Real Estate News

Nina Tachuk

Sales Representative

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

NinaTachuk@royallepage.ca

ROYAL LePAGE Team Realty

Independently Owned and Operated, Brokerage

Preparing for a Home Inspection: What Buyers and Sellers Need to Know in 2025

A home inspection is a crucial step in any real estate transaction, providing buyers and sellers with a comprehensive understanding of a property's condition. With evolving market conditions in 2025, ensuring a smooth inspection process is more important than ever. Whether you're purchasing your first home or selling an existing property, proper preparation can make all the difference.

Why Home Inspections Matter in 2025

The Canadian real estate market remains competitive, with high demand in certain regions and evolving housing regulations. A home inspection not only ensures transparency in transactions but also helps buyers and sellers navigate potential financing requirements and avoid unexpected expenses.

For Buyers:

- Identifies structural, electrical, plumbing, and HVAC issues before finalizing a purchase.
- Can be a negotiation tool for price adjustments or repair requests.
- Some lenders may require an inspection before approving financing.

For Sellers:

- Helps identify potential deal-breakers before listing, allowing for proactive repairs.
- Builds trust with potential buyers, increasing the likelihood of a smooth transaction.
- Can support a more competitive asking price if no major issues are found.

Key Inspection Areas to Watch in 2025

With changing building codes, climate-related risks, and new home efficiency standards, inspectors are paying close attention to:

1. **Energy Efficiency & Insulation**
   Many buyers prioritize energy-efficient homes due to rising utility costs and government incentives.
2. **Structural Integrity**
   With extreme weather events increasing, inspectors are focused on foundation strength, roofing, and exterior materials.
3. **HVAC & Plumbing Systems**
   Aging systems may require costly upgrades, making it crucial to assess functionality and potential repair needs.
4. **Smart Home Features**
   More homes include smart security systems and automated utilities, which must be evaluated for proper function and compatibility.

Ottawa Real Estate Market Holds Steady Amid Changing Conditions

The number of homes sold through the MLS® System of the Ottawa Real Estate Board (OREB) totaled 809 units in February 2025. This represented a 10.2% decline from February 2024.

Home sales were 19.1% below the five-year average and 15.4% below the 10-year average for the month of February.

“Ottawa’s sales activity moderated while prices held steady,” says OREB's President. “Despite increased inventory, market uncertainty continues to influence buyer and seller decisions. Some sellers who had previously delayed listing are now entering the market, contributing to more options for buyers. While demand remains strong in certain price segments, the pace of sales varies, making strategic pricing and preparation key for sellers.”

“The Bank of Canada’s influence on borrowing power, ongoing economic factors like tariffs, and the potential impact of upcoming elections are also shaping buyer and seller sentiment,” adds OREB's President. “As we approach the spring market, we anticipate increased buyer activity, particularly if interest rates trend downward and confidence continues to build.”

The benchmark price for single-family homes was $719,800, up 1.3% year-over-year uptick in February.

By comparison, the benchmark price for a townhouse/row unit was $438,000, a decline of 11.6% from 2024.

The benchmark apartment price was $459,300, a 4.5% gain from the previous year.

The average price of homes sold in February 2025 was $669,945, a 1.4% improvement from February 2024.

Call Today for Real Estate Advice & Information!

1 in 10 Homeowners with a Mortgage Renewing This Year are Exploring Downsizing, Relocating and Rental Income Options

More than half of Canadian borrowers anticipate their monthly mortgage payment to increase upon renewal in 2025

More than a million Canadian mortgages will come up for renewal this year. Though interest rates have been on the decline for the last several months, many borrowers are bracing for an increase to their monthly payment – an adjustment that could be quite steep for some households.

According to a recent Royal LePage survey, conducted by Hill & Knowlton,1 more than half (57%) of Canadians who are renewing the mortgage on their primary residence in 2025 expect their monthly mortgage payment to increase upon renewal (35% expect it to increase slightly and 22% expect it to increase significantly). Meanwhile, 25% say their monthly mortgage payment will remain about the same – within $100 of their current payment amount – and another 15% expect their monthly payment to decrease upon renewal.

“When it comes to post-pandemic mortgage renewals, many Canadians have avoided the worst-case scenario of having to sell their homes due to the inability to cover the cost of their mortgage, thanks to solid employment trends and declining interest rates,” said Phil Soper, president and CEO, Royal LePage. “Nevertheless, some will face a substantial rise in their mortgage costs, putting added pressure on their household finances. Many in this situation are exploring options to lower their monthly fees, such as extending their amortization period; a tactic which has proven popular.”

Of those who expect their monthly mortgage payment to rise upon renewal, 81% say the increase will put financial strain on their household; 47% expect a slight strain, while 34% expect a significant strain.

Though many Canadians will see their monthly mortgage payment rise this year, most see no reason to make pre-emptive major lifestyle changes to cope with increased housing expenses. A majority (62%) of respondents say they will not change their living arrangements to avoid potentially higher monthly mortgage costs. Respondents in Quebec were the most likely to say they will not adjust their living arrangements (78%), while those in Alberta were the least likely to say so (53%). Nationally, however, 11% say they are considering relocating to a more affordable region; 10% say they are considering downsizing; and 10% say they are considering renting out a portion of their home to subsidize expenses. Respondents were able to select more than one answer.

Variable-Rate Mortgages Rise in Popularity

With interest rates on a downward trajectory, variable-rate mortgages are gaining in popularity. According to the survey, 66% of Canadians with a mortgage renewing this year say they plan to obtain a fixed-rate loan upon renewal (down from the 75% who currently hold fixed-rate mortgages), and 29% say they will choose a variable-rate loan (up from the 24% who currently hold variable-rate mortgages).

While most Canadians with pending renewals in 2025 plan to stick with the same type of mortgage product they currently have, a sizable shift toward variable-rate loans has emerged. Of those who currently have a fixed-rate mortgage renewing this year – the most popular mortgage product overall in Canada – 20% say they will switch to a variable-rate loan. Seventy-six per cent say they intend to renew with another fixed-rate loan. Meanwhile, 61% of current variable-rate mortgage holders intend to renew with another variable-rate loan, and 37% say they will switch to a fixed rate.

“Since last summer, the Bank of Canada has made several cuts to its overnight lending rate amounting to a decline of 200 basis points thus far, driving variable mortgage rates down in tandem. For homeowners looking to reduce their monthly payments or pay down their principal faster, variable-rate mortgages have become an increasingly attractive option in light of today's declining rate environment and the likelihood of further cuts this year,” added Soper. “Ultimately, Canadians should choose the mortgage product that best suits their financial goals and risk tolerance.”