



## Housing market shows faint signs of picking up in September

The Canadian housing market showed a mild uptick in both sales and prices in September, suggesting recent interest rate cuts have stabilized the market, although a more vigorous rebound may have to wait until 2025. MLS® home sales reported by the Canadian Real Estate Association rose 1.9 per cent in September to a seasonally-adjusted 39,950 units marking a second straight increase and third in four months. This was the highest volume of sales since July 2023, and 6.2 per cent higher than year ago levels, but remained lower than pre-pandemic levels and about 37 per cent below the pandemic peak. Sales are particularly weak when adjusted for the size of working age population and more aligned with periods of more severe economic weakness as still elevated borrowing costs and high prices keep buyers on the sidelines.

Nevertheless, sales edged higher suggesting a mild increase in interest on the part of homebuyers in pockets of the country. Ontario (4.0 per cent) and Quebec (3.8 per cent) led the increase, with Saskatchewan (5.5 per cent) also recording a notable gain. Among metro markets, sales in Toronto (3.3 per cent), Greater Vancouver, and Saskatoon (8.5 per cent). In contrast, sales declined from August in Alberta (2.4 per cent) and in most Atlantic markets. Monthly data masks the trends that the Prairie provinces have experienced the highest relative sales growth since the pandemic, as Ontario and B.C. have seen weaker performances.

While sales nudged higher, more new listings are coming online as sellers test the strength of the market (while others re-list after watching a stale period). New listings rose 4.9 per cent to the highest pace since March 2022. Buyers are experiencing more potential choice of homes, but actual inventory remains modest aside from rising trends in B.C. and Ontario. Months of inventory came in at 4.1 months which was the lowest since March 2024. The average home price rebounded 1.4 per cent to reverse two months of declines to reach \$686,067 and hold range-bound with the past year. Year-over-year, the average price rose 2.4 per cent. That said, average prices can bounce around, and the composite price index was steady with a 0.1 per cent monthly increase and a 3.6 per cent 12-month decline. The truth of price trends is likely somewhere in between, pointing to steady patterns despite the drag of low sales and high interest rates.

Among provinces, average prices rose about one per cent from August in Ontario and Manitoba, but surged 8.1 per cent in Saskatchewan, likely due to compositional factors. B.C. and Alberta prices were steady, with mixed patterns in the Atlantic. The latter recorded stronger growth in New Brunswick and Nova Scotia, with declines in PEI and Newfoundland & Labrador.

While there was little excitement in the latest numbers, the tide has likely turned, albeit slowly. We expect home sales to accelerate in late 2024/ early 2025 as buyers jump off the sidelines. Driving these patterns are robust population growth and delayed homeownership in recent years. Specifically, first-time buyers have been constrained by financing availability and lower interest rates and extended amortization products will provide access to homeownership for more buyers, particularly in the higher priced markets in B.C. and Ontario. We also expect more support from the Bank of Mom and Dad to support demand as guaranteed returns from GICs and other products decline, allowing more wealth to be transferred.

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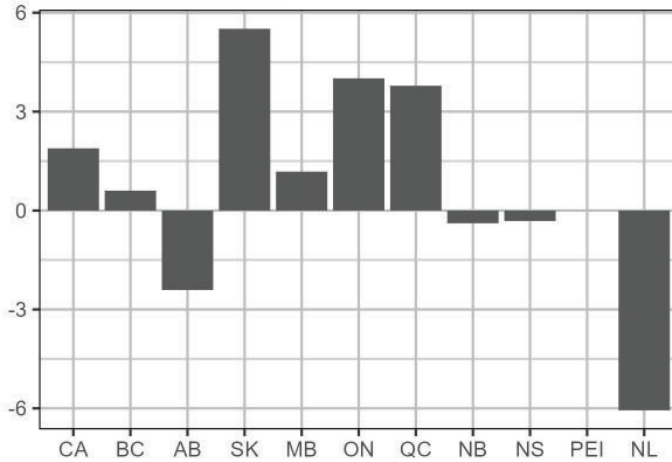
Central 1 Credit Union

byu@central1.com

# Provincial MLS Activity

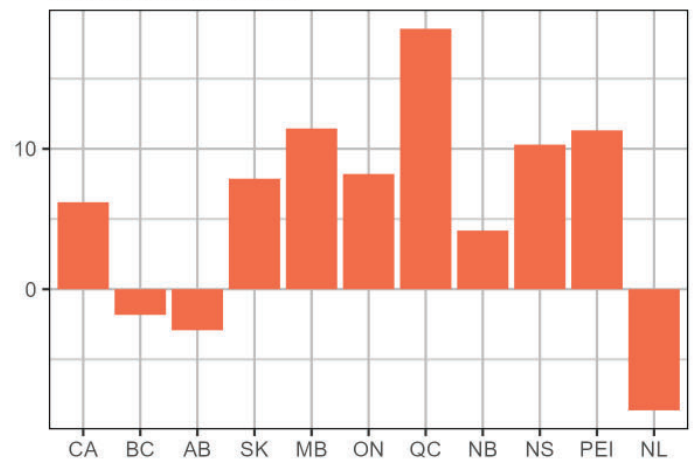
**MLS unit sales, monthly % change**

Last data point: 2024-09-01



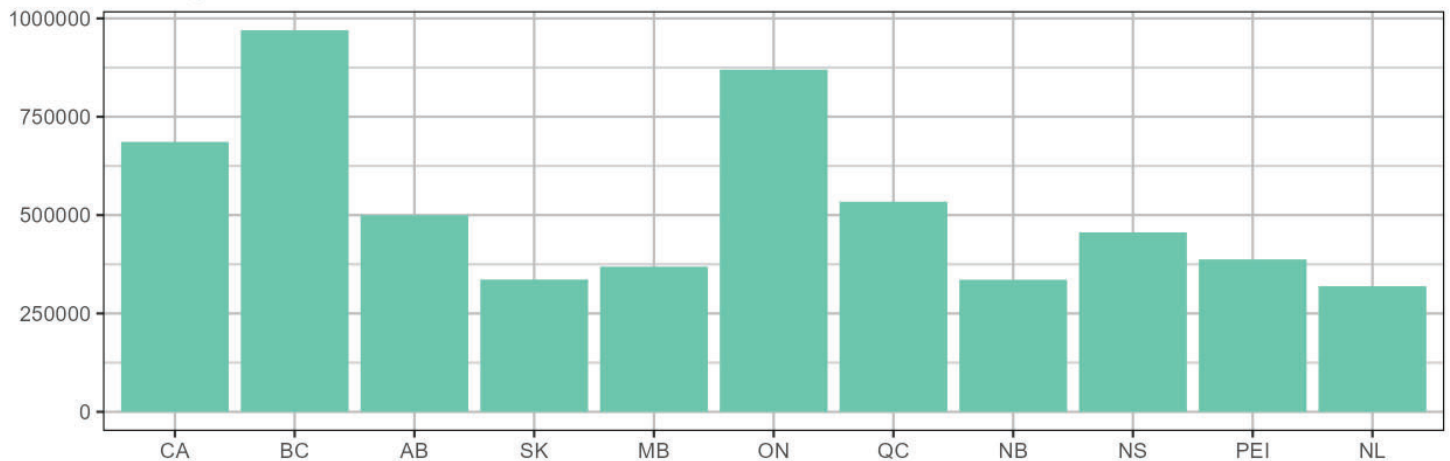
**MLS unit sales, 12-month % change**

Last data point: 2024-09-01



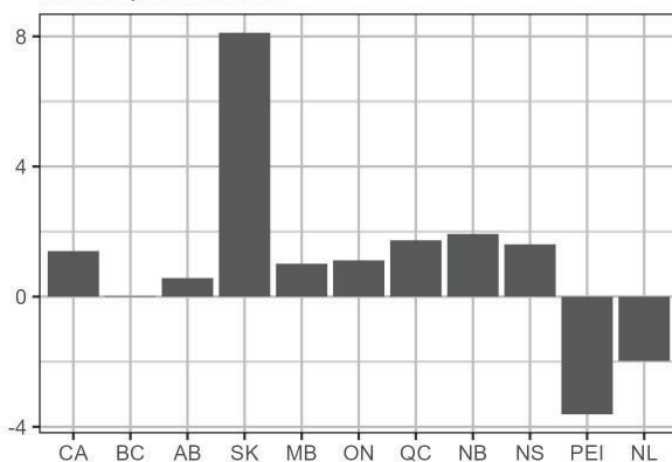
**MLS Average Price, \$**

Last data point: 2024-09-01



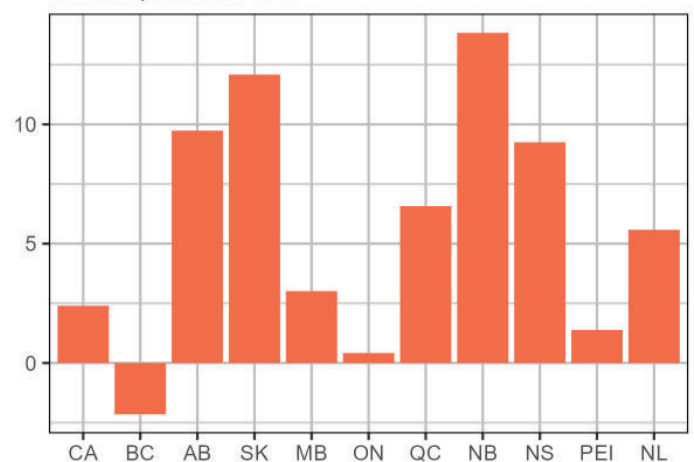
**MLS Average Price, monthly % change**

Last data point: 2024-09-01



**MLS Average Price, 12-month % change**

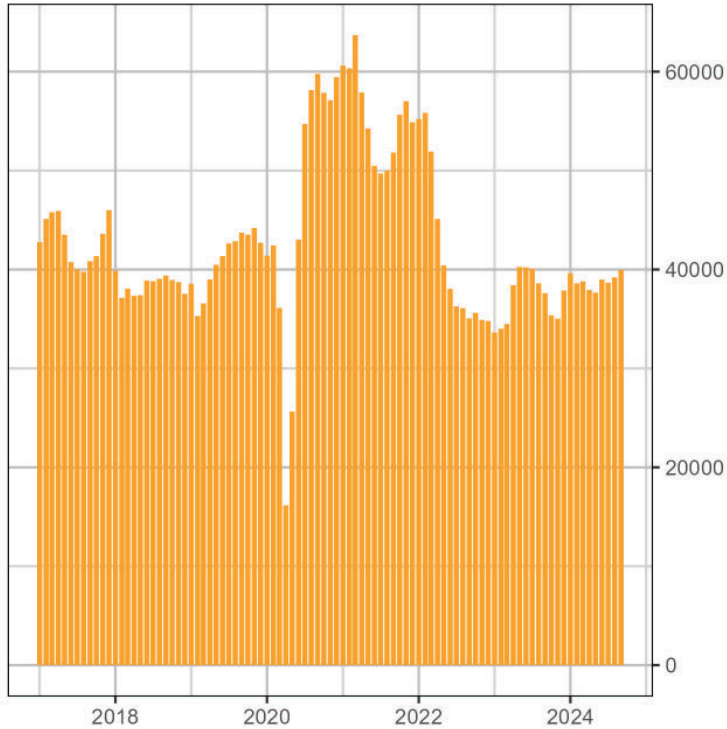
Last data point: 2024-09-01



# Canada MLS Activity

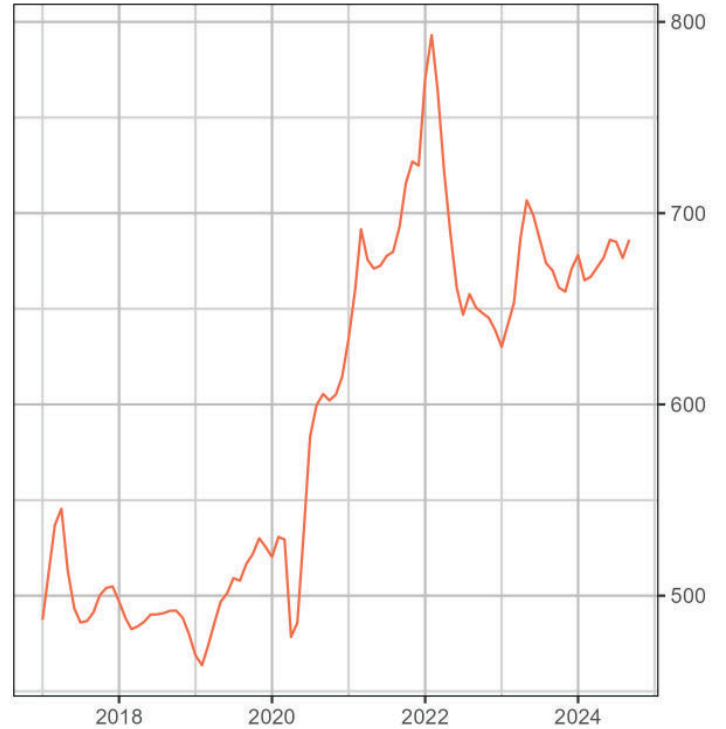
## Unit sales

Last data point: 2024-09-01



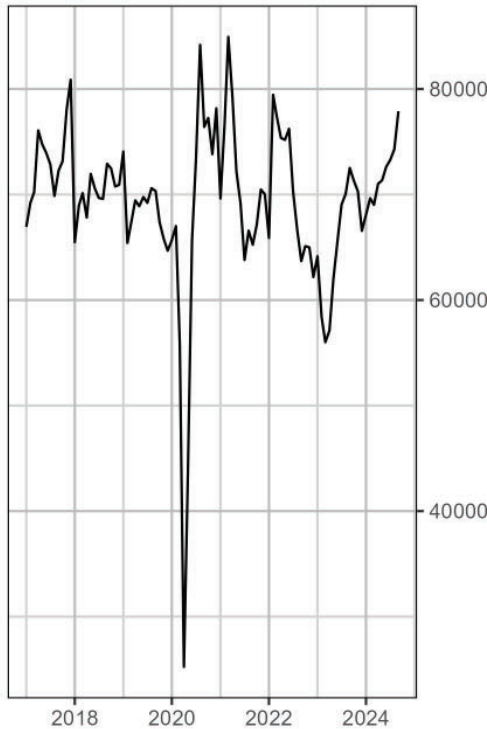
## Average Price, \$000s

Last data point: 2024-09-01



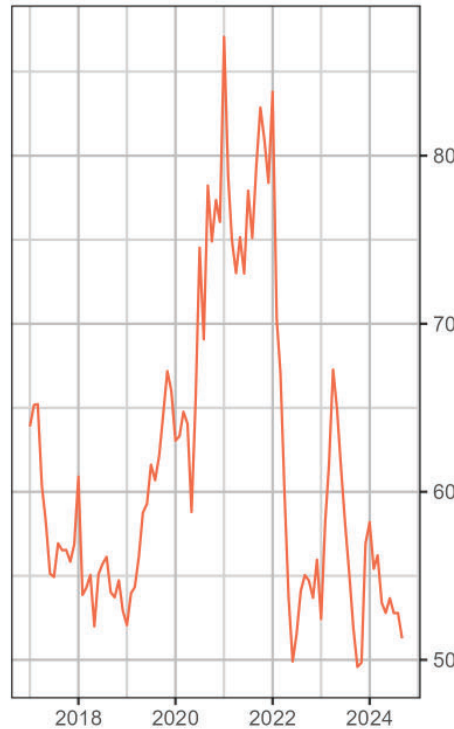
## New listings

Last data point: 2024-09-01



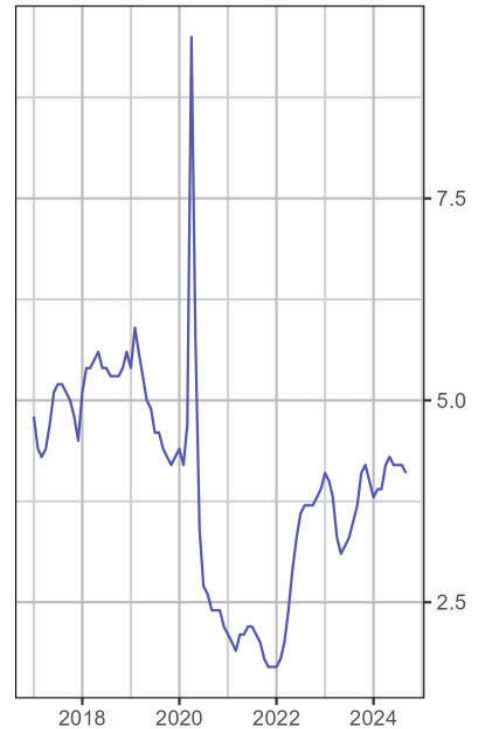
## Sales-to-new listings

Last data point: 2024-09-01



## Months of inventory

Last data point: 2024-09-01



CREA, Central 1

MLS® Housing Summary										
Aug-24	Unit Sales					Average Price				
	Sales, 000s	m/m ch	prior m/m % ch	m/m % ch	y/y % ch	Price, \$000s	m/m ch	prior m/m % ch	m/m % ch	y/y % ch
CA	39.1	0.5	-0.6	1.3	1.4	676.1	-7.7	-0.2	-1.1	0.4
BC	5.9	-0.1	-1.1	-2.3	-7.4	973.1	-11.8	-1.4	-1.2	-1.6
AB	7.2	0.3	-0.2	4.2	1.7	496.7	9.0	-0.3	1.8	11.2
SK	1.3	0.0	-1.5	-0.9	-2.8	312.7	-5.6	0.4	-1.8	3.6
MB	1.4	0.1	-2.0	8.4	8.5	365.3	-6.5	1.9	-1.8	1.6
ON	13.4	-0.1	-0.9	-0.5	-0.7	859.7	-5.7	-0.2	-0.7	-0.9
QC	7.4	0.2	-0.4	3.4	12.5	523.6	1.9	1.3	0.4	4.4
NB	0.8	0.0	-0.6	-1.0	-5.7	328.8	0.4	4.7	0.1	7.5
NS	0.9	0.0	0.8	4.4	11.4	448.7	-1.7	2.0	-0.4	4.8
PEI	0.2	0.0	28.9	0.6	13.6	402.0	17.6	1.6	4.6	3.8
NL	0.5	0.0	4.8	2.0	-2.1	326.4	12.1	0.0	3.9	9.9

Source: CREA, Central 1

MLS® Supply Conditions						
Aug-24	New Listings				Sales-to-New Listings	Months of Inventory
	Units, 000s	prior m/m % ch	m/m % ch	y/y % ch		
CA	73.8	0.9	1.1	6.3	53.0	4.1
BC	13.4	-0.1	0.9	7.1	44.4	6.1
AB	10.4	6.9	3.3	6.4	69.5	2.4
SK	2.1	2.4	8.1	6.3	63.3	3.9
MB	1.9	-3.1	5.7	2.5	71.1	2.4
ON	31.3	0.4	-0.2	6.3	42.7	3.9
QC	11.1	-0.5	0.7	6.1	67.0	5.0
NB	1.0	-4.7	-3.1	-1.8	75.2	3.7
NS	1.4	0.0	3.7	16.7	68.2	4.1
PEI	0.3	-1.4	5.1	5.9	60.6	6.3
NL	0.8	1.2	1.5	-0.3	59.6	5.6

Source: CREA, Central 1

MLS® Housing Market Summary, Select Metro Areas										
8/1/2024	MLS® Sales					MLS® Price				
	Units, 000s	m/m ch	prior m/m % ch	m/m % ch	y/y % ch	Price, \$000s	m/m ch	prior m/m % ch	m/m % ch	y/y % ch
Fraser Valley, BC	1.1	0.0	-1.3	0.2	-11.9	1075.9	38.7	0.8	3.7	5.9
Greater Vancouver, BC	2.1	-0.1	-2.4	-3.8	-13.4	1274.1	-26.4	-3.1	-2.0	-2.5
Calgary, AB	2.8	0.1	-4.3	2.9	-14.2	635.0	9.4	0.6	1.5	16.9
Edmonton, AB	2.8	0.1	4.1	4.2	22.0	423.4	4.1	1.4	1.0	10.6
Saskatoon, SK	0.5	0.0	-4.4	-2.2	-9.2	374.5	-15.6	4.2	-4.0	3.9
Winnipeg, MB	1.2	0.1	-2.2	8.1	7.8	385.8	-9.7	2.7	-2.5	2.0
Toronto, ON	5.3	0.0	-0.8	0.6	-3.7	1119.5	-8.8	0.1	-0.8	-0.6
Ottawa, ON	1.3	0.0	1.0	-0.9	10.7	666.0	-1.5	1.3	-0.2	0.8
Halifax, NS	0.4	0.0	3.5	2.1	17.9	588.5	9.4	0.0	1.6	0.0