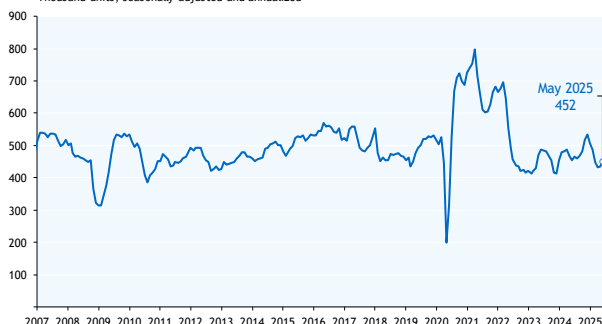


MONTHLY HOUSING MARKET UPDATE

June 16, 2025

Home resales in Canada

Thousand units, seasonally adjusted and annualized



Source: Canadian Real Estate Association, RBC Economics

Sales-to-new listings ratio in Canada

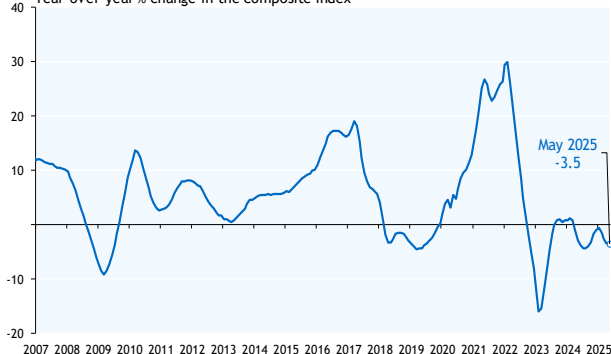
Seasonally adjusted



Source: Canadian Real Estate Association, RBC Economics

MLS Home Price Index - Canada

Year-over-year % change in the composite index



Source: Canadian Real Estate Association, RBC Economics

Canada's housing market finds a footing in May

More homebuyers made their way back to the housing market in May, while price corrections eased in several cities. The developments could be early signs that Canada's housing market is turning a corner after trade war-induced anxiety sent it declining this year.

Home resales are up sequentially for two months nationwide, rising 0.8% and 3.6% in April and May, respectively. The stronger advance last month coincided with the U.S. administration broadly de-escalating tariffs, which may have comforted homebuyers who had retreated to the sidelines on recession fears.

Still, activity remains soft in many local markets—especially in Southern Ontario and British Columbia where resales are barely off cyclical lows—restrained by affordability issues and deteriorating job prospects. May resales were down 4.3% from a year ago in Canada.

Supply trends remain sturdy

The number of properties put up for sale rose again in May—growing another 3.1% from April—bringing the increase over the past 12 months to 8%. Total inventory of homes for sale climbed to a six-year high, sustaining intense competition between sellers.

This has led to outright price drops this year—mostly concentrated in Southern Ontario and B.C. But, the decline slowed materially in May. The national composite MLS Home Price Index fell 0.2% from April, a fraction of the average 0.9% drop in the prior three months. The decline from a year ago remained effectively unchanged at 3.5%.

Price declines moderate in Ontario

Ontario accounted for much of the deceleration last month, though the picture varied considerably within the province and across housing types.

The Greater Toronto Area recorded its first monthly gain in the composite index in six months (0.1%) with the Niagara region (1.6%), London (1.3%), Kitchener-Waterloo (1.6%) and Cambridge (0.6%) seeing larger increases. Single-family homes were the main driver in most cases as condo apartment prices weakened further under the weight of rising inventories.

Aggregate prices, however, fell further in Hamilton (-2.3%), Windsor (-1.2%) Kingston (-0.9%) and Ottawa (-0.2%).

May 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	3.6	-4.3	3.1	8.0	-0.2	-3.5	0.47
Toronto	8.4	-11.0	3.2	17.2	0.1	-4.5	0.29
Montreal	-0.6	10.2	-1.4	11.5	0.7	8.6	0.63
Vancouver	-1.2	-17.5	-5.2	2.8	-0.8	-2.9	0.35
Calgary	4.5	-15.2	3.9	13.1	-0.5	-0.7	0.55
Edmonton	2.7	-8.2	12.2	14.2	0.2	10.1	0.59
Ottawa	n/a	14.9	n/a	8.7	-0.3	0.8	n/a

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Price trends little changed elsewhere

The MLS HPI continued to fall in B.C. led by month-over-month declines in Fraser Valley (-1.1%), Vancouver (-0.9%) and Victoria (-0.7%). The divergence between Calgary (down 0.5% from April) and Edmonton (up 0.2%) persisted in Alberta. An upward trajectory was maintained in Saskatchewan, Quebec and most of the Atlantic provinces. Quebec City (up 2.3% from April), Halifax (2.2%), St. John's (1.6%) and Saskatoon (1.5%) recorded strong monthly gains and were among the markets where prices appreciated the most in the past year.

Back to a gradual recovery ahead

We expect housing market confidence to gradually rebuild as tariff de-escalation lifts some of the uncertainty that hindered activity earlier this year. We see this broadly boosting demand, but a weak job market is likely to temper the pace of any recovery in the near term.

This is poised to keep buyers in the driver's seat for a while longer in Ontario and B.C. as supply-demand imbalances persist. We think it will lead to further price depreciation in these markets, especially in the condo segment where supply is abundant.

Other markets where supply-demand conditions remain tight and price trends positive this year—including Edmonton, Regina, Saskatoon, Winnipeg, Montreal, Quebec City, Halifax and St. John's—could see firmer appreciation.

MLS Home Price Index - Vancouver
Year-over-year % change in the composite index



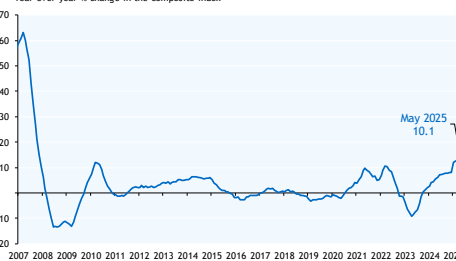
Source: Canadian Real Estate Association, RBC Economics

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



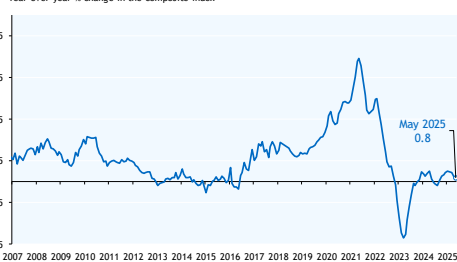
Source: Canadian Real Estate Association, RBC Economics

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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