URBAN DEVELOPMENT INSTITUTE

STATE OF THE MARKET

2023/**Q3**

QUARTERLY MARKET RESEARCH REPORT

PRODUCED BY Zonda Urban

Formerly Urban Analytics

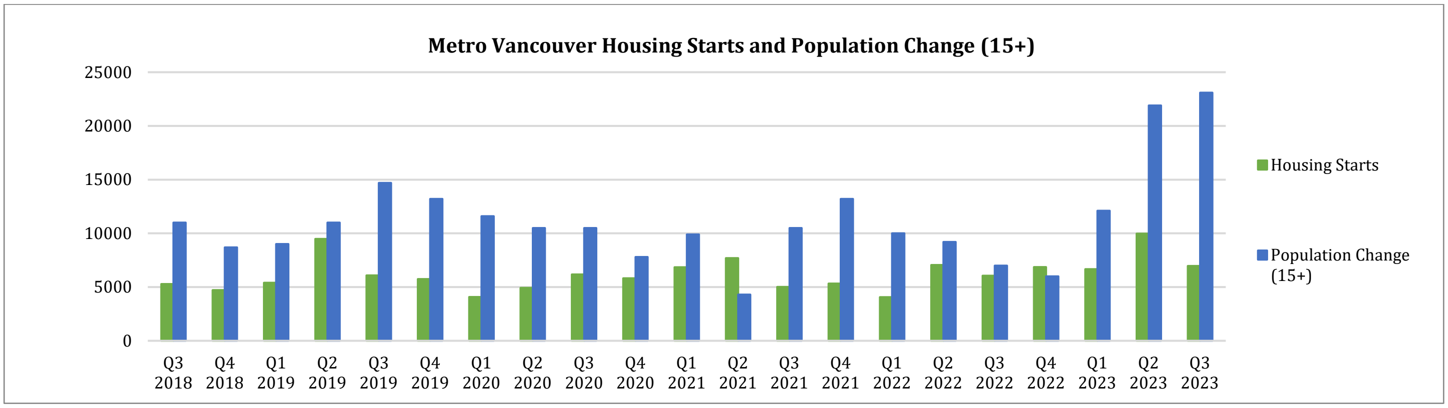
SPONSORED BY LUMON, TERRA LAW, KORECKI REAL ESTATE SERVICES INC.

TABLE OF CONTENTS

UDI State of the Market Quarterly Publication

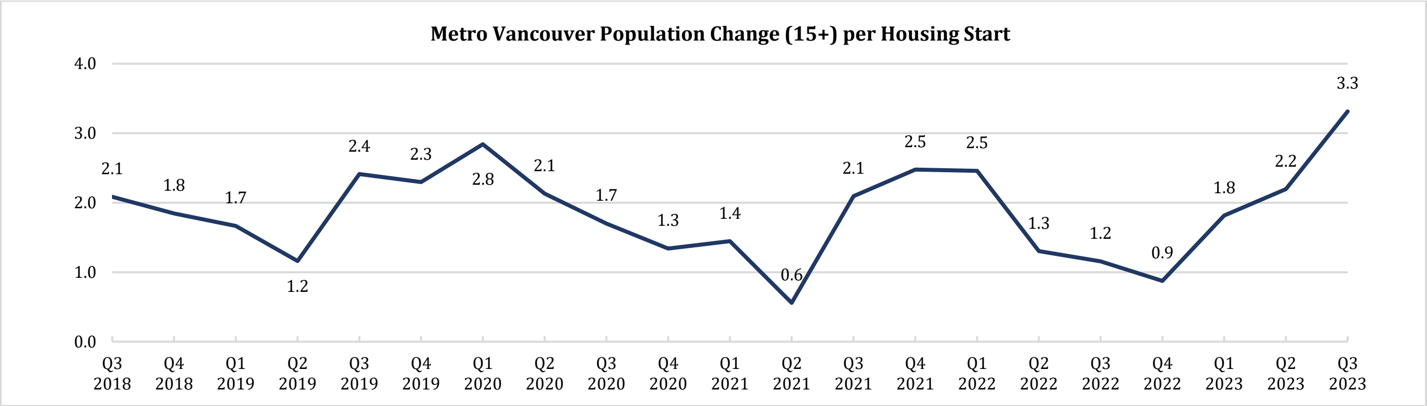
Welcome to the latest edition of UDI Pacific's "State of the Market" quarterly publication. The Q3-2023 "State of the Market" report provides current quarterly statistics and trends on the new home and re-sale housing markets as well as a composite of relevant economic statistics that impact the housing market. The report also includes statistics on the newer purpose-built rental market in Metro Vancouver, and the UDI/Zonda Urban Housing Affordability Index derived from Zonda Urban's NHSLive database and BC Housing's new home registry statistics.

Population Growth & Housing Starts



The above graph shows the trend of Metro Vancouver's housing starts (one start = one unit) and population change over the past five years. Metro Vancouver's total population aged 15 and older increased by 23,100 residents (0.9 percent) this quarter. Total housing starts (6,971 units in Q3-2023) were up by 908 units when compared to the five-year average of third quarters and increased by 909 units (15 percent) when compared to the same quarter last year. The year-over-year increase in total starts was primarily attributed to apartment starts increasing. Townhome starts decreased by 59 percent over the past year.

Housing prices are more likely to fall in the event where new housing supply exceeds current demand levels. Note that most new housing starts have already been sold in the pre-sale market and do not necessarily represent the number of new units coming to market that will be available for purchase.



The above graph shows the ratio of Metro Vancouver's population growth to housing starts. The Q3-2023 ratio of 3.3 was 55 percent above the quarterly five-year average. Out of the 10,272 units released in actively selling pre-sale projects that had not begun construction by the end of the quarter, 58 percent (5,941 units) have already been sold. This total sold will continue to increase before construction of these units completes. Further, the population tables above do not factor in demand for housing from temporary residents in Metro Vancouver each year (i.e. International Students & Temporary Foreign Workers).

Local Economic Factors

Metro Vancouver’s new home market exhibited signs of fatigue as the total of 2,682 pre-sales recorded in the third quarter of 2023 represented a 25 percent decrease from the previous quarter. A total of 23 new projects representing a total of 2,095 units were released to the market in the third quarter, which was down from the 37 launches and 3,654 units released in the previous quarter. To gauge consumer interest and confidence in the market, several projects continued to extend previewing periods longer than typical, which has resulted in fewer units coming to market. It is anticipated that a higher than seasonal amount of new inventory will be officially released to market in the fourth quarter as several delayed projects are now communicating the achievement of successful pre-sale activity will have officially launched in the fourth quarter.

Canada's inflation rate rose to 3.8 percent in September 2023, marking a one percent increase from the close of the second quarter of 2023. Despite a moderation in inflation for goods and food, rent and other housing costs continue to experience elevated levels. Vancouver's rental market once again achieved all-time highs in the third quarter as immigration and eroding market ownership affordability continues to drive rental demand. To tackle the housing affordability and supply crisis, the Canadian government has eliminated the federal GST on the construction of new purpose-built rental projects. Additionally, a new bill, Bill C-56, the Affordable Housing and Groceries Act, has been introduced, aiming to raise the GST rental rebate from 36 percent to 100 percent for new rental housing to incentivize more rental housing projects. Furthermore, more government financing has been announced such as the Canada Mortgage and Housing Corporation (CMHC) contributing $500 million to facilitate the development of 1,100 new purpose-built rental homes in Vancouver. These measures underscore the urgency to construct much needed housing supply in the City of Vancouver, particularly as it strives to meet the target of building 28,900 new homes over the next five years under the BC Housing Supply Act. The aim is to alleviate housing unaffordability in Vancouver by addressing the critical need for increased supply, a necessity heightened by the continued growth in immigration.

Global Economic Factors

The United States Federal Reserve raised the federal funds rate by 25 basis points to 525 to 550 basis points in the third quarter, which now marks the highest lending rate on record since January 2001. Policymakers continue to assess the market to curb inflation and steady the economy for a soft landing. In September 2023, the United States recorded an inflation rate of 3.7 percent, a 0.7 percent increase from June 2023. Despite the uptick in core prices, the US GDP grew at a 4.9 percent annual pace in the third quarter of 2023, the most significant gain since the fourth quarter of 2021. As of this publication, inflation has moderated to 3.2 percent.

By the end of the Third Quarter in 2023, the Nasdaq Index has increased by 25 percent and S&P Index has increased by 11 percent compared to the start of 2023. We hope that you enjoy the most recent edition of the State of the Market report and find it informative, helpful, and convenient. As always, we welcome any feedback or comments on the publication.

Sincerely,

Zonda Urban

TERRA LAW

ONE OF CANADA'S TOP 5 COMMERCIAL REAL ESTATE BOUTIQUES
Canadian Lawyer Magazine

EXPERIENCED. CREATIVE. PRACTICAL.

SERVICE FIRST

Terra Law's focus on service and responsiveness allows our clients to seize opportunities as they arise. Our experience and creativity allows us to customize innovative solutions for unique situations, moving deals forward instead of holding them back. Our practical and personalized approach means we can provide constructive and valuable advice on an efficient and cost-effective basis.

EXPERTISE

With deep experience in virtually every facet of commercial real estate law, Terra Law's lawyers have the legal skill and business knowledge to provide our clients with informed advice and pro-active solutions to their legal challenges. Terra Law has the bench strength, expertise and insight to help our clients protect their interests and achieve their goals.

HOW WE CAN HELP YOU

Terra Law represents a broad range of local, regional, national and international real estate clients across most industry sectors helping them maximize value and minimize risk. Why not put our team to work for you?

- Acquisitions & Dispositions
- Property Development
- Partnership & Joint Venture Structuring
- Financing
- Leasing
- Hospitality & Resorts
- Timeshare Registrations
- Compliance
- Corporate/Commercial
- Secured Transactions

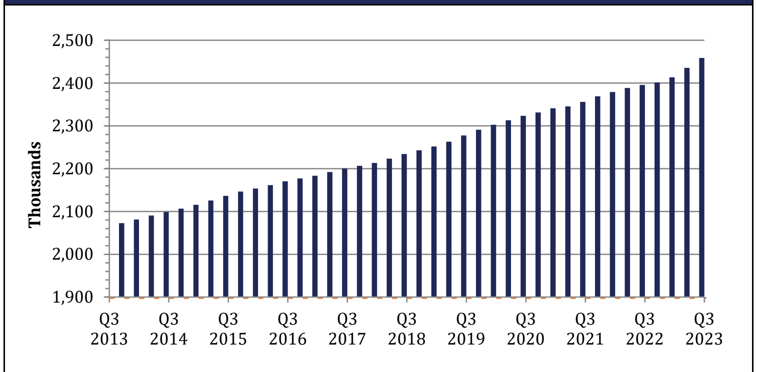
THE GLOBE AND MAIL BEST LAW FIRMS 2023
REAL ESTATE
REPORT ON BUSINESS & statista

TERRALAWCORP.CA
FOLLOW US

TERRA LAW

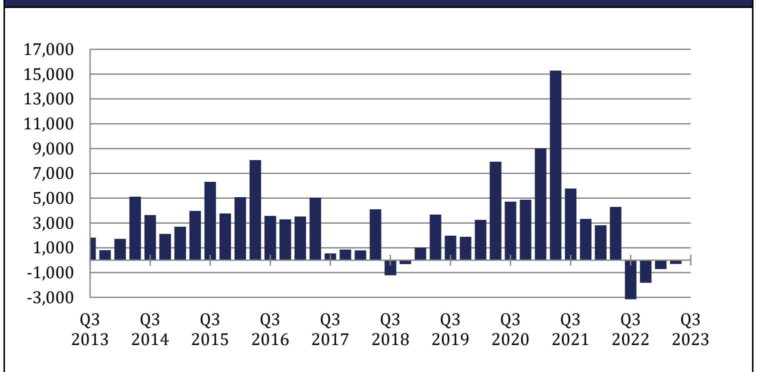
POPULATION

1.1 Metro Vancouver Population 2010 – Present (15+)

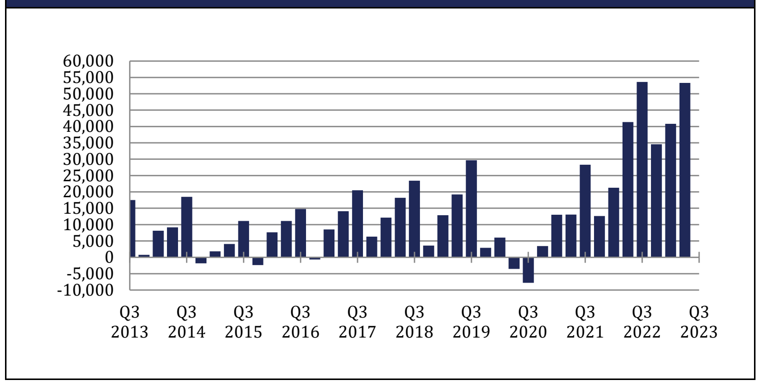


1.2 Metro Vancouver Population (15+) Growth Rate (%)

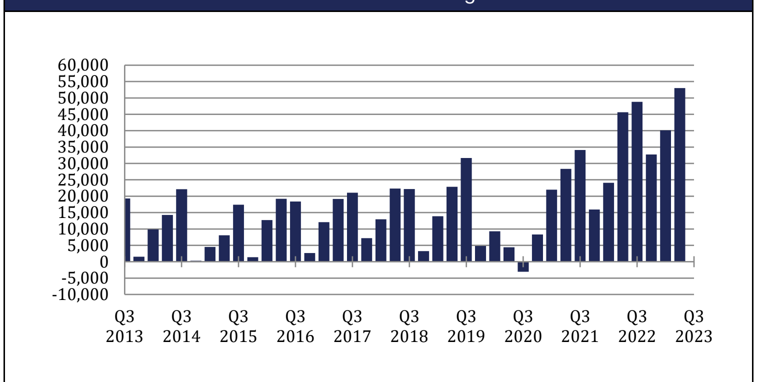
1.3 British Columbia Interprovincial Migration



1.4 British Columbia International Migration



1.5 British Columbia Net Migration



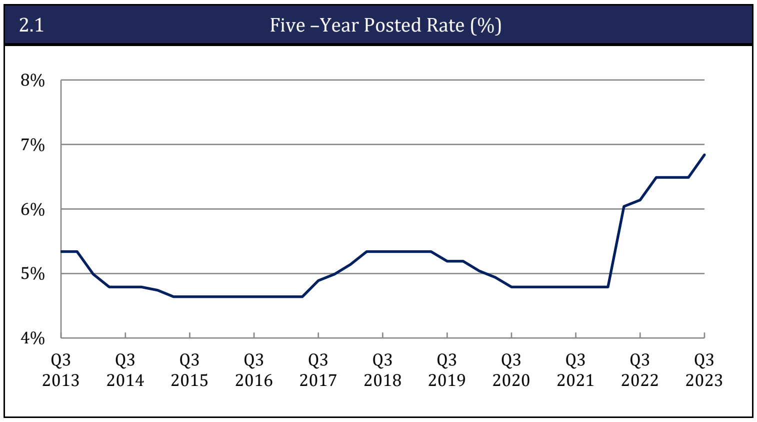
1.6 British Columbia Growth Breakdown

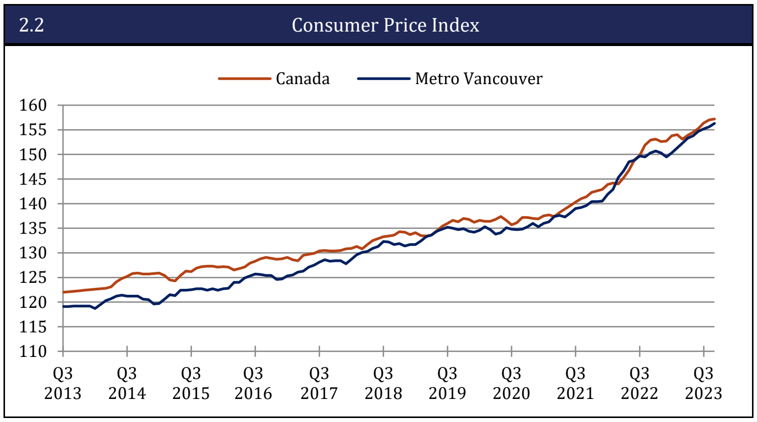
BC's Population Growth Break Down	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Births	10,869	10,139	9,795	10,151
In-Migrants	14,306	10,165	16,647	22,371
Immigrants	16,106	8,381	24,482	17,298
Total Net Increase	**41,281**	**28,685**	**50,924**	**49,820**
Deaths	10,731	12,016	11,319	10,797
Out-Migrants	19,105	11,995	17,359	22,671
Emigrants	1,932	2,870	2,863	1,292
Total Net Decrease	**31,768**	**26,881**	**31,541**	**34,760**
Net Increase/Decrease	**9,513**	**1,804**	**19,383**	**15,060**

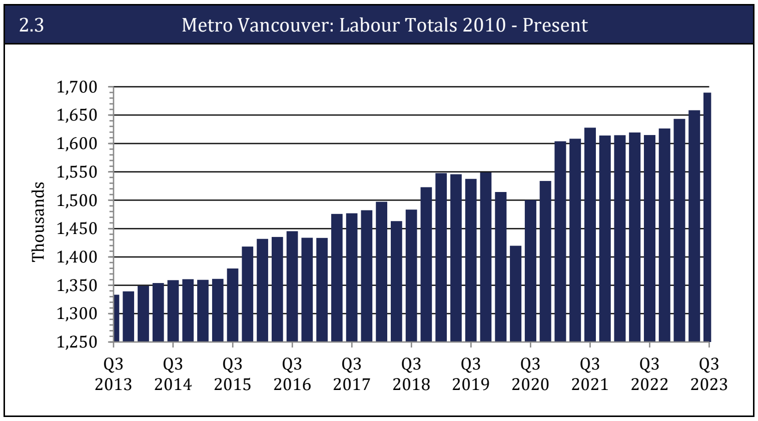
Insights & Comments:

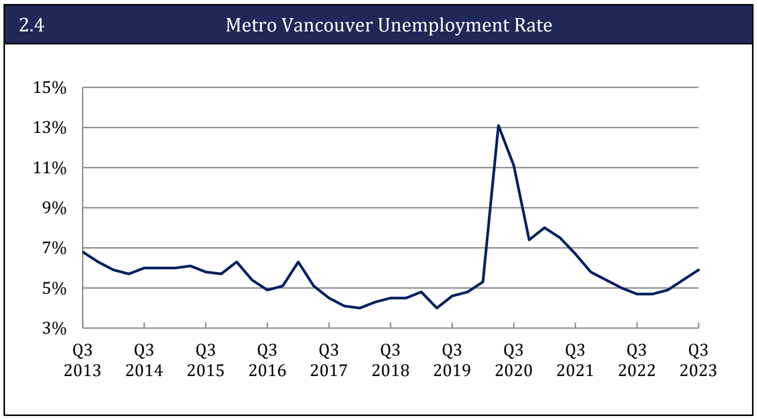
- Metro Vancouver's population (aged 15+) increased to 2,458,500 residents at the end of Q3-2023.
- This was 23,100 more residents than the previous quarter and represents a 2.6 percent increase (a 0.7 percent increase in growth rate) when compared to Q3-2022.
- The most recent available data (Q2-2023) showed a net overall migration of 53,013 to BC, an increase of 32.1 percent (12,885 more migrants) when compared to the previous quarter and 16.1 percent higher (7,364 more migrants) than Q2-2022.
- Net interprovincial migration for the most recent update (Q2-2023) showed a net loss of 300 residents, 412 more than Q1-2023 but 4,594 fewer when compared to Q2-2022.
- BC continues to experience high levels of international migration. Most recent available data (Q2-2023) showed 53,313 immigrants to BC, which was 30.5 percent higher (12,473 more migrants) than Q1-2023 and 28.9 percent higher (11,958 more) than Q2-2022.

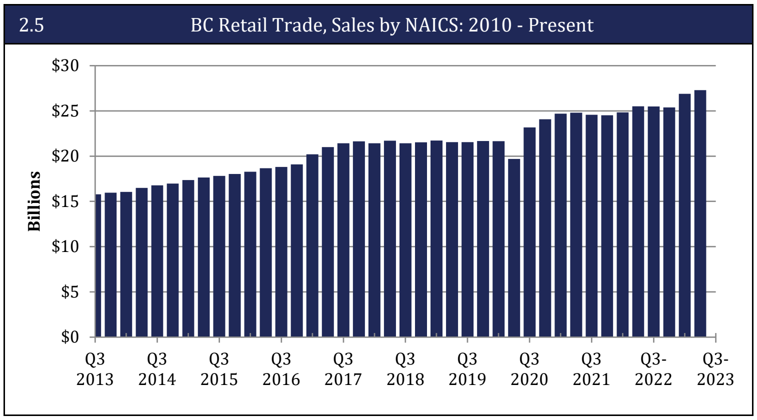
ECONOMIC INDICATORS

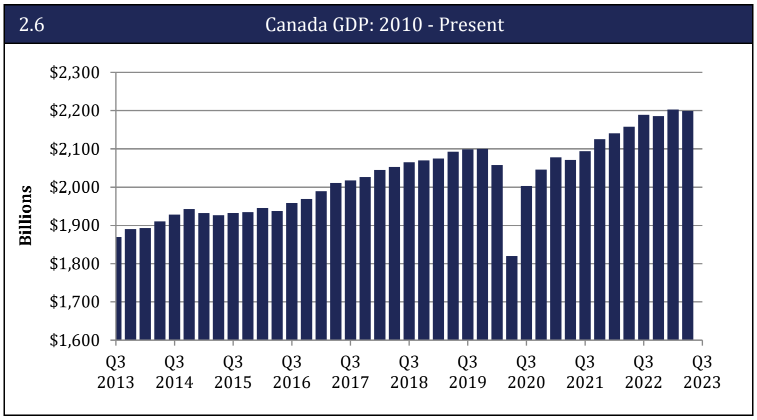










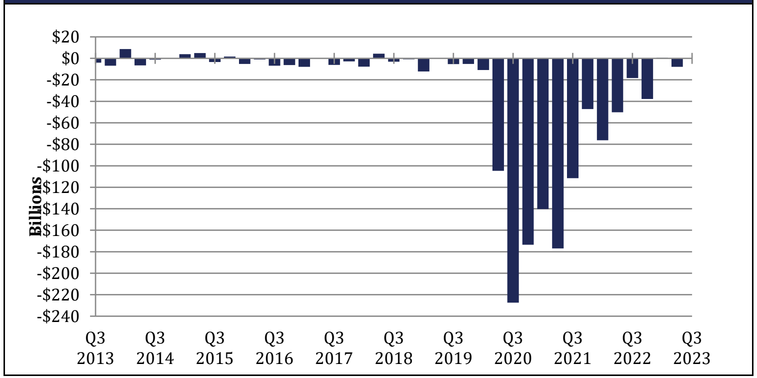


Insights & Comments:

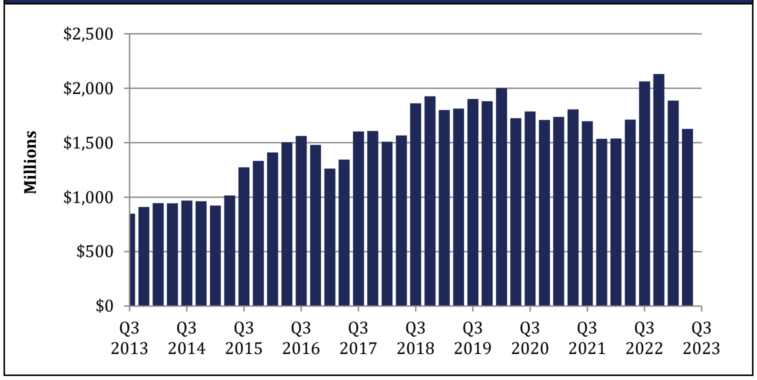
- The five-year posted rate increased to 6.84 percent at the end of the quarter.
- Canada's consumer price index increased by 3.8 percent from Q3-2022 to Q3-2023, while Metro Vancouver's CPI increased by 4.0 percent over that period.
- Metro Vancouver's labour force in Q3-2023 totaled 1,689,600, a 1.9 percent increase from the previous quarter and a 4.6 percent increase from Q3-2022.
- Metro Vancouver's unemployment rate increased to 5.9 percent in Q3-2023, a 9.3 percent increase from the previous quarter and a 25.5 percent increase from Q3-2022.
- Based on the most recent data available (Q2-2023), just under $27.3 billion worth of retail sales were recorded in Canada over Q2-2023, which was a 1.5 percent more than the previous quarter and 7.0 percent more than the same quarter last year.
- The most recent data available (Q2-2023) shows a slight decrease in Canada's GDP to just under $2.2 trillion at the end of the quarter. This total was an increase of 1.9 percent when compared to the same quarter last year.

ECONOMIC INDICATORS

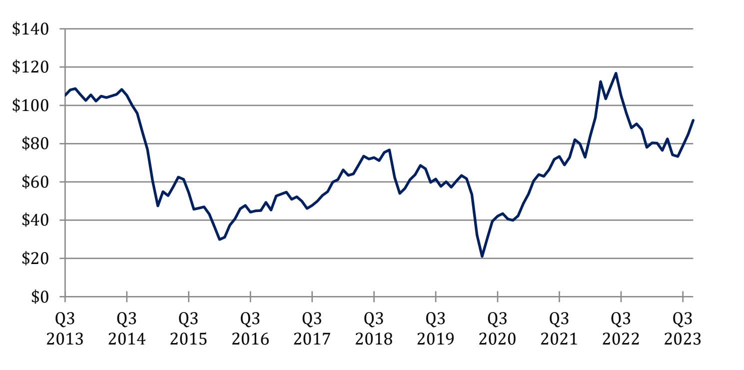
3.1 Budgetary Balance, Canada



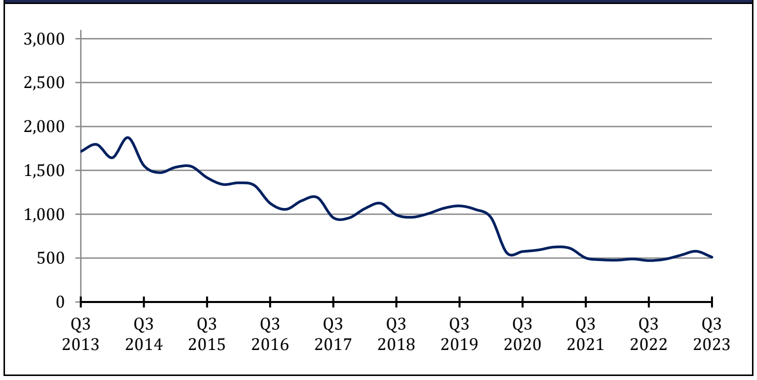
3.2 BC Investment in New Construction: 2010 - Present



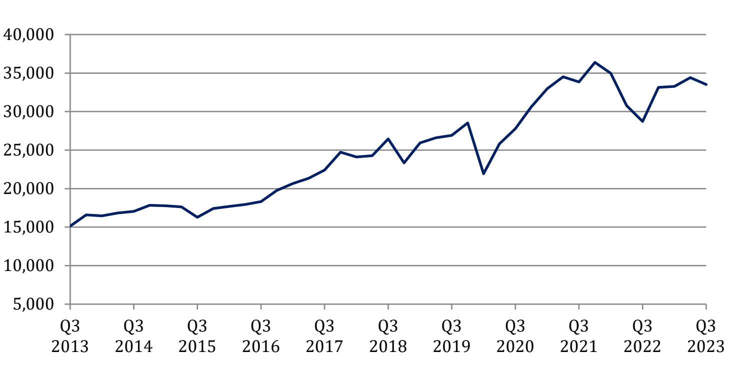
3.3 Price of Crude Oil (US Dollars)



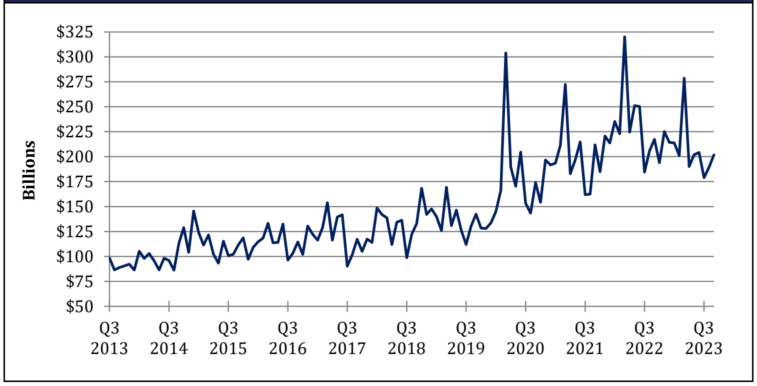
3.4 British Columbia Bankruptcies



3.5 Dow Jones Industrial Average (Close)



3.6 Toronto Stock Exchange, Value of Shares Traded

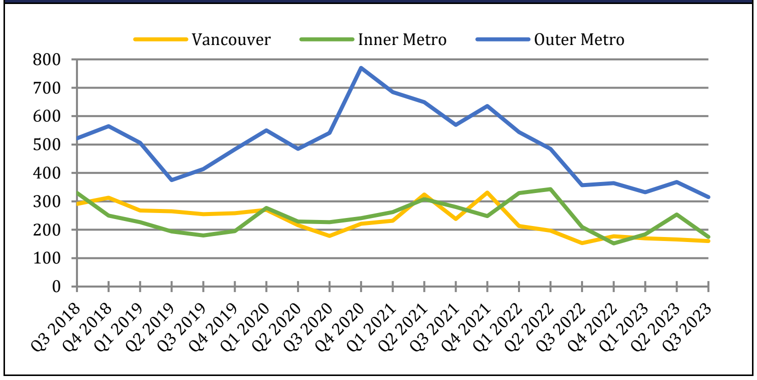


Insights & Comments:

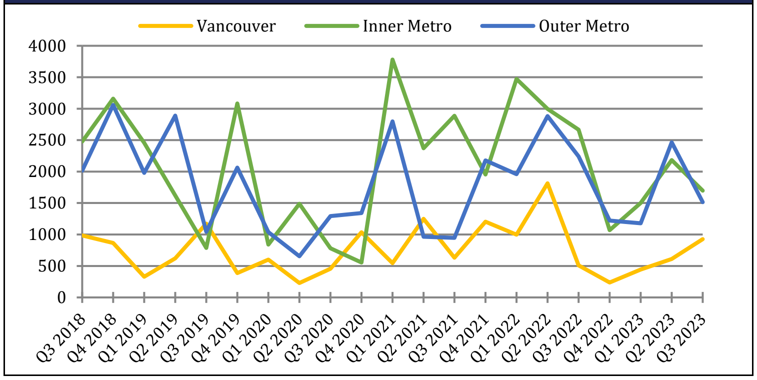
- The Federal budgetary balance showed a deficit of $7.9 billion in Q2-2023. The deficit has increased by $8.4 billion when compared to the previous quarter's net deficit but was $42.3 billion less than the net deficit recorded in Q2-2022.
- In the most recent data available (Q2-2023), investment in new multi-family construction in BC totaled $1.6 billion, which represents a 4.9 percent decrease from the previous quarter and a 13.8 percent decrease when compared to Q2-2022.
- The price of crude oil increased to $92.22 USD per barrel by the end of Q3-2023. This was a 25.9 percent increase from the previous quarter and a 4.5 percent increase from the same quarter last year. Current crude oil prices are 33.2 percent higher than the five-year average price of $69.22 USD per barrel.
- There were 511 bankruptcies recorded in BC in Q3-2023, a decrease of 11.6 percent from Q2-2023 but up 8.3 percent from Q3-2022.
- The DJIA decreased to 33,507.5 points at the end of Q3-2023, a 16.6 percent year-over-year increase.
- The value of TSX shares traded has decreased from $204.3 billion in Q2-2023 to $201.8 billion at the end of Q3-2023.

HOUSING ECONOMIC INDICATORS

4.1 BC Housing Single Family Registrations



4.2 BC Housing Multi-Family Registrations



All new homes in the province must be registered with BC Housing. The registration data is collected by BC Housing in the public registry. The majority of registered new homes are enrolled with home warranty insurance which protects against construction defects. The registration of new homes must occur prior to the issuance of building permits and housing starts. The new home registrations measure residential construction activities at the beginning of a project before construction commences and indicates the number of units included in each project.

A study has been conducted by the Bank of Canada in collaboration with BC Housing to assess whether new home registration data under the Homeowner Protection Act can be used as a leading indicator for economic activity in B.C.

The research finds that quarterly increases in new registrations for single-detached homes have statistically significant predictive content for growth in real GDP over the next one to three quarters, and provide stronger signals compared to housing starts and building permits over this forecast horizon.

The research report has been published under Staff Discussion Papers on the website of the Bank of Canada.
http://www.bankofcanada.ca/wp-content/uploads/2016/02/sdp2016-3.pdf

- “Single” includes the new single detached homes enrolled with home warranty insurance or with approved Owner Builder Authorizations.

- "Multi” includes the new homes in multi-unit buildings (two or more dwelling units) enrolled with home warranty insurance and does not include new homes in multi-unit rental buildings (purpose-built rentals).

- New 2018, 2019, 2020, 2021,2022, and 2023 data has been added for Squamish (Inner Metro) and Abbotsford (Outer Metro).

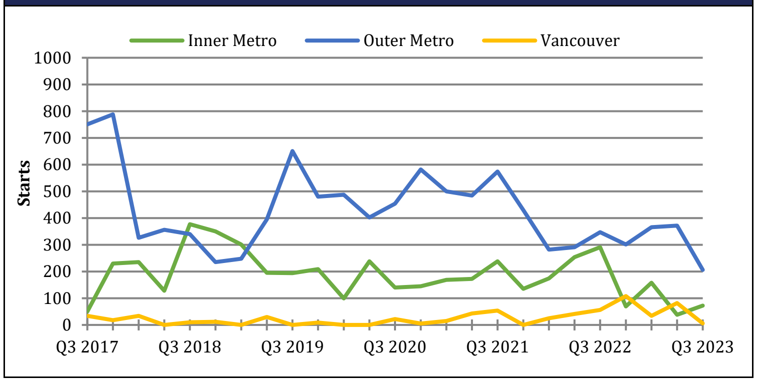
Note: Some minor adjustments may be made to the figures over time as registrations are withdrawn or cancelled from home warranty insurance from time to time.

Insights & Comments:

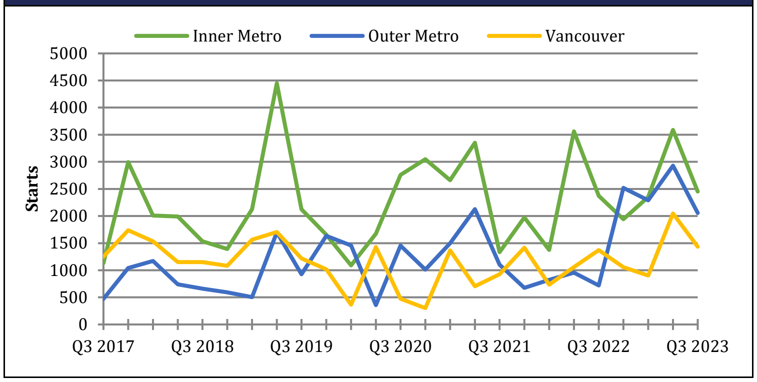
- Single family home registrations in Metro Vancouver totaled 650 in Q3-2023, down 17.5 percent (138 fewer units) from the previous quarter and down 9.7 percent year-over-year.
- The Outer Metro region accounted for 48 percent (315 units) of the total single family home registrations, while 27 percent (175 units) were in the Inner Metro region and 25 percent (160 units) were in the City of Vancouver.
- Multi-family home registrations in Metro Vancouver totaled 4,139 in Q3-2023. This was a 21.3 percent decrease from the previous quarter and a 23.6 percent decrease on a year-over-year basis.
- Total multi-family registrations in the City of Vancouver increased by 51.3 percent but decreased in the Inner Metro and Outer Metro regions by 22.2, and 38.5 percent, respectively, when compared with the previous quarter.
- In the Third Quarter of 2023, multi-family home registrations were distributed across regions as follows: 41 percent (1,698 units) in the Inner Metro region, 37 percent (1,515 units) in the Outer Metro region, and 22 percent (926 units) in the City of Vancouver.
- It is important to note that a large majority of these units have already been pre-sold up to two years prior to construction beginning.
- Home registrations of all product types in Metro Vancouver total 4,789 units in Q3-2023, a 20.8 percent decrease from the previous quarter.

HOUSING ECONOMIC INDICATORS

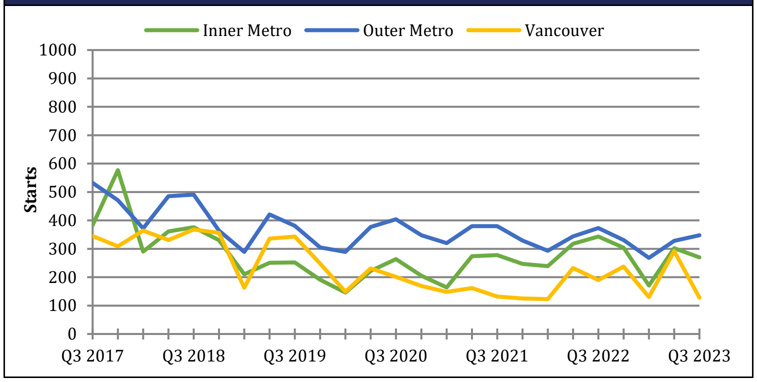
5.1 CMHC Townhome Starts



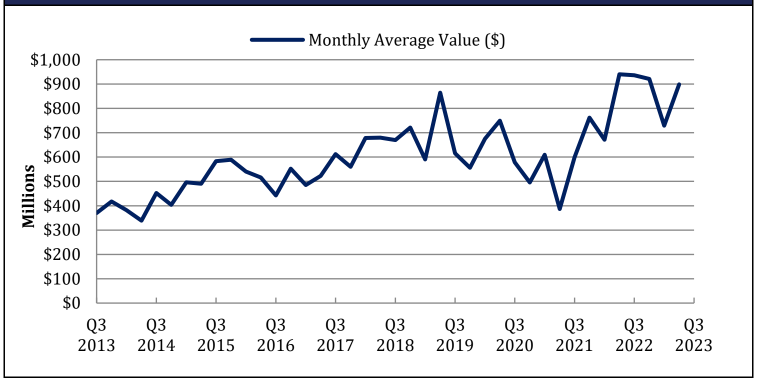
5.2 CMHC Apartment Starts



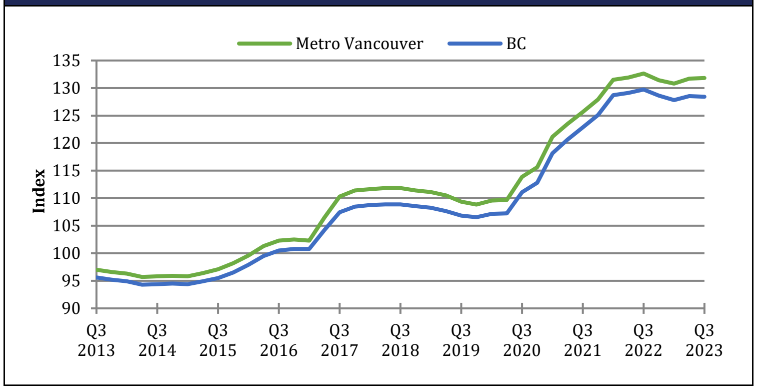
5.3 CMHC Single Family Starts



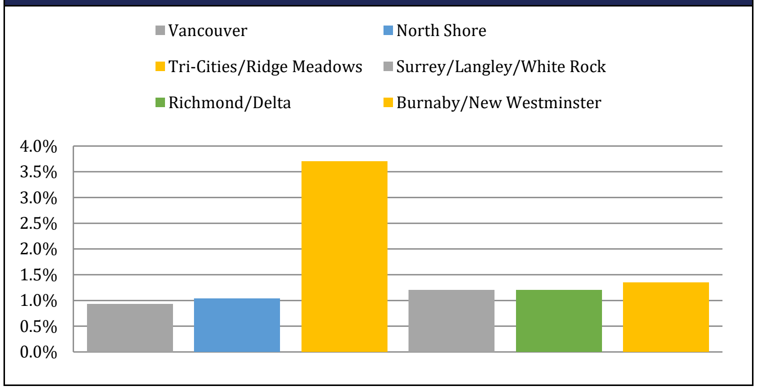
5.4 Residential Building Permits – Metro Vancouver



5.5 Statistics Canada Housing Price Index



5.6 CMHC Rental Housing Vacancy Rates

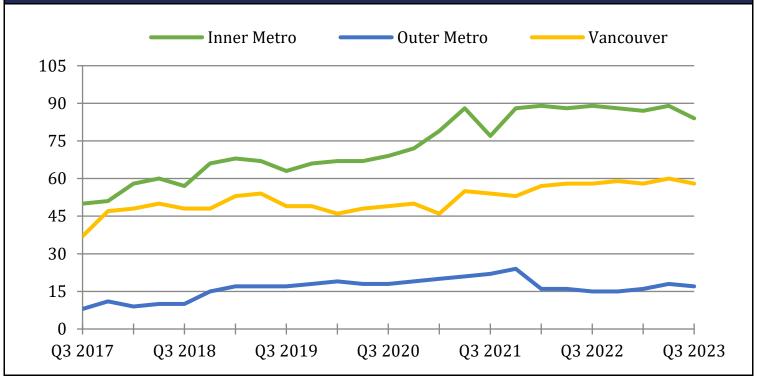


Insights & Comments:

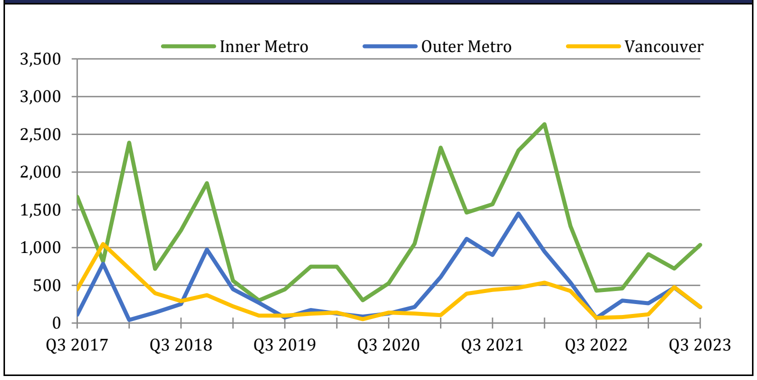
- A total of 6,971 new housing starts were recorded in Q3-2023, a 30.1 percent decrease (3,007 fewer units) from the previous quarter. The largest contributor to housing start totals in Q3-2023 was the Inner Metro region, which accounted for 40 percent of all new starts in Metro Vancouver.
- A total of 284 townhome starts, 5,941 apartment starts, and 746 single family starts were recorded in Q3-2023.
- In the most recent data available (Q2-2023), the three-month average of building permit values was $899.0 million in Q2-2023, and a decrease of four percent ($41.2 million) from the same quarter last year.
- The new home price indices in Q3-2023 for Metro Vancouver increased slightly by 0.1 percent while BC decreased slightly by 0.1 percent from Q2-2023. Price indices for Metro Vancouver and BC were 9.3 percent and 9.1 percent above their five-year averages, respectively.
- Rental housing vacancy rates only decreased in two regions of Metro Vancouver: Tri-Cities/Ridge-Meadows and Surrey/Langley/White Rock. *Refer to methodology on Page 20.*

NEW HOME DATA: CONCRETE CONDOMINIUMS

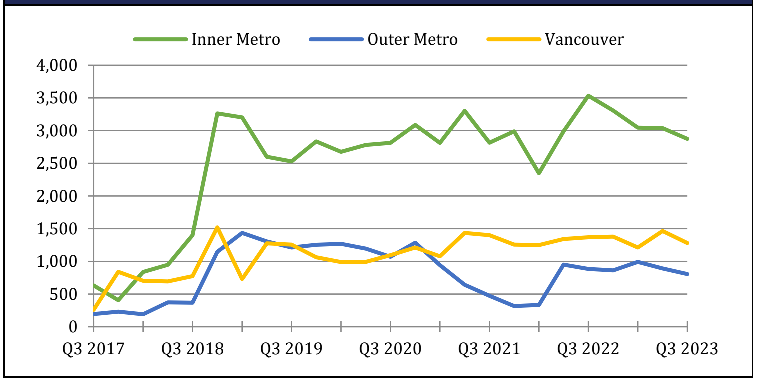
6.1 Concrete Condominium Projects Actively Marketing



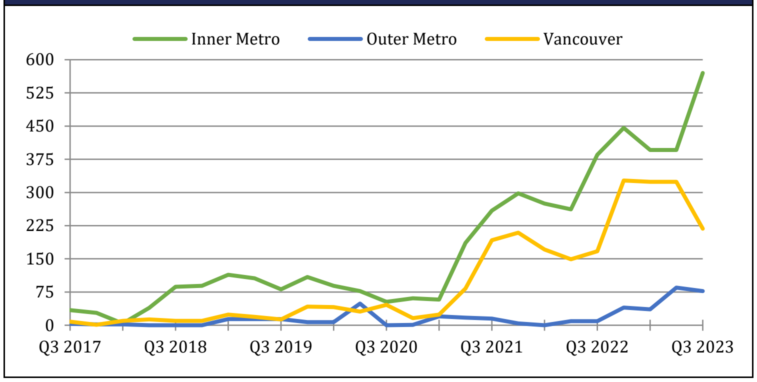
6.2 Concrete Condominium Sales



6.3 Concrete Condominium Released & Unsold Inventory Levels



6.4 Concrete Condominium Standing Inventory Levels



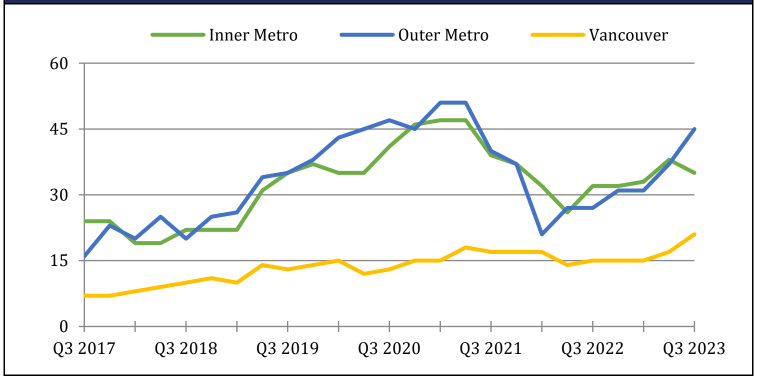
Insights & Comments:

- A total of 159 new concrete condominium projects were actively selling across Metro Vancouver at the end of Q3-2023. This reflects a decrease of eight projects compared to the previous quarter and a three-project decrease from the same quarter last year.
- The Inner Metro region accounted for 53 percent (84 projects) of all actively selling, new concrete condominium projects while the City of Vancouver accounted for 36 percent (58 projects) and the Outer Metro region accounted for 11 percent (17 projects).
- A total of 1,459 new concrete condominiums were sold in Q3-2023, a 12 percent decrease from the previous quarter and down two percent from the same quarter last year.
- Concrete condominium sales in the City of Vancouver and Outer Metro region both decreased by 55 percent while sales increased in the Inner Metro region by 44 percent when compared to Q3-2022.
- Of the 1,459 new concrete condominium sales, 71 percent (1,036 sales) were in the Inner Metro region, 15 percent (212 sales) in the City of Vancouver, and 14 percent (211 sales) in the Outer Metro region.
- In Q3-2023, the Burnaby/New Westminster sub-market accounted for the highest number of concrete condominium sales, with 611 units sold, representing 42 percent of all total concrete sales. The Tri-Cities sub-market was the second highest accounting for 322 sales, or 22 percent of total concrete condominium sales.
- There were 4,962 released and unsold new concrete condominiums at the end of Q3-2023, which was 433 fewer units compared to the previous quarter. The Inner Metro region accounted for the most of these units, representing 58 percent of all released and unsold concrete condominiums.
- Out of the 4,962 units of released and unsold concrete inventory, 865 units (17.4 percent) were move-in ready at the end of the quarter. This represented a 54 percent increase in move-in ready concrete condominiums (304 more units) when compared to the same quarter last year.
- The Inner Metro region accounted for 66 percent (570 units), the City of Vancouver accounted for 25 percent (218 units), and the Outer Metro region accounted for nine percent (77 units) of all the move-in ready concrete condominium units this quarter.

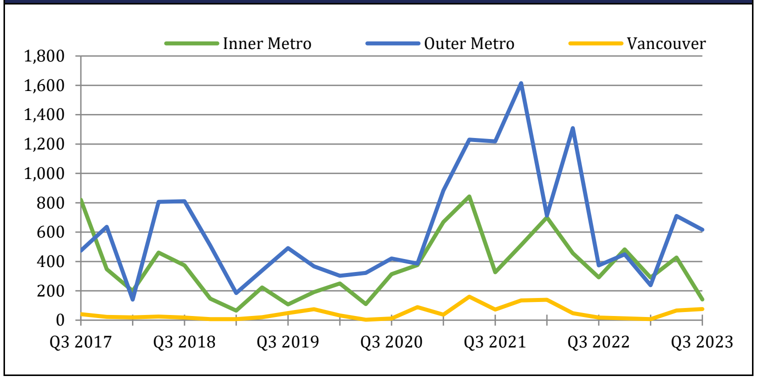
1: *Released and unsold "inventory" includes new home product available for sale that is pre-construction, under construction, and completed. "Standing Inventory" refers to unsold units that are complete and move-in ready.*

NEW HOME DATA: WOOD FRAME CONDOMINIUMS

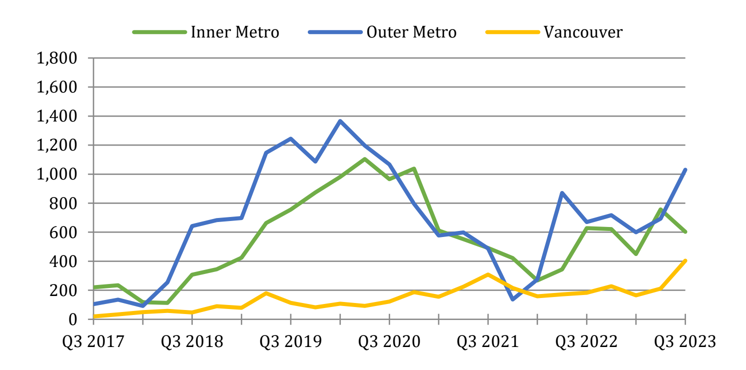
7.1 Wood Frame Condominium Projects Actively Marketing



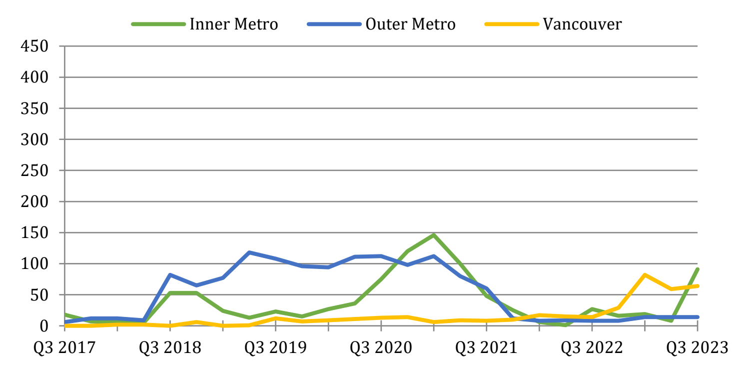
7.2 Wood Frame Condominium Sales



7.3 Wood Frame Condominium Released & Unsold Inventory Levels



7.4 Wood Frame Condominium Standing Inventory Levels

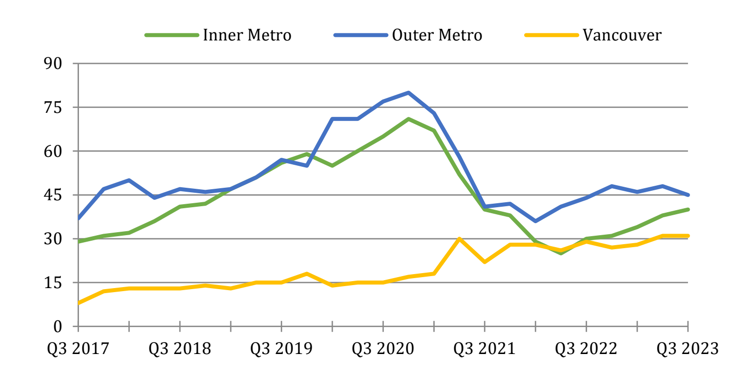


Insights & Comments:

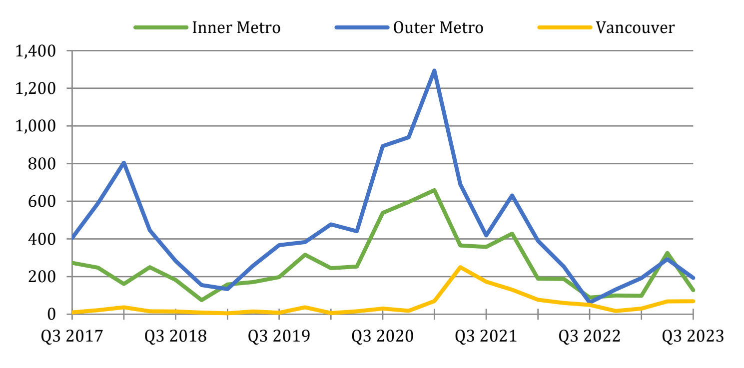
- The number of actively selling wood frame condominium projects in Metro Vancouver increased to 101 in Q3-2023, up by nine from the previous quarter. The number of actively selling projects was up 94 percent (49 more projects) when compared to the same period five years ago.
- The Inner Metro and Outer Metro regions, as well as the City of Vancouver accounted for 35 percent (35 projects), 45 percent (45 projects), and 21 percent (21 projects) of all actively selling wood frame condominium projects, respectively.
- A total of 833 new wood frame condominium sales were recorded in Q3-2023, a 31 percent decrease from the previous quarter but a 22 percent increase from the same quarter last year.
- Wood frame condominium sales in the Outer Metro and Inner Metro regions decreased by 13 percent and 67 percent, respectively, while the City of Vancouver experienced an increase of 15 percent when compared to the previous quarter.
- The Central Surrey/North Delta sub-market accounted for 30 percent of wood frame condominium sales in Metro Vancouver with 249 sales, leading all sub-markets. The Langley/Cloverdale sub-market followed closely, accounting for 193 sales, or 23 percent of total wood frame condominium sales.
- There were 2,037 released and unsold new wood frame condominium units at the end of Q3-2023, a 23 percent increase from the previous quarter and a 38 percent increase from the same quarter last year.
- Overall unsold inventory levels of new wood frame condominiums in Metro Vancouver were up by 105 percent when compared to the same quarter five years ago.
- The Outer Metro and Inner Metro regions represented 51 percent (1,030 units) and 30 percent (603 units) of the total wood frame available inventory, respectively, while the City of Vancouver accounted for 404 units, or 20 percent of all wood frame available inventory.
- Only 169 of the 2,037 released and unsold new wood frame condominiums in Metro Vancouver were move-in ready at the end of Q3-2023.
- Burnaby/New Westminster accounted for 51 percent of Metro Vancouver's total standing inventory of wood frame condominium units with 87 move-in ready units available while 34 percent (57 units) were in Vancouver East and eight percent (14 units) were in Central Surrey/North Delta.

NEW HOME DATA: TOWNHOMES

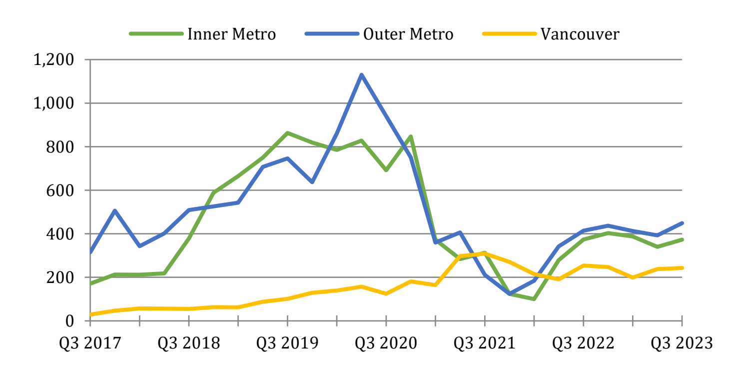
8.1 Townhome Projects Actively Marketing



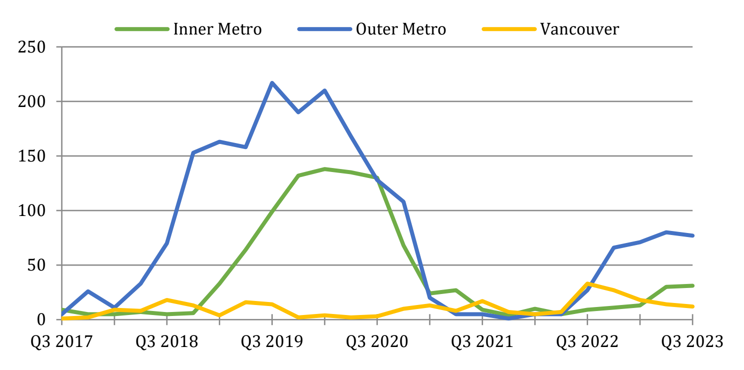
8.2 Townhome Sales



8.3 Townhome Released & Unsold Inventory Levels



8.4 Townhome Standing Inventory Levels

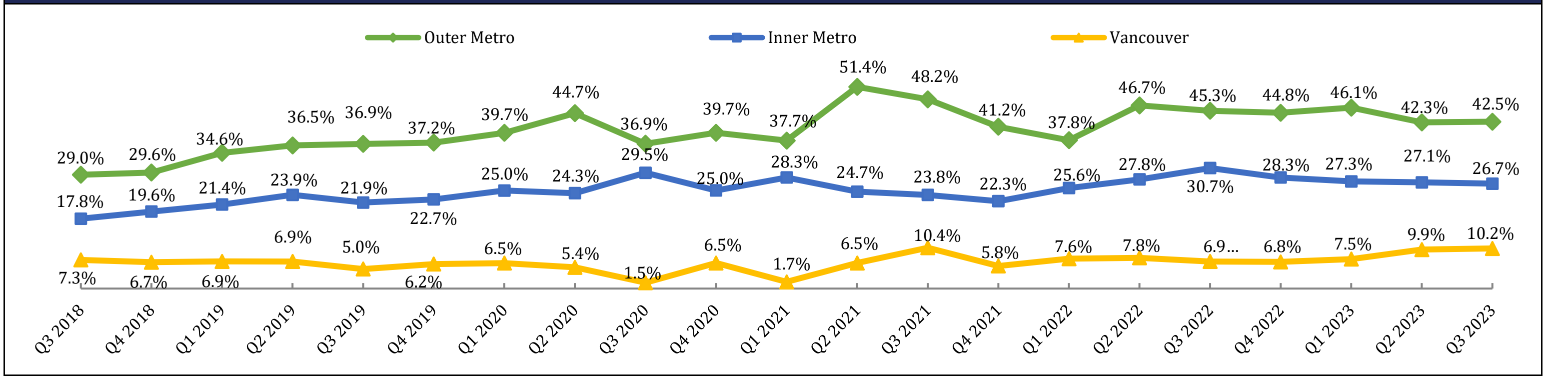


Insights & Comments:

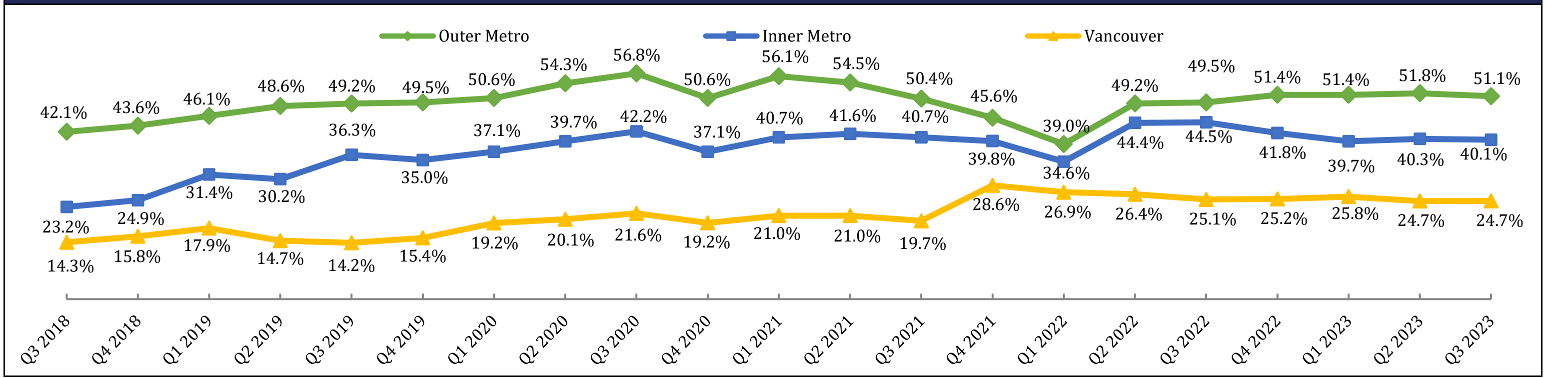
- There were 116 actively selling townhome projects in Metro Vancouver in Q3-2023. This is one project less than the previous quarter and a 15 percent increase (15 more projects) from the same quarter five years ago.
- The Inner Metro and Outer Metro regions, as well as the City of Vancouver accounted for 34 percent (40 projects), 39 percent (45 projects), and 27 percent (31 projects) of all actively selling townhome condominium projects, respectively.
- A total of 390 new townhome sales were recorded in Q3-2023. This is a 43 percent decrease from the previous quarter but a 94 percent increase from the same quarter last year. However, this reflects a 19 percent decrease from the same quarter five years ago.
- The Outer Metro region accounted for 49 percent (193 sales) of all new townhome sales in Metro Vancouver, while 33 percent (128 sales) occurred in the Inner Metro region and 18 percent (69 sales) occurred in the City of Vancouver.
- A total of 1,065 new townhome units were released and unsold at the end of Q3-2023. This was a 10 percent increase from the previous quarter and a two percent increase from the same quarter last year.
- The Inner Metro and Outer Metro regions represented 35 and 42 percent, respectively, of all released and unsold townhome inventory, while the City of Vancouver represented 23 percent at the end of the Third Quarter of 2023.
- Released and unsold inventory increased in the City of Vancouver and the Inner Metro and Outer Metro regions, by two percent, 10 percent, and 14 percent, respectively, when compared to the previous quarter.
- When compared to Q3-2022, overall unsold inventory in the Inner Metro region decreased by less than one percent (one unit less), increased by eight percent in the Outer Metro region, and decreased by four percent in the City of Vancouver.
- An overall total of 120 townhomes were move-in ready at the end of Q3-2023. This was a three percent decrease (four fewer units) when compared to Q2-2023 but a 74 percent increase (51 more units) when compared to the same quarter last year.

ZONDA URBAN AFFORDABILITY INDEX: NEW HOME DATA

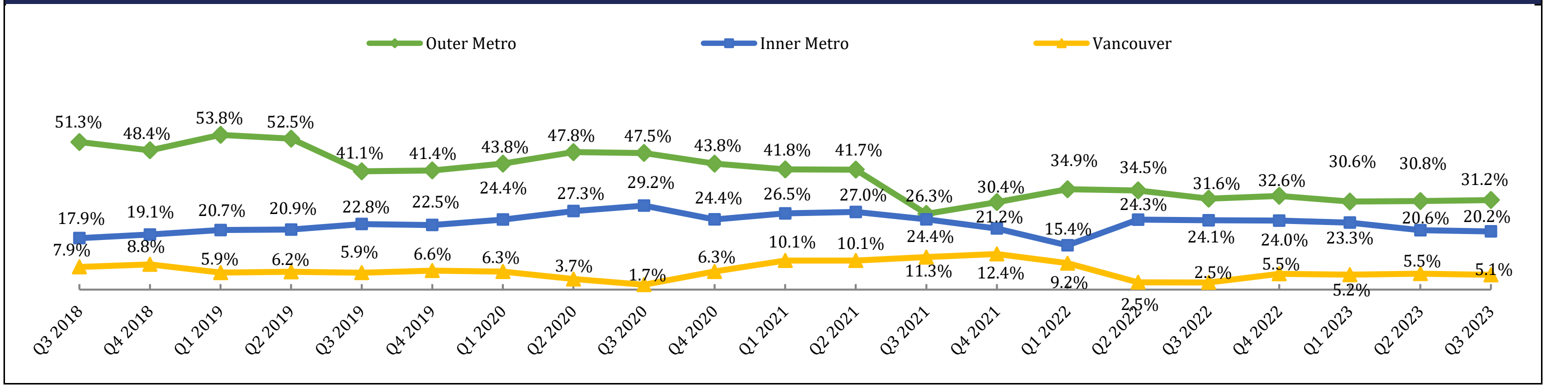
9.1 Zonda Urban Affordability Index: New Concrete Condominiums



9.2 Zonda Urban Affordability Index: New Wood Frame Condominiums



9.3 Zonda Urban Affordability Index: New Townhomes



Insights & Comments:

- Affordability for most new homes at the end of the Third Quarter of 2023 has remained similar relative to the previous quarter.
- New townhomes in the Outer Metro region experienced the largest five-year decline in affordability, with a decrease of 20.1 percent. The City of Vancouver experienced a decrease of 2.8 percent in townhome affordability while the Inner Metro region saw an increase of 2.3 percent over the same five-year period.
- Overall affordability for new wood frame condominiums increased in the Outer Metro region and the City of Vancouver by 0.6 and 5.0 percent, respectively when compared to the same quarter two years ago. The Inner Metro region experienced a decrease of affordability by 0.6 percent in that same time frame.
- The overall affordability of new concrete condominiums remained largely consistent compared to the previous quarter, with the most notable change observed in the City of Vancouver region, where only a 0.3 percent increase was recorded.
- The City of Vancouver remained the least affordable region with only 10.2 percent of income earning households being able to purchase the average priced new concrete condominium in this area. Just 5.1 percent of earning households in Vancouver Proper were able to afford an average new townhome, and 24.7 percent of earning households were able to afford the average priced new wood frame condominium. *Refer to methodology on page 20.*

RE-SALE DATA: REAL ESTATE BOARD OF GREATER VANCOUVER

10.1 Apartment Re-Sales and Listings

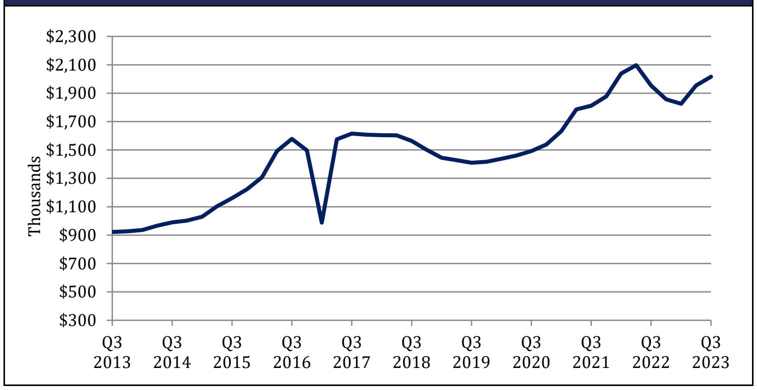
10.2 Apartment Re-Sale Benchmark Price (GV)

10.3 Attached Re-Sales and Listings

10.4 Attached Re-Sale Benchmark Price (GV)

10.5 Single Detached Re-Sales and Listings

10.6 Single Detached Re-Sale Benchmark Price (GV)

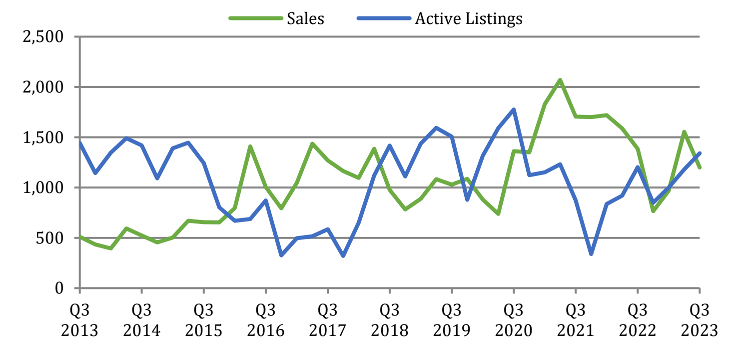


Insights & Comments

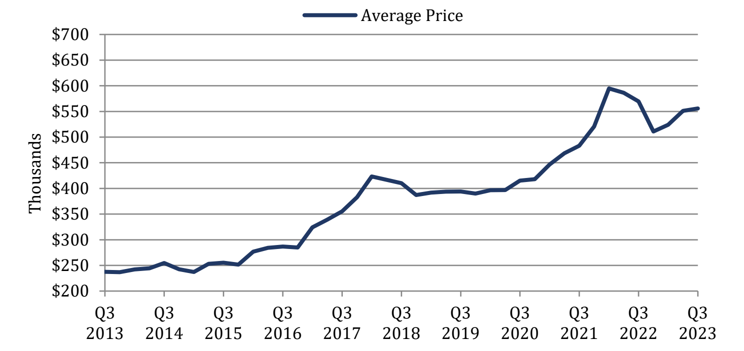
- A total of 6,348 re-sales were recorded in Q3-2023 in Greater Vancouver – 3,483 apartment, 1,690 single family, and 1,175 townhome re-sales.
- Year-over-year, single family, townhome, and apartment re-sales increased by 18 percent, 32 percent, and 21 percent, respectively.
- Year-over-year, the sales-to-listings ratios for single-family homes, townhomes, and apartments all experienced a decrease of six percent, six percent, and five percent, respectively.
- The three-month average benchmark prices by product type in Greater Vancouver in Q3-2023 were as follows: Apartment - $770,033, Townhome - $1,102,300, and Single Family - $2,016,167.
- The benchmark price for single-family homes, townhomes, and apartments in re-sales increased by 3.2 percent, 2.9 percent, and 3.9 percent, respectively, compared to the same quarter last year.
- Single family, townhome, and apartment re-sale prices have increased by 29.0 percent, 30.2 percent, and 10.9 percent, respectively, when compared to the same quarter five years ago.

RE-SALE DATA: FRASER VALLEY BOARD

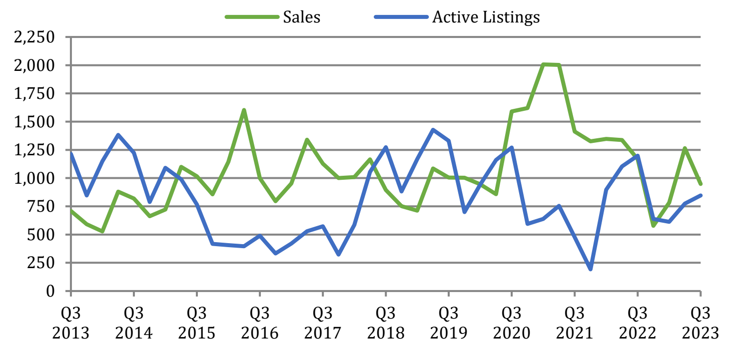
11.1 Apartment Re-Sales and Listings



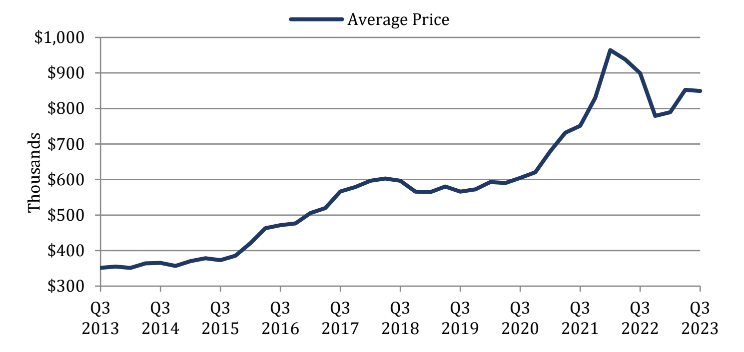
11.2 Apartment Re-Sale Average Prices



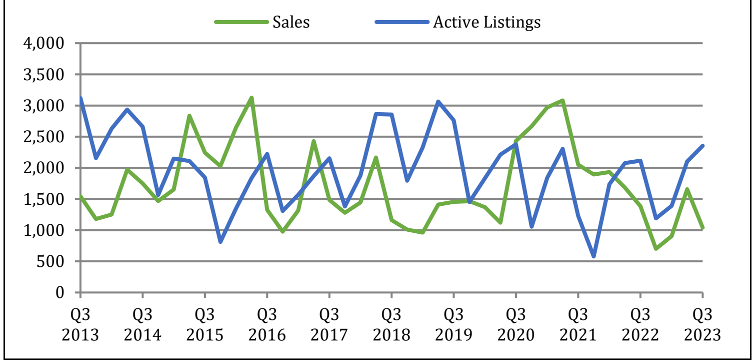
11.3 Attached Re-Sales and Listings



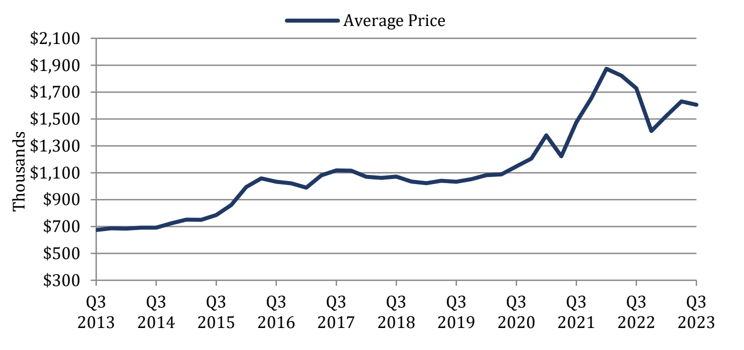
11.4 Attached Re-Sale Average Prices



11.5 Single Detached Re-Sales and Listings



11.6 Single Detached Re-Sale Average Prices

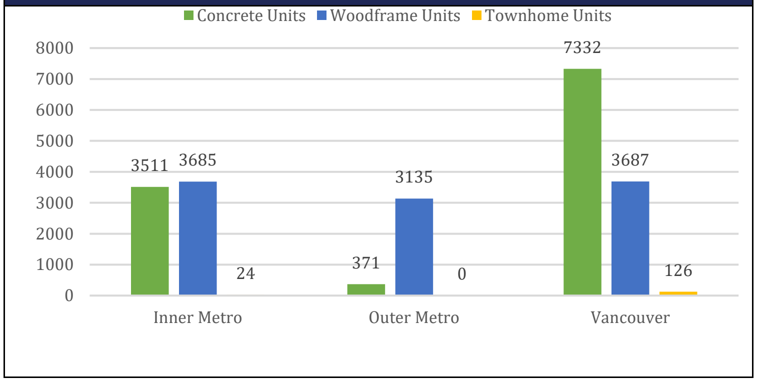


Insights & Comments:

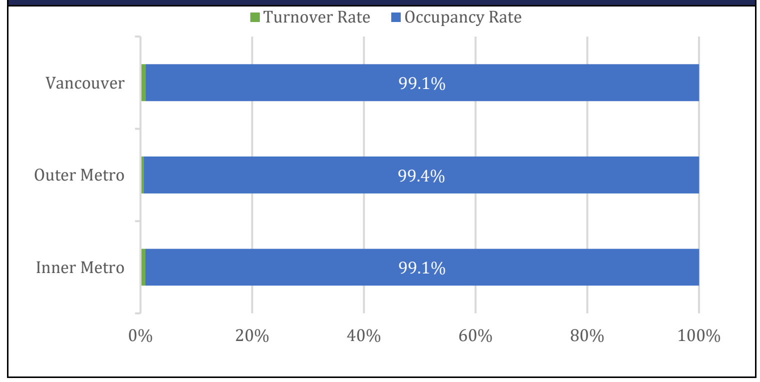
- A total of 3,187 re-sales were recorded in Q3-2023 in the Fraser Valley: 1,040 single family re-sales, 948 townhome re-sales, and 1,199 apartment re-sales.
- All apartment, townhome and single detached re-sales were down compared to the same quarter last year as they decreased by 13 percent, 19 percent, and 25 percent, respectively.
- Sales-to-listings ratios decreased for single family homes and apartments by 33 percent and 22 percent, respectively, while it increased for townhomes by 15 percent when compared to Q3-2022.
- The benchmark prices by product type in the Fraser Valley in Q3-2023 were as follows: Apartment - $555,863, Townhome - $849,147, and Single Family - $1,605,333.
- The benchmark price has decreased for single family, townhome, and apartment re-sales by seven, six, and two percent, respectively, when compared to the same quarter last year.

NEW HOME DATA: NEWER PURPOSE-BUILT RENTAL APARTMENTS

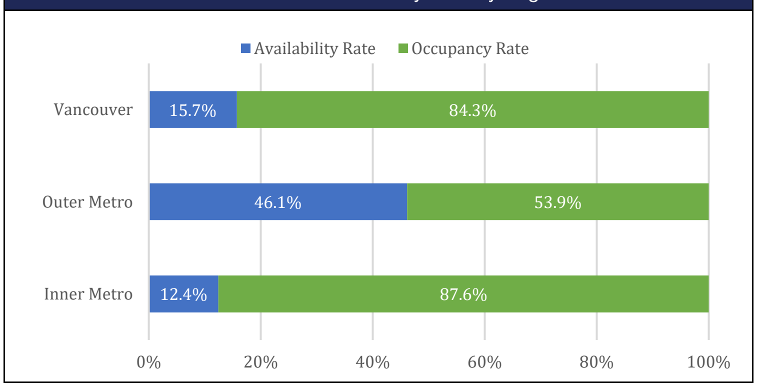
12.1 Apartment Rental Stock in Metro Vancouver



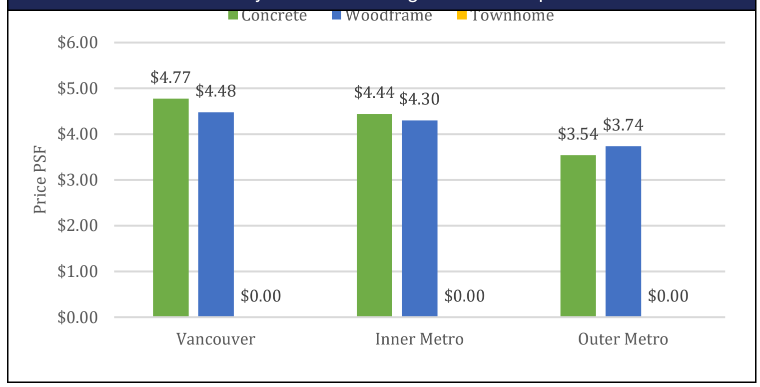
12.2 Rental Unit Turnover Rate by Region



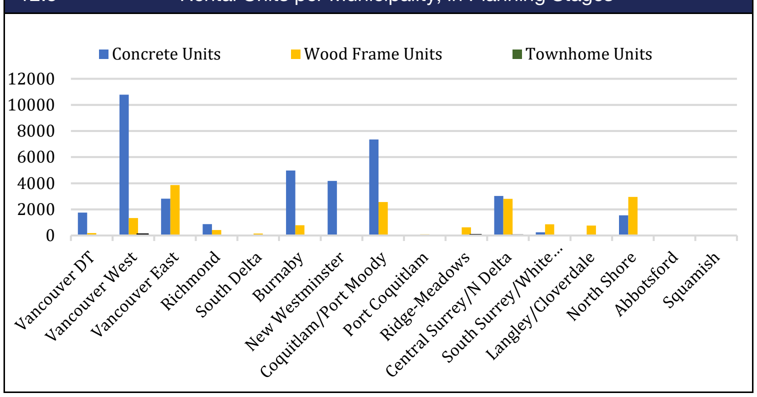
12.3 Rental Unit Availability Rate by Region



12.4 Currently Available Average Rent Per Square Foot



12.5 Rental Units per Municipality, in Planning Stages



Page generated with NHSLive Rental data. For more detailed rental information, contact info@zondaurban.com for subscription options.

The majority of the Rental Apartment data referred to herein as 'newer purpose-built rental' relates to purpose built rental apartment buildings completed since 2010.

Refer to methodology on page 20.

Insights & Comments:

- The overall turnover rate for fully leased rental projects across Metro Vancouver at the end of Q3-2023 was at 0.9 percent; 0.2 percent higher than the previous quarter.
- The overall availability rate for all actively leasing projects in Metro Vancouver has decreased from 36.0 percent in Q2-2023 to 31.0 percent in Q3-2023.
- The Outer Metro region had the highest rate of availability for recently launched purpose-built rental units at 46.1 percent, with 143 units currently available.
- Average rents for currently available, purpose-built concrete rental units increased in the City of Vancouver by 2.6 percent when compared to Q3-2022.
- Average rents for currently available, purpose-built, wood frame units increased in the City of Vancouver as well as the Inner Metro and Outer Metro regions by 12.6 percent, 10.3 percent, and 37.2 percent, respectively, when compared to Q3-2022.
- A total of 55,286 purpose-built rental units are currently in the planning stages throughout Metro Vancouver: 38 percent in the City of Vancouver, 47 percent in the Inner Metro region, and 15 percent in the Outer Metro region. Note that current market conditions may influence the completion of some of these units.

METHODOLOGY & DEFINITIONS – AFFORDABILITY INDEX

Definitions

Inner Metro: Squamish, West Vancouver, North Vancouver, Burnaby, New Westminster, Richmond, South Delta, Coquitlam, Port Moody & Port Coquitlam.
Outer Metro: Langley, North Delta, Surrey, White Rock, Pitt Meadows, Maple Ridge and Abbotsford.
Vancouver: Downtown Vancouver, Vancouver West and Vancouver East.

Prices
Prices for the new home market were collected from actively selling new multi-family projects in Metro Vancouver. Re-sale prices were collected from the Real Estate Boards of Greater Vancouver and the Fraser Valley (with median and benchmark prices used).

Income
The Index uses household income information from Statistics Canada data from the 2016 Census Survey.

Assumed Down Payments
Wood frame and concrete condominiums: 20%
Townhomes: 30%
The reason for the difference is the assumption that townhome buyers are more likely to be move-up buyers with equity built up in their existing property.

Analytical Methods
Five year, fixed rate 30-year amortization mortgages were used, taking an average of the best rates at eight banks at the time of analysis and taking the greater of the average plus 2% or the five-year benchmark rate published by the Bank of Canada.

Other Assumptions
The affordability index assumes that a person can afford a maximum of 32 percent of their gross family income to go toward mortgage payments.

METHODOLOGY & DEFINITIONS – NEW HOME DATA: PURPOSE-BUILT RENTAL APARTMENTS

Analytical Methods

Chart 5.6: CMHC rental housing vacancy data includes structures with at least three rental units, which have been on the market for at least three months.

Chart 12.1: Apartment Rental Stock in Metro Vancouver: Sum of “move-in ready” units by product type. “Move-in ready” is defined as those projects that are Fully Leased, as well as those that are Active (actively leasing) with standing inventory. Sample size of 21,871 units over 225 newer rental apartment and townhome projects in Metro Vancouver.

Chart 12.2: Turnover Rates by Region: Projects included are those that are fully leased only.

Chart 12.3: Availability Rates by Region: Projects included are those that have recently launched and are actively leasing only.

Chart 12.4: Currently Available Average Rent per Square Foot: A weighted average of rental rates of currently available units in fully leased projects and average rental rates achieved in projects that have been actively leasing for greater than three months. The average per region is based on average dollar per square foot prices of each sub-market.

Chart 12.5: Rental Units per Municipality, in Planning Stages: Total units of every project in the contemplated section of the Rental database, by product type.

SOURCES

Sources

1.1 - Statistics Canada Monthly Labour Force Survey
1.2 - Statistics Canada Monthly Labour Force Survey
1.3 - Stats Canada Quarterly Demographic Estimates
1.4 - Stats Canada Quarterly Demographic Estimates
1.5 - Stats Canada Quarterly Demographic Estimates
1.6 - Stats Canada Quarterly Demographic Estimates

2.1 - Bank of Canada
2.2 - BC Stats Consumer Price Index
2.3 - Statistics Canada Monthly Labour Force Survey
2.4 - Statistics Canada Monthly Labour Force Survey
2.5 - Statistics Canada Retail Trade by Province
2.6 - Statistics Canada Gross Domestic Product

3.1 - Stats Canada Revenue, Expenditure & Budget
3.2 - Statistics Canada Investment in New Housing
3.3 - Index Mundi (Monthly Spot Oil Prices)
3.4 - Industry Canada Insolvency Statistics
3.5 - Yahoo Finance
3.6 - Investment Industry Regulatory Organization of Canac

4.1 - BC Housing - New Single Family Registrations
4.2 - BC Housing - New Multi-Family Registrations

5.1 - CMHC Housing Now – Vancouver & Abbotsford
5.2 - CMHC Housing Now – Vancouver & Abbotsford
5.3 - CMHC Housing Now – Vancouver & Abbotsford
5.4 - Statistics Canada Building Permits
5.5 - Statistics Canada New Housing Price Indexes
5.6 - CMHC Rental Market Report

6.1 - Zonda Urban New Home Source Database
6.2 - Zonda Urban New Home Source Database
6.3 - Zonda Urban New Home Source Database
6.4 - Zonda Urban New Home Source Database

7.1 - Zonda Urban New Home Source Database
7.2 - Zonda Urban New Home Source Database
7.3 - Zonda Urban New Home Source Database
7.4 - Zonda Urban New Home Source Database

8.1 - Zonda Urban New Home Source Database
8.2 - Zonda Urban New Home Source Database
8.3 - Zonda Urban New Home Source Database
8.4 - Zonda Urban New Home Source Database

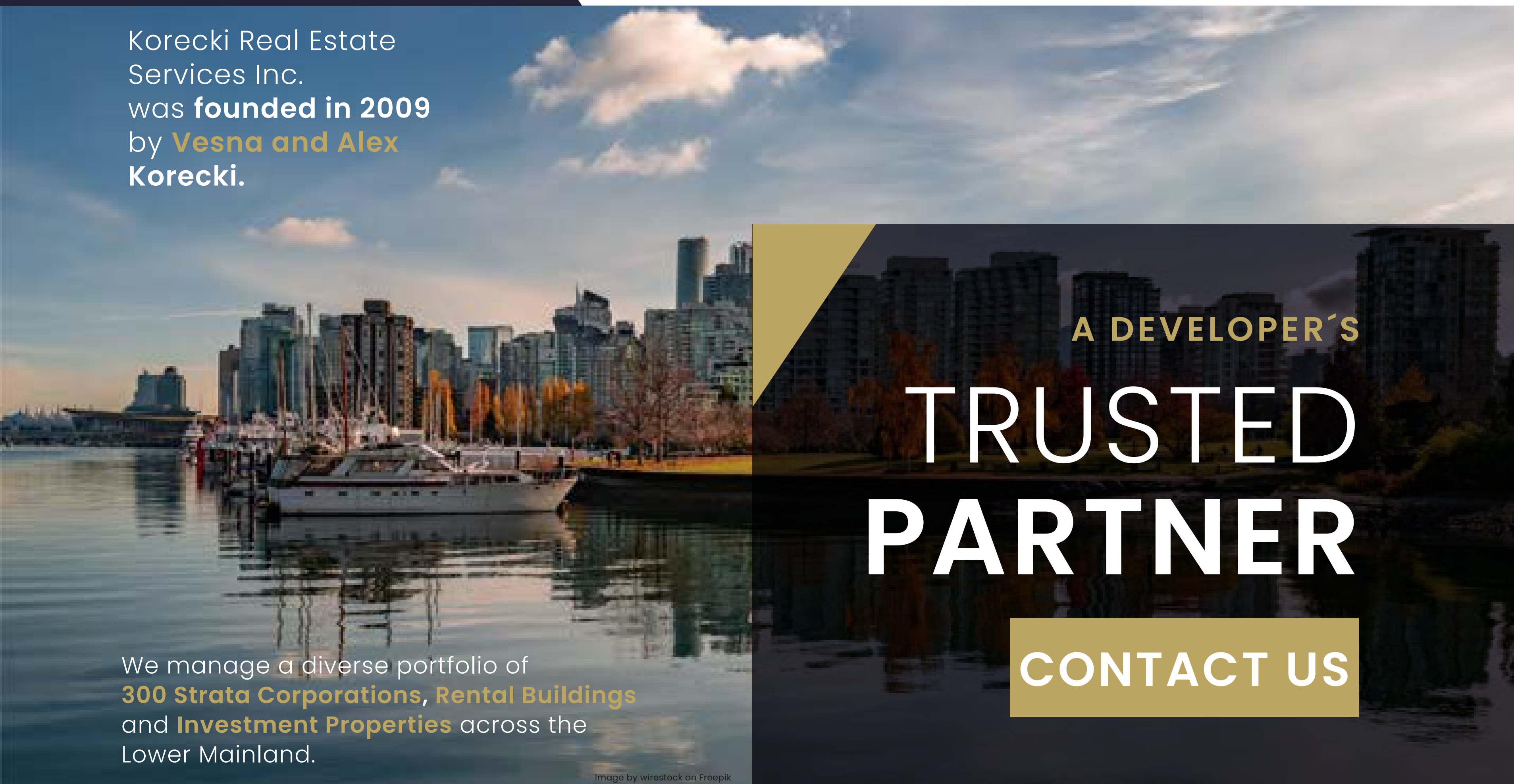
9.1 - Zonda Urban New Home Source Database, Stats Canada, Bank Websites
9.2 - Zonda Urban New Home Source Database, Stats Canada, Bank Websites
9.3 - Zonda Urban New Home Source Database, Stats Canada, Bank Websites

10.1 - REBGV Monthly Statistics
10.2 - REBGV Monthly Statistics
10.3 - REBGV Monthly Statistics
10.4 - REBGV Monthly Statistics
10.5 - REBGV Monthly Statistics
10.6 - REBGV Monthly Statistics

11.1 - FVREB Monthly Statistics
11.2 - FVREB Monthly Statistics
11.3 - FVREB Monthly Statistics
11.4 - FVREB Monthly Statistics
11.5 - FVREB Monthly Statistics
11.6 - FVREB Monthly Statistics

12.1 – Zonda Urban New Home Source Rental Database
12.2 – Zonda Urban New Home Source Rental Database
12.3 – Zonda Urban New Home Source Rental Database
12.4 – Zonda Urban New Home Source Rental Database
12.5 – Zonda Urban New Home Source Rental Database

KORECKI
REAL ESTATE SERVICES INC.



Korecki Real Estate Services Inc. was **founded in 2009** by **Vesna and Alex Korecki.**

A DEVELOPER´S

TRUSTED **PARTNER**

CONTACT US

We manage a diverse portfolio of **300 Strata Corporations**, **Rental Buildings** and **Investment Properties** across the Lower Mainland.

Image by wirestock on Freepik

Technology and online accessibility form the backbone of our operations, with personal touch and direct communication remaining at the forefront. We administer all building operations from our Vancouver office and pride ourselves on providing the same or next business day responses to all inquiries.

Utilizing creative recruitment techniques, comprehensive training systems, and ongoing team-building initiatives, we stay ahead of industry growth and maintain a diverse and dedicated workforce; that lives and breathes our corporate values and service guarantees.

Expertise

- Drafting of interim budgets - Expenses
- Establishing of service contracts
- Advising owners on HPA Limits and Exclusions

Service

- Focus on maintaining developer reputation
- Professional same-day response
- 24/7 emergency response

(604) 233 -7772
info@korecki.ca

PROPERTY MANAGEMENT

STRATA & RENTAL

Image by TravelScape on Freepik

CONTACT US
www.korecki.ca