



Update on Housing Affordability for New Homebuyers in B.C.

2026 Quarter 2 (April to June)

Introduction

About the Report

The Government of B.C. is committed to making home ownership more affordable and attainable for people across the province. This report provides a quarterly update on housing affordability for new homebuyers in B.C. using a single comprehensive measure to track changes over time.

About the Measure: Mortgage Payment as Percent of Income (MPPI)

The purpose of the MPPI is to provide a more complete picture of housing affordability over time.

It is based on a hypothetical new homebuyer who:

- earns the median after-tax family income;
- purchases a home at the median regional sale price;
- makes a minimum down payment; and
- finances the purchase with a 25-year variable-rate mortgage (estimated using the current prime rate).

These factors are used to calculate MPPI each quarter. **A higher MPPI means it is less affordable to buy a home.**

About the Measure: Rent Payment as Percent of Income (RPPI)

The RPPI measures the share of household income required to cover rent payments and provides a complementary indicator of rental affordability.

NOTE: For more information about the MPPI, please refer to the Technical Note on Housing Affordability for Homeowners in B.C. from the [B.C. Data Catalogue](#). For rental market data on asking rent prices, by rental unit type and number of bedrooms, experimental estimates, see Statistics Canada [Table 46-10-0092-01](#).

Why Do We Use Mortgage Payment as Percent of Income (MPPI)?

Housing prices alone do not provide a **complete picture** of housing affordability.

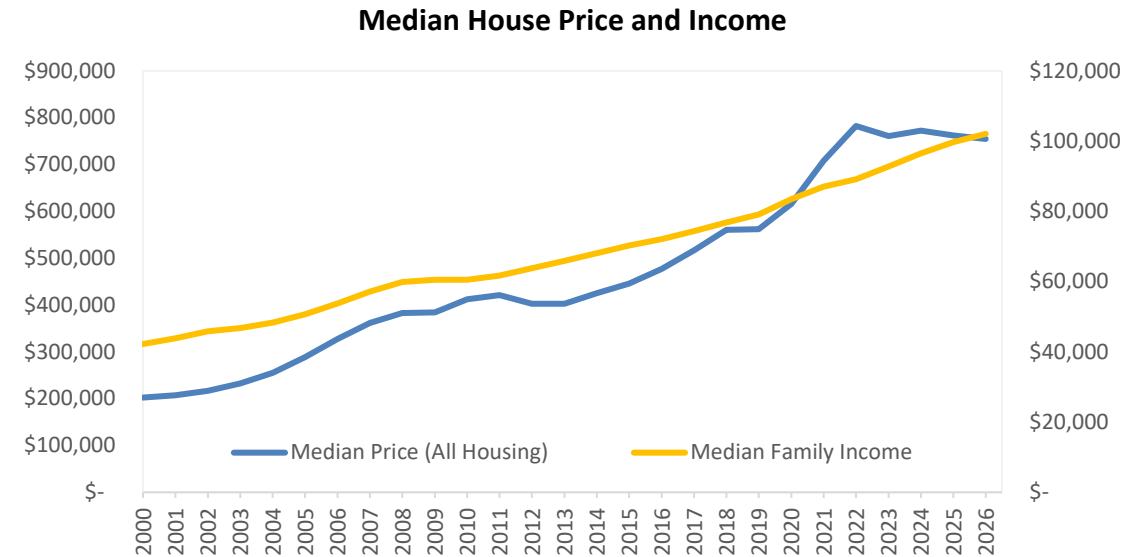
Median House Prices vs. Family Income

Although both median house prices and household incomes generally increase over time, they often vary at different rates, resulting in changing affordability conditions.

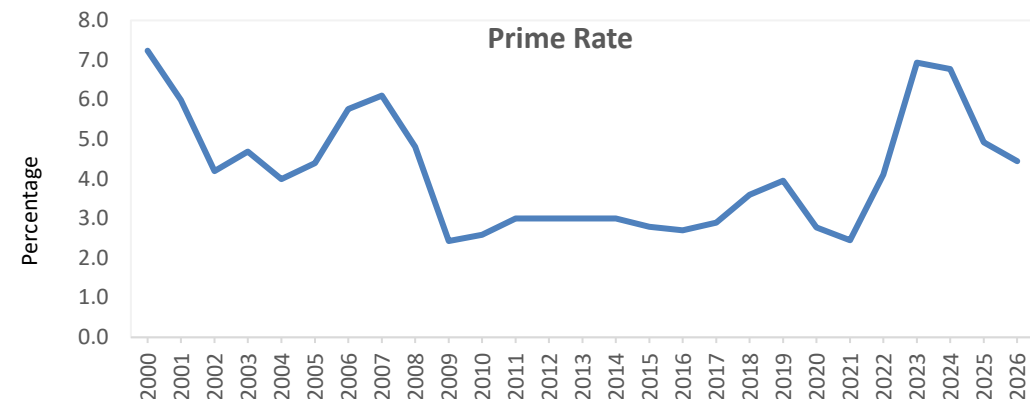
Prime Rate

Prime rates, which influence mortgage rates, fluctuate in response to broader economic conditions and directly affect how affordable homes are for buyers.

The **MPPI** integrates housing prices, household income and prime (mortgage) rates at a given point in time to provide a more comprehensive measure of housing affordability for homebuyers.



Sources: BC Assessment [B.C. Property Information & Trends](#) and Statistics Canada Census income tables [11-10-0017-01](#) & [11-10-0191-01](#)



Source: Statistics Canada Financial market statistics table [10-10-0145-01](#)

Key Findings for 2026 Quarter 2

1. Housing affordability improved in 2026 Q2 (pages 5-7)

Housing affordability improved across B.C. between 2026 Q1 and 2026 Q2. The MPPI declined by 0.9 percentage points (ppts) for all housing types and by 4.9 ppts for detached homes, indicating that mortgage payments consumed a smaller share of household income than in the previous quarter.

2. Affordability has improved since 2023 (pages 5-7)

Since reaching a recent peak in 2023 Q3, housing affordability has improved across all housing types, with the largest gains occurring in the detached housing market. The MPPI declined by 22.1 ppts for all housing types and by 38.3 ppts for detached homes. These improvements reflect a combination of lower home prices, easing borrowing costs, and stronger income growth relative to mortgage payments.

3. Affordability remains below historical norms (pages 5-7)

Despite recent improvements, affordability remains weaker than historical averages in many parts of the province. In 2026 Q2, the detached-home MPPI was 59.1% well above the long-term average of 46.5%, indicating that homeownership continues to place significant pressure on household budgets.

4. Regional affordability difference remain significant (pages 8-12)

Housing affordability continues to vary considerably across British Columbia. Larger urban centres generally remain less affordable than smaller communities. However, it is not always this clear-cut. Affordability outcomes are influenced by a range of factors including housing supply composition, local market conditions, regional demographic characteristics, and broader economic dynamics, which can result in differing affordability outcomes among areas of similar population size.

Change in Affordability Over Time: B.C.

Comparing detached versus all housing types

Since last quarter:

- Housing affordability continued to **improve** for all housing types and for detached homes.
- Housing affordability improved (MPPI declined) by 0.9 ppts for all housing and by 4.9 ppts for detached homes.

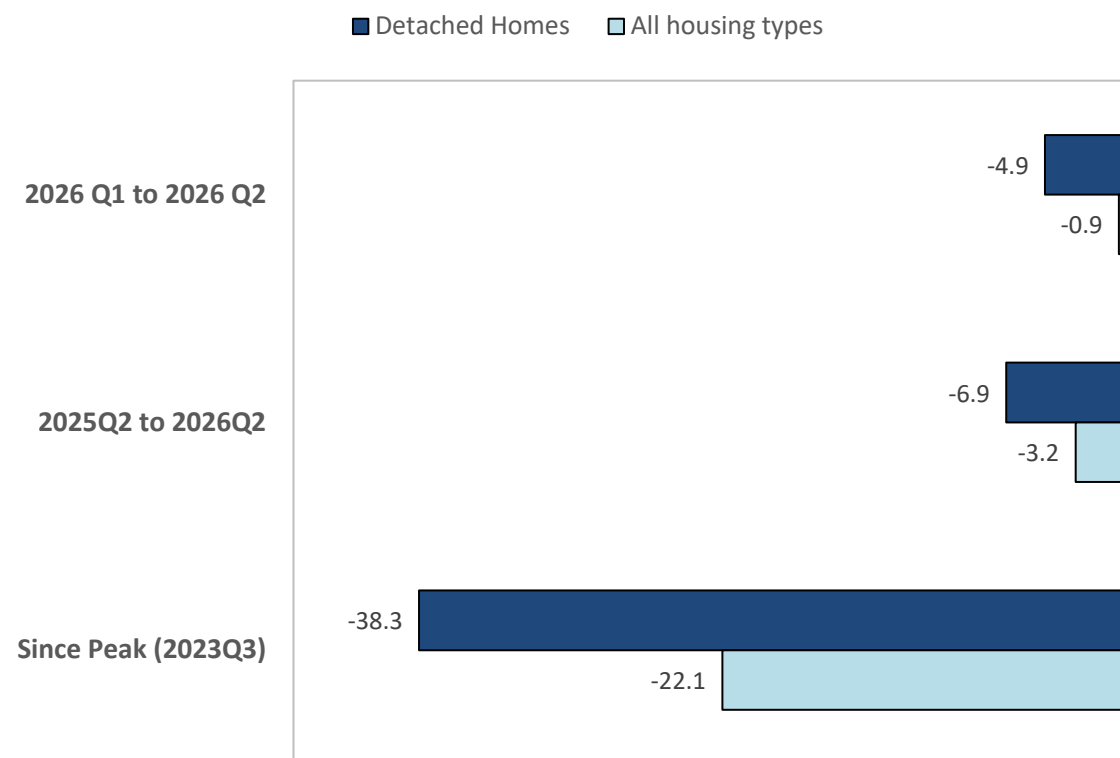
Since last year (2025 Q2):

- Affordability **improved** relative to the same quarter last year, with larger gains observed in the detached housing market.
- The MPPI decreased by 3.2 ppts for all housing types and by 6.9 ppts for detached homes.

Since the 2023 peak:

- Affordability has **improved significantly** since reaching record lows in 2023 Q3, although ownership costs remain elevated relative to historical averages.
- The MPPI declined by 22.1 ppts for all housing types and by 38.3 ppts for detached homes.

Change in Mortgage Payment as Percent of Income



Source: BC Assessment, Statistics Canada Data, BC Stats calculations. See reference slide for details

Change in Affordability Over Time: Detached Homes

Tracking affordability over time

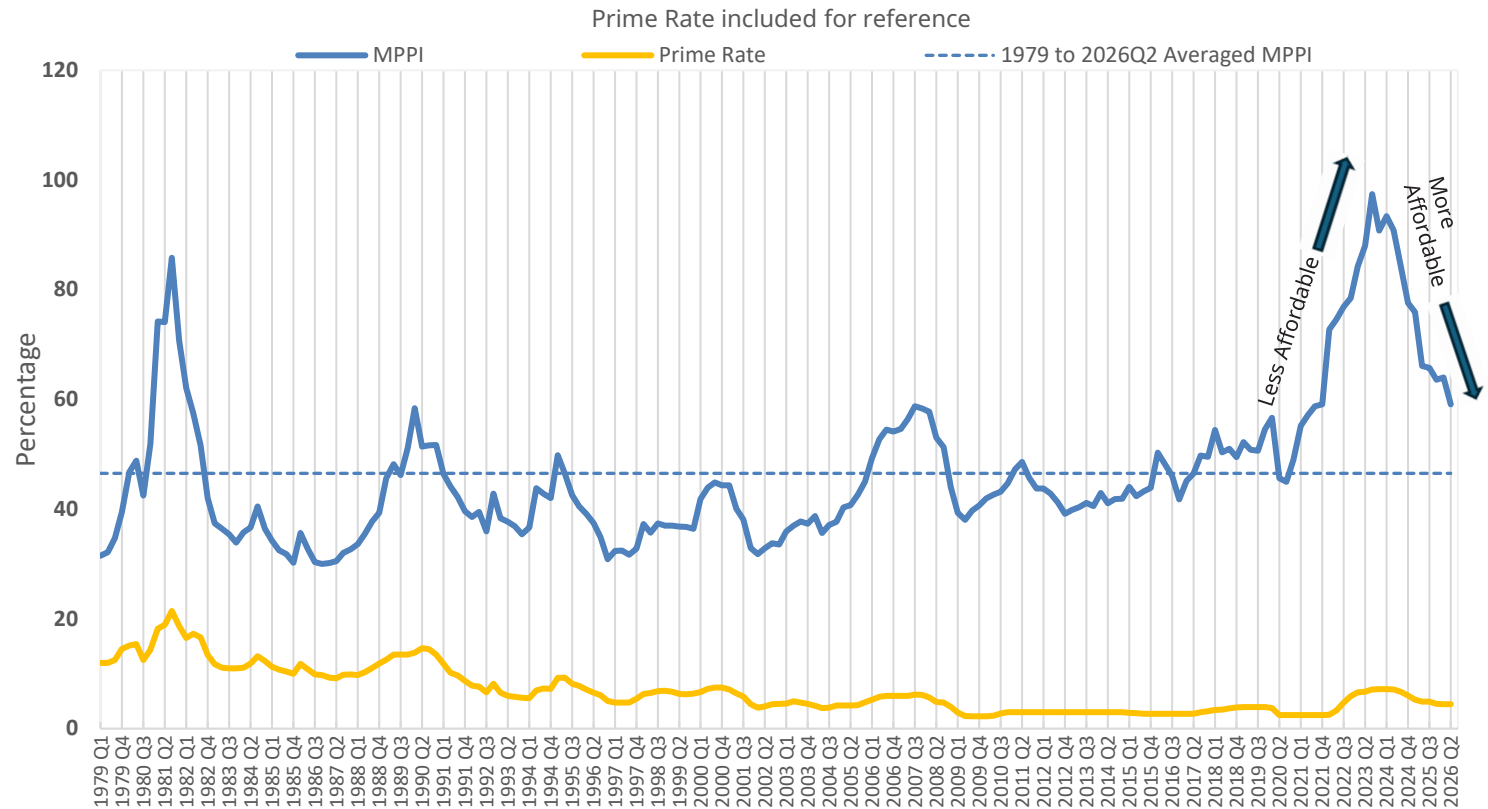
Affordability has steadily improved since 2023:

- Detached-home affordability **has improved considerably since** reaching its lowest point in **2023**. Lower house prices and easing borrowing costs have reduced the share of income required to service mortgage payments.
- Since that peak, the MPPI for detached homes has declined by more than 38.3 ppts.

Current affordability level:

- The MPPI for detached homes was **59.1%** in 2026 Q2, a decrease of 4.9 ppts from 2026 Q1.
- The MPPI **remained above the long-term average of 46.5%**, indicating that detached-home ownership has become more attainable since 2023, but affordability remains below long-term historical norms.

Detached Housing MPPI (1979-2026 Q2)



A lower MPPI means buyers spend a smaller share of their income on mortgage payments.

Source: BC Assessment, Statistics Canada Data, BC Stats calculations. See reference slide for details

Change in Affordability Over Time: For Each Housing Type

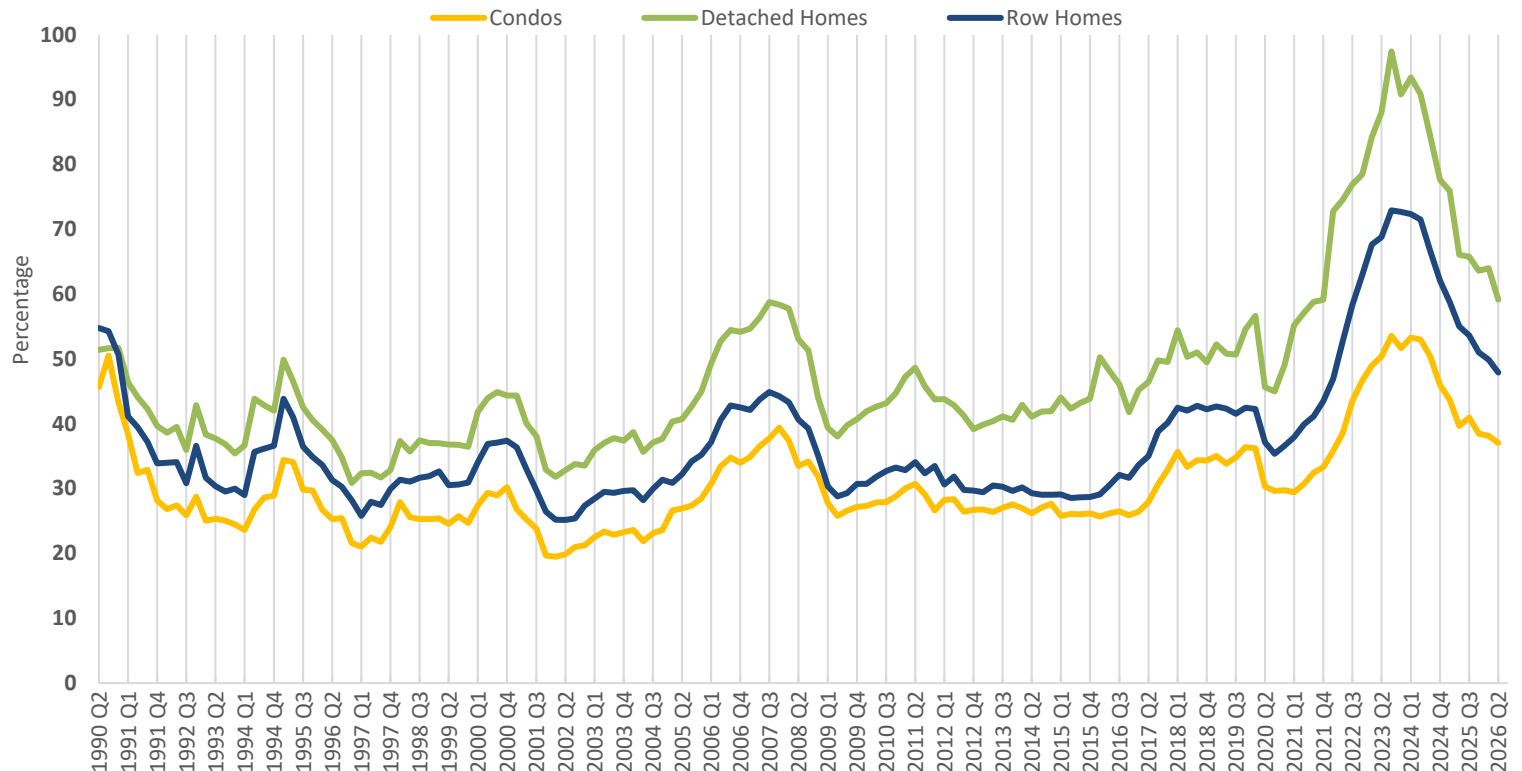
Comparing detached homes, row homes, and condos

While affordability trends across housing types have followed similar trends over time, **detached homes** continue to be **least affordable** housing type in British Columbia. While affordability has improved across all housing types since 2023, mortgage payments for detached homes continue to require a substantially **larger share of household income** than for **condos** and **row homes**.

In 2026 Q2, the MPPI for detached homes exceeded that of condos by 22.1 ppts and row homes by 11.2 ppts.

The **affordability gap has narrowed since late 2023**, as detached-home affordability improved more rapidly than other housing types; however, a sizeable gap remains.

MPPI Comparison By Housing Types (1990-2026Q2)



A smaller gap between lines means housing types are becoming more similar in affordability.

Source: BC Assessment, Statistics Canada Data, BC Stats calculations. See reference slide for details

Regional Analysis

How housing affordability is measured by region

B.C. Regional Analysis

Housing affordability (measured by MPPI) is calculated at the Census Metropolitan Area (CMA) or Census Agglomeration (CA) level, the most detailed geographic scale for which Statistics Canada publishes income data.

What Are CMAs and CAs?

A Census Metropolitan Area (CMA) or a Census Agglomeration (CA) includes one or more adjacent municipalities grouped around a population centre (known as the “core”):

- CMA: Core population of at least 50,000, and a total area population of 100,000 or more
- CA: Core population of at least 10,000

CMA Examples in B.C.

Vancouver CMA ≈ Metro Vancouver region

Victoria CMA ≈ Greater Victoria (within the Capital Regional District)

Note: For the definition of CMA and CA, please refer to: [Dictionary, Census of Population, 2021 – Census metropolitan area \(CMA\) and census agglomeration \(CA\)](#)

Affordability of Select Regions: Detached Homes

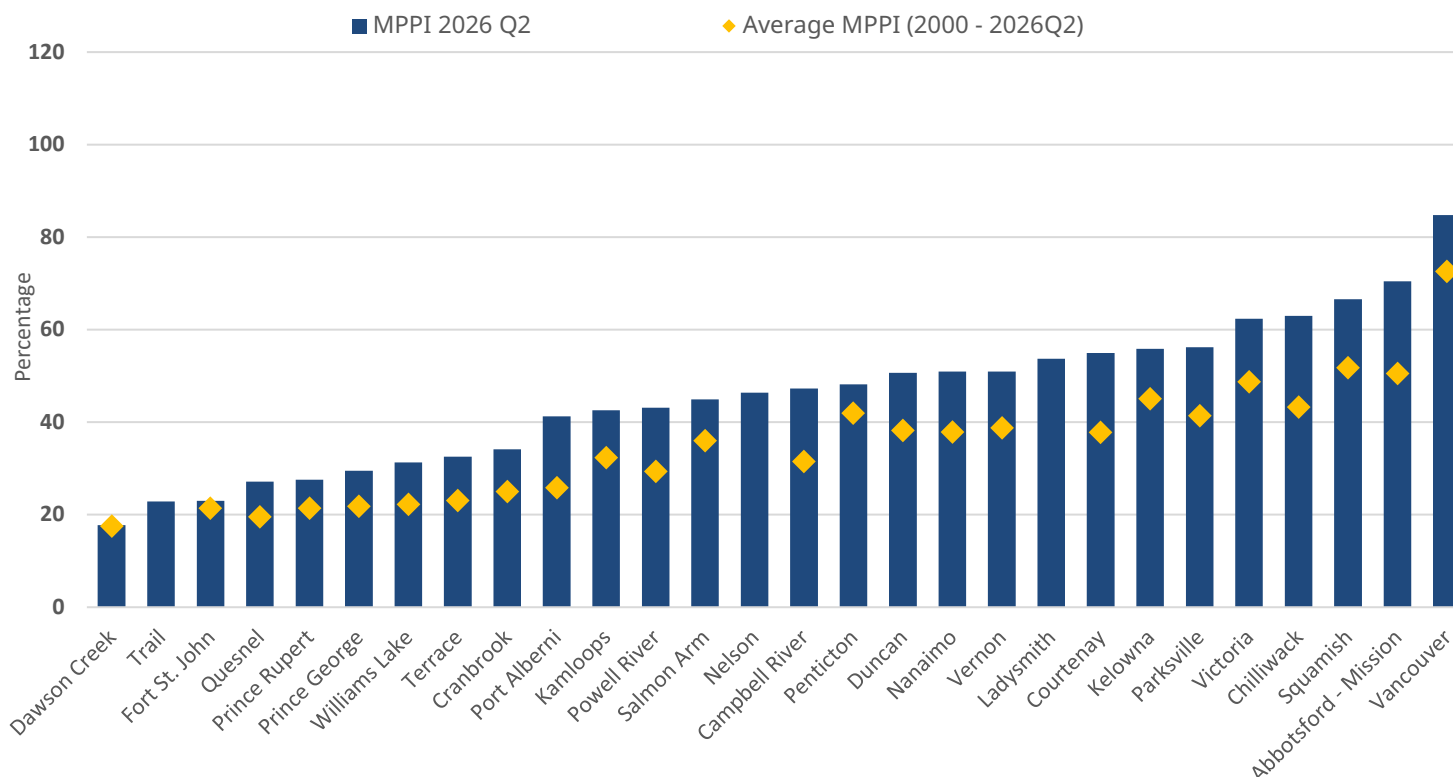
Comparing current affordability to the long-term average

In 2026 Q2, **Abbotsford-Mission**, **Chilliwack**, and **Courtenay** recorded the **greatest gaps between current MPPI** values and their long-term averages, indicating that detached homes ownership remains less affordable than historical norms in these regions.

By contrast, **Dawson Creek** reported the **smallest** difference between its current MPPI and long-term average, suggesting affordability remains close to historical levels.

Regions with MPPI values above their historical average remain less affordable than their long-term norm.

MPPI Compared to Long-Term Average for Detached Homes



Note: Ladysmith, Trail and Nelson's long-term average mortgage payment as percent of income were not included due to a lack of available long-term income data for those CMAs. Average MPPI is calculated for 2000-2026Q2.

Source: BC Assessment, Statistics Canada Data, BC Stats calculations. See reference slide for details

Affordability of Select Regions: Condos

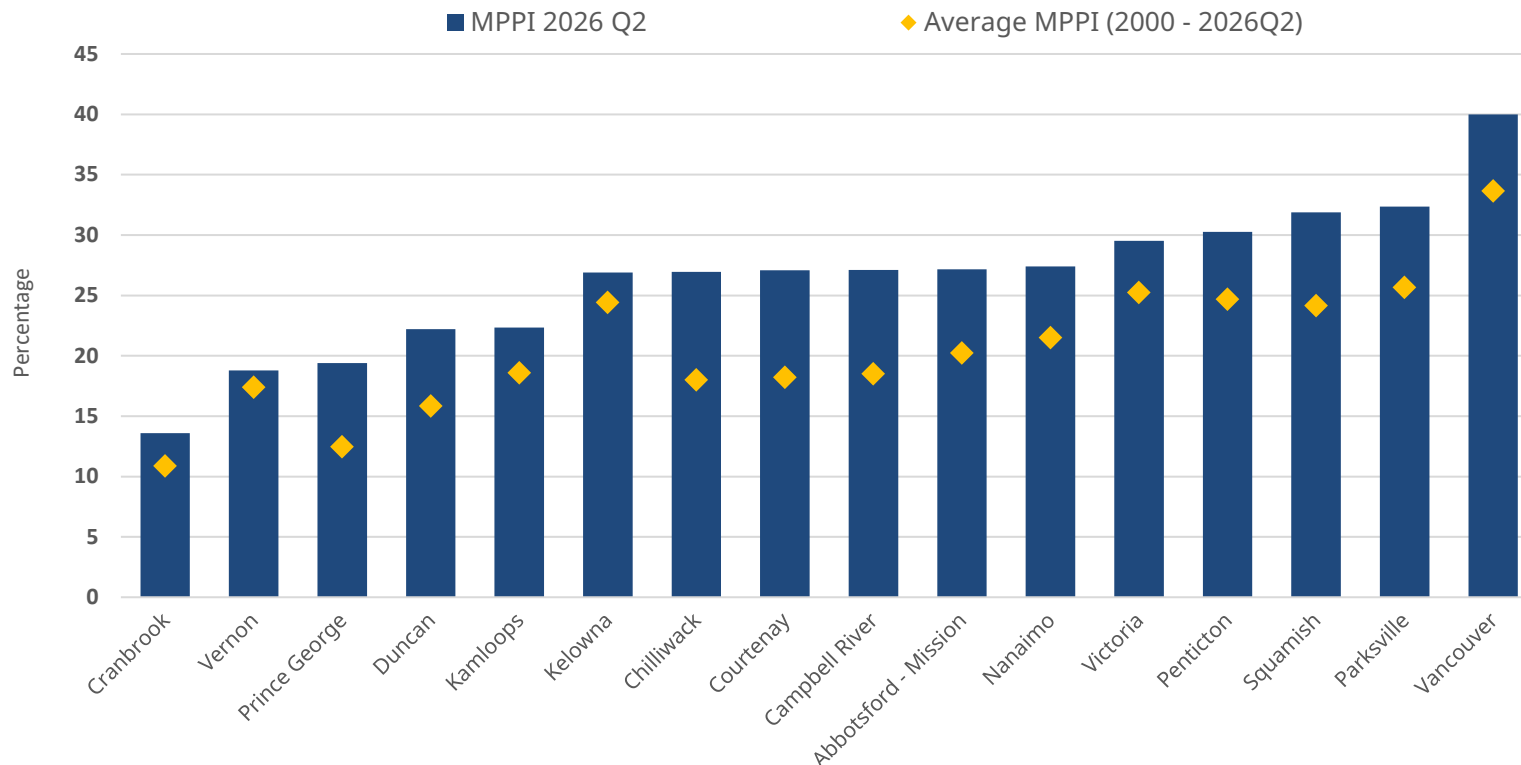
Comparing current affordability to the long-term average

Vancouver, Parksville and Squamish recorded the **highest condo ownership costs** relative to household income among the regions examined in 2026 Q2.

Chilliwack, Courtenay and Campbell River exhibited the largest gap between current affordability levels and their historical averages, suggesting condo ownership remains significantly less affordable than historical norms.

In contrast, the MPPI for **Vernon and Kelowna** had the smallest differences from their long-term averages among the regions examined.

MPPI Compared to Long-Term Average for Condos



Note: Some CMAs were not included due to a low number of condo sales in the CMA. Average MPPI is calculated for 2000-2026Q2.

Source: BC Assessment, Statistics Canada Data, BC Stats calculations. See reference slide for details

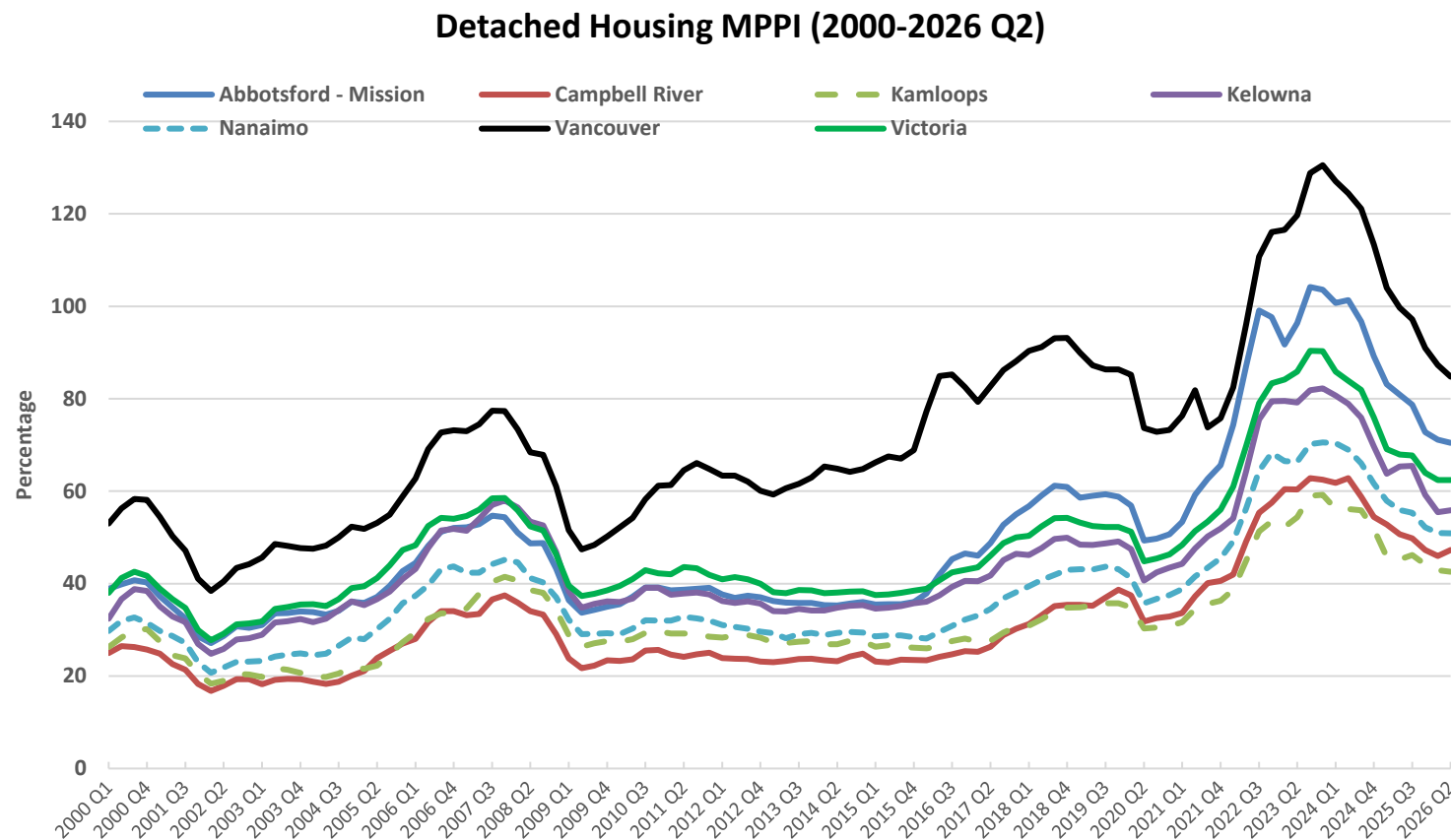
Change in Affordability Over Time for Select Regions: Detached Homes

Comparing affordability trends across select regions

Vancouver remained the least affordable CMA for detached-home ownership in 2026 Q2, recording an MPPI of 84.7%. Mortgage payments therefore required a substantially larger share of household income than in the other six B.C. CMAs and exceeded the MPPI in **Abbotsford-Mission** (70.5%), the **second-least affordable** CMA by 14.3 ppts.

Smaller urban centres and regional communities, such as **Kamloops** and **Campbell River**, remained comparatively more affordable, reflecting lower housing prices relative to local household incomes.

However, regional characteristics such as demographic composition and availability of lower-priced housing can influence housing affordability comparison across CMAs.



Housing in rural areas continues to be more affordable than in urban regions.

Source: BC Assessment, Statistics Canada Data, BC Stats calculations. See reference slide for details

Change in Affordability Over Time for Select Regions: Rental Prices

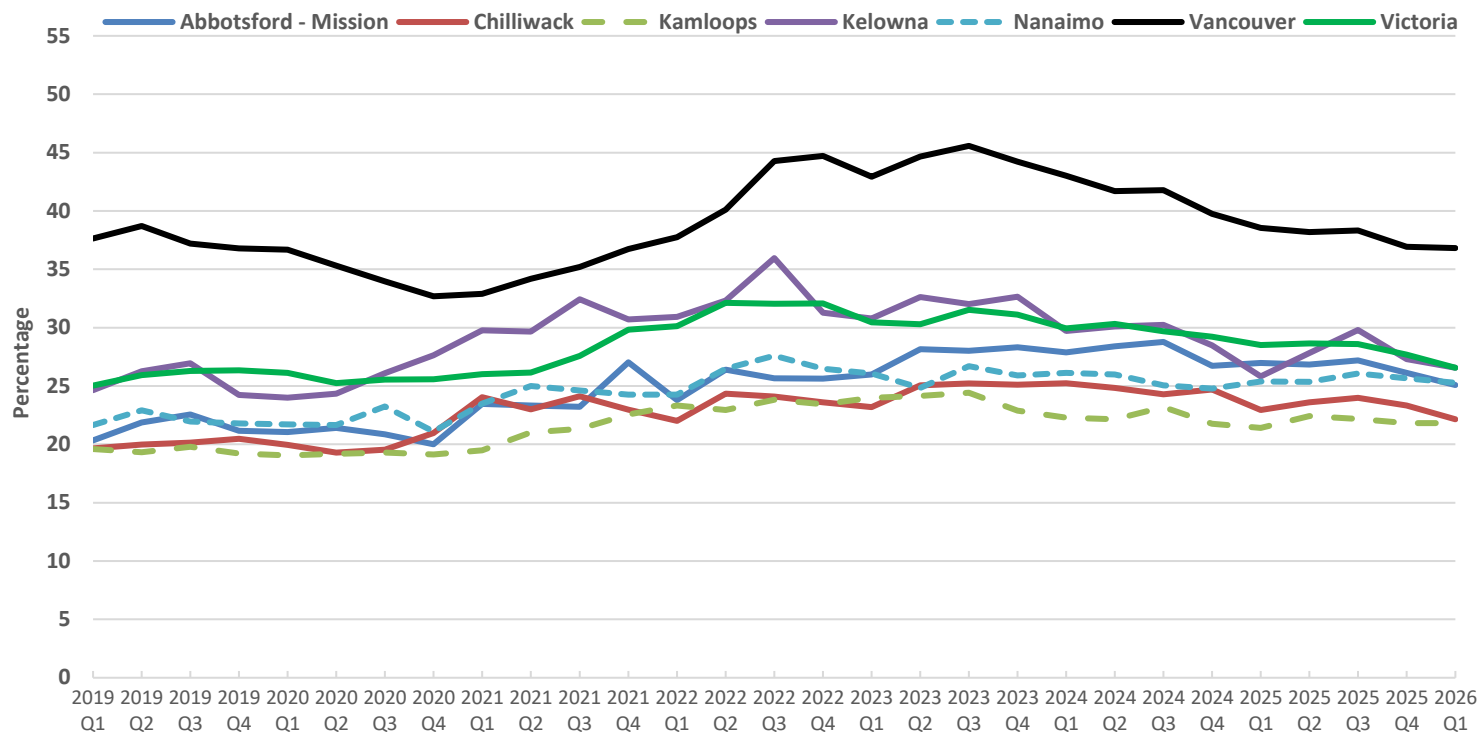
Comparing affordability trends across select regions

Vancouver remained the least affordable CMA for two-bedroom rentals in 2026 Q1, with an estimated RPPI of 36.8%. Rent payments were a substantially larger share of median household income than in the other six B.C. CMAs. MPPI was 10.3 ppts higher than Victoria, which recorded the second-highest RPPI (26.6%).

Smaller urban centres and interior regions, such as Kamloops and Chilliwack, **generally offered more affordable rental options** than larger coastal markets.

Regional RPPI levels are influenced by a range of factors, including housing supply, local market conditions, demographic composition, and broader economic dynamics.

Two-Bedroom Apartment RPPI (2019-2026Q1)



Rental housing in rural areas continues to be more affordable than urban areas.

Source: BC Assessment, Statistics Canada Data, BC Stats calculations. See reference slide for details

For More Information

Please visit the [BC Data Catalogue](#) for the Technical Note and related data tables regarding housing affordability for homeowners in B.C.

Statistics Canada

Income data: Census Income [Tables: 11-10-0017-01 & 11-10-0191-01](#)

Consumer Price Index (CPI): [Table: 18-10-0005-01](#)

Prime rate: Financial Market Statistics [Table: 10-10-0145-01](#)

Rent prices: Asking Rent Prices [Table 46-10-0092-01](#)

CMA mapping: [2021 Census Reference Maps](#)

BC Assessment

Property data: [B.C. Property Information & Trends](#)

Government of B.C.

[Affordable housing - Province of British Columbia](#)

B.C. Real Estate Association

[Statistical Releases - British Columbia Real Estate Association](#)





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