



NEW PURPOSE-BUILT RENTAL MARKET UPDATE British Columbia

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Platinum member

GREATER VANCOUVER

Rental Market Performance Indicators (2018)



INVENTORY GROWTH

6,275 new rental units were added by year end 2018 (4,800 rental units were added in 2017)



RENTAL RATES

Average Rents increased by 6.1% from October 2017 – October 2018



INVENTORY UNDER CONSTRUCTION

Rental units under construction at year end 2018 is 8,961 (7,944 rental units were under construction in 2017)



VACANCY

Vacancy Rates increased from 0.9% (October 2016 – October 2017) to 1.0% (October 2017 – October 2018)

| Unit Type | Average Rents |
|--------------|----------------|
| Bachelor | \$1,151 |
| 1-Bedroom | \$1,306 |
| 2-Bedroom | \$1,652 |
| 3-Bedroom | \$1,845 |
| Total | \$1,394 |

Population Indicators (2018)



POPULATION

Increased by 1.1% to 2,571,262



NET MIGRATION

Positive net migration of 26,342 persons



TOTAL EMPLOYMENT

Increased by 2.5% to 1,454,100

Source: CMHC Rental Market Report, Vancouver CMA

VICTORIA

Rental Market Performance Indicators (2018)



INVENTORY GROWTH

1,177 new rental units were added by year end 2018 (913 rental units were added in 2017)



RENTAL RATES

Average Rents increased by 7.4% from October 2017 – October 2018



INVENTORY UNDER CONSTRUCTION

Rental units under construction at year end 2018 is 2,657 (1,869 rental units were under construction in 2017)



VACANCY

Vacancy Rates increased from 0.7% (October 2016 – October 2017) to 1.1% (October 2017 – October 2018)

| Unit Type | Average Rents |
|--------------|----------------|
| Bachelor | \$925 |
| 1-Bedroom | \$1,075 |
| 2-Bedroom | \$1,403 |
| 3-Bedroom | \$1,797 |
| Total | \$1,185 |

Population Indicators (2018)



POPULATION

Increased by 1.2% to 377,414



NET MIGRATION

Positive net migration of 5,843 persons



TOTAL EMPLOYMENT

Decreased by 0.9% to 191,500

Source: CMHC Rental Market Report, Victoria CMA

YOUR PURPOSE BUILT RENTAL SPECIALISTS



ROB GREER*
PRINCIPAL



CHRIS WIESER
PRINCIPAL



CAREY BUNTAIN
VICE PRESIDENT

FEATURE PURPOSE BUILT RENTAL PROPERTY

Rare opportunity to acquire a brand new 40-unit rental apartment building in Kamloops, BC



FOR SALE

155 ORIOLE ROAD, KAMLOOPS, BC

| | |
|------------------------|--|
| Site Area | 21,280 square feet |
| Zoning | RM-2A |
| Storey | 4 |
| Year Built | Est Completion August 2019 |
| Suite Mix | 28 one-bedrooms 12 two-bedrooms Total 40 suites |
| Proposed Average Rents | One-bedroom \$1,250 Two-bedroom \$1,550 |
| Asking Price | Contact Listing Agents |



FOR SALE

855 KINGSWAY AVENUE, VANCOUVER, BC

| | |
|-------------------------|--|
| Site Area | 12,088 square feet |
| Zoning | CD-1 |
| Density | 3.4 FSR |
| Gross Buildable Area | 40,049 square feet (after setbacks) |
| Suite Mix | 20 studios, 12 one-bedrooms, 8 two-bedrooms & 10 three-bedrooms (Total 50 units) |
| Maximum Allowable Rents | Studio \$1,385 One-bedroom \$1,638 Two-bedroom \$2,459 Three-bedroom \$3,109 |
| Asking Price | Contact Listing Agents |

PURPOSE BUILT TRANSACTION HISTORY



SOLD

FRASERVIEWS - 727 EAST 17TH AVENUE, VANCOUVER, BC

| | |
|-----------------------|---|
| Site Area | 29,925 square feet (202' x 86') |
| Zoning | C-2 |
| Suite Mix | 12 one-bedrooms, 15 two-bedrooms & 3 three-bedrooms (Total 31 units) |
| Storey | 4 |
| Year Built | 2017 |
| Sale Price | \$23,500,000 |
| Price Per Unit | \$650,000 |
| Price Per Square Foot | \$935 |
| Cap Rate | 3.70% |



SOLD

FIXTURE ON FRASER - 708 EAST 26TH AVENUE, VANCOUVER, BC

| | |
|----------------|---------------------------------|
| Site Area | 10,250 square feet (93' x 110') |
| Zoning | C-2 |
| Suite Mix | 26 units |
| Storey | 4 |
| Year Built | 2015 |
| Sale Price | \$15,600,000 |
| Price Per Unit | \$600,000 |

BRITISH COLUMBIA RENTAL MARKET

British Columbia has grown rapidly and continues to experience positive net migration; however, our rental housing stock cannot keep up. Increased demand for rental units due to our lowest unemployment rate, growth in Vancouver's tech sector, and international and interprovincial movement have caused a massive shortage of housing. Our municipalities are not able to keep up with the amount of development permits in processing, in specific, purpose-built rental housing is the most stalled. Despite increasing demand, low vacancy, and increasing rental prices, political policies are causing significant delays, resulting in a market that is unable to meet demand.

Performance Indicators (CMHC, Fall 2018)

GREATER VANCOUVER

| Region | Units Under Construction | Existing Inventory (units) | Vacancy Rates (CMHC Fall 2018) |
|---------------------------------|--------------------------|----------------------------|--------------------------------|
| West End/ Stanley Park | 0 | 3,870 | 0.6% |
| English Bay | 158 | 6,679 | 1.1% |
| Downtown | 748 | 11,020 | 1.2% |
| South Granville/ Oak | 139 | 7,929 | 0.5% |
| Kitsilano/ Point Grey | 137 | 7,192 | 0.8% |
| Westside/ Kerrisdale | 604 | 3,102 | 1.5% |
| Marpole | 34 | 3,934 | 0.5% |
| Mount Pleasant/ Renfrew Heights | 450 | 6,797 | 0.5% |
| East Hastings | 345 | 5,303 | 0.5% |
| Southeast Vancouver | 1,307 | 2,304 | 0.2% |
| University Endowment Lands | 0 | 1,697 | 0.3% |
| Central Park/ Metrotown | 179 | 5,632 | 3.3% |
| Southeast Burnaby | 94 | 2,396 | 0.8% |
| North Burnaby | 430 | 4,098 | 1.0% |
| New Westminster | 882 | 8,753 | 1.6% |
| North Vancouver City | 385 | 6,107 | 0.9% |
| North Vancouver DM | 297 | 1,432 | 1.9% |
| West Vancouver | 11 | 2,338 | 0.6% |
| Richmond | 159 | 3,772 | 0.6% |
| Delta | 160 | 1,731 | 1.3% |
| Surrey | 806 | 5,913 | 0.4% |
| White Rock | 140 | 1,393 | 1.1% |
| Langley City and Langley DM | 720 | 2,734 | 1.5% |
| Tri-Cities | 666 | 4,454 | 1.4% |
| Maple Ridge/ Pitt Meadows | 110 | 1,648 | 1.6% |
| Total | 8,961 | 112,228 | 1.0% |

VICTORIA

| Region | Units Under Construction | Existing Inventory (units) | Vacancy Rates (CMHC Fall 2018) |
|---------------------------------|--------------------------|----------------------------|--------------------------------|
| Cook St. Area | 60 | 2,780 | 0.9% |
| Fort St. Area | 18 | 4,571 | 1.1% |
| James Bay Area | 1 | 3,672 | 0.5% |
| Remainder of the City | 346 | 6,243 | 1.6% |
| Saanich/Central Saanich | 499 | 3,611 | 0.9% |
| Esquimalt | 1 | 2,792 | 1.4% |
| Langford/Vw Royal/Colwood/Sooke | 1665 | 1,386 | 0.7% |
| Oak Bay | 0 | 1,060 | 2.2% |
| North Saanich | 8 | – | – |
| Sidney | 59 | 256 | 0.8% |
| Total | 2657 | 26,371 | 1.1% |

KAMLOOPS

| Region | Units Under Construction | Existing Inventory (units) | Vacancy Rates (CMHC Fall 2018) |
|--------------|--------------------------|----------------------------|--------------------------------|
| South Shore | 580 | 2,131 | 0.7% |
| North Shore | 71 | 1,758 | 2.2% |
| Total | 651 | 3,889 | 1.4% |

KELOWNA

| Region | Units Under Construction | Existing Inventory (units) | Vacancy Rates (CMHC Fall 2018) |
|--------------|--------------------------|----------------------------|--------------------------------|
| Core Area | 2,392 | 4,726 | 2.1% |
| Rutland | 361 | 1,046 | 0.8% |
| Total | 2,753 | 5,772 | 1.8% |

Source: CMHC Housing Now Tables (Vancouver), CMHC Rental Market Report (Victoria), Vancouver CMA, CMHC Housing Now Tables (Victoria CMA)



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