

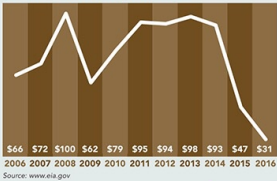
MAC Intel

VANCOUVER EDITION 2016

MAC Intel is MAC Marketing Solutions' annual interpretation of the significant macro and micro indicators that drive Metro Vancouver's real estate market.

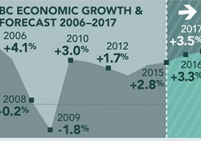
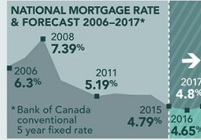
For 2016, MAC Marketing Solutions is expecting strong sales numbers across the Lower Mainland and all housing types with less aggressive price increases than seen in 2015.

AVERAGE ANNUAL CRUDE OIL SPOT PRICE 2006-2015 (USD/barrel WTI Cushing, Oklahoma)



Major Economic Trends

Despite numerous pressures on the Canadian economy, BC is forecast to out-pace other provinces as a relatively safe and desirable place for international and national money.

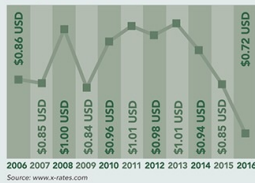


Source: Bank of Canada, Statistics Canada, Central 1 BC Economic Forecasts.

For more details, please call 604.753.8062



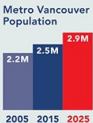
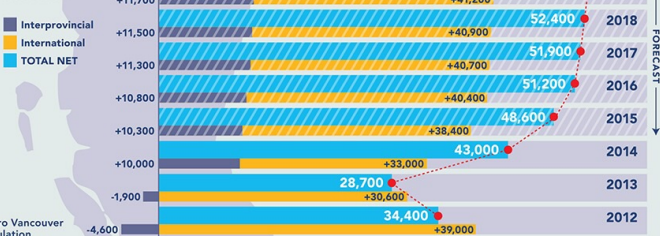
CAD/USD EXCHANGE RATE 2006-2016



BC Population Trends & Employment Trends

BC's population increased substantially in 2015 due to people looking West for job stability to counter the country's struggling oil and gas sector. Strong employment growth coupled with added population demand will in turn create pressure on housing supply.

BC INTERNATIONAL & INTERPROVINCIAL MIGRATION



EMPLOYMENT GROWTH & FORECAST

BRITISH COLUMBIA AVERAGE

2015 +1.0% 2016 +1.9% 2017 +2.1%

NATIONAL AVERAGE

2015 +0.8% 2016 +1.1% 2017 +1.3%



BC AVERAGE WEEKLY WAGES

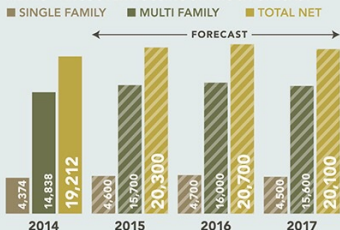


Source: Statistics Canada, CMHC Housing Market Outlook Q4 2015 and BC Stats: Earnings and Employment Trends Data December 2015.

Housing Market Trends

Continued increases in population and only minimal increases in housing starts will in turn put pressure on prices in 2016. 2015 ended with a sales-to-active listing of almost 47%. We expect this to cool slightly although we do continue to expect a strong year in sales and another seller's market. As demand stays strong for single family homes and the supply of detached homes diminishes, we expect this to pull up townhomes and apartments as people look for more affordable housing options.

METRO VANCOUVER HOUSING STARTS & FORECAST



Source: 2015 CMHC Canada Housing Market Outlook Q4.

RESALE APARTMENT BENCHMARK PRICES

GREATER VANCOUVER 2006-2015
 Percent change 2014-2015: +13.9%
 Percent change 2006-2015: +34.6%



Source: Real Estate Board of Greater Vancouver.

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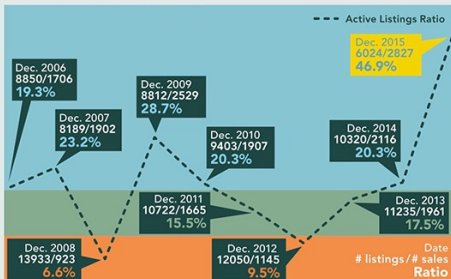


SALES-TO-ACTIVE LISTINGS RATIO

GREATER VANCOUVER RATIO TREND

December 2006 - December 2015

The ratio is a measure of balance between supply and demand in the housing market.



Source: Real Estate Board of Greater Vancouver.

GREATER VANCOUVER HPI* BENCHMARK PRICE & PERCENT CHANGE BY HOUSING TYPE

December 2006 - December 2015

ALL RESIDENTIAL TYPES



SINGLE FAMILY HOMES



APARTMENTS



TOWNHOMES



TOP PERFORMING MUNICIPALITIES BY HPI BENCHMARK PRICE & PERCENT CHANGE (APARTMENTS ONLY)

December 2006 - December 2015

West Vancouver



Vancouver Westside



Vancouver East



Coquitlam



New Westminster



Burnaby South



Richmond



South Surrey & White Rock†



Burnaby North



North Vancouver



*The MLS® Home Price Index (HPI) is an alternative measure of real estate prices that provides a clearer picture of market trends over traditional tools such as mean or median average prices. The Index measures the rate at which housing prices change over time based on typical and constant quality properties. All figures are based on past sales.

† Data for White Rock/South Surrey is from the Fraser Valley Real Estate Board and is only available for 2008-2015.

Source: Real Estate Board of Greater Vancouver (REBGV) and Fraser Valley Real Estate Board (FVREB).

Multi-Family Concrete New Construction

The multi-family new construction market continues to be active with healthy absorptions for pre-completed product in 2014. Most pricing is expected to remain stable with modest growth although there are a few pockets that could see over supply.

NEW CONSTRUCTION CONCRETE MULTI-FAMILY SUPPLY & DEMAND

New home inventory released vs. absorbed into the market in 2015

GREATER VANCOUVER (2015)



West Vancouver



Vancouver Downtown



Vancouver Westside



Burnaby Brentwood



Burnaby Metrotown



Richmond Central



North Vancouver



Vancouver East



White Rock South Surrey



Coquitlam



* The average is high for 2015 due to a few high-end projects sold in downtown Vancouver and West Vancouver during 2015. If the West Vancouver project is left out of the calculation, the average drops to \$705/SF and if both West Vancouver and downtown are left out, the average for the remaining Greater Vancouver neighbourhoods combined becomes \$643/SF.

COST OF CONSTRUCTION METRO VANCOUVER

CONCRETE: MID RANGE Metro Vancouver 2015
\$225-\$260/SF
2016 FORECAST
\$230-\$270/SF

WOOD FRAME: MID RANGE Metro Vancouver 2015
\$165-\$190/SF
2016 FORECAST
\$170-\$200/SF

CONCRETE: PREMIUM FINISHINGS Downtown Vancouver 2015
\$260-\$350/SF
2016 FORECAST
\$270-\$350/SF

PERCENT CHANGE COST OF CONSTRUCTION 2014-2015



Source: Altus Group.

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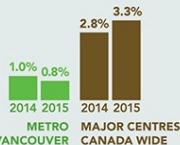


Rental Market Trends

Vacancy rates dipped below one percent in 2015 putting pressure on rental rates particularly in high-demand neighbourhoods. We expect to see more purpose built rental buildings to come to market in 2016 but don't foresee that this trend will significantly impact vacancy or rental rates.

Condo Vacancy Rate Metro Vancouver*

0.8%



* Vacancy rate for privately owned condos available for rent.

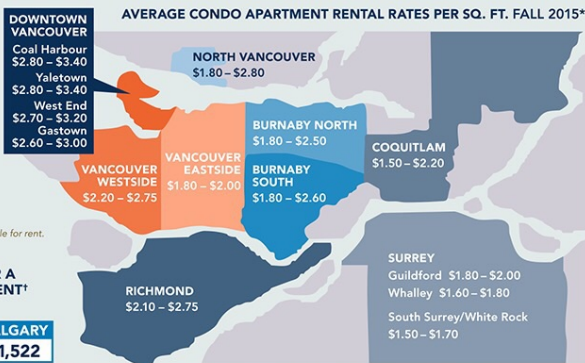
AVERAGE MONTHLY RENT FOR A 2-BEDROOM CONDO APARTMENT* (OCTOBER 2015)

| TORONTO | VANCOUVER | CALGARY |
|---------|-----------|---------|
| \$1,754 | \$1,543 | \$1,522 |

† Average rents are for each city's Census Metropolitan Area (CMA)

Source: CMHC Rental Market Reports Fall 2015

AVERAGE CONDO APARTMENT RENTAL RATES PER SQ. FT. FALL 2015*



* Based on properties < 20 years old currently rented out by ADVENT property management.

Source: ADVENT Real Estate Services.

All statistics taken from external sources, referenced above. MAC Marketing Solutions does not guarantee the accuracy or completeness of the information. In providing this information MAC Marketing Solutions does not assume any responsibility or liability. Prospective homebuyers should not rely solely on the information contained therein. E.&O.E.

MAC

Marketing Solutions

MAC Marketing Solutions is Western Canada's premium provider of real estate services to the new home development industry offering: market intelligence, envisioning, product design, and project marketing and sales.

For more analysis and a print-friendly version of the MAC Intel, visit:
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