
2025

NAS INDUSTRY REPORT

GREEN MORTGAGES IN CANADA

Insights, Opportunities, and Challenges in
Sustainable Real Estate Financing

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Canada's commitment to achieving net-zero emissions by 2050 is fundamentally transforming the real estate sector.

Canada's commitment to achieving net-zero emissions by 2050 is fundamentally transforming the real estate sector, where buildings currently contribute 18% of national greenhouse gas emissions. The intersection of rising energy costs, increasing climate risks, and shifting consumer preferences has created a marketplace where energy efficiency significantly influences property valuation and financing decisions.

Green financing options are increasingly available in Canada to support energy-efficient housing, though true "green mortgages" with preferential rates remain limited to specific lenders and credit unions. The [Canada Greener Homes Loan](#) [↗] continues to provide homeowners with interest-free financing of up to \$40,000 over 10 years to undertake eligible retrofits, recently extended with an additional \$600 million in federal funding. However, the popular Canada Greener Homes Grant program has closed to new applicants after its funding was fully committed, with existing participants having until December 31, 2025, to complete their projects. While current market conditions present challenges—including a cooling housing market and the recent closure of the grant program—the long-term fundamentals for energy-efficient housing remain strong, supported by growing consumer awareness, expanding private lender offerings, and continued government commitment to net-zero targets.

A significant opportunity exists for appraisers to seek enhanced training in properly assessing green features and energy-efficient improvements, which could unlock greater market value recognition and strengthen confidence in sustainable real estate transactions. The integration of accurate green property valuation becomes increasingly critical for both lenders and borrowers. This evolving landscape of sustainable real estate financing represents a fundamental shift in how energy efficiency is valued and financed in Canadian housing markets. This industry report examines the current state of Canada's green mortgage financing innovations, and the evolving landscape of sustainable real estate.

MESSAGE FROM OUR FOUNDER & CEO



*We strive to improve our
business by improving
the world around us.*

Canada's journey toward net-zero emissions is fundamentally changing real estate—from how homes are financed to how value is recognized in the marketplace.

As consumer preferences and government policies continue to prioritize energy efficiency, it's clear that sustainable features are now integral to property valuation and lending decisions.

At [Nationwide Appraisal Services \(NAS\)](#) ↗, we remain committed to supporting industry stakeholders with reliable, transparent valuations that reflect the evolving realities of Canada's housing market.

Navigating this landscape requires collaboration and adaptability, and our focus is always on fostering confidence in sustainable, forward-looking transactions.



WHY IT MATTERS: VALUING GREEN HOMES IN A CHANGING MARKET

The real estate market is experiencing a fundamental shift toward sustainability. Climate change concerns, government regulations, and consumer demand for energy-efficient homes are reshaping how properties are built, valued, and financed. Green mortgages represent a pivotal innovation in this transformation, offering financial incentives that make sustainable homeownership more accessible and attractive.

Consider the experience of Toronto homebuyer Sarah Mitchell, who found herself caught between market reality and green aspirations. Despite finding an ideal property with solar panels, high-efficiency systems, and [ENERGY STAR](#) ⁷ certification, the appraisal came in slightly below the purchase price. This scenario highlights the persistent challenges in accurately valuing green features, even as the market increasingly recognizes their importance.

The stakes are significant for all participants. Lenders face risks from inconsistent valuations in a rapidly evolving market segment. Mortgage brokers encounter deal-breaking obstacles that frustrate environmentally conscious clients. Homeowners struggle to realize the full value of their sustainability investments. Meanwhile, the broader market potential remains constrained by these valuation inconsistencies.

The [Appraisal Institute of Canada \(AIC\)](#) ⁷ offers specialized green building valuation training through courses (Continuing Professional Development) CPD 125 (Green Value – Valuing Sustainable Commercial Buildings) and CPD 126 (Getting to Green: Energy Efficient and Sustainable Housing), administered via UBC's Real Estate Division [4]. This initiative reflects the industry's recognition that standardized methodologies are essential for supporting the continued growth of sustainable real estate financing.

The [Canadian National Association of Real Estate Appraisers \(CNAREA\)](#) ⁷ provides comprehensive appraisal education through its structured training programs, requiring 400 hours of classroom instruction and 3,000 hours of supervised experience for professional designation. CNAREA's core curriculum focuses on traditional valuation methodologies through courses administered by certified appraisal reviewers. [26]

UNDERSTANDING GREEN MORTGAGES

Green mortgages are specialized financial products offered by select Canadian lenders to incentivize energy efficiency in residential properties through preferential rates, terms, or rebates. While not widely available across all major lenders, these products recognize and reward the added value and reduced operating costs associated with energy-efficient properties, creating financial incentives for homeowners and buyers to invest in sustainability.

Qualification Requirements

Qualification typically requires one or more of the following criteria:

ENERGY STAR certification [↗](#)
demonstrating 20% greater
efficiency than standard
building code

EnerGuide ratings [↗](#) meeting
specific energy consumption or
greenhouse gas emission
thresholds

**Third-party green building
certifications** such as **LEED** [↗](#),
Built Green [↗](#) **Net Zero**
Energy+, or **Net Zero Ready** [↗](#)
Gold/Platinum/

**Documented energy
performance improvements**
through comprehensive retrofits
validated by certified energy
assessments



The benefits for borrowers vary by lender and program but may include reduced interest rates, cash rebates on qualifying energy-efficient purchases, and access to mortgage insurance premium rebates. [CMHC's Eco Plus program](#) ⁷ offers a 25% mortgage loan insurance premium refund, but as of July 8, 2025, this is limited to newly built energy-efficient homes only. Extended amortization periods up to 35 years are available through select lenders for qualifying green properties. The goal is to make sustainable homeownership more accessible and financially attractive, though availability remains limited to specific products from participating lenders. [7].

Financial Advantages of Green Properties

Green buildings offer substantial long-term financial advantages despite initial market challenges. They often command rent premiums that vary by market and green building supply, typically ranging from 4-10% compared to standard buildings, making them appealing to investors and property owners. The lifetime savings from reduced energy costs and increased property value frequently outweigh the upfront investment. Although the valuation of green properties faces hurdles due to limited comparable data and evolving methodologies, there is growing recognition of their importance and economic potential. As the market evolves and more data becomes available, the appraisal process for green buildings is gradually becoming more standardized, though this remains a work in progress rather than fully established practice.

GREEN MORTGAGE BENEFITS

Financial Advantages for Sustainable Homes

Green mortgages offer rebates, lower rates, and enhanced borrowing power for energy-efficient homes. They also boost long-term value with retrofit financing and extended amortization options. Homeowners can access up to \$40,000 in interest-free retrofit loans for upgrades. Plus, green buildings command a higher resale premium compared to standard properties.

EnerGuide Ratings

Specific energy consumption and greenhouse gas emission thresholds must be met for qualification.



Net Zero Ready

Highest tier performance standard produces energy equal to consumption.



ENERGY STAR Certification

Properties demonstrating 20% greater efficiency than standard building code qualify for green mortgage programs.



Built Green & LEED

Third-party validation for sustainable practices beyond energy efficiency alone.



Energy Performance Improvements

Comprehensive retrofits validated by certified energy assessments can qualify properties for green mortgage programs.

Commercial Green Financing

- Multifamily & commercial properties
- Energy Performance Contracts (EPCs)
- Canada Infrastructure Bank initiatives

Green Mortgage Basics

Specialized financial products from select Canadian lenders offering preferential rates, terms, or rebates for energy-efficient residential properties.

Property Value Benefits

Green buildings command rent premiums of 4-10% and offer substantial long-term savings through reduced energy costs.

Commercial Green Financing



Beyond residential properties, green financing extends to commercial real estate through specialized programs and select institutional lenders designed for multifamily buildings, offices, retail spaces, and other commercial properties. These loans typically require standards like [LEED certification ↗](#), [Energy Star for Commercial Buildings ↗](#), [BOMA BEST ↗](#), or qualifications tied to recognized green bond frameworks.

Commercial financing structures often include:

- Programs focused on retrofits and energy efficiency upgrades rather than acquisition financing
- Energy Performance Contracts (EPCs) where energy savings help repay upgrade costs
- Specialized government initiatives like the Canada Infrastructure Bank's Building Retrofits Initiative
- Financing targeted at affordable housing providers, municipalities, and commercial building owner

While these products exist, commercial green financing remains more limited in scope and availability compared to residential green mortgage programs, operating primarily through government programs and select institutional lenders rather than mainstream commercial mortgage products.

Market Overview and Current Conditions

Market Challenges in 2025

Current market conditions show significant challenges across major Canadian markets. Vancouver demonstrates buyer's market conditions with a 35% sales-to-new-listings ratio and average home prices down 2.8% year-over-year to \$1,173,100. [6]. Toronto shows similar patterns with a 31% sales-to-new-listings ratio and prices down 5.5% to \$995,100. [6] (As of July 2025). These conditions have reduced green premiums compared to historical levels, though energy-efficient properties continue to demonstrate market advantages.

Real estate markets across Canada experience cyclical fluctuations that create varying conditions for buyers and sellers. During periods of market adjustment, green premiums may compress compared to peak periods, though energy-efficient properties typically maintain competitive advantages regardless of overall market conditions. These market cycles influence both transaction volumes and the relative value proposition of sustainable building features.

Canada's green mortgage programs recognize a wide range of certifications making sustainability accessible across different property types.



CERTIFICATION STANDARDS AND GREEN HOME CATEGORIES

The Canadian green mortgage landscape relies on several established certification systems that recognize different tiers of environmental performance.

ENERGY STAR Certification [↗](#) identifies homes that are at least 20% more energy-efficient compared to those built to standard building codes. These homes must meet strict guidelines set by Natural Resources Canada, with verification conducted by independent energy advisors [1].

EnerGuide Ratings [↗](#), developed by Natural Resources Canada, provide a standardized measure of a home's energy performance expressed in gigajoules per year (GJ/year). Lower numbers indicate better energy efficiency, and many lenders use these ratings as qualification criteria for green mortgage products [1].

LEED [↗](#) and **Built Green certifications** [↗](#) offer additional third-party validation for sustainable building practices, encompassing broader environmental considerations beyond energy efficiency alone.

Net Zero Ready Homes [↗](#) represent a high tier of energy performance, built to the same efficiency standards as Net Zero Homes but without renewable energy systems currently installed. They are designed with the infrastructure to easily add solar panels or other renewable energy technologies in the future to achieve net zero status. This certification level applies equally to new construction projects built to green standards from the ground up and existing properties upgraded through comprehensive retrofit programs.

Green mortgage qualification standards accommodate diverse property types and development approaches. Whether single-family residences or multi-family developments, properties can achieve certification through either original construction meeting green building codes or strategic retrofits that significantly improve energy performance in existing structures.

GOVERNMENT INCENTIVES & SUPPORT



*The program removes
upfront cost barriers that
often prevent substantial
energy improvements.*



Federal Initiatives Overview

The Canada Greener Homes Grant program closed to new applications in February 2024 after distributing funding to approximately 389,000 households. [2]. Applications submitted before the closure deadline continue to be processed, with existing participants having until December 31, 2025, to complete their projects.

The [Canada Greener Homes Loan](#) ↗ remains active with enhanced funding, providing interest-free financing up to \$40,000 with 10-year repayment terms. [3]. This program removes upfront cost barriers that often prevent substantial energy improvements.

A new [Canada Greener Homes Affordability Program](#) ↗ launches in 2025-26, targeting low-income households with \$800 million over five years using a direct-install approach where selected organizations handle all logistics and costs for eligible retrofits [1].

Provincial Program Updates



Ontario: Home Renovation Savings (January 2025) previously known as Home Efficiency Rebate (HER). This program helps homeowners reduce energy costs through rebates on eligible upgrades.

[Home Efficiency Rebate Plus \(HER+\) ↗](#)



Quebec: Rénoclimat program underwent major changes in September 2024, excluding heat pumps and geothermal systems from eligibility - a significant shift that affects program value for many homeowners.

[Rénoclimat Program ↗](#)



Nova Scotia: Home Energy Assessment (HEA) program administered by Efficiency Nova Scotia in partnership with Natural Resources Canada through the Canada Greener Homes Grant until December 31, 2025 deadline. Your Energy Rebate Program (YERP) provides rebates on home energy products.

[Canada Greener Homes Grant - Nova Scotia ↗](#)

[Home Energy Assessments - Efficiency Nova Scotia ↗](#)

[Your Energy Rebate Program \(YERP\) ↗](#)



British Columbia: CleanBC Better Homes and Home Renovation Rebate Program offers up to \$14,000 in rebates. Enhanced CleanBC Better Homes Energy Savings Program provides income-qualified rebates up to \$16,000 for heat pump conversions from fossil fuels.

[CleanBC Better Homes and Home Renovation Rebate Programs ↗](#)
[Energy Savings Program ↗](#)



Alberta: Clean Energy Improvement Program (CEIP) provides financing up to 100% of project costs at 3.75% interest rate for 2025, with payments through property taxes. Edmonton's Home Energy Retrofit Accelerator offers rebates for furnaces, insulation, and windows (funding fully subscribed as of May 2025).

[Clean Energy Improvement Program ↗](#)
[EnerGuide for Homes - Edmonton ↗](#)

Provincial Program Updates



Saskatchewan: Home Efficiency Retrofit Rebate (HERR) in partnership with SaskEnergy offers maximum rebate of \$1,800 plus \$200 for evaluations, requiring registration under the Canada Greener Homes Grant. SaskEnergy Residential Equipment Replacement Rebate provides \$325-\$650 for furnaces and up to \$2,000 for boilers.

[Home Efficiency Retrofit Rebate - SaskEnergy ↗](#)

[SaskEnergy Rebates & Programs ↗](#)

[SaskPower Home Efficiency Retrofit Rebate ↗](#)



Manitoba: Energy Efficiency Assistance Program offers income-qualified households \$5,000 boiler rebates and heat pump financing at \$30-50/month for 10 years. Heat pump rebates structured around home square footage with financing up to \$5,000 through Manitoba Hydro's Home Energy Efficiency Loan.

[Energy Efficiency Assistance Program ↗](#)



New Brunswick: Total Home Energy Savings Program offers incentives for doors, insulation, heating, and windows with up to \$15,000 advance funding for heat pump conversions. Heat pump incentives include \$1,500 for air-source, \$2,000 for ground-source, and \$400 for mini-split units.

[Total Home Energy Savings Program ↗](#)

Additional Federal Resources

Canada Greener Homes Initiative provides grants and interest-free loans for energy-efficient retrofits, including insulation, windows, and renewable energy systems.

[Canada Greener Homes Initiative Main Portal ↗](#)

[Canada Greener Homes Loan Application ↗](#)

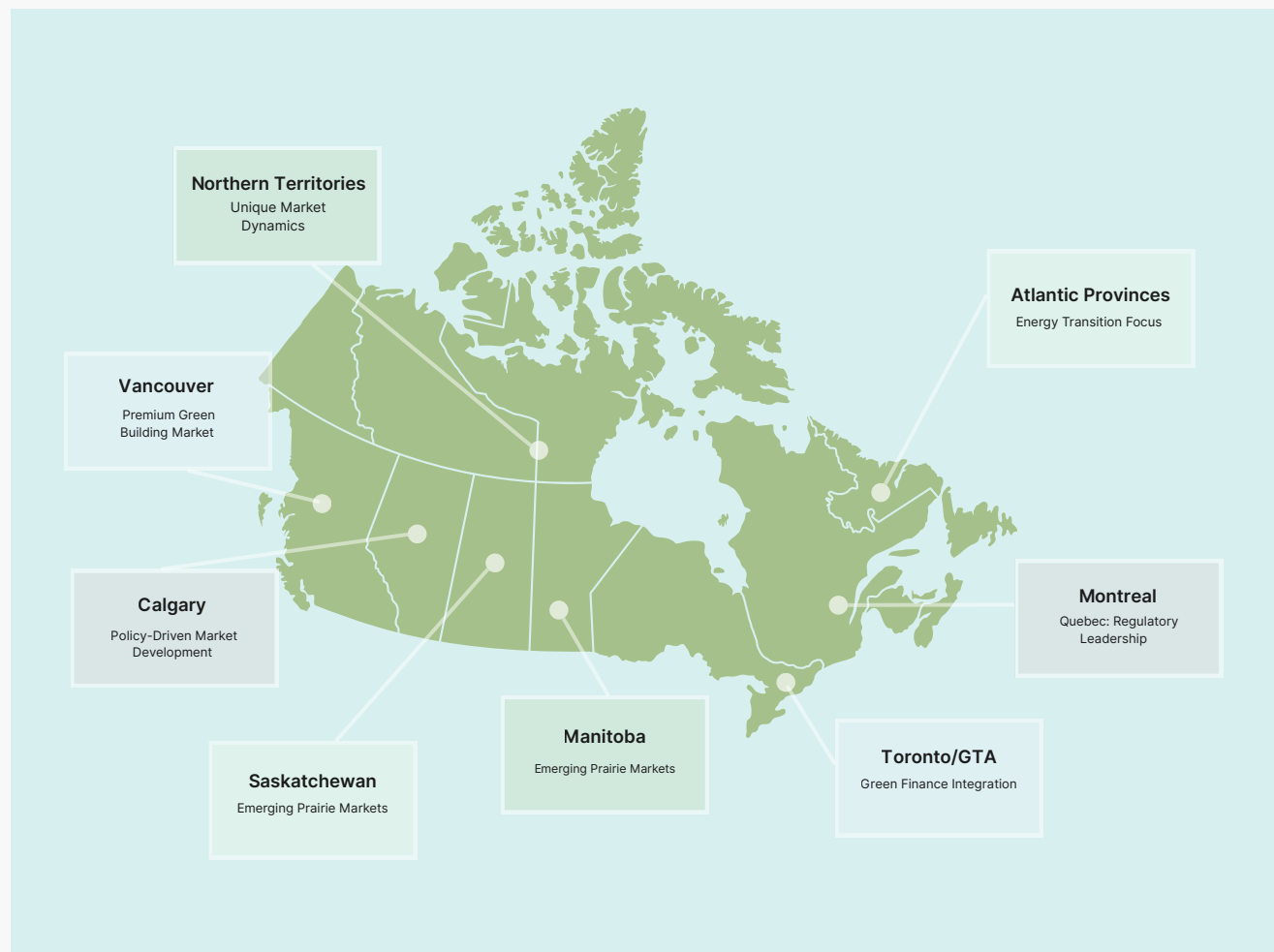
[Eligible Retrofits and Grant Amounts ↗](#)

Municipal Programs: Municipal programs vary widely. Check your local city or municipality's website or use the federal portal's resources for current offerings.

CANADA'S GREEN REAL ESTATE LANDSCAPE

Regional Drivers of Sustainable Market Growth

Canada's real estate market is evolving with regional strengths, from green building in Vancouver to finance integration in Toronto. Across the country, policy, innovation, and emerging markets are driving a more sustainable future.





Building Codes and Regulatory Timeline

The 2020 National Building Code was released in March 2022 with a five-tier energy performance system, where Tier 5 represents net-zero energy ready buildings [9]. The 2025 edition will address operational carbon measures, with operational GHG targets being introduced - meaning carbon will be in the code for the first time. NBC 2020 has been adopted by all provinces except BC and Quebec, with Ontario incorporating NBC 2020 into its new building code as of January 1, 2025 [28] Provinces remain committed to adoption within 18 months of the 2025 edition's publication, targeting approximately 2027.

Federal commitment exists for net-zero energy ready buildings by 2030, but implementation varies significantly by province. British Columbia has committed to all new buildings being zero carbon by 2030 and net-zero energy ready by 2032 [Environment Journal Government of British Columbia ↗](#), [29] with mandatory GHG measurement and disclosure requirements for new buildings effective March 10, 2025 [9] [27].

Fossil Fuel Heating Phase-Out

Rather than coordinated federal timelines, fossil fuel heating bans show patchwork municipal implementation. Quebec leads with oil heating bans since December 2021 and replacement system restrictions since December 2023 [8]. Quebec announced a provincial plan in November 2024 to ban fossil fuel natural gas heating in homes by 2040.[30] Montreal implemented gas bans for buildings under three storeys in October 2024, while the Metropolitan Community of Montreal representing 82 municipalities has implemented coordinated fossil fuel bans, with municipalities representing about half the population of Quebec significantly slashing the number of new buildings heated by fossil fuels by 2025 [31].

In British Columbia, the municipalities of Nanaimo, Saanich and Victoria have adopted bans or restrictions on new natural gas connections as part of their adoption of the B.C. Zero Carbon Step Code.

REGIONAL DYNAMICS

Across Canada, green building markets are driven by a combination of sophisticated buyer preferences, aggressive climate targets, and supportive policies.

- **Leading Markets:** Vancouver and Quebec stand out with premium valuations for green properties, stringent fossil fuel phase-out policies, and abundant renewable energy (hydroelectric in Quebec). Montreal and Quebec City often set national standards for net-zero building.
- **Growing Integration:** Toronto and the GTA show strong integration of green features with mainstream financing and increasing adoption of green mortgage products, supported by robust economic fundamentals.
- **Policy & Incentives:** Markets like Calgary benefit from economic growth and provincial incentives (e.g., for heat pumps and solar), leading to more net-zero-ready designs. Atlantic Canada also sees significant activity, driven by federal programs addressing energy poverty and a focus on heat pump installations to replace heating oil.
- **Emerging & Specialized Markets:** The Prairie provinces (Saskatchewan/Manitoba) are emerging markets with growing activity influenced by federal programs and climate awareness, facing unique heating and grid challenges. The Northern Territories represent specialized, small-scale markets with extreme climates, high energy costs, and a role in piloting innovative technologies, supported by targeted federal programs.
- **Regional Diversity:** Even within a single province like British Columbia, there's significant diversity between coastal and interior regions due to varying climate zones, energy sources, and market characteristics.

In essence, Canada's green building sector is maturing, with key regions showing leadership in policy and buyer demand, while others are rapidly integrating green finance and adopting sustainable technologies, all supported by a mix of federal and provincial initiatives.

Across Canada, green building markets are driven by a combination of sophisticated buyer preferences, aggressive climate targets, and supportive policies.



GREEN MORTGAGE BENEFITS & FINANCIAL ADVANTAGES

Maximize your mortgage power while minimizing your footprint.

Choosing a Green Mortgage means more than just going eco-friendly—it means unlocking financial perks. Save with insurance rebates, qualify for better rates, and access interest-free retrofit loans. Energy-efficient homes cost less to run and often sell for more, turning sustainability into long-term value.



Mortgage Insurance Premium Rebate

CMHC Eco Plus program for newly built energy-efficient homes

Enhanced Borrowing Capacity

Accounts for lower operating costs in qualification

Lender-Specific Rate Benefits

Select lenders offer preferential rates (varies by institution)

35-Year Amortization

Extended terms available for qualifying properties

Interest-Free Retrofit Financing

Canada Greener Homes Loan: Up to \$40,000 with 10-year repayment

Property Value Premium

Green buildings command 4-10% rent or sale premiums over standard properties

OPPORTUNITIES AND MARKET PROGRESS



Advancing property valuation methods to fully recognize the worth of energy-efficient homes.

Bridging the Appraisal Gap

The green mortgage market is experiencing rapid evolution as the industry works to bridge the "appraisal gap" – the challenge of accurately capturing the full value of energy-efficient features in property assessments. Significant progress is being made with appraisal associations leading the way by offering specialized green building valuation training [4], while ongoing professional development initiatives continue to enhance expertise across this expanding market segment.

The appraisal industry is actively adapting traditional methods to better quantify the benefits of modern energy systems, smart technologies, and green certifications.





Building Momentum Nationwide

Key areas of focused improvement include:

- Developing standardized methodologies for assessing energy-efficient features through industry collaboration
- Building robust comparable sales databases as green properties become more prevalent in the market
- Expanding appraiser education on cutting-edge energy efficiency technologies and valuation techniques
- Establishing regional expertise centers to address local market variations and pricing dynamics

As the market matures and more green properties are built and sold, these challenges are creating opportunities for innovation in appraisal practices, enhanced professional training programs, and the development of sophisticated valuation tools that will ultimately benefit both lenders and homeowners investing in sustainable properties.

Consumer Awareness and Education

Homeowners are increasingly recognizing green upgrades as smart financial investments with long-term energy savings. The industry is actively developing educational initiatives to showcase available green mortgage benefits and incentive programs, while streamlined certification processes are emerging to encourage participation. Growing awareness of "greenwashing" — the practice of misleading buyers, tenants, or investors into believing that a property is environmentally friendly or energy-efficient when it doesn't meet legitimate green building standards — is driving demand for transparent communication and legitimate green building standards, creating opportunities for credible providers to differentiate themselves in the marketplace.

Market Standardization

Industry leaders are collaborating to harmonize lender criteria for green mortgage qualification, simplifying processes for borrowers and brokers. Innovative solutions are emerging to seamlessly integrate energy audit timelines with mortgage approval processes, while specialized retrofit financing products are expanding homeowner options for improving existing properties and unlocking the potential of the existing housing stock.

University Research and Innovation



Digital Transformation and AI Applications

Canadian universities are leading research in sustainable housing and green building technology:

University of British Columbia operates the Centre for Interactive Research on Sustainability with a net positive buildings vision by 2035, including development of neural network models for energy performance assessment [10].

University of Toronto houses the Centre for the Sustainable Built Environment, pioneering computer vision systems analyzing thermal imaging to quantify heat loss and developing AI-driven adjustments for property valuation [10].

McGill University maintains active sustainability programs with STARS Platinum rating, creating hybrid models integrating municipal energy disclosure data with MLS transaction records [10].

University of Waterloo develops sustainable housing solutions through its Structural Timber and Applied Research Team, including natural language processing tools to extract green features from appraisal narratives [10].

Climate Resilience and Future Planning

Expanding Beyond Energy Efficiency

The green mortgage market is evolving to include climate resilience features. The federal Canada Green Buildings Strategy launched in July 2024 provides a comprehensive framework for transforming Canada's buildings sector for net-zero and resilient future [8].

Circular Construction Economy

The adoption of sustainable building materials is accelerating. Cross-laminated timber usage continues to increase, offering renewable alternatives to steel and concrete. Municipal requirements for demolition material reuse create local markets for reclaimed building components.

STAKEHOLDER RECOMMENDATIONS

The green mortgage market is evolving rapidly, creating new opportunities and requirements across the real estate finance ecosystem. Here's how key stakeholders can adapt and capitalize on these changes.

For Lenders



For Mortgage Brokers



For Appraisers



For Homeowners





Stakeholder Opportunities

For Lenders

Financial institutions should accelerate integration of energy efficiency considerations into underwriting processes, recognizing that lower operating costs improve borrower capacity and reduce default risk. Leading mortgage insurers like [CMHC](#), [Canada Guaranty](#), and [Sagen](#) now offer premium refunds of up to 25% for energy-efficient properties, creating clear incentives for lenders to promote green mortgages. Standardized green mortgage criteria based on established certifications (LEED, ENERGY STAR, EnerGuide ratings) will reduce complexity and improve market consistency. Credit unions and alternative lenders are pioneering flexible loan structures that consider projected energy savings in affordability calculations, setting competitive benchmarks for traditional banks.

For Mortgage Broker

Client education represents the primary opportunity in the rapidly evolving green mortgage market. Brokers should develop comprehensive expertise in current federal, provincial, and utility incentive programs to maximize client benefits and position properties for optimal financing terms.

Key focus areas include understanding the [Canada Greener Homes Loan](#) program new provincial initiatives like Ontario's Home Renovation Savings Program (launched January 2025), and emerging alternative financing options from credit unions and fintech companies that offer energy-focused lending criteria.



Stakeholder Opportunities

For Appraisers

Specialized training in green valuation methodologies through [AIC](#) courses CPD 125 and CPD 126 remains essential for accurate property assessment in this growing market segment. CPD 126 has been updated to "Green Value – Energy Efficient, Sustainable, and Resilient Housing" and now includes climate resilience considerations such as heat waves, flooding, wildfire smoke, and power outages.

The [Canadian National Association of Real Estate Appraisers \(CNAREA\)](#) provides comprehensive appraisal education through its structured training programs. Digital tools and standardized approaches continue to improve efficiency and consistency while meeting evolving client expectations.

For Homeowners

Comprehensive energy audits provide [EnerGuide](#) ratings that unlock financing opportunities and identify cost-effective upgrade strategies. The [Canada Greener Homes Loan](#) program continues to offer up to \$40,000 interest-free financing with 10-year repayment terms. While the grant program stopped accepting new applications in February 2024, the loan program remains active and is no longer combined with the grant, providing standalone financing for energy-efficient home retrofits. [3].



MARKET OUTLOOK AND FUTURE TRENDS

The Canadian green mortgage market is positioned for continued growth, driven by long-term government support, technological advancement, and increasing consumer awareness.

Key trends include:

- **Regulatory Evolution:** Net-zero-ready building codes released in March 2022 with active provincial adoption occurring through 2025, targeting full net-zero implementation by 2030
- **Financial Innovation:** Enhanced products incorporating climate resilience features and smart grid capabilities, with CMHC's evolved Eco Plus program (July 2025) now requiring energy efficiency certificates for newly built homes and expanded MLI Select incentives for multi-unit buildings
- **Market Maturation:** Improved valuation methodologies and standardized assessment protocols, supported by over \$40 billion in annual building investment requirements
- **Technology Integration:** AI-driven analytics, automated green feature recognition, and mainstream heat pump adoption with growing emphasis on embodied carbon considerations

The convergence of environmental necessity, economic benefit, and technological capability creates opportunities for all market participants. Success requires collaborative efforts to address valuation challenges, enhance consumer education, and develop standardized approaches that support sustainable real estate financing. Strong public support (60-77% across all Canadian regions) and significant program funding extensions, including an additional \$600 million for the Canada Greener Homes Loan program, demonstrate sustained market momentum toward net-zero objectives.



The Road to Sustainable Real Estate

Canada's green mortgage market represents a critical component of the nation's transition to sustainable housing. While significant challenges remain—particularly in property valuation and market education—the fundamental drivers of growth continue to strengthen. Continued government support, compelling financial benefits for homeowners, and evolving consumer preferences create a foundation for continued expansion.

The industry's response to current market challenges will determine the pace and scale of sustainable housing adoption. Through collaborative efforts to address valuation gaps, enhance professional expertise, and develop innovative financing solutions, Canada can realize the full potential of green mortgages in supporting both environmental objectives and economic prosperity. Despite broader housing market cooling trends projected through 2025, green mortgage products continue to gain traction among lenders seeking to incentivize sustainable home ownership.

The path forward requires commitment from all stakeholders to building a more efficient, resilient, and valuable housing sector that serves both economic and environmental objectives. As the market continues to mature, green mortgages will play an increasingly important role in making sustainable homeownership accessible to all Canadians.

Canada's Leading Appraisal Management Company

Nationwide Appraisal Services (NAS)

Canada's Leading Appraisal Management Company Nationwide Appraisal Services (NAS), part of The Nationwide Group, has been a trusted partner in real estate valuation for over 25 years. Processing more than 10 million appraisals and facilitating over \$12 trillion in mortgages across Canada—spanning residential, commercial, and agricultural sectors.

Comprehensive, Tech-Driven Valuation Platform
NAS offers a technologically advanced, end-to-end appraisal management system designed for:

- **Lenders:** A robust engine that ensures even, efficient auto-assignment of appraisal orders and embeds specific underwriting rules to mitigate risk.
- **Appraisers:** A streamlined interface used by over 2,500+ appraisers, enabling task tracking, integrated data access, and expanded opportunity through NAS's broad client network.
- **Mortgage Brokers:** A monitored solution aligned with lender protocols, helping brokers secure reliable, compliant appraisals that support deal flow and client satisfaction.



Why Nationwide Appraisal Services (NAS) Matters in the Green Mortgage Context

Scale & Reach: Handling millions of valuations provides access to diverse green comparables and energy-efficient property data.

Technology Advantage: AVMs and intelligent valuation tools support quantification of energy savings and ESG features.

Trusted Network: Over twenty-five hundred credentialed appraisers deliver consistent, jurisdictionally nuanced assessments.

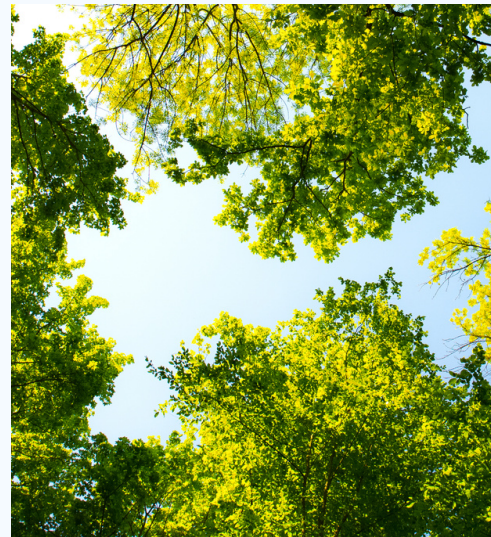
Risk & Compliance: Embedded platform tools ensure valuations adhere to evolving green standards—supporting transparent, accurate, and defensible appraisal outcomes.

Contact Information

www.nationwideappraisals.com ↗

info@nationwideappraisals.com

1-888-477-9776



CANADA'S TRUSTED LEADER IN APPRAISAL MANAGEMENT

Nationwide Appraisal Services (NAS) – Driving Confidence in Property Valuations

NAS has processed over 10M appraisals and \$12T in mortgages across Canada. With 2,500+ professionals, we deliver trusted and efficient valuation solutions for lenders, appraisers, and brokers.

10M+

Appraisals Processed

2,500+

Network Appraisers

\$12T

Mortgages Facilitated

25+

Years Experience

USEFUL LINKS:

Incentives and Initiatives Across Canada

Federal Level

- Canada Greener Homes Initiative: Provides grants and interest-free loans for energy-efficient retrofits, including insulation, windows, and renewable energy systems. Interest-free loans (up to \$40,000) and grants for energy retrofits.
- [Canada Greener Homes Initiative Main Portal](#) ↗
- Canada Greener Homes Loan: [Apply here](#) ↗
- Eligible Retrofits and Grant Amounts: [Details here](#) ↗

Provincial Level

- Ontario: [Home Efficiency Rebate Plus \(HER+\)](#) ↗
- Quebec: [Rénoclimat](#) ↗
- Nova Scotia: [Home Energy Assessment](#) ↗
- Other Provinces: [Find your province's program](#) ↗ (scroll to "Provincial and territorial programs")

Municipal Level

- Municipal programs vary widely. Check your local city or municipality's website or use the federal portal's resources for current offerings.

Additional Resources and Further Reading

- [Canada Greener Homes Initiative Main Portal](#) ↗
- [Canada Greener Homes Loan](#) ↗
- [Eligible Retrofits and Grant Amounts](#) ↗
- [Ontario HER+](#) ↗
- [Quebec Rénoclimat](#) ↗
- [Nova Scotia Home Energy Assessment](#) ↗
- [Nationwide Appraisal Services](#) ↗
- [Natural Resources Canada: Greener Homes Initiative](#) ↗
- [LEED Certification Guidelines](#) ↗
- [ENERGY STAR Canada](#) ↗
- [NAS Digital Appraisal Solutions](#) ↗
- [Sagen Energy Efficient Housing Program](#) ↗

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3. Canada Greener Homes Loan: <https://natural-resources.canada.ca/energy-efficiency/home-energy-efficiency/canada-greener-homes-initiative/canada-greener-homes-loan> ↗
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THANK YOU

We thank you for your continued support in NAS and the future of green real estate.