

# May 2022 Housing Report

## Canadian home sales slow again in May

Home sales recorded over Canadian MLS® Systems declined by 8.6% between April and May 2022. This built on a larger drop recorded in April, leaving monthly activity at pre-COVID levels recorded in the second half of 2019 and only slightly above the 10-year average. (Chart A)

Sales were down in three-quarters of all local markets, led by a number of larger census metropolitan areas (CMAs) including those in the Lower Mainland, Calgary, Edmonton, the Greater Toronto Area (GTA) and Ottawa.

The actual (not seasonally adjusted) number of transactions in May 2022 came in 21.7% below the record for that month set last year. At a little over 50,000 units sold, the May 2022 sales figure was very close to the 10-year average for that month.

“May picked up where April left off, with sales activity continuing to slow and softening prices in many parts of the country,” said Jill Oudil, Chair of CREA. “Inventories are finally beginning to rebuild from record lows just a few months ago, although we still have major supply shortages almost everywhere. With all that being said, we are in a period of rapid change, but one that should settle to a more balanced housing market in time. As conditions continue to evolve, contact your local REALTOR® for information and the guidance you will need buying or selling in this current environment,” continued Oudil.

“Ultimately this has been expected and forecast for some time – a slowdown to more normal levels of sales activity and a flattening out of prices,” explained Shaun Cathcart, CREA’s Senior Economist. “What is surprising is how fast we got here. With the now very steep expected pace of Bank of Canada rate hikes, and fixed mortgage rates getting way out in front of those, instead of playing out steadily over two years, that cooling off of sales and prices seems to have mostly played out over the last two months.” The number of newly listed homes climbed 4.5% on a month-over-month basis in May. The monthly increase was influenced by a jump in new supply in Montreal, while new listings in the GTA posted a small decline.

With sales down and new listings up in May, the sales-to-new listings ratio eased back to 57.5% – its lowest level since April 2019. It was also not far off the long-term average for the national sales-to-new listings ratio of 55.1%.

Almost three-quarters of local markets were balanced markets based on the sales-to-new listings ratio being between one standard deviation above or below the long-term average in May 2022 – the largest number since the fall of 2019. A little less than one quarter were in seller's market territory, while a small handful were in buyer's market territory.

There were 2.7 months of inventory on a national basis at the end of May 2022, still historically low but up by a month from the tightest conditions ever recorded just six months ago. The long-term average for this measure is a little over 5 months.

The Aggregate Composite MLS® Home Price Index (HPI) edged down 0.8% on a month-over-month basis in May 2022 following a 1.1% decline in April. The national MLS® HPI Benchmark price was \$822,900.

Regionally, most of the monthly declines were seen in markets in Ontario. While a majority of Ontario markets saw prices dip from April to May, a number were up, including in the northern and southern parts of the province and the eastern areas of cottage country.

Vancouver Island saw prices increase. In Greater Vancouver, prices were flat month-over-month in May, while further east prices fell modestly in the Fraser Valley and posted a larger decline in Chilliwack. Prices were more or less flat across the Prairies save for small gains in Saskatoon and Winnipeg.

Meanwhile, Quebec, New Brunswick and PEI continued to outperform with notable gains, while prices in Nova Scotia and Newfoundland and Labrador edged up slightly. The non-seasonally adjusted Aggregate Composite MLS® HPI was still up by 19.8% on a year-over-year basis in May, although this was a marked slowdown from the near-30% record increases logged in January and February. (Chart B)

The actual (not seasonally adjusted) national average home price was a little over \$711,000 in May 2022, up 3.4% from the same month last year. The national average price is heavily influenced by sales in Greater Vancouver and the GTA, two of Canada's most active and expensive housing markets. Excluding these two markets from the calculation in May 2022 cuts \$122,500 from the national average price.

**[Click Here to View Charts and Statistics for May 2022](#)**

## **Mississauga Real Estate Board MLS® home sales decline but remain above average even as supply continues to fall**

The number of homes sold through the MLS® System of the Mississauga Real Estate Board totaled 862 units in September 2021. This was a decline of 18.9% from September 2020.

Home sales were 9.3% above the five-year average and 4.4% above the 10-year average for the month of September.

On a year-to-date basis, home sales totaled 9,025 units over the first nine months of the year. This was a significant increase of 43.4% from the same period in 2020.

"Home sales were down from last year's extreme record but still managed to come in above the five and 10-year average for the month of September," said Mike Ursini, President of the Mississauga Real Estate Board. "This is an impressive feat when you consider the fact that new listings posted their lowest showing for this time of year since 1999. Although demand has eased from the first half of the year there is obviously still a lot of interest out there among prospective homebuyers, who are snapping up almost all the new supply coming onto the market. With so little in the way of available listings left over at the end of the month it's no surprise that MLS® HPI benchmark price gains are now trending just above 20%."

The MLS® Home Price Index (HPI) tracks price trends far more accurately than is possible using average or median price measures. The overall MLS® HPI composite benchmark price was \$1,135,600 in September 2021, up by 20.5% compared to September 2020.

The benchmark price for single-family homes was \$1,371,100, an increase of 22.6% on a year-over-year basis in September. By comparison, the benchmark price for townhouse/row units was \$890,000, a gain of 19.7% compared to a year earlier, while the benchmark apartment price rose 14.7% to \$632,900, from year-ago levels.

The average price of homes sold in September 2021 was \$1,037,972, increasing by 14.2% from September 2020.

The more comprehensive year-to-date average price was \$1,010,880, a gain of 14.8% from the first nine months of 2020.

The dollar value of all home sales in September 2021 was \$894.7 million, down by 7.4% from the same month in 2020.

The number of new listings saw a notable decline of 38.7% from September 2020. There were 1,139 new residential listings in September 2021. This was the lowest number of new listings added in the month of September in more than two decades.

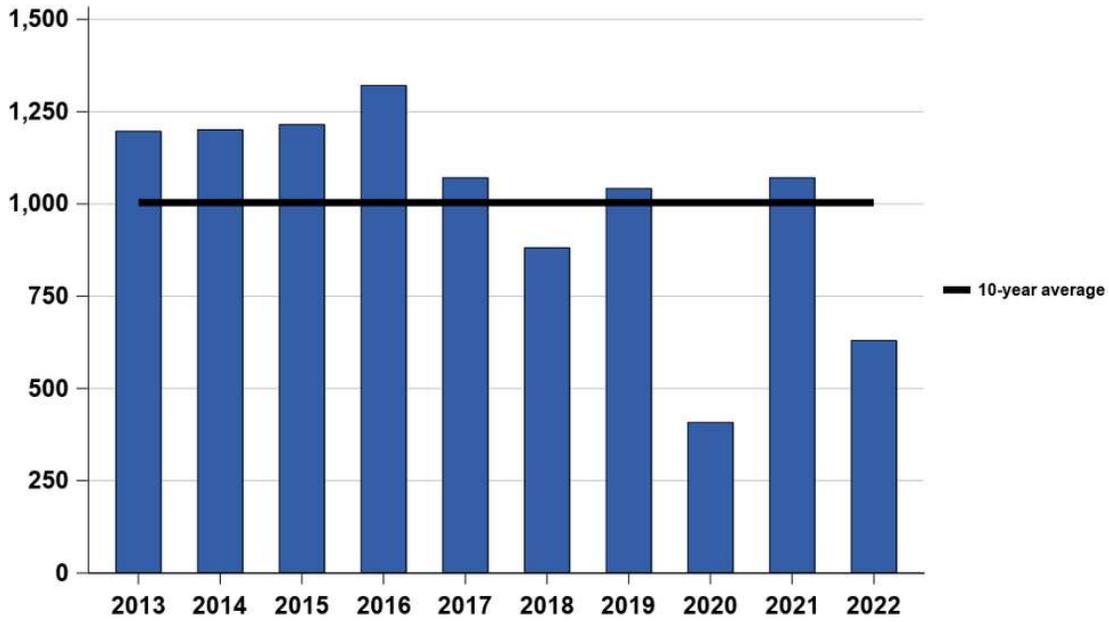
New listings were 22% below the five-year average and 26.2% below the 10-year average for the month of September.

Active residential listings numbered 731 units on the market at the end of September, decreasing substantially by 53.2% from the end of September 2020. Active listings haven't been this low in the month of September in more than 25 years.

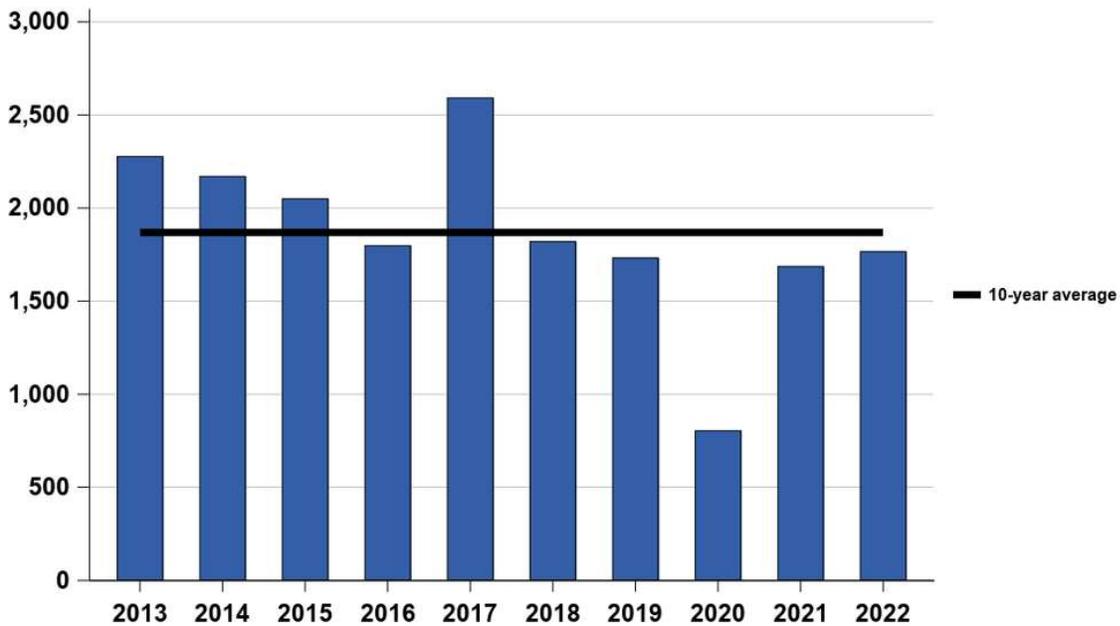
Active listings were 47.8% below the five-year average and 56% below the 10-year average for the month of September.

Months of inventory numbered 0.8 at the end of September 2021, down from the 1.5 months recorded at the end of September 2020 and below the long-run average of 2.1 months for this time of year. The number of months of inventory is the number of months it would take to sell current inventories at the current rate of sales activity.

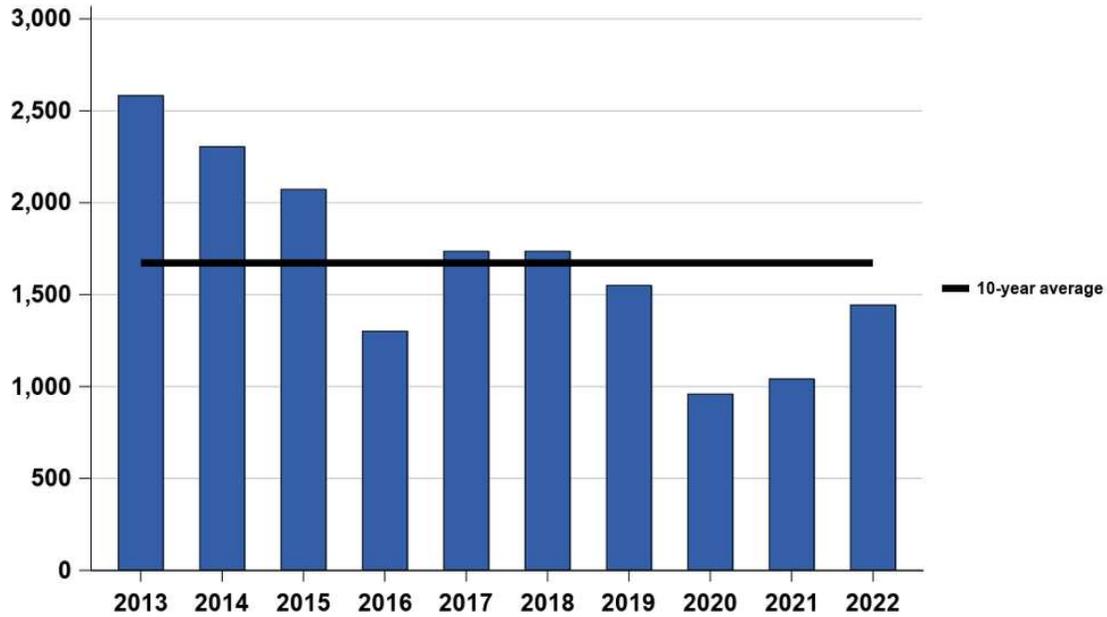
### Residential sales activity (May only) Mississauga



### Residential new listings (May only) Mississauga

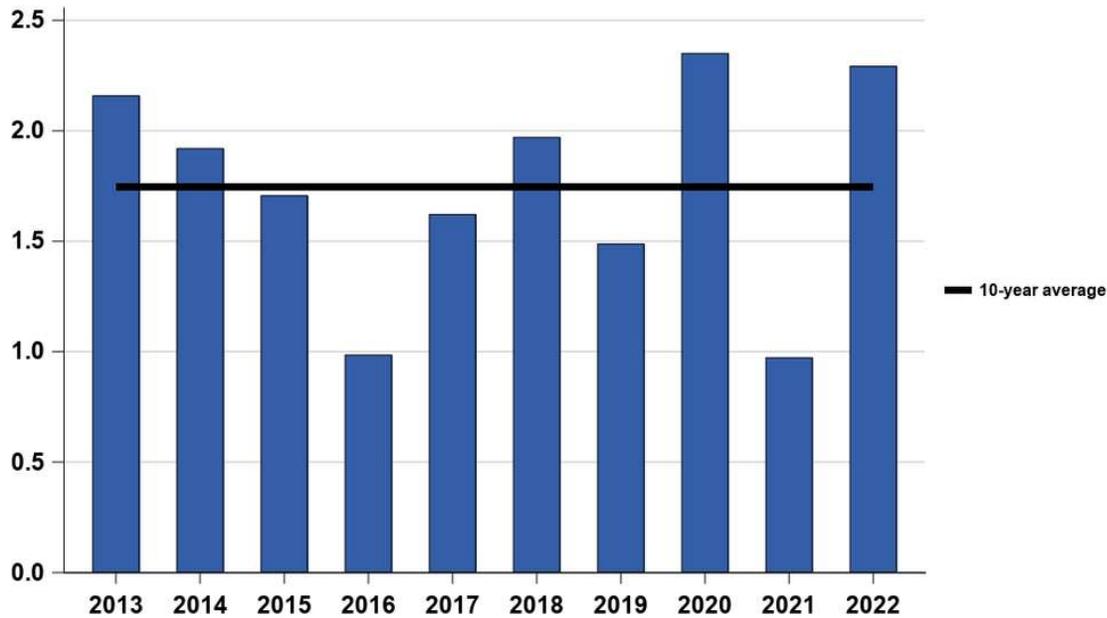


### Residential active listings (May only) Mississauga



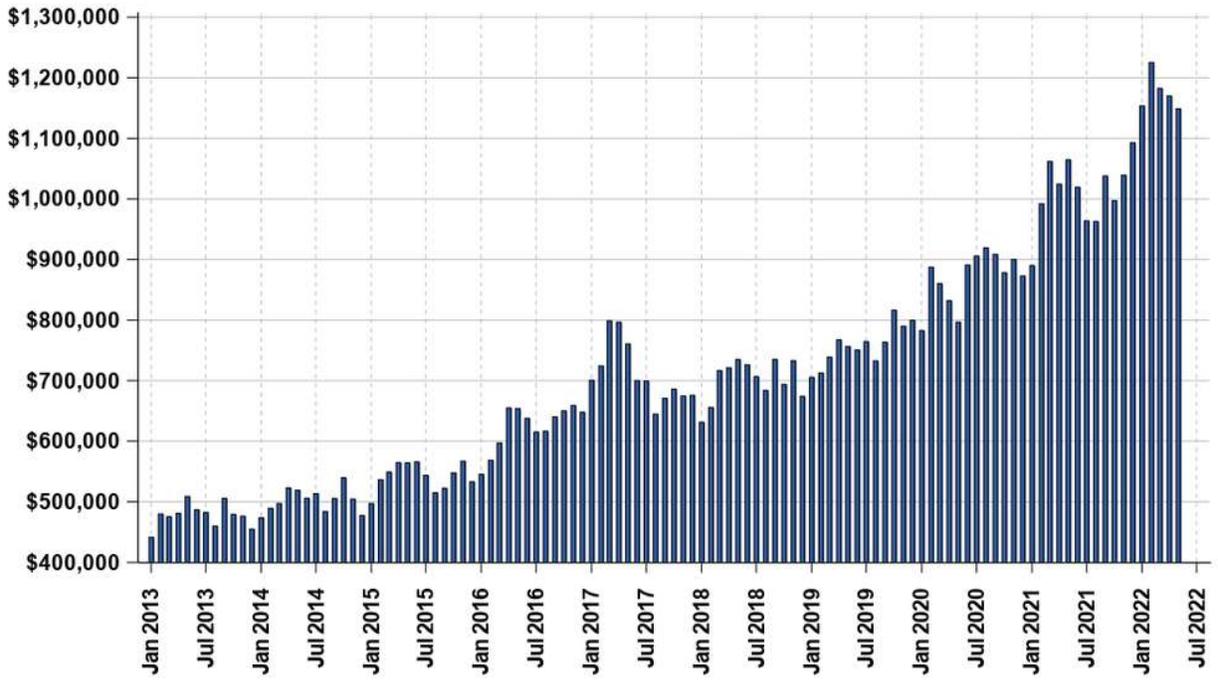
Source: The Canadian Real Estate Association

### Residential months of inventory (May only) Mississauga



Source: The Canadian Real Estate Association

## Residential average price Mississauga



Source: The Canadian Real Estate Association