

## No respite for Canadian housing affordability in Q4 2023

By Kyle Dahms & Alexandra Ducharme

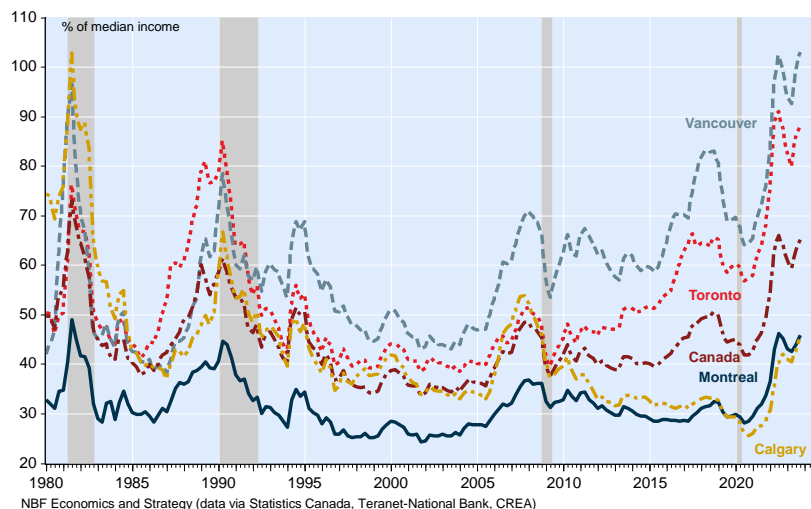
The fourth quarter of 2023 witnessed a second consecutive deterioration for housing affordability in Canada. The degradation was widespread with every single market experiencing an increase in their mortgage payment as a percentage of income (MPPI) due to both higher interest rates and rising home prices. This worsening has practically eliminated recent improvements in affordability and our index at the national level is almost back to its worst affordability since the 1980s (chart 1). That said, the headline index dissimulates a more worrisome picture. Indeed, the condo sub-index has reached its highest level of unaffordability in at least two decades. In other words, it would take nearly half of pre-tax median household income to service the median condo mortgage. With the condo market typically being the entry point for first-time homebuyers it leaves the latter with few options. While homeownership is becoming untenable, the rental market offers little respite. Our rental affordability index has never been worse. It would take nearly one third of pre-tax household income to pay for the average rent of a two-bedroom condo. The outlook for the coming year is fraught with challenges. While mortgage interest rates are showing signs of waning in the face of expected rate cuts by the central bank, housing demand remains supported by unprecedented population growth. As a result, we expect some upside to prices in 2024. On the rental side, in a recently released report by the CMHC, Canada's rental market vacancy stumbled to a record low of 1.5% which leaves little room for an improvement in rents. Supply for any segment of the market isn't expected to pick up anytime soon as building permits in many Canadian cities has plummeted at the end of 2023.

### HIGHLIGHTS:

- Canadian housing affordability posted a second consecutive deterioration in Q4'23. The mortgage payment on a representative home as a percentage of income (MPPI) rose 2.0 points, nearly regaining the cyclical peak reached in Q2'22. Seasonally adjusted home prices increased 1.8% in Q4'23 from Q3'23; the benchmark mortgage rate (5-year term) jumped 26 basis points, while median household income rose 1.3%.
- Affordability deteriorated in all of the ten markets covered in Q4. On a sliding scale of markets from worst deterioration to least: Vancouver, Victoria, Calgary, Hamilton, Montreal, Toronto, Ottawa-Gatineau, Quebec, Winnipeg, Edmonton (chart 2). Countrywide, affordability worsened 1.5 pp in the condo portion vs. a 2.2 pp degradation in the non-condo segment. See detailed statistics on page 2.

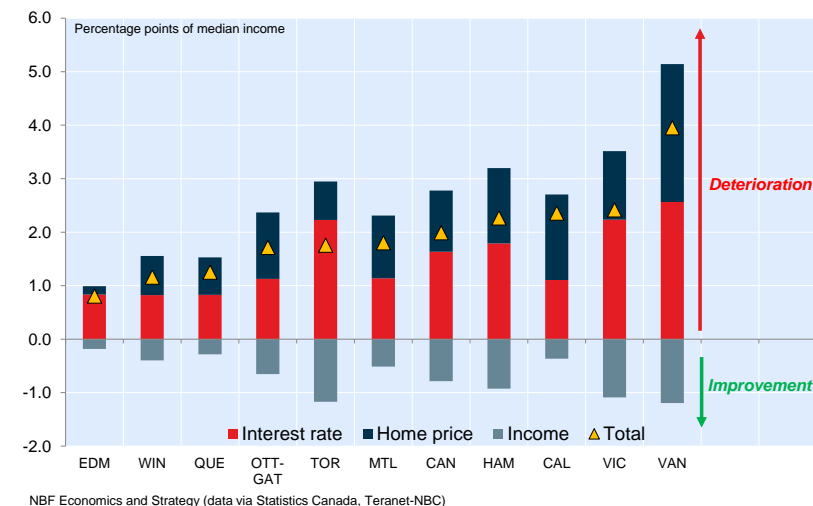
### Canada : Perspective on housing affordability

Monthly mortgage payment on median home price, all types of dwellings (25 year amortization, 5-year term)



### Canada: Q4 change in housing affordability in 10 metropolitan areas

Q/Q change in mortgage payment on median-price home (25-year amortization, 5-year term)



# Housing Affordability Monitor

Economics and Strategy

## Housing affordability statistics

Table 1

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
All dwellings	Median home price	Q/Q % change	Y/Y % change	Downpayment \$	Downpayment: Months of saving	Avg. Since 2000	Monthly mortgage payment	Mortgage payment as % of income	Q/Q diff. PP	Y/Y diff. PP	Avg. Since 2000	Qualifying annual Income	Median annual Income	Home-ownership rate (2021)
<b>Composite 10 (C10)</b>	<b>\$ 793,509</b>	<b>1.8</b>	<b>2.6</b>	<b>\$ 54,351</b>	<b>72.2</b>	<b>38.9</b>	<b>\$ 4,669</b>	<b>62.0</b>	<b>1.9</b>	<b>1.0</b>	<b>40.1</b>	<b>\$ 197,056</b>	<b>\$ 90,339</b>	<b>66%</b>
Toronto	\$ 1,194,708	0.8	2.0	\$ 238,942	298.6	79.9	\$ 7,029	87.8	1.8	0.4	52.4	\$ 254,803	\$ 96,031	65%
Montreal	\$ 523,407	2.7	2.2	\$ 27,341	40.6	27.3	\$ 3,080	45.7	1.8	0.6	31.1	\$ 132,249	\$ 80,804	54%
Vancouver	\$ 1,285,117	2.6	4.4	\$ 257,023	350.0	108.5	\$ 7,561	103.0	4.0	3.5	63.4	\$ 274,085	\$ 88,114	62%
Calgary	\$ 596,306	3.7	6.6	\$ 34,631	44.5	30.4	\$ 3,509	45.1	2.4	3.1	35.9	\$ 149,740	\$ 93,383	71%
Edmonton	\$ 437,204	0.5	-1.5	\$ 21,860	28.1	25.3	\$ 2,572	33.1	0.8	0.1	30.4	\$ 110,729	\$ 93,391	69%
Ottawa/Gatineau	\$ 654,405	2.8	1.0	\$ 40,440	47.5	29.6	\$ 3,850	45.3	1.7	-0.6	32.5	\$ 163,680	\$ 102,064	65%
Quebec	\$ 376,483	2.2	6.6	\$ 18,824	28.2	20.7	\$ 2,215	33.2	1.3	2.2	23.4	\$ 95,350	\$ 79,991	58%
Winnipeg	\$ 397,889	2.3	0.5	\$ 19,894	28.0	23.0	\$ 2,341	33.0	1.2	-0.2	26.1	\$ 100,772	\$ 85,190	66%
Hamilton	\$ 930,344	2.0	0.2	\$ 68,034	88.8	43.4	\$ 5,474	71.4	2.3	-0.9	40.5	\$ 229,888	\$ 91,988	69%
Victoria	\$ 1,069,451	1.5	3.7	\$ 213,890	301.3	75.5	\$ 6,292	88.6	2.4	2.3	57.7	\$ 228,089	\$ 85,181	62%

Table 2

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Condo	Median home price	Q/Q % change	Y/Y % change	Downpayment \$	Downpayment: Months of saving	Avg. Since 2000	Monthly mortgage payment	Mortgage payment as % of income	Q/Q diff. PP	Y/Y diff. PP	Avg. Since 2000	Qualifying Income	Median Income	Home-ownership rate (2021)	Monthly average rent
<b>C10 condo</b>	<b>\$ 603,589</b>	<b>1.7</b>	<b>3.2</b>	<b>\$ 35,359</b>	<b>47.0</b>	<b>29.7</b>	<b>\$ 3,551</b>	<b>47.2</b>	<b>1.4</b>	<b>1.1</b>	<b>33.2</b>	<b>\$ 151,488</b>	<b>\$ 90,339</b>	<b>9%</b>	<b>\$ 2,394</b>
Toronto	\$ 718,355	1.0	2.3	\$ 46,836	58.5	31.7	\$ 4,227	52.8	1.1	0.4	33.1	\$ 179,024	\$ 96,031	16%	\$ 2,877
Montreal	\$ 414,426	2.0	1.5	\$ 20,721	30.8	24.2	\$ 2,438	36.2	1.2	0.2	27.8	\$ 104,960	\$ 80,804	11%	\$ 1,622
Vancouver	\$ 766,968	2.7	6.1	\$ 51,697	70.4	40.1	\$ 4,513	61.5	2.4	3.1	41.5	\$ 190,688	\$ 88,114	21%	\$ 2,672
Calgary	\$ 350,514	3.5	10.0	\$ 17,526	22.5	22.1	\$ 2,062	26.5	1.3	2.6	27.0	\$ 88,773	\$ 93,383	14%	\$ 1,865
Edmonton	\$ 249,233	-1.5	-4.3	\$ 12,462	16.0	17.9	\$ 1,466	18.8	0.1	-0.5	22.0	\$ 63,122	\$ 93,391	12%	\$ 1,572
Ottawa/Gatineau	\$ 404,402	1.8	0.1	\$ 20,220	23.8	19.3	\$ 2,379	28.0	0.8	-0.6	22.3	\$ 102,421	\$ 102,064	9%	\$ 2,094
Quebec	\$ 273,194	2.3	4.6	\$ 13,660	20.5	17.2	\$ 1,607	24.1	0.9	1.2	19.6	\$ 69,191	\$ 79,991	9%	\$ 1,251
Winnipeg	\$ 276,711	2.0	0.2	\$ 13,836	19.5	19.3	\$ 1,628	22.9	0.7	-0.2	22.3	\$ 70,081	\$ 85,190	7%	\$ 1,369
Hamilton	\$ 680,686	0.9	-0.9	\$ 43,069	56.2	28.5	\$ 4,005	52.2	1.1	-1.2	30.3	\$ 169,986	\$ 91,988	11%	\$ 2,226
Victoria	\$ 628,525	2.9	4.8	\$ 37,852	53.3	32.8	\$ 3,698	52.1	2.1	1.8	37.1	\$ 157,471	\$ 85,181	14%	\$ 2,498

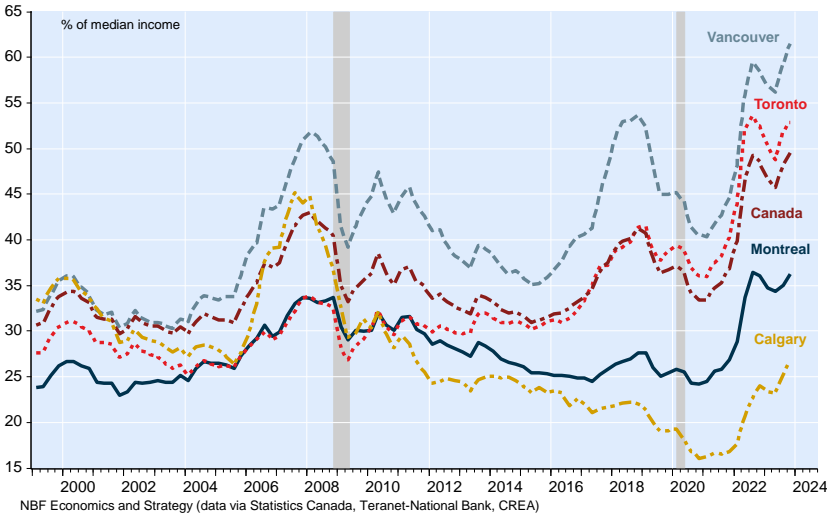
Table 3

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
Other dwellings	Median home price	Q/Q % change	Y/Y % change	Downpayment \$	Downpayment: Months of saving	Avg. Since 2000	Monthly mortgage payment	Mortgage payment as % of income	Q/Q diff. PP	Y/Y diff. PP	Avg. Since 2000	Qualifying Income	Median Income	Home-ownership rate (2021)
<b>C10 non-condo</b>	<b>\$ 881,675</b>	<b>1.8</b>	<b>2.5</b>	<b>\$ 63,168</b>	<b>83.9</b>	<b>44.1</b>	<b>\$ 5,188</b>	<b>68.9</b>	<b>2.1</b>	<b>1.0</b>	<b>44.0</b>	<b>\$ 218,211</b>	<b>\$ 90,339</b>	<b>57%</b>
Toronto	\$ 1,225,834	0.8	2.0	\$ 245,167	306.4	83.8	\$ 7,213	90.1	1.8	0.4	53.3	\$ 261,442	\$ 96,031	49%
Montreal	\$ 569,881	2.8	2.3	\$ 31,988	47.5	29.4	\$ 3,353	49.8	2.0	0.7	33.1	\$ 143,400	\$ 80,804	43%
Vancouver	\$ 1,716,700	2.6	3.9	\$ 343,340	467.6	184.5	\$ 10,101	137.6	5.2	4.1	82.6	\$ 366,132	\$ 88,114	41%
Calgary	\$ 654,415	3.8	6.1	\$ 40,441	52.0	33.0	\$ 3,850	49.5	2.6	3.2	38.2	\$ 163,683	\$ 93,383	57%
Edmonton	\$ 459,590	0.7	-1.2	\$ 22,979	29.5	25.9	\$ 2,704	34.7	0.9	0.2	31.0	\$ 116,398	\$ 93,391	57%
Ottawa/Gatineau	\$ 718,320	3.0	1.0	\$ 46,832	55.1	32.6	\$ 4,226	49.7	1.9	-0.6	35.3	\$ 179,016	\$ 102,064	56%
Quebec	\$ 379,537	2.2	6.9	\$ 18,977	28.5	20.5	\$ 2,233	33.5	1.3	2.3	23.1	\$ 96,124	\$ 79,991	49%
Winnipeg	\$ 398,833	2.3	0.5	\$ 19,942	28.1	22.7	\$ 2,347	33.1	1.2	-0.2	25.7	\$ 101,011	\$ 85,190	59%
Hamilton	\$ 985,488	2.2	0.3	\$ 73,549	95.9	50.5	\$ 5,798	75.6	2.5	-0.9	42.8	\$ 243,119	\$ 91,988	57%
Victoria	\$ 1,195,178	1.2	3.6	\$ 239,036	336.7	91.6	\$ 7,032	99.1	2.5	2.4	63.8	\$ 254,904	\$ 85,181	48%

## Canadian perspective on housing affordability

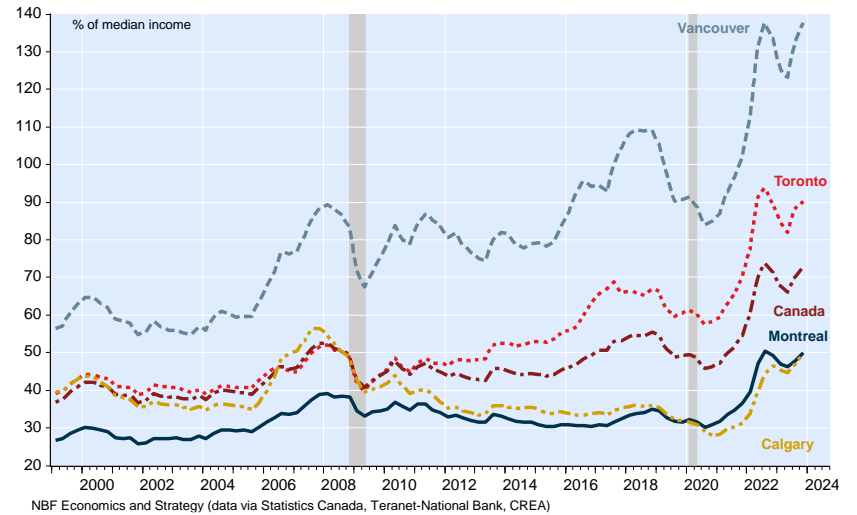
### Canada : Perspective on condos affordability

Monthly mortgage payment on median home price, condos (25 year amortization, 5-year term)



### Canada : Perspective on non-condos affordability

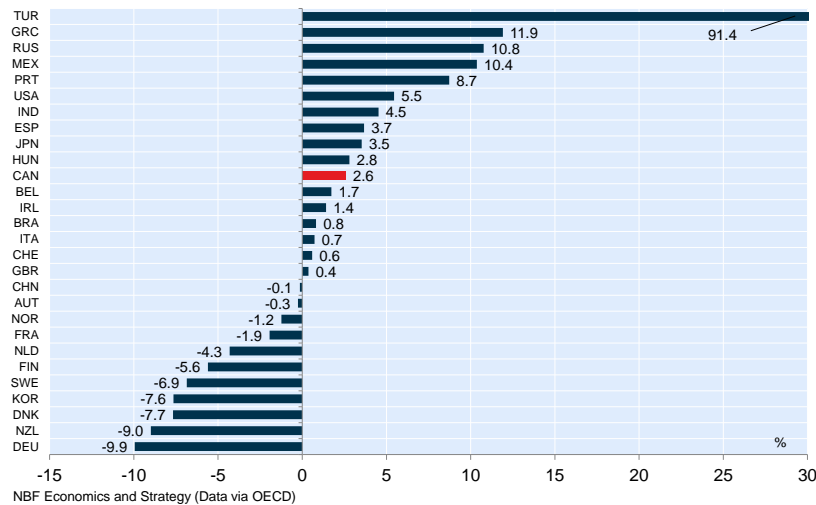
Monthly mortgage payment on median home price, non-condos (25 year amortization, 5-year term)



## Global perspective on housing affordability

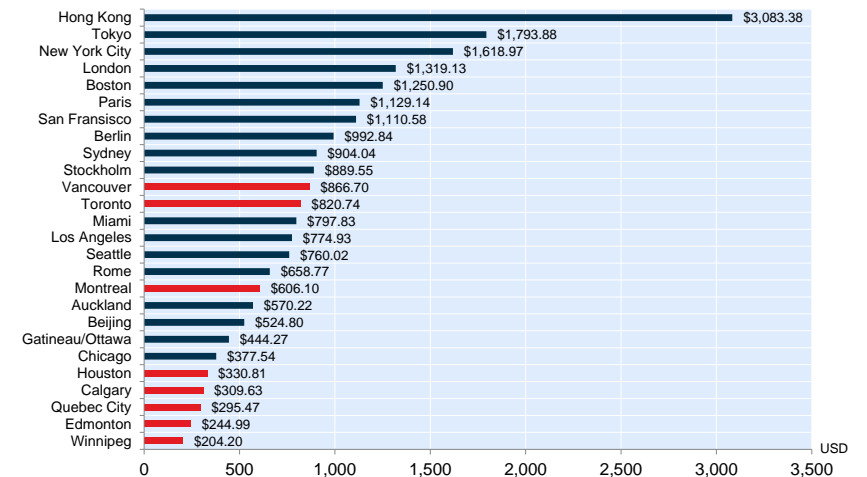
### World: Perspective on home price inflation

Home price percentage change year over year (Last data available)



### World: Price of downtown appartements

Price per square feet in USD for downtown living\* (June 2023)



\* For a 700 sq.ft. apartment  
NBF Economics and Strategy (as of June 2023)

## Methodology

The National Bank Housing Affordability Report measures housing affordability in 10 major census metropolitan areas (CMAs) and summarizes the results in a weighted-average composite of the 10 CMAs. We track the **condo market**, **other dwellings** (single detached, semi-detached) and the **market as a whole**.

We measure two hurdles for the purchase of a home. First, a household must save the **down-payment** amount. We measure this requirement as the number of months a median-income household will require to save for the minimum cash down payment (CMHC insured mortgage) of the representative home at a savings rate of 10% of its pre-tax income. We evaluate the representative home using the Teranet–National Bank House Price Index for the market in question to calculate the home price for months before and after the median home price measured by the 2016 Census. For **median household income** in each CMA, we take the Statistics Canada annual data up to 2013. For subsequent months, we extend the series using average weekly earnings growth as a proxy and apply a Hodrick-Prescott filter to smooth short-term fluctuations.

The second hurdle for the purchase of a home is the monthly mortgage payment. We measure this as the monthly payment on a median-priced home assuming a 25-year amortization period and a 5-year term. The resulting amount is presented as a percentage of income calculated as described above (sometimes referred as **MPPI**). Note that we do not take the down payment into account in this calculation because there is an opportunity cost in a household's use of these funds for that purpose. Also, we do not wish policy changes in this regard to affect our indicator over time. We also calculate the income needed to purchase the median property assuming that a household devotes 32% of its pre-tax income for a mortgage payment at the posted rate (defined as **qualifying income** and is adjusted for the down-payment). For the condo market, we also compare the monthly mortgage payment to the average rent for a two-bedroom condo in the same market. We calculate that rent from annual CMHC data, updated to the current month by the rent component of the Consumer Price Index. Note that data in the report was seasonally adjusted when necessary.

## Toronto

Affordability in the Greater Toronto Area (GTA) deteriorated for the second consecutive quarter in Q4. The MPPI\* increased 1.8 pp to 87.8%, well above the historical average for this city (52.4%). The pace of the deterioration was slightly below that of the urban composite, but the level of the MPPI\* remained above the average level (62.0%). Both the condo (+1.1 pp to 52.8%) and non-condo (+1.8 pp to 90.1%) segments deteriorated at a slower rate than their respective composite 10 counterparts during the quarter. The quarterly deterioration in the composite index stemmed from a 0.8% increase in home prices combined with an increase in interest rates, developments that could not be compensated by a 1.4% rise in income. On an annual basis, the MPPI\* was up 0.4 pp, which is also a slower deterioration than the composite 10 (+1.0 pp). \*See tables page 2.

Mortgage payment as a % of income (MPPI)				
Non-Condo	90.1%	▲ +	1.8%	Q/Q
Condo	52.8%	▲ +	1.1%	Q/Q



Non-Condo

\$1,225,834

Price of the representative home in the metropolitan market

\$261,442

Household annual income needed to afford the representative home

306

Months of saving required for the down payment (saving rate of 10%)

39.0%

Premium for buying compared to the national urban composite



Condo

\$718,355

Price of the representative condo in the metropolitan market

\$179,024

Household annual income needed to afford the representative condo

59

Months of saving required for the down payment (saving rate of 10%)

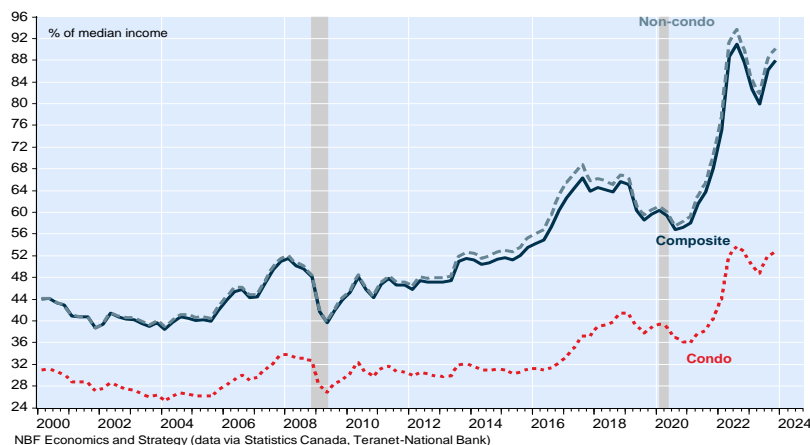
46.9%

Premium/discount for buying compared to renting a two-bedroom condo in the GTA

### Toronto : Perspective on housing affordability

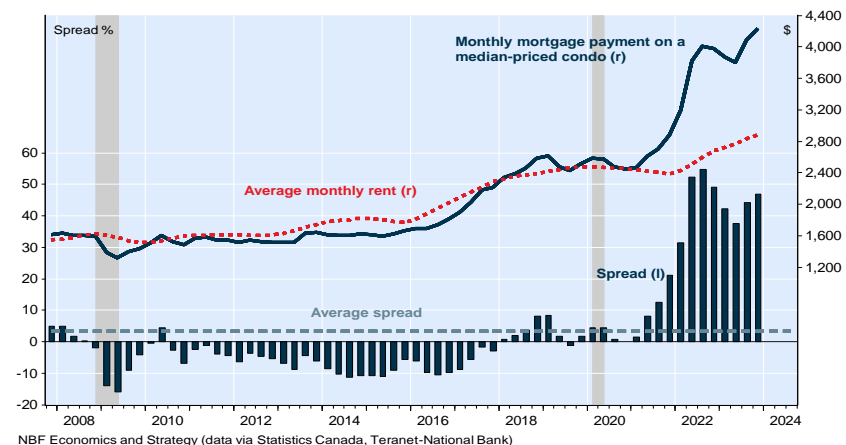
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

TORONTO



### Toronto: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



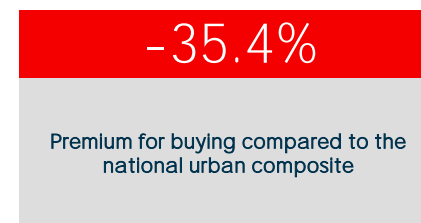
## Montreal

In 2023Q4, affordability in Montreal as measured by the MPPI\* deteriorated for the second consecutive quarter. The MPPI\* indeed swelled 1.8 pp to 45.7%, climbing further away from its 20-year average (31.1%). Still, the housing market remained more affordable in Montreal than in the composite 10, as the MPPI\* of the latter stood at 62.0%. The quarterly deterioration stemmed from a 2.7% increase in home prices, which, combined with a slight increase in interest rates, more than offset an increase in income. Both segments of the market deteriorated in the quarter, albeit at a slower rate than their respective composite 10 counterparts (+2.0 pp in the non-condo segment and +1.2 pp in the condo segment compared to +2.1 pp and +1.4 pp in all the urban areas covered). On a twelve-month basis, affordability slightly deteriorated in Montreal as the MPPI\* rose 0.6 pp. \*See tables page 2.

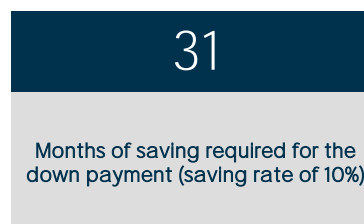
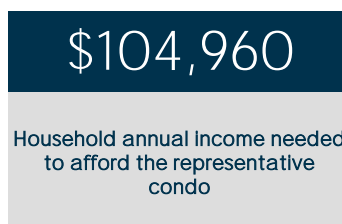
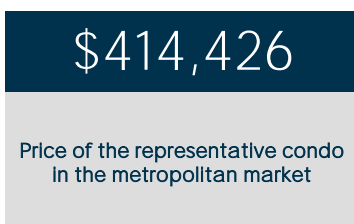
Mortgage payment as a % of income (MPPI)				
Non-Condo	49.8%	▲ +	2.0%	Q/Q
Condo	36.2%	▲ +	1.2%	Q/Q



Non-Condo



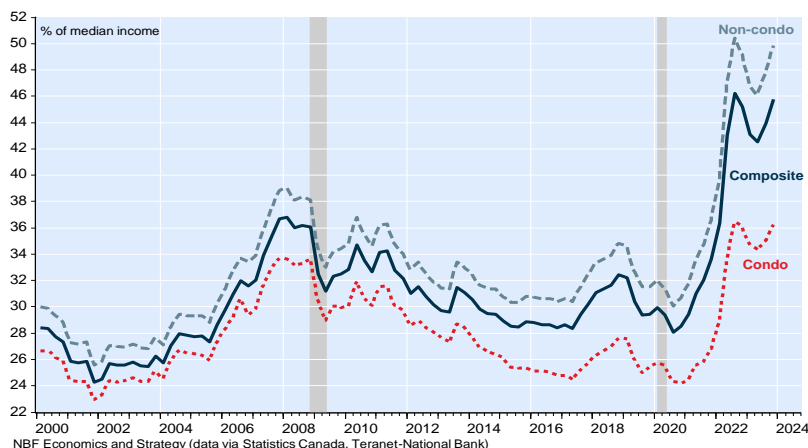
Condo



### Montreal : Perspective on housing affordability

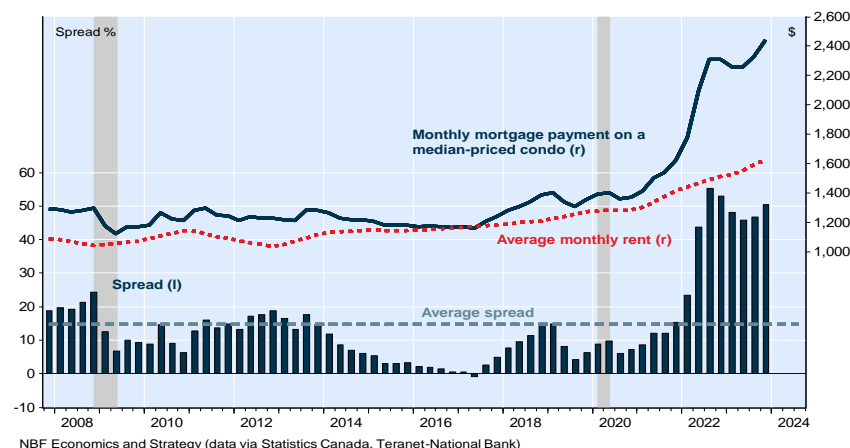
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

MONTREAL



### Montreal: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



## Vancouver

Affordability as measured by the MPPI\* worsened 4.0 pp in Greater Vancouver in the fourth quarter of 2023. For the second consecutive quarter, this was the biggest deterioration of all cities covered. The jump in the MPPI\* left its level at 103.0%, which is the highest level on record for the city and compares unfavourably to other urban areas covered (62.0%). Vancouver consequently remains the least affordable Canadian city in which to buy a home. The quarterly deterioration stems from a 2.6% increase in home prices in the quarter combined with an increase in interest rates. Both the condo (+2.4 pp to 61.5%) and the non-condo (+5.2 pp to 137.6%) segments registered deteriorations in their MPPI\* in the quarter. On a 12-month basis, the MPPI\* in Vancouver was up 3.5 pp, more than the increase in the composite 10. \*See tables page 2.

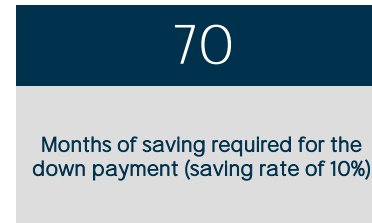
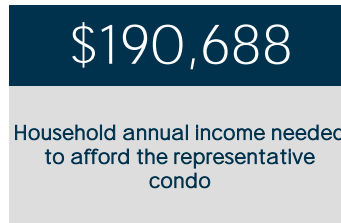
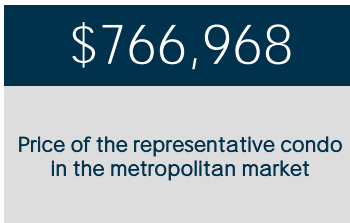
Mortgage payment as a % of income (MPPI)				
Non- Condo	137.6%	▲ +	5.2%	Q/Q
Condo	61.5%	▲ +	2.4%	Q/Q



Non-  
Condo

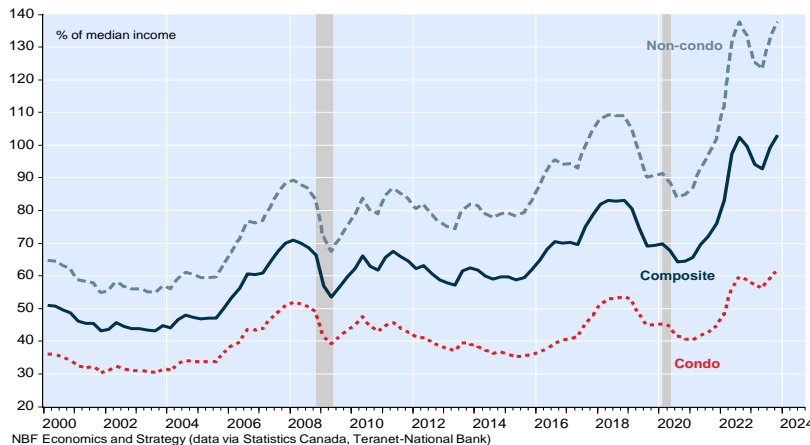


Condo



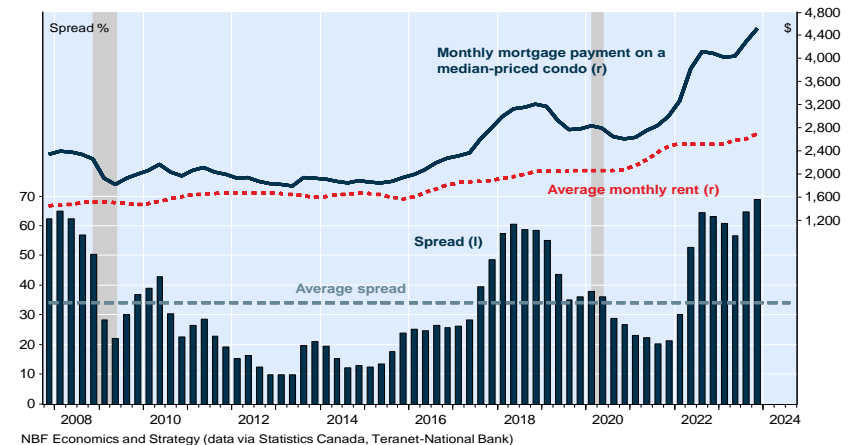
### Vancouver : Perspective on housing affordability

Monthly mortgage payment on median home price (25 year amortization, 5-year term)



### Vancouver: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



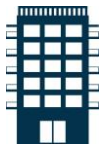
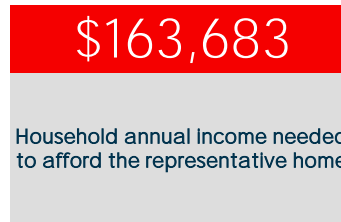
## Calgary

Housing affordability in Calgary posted a deterioration in the fourth quarter of the year, as the MPPI\* increased 2.4 pp. The deterioration stemmed from both the condo (MPPI\* up 1.3 pp) and the non-condo segments (MPPI\* up 2.6 pp). As a result, the MPPI\* stood at 45.1%, which is 3.1 pp above the level it was a year ago and above its long-term average (35.9%). The quarterly deterioration is attributable to a 3.7% increase in home prices and a rise in interest rates that were only partially offset by a 0.9% increase in income. Still, Calgary remains much more affordable than the composite 10 (MPPI\* at 45.1% compared with 62.0% nationally). \*See tables page 2.

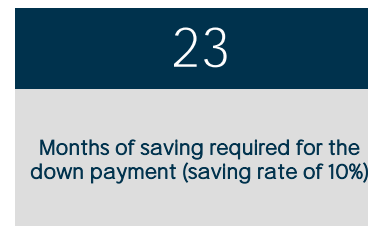
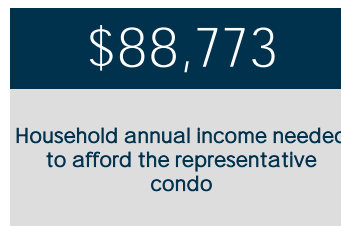
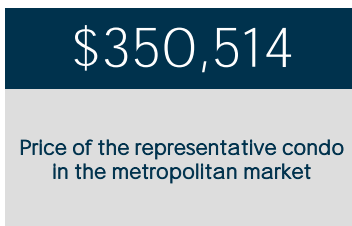
Mortgage payment as a % of income (MPPI)				
Non-Condo	49.5%	▲ +	2.6%	Q/Q
Condo	26.5%	▲ +	1.3%	Q/Q



Non-Condo

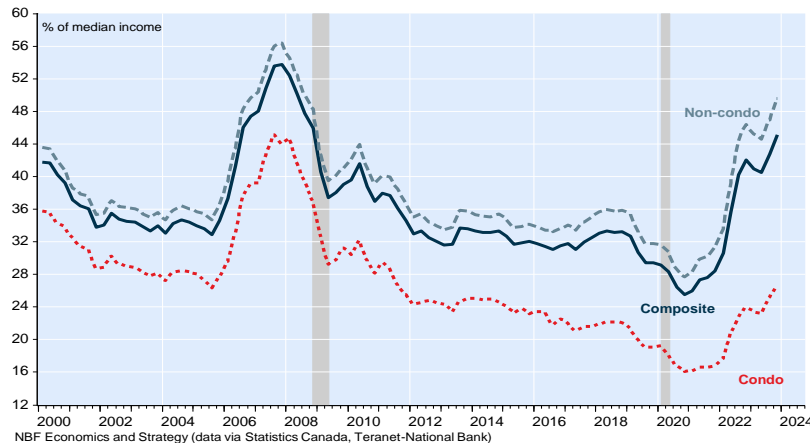


Condo

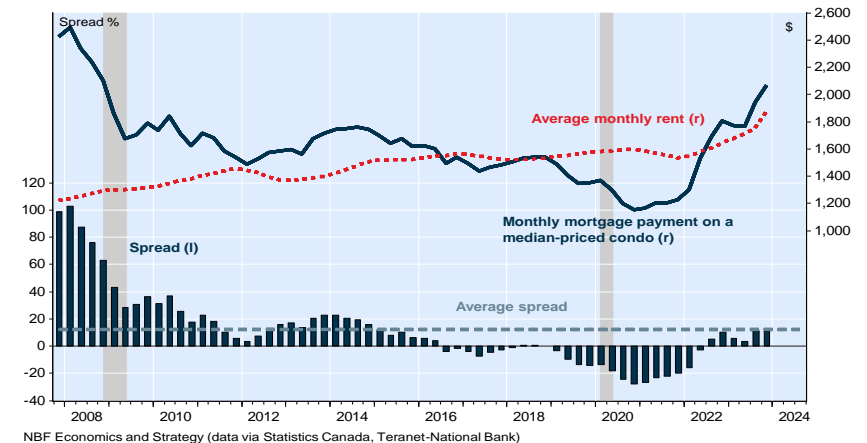


**Calgary : Perspective on housing affordability**  
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

CALGARY



**Calgary: Buying compared to renting**  
Premium/discount for buying compared to renting a two-bedroom condo





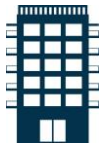
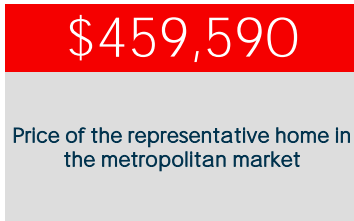
## Edmonton

Housing affordability in Edmonton deteriorated 0.8 pp in the quarter. For the second consecutive quarter, this was the slowest deterioration of all markets covered. The deterioration was the result of an increase in interest rates combined with a 0.5% increase in home prices, factors that were only partially offset by an increase in income. The level of the MPPPI\* now stands at 33.1%, which is still well below the composite 10 (62.0%) but above this city's long-term average (30.4%). The deterioration in affordability stemmed from non-condos (+0.9 pp), and, to a lesser extent, from condos (+0.1 pp). On a 12-month basis, the MPPPI\* in Edmonton was up only 0.1 pp, contrasting with the 1.0 pp deterioration for the composite 10. \*See tables page 2.

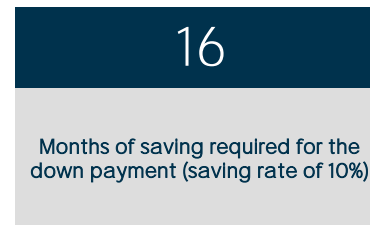
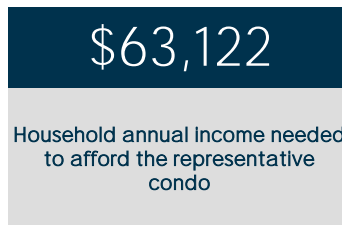
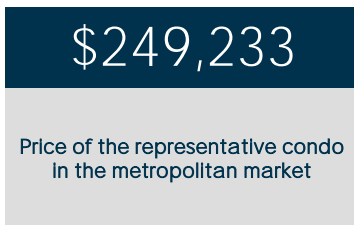
Mortgage payment as a % of income (MPPPI)				
Non-Condo	34.7%	▲ +	0.9%	Q/Q
Condo	18.8%	▲ +	0.1%	Q/Q



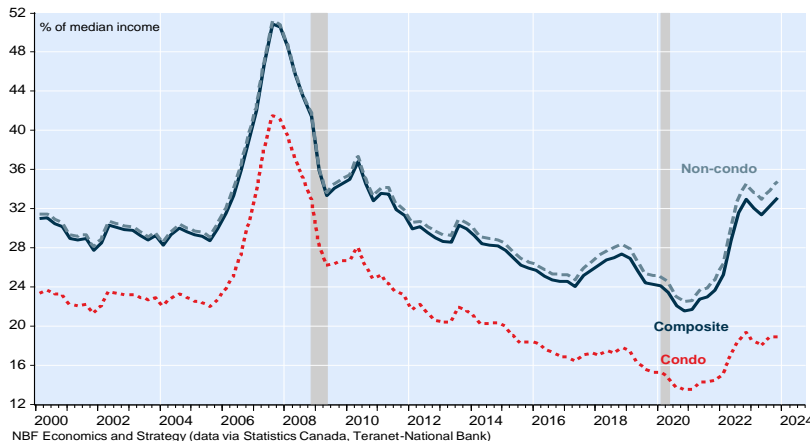
Non-Condo



Condo

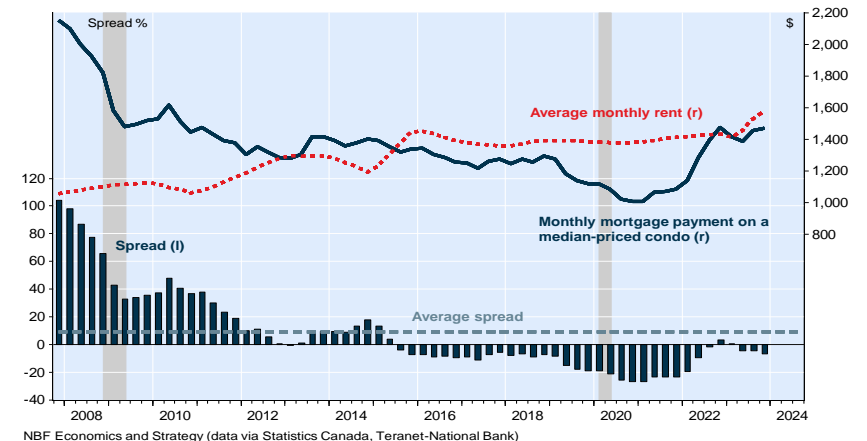


**Edmonton : Perspective on housing affordability**  
Monthly mortgage payment on median home price (25 year amortization, 5-year term)



EDMONTON

**Edmonton: Buying compared to renting**  
Premium/discount for buying compared to renting a two-bedroom condo



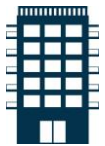
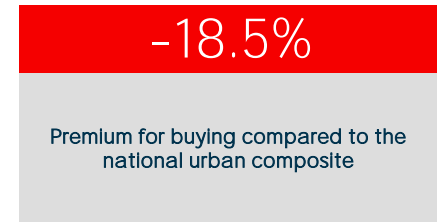
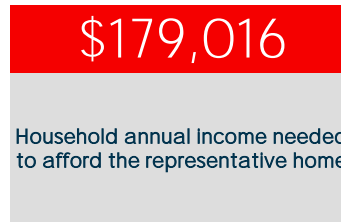
## Ottawa/Gatineau

In Ottawa/Gatineau, home prices were up 2.8% during the quarter. This, combined with a slight increase in interest rates, more than offset the rise in median income. The MPPI\* consequently grew 1.7 pp to 45.3%, which remains below the composite 10 (62.0%) but well above the city's long-term average (32.5%). The quarterly deterioration stemmed from both non-condos (MPPI\* up 1.9 pp to 49.7%) and condos (+0.8 pp to 28.0%). On an annual basis, home prices were up 1.0% and interest rates climbed. Still, thanks to an increase in income, the MPPI\* was down 0.6 pp over that period, better than the 1.0 pp increase registered by the composite 10. \*See tables page 2.

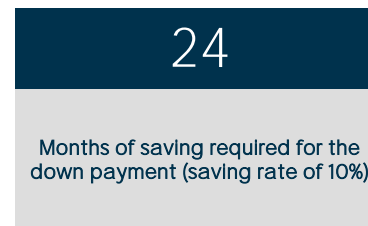
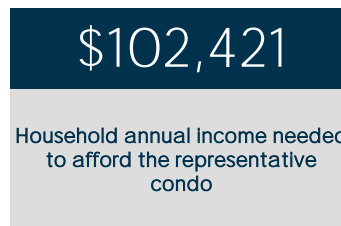
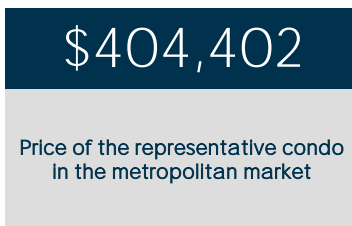
Mortgage payment as a % of income (MPPI)				
Non-Condo	49.7%	▲ +	1.9%	Q/Q
Condo	28.0%	▲ +	0.8%	Q/Q



Non-Condo

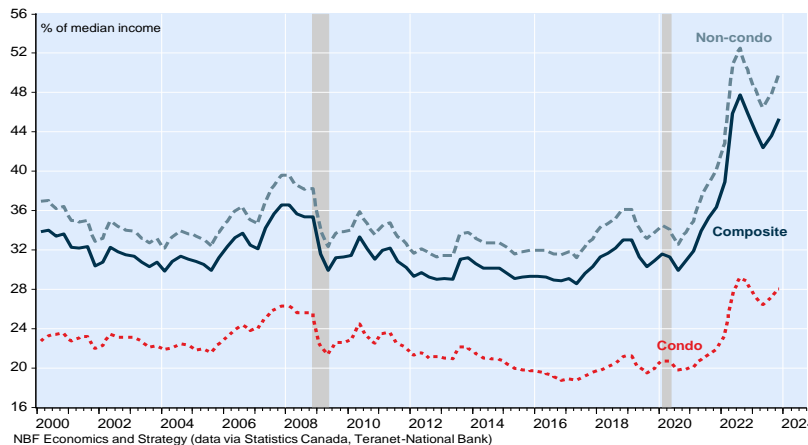


Condo



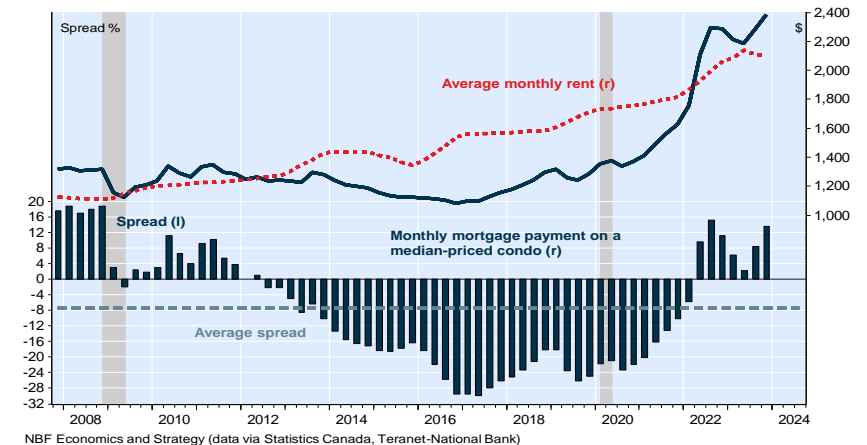
### Ottawa/Gatineau : Perspective on housing affordability

Monthly mortgage payment on median home price (25 year amortization, 5-year term)



### Ottawa/Gatineau: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



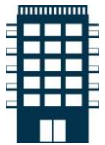
## Quebec City

Housing affordability worsened 1.3 pp in the fourth quarter of 2023 in Québec city. As a result, the MPPI\* climbed further away from its long-term average (33.2% compared to 23.4% historically). The quarterly deterioration stems from an increase in home prices in the quarter (+2.2%) and a climb in interest rates, which more than offset an increase in income. Both non-condos (MPPI\* up +1.3 pp to 33.5%) and condos (+0.9 pp to 24.1%) saw affordability deteriorate in the quarter. Still, the deterioration was slower than for the urban composite and the MPPI\* of both segments remained well below those of their respective composite 10 counterparts. On a twelve month basis, the deterioration in affordability in Québec city was faster than the average of the composite 10 (+2.2 pp compared to +1.0 pp).\*See tables page 2.

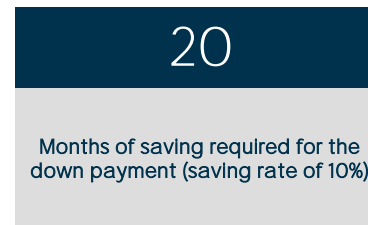
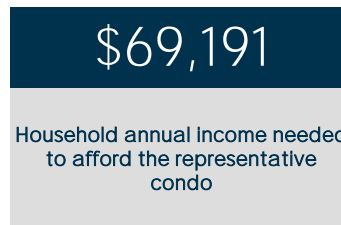
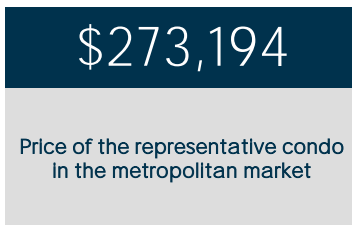
Mortgage payment as a % of income (MPPI)				
Non-Condo	33.5%	▲ +	1.3%	Q/Q
Condo	24.1%	▲ +	0.9%	Q/Q



Non-Condo

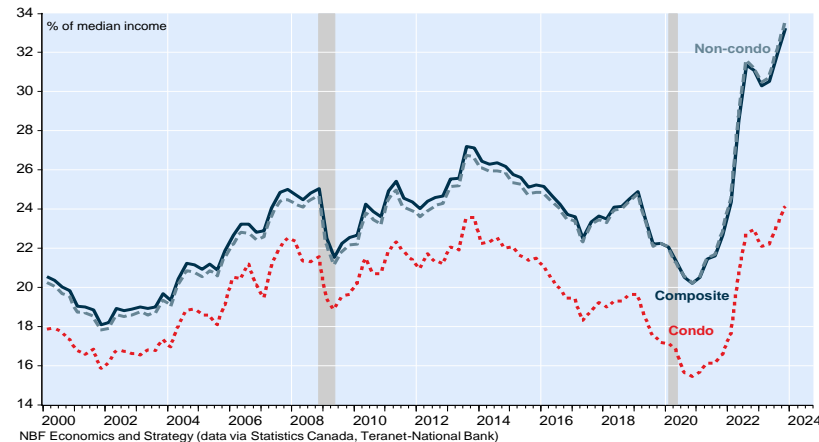


Condo



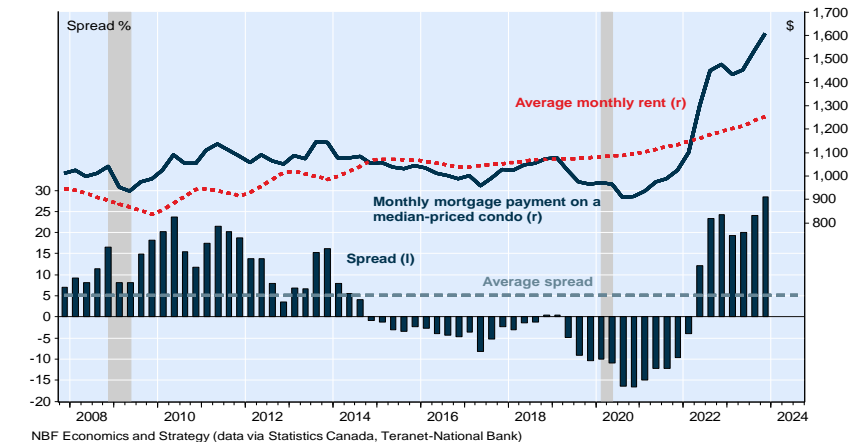
### Quebec city: Perspective on housing affordability

Monthly mortgage payment on median home price (25 year amortization, 5-year term)



### Quebec City: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



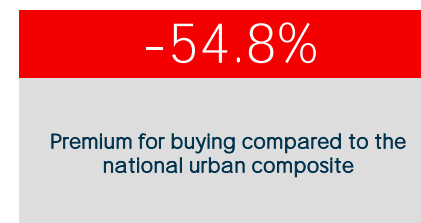
## Winnipeg

In Winnipeg, housing affordability deteriorated as the MPPI\* increased 1.1 pp to 33.0%. This was a slower deterioration than the composite 10 (+1.9 pp). As a result, the index remained above its long-term average (26.1%) but below the one of the urban composite (62.0%). The quarterly deterioration stemmed from a 2.3% increase in home prices combined an increase in interest rate, which could not be offset by an increase in the median income. Both the condo (MPPI\* up 0.7 pp) and the non-condo (MPPI\* up 1.2 pp) segments deteriorated in the quarter, albeit both moves were smaller than their respective composite 10 counterparts. On a 12-month basis, the MPPI\* was down 0.2 pp. \*See tables page 2.

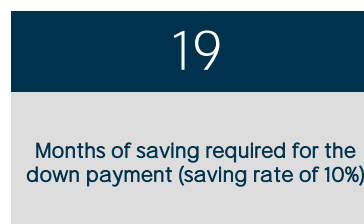
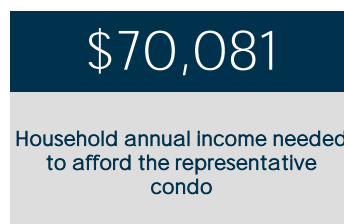
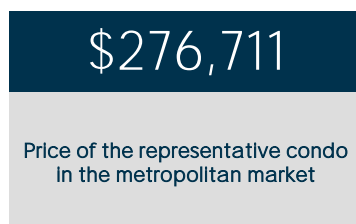
Mortgage payment as a % of income (MPPI)				
Non-Condo	33.1%	▲ +	1.2%	Q/Q
Condo	22.9%	▲ +	0.7%	Q/Q



Non-Condo



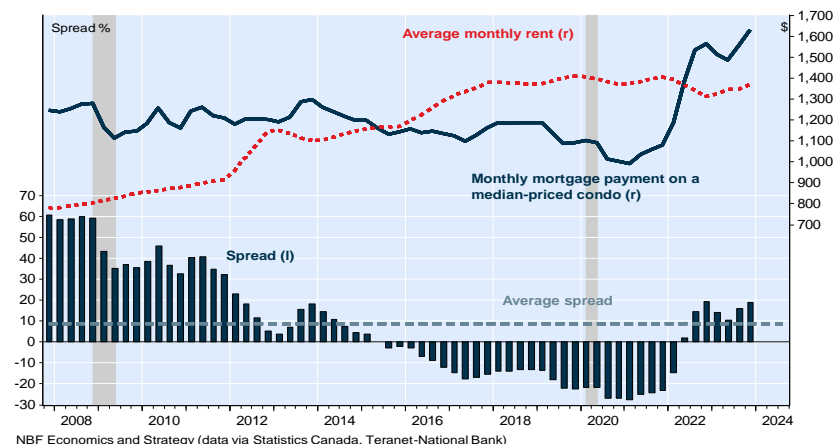
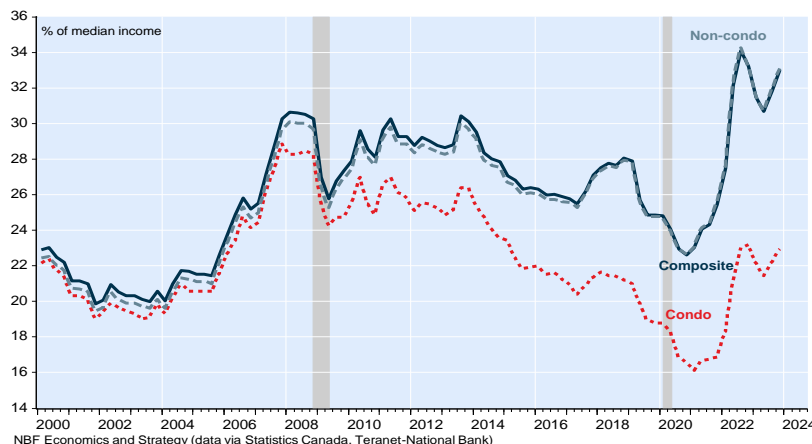
Condo



**Winnipeg: Perspective on housing affordability**  
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

**Winnipeg: Buying compared to renting**  
Premium/discount for buying compared to renting a two-bedroom condo

WINNIPEG



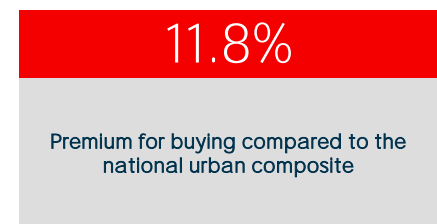
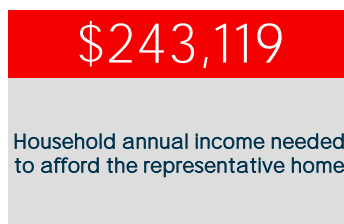
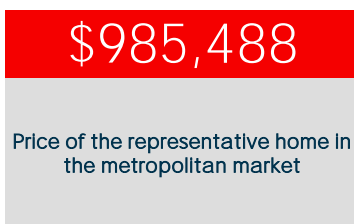
## Hamilton

Hamilton recorded a 2.3 pp deterioration in its MPPI\* in the quarter, worse than the variation of the composite 10 (+1.9 pp). Still, on an annual basis, affordability improved 0.9 pp, the fastest progress among markets covered. Nonetheless, the MPPI\* remained above the composite 10 (71.4% compared to 62.0%) and way above its long run average of 40.5%. The quarterly deterioration can be explained by home prices climbing 2.0% in the quarter, which, combined with an increase in interest rates, were only slightly offset by an increase in income. Affordability in the condo segment (+1.1 pp) worsened at a slower pace than the corresponding composite 10 index in the quarter, while the deterioration was faster for non-condos (+2.5 pp). \*See tables page 2.

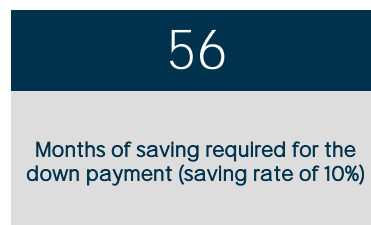
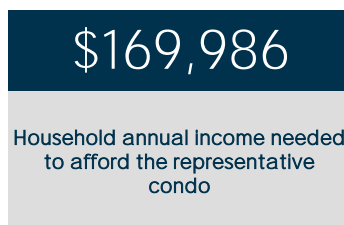
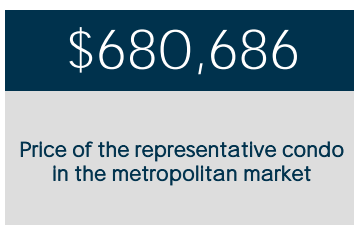
Mortgage payment as a % of income (MPPI)				
Non-Condo	75.6%	▲ +	2.5%	Q/Q
Condo	52.2%	▲ +	1.1%	Q/Q



Non-Condo

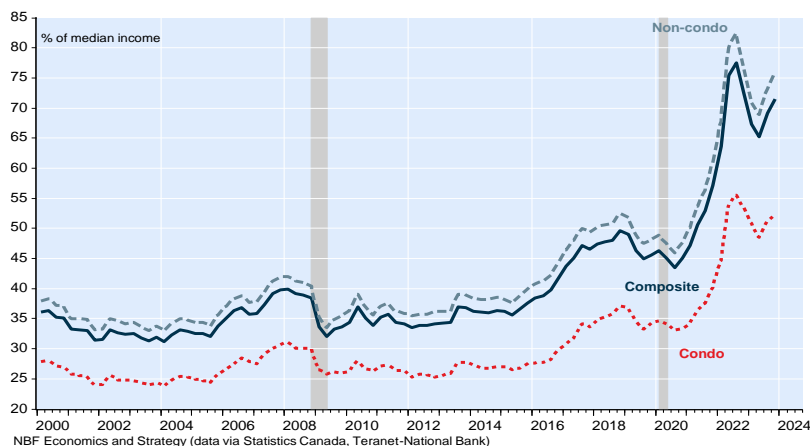


Condo

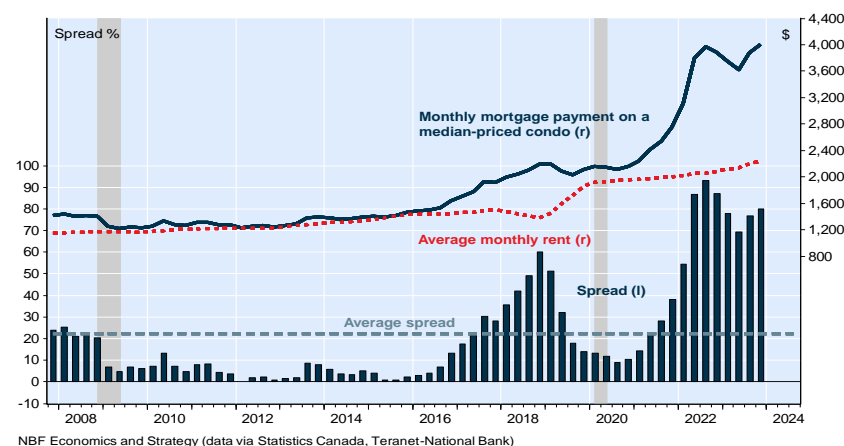


**Hamilton: Perspective on housing affordability**  
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

HAMILTON



**Hamilton: Buying compared to renting**  
Premium/discount for buying compared to renting a two-bedroom condo



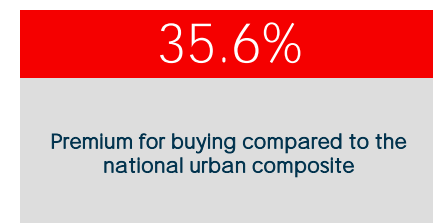
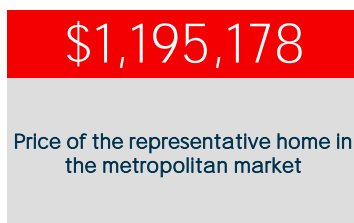
## Victoria

In the final quarter of 2023, Victoria registered a worsening of housing affordability as measured by the MPPI\* (+2.4 pp). The deterioration is the result of a 1.5% increase in home prices and an increase in interest rates, while could not be offset by the improvement in income. As a result, the city's MPPI\* stood at 88.6%, way above its long-term average (57.7%) and the composite 10 (62.0%). The quarterly deterioration in affordability was faster than the corresponding composite 10 index for both non-condos (MPPI\* up 2.5 pp compared to +2.1 pp nationally) and condos (MPPI\* up 2.1 pp compared to +1.4 pp). The MPPI\* for all dwellings was 2.3 pp above the level it registered a year ago, a sharper deterioration than for the composite 10 (+1.0 pp). \*See tables page 2.

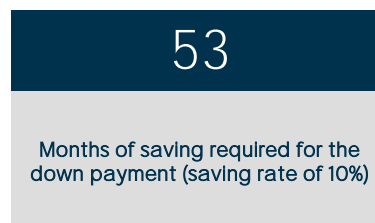
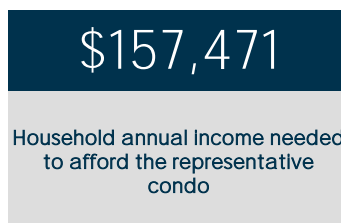
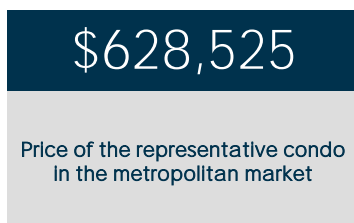
Mortgage payment as a % of income (MPPI)				
Non-Condo	99.1%	▲ +	2.5%	Q/Q
Condo	52.1%	▲ +	2.1%	Q/Q



Non-Condo



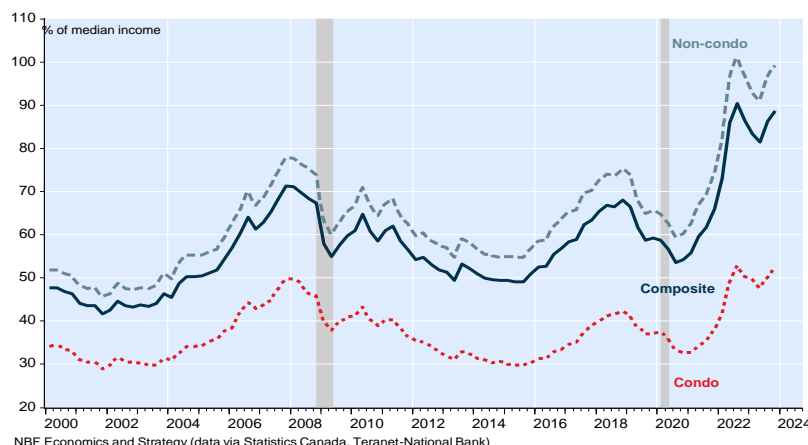
Condo



### Victoria: Perspective on housing affordability

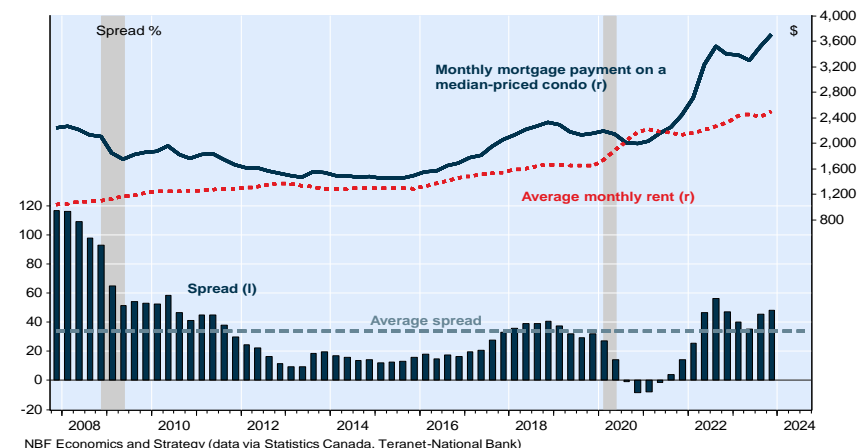
Monthly mortgage payment on median home price (25 year amortization, 5-year term)

VICTORIA



### Victoria: Buying compared to renting

Premium/discount for buying compared to renting a two-bedroom condo



## Economics and Strategy

### Montreal Office

514-879-2529

**Stéfane Marion**

*Chief Economist and Strategist*  
stefane.marion@nbc.ca

**Kyle Dahms**

*Economist*  
kyle.dahms@nbc.ca

**Alexandra Ducharme**

*Economist*  
alexandra.ducharme@nbc.ca

**Matthieu Arseneau**

*Deputy Chief Economist*  
matthieu.arseneau@nbc.ca

**Daren King, CFA**

*Economist*  
daren.king@nbc.ca

**Angelo Katsoras**

*Geopolitical Analyst*  
angelo.katsoras@nbc.ca

**Jocelyn Paquet**

*Economist*  
jocelyn.paquet@nbc.ca

### Toronto Office

416-869-8598

**Warren Lovely**

*Chief Rates and Public Sector Strategist*  
warren.lovely@nbc.ca

**Taylor Schleich**

*Rates Strategist*  
taylor.schleich@nbc.ca

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