Focus on Canadian housing

November 6, 2026

RBC Economics

Canada's housing markets carry minimal momentum through fall

The housing market recovery in Canada is shaky at best this fall. Early October data in major urban areas show minimal sales momentum once again in most cases, and flat or declining home values.

Elections in B.C. and Quebec, and a referendum in Alberta no doubt crowded lawn signs and diverted attention in what is traditionally the second busiest house hunting season.

Recent escalation in the trade war with the United Sates, rising long-term interest rates and lower immigration also appear to be weighing heavily on the minds of many buyers and sellers.

Still, the market is on the rails for now. A majority of local real estate boards reported a seasonally adjusted sales increase in October from September (including Vancouver, Fraser Valley, Edmonton, Regina, Hamilton, Toronto and Ottawa).

It's just that we aren't seeing much vigour with levels generally remaining weaker than a year ago—with some exceptions in the Prairies.

Activity in Calgary, Saskatoon, Winnipeg and Montreal softened further last month.

On the positive side, the risk of oversupply is diminishing. Inventory continues to gradually shrink in markets where it had become abundant like Vancouver, Fraser Valley, Toronto and Hamilton.

Inventory is still rising in Montreal, Quebec City and Ottawa though, but from previously low marks.

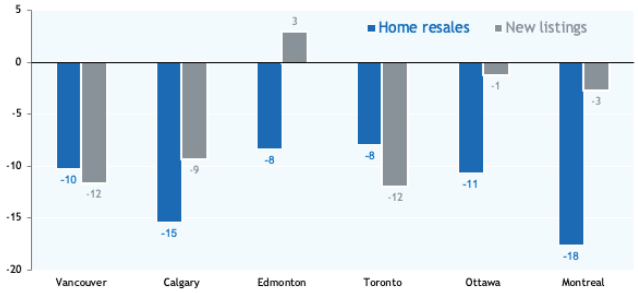
Rebalancing supply and demand is dampening the rate of home price declines in Vancouver, Fraser Valley, Toronto and Hamilton, and moderating increases in Saskatchewan, Manitoba, Montreal and Quebec City.

We remain of the view that recovery will prevail across Canada despite current headwinds. Generally, we expect improving affordability and a resilient economy will progressively unlock pent-up demand. But, the road ahead is likely to be bumpy and uneven.

Robert Hogue | Assistant Chief Economist | robert.hogue@rbc.com | 647-262-3569 | rbc.com/en/economics

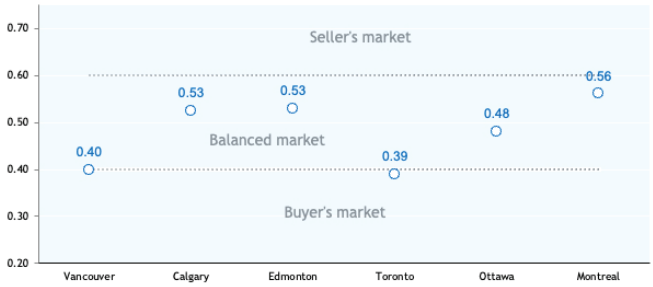
Major market highlights: October 2026

Market activity
Annual % change, October 2026



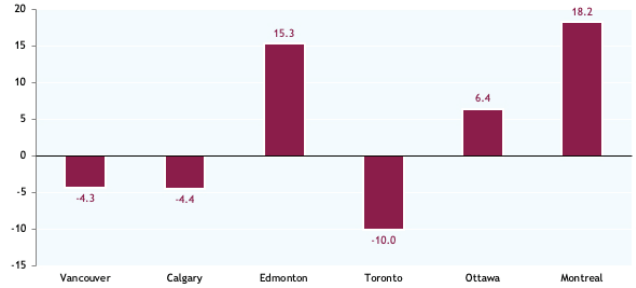
Source: REBGV, CREB, RAE, TRREB, OREB, QPAREB, RBC Economics

Supply-demand conditions
Estimated sales-to-new listings ratio, seasonally-adjusted, October 2026



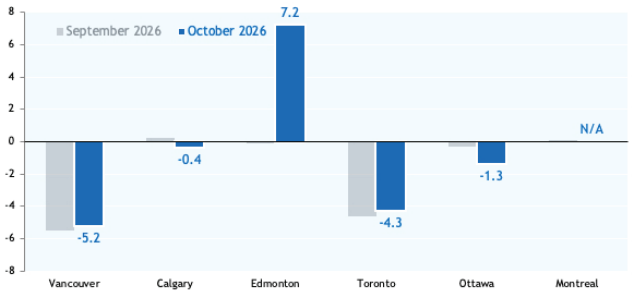
Source: REBGV, CREB, RAE, TRREB, OREB, QPAREB, RBC Economics

Inventories
Active listings, annual % change, October 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: Marginal progress towards recovery

Upticks of 1.2% in home resales and 0.1% in the MLS Home Price Index in October from September barely move the needle when it comes to progress toward recovery in the Toronto area.

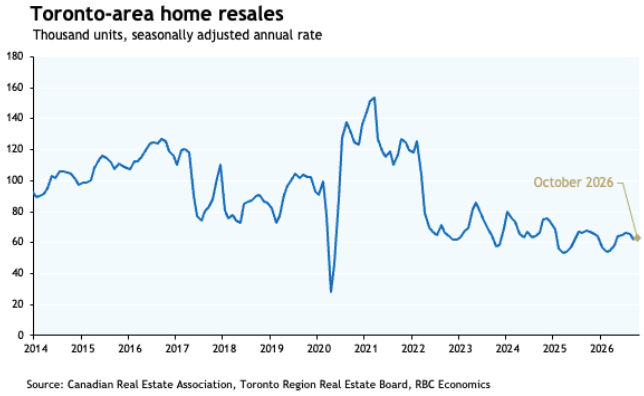
Activity and home values still undershoot year-ago levels by wide margins of -7.9% and -4.3%, respectively.

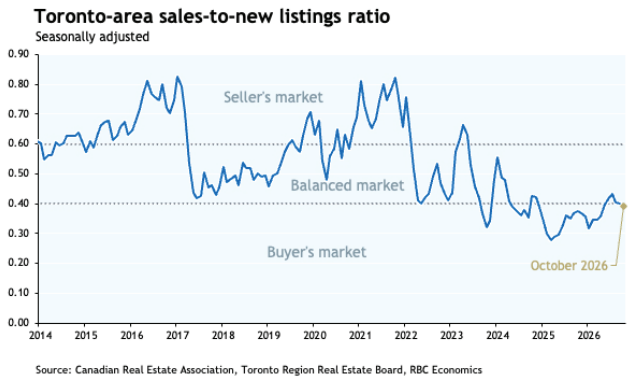
The budding rally that emerged earlier this year has floundered since August amid renewed trade war concerns, rising long-term interest rates and stalling population growth.

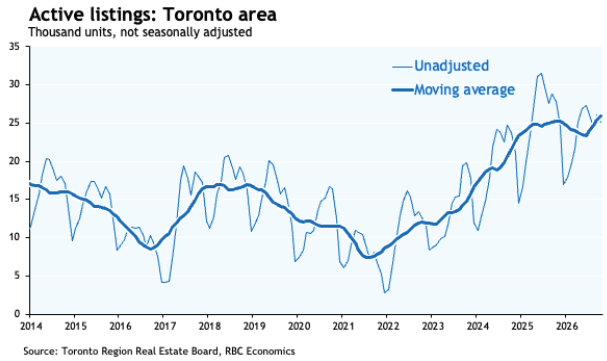
One positive development that's been sustained, though, is the drawing down of inventory. Active listings continue tracking below a year ago (down 10% in October), thanks in part to fewer sellers entering the market.

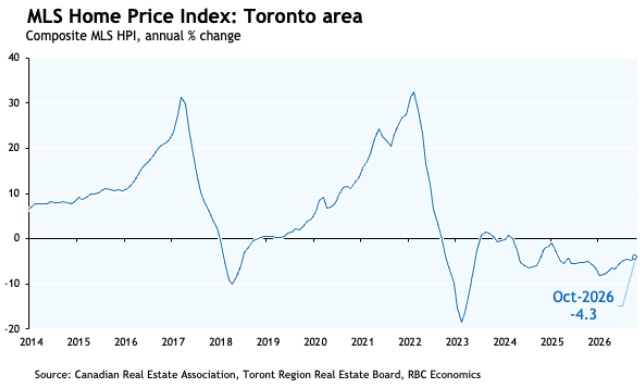
That's a trend worth monitoring closely, because further declines are necessary for home values to eventually stabilize.

An abundance of condo apartments for sale remains—accounting for nearly a third of listings. This sustains heavier downward price pressure with the condo index falling 7.3% from a year ago, compared to a 4.4% drop for the single-detached index.









Robert Hogue | Assistant Chief Economist | robert.hogue@rbc.com | 647-262-3569 | rbc.com/en/economics

Montreal area: Resilience tested

It seems many sellers took a pass at entering the market in October when the provincial election made it an inopportune time to list in Montreal.

We estimate new listings dropped a sizable 7% seasonally adjusted from September, and came in below a year ago (-2.7%) for the first time since December 2025—clearly breaking from strong seller influxes since the beginning of the year.

Buyers also held back, causing resales to fall for the fifth consecutive month to the lowest since July 2024.

Montreal's resilience is being tested. Activity is now down 20% since reaching a post-pandemic peak at the end of 2024.

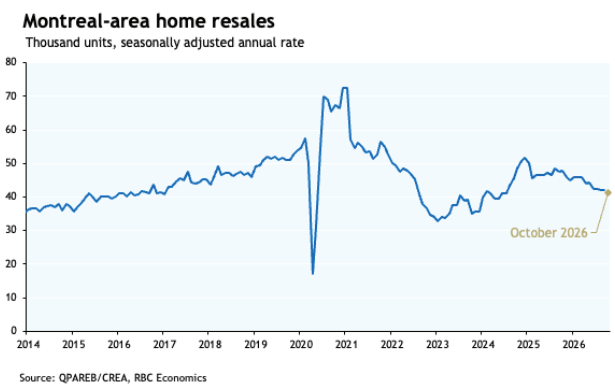
Inventory is also on the rise. Homes for sale are at their highest level since 2019, up 18% from a year ago.

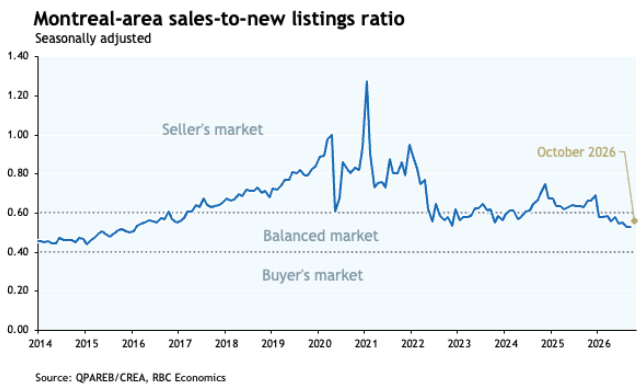
This has helped rebalance what was previously tight supply to demand and significantly dialled down the heat on prices.

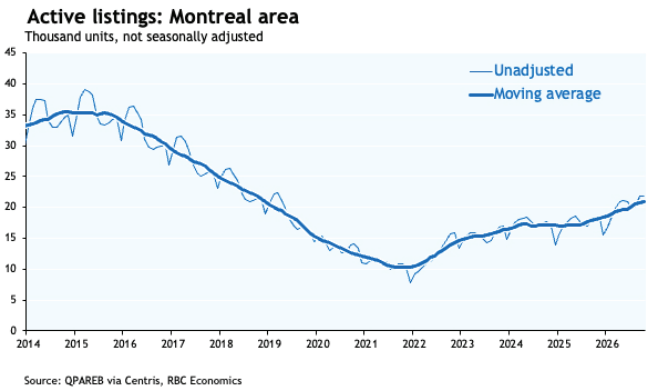
Cooling is most evident in the condo segment where median prices have barely budged in the past year (up just 0.3%).

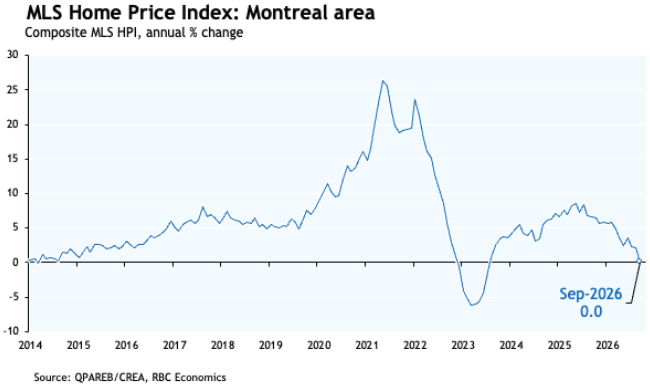
Single-family homes show slightly more appreciation with the medium value rising 1.3%.

We expect stretched affordability, stalling population growth and rising long-term interest rates will contain housing demand ahead.









Robert Hogue | Assistant Chief Economist | robert.hogue@rbc.com | 647-262-3569 | rbc.com/en/economics

Vancouver area: Many distractions, few signs of turnaround

The state of the Vancouver market remains generally soft with home resales almost 30% below pre-pandemic levels in October, and prices continuing to fall 5.2% from a year ago.

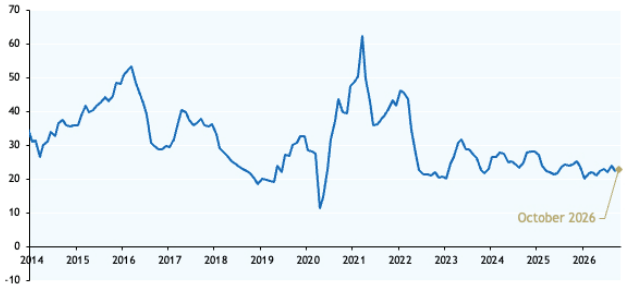
But, more transactions took place last month than September (up an estimated 2.5% seasonally adjusted). That's despite local and provincial elections creating many distractions and some interest rates rising, which we take as further evidence that activity is still on a (very) slow recovery path.

We see persistent price declines helping to gradually unlock pent-up demand. But, the impact on affordability so far has been insufficient for many sidelined buyers to consider making a move, especially when the economic context remains uncertain.

Nonetheless, the easing trend in home values is likely to be sustained near term amid abundant inventory and fierce seller competition, supporting further (albeit mild) affordability relief.

Active listings have dropped for six consecutive months, but they're still close to a decade high.

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



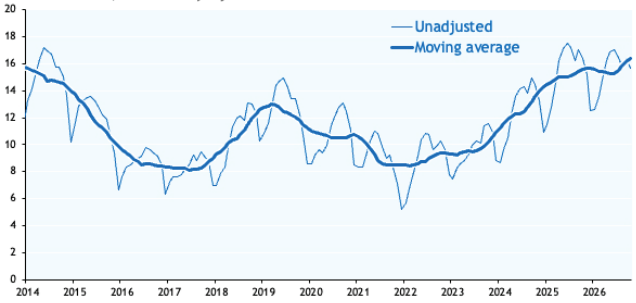
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

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



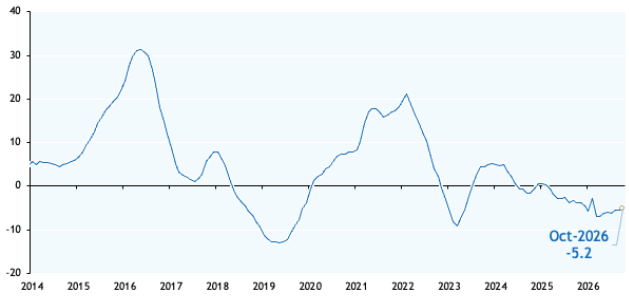
Source: Canadian Real Estate Association, Real Estate Board of Greater Vancouver, RBC Economics

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

Robert Hogue | Assistant Chief Economist | robert.hogue@rbc.com | 647-262-3569 | rbc.com/en/economics

Calgary: In balance

October showed further signs of stabilization in Calgary. An estimated 4% dip (seasonally adjusted) in resales from September reversed a similar gain the previous month, leaving activity quieter than a year ago—though still historically strong.

Prices have largely levelled off with the composite MLS HPI down just 0.4% from last year.

Inventory has also ceased to build as new listings moderated in the first 10 months, keeping supply and demand balanced.

We see stable conditions enduring ahead.

Near record homebuilding is poised to bring more supply to market, but we expect a relatively robust economy, and population growth will boost demand, maintaining balance.

Calgary home resales
Thousand units, seasonally adjusted annual rate



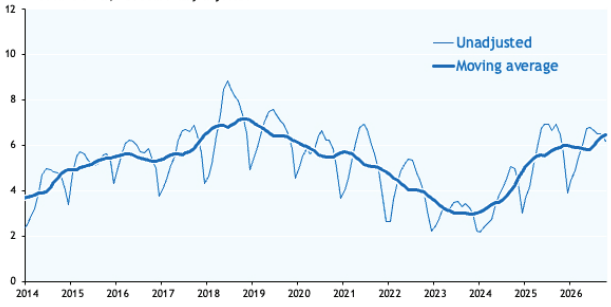
Source: Canadian Real Estate Association, Calgary Real Estate Board, RBC Economics

Calgary sales-to-new listings ratio
Seasonally adjusted



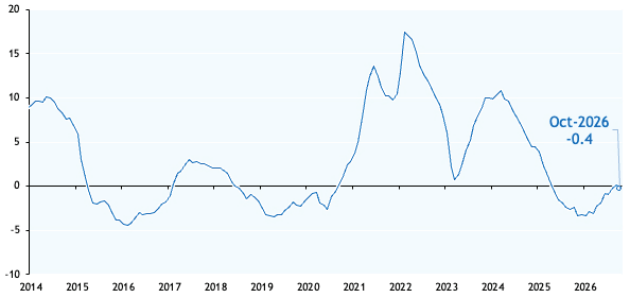
Source: Canadian Real Estate Association, Calgary Real Estate Board, RBC Economics

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

Robert Hogue | Assistant Chief Economist | robert.hogue@rbc.com | 647-262-3569 | rbc.com/en/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.