



Focus on Canadian housing

April 16,
2026

RBC Economics

March marks four years of declining home prices in Canada

It's been an especially soft start to the busiest house hunting season across most of Canada with 38,700 resales in March (unadjusted for seasonality) the weakest in 17 years for this period.

On a seasonally adjusted basis, resales fell for the fifth straight month, edging 0.1% lower from snowstorm-stricken February.

Buyers feel little urgency to make decisions amid heightened economic uncertainty, falling prices and abundant inventory in parts of the country.

The national composite MLS Home Price Index remains firmly on a four year-long decline, down 4.7% from a year ago and 20% from the cyclical peak in early-2022. It slipped a further 0.4% in March from February.

A tougher selling environment seems to be holding back potential sellers from entering the market as new listings dropped in six of the past seven months—including a 0.2% decline in March from a month earlier.

This has helped stabilize the number of residential properties listed for sale in Canada, but it's still 1% above where it was a year ago, and close to a six-year high hit mid-last year.

Home resales in Canada

Thousand units, seasonally adjusted and annualized



Source: Canadian Real Estate Association, RBC Economics

Higher inventory sustains price declines in Ontario and B.C.

Active home listings hover near decade highs in Ontario and British Columbia (even longer in Toronto), fuelling more intense competition between sellers.

Sellers must also make increasingly larger price concessions to get deals done with buyers lacking confidence, and still significantly strained by high ownership costs (despite notable improvement in the past couple of years) in markets like Toronto and Vancouver.

It resulted in the MLS HPI falling 7.4% from a year ago in the Greater Toronto Area, and down 6.8% in the Vancouver area.

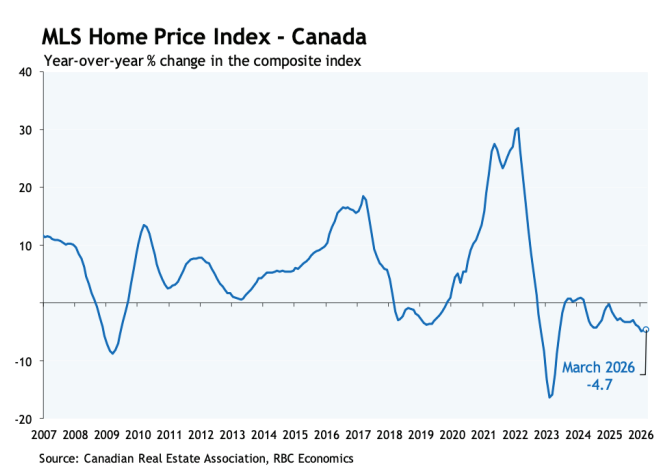
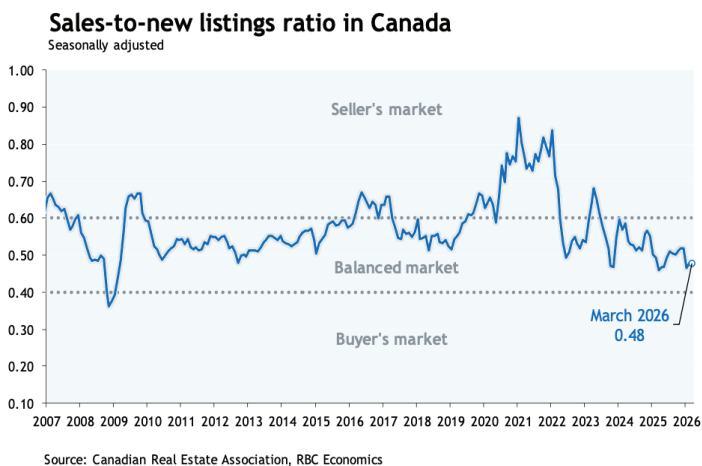
The price correction isn't limited to these markets, though, and ongoing in other parts of Ontario and B.C. including Kitchener-Waterloo (-8.6%), Barrie (-8.4%), Cambridge (-7.4%), Hamilton (-7.3%), London (-7.1%), Guelph (-6.4%) and Fraser Valley (-7.5%). Almost all also saw further monthly declines in March.

Home values are eroding in Alberta as well, albeit to a lesser extent. The MLS HPI was down 2.9% from a year ago in Edmonton and 3% in Calgary. Strong housing construction has brought more supply to market in the past couple of years, helping rebuild inventory and materially ease earlier tightness with demand.

Tight supply still supports price gains elsewhere

Signs of softer resales have been widespread in recent months, but appreciating price trends are generally holding up in the rest of the country.

Regina (up 6.3%), Saskatoon (5.4%), Winnipeg (2.9%), Montreal (4.9%), Quebec City (10.1%), Moncton (11%), Halifax (3.1%), and Newfoundland and Labrador (9.3%) continue to see gains in their MLS HPI from a year ago.



Spring season has longer to run

Despite the slow start, the spring season may have more in store in the coming months. Lower prices and improving affordability could motivate more buyers to enter the market, drain some of the inventory, and put the recovery back on track.

There's also a growing risk that persistent gloom arising from geopolitical events, spiking energy prices, and fragile job markets prolongs the slump. Meanwhile, interest rates are unlikely to fall further, and immigration cuts are cooling housing demand, which could delay a rebound in activity.

The next few months will hopefully bring more clarity on the outlook. Still, we see market trends continuing to diverge across the country.

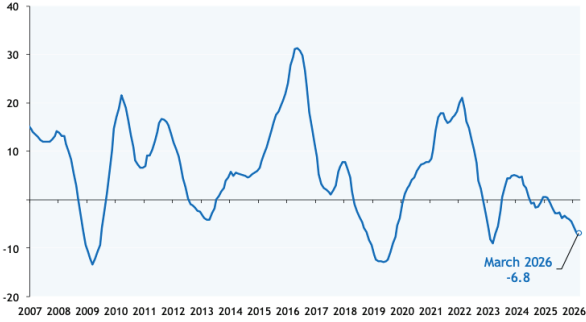
We expect abundant inventory sustaining—or possibly intensifying—downward price pressure in Ontario and B.C. near term, while tighter supply-demand supports further modest appreciation in most other regions.

March market snapshot

	Home resales (% change)		New listings (% change)		MLS Home Price Index (% change)		Sales-to-new listings ratio
	m/m	y/y	m/m	y/y	m/m	y/y	
Canada	-0.1	-2.3	-0.2	-4.9	-0.4	-4.7	0.48
Toronto	1.4	1.7	1.2	-16.7	-0.6	-7.4	0.34
Montreal	3.1	2.2	-0.3	11.4	-0.4	4.9	0.60
Vancouver	-0.5	-2.9	-2.3	-12.8	-0.7	-6.8	0.37
Calgary	-5.9	-10.7	-5.6	-11.2	-0.4	-3.0	0.55
Edmonton	-3.7	-13.4	-4.4	0.5	-0.3	-2.9	0.58
Ottawa	-1.9	-6.2	6.4	5.4	-0.6	-2.1	0.48

MLS Home Price Index - Vancouver

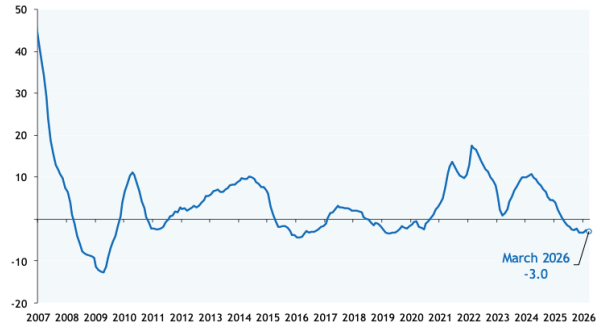
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Calgary

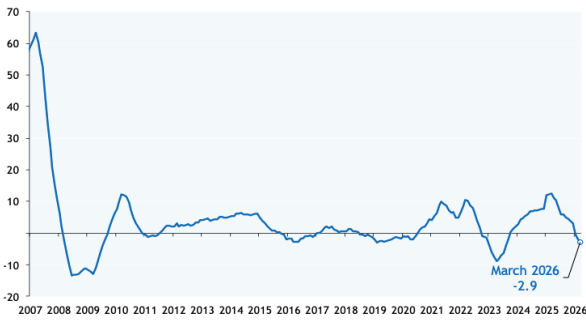
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Edmonton

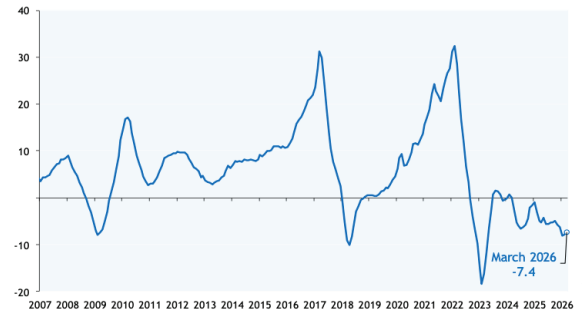
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Toronto

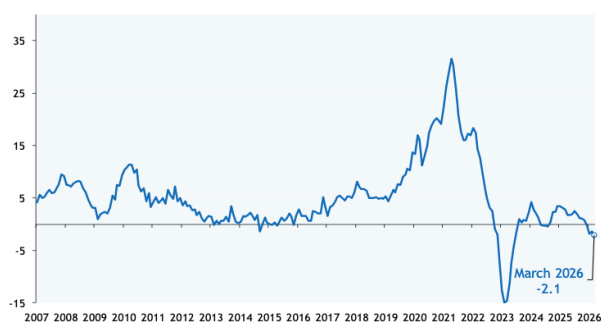
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Ottawa

Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Montreal

Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics



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