

Pre-Sale Pulse Market Insights

MLA ADVISORY | SEPTEMBER 2022

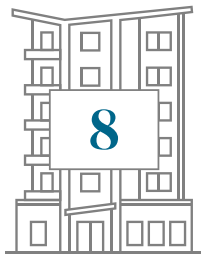
MLA

AUGUST 2022

Pre-Sale Real Estate Insights

GREATER VANCOUVER & FRASER VALLEY PRE-SALE HOME SUMMARY | JULY-SEPTEMBER 2022

JULY 2022
RELEASED*

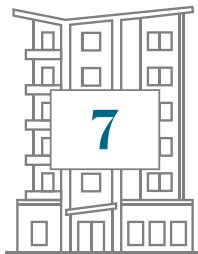


PROJECT LAUNCHES

1,354

APPROX.
NO. PRE-SALE UNITS

AUGUST 2022
RELEASED*



PROJECT LAUNCHES

463

APPROX.
NO. PRE-SALE UNITS

SEPTEMBER 2022
FORECAST*



PROJECT LAUNCHES

1,091

APPROX.
NO. PRE-SALE UNITS

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After the expected summer sales drop, all eyes are on the upcoming Fall market. While there is interest in the market, buyer confidence and uncertainty will continue to play the biggest role in dictating sales volumes. We expect current same month absorptions to remain with greater focus on woodframe and townhouse product releases. Larger scale concrete projects will watch market conditions closely to ensure financing presale test requirements can be met before deciding whether to launch this Fall or hold out for Spring 2023.

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Suzana Goncalves

EVP, SALES AND MARKETING; PARTNER, MLA CANADA

*The data is provided through various sources such as Zonda Urban, Altus Data Studio, FVREB, and REBGV and is analyzed and interpreted by MLA Advisory. The information, analysis and opinions are compiled through various sources thought to be extremely reliable, although accuracy cannot be guaranteed. MLA Canada or its employees will not be held liable for the information, analysis and opinions herein.

AUGUST SALES ACTIVITY LEVELS OFF

After several months of declining sales activity across Metro Vancouver, August's presale and resale markets levelled off - either unchanged or slightly improved from July. As a result, buyers are beginning to re-examine the market, looking to find new opportunities as supply-demand metrics improve. The re-examination has coalesced with renewed confidence among buyers as the initial shock of rising interest rates lessens. In August, seven presale programs were launched in, releasing 463 units across Metro Vancouver's market, with many developers opting to launch in late September or October.

LOCAL ELECTIONS: WHERE GETTING TO THE TOP IS A RACE TO THE BOTTOM

On October 15th British Columbians will go to the polls to select their new mayor and council. As is often the case, the questions of housing supply and affordability will be critical issues on the minds of residents and voters. The two major camps in this debate are often, on one side, those who wish to limit change in their communities and, on the other, those who want to increase urban density and infrastructure and meet the growing needs of our cities. When voters choose their next mayor and council, they must consider the long-term impact each candidate's policy decisions are likely to have on our housing market. Current housing affordability and supply challenges are primarily a product of policy decisions made over twenty years ago. While the Broadway and Vancouver Plan look to pave the way for a more affordable, sustainable future, the next council will implement and set the tone of how they will execute these growth strategies in the future.

THE FALL MARKET IS POISED FOR STRONG PRESALE ACTIVITY

The Fall market tends to see increased presale launch activity as homebuyers' attention moves away from family vacations and the return to school and back to the real estate market. After months of marketing, several major programs are putting in the final touches on their sales program and are preparing to launch over this period. Significant developments include Georgetown 2 by Anthem in Surrey, Core by Westland in Surrey, and Curv by Brivia Group in Downtown Vancouver. MLA Advisory forecasts nine presale launches in September for the upcoming month, bringing 1,091 units to market.

Pre-Sale Sold Rate In August 2022



Pre-Sale Units Forecasted for September 2022



MLA Canada's dedicated Advisory team maintains an exhaustive understanding of market intelligence. We offer the development industry market intelligence, product design and price analysis services leveraging our in-depth investigation to assist in strategy, acquisition and feasibility.

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