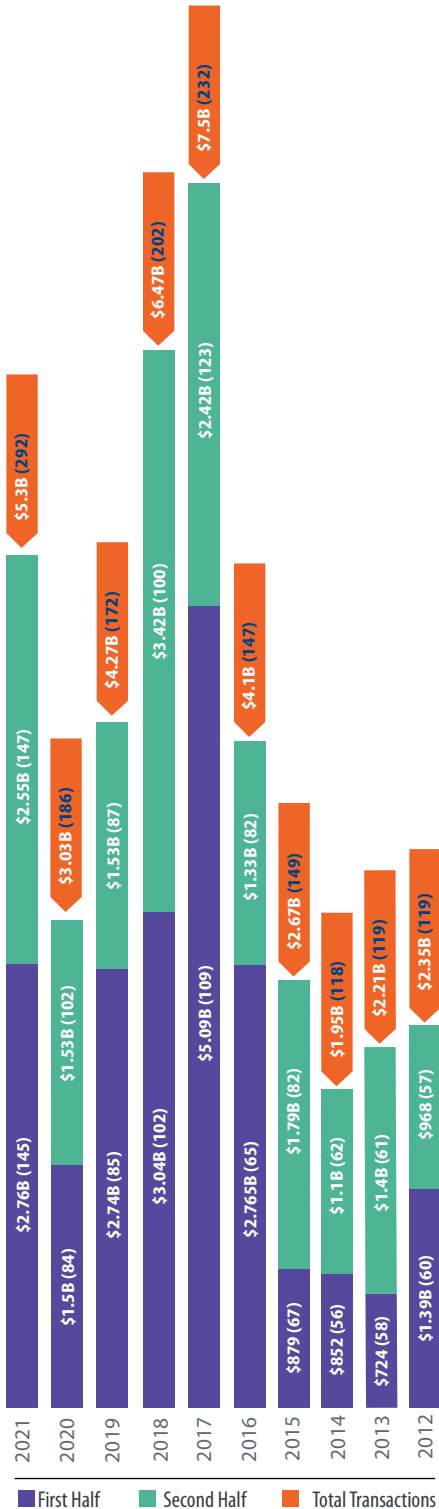


British Columbia

Year-End 2021: BC Investment sales by dollar volume & number of sales

OFFICE, INDUSTRIAL & RETAIL DEALS >\$5M



BC investment market hits record stride as deal velocity achieves new heights with vociferous demand

A robust resurgence in investor confidence in British Columbia's commercial real estate market took hold in 2021 with sales activity achieving new heights with the most deals ever registered in a single year in BC and the third-highest dollar volume on record. As the impacts of COVID-19 containment measures began to wane by year's end, an astonishing 292 deals (industrial, retail and office) valued at \$5.32B transacted in 2021 – far surpassing the record of 232 transactions set in 2017. (Avison Young tracked retail, office and industrial deals valued at more than \$5M per transaction for this report.)

While interest in all asset classes remained high in 2021, investors were hyper focused on acquiring industrial assets and multi-family properties in BC. (Avison Young tracks multi-family sales separately, which totalled 141 sales valued at \$3.2B in 2021 – another record.) These exceptional levels of demand for BC commercial real estate resulted in a rapid rebound in 2021 and the third-best year in terms of dollar volume since Avison Young started tracking the investment market in 2000. While local private purchasers and

vendors continued to make up the bulk of sales activity, institutions stepped back into the breach in 2021 after spending much of 2020 on the sidelines.

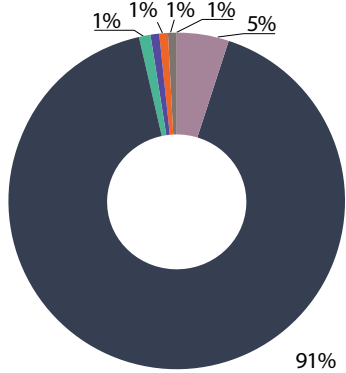
BC's industrial market continued to set new benchmarks in 2021 with 154 deals valued at more than \$2.3B – an astonishing performance that dwarfs previous years and is unlikely to be surpassed in 2022. Driven by the availability of low-cost capital, a lack of industrial land, growth in demand from users (particularly logistics/distribution and film/television production) and a consensus that average industrial rents are below market with chronic record-low regional industrial vacancy continuing to exert upward pressure on rents, investors of all stripes were willing to stretch resulting in premium pricing being achieved by vendors. The largest industrial sales in 2021 included 3100 Production Way (\$185M) and **Marine Drive Industrial Centre** (\$123.4M), both in Vancouver, and three industrial properties in Surrey and Abbotsford (\$104.5M). Almost one in five industrial deals (17%) that closed in BC in 2021 were valued at \$20M or greater.

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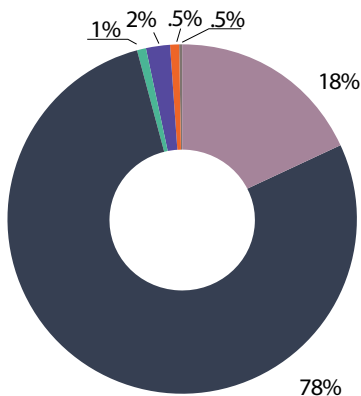
Buyer & Seller Profiles - 2021

Private purchasers represented the overwhelmingly dominant buyer type in 2021 in terms of total number of acquisitions completed (91%), down from 94% in 2020, which had been just short of the record set at mid-year 2020 (95%). Private purchasers' share of 2021 dollar volume (78%) slipped slightly from 82% in 2020, which had been a new record, due largely to the absence of institutional purchasers in 2020.

2021: NUMBER OF TRANSACTIONS BY TYPE OF BUYER



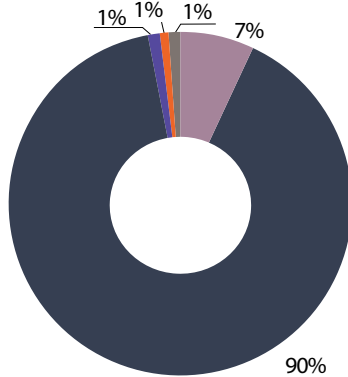
2021: VALUE OF SALES BY TYPE OF BUYER



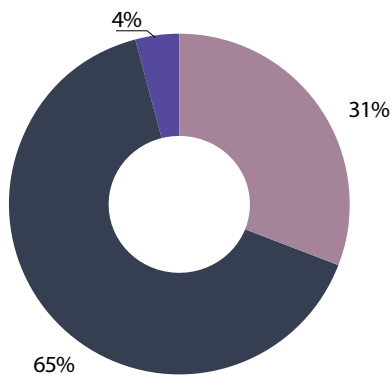
Private Investors REIT Public Co. Government Non-Profit Institutional

Private vendors accounted for 90% of the deals in 2021, but captured just 65% of total proceeds. Institutional vendors were involved in just 7% of sales but captured 31% of total dollar volume in 2021. Institutions were sellers of notable office, retail and industrial assets and were able to capitalize on strong pricing as many pruned portfolios and focused on core-plus while often limiting exposure to retail and, to a lesser extent, select class B and C office properties.

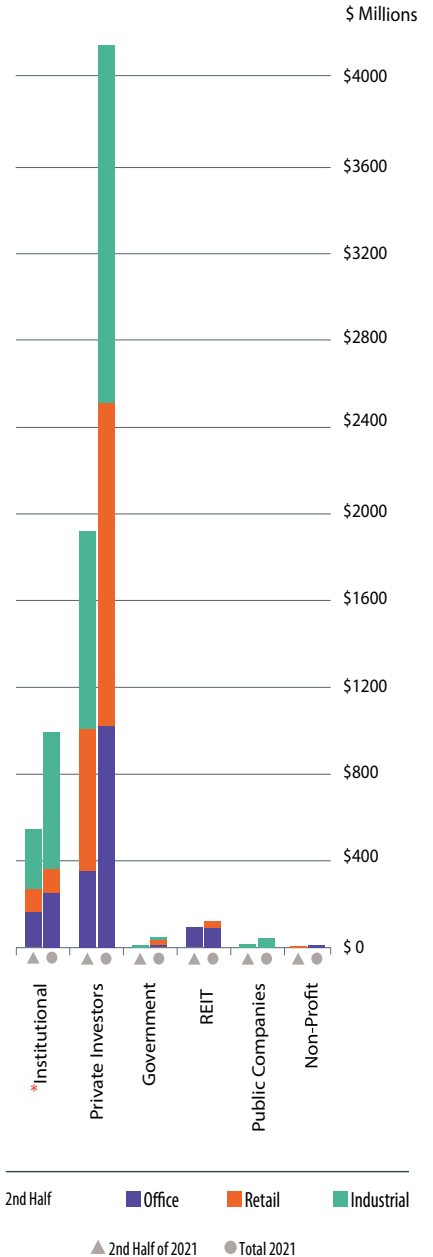
2021: NUMBER OF TRANSACTIONS BY TYPE OF SELLER



2021: VALUE OF SALES BY TYPE OF SELLER



SECOND HALF & TOTAL OF 2021: BUYER PURCHASES BY ASSET TYPE



* Institutional investors can include pension funds, offshore interests and life insurance companies

Note: Foreign buyers have also been active investors. Rather than identifying them separately as foreign, Avison Young is categorizing them as institutional or private as the case may be. T

Land

While Avison Young has highlighted BC's industrial, commercial and investment (ICI) land sales as well as the top five BC residential land sales (by value) in its investment reports since 2014, the increasing profile of commercial and residential land sales in the BC investment market warranted further discussion and analysis.

Commercial ICI lands include parcels that can have mixed-use applications and are designated as commercial, commercial industrial or commercial residential properties. These properties typically have a zoning that permits a combination of uses such as industrial, office, retail or residential on site in a given development. While some of these properties have an existing building on site, the sale has been determined to be driven by its value as land for redevelopment. Commercial ICI land in Vancouver remains at a premium with the majority of sales – 22 of 41 sales – located within city limits in 2021. However, the largest deal of the year was 5900 No. 2 Road; 6191, 6311 & 6751 Westminster Highway in Richmond (\$271.25M) followed by 86 & 168 Southeast Marine Drive (\$150M) and 1155 East 6th Avenue (\$117.5M), both in Vancouver.

Industrial ICI land sales – land that is zoned for industrial uses only – remained brisk in 2021 with very limited availability driving pricing higher throughout Metro Vancouver. Sales activity gravitated towards the outer suburbs and into the Fraser Valley. The sale of 2450 United Boulevard in Coquitlam (\$45M) topped the list in 2021 followed by 20580 Maple Crescent in Maple Ridge (\$40M) and 8686, 8698 & 8700 Barnard Street in Vancouver (\$34.36M). Surrey remained the most active industrial land market in BC with 14 of 46 sales in 2021, followed by Vancouver (5), Abbotsford (4), Delta (4), Richmond (3), Coquitlam (3), Langley (3), Burnaby (2) and Chilliwack (2). Single industrial land sales occurred in Squamish, Maple Ridge, Langford, Kelowna and New Westminster.

COMMERCIAL ICI LAND SALES (Greater than \$5 million and excluding parks and agricultural/agricultural business lands) July 1 to December 31, 2021

PROPERTY	LOCATION	PRICE	TYPE	SITE SIZE (ACRES)	DATE
86 & 168 Southeast Marine Drive	Vancouver	\$150,000,000	Commercial Industrial	12.37	Dec-21
9744 176th Street	Surrey	\$22,000,000	Commercial Industrial	7.54	Dec-21
45 & 37 West 7th Avenue	Vancouver	\$14,483,500	Commercial	0.37	Dec-21
1521 Pemberton Avenue	North Vancouver	\$5,500,000	Commercial Residential	0.18	Dec-21
8 & 24 East Broadway	Vancouver	\$42,000,000	Commercial	0.37	Dec-21
1100 Grant Street; 1539 & 1575 Vernon Drive	Vancouver	\$70,000,000	Commercial Industrial	2.84	Dec-21
5900 No. 2 Road; 6191, 6311 & 6751 Westminster Hwy	Richmond	\$271,250,000	Commercial Residential	20.85	Dec-21
516 & 534 West Pender Street	Downtown Vancouver	\$64,387,000	Commercial	0.41	Nov-21
11 East 4th Avenue	Vancouver	\$30,500,000	Commercial Industrial	0.56	Nov-21
2835 East 12th Avenue	Vancouver	-	Commercial Industrial	1.40	Nov-21
16505 & 16541 16 Avenue	Surrey	\$10,500,000	Commercial	10.15	Nov-21
162 Main Street	Vancouver	\$10,063,000	Commercial Residential	0.14	Nov-21
9770 King George Boulevard	Surrey	\$70,000,000	Commercial Residential	3.09	Nov-21
11479 125A Street	Surrey	\$6,000,000	Commercial Residential	1.60	Nov-21
2822 – 2840 West 4th Avenue	Vancouver	\$10,396,959	Commercial Residential	0.23	Oct-21
37937, 37915, 37911 Cleveland Avenue; 1361 & 1367 Main Street	Squamish	\$13,000,000	Commercial Residential	1.18	Oct-21
55 W Hastings Street	Downtown Vancouver	\$5,100,000	Commercial Residential	0.10	Oct-21
1155 East 6th Avenue	Vancouver	\$117,500,000	Commercial Industrial	2.10	Sep-21
1836 & 1842 Lonsdale Avenue	North Vancouver	\$5,200,000	Commercial Residential	0.17	Sep-21
7010 King George Boulevard	Surrey	\$6,150,000	Commercial Residential	1.00	Aug-21
8040 River Road	Richmond	\$6,400,000	Commercial Residential	0.47	Aug-21
33012 Marshall Road	Abbotsford	\$14,000,000	Commercial Residential	1.76	Aug-21
1021 & 1032 Nicola Avenue	Port Coquitlam	\$22,500,000	Commercial	8.68	Aug-21
9419 173A Street	Surrey	\$5,800,000	Commercial	2.32	Jul-21
43971 Industrial Way & 7985 Lickman Road	Chilliwack	\$22,200,000	Commercial	12.57	Jul-21

INDUSTRIAL ICI LAND SALES (Greater than \$5 million and excluding parks and agricultural/agricultural business lands) July 1 to December 31, 2021

PROPERTY	LOCATION	PRICE	TYPE	SITE SIZE (ACRES)	DATE
16425, 16531 & 16441 Old McLellan Road	Surrey	\$18,776,250	Industrial	11.14	Dec-21
1950 Brigantine Drive	Coquitlam	\$21,000,000	Industrial	6.76	Dec-21
9640 McCarthy Road	Kelowna	\$6,305,000	Industrial	3.88	Dec-21
27447 56 Avenue	Langley	\$5,775,000	Industrial	2.36	Dec-21
16530 Old McLellan Road	Surrey	\$26,276,250	Industrial	15.17	Nov-21
8818 & 8823 Greenall Avenue	Burnaby	\$18,500,000	Industrial	4.62	Nov-21
8696, 8698, & 8700 Barnard Street	Vancouver	\$34,356,500	Industrial	2.79	Oct-21
19082 32nd Avenue	Surrey	\$7,400,000	Industrial	2.25	Oct-21
830 McCallum Road	Langford	\$16,601,760	Industrial	5.67	Oct-21
13611 Mitchell Road	Richmond	\$9,700,000	Industrial	1.79	Oct-21
13050 88 Avenue	Surrey	\$12,400,000	Industrial	2.00	Oct-21
2142 Townline Road	Abbotsford	\$8,400,000	Industrial	3.46	Oct-21
7977 River Road	Delta	\$5,000,000	Industrial	2.54	Sep-21
43, 65 & 93 East 3rd Avenue	Vancouver	\$24,200,000	Industrial	0.55	Aug-21
1360 -1380 Napier Street	Vancouver	\$11,125,000	Industrial	0.45	Aug-21
3086 190th Street	Surrey	\$6,900,000	Industrial	2.25	Aug-21
2450 United Boulevard	Coquitlam	\$45,000,000	Industrial	10.03	Jul-21
17801 64th Avenue	Surrey	\$15,000,000	Industrial	3.32	Jul-21
20580 Maple Crescent	Maple Ridge	\$40,000,000	Industrial	30.57	Jul-21
46520 Airport Road	Chilliwack	\$28,400,000	Industrial	15.22	Jul-21
822, 832 & 840 East Cordova Street	Vancouver	\$9,500,000	Industrial	0.49	Jul-21
19062 34A Avenue	Surrey	\$5,050,000	Industrial	1.45	Jul-21
38933 Queens Way & 1130 Resolution Way	Squamish	\$20,000,000	Industrial	9.52	Jun-21**

TOP FIVE RESIDENTIAL LAND SALES (METRO VANCOUVER) (By Price) July 1 to December 31, 2021

PROPERTY	LOCATION	PRICE	SITE SIZE (ACRES)	SITE SIZE (SF)	DATE
7000 Lougheed Highway	Burnaby	\$151,000,000	13.95	607,488	Nov-21
513-566 Brokemere Avenue	Coquitlam	\$148,100,000	7.34	319,928	Dec-21
2950 Lougheed Highway & 2960 Christmas Way	Coquitlam	\$130,000,000	4.86	211,574	Dec-21
2300 Madison Avenue	Burnaby	\$108,000,000	6.44	280,657	Nov-21
13301 104 Avenue	Surrey	\$98,600,000	6.38	277,913	Jul-21

Prices denoted by * are share sales where an estimated price has been determined.
**This notable deal closed at the end of June 2021 and was missed in mid-year 2021 report.

Office

Office investment sales in 2021 totalled 52 transactions valued at \$1.36B, representing 26% of the overall annual dollar volume of \$5.3B while capturing 18% of total BC sales. Overall investment in BC office buildings in 2021 marked a notable improvement from 2020 when just 29 sales valued at \$910M transacted, representing the lowest dollar volume recorded since 2015 (\$809M) and the fewest office sales (28) completed since 2014. The second half of 2021, while surpassing the poor performance recorded in the back half of 2020 (14 sales/\$281M), registered just 21 sales valued at \$593M. (This dollar volume could be higher but the value of share sales involving 1085 Homer Street in Vancouver as well as 505 Doyle Avenue in Kelowna and 3885 Henning Drive in Burnaby are estimated.) Prior to 2020, investment in office properties in BC had previously surpassed \$2B annually since 2016.

Substantial office investment proceeds were largely the result of seven sales: 888 Dunsmuir & 625 Howe (\$240M) and 1138 Melville Street (\$156M), both in downtown Vancouver, 1077 Great Northern Way (\$103M) in Vancouver, 815 Hornby Street (\$93M) in downtown Vancouver, a 50% interest in 1050 West Pender Street (\$80M) in downtown Vancouver, **Upper Harbour Place I & II** (\$70M) in Victoria and the historic **Dominion Building** (\$65M) in downtown Vancouver. Together, these transactions represented 59% of annual dollar volume, but just 13% of done deals.

After registering no sales of office buildings in the downtown core in 2020, 11 downtown office buildings transacted in 2021. A number of these downtown deals were share sales, including 888 Dunsmuir Street & 625 Howe Street, 510 West

Hastings Street, 555 Richards Street and 1085 Homer Street. The number of downtown office sales – primarily class B and C properties – in 2021 was notable and marks one of the busiest years on record in terms of deal velocity. While Vancouver remained very popular with buyers with 26 of 52 sales occurring within city limits in 2021, sales in non-core markets such as the Fraser Valley (5) (Langley (3), Abbotsford (1) and Chilliwack (1)), Kelowna (4) along with Victoria (2) matched or exceeded sales in more traditional suburban office markets such as Richmond (3), New Westminster (2) and Burnaby (2). Surrey recorded a notable six sales in 2021 while deals also occurred in White Rock (1) and Prince George (1).

Office strata sales continued to make inroads with investors increasingly seeking to acquire office space in Vancouver's Mount Pleasant neighbourhood (multiple units at **The Yukon**) as well as in downtown Vancouver (**1000 Beach**, **Terminal City Club Tower** and 755 Burrard



1138 Melville Street sold for \$156M in 2021

Street) and Surrey (**CityCentre3** and **York Business Park**). More downtown office strata sales are expected to close in 2022 with the completion of two new office developments: the **Bosa Waterfront Centre** (the building is approximately 60% strata space) and the strata component of **Offices at Burrard Place**, both of which are scheduled for delivery in the first half of 2022.

An additional \$325.4M (in sales from office assets valued at less than \$5M) was raised in 247 transactions in the Lower Mainland in 2021, pushing dollar volume to almost \$1.69B in total investment.

BC OFFICE TRANSACTIONS (2ND HALF)

PROPERTY	LOCATION	PRICE	VENDOR TYPE	BUYER TYPE	DATE
Upper Harbour Place I & II 645 & 655 Tyee Road	Victoria	\$70,000,000	Institutional	Private	Dec-21
CityCentre3 #901-#910-13761 96th Ave (strata)	Surrey	\$12,767,370	Private	Private	Dec-21
Dean Business Centre 10172A Street	Surrey	\$7,500,000	Private	Private	Dec-21
1510 Commercial Drive	Vancouver	\$24,150,000	Private	Private	Dec-21
11920 Forge Place	Richmond	\$18,200,000	Private	Private	Dec-21
Cossette Building 1085 Homer Street	Downtown Vancouver	*	Private	Private	Dec-21
15 West 5th Avenue	Vancouver	\$11,500,000	Private	Private	Nov-21
#400 & #428-755 Burrard Street (strata)	Downtown Vancouver	\$9,860,000	Private	Private	Nov-21
Dominion Building 207 West Hastings Street	Downtown Vancouver	\$65,000,000	Private	REIT	Nov-21
1050 West Pender Street (50% interest)	Downtown Vancouver	\$80,000,000	Institutional	Private	Nov-21
West 200 (strata) #205, #300 & #400-19923 80A Avenue	Langley	\$16,549,081	Private	Private	Oct-21
1112 Fort Street	Victoria	\$22,000,000	Private	REIT	Oct-21
York Business Park (strata) #201, #209 & #210-12888 80th Avenue	Surrey	\$8,650,000	Private	Private	Oct-21
505 Doyle Avenue	Kelowna	*	Institutional	Private	Oct-21
1138 Melville Street	Downtown Vancouver	\$156,000,000	Institutional	Institutional	Sep-21
Novo Block 120 & 126 West 3rd Avenue	Vancouver	\$21,500,000	Private	Private	Sep-21
3885 Henning Drive	Burnaby	*	Private	Institutional	Sep-21
Hardy Place 1500 Hardy Place	Kelowna	\$17,000,000	Institutional	Private	Sep-21
Plaza 400 1011 4th Avenue	Prince George	\$32,000,000	Private	Private	Aug-21
CityCentre3 #800-13761 96th Avenue (strata)	Surrey	\$10,170,186	Private	Private	Aug-21
75 West 7th Avenue	Vancouver	\$10,200,000	Private	Private	Jul-21
Total Deals/Investment	21	\$593,046,640			

Prices denoted by * are share sales where an estimated price has been determined.

Office investment dollar volume in 2021 was a notable increase over 2020

Retail

Sales of BC retail assets rebounded substantially from a COVID-19-induced hesitancy in investment activity with 86 sales valued at \$1.65B in 2021 – a remarkable reversal from the 46 retail deals valued at \$606M in 2020. Retail deal and dollar volume in 2021 also surpassed 2019 totals and, while the dollar volume in 2021 remained substantially off 2017 (\$3.6B) and 2018 (\$2.9B) totals, deal velocity in 2021 surpassed 2018 (79 sales) and fell just short of the record set in 2017 (96 sales).

Investor enthusiasm, particularly among private purchasers, remained high in the second half of 2021 with 45 retail sales valued at \$762M, which followed a notably strong first half of the year (41 sales/\$885M). All of this activity was achieved in 2021 without the sale of any significant retail assets in Metro Vancouver. The dollar volume recorded in the second half of 2021 would likely have been higher given that the share sale values of **Langley Mall** and the 50% interest in **Guildford Town Centre** were estimated.

The second-half 2021 dispositions of **Junction Shopping Centre** and **Heritage Park Marketplace** in Mission, **Langley Mall**, **Haney Place Mall** in Maple Ridge, Delta's **Nordel Centre**, **The Shops at Polson Park** and **Anderson Crossing** in Vernon, **Southgate Shopping Centre** in Chilliwack and **Boitanio Plaza** in Williams Lake and **Railyard Mall** in Merritt highlighted investors' interest in acquiring traditional retail in secondary markets throughout the province. These sales echoed a pattern noted in the first half of 2021 when traditional suburban retail assets transacted in Coquitlam, Abbotsford and Victoria.

On the other hand, the rising profile of retail strata space was largely limited to mixed-use developments in core markets such as Vancouver and Richmond in the second half of 2021, similar to the retail strata sales recorded in Surrey, Richmond, Vancouver and Burnaby in the first six months of 2021.

Slightly more than a quarter of retail transactions occurred in Vancouver in the second half of 2021. The vast

majority were located in East Vancouver, with retail transactions on Main Street, Fraser Street, Commercial Drive, Victoria Drive and Nanaimo Street. Two retail transactions were located in Mount Pleasant with a single transaction occurring on South Granville and another in South Vancouver. Only a

single retail transaction occurred on Vancouver's west side on West Broadway in the back half of 2021.

More than \$737M (in sales from retail assets valued at less than \$5M) was raised in 437 transactions in the Lower Mainland in 2021, pushing total dollar volume to \$2.38B.

BC RETAIL TRANSACTIONS (2ND HALF)

PROPERTY	LOCATION	PRICE	VENDOR TYPE	BUYER TYPE	DATE
International Trade Centre at Versante (strata) #605 - 8400 West Road	Richmond	\$5,830,000	Private	Private	Dec-21
6672 & 6682 Main Street	Vancouver	\$5,023,000	Private	Private	Dec-21
76 Jamieson Court	New Westminster	\$5,200,000	Private	Non-Profit	Dec-21
Heritage Park Marketplace 7871 Stave Lake Street	Mission	\$22,750,000	Private	Private	Dec-21
The Shops at Polson Park 2306 Highway 6	Vernon	\$30,500,000	Private	Private	Dec-21
Haney Place Mall 11900 Haney Place; 11837 226th Street; 22581 Lougheed Highway	Maple Ridge	\$67,500,000	REIT	Private	Dec-21
Langley Mall 5501 204 Street & 20300 Douglas Crescent	Langley	*	REIT	Private	Nov-21
6035 Fraser Street	Vancouver	\$5,825,000	Private	Private	Nov-21
2992 West Broadway	Vancouver	\$7,487,500	Private	Private	Nov-21
7592 Vedder Road	Chilliwack	\$16,400,000	Private	Private	Nov-21
Maple Ridge Plaza 20110 Lougheed Highway	Maple Ridge	\$16,755,000	Private	Private	Nov-21
15141 Russell Avenue	White Rock	\$5,200,000	Private	Private	Oct-21
1110 & 1175 Lougheed Highway	Coquitlam	\$24,900,000	Private	Private	Oct-21
The Empress 440 Richards Street	Downtown Vancouver	\$9,500,000	Private	Private	Oct-21
1310 Nanaimo Street	Vancouver	\$5,250,000	Private	Private	Oct-21
The Junction Shopping Centre 32525, 32545 & 32555 London Avenue	Mission	\$90,000,000	Institutional	Institutional	Oct-21
4801 Victoria Drive	Vancouver	\$10,500,000	Private	Private	Oct-21
290-300 Riverside Drive	Penticton	\$21,900,000	Private	Private	Sep-21
The Opsal Building 1751 & 1777 Quebec Street (strata)	Vancouver	\$5,000,000	Private	Private	Sep-21
12033 84th Avenue	Surrey	\$8,050,000	Private	Private	Sep-21
2675 Granville Street	Vancouver	\$6,300,000	Private	Private	Sep-21
Southgate Shopping Centre 45905 Yale Road, 9101 & 9121 School Street	Chilliwack	\$19,450,000	Private	Private	Sep-21
8971 Bridgeport Road	Richmond	\$5,200,000	Private	Private	Sep-21
1319 Government Road	Victoria	\$5,000,000	Private	Private	Sep-21
5631 Minoru Boulevard	Richmond	\$7,500,000	Private	Private	Sep-21
The Gatehouse 319 Governors Court	New Westminster	\$5,083,750	Private	Private	Sep-21
HOUSS #101 - 63 West 6th Avenue (strata)	Vancouver	\$10,200,000	Private	Private	Sep-21
Guildford Town Centre (50% interest) 1250 Guildford Town & 15051 101 Avenue	Surrey	*	Institutional	Institutional	Sep-21
Anderson Crossing 5601 Anderson Way	Vernon	\$19,100,000	Private	Private	Aug-21
2525 & 2535 Main Street	Vancouver	\$6,100,000	Private	Private	Aug-21
Boitanio Plaza 730 Oliver Street	Williams Lake & Merritt	\$23,500,000	Institutional	Private	Aug-21
Railyard Mall 1700 Garcia Street	Williams Lake & Merritt	\$23,500,000	Institutional	Private	Aug-21
1046-1060 Deep Cove Road & 4260 Mount Seymour Parkway	North Vancouver	\$10,750,000	Private	Private	Aug-21
Romich Centre 1493 Johnston Road	White Rock	\$6,100,000	Private	Private	Aug-21
32562 South Fraser Way	Abbotsford	\$16,000,000	Private	Institutional	Aug-21
12794 96th Avenue	Surrey	\$7,000,000	Private	Private	Aug-21
135 Pemberton Avenue	North Vancouver	\$7,000,000	Private	Private	Aug-21
1055-1085 Lougheed Highway	Coquitlam	\$7,680,000	Private	Private	Jul-21
Hidden Hills 3200 Westwood Street (strata)	Port Coquitlam	\$6,250,000	Private	Private	Jul-21
1730 & 1734 Marine Drive	West Vancouver	\$5,175,000	Private	Private	Jul-21
Nordel Centre 11146-11198 84th Avenue	Delta	\$21,350,000	Private	Private	Jul-21
14100 Entertainment Boulevard	Richmond	\$18,300,000	Private	Private	Jul-21
MC2 489 Southwest Marine Drive (strata)	Vancouver	\$9,100,000	Private	Private	Jul-21
Impact Plaza 10060 152 Street	Surrey	\$75,000,000	REIT	Private	Jul-21
831 & 841 Commercial Drive; 1697 Venables Street	Vancouver	\$5,025,000	Private	Private	Jul-21
13600 Smallwood Place	Richmond	\$26,740,000	Private	Private	Jul-21
Total Deals/Investment	45	\$762,474,251			

Prices denoted by * are share sales where an estimated price has been determined.

Industrial

Unprecedented demand for BC industrial assets supercharged investment activity in 2021 with an eye-popping 154 sales valued at more than \$2.3B – burying the record of 111 sales valued at more than \$1.51B set in 2020. Investment in BC industrial assets has exceeded \$1B annually since 2017 and took just five years to more than double in dollar volume. Total industrial investment in 2021 surpassed the value of the entire BC investment market (as defined by Avison Young) in 2014.

Industrial investment surpassed all other asset classes in 2021 for the second consecutive year since Avison Young started tracking the market in 2000. The number of deals – 154 – recorded in 2021 also represented a new high-water mark in terms of deal velocity in any asset class and blew past the previous record of 111 set by BC's industrial market in 2020.

While the overwhelming majority of industrial sales were valued between \$5M and \$20M in 2021, there were 10 deals greater than \$30M, which made up 30% of overall industrial dollar volume. Of those sales, three exceeded \$100M, including 3100 Production Way (\$185M) in Burnaby; **Marine Drive Industrial Centre** (\$123.3M) in Vancouver; and 7788 132nd Street, Surrey and 30553 Great Northern Avenue & 2707-2771 Progressive Way, Abbotsford (\$104.5M). Price appreciation driven by exceedingly strong demand also led to a record number of 16 deals priced between \$20M and \$30M transacting in 2021. Almost one in five industrial deals (17%) that closed in BC in 2021 were valued at \$20M or greater – an astonishing feat in any Canadian market.

Industrial strata space continues to remain an increasingly popular choice for investors (and owner-occupiers) and that rising demand has been reflected in rapid price appreciation. There were seven industrial strata transactions valued at more than \$10M in 2021, six of them in the second half of the year. Prior to 2021, the BC market had not registered a strata industrial unit sale (unless it

was the outright purchase of all the units in an entire strata building by a single buyer) that exceeded this financial threshold.

More than \$952M (in sales from industrial assets valued at less than \$5M) was raised in 544 transactions in the Lower Mainland in 2021, pushing total dollar volume to \$3.26B.

Demand for BC industrial assets drives dollar volume to more than \$2.3B in 2021

BC INDUSTRIAL TRANSACTIONS (2ND HALF - GREATER THAN \$10M)

PROPERTY	LOCATION	PRICE	VENDOR TYPE	BUYER TYPE	DATE
3100 Production Way	Burnaby	\$185,000,000	Institutional	Institutional	Dec-21
1285 Franklin Street	Vancouver	\$21,500,000	Private	Private	Dec-21
CanFirst Abbotsford portfolio					
2076 Townline Road, 2021 & 2080 Carpenter Street	Abbotsford	\$46,000,000	Private	Institutional	Dec-21
Elite Self Storage 4402 West Shore Parkway	Langford	\$20,200,000	Private	Private	Dec-21
2651 Viscount Way	Richmond	\$10,500,000	Private	Private	Dec-21
1416 Crown Street	North Vancouver	\$11,350,000	Private	Private	Dec-21
11820 Mitchell Road	Richmond	\$22,700,000	Private	Private	Dec-21
South Cowichan Storage					
3825 Trans Canada Highway & 1334 Fisher Road	Cobble Hill	\$11,250,000	Private	Institutional	Dec-21
1345 Cliveden Avenue	Delta	\$31,002,669	Private	Private	Dec-21
20667 Langley Bypass	Langley	\$16,070,000	Private	Private	Dec-21
7415 Lowland Drive	Burnaby	\$16,800,000	Private	Private	Nov-21
11460 Voyageur Way	Richmond	\$12,800,000	Private	Private	Nov-21
North Fraser Pointe #2-8118 North Fraser Way (strata)	Burnaby	\$10,229,890	Private	Private	Nov-21
30321 Fraser Highway	Abbotsford	\$21,000,000	Private	Private	Nov-21
3653 Wayburne Drive	Burnaby	\$22,254,000	Private	Private	Nov-21
56 Fawcett Road	Coquitlam	\$10,600,000	Private	Private	Nov-21
2648 Kyle Road (building 1)	West Kelowna	\$10,100,000	Private	Private	Nov-21
19131 21st Avenue	Surrey	\$14,100,000	Private	Private	Nov-21
10185 199B Street	Langley	\$11,475,000	Private	Government	Nov-21
2051 No. 6 Road	Richmond	\$11,350,000	Private	Private	Oct-21
Northwoods Business Park (buildings 1 & 2) (15% interest) 2155 & 2255 Dollarton Highway	North Vancouver	\$14,895,000	Institutional	Public Co.	Oct-21
7307 76th Street	Delta	\$13,175,000	Public Co.	Private	Oct-21
400 Brooksbank Avenue	North Vancouver	\$13,970,000	Private	Private	Oct-21
7060 Waltham Avenue	Burnaby	\$13,750,000	Private	Private	Oct-21
12391 No. 5 Road	Richmond	\$13,865,000	Private	Private	Sep-21
12900 87th Avenue	Surrey	\$11,000,000	Private	Private	Sep-21
1357 & 1435 Powell Street	Vancouver	\$24,293,200	Private	Private	Sep-21
8308 129th Street	Surrey	\$13,160,000	Private	Private	Sep-21
3735 & 3815 1st Avenue	Burnaby	\$34,733,870	Private	Private	Sep-21
Westpointe Business Centre (strata) #110, #111 & #112-7799 Berg Road	Delta	\$19,903,000	Private	Private	Aug-21
11211 Twigg Place	Richmond	\$17,000,000	Private	Private	Aug-21
9770 199A Street	Langley	\$27,800,000	Private	Private	Aug-21
Lionsgate Business Park (leasehold interest) 102-140 Garden Avenue, 1601-1723 Welch Street & 101-139 Bowser Avenue	North Vancouver	\$22,600,000	Private	Institutional	Aug-21
Series Business Centre (Phase III) (strata) #175 & #177 - 6355 Graybar Road	Richmond	\$13,070,160	Private	Private	Aug-21
Series Business Centre (Phase III) (strata) #189 & #191 - 6355 Graybar Road	Richmond	\$12,008,440	Private	Private	Aug-21
HOUS 59 West 6th Avenue (strata)	Vancouver	\$10,200,000	Private	Private	Jul-21
11488 Eburne Way	Richmond	\$39,188,000	Private	Private	Jul-21
2625 Douglas Road	Burnaby	\$22,000,000	Private	Private	Jul-21
7865 Venture Street	Burnaby	\$12,000,000	Private	Private	Jul-21
Series Business Centre (Phase III) (strata) #179 & #181-6355 Graybar Road	Richmond	\$12,103,125	Private	Private	Jul-21
Series Business Centre (Phase III) (strata) #183 & #185-6355 Graybar Road	Richmond	\$11,970,840	Private	Private	Jul-21
8730 River Road	Delta	\$20,585,000	Private	Private	Jul-21
30745 Marshall Road	Abbotsford	*	Private	Private	Jul-21

Prices denoted by * are share sales where an estimated price has been determined.
The above chart only lists those industrial deals greater than \$10M due to space constraints; the second-half total is 81 deals valued at \$1.2B.

Multi-family

Investment activity in multi-family assets in BC achieved new heights in 2021 with an astonishing 141 sales valued at almost \$3.2B – more than doubling the previous dollar volume record of \$1.51B set in 2018 and far surpassing the deal volume record of 89 sales in 2017. (Avison Young only tracks multi-family sales trading at more than \$5M.) Investor appetite for multi-family properties appeared boundless in 2021 with institutions, private investors and REITs all acquiring assets at an unprecedented rate throughout the year. Total multi-family investment in 2021 surpassed the value of the entire commercial real estate market (as defined by Avison Young) in 2020 and was only surpassed in terms of annual dollar volume by the levels of BC commercial real estate investment recorded from 2016 to 2019.

While the second half of 2021 (63 deals/\$1.15B) marked a notable decline in deal and dollar volume from the first half of the year (78 deals/\$2.03B) for BC multi-family assets, investor demand remained persistently strong through 2021 and into 2022. This drive to acquire multi-family assets was noted in almost all parts of the province, but particularly in communities in the BC Interior as well as on Vancouver Island and in the suburbs of Victoria, which typically form part of the Capital Regional District.

Three generational portfolio sales, including share sales of two separate multi-family portfolios in Vancouver/West Vancouver and Victoria/Esquimalt to **Starlight Investments** as well as the \$292.5M multi-family portfolio sale in Vancouver to **Crestpoint Real Estate Investments** and **InterRent REIT**, clearly contributed to the record dollar volume noted in 2021, but each portfolio sale was only counted by Avison Young as a single transaction. Two smaller portfolio sales in the second half of

2021 – Interior BC (Penticton & Kelowna - \$44.75M) as well as a three-building portfolio in Nanaimo (\$21.17M) – further highlighted investor interest in secondary BC markets.

Outside of portfolio sales, a number of key BC apartment complexes traded in excess of \$50M in 2021 including **Martello Tower** (\$135M) in Vancouver, **Glen Valley Grove** (\$98.25M) in Langford, **Tallinn** (\$91M) in Vancouver, **Fraser Tolmie Apartments** (\$81M) in

Saanich, **Lakeview Pointe** (\$63.3M) in West Kelowna, the **Sundance** (\$55M) in Vancouver, **Hawthorne at Timber Court** (\$54.45M) in North Vancouver, **Carrington View** (\$54.05M) in Kelowna, **The Saint George** (\$52.9M) in North Vancouver, and **The Link** (\$52M) and **Park Towers** (\$50M) in Vancouver.

Almost \$152M (in sales of multi-family assets valued at less than \$5M) was raised in 53 transactions in 2021, pushing total dollar volume to \$3.34B.

BC MULTI-FAMILY TRANSACTIONS (2ND HALF - GREATER THAN \$10M)

PROPERTY	LOCATION	PRICE	VENDOR TYPE	\$/UNIT	PURCHASER TYPE	DATE
2056 Franklin Street & 2228 Triumph Street	Vancouver	\$13,650,000	Private	\$310,227	Private	Dec-21
1131 Barclay Street	Vancouver	*	Private	*	Private	Dec-21
The Garth Apartments 1133 Barclay Street	Vancouver	\$15,200,000	Private	\$490,323	Private	Dec-21
Interior BC Apartment Portfolio 2902 South Main Street, 1950, 1955 & 1960 Pacific Court, 1979 Pandosy Street	Penticton & Kelowna	\$44,750,000	REIT	\$211,085	REIT	Dec-21
1410 Elford Street	Victoria	\$6,750,000	Private	\$270,000	Private	Dec-21
McAllister Apartments & Plaza 2232 McAllister Avenue	Port Coquitlam	\$18,226,000	Private	\$249,671	Private	Dec-21
Rithet Place Apartments 500 Rithet Street	Victoria	\$15,105,000	Private	\$265,000	Private	Dec-21
22325 St. Anne Avenue	Maple Ridge	\$22,160,000	Private	\$335,758	Government	Nov-21
Sunrise Centre 167 6th Avenue	Kamloops	\$26,089,231	Private	\$232,940	Non-Profit	Nov-21
Myron Manor 75 East 8th Avenue	Vancouver	\$13,728,000	Private	\$508,444	Private	Nov-21
2244 West 6th Avenue	Vancouver	\$19,500,000	Private	\$423,913	REIT	Nov-21
Regent Court, Randolph & Montrose 1159, 1176 & 1190 West 12th Avenue	Vancouver	\$22,200,000	Private	\$482,609	Private	Nov-21
The First Place 201 West 1st Street & 83 Chesterfield Avenue	North Vancouver	\$19,900,000	Private	\$710,714	Private	Nov-21
Kitsilano Manor 1833 & 1875 Yew Street	Vancouver	\$16,500,000	Private	\$611,111	Private	Nov-21
Fern Apartments 1841 Fern Street	Victoria	\$10,500,000	Private	\$308,824	Private	Nov-21
The Link 3583 Kingsway	Vancouver	\$52,000,000	Private	\$500,000	REIT	Oct-21
3939 & 3985 Cambie Street	Vancouver	\$17,850,000	Private	\$510,000	Private	Oct-21
Creswell Apartments 1455 West 8th Avenue	Vancouver	\$16,000,000	Private	\$640,000	Private	Oct-21
Hawthorne at Timber Court 2670 Library Lane	North Vancouver	\$54,450,000	Private	\$726,000	Institutional	Sep-21
The Beacon 1400 Quadra Street	Victoria	*	Private	*	Institutional	Sep-21
Shaughnessy Lodge 1298 West 10th Avenue	Vancouver	\$25,500,000	Private	\$369,565	Private	Sep-21
Pine Ridge Village Apartments 3250 Rock City Road	Nanaimo	\$37,000,000	Private	\$220,238	Private	Sep-21
Cedargrove Apartments 520 Eighth Street	New Westminster	\$16,150,000	Private	\$288,393	Private	Sep-21
Fraser Tolmie Apartments 1701 Cedar Hill Cross Road	Saanich	\$81,000,000	Institutional	\$389,423	Institutional	Sep-21
Hamlet House 1500 Chambers Street	Victoria	\$5,760,000	Private	\$240,000	Private	Aug-21
Ocean Place 2280 Cornwall Avenue	Vancouver	\$16,750,000	Private	\$697,917	Private	Aug-21
Louise Court 1777 Frances Street	Vancouver	\$17,382,000	Private	\$294,610	Private	Aug-21
Manhattan Apartments 825 East 8th Avenue	Vancouver	\$19,250,000	Private	\$469,512	Institutional	Aug-21
Glen Valley Grove 3147, 3149 & 3151 Aggregate Court	Langford	\$98,250,000	Private	\$358,577	Institutional	Aug-21
Lakeview Pointe 3623 Elliott Road	West Kelowna	\$63,300,000	Private	\$327,979	REIT	Aug-21
Queen Anne Place 1255 West 14th Avenue	Vancouver	\$30,300,000	Private	\$496,721	Private	Jul-21
Parkwood Manor 1480 Boundary Crescent	Nanaimo	\$21,175,000	Private	\$164,147	Private	Jul-21
Boundary Ridge 1529, 1595 Boundary Crescent	Nanaimo	\$21,175,000	Private	\$164,147	Private	Jul-21
Sea Lodge 430 Stewart Avenue	Nanaimo	\$21,175,000	Private	\$164,147	Private	Jul-21
Pin Pine Place 2775 Pine Street	Vancouver	\$11,800,000	Private	\$590,000	Private	Jul-21
The Gateway 13787 100th Avenue	Surrey	\$12,822,000	Private	\$213,700	Non-Profit	Jul-21
Tallinn 1155 Beach Avenue	Vancouver	\$91,000,000	Private	\$602,649	Private	Jul-21

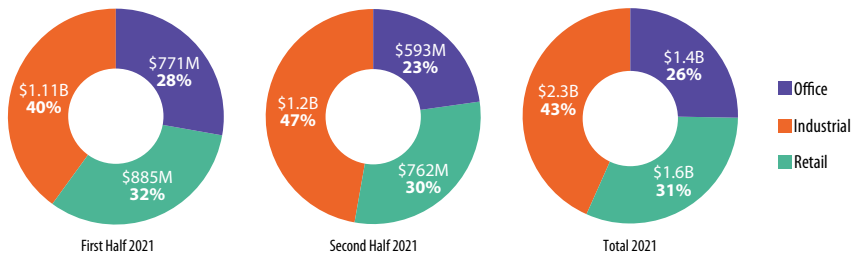
Prices denoted by * are share sales where an estimated price has been determined.

The above chart only lists those multi-family deals greater than \$10M due to space constraints; the second-half total is 63 deals valued at \$1.15B.

Sources: Avison Young Research, Commercial Edge & Altus Data Studio

Dollar volume for BC multi-family assets reached previously unseen heights in 2021

2021 SALES BY PROPERTY TYPE & DOLLAR VOLUME



continued from front page

BC multi-family sales in 2021 were record-smashing in all aspects with 141 transactions (greater than \$5M) valued at an astonishing \$3.19B. While dollar volume was boosted substantially by the sale of three large generational portfolios in the first half of 2021, each transaction was only counted as a single sale. Unlike office and retail properties (and, to a lesser extent, industrial), institutional investors (and REITs) played a much more significant role as acquirers of multi-family assets in 2021 than in any other asset class. Investor demand for multi-family properties led to a rise in multi-family sales throughout most of the province, particularly in Metro Vancouver and the Fraser Valley as well as on Vancouver Island and in the BC Interior.

While the insatiable demand for industrial and multi-family assets has been well documented in markets across Canada, many investors also remained bullish on office and retail assets in BC in 2021. Office investment totalled \$1.36B in 2021 with 52 sales in markets throughout Metro Vancouver as well as secondary markets such as Victoria, Kelowna, Chilliwack and Prince George. Perhaps even more noteworthy was the number of office assets that transacted in Downtown Vancouver in 2021, which set a new record at 11. (Previous downtown office portfolio sales and multiple-building complexes are considered single transactions.) While a number of downtown office buildings traded as share sales in 2021, including 888 Dunsmuir & 625 Howe Street, 510 West Hastings Street, 555 Richards Street and 1085 Homer Street, the largest office sales in the province were the \$156M disposition of 1138 Melville Street followed by the \$95M sale of 815 Hornby Street and the sale of a 50% interest in 1050 West Pender Street for \$80M. The \$65M sale of the historic **Dominion Building** – once the tallest building in the British empire – at 207 West Hastings Street rounded out the top downtown deals. Downtown office strata sales also started to feature more prominently in 2021 with strata unit sales closing at 755 Burrard Street, 1012 Beach Avenue and 837 West Hastings. This trend is expected to accelerate in 2022 with the completion of strata office offerings at the **Offices at Burrard Place** and **Bosa Waterfront Centre**. The largest office deals in BC outside downtown Vancouver were the sales of 1077 Great Northern Way (\$103M) in Vancouver, **Upper Harbour Place I & II** in Victoria (\$70M), **Plaza 400** in Prince George (\$32M) and 13888 Wireless Way in Richmond (\$31M).

Investor attitudes towards acquiring BC retail assets evolved considerably in 2021 from 2020 with 86 sales valued at \$1.65B, which marked a significant uptick from the 46 transactions worth \$606M recorded in 2020. While the underlying value for many retail assets still resides in the land itself and the redevelopment potential that can be unlocked, higher yields for retail assets in non-core markets have also attracted buyers. The total actual dollar volume of BC retail sales was very likely higher in 2021, but the value of the share sales of **Mayfair Shopping Centre** and **Eagle Creek Village** in Victoria, along with a 50% interest in **Guildford Town Centre** in Surrey and the disposition of **Langley Mall**, had to be estimated. Notable BC retail transactions in 2021 included **The Junction Shopping Centre** (\$90M) in Mission, **Impact Plaza** (\$75M) in Surrey, **Haney Place Mall** (\$67.5M) in Maple Ridge and **Lougheed Super Centre** (\$41.6M) in Coquitlam.

As the threat and impacts of COVID-19 started to recede in North America in 2021, the re-emergence of more traditional market factors such as interest and bond rates, inflation and stock market volatility began to re-assert themselves as investment considerations. Commercial real estate assets in BC (and in North America generally) continued to have a viable and vibrant investment function in an increasingly post-pandemic environment. While demand and deal activity by asset class may have been reconfigured by COVID-19, the strong underlying fundamentals of BC's commercial real estate market did not buckle under the extreme and unique pressures applied by a global pandemic and demonstrated a resiliency that bodes well for the potential challenges still to come. ■

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