

Year End Edition



APARTMENT



SOURCE



2016 Sales Data by Geographic Region

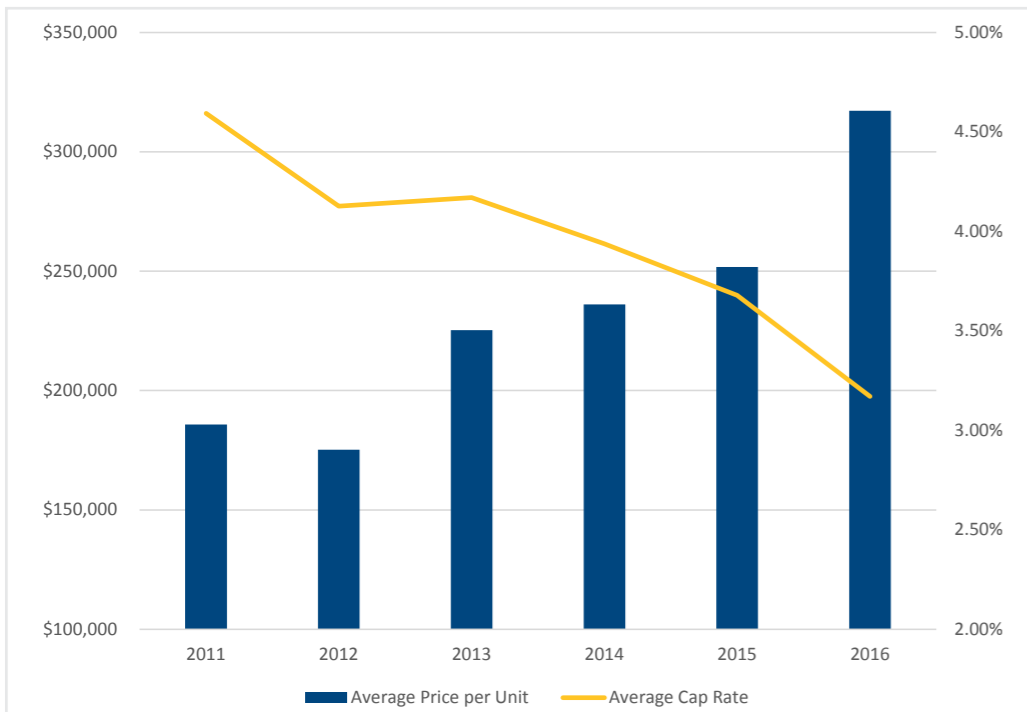
Area	Average Price per Unit		Year Over Year		Average Cap Rate		Year Over Year		Number of Sales		Year Over Year	
	2015	2016	%	↑ / ↓	2015	2016	%	↑ / ↓	2015	2016	%	↑ / ↓
Burnaby	\$209,581	\$272,279	30%	↑	3.12%	2.48%	-0.64%	↓	20	9	-55%	↓
Fraser Valley	\$136,732	\$174,067	27%	↑	4.68%	4.96%	0.28%	↑	31	26	-16%	↓
New Westminster	\$172,167	\$182,098	6%	↑	4.20%	3.50%	-0.70%	↓	21	17	-19%	↓
North Vancouver	\$277,708	\$344,821	24%	↑	3.43%	3.23%	-0.20%	↓	8	7	-13%	↓
Tri-Cities	\$168,617	\$228,164	35%	↑	4.30%	3.50%	-0.80%	↓	7	4	-43%	↓
Vancouver	\$339,376	\$405,108	19%	↑	3.21%	2.66%	-0.55%	↓	77	76	-1%	↓
Richmond & Delta	\$193,385	\$221,875	15%	↑	4.01%	3.20%	-0.81%	↓	5	1	-80%	↓
Metro Vancouver	\$251,755	\$317,203	26%	↑	3.68%	3.17%	-0.51%	↓	169	140	-17%	↓

*Source: Realnet

**Apartment buildings sold as development sites not included

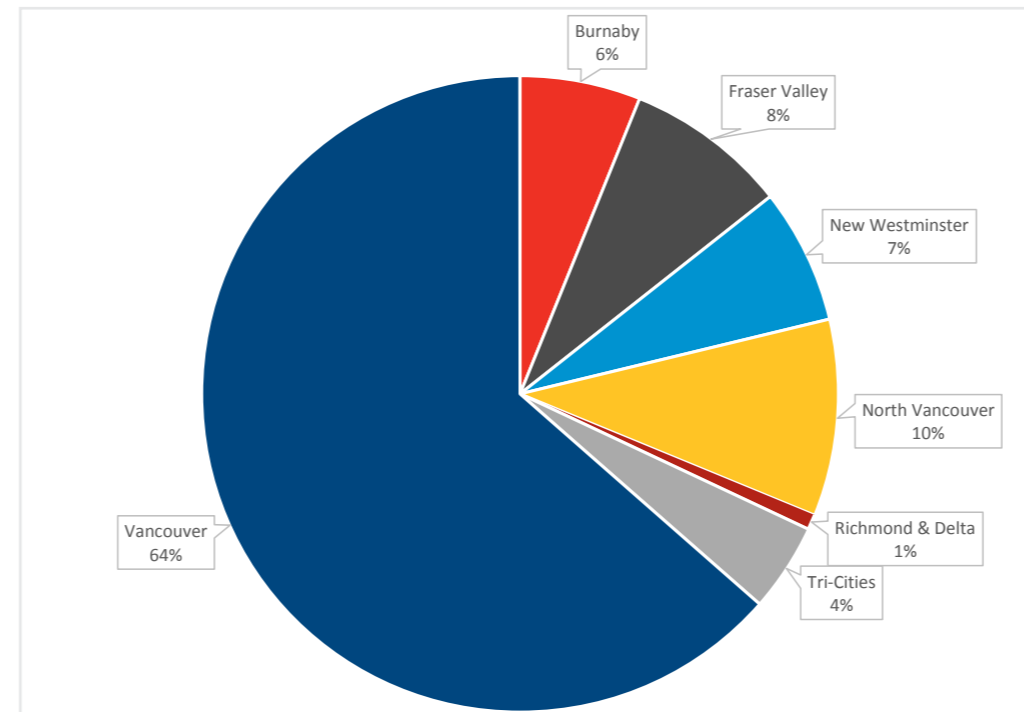
Cap Rates VS. Price Per Unit

Greater Vancouver has witnessed unprecedented pricing increases, as average per-unit value of apartment buildings have nearly doubled since 2012. Average capitalization rates have continued on a downward trajectory, decreasing 51 basis points from 3.68% in 2015 to an all-time low of 3.17% in 2016.



2016 Sales Transactions by Geographic Area

Well over 60% of apartment building transactions in 2016 occurred within the City of Vancouver, with 76 sales totaling nearly \$580 million. North Vancouver sales totaled over \$91 million with only seven transactions, which equates to an average sale price of approximately \$13 million.



2016 Annual Review

TOTAL SALES VOLUME

The record-shattering sales velocity witnessed in the last half of 2015, whereby 99 sales totaled nearly \$1 billion, was still evident in the first half of 2016. There were 89 apartment sales totaling over \$580 million; an increase from 70 sales totaling just over \$315 million in the first half of 2015. However, this momentum slowed as number of sales dropped to 33 and 18 in the third and fourth quarter respectively, a total dollar volume of just under \$330 million.

PRICE PER UNIT

Although overall supply diminished as the total number of sales decreased by nearly 20% from 2015, significant demand was still evident as price-per-unit values for every sub-market in Metro Vancouver increased by 6%-35%, with an average increase of 26% for Metro Vancouver. The Tri-Cities sub-market witnessed the largest increase in per-unit value, which is likely due to the sale of a brand new purpose-built rental building in Port Coquitlam. Values of North Vancouver apartment buildings have also grown exponentially, as per-unit values have increased by 24% since 2015 and over 50% since 2014.

CAPITALIZATION RATES

Inversely, capitalization rates have continued to compress. The largest decreases were evident where lack of supply has been most prevalent like the Burnaby, New Westminster, Tri-Cities and Richmond & Delta sub-markets. Additionally, as affordability becomes a factor throughout Vancouver, tenants have ventured to these suburban markets due to their proximity to Downtown Vancouver, as well as, their convenience and amenities, relatively inexpensive rents, and the emergence of rapid transit. In turn, the vacancy, and therefore risk, has decreased in these markets and investors have become more bullish with their expected yields as they still are far more favourable than those offered in Vancouver's extremely competitive market.

For more information regarding our annual review or any other inquiries, please contact the [Apartment Source Team](#).



2016 Sales

Apartment Source Team

Featured Listings

Your Apartment Experts

6368 McKay Avenue
Burnaby, BC



Sale Date: Feb 2016
Sale Price: \$1,700,000

938 East Broadway
Vancouver, BC



Sale Date: Mar 2016
Sale Price: \$2,780,000

8615 Laurel Street
Vancouver, BC



Sale Date: Apr 2016
Sale Price: \$6,250,000

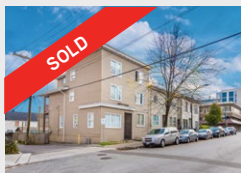
Sale Date: Jul 2016
Sale Price: \$7,800,000

1309 West 14th Avenue
Vancouver, BC



Sale Date: May 2016
Sale Price: \$9,688,000

230 Princess Avenue
Vancouver, BC



Sale Date: May 2016
Sale Price: \$850,000

1033 Granville Street
Vancouver, BC



Sale Date: Jun 2016
Sale Price: \$10,000,000

2272 West 7th Avenue
Vancouver, BC



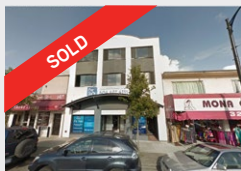
Sale Date: Sep 2016
Sale Price: \$9,000,000

610 Alexander Street
Vancouver, BC



Sale Date: Sep 2016
Sale Price: \$4,750,000

6632 Main Street
Vancouver, BC



Sale Date: Sep 2016
Sale Price: \$4,800,000

527 East Hastings Street
Vancouver, BC



Sale Date: Dec 2016
Sale Price: \$1,538,000



4095 Fraser Street, Vancouver, BC

- > 3-storey wood frame apartment building
- > 13 suites with phenomenal investment upside
- > \$3,998,000



325 Casey Street, Coquitlam, BC

- > 3-storey plus basement apartment building
- > 33 renovated suites with open floor plans
- > \$6,998,000



1925 Woodland Drive, Vancouver, BC

- > Extensively renovated 32 unit building
- > Preferred suite mix featuring private balconies
- > \$18,880,000



190-200 Carson Crescent, Kamloops, BC

- > Waterfront location with stunning views
- > 22 suites that are fully occupied
- > \$2,198,000

STEVE FAME*
604 761 3263
steve.fame@colliers.com

DAN CHATFIELD
604 318 6313
dan.chatfield@colliers.com

JONATHAN GEE
604 781 9865
jonathan.gee@colliers.com



COLLIERS INTERNATIONAL
200 Granville Street, 19th Floor
Vancouver, British Columbia
Canada V6C 2R6
www.collierscanada.com

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