

SPRING 2017



FRASER VALLEY MARKET OVERVIEW



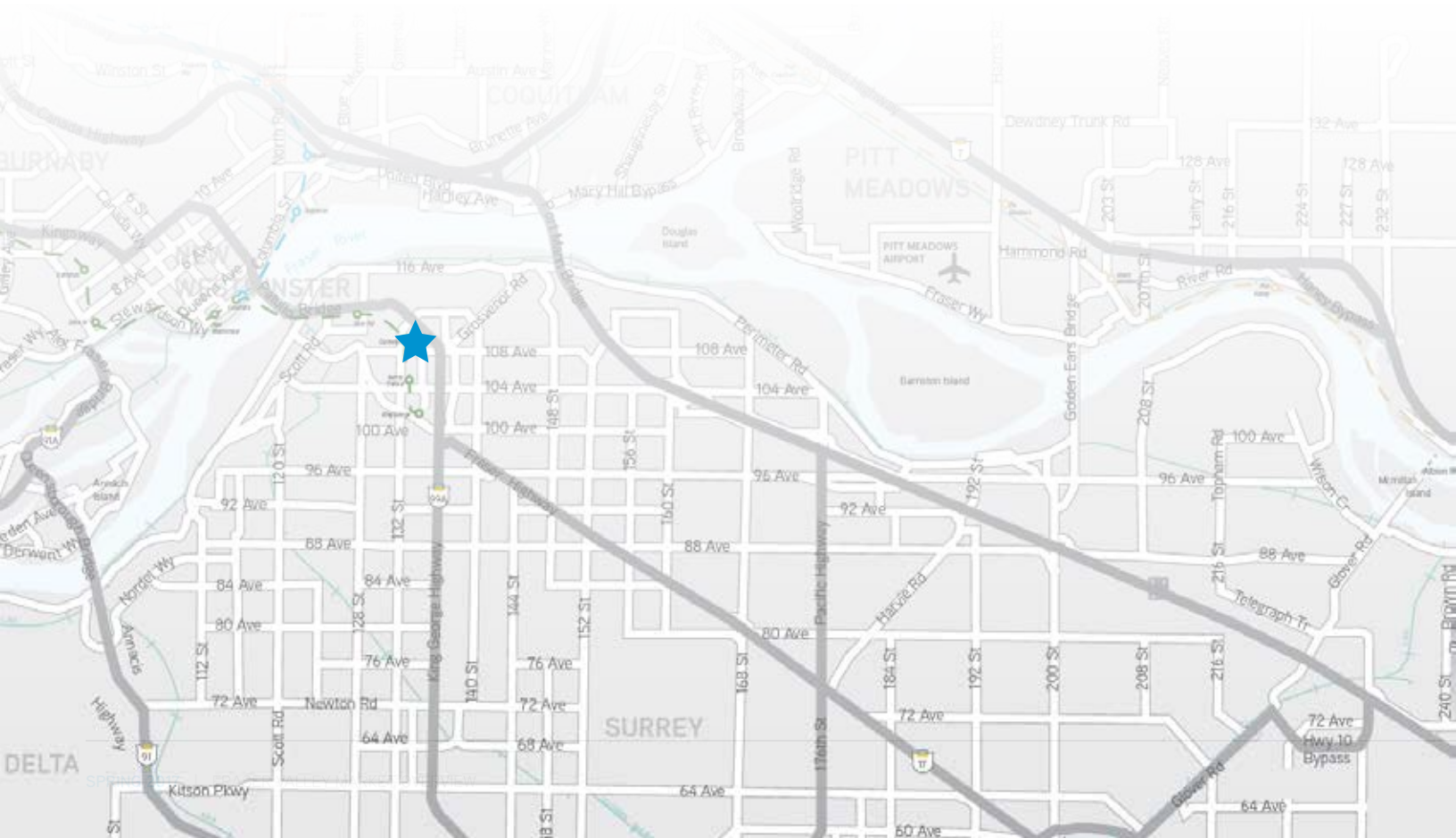
NEW LISTINGS



TRANSIT-ORIENTED DEVELOPMENT OPPORTUNITY IN SURREY'S CITY CENTRE

13418 & 13428 108TH AVENUE, SURREY BC

- Opportunity: To acquire a development opportunity for a future mixed-use high rise building in the core of Surrey's City Centre within walking distance to the SkyTrain.
- Price: \$4,500,000.00
- Lot Size: 20,953 SF
- OCP Designation: High Rise up to 5.5 FSR
- Planning Context: 13418 & 13428 108 Avenue are located within the Central Business District. The OCP guidelines provide an increase in density up to 5.5 FSR for a mixed use development to include residential and commercial uses. Residential and commercial demand in Surrey's City Centre continues at an all-time high with limited new-supply and increasing rents, representing an excellent redevelopment opportunity.



RECENT DEALS



SERVICED COMMERCIAL DEVELOPMENT SITE LOT 1 80 AVENUE & 200 STREET

- Sale Price: Contact Dylan Sohi or Jason Teahen
- Lot Size: 87,126 SF (2.0 acres)
- Comments: Located in the Latimer neighbourhood which will accommodate approximately 18,705 people in 7,861 dwelling units. The Property is within close proximity to Langley Park & Ride, Langley Events Centre and other services and amenities. This corner site has excellent exposure with a desirable configuration featuring 384 feet of frontage along 200 Street. The current zoning provides for a density of ± 1.83 FSR with an immediate development potential for up to $\pm 160,000$ SF of commercial area and a potential increased density of up to 3.0 FSR for a mixed-use development (including commercial and residential) through rezoning in accordance with the Latimer NCP.



DEVELOPMENT OPPORTUNITY IN SURREY'S CITY CENTRE 10790 KING GEORGE BOULEVARD, SURREY BC

- Asking Price: \$2,650,000.00
- Summer 2017 Completion
- Lot Size: 20,819 SF
- OCP Designation: Mixed-use development up to 3.5 FSR
- Comments: Located on the corner of 108 Avenue and King George Boulevard, the site offers favorable access and positioning for redevelopment. Located within two blocks of the Gateway SkyTrain Station, Station Tower, Gateway Place (Bosa Properties), 10790 King George Boulevard is poised to benefit from the adjoining development which will include a three-tower high-rise development and a neighbouring 6-storey building (Tien Sher) totaling 1,063 new residential units. Existing building allows for potential holding income.

RECENT DEALS



BRAND-NEW RETAIL BUILDING IN CLOVERDALE

17565 58 AVENUE, SURREY BC

- Sale Price: \$2,600,000
- Lot Size: 25,842 SF
- Comments: Well-exposed commercial development site neighboring Townline's The Bristol in downtown Cloverdale fronting Cloverdale Bypass. The final sale price includes completed building plans proposing a single-storey retail building of 7,433 SF and grade level parking.



9677 KING GEORGE BOULEVARD, SURREY BC

- Selling Price: Please contact Dylan Sohi
- Lot size: 1.15 Acres
- Comments: High profile high-density development site along King George Boulevard's proposed Light Rail Transit route located within steps of Surrey Memorial Hospital and King George SkyTrain station.

RECENT INVESTMENT SALES

	Address	Sale Price	Site Size (SF)	Price per SF	Comments
	8338 120 Street Surrey, BC	\$4,300,000	19,348	\$277	This +/- 15,500 SF building is elevator serviced and has over 55 underground and surface parking stalls. A&A Plaza is centrally located along the Scott Road corridor neighboring Earth King Developments Arista Professional Centre set to complete later this year. Sold by Mike Grewal.
	1556-1570 George Street White Rock, BC	\$6,800,000	22,581	\$765*	Located within White Rock's Town Centre designated a high density site with future development potential. 1556-1570 George Street is located within 2 blocks of White Rock's Transit Exchange.
	6465 201 Street Langley, BC	\$7,450,000	68,825	\$149,000 per door	Originally constructed as Quality Hotel & Suites circa 2010 and later converted to an apartment building. Site characteristics include a total of 60 grade level parking stalls (20 of which are covered).

*Approximate based on WROMS measurements

RECENT LAND SALES

	Address	Sale Price	Site Size (Acres)	Price per Acre	Proposed Use
	32888 Maclure Road Abbotsford, BC	\$1,600,000	1.081	\$1,480,111	Redekop Homes Ltd. purchased this strategically located multi family site Q1 2017. As per the Abbotsford Official Community Plan, the land is dedicated Urban 1 Midrise allowing 1.0-2.0 FSR through rezoning.
	3354-3502 208 Street Langley, BC	\$8,015,000	6.574	\$1,219,197	Purchased by Qualico Developments Ltd. this future development site is located within the proposed Brookwood/Fernridge Neighborhood Concept Plan.

JOINT VENTURES

Fraser Valley's strong real estate investment market is experiencing historically high real estate values, increasing construction costs, and a limited amount of quality, developable land. For property owners, developers and business owners, this situation presents a number of daunting challenges.

The Evolution of a Joint Venture

Real estate development is, and always will be, a capital intensive business. As such, joint ventures have been common practice throughout the history of developing cities, whether between financial institutions or private capital partners. Traditionally, a joint venture involved a developer who would acquire a site, conceptualize a development, and go to market seeking a capital/financial partner. Given the rising costs of development in Vancouver in recent years, the focus has shifted to locating a site and working with the owner on a potential partnership from the beginning of the project. As such, we see three scenarios in which joint ventures are established in current-day:

1. An investor owns a site that is not at highest-and-best use. The land owner then connects with a developer to redevelop the site. This owner/investor has the option to sell at market value or participate in the development project through a variety of scenarios.
2. An owner-occupier of a site that is not highest-and-best use would like to unlock the equity in the site but does not have the expertise or necessary capital to develop. At this point, a developer would share the risk with the owner and build them a new space and potentially share in the profit from the resulting densification.
3. A developer has acquired a site and plans to develop a building, for example an office tower, but due to an over-supplied market, requires a tenant to occupy a

significant portion of the site to move forward with financing and construction. This scenario opens up opportunities for companies looking to own their space and participate in a joint venture with the developer.

Who Benefits from a Joint Venture?

- › Land-owners who want to maximize the value of their property by developing it to its highest and best use.
- › Developers with the necessary expertise to build, but lacking access to well-located developable land.
- › Business owners who want to invest in their premises, but who do not want to take on the full responsibility of developing them.

A successful partnership requires an investment of time and expertise to navigate the real estate market to everyone's benefit. Creative partnerships are not the easy option, but they can be the best choice to maximize property value while reducing the risks of redevelopment. Each opportunity relies on variables such as land size, location and development potential as per municipalities bylaws and planning context. Please contact Dylan Sohi to better understand the future potential of your property.



A successful joint venture relies on bringing business partners together to meet the collective business objectives.

1

Property Owner

- Provides land in agreement to be partners in development

Property owners need a partner who understands their objective and will work with them to achieve that, whether it is to sell outright, develop and sell, or develop and maintain part ownership of their asset.

2

Developer

- Ability to take the project to market at highest-and-best use
- Willing to front the capital to develop the project

Developers need to be connected with property owners who are looking to maximize the value of their land and want a strategic partner who can supply the capital and expertise to develop the property to its best use.

3

Business Owner

- Invest in ownership in the project and sign long-term lease
- Opportunity to provide stability to a project and attract other tenants

Business owners looking to invest in their premises can find the solution in a build-to-suit scenario where they partner with the developer from the very beginning to design a building that suits their business needs and brand.

4

Colliers International

- Ability to connect partners in all aspects of the process
- Provide expertise in the market and support each step along the way

Colliers International has the market knowledge to create these strategic partnerships and manage the process from beginning to end. Our brokers have access to the deepest level of resources and will work with you on everything from initial financing, throughout the design and build phase, and on to leasing and long-term property management.





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