



Urban

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VANCOUVER MULTI-FAMILY TAKE



Q2
2022

URGENCY SIDELINED

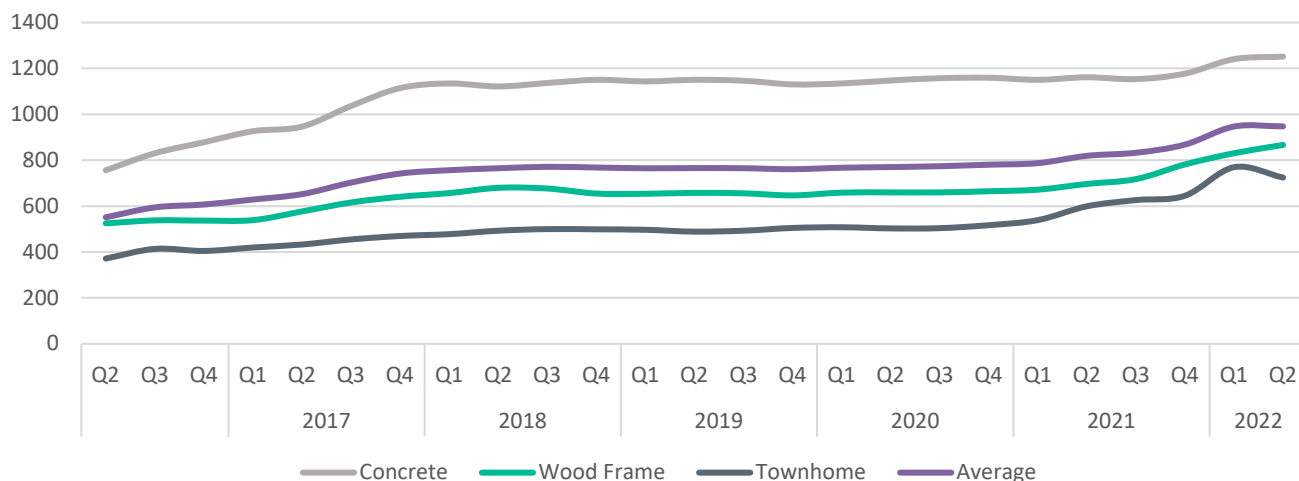
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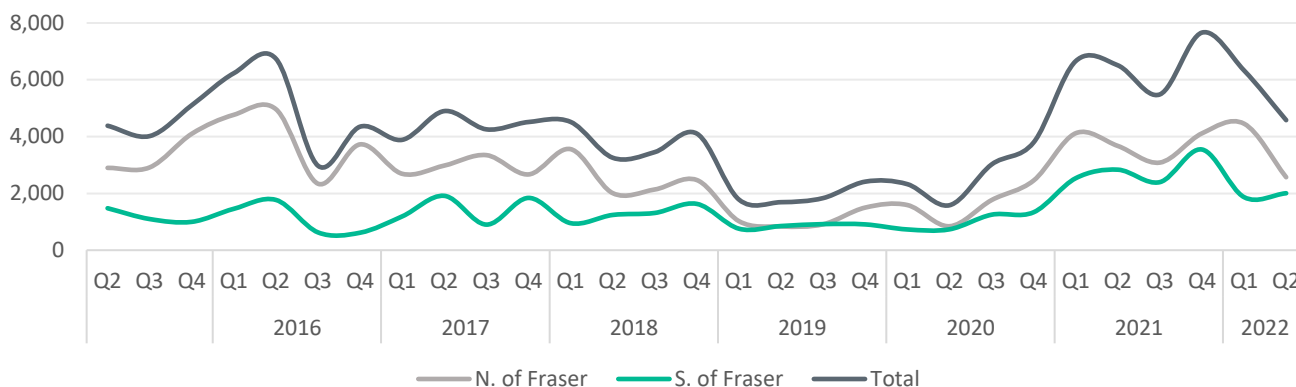
URGENCY SIDELINED

Metro Vancouver's new home market cooled rapidly in the second quarter of 2022 as evidenced by the 28 percent drop in sales from Q1-2022. The Bank of Canada announced two separate 50 basis point rate hikes over Q2-2022 in its attempt to reign in inflation. The subsequent rise in mortgage rates led many prospective homebuyers to pause their buying decisions, thereby removing urgency in the market. Given the uncertainty around the number and scale of future Bank of Canada rate hikes, investors were the quickest to move to the sidelines. Pricing of new multi-family home projects across the region remained generally flat during the quarter, though many projects began to offer the higher-valued buyer incentives and realtor bonuses, which effectively reduced prices. Despite the lower buyer urgency and demand experienced during the second quarter, sales continue to be achieved at actively selling projects across the market. End-user buyers drove much of the seven percent increase in quarterly sales in South of the Fraser submarkets, while the migration of investors to the sidelines led to a 42 percent decrease in the North of Fraser sales. Supply is expected to remain low across most of Metro Vancouver as developers of large comprehensive projects continue to monitor market conditions and evaluate how long to delay project launches.

METRO VANCOUVER PRICE TREND BY PRODUCT TYPE



QUARTERLY NEW MULTI-FAMILY HOME SALES



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