

# The Fifth Dimension

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

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Fourth Quarter - 2014

DATA PROVIDED BY:

**urban**  
ANALYTICS INC

COMPLIMENTS OF



**FIFTH AVE**

NEW HOME SALES AND  
MARKETING EXPERTISE

February 2015

# WELCOME TO THE FIFTH DIMENSION

*Welcome to the final edition of The Fifth Dimension for 2014. The Fifth Dimension is brought to you compliments of Fifth Avenue Real Estate Marketing Limited, a full service, residential real estate sales and project marketing organization with 35 years of experience.*

*In addition to the comprehensive analysis of the multifamily residential real market in Metropolitan Vancouver for the most recent quarter the report provides additional comparative insights with respect to the year that was and shares projections for the year to come.*

*Our aim in producing this complimentary report each quarter is to stimulate dialogue and promote positive action in our industry. To ensure the supporting data is objectively collected and presented we collaborate with highly regarded Urban Analytics Incorporated (UAI) a leading provider of advisory services on the new multifamily home market. UAI has been tracking the new multi-family home market in Metropolitan Vancouver since 1994.*

They say “What happens in Vegas, stays in Vegas!” Recently as our team of project marketing leaders sojourned at the International Builders’ Show (IBS) – 2015 in Las Vegas I was struck by the number of billboards proclaiming this slogan. It made me think. If “What happens in Vegas, stays in Vegas” is really true then there must be a catch. Does that mean it is waiting for you when you come back? Not wanting to find out, I think it’s best I come clean and share what happened in Vegas. Especially as we enter into a New Year and the psychological clean slate it almost always represents.

We have enjoyed an incredible period of market buoyancy here in Metropolitan Vancouver since our quick rebound from the global recession of 2008. This wave of advancement has culminated in a remarkable 14,344 new homes sales recorded in 2014. This figure exceeded the somewhat improbable projection we made last quarter of a year over year increase of 17 percent by a factor of two. The same cannot be said, however, for the major markets in the US. Yet, this year there was a palpable air of optimism at IBS.

For the past few years, many of the conferences resembled make-shift, temporary, real estate development refugee camps. Here survivors explored ways to make the most of what little market opportunity they had. Much of the talk then centered around rentals as it seemed projects of this nature were more plausible than for sale condo projects especially from a financing perspective.

In contrast, this year much of the talk centered around responding to emerging opportunities associated with the recovery at hand and the “internationalization” (read: advanced immigration and multiculturalism) and “Manhattanization” (read: revitalization and densification of urban cores) occurring in major US cities. While these are emerging trends in the US one could say these trends have been fundamental drivers of the demand that has accelerated our market locally for some time...and will continue to.

At the present time, developers in many markets to the south are preparing to respond to: a younger buyer, the millennial, with very different views of the ideal lifestyle; and, a significant aging of a large and influential portion of the population – the baby boomer. In Metropolitan Vancouver, multifamily living is mainstream and to many the townhome has replaced the single family dream for a variety of reasons. In contrast, the American Dream is still closely associated to owning a single family home which means detached housing remains king in the US. However, based on the chatter there is definitely a sea change occurring with respect to interest and acceptance of multifamily living.

Like in Metropolitan Vancouver the stories being told and the advice given can be summed in one word – scale. Simply put, developers are challenging their previous assumptions with respect to large and small.

On the small front, developers like Reliance Holdings and Tien Shier would be in vogue at the show as the era of the micro studio has arrived in central areas of cities such as Los Angeles. These developments tend to absorb best in locations on transit, near universities or tech centers and within 15 – 20 minutes of their purchasers parents home.

On the large front, developers in the US are realizing the trend that wood frame apartment and high rise developers have been adapting to here for several years. The older buyer wants larger floor plans and are willing to pay a healthy premium for offerings appropriately situated in active urban cores and social, pedestrian oriented, mixed-use suburban settings.

Given the emerging opportunities one should not be surprised to see the talented pool of developers and marketing agencies here in Canada looking to the south in 2015 to realize opportunity. At the same time, based on early local polling 2015 is not showing any signs of a slowdown, which reminds me of another nostalgic saying - “There is no place like home”.

Feel free to share your perspectives and opinions on and the information and insights presented within this edition of The Fifth Dimension with us and share this report with your colleagues.



**W. Scott Brown**

**PRESIDENT**  
**FIFTH AVENUE REAL ESTATE MARKETING LTD.**  
[scott@fifthave.ca](mailto:scott@fifthave.ca)

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# OVERALL MARKET COMMENTARY

*In this section of the final edition of the Fifth Dimension for 2014 our data collection and analysis partner Urban Analytics a summary commentary on the final quarter of the year and the year that was in the Metropolitan Vancouver market overall.*

## Q4 - New Home Market

Sales activity in the Fourth Quarter of 2014 put an exclamation point on an exceptional year in Metropolitan Vancouver's new multifamily home market. The 3,803 new multifamily home sales recorded in the last quarter of the year represented a 23 percent increase over the same quarter last year. This represents the highest total recorded in the new multifamily home market since 2009.

Sales activity was strong across all product types and in most Metropolitan Vancouver market areas. High rise condominium product accounted for 58 percent of all new multifamily home sales in the Fourth Quarter. The strong sales results for this product type can be attributed to the successful launches of a select number of significant new projects. The sales recorded for Shape Properties' **Brentwood II** (Burnaby), Onni's **Northwest** (Vancouver West) and Westbank's **Kensington Gardens** (Vancouver East) represents 35 percent of all concrete sales throughout Metropolitan Vancouver.

Wood frame condominiums accounted for 24 percent and townhome sales were 18 percent of all new multifamily home sales in the Fourth Quarter of 2014. Just over 70 percent of the 694 new townhome sales recorded in the Fourth Quarter occurred at projects in the Fraser Valley and Ridge-Meadows. In contrast modest 2014 townhome absorptions in more urban market areas are more reflective of limited supply levels rather than a lack of demand.

The 9,117 units of released and unsold inventory represent a seven percent decrease from the same period last year. There are 17 percent fewer unsold townhome units (901) compared to the end of 2013. The number of released and unsold new wood frame condominium units (2,785) at the end of 2014 is 14 percent lower than at the end of last year. However, the construction completion of several projects in the Fourth Quarter did result in a 10 percent increase in standing inventory levels over the previous quarter. This figure is still 21 percent lower than at the end of 2013.

From a year over year perspective, the 2014 sales of all three product types is 35 percent higher than in 2013. New townhome sales rose an impressive 42 percent in 2014 compared to the previous year.

## Q4 - Resale Market

There were 1,531 relevant multifamily homes resold in the Fourth Quarter of 2014, which is similar to the sales totals posted in the same quarter in 2013. Active listings of relevant multifamily resale product were six percent lower than the same quarter in 2013. The 690 current active listings of newer townhome product represents a 20 percent drop from the same period last year.

## Q4 - Observations and Opinions

A significant number of new projects launches (many of them comprehensive) are expected in the First Quarter of 2015. Several developers of comprehensive projects that will appeal to Chinese investors and end user buyers are scheduling launches around the Lunar New Year celebrations in February. One of the more anticipated and closely monitored project launches is Rize Alliance's highly contentious **The Independent** high rise tower in the Mount Pleasant neighbourhood of Vancouver East.

Several new high rise condominium project launches are also expected in the New Westminster and Vancouver West market areas. In West Vancouver, Grosvenor and Cressey are expected to commence exclusive 'by-appointment only' sales campaigns for their respective **Grosvenor Ambleside** and **Bellevue** luxury concrete condominium projects. In New Westminster, Bosa Properties and Wesgroup will launch their respective **RiverSky** and **Sapperston at Brewery District** projects.

Other notable projects expected to launch in the first half of 2015 include: **Burrard Gateway** (Vancouver Downtown), **Livingston House** (Vancouver West), **Mercer** (Vancouver East), **Quay West** (North Vancouver), **Evolve** (Surrey City Centre), **Prime** (Surrey City Centre), **Orchid** (Richmond) and **Thurston** (Burnaby).

*The following tables illustrate the year to year comparison by product type and Third Quarter performance in the new home and resale markets.*

### New Home Market YTD Comparison

|           | YTD 2013 Sales | YTD 2014 Sales | % Change |
|-----------|----------------|----------------|----------|
| High Rise | 5,947          | 8,144          | 37%      |
| Low Rise  | 2,657          | 3,311          | 25%      |
| Townhomes | 2,033          | 2,889          | 42%      |
| Total     | 10,637         | 14,344         | 35%      |

### Fourth Quarter Performance in the New Home Market

|                     | High Rise | Low Rise | Townhome | Totals |
|---------------------|-----------|----------|----------|--------|
| Total Q4 2014 Sales | 2,209     | 900      | 694      | 3,803  |
| Total Inventory     | 5,431     | 2,785    | 901      | 9,117  |
| Standing Inventory  | 600       | 851      | 364      | 1,815  |
| Total # of Projects | 132       | 117      | 95       | 344    |

### Fourth Quarter Resale Activity

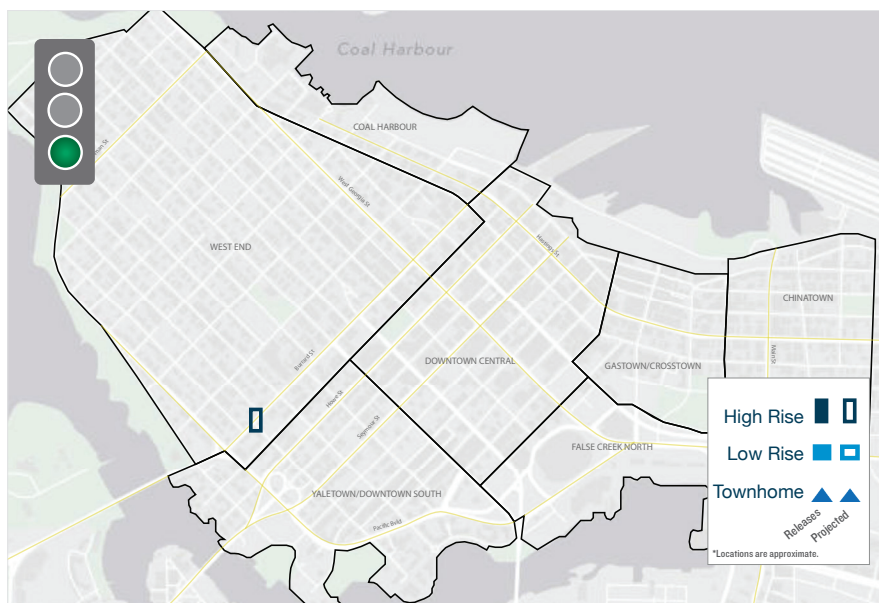
|                       | High Rise | Low Rise | Townhome | Totals |
|-----------------------|-----------|----------|----------|--------|
| Total Sales           | 741       | 349      | 441      | 1,531  |
| Total Active Listings | 1,421     | 921      | 690      | 3,032  |

# MARKET PROFILE: VANCOUVER DOWNTOWN

*Vancouver Downtown retains its 'Green Light' status as inventory levels continued to drop, which is the primary reason for the 71 percent decrease in sales during the Fourth Quarter. Standing inventory levels were lower despite the construction completion of a number of projects, which indicates strong demand from end-user buyers who prefer to purchase finished or nearly finished product. The most anticipated new project launch in early 2015 is **Burrard Place** by The Pattison Group and Reliance Properties. This comprehensive development should satisfy some of the pent-up demand for new condominium product in this area.*

## New Development Highlights (Q4)

- Several buyers at Onni's **Charleson** project have purchased multiple units with the intent to combine them.
- Townline's **999 Seymour** and Amacon's **Modern** experienced increased sales activity after completing construction during the quarter.
- The revitalization of Chinatown continues as sales activity remained steady at the **Framework, Keefer Block** and **188 Keefer** projects.
- Westbank sold all remaining units at **Vancouver House** with the exception of the seven penthouse residences. After redesigning the penthouse floorplans, the developer reduced the list values from \$4,275 price per square foot to an average of \$3,241 per square foot.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | 16              | 138   | 498              | \$670 - \$770            |
| Low Rise  | -               | -     | -                | -                        |
| Townhome  | -               | -     | -                | -                        |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- Months supply for high rise condominium product was 0.5 months lower than the same quarter in the previous year.
- Total resales increased by five percent when compared to the Fourth Quarter of 2013..
- Average price per square foot values sought for high rise condominiums were six point six percent higher in the Fourth Quarter of 2014 in comparison to the same period of 2013.
- There were 28 fewer listings in the Fourth Quarter of 2014 than in the same quarter of 2013.

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

| Product   | ACTIVE LISTINGS |            |     | SOLD LISTINGS |       |     |                                   |
|-----------|-----------------|------------|-----|---------------|-------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #   | %             | PSF   | DOM | Active Sales Range (75% of sales) |
| High Rise | 295             | 3.4        | 234 | 100%          | \$726 | 48  | \$375,000 - \$849,000             |
| Low Rise  | -               | -          | -   | -             | -     | -   | -                                 |
| Townhome  | -               | -          | -   | -             | -     | -   | -                                 |

## MLS Resale by Unit Type

|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$446,510  | \$712 | \$737,680  | \$749 |
| Low Rise  | -          | -     | -          | -     |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | -          | -     | -          | -     |

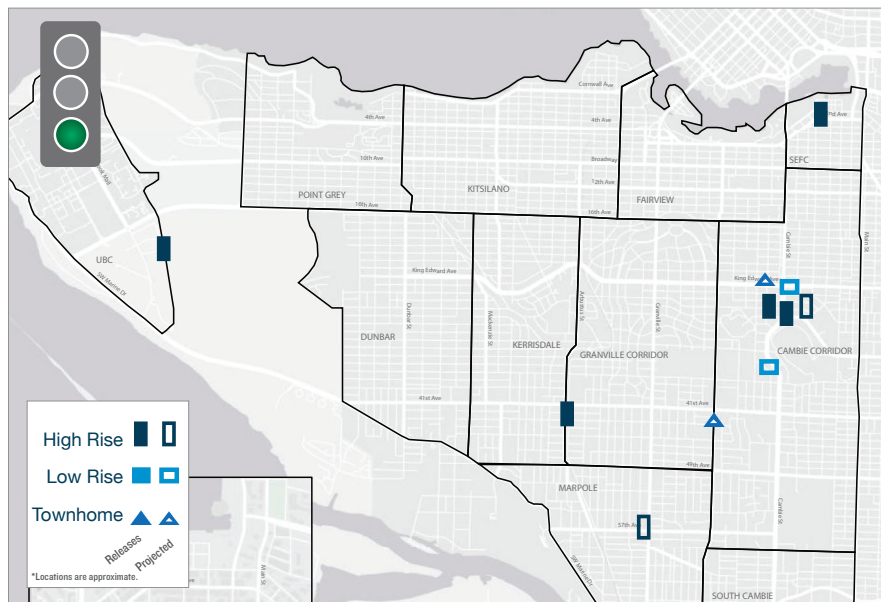


# MARKET PROFILE: VANCOUVER WEST

The Vancouver West submarket retains its 'Green Light' rating due to impressive absorptions in the High Rise condominium sector and steady sales in the Low Rise condominium and Townhome sectors. Fewer sales in the latter two sectors can be attributed to lower inventories rather than to a drop in demand. The successful launch of Onni's **Northwest** project accounted for 46 percent of all High Rise condominium sales the quarter. The Cambie Corridor continued to attract both new immigrant Chinese and local end user buyers.

## New Development Highlights (Q4)

- The positive buyer response to the launch of a number of significant high rise projects during the Fourth Quarter of 2014 resulted in a 101 percent increase in sales for high rise product during the quarter.
- Onni's **Northwest** and **Parc Elise** by Dava Developments reported 274 and 55 unit sales respectively in the Fourth Quarter.
- Polygon launched **The Laureates** High Rise condominium project at UBC and reportedly sold 75 of the 214 units in the project.
- Several condominium projects along the Cambie Corridor are expected to commence selling in the first half of 2015, including: Shato Holding's **The Spot**, RDG's **The Monarch**, Intracorp's **Livingstone House**, Pennyfarthing's **Bennington House** and Washington Properties' project at Cambie & 35th.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | ▲ 28            | ▲ 591 | ▼ 997            | \$700 - \$905            |
| Low Rise  | ▲ 11            | ▼ 48  | ▼ 119            | \$675 - \$795            |
| Townhome  | ↔ 3             | ▼ 16  | ▲ 19             | \$675 - \$700            |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- Months of supply were lower for all sectors in this market when compared to the same period in 2013.
- High Rise resales in Fourth Quarter of 2014 were 24 percent higher than in Fourth Quarter of 2013.
- Average values for 2 bedroom townhomes rose from \$766,197 in Q4-2013 to \$842,000 in Q4-2014.
- Townhome sales remained unchanged from the same quarter of last year.

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

| Product   | ACTIVE LISTINGS |            |    |     | SOLD LISTINGS |     |                                   |
|-----------|-----------------|------------|----|-----|---------------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #  | %   | PSF           | DOM | Active Sales Range (75% of sales) |
| High Rise | 148             | 4.6        | 88 | 72% | \$726         | 55  | \$349,900 - \$893,900             |
| Low Rise  | 81              | 7.0        | 18 | 15% | \$657         | 70  | \$400,000 - \$749,00              |
| Townhome  | 39              | 4.6        | 16 | 13% | \$684         | 60  | \$546,000 - \$1,100,00            |

## MLS Resale by Unit Type

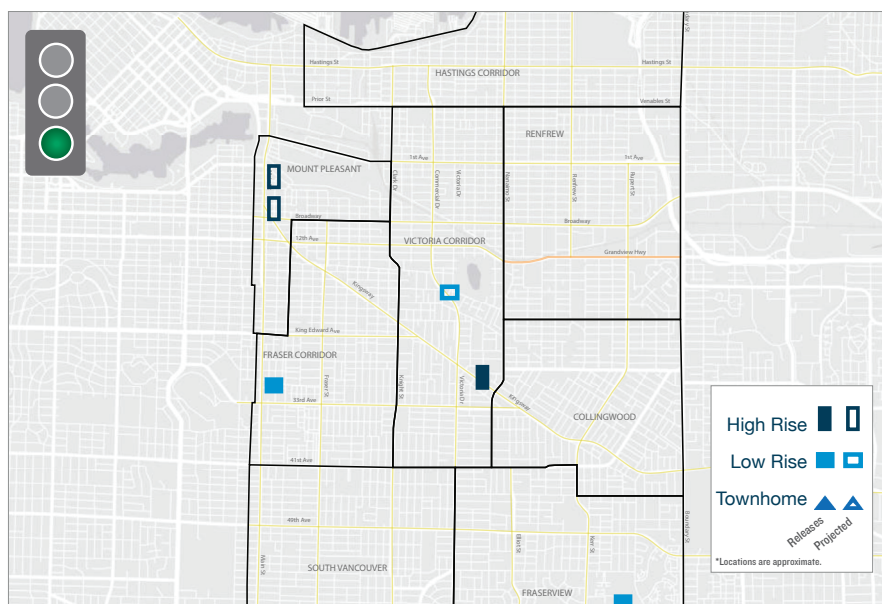
|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$432,733  | \$706 | \$798,687  | \$756 |
| Low Rise  | \$425,940  | \$666 | \$609,909  | \$655 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$842,000  | \$782 | \$964,538  | \$662 |

# MARKET PROFILE: VANCOUVER EAST

The Vancouver East market retains its 'Green Light' rating due to the continued positive sales activity in the Low Rise and High Rise condominium sectors, and the limited supply of new Townhome product. **Strathcona Village**, **Wall Centre Central Park** and **Kensington Gardens** drove the majority of sales in the High Rise condominium sector in the Fourth Quarter of 2014, with a reported combined total of 171 sales. High Rise condominium inventories will increase in the First Quarter of 2015 with the anticipated release of the first High Rise product at Wesgroup's **River District** community, and the long-awaited launch of Rize's **The Independent** at Kingsway and Broadway in the Mount Pleasant neighborhood.

## New Development Highlights (Q4)

- Investors and local entry level buyers continue to be the most active buyers at Wall Financial's **Strathcona Village** and **Wall Centre Central Park** projects.
- Airey Group quietly launched its 18 unit Low Rise condominium project **Brock on Main** during the fourth quarter and pre-sold all but one of the units.
- PortLiving launched its **Vya Living** low rise project located on East 10th Avenue and Kingsway and pre-sold 14 units in the Fourth Quarter of 2014.
- Polygon representatives reported 28 unit sales during the last quarter of 2014 at its **Rhythm** project at the **River District** community.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | ↓ 13            | ↓ 22  | ↑ 500            | \$530 - \$580            |
| Low Rise  | ↑ 12            | ↑ 92  | ↑ 203            | \$515 - \$580            |
| Townhome  | ↓ 3             | ↑ 16  | ↑ 23             | \$490 - \$520            |

Change over the last quarter: Increase, ↑ Decrease, ↓ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- Active listings for townhome product were 77 percent lower in the Fourth Quarter of 2014 than in the same quarter of 2013.
- Months supply for townhomes has evidently dropped from three points in the Fourth Quarter of 2013 to one point six in the Fourth Quarter of 2014.
- Average values for high rise condominiums were up eight point six percent from the Fourth Quarter of 2013.
- Average price per square foot values for low rise condominiums in the Fourth Quarter of 2014 were \$10 lower than in the same period of 2013.

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

|           | ACTIVE LISTINGS |            |    | SOLD LISTINGS |       |     |                                   |
|-----------|-----------------|------------|----|---------------|-------|-----|-----------------------------------|
| Product   | Listings        | Mo. Supply | #  | %             | PSF   | DOM | Active Sales Range (75% of sales) |
| High Rise | 116             | 7.0        | 53 | 51%           | \$589 | 39  | \$308,800 - \$548,900             |
| Low Rise  | 36              | 4.0        | 28 | 27%           | \$508 | 56  | \$276,800 - \$474,500             |
| Townhome  | 11              | 1.6        | 23 | 22%           | \$558 | 23  | \$567,000 - \$781,000             |

## MLS Resale by Unit Type

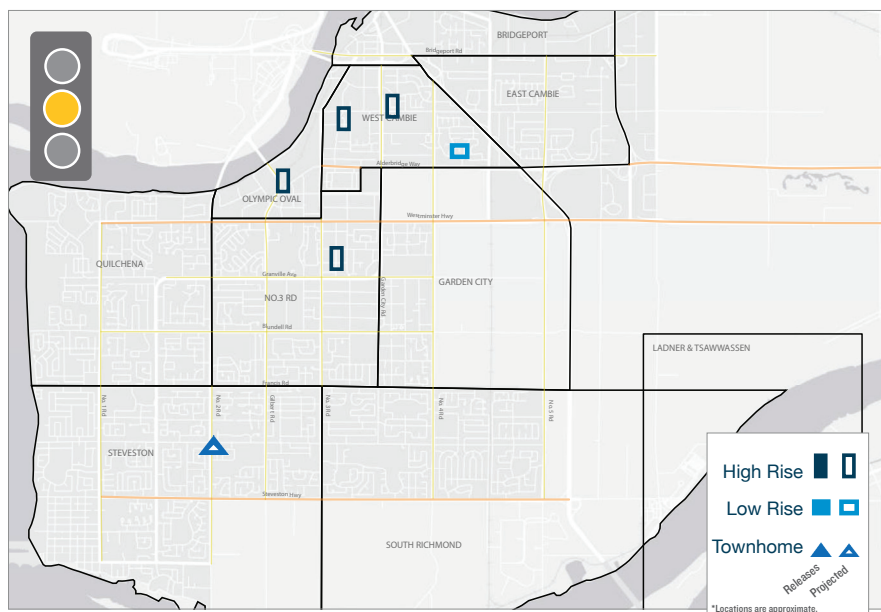
|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$387,431  | \$623 | \$482,285  | \$543 |
| Low Rise  | \$324,483  | \$507 | \$415,907  | \$508 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$732,267  | \$578 | \$664,889  | \$533 |

# MARKET PROFILE: RICHMOND/SOUTH DELTA

The Richmond/South Delta market retains its 'Yellow Light' rating due to somewhat soft demand levels and an ultra-competitive High Rise condominium sector. The 16 percent drop in sales in the Fourth Quarter follows 28 percent lower sales in the Third Quarter relative to Second Quarter in 2014. The fewer sales in the Low Rise condominium and Townhome sectors can be partially attributed to lower inventories of those product types. Sales staffs at a number of developments report end-users are the most active buyer groups. Purchasers in this market continue to base their buying decision on which project they perceive to be offering the highest valued incentives.

## New Development Highlights (Q4)

- Townhome inventory is extremely limited; based on recent absorptions, there are just three months of supply remaining.
- While annual sales of new homes in all three multi-family product sectors were 12 percent lower than in 2013, there was little change in the number of unsold units.
- Gross sale values being sought for High Rise condominium projects in central locations near a Canada Line Station are approaching \$600 per square foot. These values are estimated to be \$10 to \$30 per square foot higher than the actual net sale values after incentives and negotiations are factored.
- Stronger recent sales activity at **Concord Gardens**, **Pinnacle at Capstan Village** and **Avanti** has resulted in depleted inventories at these three projects, which are expected to launch new phases in the first half of 2015.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | ▼ 20            | ▼ 177 | ▼ 641            | \$540 - \$580            |
| Low Rise  | ▲ 19            | ▼ 91  | ▼ 393            | \$435 - \$475            |
| Townhome  | ▼ 8             | ▼ 38  | ▼ 33             | \$450 - \$480            |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- Townhome resales continue to have the lowest months of supply for multifamily product in this market.
- Resales for low rise condominiums were up 316 percent from the same quarter in 2013.
- Low Rise condominiums spent on average 16 fewer days on market in comparison to Fourth Quarter of 2013.
- High Rise resales were down 23 percent in the Fourth Quarter of 2014 from the same period of 2013.

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

| Product   | ACTIVE LISTINGS |            |    |     | SOLD LISTINGS |     |                                   |
|-----------|-----------------|------------|----|-----|---------------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #  | %   | PSF           | DOM | Active Sales Range (75% of sales) |
| High Rise | 229             | 8.0        | 77 | 38% | \$521         | 72  | \$310,500 - \$556,000             |
| Low Rise  | 133             | 7.0        | 57 | 28% | \$438         | 63  | \$313,00 - \$455,000              |
| Townhome  | 99              | 3.5        | 68 | 34% | \$413         | 70  | \$499,000 - \$700,000             |

## MLS Resale by Unit Type

|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$328,545  | \$514 | \$487,620  | \$524 |
| Low Rise  | \$302,680  | \$464 | \$412,705  | \$439 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$470,400  | \$405 | \$562,900  | \$412 |

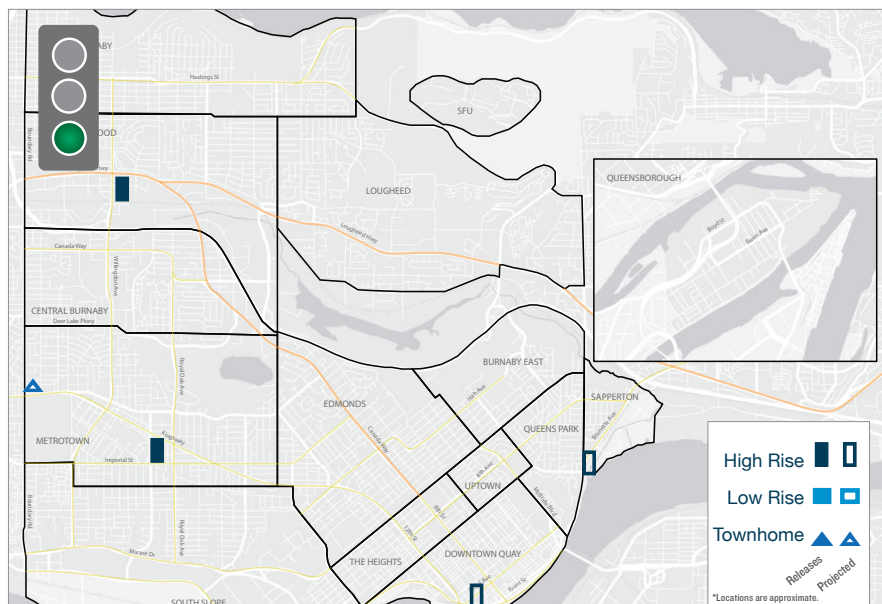


# MARKET PROFILE: BURNABY/NEW WESTMINSTER

The Burnaby/New Westminster submarket retained its 'Green Light' rating in the Fourth Quarter of 2014 due to continued market-leading absorptions, particularly in the condominium sector. The strong sales activity resulted in lower inventory levels in both sectors. The biggest story of the Fourth Quarter in this market was Shape Properties' **Brentwood Two** project which sold over 400 units; 71 percent of the total High Rise sales in Burnaby/New Westminster. New Westminster projects continued to experience moderate absorptions, though inventory levels dropped in the absence of any new project launches. Limited Townhome sales can be attributed to limited inventory of this product type.

## New Development Highlights (Q4)

- 2014 sales in Burnaby New Westminster were significantly higher due to the impressive absorptions in the High Rise condominium sector in the Metrotown and Brentwood neighbourhoods in Burnaby.
- The second phase release at **Redbrick** contributed to the 195 percent increase in Low Rise condominium sales over the previous quarter.
- The final 13 homes in the first phase of the **Hyland Park** townhome project were sold during the fourth quarter, indicating strong demand for this product type.
- While sale values of new Low Rise condominiums and Townhomes remained relatively unchanged, High Rise condominium values in Burnaby rose slightly.
- Expect an increase in High Rise condominium inventory in New Westminster in the First Quarter of 2015 with the launch of Bosa Properties' **RiverSky** and Wesgroup's **The Sapperton at Brewery District**.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | ▲ 21            | ▲ 580 | ▼ 972            | \$470 - \$610            |
| Low Rise  | ↔ 12            | ▲ 121 | ▼ 231            | \$385 - \$450            |
| Townhome  | ↔ 7             | ▼ 24  | ▼ 25             | \$350 - \$410            |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

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

## MLS Resale Highlights (Q4)

- Resales for multifamily homes were 13 percent lower in Q4-2014 compared to the same period in 2013.
- The number of high rise condominium resales in the Fourth Quarter of 2014 remained unchanged from the Fourth Quarter of 2013.
- Average price per square foot values for all product types have risen from the Fourth Quarter of 2013.
- Months of supply for townhomes was zero point seven months less than in the Fourth Quarter of 2013.

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

| Product   | ACTIVE LISTINGS |            |     | SOLD LISTINGS |       |     |                                   |
|-----------|-----------------|------------|-----|---------------|-------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #   | %             | PSF   | DOM | Active Sales Range (75% of sales) |
| High Rise | 312             | 4.6        | 165 | 60%           | \$505 | 51  | \$309,000 - \$578,000             |
| Low Rise  | 124             | 5.6        | 57  | 21%           | \$427 | 65  | \$260,000 - \$396,350             |
| Townhome  | 51              | 2.7        | 51  | 19%           | \$402 | 51  | \$370,000 - \$656,000             |

## MLS Resale by Unit Type

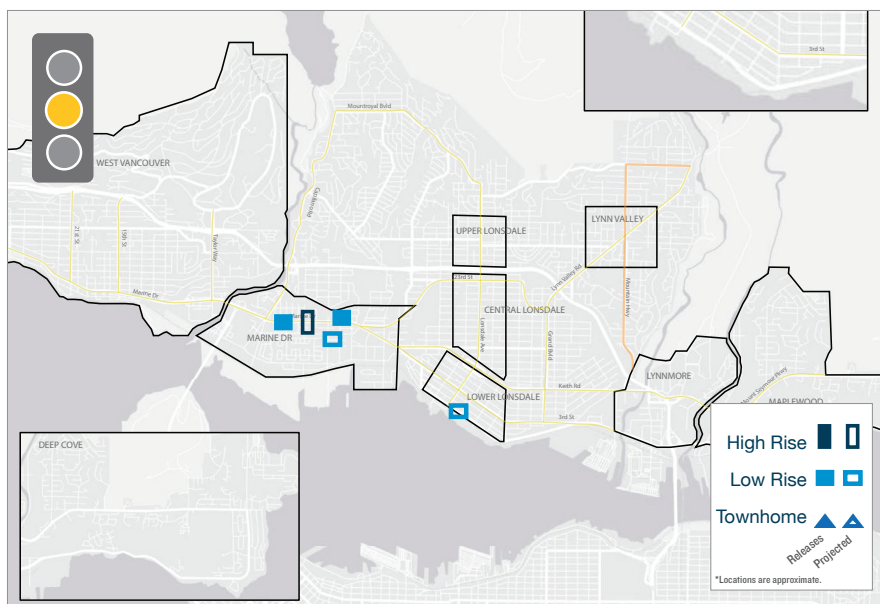
| Product   | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
|           | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$330,454  | \$518 | \$473,734  | \$502 |
| Low Rise  | \$279,069  | \$431 | \$368,702  | \$424 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
| Townhome  | \$442,137  | \$434 | \$532,545  | \$366 |

# MARKET PROFILE: NORTH SHORE

The North Shore market retains its 'Yellow Light' rating as sales remained steady in spite of a lower inventories in the High Rise and Low Rise condominium sectors. Onni's **Centreview** project accounted for half of the High Rise condominium sales during the Fourth Quarter. Low Rise condominium projects along Marine Drive continued to experience limited absorptions, particularly recently released projects attempting to pre-sell product. The release of two new Townhome projects resulted in higher sales in this sector where inventories have been limited for several quarters.

## New Development Highlights (Q4)

- Low Rise condominium product in Lynn Valley experienced strong absorptions in the Fourth Quarter with Marcon's **Mill House** and Polygon's **Canyon Springs** accounting for many of the Low Rise sales in the North Shore market.
- Increased competition in the Low Rise condominium sector along Marine Drive has resulted in some downward pressure on achievable sale values.
- Destiny II** at the leasehold **Ravenwoods** community has experienced positive absorptions since re-launching in the third quarter of 2014; 41 units were sold at an estimated overall average of \$430 per square foot.
- Onni commenced selling **Cliffside Estates**, the next phase of its **Evelyn** community in the Fourth Quarter and is reporting eight sales at an estimated overall average sale value of \$1,292 per square foot.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | ↔ 12            | ↓ 42  | ↓ 328            | \$570 - \$660            |
| Low Rise  | ↑ 12            | ↓ 92  | ↓ 250            | \$515 - \$540            |
| Townhome  | ↑ 3             | ↑ 18  | ↑ 35             | \$365 - \$480            |

Change over the last quarter: Increase, ↑ Decrease, ↓ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- High Rise resales were 88 percent higher in the Fourth Quarter of 2014 than in the Fourth Quarter of 2013.
- Average price per square foot values were \$24 less this past quarter than in the Fourth Quarter of 2013.
- Months supply for high rise condominiums were three point eight months less in the Fourth Quarter of 2014 than in 2013.
- The number of days on market for all product types were higher in the Fourth Quarter of 2014 than in the Fourth Quarter of 2013.

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

| Product   | ACTIVE LISTINGS |            |    | SOLD LISTINGS |       |     |                                   |
|-----------|-----------------|------------|----|---------------|-------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #  | %             | PSF   | DOM | Active Sales Range (75% of sales) |
| High Rise | 75              | 6.5        | 32 | 51%           | \$596 | 68  | \$363,000 - \$620,000             |
| Low Rise  | 44              | 6.0        | 18 | 29%           | \$517 | 67  | \$319,000 - \$585,000             |
| Townhome  | 19              | 4.6        | 13 | 21%           | \$427 | 47  | \$616,000 - \$875,000             |

## MLS Resale by Unit Type

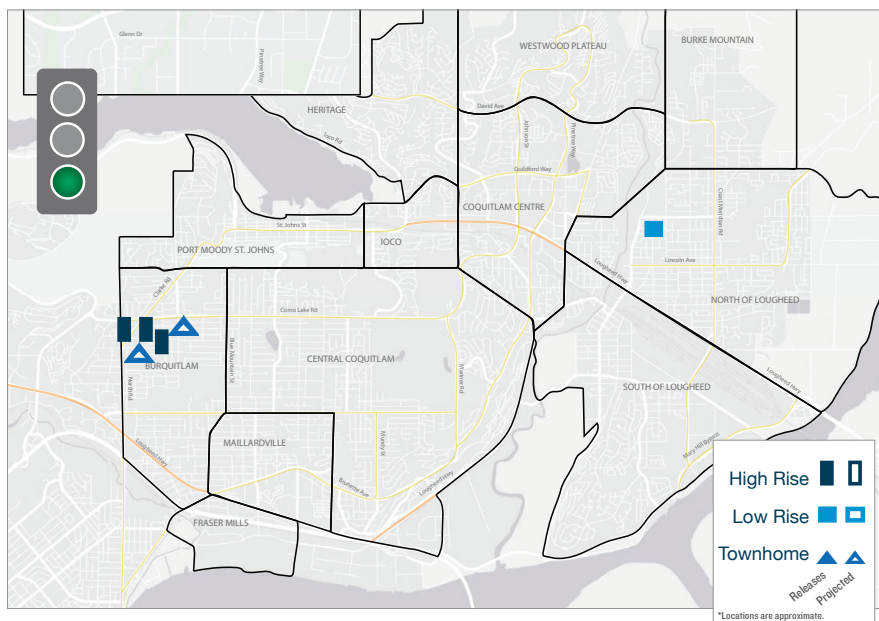
|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$384,022  | \$590 | \$594,357  | \$604 |
| Low Rise  | \$322,875  | \$504 | \$496,915  | \$527 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$599,250  | \$565 | \$783,414  | \$415 |

# MARKET PROFILE: TRI-CITIES

A 'Green Light' rating has been applied to the Tri-Cities market as strong sales activity in all sectors in consecutive quarters has reduced previous inventory levels considerably. The increase in High Rise condominium inventories was due to three new project launches in the Burquitlam neighbourhood in this sector. While investors were the most active buyer groups during the launches, local end user purchasers were also reported to be showing serious interest. There were just 35 unsold townhome units in this sub-market at the end of the quarter. Demand in the Low Rise condominium sector was also strong.

## New Development Highlights (Q4)

- Bosa Properties' **Uptown II**, Beedie Group's **The Crown** and Springbank's **Novella** were the three new condominium projects launched in the Burquitlam neighbourhood.
- These projects accounted for 160 of the 226 High Rise condominium sales recorded in Fourth Quarter of 2014.
- The fact all new High Rise condominium product launched in the Fourth Quarter were located in Burquitlam where higher sale values are achievable explains the higher active sale price range for this product type.
- Polygon launched its completed **Bradley House** Low Rise condominium project in its **Windsor Gate** community and sold 36 of the 71 units in the fourth quarter.
- Intracorp launched its **Black and Whites** townhome project on a by-appointment basis in Q4-2014 and sold 17 units. A public launch is expected in early the First Quarter of 2015.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | ▲ 13            | ▼ 226 | ▲ 603            | \$430 - \$510            |
| Low Rise  | ▲ 15            | ▲ 101 | ▼ 315            | \$310 - \$400            |
| Townhome  | ▲ 10            | ▲ 79  | ▼ 35             | \$280 - \$300            |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change ◀▶

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

\*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)

- High Rise condominium sales were up 12 percent from the Fourth Quarter of 2013.
- Average price per square foot values for low rise condominiums were \$38 higher in the Fourth Quarter of 2014 compared to the same quarter in 2013.
- The number of days on market for high rise condominiums remained relatively flat when compared to the Fourth Quarter of 2013.
- The total active listings in the Fourth Quarter of 2014 for all multifamily resales was 25 percent lower compared to the Fourth Quarter of 2013.

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

| Product   | ACTIVE LISTINGS |            |    |     | SOLD LISTINGS |     |                                   |
|-----------|-----------------|------------|----|-----|---------------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #  | %   | PSF           | DOM | Active Sales Range (75% of sales) |
| High Rise | 113             | 4.4        | 66 | 39% | \$416         | 67  | \$265,000 - \$442,000             |
| Low Rise  | 90              | 3.7        | 60 | 36% | \$377         | 71  | \$252,500 - \$375,000             |
| Townhome  | 53              | 3.3        | 42 | 25% | \$309         | 52  | \$358,000 - \$582,500             |

## MLS Resale by Unit Type

|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$276,165  | \$439 | \$396,320  | \$405 |
| Low Rise  | \$217,842  | \$307 | \$330,055  | \$344 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$390,375  | \$320 | \$468,383  | \$320 |

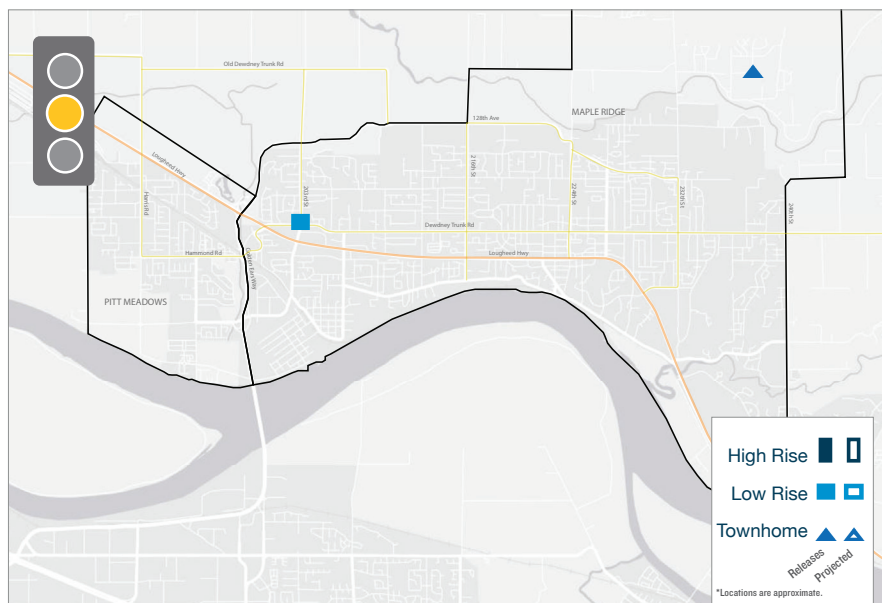


# MARKET PROFILE: RIDGE MEADOWS

While the Ridge Meadows -market retained its 'Yellow Light' rating after the Fourth Quarter of 2014, it moved towards obtaining 'Red Light' status due to limited absorptions at most projects. The majority of sales in the Townhome and Low Rise condominium sectors were driven by two projects; Quadra Homes' **Cedar Downs** project accounted for 45 percent of the 39 condominium sales during the quarter, while the 24 sales at Garcha Properties' **Village Green** Townhome project accounted for nearly half of all Townhome sales. In spite of seeking the most affordable new multifamily home prices in Metro Vancouver, buyer incentives are required to attract buyers.

## New Development Highlights (Q4)

- All remaining units at **Village Green** were released in the Fourth Quarter of 2014 which helped increase unsold Townhome inventories by 228 percent.
- Quadra Homes' **Cedar Downs** will likely sell out in early 2015 given that all but one home remained unsold at the end of 2014.
- The Low Rise condominium sector in Pitt Meadows continued to achieve higher absorptions than similar product in Maple Ridge.
- Slow absorptions for MingLians' **Parc Vue** Low Rise condominium project prompted the developer to convert the remaining 68 unsold units to the rental pool in Maple Ridge.
- Myron's Muse** - a 69 unit townhome project in the Silver Valley neighbourhood launched during the Fourth Quarter of 2014 and reported five sales.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | -               | -     | -                | -                        |
| Low Rise  | ▼ 10            | ▼ 39  | ▼ 214            | \$285 - \$305            |
| Townhome  | ▼ 5             | ▲ 49  | ▲ 95             | \$215- \$235             |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change <=>

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- When compared to the Fourth Quarter of 2013, a fewer number of resales in this market for the Fourth Quarter of 2014 is attributed to lower townhome resales.
- Low Rise resales took on average 35 more days to sell when comparing the Fourth Quarter of 2014 to the Fourth Quarter of 2013.
- Active townhome listings were down 21 percent from the same quarter in 2013.
- There were no high rise condominium resales which occurred in the last three months.

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

| Product   | ACTIVE LISTINGS |            |    |     | SOLD LISTINGS |     |                                   |
|-----------|-----------------|------------|----|-----|---------------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #  | %   | PSF           | DOM | Active Sales Range (75% of sales) |
| High Rise | 2               | 12.0       | 0  | 0%  | N/A           | N/A | N/A                               |
| Low Rise  | 51              | 9.0        | 18 | 51% | \$240         | 98  | \$185,000 - \$335,000             |
| Townhome  | 41              | 5.9        | 17 | 49% | \$211         | 67  | \$320,000 - \$487,500             |

## MLS Resale by Unit Type

|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | N/A        | N/A   | N/A        | N/A   |
| Low Rise  | \$165,500  | \$248 | \$246,021  | \$236 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$323,750  | \$242 | \$391,692  | \$211 |

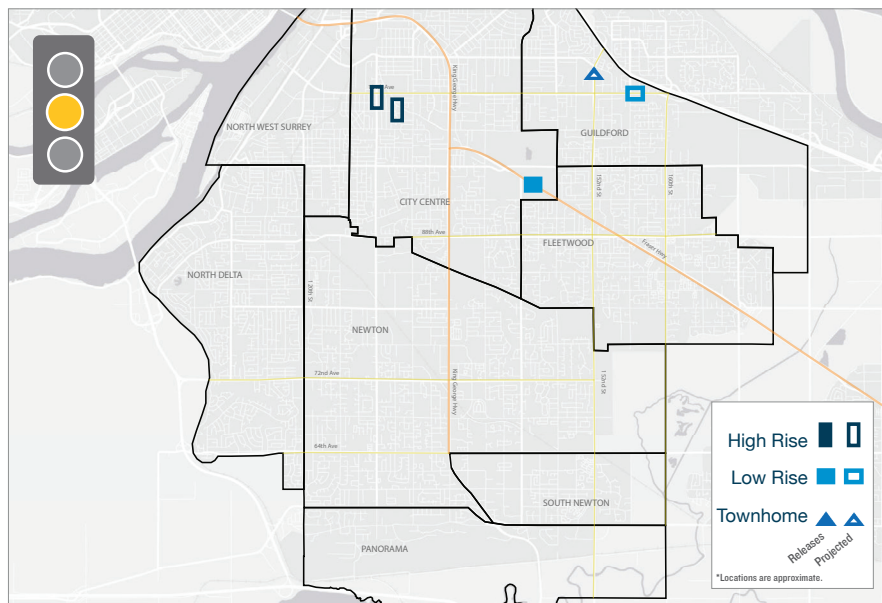


# MARKET PROFILE: SURREY CENTRAL/NORTH DELTA

Surrey Central/North Delta maintained its 'Yellow Light' rating for the quarter in spite of higher sales and lower inventory levels. Demand was highest for entry-level townhomes followed by the high rise condominium sector where investors were the most active buyer group. **The Verve** and **Park Avenue West** experienced the highest absorptions in the Low Rise and High Rise Condominium sectors respectively. Unsold townhome inventory dropped by 86 units as a result of steady demand for this product type. However, price-reducing incentives remain necessary for developers to achieve these steady absorptions in competitive neighbourhoods such as Panorama.

## New Development Highlights (Q4)

- Concord Pacific's **Park Avenue West** continued to achieve above market-average absorptions and accounted for 69 percent of all High Rise condominium sales in the Fourth Quarter.
- Concord representatives indicate many **Park Avenue West** buyers have been introduced to the project through the **Concord Gardens** sales centre in Richmond.
- Construction is now well underway at **3 Civic Plaza**, which also helped drive steady sales activity last quarter.
- Dawson Sawyer's **Fleetwood Mac** project continued its success from the previous quarter with 23 sales.
- Weststone Group announced their newest high rise project in Surrey Central, **Evolve**, which will feature 406 condominium units with micro-suites starting from 316 square feet and a starting price point of \$93,900.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | 8               | 124   | 995              | \$440 - \$480            |
| Low Rise  | 11              | 66    | 200              | \$300 - \$320            |
| Townhome  | 22              | 189   | 276              | \$220 - \$250            |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- Resales for multifamily homes were up 17 percent in the Fourth Quarter of 2014 from the same quarter in 2013.
- Months of supply for high rise condominiums increased by eight point eight months compared to the Fourth Quarter of 2013.
- Average price per square foot values for high rise condominiums were \$10 per square foot less than in the Fourth Quarter of 2013.
- The townhome sector enjoyed an 11 percent increase in resales when compared to the Fourth Quarter of 2013.

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

| Product   | ACTIVE LISTINGS |            |    | SOLD LISTINGS |       |     |                                   |
|-----------|-----------------|------------|----|---------------|-------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #  | %             | PSF   | DOM | Active Sales Range (75% of sales) |
| High Rise | 97              | 17.1       | 18 | 16%           | \$329 | 64  | \$144,000 - \$269,000             |
| Low Rise  | 185             | 16.8       | 29 | 26%           | \$269 | 73  | \$167,000 - \$267,000             |
| Townhome  | 162             | 7.3        | 66 | 58%           | \$224 | 84  | \$289,000 - \$449,000             |

## MLS Resale by Unit Type

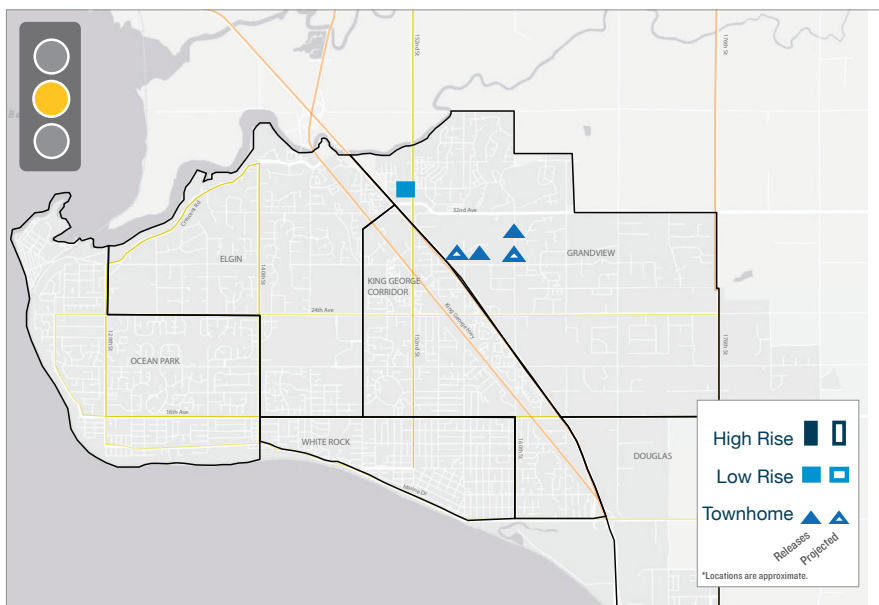
|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$189,155  | \$349 | \$252,751  | \$297 |
| Low Rise  | \$171,206  | \$285 | \$243,942  | \$267 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$277,500  | \$237 | \$355,931  | \$220 |

# MARKET PROFILE: SOUTH SURREY/WHITE ROCK

A 'Yellow Light' rating was applied to the South Surrey/White Rock market due to steady absorptions in the Townhome sectors. The drop in total sales during the Fourth Quarter can be attributed to the strong Third Quarter absorptions of High Rise condominiums, which depleted inventories in that sector. Sales continue to be driven primarily by demand for townhomes, which accounted for 60 percent of all new multifamily home sales. With the exception of Polygon's **Elgin House** project at its **Harvard Gardens** community, demand for Low Rise condominiums remained sluggish in the fourth quarter.

## New Development Highlights (Q4)

- Polygon's **Elgin House** was the best-selling condominium project in this market during Fourth Quarter of 2014, achieving 35 sales, which accounted for 74 percent of all Low Rise condominium sales.
- Grammercy Homes' **The Woods** project experienced another strong quarter with 25 sales in the Fourth Quarter and was one of the fastest selling Townhome projects in this market in 2014.
- Several new townhome projects are expected to launch in the first quarter of 2015, including **Grandview Heights** (Cressey), **Prima** (Miracon) and **Sakura** (Castle Hill Homes).



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | ▲ 2             | ▼ 6   | ▼ 1              | \$525 - \$565            |
| Low Rise  | ▼ 12            | ▼ 47  | ▲ 403            | \$350 - \$400            |
| Townhome  | ▼ 14            | ▼ 81  | ▼ 192            | \$250 - \$300            |

Change over the last quarter: Increase, ▲ Decrease, ▼ No Change <=>

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- Active listings for multifamily homes were down 18 percent from the Fourth Quarter of 2013.
- Active listings, months of supply and average price per square foot values for high rise condominiums remained unchanged from the Fourth Quarter of 2013.
- Townhomes took on average of 30 more days on market in the Fourth Quarter of 2014 compared to the same quarter in 2013.
- Average price per square foot values for low rise condominiums were \$23 higher in the Fourth Quarter of 2014 compared to the Fourth Quarter of 2013.

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

| Product   | ACTIVE LISTINGS |            |    |     | SOLD LISTINGS |     |                                   |
|-----------|-----------------|------------|----|-----|---------------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #  | %   | PSF           | DOM | Active Sales Range (75% of sales) |
| High Rise | 34              | 10.2       | 8  | 12% | \$409         | 73  | \$185,000 - \$470,000             |
| Low Rise  | 67              | 7.9        | 26 | 39% | \$346         | 66  | \$212,000 - \$435,000             |
| Townhome  | 76              | 4.7        | 33 | 49% | \$265         | 87  | \$355,000 - \$615,000             |

## MLS Resale by Unit Type

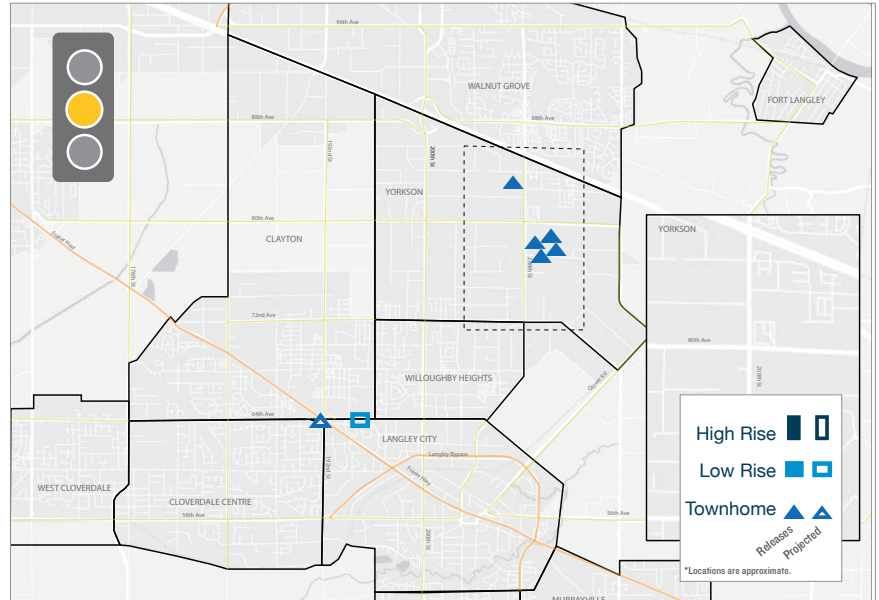
|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | \$243,667  | \$407 | \$562,800  | \$410 |
| Low Rise  | \$218,778  | \$337 | \$347,047  | \$350 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$419,200  | \$281 | \$415,691  | \$263 |

# MARKET PROFILE: CLOVERDALE/LANGLEY

*Cloverdale/Langley continues to be rated as a 'Yellow Light' market due to a drop in sales and the amount of current and anticipated competition in the Low Rise condominium and Townhome sectors. In spite of the 20 percent drop in Townhome sales in the fourth quarter, annual Townhome sales were higher than in 2013. Higher inventories in this sector can be attributed to the launch of new projects in the last quarter of 2014. Lower inventory levels in the Low Rise condominium sector contributed to the 61 percent drop in sales activity. Some select projects in this sector have managed to increase achievable sale values.*

## New Development Highlights (Q4)

- Competition in the Townhome sector of the **Yorkson** neighbourhood remains high as five new projects were launched in the Fourth Quarter of 2014. At least two more projects are expected to launch in the First Quarter of 2015.
- Sales representatives at a number of Townhome projects report increased demand from mature downsizer buyers for larger, higher priced units.
- Parkside** by Infinity Properties sold 32 homes in the Fourth Quarter offering 2,377 to 2,533 square feet at prices ranging \$480,000 to \$545,000 of living space.
- Quadra's **Yorkson Creek** Low Rise condominium project continues to be the fastest selling project in this sector and accounted for 42 percent of all sales during the Fourth Quarter.



## New Development Sales Statistics

| Product   | Active Projects | Sales | Unsold Inventory | Active Sales Range (PSF) |
|-----------|-----------------|-------|------------------|--------------------------|
| High Rise | -               | -     | -                | -                        |
| Low Rise  | ↔ 15            | ↓ 79  | ↓ 385            | \$290 - \$315            |
| Townhome  | ▲ 20            | ↓ 149 | ▲ 195            | \$230 - \$255            |

Change over the last quarter: Increase, ▲ Decrease, ↓ No Change ↔

\*Total Sold is the percentage of product sold under ten years of age relative to the total sold for each product category.

## MLS Resale Highlights (Q4)

- The total number of resales for multi-family homes were up four percent from the Fourth Quarter of 2013.
- Demand for townhomes resales remained consistent when compared to the Fourth Quarter of 2013, increasing marginally by one point eight percent.
- The number of days on market for townhome resales remained unchanged when compared to the same quarter in 2013.
- Average price per square foot values for low rise condominiums were five percent lower in the Fourth Quarter of 2014 when compared to the same quarter in 2013.

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

| Product   | ACTIVE LISTINGS |            |     |     | SOLD LISTINGS |     |                                   |
|-----------|-----------------|------------|-----|-----|---------------|-----|-----------------------------------|
|           | Listings        | Mo. Supply | #   | %   | PSF           | DOM | Active Sales Range (75% of sales) |
| High Rise | -               | -          | -   | -   | -             | -   | -                                 |
| Low Rise  | 110             | 6.9        | 38  | 25% | \$267         | 63  | \$156,000 - \$376,000             |
| Townhome  | 139             | 3.3        | 112 | 75% | \$213         | 49  | \$280,000 - \$416,500             |

## MLS Resale by Unit Type

|           | AVG. PRICE | PSF   | AVG. PRICE | PSF   |
|-----------|------------|-------|------------|-------|
| Product   | 1 Bedroom  |       | 2 Bedroom  |       |
| High Rise | -          | -     | -          | -     |
| Low Rise  | \$167,837  | \$251 | \$272,443  | \$272 |
| Product   | 2 Bedroom  |       | 3 Bedroom  |       |
| Townhome  | \$294,819  | \$237 | \$349,688  | \$210 |

# LOOKING BACK AND AHEAD

*For the first time in the five years this report has been in existence the 14,000 homes sold mark has been surpassed. This is truly remarkable. Based on: the projected project lineup for the year ahead; the high probability of interest rate stability; the continued supply of affordable townhome and wood frame apartments in the Fraser Valley; the continued “internationalization” and “Manhattanization” here; and downsizing becoming more common place; there are no indications we should expect anything less in 2015.*

## Looking Back

At the conclusion of the last edition of this report we predicted an interesting finish to 2014. No surprise there. We also projected with near certainty a record level of sales absorptions in 2015. Before we pat ourselves on our back we must admit we expected a peak figure of approximately 17 percent more than the previous mark. We were only half right; sales surpassed the total last year by 35 percent. We supported our “bullish” view with estimates of success at several high profile, high rise towers located in transit oriented, mixed use settings. These projects surpassed our optimistic projections.

Highlights of the year that was included: the astounding substantial sell out of **Vancouver House**; accelerated absorptions and pricing in Southeast False Creek and at Olympic Village; the well executed repositioning and sales success of **Strathcona Village** on East Hastings; the impressive annual absorptions at **Metrotown** and **The Amazing Brentwood**; and the lesser known but impressive steady absorption of townhomes throughout the Fraser Valley, including innovative rooftop and larger executive townhomes and affordable side by side garage product in the Willoughby Town Centre area, two storey townhomes in Maple Ridge and master on the main offerings fetching premium prices from downsizers and middle aged professionals.

## Looking Ahead

As we enter the coming year I’m reminded of an old mentor’s frequent adage – Think Big! So with that in mind we are expecting big results and are watching the following market areas closely:

Vancouver Downtown – the lack of supply in this market and the challenges with obtaining approval for new developments mean that pent up demand from investors and end users alike remains untapped. Expect a big result when the **Burrard Place** development on the former site of Downtown Toyota comes to market.

Mount Pleasant - on the heels of solid new absorptions in this area and with continued concentrated media attention on the “cool factor” of this area, we expect all new launches like **The Independent** at Main and Broadway to be well very received. This will lead to even more infill development in this area especially given the anticipated Skytrain connection on Broadway. While this area offers great value today, prices in this area will likely grow to be more in line with Vancouver Downtown price levels over time.

Lynn Valley - as the first building at **Seylynn Village** nears completion in lower Lynn Valley, and given Marcon and Polygon’s success and Bosa Developments’ plans in the area, expect Lynn Valley to garner market attention this year...possibly even from off the shore.

South Surrey - executive townhome offerings continue to appeal to local home buyers and those to the Northwest, including Richmond and Vancouver East, leading to bold projections for sales in the coming year and a number of forthcoming launches. Combine this with a new high rise to be launched in White Rock and a nearly completed inventory ideal for downsizers, and this market certainly garners further attention.

Maple Ridge - the best kept secret is getting out; Maple Ridge offers affordability and an emerging vision to redevelop its waterfront into a vibrant people place. We may find a lot more conversation about real estate here than in recent years.

## Questions?

*Finally, there are a number of questions the team at Fifth Avenue are asking ourselves as we move into the first half of 2015 and look forward to 2016.*

What will be the biggest surprise of the first half of 2015?

If you had \$300,000 to invest in a new condo or townhome, which community/neighbourhood in Metro Vancouver would you choose?

Will the current public debate conclude with a significant commitment to advancing our transit system?

*If you have a view you would like to share and/or questions you would like to discuss please contact [scott@fifthave.ca](mailto:scott@fifthave.ca).*



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

*Urban Analytics Inc. (UAI) 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, UAI 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, UAI 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, UAI 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, UAI 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 UAI?** Urban Analytics has been tracking the new multifamily home market in Metro Vancouver and beyond since 1994. In addition to publishing the New Home Source, Vancouver's most comprehensive and accurate quarterly review of active and contemplated new condominium and townhome projects, UAI is the leading provider of advisory services on the new multifamily home market.

**Need help getting a handle on what's happening in an area you've got a site under contract in?** 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. We'd love to chat about how we can help you out with your project or set you up with a subscription to the Metropolitan Vancouver and/or Calgary New Home Source, slated to launch online at [nhslive.ca](http://nhslive.ca).

**urban**  
ANALYTICS INC

(604) 569-3535  
[www.urbananalytics.ca](http://www.urbananalytics.ca)



**Michael Ferreira**  
PRINCIPAL  
URBAN ANALYTICS INC.  
[michael@urbananalytics.ca](mailto:michael@urbananalytics.ca)



**Jon Bennest**  
PRINCIPAL  
URBAN ANALYTICS INC.  
[jon@urbananalytics.ca](mailto:jon@urbananalytics.ca)



## FIFTH AVENUE REAL ESTATE MARKETING LTD.

W. Scott Brown, President  
8 - 15243 91st Avenue  
Surrey, BC V3W 8P8

PHONE: 604.583.2212  
FAX: 604.583.3264  
Email: [scott@fifthave.ca](mailto:scott@fifthave.ca)

[WWW.FIFTHAVE.CA](http://WWW.FIFTHAVE.CA)