

Canada Real Estate Market Size, Share & Industry Report 2033

Canada real estate market size reached USD 183.8 Billion in 2024 and will grow at a CAGR of 2.60% and is expected to reach USD 231.5 Billion by 2033.

BROOKLYN, NY, UNITED STATES, July 9, 2025 /EINPresswire.com/ -- Market Overview 2025-2033

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Looking forward, IMARC Group expects the market to reach USD 231.5 Billion

by 2033, exhibiting a growth rate (CAGR) of 2.60% during 2025-2033. The market is growing due to increased homebuying activity, supportive policy changes, and sustained immigration. Growth is driven by affordability measures, suburban migration, and digital transaction platforms, making the industry more accessible, resilient, and competitive.

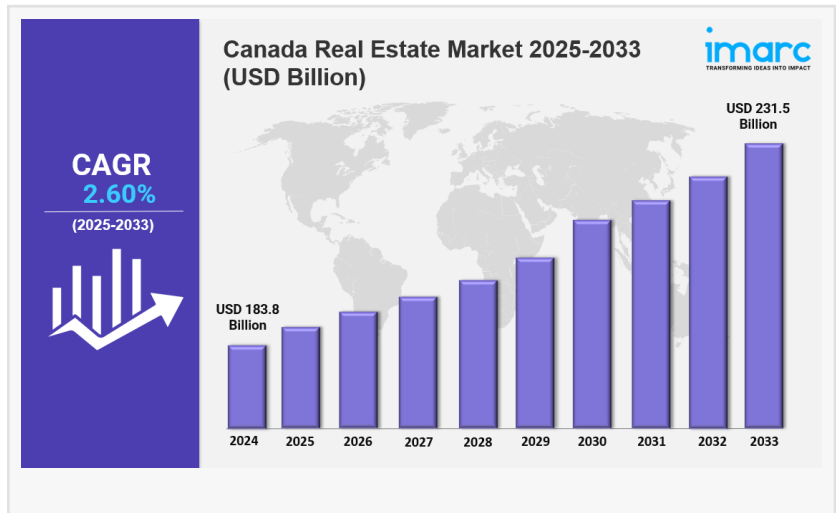
Key Market Highlights:

- Strong market activity driven by population growth and urban development in major cities
- Increasing demand for affordable housing and sustainable building practices
- Expanding investments in smart infrastructure and mixed-use developments across residential and commercial sectors

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Canada Real Estate Market Trends and Drivers:

The Canada real estate market underwent significant changes in 2024 following the Bank of Canada's interest rate hike to 5.0%. Higher borrowing costs made it harder for first-time buyers to qualify under stricter mortgage stress tests, leaving more than 30% unable to enter the market. Meanwhile, buyers with available capital took advantage of declining home prices,



widening the gap between investors and typical homebuyers. As ownership became less attainable for many, demand shifted to rentals. In major cities like Toronto, vacancy rates dropped below 1%, reaching historic lows.

National home sales slowed, and properties remained on the market longer. The average listing time rose to 45 days, up from 18 days in 2022. Some sellers began offering vendor take-back mortgages to close deals. Financing for new housing construction also became more difficult, delaying over 60,000 planned units. Despite this, the luxury segment remained strong. Prices in popular areas such as waterfront and ski resort towns increased by 12%, supported by favorable exchange rates for wealthy buyers.

The market continues to react to central bank policy. A possible interest rate cut in 2025 could stimulate demand but may also raise inflation concerns. On the policy side, the federal government extended its foreign buyer ban until 2026. However, the ban has had limited impact on pricing and has complicated foreign investment in new developments. Provinces are introducing their own measures. British Columbia's Homes for People initiative amended zoning laws to allow more multi-unit housing. Ontario introduced a tax on land banking, and Calgary sped up development approvals, with some projects approved in under 90 days.

Canada's population growth is also straining housing availability. The country welcomed 500,000 new immigrants in 2024, increasing demand for both owned and rented homes. To address the shortfall, modular housing is expanding. Quebec launched a \$1.2 billion program that has cut construction timelines by 40%. Still, the sector faces obstacles, including a shortage of skilled trades—over 100,000 positions remain vacant—and rising material costs. Lumber prices alone rose 22% over the past year.

Although the Canada real estate market size continues to grow, affordability remains a serious concern. The average home now costs about 62% of a household's income, far above the 30% benchmark for affordability. Underlying issues, such as underinvestment in mid-density housing and inadequate public transit, remain unresolved. Some younger buyers are turning to co-ownership models, with 17% of purchases in 2024 involving shared ownership. Older homeowners are also stepping in, using home equity to support family members or creating multi-generational living spaces.

The commercial real estate sector is facing difficulties as well. Office vacancy rates remain around 18%, prompting some municipalities to offer incentives for converting office spaces into residential units. Environmental risks are also impacting the market. In flood-prone areas like the Fraser Valley in British Columbia, home insurance premiums have tripled, pushing buyers toward less vulnerable regions.

Overall, the Canada real estate market is navigating a mix of financial, demographic, and environmental pressures. Growth continues, but unevenly. Meeting long-term housing demand will require better coordination among federal, provincial, and municipal governments. Builders,

lenders, and policymakers will need to collaborate more closely to improve access to both homeownership and rental housing across the country.

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Canada Real Estate Market Segmentation:

The market report segments the market based on product type, distribution channel, and region:

Study Period:

Base Year: 2024

Historical Year: 2019-2024

Forecast Year: 2025-2033

Breakup by Property Type:

- Residential Buildings and Dwellings
- Commercial Complexes
- Industrial Infrastructure
- Government Infrastructure

Breakup by Business:

- Sales
- Rental
- Lease

Breakup by Region:

- Ontario
- Quebec
- Alberta
- British Columbia
- Others

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Competitive Landscape:

The market research report offers an in-depth analysis of the competitive landscape, covering market structure, key player positioning, top winning strategies, a competitive dashboard, and a

company evaluation quadrant. Additionally, detailed profiles of all major companies are included.

About Us:

IMARC Group is a global management consulting firm that helps the world's most ambitious changemakers to create a lasting impact. The company provide a comprehensive suite of market entry and expansion services.

IMARC offerings include thorough market assessment, feasibility studies, company incorporation assistance, factory setup support, regulatory approvals and licensing navigation, branding, marketing and sales strategies, competitive landscape and benchmarking analyses, pricing and cost research, and procurement research.

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