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## Canada's real estate expected to show modest growth

*Following the dip in the first three months of 2025, TD Economics expects market to perform better throughout the rest of the year.*

Joel Schlesinger || April 10, 2025



TD Economics expects home sales in Alberta to decline about two per cent by year's end, though prices are estimated to grow about four per cent. PHOTO BY FILE /Postmedia

Tariffs and bad weather in the first three months of the year weighed on resales and prices in Canada, but a new report from TD predicts conditions will improve for the remainder of 2025. TD Economics released its provincial housing outlook in late March noting that the threat of tariffs from the United States and bad winter weather caused

average prices to fall about four per cent and sales to decline 10 per cent in the first three months of the year versus the last three months of 2024.

Yet it forecasts that conditions should improve modestly with sales inching up percentage-wise, quarter over quarter for the remainder of the year. Average prices are likely to continue to decline slightly from the first three months of the year into the second quarter (April to June), and remain flat through the summer.

But they should rise modestly from the bottom in the final three months of the year.

TD further noted that continuing uncertainty with respect to the economic impacts of U.S. trade policy will make many prospective buyers and sellers in Canada cautious about entering the market.

As a result, even though activity will improve for the rest of the year, TD forecasts sales will fall about one per cent year over year by the end of 2025, and prices will decrease about three per cent.

Leading the declines are Ontario and British Columbia, where sales forecast to be off nearly eight and one per cent year over year. The two provinces with the most expensive municipal markets — Vancouver and Toronto — are forecast to see average prices fall, too. Prices in Ontario are forecast to drop about six per cent, and about four per cent in B.C.

Alberta, too, is expected to see sales decline about two per cent by year's end, though prices are estimated to grow about four per cent.