



Highlights

- Lower mainland home sales remained low in September, down by 2 per cent during the month
- B.C. reports negative population growth for a second consecutive quarter
- Once a source of significant population growth, non-permanent resident migration recedes in B.C.

Lower Mainland housing market subdued through September

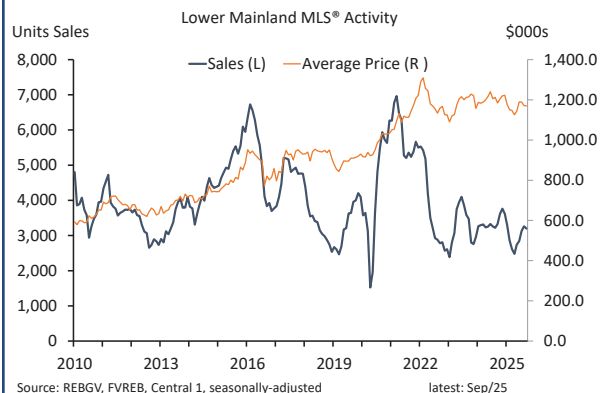
Bryan Yu, Chief Economist

Housing market conditions in B.C.'s Lower Mainland remained sluggish through September. After recovering in recent months following a tariff uncertainty induced spring slowdown, home sales look to have crested again. MLS® home sales reached 2,783 units in September, which was unchanged from a year ago. While this improved from August's y/y decline of 2.7 per cent, we calculate a 2 per cent decline once adjusted for seasonal factors. Sales remained within the low range seen since 2022 with relatively high mortgage rates and prices, and economic uncertainty holding back demand.

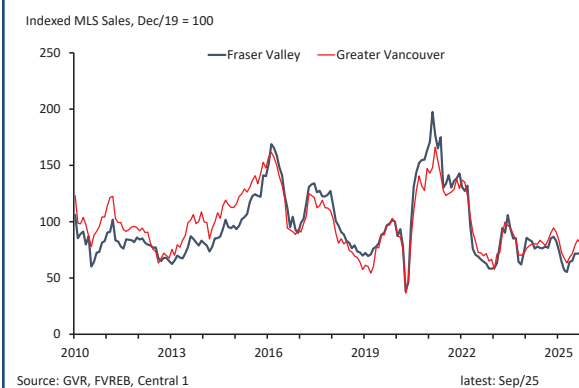
Year-to-date sales fell 12 per cent, tracking a full-year decline of 10 per cent. This would mark a level similar to 2008, and the lowest since 2000. Weakness has been led by the Fraser Valley which is tracking a 16 per cent annual decline and a 25-year low in sales. Greater exposure to tariff risk through manufacturing and a market more geared toward first time homeownership are contributing factors to the downturn.

Low demand combined with consistently high inventory will keep market conditions soft. While new and active listings slipped on a seasonally-adjusted basis, the latter rose 15 per cent from a year ago, with new listings up 5 per cent. The sales-to-active listings ratio was firmly in a buyers' market at 10.7 per cent (13 per cent seasonally-adjusted) which points to a relative oversupply of

Recovery from tariff uncertainty stalls



Fraser Valley underperforms rest of the region in 2025



listings. Buyers who are kicking tires have more choice but are hesitant to purchase. These dynamics are grinding prices lower, although levels have remained relatively resilient.

The average price reached \$1.166 million, up from the spring low but flat on a seasonally-adjusted basis from August, and down 1.1 per cent y/y. Composite home values which adjust for housing attributes were steady relative to August, but have declined four per cent from a year ago across product types. Further price reductions are anticipated given the overhang of inventory, particularly for apartments, where a glut of new unsold units is hitting the market. Interest rate cuts will be supportive of demand going forward but partly offset by continued uncertainty.

Lower Mainland MLS®

	Actual			m/m % ch		s.a. m/m % ch		y/y % ch	
	2024M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09
Unit Sales	2,783	2,842	2,783	-16.3	-2.1	4.2	-2.0	-2.7	0.0
Average Price	1,179,980	1,156,023	1,166,818	-1.2	0.9	-1.5	-0.1	-2.3	-1.1
New Listings	9,325	6,854	9,795	-23.3	42.9	5.2	-3.5	3.8	5.0
Active Listings	22,614	25,183	26,125	-4.2	3.7	-1.2	-1.1	19.4	15.5
Sales-to-Active Listings	12.3	11.3	10.7	n/a	n/a	n/a	n/a	n/a	n/a
Benchmark Price									
	Actual			m/m % ch		s.a. m/m % ch		y/y % ch	
	2024M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09	2025M08	2025M09
Total	1,110,900	1,078,266	1,069,424	-1.1	-0.8	0.0	0.1	-4.4	-3.8
Singles	1,806,800	1,747,449	1,729,975	-1.1	-1.0	0.0	-0.2	-4.8	-4.4
Townhome	970,200	950,199	939,462	-1.4	-1.1	-0.2	0.0	-3.8	-3.2
Apartment	708,400	680,406	675,439	-1.2	-0.7	-0.4	0.0	-4.7	-4.7

Lower Mainland MLS® , Year-to-Date

	Actual			y/y % ch	
	2024M09	2025M08	2025M09	2025M08	2025M09
Unit Sales	30,585	24,136	26,919	-13.2	-12.0
Average Price	1,209,732	1,166,164	1,166,232	-3.8	-3.6
New Listings	74,654	73,207	83,002	12.1	11.2
Active Listings	18,625	23,563	23,848	30.0	28.0
Sales-to-Active Listings	18.7	12.9	12.6	na	na

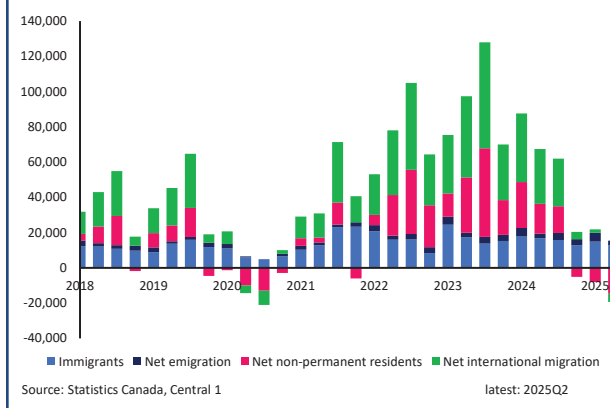
B.C. population growth contracts as non-permanent resident migration falls

Eloho Ennah, Economic Analyst

B.C.'s population shrunk in the second quarter of 2025, as recent growth trends continued to point to a sharp pullback from rapid expansion of the last three years. Quarter-over-quarter, B.C.'s population declined by 0.04 per cent (-2,155 persons) to 5.7 million as of July 1, 2025. This also followed the 0.01 per cent dip (-299) in the prior month. B.C. was the only province to note a population decline. Outside of the pandemic lows when border restrictions brought growth to a standstill, this was one of the lowest growth rates since 2011.

The downtick in population growth was brought on by a sharp drop in non-permanent resident migration as the effect of revised immigration caps have begun to materialize. The stellar population growth experienced by the province and Canada as a whole in previous years came from historically high levels of non-permanent resident migration but that trend has

B.C.'s population declines as non-permanent resident numbers fall



now reversed. B.C. non-permanent resident figures had peaked as of October 2024 at 532K and began to decline soon after. As of July 2025, total non-permanent resident numbers had fallen to 504K (-14.7K), a drop of 2.8 per cent compared to the previous quarter and down by 2.4 per cent year-over-year. Contributing to this was a decline of permit holders (-4.6 per cent),

particularly those holding work and study permits (-14.7 per cent). It is likely that some permit holders transitioned to permanent residents while other exited Canada as their permits expired. Losses to net emigration (-2.6K) were also a factor in this quarter's decline. B.C. welcomed 12,740 immigrants/permanent residents during the quarter. B.C. also saw gains from interprovincial migration, welcoming 1,678 individuals from other provinces.

B.C.'s population metrics for the second quarter of 2025 mark a turning point after years of rapid expansion, as federal immigration caps go into effect. Slower inflows will no doubt impact the number of entrants into the labour force while softening demand in the housing and rental markets. The slowing growth would also weigh on consumer demand and revenues for businesses in the province, dampening economic activity.

For more information, contact economics@central1.com.