



Focus on Canadian housing

May 12,
2026

RBC Economics

**Canada's housing market sees green shoots
and stunted growth this spring**

There's a little bit of everything happening in Canada's housing market as the busiest house hunting season kicks into high gear.

Signs have emerged suggesting slumping markets like Toronto and Hamilton could be finally turning a corner at the same time that previously robust Saskatchewan, Manitoba, parts of Quebec and Atlantic Canada appear to be topping out.

Opposing regional developments have been largely a wash from a national perspective.

The number of homes changing hands was little changed overall at 426,900 units (seasonally adjusted and annualized) in April, edging up 0.7% from March.

This represented the third consecutive month of essentially flat activity— albeit the first one with a slight positive sign in front of it.

Home resales in Canada

Thousand units, seasonally adjusted and annualized



Source: Canadian Real Estate Association, RBC Economics

More sellers enter the market

A common theme across most regions in April was a notable influx of sellers.

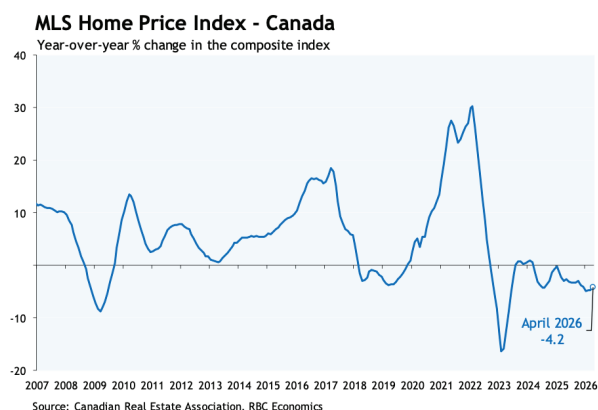
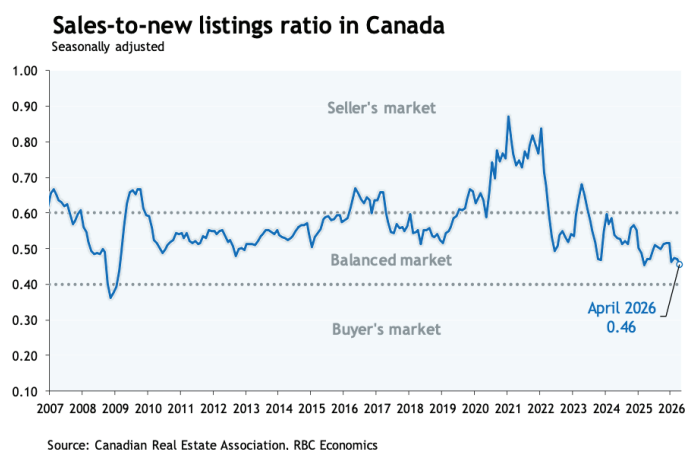
New listings rose in two-thirds of urban markets led by Quebec City (12.4% from March), Kitchener-Waterloo (10.5%), Ottawa (10.2%) and Winnipeg (8.2%).

This translated to a 4.1% nationwide increase from March that almost entirely reversed declines earlier this year.

Buyers have more options to choose from

Importantly, the seller influx adds to the inventory of homes for sale, especially in Quebec and Nova Scotia where buyers are gaining bargaining power.

Trends were little changed elsewhere, though. Steady but at decade highs in Ontario and British Columbia, gradually building from low levels in Alberta and New Brunswick, and persistently shrinking in Saskatchewan, Manitoba, and Newfoundland and Labrador.



Price trends continue to diverge

Home values reflected varied levels from coast to coast. They continue to generally depreciate in B.C. and Ontario, and appreciate in the rest of the country.

That said, April brought a few noteworthy developments. Toronto's MLS Home Price Index was unchanged from the previous month for the first time in nearly a year. Meanwhile, Calgary and Edmonton's indexes rose (0.3% and 0.9%, respectively), breaking from year-long strings of declines.

We saw the opposite in Saskatchewan, Montreal, New Brunswick and Nova Scotia, where local indexes dipped last month.

Overall, Canada's aggregate MLS HPI fell month-over-month for the 15th straight time in April, edging 0.2% lower from March. It was the slowest decline since November, but still down 4.1% from a year ago.

Price dips in Montreal and Nova Scotia could spell the end of long running ascending trends if supply builds further and activity continues to cool.

We're more hesitant to call the April price stabilization in Toronto a turning point, given the many hurdles this market still faces. Abundant inventory—especially for condos—is poised to maintain fierce seller competition, and downward price pressure near term.

Uncertain and uneven outlook

Canada's housing market could take different directions from here depending on how the broad macroeconomic landscape unfolds.

Lower prices, improving affordability and better job prospects have the potential to unlock pent-up demand, bring more buyers to market, drain some of the inventory, and put the recovery back on track.

Then, there's also a risk that persistent gloom arising from geopolitical events, spiking energy prices, and renewed deterioration in the job market prolongs the slump. With interest rates unlikely to fall further and immigration cuts cooling housing demand, a rebound in activity could also be delayed.

The next few months will hopefully bring clarity on the outlook. Meanwhile, we see market trends continuing to diverge across the country, keeping the national picture stagnant at best.

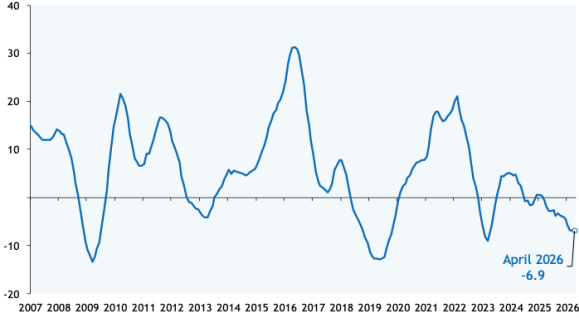
We expect abundant inventory sustaining downward price pressure in Ontario and B.C. near term, while tighter supply-demand support boost modest appreciation in most other regions.

April 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	0.7	-4.0	4.1	0.2	-0.2	-4.1	0.46
Toronto	6.1	7.0	3.7	-9.3	0.0	-6.5	0.35
Montreal	-4.3	-7.1	1.9	9.4	-0.3	3.6	0.55
Vancouver	-4.0	-1.6	6.3	-3.2	-1.0	-6.9	0.33
Calgary	5.3	-6.0	5.6	-2.6	0.3	-2.2	0.54
Edmonton	2.6	-8.6	3.9	3.0	0.9	-1.4	0.57
Ottawa	-0.7	-2.4	10.2	13.4	0.6	-0.9	0.42

MLS Home Price Index - Vancouver

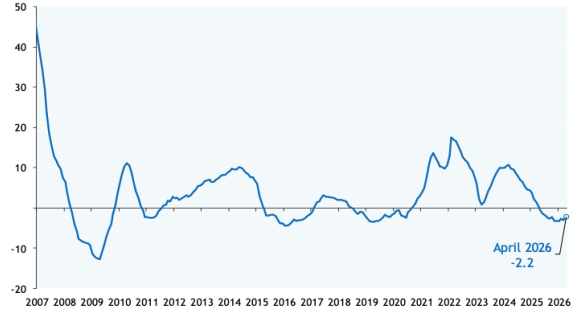
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Calgary

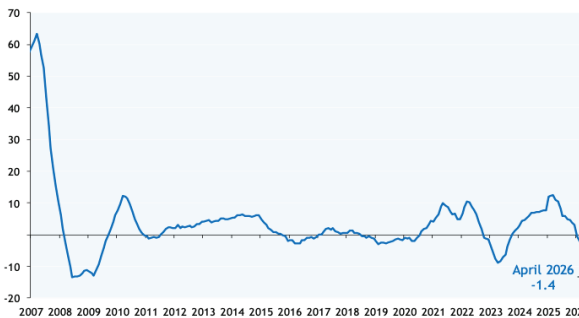
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Edmonton

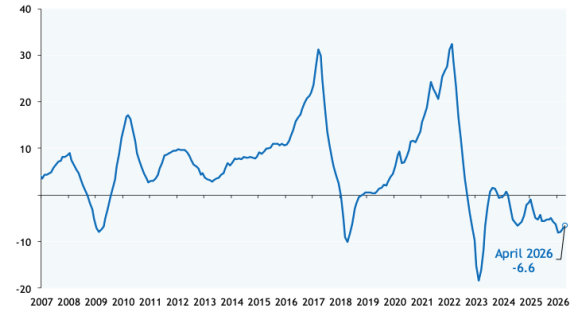
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Toronto

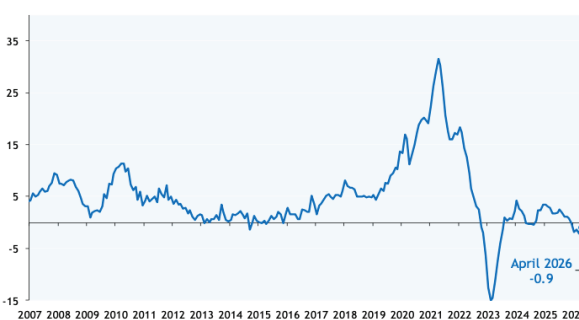
Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Ottawa

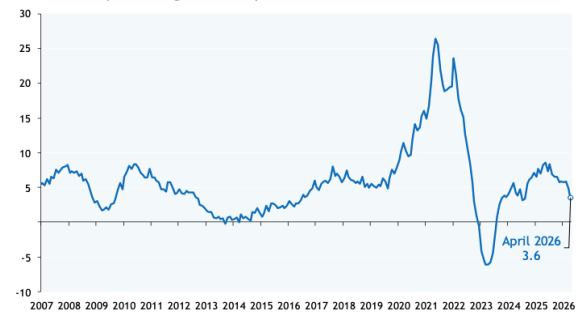
Year-over-year % change in the composite index



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



rbc.com/en/economics



linkedin.com/company/rbc-economics

The material contained in this report is the property of Royal Bank of Canada and may not be reproduced in any way, in whole or in part, without express authorization of the copyright holder in writing. The statements and statistics contained herein have been prepared by RBC Economics Research based on information from sources considered to be reliable. We make no representation or warranty, express or implied, as to its accuracy or completeness. This publication is for the information of investors and business persons and does not constitute an offer to sell or a solicitation to buy securities.

®Registered trademark of Royal Bank of Canada.

©Royal Bank of Canada.
