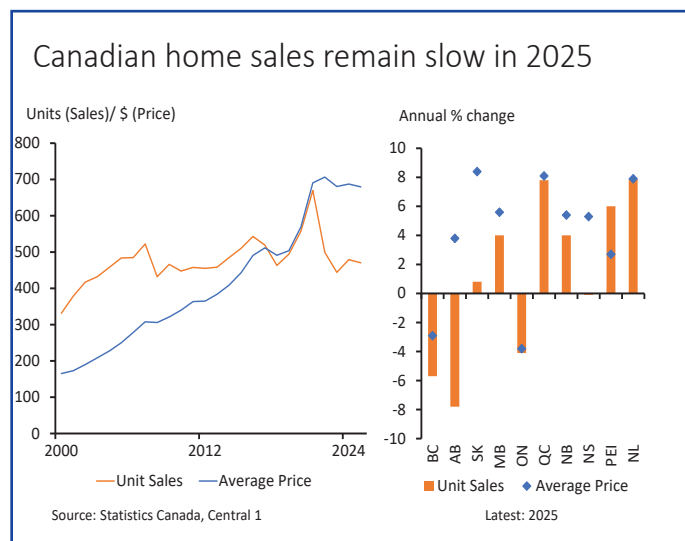




Home sales enter 2026 on a weak note as sales fall, prices flat

The Canadian housing market held slipped to end off 2025 as home sales fell and the average price level remained flat. This broke from the range-bound pattern seen in recent months and points to a continuation of subdued volumes into early 2026. Housing activity remains particularly constrained by weaker conditions in both B.C. and Ontario, as activity in other provinces has broadly remained resilient, highlighting that real estate is more local than national.



MLS® sales published by the Canadian Real Estate Association (CREA) showed national sales of about 41.5k units (seasonally- adjusted) which was down 2.7 per cent m/m after an increase in November, while y/y sales fell 4.5 per cent. The average sales price was unchanged at \$688.6k from November and down a negligible 0.1 per cent from the end of 2024.

That said, December sales are likely inflated due to Toronto data. CREA sales showed a 10.1 per cent y/y increase in the region, while the Toronto Regional Real Estate Board, from where the data is sourced, showed an 8.9 per cent drop. Discussions with the Board noted a change in data processing and adjustments to source data over the past year. CREA data reflects data published a year ago that excludes these adjustments and hence a comparison with December 2025 data inflates growth. CREA is an aggregator of summary data from local real estate boards and does not compile based on raw transaction data. Nonetheless, the trend remains a weak pattern in 2026.

From the data, sales declined across all provinces outside the Atlantic. Alberta, Quebec and Saskatchewan reported sales declines of more than five per cent with B.C. down one per cent (largely in Vancouver). Ontario declined 1.6 per cent although as noted; we see this as inflated. On an average price basis, a flat headline figure masked a dip in B.C. (1.6 per cent) and a drop in New Brunswick of 1.1 per cent, while other provinces reported higher average prices. Ontario was flat at 0.5 per cent m/m, with the strongest growth in Manitoba (5.8 per cent) and Saskatchewan (2.8 per cent).

Composite price indices showed a 0.3 per cent m/m and 4.0 per cent y/y decline. The deepest declines were in Ontario and B.C. relative to a year ago.

Full-year data highlights a broadly weaker housing market in 2025, although it was not universal. National sales fell 1.9 per cent in 2025 to 470k units, although this remained above 2023. B.C. (-5.7 per cent), Alberta (-7.8 per cent) and Ontario (-4.1 per cent) drove the decline. For B.C., this was the fewest provincial sales since 2012, and in line with the lowest level since 2001 in Ontario alongside 2023. Alberta sales remained near historical highs despite the downturn. Full-year prices rose in all provinces outside B.C. and Ontario, highlighting the fact that market conditions have generally remained firm in more affordable markets. High priced markets have faced affordability challenges, while economic uncertainty has amplified challenges given risks to the ability to make mortgage payments in the event of job loss.

While the housing market enters 2026 on a subdued note, a combination of steady mortgage rates (and policy rate cuts over the past year), higher real wages, and lift from stronger equity markets should support a rebound. That said, soft rental markets are an incentive for some households to remain tenants, while low population growth and high inventory levels could also limit demand and buyer optimism.

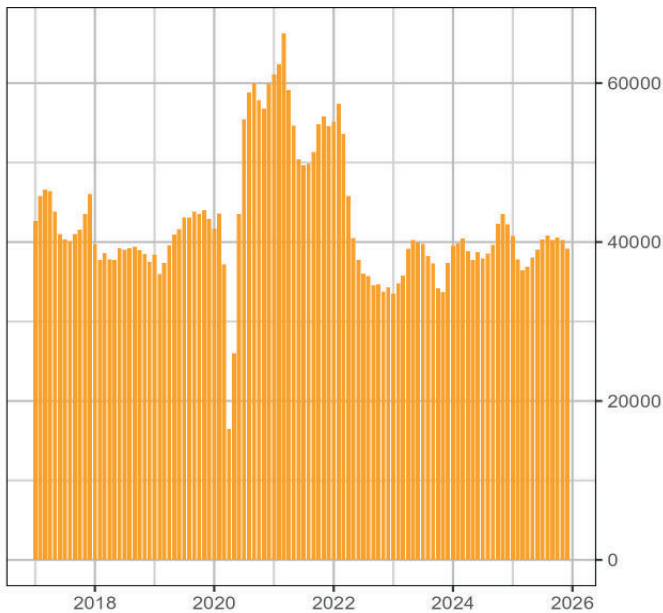
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Canada MLS Activity

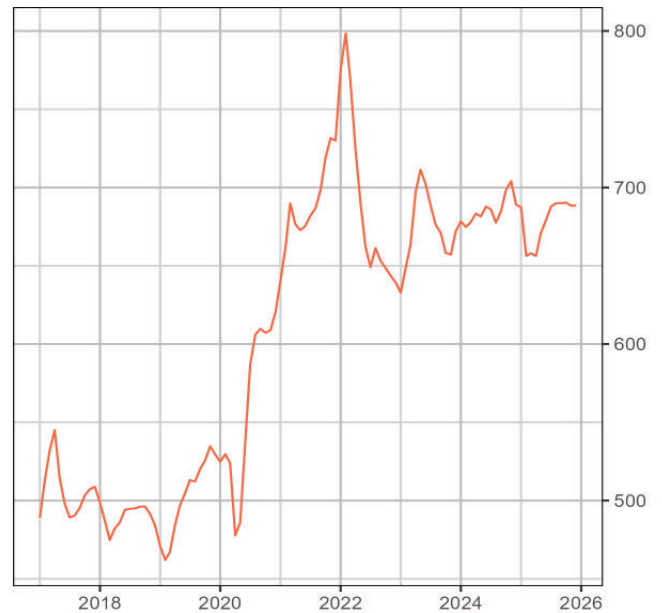
Unit sales

Last data point: 2025-12-01



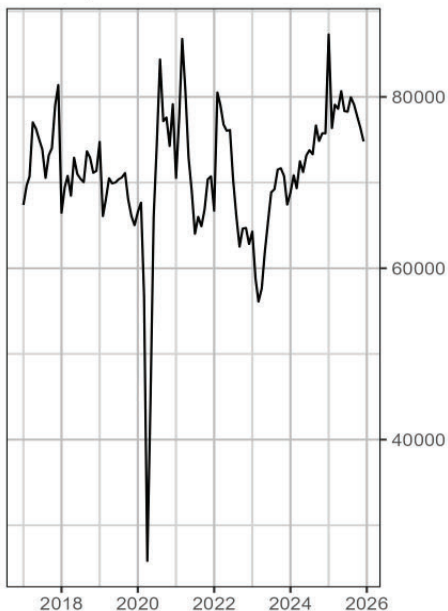
Average Price, \$000s

Last data point: 2025-12-01



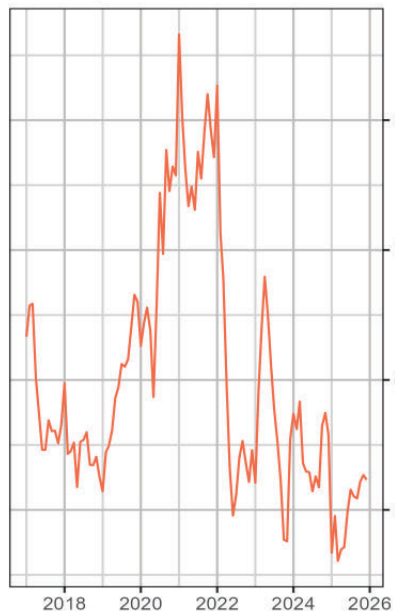
New listings

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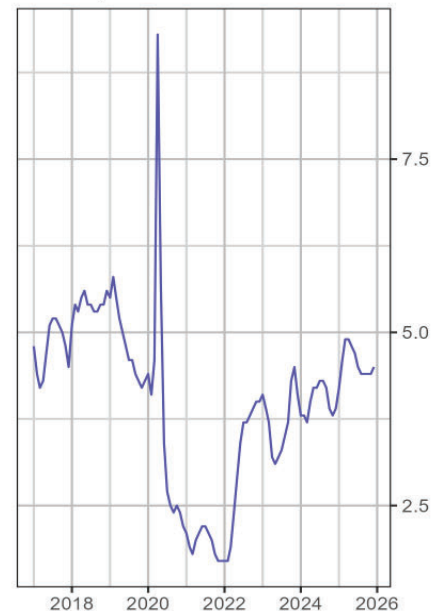
Sales-to-new listings

Last data point: 2025-12-01



Months of inventory

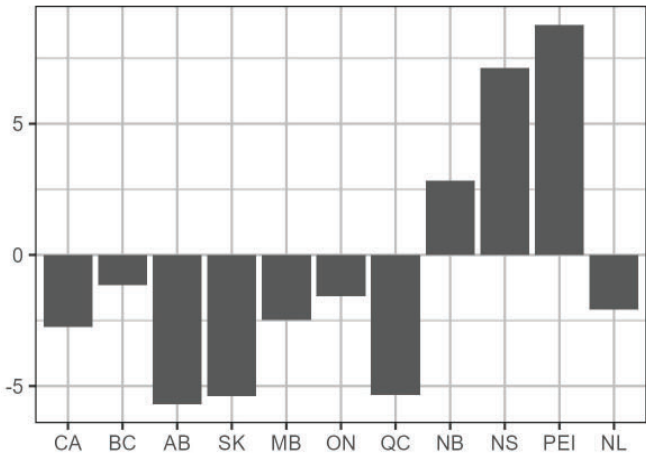
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Provincial MLS Activity

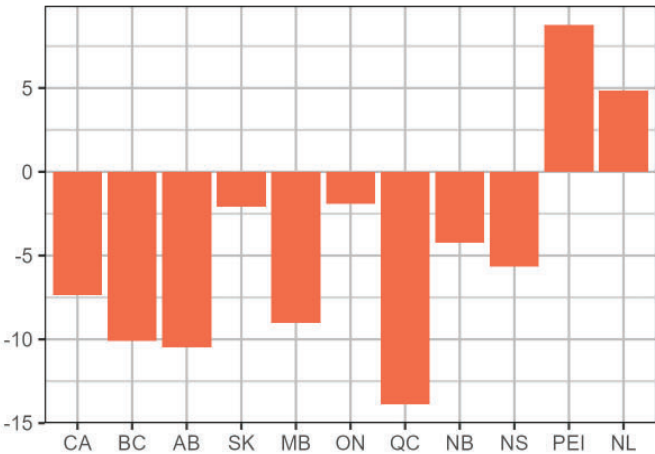
MLS unit sales, monthly % change

Last data point: 2025-12-01



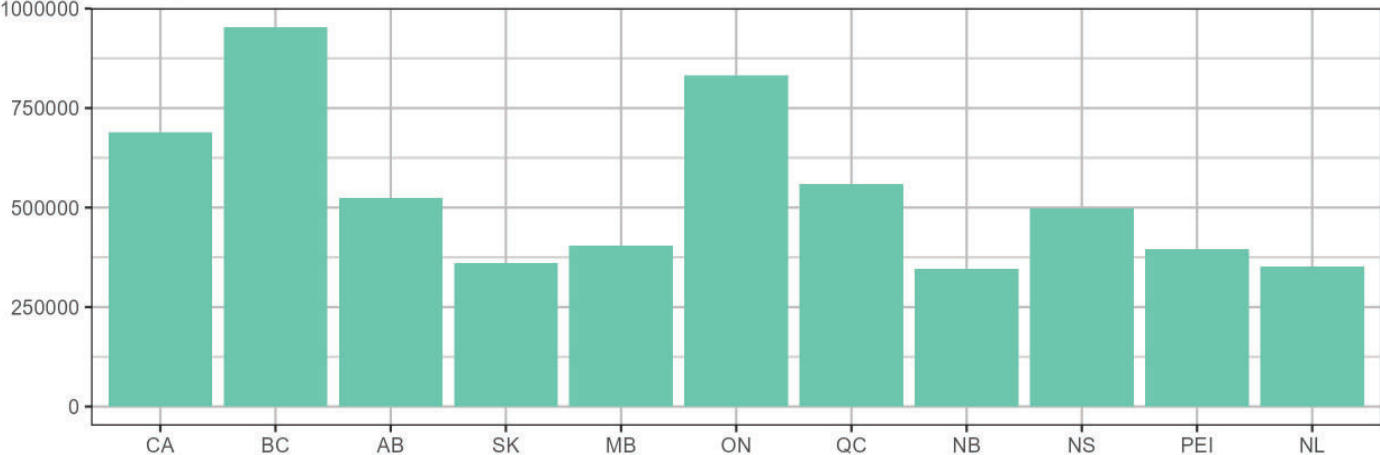
MLS unit sales, 12-month % change

Last data point: 2025-12-01



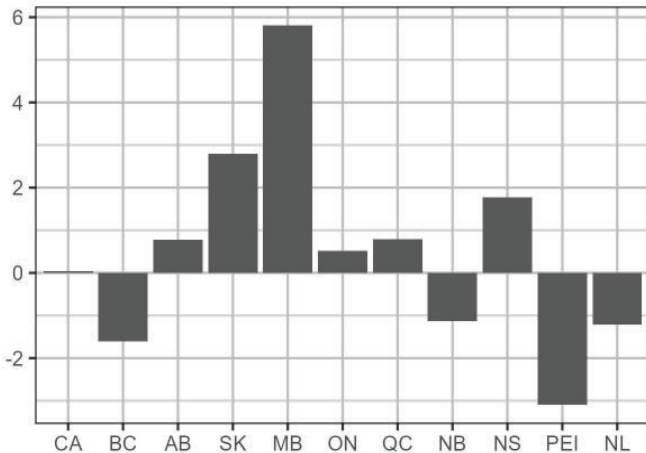
MLS Average Price, \$

Last data point: 2025-12-01



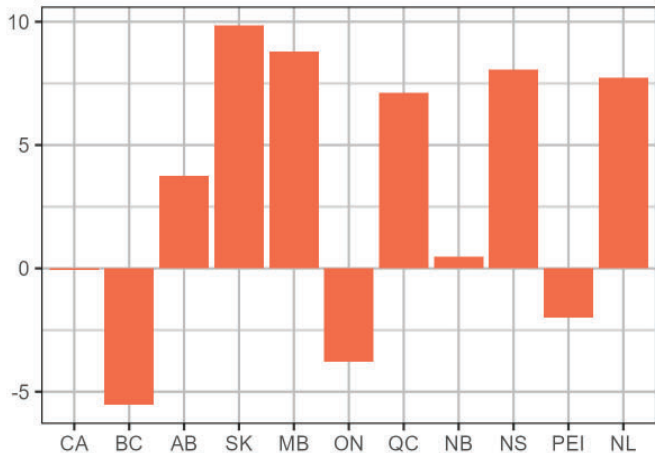
MLS Average Price, monthly % change

Last data point: 2025-12-01



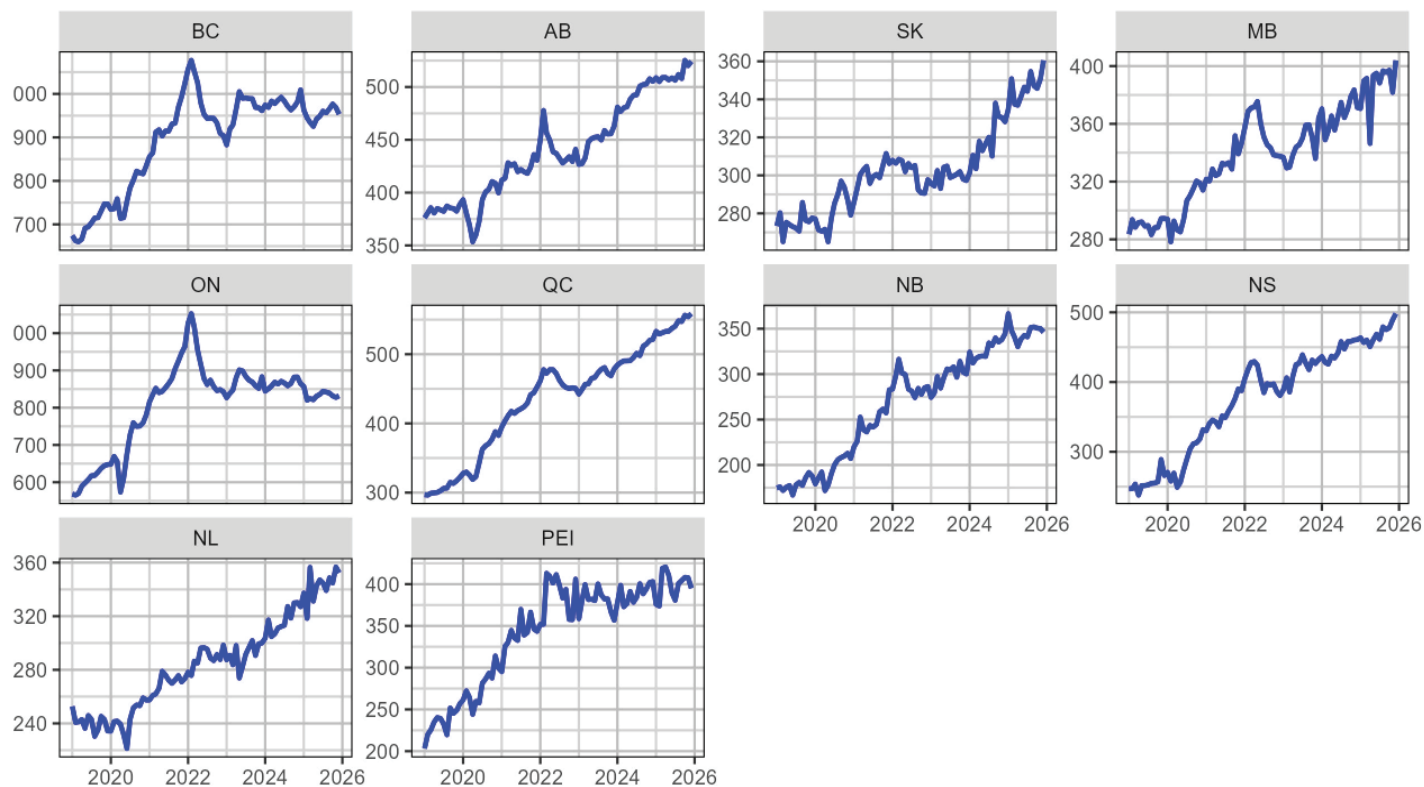
MLS Average Price, 12-month % change

Last data point: 2025-12-01



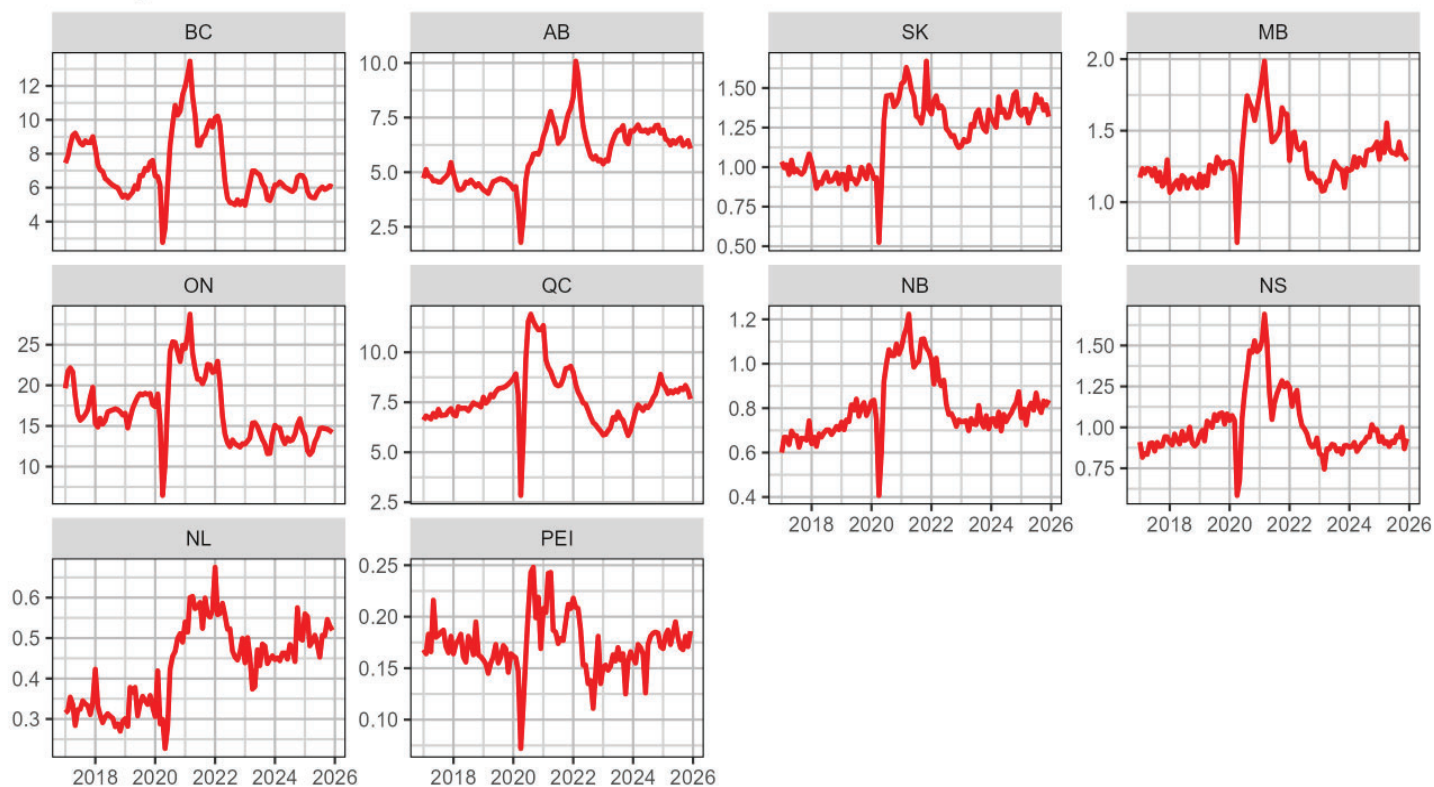
MLS Average Price (\$000s)

Last data point: 2025-12-01



MLS Sales - Units (000s)

Last data point: 2025-12-01



MLS® Housing Summary										
Dec-25	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	-1.1	-0.8	-2.7	-7.4	688.6	0.3	-0.3	0.0	-0.1
BC	6.0	-0.1	2.3	-1.1	-10.1	953.2	-15.6	-0.8	-1.6	-5.5
AB	6.1	-0.4	2.2	-5.7	-10.5	524.3	4.1	-1.0	0.8	3.8
SK	1.3	-0.1	2.5	-5.4	-2.1	360.5	9.8	1.4	2.8	9.8
MB	1.3	0.0	-0.9	-2.5	-9.0	404.0	22.2	-3.9	5.8	8.8
ON	14.2	-0.2	-1.2	-1.6	-1.9	831.9	4.2	-0.5	0.5	-3.8
QC	7.7	-0.4	-3.0	-5.3	-13.9	558.6	4.4	-0.4	0.8	7.1
NB	0.8	0.0	-2.2	2.8	-4.2	346.1	-4.0	-0.2	-1.1	0.5
NS	0.9	0.1	-13.1	7.1	-5.7	498.1	8.7	2.4	1.8	8.1
PEI	0.2	0.0	-5.5	8.8	8.8	395.0	-12.6	-0.1	-3.1	-2.0
NL	0.5	0.0	-2.9	-2.1	4.8	352.4	-4.3	3.5	-1.2	7.7

Source: CREA, Central 1

MLS® Supply Conditions						
Dec-25	New Listings				Sales-to-New Listings	Months of Inventory
	Units, 000s	prior m/m % ch	m/m % ch	y/y % ch		
CA	74.8	-1.8	-2.0	-1.2	52.3	4.5
BC	13.7	2.4	1.8	-0.2	44.1	6.7
AB	9.4	-1.9	-7.5	-2.7	64.8	3.1
SK	1.8	-1.0	-11.8	-6.5	74.3	3.0
MB	1.8	3.5	-5.5	-4.0	71.7	2.2
ON	34.0	-2.3	0.6	2.2	41.8	4.6
QC	10.6	-5.1	-6.3	-8.6	72.2	4.6
NB	1.2	-0.5	-6.7	-2.0	71.9	3.9
NS	1.3	-5.1	-4.5	-8.2	73.4	4.4
PEI	0.3	-1.0	2.7	8.8	60.2	5.7
NL	0.7	-3.3	-6.8	-8.3	70.5	4.2

Source: CREA, Central 1

MLS® Housing Market Summary, Select Metro Areas										
Dec/2025	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	4.0	0.6	-12.1	1021.5	-14.3	1.8	-1.4	-4.8
Greater Vancouver, BC	2.0	-0.1	4.3	-5.4	-17.5	1232.0	-13.1	-1.0	-1.1	-6.5
Calgary, AB	2.3	-0.1	-0.4	-5.7	-14.8	659.3	8.4	-2.1	1.3	3.9
Edmonton, AB	2.3	-0.1	3.4	-4.8	-11.9	462.8	9.8	0.3	2.2	4.7
Saskatoon, SK	0.6	0.0	5.9	-2.8	8.2	419.3	6.9	1.4	1.7	5.2
Winnipeg, MB	1.1	0.0	-2.2	1.1	-4.6	424.0	25.6	-4.4	6.4	6.7
Toronto, ON	5.6	0.0	-0.3	-0.4	6.9	1055.1	3.0	0.6	0.3	-5.6
Ottawa, ON	1.0	0.0	-6.6	-4.7	-7.0	692.8	-16.7	-3.0	-2.4	-0.6
Halifax, NS	0.5	0.0	-12.8	8.6	1.3	616.7	1.3	-0.5	0.2	3.4