

Pre-Sale Pulse Market Insights

MLA ADVISORY | AUGUST 2025

MLA

AUGUST 2025

Pre-Sale Real Estate Insights

GREATER VANCOUVER & FRASER VALLEY PRE-SALE HOME SUMMARY | JUN 2025 TO AUG 2025

JUN 2025
RELEASED*

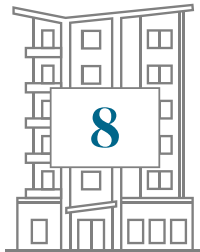


PROJECT LAUNCHES

514

APPROX.
NO. PRE-SALE UNITS

JUL 2025
RELEASED*

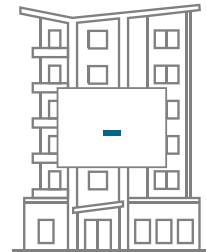


PROJECT LAUNCHES

572

APPROX.
NO. PRE-SALE UNITS

AUG 2025
FORECAST*



PROJECT LAUNCHES

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APPROX.
NO. PRE-SALE UNITS

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The summer has been very quiet in the presale market. The July 30 interest rate hold by the Bank of Canada added little relief for homebuyers as the promised lower rate environment is not coming to fruition as expected. With continued slow sales centre traffic and negative sentiment toward investor product, we are expecting zero new project launches in August across the Lower Mainland.

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Garde MacDonald

DIRECTOR OF ADVISORY, MLA CANADA

* The data is provided through various sources such as Zonda Urban, 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.

SEASONAL SLUMP

Eight new projects came on the market in July, consistent with recent monthly activity and aligned with the five-year average for new launches during this time of year. However, while launch volume held steady, the number of units released fell short of seasonal norms. With just 572 units brought to market, compared to the five-year July average of 857 units, representing a 33% decline. This lower release volume is largely due to the type of product being launched, with 7 of the 8 projects consisting of wood frame construction or a limited release of townhome units, which typically yield fewer units per project than concrete offerings. Geographic trends also remained consistent, with the Fraser Valley accounting for 6 of the 8 launches, reinforcing ongoing developer focus in more affordable, family-oriented submarkets.

Sales absorption in July reached 13%, falling well below the five-year seasonal average of 29%. While an improvement over some of the softer months earlier this year, absorption remains subdued by historical standards. A few Fraser Valley projects stood out, achieving monthly sales of 25 to 30 units, volumes that were more common in 2023 and early 2024, but have been less frequent in 2025 to date, highlighting the selective nature of buyer demand in today's market.

STEADY RATES AND TRADE DEBATES

In July, the Bank of Canada maintained its policy rate at 2.75% for the third straight time, reflecting a steady approach amid ongoing economic challenges. While GDP slipped 0.1% in May, the broader economy has held up better than expected, avoiding the sharper downturn many feared at the onset of trade tensions. Manufacturing remains under pressure, but strength in the service sector has helped offset some of the weakness. This has led to a slight improvement in business and consumer confidence, particularly around personal finances and the job market.

The U.S. announced a 35% tariff on Canadian goods in early July 2025, an increase from the previous 25%. While the announcement raised concerns, the immediate impact is expected to be limited, as about 95% of Canadian exports to the U.S. remain covered under the CUSMA agreement and are exempt from the new tariffs. However, smaller businesses that rely on imported components from outside North America may still be affected, especially if their products don't meet CUSMA rules of origin. More critically, CUSMA is set for review in June 2026, and if not renewed, these tariffs could apply more broadly, potentially reducing

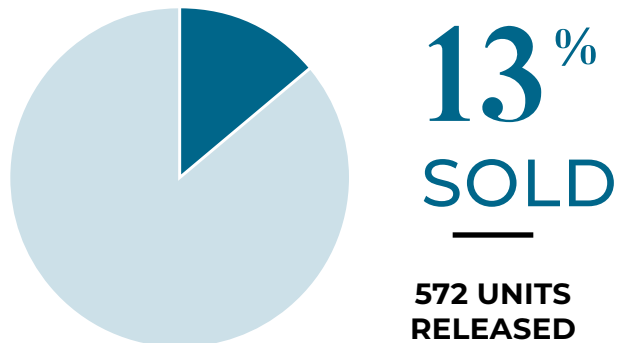
Canada's real GDP by 1.25% by 2027, according to the Bank of Canada.

FALL FORECAST LOOKING FOGGY

August is typically a slower month for new project launches, with the five-year seasonal average showing at least seven launches and over 800 units released. However, this year no new projects are expected as many developers are choosing to delay their launches until September or later in the fall, when buyers are more focused and less distracted by vacations and summer activities.

On the resale side, the market in July remained stagnant, with Greater Vancouver showing a modest month-over-month sales increase while Fraser Valley sales stayed flat. Both regions recorded sales below their 10-year seasonal averages by 14% and 23%, respectively. Inventory levels remain exceptionally high, surpassing the 10-year seasonal averages by 40% in Greater Vancouver and 50% in the Fraser Valley. Benchmark prices declined slightly compared to last month. If any shifts in market activity occur, they are expected to take place in the fall.

Pre-Sale Sold Rate | July 2025



Pre-Sale Units Forecasted for August 2025



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