Ottawa Home Sales Hold Steady in September as New Listings Rise

OTTAWA, October 5, 2026 - Ottawa home sales held near August levels in September, edging slightly higher rather than declining as they typically do at this point in the year. At the same time, new listings rose much more sharply than usual, giving buyers greater choice and shifting market conditions further in their favour.

Last month, weaker absorption was identified as one of the key signals to watch heading into the fall. That signal became more pronounced in September as the gap widened between the number of homes coming onto the market and the number selling. Whether that shift persists remains to be seen. New listings have declined in both October and November in each of the past 10 years, so the coming months will show whether September's influx of listings recedes with the usual seasonal pattern or keeps inventory elevated for longer.

The price picture was mixed. Average and median sale prices remained close to August and only slightly below last year, indicating that overall transactions did not change dramatically. The MLS® Home Price Index declined more noticeably, however, pointing to underlying price softness once changes in the mix of homes sold are taken into account.

"Ottawa's suburban areas remained the main engine of activity in the housing market, accounting for nearly three-quarters of all September sales and continuing to shape the citywide result," said OREB President Tami Eades. "At the same time, the downtown and rural areas continue to see more volatility with a widening gap between the number of homes coming onto the market and the number selling."

Residential Market Activity

A total of 1,010 homes were sold through the MLS® System in September, down 6.6% from September 2025. Sales edged up 0.8% from August, when 1,002 transactions were recorded. Only one of the previous 10 August-to-September periods produced an increase in sales, while the median change was a decline of 5.9%.

Looking across July through September provides a clearer view of the summer market. Sales typically ease gradually over these three months. In seven of the previous 10 years, activity declined in both August and September. This year followed a less even path, with an approximately 24% decline from July to August followed by September's small increase.

The three-month total was 3,336 sales, down 8.2% from the same period in 2025 and the third-lowest summer total since 2016. Taken together, the results point to a softer and unusually uneven summer, with September stabilizing after August rather than signaling a broader rebound.

Sales were lower than a year earlier across all three major property types. Single-family sales declined 4.6% to 535 transactions, while townhouse sales fell 3.5% to 329. The largest decline remained in apartments, where sales fell 24.8% to 121 transactions. Apartments accounted for more than half of the net year-over-year decrease in citywide sales.

Year to date, 10,288 homes have sold in Ottawa, down 6.9% from the same period in 2025. Total year-to-date dollar volume was approximately $7.2 billion, down 7.3%.

Prices and Market Balance

The average residential sale price was $685,640 in September, down 1.0% from a year earlier and nearly unchanged from August. The median sale price was $625,000, down 0.8% year over year and slightly higher than in August.

Despite the volatility in sales activity, the average price remained within a range of less than 1% from July through September.

The MLS® Home Price Index recorded a composite benchmark price of $623,500, down 0.3% from September 2025 and 2.2% from August. Average and median prices can be influenced by the types of homes sold in a given month. For example, a larger share of higher-priced sales or detached homes as opposed to condos can support the average even when home values are generally softening. The HPI reduces this effect by tracking the estimated price of a representative home with consistent characteristics. Its larger decline therefore points to more underlying price softness than the average and median figures alone suggest.

September's 2.2% monthly HPI decrease was the largest August-to-September decline in Ottawa's series, which dates to 2005. Even after adjusting for normal seasonal patterns, the benchmark declined 1.5%, also the largest September decrease in the series. The result warrants attention, particularly alongside weaker absorption, but one month alone does not establish a sustained price trend.

There were 2,927 new listings in September, up 3.0% from a year earlier and 38.1% from August. Some increase is normal as the fall market begins, but the median August-to-September increase over the previous 10 years was 12.9%. Looking across July through September, 7,576 homes were newly listed, the highest total for those three months since 2016. Over the same period, sales recorded their third-lowest total.

Active listings reached 4,813, up 7.9% from September 2025 and 7.1% from August. This was the second-highest September level since 2016.

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The sales-to-new-listings ratio fell from 47.3% in August to 34.5% in September, meaning roughly one home sold for every three new listings. Months of inventory rose from 4.5 to 4.8. Among September results over the past decade, this year recorded the lowest sales-to-new-listings ratio and highest level of months of inventory.

Single-family homes recorded 4.4 months of inventory and a benchmark price of $705,100, nearly unchanged from a year earlier but down 3.0% from August. Townhouses recorded 4.0 months of inventory and a benchmark price of $546,500, down 2.2% year over year but essentially unchanged from August.

Apartment remained the softest of the three major property types. Months of inventory rose from 6.3 to 7.3, while the sales-to-new-listings ratio fell from 43.0% to 27.0%. The apartment benchmark price was $380,800, down 6.1% from a year earlier and 3.1% from August. Although the average apartment sale price increased 0.9% year over year, the benchmark movement suggests that changes in the mix of apartment sales supported the average. Taken together, the September measures indicate that apartment supply continues to build relative to sales.

Regional Market Comparison

Ottawa's three suburban submarkets continued to be the engine of the market, accounting for 734 sales, or 72.7% of citywide activity. Their combined sales total was down 8.0% from 798 in September 2025, with each of the three submarkets recording fewer sales than a year earlier.

Ottawa Suburb West had the firmest absorption among the seven submarkets, with a sales-to-new-listings ratio of 40.7% and 3.7 months of inventory. Ottawa Suburb East recorded 4.3 months of inventory, while Ottawa Suburb South recorded 4.4.

More supply-sensitive conditions were evident in Ottawa Centre and the rural markets. Ottawa Centre recorded a sales-to-new-listings ratio of 27.6% and 6.8 months of inventory. Months of inventory also reached 6.5 in Ottawa Rural South, 6.3 in Ottawa Rural East and 5.8 in Ottawa Rural West.

Price movements varied considerably across the rural areas. With monthly sales ranging from 40 to 88 transactions, large percentage changes in these markets should be interpreted cautiously.

Looking Ahead

Through the summer, one of the central questions for Ottawa's market was not simply how many homes were available, but how quickly that supply was being absorbed. Absorption weakened through August and September. The sales-to-new-listings ratio fell from 52.4% in July to 47.3% in August and 34.5% in September, while months of inventory rose from 3.5 to 4.5 and then 4.8. September sales were nearly unchanged from August, but new listings increased 38.1%, meaning the latest shift came primarily from substantially more supply competing for a similar number of sales.

How long that imbalance lasts will matter. Listings normally decline as the market moves through October and November, so some improvement in absorption would indicate that September's surge was partly seasonal. If the sales-to-new-listings ratio remains near its current level, months of inventory remains elevated, and the HPI continues to decline, the evidence of a broader price adjustment would become stronger.

Apartments remain the clearest pressure point. CMHC also expects Ottawa's rental market to soften as a large construction pipeline is completed. Most of that new supply is purpose-built rental housing rather than resale condominiums, so it should not be treated as a direct addition to resale inventory. It may nevertheless influence demand as renters and prospective buyers weigh a wider range of housing options.

External forecasts generally point to limited near-term price growth and a gradual recovery. TD Economics forecasts Ontario's existing-home prices to average 2.6% lower in 2026, followed by growth of only 0.6% in 2027, while RBC forecasts Canada's benchmark price index to decline 2.3% in 2026 before edging up 0.8% in 2027. CMHC's Ottawa outlook similarly expects sales to stabilize but says slower demand growth and greater supply limiting price increases.

Some buyers may also be shifting from resale homes to new construction. GOHBA reported 464 new-home sales in Ottawa in August, up 9.7% from July and 55.2% from a year earlier, while year-to-date sales were 50.4% higher. This acceleration coincides with expanded HST relief for qualifying new homes, which may be improving the relative appeal of new construction and drawing some demand away from the resale market. The figures do not establish that the rebate caused the increase, but the contrast between stronger new-home sales and weakening resale absorption is another trend worth monitoring.

These forecasts cover different geographic areas and use different price measures, so their figures are not directly comparable with Ottawa's monthly results. Their common direction is nevertheless consistent with the local data: the market is offering buyers more choice, while current supply and demand conditions provide limited support for rapid growth. October and November will provide an important test of whether absorption begins to recover as fall listings ease or whether the softer conditions persist into the end of the year.

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