



March 6,
2026

Focus on Canadian housing

RBC Economics

Winter doldrums keep Canadian house prices under pressure

Housing markets across Canada remain subdued, despite signs of stabilization in consumer confidence.

Toronto and Vancouver remained at the centre of the downturn, posting the steepest price declines from a year ago alongside Fraser Valley.

Demographic headwinds combined with elevated inventories are expected to keep prices under pressure through spring in these markets, where supply and demand dynamics already favours buyers.

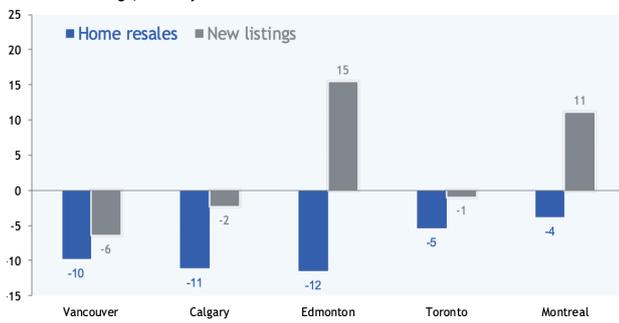
Montreal continued to defy the broader trend with firmer conditions keeping price growth positive. Though the market tipped into balance in January and held there through February, seller leverage hasn't slipped enough to trigger price concessions.

Tight inventory across Montreal and several Prairie markets, including Regina and Saskatoon, continues to underpin price resilience.

Major market highlights: February 2026

Market activity

Annual % change, February 2026



Source: REBGV, CREB, RAE, TRREB, OREB, QPAREB, RBC Economics

Supply-demand conditions

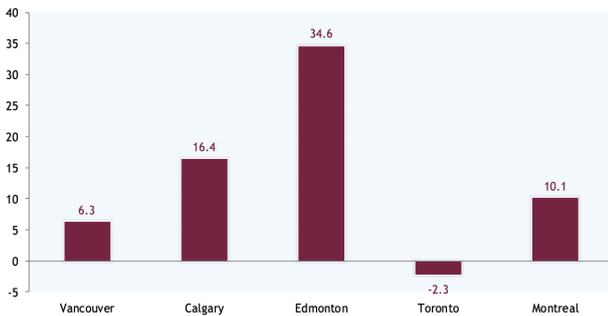
Estimated sales-to-new listings ratio, seasonally-adjusted, February 2026



Source: REBGV, CREB, RAE, TRREB, OREB, QPAREB, RBC Economics

Inventories

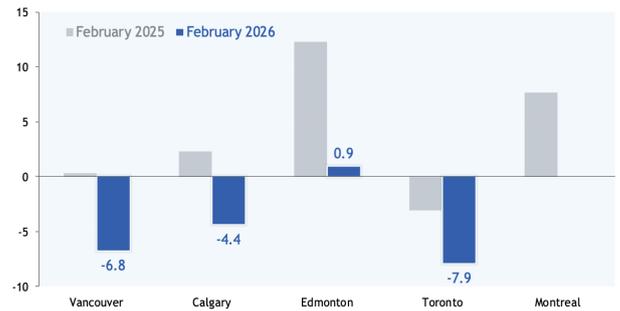
Active listings, annual % change, February 2026



Source: REBGV, CREB, RAE, TRREB, OREB, QPAREB, RBC Economics

Home prices

MLS Home Price Index, annual % change



Source: REBGV, CREB, RAE, TRREB, OREB, QPAREB, RBC Economics

Toronto area: Buyers still call the shots

Toronto's housing market continued to deteriorate in February. Sales declined 4.9% month-over-month seasonally adjusted, following an outsized 9.9% slide in January. With five consecutive months of declining transactions, the underlying trend remains unambiguously downward.

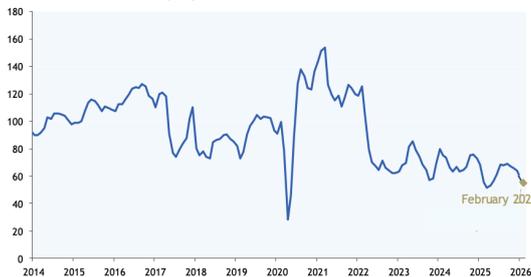
Five consecutive months of declining transactions marks an underlying downward trend.

A steep 11.5% month-over-month drop in new listings (seasonally adjusted) appears to be an anomaly in a market that's still flush with inventory. Active listings remain elevated despite early signs of moderating since end of 2025 peaks.

Supply-demand dynamics remain in favour of buyers, who continue to eke out price concessions from sellers. The MLS Composite Home Price Index fell another 7.9% year-over-year in nearly two uninterrupted years of straight declines.

Slowing international immigration combined with net outflows to other regions and provinces will continue weighing on demand ahead, likely keeping prices under pressure this spring.

Toronto-area home resales
Thousand units, seasonally adjusted annual rate



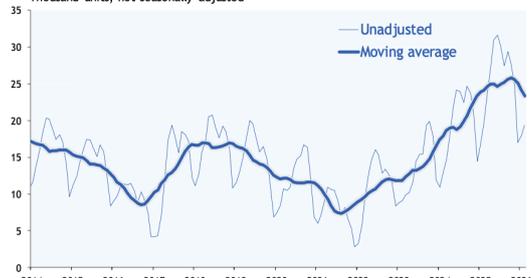
Source: Canadian Real Estate Association, Toronto Region Real Estate Board, RBC Economics

Toronto-area sales-to-new listings ratio
Seasonally adjusted



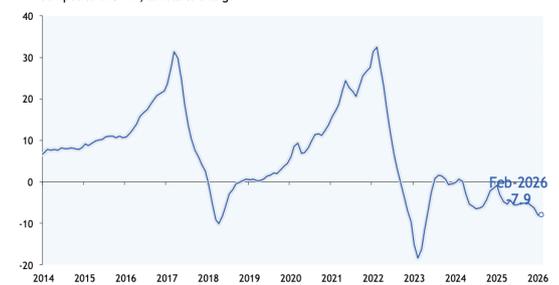
Source: Canadian Real Estate Association, Toronto Region Real Estate Board, RBC Economics

Active listings: Toronto area
Thousand units, not seasonally adjusted



Source: Toronto Region Real Estate Board, RBC Economics

MLS Home Price Index: Toronto area
Composite MLS HPI, annual % change



Source: Canadian Real Estate Association, Toronto Region Real Estate Board, RBC Economics

Montreal area: Seller leverage begins to slip

February's softer sales—down 1.2% seasonally adjusted from January—maintained balanced market conditions in Montreal after January's exceptional 22% surge in new listings tipped the market into equilibrium for the first time in more than a year.

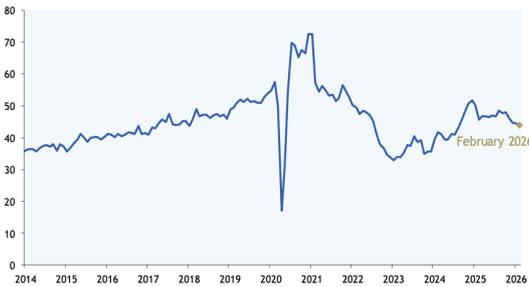
New listings inched higher by 1.3% seasonally adjusted in February, a notable deceleration from last month's one-time influx.

Montreal remains one of two major Canadian markets showing prices consistently elevated from a year ago. The median single-family home price gained 7% year-over-year in line with recent months.

Relatively low inventory continues to underpin price resilience. Seller leverage will likely need to fall further before prices see meaningful erosion.

Montreal-area home resales

Thousand units, seasonally adjusted annual rate



Source: QPAREB/CREA, RBC Economics

Montreal-area sales-to-new listings ratio

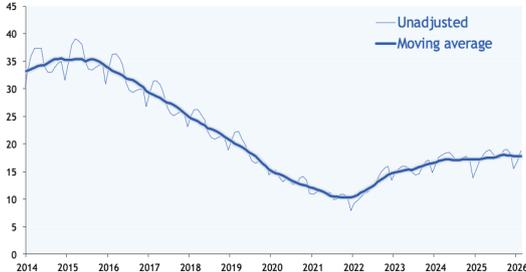
Seasonally adjusted



Source: QPAREB/CREA, RBC Economics

Active listings: Montreal area

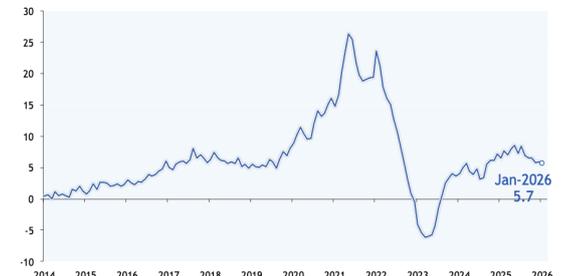
Thousand units, not seasonally adjusted



Source: QPAREB via Centris, RBC Economics

MLS Home Price Index: Montreal area

Composite MLS HPI, annual % change



Source: QPAREB/CREA, RBC Economics

Vancouver area: February's gain rings hollow

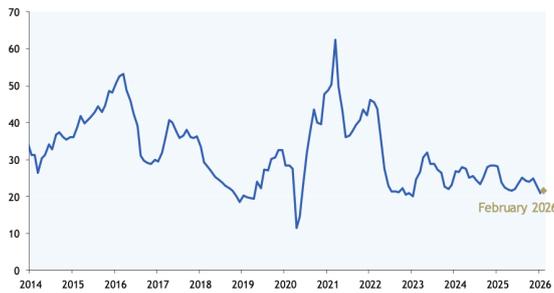
We estimate sales increased 3.1% in February from the previous month seasonally adjusted in Vancouver, but the gain lacks momentum.

The market hasn't recorded three consecutive months of gains since mid-2025. Volatility—including months of considerable deterioration—keeps resales significantly depressed from longer-term averages, signalling ongoing weakness rather than genuine recovery.

New listings dropped a steep 16.3% by our count (seasonally adjusted) from January. That helped bring the sales-to-new listings ratio back over the 30% threshold after it dipped to its lowest since 2008 last month.

The drop in new listings, however, did little for overall inventory. Elevated stock persists, keeping leverage with buyers and prices on a downtrend. Greater Vancouver's MLS HPI benchmark fell 6.8% year-over-year—showing six months of increasingly sharp price declines.

Vancouver-area home resales
Thousand units, seasonally adjusted annual rate



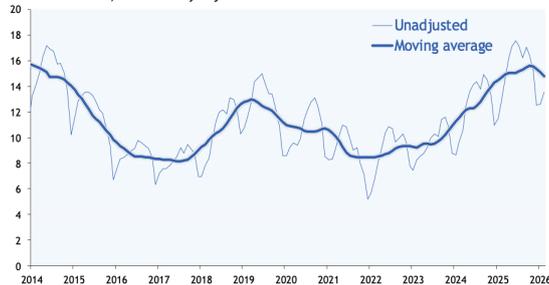
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

Vancouver-area sales-to-new listings ratio
Seasonally adjusted



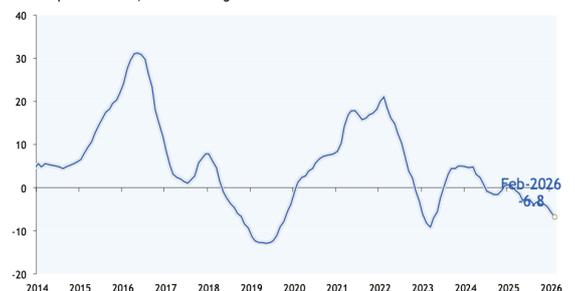
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

Active listings: Metro Vancouver
Thousand units, not seasonally adjusted



Source: Real Estate Board of Greater Vancouver, RBC Economics

MLS Home Price Index: Vancouver area
Composite MLS HPI, annual % change



Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

Calgary: Construction wave keeps supply elevated

Sales declined 6.4% seasonally adjusted in February from the previous month in Calgary, led by weakness in higher-density units like apartments.

We estimate new listings fell by a similar 7% month-over-month seasonally adjusted, extending a moderation trend that began in mid-2025 (except the 8.6% increase between January and December).

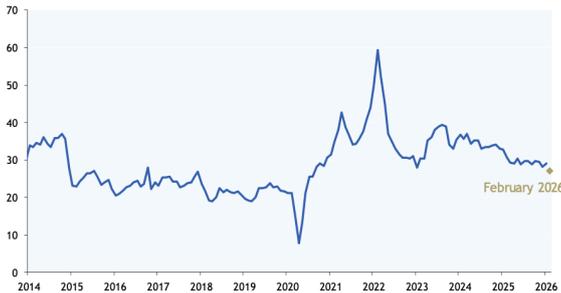
Active listings have retreated from peak levels observed last year, but continue to handcuff the market, sitting 16.4% above a year ago—sustaining downward pressure on prices.

The composite HPI benchmark deteriorated another 4.4% year-over-year with apartments and row housing absorbing the sharpest losses.

Residential construction remains robust in the pipeline—particularly for apartments. A record-high number of residential units under construction suggest inventory will likely remain elevated in Calgary through spring.

Calgary home resales

Thousand units, seasonally adjusted annual rate



Source: Canadian Real Estate Association, Calgary Real Estate Board, RBC Economics

Calgary sales-to-new listings ratio

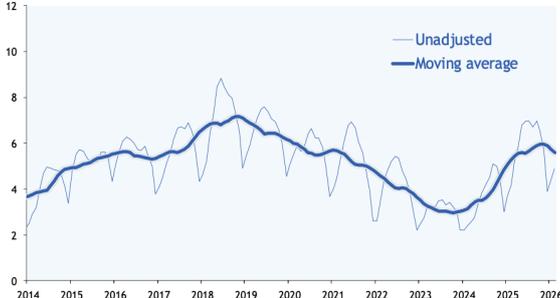
Seasonally adjusted



Source: Canadian Real Estate Association, Calgary Real Estate Board, RBC Economics

Active listings: Calgary

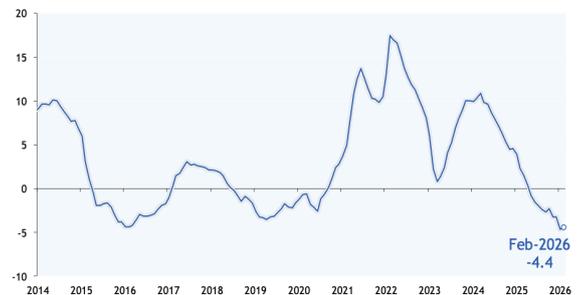
Thousand units, not seasonally adjusted



Source: Calgary Real Estate Board, RBC Economics

MLS Home Price Index: Calgary

Composite MLS HPI, annual % change



Source: Canadian Real Estate Association, Calgary Real Estate Board, RBC Economics



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