



Focus on Canadian housing

July 6,
2026

RBC Economics

**Canada's housing markets hit some
bumps in June**

The path of recovery isn't a straight line for housing markets across Canada. There were more bumps and curves in June causing home resales to slide in Fraser Valley, Calgary, Edmonton, Hamilton and Montreal.

Other areas like Vancouver and Toronto have been gaining traction lately, but this happened after disappointing setbacks this winter.

Local real estate boards that have reported June results so far paint a generally soft picture for home values. Prices continue to decline in Vancouver, Fraser Valley, Calgary and Edmonton. The rate of appreciation is also slowing in Montreal.

Toronto showed tentative signs of stabilization, however. Its MLS Home Price Index remained unchanged in June from May.

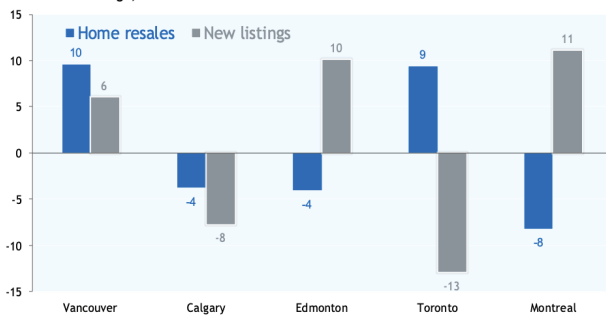
We expect improving affordability and growing confidence will progressively unlock some demand that's been pent up for a few years. Yet, this burgeoning recovery is poised to remain uneven in the face of Canada's shrinking population, interest rates no longer declining and persistent economic uncertainty.

The leveling of inventory in Ontario and British Columbia could be a precursor to a firming in prices in those regions. Whether or when that takes place will depend on the strength of recovering demand, and influx of sellers in the market.

Major market highlights: June 2026

Market activity

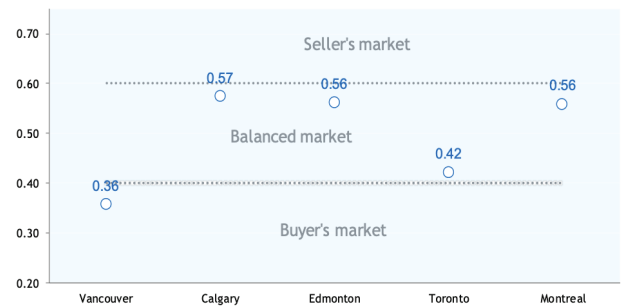
Annual % change, June 2026



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

Supply-demand conditions

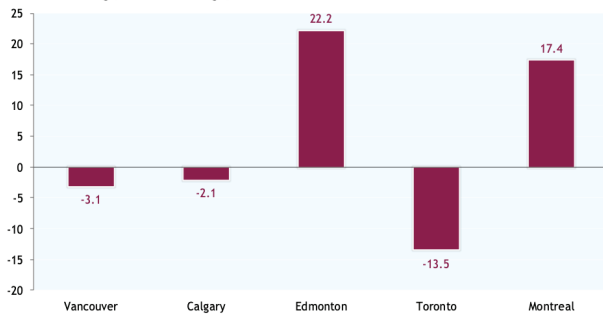
Estimated sales-to-new listings ratio, seasonally-adjusted, June 2026



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

Inventories

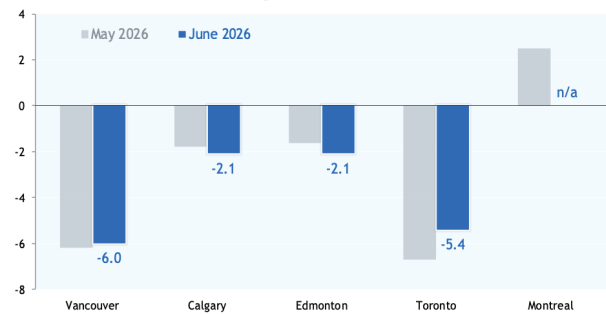
Active listings, annual % change, June 2026



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: Early innings in long-awaited turnaround

The spring recovery is staying on track with home resales rising and inventory falling for a fourth consecutive month. The long-awaited turnaround may be finally unfolding, but it's still early.

June transactions remained deep (-34%) below pre-pandemic levels, and the modest 1.4% advance from May to June (seasonally adjusted) isn't quite signalling rapid transformation.

Yet, the turnaround to date could be putting home values on a stabilizing path. The MLS HPI in June increased for the first time on a monthly seasonally adjusted basis since January 2025. While still down 5.4% from a year ago, the index may be entering a steadier period amid more balance between supply and demand.

We don't expect this to be true for all housing categories, though. Abundant inventory is set to keep condo prices on a downward trajectory for a while longer.

Toronto-area home resales

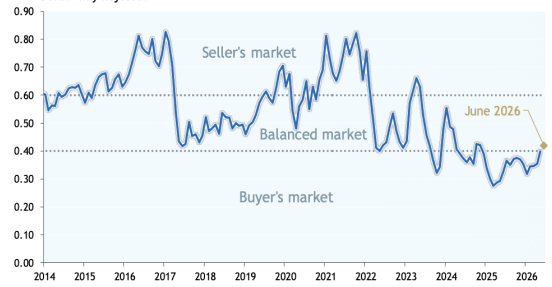
Thousand units, seasonally adjusted annual rate



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

Toronto-area sales-to-new listings ratio

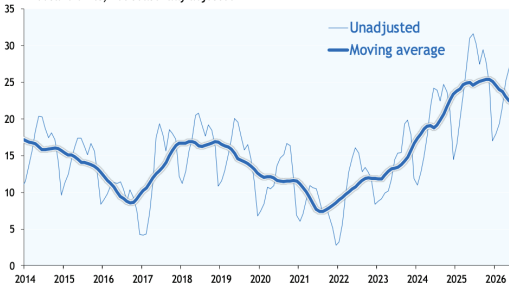
Seasonally adjusted



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

Active listings: Toronto area

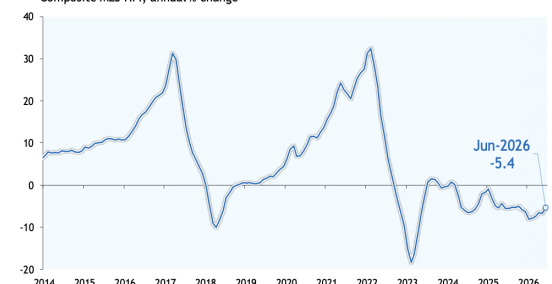
Thousand units, not seasonally adjusted



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: Resilience being tried

Mounting ownership costs are increasingly testing the Montreal market's resilience. There's been fewer buyers signing purchase agreements this spring in the face of record-high prices.

We estimate home resales fell for the second time in three months in June, easing almost 4% from May seasonally adjusted.

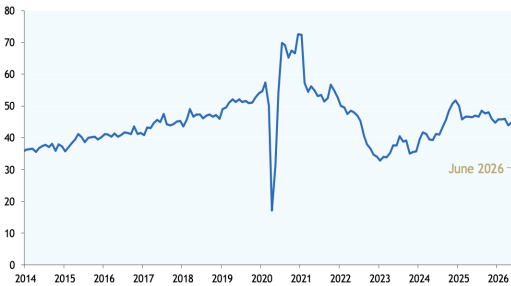
Supply remains generally in balance with demand for now. Still, an influx of sellers this year has gradually boosted the inventory of homes for sale, dialling down the heat on prices.

Home values are increasing at less than half the rate from a year ago. Median prices for single-family homes and condo apartments were up 3.5% and 2%, respectively, from a year ago in June.

Further deceleration is likely should new listings stay near a four-year high as in much of 2026 so far.

Montreal-area home resales

Thousand units, seasonally adjusted annual rate



Source: QPAREB/CREA, RBC Economics

Montreal-area sales-to-new listings ratio

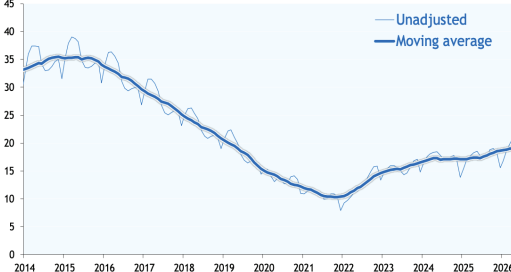
Seasonally adjusted



Source: QPAREB/CREA, RBC Economics

Active listings: Montreal area

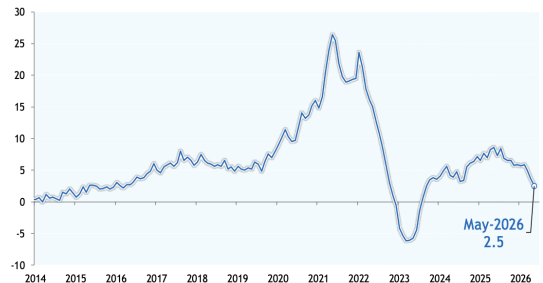
Thousand units, not seasonally adjusted



Source: QPAREB via Centris, RBC Economics

MLS Home Price Index: Montreal area

Composite MLS HPI, annual % change



Source: QPAREB/CREA, RBC Economics

Vancouver area: A long road ahead

May's green shoots have developed further in June in Vancouver. We estimate resales increased more than 3% m/m, building on the solid 6.6% advance in May.

Nonetheless, the situation remains exceptionally weak with activity well below the historical average, and inventory near a decades' high.

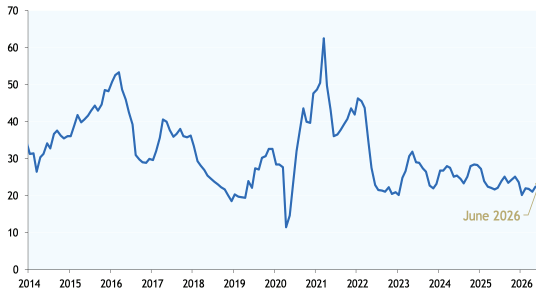
While improving, affordability and confidence remain major obstacles holding back demand, and fierce seller competition pulls home values down.

Vancouver's MLS HPI fell 6% from a year ago in June. That's slightly less than -6.2% in May in part thanks to back-to-back easing in the number of homes for sale for the first time in three years.

Price declines are consistent across housing categories with single-family homes and condos falling more than 7% y/y.

Vancouver faces a very long road to recovery. Home values are likely to sustain a declining trajectory while the imbalance between supply and demand persists.

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



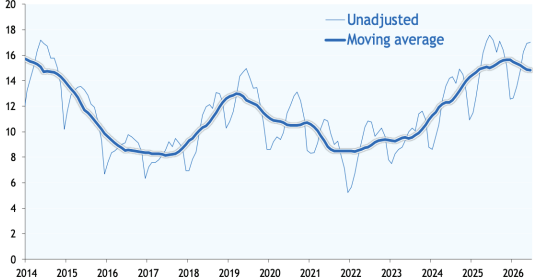
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

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



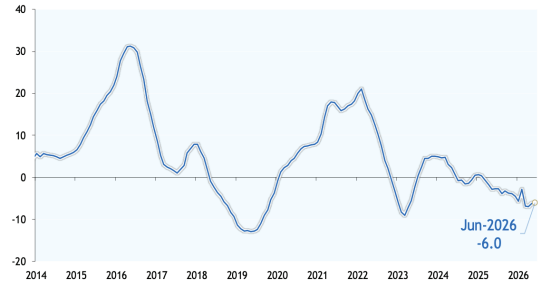
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

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: Slower but slightly tighter

June extended the three-year-long cooling trend in resales in Calgary. This time a drop in the number of sellers entering the market could be to blame.

We estimate new listings fell 8% from May seasonally adjusted, narrowing options for house hunters.

Active listings contracted 2.1% y/y for the first time in more than two years.

Slightly tighter supply-demand in turn is helping moderate the pace of price declines. Calgary's MLS HPI fell 2.1% from a year ago in June, down from -3.2% in January.

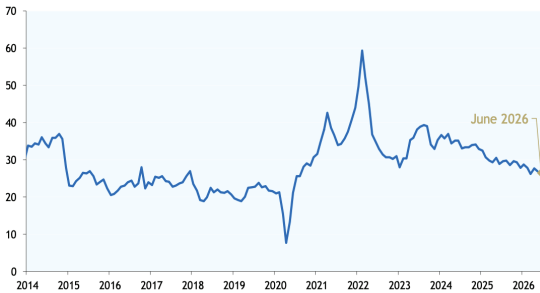
The condo segment remains under the most pressure with transactions and the benchmark price falling 20% and 9%, respectively, in the past year.

This compares to a transactions' gain of 0.8% and price decline of 1.4%, respectively, for detached homes.

We think prices could broadly level off if inventory edges lower still.

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

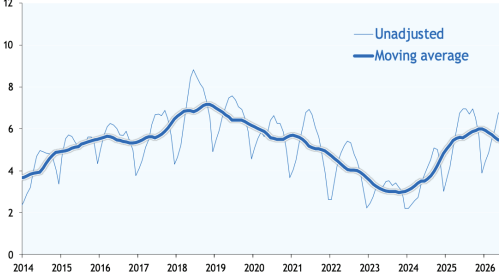
Seasonally adjusted



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

Active listings: Calgary

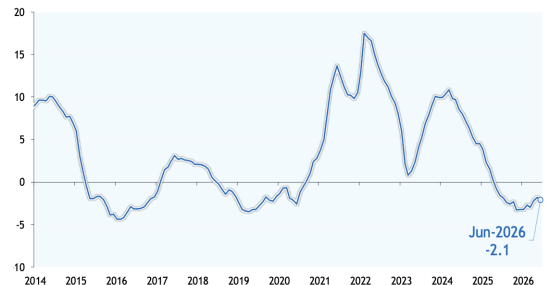
Thousand units, not seasonally adjusted



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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