

Black Book

REAL ESTATE INTELLIGENT

Q3 - 2022

MILA
CANADA

Foreword

The MLA Black Book is a quarterly detailed overview of the pre-sale real estate marketplace spanning the Greater Vancouver and Fraser Valley regions. This market intel is brought to you by MLA Advisory and covers pre-sale sales results, including active sub-markets, development and rezoning application activity, project launches, and upcoming releases to look out for in the next quarter.




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Market Update

Overview of the GVA

As we continue into the Fall season here in Vancouver, the colours of the leaves have changed, but it seems that the mood in the market has not. While schools re-open and residents return from what was, for many, their first summer vacations in two years, the Canadian housing market and the overall economy continue to grapple with inflation and its costly associated interest rate hikes.

The most recent CPI print recorded a 6.9% increase in October which, although down from the 8.1% peak in June, remains high. The Bank of Canada moved forward with a 50-basis point increase at the end of October. The resultant dampening effects on the housing market have been apparent with limited demand and softened prices. Housing resale activity was 33.3% below the 10-year October average in Greater Vancouver, while composite benchmark prices have declined 8.6% since their peak in April of this year.

Yet despite a perfect storm of international economic woes, tight domestic monetary policy, and an uncertain near-term outlook, homeowners in Metro Vancouver have yet to capitulate. Whether fueled by long-term confidence in the market or plain refusal to sell for less than what they bought, buyers have mostly resisted the call to list their properties for sale. As a result, contrary to expectations in a down market, new listings in Metro Vancouver were down 10% relative to the 10-year average for this time of year.

Several factors have made this possible. Among them, an extremely resilient labour market has meant the average homeowners are fiscally more sound and capable of meeting mortgage payments than in a typical recessionary period. Additionally, while interest rates have increased to historically elevated levels, the stress test has "pre-vetted" homeowners for this situation. Finally, fixed-rate mortgages have long been a preference for Canadian homeowners, representing 77% of all residential loans – a pool that will only be affected by rising rates at their mortgage renewal.

In the presale market, 43% (1,204) of product released in Q3 was absorbed into the market over the quarter. The absorption rate is slightly elevated from the previous quarter and highlights that even as our market slows, several successful launches have supported overall market activity. Developers launching in today's market recognize the need for a deep pool of potential buyers to meet absorption requirements leading many developers to test the waters and engage realtors to understand the depth of the market and whether they should launch or wait for improved market conditions. As a result, MLA Advisory estimates that 60%+ of branded presale programs that could have launched in today's market are holding out for improved conditions in Spring or Fall 2023.

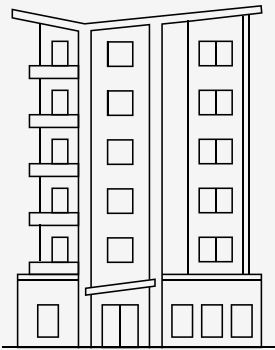
“There is a reason for both optimism and pessimism as we look forward.”

- MLA Advisory

There is a reason for both optimism and pessimism as we look forward. On the one hand, core inflation is beginning to moderate. While still far from BoC targets, both the headline print and the composition of the inflation give a cautionary reason for hope. On the other hand – as a small, open economy – it is not enough to contend with domestic inflation. The Federal Reserve in the U.S. is poised to proceed with rate hikes on its schedule, sure to send shockwaves into the Canadian economy. Elsewhere, the shadows of the Ukraine war, continued supply chain issues, and China's recently re-affirmed zero-covid policy loom overhead. All things considered, we expect the remainder of the year to be a continuation of the trends we have seen surface in the latter half of 2022 – a time of pause, careful consideration, and reassessment.

GVA Market Performance

Greater Vancouver & Fraser Valley Pre-Sale Home Summary



33

(-5.7% YoY)

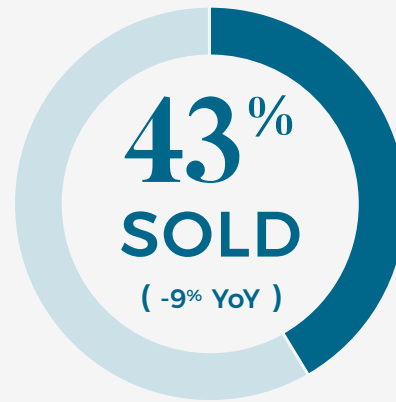
PROJECT LAUNCHES

2,783

(-43% YoY)

**APPROX. NO.
PRE-SALE UNITS**

Pre-Sale Absorption Rates

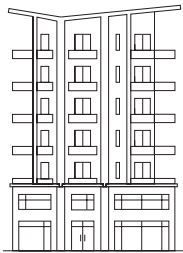


1,204

(-52% YoY)

UNITS SOLD

Pre-Sale Units Released By Product Type



CONCRETE

1,208

(-59% YoY)



WOODFRAME

1,229

(-20% YoY)



TOWNHOMES

346

(-11.86% YoY)

Year over year (YoY) comparison is Q3 2022 to the same quarter last year.



SUB-MARKET

Overview

Vancouver West / Downtown



Average Price Per Sq. ft*

VANCOUVER WEST / DOWNTOWN

Concrete: \$1,850

Wood Frame: -

Townhomes: \$1,220 - \$1,400

Q3 2022

Project Launches



CONCRETE



WOOD FRAME



TOWNHOMES

Total Inventory



CONCRETE



WOOD FRAME



TOWNHOMES

Q4 2022

Upcoming Projects



CONCRETE



WOOD FRAME

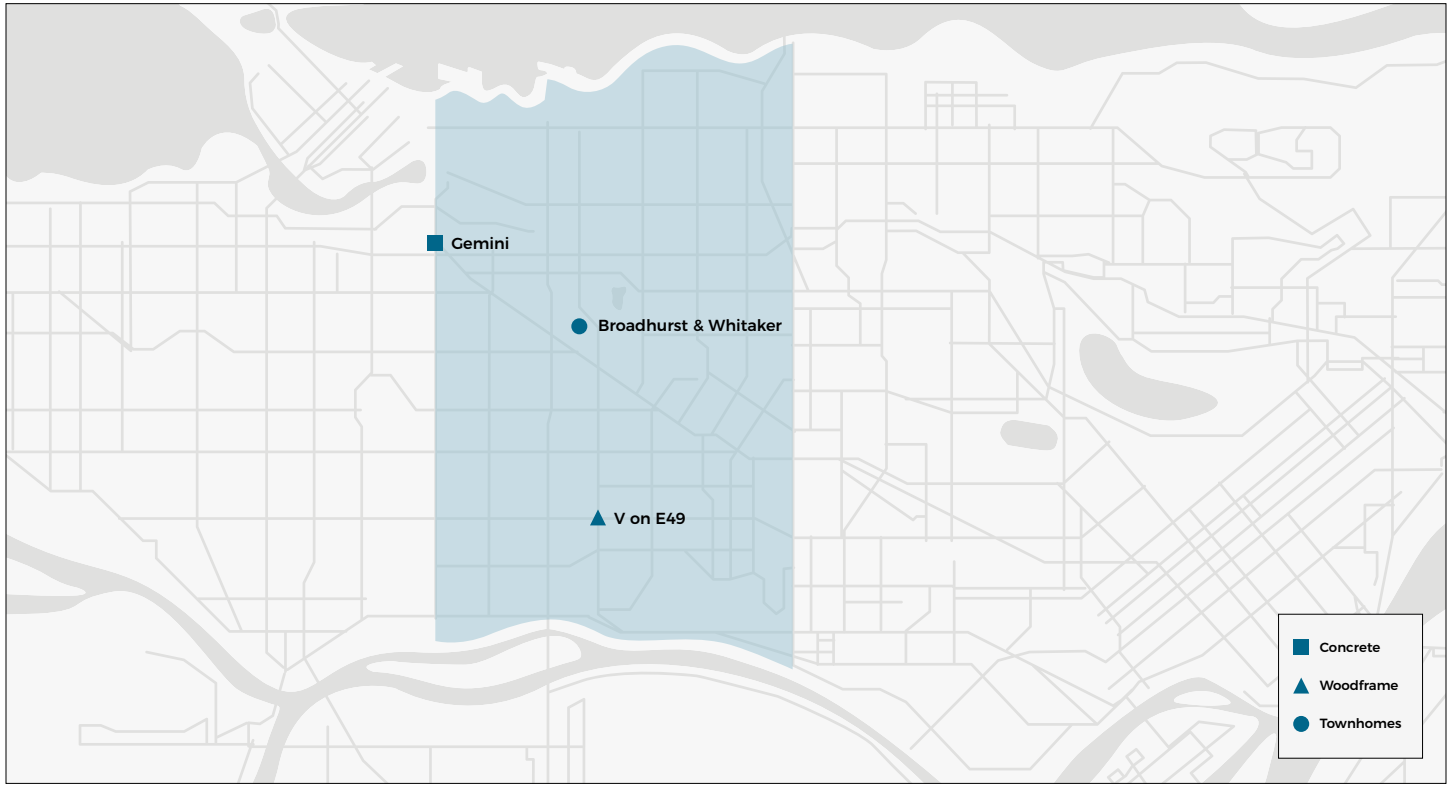


TOWNHOMES

The Downtown peninsula is preparing to see the launch of two significant concrete projects - Curv by Henson Developments and Park by Anthem. Curv is finalizing its presentation centre and is expected to launch in late-November or early-December.

*Based on recently launched programs and estimates from MLA Advisory

Vancouver East



Average Price Per Sq. ft*

VANCOUVER EAST

Concrete: \$1,425

Wood Frame: \$1,250 - \$1,275

Townhomes: \$1,235

Q3 2022

Project Launches



CONCRETE



WOOD FRAME



TOWNHOMES

Total Inventory



CONCRETE



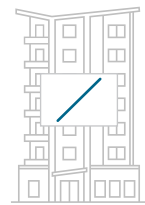
WOOD FRAME



TOWNHOMES

Q4 2022

Upcoming Projects



CONCRETE



WOOD FRAME

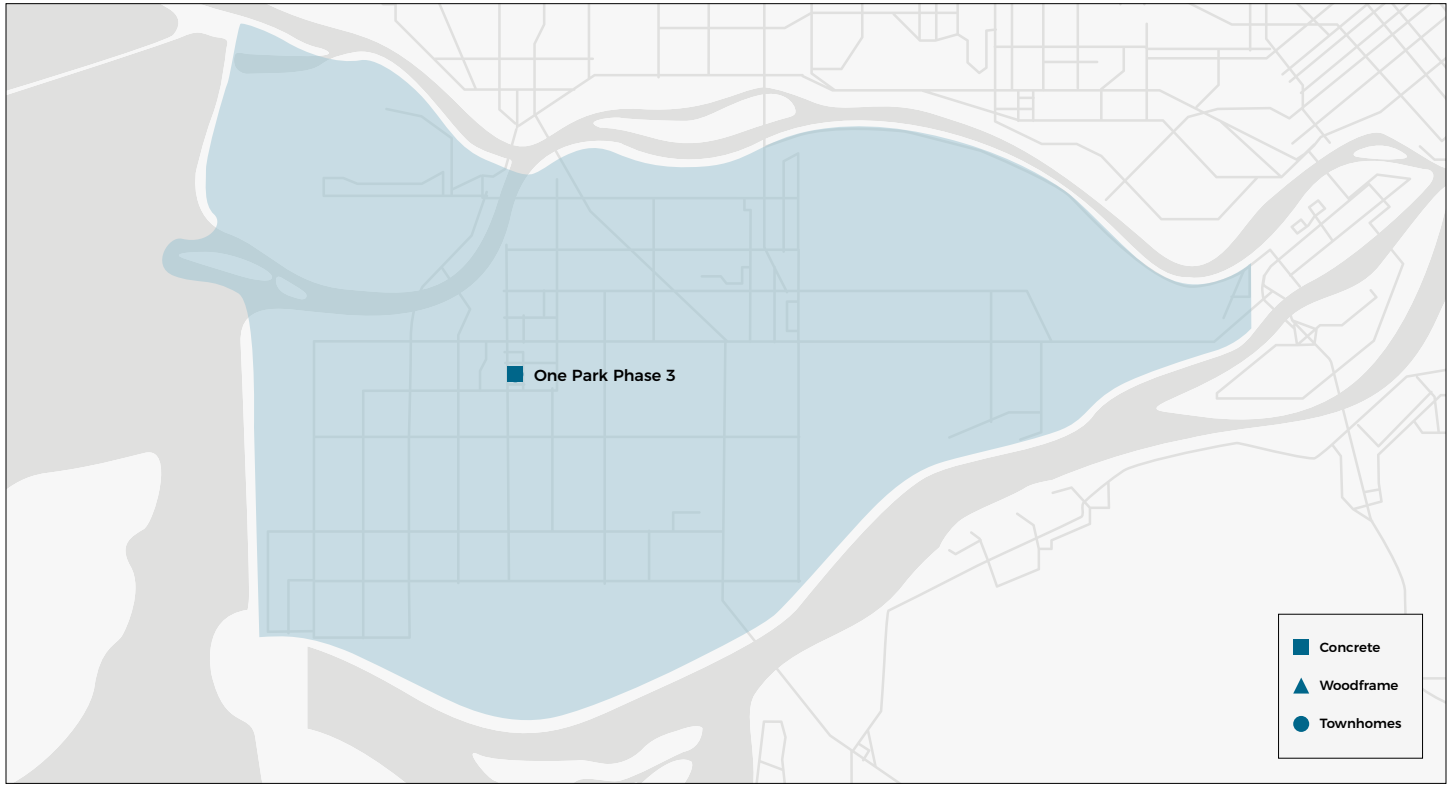


TOWNHOMES

Vancouver East saw a total of 71 homes come onto the market across four programs. Hudson Properties released Broadhurst & Whitaker which saw just under 25% of its inventory absorbed into the market.

*Based on recently launched programs and estimates from MLA Advisory

Richmond



Average Price Per Sq. ft*

RICHMOND

Concrete: \$1,150

Wood Frame: -

Townhomes: -

Q3 2022

Project Launches



CONCRETE



WOOD FRAME



TOWNHOMES

Total Inventory



CONCRETE



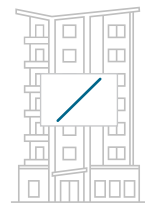
WOOD FRAME



TOWNHOMES

Q4 2022

Upcoming Projects



CONCRETE



WOOD FRAME

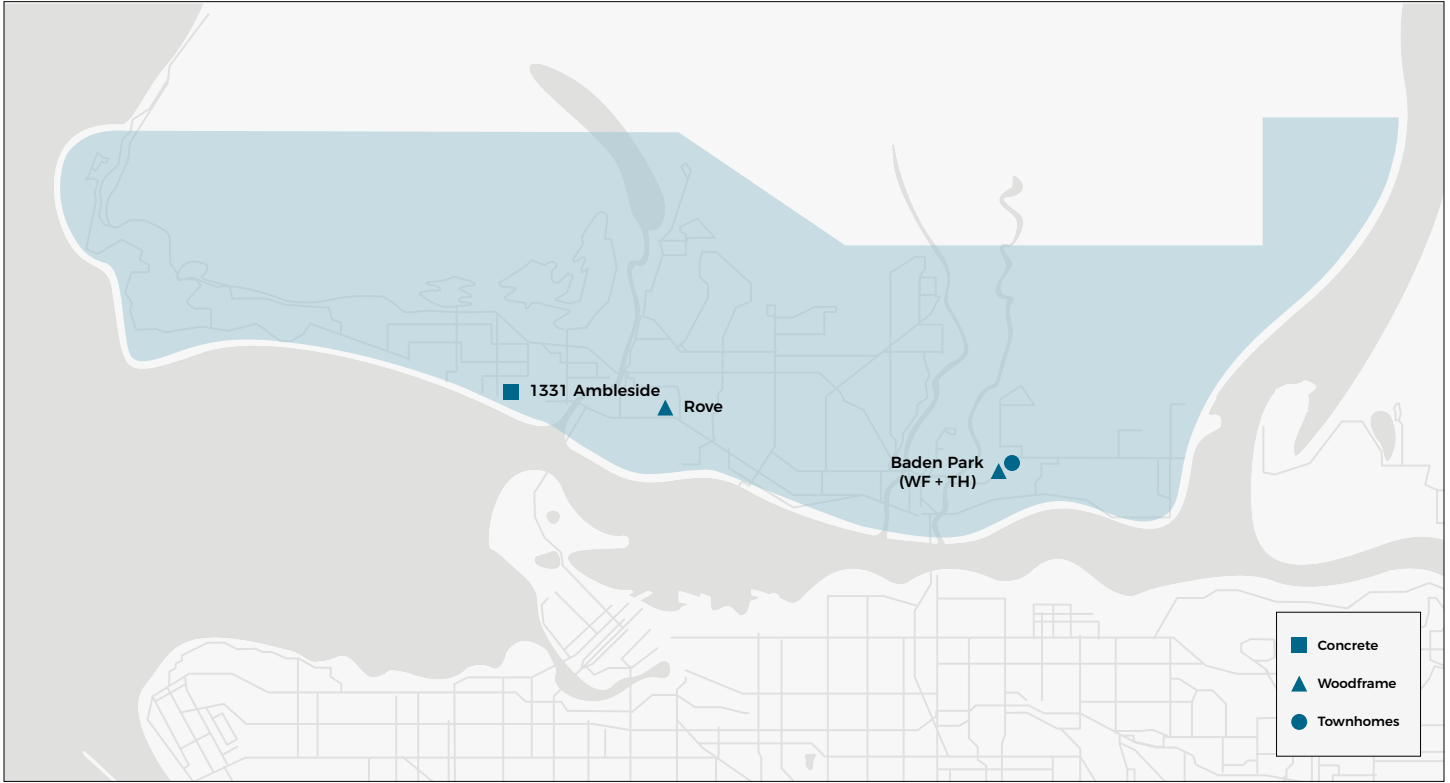


TOWNHOMES

Phase three of Grand Long's One Park was the only project to launch this quarter. The project has a gross PPSF of \$1,150 and has seen just under 20% of total inventory absorbed.

*Based on recently launched programs and estimates from MLA Advisory

West Vancouver / North Vancouver



Average Price Per Sq. ft*

WEST VANCOUVER / NORTH VANCOUVER

Concrete: \$2,050

Wood Frame: \$1,040 - \$1,150

Townhomes: –

Q3 2022

Project Launches



CONCRETE



WOOD FRAME



TOWNHOMES

Total Inventory



CONCRETE



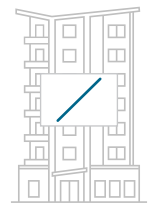
WOOD FRAME



TOWNHOMES

Q4 2022

Upcoming Projects



CONCRETE



WOOD FRAME

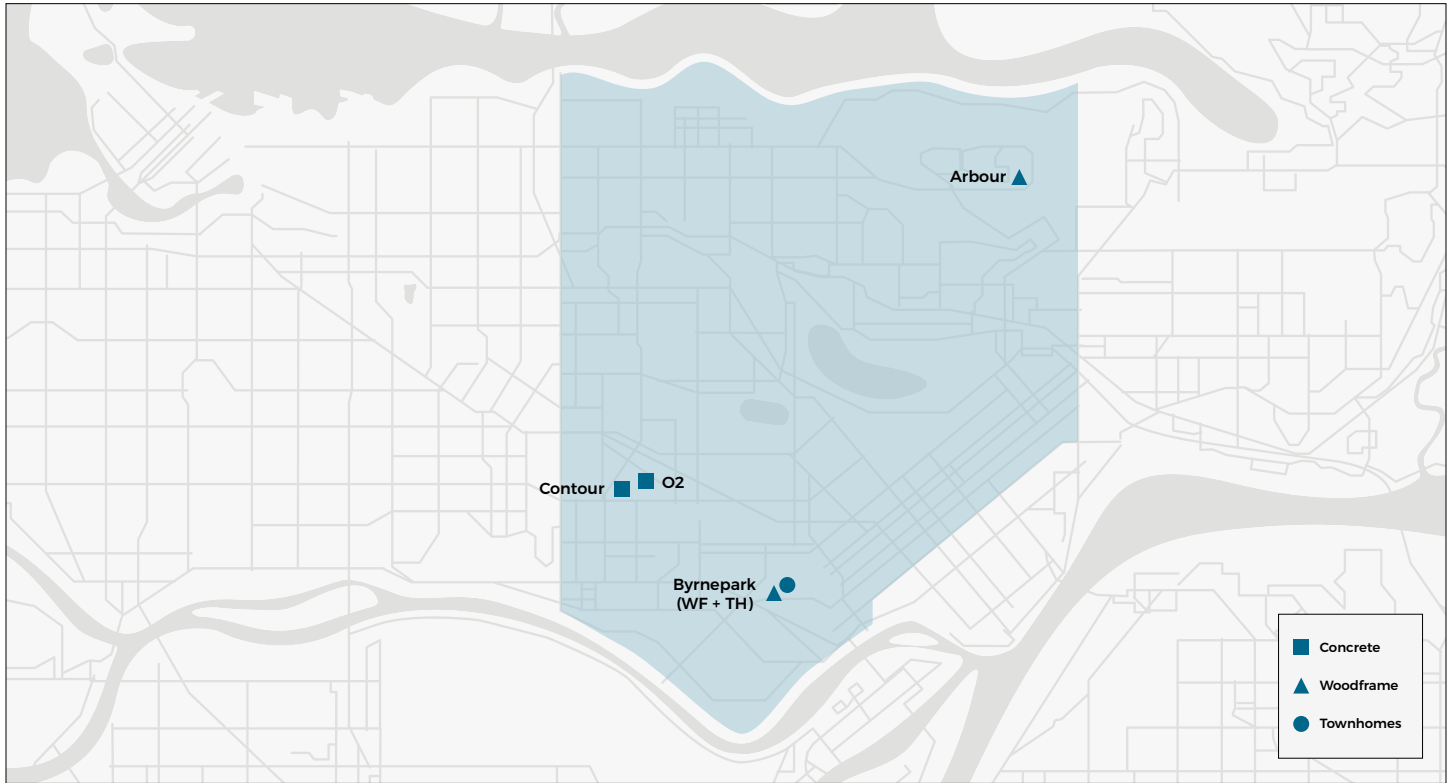


TOWNHOMES

Anthem's Baden Park launched this quarter, bringing 102 townhomes and 119 wood frame condos to the market. The condo product performed well, seeing 60% absorption at approximately \$1,040 PPSF.

*Based on recently launched programs and estimates from MLA Advisory

Burnaby



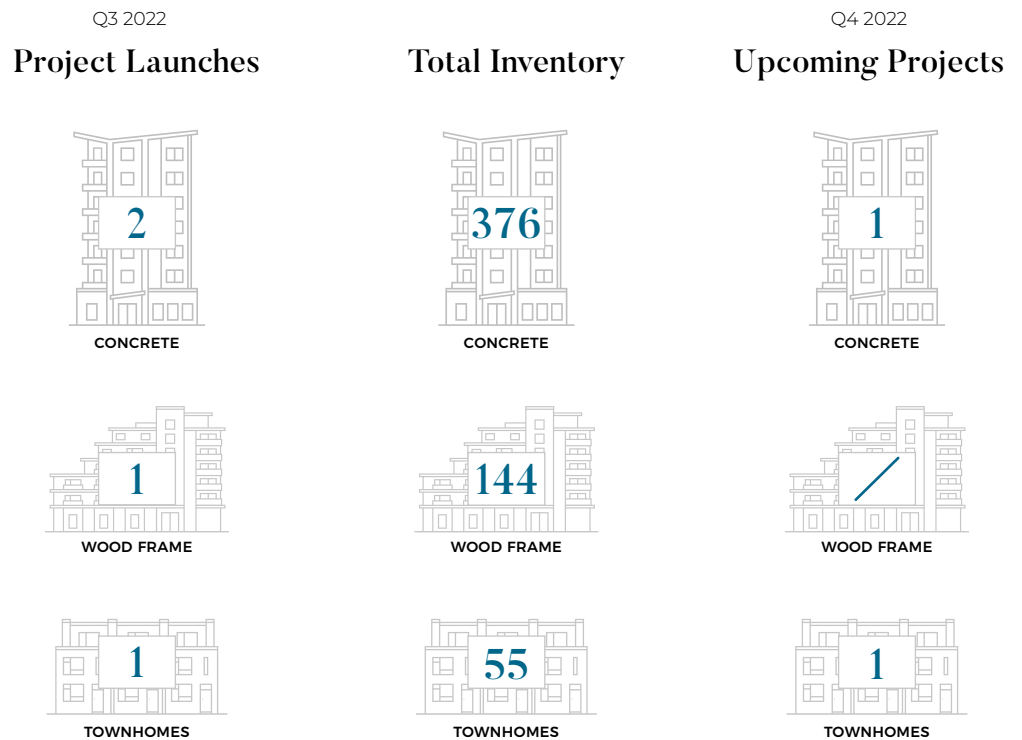
Average Price Per Sq. ft*

BURNABY

Concrete: \$1,250 - \$1,285

Wood Frame: \$965

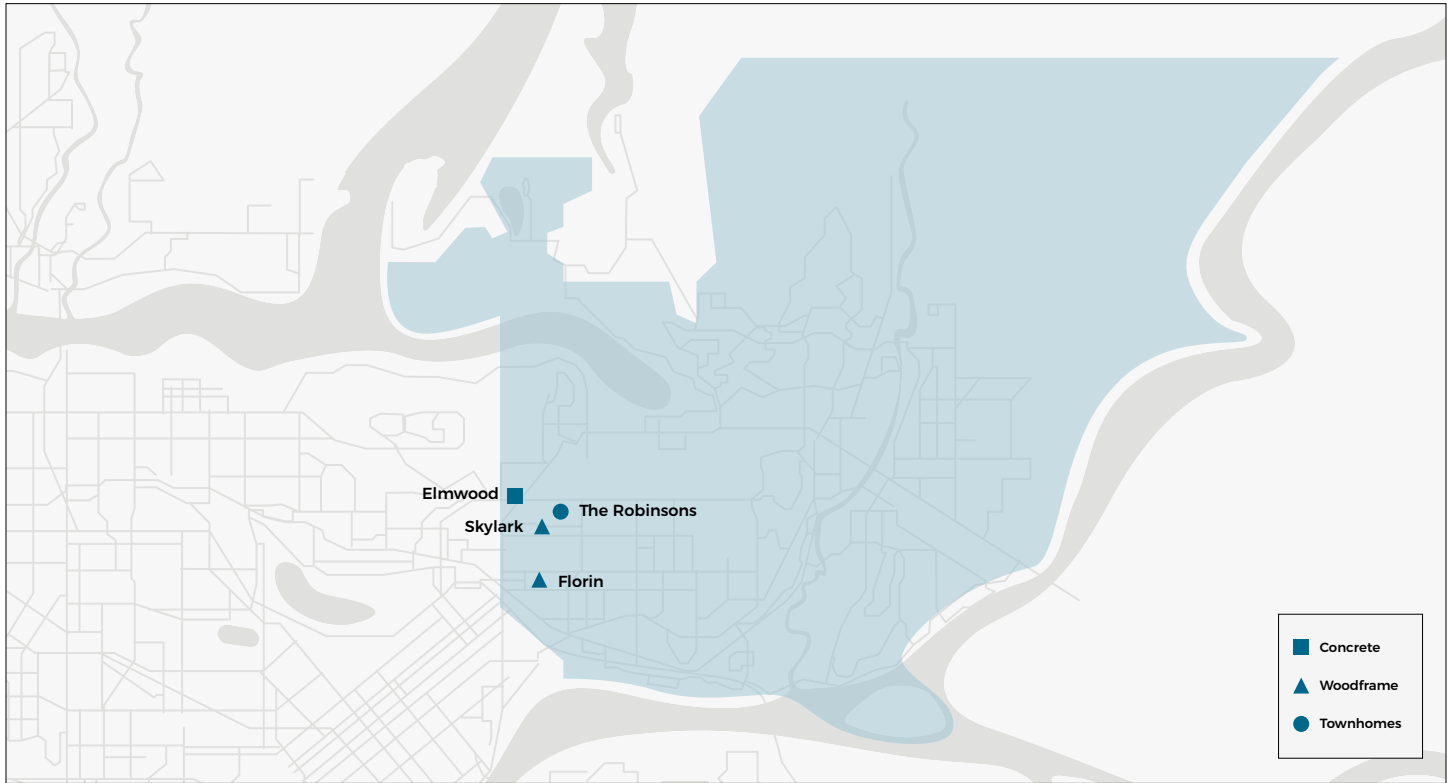
Townhomes: \$1,020



O2 by Keltic launched this quarter, seeing over 150 homes absorb into market. Arbour by Intergulf was the only condominium project to launch outside the Metrotown area and saw just over 40% of total inventory absorbed. Shape's Amazing Brentwood is forecasted to launch its sixth tower in the coming quarter.

*Based on recently launched programs and estimates from MLA Advisory

Coquitlam



Average Price Per Sq. ft*

COQUITLAM

Concrete: \$1,150

Wood Frame: \$920 - \$930

Townhomes: \$745

Q3 2022

Project Launches



CONCRETE



WOOD FRAME



TOWNHOMES

Total Inventory



CONCRETE



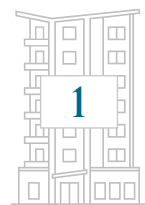
WOOD FRAME



TOWNHOMES

Q4 2022

Upcoming Projects



CONCRETE



WOOD FRAME

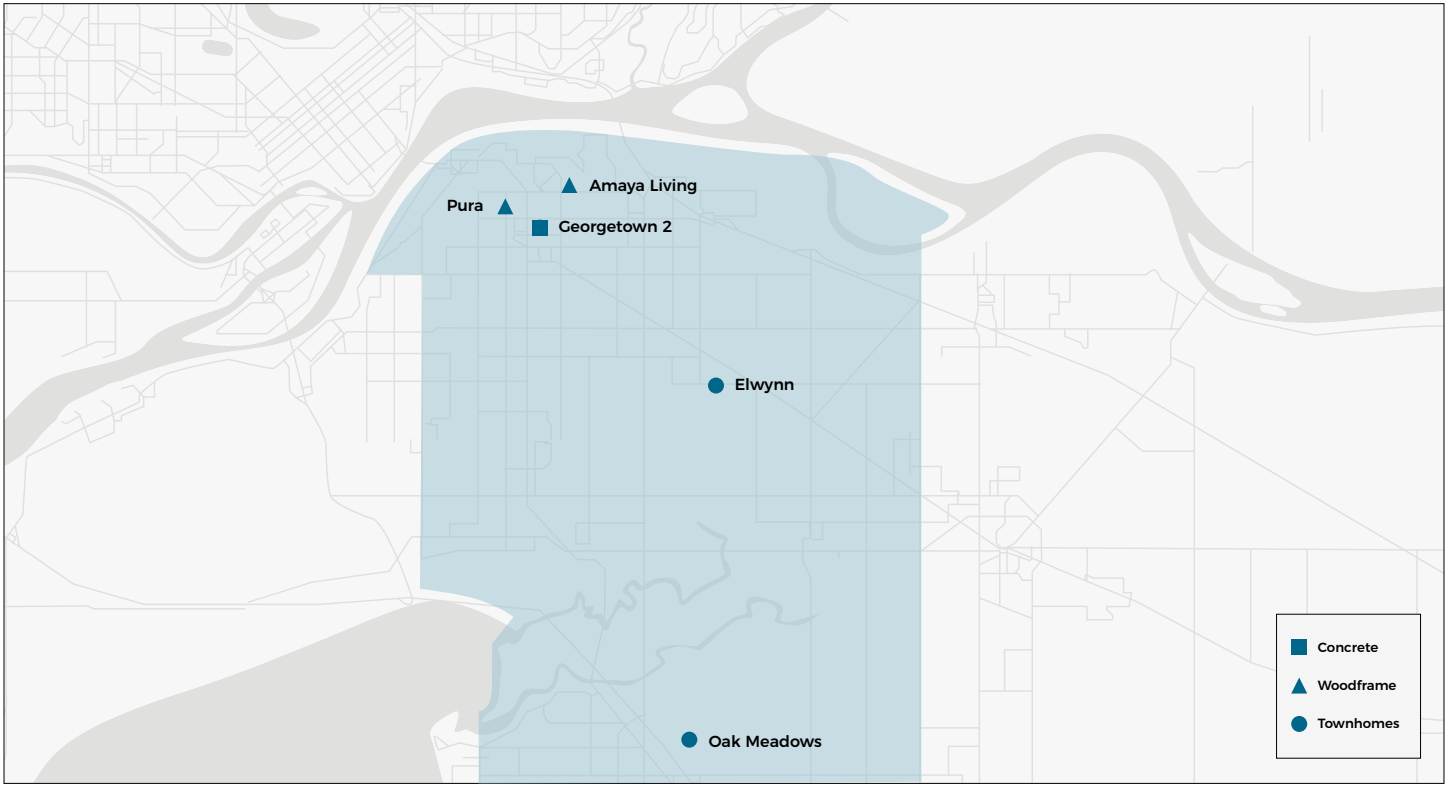


TOWNHOMES

Florin by Allaire Living and Circadian Group hosted a successful realtor event where they welcomed over 150 realtors. The event was a precursor to the success the program saw over the quarter. Since launching Florin has sold 80% of phase 1, with phase 2 launching soon.

*Based on recently launched programs and estimates from MLA Advisory

Surrey



Average Price Per Sq. ft*

SURREY

Concrete: \$1,000

Wood Frame: \$790 - \$870

Townhomes: \$730 - \$800

Q3 2022

Project Launches



CONCRETE



WOOD FRAME



TOWNHOMES

Inventory Release



CONCRETE



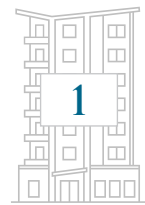
WOOD FRAME



TOWNHOMES

Q4 2022

Upcoming Projects



CONCRETE



WOOD FRAME

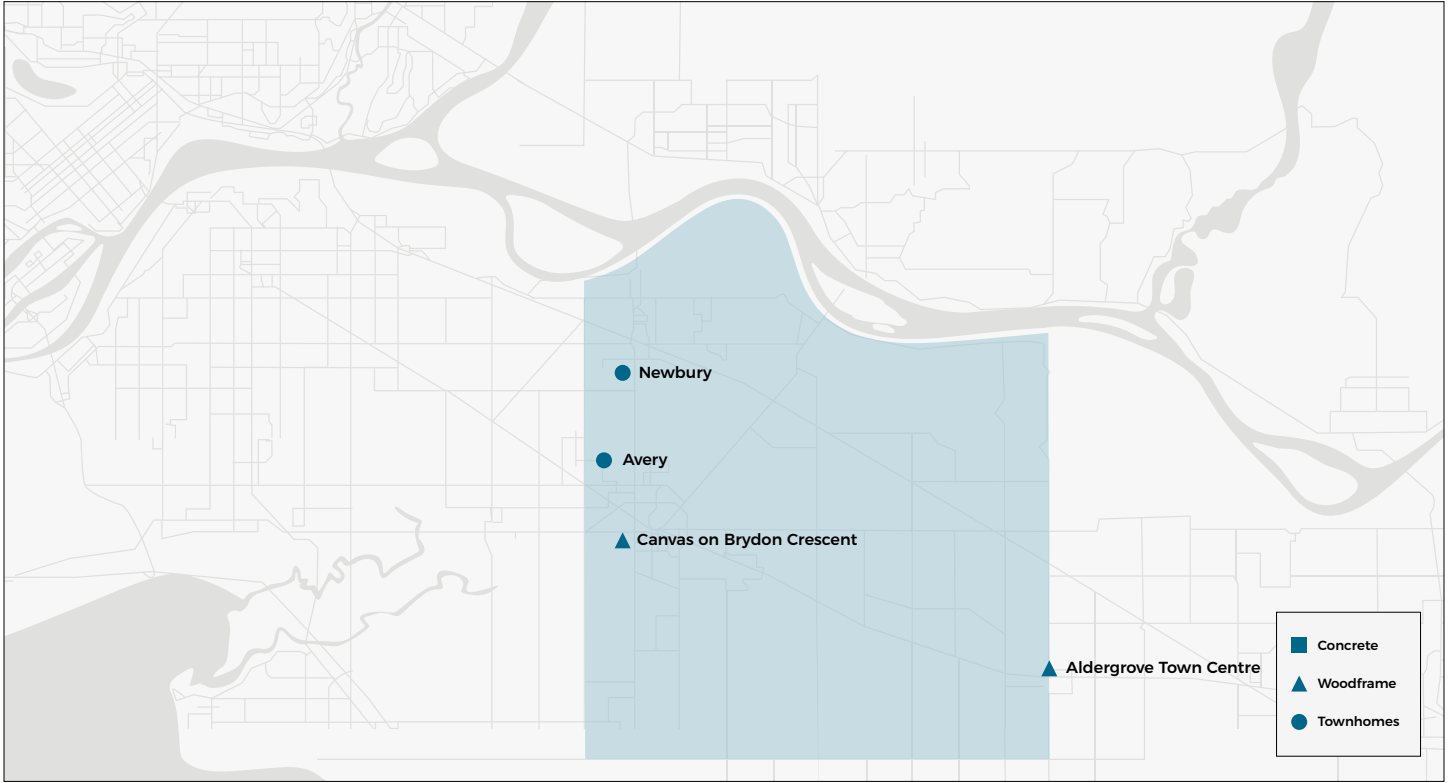


TOWNHOMES

After much anticipation Pura by Adera came to market seeing over 50% absorption. The showroom has two rooms, one with the traditional wood framing and one with Adera's Smartwood technology, allowing visitors to experience the benefits it offers firsthand.

*Based on recently launched programs and estimates from MLA Advisory

Langley



Average Price Per Sq. ft*

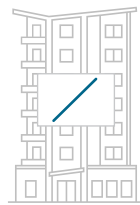
LANGLEY

Concrete: –

Wood Frame: \$800

Townhomes: \$705 - \$810

Q3 2022 Project Launches



CONCRETE

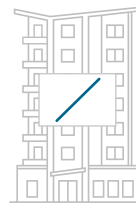


WOOD FRAME



TOWNHOMES

Total Inventory



CONCRETE

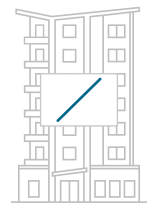


WOOD FRAME



TOWNHOMES

Q4 2022 Upcoming Projects



CONCRETE



WOOD FRAME



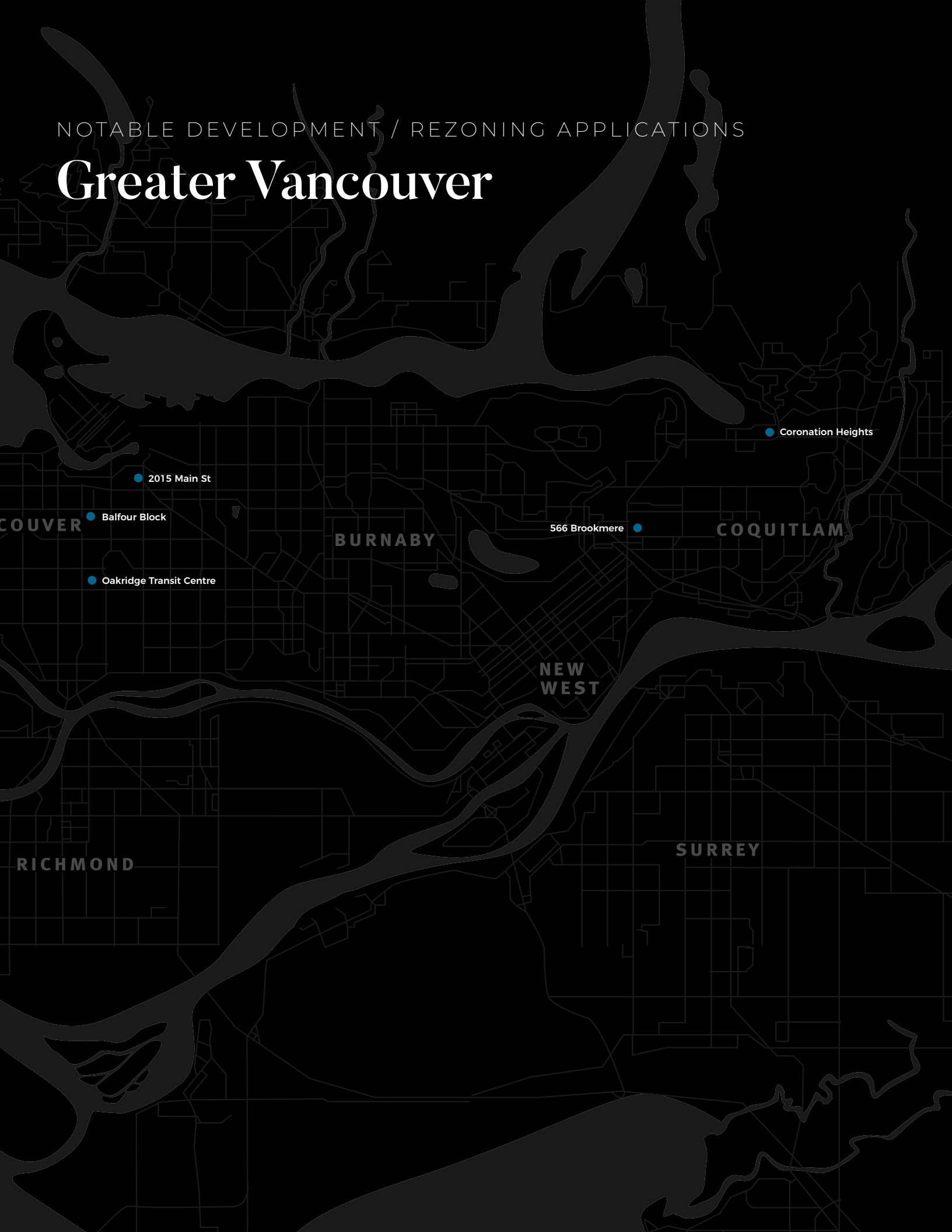
TOWNHOMES

Canvas by Redekop Reddale Group and Janda Group's Aldergrove Town Centre came to market, bringing 158 Wood Frame condominiums to market. Both programs saw absorption levels over 60%. During Q3, Aldergrove Town Centre offered \$20,000 off all homes, a choice of zero percent assignment fee or \$1,000 grocery gift card and staggered deposit options on specific homes.

*Based on recently launched programs and estimates from MLA Advisory

NOTABLE DEVELOPMENT / REZONING APPLICATIONS

Greater Vancouver



● 2015 Main St

● Coronation Heights

● Balfour Block

● 566 Brookmere

● Oakridge Transit Centre

COUVER

BURNABY

COQUITLAM

NEW
WEST

RICHMOND

SURREY

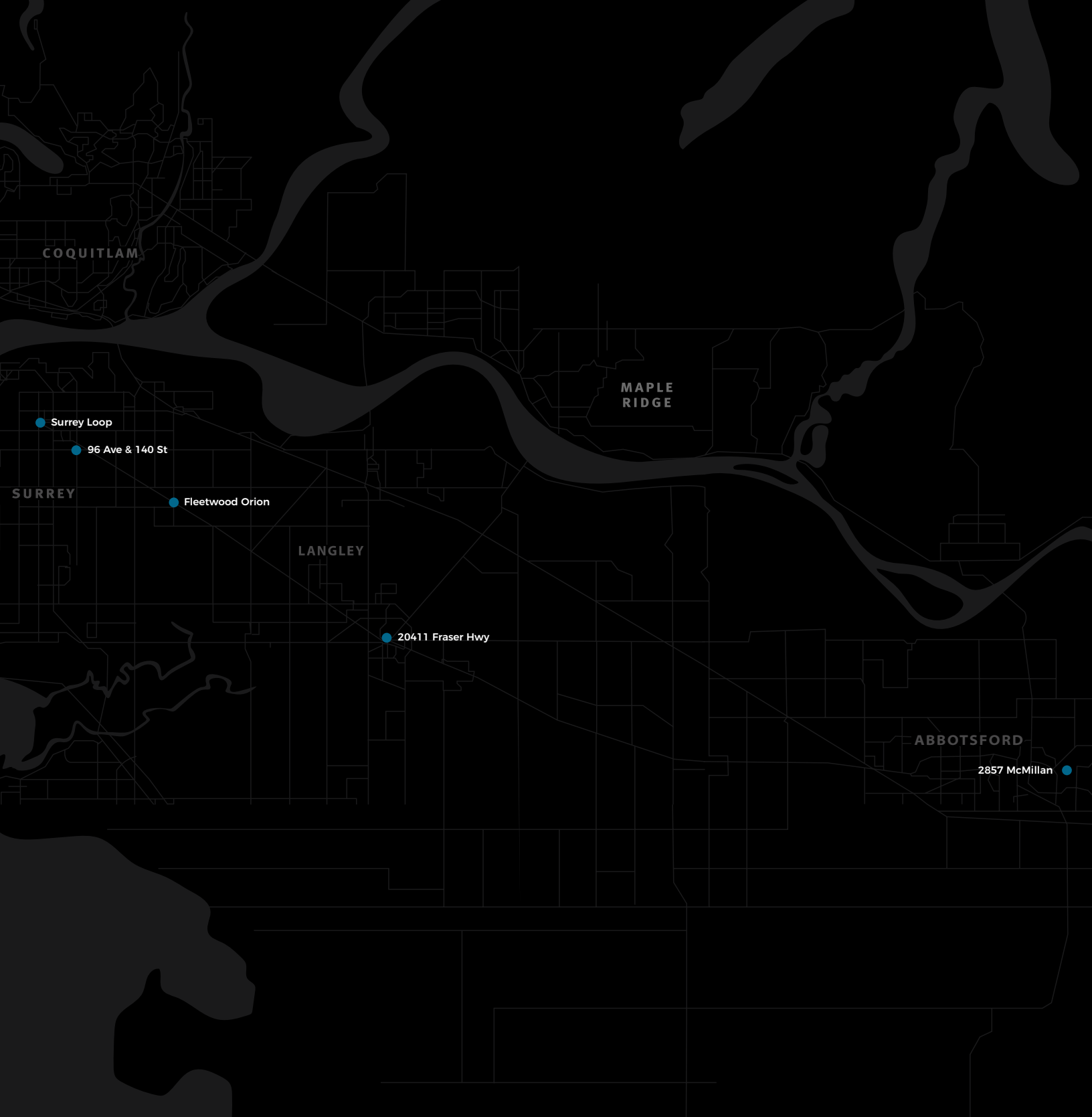
NOTABLE DEVELOPMENT / REZONING APPLICATIONS

Greater Vancouver

PROJECT / APPLICANT	LOCATION	PHASE
2015 Main St Westbank	2015 Main St & 190 E 4th Ave	Application Submitted (Sept 2022)
<p>Westbank has proposed constructing a tower consisting of 210 market rental units, 20% of which are scheduled to be below market rental units. The 25-storey building will have 377 bike stalls and zero vehicle parking stalls.</p>		
Oakridge Transit Centre Grosvenor / Transca	949 W 41st Ave	Approved
<p>The project will see 1.5 million square feet built within its 13.8 acre mixed-use community. The residential component will be made up of 1,120 strata homes, roughly 180 market rentals, 45 moderate income houses and 175 social housing units. The site was acquired by Grosvenor in Q3.</p>		
566 Brookmere Onni	513-562 & 566 Brookmere Ave	Pre-Application (Aug 2022)
<p>The proposal replaces the existing Coquitlam College and 11 single-family buildings with a phased mixed-use development consisting of 2,278 units across six towers.</p>		
Balfour Block Wesgroup	906-982 W 18th & 907-969 W 19th Ave	Approved (Jul 2022)
<p>The resubmitted application consists of 208 units, 58 townhomes, 51 strata and 99 secured rental condos. This is down from the original submission which had a total of 241 units of which 100 were secured market rentals.</p>		
Coronation Heights Polygon Homes	135 Balmoral Dr & 2518-2548 Palmer Ave	Application Submitted (Sept 2022)
<p>Polygon's proposal is to redevelop the 10-acre land assembly, including the former Coronation Park Elementary School site. There would be 2,050 condominium homes, 784 rental homes including below market units. The eight-phase development would complete in 2038 and is a short walk from Inlet Centre Station.</p>		

NOTABLE DEVELOPMENT / REZONING APPLICATIONS

Fraser Valley



NOTABLE DEVELOPMENT / REZONING APPLICATIONS

Fraser Valley

PROJECT / APPLICANT	LOCATION	PHASE
Fleetwood Orion Bucci Developments	16065-16099 Fraser Hwy	Application Submitted (Sept 2022)
<p>Just east of the future 160th Street Station, the proposal is for three buildings consisting of 1,130 homes, down from the 2,000 homes in the original application in 2020. The cutback in homes is due to the City of Surrey's policies requiring minimum distancing between towers.</p>		
20411 Fraser Hwy Quarry Rock Developments	20411 Fraser Hwy	Application Submitted (Aug 2022)
<p>Located on the corner of Glover and Fraser Highway, the proposed development will be 9-storeys high containing 77 residential units and just under 36,500 square feet of commercial space.</p>		
2857 McMillan Rd Polygon Homes	2857 McMillan Rd	2nd Reading (Jul 2022)
<p>The developer has received the first two readings required to rezone the 63-acre Cooper farm into 82 single-family homes, 90 duplex homes, 26 row homes and 190 townhomes.</p>		
Surrey Loop ML Emporio Properties	102A Ave & 133A St	Conditional Approval (Jul 2022)
<p>The 43-storey residential tower will contain 516 units including 94 rental units with a small commercial component. ML Emporio and the City of Surrey completed a land swap allowing in a residential development parcel to be on the west side of the site, and a bus layover facility parcel on the east side.</p>		
96 Ave & 140 St Darshan Builders	9611 140 St	Conditional Approval (Jul 2022)
<p>A 34-storey tower will sit above a 6-storey podium, bringing 377 strata market homes and 2,500 square feet of retail space to the market. The site is a short walk from the future SkyTrain station on 140th street.</p>		

Featured Projects

Project Launch Highlights



PROJECT	LOCATION	DEVELOPER
O2	Burnaby South	Keltic Development
PRODUCT TYPE	PRODUCT OFFERING	STATUS
Highrise Condominiums	285 Studio to 3 Bedroom	Now Selling

O2metrotown.com



PROJECT	LOCATION	DEVELOPER
Florin	West Coquitlam	Allaire Living & The Circadian Group
PRODUCT TYPE	PRODUCT OFFERING	STATUS
Condominiums & Townhomes	179 1 - 4 Bedroom	Now Selling

LiveAtFlorin.com



PROJECT	LOCATION	DEVELOPER
Boden	Vancouver West	Listraor
PRODUCT TYPE	PRODUCT OFFERING	STATUS
Townhomes	36 2-3 Bedroom	Now Selling

Listraor.com/Boden



PROJECT	LOCATION	DEVELOPER
Hollywood Residences	Vancouver West	-
PRODUCT TYPE	PRODUCT OFFERING	STATUS
Rental Homes	40 Studio to 3 Bedroom	Fully Leased

LiveHollywoodResidences.com

Upcoming Pre-Sale Projects to Watch



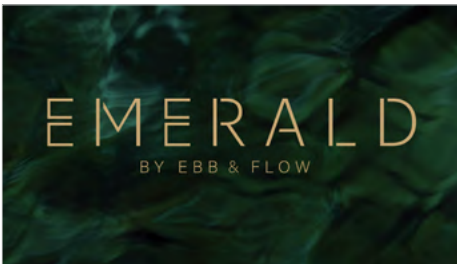
PROJECT	LOCATION	DEVELOPER
Weston Place	West Vancouver	Darwin
PRODUCT TYPE	PRODUCT OFFERING	STATUS
Concrete Condominiums	58 1-3 Bedroom	Taking Registrants

WestonPlace.ca



PROJECT	LOCATION	DEVELOPER
The Core	Richmond	Matchpoint Development
PRODUCT TYPE	PRODUCT OFFERING	STATUS
Midrise Condominiums	129 Studio to 3 Bedroom	Taking Registrants

mlacanada.com/project/the-core



PROJECT	LOCATION	DEVELOPER
Emerald	North Vancouver	Woodbridge Homes & Citimark
PRODUCT TYPE	PRODUCT OFFERING	STATUS
Townhomes	41 1-4 Bedroom	Taking Registrants

LiveAtEmerald.ca

ABOUT

MLA Advisory

MLA Advisory's deep intelligence is powered by a dedicated team of advisors and industry-leading professionals with a vast range of expertise and experience in real estate advisory, urban land economics, urban planning, design, and sales and marketing with proven results. We tirelessly analyze market trends and study consumer demand to best position our client's portfolio for success. MLA Advisory's scope of services delivers tremendous value to developers at all stages of the development cycle, from acquisitions to sales execution, and comprises comprehensive market intelligence, product envisioning and design, including unit mix, floorplan, and amenity programming, and strategic price analysis.



*All projects and total units noted include all developments launched within the Greater Vancouver & Fraser Valley area region from Squamish to Abbotsford. The new multi-family property data are approximate numbers, the research captures most pre-sale projects coming to market and its estimated number of units thought to be released for sale. Some developments may have multiple buildings released in the same month and is considered one project. Source: MLA Advisory, Zonda Urban and Altus Data Studio.

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