Real Estate News

Nina Tachuk

Sales Representative

Office: 613-692-3567 Cell: 613-725-NINA (6462)

NinaTachuk@royallepage.ca

Royal LePage Team Realty

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Ottawa Housing Market Shows Stability as Spring Momentum Builds

The number of homes sold through the MLS® System of the Ottawa Real Estate Board (OREB) totaled 1,103 units in March 2025. This represented a 6.2% decline from March 2024.

Home sales were 24% below the five-year average and 19.3% below the 10-year average for the month of March.

“The Ottawa housing market in March 2025 remained relatively stable, with sales activity slightly lower than the same period last year,” said OREB’s President. “However, we’re seeing continued momentum month-over-month as the spring market gains traction. Both buyers and sellers are exercising some caution—likely due to economic uncertainty and the upcoming election—but the current lower interest rates are encouraging more activity as they step off the sidelines.”

“Looking ahead, the ongoing trade and tariff concerns could affect new construction and further exacerbate supply challenges,” OREB’s President adds. “So, it’s critical that the City of Ottawa continues collaborating with key stakeholders. We were pleased to take part in discussions around the proposed New Zoning By-Law, which prioritizes housing options and opportunities to maximize options for Ottawa’s residents.”

By the Numbers – Prices:

The overall MLS® HPI composite benchmark price was $626,200 in March 2025, a 2.2% rise compared to March 2024.

The benchmark price for single-family homes was $698,700, up 2.7% year-over-year in March.

By comparison, the benchmark price for a townhouse/row unit was $431,200, a decline of 8.0% from 2024.

The benchmark apartment price was $400,900, a 4.3% decline from the previous year.

The average price of homes sold in March 2025 was $685,866, unchanged from March 2024.

The total dollar volume of all home sales in March 2025 amounted to $756.5 million, a 6.2% drop compared to the same period last year.

By the Numbers – Inventory & New Listings:

The number of new listings rose by 4.1% compared to March 2024, with 2,221 new residential properties added to the market. New listings were 0.7% below the five-year average and 2.2% below the 10-year average for the month of March.

Active residential listings totaled 4,319 units at the end of March 2025, reflecting a substantial 60.3% surge from March 2024. Active listings were 92.7% above the five-year average and 49.5% above the 10-year average for the month of March.

Months of inventory stood at 3.9 at the end of March 2025, compared to 2.3 in March 2024. The number of months of inventory is the number of months it would take to sell current inventories at the current rate of sales activity.

Unlocking Home Equity to Fund Life Goals in a High-Rate Environment

For many Canadian homeowners, their home is more than just a place to live—it's also a valuable financial asset. With home values remaining strong despite rising interest rates, tapping into home equity can be an effective way to finance major life goals, such as home renovations, education, debt consolidation, or even investment opportunities. However, in today's high-rate environment, it's essential to carefully evaluate your options to ensure you're making a financially sound decision.

What is Home Equity?

Home equity is the difference between the current market value of your home and the remaining balance on your mortgage. As you pay down your mortgage and your property appreciates in value, your equity grows, providing a potential source of funds.

Options for Accessing Home Equity

There are several ways homeowners can access their equity, each with its own advantages and considerations:

1. Home Equity Line of Credit (HELOC)

A HELOC is a revolving line of credit secured against your home. It allows you to borrow funds as needed, making it a flexible option for homeowners.

Pros: Interest-only payments on the amount borrowed, flexibility in withdrawal, and lower rates compared to unsecured credit.

Cons: Variable interest rates can lead to higher payments if rates increase, and lenders may limit borrowing amounts due to market conditions.

2. Mortgage Refinancing

Refinancing involves breaking your current mortgage and replacing it with a new one that includes a larger loan amount, effectively cashing out some of your home equity.

Pros: Can offer a lower interest rate compared to unsecured loans, potential for better mortgage terms.

Cons: May incur prepayment penalties, requires a full mortgage qualification process, and locks in a new interest rate.

3. Second Mortgage (Home Equity Loan)

A second mortgage is a separate loan taken out on top of your existing mortgage, secured by your home's equity.

Pros: Access to a lump sum of cash, fixed interest rates available.

Cons: Higher interest rates compared to first mortgages, additional monthly payments.

Is Now a Good Time to Access Your Home Equity?

The Bank of Canada's monetary policy has kept interest rates elevated to curb inflation, meaning borrowing costs are higher than in previous years. However, with rate cuts potentially on the horizon for late 2025, some homeowners may find it advantageous to wait before refinancing or borrowing against equity. On the other hand, those with pressing financial needs might still benefit from structured equity access, especially if consolidating high-interest debt.