



Q1 2026

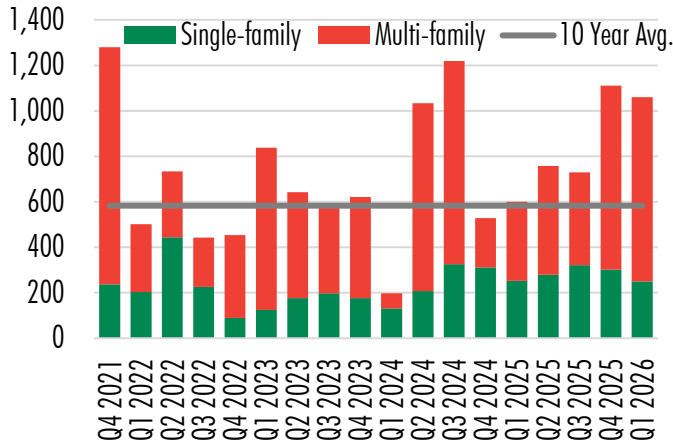
SASKATOON NEW HOUSING MARKET OUTLOOK

April 2026





FIGURE 1: NUMBER OF BUILDING PERMITS – Excludes Renovations

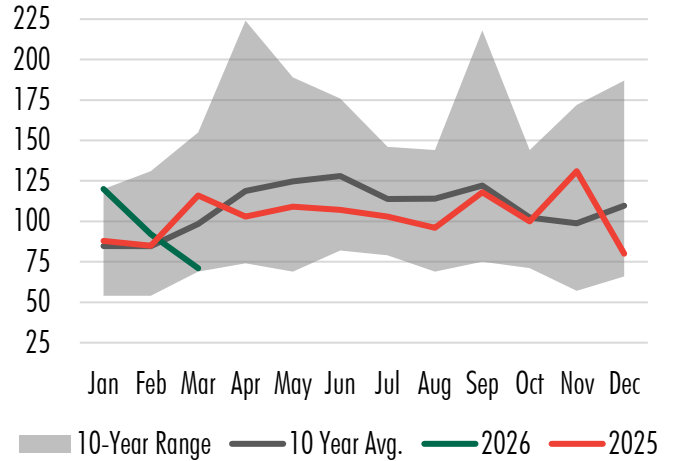


Source: Saskatoon & Region Home Builders Association

Saskatoon's new housing market lost some momentum into early 2026 as buyers contended with heightened uncertainty stemming from the Middle East conflict and its knock-on effects on oil prices, bond yields, and broader economic confidence. There were 283 home sales in Q1 2026, a modest 2.1% decline compared to the same period in 2025. The pullback, however, reflects hesitation rather than retreat, as buyers remain active and underlying demand continues to be supported by the region's relative affordability and a solid labour market.

Saskatoon's resale housing market entered 2026 with some of the tightest conditions in the country. The benchmark price reached an all time high of \$435,200 in March 2026, more than five percent above the same month a year earlier. Inventory remains near record lows, with just 1.8 months of supply as of March, roughly 60% below the 10-year average. With limited options and rising prices, more buyers are turning to new construction rather than settling for a home that does not meet their needs.

FIGURE 2: NEW HOME SALES BY MONTH



Source: Saskatoon & Region Home Builders Association

FIGURE 3: QUARTERLY NEW HOMES QUICK STATS



283 New Home sales in Q1 2026
2.1% decrease vs Q1 2025



1,060 Building permits in Q1 2026
76.7% increase vs Q1 2025



4,316 Units under construction in March 2026
24.8% increase vs March 2025



279 Completed and unabsorbed units as of March 2026
95.1% increase vs March 2025

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



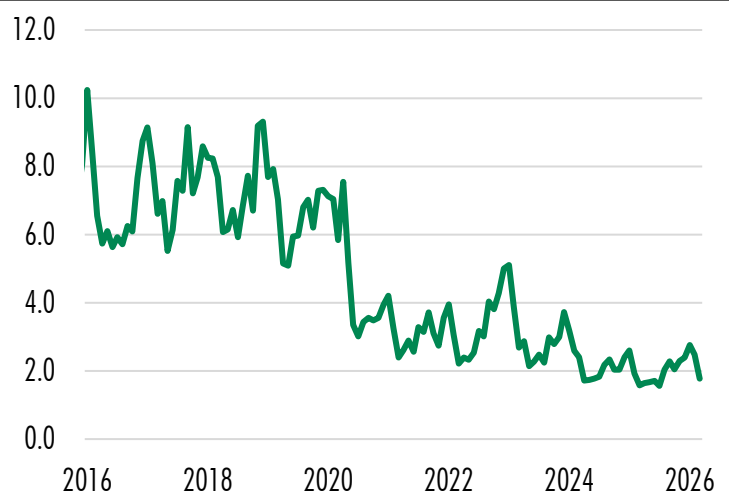


New housing starts in Saskatoon’s metro area fell 18.7% in Q1 2026 compared to the same period the previous year, totalling 575 units. This decline is largely a function of timing, as Q1 2025 benefited from a wave of condominium apartment starts, a product type that tends to come to market in large batches after extended planning and approval cycles. Outside of condos, all other dwelling types posted strong starts through the quarter.

Builder confidence remains evident in the current market. Building permits surged 76.7% year over year, with permits for 1,060 new housing units. This was driven predominantly by multi-family product, particularly rental apartments and freehold row housing. On the other hand, the single-family segment posted three consecutive quarters of year-over-year declines in both the number of permits and its share of total permits, slipping below 40% on a seasonally adjusted basis. This trend points to a market that favours more affordable housing forms.

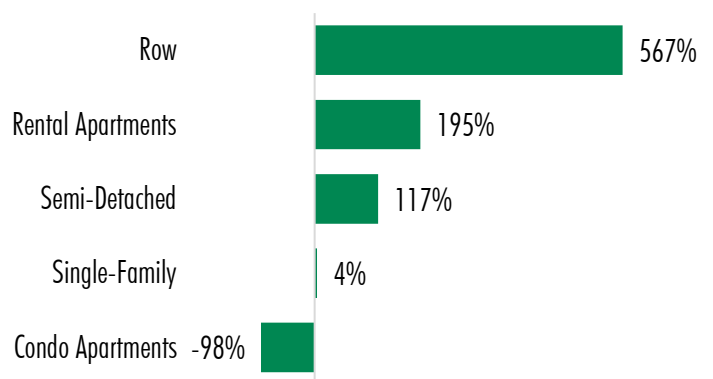
The most significant recent policy development for Saskatoon's new housing construction market landed on March 12, 2026, when Bill C-4, the Making Life More Affordable for Canadians Act, received Royal Assent, formally introducing a new GST rebate for first-time homebuyers. The program eliminates 100% of the federal GST on qualifying new homes valued up to \$1 million and phases out on a sliding scale for homes between \$1 million and \$1.5 million. There are also ongoing discussions about extending the rebate to all buyers, not only first-time purchasers. While many first-time buyers may not have the equity to qualify for a new detached home, the rebate is expected to improve access through more attainable product types, particularly townhomes and other multi-family options.

FIGURE 4: SASKATOON'S MONTHS OF INVENTORY RESALE MARKET



Source: Saskatchewan Realtors Association

FIGURE 5: Q1 2026 Housing starts growth by dwelling type – Year-over-Year

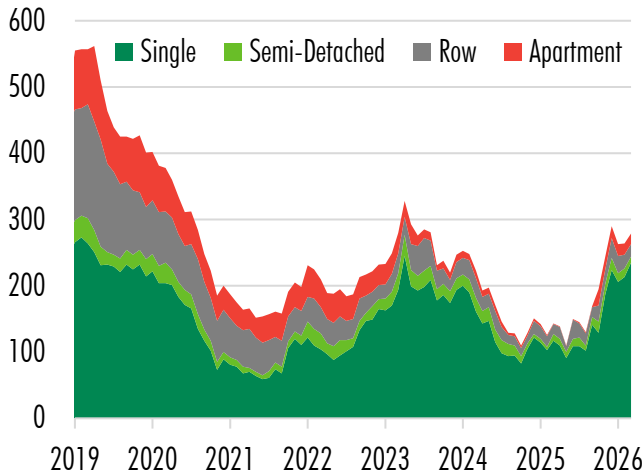


Source: Canada Mortgage and Housing Corporation





FIGURE 6: INVENTORY OF UNABSORBED NEW HOUSING CONSTRUCTION

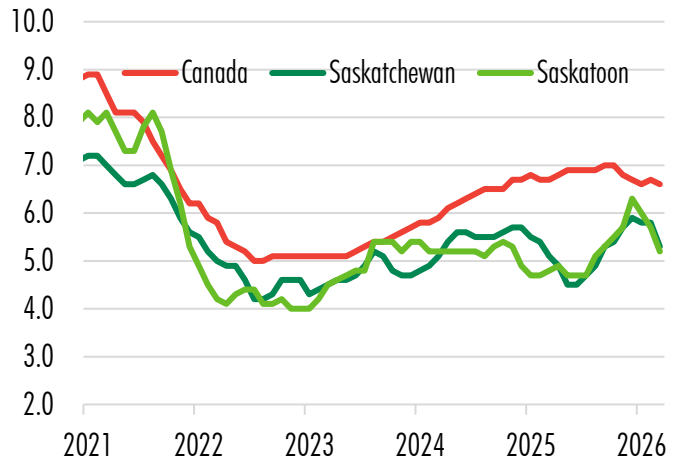


Source: Canada Mortgage and Housing Corporation

Total inventory of housing under construction in Saskatoon rose 24.8% year over year, driven by a 64.2% surge in rental units. Ground-oriented freehold construction continues to hold steady, but the condo segment has pulled back sharply with very little condo product in the pipeline. The unabsorbed inventory has climbed to 279 units as of March 2026, a 95.1% increase year over year. However, current levels sit 18.9% below the 20-year average and remain well below the oversupply that defined the 2013–2019 period. The exception is the single-family segment, where unabsorbed units have reached their highest level since 2019. That said, some of this inventory is expected to be absorbed as the GST rebate comes into effect.

On March 18, the Bank of Canada held its policy rate at 2.25% for the third consecutive meeting. The Bank is caught between two competing pressures, including a slowing economy weighed down by US trade tensions plus USMCA-related uncertainty, and inflation risks stemming from geopolitical conflict in the Middle East and higher energy prices. For now, the Bank has opted to remain on pause, awaiting greater clarity on economic conditions. Most major banks expect the overnight rate to remain at 2.25% through much of 2026, though the risk of further tightening appears to be rising. At the same time, elevated

FIGURE 7: UNEMPLOYMENT RATE BY REGION - Three-month moving average



Source: Statistics Canada

global uncertainty has pushed bond yields higher, meaning fixed mortgage rates are unlikely to decline in the near term, and buyers hoping for rate relief should temper their expectations.

Saskatoon's economy is in solid shape heading into mid-2026, outperforming many Canadian cities. Saskatchewan had the lowest unemployment rate among the provinces at 5.3% in March 2026, well below the national average of 6.6%. Saskatoon itself is tracking even lower, with an unemployment rate of 5.2% as of March 2026, down 0.5% from the prior month and below the long-run average. The region continues to benefit from stronger commodity markets amid global uncertainty.

The second half of 2026 is shaping up as a period of cautious optimism for Saskatoon. The transition of BHP's Jansen mine from construction to production is expected to be the most significant economic development, with positive spillover effects through employment and regional supply chains. At the same time, the renegotiation of the USMCA trade agreement later in the year, along with ongoing US tariffs, remains an important risk factor, given Saskatoon's exposure to agriculture, manufacturing, and resource-related supply chains.



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.

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