

News Release

Increased borrowing costs contribute to reduced sales and dollar values across the Lower Mainland's commercial real estate market

Vancouver, B.C. – September 18, 2023 – Year-over-year declines in sales and dollar volumes highlighted a quieter second quarter (Q2) of 2023 in the Lower Mainland's commercial real estate market.

There were 280 commercial real estate sales in the Lower Mainland in Q2 2023, a 56.5 per cent decrease from the 644 sales recorded in Q2 2022, according to data from Commercial Edge, a commercial real estate system operated by the Real Estate Board of Greater Vancouver (REBGV).

The total dollar value of commercial real estate sales in the Lower Mainland was \$1.763 billion in Q2 2023, a 54 per cent decrease from \$3.831 billion in Q2 2022.

"Real estate transactions across the Lower Mainland have been affected by some of the highest borrowing costs we've seen in over 10 years," Andrew Lis, REBGV's Director of Economics and Data Analytics, said. "With the landscape for monetary policy looking set where it is for at least the near-term, it's likely we'll see the commercial real estate market continue along this trajectory for the rest of 2023."

Q2 2023 activity by category

Land: There were 83 commercial land sales in Q2 2023, which is a 62.6 per cent decrease from the 222 land sales in Q2 2022. The dollar value of land sales was \$789 million in Q2 2023, a 57.6 per cent decrease from \$1.863 billion in Q2 2022.

Office and Retail: There were 112 office and retail sales in the Lower Mainland in Q2 2023, which is down 51.3 per cent from the 230 sales in Q2 2022. The dollar value of office and retail sales was \$281 million in Q2 2023, a 63.4 per cent decrease from \$767 million in Q2 2022.

Industrial: There were 66 industrial land sales in the Lower Mainland in Q2 2023, which is a 59 per cent decrease from the 161 sales in Q2 2022. The dollar value of industrial sales was \$428 million in Q2 2023, a 32.4 per cent decrease from \$633 million in Q2 2022.

Multi-Family: There were 19 multi-family land sales in the Lower Mainland in Q2 2023, which is down 38.7 per cent from 31 sales in Q2 2022. The dollar value of multi-family sales was \$266 million in Q2 2023, a 53.2 per cent decrease from \$568 million in Q2 2022.

Owned and operated by the Real Estate Board of Greater Vancouver (REBGV), the Commercial EDGE system includes all commercial real estate transactions in the Lower Mainland region of BC that have been registered with the Land Title and Survey Authority of British Columbia. Commercial EDGE is updated monthly based on data originating from the BC Assessment Authority. Commercial EDGE does not include share sale transactions as they are not registered with the Land Title and Survey Authority of British Columbia. Please note that historical data may be subject to revision as transaction records are received from the Land Title and Survey Authority of British Columbia.

The REBGV is an association representing over 15,000 residential and commercial REALTORS® and their companies. It provides a variety of member services, including the Multiple Listing Service® and the Commercial Edge service. For more information on real estate, statistics, and buying or selling a property, contact a local REALTOR® or visit www.rebgv.org.

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Category definitions:

Land includes properties that are holding properties, farmland, garden centres, redevelopment sites, land assembly sites, vineyards, etc.

Office and Retail properties are defined by the zoning according to each municipality and must have a building on the site. This category includes: Office, office condo, retail, retail condo, shopping centre, gas station, car dealerships, banks, community centres, day care, educational facility, institutional, golf courses, movie theatre, hotel, churches, restaurants, truck stops and others.

Industrial properties are also defined by the zoning according to each municipality and must have a building on the site. This includes warehouses, warehouse bays and multi-bay warehouses.

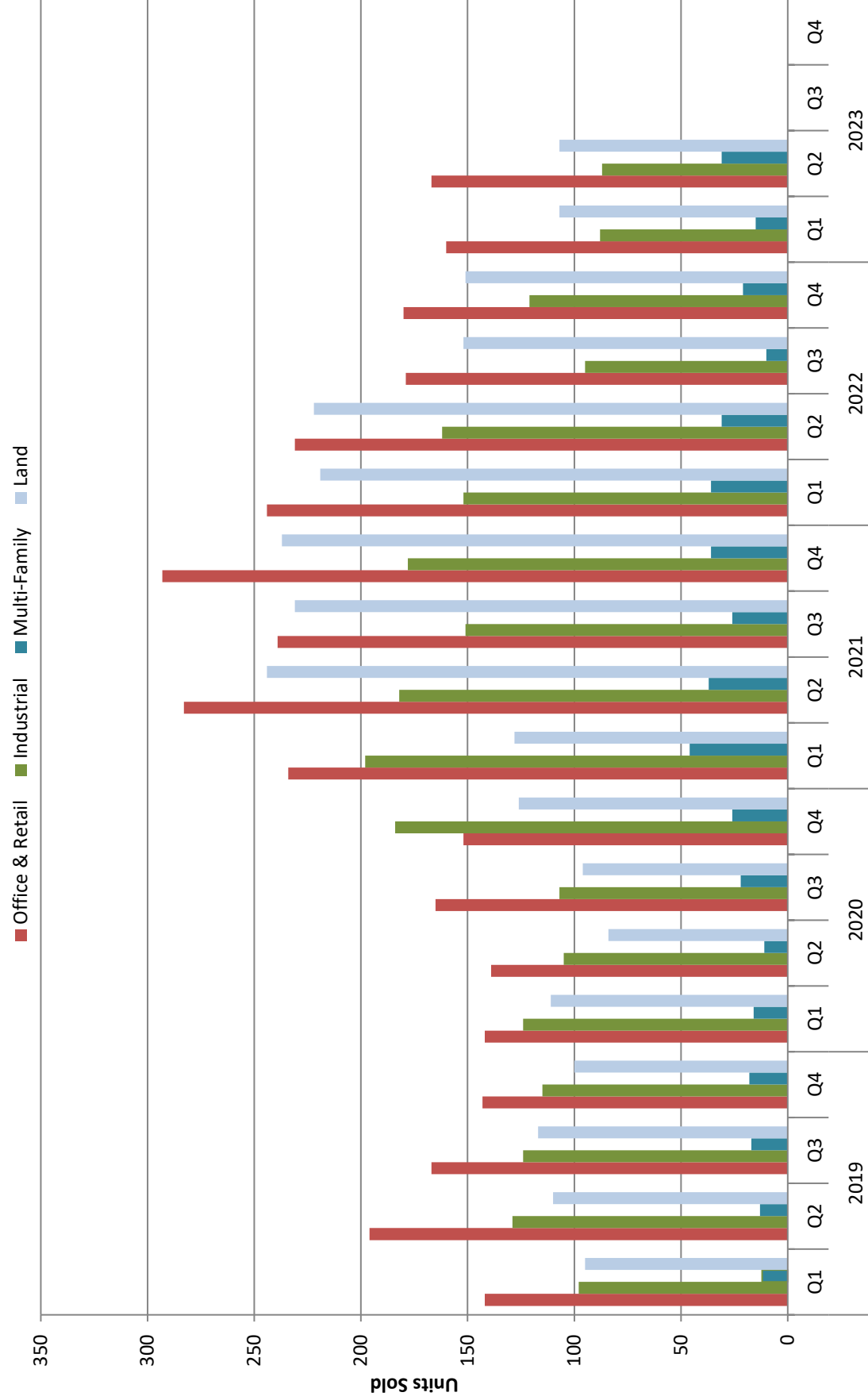
Multi-Family properties include: nursing homes, high rises, low rises, and any condo or townhome properties containing four or more units with at least one zoned for commercial use.

**LOWER MAINLAND
COMMERCIAL Sales Activity by Area**

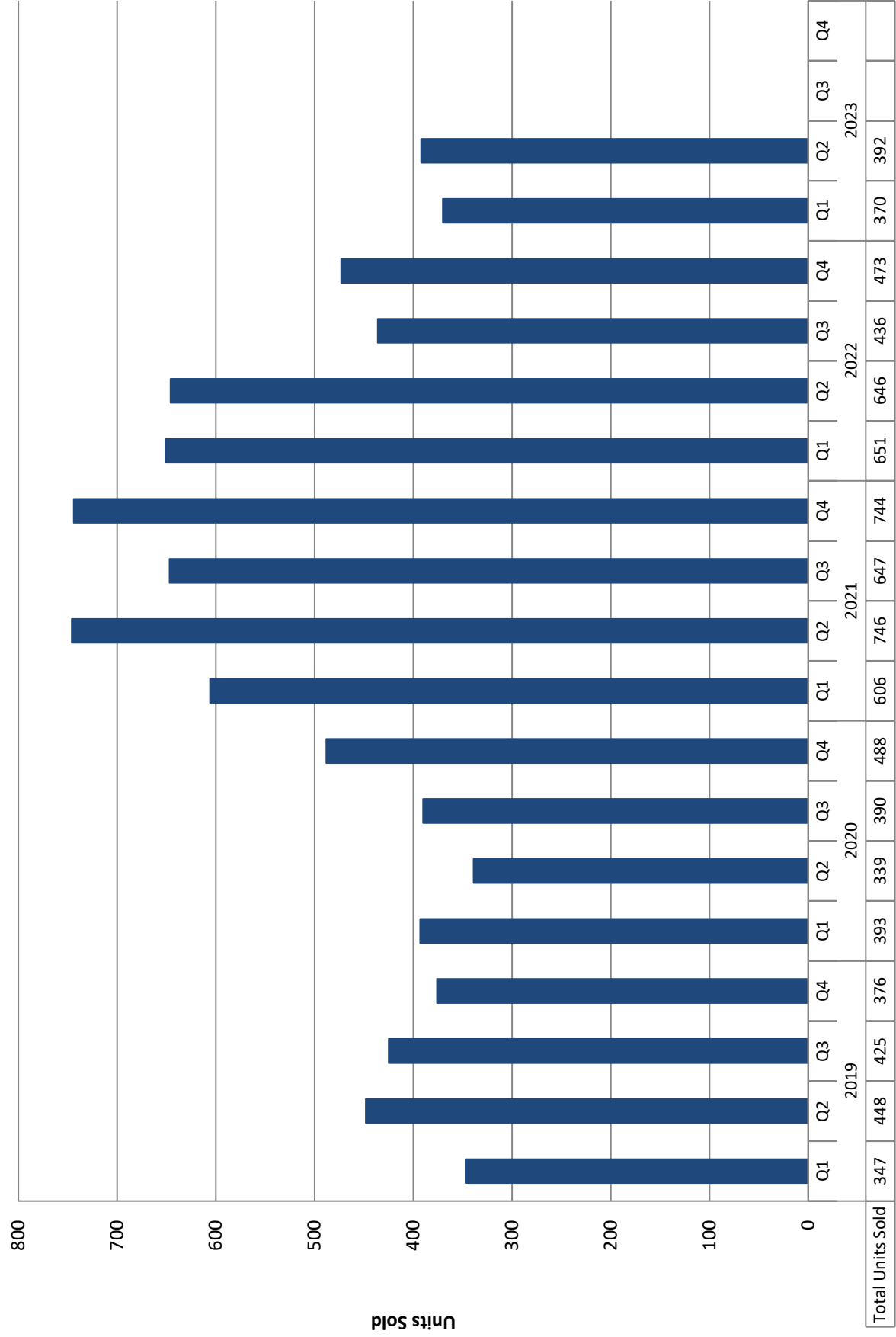
2023 Second Quarter		Abbotsford	Burnaby	Chilliwack	Coquitlam	Delta	Langley	Maple Ridge	Mission	New Westminster	North Vancouver	Pitt Meadows	Port Coquitlam	Port Moody	Richmond	Surrey	Vancouver	West Vancouver	White Rock	TOTALS by Category	GRAND TOTALS	
2023 Q2	Office & Retail	12	11	5	2	4	5	3	3	0	2	2	4	1	16	14	25	0	1	112		
	Industrial	7	4	3	5	3	1	1	1	0	3	0	4	0	12	13	3	0	0	66		
	Multi-Family	1	0	0	0	0	2	0	1	0	0	0	0	0	0	0	0	0	1	19		
	Land	3	5	0	4	2	11	5	3	0	1	0	4	1	4	27	13	0	0	83		
	Dollar Value	\$20,081,402	\$14,583,720	\$5,111,800	\$6,836,000	\$24,160,850	\$5,168,417	\$4,470,000	\$4,123,838	n/a	\$2,416,685	\$986,000	\$6,875,000	\$3,380,000	\$48,878,750	\$43,259,500	\$89,405,853	n/a	\$80,000	\$280,877,995		
	Industrial	\$20,798,140	\$14,816,941	\$9,975,000	\$11,383,700	\$5,048,999	\$41,642,424	\$900,000	\$11,642,000	n/a	\$16,825,000	\$16,825,000	\$32,610,000	n/a	\$84,435,000	\$62,832,200	\$14,721,000	n/a	n/a	\$427,678,404		
	Multi-Family	\$2,795,000	n/a	n/a	n/a	n/a	\$104,815,000	\$2,640,000	\$2,640,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$147,669,000	n/a	\$17,775,000	\$285,694,000	
	Land	\$18,230,320	\$22,347,500	n/a	\$147,951,489	\$56,935,000	\$95,989,000	\$59,935,000	\$29,054,755	n/a	\$31,130,000	\$31,130,000	\$31,688,800	\$5,700,000	\$28,668,800	\$25,902,460	\$65,936,000	n/a	n/a	\$789,737,124		
2023 Q1	Office & Retail	7	9	5	1	1	8	2	1	2	9	0	1	1	18	20	22	1	7	115		
	Industrial	4	5	2	2	2	5	3	0	0	4	0	2	0	14	15	5	0	0	64		
	Multi-Family	0	0	0	0	1	1	0	0	0	0	0	0	0	0	2	7	0	1	11		
	Land	5	3	3	4	2	14	3	2	1	2	0	1	1	4	27	14	0	0	86		
	Dollar Value	\$4,409,418	\$9,651,000	\$5,656,500	\$410,000	\$1,400,000	\$15,913,500	\$2,080,000	\$3,732,500	\$7,100,000	\$14,484,000	n/a	\$670,000	\$490,000	\$14,935,967	\$25,671,561	\$57,878,000	\$500,000	\$9,905,000	\$174,897,446		
	Industrial	\$16,010,000	\$27,765,000	\$1,815,000	\$9,853,200	\$75,648,000	\$42,999,430	\$10,410,000	\$51,075,000	n/a	\$20,100,000	n/a	\$13,800,000	n/a	\$41,430,041	\$43,616,537	\$17,925,000	n/a	n/a	\$324,447,208		
	Multi-Family	n/a	n/a	n/a	n/a	n/a	\$8,500,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$21,450,000	\$60,068,500	n/a	\$3,200,000	\$932,165,000		
	Land	\$46,985,000	\$122,280,000	\$6,610,000	\$68,079,750	\$25,950,913	\$131,386,000	\$29,415,000	\$38,500,000	\$1,400,000	\$18,750,000	n/a	\$975,000	\$5,600,000	\$32,988,000	\$229,525,423	\$197,048,800	n/a	n/a	\$955,447,686		
2022 Q2	Office & Retail	19	11	5	2	4	19	5	2	7	7	2	0	2	48	26	47	2	22	230		
	Industrial	2	9	3	3	19	17	7	6	0	1	0	4	0	37	36	15	0	0	161		
	Multi-Family	0	5	0	1	0	1	1	0	2	1	0	0	0	0	1	17	0	0	31		
	Land	16	13	10	11	6	36	15	7	2	3	0	0	6	7	60	30	0	1	222		
	Dollar Value	\$65,501,000	\$128,947,808	\$5,910,500	\$12,550,000	\$10,935,000	\$110,195,720	\$10,143,000	\$3,450,000	\$26,206,772	\$13,132,800	\$1,898,000	n/a	\$2,890,000	\$105,864,930	\$48,395,195	\$181,515,895	\$8,427,500	\$31,315,298	\$767,189,518		
	Industrial	\$34,000,000	\$47,895,200	\$3,150,000	\$4,051,600	\$52,265,100	\$51,170,635	\$20,575,000	\$14,820,300	n/a	\$1,650,000	n/a	\$20,395,000	n/a	\$161,025,555	\$180,271,648	\$72,861,425	n/a	n/a	\$635,471,483		
	Multi-Family	n/a	n/a	n/a	\$39,406,250	n/a	\$23,400,000	\$2,650,000	n/a	\$20,458,800	\$111,342,500	n/a	n/a	n/a	n/a	\$6,000,000	\$197,146,250	n/a	n/a	n/a	\$567,699,795	
	Vacant Land	\$77,582,766	\$69,277,077	\$79,490,000	\$117,099,057	\$27,706,000	\$215,763,215	\$75,401,999	\$45,747,000	\$13,600,000	\$42,250,000	n/a	n/a	\$54,797,934	\$65,083,990	\$566,052,501	\$384,503,800	n/a	\$9,650,000	\$1,862,794,739		
2023 YTD Q1-Q2	Office & Retail	19	20	10	3	5	13	5	4	2	11	2	5	2	34	34	47	1	8	227		
	Industrial	11	9	5	7	5	12	4	2	0	28	0	6	0	28	2	8	0	0	130		
	Multi-Family	1	0	0	0	0	3	0	1	0	0	0	0	0	0	2	21	0	2	30		
	Land	8	8	3	8	4	25	8	5	1	3	0	5	2	8	54	27	0	0	169		
	Dollar Value	\$25,091,820	\$24,504,720	\$10,768,300	\$6,946,000	\$25,560,850	\$21,081,917	\$6,550,000	\$7,856,138	\$7,100,000	\$16,910,665	\$986,000	\$7,545,000	\$3,890,000	\$63,814,717	\$68,831,061	\$147,283,853	\$500,000	\$455,775,041			
	Industrial	\$36,808,140	\$142,581,941	\$11,790,000	\$21,236,900	\$142,384,854	\$84,641,854	\$11,310,000	\$14,765,000	n/a	\$36,925,000	n/a	\$46,410,000	n/a	\$125,865,041	\$106,448,737	\$32,646,000	n/a	n/a	\$752,125,612		
	Multi-Family	\$2,795,000	n/a	n/a	n/a	n/a	\$13,315,000	\$2,640,000	\$2,640,000	n/a	n/a	n/a	n/a	n/a	n/a	\$21,450,000	\$307,737,500	n/a	\$19,975,000	\$358,912,500		
	Land	\$65,515,320	\$144,607,500	\$6,610,000	\$216,051,239	\$82,003,913	\$228,948,000	\$97,920,000	\$67,054,755	\$1,400,000	\$21,880,000	n/a	\$32,483,800	\$11,300,000	\$61,656,800	\$455,427,883	\$262,684,500	n/a	n/a	\$1,744,165,010		
2022 YTD Q1-Q2	Office & Retail	38	25	16	6	6	42	15	3	11	23	2	3	2	71	85	95	4	27	474		
	Industrial	12	23	4	5	26	32	13	11	1	7	0	15	1	70	75	18	0	0	313		
	Multi-Family	0	10	1	2	0	1	1	0	2	4	0	1	0	0	4	39	0	1	67		
	Land	29	25	17	24	12	55	25	13	5	5	0	4	7	18	129	71	1	1	441		
	Dollar Value	\$99,275,599	\$182,109,384	\$26,801,500	\$19,399,300	\$16,933,000	\$132,138,473	\$16,767,300	\$7,450,000	\$64,501,772	\$41,432,675	\$1,898,000	\$4,469,910	\$2,890,000	\$147,545,830	\$215,915,889	\$455,169,566	\$13,516,500	\$39,914,297	\$1,578,032,895		
	Industrial	\$22,453,805	\$169,710,899	\$8,700,000	\$9,951,600	\$85,680,100	\$213,048,771	\$26,404,250	\$17,038,300	\$385,000	\$19,370,000	n/a	\$78,161,645	\$1,950,000	\$253,677,351	\$304,349,236	\$77,059,425	n/a	n/a	\$1,286,760,582		
	Multi-Family	n/a	\$28,162,995	n/a	\$54,156,250	n/a	\$23,400,000	\$2,650,000	n/a	\$20,458,800	\$145,642,500	n/a	n/a	n/a	n/a	\$110,529,351	\$366,887,750	n/a	\$3,100,000	\$960,098,646		
	Land	\$133,989,566	\$201,310,077	\$96,429,900	\$289,402,908	\$267,077,800	\$389,799,715	\$124,421,999	\$73,012,000	\$61,112,500	\$73,225,000	n/a	\$22,595,000	\$59,466,222	\$221,388,920	\$1,221,389,910	\$888,894,529	\$6,800,000	\$9,650,000	\$4,218,965,846		

Note: Quarterly periods defined as follows: Q1 = [Jan-Mar], Q2 = [Apr-Jun], Q3 = [Jul-Sep], Q4 = [Oct-Dec]

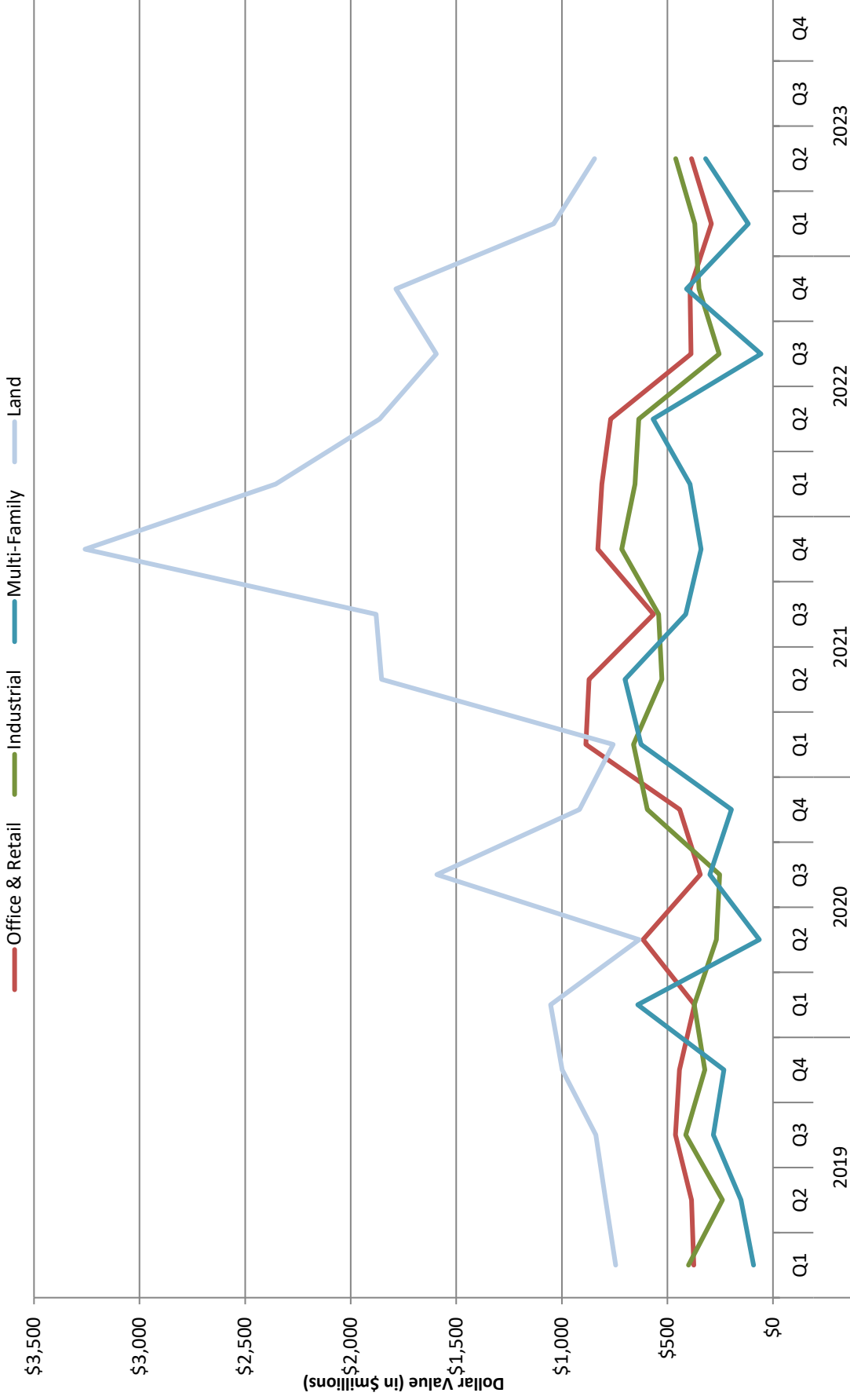
LOWER MAINLAND Commercial Sales by Category - Quarterly



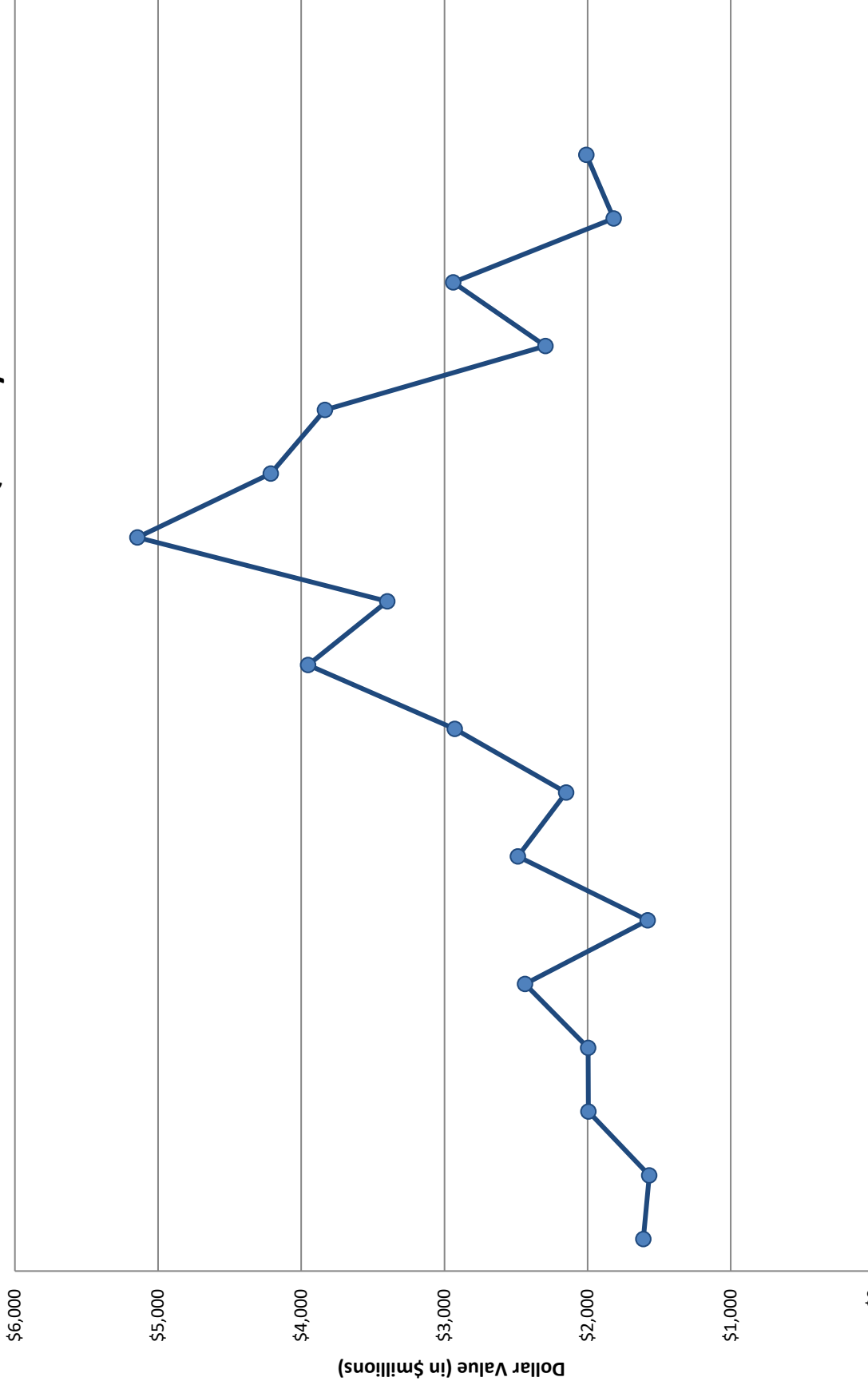
**LOWER MAINLAND
Total Commercial Sales - Quarterly**



LOWER MAINLAND Commercial Dollar Value Sold by Category - Quarterly



LOWER MAINLAND Total Commercial Dollar Value Sold - Quarterly



Total Dollar Volume	2019				2020				2021				2022				2023				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
	\$1,611.8	\$1,569.1	\$1,995.4	\$1,996.5	\$2,436.6	\$1,580.6	\$2,486.7	\$2,149.1	\$2,927.7	\$3,951.6	\$3,399.7	\$5,144.5	\$4,212.7	\$3,835.3	\$2,294.4	\$2,938.5	\$1,817.5	\$2,009.6			

LOWER MAINLAND
Total Commercial Sales
Price Range and Category
2023 Q2

Price Range	Office & Retail	Industrial	Multi-Family	Land	Totals by Price Range
Under \$1,000,000	82	21	0	8	111
\$1,000,000 - \$1,999,999	43	22	4	6	75
\$2,000,000 - \$2,999,999	16	9	6	12	43
\$3,000,000 - \$3,999,999	9	4	3	22	38
\$4,000,000 - \$4,999,999	3	4	3	13	23
\$5,000,000 - \$5,999,999	2	6	3	9	20
\$6,000,000 - \$6,999,999	2	3	3	8	16
\$7,000,000 - \$7,999,999	0	4	1	2	7
\$8,000,000 - \$8,999,999	1	2	1	0	4
\$9,000,000 - \$9,999,999	2	1	1	1	5
\$10,000,000 - \$10,999,999	1	2	0	3	6
\$11,000,000 - \$11,999,999	1	2	1	2	6
\$12,000,000 - \$12,999,999	0	1	0	3	4
\$13,000,000 - \$13,999,999	1	0	0	0	1
\$14,000,000 - \$14,999,999	0	1	0	1	2
\$15,000,000 - \$15,999,999	0	0	0	3	3
\$16,000,000 - \$16,999,999	1	0	1	3	5
\$17,000,000 - \$17,999,999	0	0	0	0	0
\$18,000,000 - \$18,999,999	0	0	0	1	1
\$19,000,000 - \$19,999,999	0	0	0	2	2
\$20,000,000 - \$20,999,999	0	0	0	1	1
\$21,000,000 - \$21,999,999	0	0	0	0	0
\$22,000,000 - \$22,999,999	1	0	0	2	3
\$23,000,000 - \$23,999,999	0	0	0	0	0
\$24,000,000 - \$24,999,999	1	1	0	0	2
\$25,000,000 - \$25,999,999	0	1	0	0	1
\$26,000,000 - \$26,999,999	0	0	0	1	1
\$27,000,000 - \$27,999,999	0	0	0	0	0
\$28,000,000 - \$28,999,999	0	0	0	2	2
\$29,000,000 - \$29,999,999	0	0	0	1	1
At & Over \$30,000,000	1	3	4	1	9
Totals by Category	167	87	31	107	392