

Canada: Home prices rise in August for the first time in eight months

By Daren King

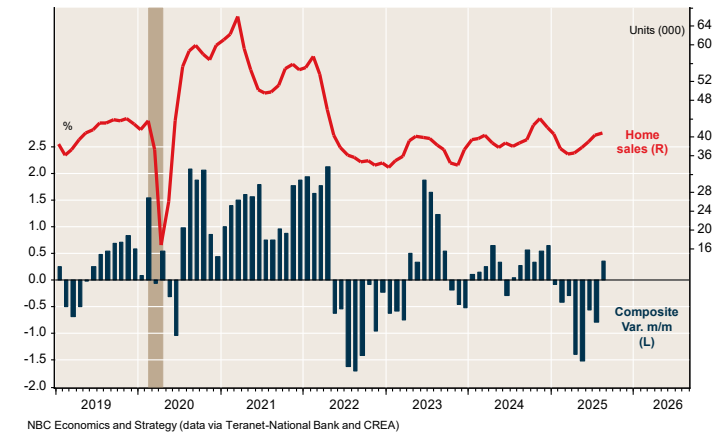
Highlights:

- The Teranet–National Bank Composite National House Price Index™ rose by 0.4% from July to August, after adjusting for seasonal effects.
- Five of the 11 CMAs included in the index posted increases: Winnipeg (+1.5%), Hamilton (+1.3%), Toronto (+1.2%), Ottawa-Gatineau (+0.5%) and Halifax (+0.3%). Conversely, prices fell in Quebec City (-0.7%), Montreal (-0.7%), Vancouver (-0.5%), Calgary (-0.3%), Edmonton (-0.2%) and Victoria (-0.2%).
- From August 2024 to August 2025, the composite index fell by 2.5%. Decreases were observed in three of the 11 cities making up the index: Toronto (-6.3%), Vancouver (-5.4%) and Hamilton (-4.7%). Conversely, Quebec City (+12.4%), Winnipeg (+6.6%), Edmonton (+6.4%), Montreal (+5.0%), Calgary (+3.1%), Halifax (+2.5%), Ottawa-Gatineau (+1.2%) and Victoria (+0.2%) were up.

After contracting for the previous seven months, the Teranet- National Bank composite index put an end to this downward sequence with an increase of 0.4% in August. This growth comes against a backdrop in which the number of transactions on the resale market continued to rise for a fifth consecutive month in August (top chart). In particular, the very soft market conditions observed in Ontario tightened somewhat with the recent pick-up in transactions, allowing prices to rise during the month in Toronto, Hamilton and Ottawa-Gatineau. Despite this growth in August, the composite index still remains 4.6% below its December level, with declines over this period of 7.9% in Toronto, 7.4% in Hamilton and 1.5% in Ottawa-Gatineau. Market conditions also eased significantly in British Columbia, with Vancouver and Victoria posting declines of 7.1% and 0.4% respectively. Against the backdrop of the current trade dispute, market resilience has depended on differing levels of affordability. Indeed, the markets with the highest affordability challenges saw the sharpest declines, as the financial risk of such a large real estate transaction was amplified by economic uncertainty (bottom chart). Although the composite index returned to growth in August, it is still too early to say whether this trend will continue in the months ahead, despite the expected cuts in the Bank of Canada's policy rate. Continuing uncertainty, moderating population growth, the risk of persistently high long-term interest rates, and a potentially further deterioration in the labour market will continue to weigh on the housing market.

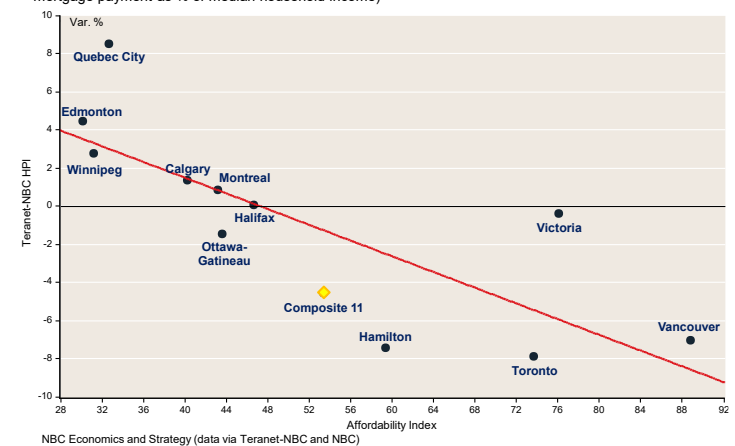
Canada: Prices back on the rise

Number of transactions on the home resale market and monthly change (%) in Teranet-NBC HPI, seasonally adjusted



Canada: Affordability challenges amplify uncertainty

Change (%) from December 2024 to August 2025 in Teranet-NBC HPI and NBC Affordability Index (monthly mortgage payment as % of median household income)



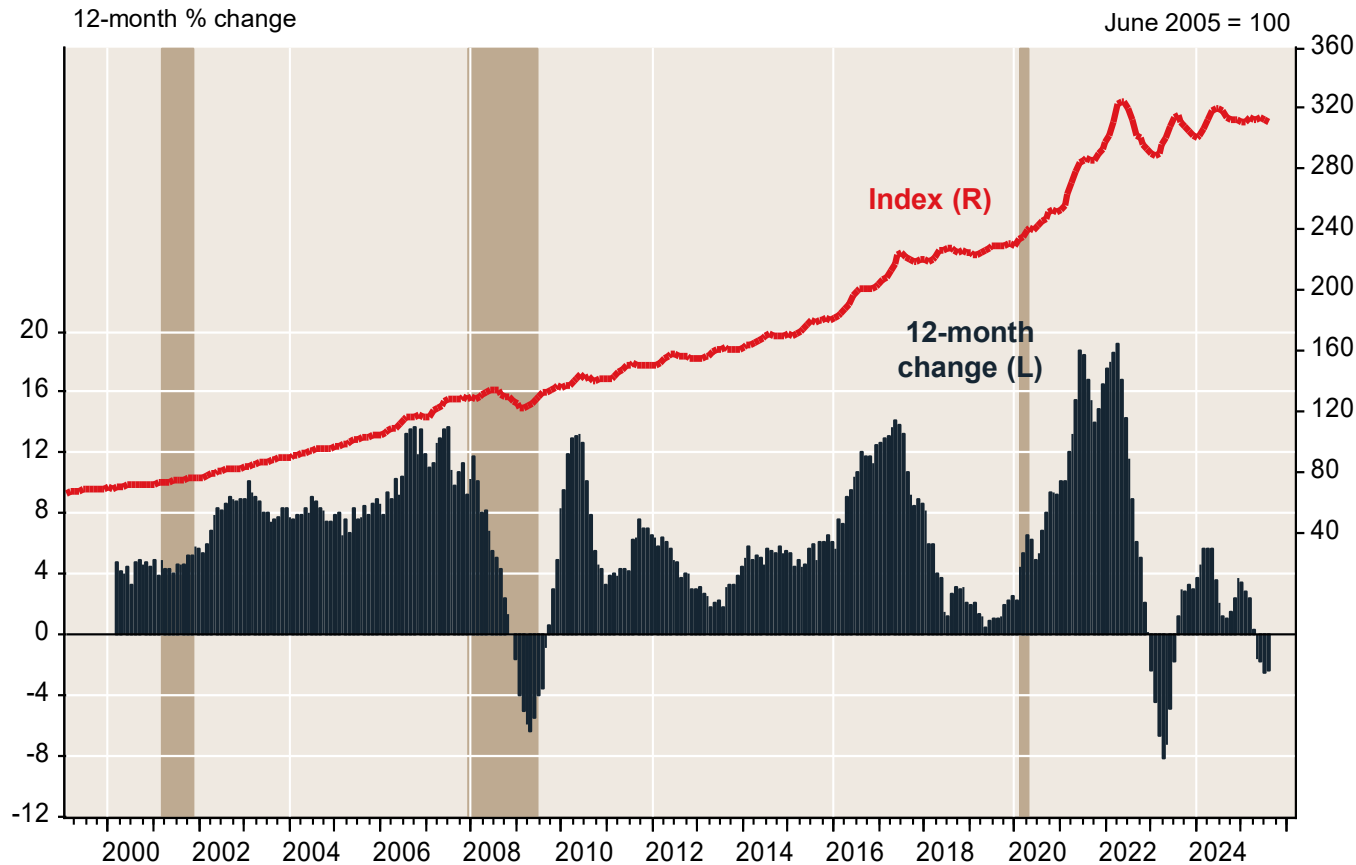


Note on methodology:

The Teranet-National Bank House Price Index is based on the repeat sales methodology. The index is built from the price increase observed between two sales of the same property.

Since September 2022, The Teranet-National Bank™ House Price Indices are presented on a raw (unsmoothed) basis, whereas their variation was previously smoothed over three months to allow evening-out month-to-month fluctuations. The unsmoothed version of the price measures allows for earlier detection of changes in market conditions. The provision of the unsmoothed version of the Teranet-National Bank™ indices also allows users to adjust the data to their specific needs.

Teranet-National Bank National Composite House Price Index™





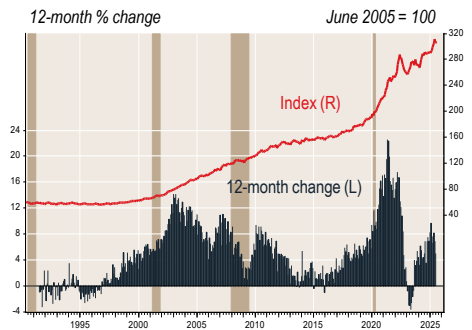
| Metropolitan area | Index level * August 2025 | % change m/m, NSA | % change m/m, SA | Prev. Month % change m/m, SA | % change y/y, NSA | % change from peak, SA | Peak date, SA |
|---------------------------------|------------------------------|----------------------|---------------------|------------------------------------|----------------------|------------------------------|------------------|
| Composite 11 | 310.37 | -0.2% | 0.4% | -0.8% | -2.5% | -5.2% | 2022-04 |
| Victoria | 294.66 | -0.9% | -0.2% | 0.1% | 0.2% | -6.0% | 2022-05 |
| Vancouver | 355.97 | -0.3% | -0.5% | -0.7% | -5.4% | -7.3% | 2022-04 |
| Calgary | 258.99 | 0.4% | -0.3% | -0.6% | 3.1% | -1.7% | 2025-05 |
| Edmonton | 219.11 | 0.1% | -0.2% | -0.2% | 6.4% | -0.4% | 2025-06 |
| Winnipeg | 286.29 | 0.9% | 1.5% | -1.2% | 6.6% | 0.0% | 2025-08 |
| Hamilton | 356.02 | 0.4% | 1.3% | -2.4% | -4.7% | -18.1% | 2022-05 |
| Toronto | 327.56 | -0.4% | 1.2% | -1.1% | -6.3% | -15.1% | 2022-04 |
| Ottawa-Gatineau | 273.00 | 0.3% | 0.5% | 0.4% | 1.2% | -2.4% | 2022-04 |
| Montreal | 304.94 | -0.1% | -0.7% | -0.6% | 5.0% | -1.2% | 2025-06 |
| Quebec | 305.76 | 0.3% | -0.7% | 1.3% | 12.4% | -0.7% | 2025-07 |
| Halifax | 306.74 | -0.6% | 0.3% | 0.1% | 2.5% | -4.3% | 2025-02 |
| Other metropolitan areas | | | | | | | |
| Abbotsford-Mission, B.C. | 343.69 | -2.3% | -0.4% | -2.7% | -3.8% | -18.9% | 2022-04 |
| Kelowna, B.C. | 296.12 | -3.3% | -2.4% | 0.8% | -1.3% | -7.4% | 2022-03 |
| Lethbridge, Alb. | 250.78 | 4.2% | 4.5% | -1.0% | 11.6% | 0.0% | 2025-08 |
| Barrie, Ont. | 321.62 | -0.6% | 0.9% | 0.1% | -3.6% | -18.7% | 2022-05 |
| Guelph, Ont. | 335.50 | 1.5% | 2.9% | -5.7% | -4.6% | -15.3% | 2022-05 |
| Brantford, Ont. | 348.00 | 1.2% | 2.6% | -1.0% | -1.9% | -15.0% | 2022-05 |
| Kitchener, Ont. | 337.76 | 0.1% | 1.4% | -2.0% | -4.4% | -16.5% | 2022-04 |
| St. Catharines, Ont. | 335.92 | 0.7% | 0.9% | -1.4% | -2.6% | -14.4% | 2022-05 |
| Oshawa, Ont. | 341.15 | 0.0% | 0.6% | -1.6% | -5.3% | -20.0% | 2022-05 |
| Peterborough, Ont. | 316.41 | -1.8% | -0.9% | -0.7% | -2.6% | -19.0% | 2022-05 |
| London, Ont. | 307.38 | -0.9% | 0.3% | -0.9% | -4.3% | -17.2% | 2022-04 |
| Kingston, Ont. | 278.74 | -4.5% | -2.2% | 2.3% | -2.5% | -7.0% | 2024-12 |
| Belleville, Ont. | 320.19 | 4.4% | 2.5% | -2.4% | 5.5% | -10.5% | 2022-04 |
| Sudbury, Ont. | 343.96 | 1.4% | 0.3% | -0.3% | 5.8% | -3.9% | 2025-04 |
| Thunder Bay, Ont. | 307.50 | -1.0% | -0.6% | 2.7% | 3.9% | -6.2% | 2025-04 |
| Windsor, Ont. | 306.13 | 2.9% | 2.9% | -1.1% | -0.7% | -11.9% | 2022-05 |
| Trois-Rivières, Qc | 364.06 | 1.1% | 1.9% | -0.3% | 10.5% | -3.9% | 2025-02 |
| Sherbrooke, Qc | 329.30 | 1.2% | 2.5% | 1.9% | 6.9% | 0.0% | 2025-08 |
| Saint John, NB (June 2018=100) | 208.06 | 4.8% | 2.9% | -4.7% | 9.2% | -2.0% | 2025-06 |
| Moncton, NB (June 2018=100) | 207.33 | -1.4% | -2.7% | -0.3% | -1.7% | -10.7% | 2025-02 |

*June 2005=100 except indicated otherwise.

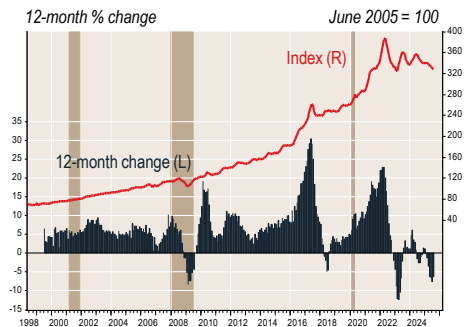


Teranet-National Bank House Price Index

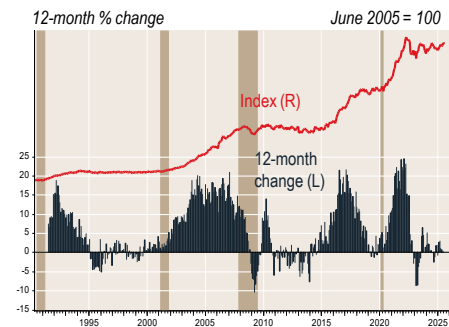
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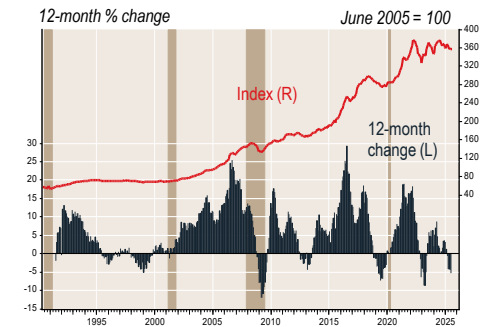
Toronto



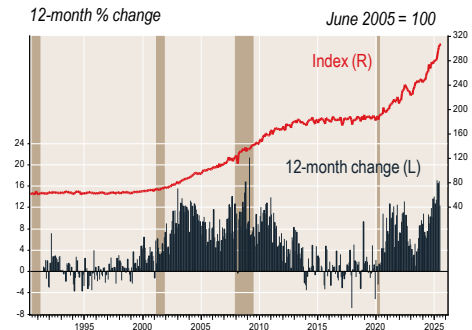
Victoria



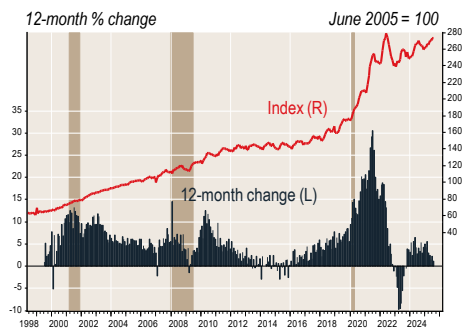
Vancouver



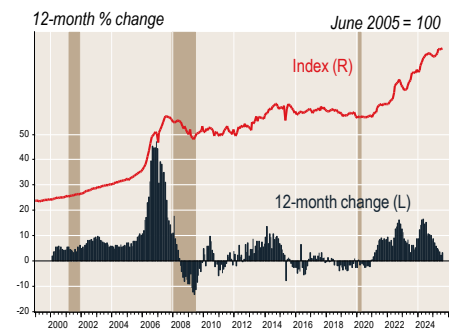
Quebec City



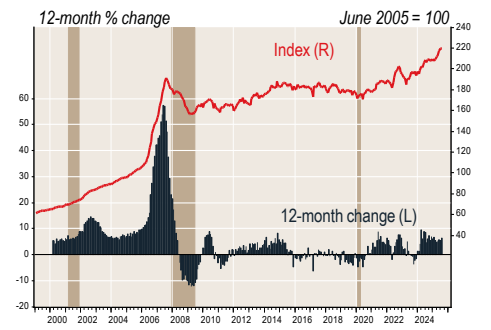
Ottawa–Gatineau



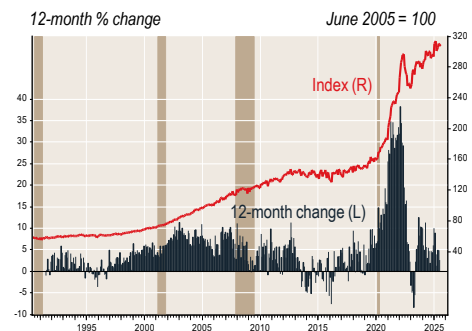
Calgary



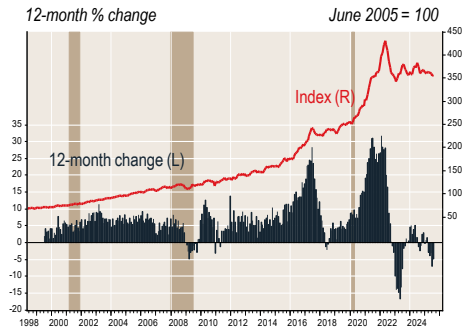
Edmonton



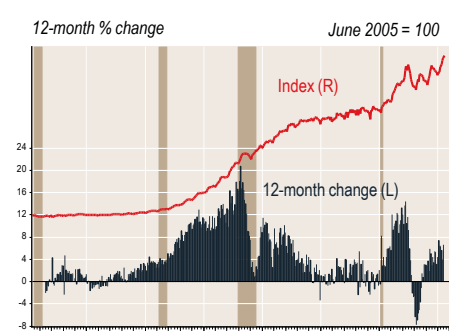
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NBC.EconomicsStrategy@nbc.ca

To contact us: 514-879-2529

Stéfane Marion

Chief Economist and Strategist

stefane.marion@nbc.ca

Matthieu Arseneau

Deputy Chief Economist

matthieu.arseneau@nbc.ca

Jocelyn Paquet

Senior Economist

jocelyn.paquet@nbc.ca

Kyle Dahms

Senior Economist

kyle.dahms@nbc.ca

Alexandra Ducharme

Senior Economist

alexandra.ducharme@nbc.ca

Daren King, CFA

Senior Economist

daren.king@nbc.ca

Warren Lovely

Chief Rates and Public Sector Strategist

warren.lovely@nbc.ca

Taylor Schleich

Rates Strategist

taylor.schleich@nbc.ca

Ethan Currie

Strategist

ethan.currie@nbc.ca

Angelo Katsoras

Geopolitical Analyst

angelo.katsoras@nbc.ca

Nathalie Girard

Senior Coordinator

n.girard@nbc.ca

Giuseppe Saltarelli

Desktop Publisher

giuseppe.saltarelli@nbc.ca

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