

[SUBSCRIBE](#)

OPINION

Buyers walk away from presale purchases in Vancouver's hurting condo market

**KERRY GOLD >**

VANCOUVER

SPECIAL TO THE GLOBE AND MAIL

PUBLISHED JULY 15, 2025



Renderings of the Livy condo project on the site of a failed, partially built project that developer Gord Wylie purchased through a court-ordered sale in downtown Port Coquitlam.

SUBSCRIBER

THE GLOBE AND MAIL

Find clarity in the chaos.

\$7.99 **\$0.99/v**
for your first 24 w

“There’s more, and they are getting bigger,” said Hart Buck, Colliers’ senior vice-president, referring to the foreclosures.

“I’d say it’s a gradual acceleration of the number of files that we are seeing,” added associate vice-president Jennifer Darling. At the start of this market cycle, it was mostly vacant residential development land that was subject to receivership or foreclosure processes, but that has expanded to industrial, retail and office buildings, she said.

Last June, they had three active foreclosure listings. Today, they have 15 to 20 files, valued at \$5-million to \$105-million.

And buyers are choosing to walk away from presale purchases that have dropped in value, said Mr. Buck. Developers are doing their best to keep their names out of the headlines, which means they are reluctant to sue when a presale buyer of a luxury condo walks away from their deposit.

Toronto market for new condos continues to crater as sales drop, developers cancel projects

“These developers that have presold at \$2,000 a [square foot], you know, I think everybody would be shocked to see any of those deals close,” said Mr. Buck. “So, they walk away, and they say, ‘We’re done. See you later. Goodbye and good luck suing me. ... Keep my deposit.’

“The guys that are in that predicament, the last thing they want to see is their name all over the front page of the paper, because everyone’s walking away from presales on their tower.

“If the developer says, ‘Well, I’m going to sue you. We’re going to go to court.’ And then it’s all public. Now, that doesn’t help the industry at all.”

In general, household-name developers aren’t affected by foreclosures yet, they added.

[SUBSCRIBE](#)

market. But there are local developers who got burnt by their dependency on offshore buyers.

“Other than what you’ve already seen in the press, there are a couple of Vancouver shops that have sold a couple of properties, but they were very ambitious and, you know, locally based groups that had close connections with the offshore market. They relied on selling into China, and now those presales aren’t as solid as everybody hoped they were going to be,” said Mr. Buck.

Another result of a stalled market is standing inventory of thousands of unsold units, including some high-profile downtown luxury towers.



Gord Wylie's company, NorthStar, pre-sold 30 of the 102 units in 10 days.

SUPPLIED

Developer Gord Wylie turned a failed, partially built project into opportunity when he purchased a court-ordered sale in downtown Port Coquitlam, B.C. The developer, Quarry Rock Development, had applied for receivership on a six-storey rental building at 2245 McAllister Ave., across from City Hall.

trouble. Mr. Wylie redesigned the condo project, renamed it Livy, obtained a quick amendment to the development permit, and launched presales at prices unheard of a year ago, starting at \$299,900 for a small studio.

A year prior, he had sold studios in another project for \$399,000. To make the Livy viable, he increased the number of units, decreased some of the unit sizes and added a lot of amenities.

Thirty of the units are priced at below \$399,900 and 40 are less than \$499,900.

"They are all affordable, and all are under the first-time buyer threshold of \$1-million for a GST exemption," said Mr. Wylie.

"The key here is we went through court on Nov. 20. We closed on the land in late January, and we had our application into the city for a [development permit] amendment by Feb. 20, and the city approved it by mid-May," said Mr. Wylie.

His company, NorthStar, presold 30 of the 102 units in 10 days. He'd paid \$11.6-million, but most of the cost savings was in the time saved in having to get the permits. He said there is risk in taking over a failed project because you don't know the quality of work completed so far, and there is always some "bad blood" around a foreclosure, such as the investors who lost out. Mr. Wylie heard from some of them, even though he had nothing to do with the previous project.

CREA cuts 2025 forecast again but says home sales are rebounding from 'chaotic start'

"You do have a reputational issue there. You have a PR issue, to distinguish yourself differently from the previous property. And I've bought failed projects before. And you have to distinguish it as a very different product than just changing the developer's name."

However, others who are buying beleaguered projects are going to hold onto them until there's a policy change or the market returns, he said.

hold off in a period of uncertainty.

"It needs to be the right product at the right price," she said.

"Most of the locals are on the sidelines," added Mr. Buck. "There are guys like Gord who saw an opportunity, got a probably pretty good value, and time will tell. But it was certainly less than it would have sold for in the peak of the cycle."

Economist Roslyn Kunin said the foreclosure process could result in more affordable housing, but killing off development companies isn't the way to do it, she said. Instead, policy-makers, government and the industry need to overhaul the housing system and build at a cost people can afford.

"I think either something good will happen and we'll find out ways to build cheaper houses by adjusting our construction standards, by allowing modular buildings, by doing all these kinds of things ... because there are lots of ways we can put up comfortable housing that cost an awful lot less than our standard stick built type construction, and we will probably do that," said Dr. Kunin.

"I think we can do that. And the other thing is, of course, that, you know, if companies go bankrupt doing it the old way, then the price of the house comes down. But that's a bad way of doing it."

As for an upturn, Ms. Kunin and the Colliers' team agree it will get worse before it gets better.

"Will it be a full rebound? No," said Ms. Darling. "But I'm optimistic that we may start to see a little bit more activity by [this fall]."

Sign up for the Streetwise Newsletter. Follow the money with news and analysis on banks, capital markets, mergers, acquisitions, and Bay Street moves (subscribers only)

[SUBSCRIBE](#)[Report an editorial error](#)[Report a technical issue](#)[Editorial code of conduct](#)

Related stories



Who is buying new condos in Vancouver now and why?



Vancouver tries to get a handle on its empty-building problem

KERRY GOLD



With new condo market in a slump, debate rages over investors and foreign buyers

KERRY GOLD

More from Real Estate

HOME OF THE WEEK

Home of the Week: A modern farmhouse with an 1850s core in Prince Edward County

DONE DEAL

Regent Park condo lands buyer after steady price cuts

DONE DEAL

Seller prunes \$10,000 from asking price for two-storey Calgary loft

SUBSCRIBE

Agents say tax payments are missing as real estate market continues

OPINION

B.C. industry hopes to create a model for modular housing across Canada

KERRY GOLD

DONE DEAL

Beaches bungalow sells for \$476,000 over asking

Terms & Conditions

Community Guidelines

Privacy Policy

Disclaimer

Subscribe

Business services

Contact us

Reader services

About us



© Copyright 2025 The Globe and Mail Inc. All rights reserved.

351 King Street East, Suite 1600, Toronto, ON Canada, M5A 0N1

Andrew Saunders, President and CEO