

# What's stalling the Canadian housing market in 2026, according to over 1,000 real estate professionals?

Rates have stabilized. Prices have come down. So why is Canada's housing market still stuck?











## INTRODUCTION

2026 was supposed to be the year that Canadian housing found its footing, with rates stabilizing and prices coming down from their peak over the last few years. There was a cautious optimism that conditions would improve. Instead, the market has remained fairly anti-climactic.

To understand what's actually driving that dynamic, we surveyed 1,015 real estate professionals across Canada for the Ownright Operators Report — agents, brokerage managers, and owners — between March 27, 2026 and April 29, 2026. We asked them what they're seeing on the ground: why deals are stalling, what's driving buyer and seller behaviour, and how they're making sense of a market that keeps defying easy predictions. Their insight tells us that Canadian consumers are recalibrating their relationship with homeownership entirely, and it's showing up in how they search, decide, and act.

From our findings, we can see that economic uncertainty has replaced the pandemic-era urgency that once pushed buyers to act fast, sellers are holding out for prices that buyers aren't willing to pay, and those who've been waiting years for an opening find themselves in a market that's technically more affordable than it was two years ago, but no easier to feel confident about. The hesitation on both sides has created a kind of standoff, with neither buyers nor sellers willing to blink first.

Page	Title	Key takeaway
3	Why are Canadian buyers hesitating, and what's actually driving it?	 <b>67%</b> of real estate professionals are more risk averse than pre-2022
4	How is U.S. political and economic instability affecting Canadian real estate decisions?	 <b>69%</b> of real estate professionals are impacted by U.S. instability
5	What is causing Canadian real estate deals to stall and fall through in 2026?	 <b>38%</b> of transaction delays are caused by client indecision
6	Who is buying and selling in Canada's housing market right now?	 <b>30%</b> of buyers that professionals work with are in the 35–44 age range
7	How are real estate professionals advising clients, and what do they expect next?	 <b>41%</b> of real estate professionals would recommend a fixed rate mortgage
8	Why are Canadian real estate professionals considering leaving the industry?	 <b>30%</b> of real estate professionals have considered leaving the industry
9	Is technology actually solving real estate's biggest challenges?	 <b>60%</b> of real estate professionals are using or testing AI-enabled tools
10	What does this mean for Canadians thinking about buying or selling a home in 2026?	 <b>Uncertainty</b> is defining the market in 2026



## Why are Canadian buyers hesitating, and what's actually driving it?

Everyone assumes Canada's housing slowdown is an affordability story. That's true for a lot of Canadians, but it's not the whole picture.

We asked professionals what's most influencing buyer hesitation right now. What ranked highest, by a wide margin, was broader economic uncertainty (like recession fears), with **40%** of professionals pointing to it as the primary driver. Employment concerns came in second at **17%**, while interest rates came in third, at **15%**.

Affordability is still a big barrier keeping Canadians out of the housing market, but what this data suggests is that uncertainty has become just as powerful a force, even for those who feel they can enter the market. **Sixty-seven per cent** of real estate professionals say buyers and sellers are more risk-averse than they were pre-2022. Only **5%** say clients are less risk-averse than before.

**Sellers are waiting for warmer weather. Buyers are waiting for economic stability.**

“ Canadian real estate professional



## What's driving buyer hesitation in 2026?

**Broader economic uncertainty**  
e.g. recession fears **40%**

Employment/income stability concerns **17%**

Interest rates **15%**

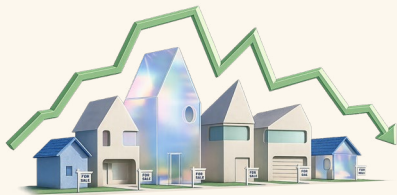
Inflation **11%**

Geopolitical instability **10%**

Other **6%**

Immigration policy changes **1%**

## How is U.S. political and economic instability affecting Canadian real estate decisions?



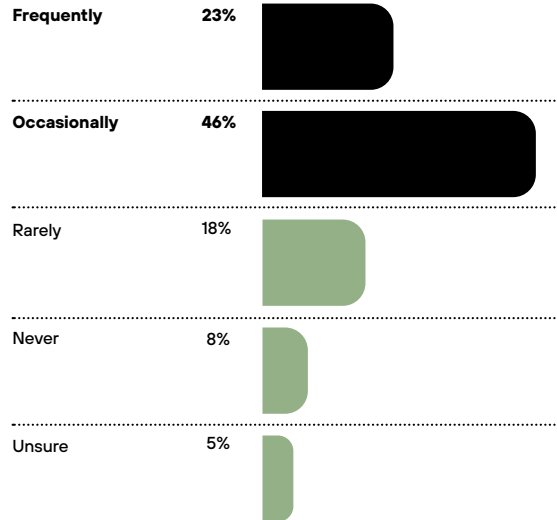
U.S. instability affecting Canadian consumer confidence isn't exactly a revelation, but the degree to which it's showing up in real estate conversations might be.

**Sixty-nine per cent** of professionals are regularly fielding questions about what's happening south of the border and what it means for home buying. Nearly 1 in 4 professionals (**23%**) say clients bring up U.S. political or economic instability frequently as a reason to hold off, and another **46%** say it comes up occasionally. Only **8%** say it never comes up.

Canada's economy is deeply tied to the U.S., and that relationship has become shaky amid tariff threats and trade instability. The ripple effects are showing up in employment anxiety and business investment decisions closer to home, and in how Canadians feel about their financial future more broadly.

**An Abacus survey** found that U.S. political leadership topped Canadians' list of concerns when it comes to quality of life. When people are considering political instability alongside homebuying decisions, it makes sense that they become cautious about the biggest financial commitment of their lives.

## 69% of real estate professionals say U.S. political or economic instability plays a role in their clients' decisions



## What is causing Canadian real estate deals to stall and fall through in 2026?

Buyers wondering if a better home will come up after they purchase. Sellers worry they will sell their home and not have one to move into.

“ Canadian real estate professional

The hesitation playing out in people’s heads is also showing up in transaction data in measurable ways. The top cause of transaction delays, according to professionals, is client indecision at **38%**. Financing and mortgage approvals came second at **28%**. Everything else — inspections, legal issues, appraisal gaps — was well below **10%**.

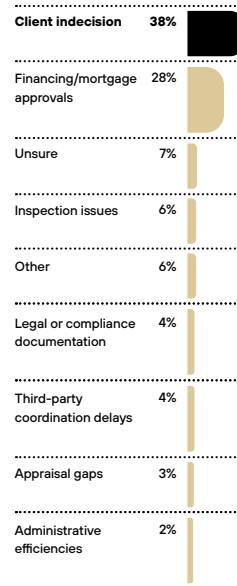
When deals collapse entirely, professionals surveyed by Ownright say that financing failure is the leading cause (**34%**), followed by inspection findings (**26%**) and buyer or seller withdrawal (**10%**). And it’s a trend that’s getting worse, with **38%** of professionals saying more deals are falling through due to financing issues compared to two years ago.

What’s notable here is the interplay between the two leading causes: indecision and financing failure, which compound each other. When buyers hesitate and take longer to commit, their financial circumstances can change. A buyer who was qualified three months ago may find themselves in a different position by the time they’re ready to move because the window closed while they were still making up their mind.

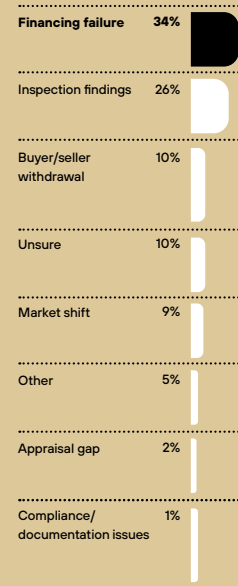
As one agent noted: “Clients [don’t want] to get a pre-approval that only lasts 90 days and then having to get another one because they can’t find a home in 90 days.” Another flagged the lender side of the same problem: “Lenders are taking too long to issue final decisions on clients who have already been pre-approved for financing.”

The result is a market where hesitation actively kills deals, not just delays them.

### What’s the primary cause of transaction delays?



### What’s causing deals to collapse?



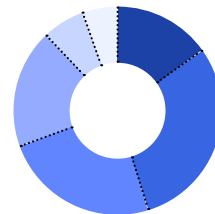
# Who is buying and selling in Canada's housing market right now?

The majority of buyers that professionals work with are in the 35–44 range (**30%**), followed by the 45–54 cohort (**24%**). Together, those two groups account for more than half of active buyer activity. The 25–34 demographic is often the expected first-time buyer crowd, which is the group that typically anchors a healthy, growing market. From our survey, this demographic sits at just **15%**. Younger buyers have been squeezed by a difficult savings environment, and now, a climate of uncertainty that makes a long-term financial commitment feel particularly daunting. This tracks with [recent Statistics Canada data](#) revealing that millennials (25 to 39) are increasingly living at home with parents compared to previous generations.

On the seller side, the picture is its own kind of complicated. Many of the sellers still active in this market may have bought at or near the peak, and are holding out for prices that reflect that reality, even as buyers push back. As one agent put it: *"Sellers [are] coming to terms with lower list prices than they expected, and wanting to 'test the market' at a higher price to see what happens."* That gap between seller expectations and buyer willingness is one of the drivers of the standoff playing out across the country.

The deals themselves are mostly house purchases (**67%**). Condo and apartment purchases are at **10%**, while rentals are at **14%**. Investment properties barely register at **3%**. That last number tells us that speculation has largely left the market. The people still transacting are mostly doing it because they need to, not because they're chasing returns. The investor energy that characterized much of the 2020–2022 period seems to be dissipating.

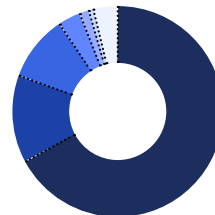
## Who are professionals working with right now?



### Client age

18-24	0%
25-34	15%
35-44	30%
45-54	24%
55-64	18%
65+	7%
Prefer not to say	6%

## The type of deals real estate professionals are receiving the most inquiries about



### Housing type

House purchases	67%
Rentals	14%
Apartment/condo purchases	10%
Investment properties	3%
Multi-dwelling units	2%
Recreation properties	1%
Prefer not to say	3%



## How are real estate professionals advising clients, and what do they expect next?

Sellers coming to terms with lower list prices than they expected, and wanting to 'test the market' at a higher price.

“ Canadian real estate professional

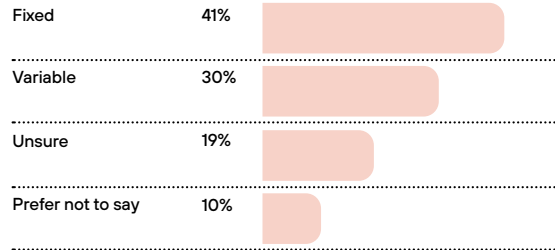
The caution buyers and sellers are feeling is showing up in the advice they're getting, too. If a client were buying today, **41%** of professionals would steer them toward a fixed-rate mortgage. Meanwhile, **30%** would recommend the variable. The remaining **19%** said they weren't sure.

Fixed-rate recommendations show a preference for predictability over potential savings, which tracks with everything else in this data. When the environment feels unpredictable, locking in is more appealing than optimizing.

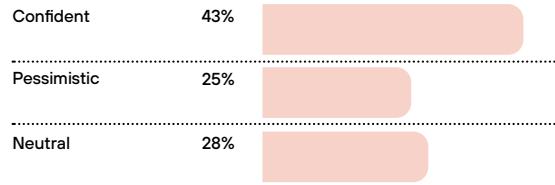
On the question of whether the market will rebound in the next 12 months, the industry is genuinely split. **Forty-three per cent** say they're confident it will. **Twenty-five per cent** are pessimistic. **Twenty-eight per cent** are neutral. That near-even spread across three very different positions reflects something important: the professionals closest to this market, the ones in the deals every day, don't have a clear read on where things go from here. For many years, optimism has been the default in this market, so this contrast says a lot about how much has changed.



In your professional opinion, if someone were purchasing a home today, would you recommend a fixed or variable mortgage?



How confident are you that Canada's real estate market will rebound in the next 12 months?



## Why are Canadian real estate professionals considering leaving the industry?

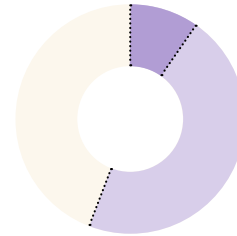
Running a real estate practice in 2026 is getting harder, and not just because of the market.

**Fifty-six per cent** of professionals say compliance and administrative demands are eating into the time they have for clients; **16%** say it's a significant reduction, and **40%** say it somewhat reduces their time. And **30%** have considered leaving the industry altogether because of regulatory and administrative burden, with **6%** saying it's crossed their mind on multiple occasions.

The administrative burden of the job isn't significantly impacting income; only **10%** say they've lost income because of compliance or documentation issues. But the administrative load is growing at exactly the moment when clients need more guidance, not less, in an uncertain market where they need more hand-holding. The professionals best positioned to provide that are instead spending a meaningful portion of their working hours on paperwork.



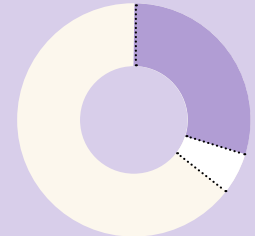
**56%** of real estate professionals say compliance and admin demands are reducing the time they spend with clients



**16%** say it's a significant reduction

**40%** say it somewhat reduces their time

**1 in 3** real estate professionals have considered leaving the industry due to regulatory or administrative burden



**30%** say it has crossed their mind

**6%** say it has crossed their mind multiple times

## Is technology actually solving real estate's biggest challenges?

Lenders are taking too long to issue final decisions on clients who have already been pre-approved for financing.

“ Canadian real estate professional



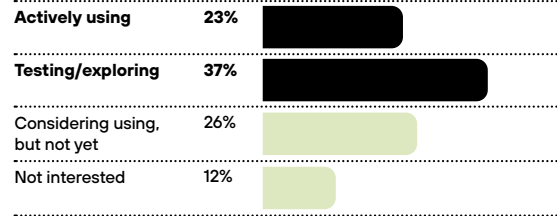
**Sixty per cent** of professionals are using or testing AI tools, with **23%** actively using them and 37% testing or exploring.

Professionals are willing to adopt new technology, but the industry itself is a different story. **Twenty-eight per cent** of professionals say Canada's real estate transaction system is outdated. Another **46%** are neutral, **18%** disagree, and **8%** are unsure. These numbers suggest that while professionals are finding ways to work smarter within the system, the system itself hasn't fundamentally changed.

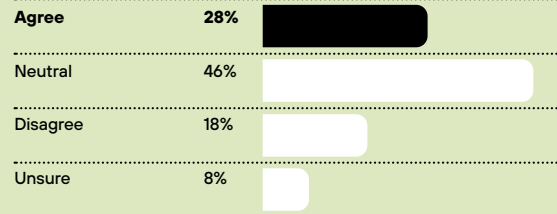
AI tools can help agents move faster, communicate better, and manage more clients, but they can't restructure the underlying transaction process, which remains document-heavy, slow, and built around workflows that predate the digital era.

Right now, most of the industry is adapting by testing tools and layering new technology onto old infrastructure. Transformation, where the transaction process itself becomes meaningfully faster and clearer for everyone involved, is still a work in progress.

### 60% of professionals are using or testing AI-enabled tools



### 28% of real estate professionals say Canada's real estate transaction system is outdated



## What does this mean for Canadians thinking about buying or selling a home in 2026?

The data points to a market that's stuck in its own head. Buyers know the window is there, but they're just not sure they trust it yet. And that uncertainty, more than any rate announcement or price correction, is what's defining 2026.

That hesitation is understandable. But the longer buyers wait, the more their circumstances can change: pre-approvals expire, listings move on, and the moment they finally feel ready looks different from the one they'd been planning for. The buyers who move in 2026 probably won't be the ones who feel most confident about the market. They'll be the ones who feel informed enough to act anyway.



If you're an agent who wants a closing experience your clients will thank you for, Ownright is built for you.

Flat fees, fast turnarounds, and a team that treats your referrals like you'd treat them yourself.

Become an Ownright partner →



ownright.com  
647-492-9515  
support@ownright.com

 Ownright