

Affordability improves for a fourth consecutive quarter in Q4 2024

By Kyle Dahms

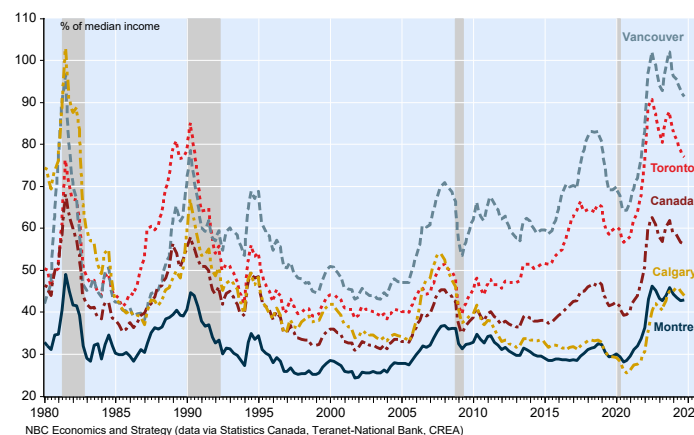
Highlights:

- Canadian housing affordability posted a fourth consecutive improvement in Q4'24. The mortgage payment on a representative home as a percentage of income (MPPI) fell 0.8 percentage point. Seasonally adjusted home prices increased 1.25% in Q4'24 from Q3'24; the benchmark mortgage rate (5-year term) declined 15 basis points, while median household income rose 1.1%.
- Affordability improved in 6 of the ten markets covered in Q4. On a sliding scale of markets from best progression to least: Vancouver, Toronto, Victoria, Calgary, Hamilton, Edmonton. Winnipeg and Ottawa-Gatineau were essentially flat in the quarter. On the flip side, Montreal and Quebec deteriorated in the fourth quarter. Countrywide, affordability enhanced 0.6 pp in the condo portion and 0.9 pp in the non-condo segment. See detailed statistics on page 2.

Housing affordability remains a major challenge for Canadians, but the last quarter of 2024 offered some relief. At the aggregate level, the latest progression in affordability meant that every single quarter of the year was marked with an improvement. As a result, it helped bring the mortgage payment as a percentage of income (MPPI) to its lowest level in nearly three years (see top chart). The improvement was less diffuse this quarter as certain markets experienced home prices increases which were more than enough to offset rising incomes and declining interest rates. Note, all markets save Edmonton saw an increase in their home prices during the quarter (see bottom chart), perhaps spurred by declining financing costs. Nonetheless, higher incomes and lower rates allowed a slight majority of markets to experience an improvement in their MPPI for the quarter. Looking specifically at mortgage interest rates, since the high mark reached in the last quarter of 2023, 5-year financing costs have declined by a cumulative 75 basis points, reaching their lowest level in 10 quarters. Despite this, the MPPI remains well above its historical average. Given back-to-back rate cuts by the BoC in the first quarter of 2025 and mortgage rate data up to now, affordability could have continued to improve in the first quarter of the year. Resale market data and home price indices, hampered by the trade uncertainty are not suggestive of strong price gains. On a slightly longer time horizon, a curb on immigration and a potentially deteriorating labour market could help alleviate the pressure on the housing sector. Altogether, it will take some time to fix imbalances.

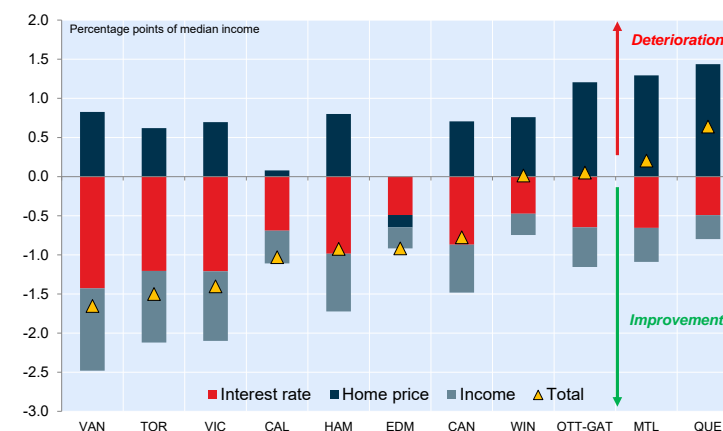
Canada : Perspective on housing affordability

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



Canada: Q4 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

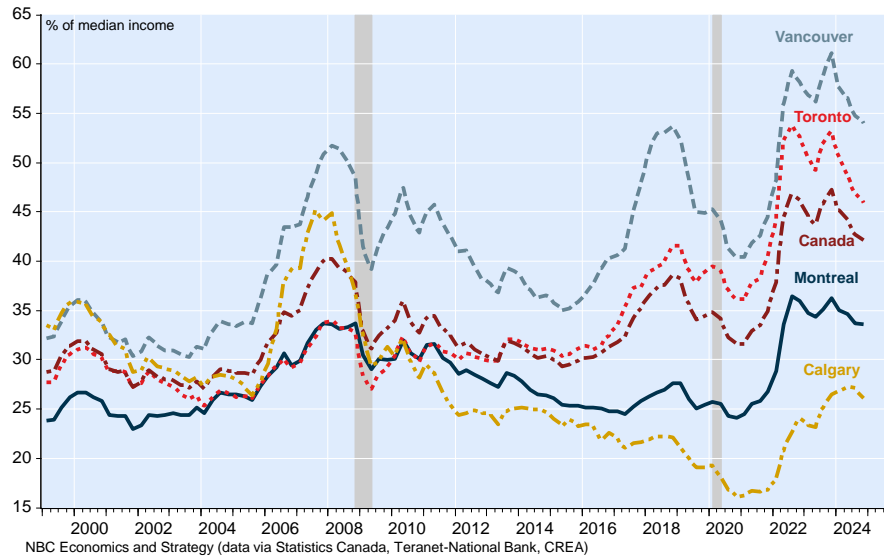
Table 1	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
lings	Median home price	Q/Q % change	Y/Y % change	Downpayment \$	Downpayment: Months of saving	Avg. Since 2000	Monthly mortgage payment	Mortgage payment as % of income	Q/Q diff. PP	Y/Y diff. PP	Avg. Since 2000	Qualifying annual Income	Median annual Income	Home-ownership rate (2021)	
Composite 10 (C10)	\$ 805,504	1.2	1.9	\$ 55,550	70.7	40.1	\$ 4,391	55.9	-0.8	-6.0	40.8	\$ 186,588	\$ 94,316	66%	
Toronto	\$ 1,180,572	0.8	-0.7	\$ 236,114	282.2	88.1	\$ 6,436	76.9	-1.5	-10.8	53.4	\$ 234,981	\$ 100,401	65%	
Montreal	\$ 550,671	3.0	5.4	\$ 30,067	42.9	27.9	\$ 3,002	42.8	0.2	-2.9	31.6	\$ 129,526	\$ 84,107	54%	
Vancouver	\$ 1,292,853	0.9	1.3	\$ 258,571	334.9	117.5	\$ 7,048	91.3	-1.7	-10.7	64.6	\$ 257,329	\$ 92,660	62%	
Calgary	\$ 653,641	0.2	9.8	\$ 40,364	49.8	31.2	\$ 3,564	44.0	-1.0	-0.9	36.3	\$ 152,583	\$ 97,295	71%	
Edmonton	\$ 462,571	-0.5	5.9	\$ 23,129	28.5	25.4	\$ 2,522	31.0	-0.9	-1.7	30.4	\$ 109,333	\$ 97,485	69%	
Ottawa/Gatineau	\$ 687,331	2.9	4.7	\$ 43,733	49.3	30.4	\$ 3,747	42.3	0.0	-3.5	33.0	\$ 160,127	\$ 106,422	65%	
Quebec	\$ 416,654	4.5	10.6	\$ 20,833	29.9	21.1	\$ 2,272	32.6	0.6	-0.5	23.7	\$ 98,480	\$ 83,554	58%	
Winnipeg	\$ 412,022	2.5	4.0	\$ 20,601	28.3	23.2	\$ 2,246	30.9	0.0	-2.3	26.3	\$ 97,385	\$ 87,223	66%	
Hamilton	\$ 928,032	1.2	0.1	\$ 67,803	84.7	45.1	\$ 5,059	63.2	-0.9	-8.2	41.5	\$ 214,025	\$ 96,111	69%	
Victoria	\$ 1,056,723	0.9	-0.9	\$ 211,345	283.7	83.9	\$ 5,761	77.3	-1.4	-10.9	58.6	\$ 210,330	\$ 89,405	62%	
Table 2	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
lo	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	\$ 606,777	1.3	0.6	\$ 35,678	45.4	30.3	\$ 3,308	42.1	-0.6	-5.1	33.6	\$ 142,089	\$ 94,316	9%	\$ 2,499
Toronto	\$ 704,867	1.0	-2.1	\$ 45,487	54.4	32.8	\$ 3,843	45.9	-0.8	-7.2	33.8	\$ 164,054	\$ 100,401	16%	\$ 3,035
Montreal	\$ 430,884	2.2	4.2	\$ 21,544	30.7	24.5	\$ 2,349	33.5	-0.1	-2.7	28.1	\$ 101,844	\$ 84,107	11%	\$ 1,763
Vancouver	\$ 764,647	1.4	0.0	\$ 51,465	66.6	41.1	\$ 4,169	54.0	-0.7	-7.1	42.1	\$ 177,440	\$ 92,660	21%	\$ 2,737
Calgary	\$ 387,742	-0.9	10.7	\$ 19,387	23.9	22.2	\$ 2,114	26.1	-0.9	-0.3	27.0	\$ 91,646	\$ 97,295	14%	\$ 1,910
Edmonton	\$ 277,400	0.3	11.2	\$ 13,870	17.1	17.9	\$ 1,512	18.6	-0.4	-0.1	21.9	\$ 65,566	\$ 97,485	12%	\$ 1,512
Ottawa/Gatineau	\$ 412,772	2.2	2.0	\$ 20,639	23.3	19.5	\$ 2,250	25.4	-0.1	-2.8	22.5	\$ 97,563	\$ 106,422	9%	\$ 2,260
Quebec	\$ 295,522	3.6	8.4	\$ 14,776	21.2	17.3	\$ 1,611	23.1	0.2	-0.8	19.7	\$ 69,849	\$ 83,554	9%	\$ 1,394
Winnipeg	\$ 281,706	1.1	2.3	\$ 14,085	19.4	19.3	\$ 1,536	21.1	-0.3	-2.0	22.3	\$ 66,584	\$ 87,223	7%	\$ 1,413
Hamilton	\$ 674,745	1.8	-0.8	\$ 42,475	53.0	29.5	\$ 3,679	45.9	-0.4	-6.5	31.0	\$ 157,309	\$ 96,111	11%	\$ 2,492
Victoria	\$ 608,360	0.0	-2.9	\$ 35,836	48.1	33.5	\$ 3,317	44.5	-1.2	-7.3	37.5	\$ 142,444	\$ 89,405	14%	\$ 2,465
Table 3	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
ellings	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	\$ 896,608	1.2	2.2	\$ 64,661	82.3	45.6	\$ 4,888	62.2	-0.9	-6.5	44.7	\$ 206,988	\$ 94,316	57%	
Toronto	\$ 1,212,843	0.8	-0.4	\$ 242,569	289.9	92.1	\$ 6,612	79.0	-1.6	-10.8	54.4	\$ 241,404	\$ 100,401	49%	
Montreal	\$ 600,958	3.2	5.6	\$ 35,096	50.1	30.2	\$ 3,276	46.7	0.3	-3.1	33.7	\$ 140,786	\$ 84,107	43%	
Vancouver	\$ 1,730,924	0.8	1.6	\$ 346,185	448.3	195.0	\$ 9,437	122.2	-2.4	-13.9	84.2	\$ 344,523	\$ 92,660	41%	
Calgary	\$ 716,360	0.3	9.7	\$ 46,636	57.5	33.9	\$ 3,905	48.2	-1.1	-1.1	38.6	\$ 166,627	\$ 97,295	57%	
Edmonton	\$ 483,247	-0.6	5.3	\$ 24,162	29.7	26.1	\$ 2,635	32.4	-1.0	-1.9	31.1	\$ 114,220	\$ 97,485	57%	
Ottawa/Gatineau	\$ 756,628	2.9	5.0	\$ 50,663	57.1	33.6	\$ 4,125	46.5	0.1	-3.7	35.9	\$ 175,644	\$ 106,422	56%	
Quebec	\$ 421,384	4.6	10.9	\$ 21,069	30.3	20.9	\$ 2,297	33.0	0.7	-0.4	23.5	\$ 99,598	\$ 83,554	49%	
Winnipeg	\$ 413,549	2.6	4.2	\$ 20,677	28.4	23.0	\$ 2,255	31.0	0.0	-2.3	26.0	\$ 97,746	\$ 87,223	59%	
Hamilton	\$ 983,861	1.2	0.3	\$ 73,386	91.6	52.1	\$ 5,364	67.0	-1.0	-8.6	43.8	\$ 226,526	\$ 96,111	57%	
Victoria	\$ 1,184,922	1.0	-0.6	\$ 236,984	318.1	100.7	\$ 6,460	86.7	-1.5	-11.9	64.8	\$ 235,846	\$ 89,405	48%	



Canadian perspective on housing affordability

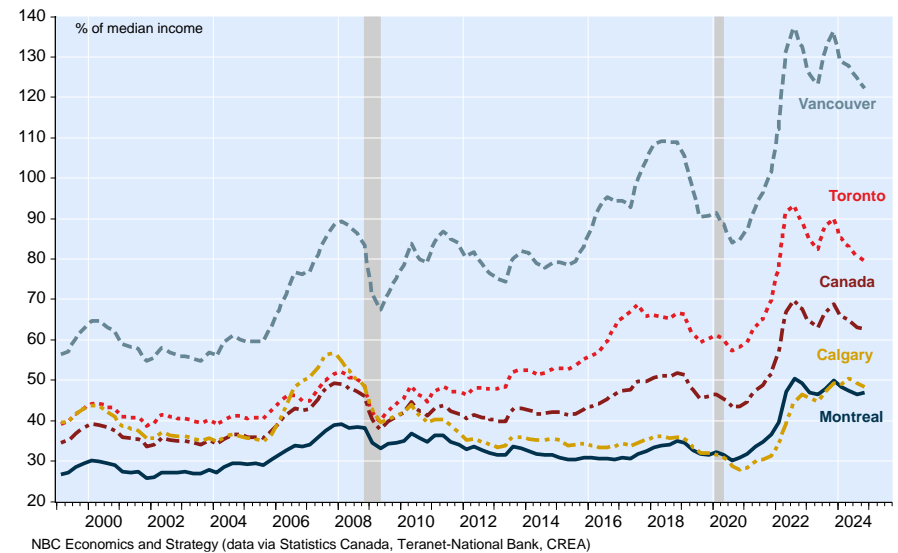
Canada : Perspective on condos affordability

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



Canada : Perspective on non-condos affordability

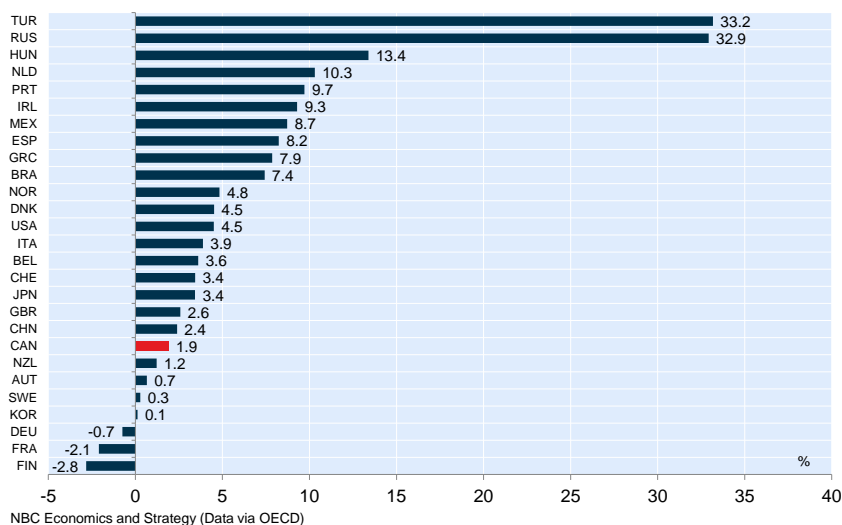
Monthly mortgage payment on median home price, non-condos (25 year amortization, 5-year term)



Global perspective on housing affordability

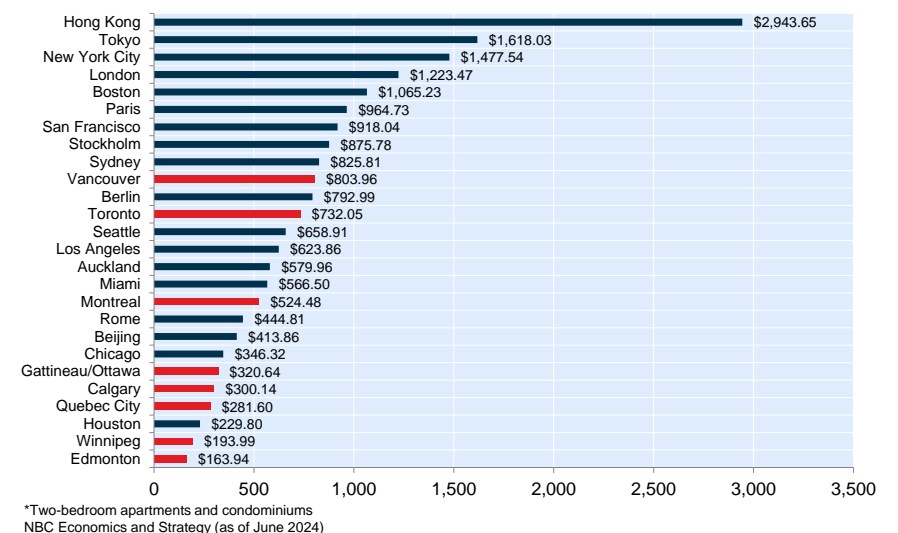
World: Perspective on home price inflation

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 fourth consecutive quarter in Q4. The MPPI* indeed decreased 1.5 pp to 76.9%, its lowest level since 2022Q1, but still well above the historical average for this city (53.4%). While the pace of the quarterly improvement was better than that of the urban composite, the level of the MPPI* remained above the average level (55.9%). This was true for both the condo (-0.8 pp to 45.9%) and non-condo (-1.6 pp to 79.0%) segments. The quarterly improvement for all types of dwellings index stemmed from slightly higher (+0.8%) home prices combined with a decrease in interest rates and a 1.2% rise in income. On an annual basis, the MPPI* was down 10.8 pp, nearly twice the 6.0 pp decrease in the composite 10. *See tables page 2.



Non-
Condo

\$1,212,843

Price of the representative home in the metropolitan market

\$241,404

Household annual income needed to afford the representative home

290

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

35.3%

Premium for buying compared to the national urban composite



Condo

\$704,867

Price of the representative condo in the metropolitan market

\$164,054

Household annual income needed to afford the representative condo

54

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

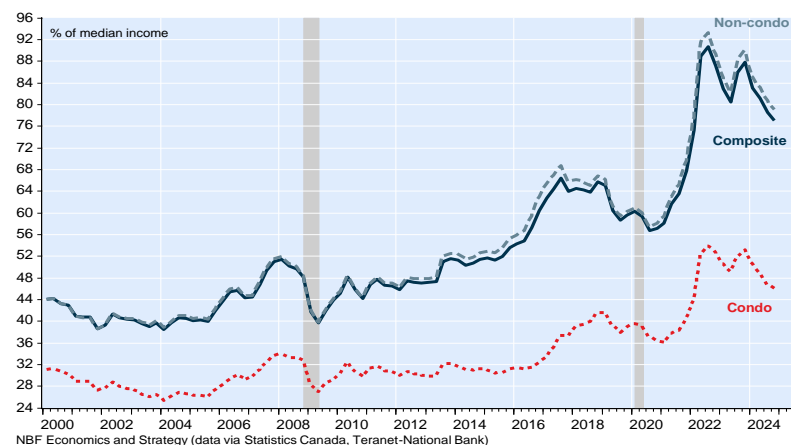
26.6%

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

Toronto : Perspective on housing affordability

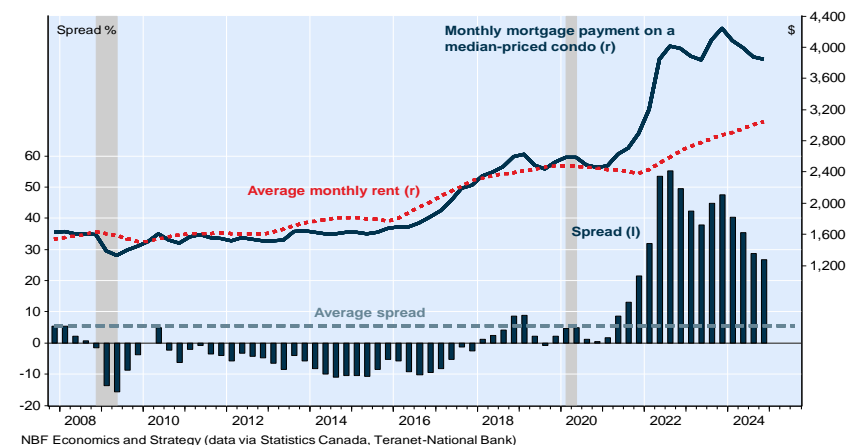
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

TORONTO



Toronto: Buying compared to renting

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





Montreal

In the fourth quarter of 2024, affordability in Montreal as measured by the MPPI* deteriorated for the first time in a year. The MPPI* indeed rose 0.2 pp to 42.8%, which was above its 20-year average (31.6%). While the quarterly worsening was worse than the improvement of the urban composite (-0.8 pp), the housing market still remained more affordable in Montreal than in the urban average, as the MPPI* of the latter stood at 55.9%. 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 (-0.1 pp compared with -0.6 pp in all the urban areas covered for condos. Non-condos registered at +0.3 pp compared with -0.9 pp for non-condos at the aggregate level). On a twelve-month basis, affordability posted an improvement in Montreal as the MPPI* was down 2.9 pp.

*See tables page 2.



Non-
Condo

\$600,958

Price of the representative home in the metropolitan market

\$140,786

Household annual income needed to afford the representative home

50

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

-33.0%

Premium for buying compared to the national urban composite



Condo

\$430,884

Price of the representative condo in the metropolitan market

\$101,844

Household annual income needed to afford the representative condo

31

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

33.3%

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

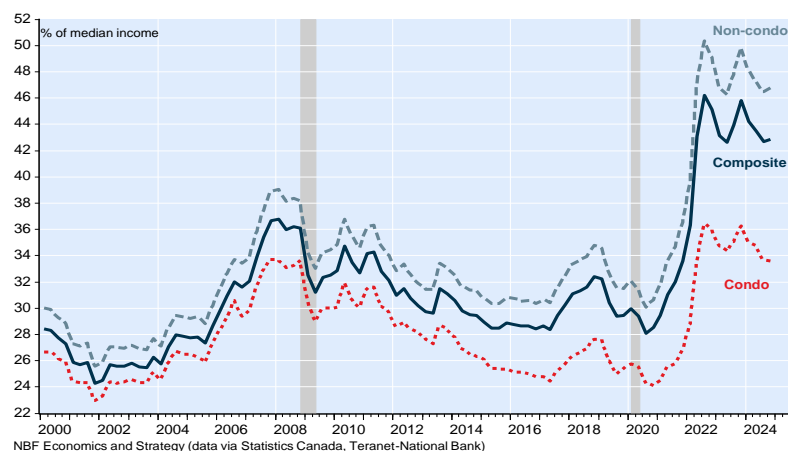
Montreal : Perspective on housing affordability

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

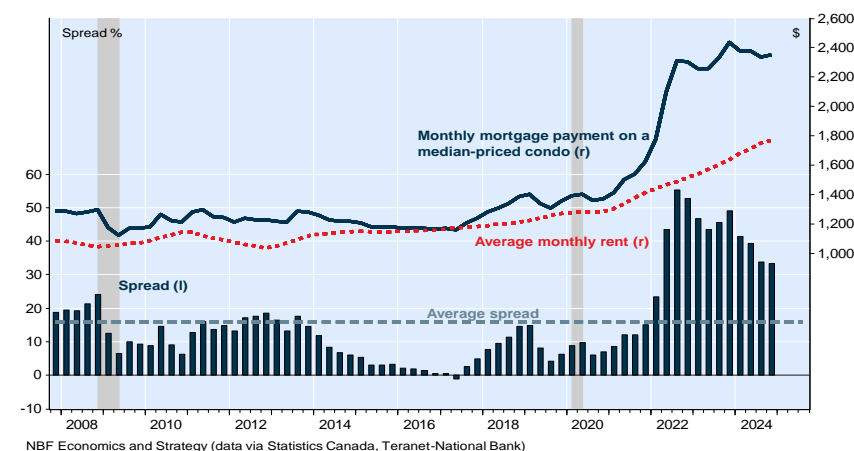
Montreal: Buying compared to renting

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

MONTREAL



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



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



Vancouver

Affordability as measured by the MPPI* improved 1.7 pp in Greater Vancouver in the fourth quarter of 2024, the fastest improvement of the urban markets covered in our report. Nonetheless, this left the level of the MPPI* at 91.3%, which continues to compare unfavourably to the average of other urban areas covered (55.9%). 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 0.9% increase in home prices. Both the condo (-0.7 pp to 54.0%) and the non-condo (-2.4 pp to 122.2%) segments registered improvements in their MPPI* in the quarter. With the quarterly improvement, the MPPI* in Vancouver was down 10.7 pp on a 12-month basis, a greater improvement than in the composite 10 (-6.0 pp). *See tables page 2.



Non-
Condo

\$1,730,924

Price of the representative home in the metropolitan market

\$344,523

Household annual income needed to afford the representative home

448

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

93.1%

Premium for buying compared to the national urban composite



Condo

\$764,647

Price of the representative condo in the metropolitan market

\$177,440

Household annual income needed to afford the representative condo

67

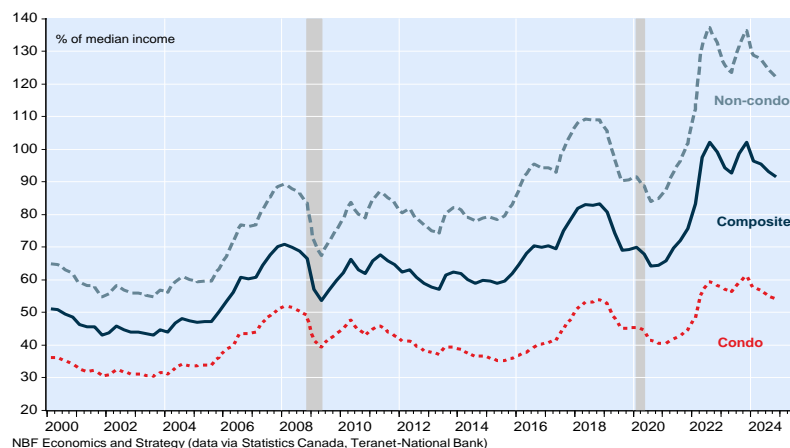
Months of saving required for the down payment (saving rate of 10%)

52.3%

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

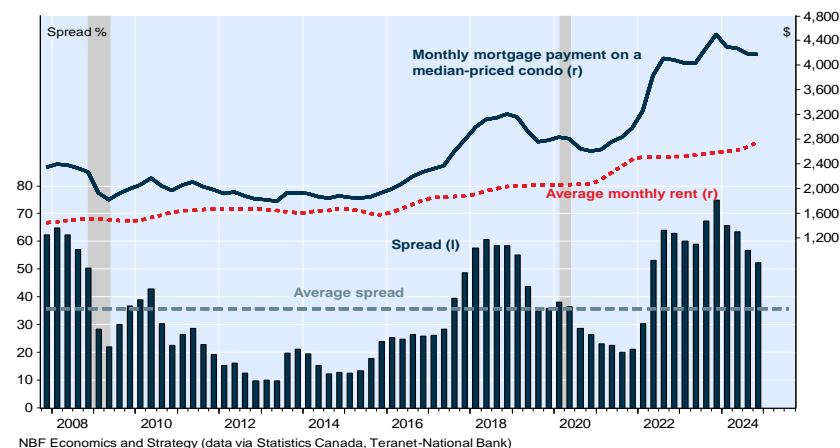
Vancouver : Perspective on housing affordability

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



Vancouver: Buying compared to renting

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





Calgary

Housing affordability in Calgary posted an improvement in the fourth quarter of the year, as the MPPI* dipped 0.9 pp. This was slightly more pronounced than the improvement of the MPPI* of the composite of the urban markets covered in our report (-0.8 pp). Both market segments improved in the quarter, but the decline in the MPPI* was more pronounced for non-condos (-1.1 pp to 48.2%) than condos (-0.9 pp to 26.1%). As a result, the MPPI* for the market as a whole stood at 44.0%, which is 0.9 pp below the level it was a year ago but above its long-term average (36.3%). Still, Calgary remains more affordable than the composite 10 (MPPI* at 55.9% 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 0.2% increase in home prices. *See tables page 2.



Non-
Condo

\$716,360

Price of the representative home in the metropolitan market

\$166,627

Household annual income needed to afford the representative home

58

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

-20.1%

Premium for buying compared to the national urban composite



Condo

\$387,742

Price of the representative condo in the metropolitan market

\$91,646

Household annual income needed to afford the representative condo

24

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

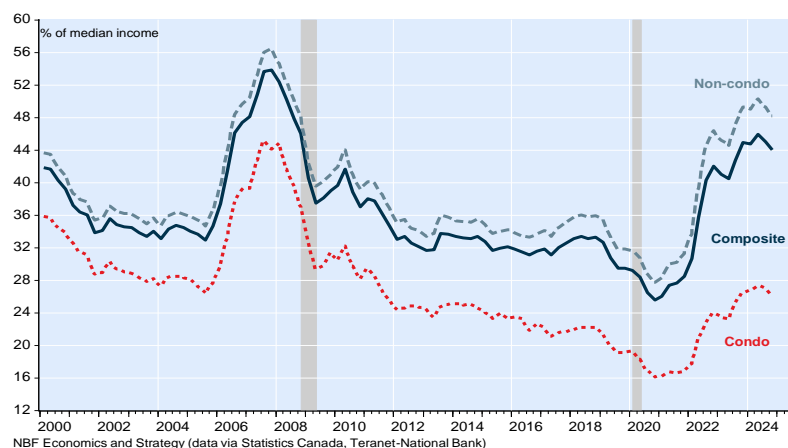
10.7%

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)

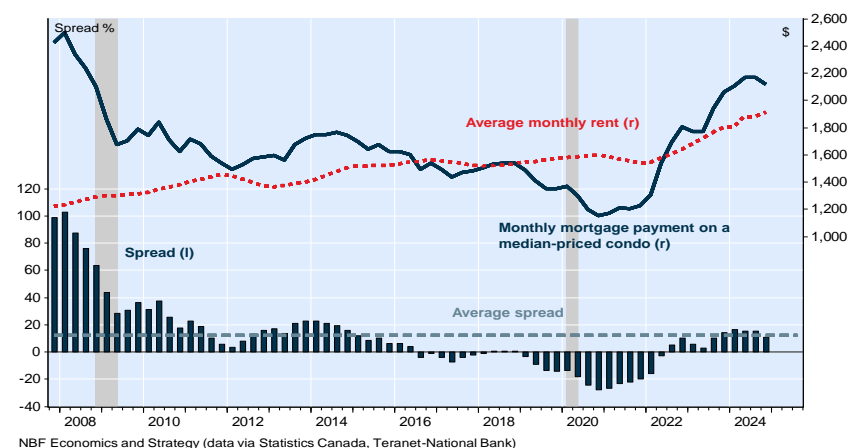
CALGARY



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

Calgary: Buying compared to renting

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



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



Edmonton

Housing affordability in Edmonton improved 0.9 pp in the quarter, a bit above the improvement of the urban composite (-0.8 pp). This was the result of a decrease in interest rates and an increase in income which was also aided by a 0.5% decrease in home prices. The level of the MPPI* now stands at 31.0%, which is well below the composite 10 (55.9%) and nearly at this city's long-term average (30.4%). The improvement in affordability stemmed mostly from non-condos (-1.0 pp to 32.4%), while the affordability of condos was also improving in the quarter (-0.4 pp to 18.6%). On a 12-month basis, the MPPI* in Edmonton was progressing (-1.7 pp), while the composite 10 improved 6.0 pp over that period. *See tables page 2.



Non-
Condo

\$483,247

Price of the representative home in the metropolitan market

\$114,220

Household annual income needed to afford the representative home

30

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

-46.1%

Premium for buying compared to the national urban composite



Condo

\$277,400

Price of the representative condo in the metropolitan market

\$65,566

Household annual income needed to afford the representative condo

17

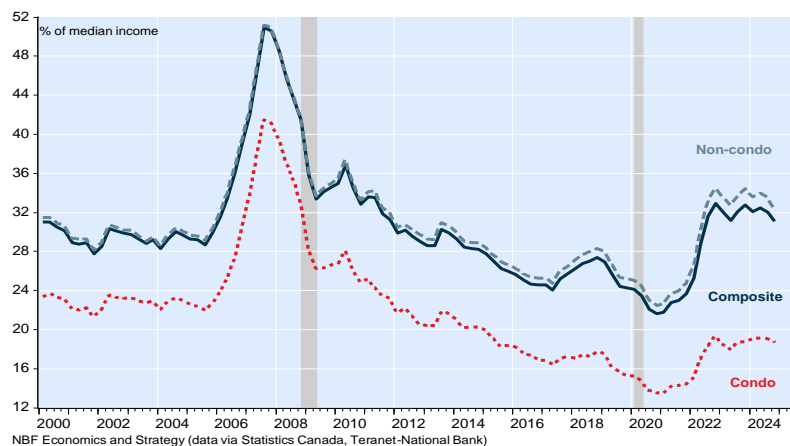
Months of saving required for the down payment (saving rate of 10%)

0.0%

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

Edmonton : Perspective on housing affordability

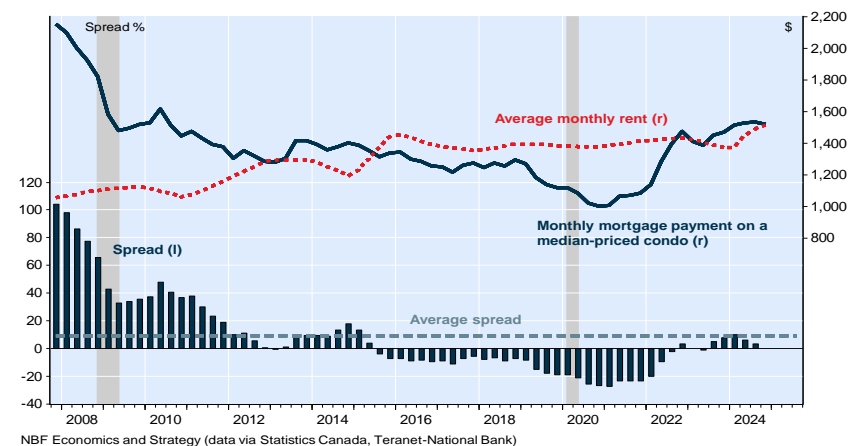
Monthly mortgage payment on median home price (25 year amortization, 5-year term)



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

Edmonton: Buying compared to renting

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



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



Ottawa/Gatineau

Housing affordability in Ottawa/Gatineau saw no change in the quarter, well below the progress of the urban composite (-0.8 pp). This was the result of rising home prices (+2.9%), combined with lower interest rates and higher income. The MPPI* consequently sat at 42.3%, which remains below the composite 10 (55.9%) but well above the city's long-term average (33.0%). The quarterly stagnation stemmed as condos (MPPI* down 0.1 pp to 25.4%) and non-condos (+0.1 pp to 46.5%) negated themselves. On an annual basis, home prices were up 4.7%, while interest rates fell slightly, and income rose. As a result, the MPPI* was down 3.5 pp over that period, less than the 6.0 pp decline registered by the composite 10. *See tables page 2.



Non-
Condo

\$756,628

Price of the representative home in the metropolitan market

\$175,644

Household annual income needed to afford the representative home

57

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

-15.6%

Premium for buying compared to the national urban composite



Condo

\$412,772

Price of the representative condo in the metropolitan market

\$97,563

Household annual income needed to afford the representative condo

23

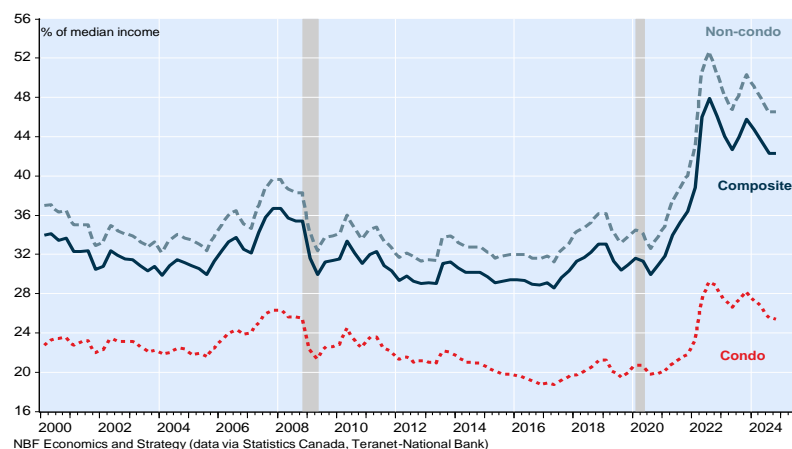
Months of saving required for the down payment (saving rate of 10%)

-0.4%

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

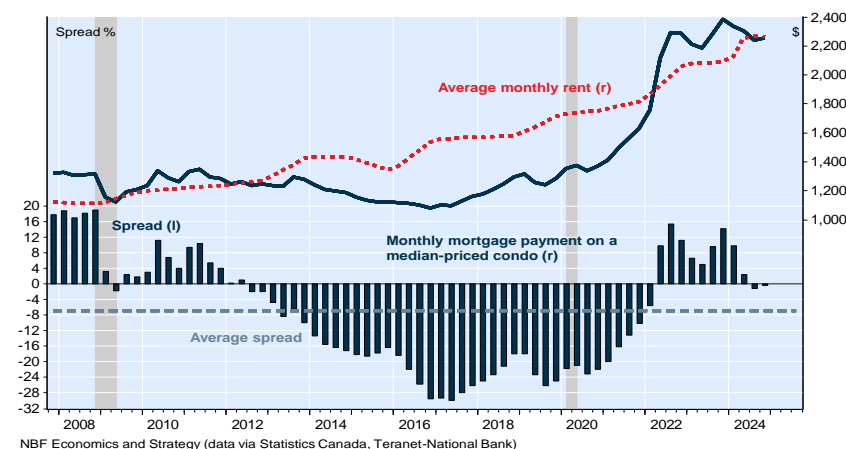
Ottawa/Gatineau : Perspective on housing affordability

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



Ottawa/Gatineau: Buying compared to renting

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





Quebec City

Housing affordability deteriorated in the fourth quarter of 2024 in Québec city, as the MPPI* rose 0.6 pp to 32.6%. This was largest worsening of any market in the quarter. The quarterly deterioration stems from a 4.5% 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 0.7 pp to 33.0%), while affordability for condos regressed in the quarter (MPPI* up 0.2 pp to 23.1%). The MPPI* of both segments remained well below those of their respective composite 10 counterparts. On an annual basis, affordability in Québec city improved slightly (MPPI* down 0.5 pp), which compares unfavorably to the 6.0 pp improvement of the average of the composite 10. *See tables page 2.



Non-
Condo

\$421,384

Price of the representative home in the metropolitan market

\$99,598

Household annual income needed to afford the representative home

30

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

-53.0%

Premium for buying compared to the national urban composite



Condo

\$295,522

Price of the representative condo in the metropolitan market

\$69,849

Household annual income needed to afford the representative condo

21

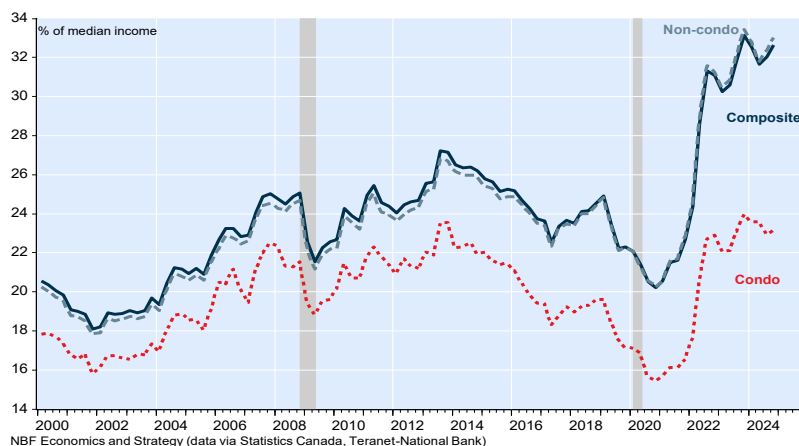
Months of saving required for the down payment (saving rate of 10%)

15.6%

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

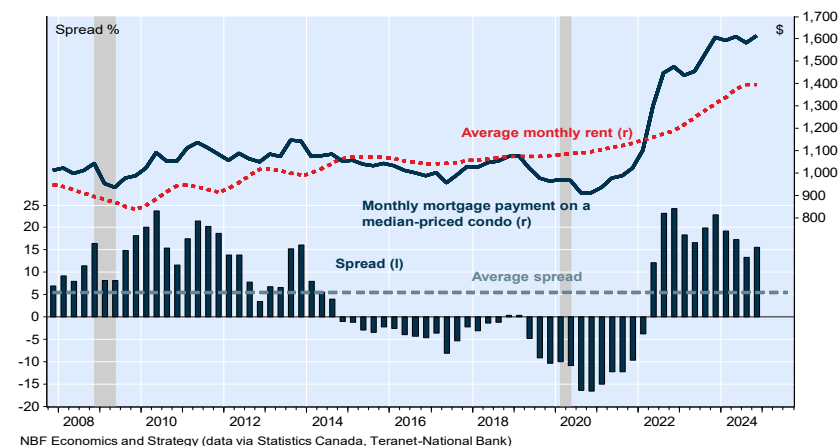
Quebec city: Perspective on housing affordability

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



Quebec City: Buying compared to renting

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





Winnipeg

In Winnipeg, housing affordability was unchanged as the MPPI* stayed at 30.9%, which remains the lowest level of the urban markets we cover despite no improvement versus the composite 10 (-0.8 pp). However, despite the quarterly stagnation, 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 2.5% increase in home prices. The condo segment improved 0.3 pp in the quarter, which is a smaller improvement than their respective composite 10 counterparts while the non-condo segment was flat. On a 12-month basis, the MPPI* was down 2.3 pp, well below the urban composite (-6.0 pp). *See tables page 2.



Non-
Condo

\$413,549

Price of the representative home in the metropolitan market

\$97,746

Household annual income needed to afford the representative home

28

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

-53.9%

Premium for buying compared to the national urban composite



Condo

\$281,706

Price of the representative condo in the metropolitan market

\$66,584

Household annual income needed to afford the representative condo

19

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

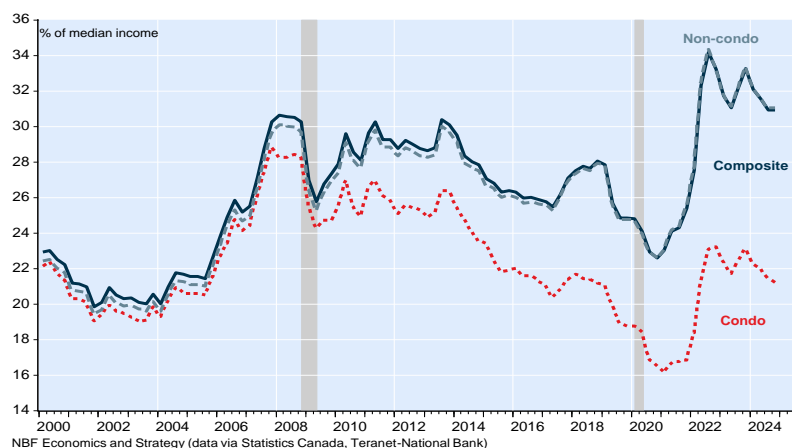
8.7%

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)

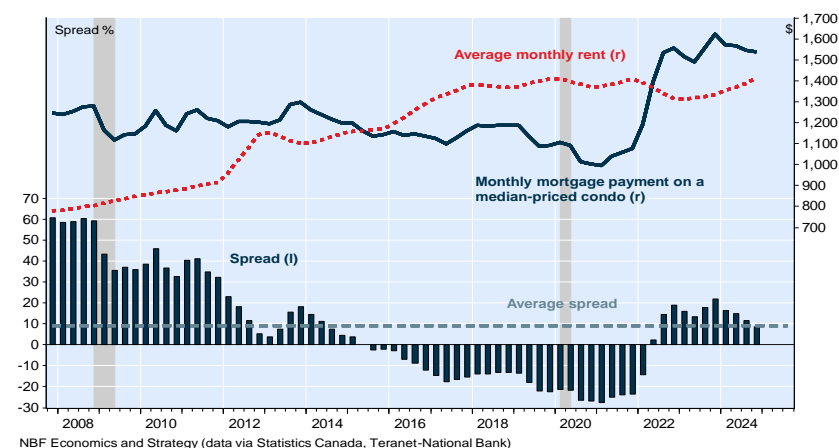
WINNIPEG



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

Winnipeg: Buying compared to renting

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



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



Hamilton

In the fourth quarter of 2024, affordability in Hamilton as measured by the MPPI* improved for the fourth consecutive time. The MPPI* indeed slid 0.9 pp to 63.2%, which was still above its 20-year average (41.5%) and the composite 10 aggregate (55.9%). The quarterly improvement can be explained by a decrease in interest rates and an increase in income that offset a 1.2% rise in home prices in the quarter. Affordability improved 0.4 pp for the condo segment and 1.0 pp for the non-condo segment, close to the improvement of the corresponding composite 10 index. On an annual basis, affordability improved 8.2 pp, compared with -6.0 pp for the urban average. *See tables page 2.



Non-
Condo

\$983,861

Price of the representative home in the metropolitan market

\$226,526

Household annual income needed to afford the representative home

92

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

9.7%

Premium for buying compared to the national urban composite



Condo

\$674,745

Price of the representative condo in the metropolitan market

\$157,309

Household annual income needed to afford the representative condo

53

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

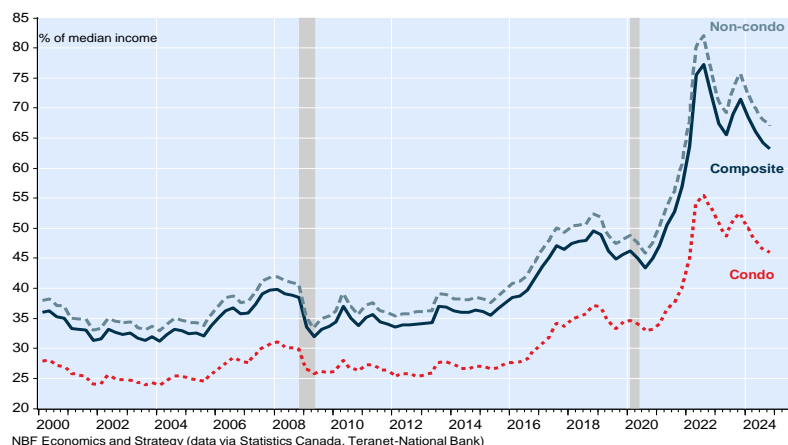
47.6%

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)

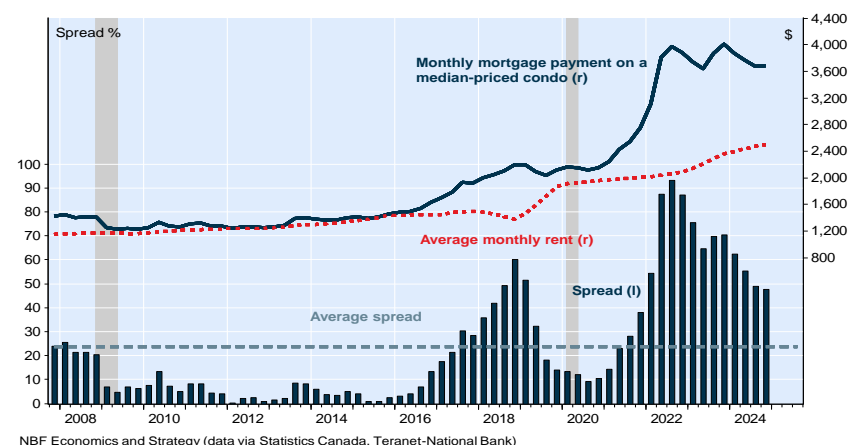
HAMILTON



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

Hamilton: Buying compared to renting

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



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



Victoria

In the fourth quarter of 2024, Victoria registered a fourth consecutive improvement of housing affordability as measured by the MPPI* (-1.4 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 (+0.9%). As a result, the city's MPPI* stood at 77.3%, its lowest level since 2022Q1 but still way above its long-term average (58.6%) and the composite 10 aggregate (55.9%). The quarterly improvement in affordability was faster than the corresponding composite 10 index for both non-condos (MPPI* down 1.5 pp compared to -0.9 pp nationally) and condos (MPPI* down 1.2 pp compared to -0.6 pp). The MPPI* for all dwellings was 10.9 pp below the level it registered a year ago, a stronger improvement than the 6.0 pp one seen for the composite 10. *See tables page 2.



Non-
Condo

\$1,184,922

Price of the representative home in the metropolitan market

\$235,846

Household annual income needed to afford the representative home

318

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

32.2%

Premium for buying compared to the national urban composite



Condo

\$608,360

Price of the representative condo in the metropolitan market

\$142,444

Household annual income needed to afford the representative condo

48

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

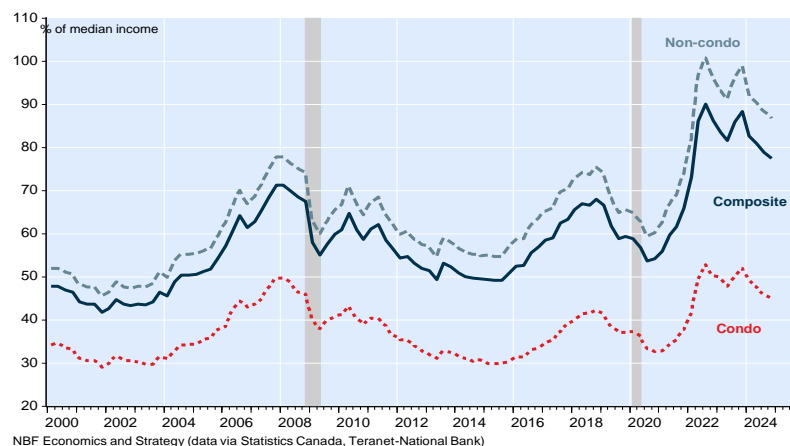
34.5%

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)

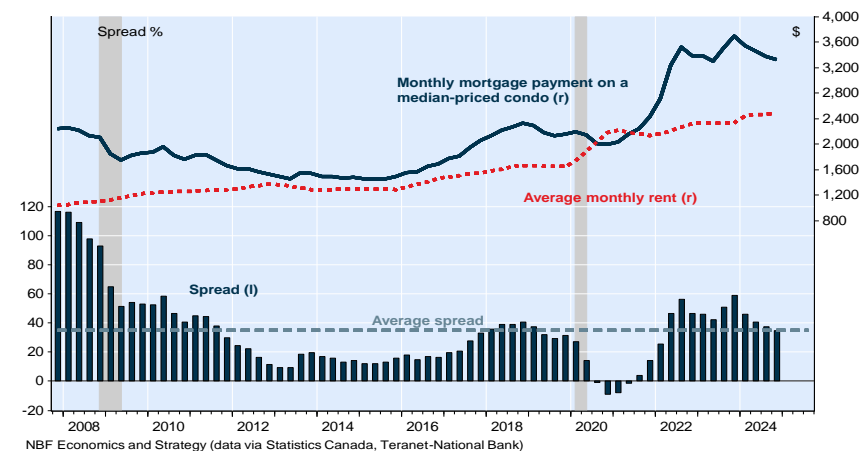
VICTORIA



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

Victoria: Buying compared to renting

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



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