The Altus Group Condominium Apartment Monitor

Vancouver Edition

Data as of Fourth Quarter 2020

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New Condominium Apartment Dashboard

Q4 2020			2020	
Sales	Inventory	Avg. Launch $/SF	Sales	Avg. Launch $/SF
2,256	6,909	$960	6,114	$877
76% ▲	-1% ▼	27% ▲	8% ▲	3% ▲
2nd lowest Q4 since 2012	*2nd highest Q4 since 2014*	*3rd highest Q4 ever*	*2nd lowest annual total since 2009*	*3rd highest year ever*

% change is from same period a year earlier

Highlights

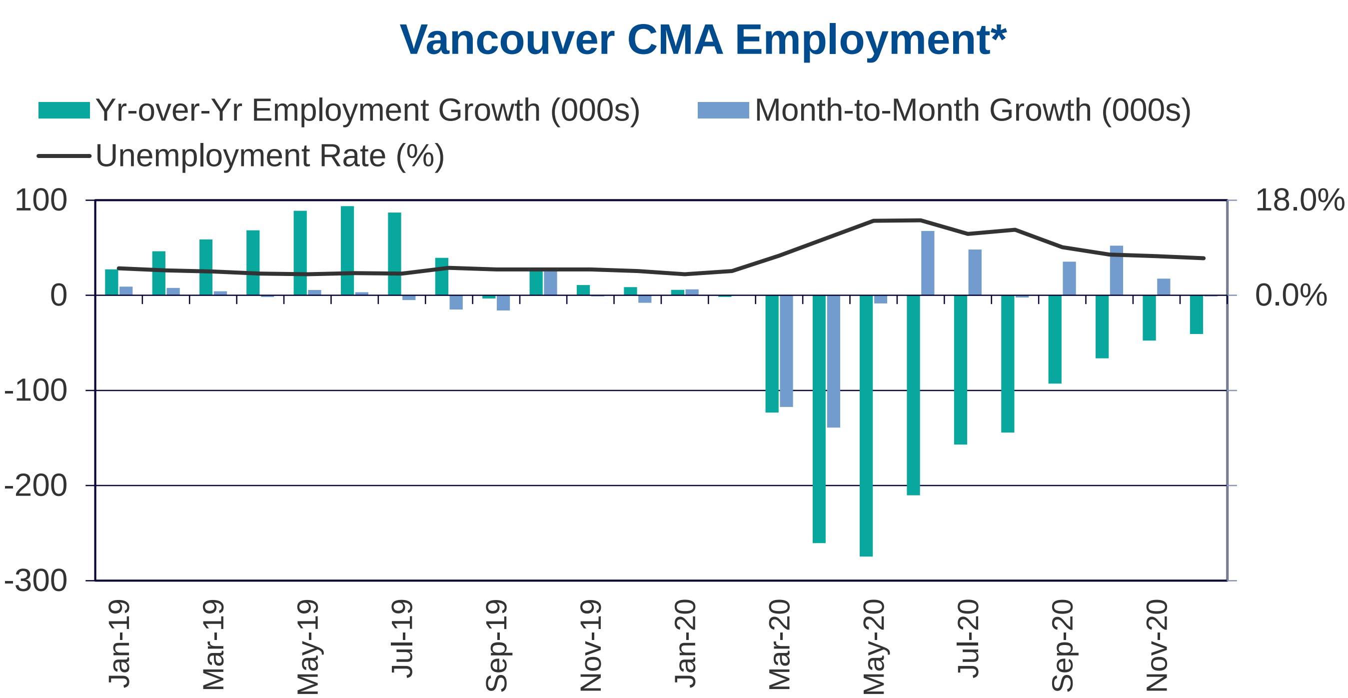
- **Sales of new condominium apartments in the Vancouver Market Area continued to improve in Q4 2020 and finished the year on a positive note. Sales for 2020 as a whole finished higher than the previous year;** however, remain low in historical terms.
- While there are still plenty of headwinds moving forward including elevated COVID-19 case counts, government restrictions, rising rental vacancies and falling rents and competition from the resale market, new openings improved in the fourth quarter and generated more activity in the market which may provide some momentum heading into 2021.
- **While sales have improved in the back half of the year, available inventory levels remain elevated compared historical levels.** In the short term, a greater supply of inventory may support stronger sales at existing projects, but may also continue to delay some project openings. The elevated inventory levels are also expected to keep price growth in check, although cost pressures may push pricing higher in 2021.

Vancouver Condominium Apartment Key Performance Indicators

	Q4 2019	Q3 2020	Q4 2020	*Yr-Over-Yr % Change*	2019	2020	*Yr-Over-Yr % Change*
New Condominium Apartments (Altus Group data)*							
Total active sites	185	197	209	*13%*	175	198	*13%*
New projects opened	13	14	20	*54%*	61	56	*-8%*
Units in new projects opened	1,363	1,000	3,184	*134%*	6,600	6,740	*2%*
Total sales (units)	1,282	1,343	2,256	*76%*	5,687	6,114	*8%*
Sales as % of total new & resale	*21%*	*18%*	*27%*		*26%*	*24%*	
Inventory (units)	6,999	5,947	6,909	*-1%*	6,988	6,604	*-5%*
Sales-to-inventory ratio	6%	8%	11%	*78%*	7%	8%	*13%*
Months of inventory	14.8	13.9	13.6	*-8%*	10.1	14.3	*42%*
Launch Price PSF	$755	$882	$960	*27%*	$851	$877	*3%*
Launch Unit size (sq. ft)	798	859	761	*-5%*	807	806	*0%*
Units completed	2,297	3,004	685	*-70%*	10,674	9,911	*-7%*
Resale Condominium Apartments (Real Estate Board of Greater Vancouver and Fraser Valley Real Estate Board data)							
Total sales (units)	4,693	5,954	6,059	*29%*	16,342	19,169	*17%*
New listings (units)	1,722	3,848	2,600	*51%*	10,164	11,440	*13%*
Inventory ("active listings", units)	5,073	7,345	6,415	*26%*	6,202	6,001	*-3%*
Sales-to-inventory ratio	31%	27%	31%	*2%*	22%	27%	*18%*
Months of inventory	3.7	5.0	4.0	*8%*	4.6	4.1	*-11%*
HPI constant quality price	$630,436	$656,770	$652,884	*4%*	$636,670	$654,261	*3%*
HPI constant quality price index (Jan 2005=100)	270.1	281.4	279.7	*4%*	272.8	280.3	*3%*

** see end of report for Definitions*

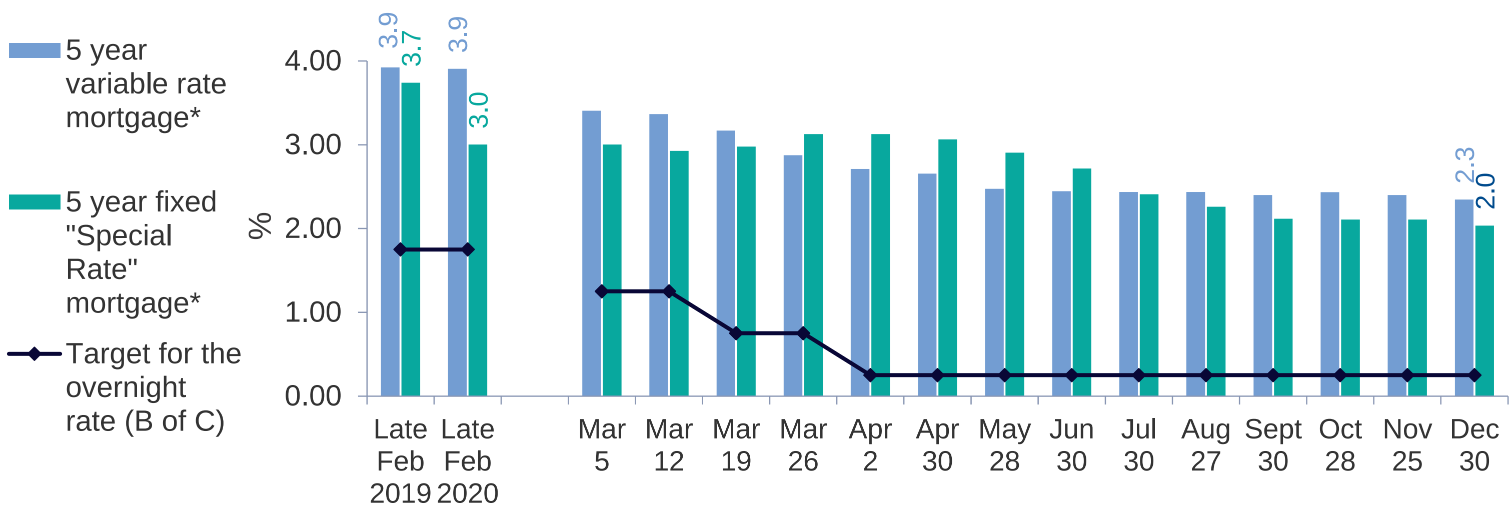
- Employment growth came to a virtual stand still at the end of 2020 after three consecutive months of growth. The unemployment rate fell further and finished the year at 7.0% - its lowest level since the start of the pandemic. There is no guarantee that these trends will continue however, as the second wave continues and the pandemic will continue to present challenges in 2021.
- **The Bank of Canada maintained the target for the overnight rate at ¼ percent at its latest rate announcement on January 20,** and once again stated *"Governing Council will hold the policy interest rate at the effective lower bound until economic slack is absorbed, so that the 2 percent inflation target is sustainably achieved. In our projection, this does not happen until into 2023.* The next rate announcement date is March 10.
- The current 5 year fixed "special" mortgage rates fell to about 2% at the end of 2020 and remains below the 5 year variable rate, continuing to backstop both current homeowners and future homebuyers *(chart next page, top)*.
- **Overall homebuying intentions in Vancouver are down this Fall compared to last year**, according to Altus Group's latest FIRM Survey (*chart bottom of next page*). However, the results are much improved from the Spring and Summer waves across all buyer groups and suggest that there could be some increase in demand for new condominium apartments going forward as consumers look to re-engage in the housing market.



Source: Altus Group based on Statistics Canada data

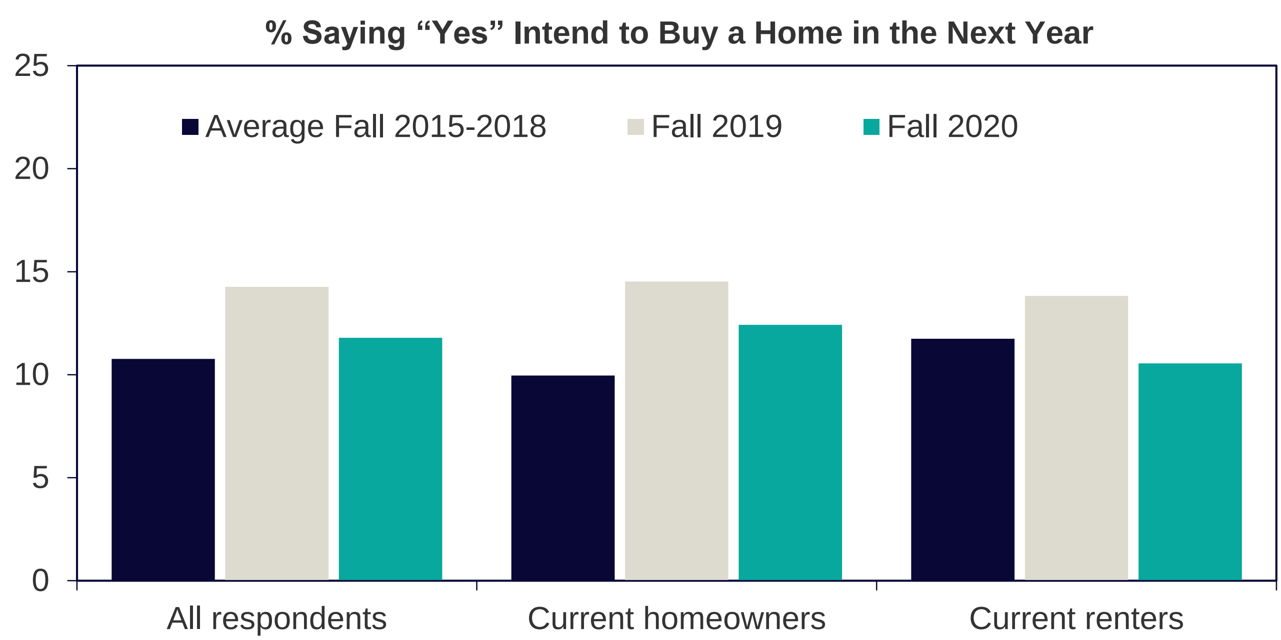
** Data are monthly, seasonally adjusted*

Selected Interest Rates



Source: Altus Group based on data from StatCan, Bank of Canada and major bank web sites

Vancouver Homebuying Intentions

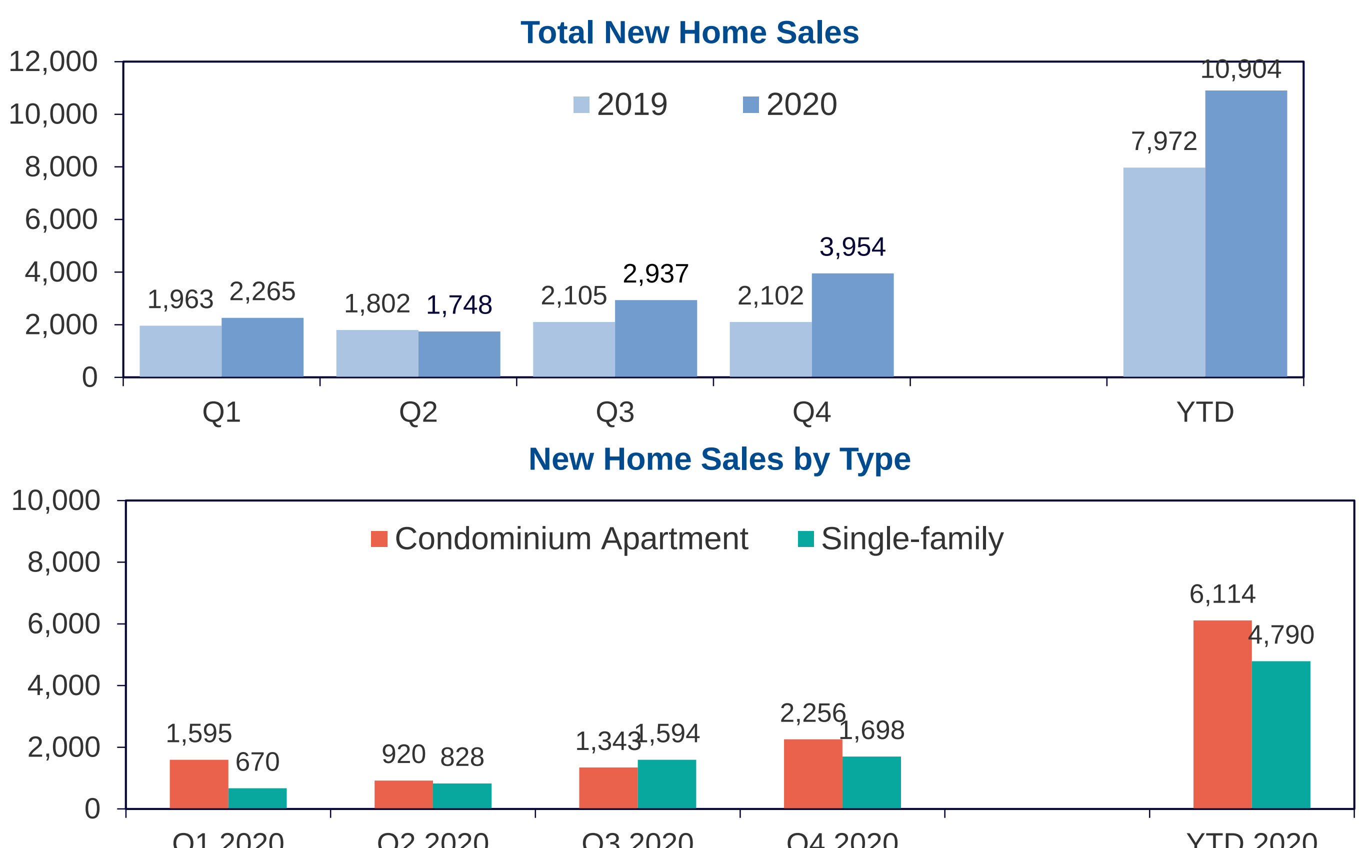


Source: Altus Group

New Home Market - Sales

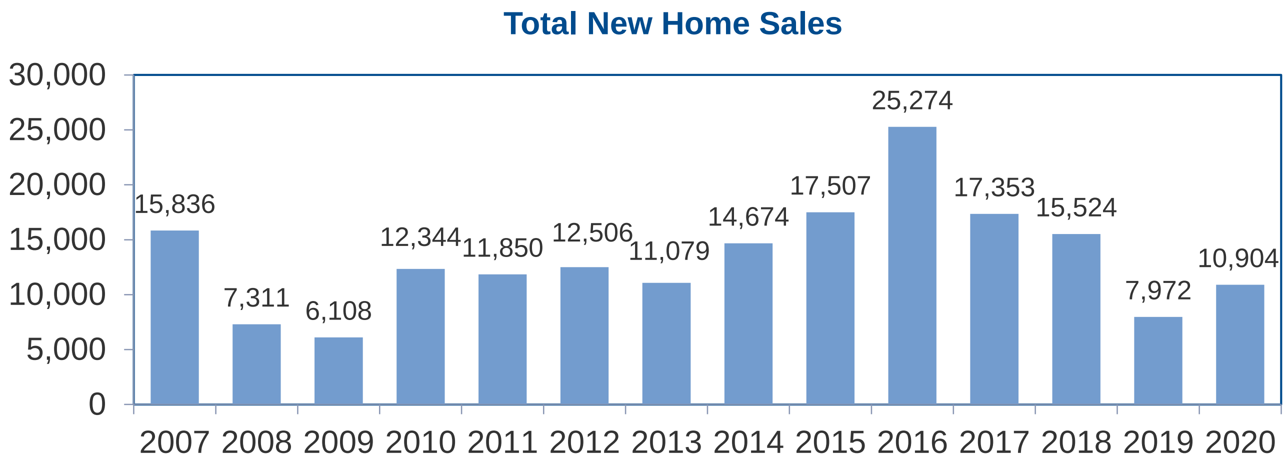
- **Total sales of new homes in the Vancouver Market Area finished the year strong and were up in Q4 2020,** both compared to the previous quarter and to the same period last year. **Total new home sales for 2020** were up 37% from a year earlier, though were still 25% below the 10 year average (charts next page).
- **New condominium apartment sales in Q4 2020 were up 76% from a year earlier while single-family sales more than doubled its total from Q4 2019**. Single-family sales finished the year with its highest sales volumes since 2016. *Note that Altus Group's coverage of new single-family sales only includes projects of 20 or more units.*
- The Fraser Valley had a strong performance in 2020 due to the performance of single-family, while the Burnaby/New Westminster/Tri-Cities subarea saw increased activity across all product types *(charts following next page)*. Langley was the top performing submarket in 2020 while Coquitlam saw the biggest increase over 2019 *(chart after next 2 pages).*
- The trend seen in Vancouver towards strength in suburban regions relative to the urban core is similar to the patterns seen elsewhere in Canada, with both Calgary and the GTA experiencing more demand outside the downtown regions.

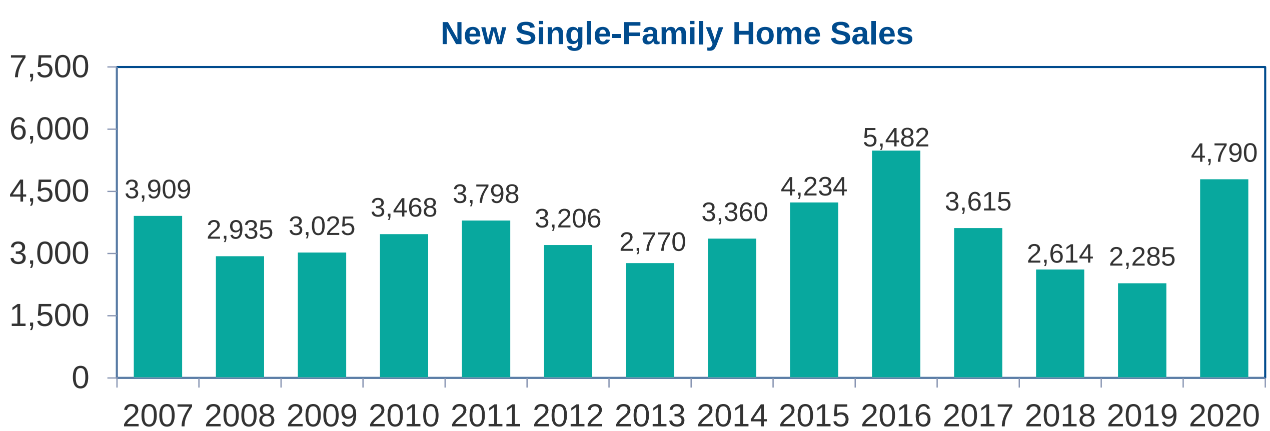
Vancouver New Home Sales



Source: Altus Group
Source: Altus Group

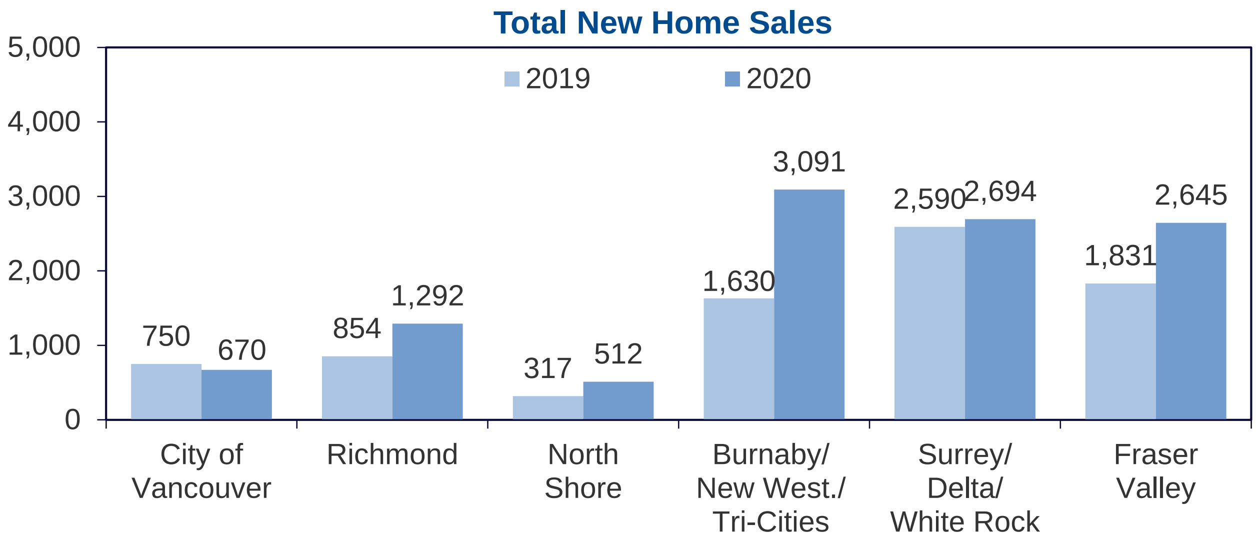
Vancouver Market Area Annual New Home Sales

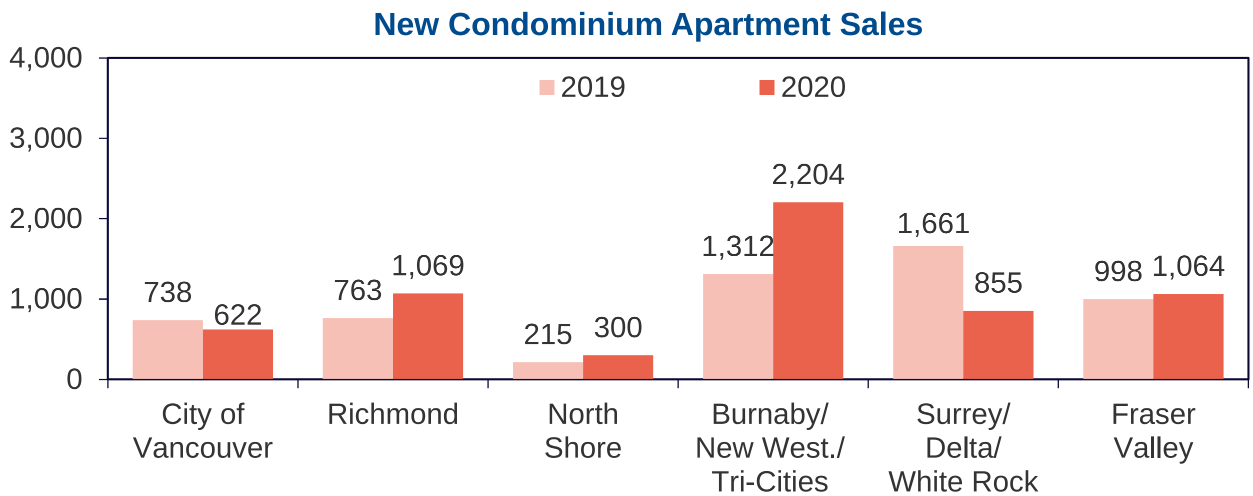


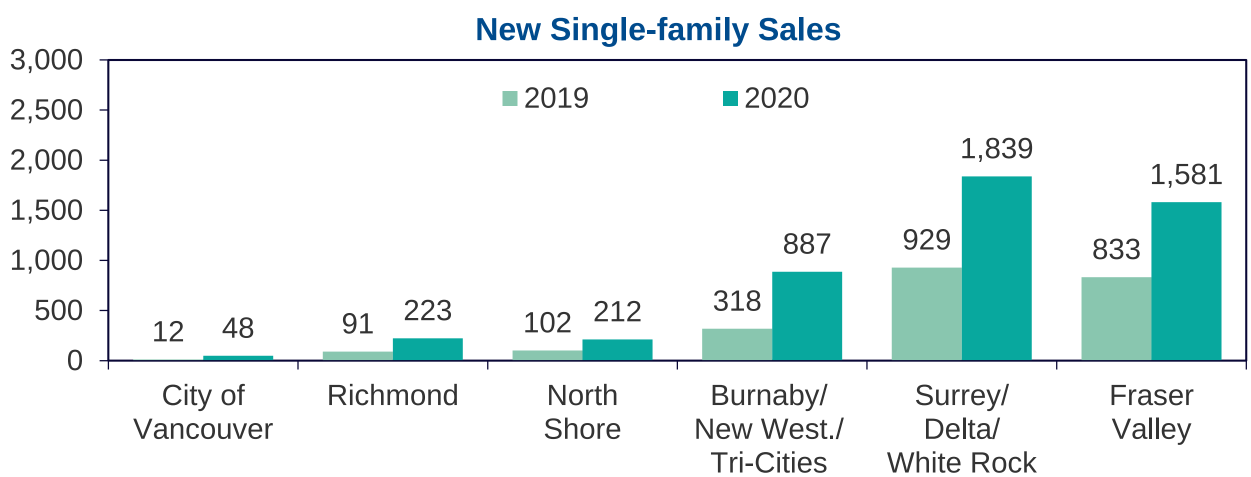


Source: Altus Group

Vancouver New Home Sales by Subarea

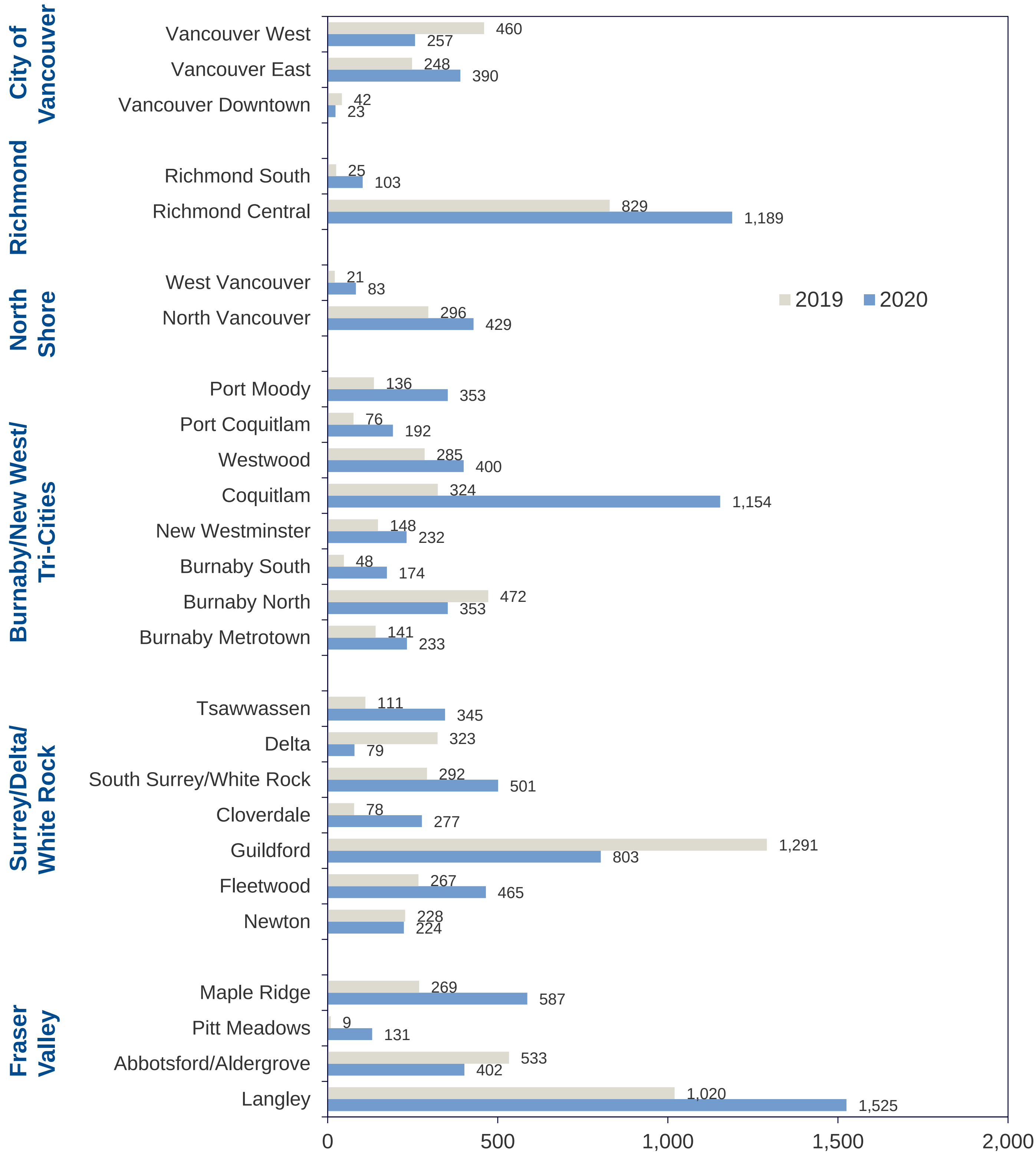






Source: Altus Group

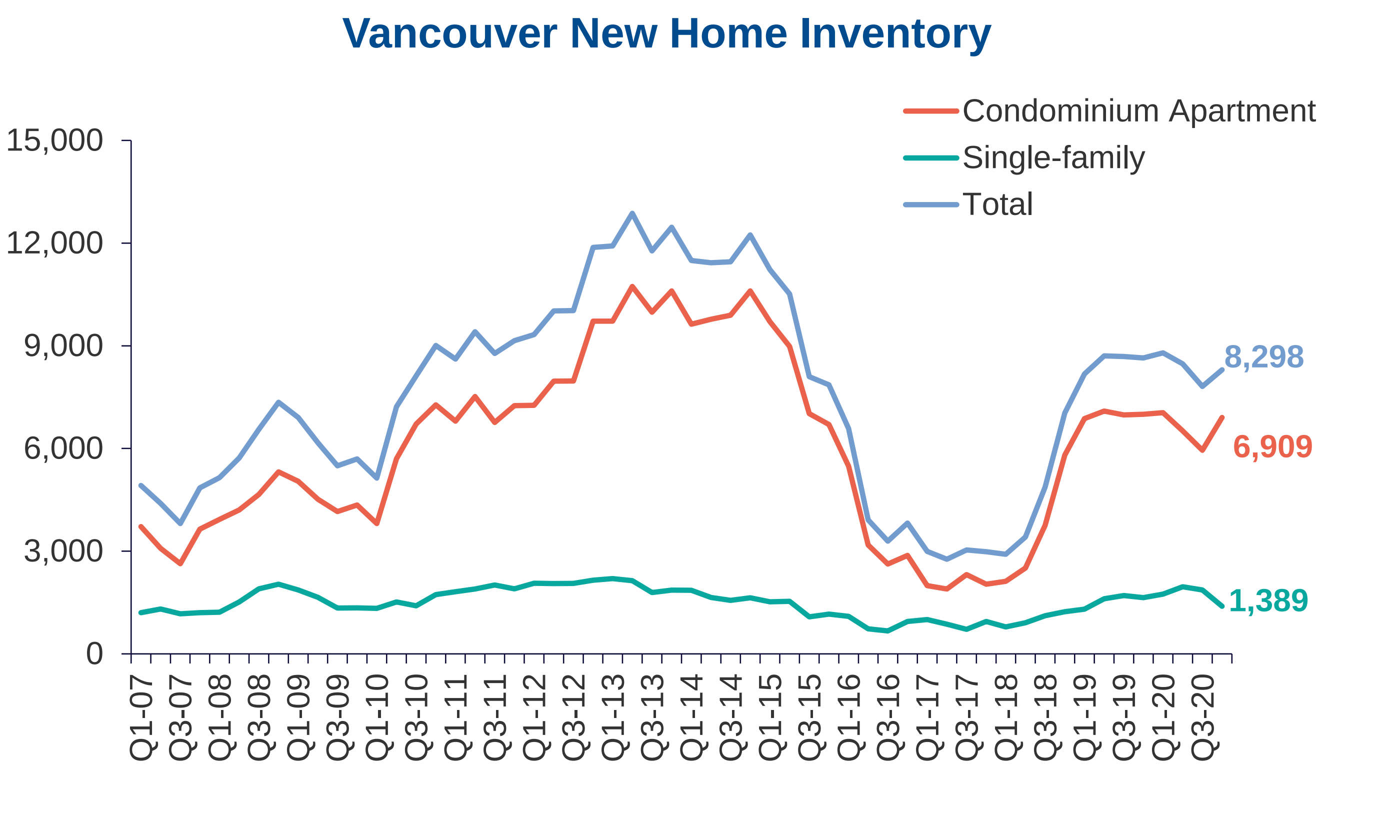
Vancouver Total New Home Sales by Submarket



Source: Altus Group

Note: Starting with the Q4 2019 report, Fort Langley and Langley have been combined into a single submarket

- **The total new home inventory increased in the 4th quarter, but ended the year with lower available inventory.** The recent increase was due entirely to the condominium apartment sector, which saw a 16% increase from the previous quarter, while single-family inventory decreased again in Q4 2020.
- There is approximately **13.6 months of available condominium apartment inventory**, based on the average monthly pace of sales over the preceding 12 months. **While this exceeds the average Q4 value for the previous 10 years,** this is down slightly from the pre-pandemic levels and relatively stable with conditions seen over the past 5 quarters.
- Looking forward, there are still delayed projects that could come to market. This may result in an increase in inventory, although sales at project launches have generally kept the inventory in check. With COVID-19 cases having plateaued, there is a possibility of increasing buyer activity in the first half of 2021, particularly if air travel and immigration levels improve.

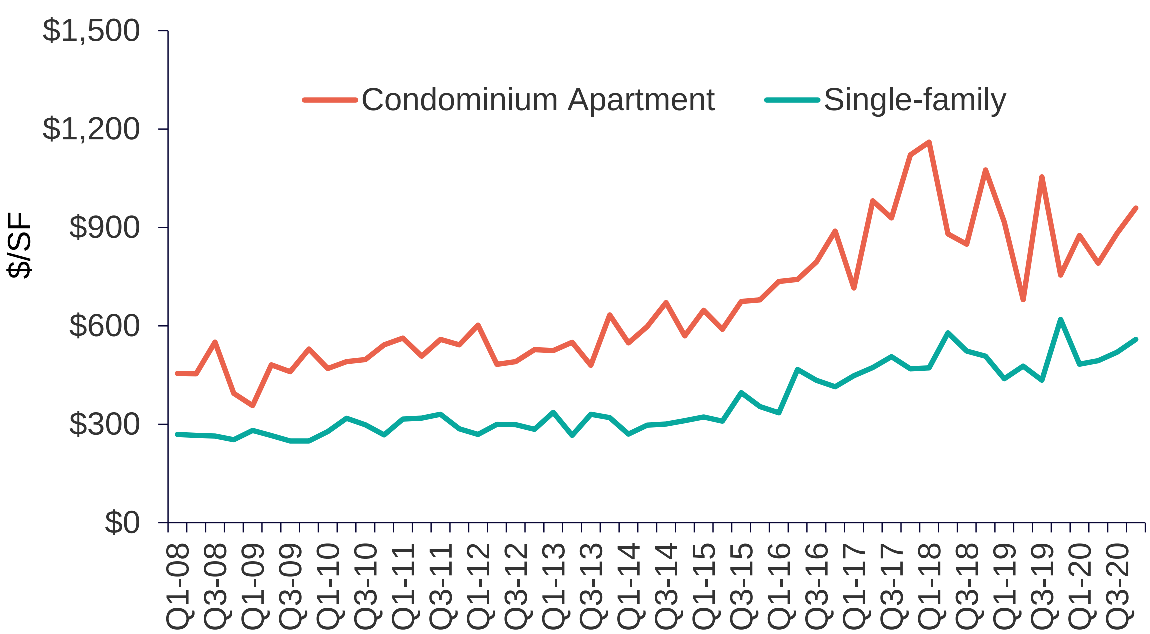


Source: Altus Group

New Home Market - Prices

- Based on the average blended price per square foot at opening, **single-family new home prices are down from the levels reported a year earlier,** but up slightly compared to the previous quarter**.**
- **Average launch prices for new condominium apartments have been choppy in recent quarters and increased in the fourth quarter.** On a four quarter moving average, prices remain relatively stable, continuing to average below $900/SQFT. Comparing the average prices over the four quarters of 2020 to 2019 finds that prices have increased by a modest 3%. Note that these prices do not reflect constant quality product, but rather options available to purchase in newly opened projects.
- **While potential buyers may be expecting reductions in prices in the COVID-19 environment, builders are expected to favour non-price or short-term incentives.** Rising new and resale sales volumes are expected to reduce the need for incentives in the short term, although builders may continue to use incentives to attract and retain consumers in the competitive market.

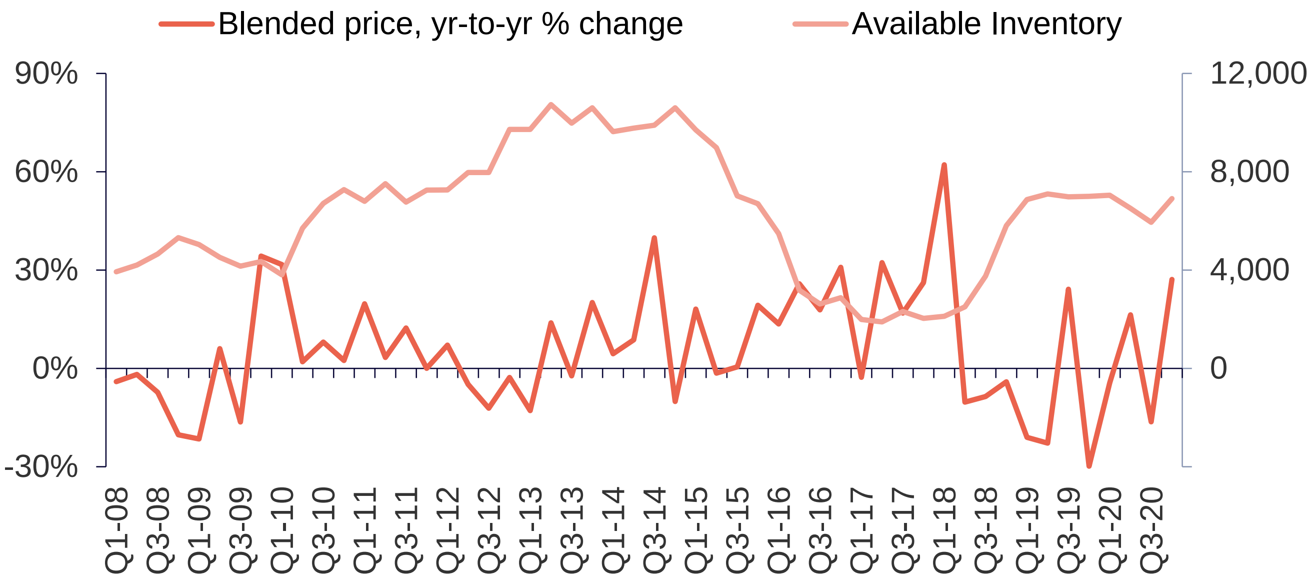
Vancouver New Home Blended Prices*



** See definitions page*

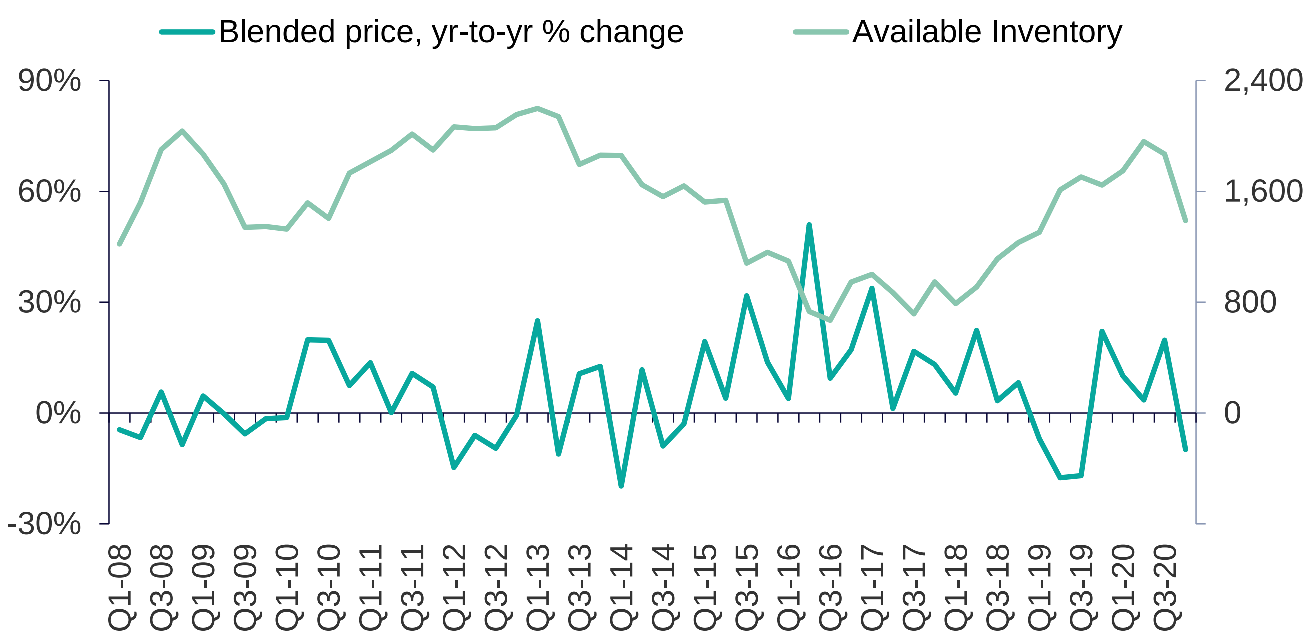
Source: Altus Group

Vancouver New Condominium Apartment Blended Price Changes by Opening Date and Available Inventory



Source: Altus Group

Vancouver New Single-family Blended Price Changes by Opening Date and Available Inventory

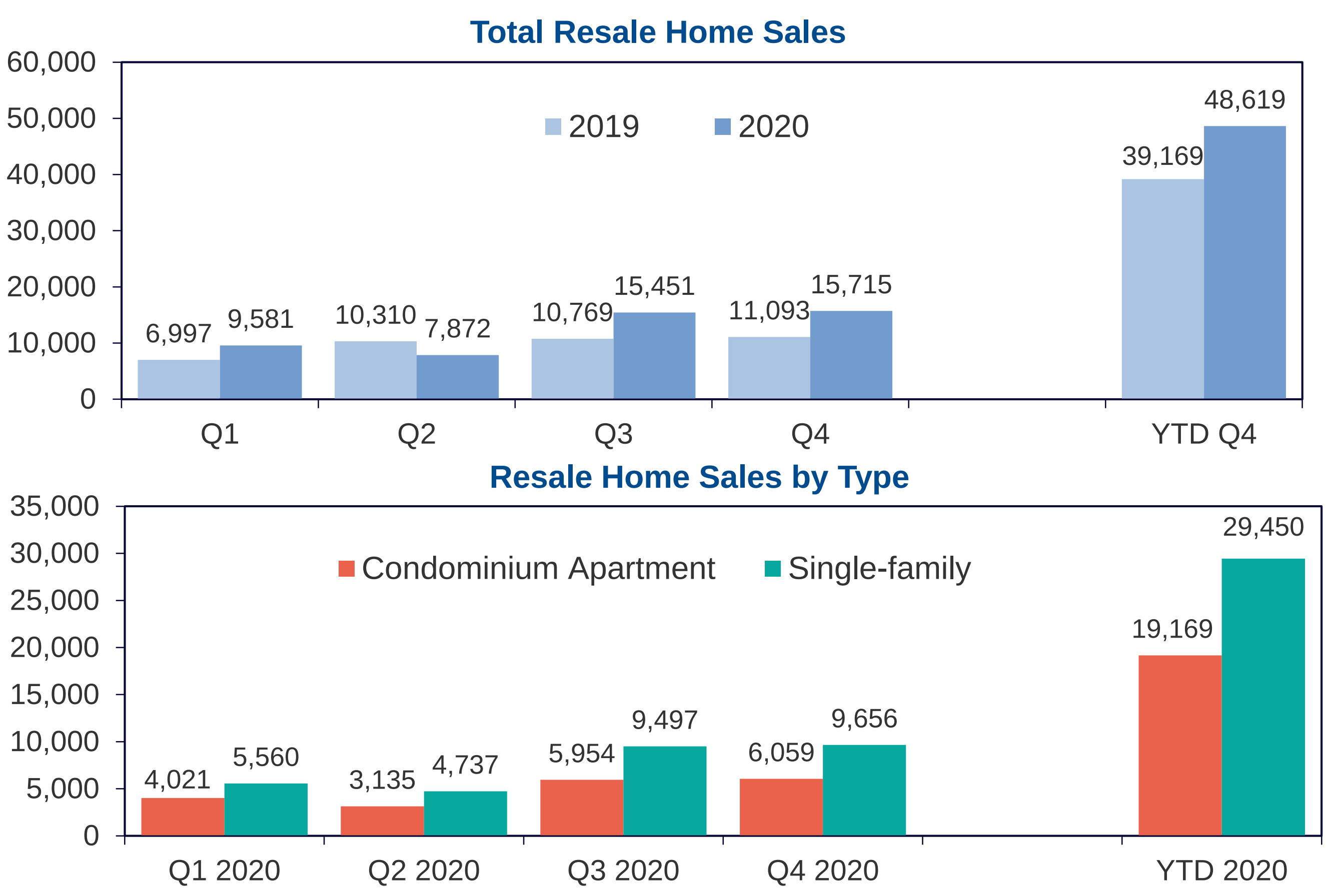


Source: Altus Group

Resale Home Market - Sales

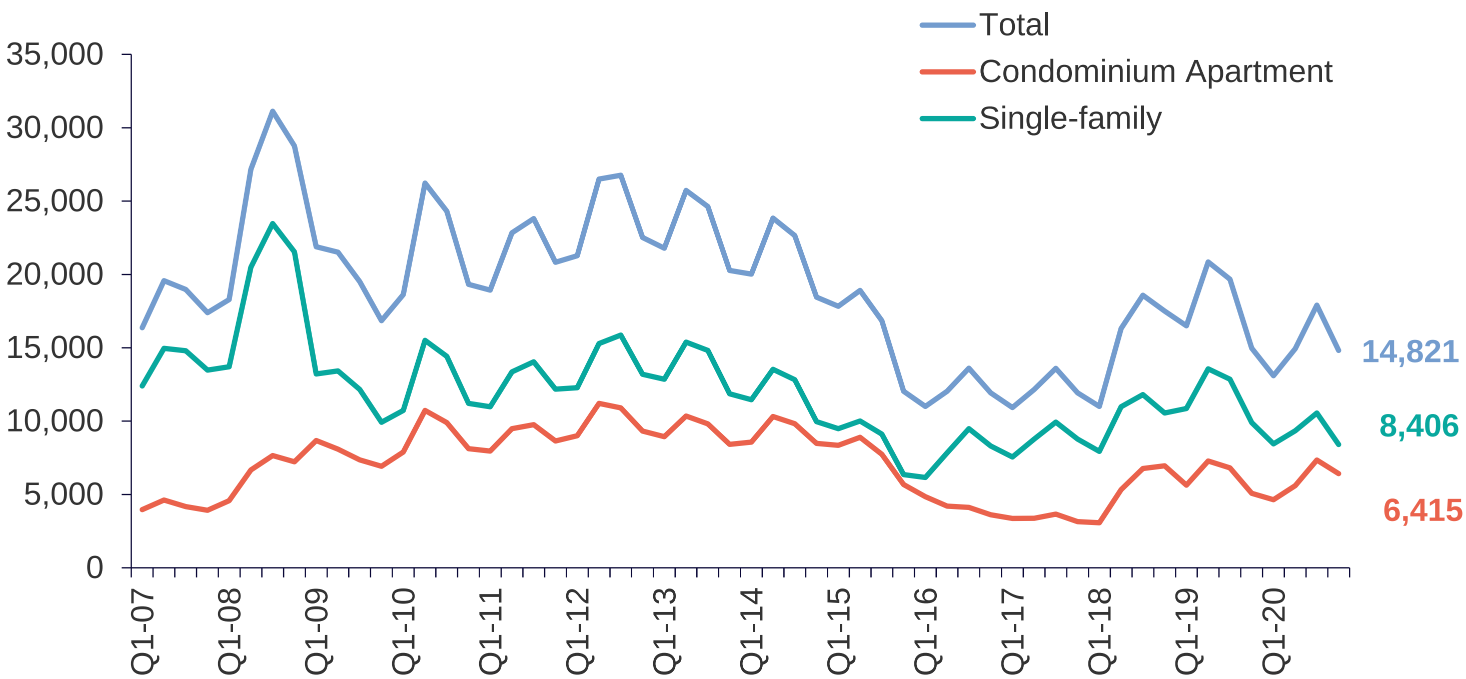
- **Total sales of existing homes** (as reported by The Real Estate Board of Greater Vancouver and The Fraser Valley Real Estate Board) **were up in Q4 2020, compared with a year earlier.** Both single-family and condominium apartments contributed to the increase, though sales of single-family homes increased more significantly.
- **Total resale inventory (or "active listings") decreased in Q4 2020**, with both single-family and condominium apartments contributing to the quarter-to-quarter drop. Active listings, are now just 1% below their Q4 2019 levels (*chart next page, top*) with sales exceeding new listings as of late.
- **The benchmark price for a resale home in Q4 2020 was up from a year earlier, and up from Q3 2020** (*chart next page, bottom*), based on MLS® Home Price Index data produced by Altus Group on behalf of the local real estate boards. The benchmark price for single-family resale homes reached a record high in Q4 2020.

Vancouver Resale Home Sales



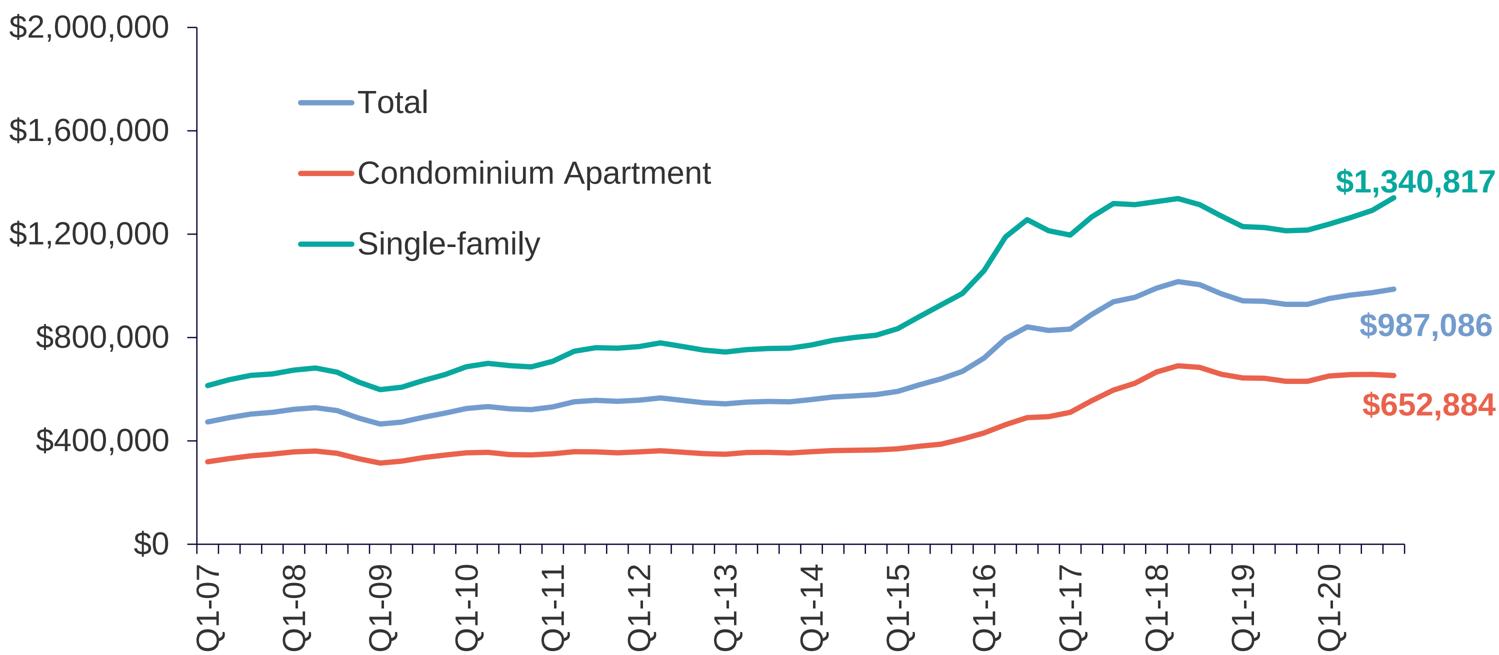
Source: Altus Group based on data from The Real Estate Board of Greater Vancouver and The Fraser Valley Real Estate Board

Vancouver Resale Home Inventory (“Active Listings”)



Source: Altus Group based on data from The Real Estate Board of Greater Vancouver and The Fraser Valley Real Estate Board

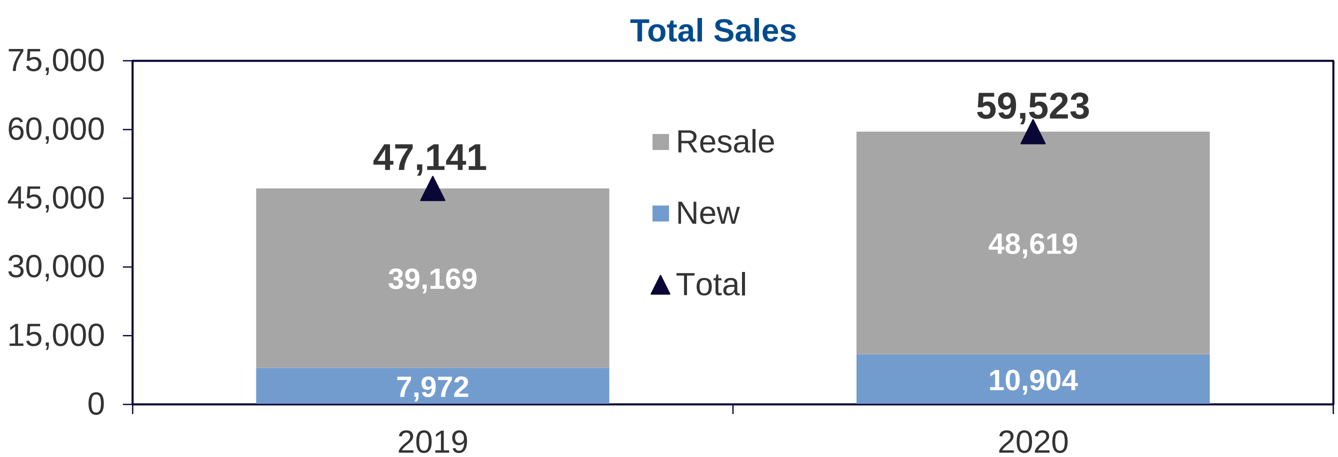
Vancouver Benchmark Resale Home Prices

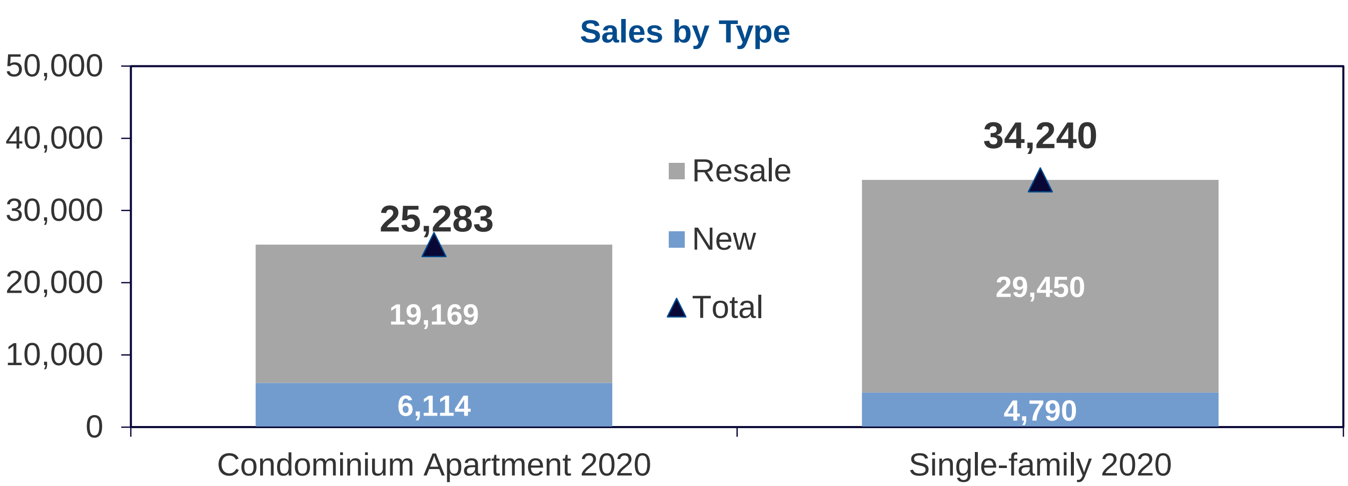


Source: Altus Group based on MLS® Home Price Index for the Lower Mainland

- **Combined resale and new home sales,** as measured by The Real Estate Board of Greater Vancouver, The Fraser Valley Real Estate Board and Altus Group, **totaled almost 60,00 units in 2020, up 26% from 2019**. Both the new and resale sectors contributed to the increase, though new home sales increased by a larger margin from 2019.
- **Around 1 in 5 home sales in 2020 were new homes in projects of 20 or more units**. The ratios are quite different for single-family homes, with new homes accounting for about 1 in 7 sales in 2020, and condominium apartments, where about 1 out of 4 sales were new condos.

Vancouver Combined New & Resale Home Sales



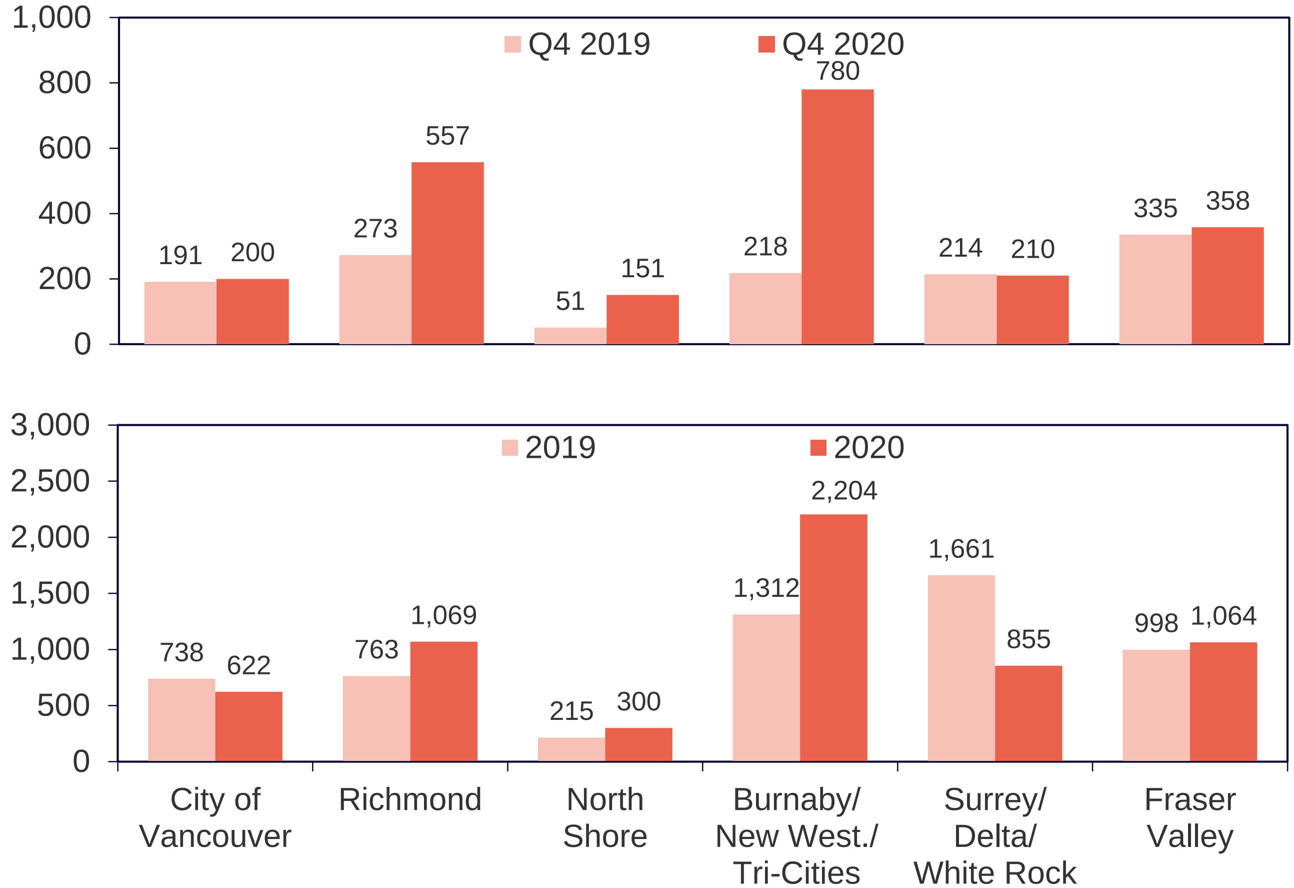


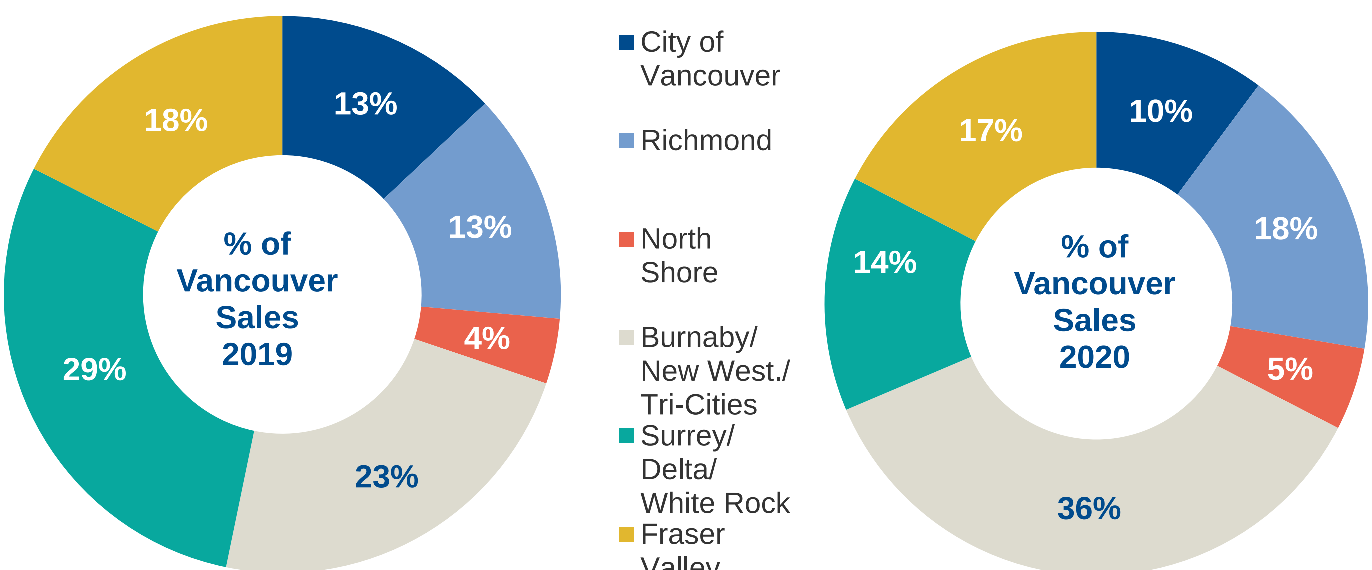
Source: Altus Group, The Real Estate Board of Greater Vancouver and The Fraser Valley Real Estate Board data

- **New condominium apartment sales in Q4 2020 were up 76% from a year earlier.** Annual sales were up 8% compared with a slow 2019, however were still 45% below the 10 year average**.**
- High-rise apartments came back in Q4 2020 and accounted for the bulk of sales in the quarter as well as more than half of all condominium apartment sales in 2020.
- **All subareas were up in 2020 compared with the previous year except for Surrey/Delta/ White Rock and the City of Vancouver** (*chart next page*). Burnaby/New Westminster/Tri-Cities was the top performing subarea in 2020.
- Among the local submarkets, Richmond Central was the top performer in 2020 (*chart following next page*), while Coquitlam accounted for the largest increase in sales over 2019. Guildford took a step back in 2020 after a particularly strong performance in 2019.

Source: Altus Group

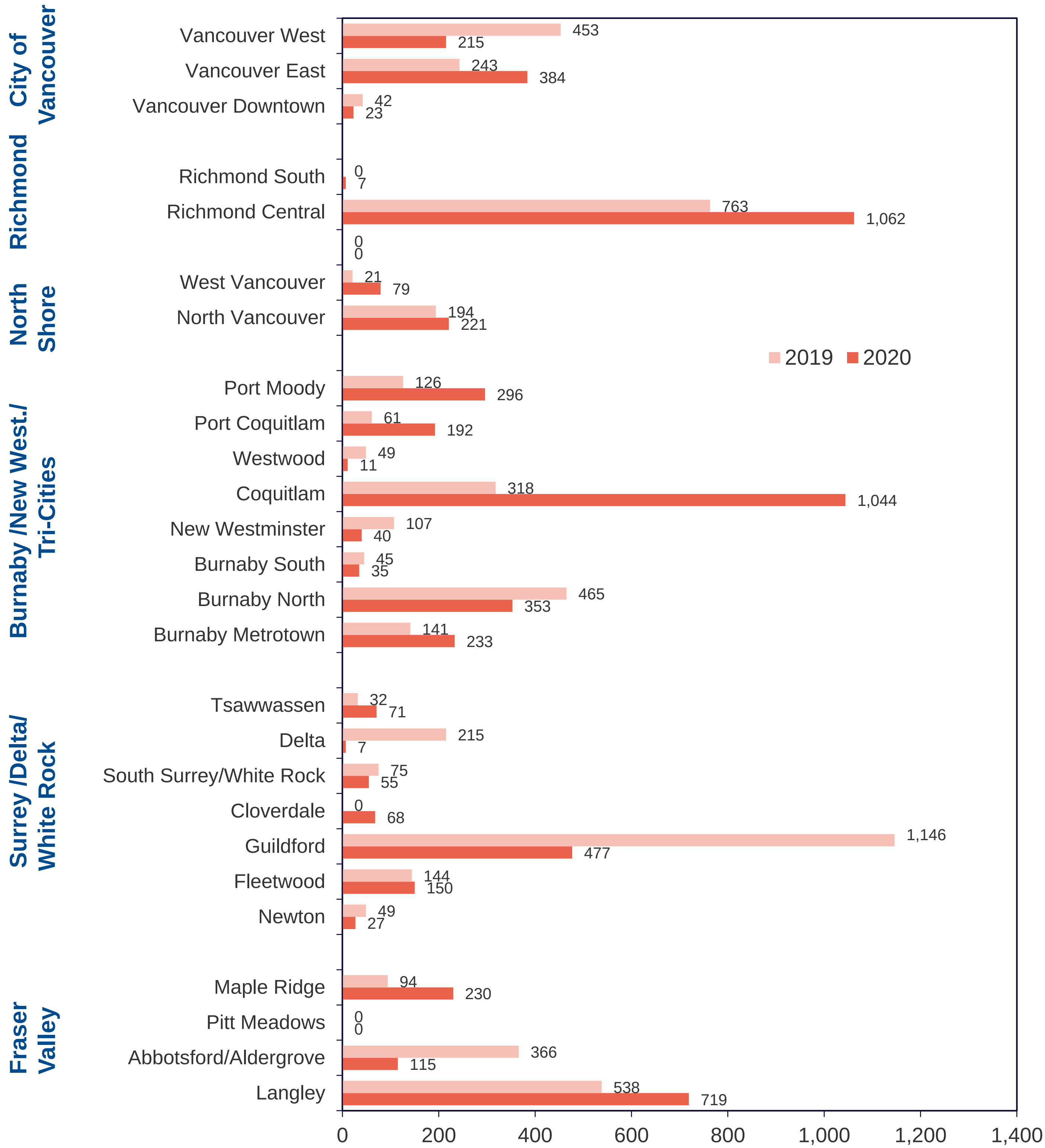
Vancouver New Condominium Apartment Sales by Subarea





Source: Altus Group

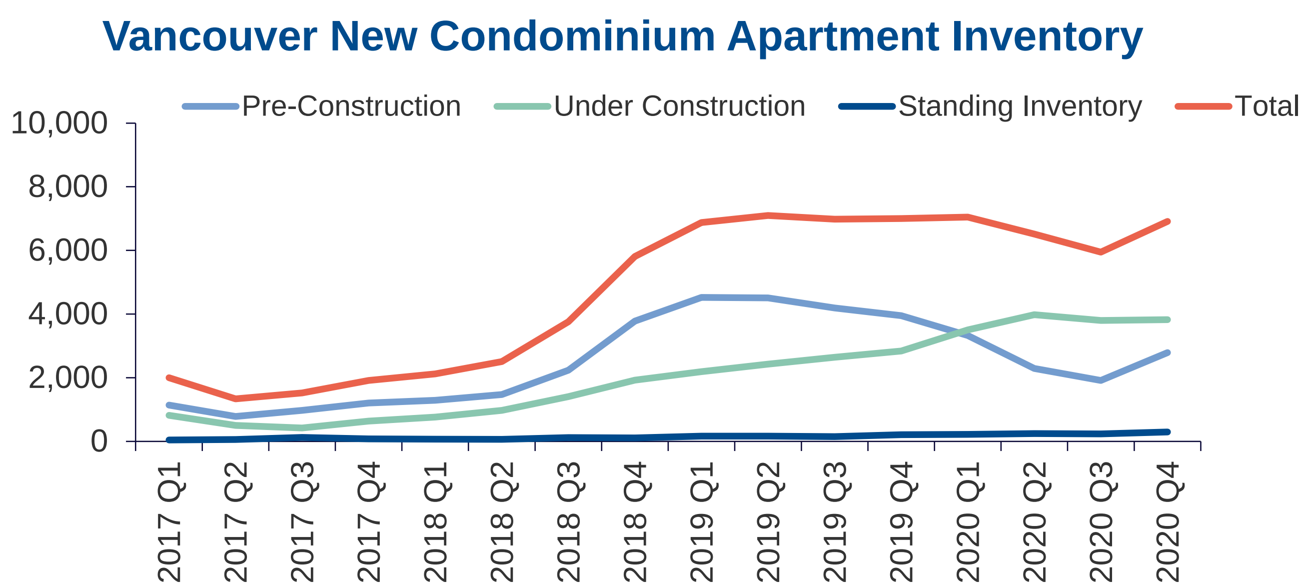
Vancouver New Condominium Apartment Sales by Submarket

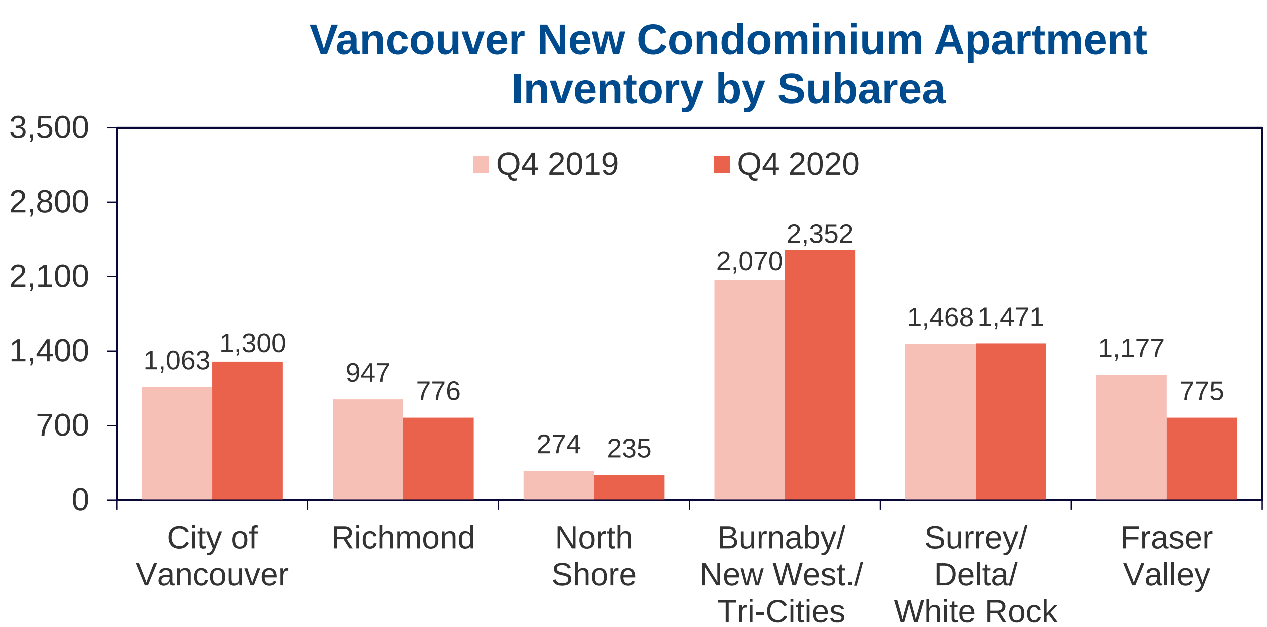


Source: Altus Group

New Condominium Apartments - Inventory

- As discussed earlier, **total new condominium apartment available inventory in Q4 2020 was up from Q3 2020** though down marginally from a year earlier. The inventory levels among the subareas was mixed at the end of 2020 compared with the previous year.
- **About 40% of available new condominium apartment units are at pre-construction projects,** and most of the rest is under construction. There are very few (296) units available to purchase with immediate occupancy (i.e., standing inventory).

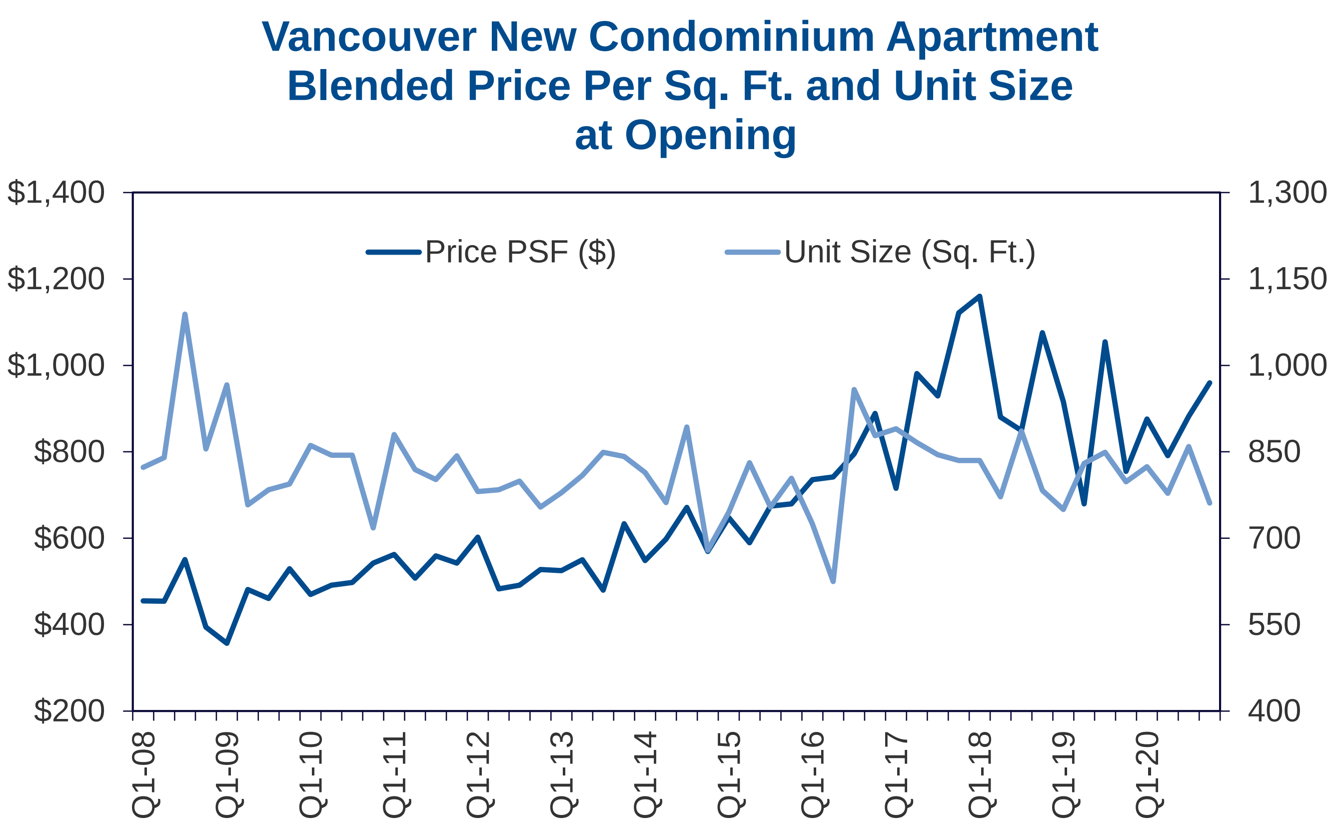




Source: Altus Group

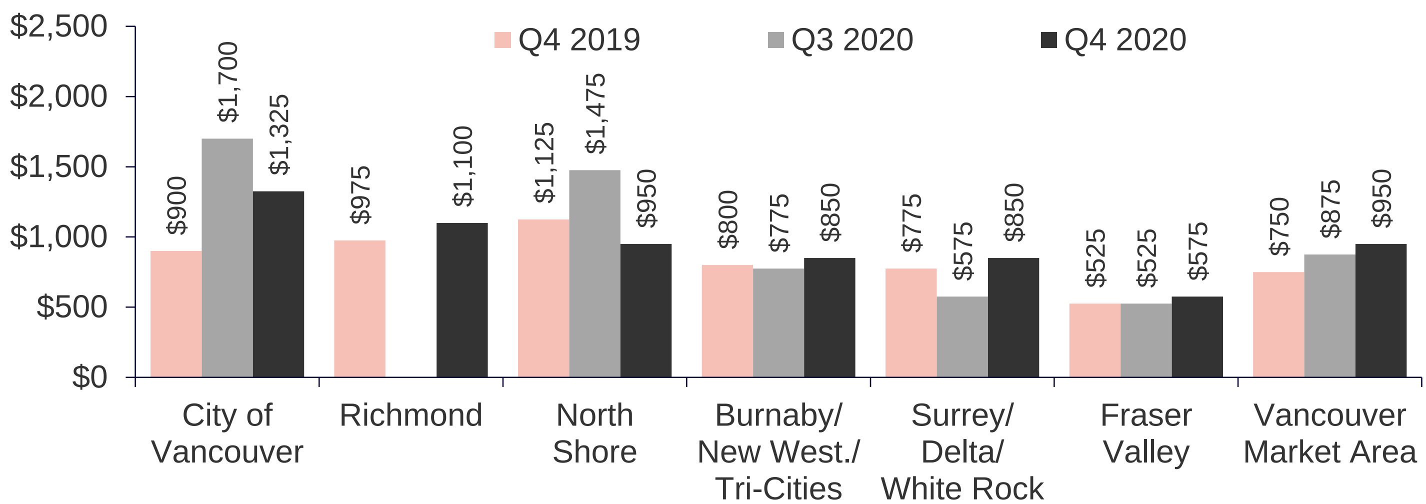
New Condominium Apartments - Prices

- The **price per square foot for available new condominium apartments at launch** *(see definitions page)* **increased in Q4 2020 and was 27% higher** than the same period last year.
- Caution needs to be used in interpreting the price per sq. ft. data, as smaller unit sizes on average have higher prices per sq. ft. Therefore, a decline in price per sq. ft. could reflect both "pure" price decreases, as well as increases in average size of units launched - and, of course, location shifts.
- The higher average price PSF in Q4 2020 compared to Q4 2019 is at least in part attributable to a larger share of new product being located in the Richmond, Burnaby/New Westminster/Tr-Cities and City of Vancouver subareas (*charts next page*).



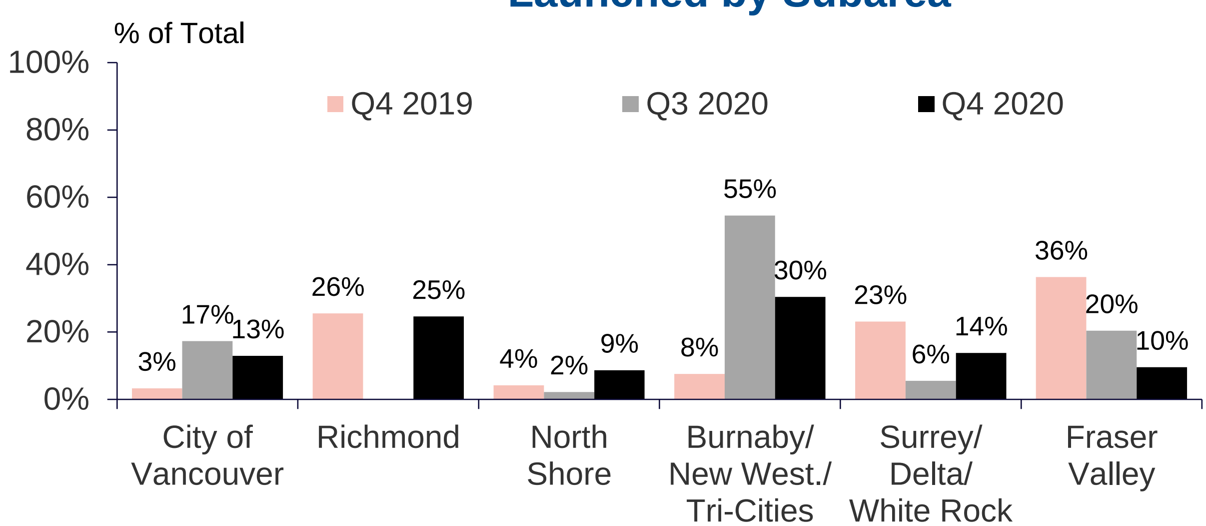
Source: Altus Group

New Condominium Apartment Launch $PSF* by Subarea



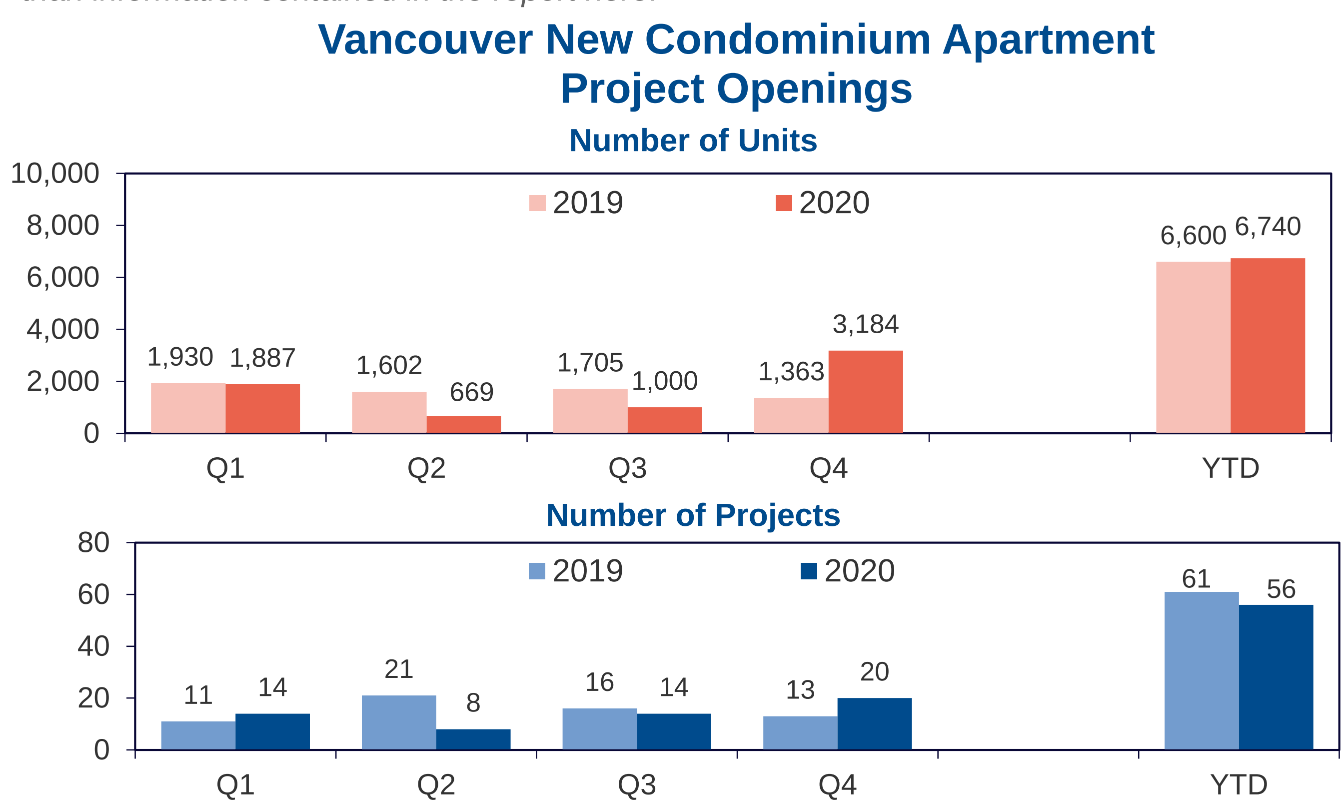
* Round to the nearest $25
Source: Altus Group

Units in New Condominium Apartment Projects Launched by Subarea



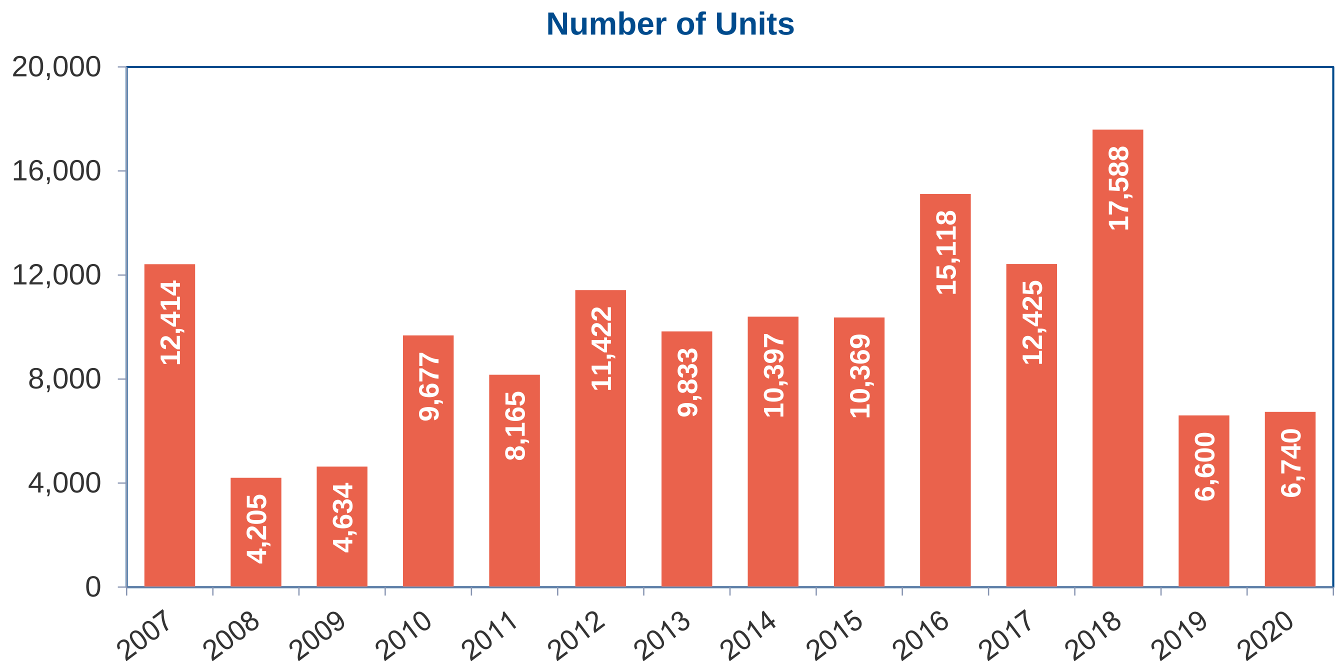
Source: Altus Group

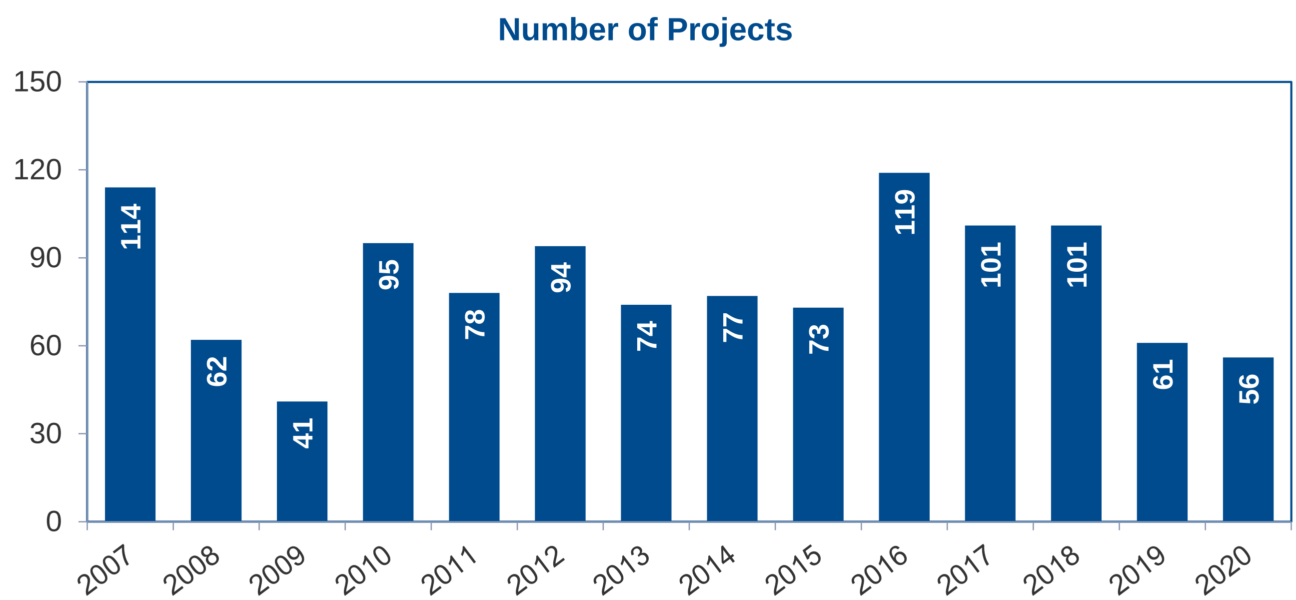
- **There were 20 new condominium apartment projects that opened in the Vancouver Market Area in Q4 2020.** The almost 3,200 units in new projects that opened in Q4 2020 is the highest number of any quarter since Q4 2018. As many openings have been delayed, there is still potential for more new launches into 2021. **For 2020 as a whole, there were just over 6,700 units in new projects opened, a 2% increase from 2019, however, the second lowest total since 2009** (chart next page).
- Almost half of the units in new in 2020 were in Burnaby/New Westminster/Tr-Cities (*charts after next page, top*). It was noted that units with den spaces continue to be more common in 2020 compared to 2019 (*charts after next page, bottom*); this shift may have been prescient, as dens would be attractive for some buyers who might be seeking space for home offices.
- Following the next page are maps showing the location of new projects launched in October, November and December, accompanied by summary tables with additional detail on each project. *Note that the unit type information coverage may vary; for some projects, it includes unreleased units, while for others it excludes unreleased units.*
- *Note: clicking on the "project record" link in the summary tables will take logged-in Altus Group RealNet Vancouver Residential New Homes module subscribers directly to the full on-line record for that project; as the on-line record becomes updated, specific data may be more up-to-date than information contained in the report here.*



Source: Altus Group

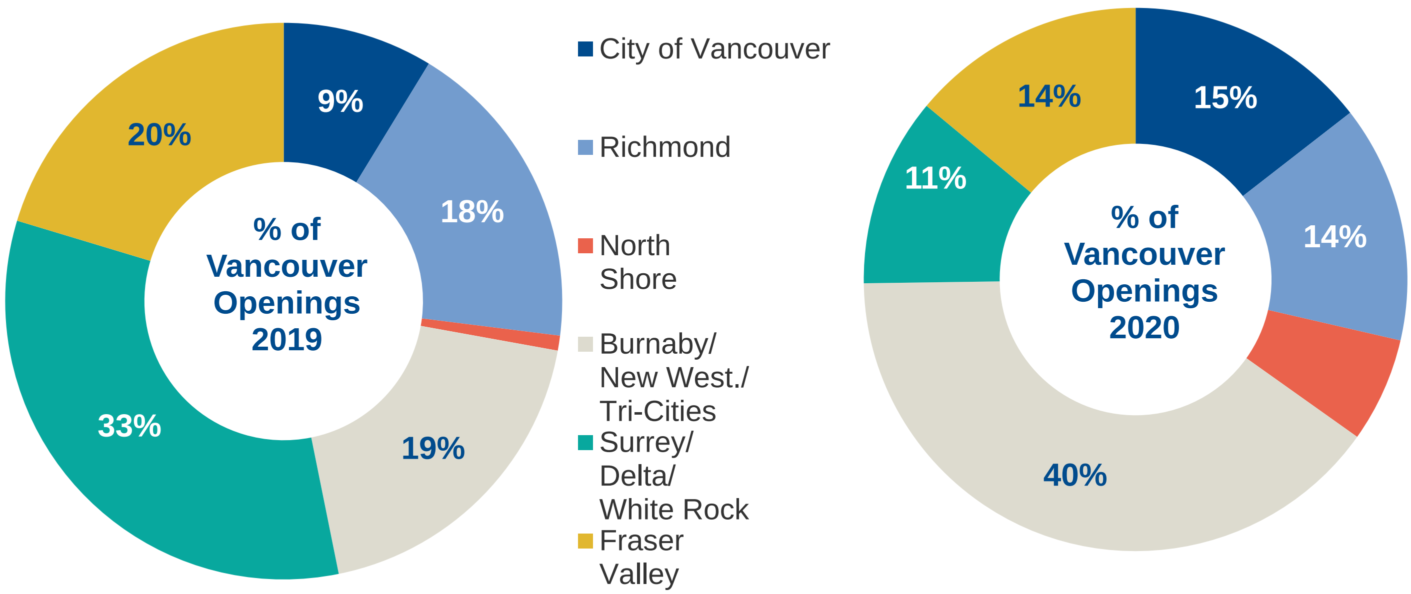
Vancouver New Condominium Apartment Project Openings



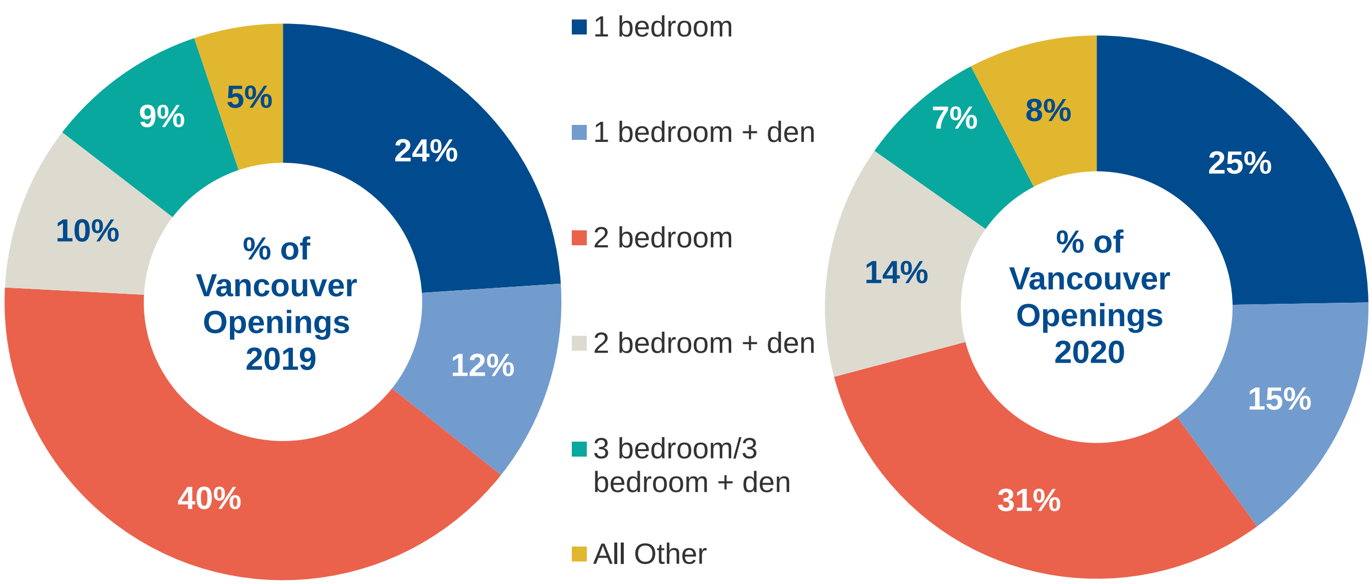


Source: Altus Group

Vancouver Condominium Apartment Units in New Openings by Subarea

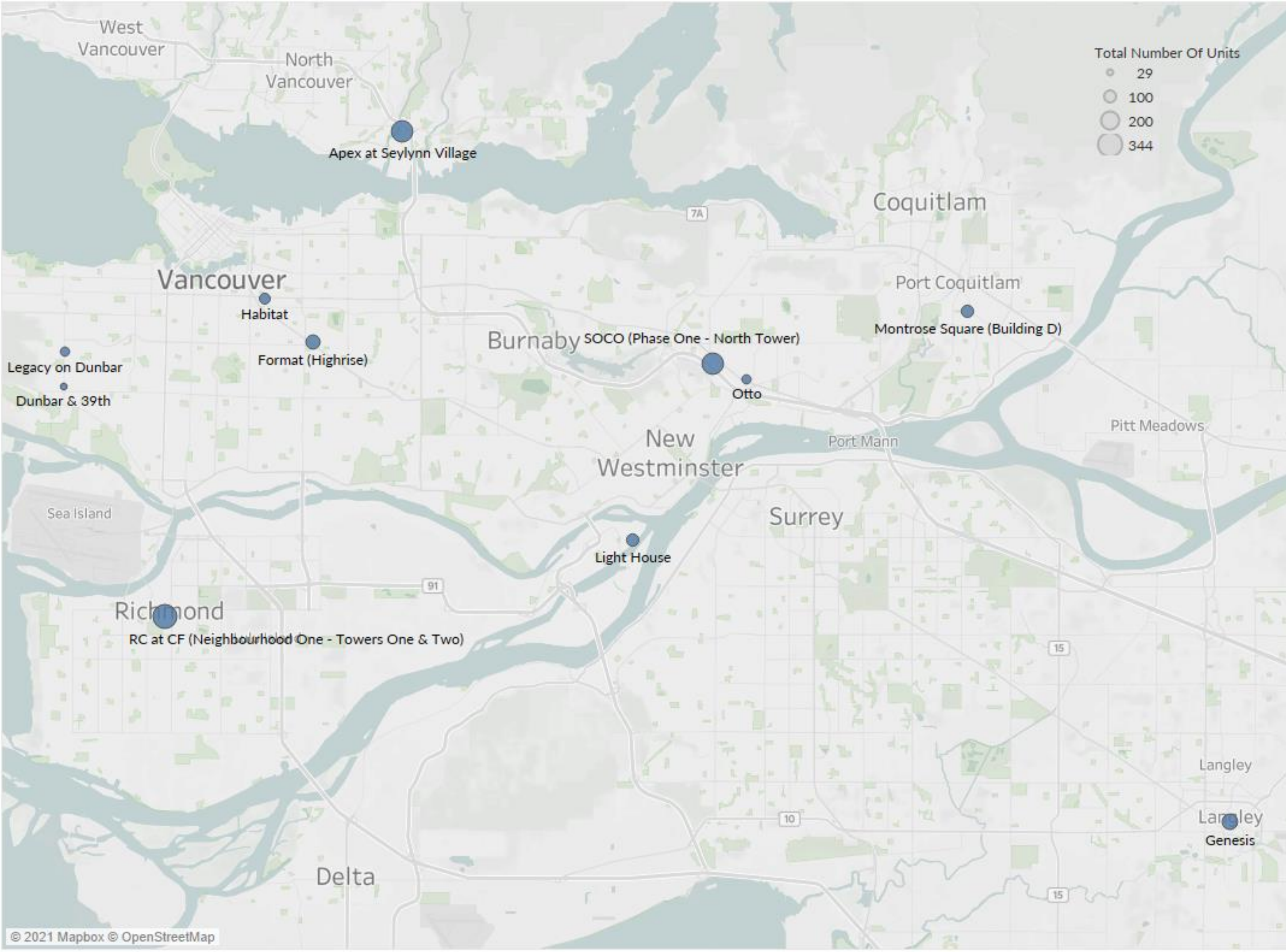


Vancouver Condominium Apartment Units in New Openings by Bedroom Type



Source: Altus Group

October 2020 New Project Launches by Number of Units



Source: Altus Group

New Condominium Apartments - Openings

Project Record | Apex at Seylynn Village | Dunbar & 39th | Format (Highrise) | Genesis | Habitat | Legacy on Dunbar

New Condominium Apartment Project Openings - October 2020 (1 of 2)

Project Name	Apex at Seylynn Village	Dunbar & 39th	Format (Highrise)	Genesis	Habitat	Legacy on Dunbar
Developer	Denna Homes	Wesgroup	Cressey	Whitetail Homes	Porte Development Corp.,Hudson,fabric	Qualex Landmark
Date Opened	2020-10-14	2020-10-09	2020-10-24	2020-10-03	2020-10-03	2020-10-03
Subarea	North Shore	City of Vancouver	City of Vancouver	Fraser Valley	City of Vancouver	City of Vancouver
Submarket	North Vancouver	Vancouver Westside	Vancouver Eastside	Langley	Vancouver Eastside	Vancouver Westside
Project Type	High Rise	Low Rise	High Rise	Mid Rise	Low Rise	Mid Rise
Construction Type	Concrete	Wood Frame	Concrete	Wood Frame	Wood Frame	Concrete
Floors	32	4	13	6	4	5
Project Total Units	**276**	**29**	**120**	**144**	**70**	**48**
Total Units Released	**99**	**29**	**120**	**144**	**70**	**48**
Unit Type (see note in text)						
Studio	2	-	-	-	47	-
1 bedroom	21	-	70	114	9	-
1 bedroom + den	92	8	11	-	-	-
2 bedroom	53	-	39	25	10	4
2 bedroom + den	53	19	-	5	-	30
3 bedroom & up	24	2	-	-	4	2
Penthouse	4	-	-	-	-	9
Other	27	-	-	-	-	3
Opening quarter sales	**99**	**6**	**37**	**126**	**42**	**12**
% Sold	*100%*	*21%*	*31%*	*88%*	*60%*	*25%*
Remaining inventory	0	23	83	18	28	36
Blended $PSF	$958	$1,600	$1,045	$631	$1,310	$1,850
Minimum Size (sq. ft.)	489	676	560	479	451	850
Maximum Size (sq. ft.)	2,140	1,694	916	1,085	1,043	1,415
Minimum Price	$459,900	$889,900	$579,900	$289,900	$524,900	$1,500,000
Maximum Price	$3,000,000	$3,649,900	$1,023,900	$629,900	$1,244,900	$3,150,000
Notes	Townhouse units are included in Other					Townhouse units are included in Other

Source: Altus Group

New Condominium Apartments - Openings

AltusGroup

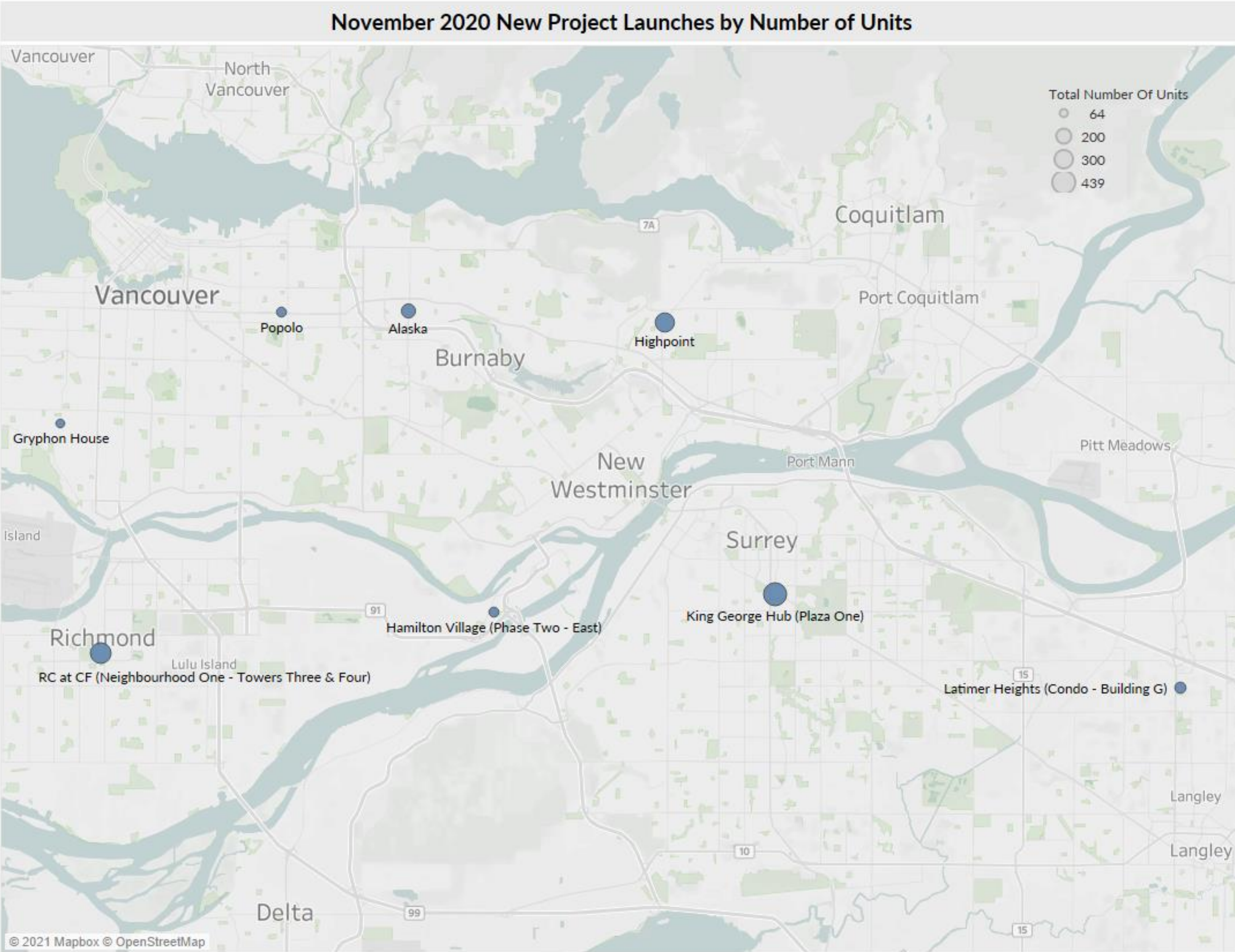
Project Record	[Light House]	[Montrose Square (Building D)]	[Otto]	[RC at CF (Neighbourhood One - Towers One & Two)]	[SOCO (Phase One - North Tower)]

New Condominium Apartment Project Openings - October 2020 (2 of 2)

Project Name	**Light House**	**Montrose Square (Building D)**	**Otto**	**RC at CF (Neighbourhood One - Towers One & Two)**	**SOCO (Phase One - North Tower)**
Developer	Aragon Properties Ltd.	Quantum Properties Inc.	Dolomiti Homes	Shape Properties Corp,Cadillac Fairview	Anthem Properties
Date Opened	2020-10-03	2020-10-13	2020-10-28	2020-10-21	2020-10-10
Subarea	Burnaby / New Westminster / Tri-Cities	Burnaby / New Westminster / Tri-Cities	Burnaby / New Westminster / Tri-Cities	Richmond	Burnaby / New Westminster / Tri-Cities
Submarket	New Westminster	Port Coquitlam	Coquitlam	Richmond Central	Coquitlam
Project Type	Low Rise	Mid Rise	Mid Rise	High Rise	High Rise
Construction Type	Wood Frame	Wood Frame	Wood Frame	Concrete	Concrete
Floors	4	6	5	14	32
Project Total Units	**87**	**91**	**51**	**344**	**273**
Total Units Released	**87**	**91**	**51**	**344**	**273**
Unit Type (see note in text)					
Studio	-	5	-	10	54
1 bedroom	28	39	32	64	53
1 bedroom + den	-	6	3	87	28
2 bedroom	44	36	11	22	108
2 bedroom + den	-	-	-	101	3
3 bedroom & up	15	5	5	24	27
Penthouse	-	-	-	14	-
Other	-	-	-	22	-
Opening quarter sales	**18**	**27**	**25**	**250**	**180**
% Sold	*21%*	*30%*	*49%*	*73%*	*66%*
Remaining inventory	69	64	26	94	93
Blended $PSF	$720	$650	$706	$1,150	$923
Minimum Size (sq. ft.)	618	311	525	388	374
Maximum Size (sq. ft.)	1,726	903	1,013	1,290	1,293
Minimum Price	$529,900	$259,900	$439,900	$425,000	$411,900
Maximum Price	$1,259,900	$625,900	$709,900	$1,225,000	$1,049,900
Notes					

Source: Altus Group

New Condominium Apartments - Openings



Source: Altus Group

New Condominium Apartments - Openings

AltusGroup

Project Record | Alaska | Gryphon House | Hamilton Village (Phase Two - East) | Highpoint

New Condominium Apartment Project Openings - November 2020 (1 of 2)

Project Name	**Alaska**	**Gryphon House**	**Hamilton Village (Phase Two - East)**	**Highpoint**
Developer	Amacon	Gryphon	Oris Consulting Ltd	Ledingham McAllister
Date Opened	2020-11-28	2020-11-13	2020-11-27	2020-11-14
Subarea	Burnaby / New Westminster / Tri-Cities	City of Vancouver	Richmond	Burnaby / New Westminster / Tri-Cities
Submarket	Burnaby North	Vancouver Westside	Richmond Central	Coquitlam
Project Type	High Rise	Mid Rise	Mid Rise	High Rise
Construction Type	Concrete	Concrete	Wood Frame	Concrete
Floors	22	5	5	52
Project Total Units	**164**	**64**	**85**	**303**
Total Units Released	**164**	**64**	**85**	**303**
Unit Type (see note in text)				
Studio	-	-	-	-
1 bedroom	66	-	3	97
1 bedroom + den	10	-	18	176
2 bedroom	40	35	10	-
2 bedroom + den	29	-	51	-
3 bedroom & up	10	24	3	26
Penthouse	3	5	-	4
Other	6	-	-	-
Opening quarter sales	**80**	**1**	**0**	**152**
% Sold (of released units)	*49%*	*2%*	*0%*	*50%*
Remaining inventory	84	63	85	151
Blended $PSF	$955	$1,600	$670	$880
Minimum Size (sq. ft.)	507	850	549	632
Maximum Size (sq. ft.)	1,547	1,600	1,152	1,250
Minimum Price	$444,900	$1,599,900	$399,900	$587,900
Maximum Price	$1,769,900	$4,099,900	$819,900	$1,219,900
Notes	Townhouse units are included in Other	Townhouse units are included in Other		

Source: Altus Group

Altus Group

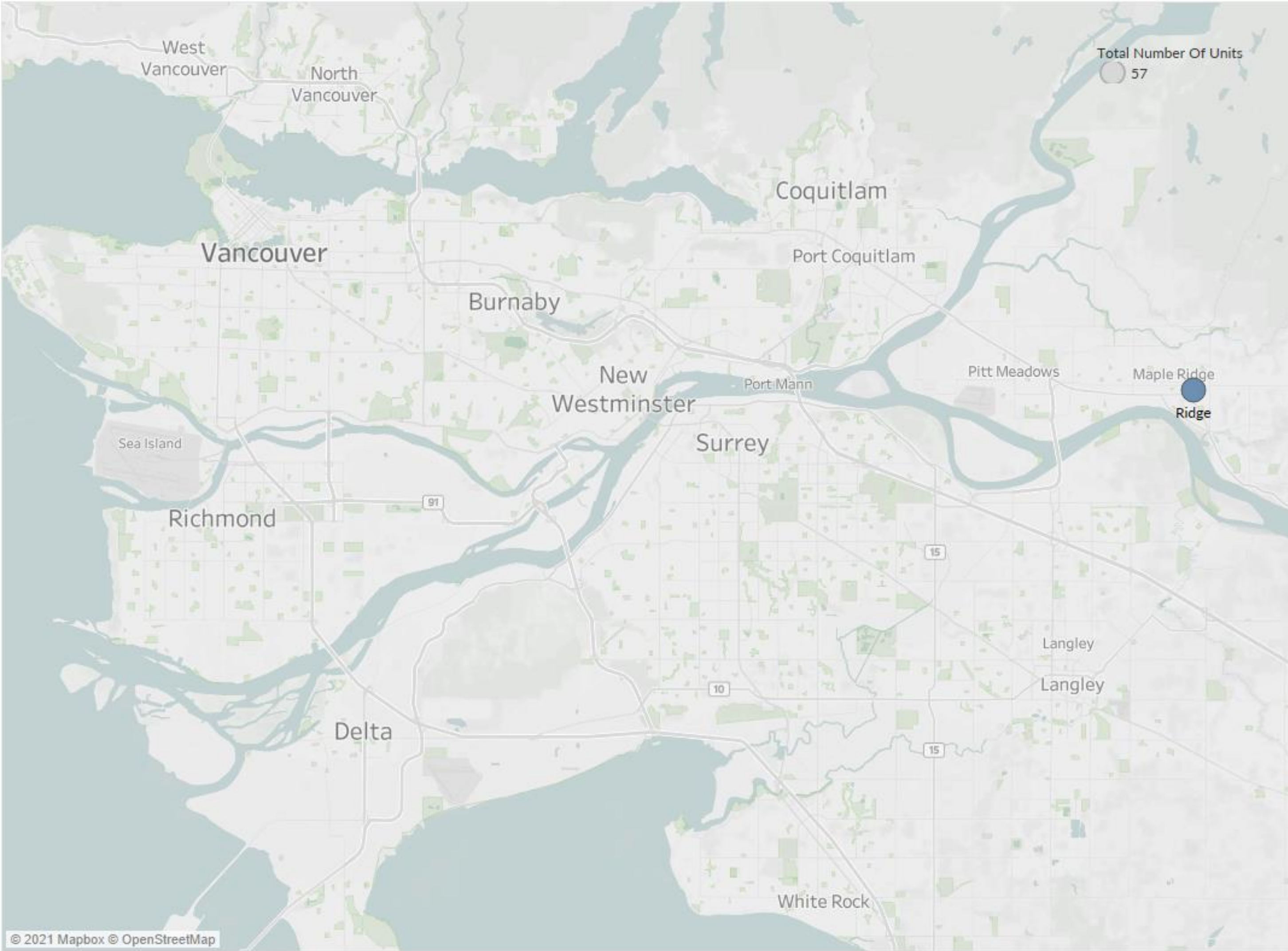
Project Record	King George Hub (Plaza One)	Latimer Heights (Condo - Building G)	Popolo	RC at CF (Neighbourhood One - Towers Three & Four)

New Condominium Apartment Project Openings - November 2020 (2 of 2)

Project Name	King George Hub (Plaza One)	Latimer Heights (Condo - Building G)	Popolo	RC at CF (Neighbourhood One - Towers Three & Four)
Developer	The PCI Group	Vesta Properties Ltd	Epix Developments Ltd.	Shape Properties Corp,Cadillac Fairview
Date Opened	2020-11-21	2020-11-21	2020-11-06	2020-11-15
Subarea	Surrey / Delta / White Rock	Fraser Valley	City of Vancouver	Richmond
Submarket	Guildford	Langley	Vancouver Eastside	Richmond Central
Project Type	High Rise	Mid Rise	Mid Rise	High Rise
Construction Type	Concrete	Wood Frame	Wood Frame	Concrete
Floors	41	6	6	14
Project Total Units	**439**	**103**	**81**	**355**
Total Units Released	**439**	**103**	**81**	**288**
Unit Type (see note in text)				
Studio	-	-	-	10
1 bedroom	283	29	12	66
1 bedroom + den	-	-	35	102
2 bedroom	156	66	11	37
2 bedroom + den	-	-	9	111
3 bedroom & up	-	8	14	12
Penthouse	-	-	-	11
Other	-	-	-	6
Opening quarter sales	**130**	**27**	**30**	**150**
% Sold (of released units)	*30%*	*26%*	*37%*	*52%*
Remaining inventory	309	76	51	138
Blended $PSF	$855	$535	$1,100	$1,160
Minimum Size (sq. ft.)	461	603	450	377
Maximum Size (sq. ft.)	818	1,315	1,135	1,586
Minimum Price	$349,900	$349,900	$605,900	$450,000
Maximum Price	$741,900	$619,900	$1,275,900	$2,200,000
Notes				Townhouse units are included in Other

Source: Altus Group

December 2020 New Project Launches by Number of Units



Source: Altus Group

Project Record Ridge

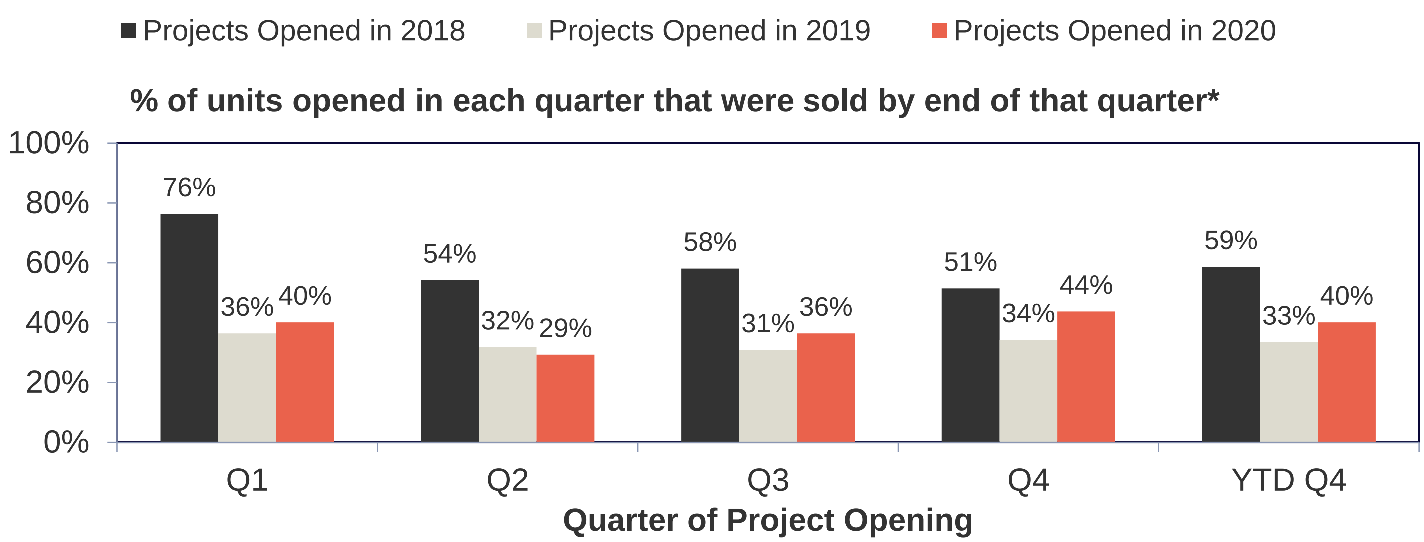
New Condominium Apartment Project Openings - December 2020	
Project Name	**Ridge**
Developer	Mortise Group of Companies
Date Opened	2020-12-18
Subarea	Fraser Valley
Submarket	Maple Ridge
Project Type	Mid Rise
Construction Type	Wood Frame
Floors	5
Project Total Units	**57**
Total Units Released	**27**
Unit Type (see note in text)	
Studio	-
1 bedroom	18
1 bedroom + den	21
2 bedroom	18
2 bedroom + den	-
3 bedroom & up	-
Penthouse	-
Other	-
Opening quarter sales	**1**
% Sold (of released units)	*4%*
Remaining inventory	26
Blended $PSF	$501
Minimum Size (sq. ft.)	687
Maximum Size (sq. ft.)	1,026
Minimum Price	$329,900
Maximum Price	$509,900
Notes	

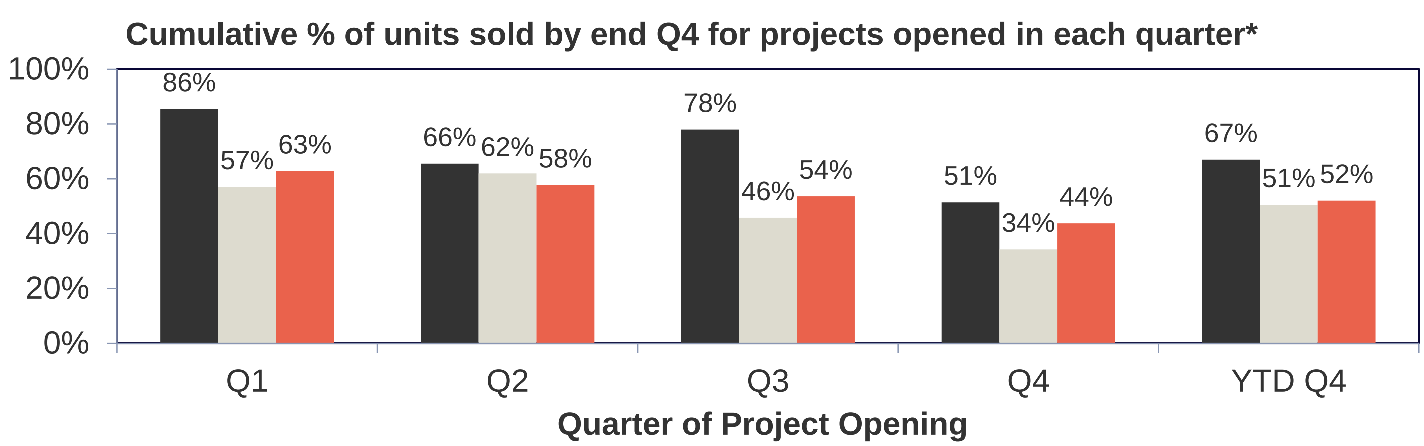
Source: Altus Group

New Condominium Apartments - Openings

- **Sales rates at new projects opened in Q4 2020 improved materially over the same period last year.** For projects opened earlier in the quarter (October and November), sales rates through the end of Q4 were about the same as those opened later. Improving sales at launch is a positive sign that the market is shaking the impacts of the pandemic and is potentially set to see a stronger 2021.
- **Half of units in projects launched in 2020 were sold by the end of the year, about the same as last year.**
- Caution needs to be used in comparing sales rates for projects opened in any particular quarter, as the timing of when projects opened in the quarter may vary (i.e. have differing numbers of days opened).

Vancouver Market Area New Condominium Apartment New Project Absorption Timelines



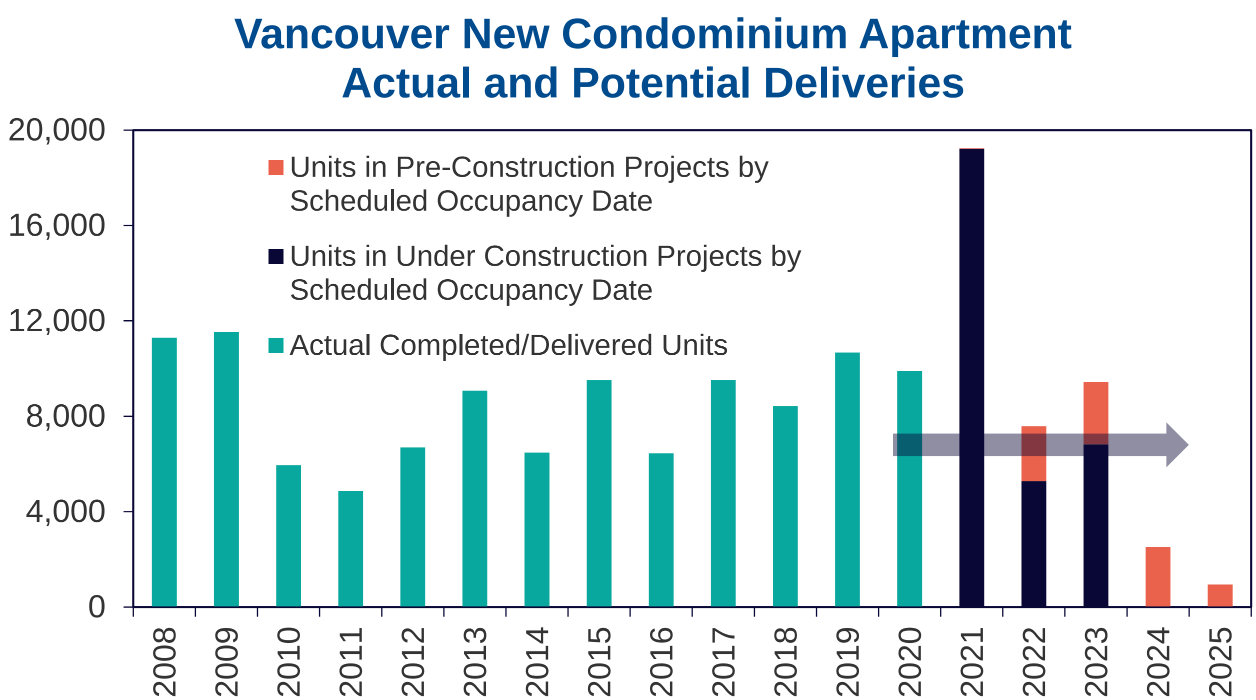


** The total includes unreleased units*

Source: Altus Group

New Condominium Apartments - Completions

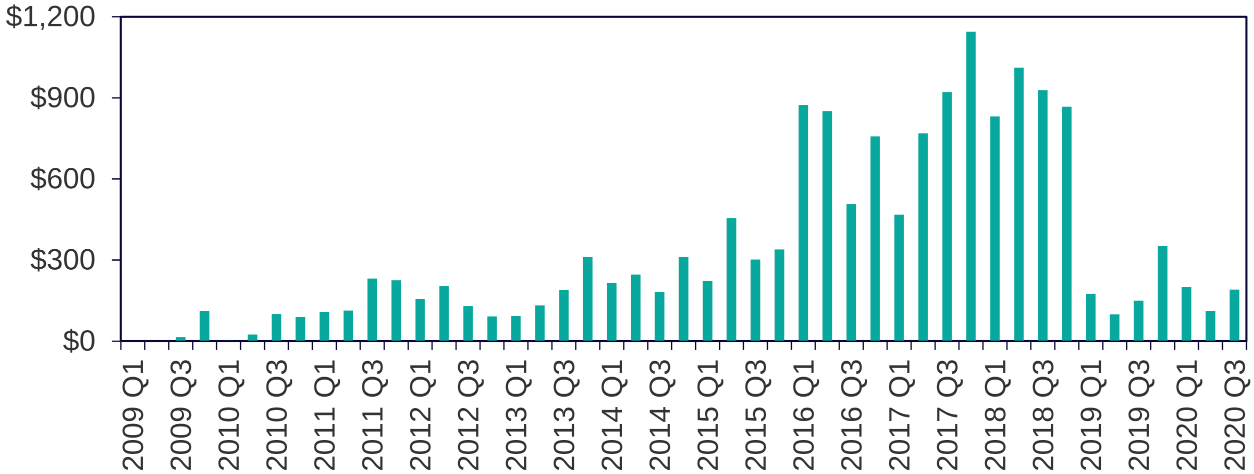
- As of the end of Q4 2020, there were **over 39,000 new condominium apartment units in projects that were either under construction or in pre-construction stages in the Vancouver Market Area**.
- There were 9,911 units delivered/completed in 2020 as a whole, based on Altus Group data, down 7% from 2019.
- Based on scheduled occupancy dates, and only considering units currently under construction, **it is expected that completions of condominium apartment units will be higher in 2021.** However, industry capacity thresholds, as well as some construction site delays due to social distancing measures, worker illness, disruption in materials supply chain, etc. are expected to push the delivery timeline for some of these units out further than originally planned dates.
- Looking ahead to 2021, uncertainty over the continued impacts of the pandemic on construction make it challenging to adjust the supply forecasts into 2022 and beyond, but we do anticipate that at least a 1/4 of the pending supply to push into 2022 and beyond for completion, bringing the anticipated completions closer to 14-15,000 units.



Source: Altus Group

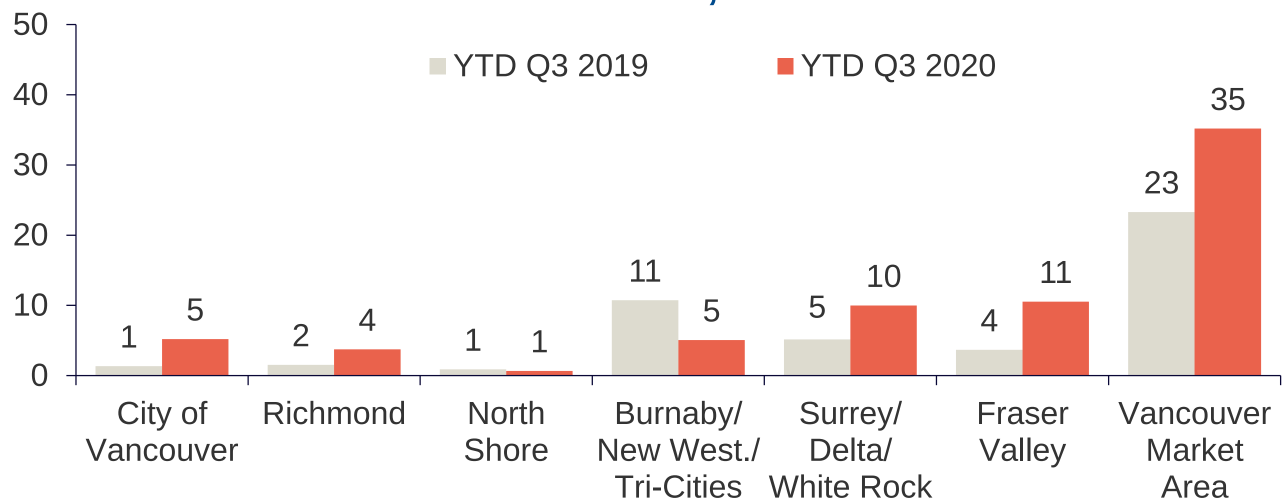
- **The dollar volume of sales of high density residential land in the Vancouver Market Area increased in Q3 2020**, according to Altus Group transactions data, up 27% from Q3 2019. In Q3 2020, high density residential land sales – potential land for future condominium and purpose-built rental projects – totaled just $191 million.
- For the three quarters of 2020, there were 35 acres of high density residential land purchased, a 51% increase from the same period in 2019. The increase in acreage sales of high density residential land was across most of the subareas, with the main exception of Burnaby/New Westminster/Tri-Cities.

Vancouver High Density Residential Land Sales Transactions, $Millions



Source: Altus Group

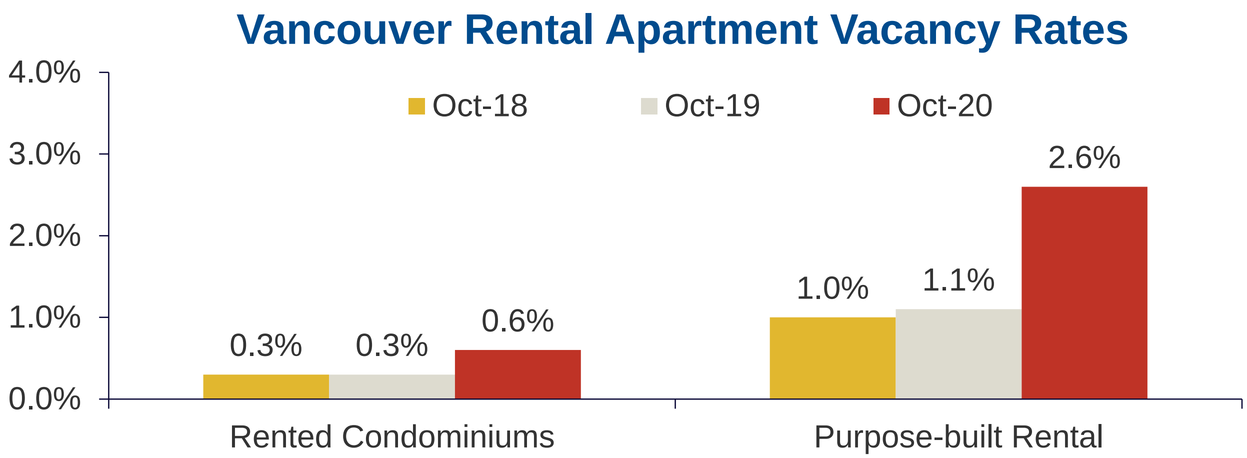
Vancouver High Density Residential Land Sales Transactions, Acres



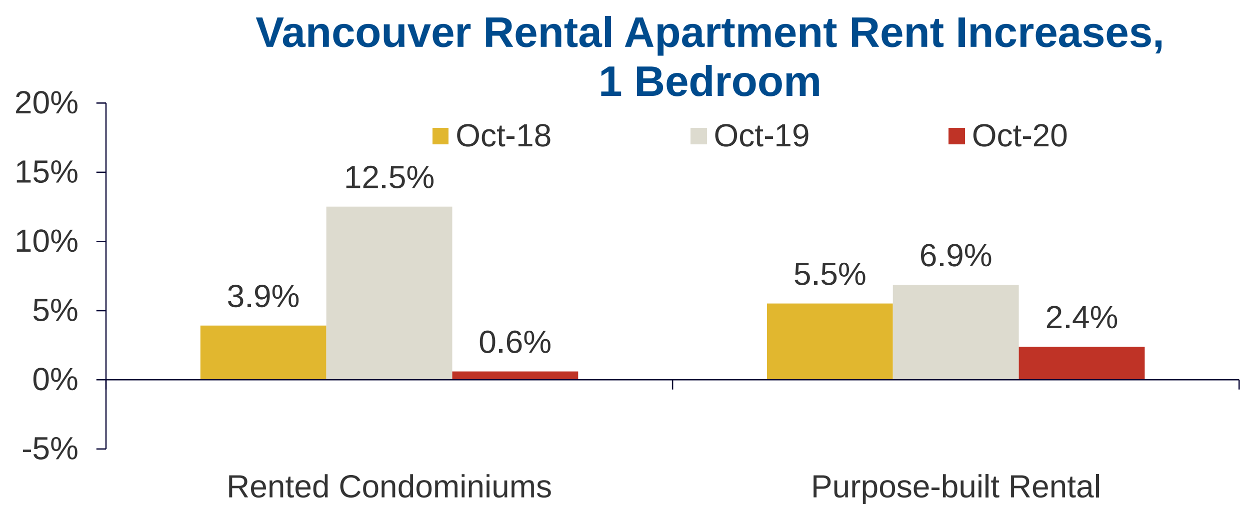
Source: Altus Group

Rented Condominium Apartments

- The 2020 CMHC Rental Market Report results show that **the overall vacancy rate for rented condominium units in the Vancouver market shot up to 2.6%** in October 2020 – just shy of the record level of 2.7% in both 1998 and 1999. Similarly, the vacancy rate in rented condominiums also rose.
- The elevated vacancy rate is putting downward pressure on rents. Using a one-bedroom unit to illustrate, average rent increases slowed to a fraction of the pace of 2019.
- The CMHC data also show that **3 in 10 condominium apartments were in the rental pool as of October 2020,** up from the previous year. The increase in rental condominium apartments was more than double the overall increase in total condominium apartments; meaning some older condos were being brought into the rental pool, in addition to the portion of newly completed units that were being rented out. Some of this increase is likely due to units moving from the short term rental pool and may return post pandemic.

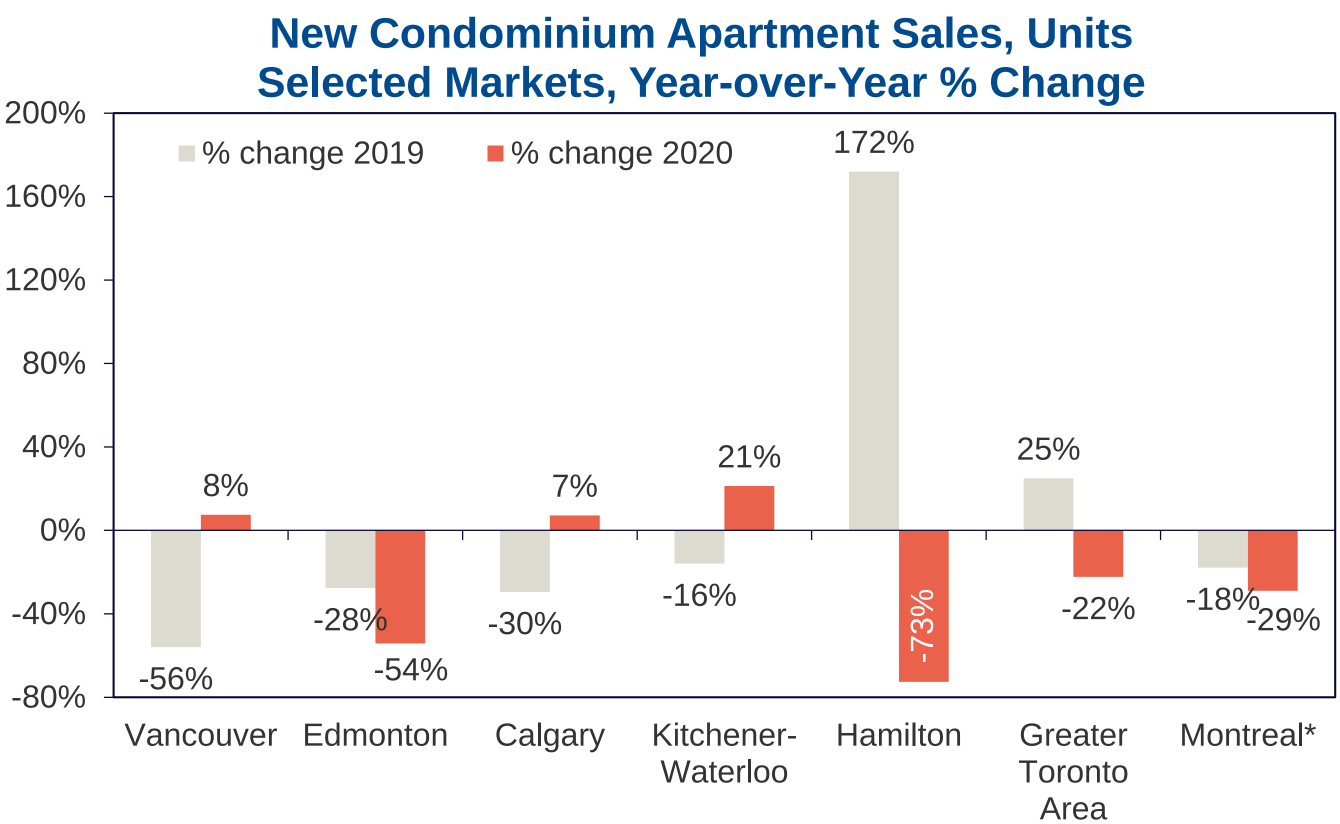


Source: Altus Group based on CMHC data



Source: Altus Group based on CMHC data

- Of the major markets tracked by Altus Group, **Kitchener-Waterloo saw a notable increase in condominium apartment sales in 2020,** while Vancouver and Calgary had small increases over 2019.
- Hamilton saw a substantial decline in 2020 after a strong 2019, while the Edmonton market's struggles continued. After some pickup in the summer months, **the GTA finished 2020 down from 2019,** due in part to a slow fourth quarter.



** YTD Q3 for 2020

Source: Altus Group

Altus Group New Home Data Definitions
Vancouver Market Area

Vancouver Market Area	The Vancouver Census Metropolitan Area plus Abbotsford. For simplicity in the report, the area is generally referred to as "Vancouver"; whereas the central municipality is clarified with "City of Vancouver".
Condominium apartment	Includes condominium apartment structures of all heights (low, mid and high-rise). Low-rise: up to and including 4 storeys Mid-rise: 5-9 storeys High-rise: 10 or more storeys
Single-family	Includes detached, semi-detached (duplex) and townhouse units (including stacked townhouse) in projects of 20 or more units.
Inventory	New units available to purchase/unsold at end of the period. Includes available units in pre-construction, under construction and completed projects.
Months of inventory	Unsold inventory at period end divided by average monthly sales in the previous 12 months. Indicates how long current inventory would last assuming same pace of sales (and no additional product added).
Blended $ PSF	The average price of units in projects launched during the period. Calculated by taking a unit weighted average of individual project blended average prices per square foot. The prices do not reflect constant quality product, but rather what is available to purchase in newly launched projects.
Unit size	Average size (sq. ft.) of units in projects launched during the period. Calculated by taking a unit weighted average of individual project blended average sizes.
Completions	Units in projects that have reached occupancy status/been delivered during the period.
"Record" performance	All "record highs" and "record lows" are based on the time period over which Altus Group has been tracking the variable.

Note: all historical data is subject to revision