	-7%
Woodstock-Ingersoll	+173%	+51%	-19%
Chatham-Kent (overall average price)	+170%	+49%	-25%

Affordability challenges may lead to slow sales and price recovery

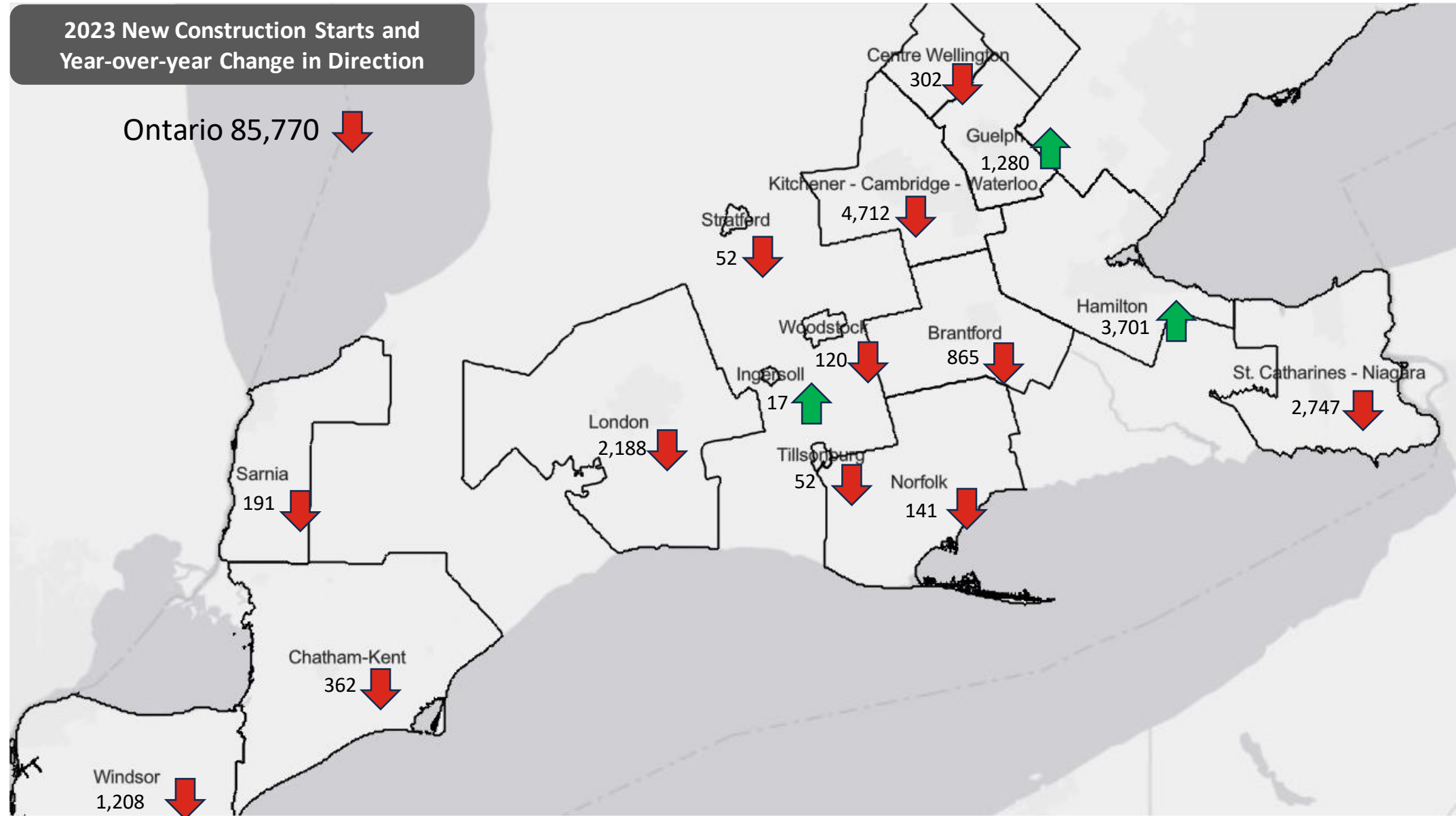


Mortgage payments based on CREA single-family benchmark price, 20% down payment, discounted 5-year fixed mortgage rate, 25-year amortization
Source: CREA, Ratehub, calculations by CMHC.

New Home Market



New construction starts dropped last year in most regions



Thank you!

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