

Early signs of strength returning to commercial market

Commercial transactions in the Lower Mainland showed renewed signs of strength in Q1 2024, with total transaction volumes up over ten per cent year-over-year.

VANCOUVER, BC, CANADA, July 4, 2024 /EINPresswire.com/ -- Commercial transactions in the Lower Mainland showed some renewed signs of strength in the first quarter of 2024, with total transaction volumes up over ten per cent year-over-year.



[There were 363 commercial real estate sales in the Lower Mainland](#) in Q1 2024, a 11.3 per cent increase from the 326 sales in Q1 2023, according to data from Commercial Edge, a commercial real estate system operated by Greater Vancouver Realtors (GVR).



Our 2024 commercial market forecast anticipated a modest rebound in transaction volumes and the first quarter data are mostly supportive of our expectations so far.”

Andrew Lis, GVR Director of Economics and Data Analytics

The total dollar value of commercial real estate sales in the Lower Mainland was \$2.071 billion in Q1 2024, a 6.9 per cent increase from \$1.938 billion in Q1 2023.

“Our 2024 commercial market forecast anticipated a modest rebound in transaction volumes and the first quarter data are mostly supportive of our expectations so far” Andrew Lis, GVR’s director of economics and data analytics said. “But the headline transaction volume masks some important differences happening beneath the surface across asset classes, where we’ve seen transaction volumes in certain segments such as multi-family, office,

and industrial exhibit a bit more relative strength than others.”

“We anticipated a strong rebound in land deals to occur in 2024, based on the premise that interest rates would moderate, and policies enacted by various levels of government targeted

towards spurring new housing development would bolster demand for this asset class” Lis said. “Expectations of significant interest rate cuts have waned somewhat since the date of publishing our forecast however, and the first quarter data suggests recent government policy efforts may not be yielding much in the way of an immediate impact. As a result, we’ve seen land deals remain somewhat softer than anticipated, which could become a significant concern for the development pipeline of new housing over the next few years, if deal volumes don’t pick up.”

Q1 2024 activity by asset class

Land: There were 104 commercial land sales in Q1 2024, which is a 6.3 per cent decrease from the 111 land sales in Q1 2023. The dollar value of land sales was \$886 million in Q1 2024, a 25.5 per cent decrease from \$1.188 billion in Q1 2023.

Office: There were 70 office sales in the Lower Mainland in Q1 2024, which is a 29.6 per cent increase from the 54 sales in Q1 2023. The dollar value of office sales was \$137 million in Q1 2024, a 111.3 per cent increase from \$65 million in Q1 2023.

Retail and other: There were 62 retail (and other) sales in the Lower Mainland in Q1 2024, which is a 7.5 per cent decrease from the 67 sales in Q1 2023. The dollar value of retail sales was \$226 million in Q1 2024, a 80.8 per cent increase from \$125 million in Q1 2023.

Industrial: There were 104 industrial land sales in the Lower Mainland in Q1 2024, which is a 26.8 per cent increase decrease from the 82 sales in Q1 2023. The dollar value of industrial sales was \$468 million in Q1 2024, a 2 per cent increase from \$459 million in Q1 2023.

Multi-family: There were 23 multi-family land sales in the Lower Mainland in Q1 2024, which is a 91.7 per cent increase from 12 sales in Q1 2023. The dollar value of multi-family sales was \$354 million in Q1 2024, a 250.6 per cent increase from \$101 million in Q1 2023.

Editor’s Notes:

Owned and operated by Greater Vancouver REALTORS® (GVR), 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.

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Mark Moldowan

Greater Vancouver REALTORS®

+1 6047303153

mmoldowan@rebgv.org

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