

# 2025 H1 Residential Market Forecast



# Greater Vancouver REALTORS® | Economics

## 2025 H2 | Residential Market Forecast

---

### Failure to launch

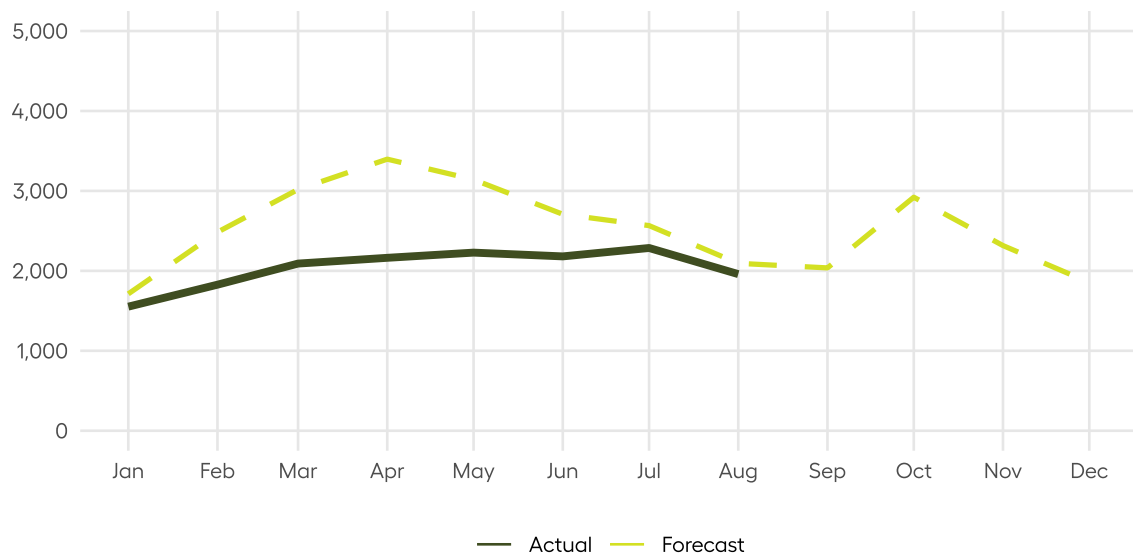
In our [2025 H1 forecast](#), we noted that sales momentum appeared to be building toward the end of 2024, setting up 2025 on solid footing and leaving us optimistic that this would be a strong year for sales.

In January, sales came in encouragingly on target, only slightly below our forecast.

But as February and March passed, it became apparent that sales were significantly lagging our forecast, and the precise reason was not entirely obvious<sup>1</sup>.

### 2025 Sales Forecast - Predicted vs. Actuals

GVR Market Total, Monthly Data



GVR Economics

Typically, the first half of the year is marked by heightened activity, with buyers and sellers participating in the busy spring market.

---

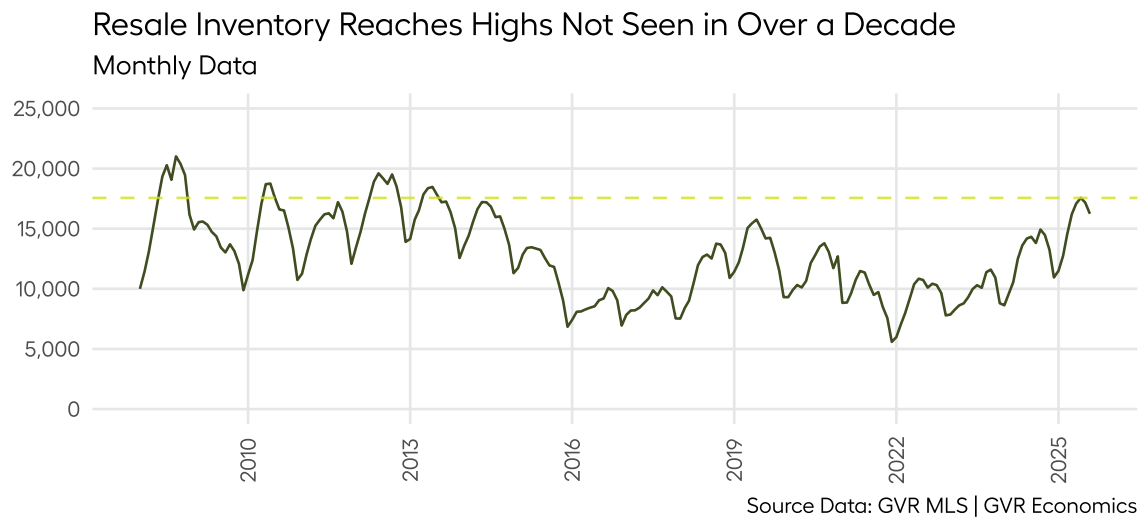
<sup>1</sup>While we were aware of the new US administration's tariffs, the macroeconomic data available at the time did not show any major impacts to the BC economy that would typically be associated with slowing sales activity. The data doesn't support the assertion that the threat of tariffs was the primary culprit, and this hypothesis remains difficult to prove empirically at the time of writing.



But the sluggish sales trend observed in the first quarter persisted throughout the first half of 2025, with sales remaining below their long term averages, and well below seasonal norms.

It was clear that something was amiss in the market, and whatever it was appeared to be keeping buyers on the sidelines.

Sellers by contrast, remained eager to list their properties throughout the first half of the year, bringing standing inventory to heights not seen in over a decade.



### Trump effect

As sales lagged below their long-term average through the first half of the year, inventory rose and prices eased. Despite lower borrowing costs and lower prices, buyers remained hesitant to meaningfully enter the market.

As tends to happen when answers to complex questions aren't obvious, stories began to circulate suggesting that the economic uncertainty arising from the trade tensions with the USA was the primary culprit keeping buyers on the sidelines.

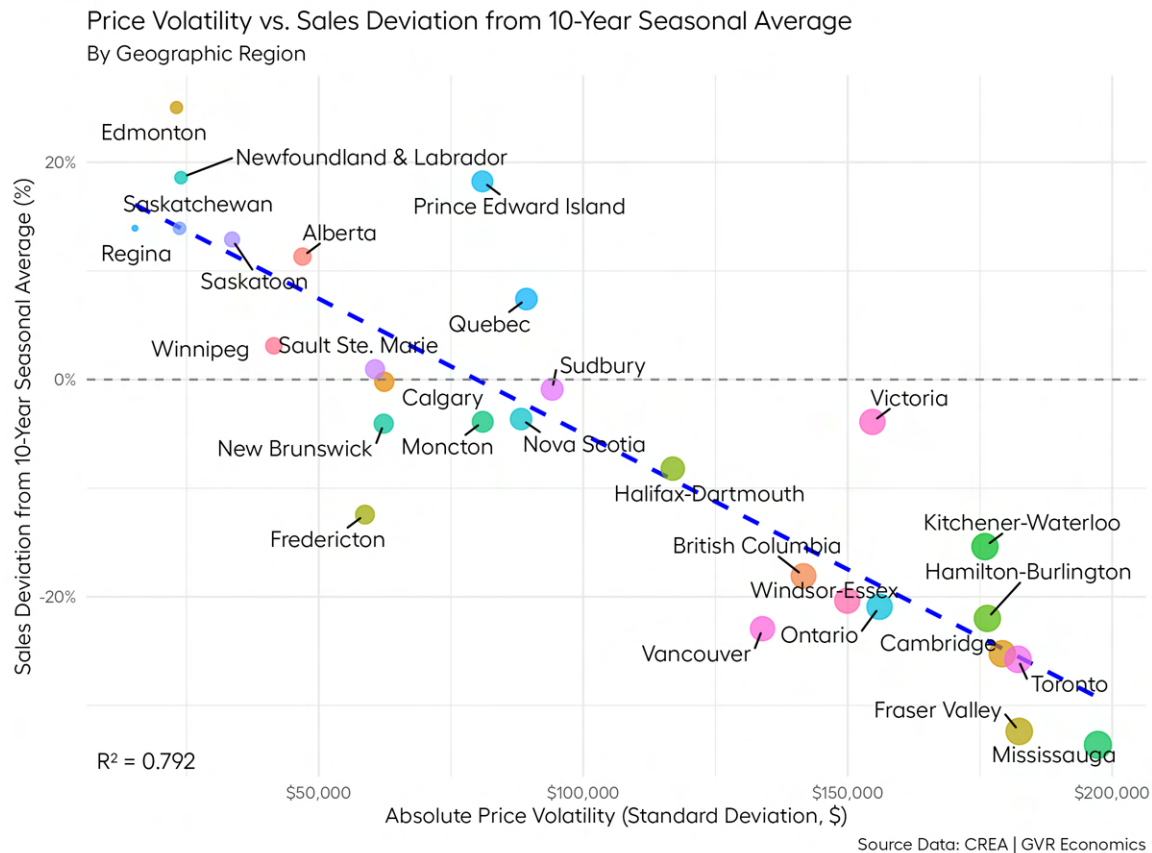
In a series of research notes<sup>2</sup> on the topic however, we found that there was little empirical evidence to support the assertion that flagging sales were the result of economic uncertainty, per se.

What we did find, was that markets across Canada in which home prices had appreciated most rapidly (or had seen a lot of price volatility) over the past ten years or so, were also the markets experiencing the slowest levels of sales.

---

<sup>2</sup>[Make it Make Sense - July 2025](#), [Reasonable Doubt - June 2025](#), [Missing: Buyers - April 2025](#), and [Uncertain Uncertainty - March 2025](#)

Conversely, less volatile markets that had seen slower price appreciation over the past ten years were showing considerable strength in sales activity.



The conclusion from these analyses was that the uncertainty appeared to be more related to forward-looking price expectations in certain markets, as opposed to the uncertainty surrounding economic fundamentals (i.e. increased job losses, slowing GDP, etc.).

So, while economic uncertainty has undoubtedly factored into the calculus of buyers across the country, the impact has not been uniformly distributed across all markets.

### Sales forecast

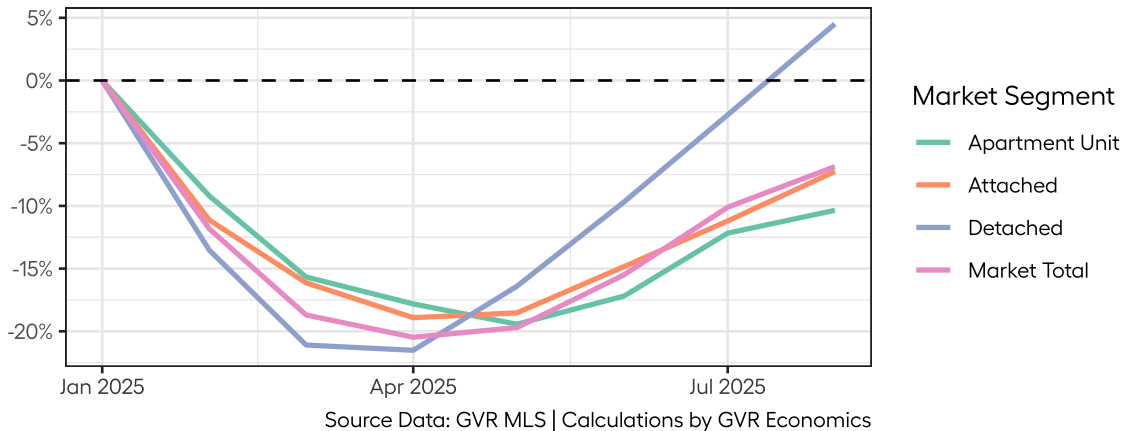
GVR's [2025 H1 forecast](#) predicted that sales across Greater Vancouver would increase by approximately 14 per cent relative to 2024, reaching 30,250 by year-end.

It's now apparent that the sales momentum leading into 2025 was not sustained. The current sales trajectory for the second half of the year is likely insufficient to make up the ground lost during the first half.

Despite the turmoil that marked the first half of the year however, there are emerging signs that home sales are beginning to recover, albeit at a modest pace.

## Indexed Sales Trends by Market Segment -- All GVR Market Areas

Data indexed to January 2025



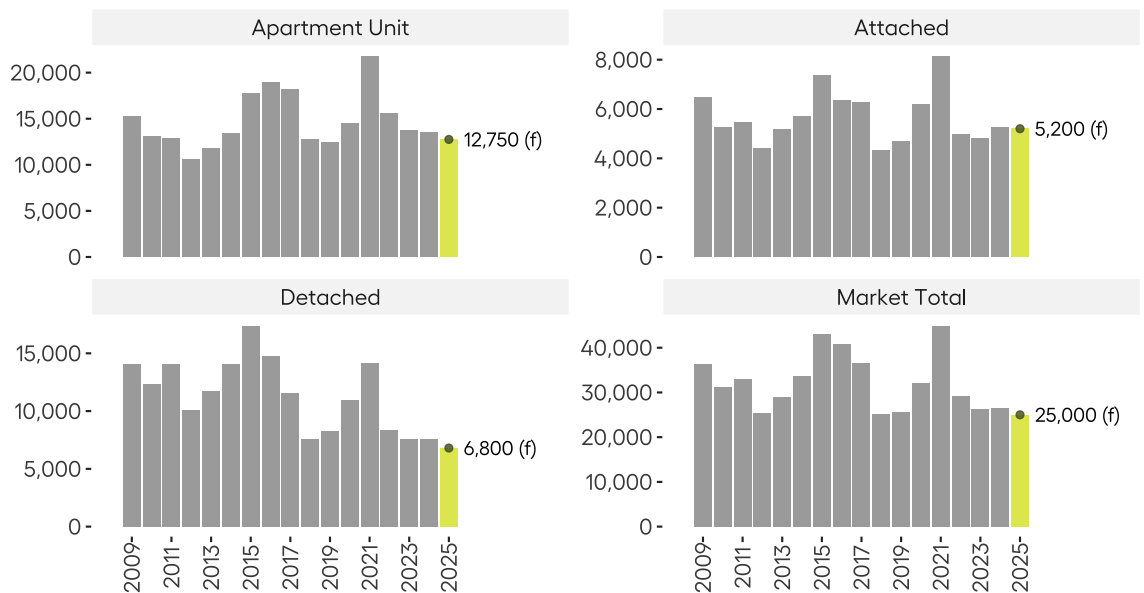
With a recent Bank of Canada rate cut, and markets pricing at least one more cut to come this year, lower borrowing costs could help spur a modest recovery in sales in the second half of the year.

Additionally, we expect trade tensions with the USA to ease (eventually), which we also expect to help spur on market activity over the short term.

Together however, these factors suggest a downward revision to our H1 forecast is warranted, as it's unlikely sales will reach our original target based on the current trajectory.

## GVR H2 - Residential Sales Forecast

Annual Totals, by Market Segment



Source: GVR Economics

The table below summarizes our sales forecasts by market segment:

### GVR H2 Forecast - Residential Sales

Market Segment	2024 Actual	2025 Forecast	% Change
Apartment Unit	13,561	12,750	-6.0%
Attached	5,250	5,200	-1.0%
Detached	7,544	6,800	-9.9%
Market Total <sup>1</sup>	26,561	25,000	-5.9%

<sup>1</sup> Total includes Land and Multi-Family Revenue property transactions, not shown in this table.

Source: GVR Economics

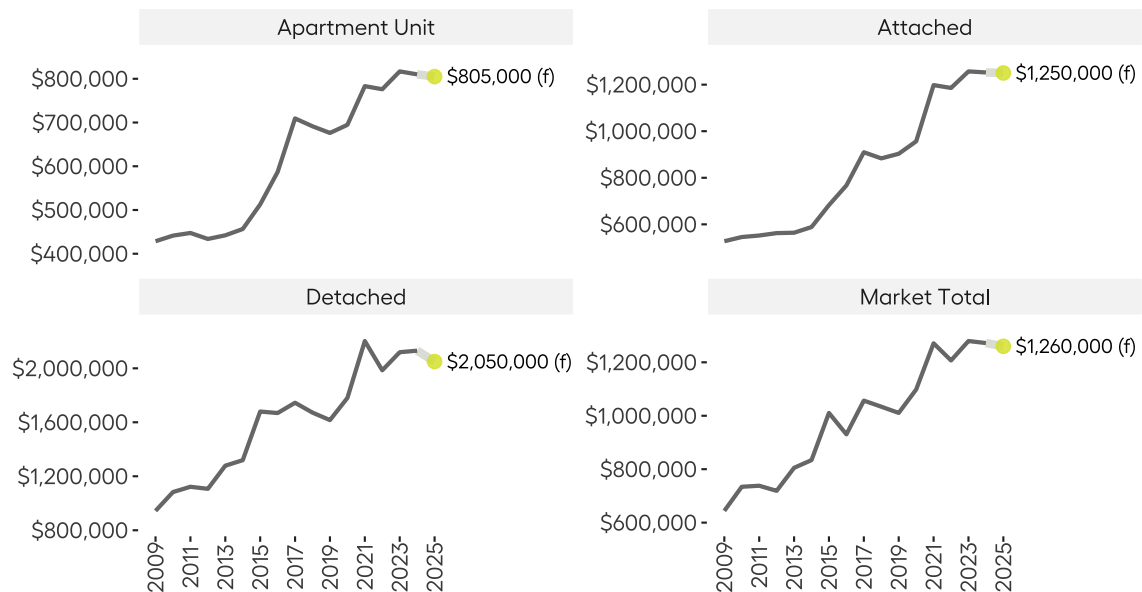
### Price forecast

GVR's H1 2025 forecast predicted that the average price for all market segments combined would increase to reach approximately \$1.35m in 2025, an increase of approximately four per cent.

With weaker demand than expected at this point in the year, and with inventory levels near highs not seen in over a decade, prices have drifted downward modestly over the course of the first half of the year.

As a result, a downward revision to our H1 price forecast is warranted.

### GVR H2 - Residential Average Price Forecast At Year-End, by Market Segment



Source: GVR Economics

The table below provides a breakdown of the price forecasts by market segment:

## GVR H2 Forecast - Residential Prices<sup>7</sup>

Market Segment	2024 Actual	2025 Forecast	% Change
Apartment Unit	\$810,000	\$805,000	-0.6%
Attached	\$1,252,000	\$1,250,000	-0.2%
Detached	\$2,131,000	\$2,050,000	-3.8%
Market Total	\$1,272,000	\$1,260,000	-0.9%

<sup>7</sup> Trend component, seasonally adjusted average prices. Actuals rounded to nearest thousand.

Source: GVR Economics

## Summary of risks to the forecast

Below, we provide a summary of reasonably foreseeable risks to the forecast at the time of publication:

### Downside risks

1. Sales could slow more significantly than forecast if the economy heads into recession, increasing unemployment, thereby reducing demand among potential buyers.
2. Sales could experience an acute downside shock as a result of new tariffs imposed on Canadian exports to the USA, though we continue to expect any such effects to be short-lived.
3. Valuations could be lower than forecast if a recession is accompanied by significant job losses, eliminating pools of buyers who otherwise may have participated in the market.

### Upside risks

1. Sales activity and valuations could be higher than forecast if borrowing costs fall more than expected. This might occur in response to a domestic recession, or to offset anticipated negative shocks to the economy from further threats of tariffs imposed on Canada by the USA.
2. Inventory levels could recede more quickly from their currently elevated state, which may lead to modest price appreciation by year end. It remains unlikely that price appreciation by year end would be greater than our H1 forecast estimates, however.

---

## About GVR Economics

Headed by Andrew Lis, Director, Economics and Data Analytics, GVR's Economics team focuses on delivering timely insights to members and the public through the provision of market analyses, forecasts, presentations, and other analytical products.

## About this forecast

GVR prepares an annual high-level residential market forecast twice per year, with release dates at the start of the first half (H1) and second half (H2) of the year, respectively. The initial (H1) forecast is updated in July/August (H2) to factor in the relative strength of spring market activity, as well as other economic factors that may have evolved since the initial forecast.

Areas covered by Greater Vancouver REALTORS® include: Burnaby, Coquitlam, Maple Ridge, New Westminister, North Vancouver, Pitt Meadows, Port Coquitlam, Port Moody, Richmond, South Delta, Squamish, Sunshine Coast, Vancouver, West Vancouver, and Whistler.

Greater Vancouver REALTORS® is an association representing more than 15,000 REALTORS® and their companies. GVR provides a variety of member services, including the Multiple Listing Service®. For more information on real estate, statistics, and buying or selling a home, contact a local REALTOR® or visit [www.gvrealtors.ca](http://www.gvrealtors.ca).



