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2025 State of the Housing Market Report: Annual Consumer Survey

Prepared by Bond Brand Loyalty for Mortgage Professionals Canada.

Highlights: 2025 consumer survey

1

Consumer sentiment shows early signs of stabilizing
While still near 5-year lows, sentiment around the economy and housing market is no longer falling. Optimism is starting to return, especially among Prairie and Quebec respondents.

2

Intent to use a broker continues to climb
Two-thirds of Canadians now say they're at least somewhat likely to use a mortgage broker for their next mortgage—a steady rise from previous years. Notably, 81% of broker customers say they're likely to use a broker again.

3

Renewal anxiety is easing
With nearly three quarters of mortgage holders set to renew in the next three years, over 1-in-5 report feeling anxious about the prospect—a slight decline from previous years.

4

Canadians expect home prices to rise, split on rate direction
Most Canadians (58%) expect local home prices to increase, with confidence highest in Quebec and Alberta. But views on mortgage rates are mixed—only 32% expect them to drop, while 34% think they'll hold steady.

5

Down payment help essential for most buyers
Among those who bought a home in the past two years, 70% say they couldn't have done so without down payment assistance. Overall, 58% of all recipients say the same.

*Mortgage Professionals Canada's 2025 consumer data is from a 20-minute online survey of 2,000 Canadians across all regions, conducted by Bond Brand Loyalty between December 20 and January 27, 2025.

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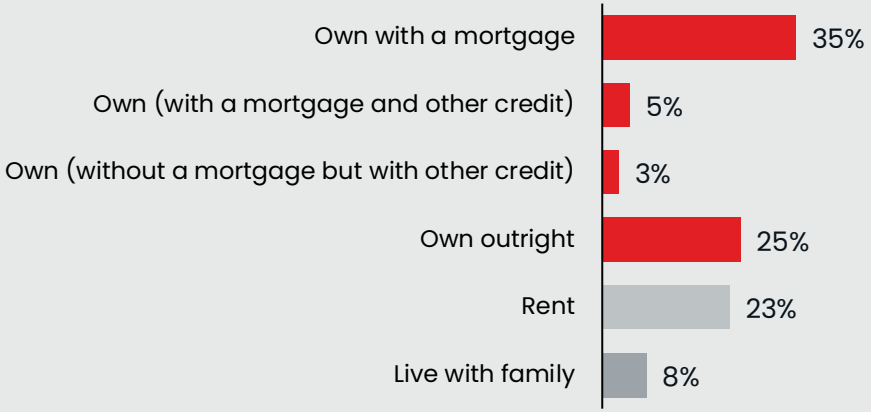
Consumer sentiment and anxiety

Consumer sentiment: optimism is returning

Nearly 70% of Canadians own their home—25% own it outright, while 43% are still paying off a mortgage.



31%

do not currently own a home

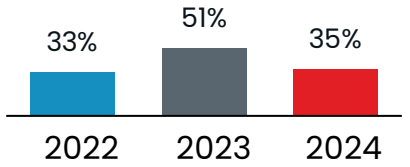
-12 pts. from last year

44%

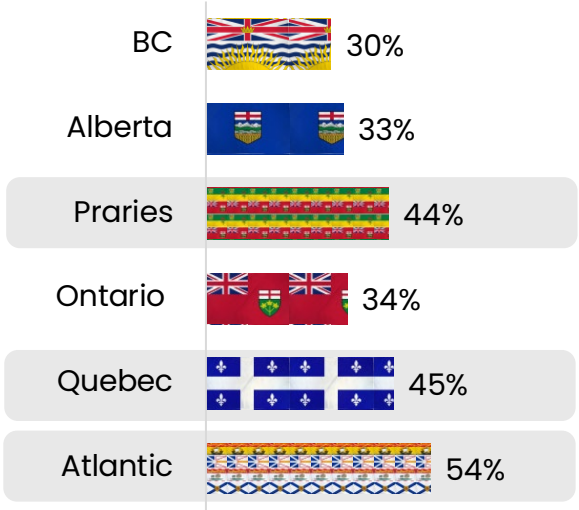
think it's a good time to buy a home in their community

+15 pts from last year

The share of non-owners who say they'll never buy a home has returned to 2022 levels.



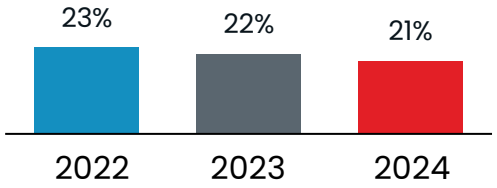
Canadians in Atlantic Canada (54%), Quebec (45%), and the Prairies (44%) are the least confident about purchasing a/another primary residence.



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Consumer sentiment: Canadians remain anxious about rates, but are hopeful about what's ahead

Share of Canadians with high anxiety (9 or 10 out of 10) about renewing their mortgage at higher rates is easing



Non-owners have grown more anxious due to inflation, but remain confident in real estate as a good long-term investment and a form of 'good debt.'

64%
of non-owners are anxious due to inflation

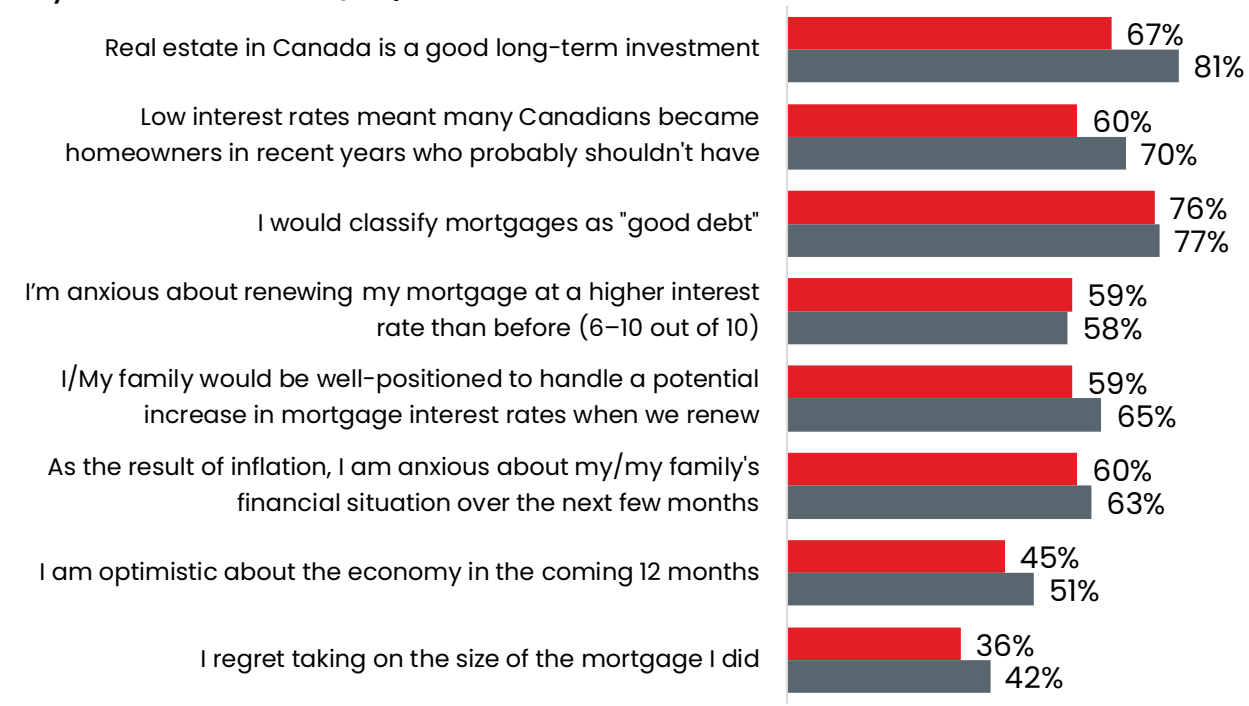
59%
of non-owners classify mortgages as "good debt"

39%
of non-owners would be well-positioned to handle an increase in mortgage rates when they renew their mortgage

64%
of non-owners think real estate is a good long-term investment

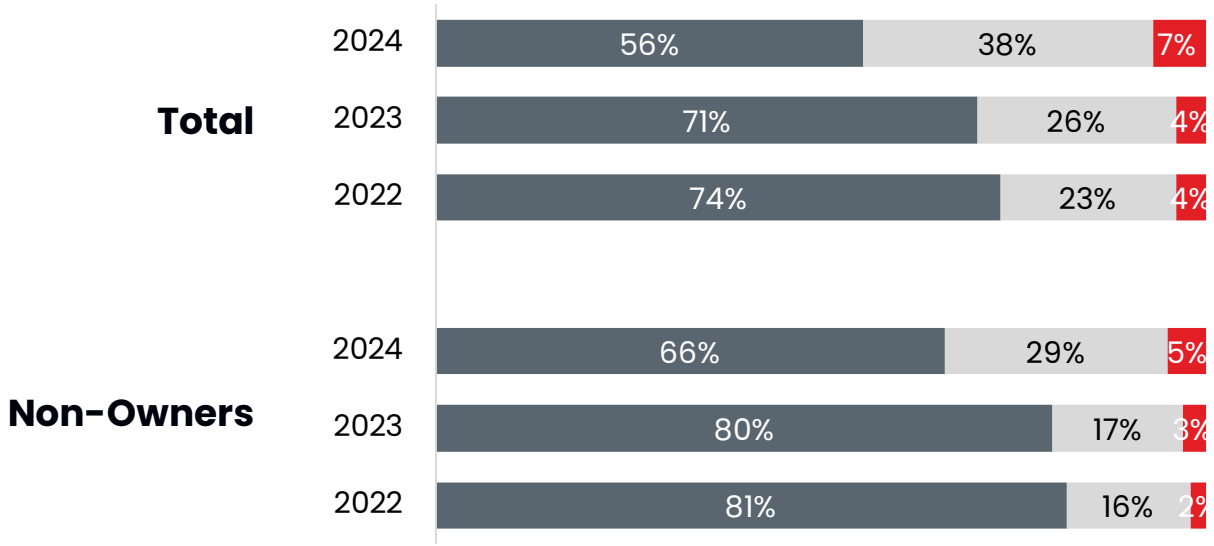
Canadians who bought within the past two years remain optimistic about the housing market, despite a modest dip in sentiment since last year.

Agreement with statements among recent buyers (past 2 year buyers, rated 6–10/10)

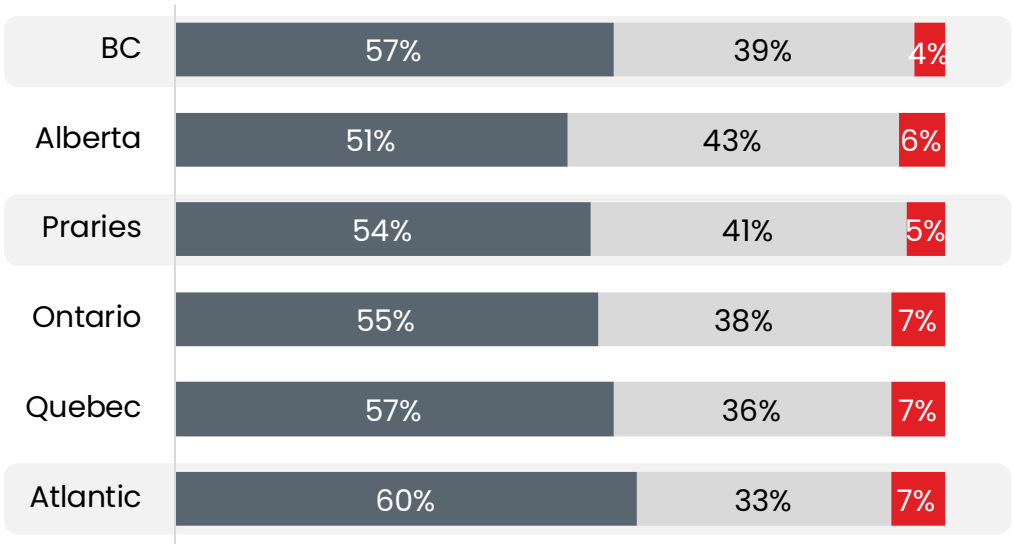


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Most still say it's a bad time to buy—but optimism is growing, with more Canadians now feeling it's a good time to buy in their community



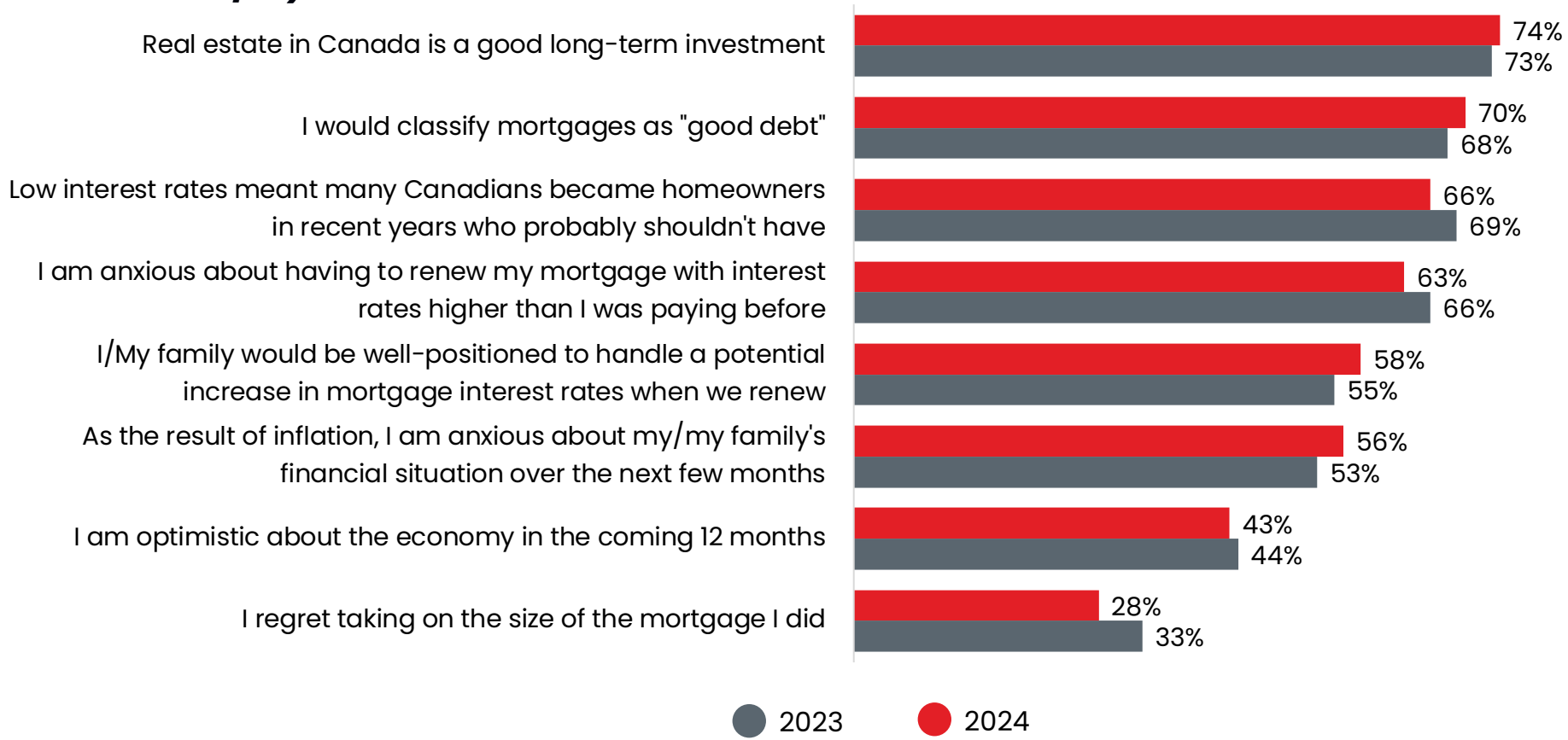
Prairie residents are the most optimistic about buying locally, while those in coastal provinces remain the least.



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Confidence in real estate, which had been falling, has now stabilized

Agree with Canadian housing market statement (all respondents, rated 6-10/10)



43%

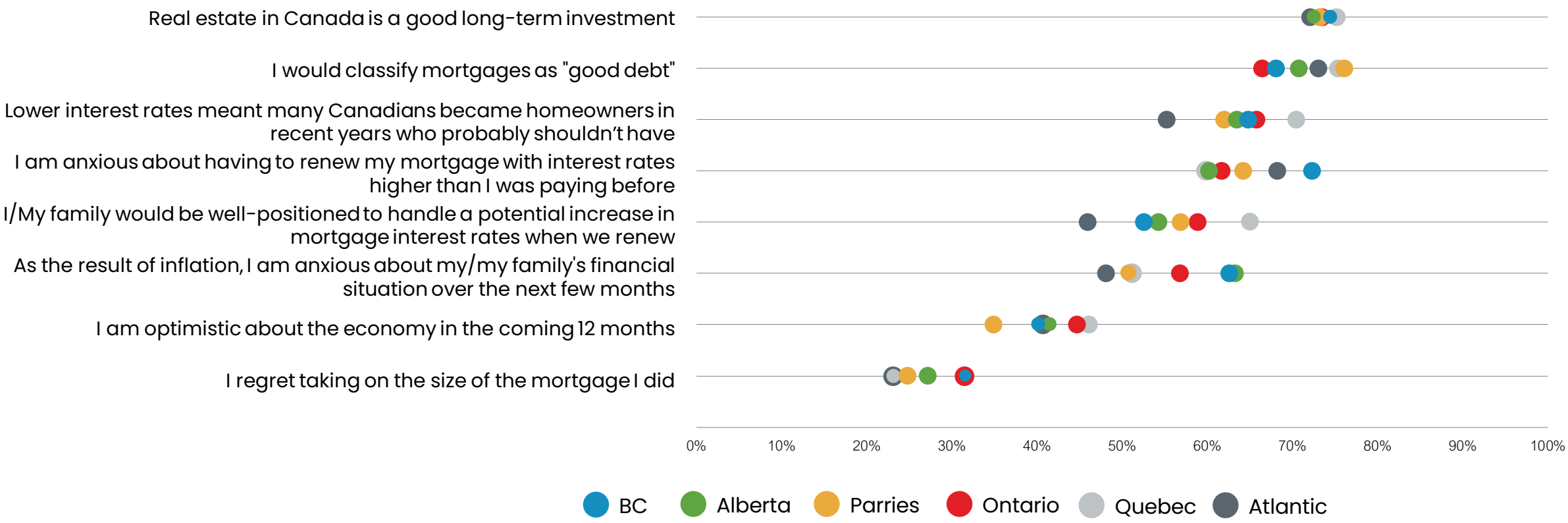
Of Canadians are optimistic about the economy in the next 12 months

-1 pt. from last year, but -17 pts. below pre-pandemic levels

Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Quebecers are most confident in managing their mortgage and optimistic about the economy. Prairie residents share their strong outlook on real estate.

Agree with Canadian housing market statement (rated 6-10/10)



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

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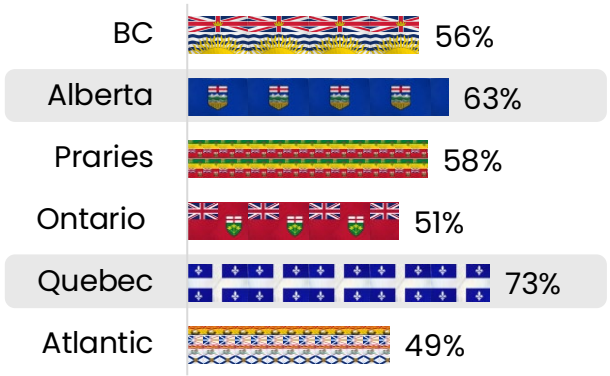
Looking ahead: Expectations and future sentiment

Canadians largely expect home prices in their community to rise, but are nearly split on where mortgage rates are headed

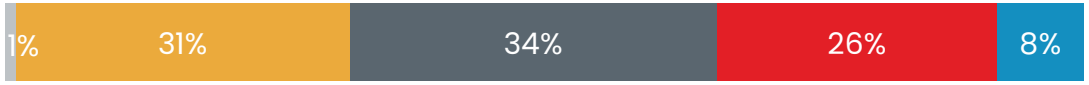
Housing prices in my community

Quebecers and Albertans are more confident than other Canadians that home prices in their community will rise.

Go up/go up dramatically

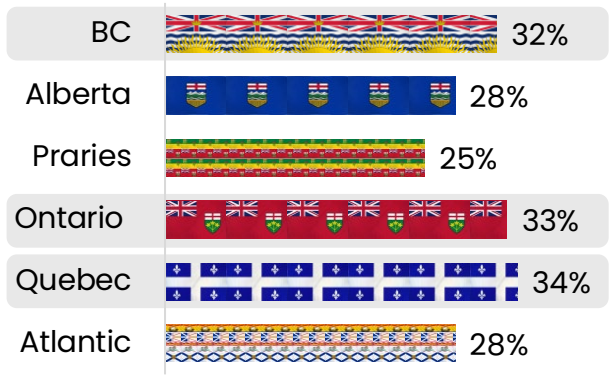


Mortgage interest rates



Expectations for a rate drop are slightly higher in B.C., Ontario and Quebec than in the rest of Canada.

Go down/go down dramatically

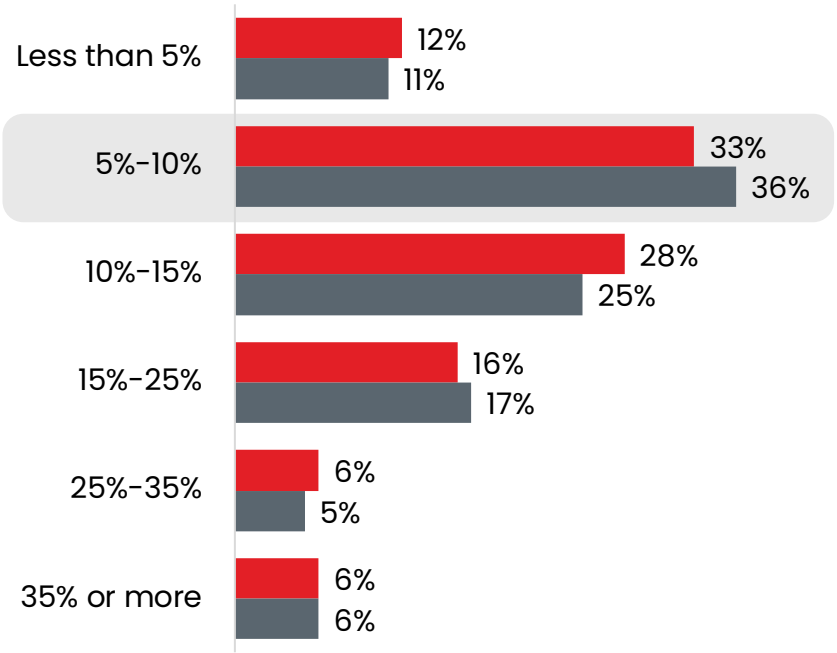


Go down dramatically | Go down | Stay about the same | Go up | Go up dramatically

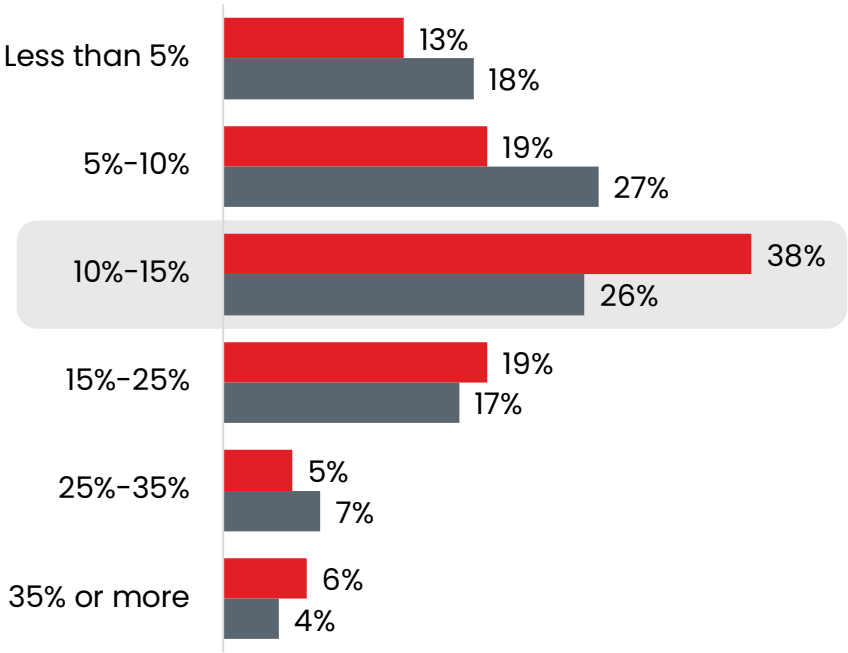
Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Most Canadians expect home prices to rise 5–10%; those predicting declines foresee drops of 10–15%

Expected rise in home prices



Expected decrease in home prices



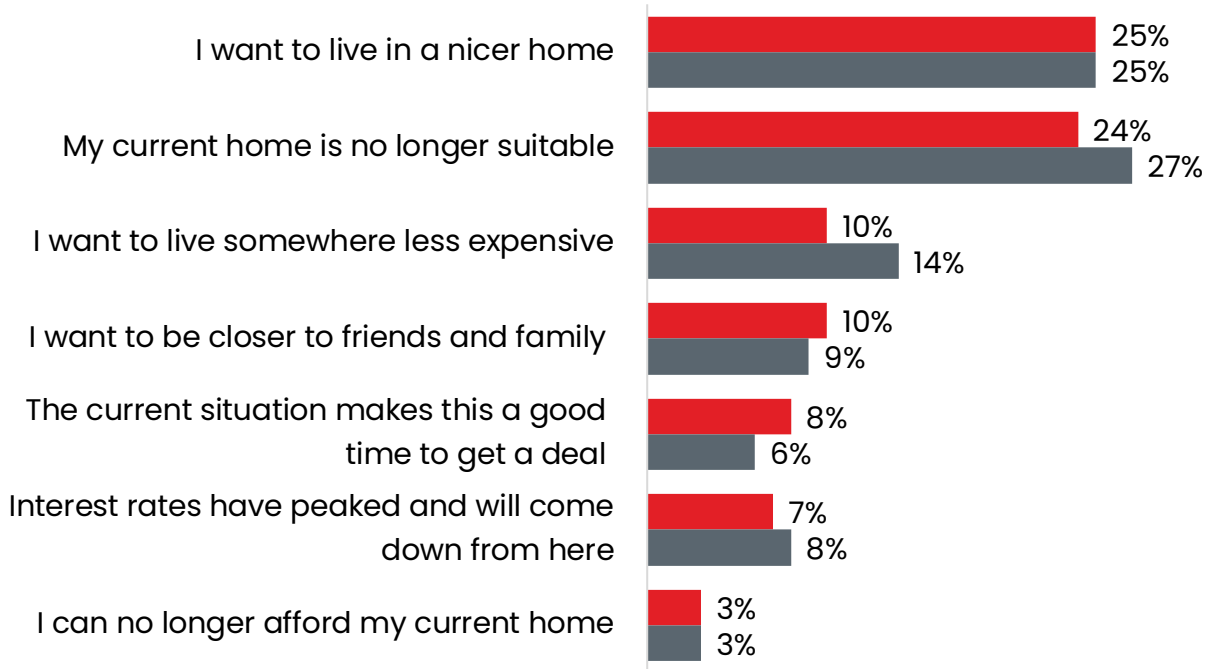
2023 2024

Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

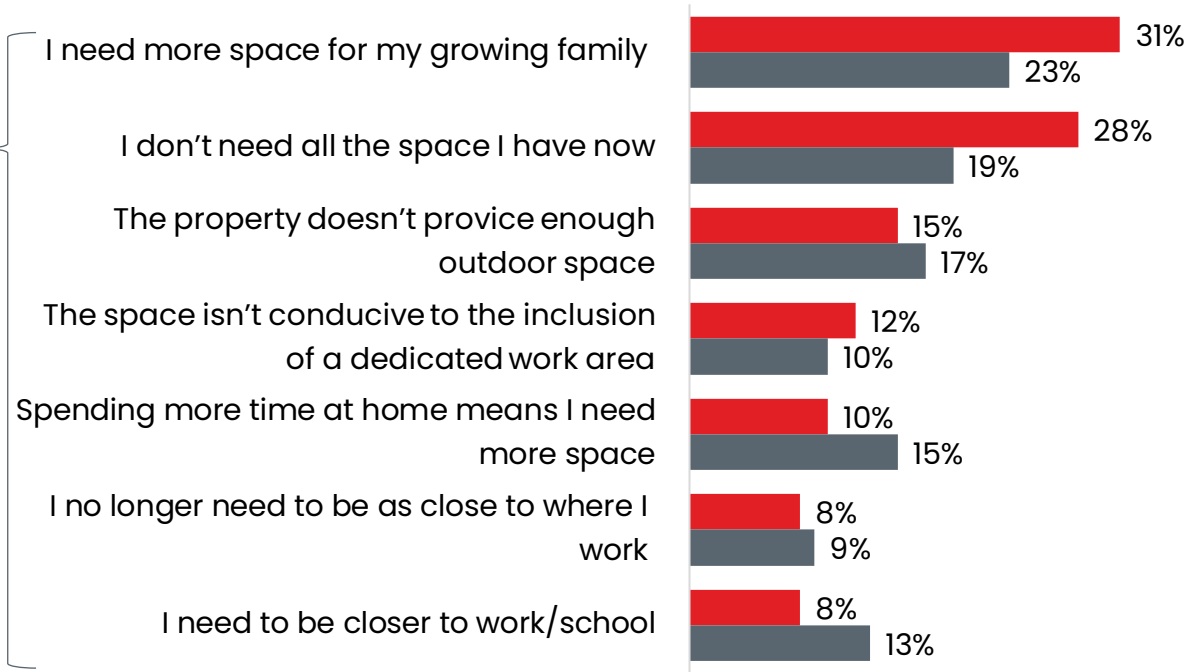
The top reasons for planning a home purchase in the next 5 years: wanting a nicer home and outgrowing the current one

Lack of space is the main reason their current home no longer meets their needs.

Top reason for planning to buy in the next 5 years



Top reason current home no longer suits their needs



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

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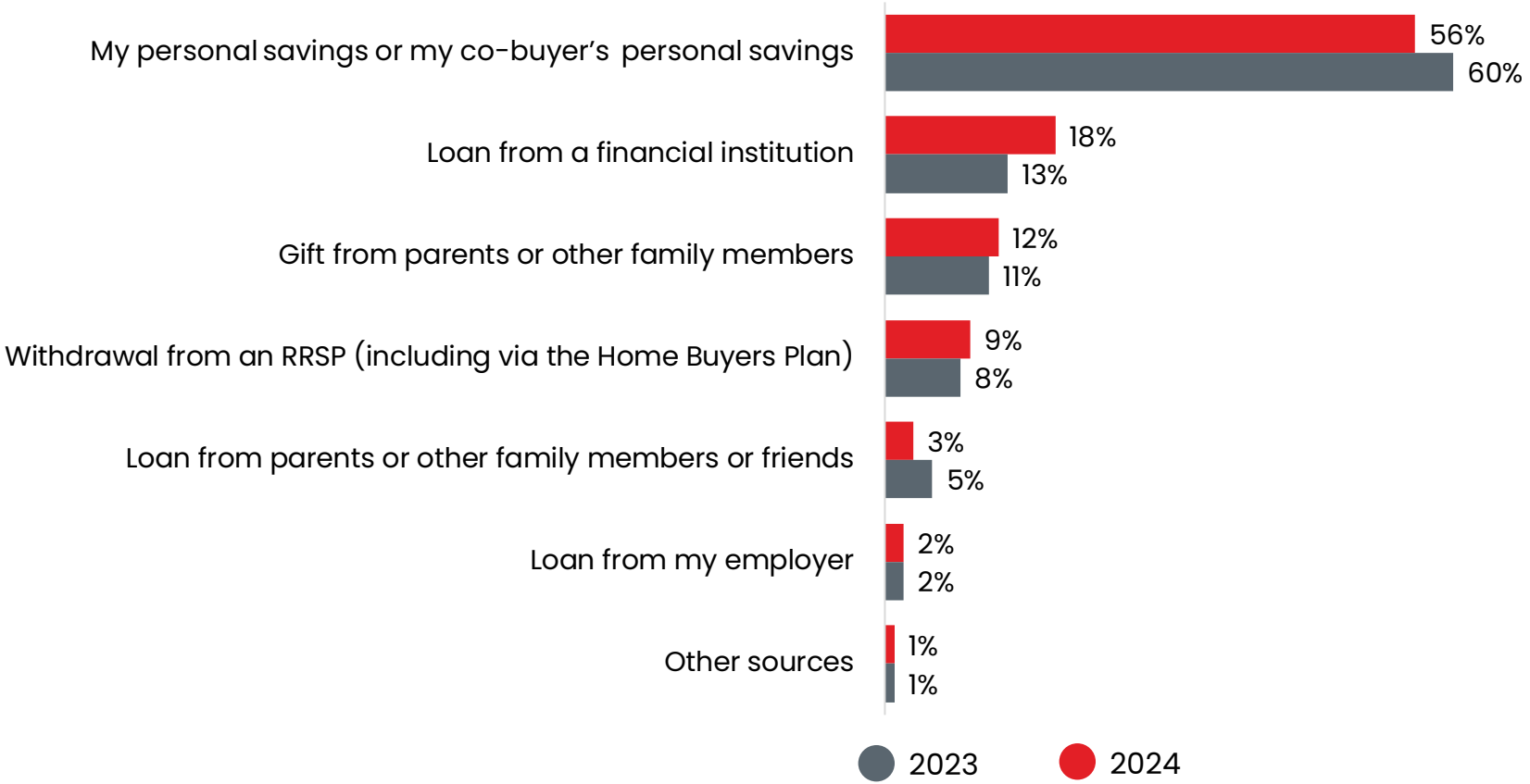
Down payments and prepayment

Personal savings remains the top down payment source for first-time buyers, while loans from financial institutions have firmly taken second place

Down payment sources by percentage (First-time buyers, past 5 years)



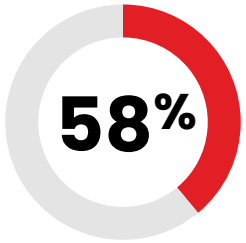
15.5%

average share of down payments coming from gifts among buyers in the past two years

+3.4 pts. from last year

Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Most buyers who received down payment help say they couldn't have purchased without it

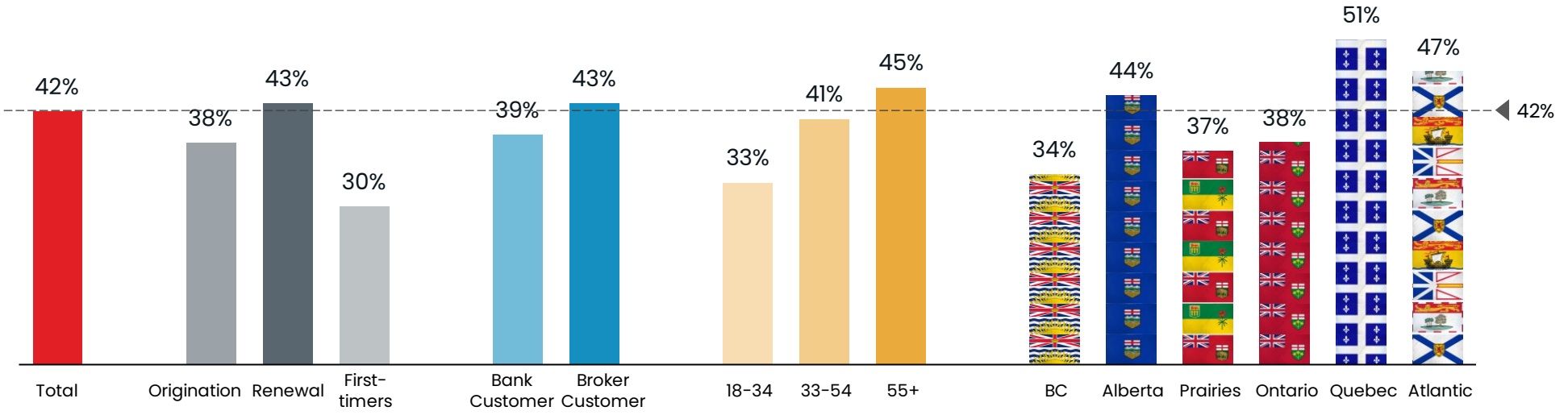


would not have been able to afford their down payment without assistance.

-2 pts. From last year

Among buyers in the past two years, 70% would not have been able to afford their home

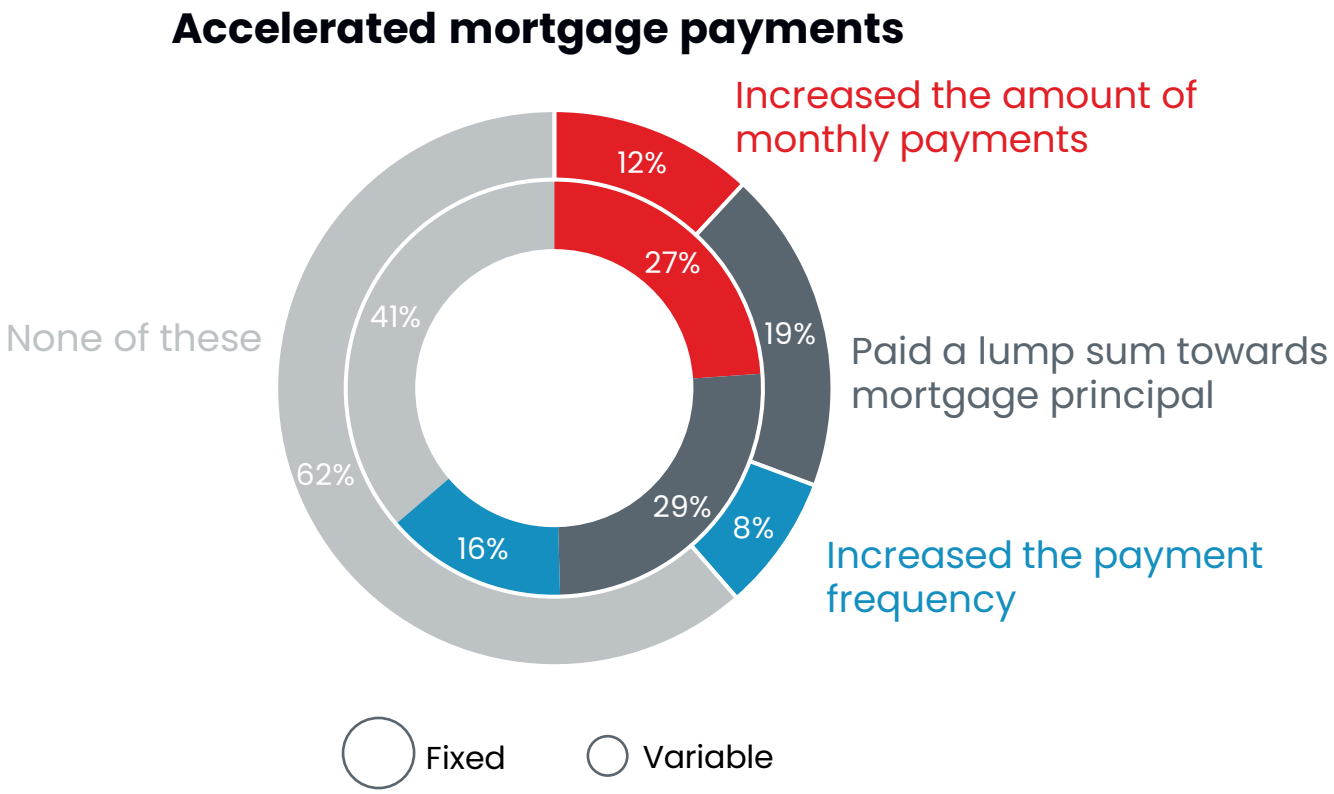
Ability to afford home without down payment assistance



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Over 40% of borrowers have accelerated their mortgage—most commonly with a lump sum payment

Variable-rate holders are more likely than fixed-rate borrowers to accelerate payments. Younger Canadians (17%) are twice as likely as older ones (9%) to boost payment frequency.



$2,056

average regular monthly payment

$1,040

average increased monthly payment

$23,666

average lump sum mortgage contribution

5%

already had difficulty prior to rate of mortgage increase

-4 pts. from last year

Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

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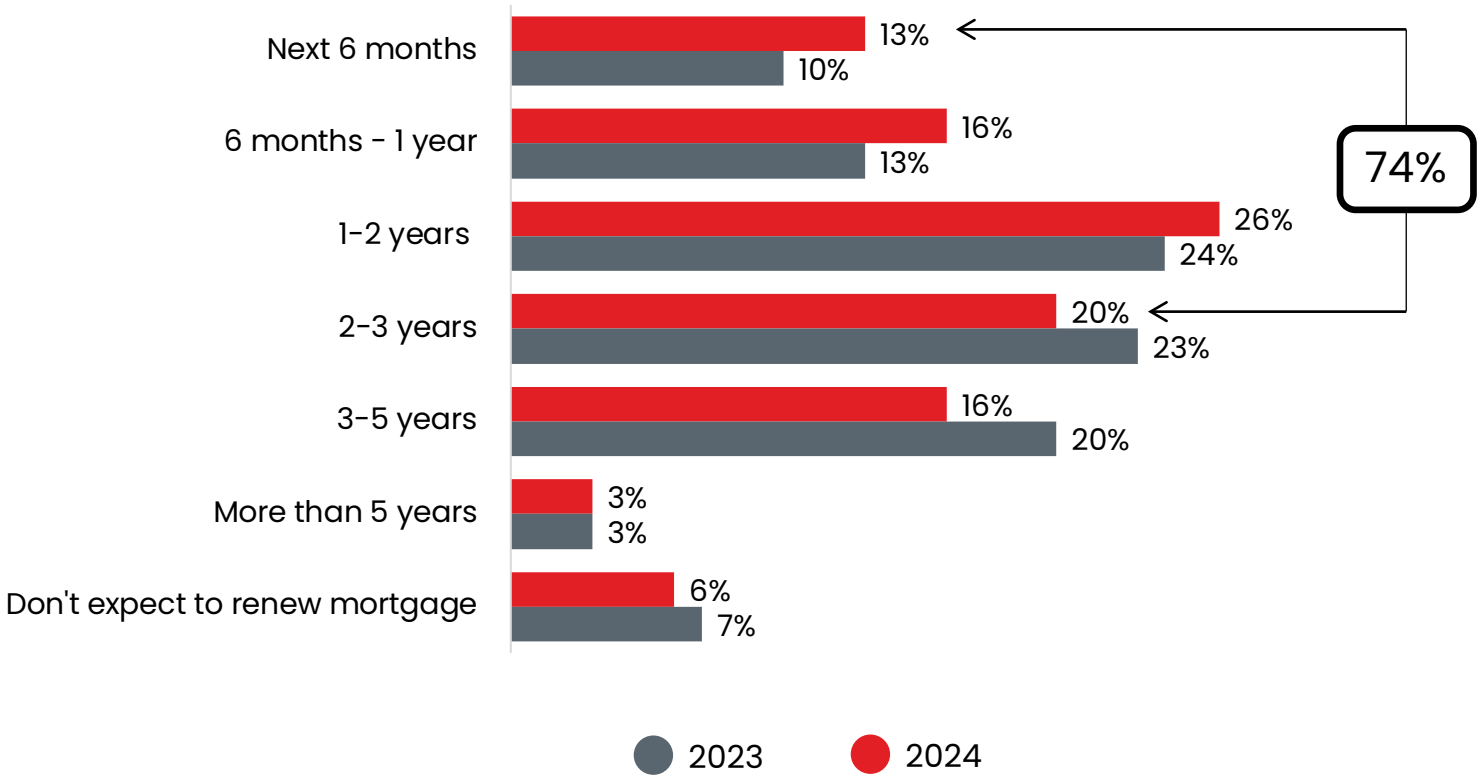
Renewals and refinancing

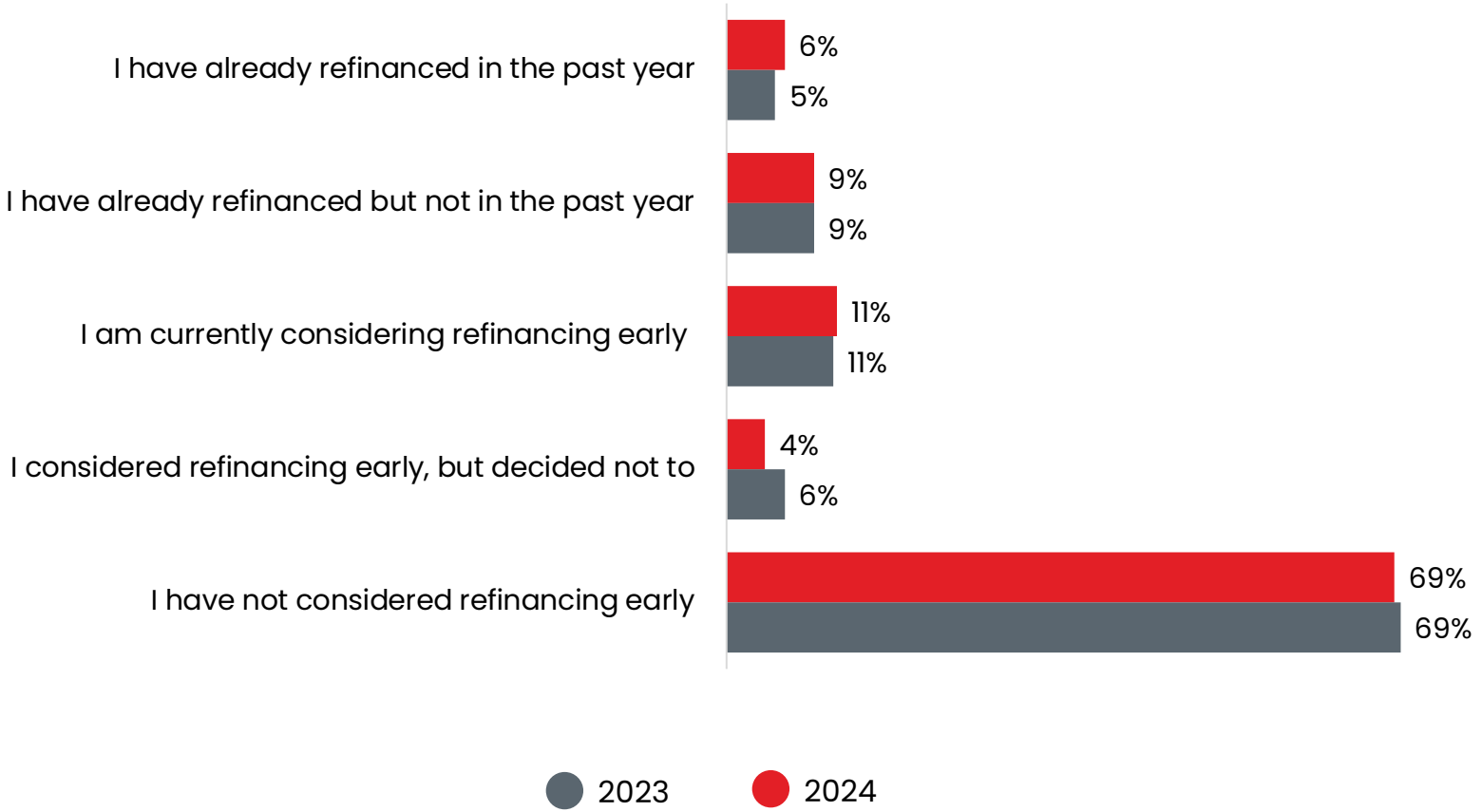
74% of Canadians expect to renew their mortgage within the next three years, up from 70% last year and 54% in 2022



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Three in 10 Canadians have refinanced or considered refinancing—steady with last year's levels

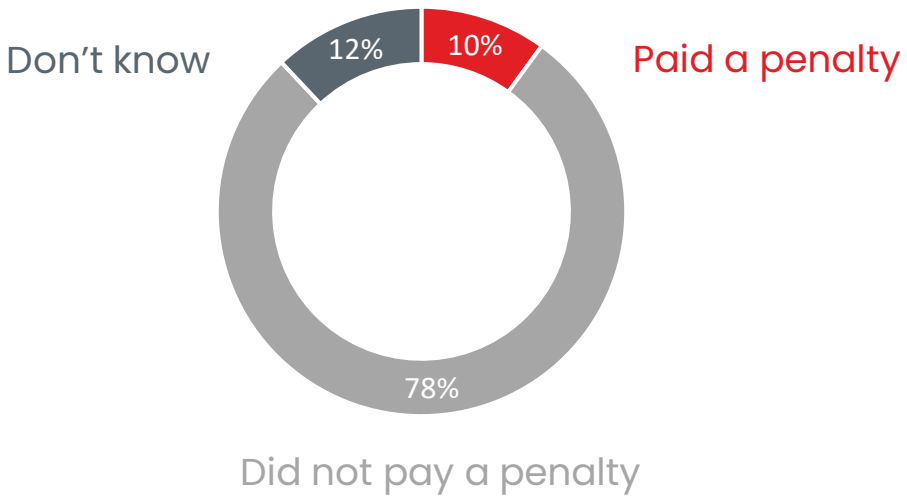
Refinancing current mortgage



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Most Canadians avoided penalties when refinancing, but the average cost of breaking early has nearly doubled since last year

Paid Penalty When Breaking Recent Mortgage



$6,732

Average penalty

+$3,221 from last year

35%

are very comfortable with the loan/value ratio on primary residence

+10 pts. from last year

Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

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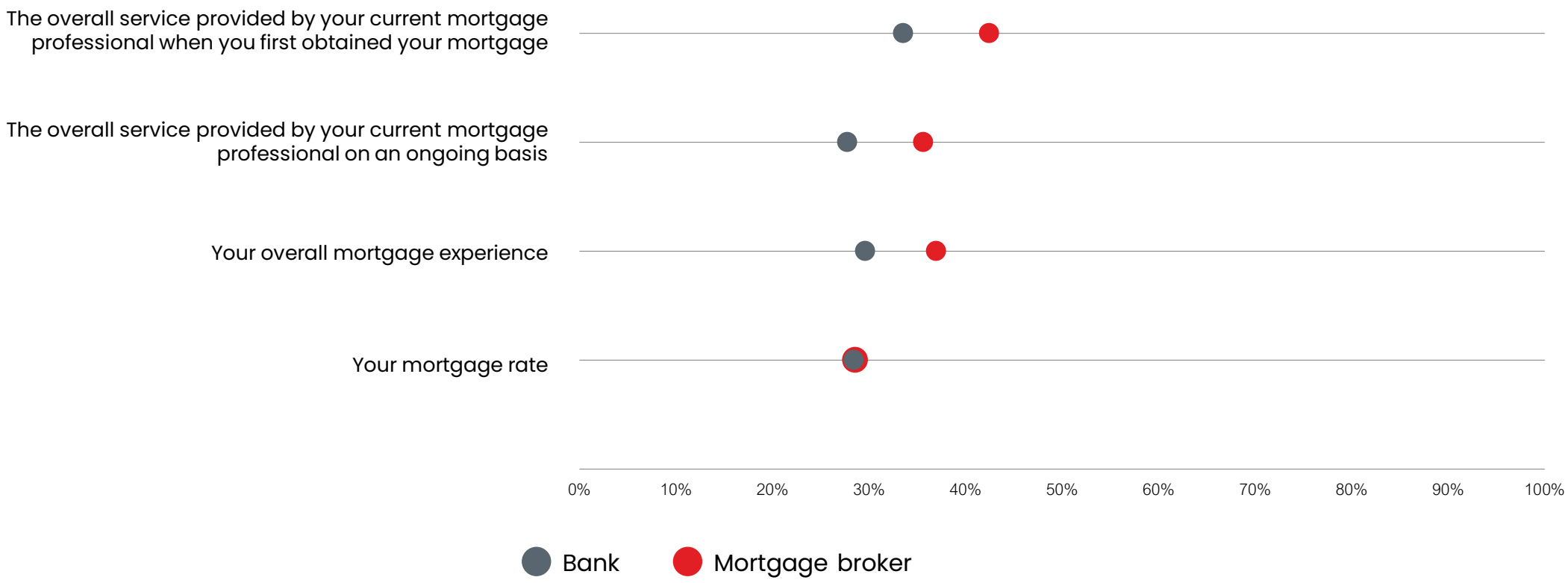
Mortgage professionals and lenders

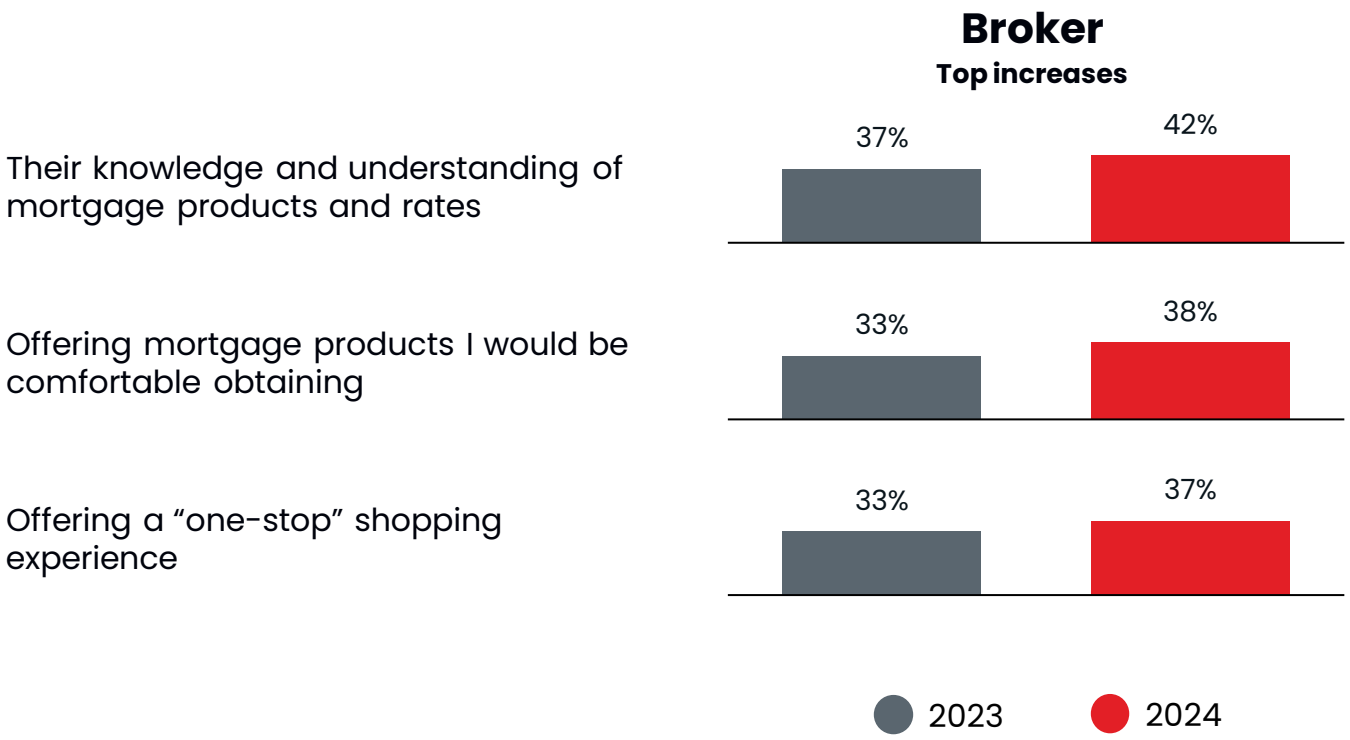
Brokers regain their edge over banks, with strong gains across all four service metrics

Those satisfied with their mortgage professional (rated 9-10/10)



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

After declining last year, broker sentiment has started to recover, with agreement rising by an average of 2 points per statement

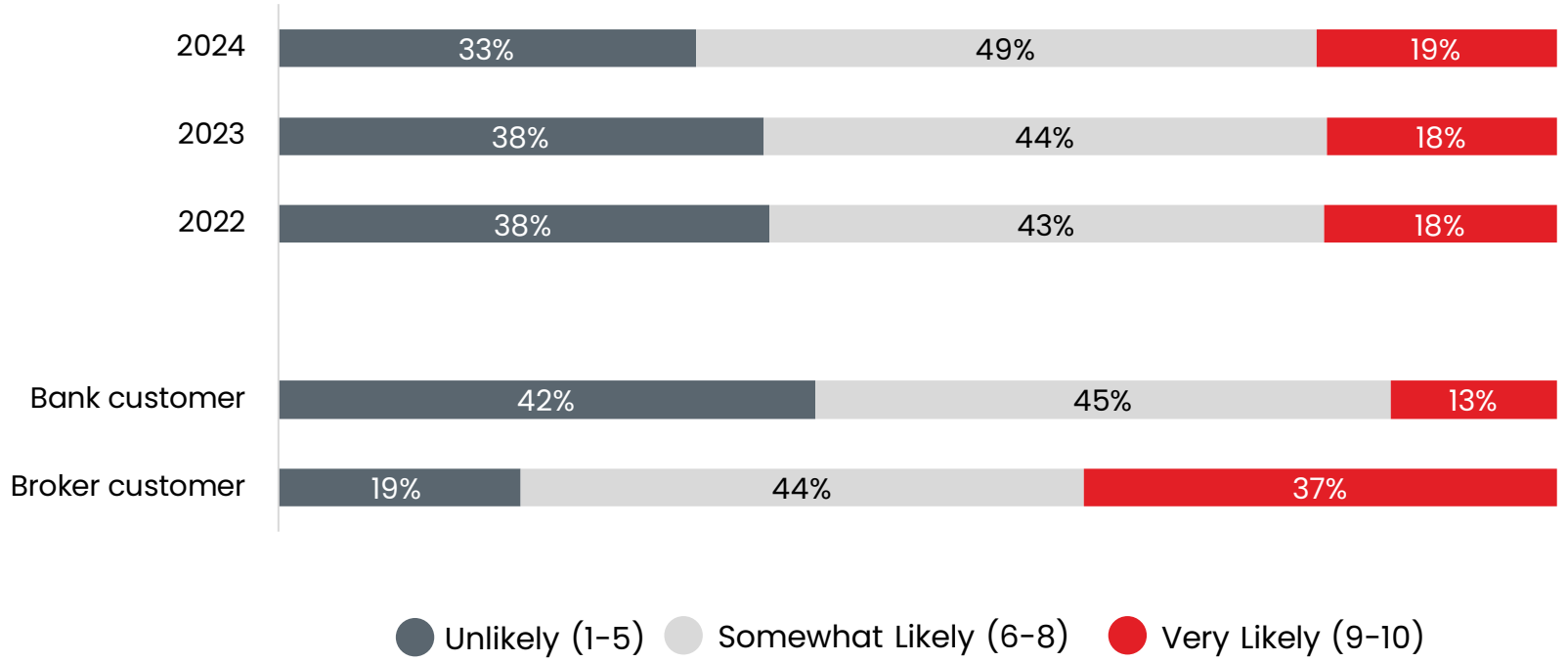


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Broker usage intent is on the rise—two thirds of Canadians now say they're at least somewhat likely to work with one

Broker loyalty is high—81% of broker clients say they're likely to use a broker again, compared to just 58% of bank customers.

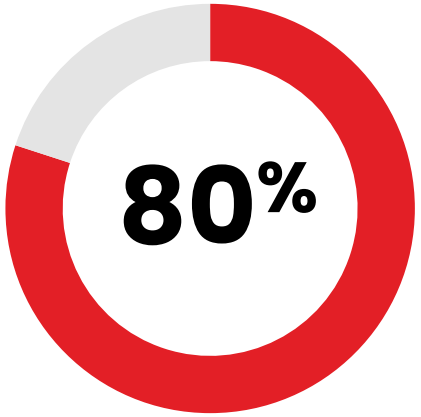
Likelihood to use a mortgage broker for next mortgage



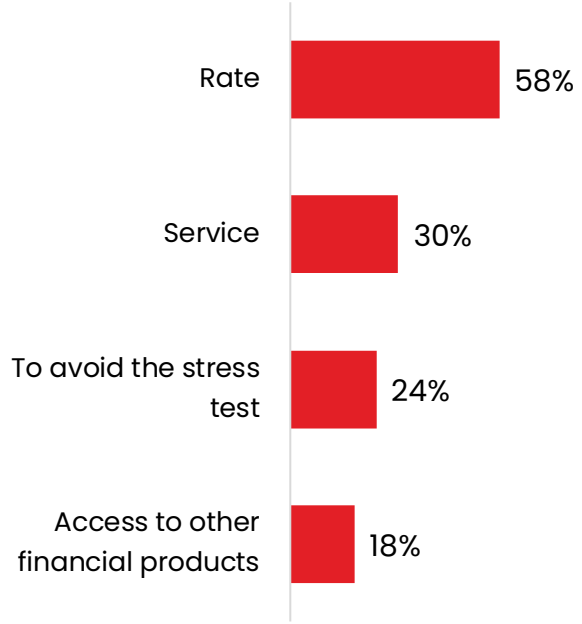
Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Most Canadians renew with their current lender, but rate is the top reason for switching to a new one

Renewed with the same lender as their previous term



Reasons for switching or staying with the same lender when renewing

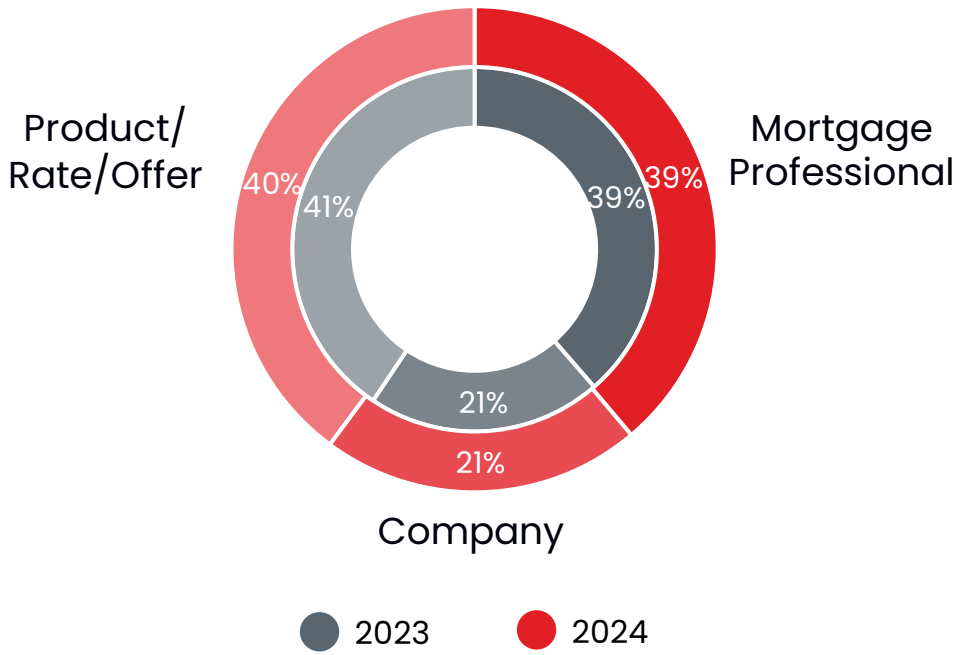


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

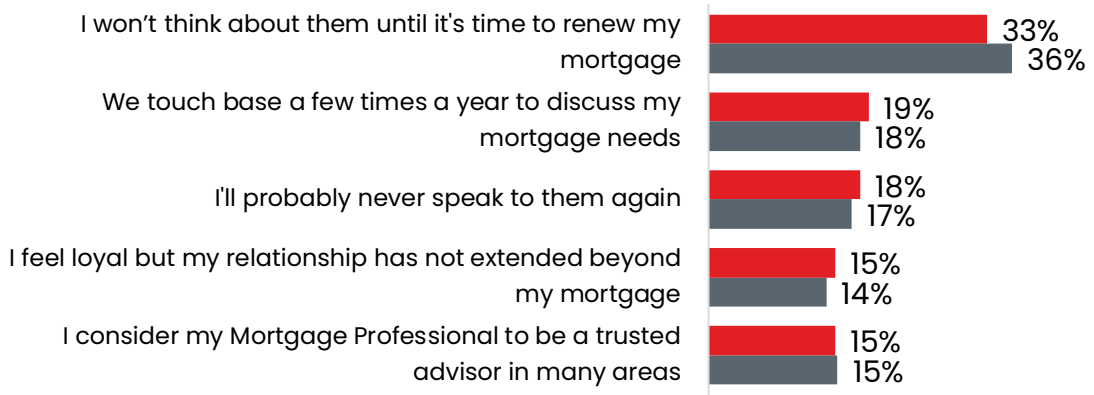
The mortgage professional is just as important as the product or rate when clients choose who to work with

Roughly one-third of mortgage holders still only think about their mortgage professional at renewal time—a figure unchanged from last year.

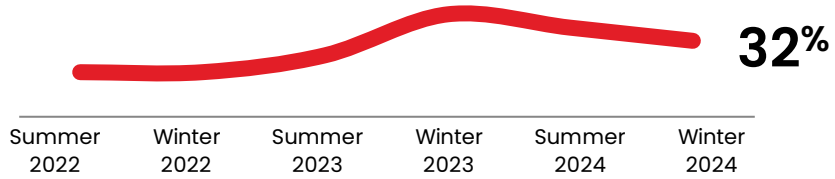
Primary reason for working with mortgage professional and company



Relationship with mortgage professional



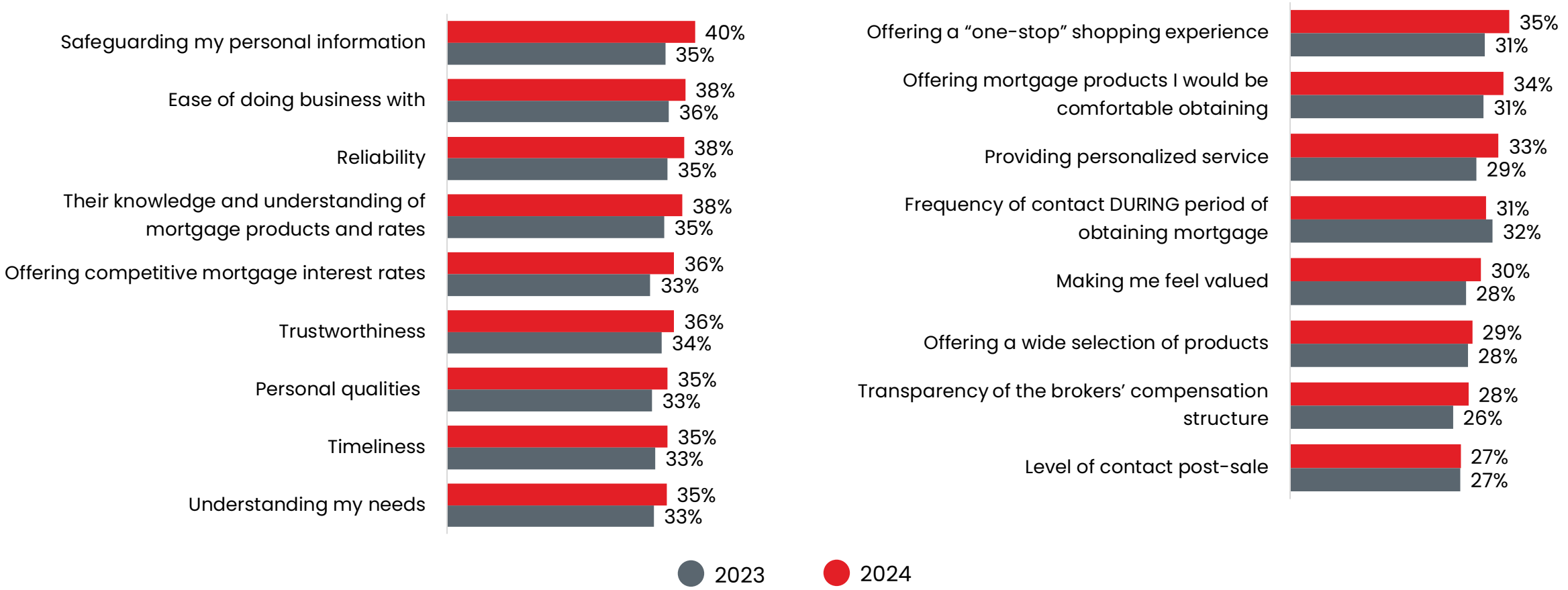
Mortgage broker share



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Satisfaction with nearly all aspects of service from mortgage professionals is up this year

Client satisfaction is up across nearly all broker service qualities (rated 9-10/10)

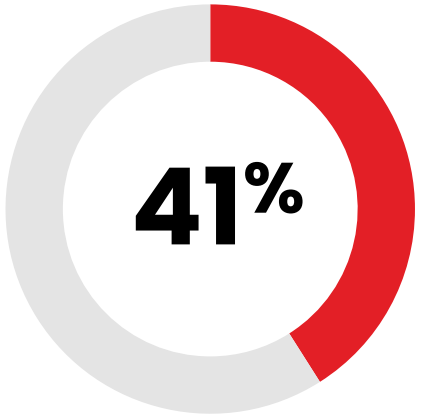


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

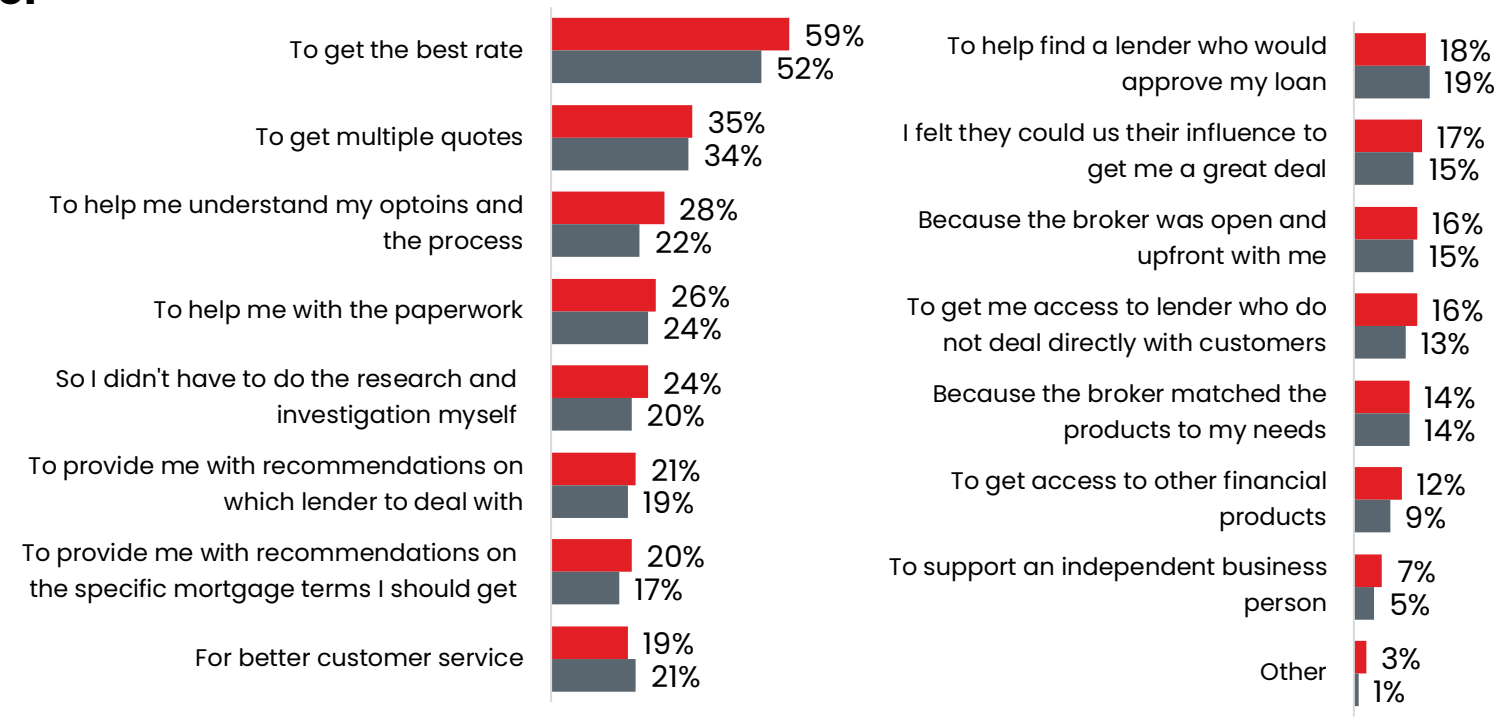
Two-in-five homeowners who initially preferred staying with the same lender due to the stress test would consider switching once they learn the requirement has been removed

Getting the best rate remains the top reason for choosing a broker—and it's even more popular this year.

More homeowners open to switching lenders after stress test elimination for uninsured switches



Why borrowers choose to stay or switch at renewal

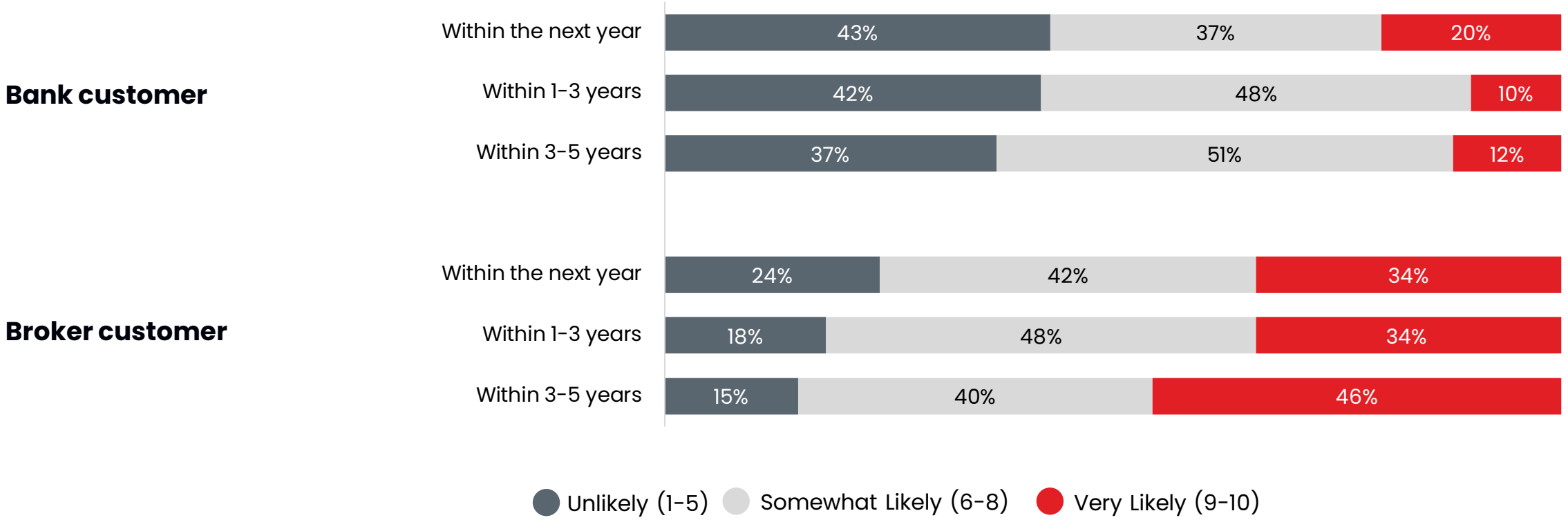


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

As their renewal date nears, the share of bank customers who say they're "very likely" to use a broker for their next mortgage doubles to 1 in 5

About one-third of broker customers renewing in the next year say they're "very likely" to use a broker again

Likelihood to use a mortgage broker for next mortgage



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

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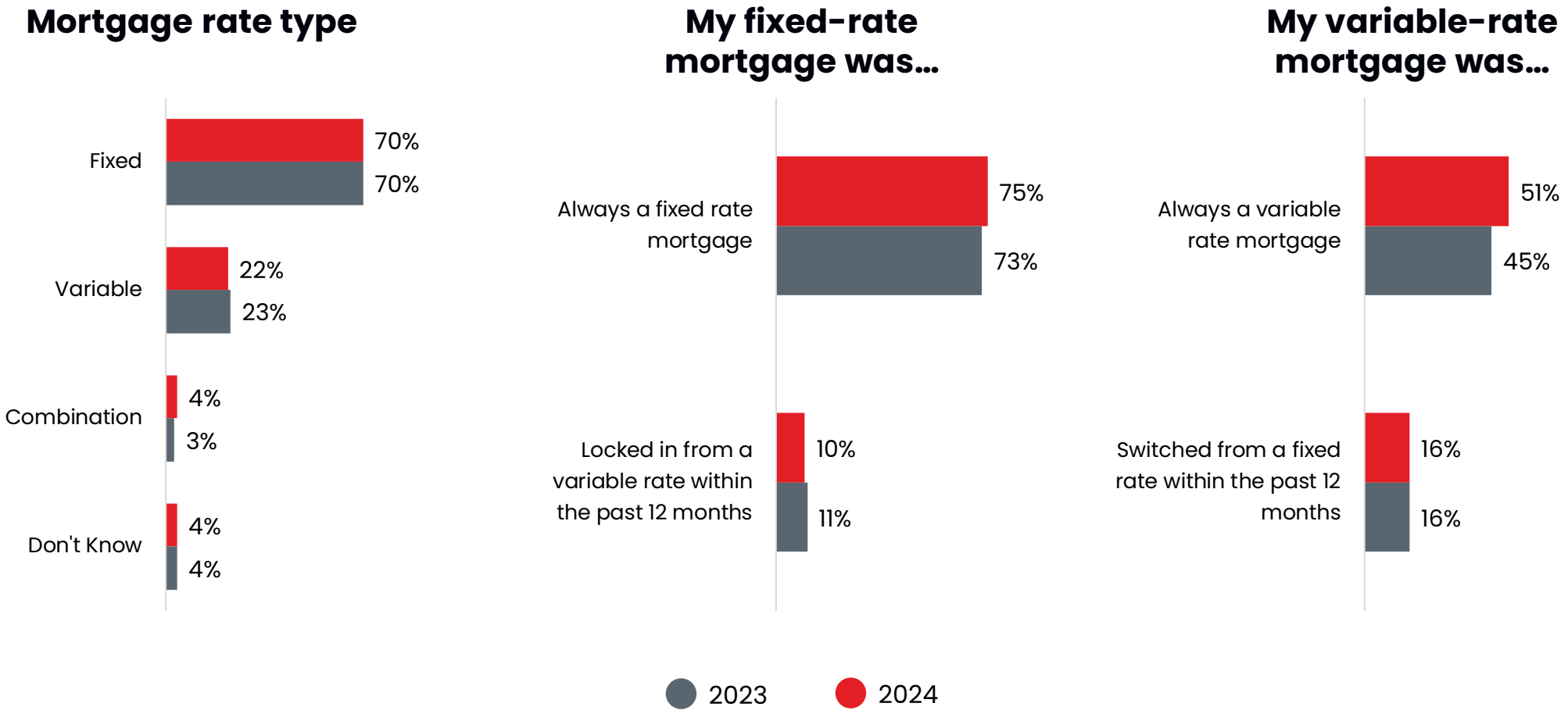
Mortgage products and preferences

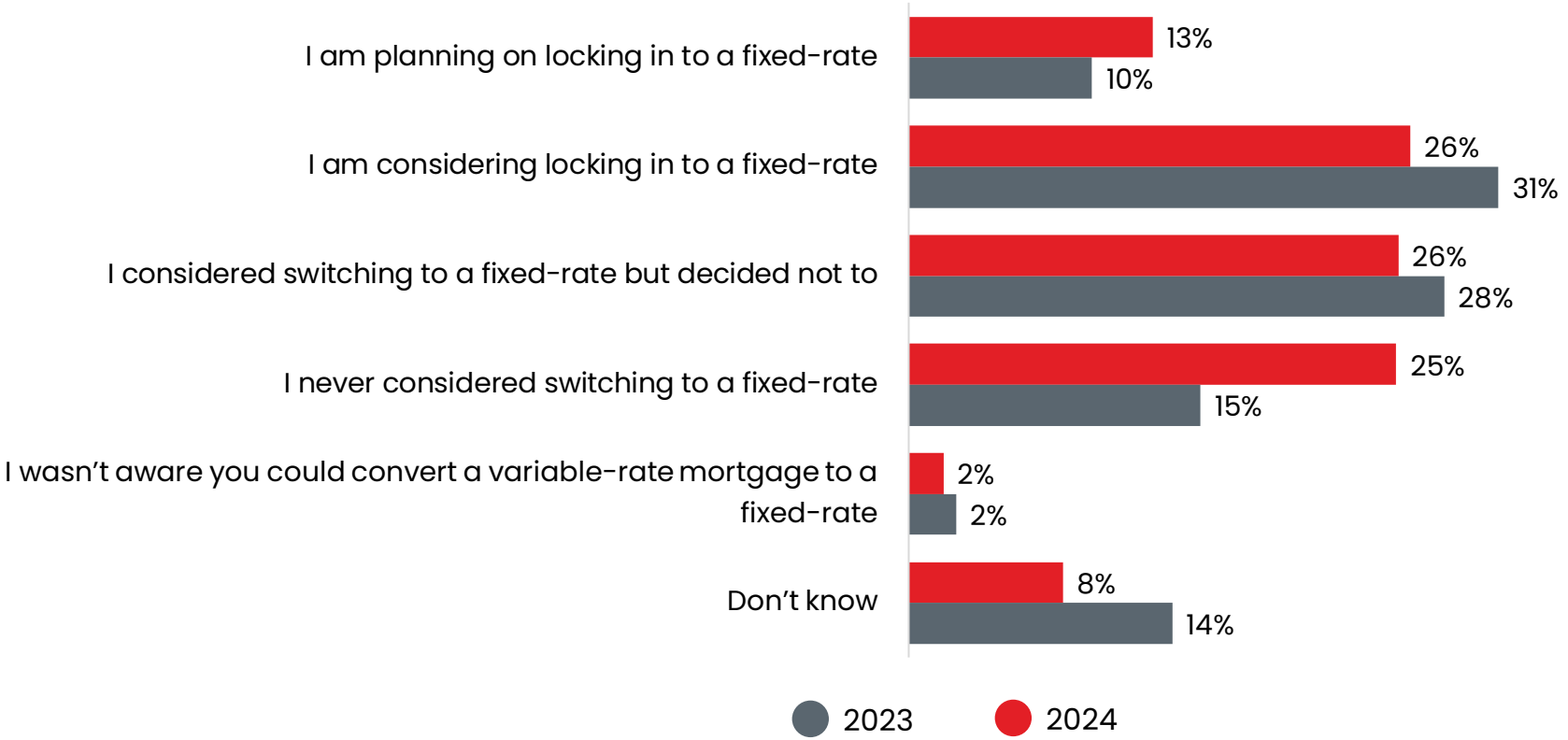
The breakdown between fixed- and variable-rate mortgages is virtually unchanged from last year



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Fewer Canadians are on the fence about switching to fixed rates. Decisiveness is up, while indecision is down compared to previous years.

Variable to fixed: Fewer undecided, more decisive

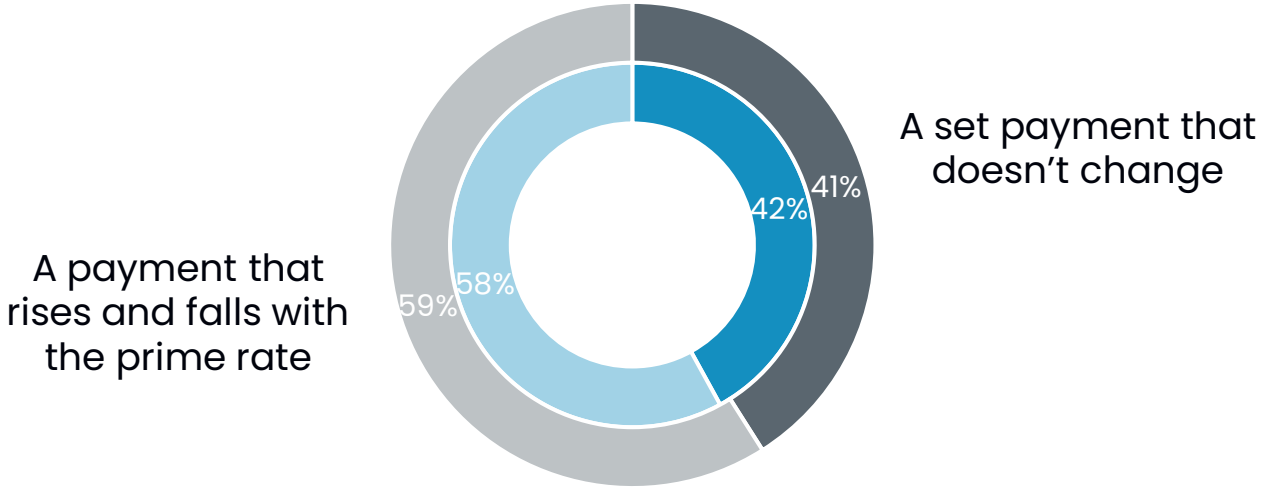


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

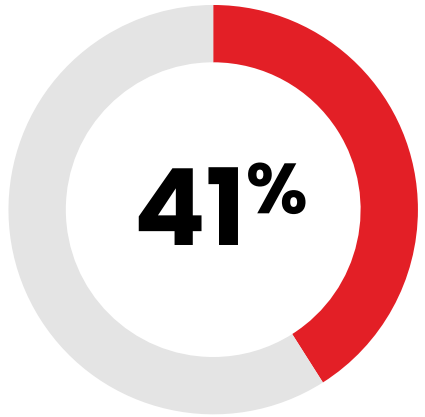
First-time buyers with variable-rate mortgages are just as likely to choose set payments as repeat buyers

Most Canadians with a variable-rate mortgage and set payments haven't reached their trigger rate—though 4 in 10 say they have.

Type of variable-rate mortgage chosen by buyers (past five years)



Share of variable-rate mortgage holders who hit their trigger rate

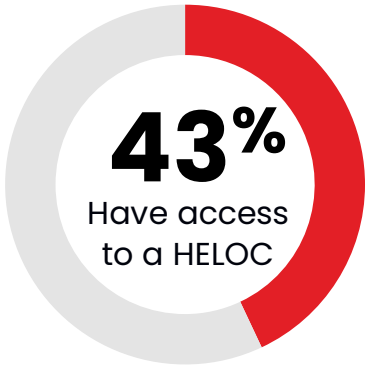


First-time homebuyer Not first-time homebuyer

Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Most Canadians don't have a HELOC, and 1 in 10 aren't even familiar with the term

First-time buyers are less likely to have a HELOC—or even know what it is—compared to non-first time buyers. Among those with access, the average limit is nearly $128K, but most haven't borrowed a cent.



$127,626

average available to borrow on HELOC

$26,740

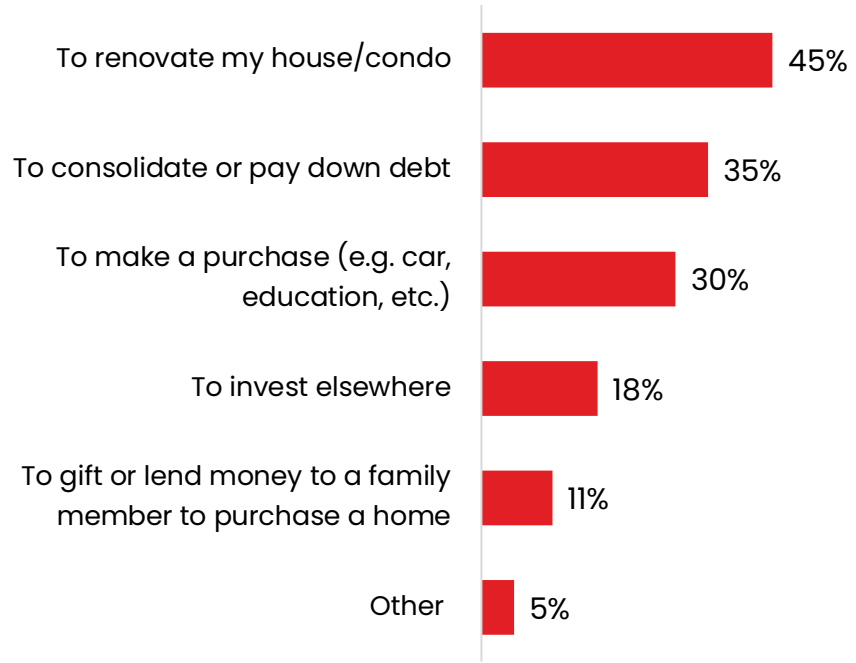
average borrowed on HELOC

70%

will still have a HELOC once they are mortgage-free.

+4 pts. from last year

Top uses of borrowed HELOC funds



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

MORTGAGE
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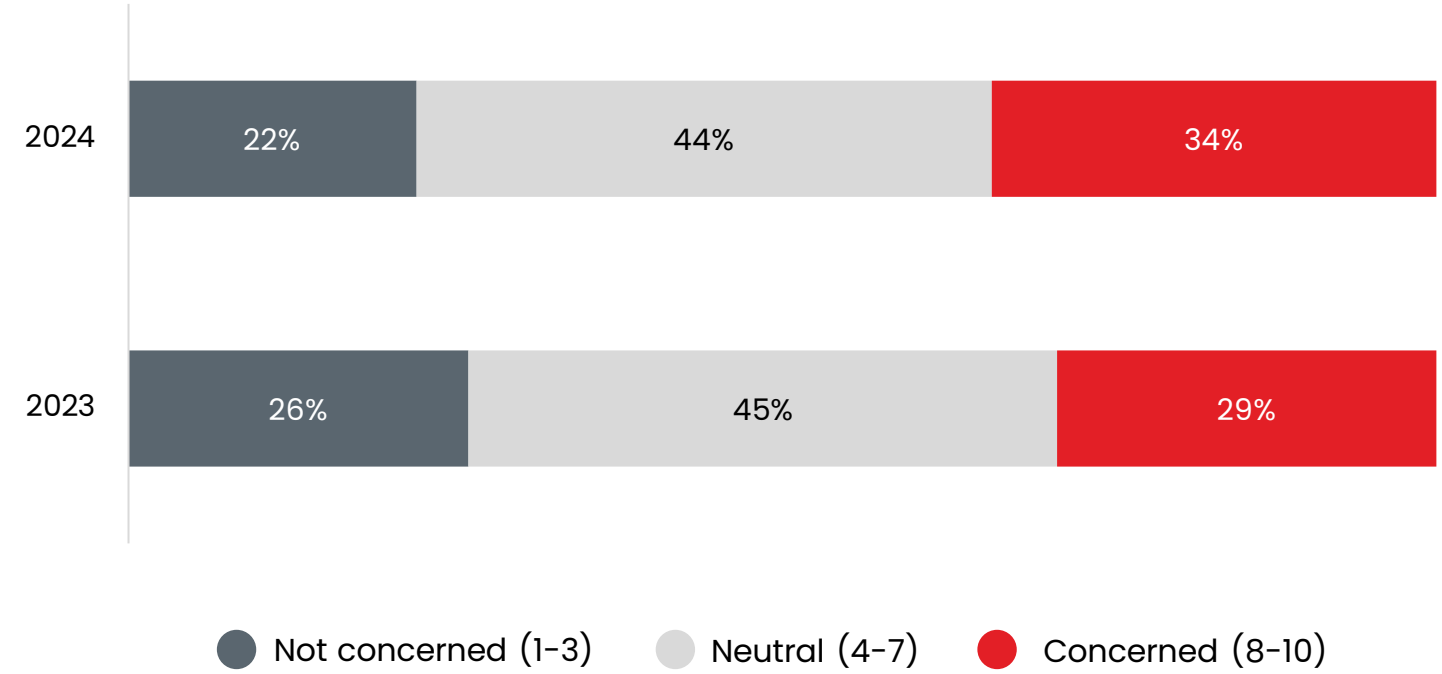
CANADA

Mortgage fraud

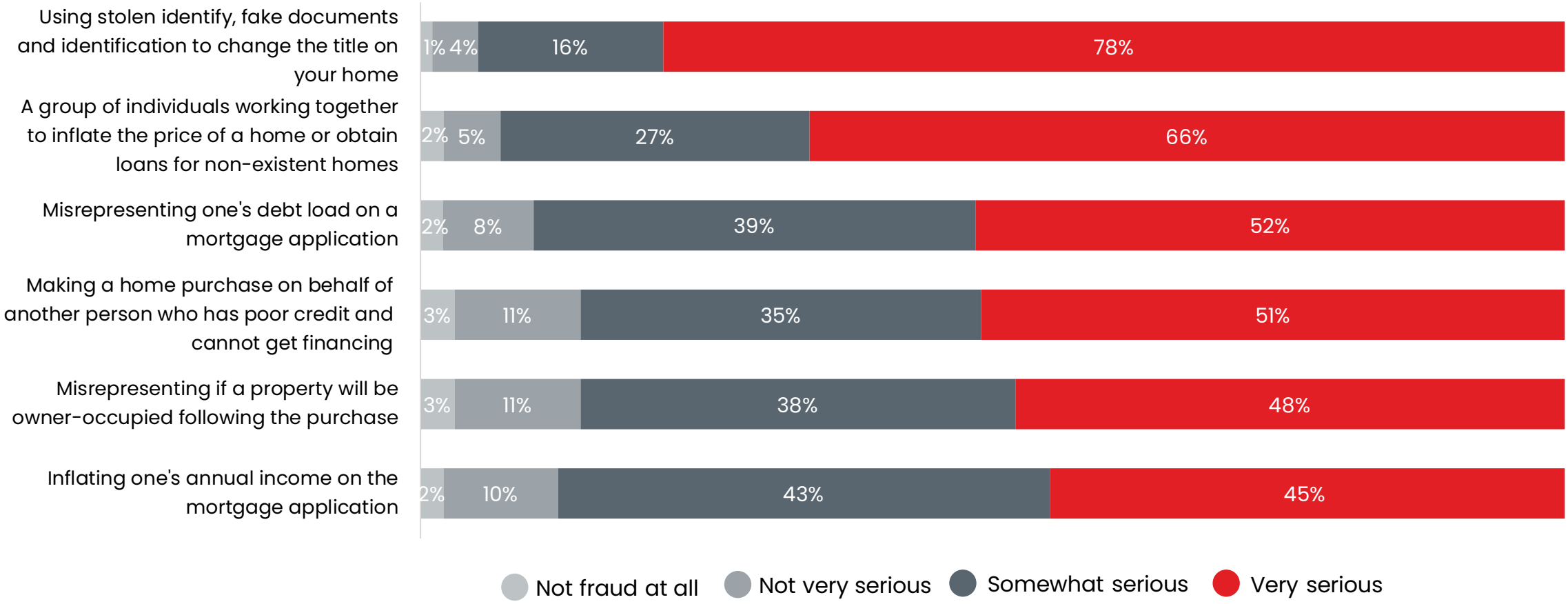
Canadians are growing more concerned about mortgage fraud

Concern about mortgage fraud



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

While some examples were seen as more severe, at least half of respondents considered most forms of mortgage fraud to be very serious

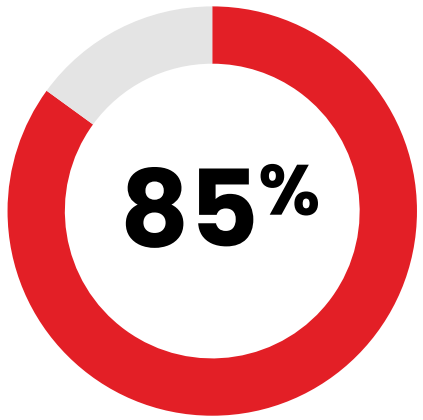


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

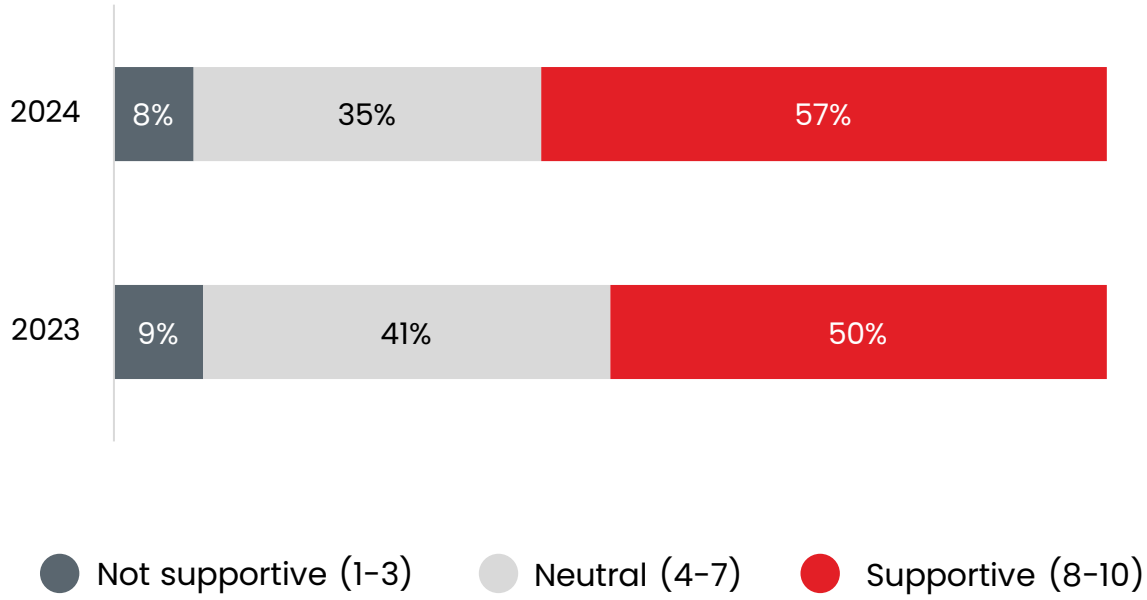
More than 80% of Canadians believe mortgage fraud is serious enough to justify stronger security measures

Support for letting mortgage professionals verify income through the CRA has risen significantly since last year

Believe mortgage fraud is serious enough to justify stronger security measures



Support for letting mortgage professionals verify income via the CRA



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

MORTGAGE
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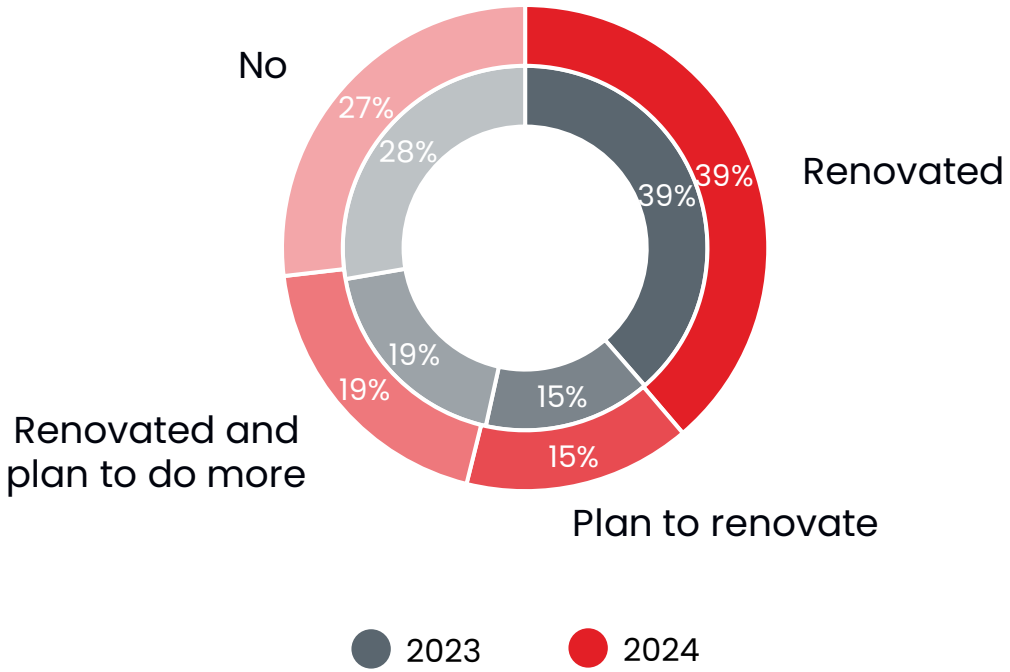
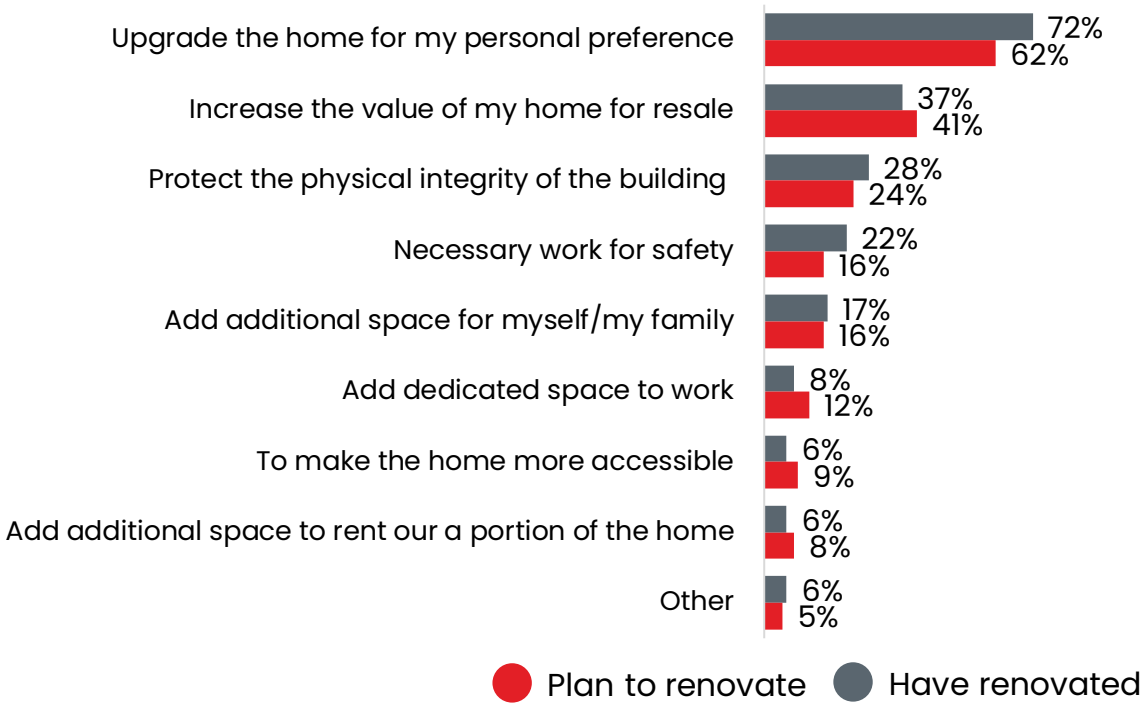
Renovations and income generation

More than 70% of Canadian homeowners have either renovated or plan to. Most cite personal upgrades or boosting resale value as their main reasons

Renovated or plan to renovate



Types of renovations

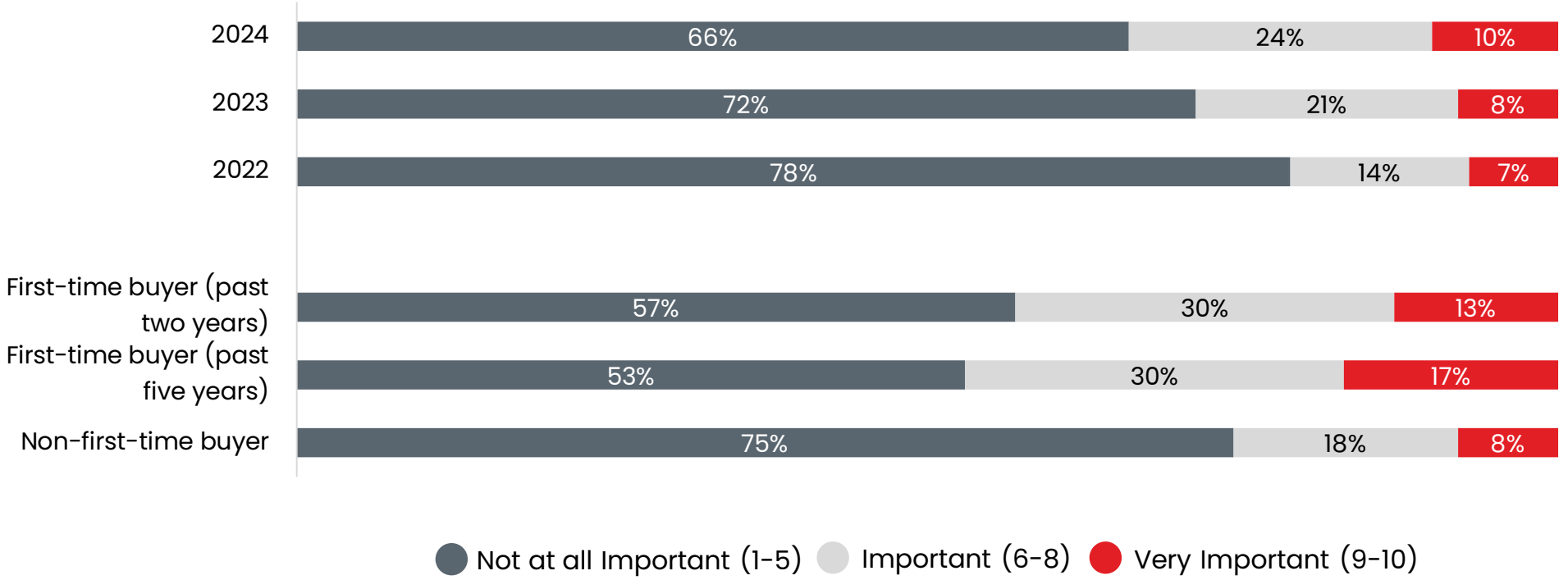


Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

The importance of income generation continues to rise as a key factor in homebuying decisions

First-time buyers, whether in the past 2 or 5 years, are more likely than repeat buyers to view income generation as part of their home purchase.

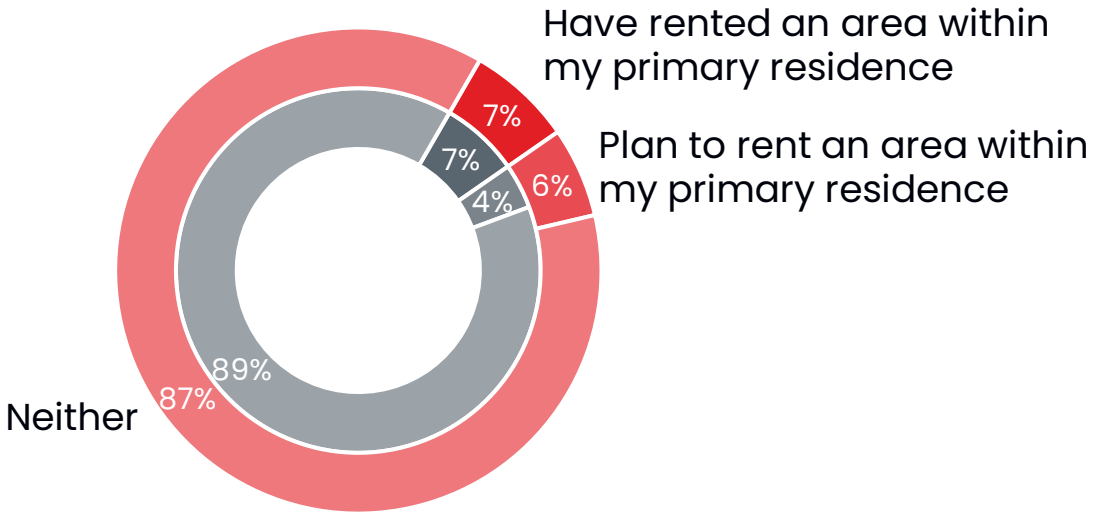
Importance of generating income from the property



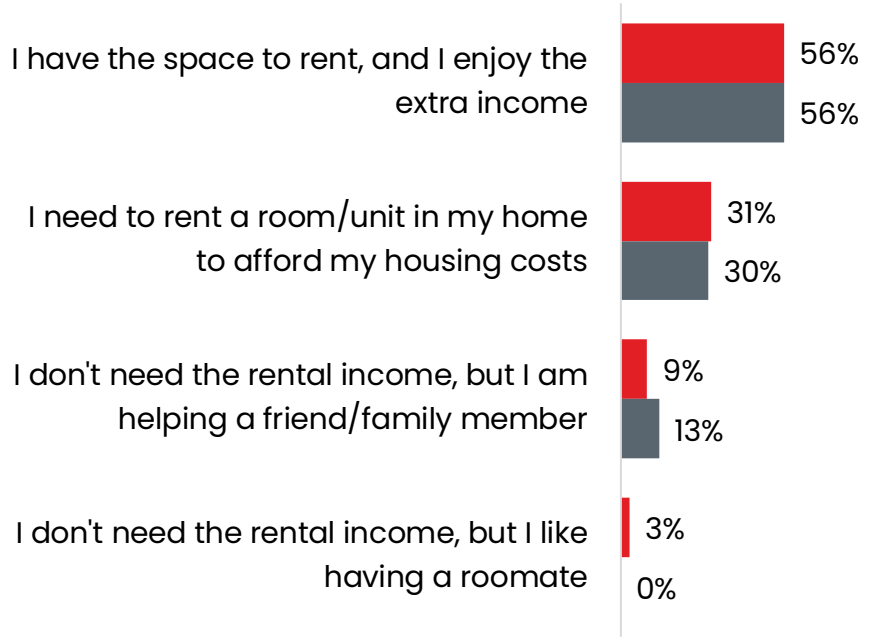
Sources: Bond Brand Loyalty/Mortgage Professionals Canada.

Among the 13% of homeowners who rent or plan to rent out their home, over half do so for extra income, while nearly one-third say it's necessary to cover housing costs.

Rent or Plan to Rent



Reasons for Renting



Sources: Bond Brand Loyalty/Mortgage Professionals Canada.