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Real Estate News



SPRING MOMENTUM BUILDS as Ottawa Market Begins Catching Up with Supply



MARKET OVERVIEW

Ottawa's housing market showed clearer signs of early spring momentum in March, with sales activity strengthening after a prolonged, slower winter market. While transactions remain below typical March levels, the pace of improvement has accelerated, particularly in the single-family segment.

Inventory continues to rise, but stronger sales are keeping pace with new supply. This is leading to a gradual tightening in market conditions, reflected in declining months of inventory, and more consistent absorption across all segments.

Pricing trends also suggest a market that is beginning to firm. The MLS® Home Price Index recorded a second consecutive month of gains across most property types, indicating strengthening underlying values as the spring market takes shape. Overall, Ottawa remains in balanced territory, with momentum building as demand re-engages.

"March's activity is a clear sign that Ottawa's market doesn't move in dramatic shifts," said the President of the Ottawa Real Estate Board (OREB). "What we're seeing is a measured, steady return to activity. Inventory is up, sales are improving, and pricing is firming without overheating. We expect a more active and stable market in the months ahead."

RESIDENTIAL MARKET ACTIVITY

In March, 1,075 residential properties sold in Ottawa, down 4.7% year over year. This marks an improvement from February's 6.8% decline, and signals strengthening demand as the spring market takes hold.

While sales remain slightly below recent March levels, they are now within range of prior years:

- 2025: 1,128
- 2024: 1,158
- 2023: 1,072

Total dollar volume of sales reached \$744.5 million in March, down 3.8% year over year.

Year-to-date, 2,474 homes have sold, a 5.7% decline from 2025, while dollar volume sits at \$1.66 billion (-6.5%). Despite this, March showed stronger momentum than earlier in the year, driven in part by single-family homes, which recorded 562 sales, unchanged year over year, and well above February's 358.

This increase in activity helped absorb supply. Months of inventory declined to 3.3 in March from 3.8 in February, indicating that while buyers still have choice, sales are keeping better pace with new listings.

PRICES AND MARKET BALANCE

Home prices in Ottawa remained relatively stable in March. The average residential sale price was \$692,584, up 0.9% from March 2025, while the median price was \$642,000, down 0.5% year over year.

Year to date:

- Average price: \$670,360 (-0.9%)
- Median price: \$625,000 (-1.1%)

These figures represent an improvement compared to February.

While headline prices show modest movement, the MLS® Home Price Index points to firmer underlying trends. Benchmark prices rose month over month in the composite, single-family, and apartment segments, while townhomes remained stable. Because the HPI adjusts for the mix of homes sold, it provides a clearer view of true price movement, and suggests values are beginning to firm.

Supply continued to build:

- New listings: 2,452 (+7.5%)
- Active listings: 3,578 (+10.3%)

The sales-to-new-listings ratio was 43.8%, keeping Ottawa in balanced market territory.

LOOKING AHEAD

March data suggests Ottawa's spring market is taking shape, with improving sales, firmer pricing signals, and more effective absorption of inventory. While activity has not fully returned to long-term averages, the pace of recovery is strengthening.

Rising benchmark prices, and declining months of inventory point to gradually tightening conditions within an overall balanced environment.

CREA's 2026 outlook anticipates strengthening demand as borrowing

conditions ease. Ottawa's recent performance is beginning to align with that trajectory, with early signs of a typical spring pickup now emerging. If current trends continue, the market is likely to see steady momentum in the months ahead, without a sharp shift in balance.

Recent federal and provincial announcements represent one of the most significant aligned housing policy efforts in recent years, and will likely spur activity in Ottawa's housing market.

MONTHS OF INVENTORY

Single Family: 3.0

Townhome: 2.8

Apartment: 5.5

Not intended to solicit properties currently listed for sale.

CAN I AFFORD A COTTAGE?

For many Canadians, owning a cottage remains a defining lifestyle goal. It represents a dedicated space to unwind, reconnect, and enjoy time by the water, where weekends feel longer and daily routines fade into the background.



According to the Royal LePage 2026 Spring Recreational Property Report,¹ 40% of recreational property experts reported that the 'Buy Canadian' movement has led to an increase in inquiries from domestic buyers of recreational real estate in their area. Similarly, 13% of experts reported an increase in inter-provincial buyers in their region compared to the same time last year; 54% reported approximately the same amount compared to a year ago.

This sustained interest is supporting price growth across many markets. According to Royal LePage, the median price² of a single-family home in Canada's recreational regions is forecast to increase 4.0% in 2026 to \$604,552, compared to 2025.

With demand holding firm and more Canadians exploring local options, the opportunity to enter the cottage market is worth a closer look.

1. START WITH A CLEAR PURPOSE

Before beginning your search, it is important to define how the property will fit into your lifestyle. This decision will influence everything from location to budget and property type.

Some common use cases include:

- A seasonal family retreat for summer use
- A hybrid living arrangement that supports remote work
- A long-term investment with income potential

If you are already a homeowner, reviewing the equity in your primary residence can also help clarify what is financially achievable. In many cases, that equity can be leveraged to support a second property purchase.

2. WATERFRONT COMES AT A PREMIUM

Water access continues to be one of the most significant factors influencing price in recreational markets. True waterfront properties often command a substantial premium. However, properties located a short distance from the water can offer a similar lifestyle at a more accessible price point.

This distinction can create meaningful opportunities:

- Greater purchasing power within your budget
- Access to larger or more updated homes
- Potential for long-term appreciation in emerging areas

Ultimately, the decision comes down to how essential direct water access is to your overall vision.

3. EXPLORING WAYS TO OFFSET COSTS

Many buyers are taking a more strategic approach to ownership by incorporating income-generating options.

Flexible approaches include:

- Co-ownership with family members or trusted partners
- Seasonal rentals during high-demand periods
- A combination of personal use and short-term leasing

In high-demand recreational regions, rental activity can be particularly strong during peak seasons. That said, it is important to understand and comply with local short-term rental regulations before making a purchase decision.

4. LOCATION FLEXIBILITY CAN PAY OFF

Location flexibility remains one of the most effective ways to improve affordability.

Highly sought-after cottage destinations often come with premium pricing. By extending your search to less established areas or properties slightly farther from major urban centres, buyers can often find comparable experiences at a lower cost.

Cottage ownership may seem ambitious at first, but current market conditions suggest it is still within reach for a wide range of buyers.

Stable borrowing costs, sustained domestic demand, and creative approaches to ownership are all contributing to increased accessibility.