Economic Commentary

March 18 2026

Canadian housing market struggles through February, regional differences persist

Canada's housing market continued to languish through February as home sales fell for a fourth consecutive month and fifth time in six months, but unlike January, the finger can't be pointed at severe weather conditions holding back buyers. Instead, buyer confidence looks to have eroded again in 2026 amidst increased economic uncertainty even as affordability has improved.

Nationally, MLS® home sales fell 1.3 per cent m/m, and 7.8 per cent y/y. The pullback was unsurprising given weak data published earlier in the month by larger real estate boards including those in the Lower Mainland and Toronto. While the pace of decline decelerated from January, at about 35.7k units, seasonally- adjusted sales were the lowest since November 2023 and retraced to the bottom of the range observed since 2022. Relative to the period preceding the pandemic, sales were 20 per cent lower.

February sales declines were led by Ontario (-5.8 per cent), B.C. (-1.9 per cent), and to a lesser extent given share of home sales, Saskatchewan (-7.8 per cent), and New Brunswick (-6.7 per cent). In contrast, sales rebounded in Manitoba (+12.3 per cent), and Prince Edward Island (+13 per cent), Quebec (+3.4 per cent), and Alberta (1.8 per cent). Broadly, sales are sharply lower than in the same month 2025.

Monthly sales fluctuate, but the trend has been one of declining sales across provinces in recent months. However, market conditions continue to differ. Ontario and B.C. continue to struggle and are the main national drags, although sales look to be stabilizing. In contrast, while trends are negative, Alberta and Saskatchewan sales remain well above pre-pandemic levels and at robust levels. Trends in most other provinces remain steady. We see these patterns reflecting a combination of affordability challenges in more expensive markets, amplified by economic uncertainty. In contrast, Alberta has continued to draw in newcomers from other provinces, with relative affordability still underpinning strength across the province.

These patterns are reflected in home values. The average national MLS® price slipped in February by 1.8 per cent to $656,700 and was unchanged on 12-month basis. This was a fourth straight decline. The average price fell despite declining new listings during the month, as months-of-inventory remained at a six-year high at 5 months and pointed to persistence of a buyers' market. While there is a signal that sellers may be holding off, buyers are also not biting at inventory. The composite (constant-quality) price index has also pointed to deteriorating conditions, with the index down 15 months in a row, but more represntative of large markets. Year-over-year, the composite index declined 4.8 per cent. While average prices show more volatility, both the average and composite index were 20 per cent off the 2022 peak.

Like sales, pricing conditions remain province- and region-specific. The highest months of inventory have been seen in B.C., Ontario, and Prince Edward Island. The former two continue to experience declining price conditions and trends, and while price growth has slowed or reversed elsewhere in Canada, trends remain positive and at record levels.

Going forward, B.C. and Ontario will continue to struggle due to weak demand and high levels of existing and new home inventory. That said, resale conditions should start to recover as improved affordability boosts activity. Conditions in other markets are anticipated to be stable, although the trend of higher prices will curb demand. Risks to the market include ongoing economic and trade-related concerns, while high oil prices have lifted bond yields which could translate into higher borrowing costs.

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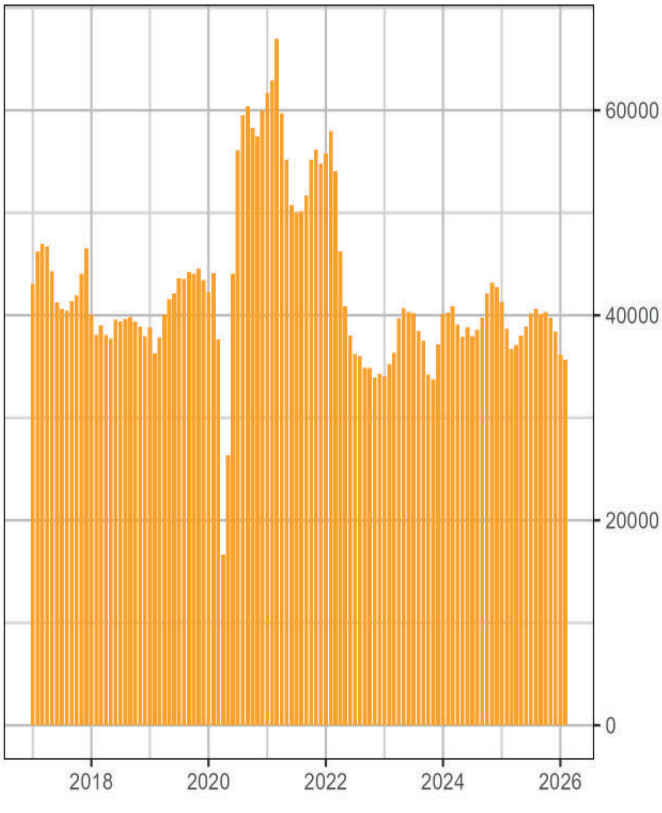
Canada MLS Activity

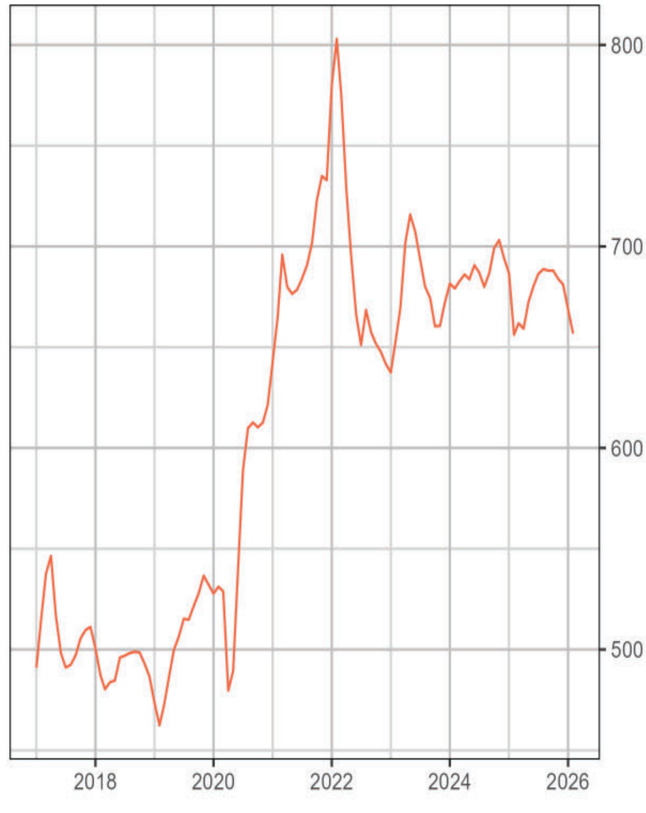
Unit sales

Last data point: 2026-02-01



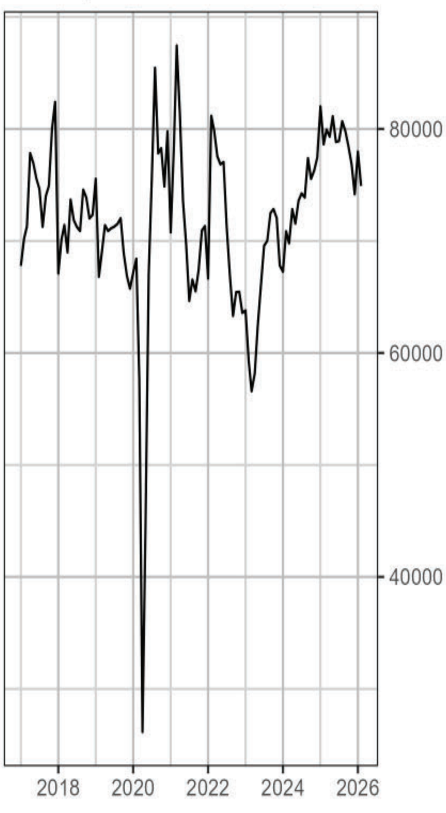
Average Price, $000s

Last data point: 2026-02-01



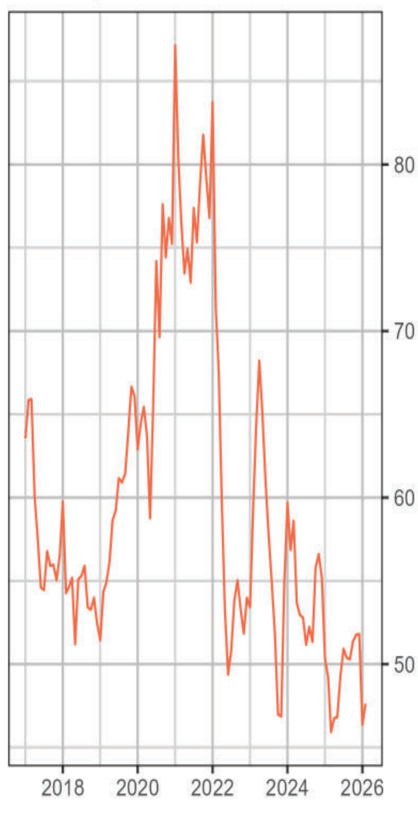
New listings

Last data point: 2026-02-01



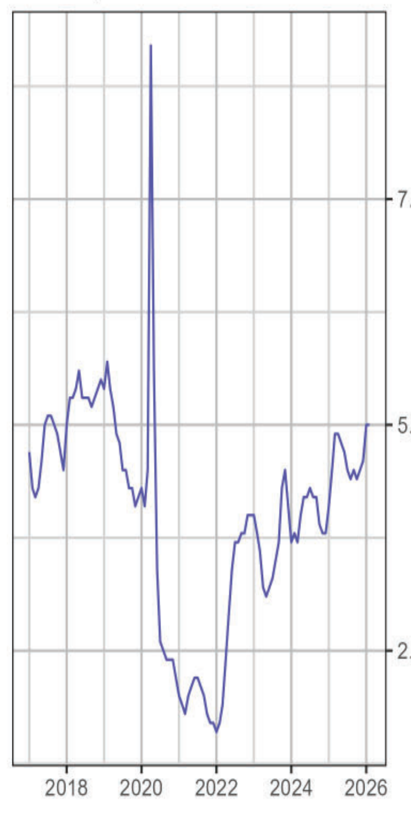
Sales-to-new listings

Last data point: 2026-02-01



Months of inventory

Last data point: 2026-02-01

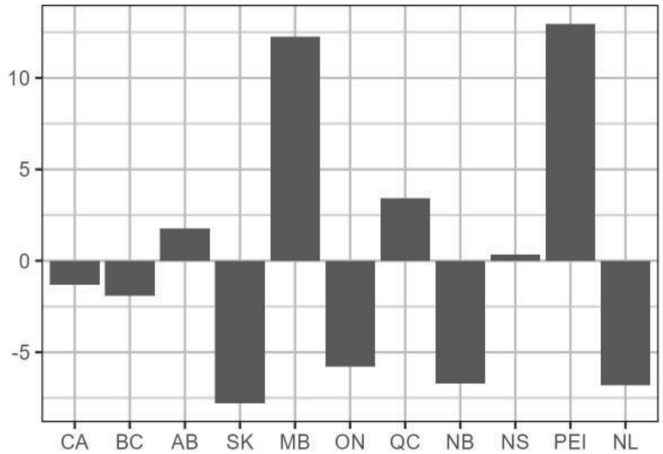


CREA, Central 1

Provincial MLS Activity

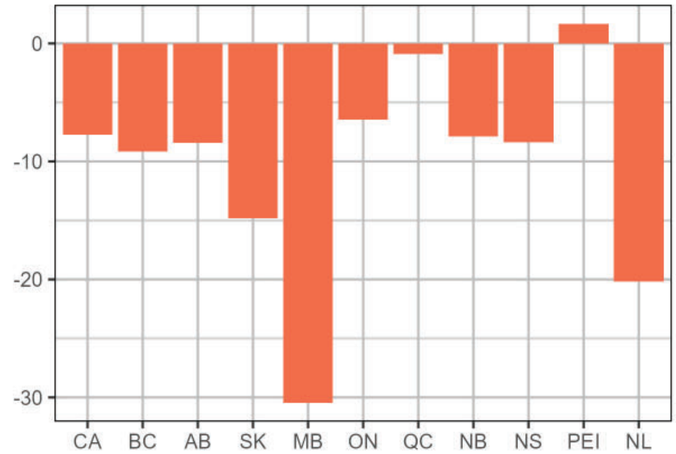
MLS unit sales, monthly % change

Last data point: 2026-02-01



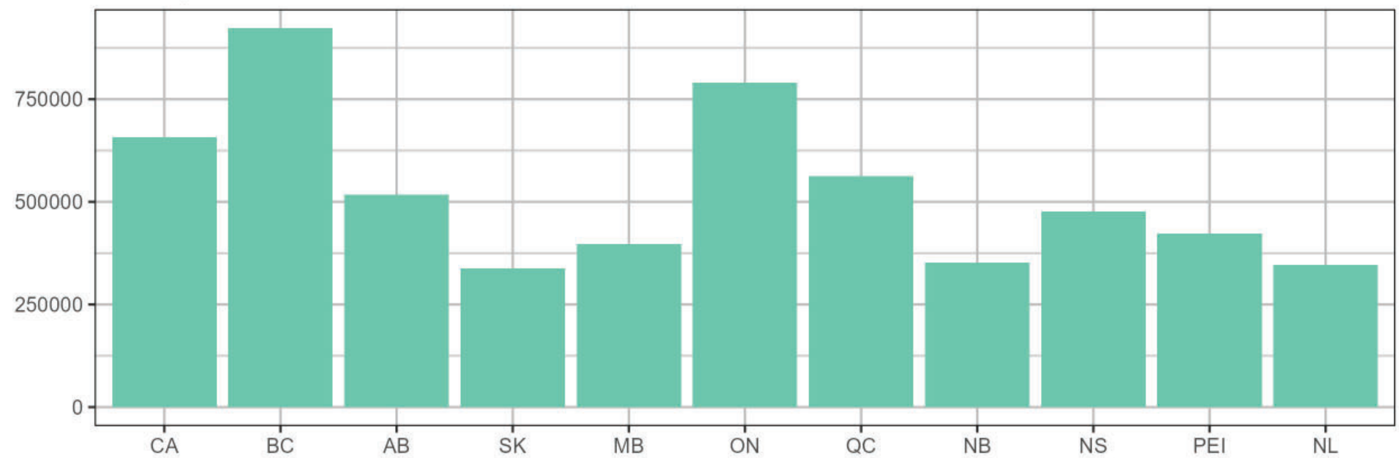
MLS unit sales, 12-month % change

Last data point: 2026-02-01



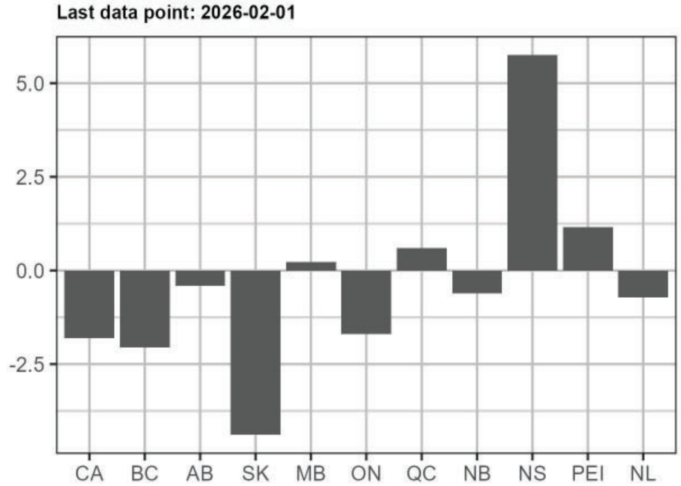
MLS Average Price, $

Last data point: 2026-02-01



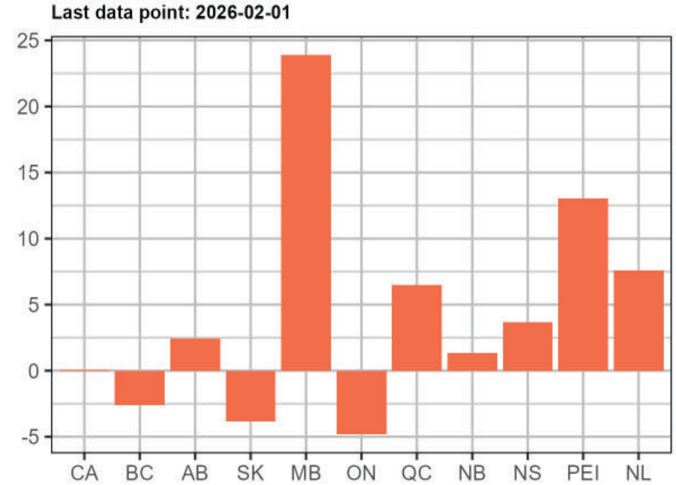
MLS Average Price, monthly % change

Last data point: 2026-02-01



MLS Average Price, 12-month % change

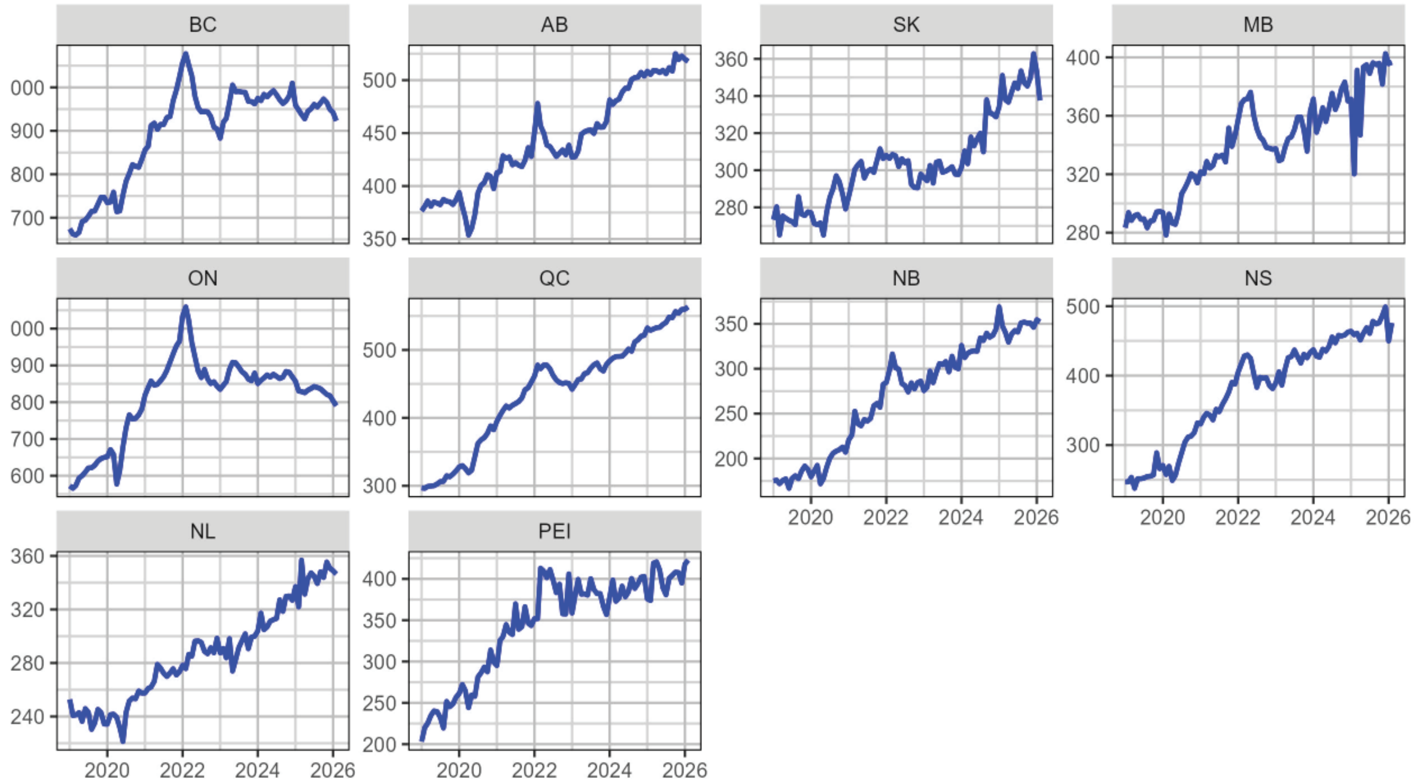
Last data point: 2026-02-01



CREA, Central 1

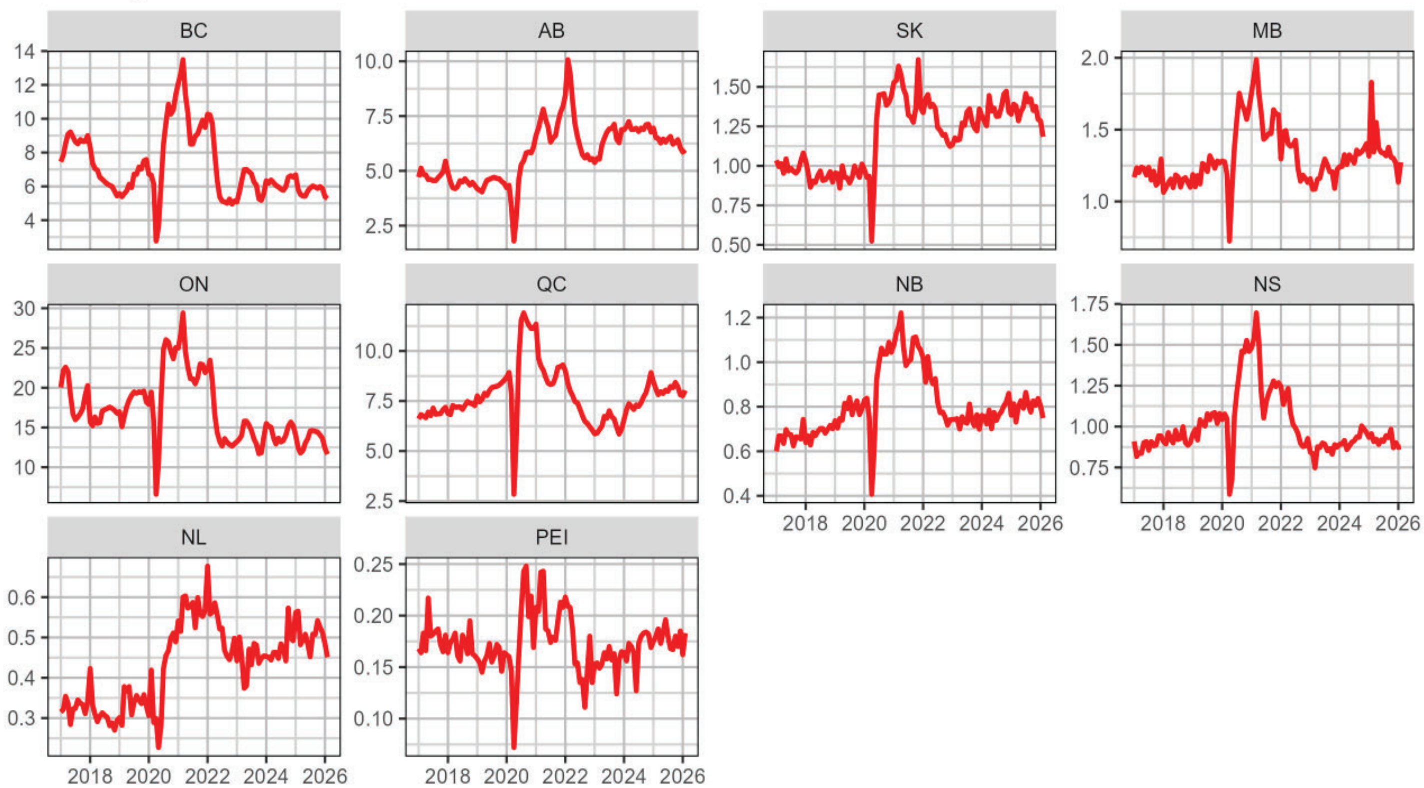
MLS Average Price ($000s)

Last data point: 2026-02-01



MLS Sales - Units (000s)

Last data point: 2026-02-01



MLS® Housing Summary										
Feb-26	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	35.7	-0.5	-5.9	-1.3	-7.8	656.7	-12.1	-1.8	-1.8	0.1
BC	5.3	-0.1	-8.2	-1.9	-9.2	923.0	-19.3	-0.8	-2.0	-2.6
AB	6.0	0.1	-3.3	1.8	-8.4	517.7	-2.1	-0.6	-0.4	2.4
SK	1.2	-0.1	-0.8	-7.8	-14.8	337.6	-15.5	-2.7	-4.4	-3.8
MB	1.3	0.1	-10.4	12.3	-30.5	396.7	0.9	-1.7	0.2	23.9
ON	11.6	-0.7	-9.4	-5.8	-6.5	790.2	-13.7	-1.7	-1.7	-4.8
QC	8.0	0.3	-0.6	3.4	-0.9	563.3	3.4	0.1	0.6	6.5
NB	0.7	-0.1	-4.1	-6.7	-7.9	352.3	-2.2	2.4	-0.6	1.3
NS	0.9	0.0	-3.1	0.3	-8.4	475.8	25.9	-9.8	5.8	3.7
PEI	0.2	0.0	-12.4	13.0	1.7	422.7	4.8	5.8	1.2	13.1
NL	0.5	0.0	-5.5	-6.8	-20.2	346.4	-2.5	-0.5	-0.7	7.6

Source: CREA, Central 1

MLS® Supply Conditions						
Feb-26	New Listings				Sales-to-New Listings	Months of Inventory
	Units, 000s	prior m/m % ch	m/m % ch	y/y % ch		
CA	74.9	5.1	-3.9	-4.7	47.6	5.0
BC	13.7	2.1	-3.9	-7.0	38.7	7.7
AB	10.0	5.8	0.6	3.5	59.4	3.4
SK	1.8	5.7	-4.6	-4.3	66.1	3.4
MB	1.7	-4.4	0.6	-27.2	74.8	2.2
ON	31.0	1.0	-8.2	-10.7	37.6	5.5
QC	13.2	24.7	2.4	14.2	61.1	4.7
NB	1.2	3.2	-0.9	3.8	63.1	4.3
NS	1.3	8.4	-1.8	-6.2	65.2	4.8
PEI	0.3	-2.5	-1.3	-8.7	60.0	6.0
NL	0.7	-6.7	3.1	-12.9	65.1	4.7

Source: CREA, Central 1

MLS® Housing Market Summary, Select Metro Areas										
	MLS® Sales					MLS® Price				
Feb/2026	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	0.9	0.0	-13.2	-1.0	-6.9	932.5	-39.1	-2.9	-4.0	-9.0
Greater Vancouver, BC	1.8	0.1	-10.7	3.2	-8.6	1218.9	-21.3	1.3	-1.7	-1.5
Calgary, AB	2.3	-0.1	3.9	-3.4	-9.0	634.9	-0.5	-3.4	-0.1	1.1
Edmonton, AB	2.2	0.2	-9.0	7.5	-10.6	457.0	-2.1	-0.8	-0.5	2.4
Saskatoon, SK	0.5	-0.1	-3.8	-11.2	-18.6	405.7	-17.9	0.9	-4.2	-5.0
Winnipeg, MB	1.1	0.1	-8.8	6.0	-19.9	418.7	2.7	-1.6	0.6	1.6
Toronto, ON	4.5	-0.2	-10.7	-4.9	-4.0	1004.8	-18.1	-2.5	-1.8	-6.9
Ottawa, ON	0.9	0.0	0.8	-2.4	0.3	677.1	7.1	-2.8	1.1	-1.9
Halifax, NS	0.4	0.0	-8.0	-0.2	-8.0	590.1	26.1	-8.2	4.6	0.8