

PRE-SALE PULSE MARKET INSIGHTS

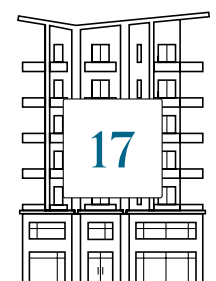
MLA ADVISORY | JULY 2021

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JUNE 2021 PRE-SALE REAL ESTATE INSIGHTS

GREATER VANCOUVER & FRASER VALLEY PRE-SALE HOME SUMMARY | MAY TO JULY 2021

**MAY 2021
RELEASED ***

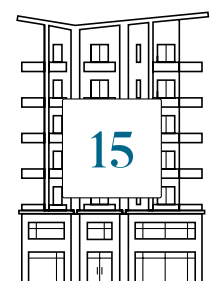


PROJECT LAUNCHES

2,232

APPROX. NO. PRE-SALE UNITS

**JUNE 2021
RELEASED ***



PROJECT LAUNCHES

1,307

APPROX. NO. PRE-SALE UNITS

**JULY 2021
FORECAST ***



PROJECT LAUNCHES

2,151

APPROX. NO. PRE-SALE UNITS

“

As expected, market levels have hit a strong but more sustainable level as we enter the summer. Although technically down from our historic peak in March, overall market activity remains quite high and added presale inventory will provide options for buyers as we see current conditions level off through to the Fall.

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Suzana Goncalves

EVP, SALES AND MARKETING; PARTNER, MLA CANADA

*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, Urban Analytics and RealNet

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PRESALES STEADY AS THE MARKET FRENZY COOLS

Despite a slight reduction in resale market activity following a historic March, the presale market has been very consistent. In June, there were 15 new presale projects that began selling, releasing 1,307 condominium and townhome units to market. Of the newly released units, 42% sold in June, marking the fifth consecutive month of 40%+ presale absorptions. Broken down by product type, there were six townhome, five wood frame condominium, and four concrete condominium projects that launched sales campaigns in June. Similar to the past few months, there was concentrated market activity in Vancouver, the Tri-Cities, as well as Maple Ridge, reinforcing that market demand is wide-spread both in terms of product type and price point. Notably, Reliance Properties released 2 Burrard Place in June, which is the first presale project downtown to successfully launch since 2017. The early interest in 2 Burrard Place will likely encourage other downtown developers to take their projects off pause and release new units, something that the downtown market desperately needs. .

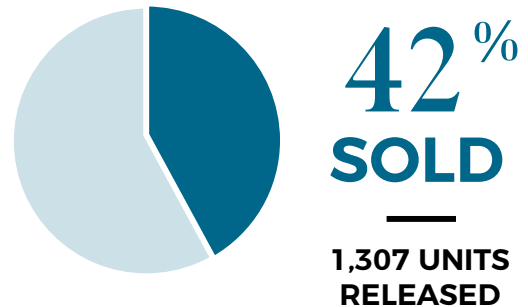
SUMMER HOLIDAYS AND SOLID MARKET ACTIVITY

Almost half of our Canadian population is now fully vaccinated and as restrictions in the province start to ease people have turned their attention to domestic travel, visiting friends and family they have not seen in months and enjoying the particularly hot weather. We have seen this impact the overall market as listings and sales are down slightly in June and to which we expect it to continue through July and August. Broadly speaking, the overall market is still strong and active with almost 6000 transactions between Greater Vancouver and the Fraser Valley and we have found a more sustainable market level down from the March peak. We expect this more realistic but active market level to continue into the Fall and of course, longterm, with border openings on the horizon, we expect to see the market continue to escalate. We should also see patient buyers benefit from the summer slight slowdown rather than the torrid, multiple offer landscape in the spring.

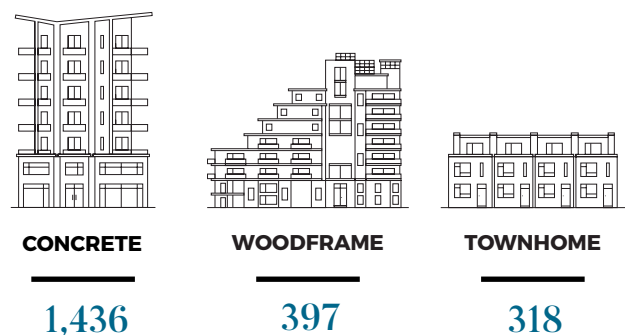
SECOND WAVE OF PRESALE PROJECTS UPCOMING

Reduced market demand in 2018 and 2019 caused developers all over the Lower Mainland to put their projects on pause and reevaluate product design amid stagnant price growth. This, combined with the Covid-19 pandemic, made the market outlook incredibly uncertain during the Spring and Summer of 2020. However, as we have seen over the past six months, both resale and presale market activity has been historic, instilling confidence in the development community that presale financing can be achieved and new projects can be brought to life. Interestingly, as older projects sell successfully, we are beginning to see newly approved projects come to market. With this in mind, MLA Advisory forecasts 2,151 new presale units coming to market in July across 17 projects. Broken down by product type, there will be 12 new condominium projects and 5 new townhome projects. These projects are spread across the Lower Mainland and Kelowna - which will see two mixed-use, highrise developments come to market this summer. Furthermore, Block by Amacon in Downtown Vancouver will be the second presale project in that market in as many months, indicating increased demand in the premium segment of the market. For reference, the last successful launch in Downtown Vancouver was four years ago in 2017.

Pre-Sale Sold Rate In June 2021



Pre-Sale Units Forecasted for July 2021



MLA Canada's dedicated Advisory team maintains an exhaustive understanding of market intelligence. We offer the development industry market intelligence, product design and price analysis services leveraging our in-depth investigation to assist in strategy, acquisition and feasibility.

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The data is provided through various sources such as Urban Analytics, RealNet and REBGV and is analyzed and interpreted by MLA Advisory. The information, analysis and opinions are compiled through various sources thought to be extremely reliable, although accuracy cannot be guaranteed. MLA Canada or its employees will not be held liable for the information, analysis and opinions herein.