



MEMBER UPDATE

April 1, 2025

New Report Shows Young People in Ontario Have Little Hope of Buying Homes

A new report by Mike Moffat at the Missing Middle Institute, commissioned by the Ontario Home Builders' Association (OHBA), shows that most major metro areas in Ontario are "completely unattainable" for middle-class households. It delves into how badly affordability has deteriorated in the last twenty years across the province, with none of the areas analyzed being deemed "affordable." Notably, while house prices have more than doubled since 2005, inflation-adjusted wages have only risen 16% in the province. The lack of real wage growth with respect to the increase in house prices due to demand necessitates an equally substantial increase in supply, which is what OHBA advocates for.

Looking deeper at affordability, the report reveals that the price-to-income ratio (a measure of affordability that compares pre-tax income to house prices) for major markets like the Greater Toronto Area (GTA), Hamilton, Kitchener, Waterloo, Guelph and Barrie exceeds 7. Furthermore, those looking to enter the market spend significantly more time saving for down payments and almost double what they previously did on housing costs.

In the last twenty years, single-family homes across Ontario have gone from relatively affordable to "deeply unaffordable" or "completely unattainable." The rise in unaffordability in areas outside of the Greater Toronto Hamilton Area (GTHA) has largely occurred since 2014 and coincided with the increasing migration outside of the GTHA as young people look for affordability. This increase in demand in these other urban areas drives up prices and creates a snowball effect.

Please read the full report [here](#).

We will also be hosting a webinar with Mike Moffat to engage with members and discuss the report on Monday, April 7. Please register for it [here](#).

For questions or comments, please contact [Andres Ibarguen](#), Senior Manager, Communications.