



# Focus on Canadian housing

June 4,  
2026

**RBC** Economics

## Canada's housing markets get busier in May

Warmer spring weather is finally thawing housing markets across the country. Most real estate boards reported busier activity in May compared to April led by Winnipeg, Regina, Ottawa, Toronto, Hamilton and Saskatoon. And price developments were largely in line with recent trends: home values continued to fall in British Columbia, Alberta and Ontario, while they rose further in Quebec and parts of the Prairies and Atlantic Canada.

Still, the general vibe is one of restraint. Home resales remain soft for the most part with markets such as Toronto, Hamilton and Vancouver coming off depressed levels. May's green shoots must develop further for recoveries to blossom.

Improving affordability is one of the factors warming things up. Ongoing price corrections in Ontario and British Columbia are opening the door to prospective homebuyers on the sidelines. Easing price increases offer similar help in other markets.

Buyers entering the fray often get ample options to choose from. This is still clearly the case in Toronto, Hamilton, Vancouver and the Fraser Valley despite available supply coming down somewhat in recent months, sustaining downward pressure on home values.

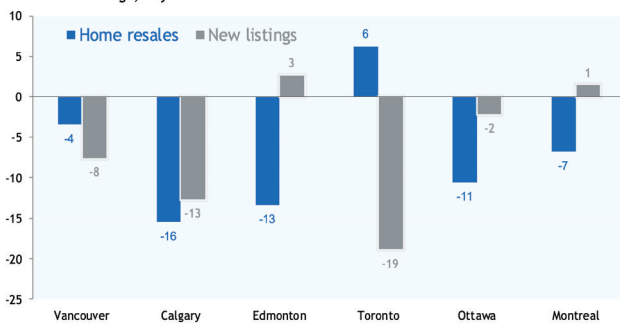
More moderate for-sale inventory attenuates price pressures elsewhere. Balanced supply and demand support home value appreciation in parts of the Prairies, Quebec and Atlantic Canada.

While positive signs are emerging, more elements must come together to nurture the recovery's development. Chief among them is confidence, which must significantly rebuild. This won't be easy as buyers still worry about many things from a trade war to a major geopolitical conflict and a rocky job market. Odds are the recovery will be mixed until much of the economic uncertainty has lifted.

## Major market highlights: May 2026

### Market activity

Annual % change, May 2026



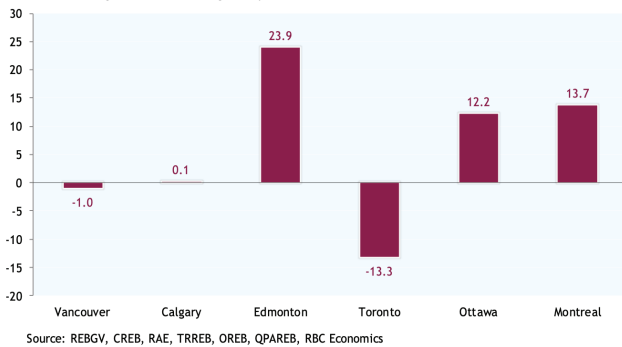
### Supply-demand conditions

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



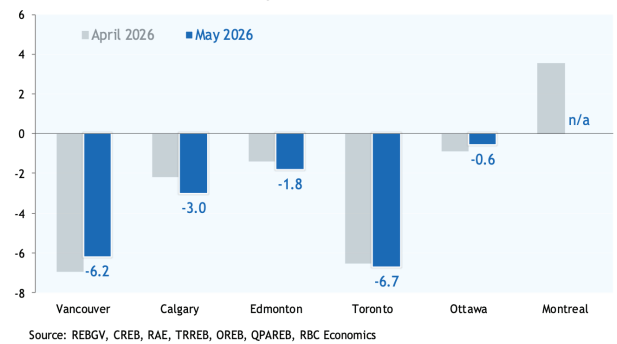
### Inventories

Active listings, annual % change, May 2026



### Home prices

MLS Home Price Index, annual % change



# Toronto area: Spring bounce could be a turning point

The Toronto area market is still generally sluggish, but activity has picked up this spring amid sellers giving up more ground on prices to lure buyers.

Home resales advanced solidly by 6.1% and 10% month-over-month in April and May, respectively, with gains in most categories including single-detached homes, townhouses and condo apartments. For now, the market continues to be soft with plenty of homes for sale sustaining intense seller competition, and wary buyers taking their time to make decisions.

While this bounce has the hallmarks of a long-awaited turning point, resales still have a considerable distance to go to reach more normal levels. Last month's transactions remain 29% short of the 10-year average.

This means the market isn't yet in a position of stabilizing home values. Toronto's MLS HPI slipped a further 0.2% between April and May seasonally adjusted, and is down 6.7% from a year ago. Condos continue to be under the most downward pressure (-9.1% year-over-year), though all categories are in correction mode including single-family homes (-6.6%).

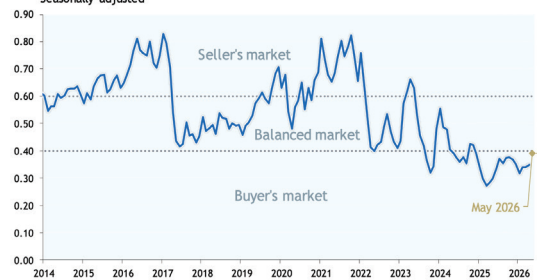
Soft demand, strained affordability, shaky confidence, ample inventory and stiff seller competition aren't supportive of an imminent price turnaround. Our view is this could come later this year if recent declines in inventory are sustained.

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



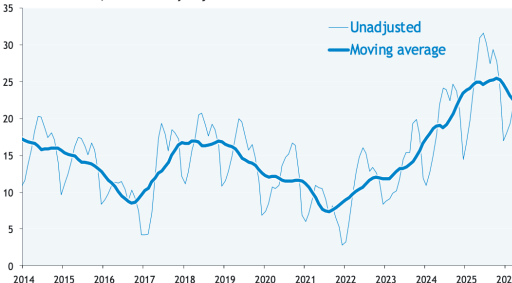
Source: Canadian Real Estate Association, Toronto Region Real Estate Board, RBC Economics

**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: Sticking to recent trends

May showed a largely unchanged picture of the housing market in Montreal. Sales momentum remains stalled, supply and demand are roughly balanced, price gains moderates further and inventory continues to creep up.

We estimate homes sold rose more than 3% between April and May (seasonally adjusted), but it came on the heels of a 4.3% drop the previous month, keeping the year-long trend mainly flat.

This year's more striking development—a strong inflow of sellers—is being sustained. New listings continue hovering near a four-year high, easing earlier tightness in the market.

And with inventory building up, seller competition is mounting. It's moderated the rate of home value appreciation. Median prices now up 0.6% y/y for condos and 3.2% for single-family homes. Those rates were higher by 2.4% and 6.5%, respectively, just three months ago.

Home values could level off entirely if homes for sale rises further.

**Montreal-area home resales**

Thousand units, seasonally adjusted annual rate



Source: QPAREB/CREA, RBC Economics

**Montreal-area sales-to-new listings ratio**

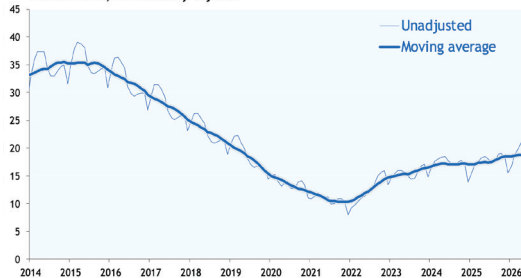
Seasonally adjusted



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: Tentative signs of stabilization

The overall state of Vancouver's market remains soft even though early signs of recovery could be emerging. Home resales are still depressed, and values continue to broadly weaken.

Affordability and confidence issues clearly remain major obstacles holding back demand, and more ample inventory fuels seller competition.

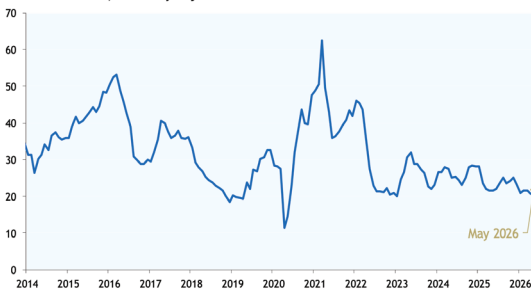
The positive news in May was transactions snapped a declining streak. We estimate they rose more than 5% from April seasonally adjusted, rolling back a similar-sized drop in the prior two months.

And, fewer sellers listed homes for sale, slightly reducing market slack and shaving off inventory a little. Active listings fell 1% from a year ago for the first time in almost three years.

Downward price pressure eased marginally as a result. Vancouver's MLS HPI fell 6.2% from a year ago in May compared to 6.9% in April.

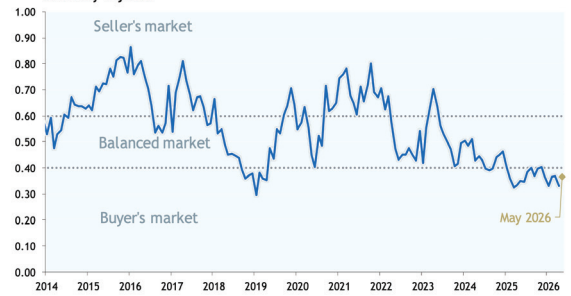
We expect the current supply and demand imbalance will keep home values declining ahead.

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



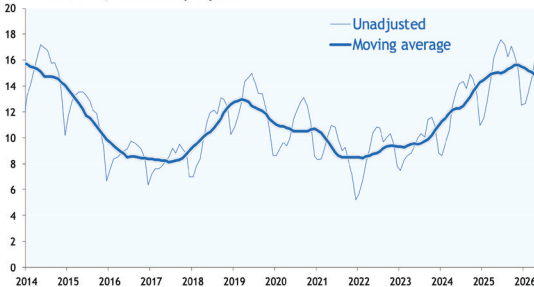
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

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



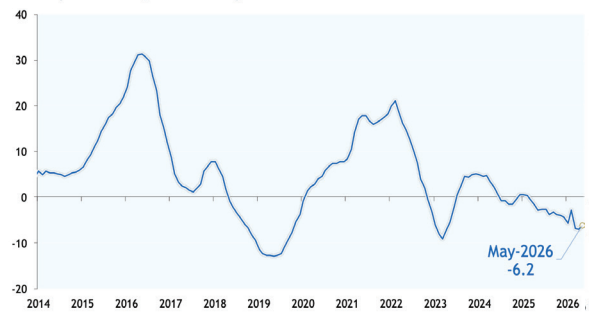
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

**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: In cooling mode

A three-year-long cooling of activity in Calgary is ongoing. Home resales edged lower again in May by an estimated 1% from April (seasonally adjusted).

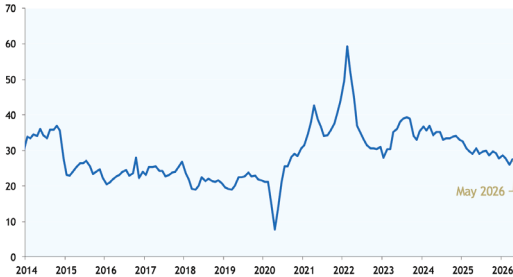
Supply and demand are broadly balanced, and the number of homes listed for sale is stabilizing after increasing noticeably in the past couple of years.

Still, the prior inventory build-up continues to pressure home values. Calgary's MLS HPI fell 3% from a year ago last month— its 13th consecutive decline.

The condo segment has been under the most pressure in the past year with transactions and the benchmark price falling 30% and 9%, respectively.

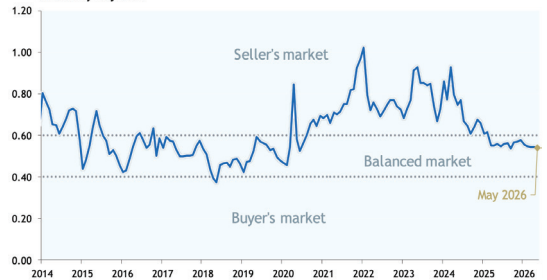
This compares to much smaller declines of 6% and 2.4%, respectively, for detached homes. We think prices could broadly level off if inventory stays on its stabilizing path or edges lower.

**Calgary home resales**  
Thousand units, seasonally adjusted annual rate



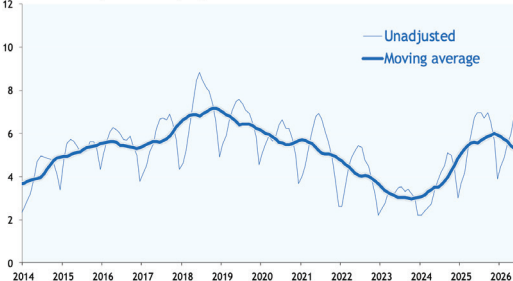
Source: Canadian Real Estate Association, Calgary Real Estate Board, RBC Economics

**Calgary sales-to-new listings ratio**  
Seasonally adjusted



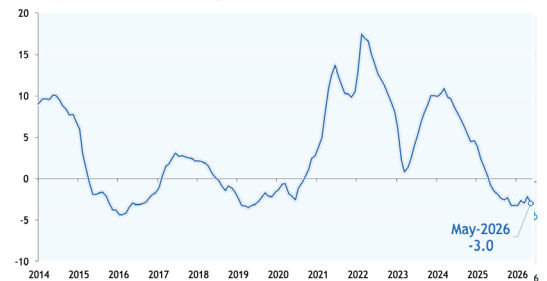
Source: Canadian Real Estate Association, Calgary Real Estate Board, RBC Economics

**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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