

Canadian Housing Monitor: December 2025

A Publication of BMO Capital Markets Economic Research · Douglas Porter, CFA, Chief Economist, BMO Financial Group

A Long December

Canada's housing market finished the year on a soft note, with sales and prices fading further and capping off another year of a prolonged downturn. While not all markets are experiencing the same conditions, the national numbers were marked by a drop in sales volumes, while the benchmark price finished the year down 4%, or 18.6% below the early-2022 high. With mortgage rates apparently locked in place this year, affordability still adjusting and investors gone to other asset classes, it's looking like another year of stagnant activity for Canadian housing.

Existing home sales fell 2.7% in seasonally-adjusted terms in December, and were down 4.5% from year-ago levels. For the full year, sales volumes were down a modest 1.9%, with total activity marking the third-weakest year of the past decade.

New listings dipped 2.0% in the month, and were up a modest 0.8% from a year ago. That pulled down the **sales-to-new listings ratio** slightly to 52.3%, reflecting still-balanced overall national conditions.

Many talk about pent-up demand given the lack of sales volume in 2025, but there's probably also a significant amount of pent-up supply in the form of listings that were sitting and ultimately pulled after not selling. We'll see how this balance plays out in the spring.

The national **benchmark price** dipped again to end the year, and was down 4.0% y/y in December.

On the year, prices fell across BC and Ontario, while rising in most other regions. Indeed, the discrepancy of price performance was getting wide by December, with the weakest markets (e.g., parts of the GTA and exurbs) down as much as 10% y/y, while some smaller markets in Atlantic Canada and Quebec posted increases of more than 10%.

Here's a quick rundown of local market conditions:

Southern Ontario is still the weak spot, especially in the new condo space. New condo sales have all but dried up, investors are absent and the resale market is still struggling. Apartment prices (some double-digit year-over-year declines) are faring worse than single-family, but the latter are still getting pressured by an affordability adjustment.

Vancouver and some other markets across B.C. remain soft with elevated inventories. A lower sales-to-new listings ratio in December has again tilted Vancouver into buyers' market territory. Both condo and detached prices are down roughly 5% from a year ago.

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Table 1 - Canada — Existing Home Sales

(% change)

December 2025	Sales			Prices	
	m/m ¹	y/y	y-t-d	y/y	y-t-d
Canada	-2.7	-4.5	-1.9	-0.1	-1.1
Montreal	-2.5	-10.0	7.7	8.0	6.8
Regina	-19.3	-13.5	-1.6	12.2	6.7
Edmonton	-4.8	-7.9	-5.8	4.8	6.1
Winnipeg	1.1	-0.4	5.1	6.8	4.7
Halifax	8.6	6.4	-0.2	3.5	3.9
Calgary	-5.7	-12.7	-14.1	3.8	3.5
Ottawa	-4.7	-6.5	1.9	-0.7	2.7
Vancouver	-5.4	-12.9	-10.2	-6.8	-4.0
Toronto	-0.4	10.1	-7.7	-5.7	-4.5
MLS Home Price Index (national)				-4.0	-2.7

¹(seasonally adjusted)

Source: BMO Economics, Haver Analytics, CREA

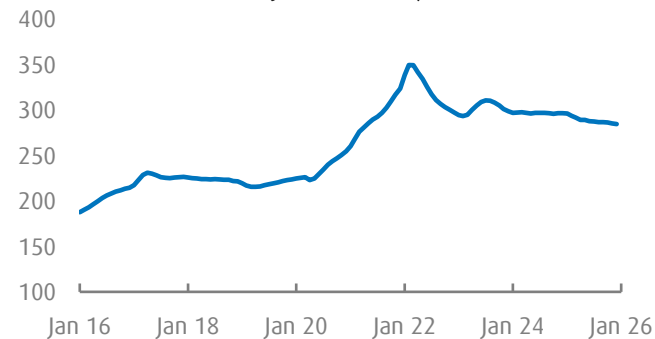
Markets in Quebec and further east remain tight almost across the board. Price gains in those regions are solid, although slowing, led by a 17% y/y jump in **Quebec City** (Canada's strongest market in 2025), 5.8% y/y in **Montreal** and 4.7% y/y in **Moncton**.

Calgary has cooled after a strong run through early-2025, with a lot of the compelling affordability/investor arbitrage (i.e., from Toronto to Calgary) now priced out. Sales were down 14.8% from a year ago in December, and prices are off 3.4%. **Edmonton** and the rest of the **Prairies** remain firmer.

National Price Trends

Canadian Home Price History

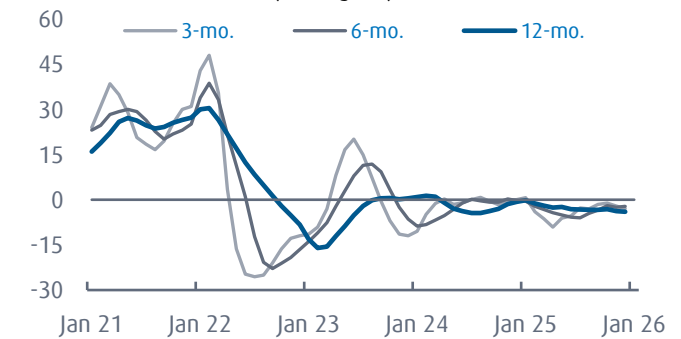
MLS Benchmark Index (Jan 2005 = 100)



Source: BMO Economics, Haver Analytics, CREA

Canadian Home Price Momentum

MLS Benchmark Index (% chng a.r.)



Source: BMO Economics, Haver Analytics, CREA

Market Balance

Canadian Resale Market Balance

Sales-to-new listings ratio: %



Source: BMO Economics, Haver Analytics, CREA

Canadian Resale Inventory

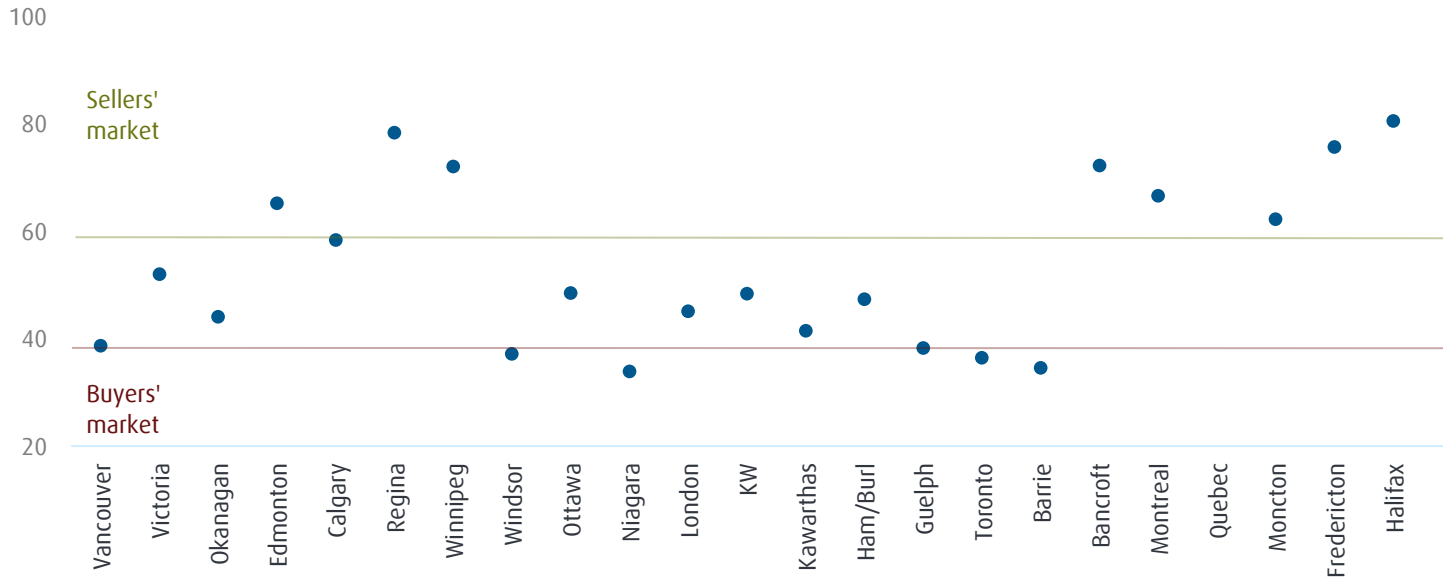
Months' supply of existing homes for sale



Source: BMO Economics, Haver Analytics, CREA

Market Balance by Region

Sales-to-new listings ratio, as of December 2025



Local Market Conditions

Snapshot of Current Market Conditions
as of December 2025

	Vancouver	Victoria	Okanagan	Edmonton	Calgary	Regina	Winnipeg	Windsor	Ottawa	Niagara	London	KW
Sales (y/y %)	-17.5	-13.2	-0.2	-11.8	-14.8	-17.3	-4.6	1.6	-7.0	-21.1	-0.5	1.2
Sales/listings (%)	38.7	52.0	44.1	65.2	58.4	78.3	72.0	37.2	48.5	33.9	45.1	48.4
MLS HPI (y/y %)	-4.5	-0.5	-0.5	3.1	-3.4	6.7	6.2	-1.9	0.3	-7.6	-8.3	-8.6
Detached (\$ 000s) ¹	1,928	1,152	778	502	679	367	415	636	719	613	625	772
Detached (y/y %)	-5.0	-2.2	-1.6	4.7	-2.3	8.2	6.1	-1.5	0.9	-7.4	-7.9	-8.0
Apartment (\$ 000s) ¹	726	555	425	202	318	212	232	387	396	382	324	392
Apartment (y/y %)	-5.4	0.7	0.3	1.6	-6.6	-1.0	5.8	-6.3	-2.2	-4.0	-17.5	-11.6

	Kawarthas	Ham./Burl.	Guelph	Toronto	Barrie	Montreal	Quebec City	Moncton	Fredericton	Halifax	PEI	Nfld & Lab
Sales (y/y %)	-18.8	-10.8	-23.7	6.9	-9.7	-13.9	-13.9	-10.6	5.7	1.3	8.8	4.8
Sales/listings (%)	41.4	47.3	38.3	36.4	34.6	72.2	66.6	119.6	62.2	75.7	80.5	60.2
MLS HPI (y/y %)	-8.1	-7.4	-7.5	-6.4	-6.8	5.8	17.0	4.7	2.1	2.1	0.8	10.2
Detached (\$ 000s) ¹	577	846	849	1,175	765	694	507	388	356	580	375	339
Detached (y/y %)	-8.1	-6.6	-7.3	-6.4	-6.4	6.5	17.5	4.4	2.2	3.4	0.8	10.6
Apartment (\$ 000s) ¹	n.a.	462	465	563	453	432	299	339	298	416	n.a.	253
Apartment (y/y %)	n.a.	-9.6	-9.1	-8.2	-11.1	3.2	12.5	31.0	-3.1	-8.6	n.a.	-1.9

¹ MLS benchmark price n.a.: CREA data not available

Recent Reports of Interest

Canada's Population Estimates (2025Q4) — Reversal Underway: Canada's population grew just 0.2% y/y in Q4 (marked as of October 1st, 2025), down sharply from highs above 3% seen just over a year ago.

One Big Belated Budget: The highly anticipated 2025 Canadian federal budget lands in the middle of a trade dispute, and at a time when the economy is struggling to grow.

The Mortgage Renewal Wave: Sink or Swim? The wave of Canadian mortgage renewals is set to crest in the year ahead, but households, the financial system and economy are well-equipped to handle it.

Supply, Meet Demand: Housing affordability will return to pre-pandemic norms through a combination of market dynamics, income growth, a modest reduction in borrowing costs and firm construction activity. Policymakers can help.

Canadian Commercial Real Estate Update: The trade war marks a sharp setback in what otherwise would have been a better year for Canadian commercial real estate.

Housing Outlook 2025: A Long Way Home: The Canadian housing market should post modest sales and price gains this year, but don't expect another exuberant takeoff. Changing secular forces also suggest it's still a long way back to the 2022 highs.

Canadian Mortgages: Fix or Float? With borrowing costs more likely to fall than rise—and by a lot in a possible trade war—a floating rate mortgage could pay off.

What Canada's Immigration Shift Will and Will Not Do: Ottawa's dramatic about-turn on immigration will turn Canada's 3%+ population growth to near-zero in coming years.

Pathways to Affordability for Canada's Housing Market: You would need to go back to the era of double-digit mortgage rates in the early 1990s to see the last time buying a home in Canada was as expensive as it is today. Is there a route back to affordability and, if so, how long will it take?

Extraordinary Population Delusions and the Trouble with Crowds: The narratives around the population boom have, in our view, been off the mark. Here are five things worth challenging.

Real Estate Investment: The Good, the Bad and the Implications: Does real estate investment make sense at this stage of the cycle? And if not, what are some implications?

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