

news release

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REALTORS and Home Builders Voice Concerns Over Greenbelt

TORONTO, November 24, 2004 – The Toronto Real Estate Board and the Greater Toronto Home Builders' Association warn that the provincial government's proposed Golden Horseshoe Greenbelt could threaten housing affordability and choice in the GTA

"Together, we represent the people who build and sell the GTA's homes. Nobody knows the GTA housing market better than us, and we're concerned about the impact of these proposals on the average homebuyer," said Ron Abraham, president of the Toronto Real Estate Board.

TREB and the GTHBA support growth management, but are concerned that land restrictions under the greenbelt will drive up the price of land and housing. "We're asking for the provincial government to focus on the big picture. We believe that it must be balanced with other equally legitimate concerns. More land restrictions could mean higher prices, reducing housing affordability in the GTA," said Mark Parsons, president of the Greater Toronto Home Builders' Association.

"Our public opinion polling reveals an overwhelming preference for single detached homes in the suburbs. Furthermore, 81 per cent of respondents believe that if the province restricts traditional suburban development, housing prices will rise," Parsons added.

"Buyers should be able to choose a home that best meets their lifestyle. Does the provincial government really want to tell low or moderate income home buyers that to own a home in the GTA their only choice will be a condo apartment?" said Abraham.

The GTA is one of the most expensive places in the country to live, second only to Vancouver, which already has a greenbelt. According to TREB's statistics, the average price for a single-family home in the GTA is \$320,000, while the RealNet new home price index for a newly-built single detached home sits at \$352,000.

While there are still affordable pockets, primarily for condominium apartments, TREB and the GTHBA are concerned that provincial restrictions on land will eventually mean that only high density housing will be affordable for most people.

Established in 1920 and serving the GTA with close to 21,000 REALTORS, TREB is Canada's largest real estate board.

With more than 1,250 members, the GTHBA is the voice of the residential construction industry in the Greater Toronto Area. Established in 1921, the association is comprised of land developers, home builders, professional renovation contractors, subcontractors, suppliers, service, professional and financial firms. We are proudly affiliated with the Ontario and Canadian Home Builders' Associations.

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