

Affordability improves for a fifth consecutive quarter in Q1 2025

By Kyle Dahms, Ethan Currie & Noah Black

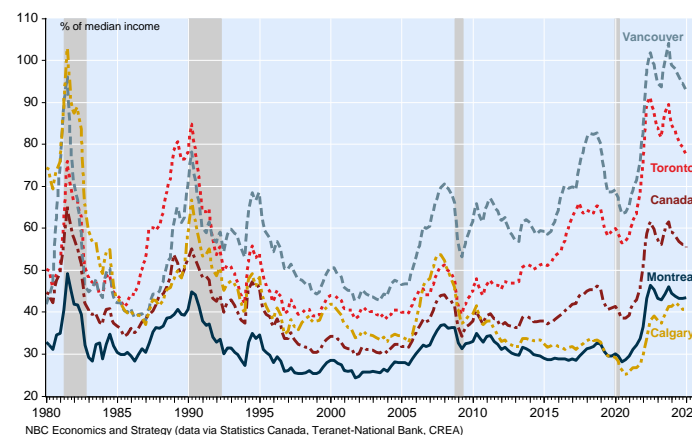
Highlights:

- Canadian housing affordability posted a fifth consecutive improvement in Q1'25. The mortgage payment on a representative home as a percentage of income (MPPI) fell 0.7 percentage point. Seasonally adjusted home prices increased 1.1% in Q1'25 from Q4'24; the benchmark mortgage rate (5-year term) declined 15 basis points, while median household income rose 0.8%.
- Affordability improved in 8 of the ten markets in Q1. On a sliding scale of markets from best progression to least: Vancouver, Toronto, Victoria, Hamilton, Ottawa-Gatineau, Calgary, Winnipeg and Edmonton. On the flip side, Montreal and Quebec deteriorated in the first quarter. Countrywide, affordability enhanced 0.9 pp in the condo portion and 0.7 pp in the non-condo segment. See detailed statistics on page 2.

Housing affordability remains a significant challenge for Canadians, though the first quarter of 2025 brought continued relief. Nationally, affordability improved for the fifth consecutive quarter—marking the longest such streak since 2008–2009. This progress brought the mortgage payment as a percentage of income (MPPI) to its lowest level in three years (see top chart). Despite higher home prices across all markets, affordability gains were more widespread this quarter, supported by rising incomes and declining interest rates. Since peaking in late 2023, 5-year mortgage rates have fallen by a cumulative 91 basis points, reaching their lowest point in nearly three years. However, Montreal and Quebec City were notable exceptions (see bottom chart). Home prices surged by 3.0% and 4.2% respectively during the quarter, preventing any affordability improvements. These markets remained resilient despite broader trade uncertainty, supported by less-stretched valuations and a still-strong labour market. **Notwithstanding the widespread improvement in Q1**, the composite MPPI remains well above its historical average. Anticipating the second quarter, further improvements in affordability from mortgage interest rates are likely to be limited, as the drop in 5-year rates is marginal thus far. However, ongoing weakness in Ontario and British Columbia's real estate markets could lead to price drop in several cities. Over the longer term, a slowdown in immigration and softening labour market conditions may also ease pressure on housing demand. Still, resolving market imbalances will take time.

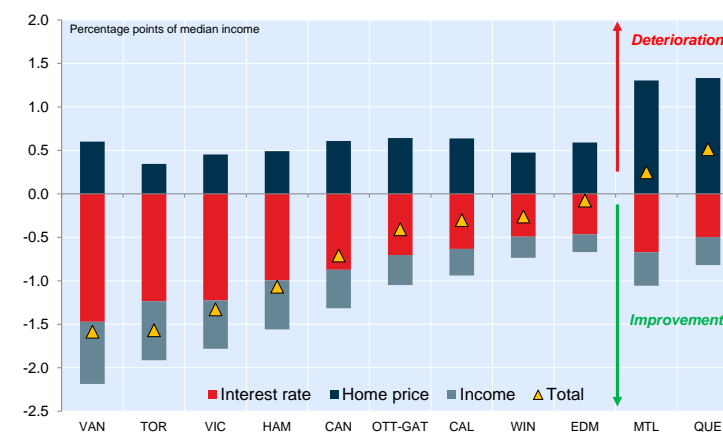
Canada : Perspective on housing affordability

Monthly mortgage payment on median home price, all types of dwellings (25 year amortization, 5-year term)



Canada: Q1 change in housing affordability in 10 metropolitan areas

Q/Q change in mortgage payment on median-price home (25-year amortization, 5-year term)





Housing affordability statistics

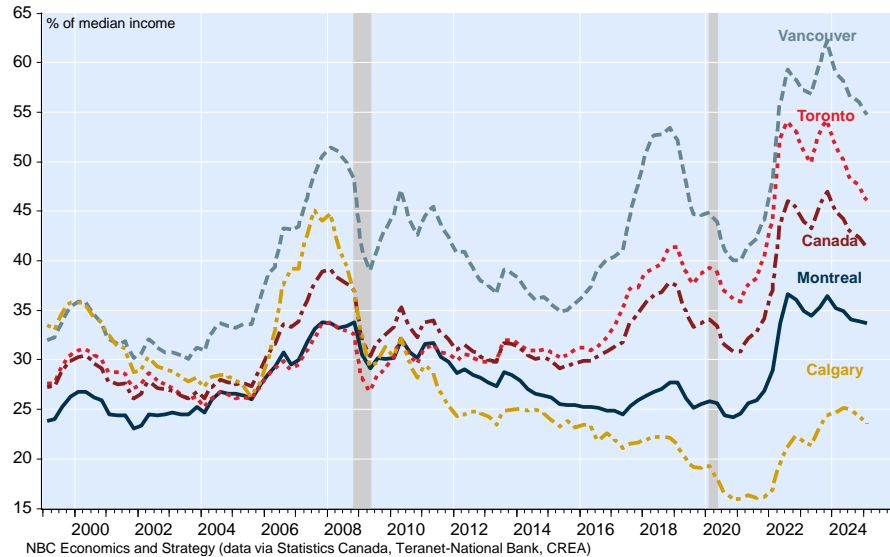
Table 1	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
Iwellings	Median home price	Q/Q % change	Y/Y % change	Downpayment \$	Downpayment: Months of saving	Avg. Since 2000	Monthly mortgage payment	Mortgage payment as % of income	Q/Q diff. PP	Y/Y diff. PP	Avg. Since 2000	Qualifying annual Income	Median annual Income	Home-ownership rate (2021)	
Composite 10 (C10)	\$ 813,302	1.1	3.1	\$ 56,330	71.5	39.7	\$ 4,365	55.4	-0.7	-3.5	40.1	\$ 185,676	\$ 94,547	66%	
Toronto	\$ 1,184,646	0.4	0.7	\$ 93,465	114.4	87.0	\$ 6,358	77.8	-1.6	-7.2	53.7	\$ 267,653	\$ 98,063	65%	
Montreal	\$ 566,740	3.0	7.6	\$ 31,674	45.2	28.2	\$ 3,042	43.4	0.2	-1.0	31.8	\$ 131,245	\$ 84,043	54%	
Vancouver	\$ 1,299,416	0.6	3.0	\$ 104,942	139.8	115.7	\$ 6,974	92.9	-1.6	-5.8	64.7	\$ 292,990	\$ 90,061	62%	
Calgary	\$ 664,084	1.6	7.3	\$ 41,408	46.9	30.9	\$ 3,564	40.3	-0.3	-0.9	35.9	\$ 152,735	\$ 106,055	71%	
Edmonton	\$ 472,103	2.0	5.9	\$ 23,605	27.8	24.8	\$ 2,534	29.8	-0.1	-0.9	29.6	\$ 110,011	\$ 101,921	69%	
Ottawa/Gatineau	\$ 693,842	1.4	3.9	\$ 44,384	53.4	30.4	\$ 3,724	44.8	-0.4	-2.4	32.9	\$ 159,304	\$ 99,741	65%	
Quebec	\$ 433,933	4.2	12.6	\$ 21,697	30.2	21.1	\$ 2,329	32.4	0.5	0.6	23.7	\$ 101,117	\$ 86,186	58%	
Winnipeg	\$ 417,893	1.5	5.0	\$ 20,895	29.2	23.2	\$ 2,243	31.4	-0.3	-1.3	26.3	\$ 97,379	\$ 85,755	66%	
Hamilton	\$ 933,296	0.8	0.6	\$ 68,330	85.8	44.5	\$ 5,009	62.9	-1.1	-5.9	40.7	\$ 212,166	\$ 95,568	69%	
Victoria	\$ 1,061,390	0.6	1.8	\$ 81,139	110.4	80.0	\$ 5,696	77.5	-1.3	-5.6	56.6	\$ 240,443	\$ 88,218	62%	
Table 2	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
ondo	Median home price	Q/Q % change	Y/Y % change	Downpayment \$	Downpayment: Months of saving	Avg. Since 2000	Monthly mortgage payment	Mortgage payment as % of income	Q/Q diff. PP	Y/Y diff. PP	Avg. Since 2000	Qualifying Income	Median Income	Home-ownership rate (2021)	Monthly average rent
C10 condo	\$ 608,130	0.3	0.9	\$ 35,813	45.5	29.9	\$ 3,264	41.4	-0.9	-3.6	33.0	\$ 140,382	\$ 94,547	9%	\$ 2,466
Toronto	\$ 701,883	-0.4	-1.9	\$ 45,188	55.3	33.0	\$ 3,767	46.1	-1.3	-5.6	33.9	\$ 161,079	\$ 98,063	16%	\$ 2,888
Montreal	\$ 438,828	1.9	5.3	\$ 21,941	31.3	24.6	\$ 2,355	33.6	-0.2	-1.5	28.2	\$ 102,257	\$ 84,043	11%	\$ 1,725
Vancouver	\$ 764,449	0.1	1.5	\$ 51,445	68.5	41.3	\$ 4,103	54.7	-1.3	-4.3	42.1	\$ 174,891	\$ 90,061	21%	\$ 2,782
Calgary	\$ 386,954	-0.3	4.7	\$ 19,348	21.9	22.0	\$ 2,077	23.5	-0.6	-1.1	26.7	\$ 90,169	\$ 106,055	14%	\$ 1,968
Edmonton	\$ 282,092	1.6	6.4	\$ 14,105	16.6	17.4	\$ 1,514	17.8	-0.1	-0.5	21.3	\$ 65,734	\$ 101,921	12%	\$ 1,489
Ottawa/Gatineau	\$ 416,076	0.9	1.6	\$ 20,804	25.0	19.5	\$ 2,233	26.9	-0.4	-2.1	22.4	\$ 96,955	\$ 99,741	9%	\$ 2,222
Quebec	\$ 307,066	3.8	9.8	\$ 15,353	21.4	17.3	\$ 1,648	22.9	0.3	-0.2	19.7	\$ 71,553	\$ 86,186	9%	\$ 1,377
Winnipeg	\$ 282,092	0.2	2.5	\$ 14,105	19.7	19.3	\$ 1,514	21.2	-0.5	-1.4	22.2	\$ 65,734	\$ 85,755	7%	\$ 1,478
Hamilton	\$ 678,047	0.5	0.0	\$ 42,805	53.7	29.2	\$ 3,639	45.7	-0.9	-4.6	30.5	\$ 155,817	\$ 95,568	11%	\$ 2,478
Victoria	\$ 610,808	0.5	-1.7	\$ 36,081	49.1	32.4	\$ 3,278	44.6	-0.8	-4.9	36.1	\$ 140,973	\$ 88,218	14%	\$ 2,582
Table 3	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
dwellings	Median home price	Q/Q % change	Y/Y % change	Downpayment \$	Downpayment: Months of saving	Avg. Since 2000	Monthly mortgage payment	Mortgage payment as % of income	Q/Q diff. PP	Y/Y diff. PP	Avg. Since 2000	Qualifying Income	Median Income	Home-ownership rate (2021)	
C10 non-condo	\$ 906,514	1.2	3.5	\$ 65,651	83.3	45.1	\$ 4,865	61.7	-0.7	-3.7	44.0	\$ 206,253	\$ 94,547	57%	
Toronto	\$ 1,218,706	0.6	1.1	\$ 96,871	118.5	91.0	\$ 6,541	80.0	-1.5	-7.0	54.6	\$ 275,172	\$ 98,063	49%	
Montreal	\$ 619,817	3.2	8.0	\$ 36,982	52.8	30.5	\$ 3,327	47.5	0.3	-0.9	33.9	\$ 142,962	\$ 84,043	43%	
Vancouver	\$ 1,742,065	0.8	3.3	\$ 348,413	464.2	197.5	\$ 9,350	124.6	-1.9	-7.3	84.4	\$ 341,846	\$ 90,061	41%	
Calgary	\$ 729,626	1.8	7.6	\$ 47,963	54.3	33.6	\$ 3,916	44.3	-0.2	-0.8	38.2	\$ 167,204	\$ 106,055	57%	
Edmonton	\$ 493,438	2.0	5.8	\$ 24,672	29.0	25.4	\$ 2,648	31.2	-0.1	-1.0	30.3	\$ 114,983	\$ 101,921	57%	
Ottawa/Gatineau	\$ 763,931	1.5	4.1	\$ 51,393	61.8	33.7	\$ 4,100	49.3	-0.4	-2.5	35.7	\$ 174,777	\$ 99,741	56%	
Quebec	\$ 438,994	4.2	13.0	\$ 21,950	30.6	20.9	\$ 2,356	32.8	0.5	0.7	23.5	\$ 102,296	\$ 86,186	49%	
Winnipeg	\$ 419,860	1.6	5.2	\$ 20,993	29.4	23.0	\$ 2,253	31.5	-0.2	-1.3	26.0	\$ 97,837	\$ 85,755	59%	
Hamilton	\$ 989,546	0.8	0.7	\$ 73,955	92.9	51.4	\$ 5,311	66.7	-1.1	-6.2	43.0	\$ 224,583	\$ 95,568	57%	
Victoria	\$ 1,190,231	0.6	2.4	\$ 94,023	127.9	96.0	\$ 6,388	86.9	-1.5	-5.8	62.5	\$ 268,886	\$ 88,218	48%	



Canadian perspective on housing affordability

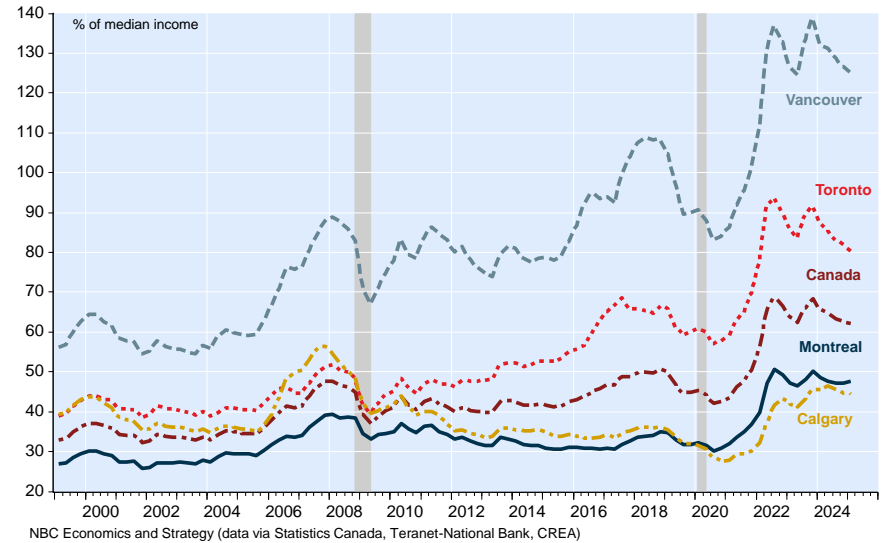
Canada : Perspective on condos affordability

Monthly mortgage payment on median home price, condos (25 year amortization, 5-year term)



Canada : Perspective on non-condos affordability

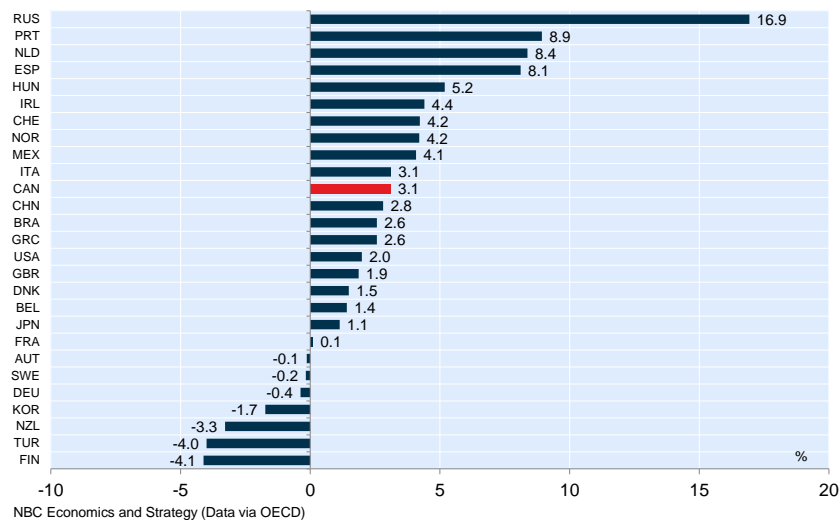
Monthly mortgage payment on median home price, non-condos (25 year amortization, 5-year term)



Global perspective on housing affordability

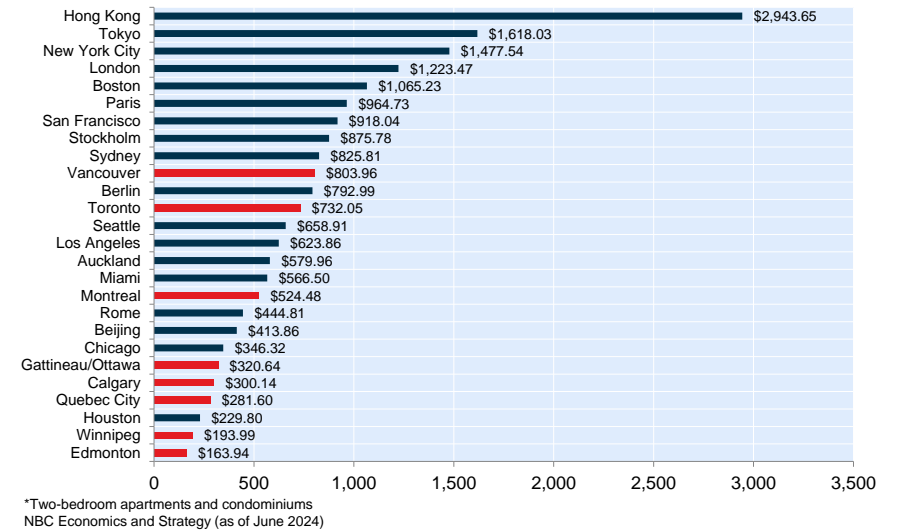
World: Perspective on home price inflation

Home price percentage change year over year (Last data available)



World: Apartment prices

Price / Square Foot in \$USD for Downtown Living (June 2024)





Methodology

The National Bank Housing Affordability Report measures housing affordability in 10 major census metropolitan areas (CMAs) and summarizes the results in a weighted-average composite of the 10 CMAs. We track the **condo market**, **other dwellings** (single detached, semi-detached) and the **market as a whole**.

We measure two hurdles for the purchase of a home. First, a household must save the **down-payment** amount. We measure this requirement as the number of months a median-income household will require to save for the minimum cash down payment (CMHC insured mortgage) of the representative home at a savings rate of 10% of its pre-tax income. We evaluate the representative home using the Teranet–National Bank House Price Index for the market in question to calculate the home price for months before and after the median home price measured by the 2016 Census. For **median household income** in each CMA, we take the Statistics Canada annual data up to 2021. For subsequent months, we extend the series using average weekly earnings growth as a proxy and apply a Hodrick-Prescott filter to smooth short-term fluctuations.

The second hurdle for the purchase of a home is the monthly mortgage payment. We measure this as the monthly payment on a median-priced home assuming a 25-year amortization period and a 5-year term. The resulting amount is presented as a percentage of income calculated as described above (sometimes referred as **MPPI**). Note that we do not take the down payment into account in this calculation because there is an opportunity cost in a household's use of these funds for that purpose. Also, we do not wish policy changes in this regard to affect our indicator over time. We also calculate the income needed to purchase the median property assuming that a household devotes 32% of its pre-tax income for a mortgage payment at the posted rate (defined as **qualifying income** and is adjusted for the down-payment). For the condo market, we also compare the monthly mortgage payment to the average rent for a two-bedroom condo in the same market. We calculate that rent from annual CMHC data, updated to the current month by the rent component of the Consumer Price Index. Note that data in the report was seasonally adjusted when necessary.



Toronto

Affordability in the Greater Toronto Area (GTA) improved for the fifth consecutive quarter in Q1 2025. The MPPI* indeed decreased 1.6 pp to 77.8%, which is still well above the historical average for the city (53.7%). While the pace of the quarterly improvement was better than that of the urban composite, the level of the MPPI* remained above the national aggregate level (55.4%). That is also true for both the condo (-1.3 pp to 46.1%) and non-condo (-1.5 to 80%) segments. The quarterly improvement for the aggregate index stemmed from slightly higher home prices (+0.4%) combined with a 15bps decrease in the average mortgage rate. On an annual basis, the MPPI* was down 7.2 pp, over twice the 3.5 pp decrease in the composite 10. *See tables page 2.



Non-
Condo

\$1,218,706

Price of the representative home in the metropolitan market

\$275,172

Household annual income needed to afford the representative home

119

Months of saving required for the down payment (saving rate of 10%)

34.4%

Premium for buying compared to the national urban composite



Condo

\$701,883

Price of the representative condo in the metropolitan market

\$161,079

Household annual income needed to afford the representative condo

55

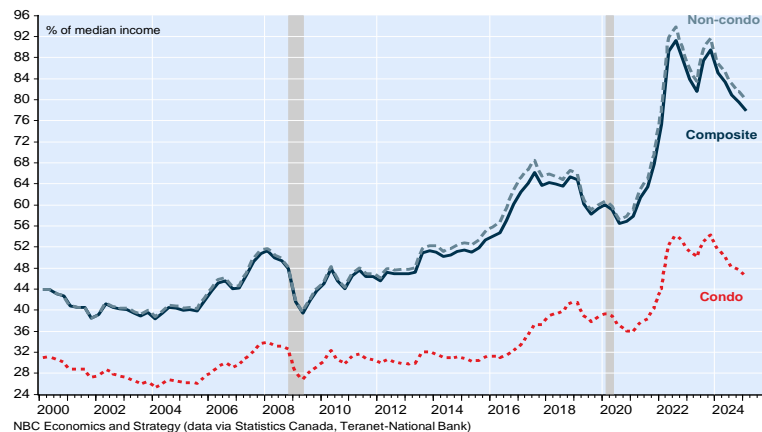
Months of saving required for the down payment (saving rate of 10%)

30.4%

Premium/discount for buying compared to renting a two-bedroom condo in the GTA

Toronto : Perspective on housing affordability

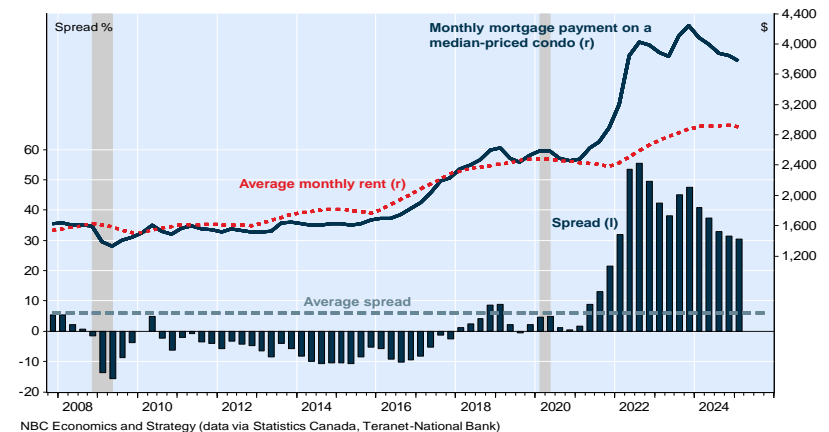
Monthly mortgage payment on median home price (25 year amortization, 5-year term)



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)

Toronto: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)



Montreal

In the first quarter of 2025, affordability in Montreal as measured by the MPPI* deteriorated for the second straight quarter. The MPPI* rose 0.2 pp to 43.4%, which was above the average level since 2000 (31.8%). While the quarterly deterioration was worse than the improvement of the urban composite (-0.7 pp), the housing market still remained more affordable in Montreal than in the urban average, as the MPPI* of the latter stood at 55.4%. The quarterly deterioration was despite a decrease in interest rates and an increase in income, which were not enough to offset an increase in home prices (+3.0%). The condo segment of the market improved in the quarter. For condos, the improvement was slower than in the composite 10 average (-0.2 pp compared with -0.9 pp in all the urban areas covered for condos. Non-condos registered at +0.3 pp compared with -0.7 pp for non-condos at the aggregate level). On a twelve-month basis, affordability posted an improvement in Montreal as the MPPI* was down 1.0 pp. *See tables page 2.



Non-
Condo

\$619,817

Price of the representative home in the metropolitan market

\$142,962

Household annual income needed to afford the representative home

53

Months of saving required for the down payment (saving rate of 10%)

-31.6%

Premium for buying compared to the national urban composite



Condo

\$438,828

Price of the representative condo in the metropolitan market

\$102,257

Household annual income needed to afford the representative condo

31

Months of saving required for the down payment (saving rate of 10%)

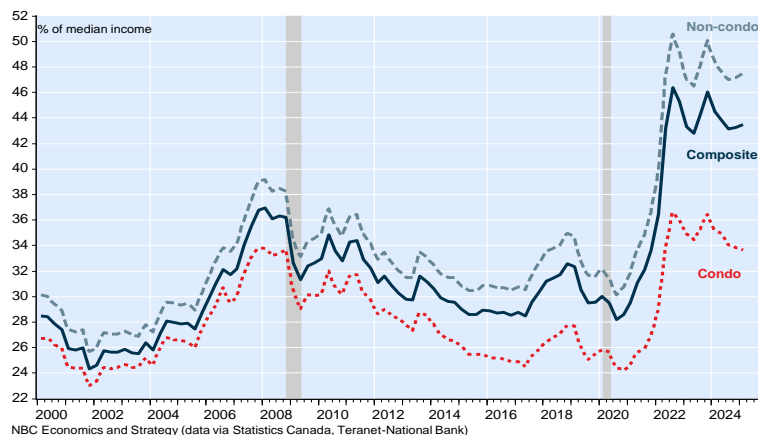
36.5%

Premium/discount for buying compared to renting a two-bedroom condo in Montreal

Montreal : Perspective on housing affordability

Monthly mortgage payment on median home price (25 year amortization, 5-year term)

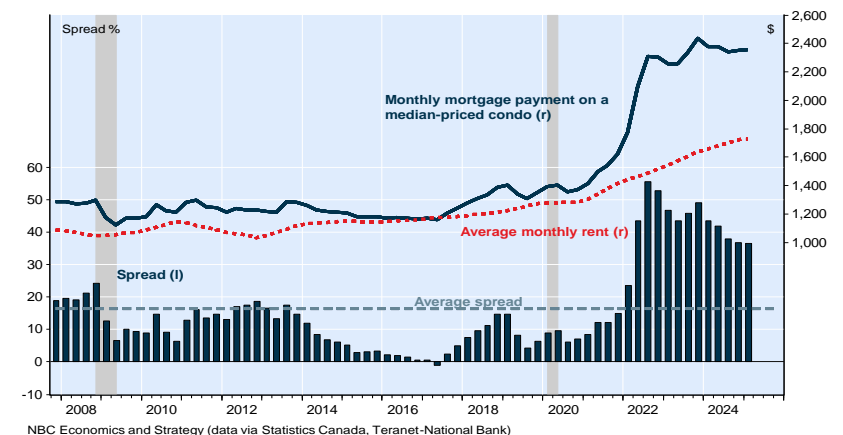
MONTREAL



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)

Montreal: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)



Vancouver

Affordability as measured by the MPPI* improved 1.6 pp in Greater Vancouver in the first quarter of 2025. Nonetheless, this left the level of the MPPI* at 92.9%, which continues to compare unfavourably to the average of other urban areas covered (55.4%). In fact, Vancouver remains the least affordable Canadian city in which to buy a home. The quarterly improvement stems from lower interest rates and an increase in income that together more than offset a 0.6% increase in home prices. Both the condo (-1.3 pp to 54.7%) and the non-condo (-1.9 pp to 124.6%) segments registered improvements in their MPPI* in the quarter. With the quarterly improvement, the MPPI* in Vancouver was down 5.8 pp on a 12-month basis, a greater improvement than in the composite 10 (-3.5 pp). *See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non- Condo	124.6%	▼	- 1.9%	Q/Q
Condo	54.7%	▼	- 1.3%	Q/Q



Non-
Condo

\$1,742,065

Price of the representative home in the metropolitan market

\$341,846

Household annual income needed to afford the representative home

464

Months of saving required for the down payment (saving rate of 10%)

92.2%

Premium for buying compared to the national urban composite



Condo

\$764,449

Price of the representative condo in the metropolitan market

\$174,891

Household annual income needed to afford the representative condo

69

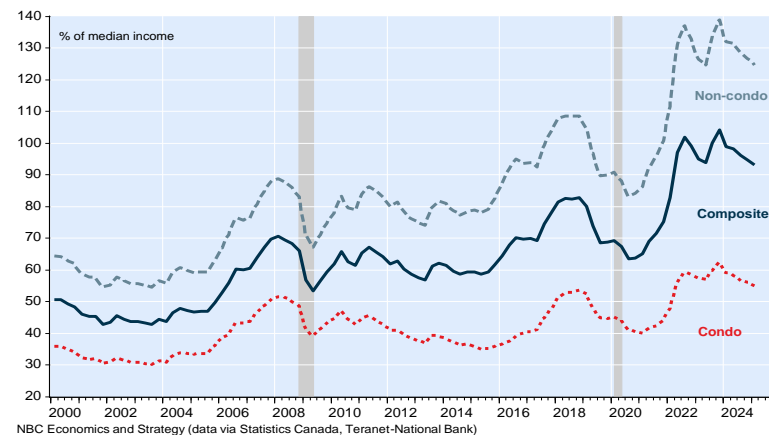
Months of saving required for the down payment (saving rate of 10%)

47.5%

Premium/discount for buying compared to renting a two-bedroom condo in Vancouver

Vancouver : Perspective on housing affordability

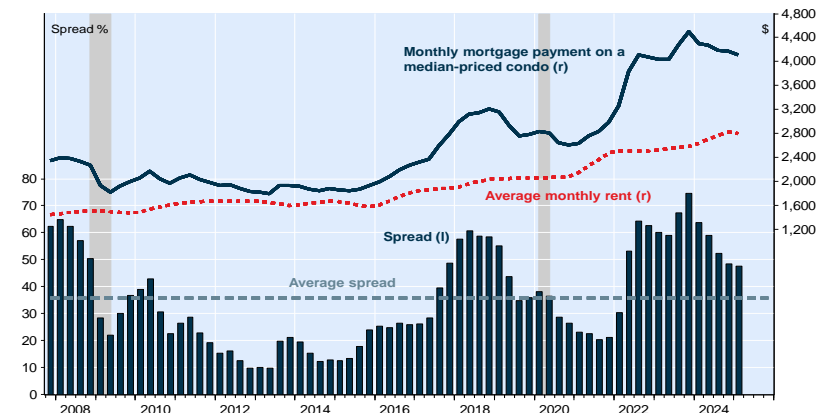
Monthly mortgage payment on median home price (25 year amortization, 5-year term)



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)

Vancouver: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)



Calgary

Housing affordability in Calgary posted an improvement in the first quarter of 2025, as the MPPI* dipped 0.3 pp. This was less pronounced than the improvement of the MPPI* of the composite of the urban markets covered in our report (-0.7 pp). Both market segments improved in the quarter, but the decline in the MPPI* was more pronounced for condos (-0.6 pp to 23.5%) than non-condos (-0.2 pp to 44.3%). As a result, the MPPI* for the market stood at 40.3%, which is 0.9 pp below the level it was a year ago but above its long-term average (35.9%). Still, Calgary remains more affordable than the composite 10 (MPPI* at 55.4% nationally). The quarterly improvement is attributable to a decrease in mortgage interest rates, which, when combined with an increase in income, more than offset a 1.6% increase in home prices. *See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non-Condo	44.3%	▼	- 0.2%	Q/Q
Condo	23.5%	▼	- 0.6%	Q/Q



Non-Condo

\$729,626

Price of the representative home in the metropolitan market

\$167,204

Household annual income needed to afford the representative home

54

Months of saving required for the down payment (saving rate of 10%)

-19.5%

Premium for buying compared to the national urban composite



Condo

\$386,954

Price of the representative condo in the metropolitan market

\$90,169

Household annual income needed to afford the representative condo

22

Months of saving required for the down payment (saving rate of 10%)

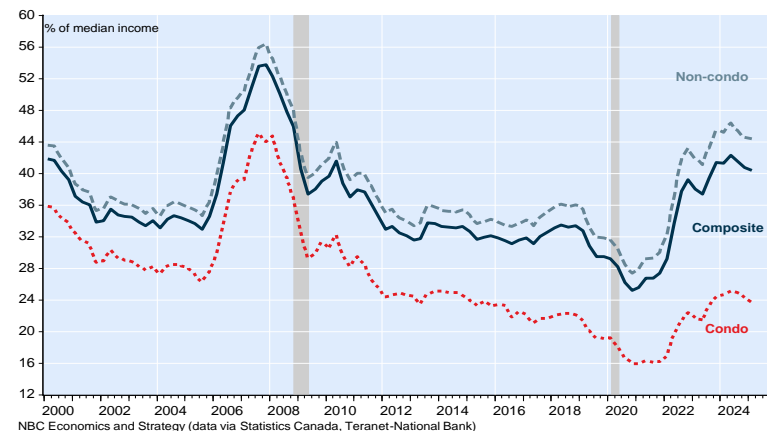
5.5%

Premium/discount for buying compared to renting a two-bedroom condo in Calgary

Calgary : Perspective on housing affordability

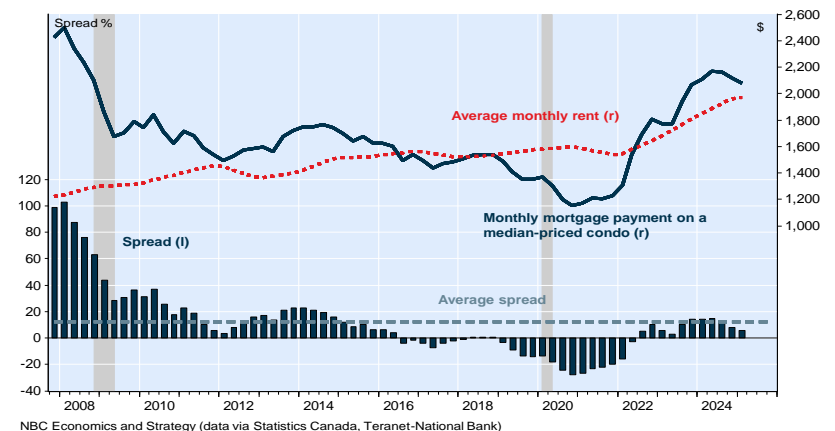
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

CALGARY



Calgary: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo





Edmonton

Housing affordability in Edmonton improved 0.1 pp in the quarter, a bit worse than the improvement of the urban composite (-0.7 pp). This was the result of a decrease in interest rates and an increase in income, despite a 2.0% increase in home prices. The level of the MPPI* now stands at 29.8%, which is well below the composite 10 (55.4%) and nearly at this city's long-term average (29.6%). The improvement in affordability was driven by both non-condos (-0.1 pp to 31.2%), while the affordability of condos was also improving in the quarter (-0.1 pp to 17.8%). On a 12-month basis, the MPPI* in Edmonton was progressing (-0.9 pp), while the composite 10 improved 3.5 pp over that period.

*See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non-Condo	31.2%	▼	- 0.1%	Q/Q
Condo	17.8%	▼	- 0.1%	Q/Q



Non-Condo

\$493,438

Price of the representative home in the metropolitan market

\$114,983

Household annual income needed to afford the representative home

29

Months of saving required for the down payment (saving rate of 10%)

-45.6%

Premium for buying compared to the national urban composite



Condo

\$282,092

Price of the representative condo in the metropolitan market

\$65,734

Household annual income needed to afford the representative condo

17

Months of saving required for the down payment (saving rate of 10%)

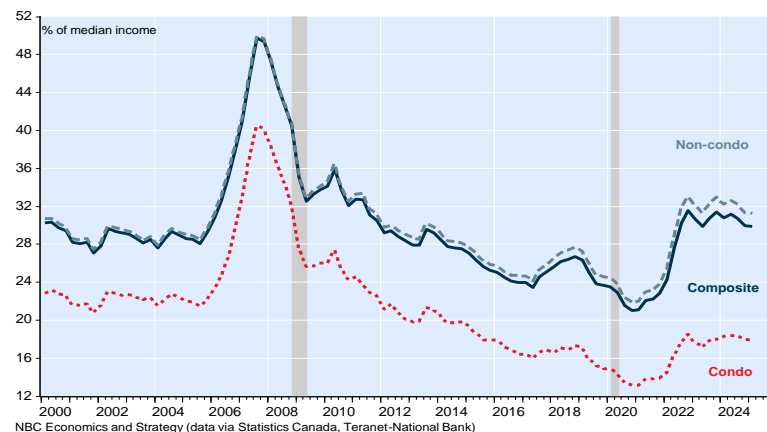
1.7%

Premium/discount for buying compared to renting a two-bedroom condo in Edmonton

Edmonton : Perspective on housing affordability

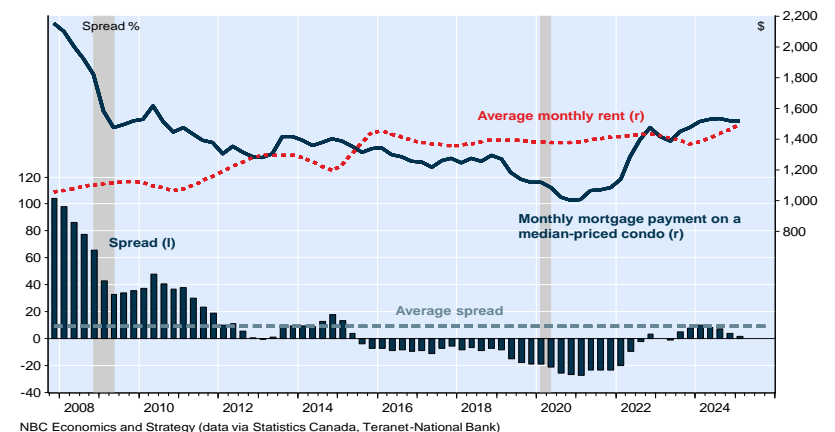
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

EDMONTON



Edmonton: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo





Ottawa/Gatineau

Housing affordability in Ottawa/Gatineau improved 0.4 pp over the past quarter, below the progress of the urban composite (-0.7 pp). This was the result of rising home prices (+1.4%), combined with lower interest rates and higher income. The MPPI* consequently sat at 44.8%, which remains below the composite 10 (55.4%) but well above the city's long-term average (32.9%). The quarterly improvement was driven by both condos (MPPI* down 0.4 pp to 26.9%) and non-condos (-0.4 pp to 49.3%). On an annual basis, home prices were up 3.9%, while interest rates fell slightly, and income rose. As a result, the MPPI* was down 2.4 pp over that period, less than the 3.5 pp decline registered by the composite 10. *See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non-Condo	49.3%	▼	- 0.4%	Q/Q
Condo	26.9%	▼	- 0.4%	Q/Q



Non-Condo

\$763,931

Price of the representative home in the metropolitan market

\$174,777

Household annual income needed to afford the representative home

62

Months of saving required for the down payment (saving rate of 10%)

-15.7%

Premium for buying compared to the national urban composite



Condo

\$416,076

Price of the representative condo in the metropolitan market

\$96,955

Household annual income needed to afford the representative condo

25

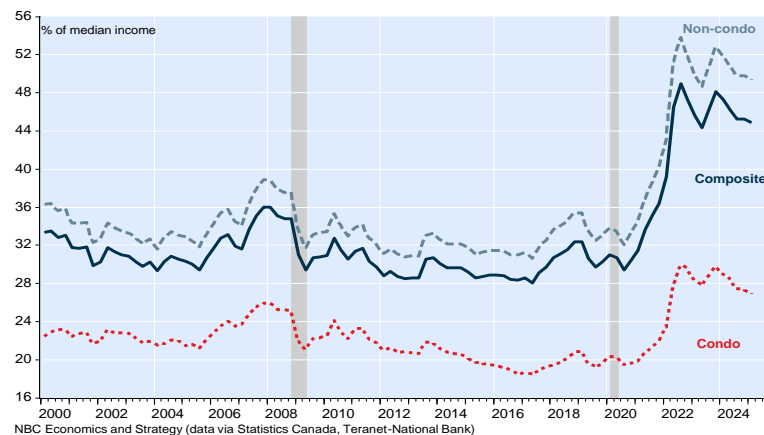
Months of saving required for the down payment (saving rate of 10%)

0.5%

Premium/discount for buying compared to renting a two-bedroom condo in Ottawa/Gatineau

Ottawa/Gatineau : Perspective on housing affordability

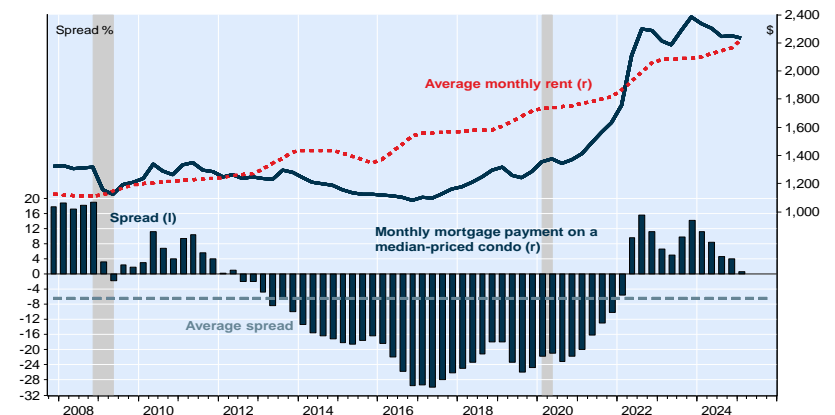
Monthly mortgage payment on median home price (25 year amortization, 5-year term)



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)

Ottawa/Gatineau: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)

OTTAWA/GA



Quebec City

Housing affordability deteriorated in the first quarter of 2025 in Québec city, as the MPPI* rose 0.5 pp to 32.4%. This was largest worsening of any market in the quarter. The quarterly deterioration stems from a 4.2% increase in home prices, the most pronounced of the urban markets we cover and too important to be offset by a decrease in interest rates and an increase in income. The worsening was seen in the non-condo segment (MPPI* up 0.5 pp to 32.8%), while affordability for condos also regressed in the quarter (MPPI* up 0.3 pp to 22.9%). The MPPI* of both segments remained well below those of their respective composite 10 counterparts. On an annual basis, affordability in Québec city worsened (MPPI* up 0.6 pp), which compares unfavorably to the 3.5 pp improvement of the average of the composite 10. *See tables page 2.



Non-
Condo

\$438,994

Price of the representative home in the metropolitan market

\$102,296

Household annual income needed to afford the representative home

31

Months of saving required for the down payment (saving rate of 10%)

-51.6%

Premium for buying compared to the national urban composite



Condo

\$307,066

Price of the representative condo in the metropolitan market

\$71,553

Household annual income needed to afford the representative condo

21

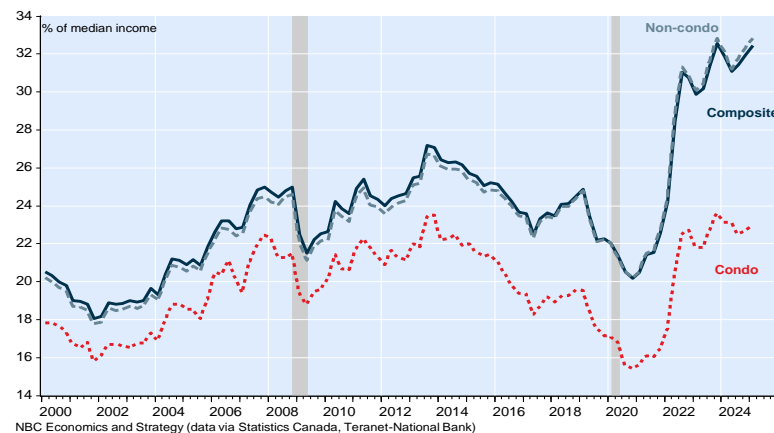
Months of saving required for the down payment (saving rate of 10%)

19.6%

Premium/discount for buying compared to renting a two-bedroom condo in Quebec City

Quebec city: Perspective on housing affordability

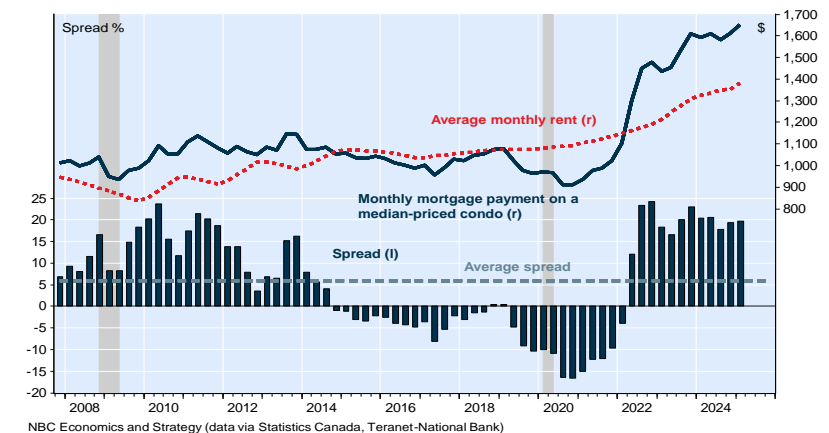
Monthly mortgage payment on median home price (25 year amortization, 5-year term)



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)

Quebec City: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



NBC Economics and Strategy (data via Statistics Canada, Teranet-National Bank)



Winnipeg

In Winnipeg, housing affordability was improved as the MPPI* decreased 0.3 pp to 31.4%, which remains the lowest level of the urban markets we cover regardless of a smaller improvement versus the composite 10 (-0.7 pp). However, despite the quarterly bettering, the index remained above its long-term average (26.3%). The quarterly improvement stemmed from an increase in income and a decrease in interest rates, which essentially offset a 1.5% increase in home prices. The condo segment improved 0.5 pp in the quarter, which is a smaller improvement than their respective composite 10 counterparts while the non-condo segment improved 0.2 pp. On a 12-month basis, the MPPI* was down 1.3 pp, well below the urban composite (-3.5 pp). *See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non-Condo	31.5%	▼	- 0.2%	Q/Q
Condo	21.2%	▼	- 0.5%	Q/Q



Non-Condo

\$419,860

Price of the representative home in the metropolitan market

\$97,837

Household annual income needed to afford the representative home

29

Months of saving required for the down payment (saving rate of 10%)

-53.7%

Premium for buying compared to the national urban composite



Condo

\$282,092

Price of the representative condo in the metropolitan market

\$65,734

Household annual income needed to afford the representative condo

20

Months of saving required for the down payment (saving rate of 10%)

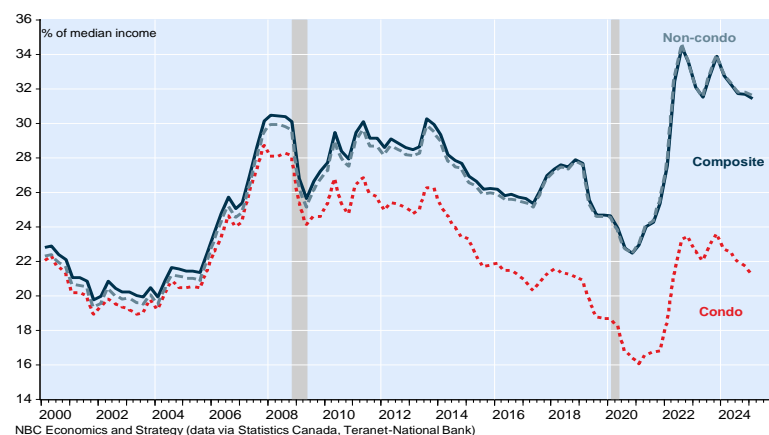
2.4%

Premium/discount for buying compared to renting a two-bedroom condo in Winnipeg

Winnipeg: Perspective on housing affordability

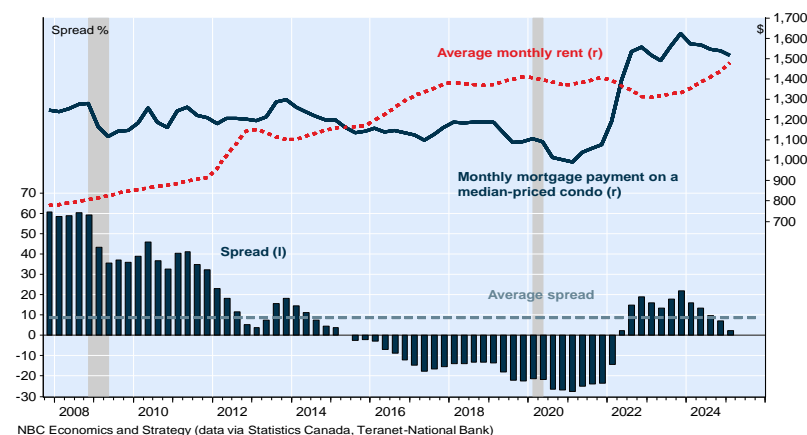
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

WINNIPEG



Winnipeg: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo





Hamilton

In the first quarter of 2025, affordability in Hamilton as measured by the MPPI* improved for the fifth consecutive quarter. The MPPI* slid 1.1 pp to 62.9%, which was still above its 20-year average (40.7%) and the composite 10 aggregate (55.4%). The quarterly improvement can be explained by a decrease in interest rates and an increase in income that offset a 0.8% rise in home prices in the quarter. Affordability improved 0.9 pp for the condo segment and 1.1 pp for the non-condo segment. On an annual basis, affordability improved 5.9 pp, compared with -3.5 pp for the urban average. *See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non-Condo	66.7%	▼	- 1.1%	Q/Q
Condo	45.7%	▼	- 0.9%	Q/Q



Non-Condo

\$989,546

Price of the representative home in the metropolitan market

\$224,583

Household annual income needed to afford the representative home

93

Months of saving required for the down payment (saving rate of 10%)

9.2%

Premium for buying compared to the national urban composite



Condo

\$678,047

Price of the representative condo in the metropolitan market

\$155,817

Household annual income needed to afford the representative condo

54

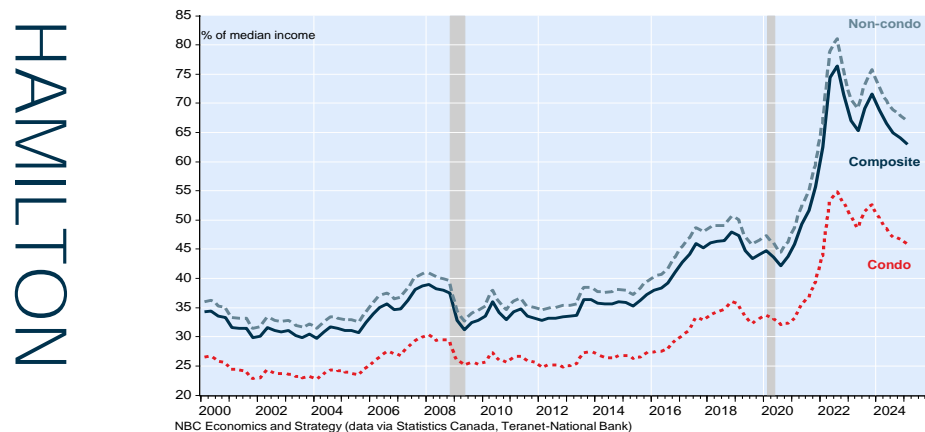
Months of saving required for the down payment (saving rate of 10%)

46.8%

Premium/discount for buying compared to renting a two-bedroom condo in Hamilton

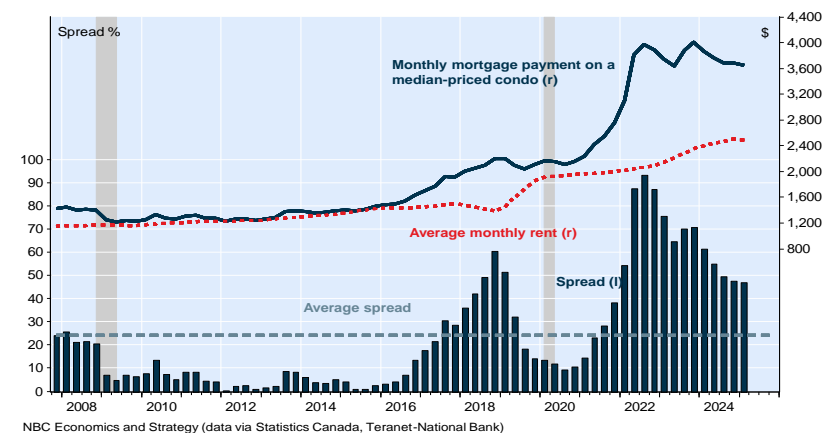
Hamilton: Perspective on housing affordability

Monthly mortgage payment on median home price (25 year amortization, 5-year term)



Hamilton: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo





Victoria

In the first quarter of 2025, Victoria registered a fifth consecutive improvement of housing affordability as measured by the MPPI* (-1.3 pp). The improvement is the result of a decrease in interest rates and an increase in income, while home prices were up slightly in the quarter (+0.6%). As a result, the city's MPPI* stood at 77.5%, above its long-term average (56.6%) and the composite 10 aggregate (55.4%). Affordability improved for both non-condos (MPPI* down 1.5 pp compared to -0.7 pp nationally) and condos (MPPI* down 0.8 pp compared to -0.9 pp nationally). The MPPI* for all dwellings was 5.6 pp below the level it registered a year ago, a stronger improvement than the 3.5 pp one seen for the composite 10. *See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non-Condo	86.9%	▼	- 1.5%	Q/Q
Condo	44.6%	▼	- 0.8%	Q/Q



Non-Condo

\$1,190,231

Price of the representative home in the metropolitan market

\$268,886

Household annual income needed to afford the representative home

128

Months of saving required for the down payment (saving rate of 10%)

31.3%

Premium for buying compared to the national urban composite



Condo

\$610,808

Price of the representative condo in the metropolitan market

\$140,973

Household annual income needed to afford the representative condo

49

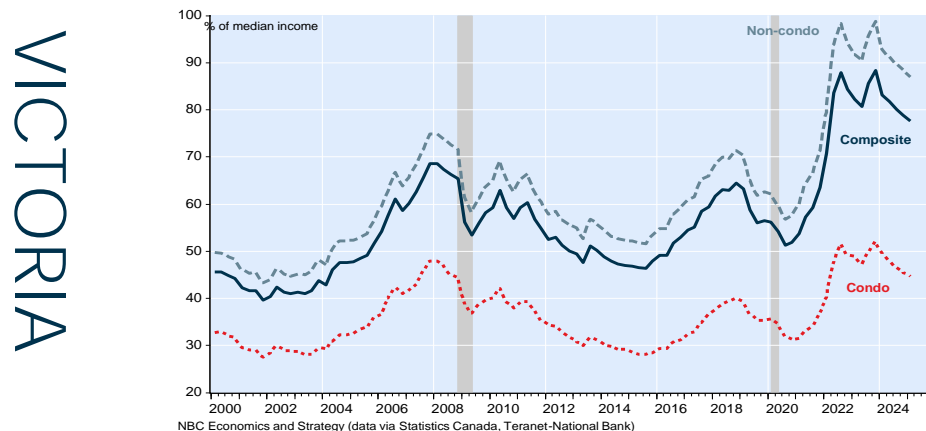
Months of saving required for the down payment (saving rate of 10%)

27.0%

Premium/discount for buying compared to renting a two-bedroom condo in Victoria

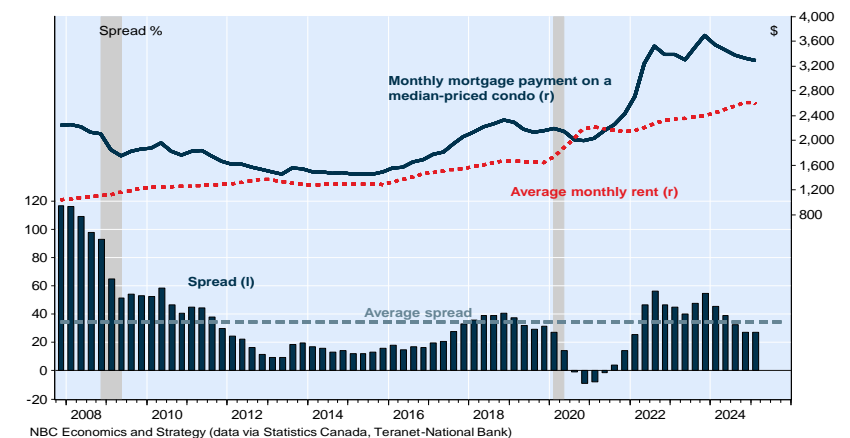
Victoria: Perspective on housing affordability

Monthly mortgage payment on median home price (25 year amortization, 5-year term)



Victoria: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



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