

IMPACT OF FLOODING ON CANADA'S RESIDENTIAL HOUSING MARKET



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INTACT CENTRE
ON CLIMATE ADAPTATION

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Average Sold Price

- *8.2% reduction* in sold price

Average Number of Listings

- *44.3% decrease* in listings

Average Days on Market

- *19.8% longer* on the market

Mortgage Arrears / Deferrals

- *No material impact*

MORTGAGE ARREARS/DEFERRALS:

No Material Impact Due to Flooding

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For 2 Canadian cities impacted by 1-2 catastrophic (major) flood event(s) over a 10-year period:

- ***Worst Case Scenario: 1.18 arrears + deferrals/1,000 homes/month***
- ***Average: 0.5 arrears + deferrals/1,000 homes/month (approximately)***

No evidence of consistent impact – results fell within market norms

Future Risk:

- Flooding occurring on a regular basis may impact mortgage arrears and deferrals
- Consider the implications of flooding on mortgages and loan-to-value ratios

SOLUTIONS TO LIMIT FLOOD RISK FOR HOUSES & COMMUNITIES

Canada needs to:

- 1) Launch a National Home Flood Protection Education Program
- 2) Incorporate Flood Risk into Home Appraisals
- 3) Execute on Canada's Climate Adaptation Home Rating Program
- 4) Bring Canada's Flood Risk Maps Up-To-Date
- 5) Deploy Residential Home Flood Risk Scores