



Q4 2025

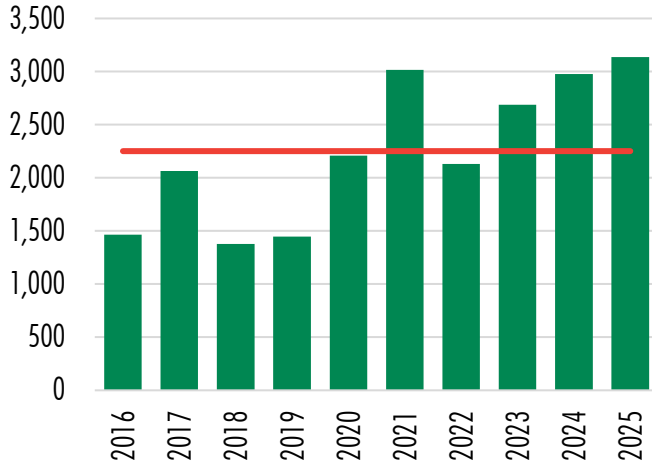
# SASKATOON NEW HOUSING MARKET OUTLOOK

FEBRUARY 2026





**FIGURE 1: NUMBER OF BUILDING PERMITS** — Excludes Renovations

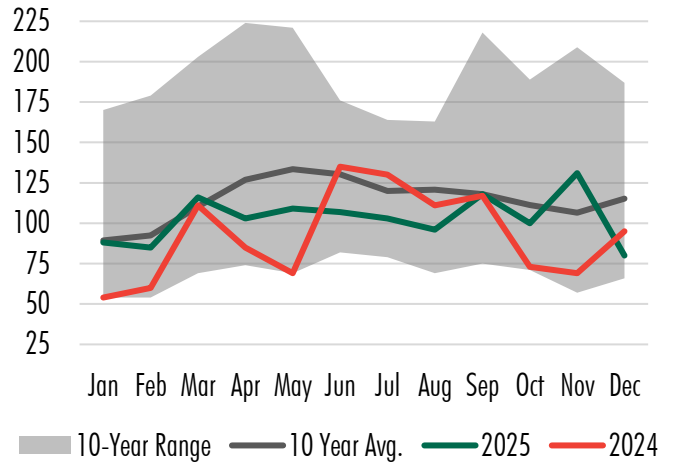


Source: Saskatoon & Region Home Builders Association

Saskatoon’s new housing market delivered its strongest performance since the pandemic. Throughout 2025, the region’s economy stood out nationally, remaining largely insulated from the stagnation affecting Ontario and British Columbia. Strong demand for natural resources, solid agricultural yields, and steady population growth, even amid ongoing trade tensions, renewed confidence among both homebuyers and builders.

New home sales reached 1,236 units in 2025, the highest level since 2020, while optimism from 2024 carried over into a record 3,812 housing starts, the highest in the Saskatoon metro area since at least 1990. This growth was driven primarily by apartment development, with more than 63% of starts intended for the rental market.

**FIGURE 2: NEW HOME SALES BY MONTH**



Source: Saskatoon & Region Home Builders Association

**FIGURE 3: QUARTERLY NEW HOMES QUICK STATS**



**1,236 New Home sales in 2025**  
11.5% increase vs 2024



**3,239 Building permits in 2025**  
9.2% increase vs 2024



**4,156 Units under construction in December 2025**  
11.3% increase vs December 2024



**290 Completed and unabsorbed units as of December 2025**  
92.1% decrease vs December 2024

Source: Saskatoon & Region Home Builders Association & Canada Mortgage and Housing Corporation



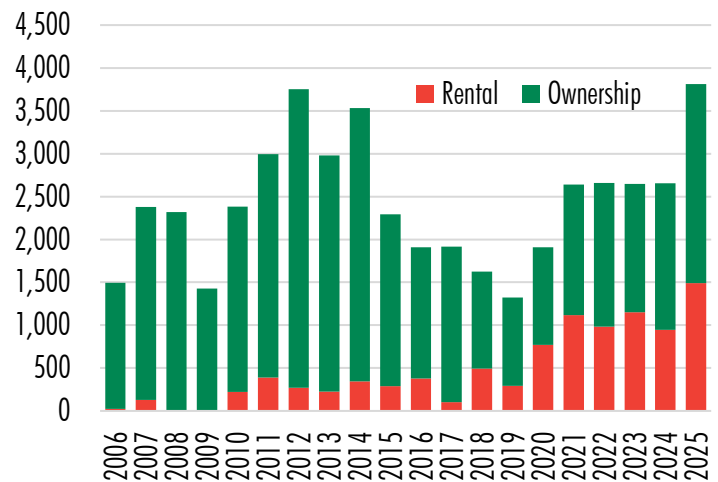


Rental construction was financially attractive in 2025 due to highly accommodative CMHC financing and the removal of GST on rental units, making pro formas particularly compelling in Saskatoon compared with other Canadian markets. At the same time, ownership-oriented construction also surged, reaching 2,322 units across all dwelling types, the highest since at least 2005.

The growing pipeline of rental supply is raising caution among builders. In response to softer forward-looking demand, some are beginning to moderate new construction plans. Despite this, builders remain cautiously optimistic. Building permit applications for new housing units in the SRHBA region reached a record 3,239 units in 2025, up 9.2% from 2024, with single-family permits posting the strongest growth at 19.0% year-over-year, while multi-family permits also increased.

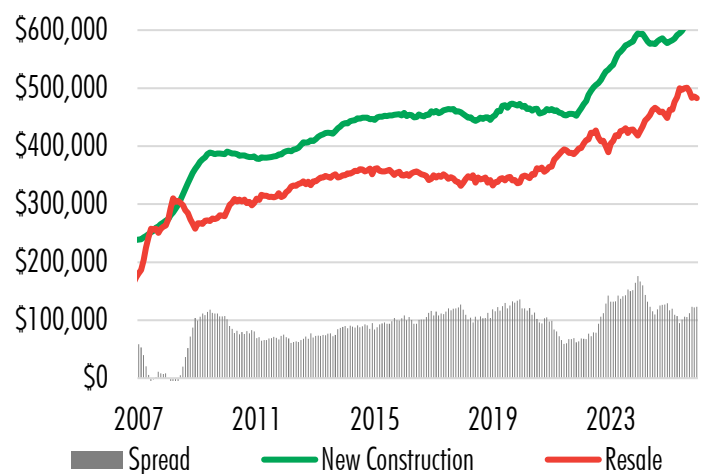
Buyers continue to participate in the market, though many remain cautious amid ongoing uncertainty. The local market continues to offer relative affordability, with prices broadly aligned with incomes. In 2025, the average price of a new single-family home rose 4.6% to \$606,827. The price gap between a new and resale single-family home narrowed to 24.0% in December, the lowest level since 2022. Historically, a sustained gap below 30% signals conditions that encourage additional housing supply. Limited resale inventory, just 1.9 months of supply, has further shifted buyers toward new homes as options in the existing market become scarce.

**FIGURE 4: ANNUAL HOUSING STARTS BY INTENDED MARKET**



Source: Canada Mortgage and Housing Corporation

**FIGURE 5: SPREAD BETWEEN RESALE AND NEW HOUSING**

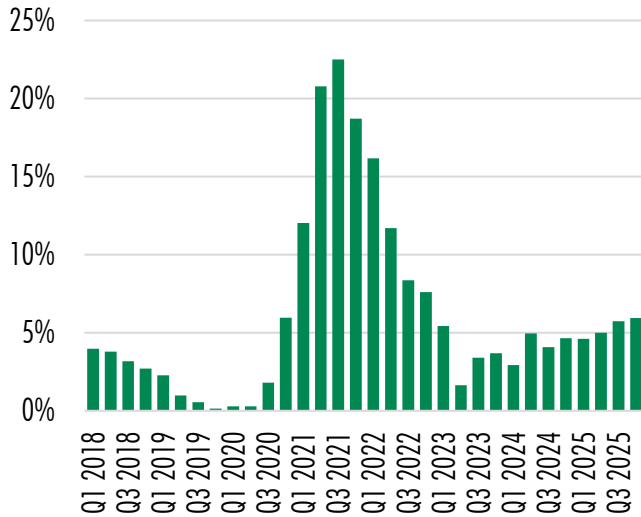


Source: Canada Mortgage and Housing Corporation & Saskatchewan Realtors Association





**FIGURE 6: NEW RESIDENTIAL CONSTRUCTION INFLATION** Year-over-Year

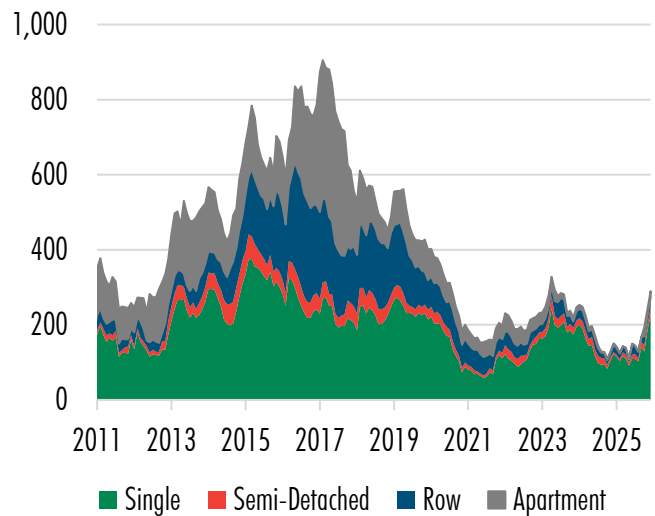


Source: Statistics Canada

Despite price increases, new housing price growth in 2025 lagged construction cost inflation. Although the market is no longer experiencing the extreme price pressures seen during the pandemic, costs increased 4.9% in 2025 due to stricter energy codes, higher regulatory requirements, and rising municipal levies. Builders are responding by optimizing home specs and maximizing site coverage to maintain attainable price points, yet a growing share of these costs is being passed on to buyers.

Unabsorbed new-home inventory increased through 2025, reaching 290 units by December. While approaching a five-year high, this level remains well below the 20-year average. Single-family homes

**FIGURE 7: COMPLETED AND UNABSORBED NEW HOUSING UNITS**



Source: Canada Mortgage and Housing Corporation

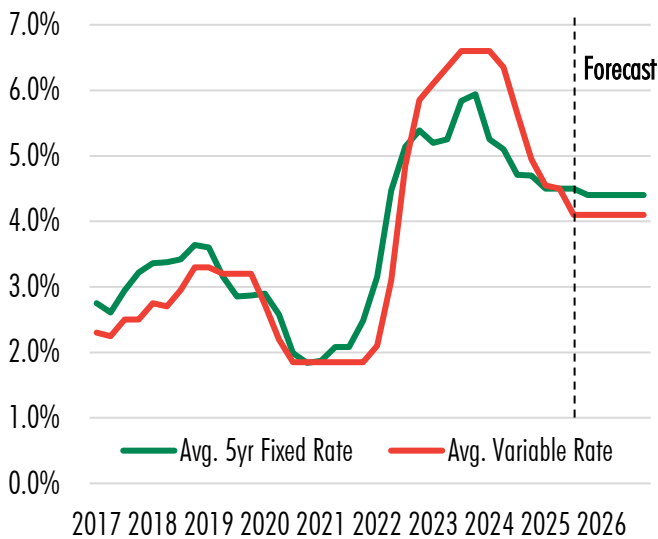
account for 77.2% of available inventory and remain the most sought-after product. This composition highlights a key competitive advantage for Saskatoon, where single-family homeownership remains attainable and continues to attract both newcomers to Canada and interprovincial migrants.

Despite the inventory buildout, housing supply intended for ownership remains balanced, with builders expanding supply broadly in line with demand. Seasonally adjusted new-home supply stands three to four months above the typical construction timeline, indicating limited risk of near-term oversupply.





**FIGURE 8: MORTGAGE INTEREST RATE FORECAST**

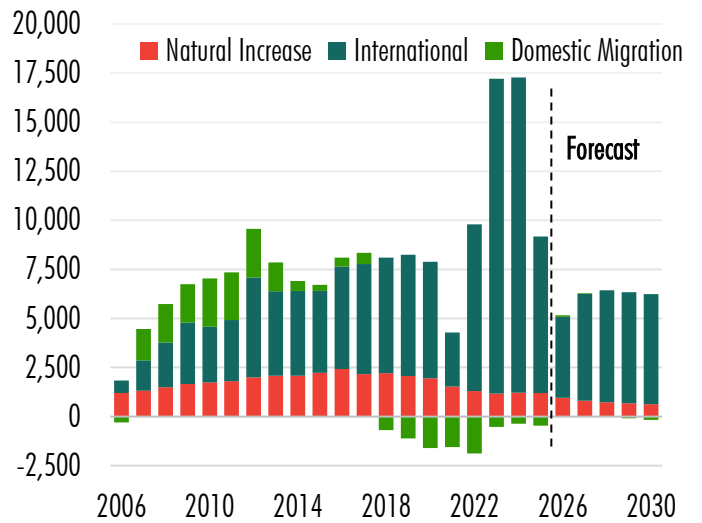


Source: Statistics Canada & BCREA Economics

Population growth moderated in 2025 but remains strong. After several years of record in-migration, the region grew 2.4%, keeping Saskatoon among Canada’s fastest-growing metropolitan areas. Looking ahead, growth is expected to slow further. The Conference Board of Canada projects the weakest population increase since at least 2006, excluding the pandemic, largely due to reduced international migration, particularly among non-permanent residents such as students and lower-skilled workers, who primarily support rental demand.

Monetary conditions remain supportive but cautious. Following an aggressive easing cycle in 2025, the Bank of Canada held the overnight rate at 2.25% in January, describing the policy stance as “about right” to support recovery while keeping inflation near 2%. The primary downside risk is potential deterioration in Canada-U.S. trade relations, particularly ahead of the CUSMA review scheduled

**FIGURE 9: COMPONENTS OF POPULATION CHANGE**



Source: Saskatoon & Region Home Builders Association with data from Statistics Canada

for summer 2026. Bond markets currently reflect expectations of a soft landing, with five-year fixed insured mortgage rates stabilizing in the 3.79%-4.19% range. Economists expect the overnight rate to remain at 2.25% through much of 2026, providing stability for borrowers. Prospective buyers should not expect significant declines that would meaningfully reduce borrowing costs.

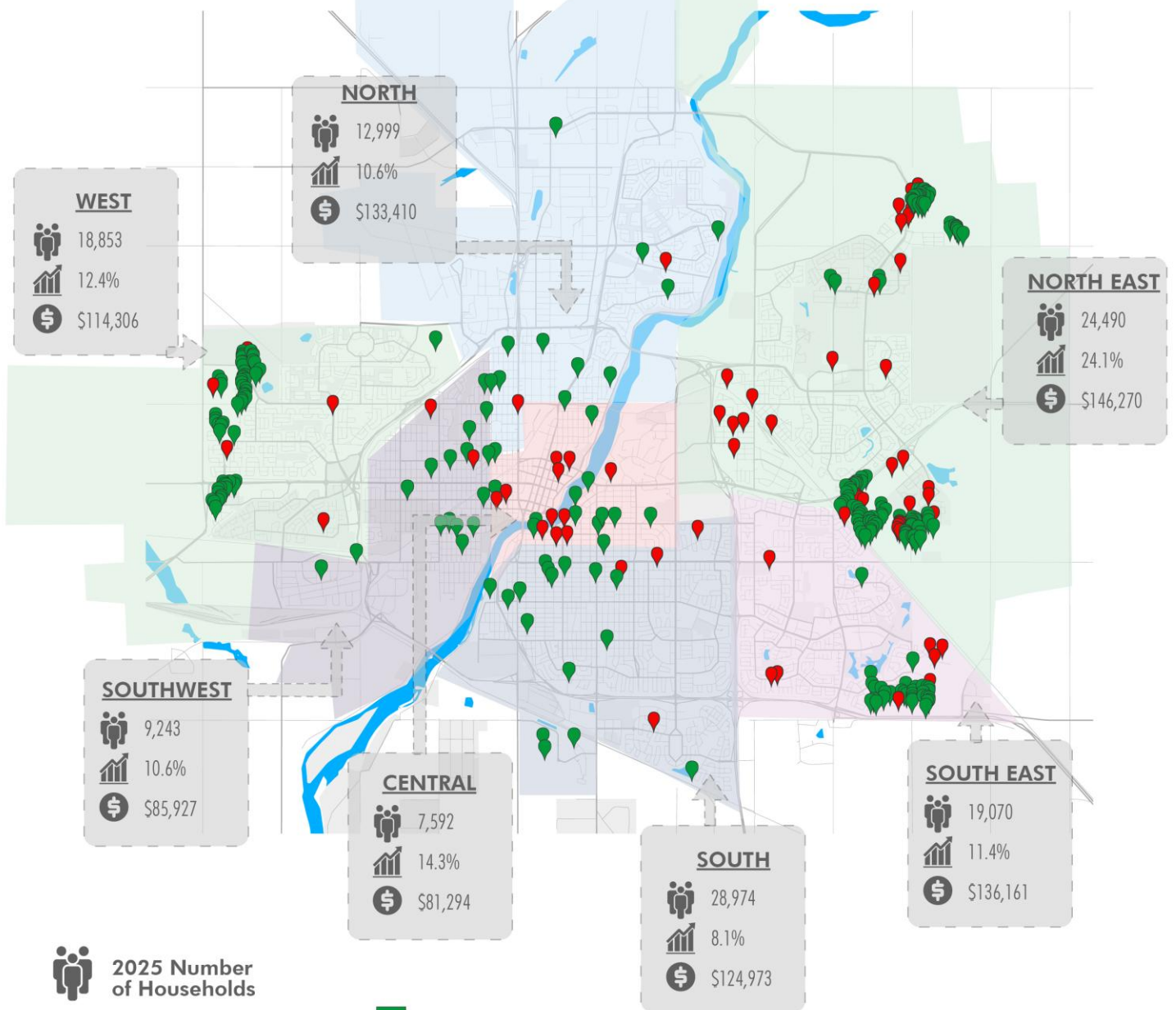
Looking ahead to early 2026, Saskatoon’s housing market is expected to maintain solid momentum, particularly in the first half of the year. Activity will remain sensitive to global economic conditions, including uncertainty surrounding U.S. trade and economic policy, which may weigh on buyer sentiment and transaction volumes. Nevertheless, relative affordability, balanced supply, and demonstrated economic resilience support expectations for steady market activity, even as price pressures gradually build.





## 2025 BUILDING PERMITS

	<u>MARTENSVILLE</u>	<u>WARMAN</u>	<u>CORMAN PARK</u>	<u>PRINCE ALBERT</u>
	3,833	4,098	3,323	18,127
	11.2%	10.8%	6.7%	4.3%
	\$151,175	\$152,347	\$202,455	\$113,577



2025 Number of Households

2025-2030 Household Growth

Household Income

Single-Family

Multi-Family



## SASKATOON CMA DEMOGRAPHICS

### POPULATION

#### POPULATION



381,046

#### POPULATION GROWTH 2025- 2030



12.7 %

#### POPULATION UNDER 35 YEARS



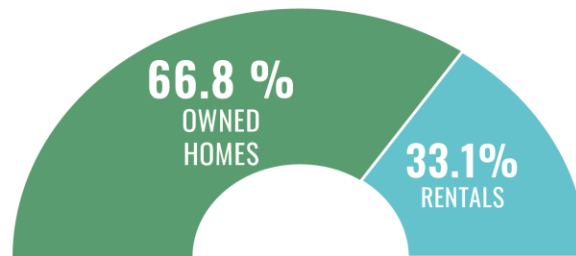
46.6%

### HOUSING

#### TOTAL HOUSEHOLDS

140,151

2.6 PERSONS PER HOUSEHOLD



#### AVERAGE NEW SINGLE-FAMILY HOME PRICE

\$ 606,827

4.6 % YEAR OVERYEAR

### INCOME

#### AVERAGE HOUSEHOLD INCOME

2025  
\$ 129,179



#### HOUSEHOLD INCOME GROWTH

2025- 2030  
12.6 %

## SASKATOON CMA ECONOMIC STATISTICS



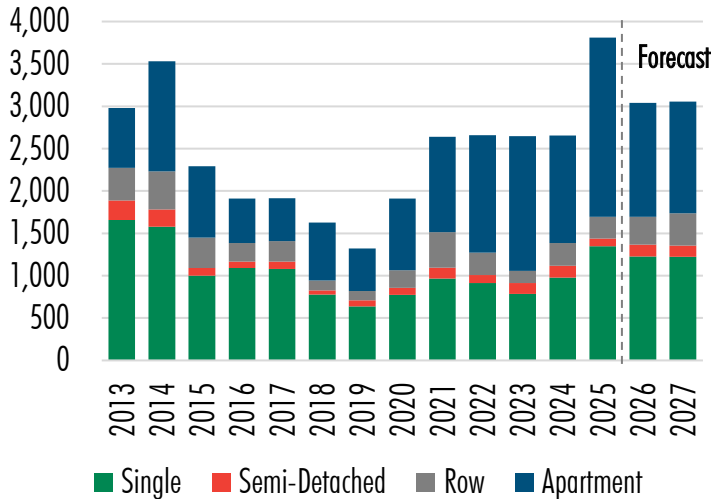
	2025	2026F	Change	% Change
Real GDP Growth	3.79%	2.03%	-1.76%	
GDP Per Capita	\$68,611	\$69,137	525.75	0.77%
Employment	203,556.00	207,544.00	3,987.95	1.96%
Unemployment Rate	4.68%	5.03%	0.40%	
Population Saskatoon CMA	381,046	385,977	4,932	1.29%

Source: Conference Board of Canada





## HOUSING START FORECASTS SASKATOON CMA



	2025F
Canadian Bank's Average	3,200
<b>Saskatoon &amp; Region Home Builders Association</b>	
Optimistic	3,500
Realistic	3,000
Pessimistic	2,500

Source: Saskatoon & Region Home Builders Association

Source: Saskatoon & Region Home Builders Association with data from BuildForce Canada

### HISTORICAL AVERAGES

	Starts	Year
<b>5 Year Average</b>	2,883	2021-2025
Highest in last 5 years	3,812	2025
Lowest in last 5 years	2,640	2021

<b>10 Year Average</b>	2,310	2016-2025
Highest in last 10 years	3,812	2025
Lowest in last 10 years	1,323	2019

<b>25 Year Average</b>	2,205	2001-2025
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Source: CMHC Housing Market Information Portal  
And SRHBA Data

### BANKS FORECAST

	Saskatchewan 2025 forecast	Saskatoon*
BMO	5,000	2,800
Scotia	6,000	3,300
RBC	6,000	3,300
TD	5,600	3,100
National Bank	5,800	3,200
Laurentian Bank	6,300	3,500
<b>Bank Average</b>	<b>5,783</b>	<b>3,200</b>

\*Based on the 10-year average housing start distribution throughout Saskatchewan

Source: Economic Outlooks provided by respective Banks

### MLS HOUSING STATISTICS

MLS	2025
Average Days on Market	30
Months of Inventory	1.9
Average Price	\$438,571

Source: Saskatchewan Realtors Association

\*\*\*All data is based on CMHC reporting and not City of Saskatoon Building Permits. Different numbers can often be communicated when discussing housing starts. Canadian Mortgage and Housing Corporations (CMHC) views and data are based on their mix of observations of foundations started after they have reviewed permits issued.



*The Saskatoon & Region Home Builders' Association is invested in bringing insight to public policy decision makers on matters that effect the residential construction industry, while connecting our members with opportunities.*

## CONTACT

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Saskatoon & Region  
**Home Builders'**  
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