QUARTERLY GRADES ON BC MORTGAGE CONDITIONS

The HomeHappy Report Card

Q3 2026 · July to September · Published November 2026

B-

Overall BC mortgage climate

It was a **good quarter to be a first-time buyer** in BC and a **hard one to refinance**. With fewer buyers looking, first-time buyers had more room to find the right home. Refinances were where deals got hurt: appraisals came in well below BC Assessment values. Private lenders pulled back as property values dropped.

The grades

TOPIC	GRADE	WHY
Overall BC mortgage climate	**B-**	A good quarter for buyers and a solid one for renewals. Refinancing and private lending pulled the grade down.
First-time buyer conditions	**A-**	With fewer buyers looking, first-time buyers had more opportunity to find what they wanted. The only limit was a smaller number of listings.
Renewal options	**B**	Renewing clients had plenty of choice. The sting was the payment: many were coming off a low rate.
Lender appetite: A lenders	**B**	A lenders were fairly aggressive for business, with some excellent rate specials.
Lender appetite: Alt lenders	**C+**	There are more Alt lenders than before, but many were tricky to get to full approval.
Lender appetite: private lenders	**D+**	Private lenders have been nervous because real property values have dropped.
Self-employed and complex income	**B-**	Served pretty well. Lenders had more time to review files than they do in busy markets, though not every lender was interested.
Refinancing and debt consolidation	**D+**	Lower values and tough appraisals hurt refinances.
Rental and investor financing	**C+**	Reasonable overall, but lender appetite isn't strong. You can see it in the fairly poor pricing on rental properties.

Grades run A+ to F: A great for borrowers · B good · C average · D tough · F very tough

What we're seeing on files

- **Refinance appraisals are coming in well below BC Assessment.** That's killing deals. Planning a refinance? Don't build your plan on the assessed value. Talk to us first about the value your plan needs.
- **Lenders keep adding documents to their lists.** Having your paperwork ready up front is the difference between a quick approval and a stalled one.

The question we keep getting

"We'd like to buy, but we have to sell first."

A slow market cuts both ways. If you sell for a bit less, you'll usually buy for less too. What matters is the gap between the two prices.

Sell first, make your offer subject to sale, or buy first and bridge the gap. Which fits depends on your equity, income and comfort with risk, so work it out before you list.

These grades are Michael Anthony Lloyd's professional opinion on general BC conditions, not advice for any one person. Every file is different. Grades look back at the quarter just ended and are never changed after publishing. Next issue: January 2027, with the Q4 grades, the 2026 full-year grades and the first outlook arrows for buying and selling in BC.

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In mortgage lending since 1988 · Independent BC broker since 1999

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