

THE FIFTH DIMENSION

Winter Edition

A comprehensive analysis of the multifamily real estate market in
Metropolitan Vancouver

WINTER 2019

DATA PROVIDED BY:



WELCOME TO THE FIFTH DIMENSION

Welcome to the 40th installment of Fifth Avenue Real Estate Marketing Limited's (Fifth Avenue), The Fifth Dimension. This is the concluding edition for the 2019 year and the tone setter for the first year in the 20's decade. Fifth Avenue is a full service, suburban market focussed, residential real estate sales and project marketing organization. We are joyfully celebrating our 40 years of experience.

For the 40th time, the supporting data for this report is objectively collected and presented by renowned Urban Analytics (UA) a leading provider of advisory services on the new multifamily home market. UA has been tracking the new multifamily home market in Metropolitan Vancouver since 1994 and has been a vital contributor to this report since its inception one decade ago.

Anyone feeling nostalgic as the 2010's passed and a new decade arrived? Can you believe we are coming up on the 10th Anniversary of the Winter Olympics? Where did the time go? At the end of each year, one of my rituals along with watching every year in review sports show I can find, is to conduct a year in review of my own. Over several early mornings with hot coffee in hand, I pour over my journals for the year that was and I think ahead to the year to come. With this year marking the end of a decade and the start of the 20's I was more reflective than normal.

For starters, I completed a ten minute exercise where I jotted down as many things that happened in the last decade as I could think of. The key was to let the list flow and not worry about how each one was to be categorized or prioritized. Frankly, I was surprised at the length of the list and the story it told. A lot of living and dying, struggle, success, milestones and touchstones can occur in ten years.

My other exercise is to write the ages of everyone in one column on a sheet of paper and their age in one decade from now in another column. I remember the first time I did this my oldest son was 12 and was going to be 22, my Mom was 62 and was going to be 72 and my Dad was 65 and was going to be 75. This simple exercise led me to quit a job that involved a great deal of time away from home and swayed me to spend time with my parents and touch base more frequently. As this is the start of the 11th year producing this report I did a similar exercise with respect to the new multifamily home market in Metro Vancouver.

As I age it seems at times the days are longer and the months and years shorter. Does anyone else relate to this perspective? From a real estate perspective I don't think I imagined sitting writing the 40th installment of this report when I struggled to find my voice in this market more than 10 years ago. In many ways, the market today is ever more complex yet writing about it seems more natural. This year also marks the start of my fourth decade in business and my second decade focussed near exclusively in our local markets. I certainly have experienced a great deal but in no way do I think I have figured it all out. I never thought I'd be doing what I am doing today but I must admit I remain fascinated by our industry and our craft.

In preparing to produce this edition, I skimmed back through nearly each one of the 40 prior installments. There were a number of memories. These included when the average price per square foot in Downtown Vancouver was just \$675 - \$725. Today it's basically 3 times that (\$1,500 to \$2,500). We predicted this would happen in 2010 and many snickered. At that time, Richmond and Burnaby were just starting to emerge from the recession with new high rise offerings that became the tipping point for intensive placemaking and densification over the next ten years.

I also found this quote from early in the decade, "Finally, expect Chinese immigrant end user and investment demand to be a dominant story ... In contrast, the first time buyer will continue to be negatively impacted by changing mortgage qualification rules, price escalation and possible interest rates hikes. Projects targeting this buyer group may experience slower absorptions as the latest changes come into effect. Then again, this may drive demand for multifamily product in Maple Ridge, Abbotsford and Mission." Sounds as relevant and real today as it was back then.

When we first started producing this report, a quarter with more than 2,500 sales and a year with 10,000 units was informally considered to be stellar. Then over the decade those figures became 3,000 and 12,000 and 4,000 and 16,000 respectively. I envisioned growth but honestly never imagined an annual sales figure of over 17,000 which was achieved in 2015 and the 20,000 in 2016 followed by over 17,000 and 15,000 homes sold in the years to follow. During this time we also chronicled over two years of consecutive 4,000 units sold per quarter. It is also worth noting the number of consecutive issues in which supply concerns were raised. Clearly this chronic issue of the decade is set to carry over into the 20's without a truly collaborative, private and public intervention.

Another recurring topic of the decade pertained to government action and inaction. Industry pundits have been consistent in their cautions and criticisms and these voices came to a crescendo in 2019. These included critiques of the numerous taxes and increases in development charges such as the provincial foreign buyer's tax, the Vancouver empty home tax, the federal mandated stress test, and additional NDP moves including the "school" or "not so school tax" and rent controls. As these voices raised the decade ended in a similar fashion to how the previous one ended, with sales of less than 10,000 units sold for the year – 7,758 sales to be exact. However, the underlying story is quite different than it was post global recession.

Now I am not the kind to live in the past. As we enter the 20's I am optimistic especially with respect to further emergence of the suburban markets and the role these markets will play overall. Of course, I have been accused of being too cheery. If you really knew me you might not agree with that statement. While I do expect a positive decade ahead I certainly accept the new reality we are in. These times are and will continue to be more volatile. Even with the solid fundamentals that buoy our market and inform my outlook for 2020 I do prepare for the ups and downs in general and particular market areas that are certain to come.

Time to get to work.



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Fifth Avenue is part of the Peerage Realty Partners family. Our sister companies include leading Toronto based project marketing and sales organizations, Baker Real Estate and Chestnut Park, the Christie's affiliate for Ontario.

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OVERALL MARKET SUMMARY

In this section of the final edition of the Fifth Dimension for 2019, our Winter Edition, data collection and analysis partner Urban Analytics (UA) shares its commentary on the most recent quarter, annual market performance overall, and what to expect as Metro Vancouver's multifamily residential real estate market enters a new decade.

Q4 – New Home Market

Sales activity in Metro Vancouver's new home market improved as the Fourth Quarter of 2019 ended with the highest quarterly sales total recorded in the year. Although this quarter did not show the robust levels of sales activity that has been observed the past several years, the final quarter of 2019 reflected a period of resurgence heading into 2020. A total of 2,276 new homes sales were recorded this quarter and while this figure is 44 percent lower than the Fourth Quarter of 2018, it was an increase of 25 percent compared to last quarter. Overall High Rise and Townhome sales were higher but Low Rise sales were slightly lower when compared to the last quarter. The overall released and unsold inventory at the end of the Fourth Quarter was 8,525 units, which is down three percent from the last quarter but is up four percent from the same quarter last year. There were 600 completed and unsold new multifamily homes available at the end of the Fourth Quarter, up very moderately from the 579 recorded last quarter and up from the 395 recorded at the end of the same quarter last year.

A total of 918 new High Rise sales were recorded in the Fourth Quarter of 2019; 49 percent higher than last quarter but down 71 percent compared to the same quarter in 2018. While current buyers of new High Rise product are now predominately end-users, the increase in sales for High Rise condominiums this quarter can be partially attributed to a slowly restoring yet cautious investor purchaser. There were 4,978 released and unsold High Rise units available at the end of the Fourth Quarter; similar to the 4,998 released and unsold High Rise units available last quarter but down by 15 percent (from 5,897 units) compared to the same quarter last year. Burnaby/New Westminster proved to be the strongest performing market in the High Rise sector for the second consecutive quarter. The momentum of High Rise condominium sales in this market is in part due to slightly lower prices compared to the most central market areas, appealing realtor bonuses, and limited time only buyer incentives among actively selling and recently launched projects in a number of markets.

The Low Rise sector of the new home market remained relatively steady in the Fourth Quarter of 2019, recording 627 new sales. This figure is down a modest three percent from last quarter and down five percent when compared to the same quarter last year. The total of 1,979 released and unsold Low Rise condominium units at the end of the Fourth Quarter was down five percent compared to last quarter and up 77 percent from the same quarter last year. Six new Low Rise condominium projects launched in the Fourth Quarter, which is three fewer than last quarter and one less than the same quarter in 2018.

A total of 731 new Townhome sales were reported in the Fourth Quarter of 2019, which represents an impressive 206 percent increase compared to the same quarter last year and a 30 percent increase compared to last quarter. This is the highest quarterly sales total recorded since the First Quarter of 2018. There were 1,568 new released and unsold Townhome units at the end of the Fourth Quarter, which is 40 percent higher from the same quarter last year but seven percent lower when compared to last quarter.

Q4 – Resale Market

There were 2,545 newer re-sale multifamily homes sold in the Fourth Quarter of 2019. This figure has decreased by two percent from the previous quarter but is up 51 percent when compared to the same quarter last year. All sectors experienced an increase in sales when compared to the Fourth Quarter of 2018; Re-sales of High Rise, Low Rise, and Townhome product have increased by 59, 35, and 57 percent, respectively. Total active listings have increased by seven percent from last year. This can be primarily attributed to a 24 percent increase in active listings for Low Rise Product. In contrast, active listings for High Rise product are down six percent and Townhome listings are up eight percent compared to the same quarter last year.

Q4 – Observation and Opinions

As mentioned in previous editions of the 5th Dimension report, municipal, provincial, and federal government policies have contributed to the market downturn that started mid year 2018 through the mid year of 2019. Since that time, the re-sale market has showed consistent signs of stabilization and it appears the new multifamily market is now following suit. The new market reached a bottom in mid-2019 and then higher new home sales were recorded in the second half of 2019 relative to the second half of 2018. So market performance in the Fourth Quarter of 2019 performed particularly well compared to previous quarters. Similar to last quarter, more optimal performing projects are those that offer the most attractive pricing and incentives relative to competitors in their respective locations.

We anticipate that 2020 will enjoy the continued momentum of late 2019 as economic conditions and buyer confidence improves. As end users and select value-oriented investors comprise the majority of buyers in the new home market today, we anticipate that the Townhome sector and Low Rise sector (particularly in more relatively affordable locations) may lead the way with respect to year over year performance in 2020. Developers looking to launch a new High Rise project in 2020 will likely be more successful if they purchased their property prior to the market peak in late 2017 and thus have the ability to launch at pricing more in line with today's market conditions.

Significant projects anticipated to launch in the First and Second Quarter of 2020 include: Vancouver West – iFortune Homes' Auberry, Hansen Pacific Development's W63 Mansion and Westland's The Marq; in Vancouver East – Holborn Group's long awaited Little Mountain; in Burnaby – Third's Highline, Intracorp's Telford on the Walk and SVM Development's Saavin; on the North Shore – PC Urban's Holland Row and Streetside's Port & Mill; in Coquitlam/Port Moody – Centred Development's Horizon 21 and Paulsun Development's Sophia Living; in Port Coquitlam – MacLean Homes' The Bloc; in Richmond – Shape Properties' RC at CF Richmond Centre and Polygon's Fiorella; in South Surrey/White Rock – Hungerford's Hazelwood; in Central Surrey/North Delta – Hawkstone Developments' Elston; in South Delta – Tsawwassen First Nation's West Coast Estates; RDG Management's The Corners in Surrey; in Langley/Cloverdale – Essence Properties' Verge and Lanstone Homes' Reunion; and in Abbotsford – Diverse Properties' Cinema District.

New Home Aggregates Q4-2019

	High Rise	Low Rise	Townhomes	Total
Total Q4-2019 Sales	918	627	731	2,276
Total Inventory	4,978	1,979	1,568	8,525
Standing Inventory	158	118	324	600
Total # of Projects	130	84	129	343

Sales Comparison Totals

	High Rise	Low Rise	Townhomes	Total
Total Sales	1,011	765	769	2,545
Active Listings	942	734	728	2,404

New Home Market YTD Comparison

	YTD 2017 Sales	YTD 2018 Sales	YTD 2019 Sales	% Change from 2018
High Rise	9,192	9,372	3,430	-63%
Low Rise	4,485	3,417	2,111	-38%
Townhomes	3,496	2,326	2,037	-12%
Total	17,173	15,115	7,578	-50%

MARKET SUMMARY

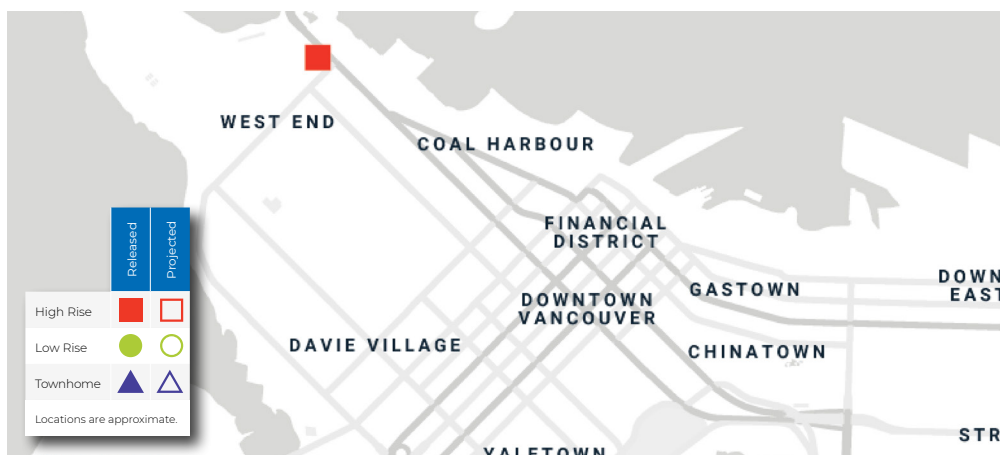
VANCOUVER DOWNTOWN

The Vancouver Downtown market switched to 'Red Light' status due to a 1.4 percent absorption rate in the Fourth Quarter of 2019 with a total of three sales in this sub-market. Only three of the 11 active projects recorded a sale over the quarter (one sale per project). Various sales teams have noted slow activity across the market due to the high price point the projects are looking to achieve. The market saw no new project launches over the Fourth Quarter but there is one High Rise project expected to come to market in the First Quarter of 2020. Three of the 11 active projects are now holding their remaining inventory back until market conditions improve or construction completes. This contributed to the 48 percent decrease in available inventory over the quarter. Many developers with Downtown Vancouver properties are holding back on launching new projects until market conditions improve.



Market Highlights (Q4-2019)

- Total quarterly sales remained very low again in the Fourth Quarter of 2019 with a total of just three sales in the entire sub-market.
- Concord Pacific's The Arc sold one unit in the Fourth Quarter after completing construction in the previous quarter.
- Landmark on Robson by Asia Standard Americas sold one unit in its East Tower over the quarter with a total of 55 sales to date. The developer is holding the remaining units until closer to completion.
- Sparrow Chinatown by Rendition Developments sold one unit over the quarter with a total of eight sales to date. The developer is holding the remaining units while it sells the commercial units.
- Vivagrind has ceased actively marketing Davie and Nicola as the product offering is being re-evaluated. All existing sales contracts have been cancelled.
- There were no reported price changes at any of the active projects despite minimal sales activity.



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	11 ↔	3 ↓	212 ↓	\$1,500 - \$2,500
Low Rise	-	-	-	-
Townhome	-	-	-	-

**Note: The greater variation in active Sales Price Range is the result of the achievable sale value differential between comparable product in the different Downtown neighborhoods.

MLS Resale Highlights (Q4-2019)

- Average sales values per square foot have decreased by \$1 when compared with the Fourth Quarter of 2018 for High Rise product
- Total number of listings have increased by six from the Fourth Quarter of 2018 for High Rise product, and total number of resales increased by 54 when compared to the Fourth Quarter of 2018
- The average per square foot values of one and two bedroom High Rise condominiums have increased by \$30 and \$44, respectively, since the Fourth Quarter of 2018
- The months of supply for resales in the High Rise market has decreased by 2.5 months to 3.6 months
- The sales range has decreased by \$32,000 on the lower-end and by \$45,000 on the top-end over the past four quarters for High Rise product
- Two bedroom Townhome sales value decreased by \$37,000 when compared to the Fourth Quarter of 2018

MLS Resale Statistics (product 10 years of age or less)

	Active Listings			Sold Listings			
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	164	3.6	136	99%	\$1,212	85	\$558,000-\$1,375,000
Low Rise	-	-	-	-	-	-	-
Townhome	6	9.0	2	1%	\$1,020	20	\$1,026,000-\$1,155,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$693,923	\$1,164	\$1,440,637	\$1,271
Low Rise	-	-	-	-
Townhome	2 Bedroom		3 Bedroom	
	\$1,026,000	\$1,123	\$1,155,000	\$917

MARKET SUMMARY

VANCOUVER WEST

Vancouver West will receive a "Yellow Light" for the Fourth Quarter of 2019, predominately due to lack of sales momentum among the current available pre-sale inventory. In the quarter, the Townhome sector attained the highest absorption rate, selling 19 percent of available inventory. The increase in sales across the Townhome sector can be attributed to three project launches and additional standing inventory being put on the market as remaining units from prior pre-sale projects complete construction. Over 2019, this market has shifted to being fairly end-user orientated, with purchase activity being the most active among completing inventory. Compared to the prior four years, Vancouver West was dominated by High Rise pre-sales, with an average of 14 High Rise launches per year, between 2016 to 2018. In 2019, there were only two High Rise launches. Looking into the following year, 2020 is expected to see the launch of a handful of smaller scale projects.



Market Highlights (Q4-2019)

- In October 2019, Vanwell Homes launched Terraces at Oak Park, selling 10 of 31 units, at a gross per square foot average of \$1,129.
- Joie, a Townhouse development by InHaus Development achieved nine additional sales over the quarter after a reduction of approximately \$120 per square foot. The project is now averaging \$1,563 per square foot.
- Woodstock at Oakridge 2, a 20-unit townhome project by Nexst Properties has launched at a gross per square foot average of \$1,096 achieving one sale over the quarter.
- Low Rise project, Winston at South Oak by Coromandel Properties has collapsed all of its sales and is restructuring the project plan.
- Townhome project, Masionette by Marcon sold the last unit achieving approximately \$1,137 per square foot average.
- Turner's Diary, a townhome project by AMC Developments launched late October and was not able to achieve any sales over the quarter.



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	26 ↓	19 ↓	547 ↓	\$1,050 - \$1,850
Low Rise	4 ↔	5 ↓	24 ↓	\$1,245 - \$1,550
Townhome	14 ↑	25 ↑	104 ↑	\$1,000 - \$1,600

MLS Resale Highlights (Q4-2019)

- It is taking 25 days longer on average to sell High Rise condominiums when compared to average days on the market in the same quarter of 2018
- The average time a unit is on the market has increased substantially across all product types since the Fourth Quarter of 2018; 25, 21, and 62 days longer for High Rise, Low Rise and Townhomes, respectively
- Average price per square foot sales values have increased across two product types since the Fourth Quarter of 2018; High Rise and Low Rise product saw \$81 and \$4 increases, respectively
- Two bedroom Low Rise product saw a \$24,874 increase in average sales price when compared to the Fourth Quarter of 2018
- Townhome product saw an increase of 38 sales when comparing to the Fourth Quarter of 2018
- Two bedroom Townhome product saw increases in average sales price of \$49,835 when compared to the Fourth Quarter of 2018

MLS Resale Statistics (product 10 years of age or less)

	Active Listings			Sold Listings			
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	179	5.0	107	59%	\$1,157	88	\$592,000-\$1,499,000
Low Rise	31	3.2	29	16%	\$1,066	77	\$630,000-\$1,200,000
Townhome	97	6.6	44	24%	\$1,066	11	\$875,000-\$1,775,000

MLS Resale by Unit Type

	1 Bedroom		2 Bedroom	
	Average Price	PSF	Average Price	PSF
High Rise	\$683,364	\$1,148	\$1,113,349	\$1,150
Low Rise	\$716,288	\$1,059	\$1,009,041	\$1,056
Townhome	2 Bedroom		3 Bedroom	
	\$1,131,168	\$1,070	\$1,704,838	\$1,089

MARKET SUMMARY

VANCOUVER EAST

The Vancouver East submarket has switched to a 'Green Light' for the Fourth Quarter of 2019. After a strong quarter with multiple product launches seeing success, sales volume increased by 245 percent jumping from 53 to 183 sales. 32 percent of all available units got absorbed in the Fourth Quarter compared to 17 percent in the previous quarter. A majority of the High and Low Rise sales occurred in projects that are selling at or near the bottom of the sales range with the market being slow for projects attempting to push the upper bounds of the sales range. There were two new product launches over the quarter with a High Rise project releasing 268 units into the market, in addition to a Low Rise project releasing 45 units and selling 42 in the quarter. There were also two Townhome projects to sell out during the Fourth Quarter before year's end.



Market Highlights (Q4-2019)

- Wesgroup's newest phase in River District, Paradigm, began sales during the quarter and sold 76 units at a blended per square foot average of \$900
- MODE, by Wesgroup, maintained a strong sales campaign and sold an additional 25 units during the Fourth Quarter of 2019 at a blended per square foot average of \$920
- Trillium project's new Low Rise development, Ella, launched and sold 42 of 45 units in the Renfrew neighbourhood and sold at \$880 per square foot
- Aragon's Shift has only four units remaining as the Low Rise building sold an additional 13 units in the Fourth Quarter
- Aviida, by the Azora Group, sold the last eight Townhome units and the project is now sold out after being on the market for seven months
- The finished product Townhomes at Nanaimo West, are now sold out and achieved a blended per square foot average of \$687 and an average unit price of \$1,087,521



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	9 ↑	101 ↑	305 ↑	\$900 - \$1,300
Low Rise	10 ↑	70 ↑	59 ↓	\$880 - \$1,200
Townhome	4 ↔	12 ↑	25 ↓	\$690 - \$850
Total	23	183	389	

**Note: The greater variation in active Sales Price Range is the result of the achievable sale value differential between comparable product in the different Vancouver East neighbourhoods.

MLS Resale Highlights (Q4-2019)

- Total resales increased by 77 when compared to the Fourth Quarter of 2018 while total listings also increased by 38 in that same time span
- The sales range widened by \$14,900 on the lower end and tightened by \$32,500 on the upper end for Townhome product when comparing to the Fourth Quarter of 2018
- Average per square foot sales values of High Rise product increased by \$36 when being compared to the Fourth Quarter of 2018
- The average price per square foot for a one bedroom unit in a High and Low Rise, is up \$13 and \$1, respectively, compared to the Fourth Quarter of 2018
- The average price per square foot for a two bedroom unit is up \$61 in a High Rise and is down \$15 for Low Rise product over the past four quarters
- The average price per square foot of a two bedroom Townhome is up \$16 when compared to the Fourth Quarter of 2018

MLS Resale Statistics (product 10 years of age or less)

	Active Listings				Sold Listings		
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	86	2.5	102	50%	\$994	47	\$492,000-\$920,000
Low Rise	29	1.3	66	33%	\$864	52	\$499,000-\$905,000
Townhome	18	1.5	35	17%	\$841	49	\$755,000-\$1,265,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$574,780	\$993	\$885,789	\$991
Low Rise	\$528,770	\$873	\$723,045	\$847
	2 Bedroom		3 Bedroom	
Townhome	\$955,667	\$882	\$1,044,923	\$823

MARKET SUMMARY

RICHMOND & SOUTH DELTA

The Richmond/South Delta market will end 2019 with a 'Green Light' rating in the Fourth Quarter with sales having increased by 273 percent compared to the prior quarter. In the Fourth Quarter of 2019, the High Rise sector accounted for nearly 70 percent of total sales in the sub-market, predominately due to lowered prices of existing product and newly launched sales campaigns with competitive prices. Richmond and South Delta's Townhome sales shared an even split, with Richmond recording 56 townhome sales and South Delta recording 54 sales. Although sales volumes in the Townhome sector were similar across Richmond and South Delta, there were nearly six Townhome launches in the last four months of 2019. The High Rise sector is anticipated to remain fairly active throughout 2019 with two launches expected early in 2020. Anecdotally, an increase in interest from Canadian-Hong Kong buyers have been noted in this market, due to controversial political concerns occurring in Hong Kong.



Market Highlights (Q4-2019)

- The second phase of Galleria, Picasso Building by Concord Pacific launched in October 2019, achieving 152 sales at an average gross price per square foot of \$960. The sales accounted for 51 percent of total High Rise sales in Richmond
- The Paramount by Keltic Development achieved 123 sales throughout the quarter, in which approximately 100 sales were made during a flash promotion offered in November, which sold at a price per square foot of mid to high \$900
- Beaufort Landing by Polygon Homes achieved 24 sales in the quarter at a blended overall price per square foot of \$483
- Townhome project, Spires Gate by Alabaster homes launched in October 2019 at an overall gross price per square foot of \$755 and achieved 15 over the quarter
- Townhome project Five Road by Anthem Properties launched late September 2019 and achieved 12 sales over the quarter after making price reductions of up to \$100,000, resulting in net blended price per square foot of \$671



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	17 ↔	326 ↑	800 ↑	\$800 - \$1200
Low Rise	5 ↔	24 ↑	103 ↓	\$650 - \$940
Townhome	16 ↑	110 ↑	285 ↑	\$500 - \$800
Total	38	460	1188	

**Note: The greater variation in active Sales Price Range is the result of the achievable sale value differential between comparable product in Richmond and South Delta.

MLS Resale Highlights (Q4-2019)

- Total listings have nearly doubled for Low Rise and Townhome product while total listings for High Rise product decreased by 23 percent when comparing to the Fourth Quarter of 2018
- The sales range for the Fourth Quarter of 2019 has narrowed in the High Rise and Low Rise sector whereas the sales range for Townhomes has widened when compared to the same quarter last year
- The upper bound of the Sales Range for High Rise and Low Rise product decreased by \$65,400 and \$45,000 respectively
- The upper bound for Townhome product increased by \$14,000 when compared to four quarters ago
- The average days on the market has increased substantially for High Rise and Townhome product and decreased for Low Rise product when comparing to this quarter of last year; High Rise up 17 days, Low Rise down 6 days, and Townhomes up 62 days

MLS Resale Statistics (product 10 years of age or less)

	Active Listings			Sold Listings			
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	130	3.3	120	47%	\$815	104	\$490,000-\$864,500
Low Rise	117	4.7	74	29%	\$669	79	\$495,000-\$700,000
Townhome	161	7.7	63	25%	\$579	120	\$709,000-\$1,064,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$517,229	\$856	\$717,321	\$785
Low Rise	\$489,697	\$710	\$608,991	\$659
Townhome	2 Bedroom		3 Bedroom	
	\$744,325	\$587	\$845,221	\$597

MARKET SUMMARY

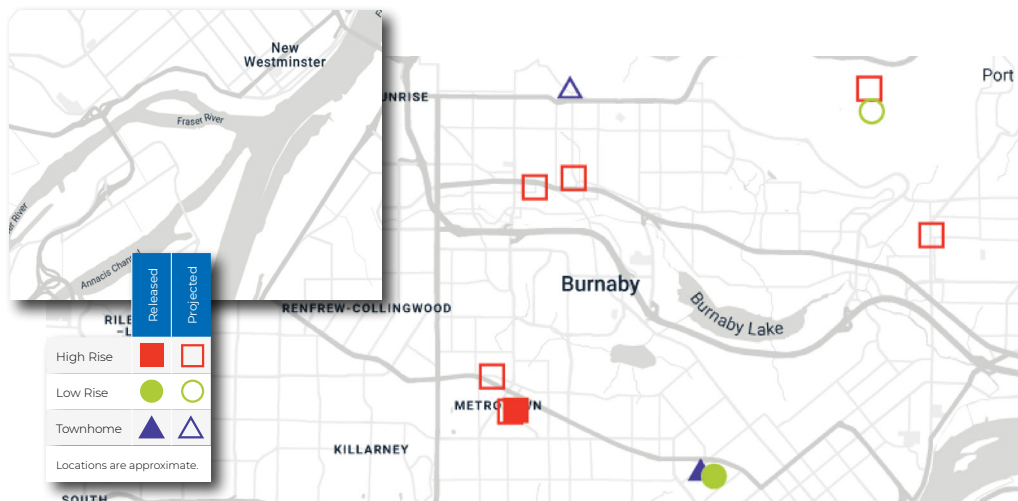
BURNABY & NEW WESTMINSTER

The Burnaby/New Westminster market will sustain a “Green light” for the Fourth Quarter due to healthy sales activity, despite evident price corrections seen in the form of large incentive offerings. Although the High Rise sector saw a decrease in sales, 13 percent of available inventory in this sector was sold over the quarter. The decrease in sales relative to the prior quarter can be attributed to a lack of project launches late in the year. Demand for product across Burnaby’s Metrotown and Brentwood town centres remained robust and are expected to be the leading neighbourhoods for sales activity in 2020, relative to Edmonds, Lougheed, and New Westminster. With the anticipation of several new projects coming to market, Burnaby’s High Rise sector is expected to be very active in early 2020 with competitive pricing among High Rise condominiums in the same neighbourhoods.



Market Highlights (Q4-2019)

- High Rise project, Sun Towers II by Belford Properties, sold 27 units in Metrotown and offered generous buyer incentives this quarter.
- Onni’s High Rise project Gilmore Place (Tower 2) reached an impressive 41 firm sales in the Fourth Quarter of 2019.
- After 12 months on the market, SVM Development’s Me-anta Townhomes in Metrotown sold its final unit. The project achieved an overall blended per square foot average of \$832.
- Alpha Beta Development and Domus Homes’ Low Rise project, Amira, in New Westminster has recorded six new sales in the Fourth Quarter of 2019.
- Cedar Creek (Building 2), Ledingham McAllister’s Low Rise project in Edmonds, has launched a sales campaign and obtained 12 sales this quarter.
- Highline is Thind Development’s High Rise project in Metrotown and is expected to launch over the First Quarter of 2020. This project is expected to be one of the tallest



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	28 ↔	182 ↓	1259 ↑	\$600 - \$1200*
Low Rise	8 ↑	20 ↔	228 ↑	\$700 - \$900
Townhome	9 ↑	26 ↑	127 ↑	\$530 - \$830

*Note: The greater variation in active Sales Price Range is the result of the achievable sale value differential between comparable product in the different Burnaby/New Westminster neighbourhoods.

MLS Resale Highlights (Q4-2019)

- Total listings have decreased by 20 percent whereas total resales have increased by 50 percent when compared to the Fourth Quarter of 2018
- The months of supply for resales across all three product types have decreased. The High Rise and Townhome market has reduced by 3.6 months and the Low Rise market has reduced by 1.7 months
- The upper sales bound of the Low Rise market has increased by \$121,500 since the Fourth Quarter of 2018
- The price of the average one bedroom and two bedroom Low Rise product has decreased by \$25,514 and \$75,687 respectively, since the same quarter of last year
- The average price per square foot of one and two bedroom High Rise product has increased by \$56 and \$3, respectively, over the past year
- The average sales price of two and three bedroom Townhome product has increased by \$10,934 and \$19,087

MLS Resale Statistics (product 10 years of age or less)

	Active Listings			Sold Listings			
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	151	1.9	242	65%	\$857	67	\$455,500-\$828,000
Low Rise	71	2.3	92	25%	\$697	57	\$407,000-\$809,500
Townhome	40	3.1	39	10%	\$657	60	\$590,000-\$1,048,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$536,871	\$922	\$745,301	\$827
Low Rise	\$443,981	\$715	\$519,318	\$688
	2 Bedroom		3 Bedroom	
Townhome	\$721,656	\$666	\$887,064	\$644

MARKET SUMMARY

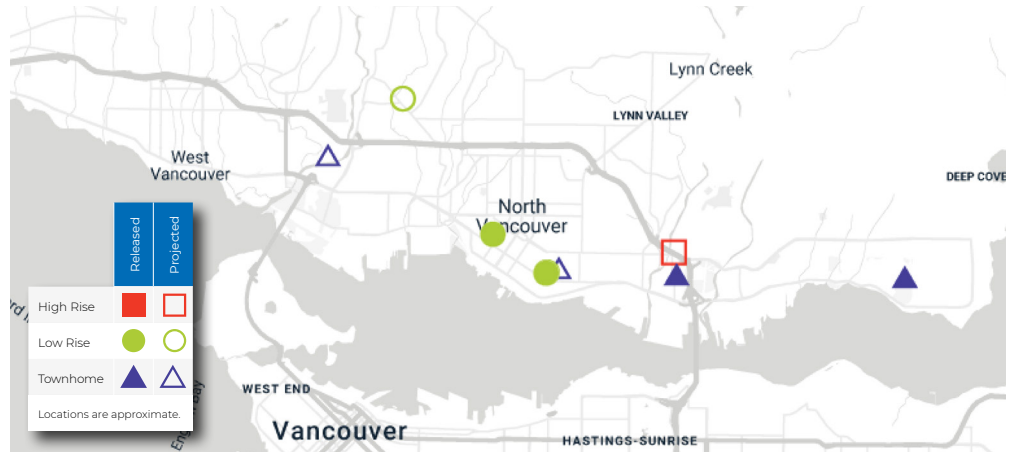
NORTH SHORE

The North Shore switched to a 'Green Light' after experiencing a total of 121 sales over the Fourth Quarter of 2019. This was a 49 percent increase (40 more sales) from the previous quarter. The market saw two new project launches in the Townhome sector, which collectively accounted for 40 percent of all townhome sales over the quarter and contributed to the 63 percent increase in Townhome sales from the previous quarter (20 more sales). There was one new project launch in the High Rise sector, which accounted for 43 percent of all High Rise sales over the quarter. Sales of this product type increased by 89 percent from the previous quarter (32 more sales). Overall sales of all product types absorbed 18 percent of the total available inventory in the Fourth Quarter of 2019. This was a seven percent increase in the absorption rate from the previous quarter.



Market Highlights (Q4-2019)

- Anthem Properties' Low Rise project Marine + Fell sold its final unit over the Fourth Quarter, marking the development sold out with an overall blended price of \$829 per square foot
- Queen's Landing by Cascadia Development sold 12 units over the Fourth Quarter after completing construction and reducing prices in the previous quarter;
- This project is achieving an overall blended price is \$836 per square foot with one unit remaining
- Aquilini Group launched the next phase of Seymour Village, Seymour Village on the Park, at an overall blended price of \$559 per square foot and recorded nine firm sales by the end of the Fourth Quarter
- Anthem properties launched two move-in ready projects:
- West Third recorded 29 sales after launching at an overall blended price of \$1,050 per square foot.
- Founders Block North recorded 12 sales after launching at an overall blended price of \$769 per square foot.



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	12 ↔	68 ↑	332 ↓	\$900 - \$2,200*
Low Rise	4 ↔	1 ↓	36 ↓	\$830 - \$925
Townhome	15 ↑	52 ↑	182 ↓	\$600 - \$915

*Note that the large sales range is due to the price differences observed in West and North Vancouver.

MLS Resale Highlights (Q4-2019)

- Total listings compared to the Fourth Quarter of 2019 rose by 22 percent from 132 to 108 when compared to the Fourth Quarter of 2018
- Total resales have increased by 43 from 112 to 155 from the same quarter of last year
- High Rise and Low Rise product saw increases in the average days on the market for a resale unit by 9 days and 17 days respectively, while Townhome product drops by 15 days, over the past four quarters
- The average price per square foot of two and three bedroom Townhomes has rose by \$25 and \$88 compared to the Fourth Quarter of 2018
- Two and three bedroom Townhome product was the only specific unit type that increased in per square foot sales values when compared to the Fourth Quarter of 2018;
- The largest per square foot decrease for any specific unit type was the \$140 decrease that two bedroom High Rise condominiums saw over the past year

MLS Resale Statistics (product 10 years of age or less)

	Active Listings				Sold Listings		
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	61	3.6	51	33%	\$1,028	62	\$557,000-\$1,196,000
Low Rise	34	1.4	75	48%	\$836	56	\$530,000-\$852,000
Townhome	37	3.8	29	19%	\$768	48	\$880,000-\$1,620,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$624,539	\$1,003	\$1,098,523	\$1,047
Low Rise	\$543,463	\$883	\$746,902	\$818
	2 Bedroom		3 Bedroom	
Townhome	\$956,200	\$829	\$1,221,323	\$755

MARKET SUMMARY

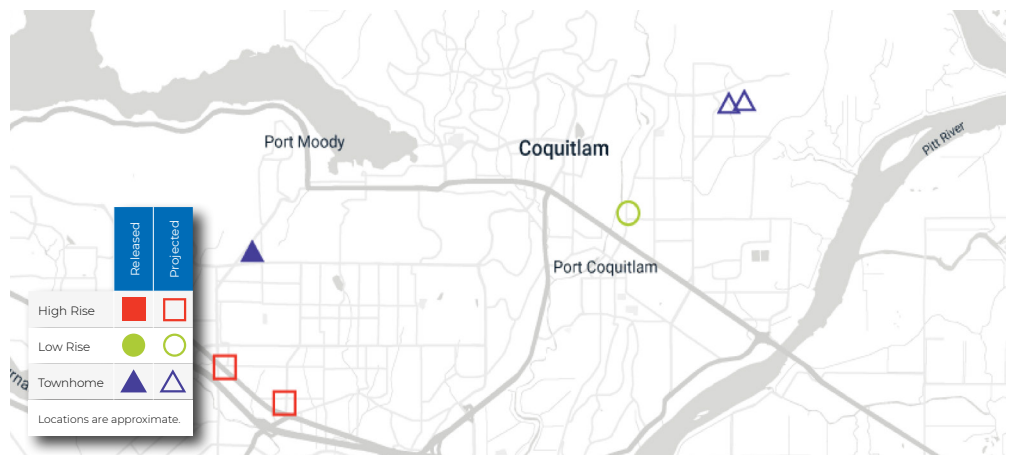
TRI-CITIES

The Tri-Cities market will sustain a 'Green Light' for the Fourth Quarter of 2019 due to an impressive 56 percent increase in sales from the prior quarter. Sales increased across all product types, with the Low Rise sector representing 43 percent of the total 248 unit sales in the Tri-Cities. The Townhome sector accounted for 38 percent of these sales, followed by the Concrete sector reflecting 19 percent of the total sales in the Fourth Quarter. The majority of increased sales activity in Low Rise product is attributed to developers doubling the bonus and incentive offerings for limited periods to increase buyer activity, while Townhome products typically lower prices between \$25,000 - \$100,000. Moving forward, Coquitlam's High Rise sector is anticipated to be very active in early 2020 with multiple launches and competitive pricing against Low Rise condominiums in the same neighbourhoods.



Market Highlights (Q4-2019)

- 3535 Princeton by Nordel Construction sold 17 Townhomes in Burke Mountain. There are now only eight units remaining in the project with completion scheduled for April 2020
- Dwell24 by Epix Development sold its final four Townhomes in Port Moody. The project obtained occupancy in late 2018 and achieved an overall sale price of \$849,195
- The Oaks by Strand Development in Burquitlam offered generous realtor bonuses and recorded 31 new sales.
- 50 Electronic Avenue, a Port Moody Low Rise project by Panatch Group, sold 14 units in the Fourth Quarter. The second phase is expected to launch within the next two quarters
- In early 2020, there are two High Rise projects that are anticipated to commence sales in Coquitlam: SOCO by Anthem Properties and Horizon 21 by Centred Development
- Two Low Rise projects anticipated to launch within the next two quarters include Streetside Development's Port & Mill in Burquitlam and Porte Development's Clyde in Port Moody



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	9 ↔	47 ↑	269 ↓	\$850 - \$950
Low Rise	13 ↔	107 ↑	268 ↓	\$550 - \$760
Townhome	11 ↓	94 ↑	143 ↓	\$480 - \$730

*Note: The greater variation in active Sales Price Range is the result of the achievable sale value differential between comparable product in Port Coquitlam vs. Coquitlam and Port Moody.

MLS Resale Highlights (Q4-2019)

- Total listings have decreased by 13 percent in the Fourth Quarter of 2019 when compared to active listings in the same quarter last year
- Total resales have rose from 188 to 304 sales observed in the same period last year
- The average days on the market for High Rise product has increased from 58 to 66 days, Low Rise product has decreased from 55 to 38 days, and Townhome product has increased from 49 to 64 days when compared to the Third Quarter of 2019
- Bottom end pricing in the sales range for Townhome product has increased by \$22,000 while the bottom end pricing for High Rise and Low Rise product has decreased by \$25,000 and \$9,000 respectively, compared to the same period last year
- One bedroom units in all product types decreased by \$37 in the High Rise sector and \$16 in the Low Rise sector compared to the Fourth Quarter of 2018

MLS Resale Statistics (product 10 years of age or less)

	Active Listings			Sold Listings			
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	56	1.4	117	38%	\$771	66	\$465,000-\$762,500
Low Rise	57	1.9	89	29%	\$640	38	\$400,000-\$625,000
Townhome	34	1.0	98	32%	\$513	64	\$630,000-\$988,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$475,033	\$813	\$669,823	\$751
Low Rise	\$424,149	\$648	\$544,876	\$631
	2 Bedroom		3 Bedroom	
Townhome	\$616,522	\$501	\$759,044	\$535

MARKET SUMMARY

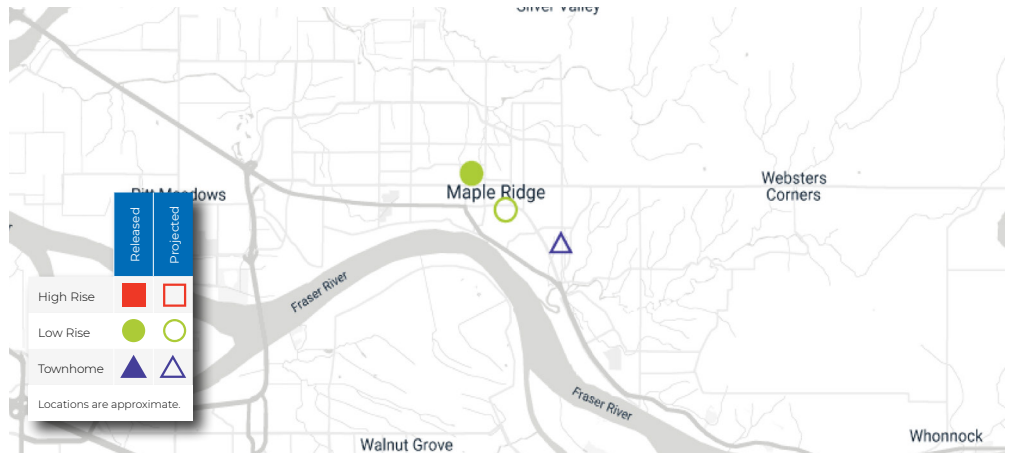
RIDGE MEADOWS

The Ridge-Meadows market will maintain its 'Green Light' rating as overall sales volume increased by 40 percent from the Third Quarter of 2019. With no new product launches in the Townhome sector but rather new unit releases in already actively selling projects, unsold inventory decreased by six percent. Low Rise and Townhome product saw 15 and 28 percent of units absorbed, respectively, for an overall absorption of 19 percent of the available units for sale in the market. This is a decrease of two percentage points from the Third Quarter. The increase in Low Rise sales volume can be attributed to a new product launch which released 143 new homes into the market of which 17 percent were absorbed in its first quarter of sale. There will be one Low Rise and one Townhome development that are anticipated to begin a sales campaign in early 2020 in the Ridge-Meadows market.



Market Highlights (Q4-2019)

- Phase one of SwissReal's multi-phased mixed-use development Era released 143 units and sold 25 at a blended per square foot average of \$510
- Atterra Development Group's Low Rise project Sierra Ridge sold an additional 10 units in the Fourth Quarter to bring the project total to 14 sales with 11 units unsold in the first phase
- With an additional six units released during the quarter, Streetside Developments Townhome project Creekside Maple Heights sold 11 units at an average unit price of \$566,568 in the development
- Willow and Oak, a Townhome project by Main St. Homes, has seven units remaining after selling 11 units over the Fourth Quarter of 2019;
- Townhome completions in this development will be occurring in the spring of 2020
- ML Properties Low Rise development The 222 (Phase 2) sold two units over the Fourth Quarter at a blended per square foot average of \$507



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	-	-	-	-
Low Rise	6 ↑	39 ↑	226 ↑	\$460 - \$590
Townhome	8 ↔	34 ↓	89 ↓	\$350 - \$490

MLS Resale Highlights (Q4-2019)

- Total listings have increased from 100 to 111 and resales have increased from 70 to 92 compared to the Fourth Quarter of 2018
- In the same quarter last year, there were no listings or resales in the High Rise sector
- The average days on market for resales in the Low Rise and Townhome sector is approximately 10 days longer over the same time period
- The lower bound of the sales range for Townhome product dropped by \$32,500 while the lower bound of the sales range for Low Rise product remained similar in price when comparing the same period last year
- The upper bound of the sales range for Low Rise product has decreased by \$40,000 and \$60,000 for Townhome product compared to the Fourth Quarter of 2018
- The average price per square foot of Low Rise one bedroom and two bedroom units have increased by approximately \$40 in the same period last year

MLS Resale Statistics (product 10 years of age or less)

	Active Listings				Sold Listings		
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	1	1.0	3	3%	\$464	122	\$275,500-\$460,000
Low Rise	65	4.3	45	49%	\$511	72	\$327,000-\$520,000
Townhome	45	3.1	44	48%	\$361	85	\$495,000-\$700,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$317,750	\$500	\$460,00	\$394
Low Rise	\$353,800	\$520	\$442,503	\$513
	2 Bedroom		3 Bedroom	
Townhome	\$503,667	\$393	\$559,584	\$360

MARKET SUMMARY

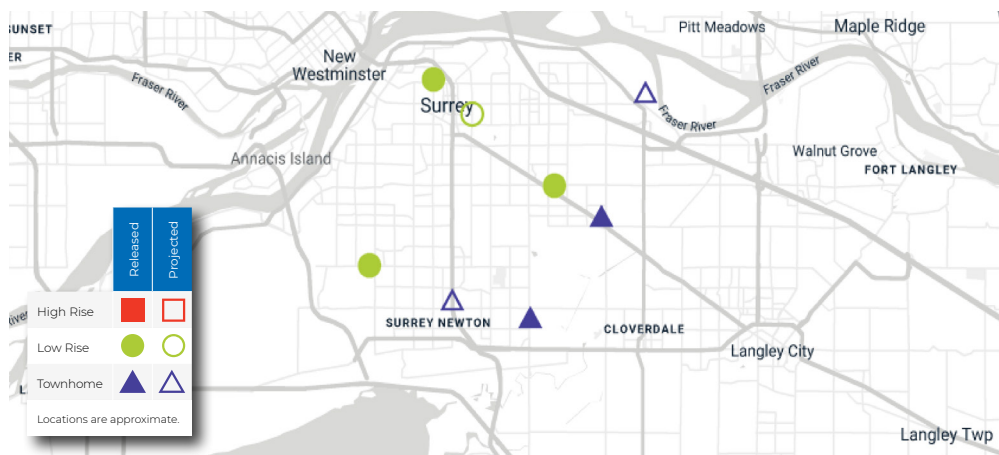
SURREY CENTRAL & NORTH DELTA

The Surrey Central/North Delta market will continue to hold a 'Green Light' status as it has been one of the most robust sub-markets in 2019. Although total sales decreased nearly 52 percent this quarter, a lack of project launches relative to the prior quarter is the primary effect of this, while strong buyer activity is still quite evident. The Townhome and Low Rise sector's absorption rates have decreased by five percent and 12 percent, respectively, while the High Rise sector's absorption rate has increased by four percent, resulting in overall decrease in absorption rate of 11 percent. At the end of 2019, the overall inventory across the sub-market decreased minimally by 1.5 percent. Looking forward, the High Rise sector may be subject to potential downward pricing pressure due to a lack of stronger than normal sales activity observed across newer launches in the later half of 2019.



Market Highlights (Q4-2019)

- Townhome project Clayton Street by Garcha Properties launched late in the quarter, releasing 20 units where no firm sales were confirmed, however, 4 contracts had been written at the end of the quarter
- High Rise Concrete project, The Holland by Townline homes has launched at a gross price per square foot average of \$811 and achieved 48 sales over the quarter
- The south tower of University District by Bosa Properties recorded 49 sales over the quarter before closing the presentation center in early December for construction to commence
- The Low Rise Condo component of Fleetwood village by Dawson + Sawyer had 44 sales over the quarter at an overall price per square foot of \$594
- Scott and Nicholson reported 22 sales over the quarter and presentation center has closed for construction to commence on site



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	10 ↑	119↑	995↑	\$780 - \$900
Low Rise	10 ↔	143 ↓	256 ↓	\$525 - \$650
Townhome	15 ↔	129 ↓	201 ↓	\$340 - \$450

MLS Resale Highlights (Q4-2019)

- The total number of resales have increased by 118 when comparing to the Fourth Quarter of 2018
- The total number of resales for High Rise product in the Fourth Quarter of 2019 is 43 percent greater than the number of resales seen for this product than last year
- Months of supply decreased across all product types by an average of 2.2 months when compared to the Fourth Quarter of 2018
- The High Rise per square foot value has decreased by \$5 while the Low Rise and Townhome per square foot value has increased by \$19 and \$8 respectively, compared to price per square foot values over the past year
- Three bedroom Townhome units increased by \$11,694 over the year
- The largest relative price increase by average price per square foot was seen by High Rise two bedroom units, accounting for a six percent increase when compared to the Fourth Quarter

MLS Resale Statistics (product 10 years of age or less)

	Active Listings				Sold Listings		
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	83	2.3	107	33%	\$685	73	\$290,000-\$508,000
Low Rise	73	2.4	92	29%	\$546	63	\$310,000-\$470,000
Townhome	101	2.5	121	38%	\$405	58	\$545,000-\$697,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$360,872	\$707	\$488,046	\$616
Low Rise	\$336,015	\$562	\$437,973	\$522
	2 Bedroom		3 Bedroom	
Townhome	\$512,302	\$442	\$607,505	\$410

MARKET SUMMARY

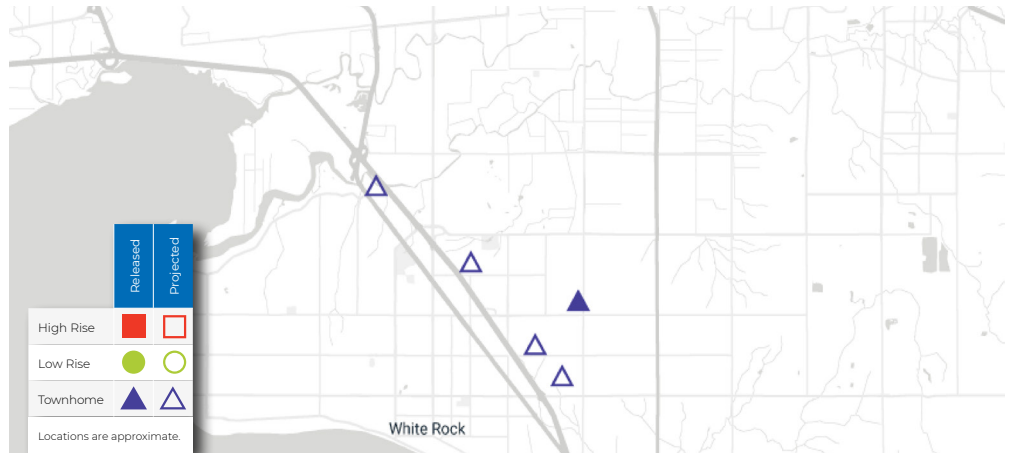
SOUTH SURREY & WHITE ROCK

The South Surrey/White Rock market will switch to a 'Green Light' status for the Fourth Quarter of 2019 due to a 71 percent increase in quarterly sales. Compared to the prior quarter, an increase in sales was observed across the High Rise and Townhome sector and remained unchanged for Low Rise product. The High Rise sector's sales activity notably improved, where 46 sales were recorded across five projects which set the highest number of sales since 2018. While there were no new High Rise launches over 2019, many of the actively selling condominiums are now well under construction and gaining more traction with generous incentives programs where units across select projects have been seen to be discounted by up to \$70,000 in value. The Townhome sector has also been subject to downward pricing pressure throughout 2019 where the average price of a typical Townhome at just over \$600,000 appears to be yielding the strongest absorption rates.



Market Highlights (Q4-2019)

- RDG Management's High Rise project, Soleil, recorded 17 sales. These sales accounted for 36 percent of all High Rise sales in South Surrey/White Rock
- After little sales activity since early 2018, there were a total of 21 sales recorded across the two High Rise towers, Foster and Martin by Landmark Premiere Properties. Units were reportedly discounted by over five percent and accompanied by realtor bonuses
- Royale Properties launched sales for Carson, a 40 unit Townhome project in the Grandview Heights neighbourhood with three recorded sales. Carson Townhomes average 1,400 square feet in size and \$672,000 (or \$480 per square foot) in price
- Streetside Development's, Orchard Park, sold an additional 11 units this quarter at an estimated average sales price of \$647,000 or \$439 per square foot
- Red Construction's Townhome project South Village has sold a total of 12 homes to date with competitively priced homes averaging \$615,000. Future releases are anticipated throughout 2020



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	7 ↔	20 ↑	268 ↓	\$900 - \$1,100
Low Rise	2 ↔	1 ↑	11 ↓	\$600 - \$730
Townhome	10 ↔	25 ↓	163 ↑	\$375 - \$480

MLS Resale Highlights (Q4-2019)

- When compared to the same quarter last year, the total number of listings has increased by two percent while resales have increased by 42 percent
- Low Rise condominiums increased the top end sales range by five percent when compared to the same period last year
- Average per square foot sale values for High Rise product has significantly increased by 27 percent, rising from \$630 to \$859 when compared to the Fourth Quarter of 2018
- Months of supply for High Rise and Townhome products decreased by 2.7 months and 2.3 months, respectively, while the months of supply of Low Rise product increased by 1.4 over the past year
- High Rise and Low Rise product of all specific unit types saw an increase in average sales price; approximately \$492,931 for High Rise product and \$13,020 for Low Rise product when comparing the Fourth Quarter of 2018

MLS Resale Statistics (product 10 years of age or less)

	Active Listings			Sold Listings			
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	21	3.7	17	13%	\$859	60	\$315,000-\$1,160,000
Low Rise	63	7.0	27	21%	\$567	79	\$383,000-\$605,000
Townhome	88	3.1	85	66%	\$402	68	\$572,000-\$740,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$627,633	\$835	\$1,230,230	\$897
Low Rise	\$400,917	\$554	\$530,333	\$577
	2 Bedroom		3 Bedroom	
Townhome	\$543,023	\$416	\$643,368	\$420

MARKET SUMMARY

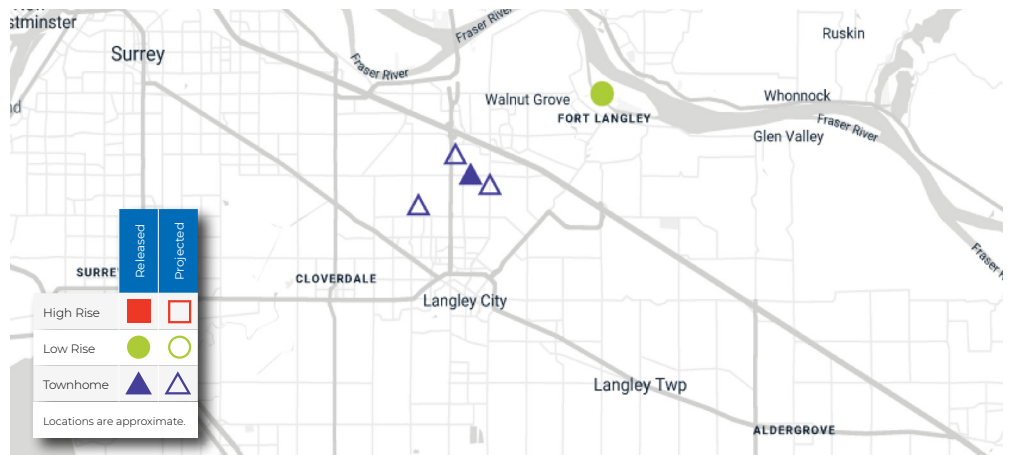
CLOVERDALE & LANGLEY

The Langley/Cloverdale market maintains a 'Green Light' status as the continued demand for all available product types in this sub-market increased. Despite a lack of newly launched projects, the total sales volume rose by 11 percent over the Fourth Quarter of 2019. The absorption rates for both the Low Rise and Townhome sectors has increased to 28 percent and 42 percent, respectively, and accounts for an average increase of 10 percentage points compared to the absorption rates in the previous quarter. Appealing prices and lower values on an average price per square foot basis has gained more interest from potential buyers in Metro Vancouver who are considering a purchase of a new home. The outlook of this submarket remains promising as the average price per square foot for Low Rise and Townhome products continue to decrease and available inventory increases which allow for potential of these projects to capture higher absorption rates in 2020.



Market Highlights (Q4-2019)

- RDG Management's Alexander Square achieved an additional 13 sales over the quarter. This Low Rise project has sold 81% of their total inventory to date
- Latimer Village Condos launched sales for 'Building C' in the late Fourth Quarter of 2019. The blended per square foot average is \$526 across the actively marketing buildings (Building A, B, and C) in Vesta Properties' Low Rise project
- Low Rise project Atrium by Jagson Developments recorded 28 firm sales this quarter and is anticipated to release a new phase with additional units in early 2020
- Infinity Properties' Townhome project, Wilder Crossing, had 28 firm sales in the Fourth Quarter of 2019;
- This project has 11 units remaining of the total released 46 units and is now achieving a blended per square foot average is \$401
- Townhome project Gabriola Park by Royale Properties sold seven units this quarter. The project has four units remaining and are available for immediate occupancy



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	-	-	-	-
Low Rise	13 ↓	146 ↑	372 ↓	\$450 - \$600
Townhome	21 ↓	168 ↑	185 ↓	\$330 - \$465

MLS Resale Highlights (Q4-2019)

- Total listings increased by 12 from 225 to 237 in the Fourth Quarter of 2019 compared to the same quarter in 2018
- Average price per square foot values have declined for Low Rise condominiums by \$1 and rose by Townhomes by \$11 when compared to this quarter last year
- The lower and upper bounds of the sales range for Low Rise condominiums have increased by \$50,000 and \$7,000, respectively, since the Fourth Quarter of 2018
- The Low Rise sector saw a 16 percent increase in the average days on market while the Townhome sector saw a 11 percent increase in the Fourth of 2019 when compared to the same quarter last year
- The average price per square foot value for two bedroom Townhomes declined by one percent while three bedroom Townhomes declined by four percent higher when compared to the Fourth Quarter of 2018

MLS Resale Statistics (product 10 years of age or less)

	Active Listings			Sold Listings			
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	6	2.3	8	3%	\$506	59	\$380,000-\$644,000
Low Rise	154	4.0	115	38%	\$525	44	\$343,000-\$565,000
Townhome	77	1.3	177	59%	\$406	49	\$527,500-\$666,500

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	\$344,500	\$540	\$442,333	\$514
Low Rise	\$352,140	\$550	\$492,983	\$512
	2 Bedroom		3 Bedroom	
Townhome	\$533,826	\$432	\$603,051	\$407

MARKET SUMMARY

ABBOTSFORD

The Abbotsford market will maintain its 'Green Light' status as the total sales volume increased by 11 percent in the Fourth Quarter of 2019. The Low Rise and Townhome sector both experienced higher absorption rates when compared to the previous quarter. The Low Rise sector improved with an absorption rate of 15 percent, while the Townhome sector improved with an absorption rate of 32 percent. Interestingly, both the Low Rise and Townhome sectors saw an increase to their respective absorption rate by three percentage points when compared to the Third Quarter of 2019. The High Rise sector gained movement in the Fourth Quarter of 2019. Having recorded no sales in the past three quarters, Abbotsford's single High Rise project sold 50 percent of its remaining inventory this quarter. Across all three product types, there was no change in the Active Sales Range \$PSF in comparison to the prior quarter.



Market Highlights (Q4-2019)

- Abbotsford's only actively selling High Rise project, Quantum Properties' Mahogany, sold seven units over the quarter and now has seven units remaining. Generous realtor bonuses have been offered as an effort to sell out the project
- Heinrichs Developments launched Court East (the second phase of the Low Rise project, Court), which sold 10 units of the 17 initially released units
- Elmstone at Westerleigh by Polygon Homes recorded 23 new sales this Quarter. The Low Rise project will continue to sell their units once construction is closer to completion
- Mosaic's Townhomes, Gardner, sold an additional 16 units in the Fourth Quarter, selling 31 Townhomes of the currently released 46
- Roundhouse, Gramercy Development's townhome project, has one final home remaining after obtaining nine sales in the Fourth Quarter
- Townhome project, Breeze, by Maskeen Group sold its final two move-in ready units. The project achieved an overall blended price of \$343 per square foot



New Development Sales Statistics

	Active Projects	Sales	Unsold Inventory	Active Sales Range PSF
High Rise	1 ↔	7 ↑	7 ↓	\$469
Low Rise	9 ↑	71 ↑	397 ↓	\$450 - \$570
Townhome	6 ↓	39 ↓	83 ↓	\$300 - \$390

MLS Resale Highlights (Q4-2019)

- Total listings decreased by 14 percent while total resales rose by 65 percent in the Fourth Quarter of 2019 compared to the same quarter in 2018
- Price per square foot sales values for Low Rise condominiums and Townhomes have increased by \$68 and \$14, respectively, from the Fourth Quarter of last year
- The upper bound of the sales range for Low Rise product has decreased by \$35,000 over the past four quarters while the upper bound of the sales range has decreased by \$9,000 for Townhome product
- The average Townhome price per square foot has decreased \$10 for two bedroom units and increased by \$32 for three bedroom condominiums when compared to the Fourth Quarter of 2018
- There were no comparable resales for High Rise product in the Fourth Quarter of 2018
- The average price for a two bedroom Townhome sold for \$10,111 more when compared to the same quarter in 2018

MLS Resale Statistics (product 10 years of age or less)

	Active Listings				Sold Listings		
	Active Listings	Monthly Supply	#	%	PSF	DOM	Active Sales Range (75% of sales)
High Rise	4	12.0	1	1%	\$631	67	\$570,000
Low Rise	40	2.0	61	65%	\$456	61	\$275,000-\$415,000
Townhome	24	2.3	32	34%	\$374	59	\$472,000-\$550,000

MLS Resale by Unit Type

	Average Price	PSF	Average Price	PSF
	1 Bedroom		2 Bedroom	
High Rise	-	-	\$570,000	\$631
Low Rise	\$304,868	\$482	\$389,532	\$437
	2 Bedroom		3 Bedroom	
Townhome	\$473,229	\$373	\$521,757	\$379

LOOKING BACK & AHEAD

On the heels of notable month after month re-sale market improvements that commenced in early summer of 2019, the new multifamily market showed marked improvement in the Fourth Quarter. This momentum is projected to continue through 2020. The 22 percent increase in sales compared to previous quarter boosted the total sales figure for the year to 7,578, a figure that is still the lowest number in a decade.

Looking Back

The re-sale market improvement we projected to sustain itself certainly did that. In fact, December saw a flurry of activity boosting annual sales totals. The Real Estate Board of Greater Vancouver's (REBCV) year-end report indicated 2019's total home sales in Metro Vancouver represented a 20.3% decrease over the 10-year sales average. However, for the entire year, home sales reached 25,351 units in 2019, which is a three percent increase from the 24,619 sales in 2018.

In contrast, we did not expect to report meaningful year over year performance improvement in the new multifamily market from a pure statistics perspective until end of the First Quarter of 2020 at the earliest. We did, however, project the actual improvement in the new market that materialized in the Fourth Quarter of 2019.

At the conclusion of the last edition we held the view that breaching the 10,000 units sold mark in 2019 was improbable. We weren't wrong. We did purport that a 3,000+ units sold mark in the Fourth Quarter certainly would confirm similar stability in the new multifamily market. The trend was there but the figure fell shy. Our actual projection for the Fourth Quarter result was 2,500+ units. We were off by 12 percent.

We did anticipate the suburban markets would continue to play a more primary role in the recovery and the "geographical reversal" with respect to market improvement continued. No surprise there as the combination of growing population, improved livability and affordability – product priced between \$300,000 and \$600,000.

Looking Ahead

Based on the manner in which the year of 2019 finished and early projections for 2020, we do foresee 10,000 to 11,000 sales in 2020. This would be a 25+ percent increase. If this is probable the year will need to be led off with 2,500 to 3,000 units sold in the First Quarter. While we do expect recovery in terms of volume, we do not foresee an acceleration in prices in any meaningful manner in the first half of 2020 and possibly until 2021.

While we do hold the view that new multifamily market in Metro Vancouver has stabilized and is in recovery there are likely to be ups and downs in 2020. It seems many things in life in the 2020's are simply going to be more volatile.

Our forward-minded views seem to have company. The B.C. Real Estate Association (BCREA) predicts that MLS residential sales across the province will increase 10.9 per cent to 85,500 units in 2020, which would take the annual total to just below the 10-year annual average of 85,800 units.

What's also worth bearing in mind is that BCREA's predicted sales increase is for all of B.C. and flattens out the widely varying predictions across different regions. Most of the recovery in activity is forecast to be driven by rising sales in Greater Vancouver and the Fraser Valley, the markets hit hardest by the recent slowdown. Greater Vancouver residential transactions are predicted to increase by 18.2

percent in 2020, compared with 2019. Fraser Valley sales are forecast to go up 12.4 percent next year. In comparison, Victoria's resale transactions are expected to rise a more modest four percent in 2020.

Central 1 Credit Union, known for caution, is more optimistic. They predict that the higher demand seen in the market this summer and fall will mean home sales across the province will rise 12.9 per cent in 2020 — a generous upward revision from its previous forecast of 8.8 percent. Canada Mortgage and Housing Corp. (CMHC) also projects considerably higher Greater Vancouver sales, predicting that Vancouver will likely recover the home sales lost in 2019 and return, in 2020, to approximately the "normalized" levels of activity seen in 2018. Time will tell.

This month we begin a yearlong celebration of 40 years in the real estate business. In addition to planning special events and promotions, our growing team at the Home Office at Fifth Avenue are asking ourselves and each other:

It seems minority rules is the order of the day. Are we the only ones wondering why it has been relatively quiet on the provincial and federal government front as of late?

With recent circumstances with respect to the Green party and the Liberal Party working to gain traction, could we see a provincial election called in 2020? What would the outcome be if that were to occur as soon as possible? What would the implications be on the real estate market in general or on the housing industry?

Which market area will be the best gauge of what's happening in the new multifamily market in 2020?

Back in 2010 it was clear that the Downtown Vancouver market was now the pseudo gold standard or US dollar upon which to assess values and project trends in other market areas. Does it seem more of an outlier vs. a bellwether, especially considering the cost to develop there, the current and projected required affluent client pricing and the politics? It seems Burnaby or Richmond is more likely the new normative comparison going forward. True?

What will be the biggest surprise of 2020?

Every year seems to have one. What was yours in 2019? What will it be in 2020?

If you have a view you would like to share and/or questions you would like to discuss, please contact scott@fifthave.ca.



Listen to Scott each Friday at 6:45 a.m. on Sportsnet's the Starting Line Up.

RESEARCH METHODOLOGY

Urban Analytics (UA) is Metropolitan Vancouver's leading source for analytical interpretation of relevant real estate market data, trends and strategic recommendations.

Urban Analytics Inc. (UA) has been retained by Fifth Avenue Real Estate Marketing Ltd. to provide aggregate data on the multifamily residential real estate market in the Vancouver Metropolitan

The methodology used to collect the data was as follows:

General Parameters

Metropolitan Vancouver refers to the area from West Vancouver to Aldergrove. The focus of this study is limited to the multifamily market.

Multifamily Project Data – New Home Sales

The primary method used to collect information is a personal visit to each project being actively marketed. In addition to collecting current sales information, UA representatives engage on-site sales staff to determine additional relevant information such as incentive offerings, traffic trends and active buyer profiles. In all instances, active sales range quoted in tables is defined as "The per square foot sales range in which 75 percent of sales of this product type occurred"

For the purposes of this publication, UA contacts various municipal planning departments along with developers (and/or their representatives) of proposed new developments to determine the anticipated timing of their approval and marketing launch.

Multifamily Project Data – Resale

The resale market provides an important barometer from which to assess demand and determine pricing for new home projects. Accordingly, UA closely monitors the resale market for multifamily homes in order to identify trends that are relevant to the new home sector. However, the breadth and depth of product for sale can create findings that are less than helpful to the new home developer

As a result, UA recommends studying only product that is aged ten years or newer and valued at less than \$1.2 million. While it could be argued that limiting the analysis to newer product (i.e. five years or newer) would be more relevant to the new home sector, we believe this would limit the sample size and potentially skew the data towards a specific type of product available in a small number of specific buildings/projects. In all instances active sales range quoted in tables is defined as "The active sales range in which 75 percent of sales of this product type occurred".

Why UA?

Urban Analytics has been tracking the new multifamily home market in Metro Vancouver and beyond since 1994. In addition to providing clients with our web-based New Home Source data subscription product at nhslive.ca, Vancouver, Calgary and Edmonton's most current and comprehensive data provider of active and contemplated new Condominium and Townhome projects, UA is the leading provider of advisory services on the new multifamily home market. UA also tracks data on the newer purpose-built rental data so let us know you are interested in learning more.

Need help with planning and/or positioning your next project? We can help. Want an unbiased, arm's length opinion of the optimum unit mix and size for a contemplated project and what that product should sell for? Give us a call. Care to have us sit in on a strategy meeting or envisioning session? Not only will we be there, we might even bring some donuts.

Anyone who knows us knows we love to talk real estate. Let's



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