DavidWarnes
Broker
It's your move...Make it right!

Real Estate News

ROYAL LePAGE
Team Realty
Independently Owned and Operated, Brokerage

Seasonal Inventory Growth Meets Steady Demand

Ottawa's housing market in August 2025 offered buyers greater choice amid subtle signs of shifting dynamics. Last month, demand remained healthy, while supply continued to increase. Active listings climbed to 3,971, approximately 37% above the five-year August average.

This increase in inventory, while worth monitoring, is not currently a cause for concern. Ottawa's real estate market follows well-established seasonal cycles, with late summer typically bringing a build-up of available listings ahead of the busy fall market. Both the sales-to-new-listings ratio of 58.3% and 3.2 months of inventory indicate that demand is keeping pace with supply, maintaining balanced market conditions.

It's also important to recognize that 2020 and 2021 were historic outliers, with unusually low active listing levels that distort the five-year average. Excluding those years and instead referencing the pre-pandemic 2018 and 2019 figures, August 2025 inventory sit roughly 33–34% above the revised five-year trend — a more accurate measure of current market standing relative to historical norms.

Property-type trends continue to diverge. Single-family home HPI benchmarks remain broadly steady, and townhouse values are showing gains, while the condominium segment, particularly in the downtown core, remains comparatively soft. These variations present differing market opportunities depending on location, property type, and price point.

For buyers, the current combination of elevated inventory and steady demand presents a strategic window: more choice and greater negotiating power are available for those in a position to act on it. Meanwhile, broader provincial trends — such as slowing sales and rising supply elsewhere in Ontario — remain factors to watch. There are emerging signs of a potential turnaround in these markets, that could support improved conditions in the months ahead.

"August was an active month for Ottawa's housing market, with overall prices trending upward and sales activity stronger than in recent years as the summer season winds down," said OREB's President-Elect. "While we continue to see different price movements across segments, the broader picture points to renewed momentum in the Ottawa Region as buyers and sellers alike re-engage ahead of the fall market. Ottawa's market reflects balanced conditions, though we are mindful of broader economic factors—such as federal employment trends and U.S. trade policies—that could affect our market in the months ahead."

Residential Market Activity

In August 2025, a total of 1,236 homes were sold across the Ottawa Real Estate Board (OREB) region. While down from 1,318 units in July 2025 and 1,602 in June 2025, this represents a 12.1% increase compared to August last year. Two consecutive months of slower sales is consistent with the spring to summer market seasonality, particularly as we are already approaching what is typically a more active fall market.

Looking at the bigger picture, there have been 9,936 home sales so far this year, which is 4.1% higher than at this time in 2024.

The average sale price for all sold listings in August was $686,536, up 3.6% from last year.

This year, the average year-to-date price is $700,828, a 3% increase over the first eight months of 2024.

Altogether, the total value of homes sold in August reached approximately $850 million, up 16% year-over-year, with the housing sector continuing to be one of the major drivers of the overall Ottawa economy.

On the listing side, there were 2,121 new residential listings added in August, a significant 8.6% increase compared to last year, and 3,971 active listings on the market, up 13.3% from August 2024, and 37.1% above the five-year average for this time of year.

Finally, the months of inventory—a measure of supply— sits at 3.2 months, which is unchanged from last month and identical to last August's metric as well. 3.2 months of inventory is typically understood to be an indicator of what is considered a balanced market. Another indication that despite Ottawa's high active listing count that demand is currently keeping pace with supply.

Political Tensions Prompt U.S. Property Sell-Off by Canadians; Many Plan to Reinvest in Domestic Real Estate

Amid rising political turmoil in the United States and ongoing economic tensions between our two countries, many Canadians who own residential property south of the border are considering selling or have already sold.

According to a recent Royal LePage survey, conducted by Burson, more than half (54%) of Canadians who currently own residential property in the U.S. say they are planning to sell within the next year, among whom a majority (62%) credit the current political administration as the main reason. Meanwhile, 33 per cent of them say they are motivated by other factors, such as personal and financial reasons, and another five per cent say it is due to increasingly extreme weather conditions, like hurricanes, flooding and forest fires.

"The polarizing political climate in the United States is prompting many Canadians to reconsider how and where they spend their time and money," said Phil Soper, president and CEO, Royal LePage. "Canadians have been the most important foreign investors in America's residential real estate market for years, and a significant wave of property sales would leave a noticeable mark on the regional economies that snowbirds support.

"While wealthy buyers from China and other nations also spend a great deal on American residential real estate, purchasing expensive properties in major cities as investments, Canadians actually live in the neighbourhoods where they buy. They shop locally, dine out, volunteer and join pickleball leagues. Places like Florida, Arizona and California stand to lose millions in economic activity each year – and thousands of neighbours – if Canadian owners pull their capital from U.S. housing markets."

Of those who sold their property south of the border within the last year, 44 per cent say it was due to the current political administration, while 27 per cent say it was for personal reasons, and 22 per cent because of increasingly extreme weather conditions.

"Not every decision to sell is politically driven. For many, the decision to divest will be due to changing personal circumstances, from reprioritizing financial goals to the simple decision to invest closer to home," continued Soper. "For some, the upkeep and distance of a U.S. property has become more burden than benefit, and uncertainty around shifting, murky border rules is yet another layer of stress. For years, Canadians rarely gave the American border a second thought on their way to a winter break in the south. Now, many fear that easy neighbourly travel can no longer be taken for granted."

Canadians Intend to Reinvest in Domestic Real Estate Market

The 'Buy Canadian' movement, sparked by ongoing tariff threats by President Donald Trump, has resonated across the economy, from consumers choosing Canadian-made goods to businesses prioritizing local partnerships. In that same spirit, many Canadians selling their U.S. properties plan to put their sale earnings back into the Canadian housing market, further reinforcing confidence in domestic real estate.

When asked if they plan to reinvest the proceeds of the sale of their U.S. home into the Canadian real estate market, almost one third (32%) of respondents who have recently sold or are planning to sell within the next year answered 'yes'.

"Across sectors, Canadians are increasingly choosing to support domestic businesses, prioritize homegrown products, and invest in their own communities. This mindset extends into real estate," said Soper. "Many who are selling their U.S. properties are opting to bring that capital back home, with some reinvesting in local recreational property, reinforcing confidence in the long-term strength and stability of Canada's economy."