

## Canada: Home price declines continue to intensify in May

By Daren King

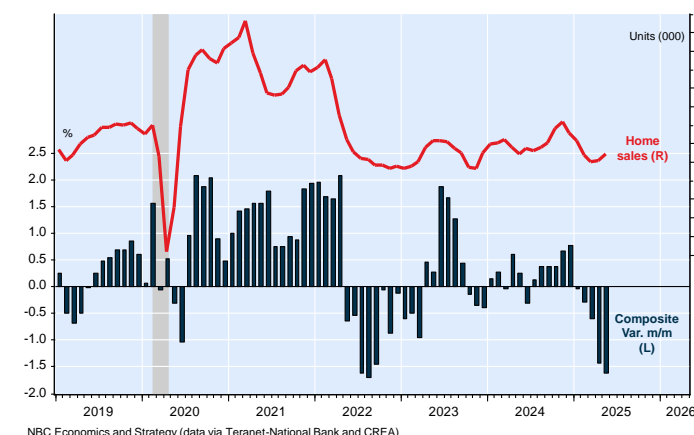
### Highlights:

- The Teranet–National Bank Composite National House Price Index™ declined by 1.6% from April to May after seasonal adjustment.
- Six of the 11 CMAs included in the index saw declines: Toronto (-2.9%), Vancouver (-2.6%), Victoria (-1.0%), Winnipeg (-0.5%), Hamilton (-0.4%) and Ottawa-Gatineau (-0.3%). Conversely, prices rose in Quebec City (+3.2%), Montreal (+0.7%), Calgary (+0.5%), Edmonton (+0.5%) and Halifax (+0.4%).
- From May 2024 to May 2025, the composite index fell by 1.6%. Declines were observed in three of the 11 cities that make up the index: Toronto (-6.1%), Vancouver (-4.3%) and Hamilton (-4.0%). Conversely, Quebec City (+17.1%), Montreal (+7.6%), Winnipeg (+6.4%), Edmonton (+5.5%), Calgary (+4.6%), Ottawa-Gatineau (+2.4%), Halifax (+1.3%) and Victoria (+1.1%) were up.

The Teranet-National Bank composite index fell 1.6% from April to May, marking the fifth consecutive monthly decline and a sharper contraction than in previous months. As a result, prices have fallen by 3.9% since December 2024. May also marks an important turning point, with the composite index falling into negative territory for the first time in 22 months, down 1.6% year-over-year from May 2024. This comes as the resale market continues to be particularly weak, due in part to uncertainty surrounding the trade war with the United States (top chart). Although the number of transactions in the resale market has increased slightly in the last two months, market conditions have eased considerably across the country and now point to a balanced market. However, this reversal is mainly due to market conditions that are strongly favourable to buyers in Ontario and British Columbia (bottom chart), which is causing prices to decline, particularly in these two provinces with persistent affordability challenges. In fact, 90% of markets (18 out of 20) in Ontario and British Columbia recorded declines during the month, compared to 27% in other provinces (3 out of 11). Amid ongoing economic uncertainty, moderate population growth and the risk of continued high long-term interest rates, home prices are expected to remain under pressure in the coming months, even if the resale market regains some momentum. The accumulation of homes for sale will continue to weigh on prices in the coming months.

### Canada: The decline in prices is intensifying

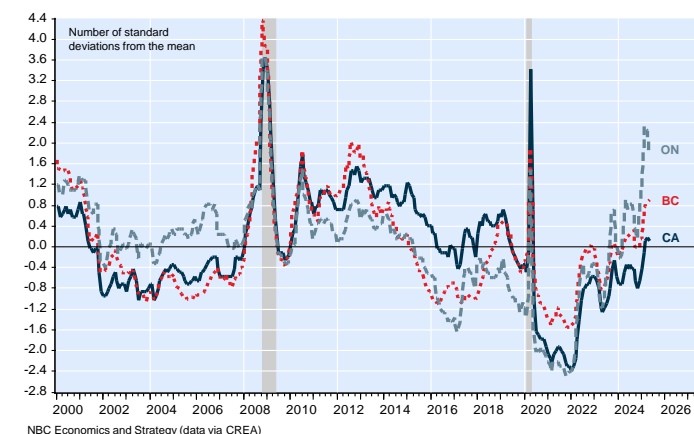
Number of transactions on the home resale market and monthly change (%) in Teranet-NBC HPI, seasonally adjusted



NBC Economics and Strategy (data via Teranet-National Bank and CREA)

### Canada: Significant easing in market conditions

Active listings-to-sales ratio



NBC Economics and Strategy (data via CREA)

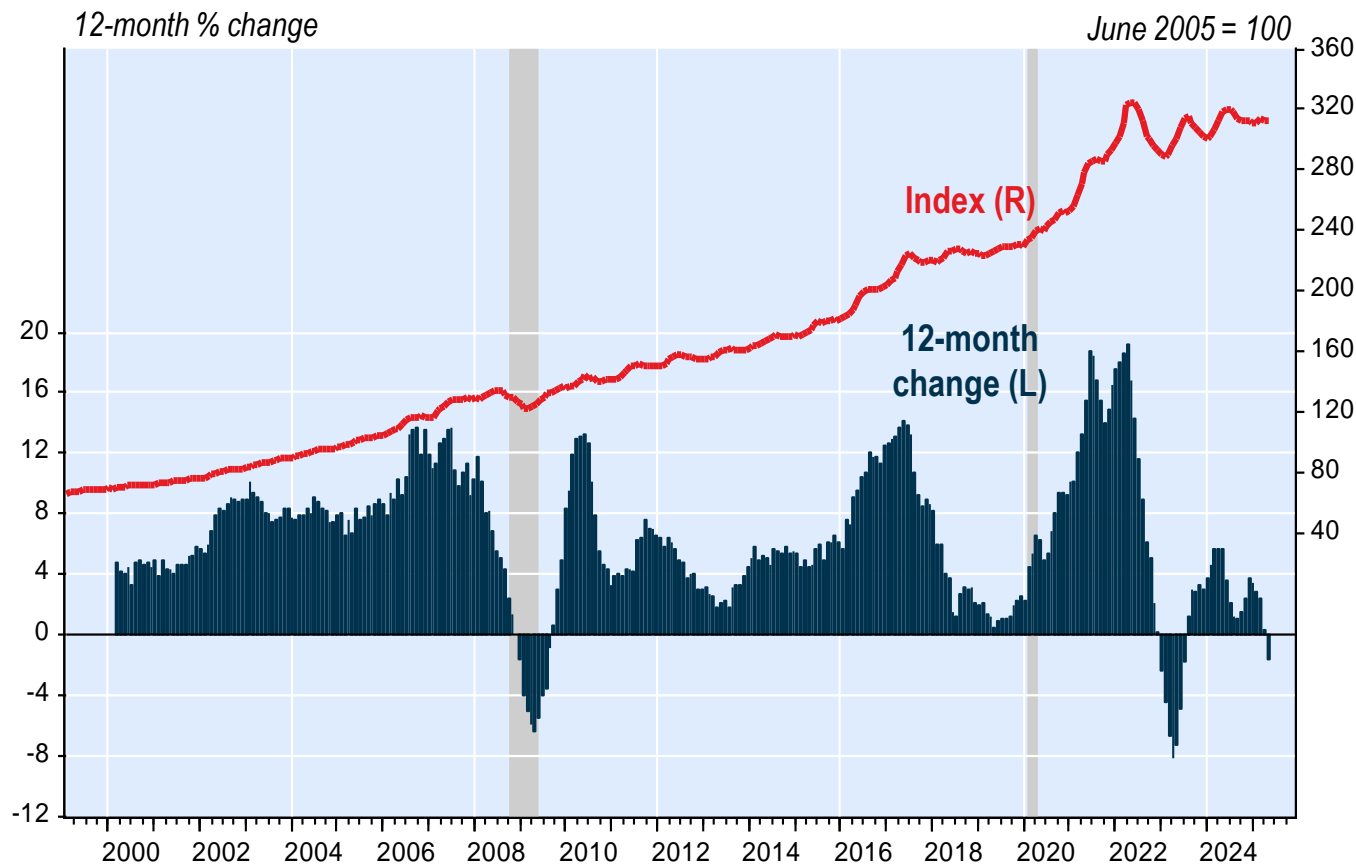


## Note on methodology:

The Teranet-National Bank House Price Index is based on the repeat sales methodology. The index is built from the price increase observed between two sales of the same property.

Since September 2022, The Teranet-National Bank™ House Price Indices are presented on a raw (unsmoothed) basis, whereas their variation was previously smoothed over three months to allow evening-out month-to-month fluctuations. The unsmoothed version of the price measures allows for earlier detection of changes in market conditions. The provision of the unsmoothed version of the Teranet-National Bank™ indices also allows users to adjust the data to their specific needs.

## Teranet-National Bank National Composite House Price Index™



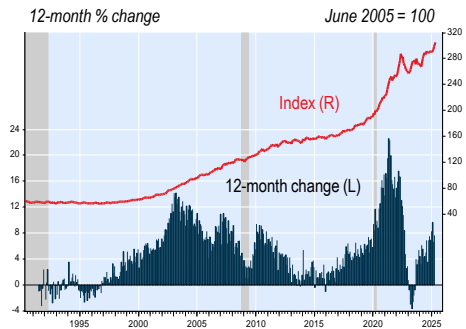


Metropolitan area	Index level *	% change m/m, NSA	% change m/m, SA	Prev. Month % change m/m, SA	% change y/y, NSA	% change from peak, SA	Peak date, SA
	May 2025						
Composite 11	311.75	-0.1%	-1.6%	-1.4%	-1.6%	-4.4%	2022-04
Victoria	291.24	-0.6%	-1.0%	-0.2%	1.1%	-5.3%	2022-05
Vancouver	356.38	-2.4%	-2.6%	-1.1%	-4.3%	-5.4%	2022-04
Calgary	257.85	1.7%	0.5%	0.8%	4.6%	0.0%	2025-05
Edmonton	212.43	0.4%	0.5%	1.0%	5.5%	0.0%	2025-05
Winnipeg	274.62	1.3%	-0.5%	-0.2%	6.4%	-0.7%	2025-03
Hamilton	360.88	0.0%	-0.4%	-3.2%	-4.0%	-16.4%	2022-05
Toronto	334.25	-0.6%	-2.9%	-2.4%	-6.1%	-14.6%	2022-04
Ottawa-Gatineau	269.69	2.0%	-0.3%	-1.0%	2.4%	-2.1%	2022-04
Montreal	303.84	2.0%	0.7%	-0.4%	7.6%	0.0%	2025-05
Quebec	295.28	5.0%	3.2%	-0.8%	17.1%	0.0%	2025-05
Halifax	304.23	1.3%	0.4%	-4.3%	1.3%	-7.1%	2025-02
Other metropolitan areas							
Abbotsford-Mission, B.C.	352.47	0.0%	-2.1%	-0.7%	-4.2%	-18.9%	2022-04
Kelowna, B.C.	294.60	-0.1%	-0.2%	-1.4%	-2.9%	-7.5%	2022-03
Lethbridge, Alb.	241.82	4.5%	3.8%	0.8%	10.2%	0.0%	2025-05
Barrie, Ont.	329.21	1.3%	-1.0%	-1.2%	-3.5%	-17.9%	2022-05
Guelph, Ont.	355.21	1.9%	-0.4%	0.1%	2.3%	-11.9%	2022-05
Brantford, Ont.	354.97	0.7%	-0.5%	0.7%	-0.9%	-15.1%	2022-05
Kitchener, Ont.	341.72	-1.5%	-2.2%	-1.7%	-4.9%	-15.8%	2022-04
St. Catharines, Ont.	338.79	3.1%	-0.1%	-1.6%	-3.3%	-14.5%	2022-05
Oshawa, Ont.	347.55	1.9%	2.8%	-4.5%	-5.2%	-19.3%	2022-05
Peterborough, Ont.	313.22	-4.0%	-6.0%	0.5%	-3.1%	-18.3%	2022-05
London, Ont.	311.25	1.3%	-1.1%	-3.4%	-2.5%	-16.3%	2022-04
Kingston, Ont.	278.99	-1.4%	-2.8%	-1.7%	1.0%	-6.7%	2024-12
Belleville, Ont.	307.37	-3.3%	-0.7%	-0.4%	-1.9%	-10.9%	2022-04
Sudbury, Ont.	337.44	-2.1%	-3.9%	1.8%	9.3%	-3.9%	2025-04
Thunder Bay, Ont.	300.57	-3.4%	-5.7%	7.4%	8.9%	-5.7%	2025-04
Windsor, Ont.	306.21	1.9%	0.1%	-1.9%	-2.5%	-12.4%	2022-05
Trois-Rivières, Qc	356.86	-4.9%	-3.4%	2.3%	14.7%	-4.1%	2025-02
Sherbrooke, Qc	325.82	3.1%	1.8%	-0.1%	12.0%	0.0%	2025-05
Saint John, NB (June 2018=100)	207.37	-1.6%	0.5%	6.8%	12.3%	0.0%	2025-05
Moncton, NB (June 2018=100)	204.95	0.4%	-0.9%	-4.4%	-3.3%	-9.4%	2025-02

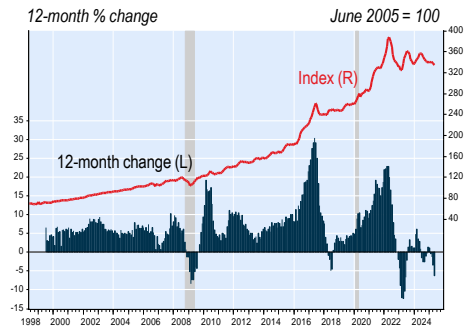
\*June 2005=100 except indicated otherwise.



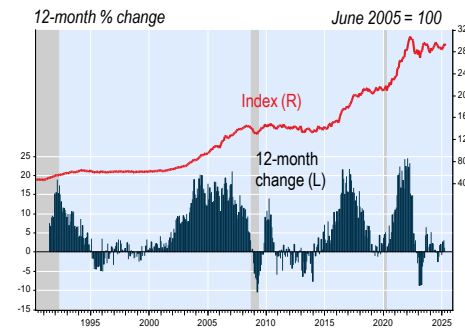
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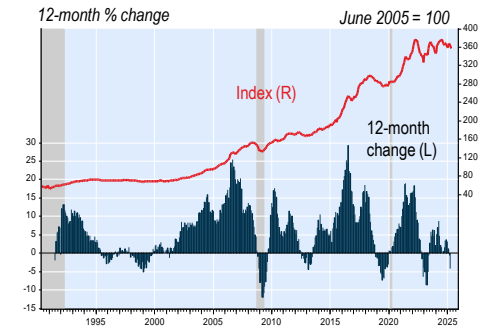
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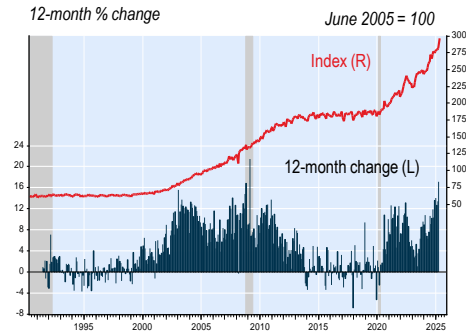
## Victoria



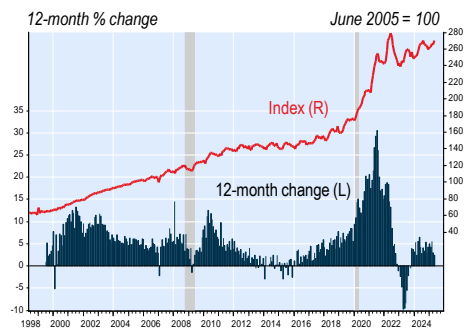
## Vancouver



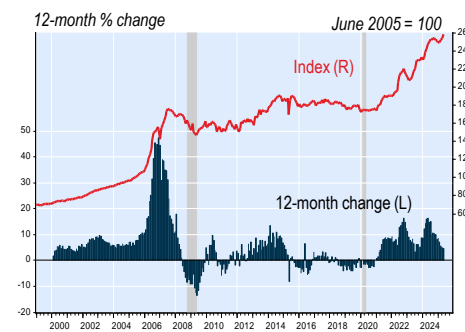
## Quebec City



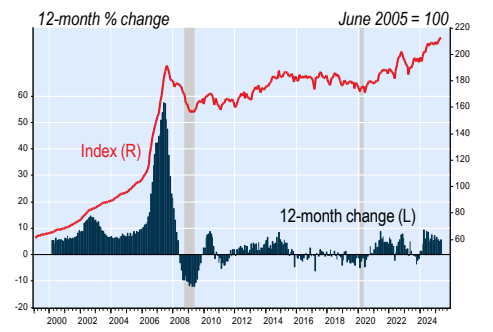
## Ottawa–Gatineau



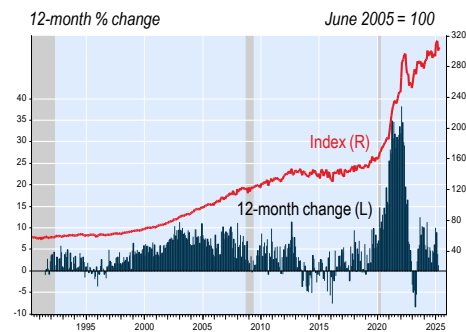
## Calgary



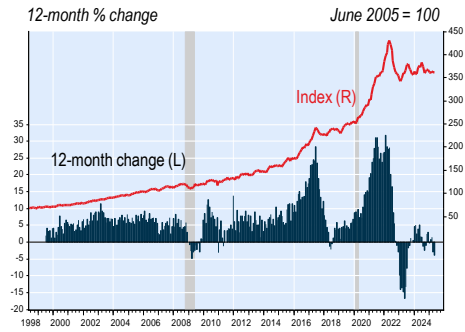
## Edmonton



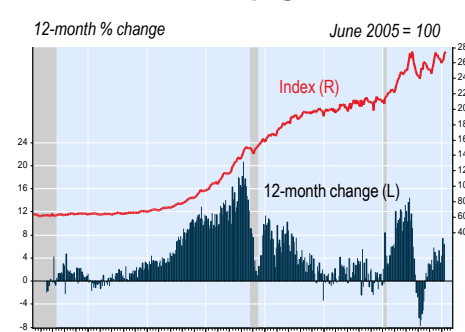
## Halifax



## Hamilton



## Winnipeg



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