

# Goodman report:

## 2021 Metro Vancouver Rental Apartment Review



Douglas Coupland, *Personal Galaxy*, 2020, 60" x 72", paper, latex, canvas, Goodman + Jagger Collection, Vancouver.

# OUR YEAR-END OVERVIEW: TURNING THE PAGE ON 2021

With 2021 behind us, we look forward to a positive outlook for 2022 and the hope of some semblance of daily normality.

We thank you, our readers, for your continued support and feedback. You provide so many amazing responses to what we publish: new listings, sales, market data and housing news.

2021 was a significant year for transactions in Metro Vancouver. While it set records in many ways, in reality it represented combined volumes from two years, given that 2020 was stunted by three to six months amid challenges from the pandemic.

One might ponder what was behind the sudden liquidation. Rent freezes with increased expenses in all categories combined with new stressors, including perhaps the acknowledgment that running a building is exhausting. For buyers, diversification of assets was a common theme. Apartment buildings provide stable, consistent cash flow, though no huge swings or lottery payouts for investors seeking a greater risk profile. We saw many first-time buyers in 2021, especially in the under-\$5 million category, along with existing owners adding to their portfolios to increase efficiencies.

In 2021, Goodman was able to close a total of 30 properties worth almost \$525 million in transaction volume. As 2022 launches, we're already seeing an active market with brisk sales. So far this year, we have 8 properties on the

books worth \$156 million, including apartment buildings, development sites and commercial properties. Typically, a new year sees a slower start, but this volume remains unchanged from the hurried pace of 2021.

In 2021, we continued to communicate to our readers with podcasts, webinars and media spots. We were moderators and panellists for organizations and events such as BDO LLP, the Real Estate Forum, Western Canada Apartment Investment Conference and the Real Estate Board of Greater Vancouver.

Our research, insights, sales announcements and op-eds were covered by media outlets including *The Globe and Mail*, *Business in Vancouver*, *Western Investor*, *Daily Hive*, *Real Estate News Exchange*, *The Orca*, *Georgia Straight*, *Burnaby Now* and *Vancouver is Awesome*.

In our own newsletters, we've included editorials by Dr. Andrey Pavlov on the economic realities of how housing policy can work against building and maintaining healthy rental stock.

As always, please reach out to chat – about the market, a recent sale, your property, or what a particular policy or area plan means for you. We pride ourselves on either having the answer or being able to point you in the direction of someone we trust who does have it.

Thank you,  
**Mark Goodman and Cynthia Jagger**

## Giving back

In 2021, we supported several charitable organizations whose work we care about. We've donated both financially and with our time. In case you'd like to contribute as well, here are the organizations:

- Covenant House
- JFS
- The Jewish Museum & Archives of BC
- Megaphone
- Canadian Red Cross
- Indigenous Life Sport Academy
- VeAhavta Fund
- Music Heals
- BC Cancer Foundation
- Jewish Federation Greater Vancouver
- Louis Brier Home & Hospital
- BC Children's Hospital Foundation



## CYNTHIA AND MARK TO SPEAK AT UPCOMING CONFERENCES



### VANCOUVER REAL ESTATE FORUM

*Session A2: How is the multi-residential market responding to the risks created by political policies vs. the demand for rental housing?*

Tuesday, April 12, 2022  
10:40am–11:30am PST

#### Cynthia to speak live at upcoming Vancouver Real Estate Forum

On April 12, 2022, Cynthia Jagger will be a moderator at the Vancouver Real Estate Forum at the Vancouver Convention Centre. The session, ***How is the multi-residential market responding to the risks created by political policies vs. the demand for rental housing?***, will be discussing topics including: What impact could a rising interest rate environment have on this market condition? Are government programs and policies from CMHC and BC Housing impacting the market? Looking at low cap rates, and high land costs, is purpose built rental feasible at this time? Is condominium development a better alternative? How strong is investment interest and sentiment for acquisitions at this time? These and other multi-residential trends will be examined.

For more information and to register for the event, please visit: <https://informaconnect.com/vancouver-real-estate-forum/>



### WESTERN CANADA APARTMENT INVESTMENT CONFERENCE CALGARY · EDMONTON · VANCOUVER

*The Western Canadian Market: Insights on apartment investment in Vancouver, Calgary and Edmonton*

Tuesday, May 17, 2022  
9:15am–10:00am PST

#### Mark to speak live at upcoming Western Canada Apartment Investment Conference

On May 17, 2022, Mark Goodman will be a panelist at the Western Canada Apartment Investment Conference at the Edmonton Convention Centre. The session, ***The Western Canadian Market: Insights on apartment investment in Vancouver, Calgary and Edmonton***, will provide an update on multiresidential investment activity within each of the three major markets in Western Canada. What are some of the key transactions that have taken place in the last twelve months? Where does investor interest appear to be heading in each market? Who are the predominant buyers and sellers of properties at this time? What does the future likely hold?

For more information and to register for the event, please visit: <https://informaconnect.com/western-canada-apartment-investment-conference/>. We look forward to seeing you!

This communication is not intended to cause or induce breach of an existing listing agreement. The information contained herein has been obtained from sources deemed reliable. While we have no reason to doubt its accuracy, we do not guarantee it. It is your responsibility to confirm its accuracy and completeness independently.

# WITH NEW FEDERAL GOVERNMENT, WE AWAIT HOUSING PLAN

## Meanwhile, landlords left holding the bag in B.C.

On September 20, Canadians elected a minority Liberal government with Justin Trudeau as the continuing Prime Minister. No matter which party you support, the consensus is that housing has been key for voters, along with all the fallout from COVID-19: healthcare, economic recovery and jobs.

Frustration about housing continues to escalate. Homeowners, renters and those looking to move out on their own all feel the pinch, albeit differently. Small, medium and large communities alike bear the impact of the last 18 months as the pandemic has shifted how we live, work and play. Many rural communities have seen influxes of new residents buoyed by opportunities to work from home and change their full or part-time locations. Some areas have suffered from elevated traffic, but others, like our urban cores, have deteriorated from lack of pedestrians, consumers and office/retail workers.

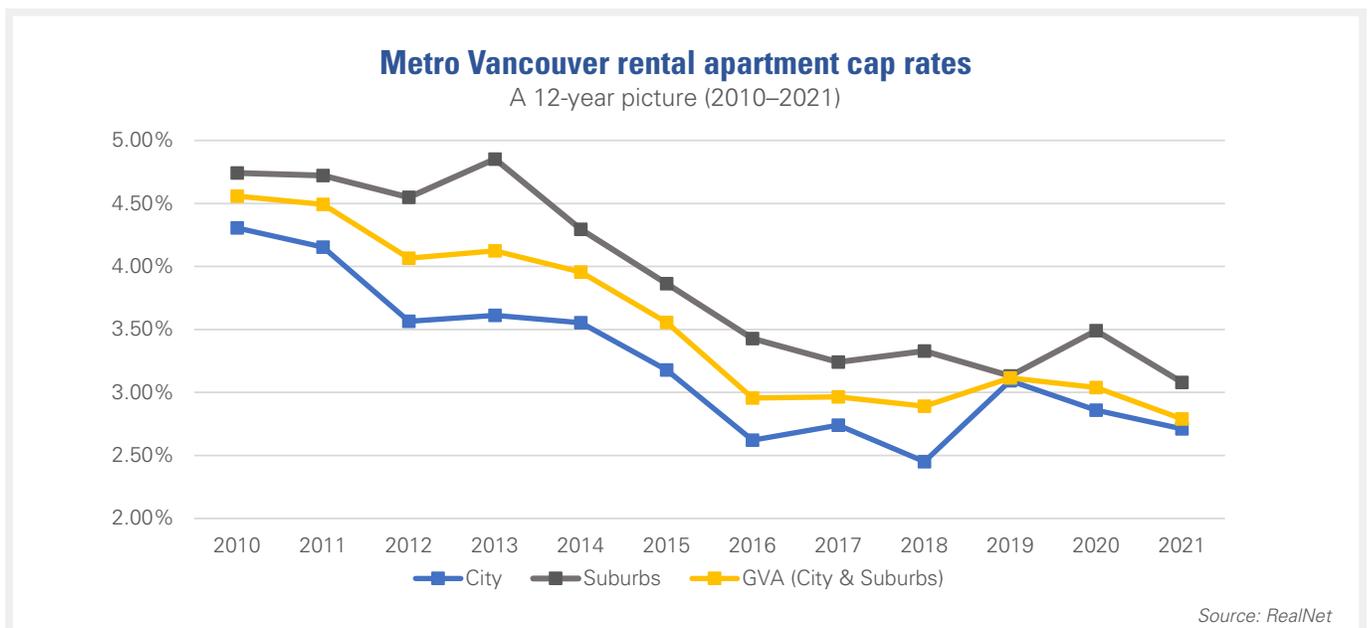
Rental vacancies are starting to decline again, back to pre-pandemic levels in some cases. Rental rates will correspondingly increase moving forward. We've spoken recently with multiple large-scale portfolio owners, all indicating that their buildings are full. This in stark contrast to a year ago, especially in areas close to post-secondary housing.



While increasing rental housing continues to be identified as a core need, the case for actually building and delivering units continues to be difficult.

A federal housing plan enabling tangible options with all levels of government working in tandem would be welcome. For years, Goodman Commercial has advocated for the removal of the self-assessed GST required on new builds and substantial renovations. The federal Liberals campaigned on this promise the last time around but never followed through on removing the tax.

Should the government finally lift this impediment, a significant number of projects nationally would have the opportunity to move forward with less cost, benefiting occupants for decades to come.



## Back in B.C., rent freeze ends, but 1.5% increase won't cut it

Meanwhile, B.C. has been wrestling with the provincial government's pandemic-era freeze on rent increases. In March 2021, Goodman reported that by end-2021, rental providers would face two full calendar years of 0% increases. Further, once increases were permitted again, owners would be at least two years behind in compounded increases lost.

Recently, the provincial government announced that the rent freeze would come to an end starting January 1, 2022, and that inflation had been calculated at 1.5% for purposes of annual rental increases.

B.C.'s maximum allowable rent increase is defined by the 12-month average percent change in the all-items Consumer Price Index (CPI) for B.C. from July to July of the previous calendar year. As there were several months of negative growth rates at the beginning of COVID-19, the newly announced average is lower than in more recent months.

For the last two years, owners of rental housing have borne exponential growth in expenses without the ability to recoup costs. 1.5% is a drop in the bucket compared to the significant increases in costs that owners have faced; 2%–231% for specific items as noted in our case studies.

As an illustration, check out what one of our clients faced in expense increases in 2019–2020, contrasted with the additional 2020–2021 changes (extrapolated to year-end):

### City of Vancouver (15-suite building)

Expense item	2019–2020	2020–2021
Property taxes	+4%	+2%
Insurance	+53%	+134%
Heat and light	+2%	+8%
Water & sewer	+15%	+68%

### Coquitlam (70-suite building)

Expense item	2019–2020	2020–2021
Property taxes	+7%	-27%
Insurance	+110%	+231%
Heat and light	+8%	+9%
Water & sewer	+3%	+2%
Cleaning	+127%	-85%

*Note: this owner did extensive property tax appeal and planning work*

We question the 1.5% proffered by the government, especially as many news outlets have asserted that Canada's inflation rate is at its highest since 2003. As reported by *Yahoo Finance* on September 15, not only did inflation rise faster than expected in August, but the CPI rose 4.1% on a year-over-year basis that month (exceeding the 3.9% expected) and has been on its fastest pace since March 2003.

As we look to increase the supply of new market rental housing in B.C., barriers continue to be erected. An environment of lopsided rents vs. expenses will become a further disincentive to build.

We hope that municipal and provincial leaders will announce in the coming months how they're planning to propel the delivery of desperately needed rental housing.

### A happier note: Improvements eligible for higher rents

At least one recent announcement is positive for owners.

The ARI-C (additional rent increase for capital repairs), which is based on an owner's payments to upgrade a significant building component, opened up for applications in July 2021. You use it to calculate increases on your monthly rents. Capped at a maximum of 3% per year, it's amortized over a 10-year period. Check it out here: <https://www2.gov.bc.ca/gov/content/housing-tenancy/residential-tenancies/during-a-tenancy/rent-increases/additional-rent-increase>

To figure your average increases, visit the B.C. government's calculator: <http://www.housing.gov.bc.ca/rtb/WebTools/AdditionalRentIncrease/#Explorer/step1>



## VANCOUVER CITY COUNCIL STEPS UP WITH THE SECURED RENTAL POLICY

For the rental market, 2021 brought major policy news. After years of run-up, on December 14, Vancouver City Council finally passed the Secured Rental Policy: one of the City's first positive steps on the rental file in a long time.

In what the Mayor called a "watershed moment," Council made a legislative change allowing some low-density rental use in areas currently reserved for single-family and duplex housing. The policy also allows up to 6 storeys of secured rental housing in C-2 zones through a development permit process instead of rezoning. This will reduce time and energy spent on getting projects through.

The motion will help standardize requirements for new rental zones in lower-density areas, offering opportunities for new rental housing in other areas of the City.

This policy checks all the boxes. It will help meet affordable housing targets and climate goals, speed up permit times, and shift land use from low-density with few families to higher-density with new neighbours, shops and access to transit.

There's one catch in the motion: an amendment that "staff report back in Q2 2022 on the best way to apply target fixed rate CACs to market rental projects across the City and to make necessary amendments to the Community Amenity Contributions Policy for Rezonings."

Regarding this last-minute addition, our position at Goodman is that CACs shouldn't apply to rental. Any additional cost will affect the ability of builders to deliver housing. Overall, however, this new policy is good for renters, offering potential for new rental construction in the coming decade.

If your property falls within this policy area (<https://vancouver.ca/files/cov/streamlining-rental-summary.pdf>), feel free to call Cynthia Jagger (604-912-9018) or Mark Goodman (604-714-4790). We'd be pleased to discuss.

### WHAT'S HOT 🔥

- Pandemic end inching closer
- Capital rushing into hard assets
- British Columbia tied for the lowest employment rate in Canada
- Broadway Corridor Plan: Goodman sells 5 properties in 2 months – all unconditional offers
- City of Surrey new condo presale market! (Who would've thought \$1,100 PSF!)
- The Provincial government's eye on municipal supply
- Goodman Commercial's 2021 sales performance: 39 deals worth almost \$600 million in firm and closed transactions
- Barge Chilling Beach
- Canadian Women's Hockey Gold Medal!

### WHAT'S NOT 🙄

- The Broadway Plan & Vancouver Plan approval timeline – election season around the corner
- 2022 maximum allowable rent increase of 1.5%
- "Transitory" Inflation is just good ol' inflation
- The NASDAQ so far in 2022
- Peloton, Zoom, Netflix and other Covid stock darlings
- Russia's invasion of Ukraine
- Interest rate hikes on the horizon

"There are no secrets to success.  
It is the result of preparation, hard  
work and learning from failure."

– Colin Powell





**FOR SALE**

**MISSION WATERFRONT LANDS**

7011 Herman S. Braich Blvd., Mission, BC

Opportunity to build a master-planned community. 87-acre large-scale development site with 1 km stretch of land adjacent to the Fraser River.



**FOR SALE**

**MACDONALD APARTMENTS**

851 Bidwell Street, Vancouver

24 suites in the West End – 2.8% cap. Corner lot just off Denman & Robson. Well-maintained with large suites.

**List \$12,000,000**



**FOR SALE**

**LA SHERRIE**

1475 West 11th Avenue, Vancouver

15 suites in the heart of Fairview. Corner lot just off Granville Street. 300 meters to the future South Granville Station.

**Call for price**



**FOR SALE**

**GEORGIAN HOUSE**

5450 Vine Street, Vancouver

12-storey concrete rental tower. 69 suites in the heart of Kerrisdale. Significant infill development potential.

**List \$41,000,000**



**SOLD**

**VILLA FLORENCIA**

324 West 10th Avenue, Vancouver

35-unit apartment building in prime location – 1 block from Vancouver’s City Hall. Large 18,750 SF lot – 2.7% cap rate.

**List \$16,000,000**



**SOLD**

**SOUTH GRANVILLE PORTFOLIO**

1156, 1176 & 1190 West 12th Avenue, Vancouver

31,250 SF in the Broadway Plan study area. 3 side-by-side apartment buildings in the heart of South Granville – totalling 46 suites.

**Sold \$22,200,000**

**METRO VANCOUVER FACTS**

Average age of purpose-built rental apartments

**63**

\*Average Metro Vancouver vacancy rate of rental apartments in 2021

**1.2%**

Average price per suite in Metro Vancouver for 2021

**\$483,324**

Number of building transactions in Metro Vancouver for 2021

**161**

\*\*Average Metro Vancouver cap rate 2021 year-to-date

**2.79%**

Total number of apartment owners in Metro Vancouver

**2,241**

Total sales volume in Metro Vancouver for 2021

**\$2.6B**

\*Average rate of monthly rent in Metro Vancouver for 2021

**\$1,824**

Total number of rental apartment buildings in Metro Vancouver

**3,327**

\*as per CMHC  
\*\*as per RealNet

# THE STORY BEHIND THE STATS

As first witnessed during the second half of 2020, strong demand for multifamily continued into 2021, and the year finished just shy of the 10-year total sales volume record set in 2018 (\$2.98 billion).

Many data points supported the market’s resilience in 2021. Low interest rates, migration to the region, lack of affordable ownership opportunities and a desire to diversify into hard assets as a hedge against inflation all drove investment demand for rental apartment buildings. With the hope of an alleviated pandemic, we’ve also started seeing rents and vacancies return to pre-COVID levels, cementing the faith of the many buyers who acquired properties during the past two years that the region has long-term viability.

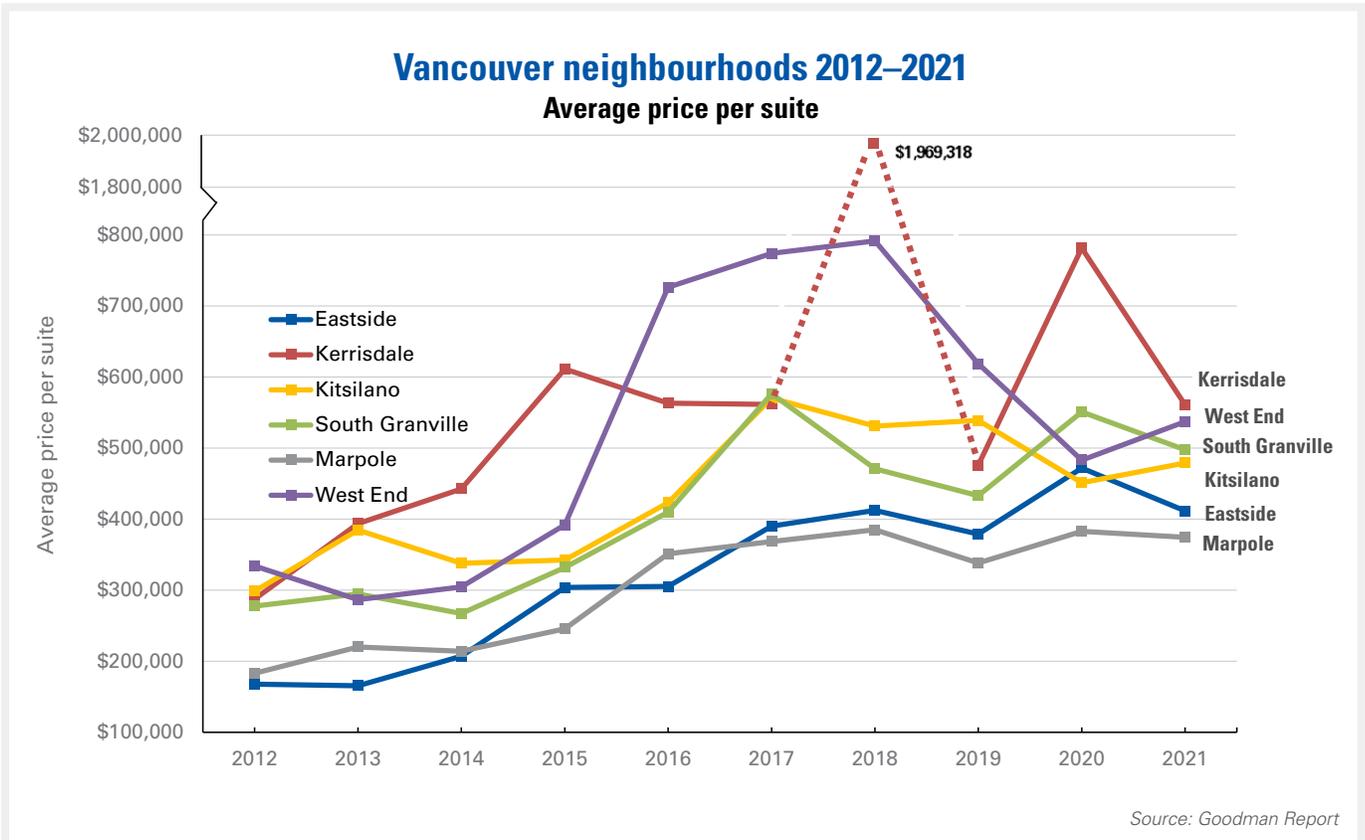
A total of 161 properties in Metro Vancouver traded in 2021, representing a 106% increase compared to the 78 sold in 2020. Total sales dollar volume increased by 127% over the year to \$2.57 billion. This represents the second-highest sales volume in the past 10 years. It’s worth highlighting 5 sales that transacted for over \$86 million. These included 3 West End buildings, as well as 2 development sites: 2222 Bellevue Avenue in West Vancouver (\$101,300,000) and 13301 104 Avenue in Surrey (\$98,600,000). These 5

sales represent 20% of the total sales volume for Metro Vancouver in 2021.

The City of Vancouver led the region during 2021, with an astounding \$1.65 billion in total sales volume recorded and 103 buildings traded. These numbers represent increases of 144% and 124% respectively over the previous year. A large 17-building portfolio sale represented 17% of total buildings sold during the year in the City.

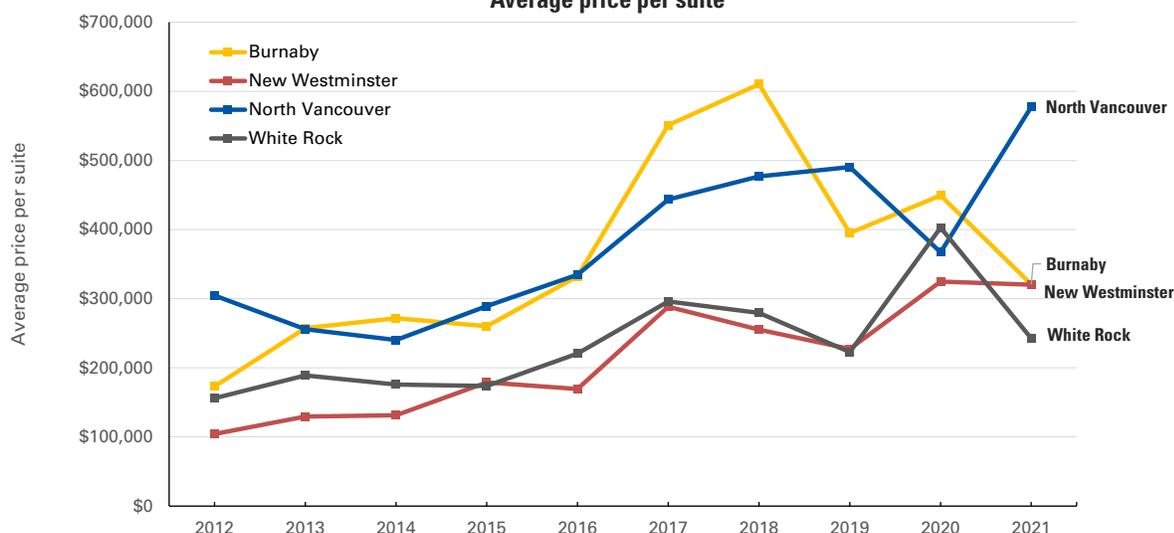
Kitsilano was one of the City’s most active neighbourhoods compared to the previous year, leading the City in year-over-year growth for number of buildings sold and total sales volume. Fourteen (14) buildings totalling \$160,915,517 sold in 2021, representing a 250% increase in buildings sold and an 864% increase in sales volume over the year.

The West End was the most active overall with 26 building sales reported, representing 25% of sales in the City of Vancouver and 16% in the entire region. 2021 showed the greatest number of buildings sold in the West End over the past 10 years, with total sales volume coming in just second to 2018 at \$809,626,500, or 50% of the total sales volume in the City.



## Suburban neighbourhoods 2012–2021

### Average price per suite



Source: Goodman Report

Kitsilano and the West End are two of the region's most prized rental neighbourhoods. Hampered by government policies, long-term owners of valued assets in these areas finally reached a breaking point and successfully sold to the next generation of operators seeking valuable opportunities.

Another major theme of the year was the increase in demand for apartment buildings close to the future Broadway Subway line. With the Broadway Plan just a few months away from consideration by Council, the directions for future land use and redevelopment potential raised interest among investors. South Granville, lying mostly within the new plan, saw 21 buildings trade in 2021, a 91% increase from the prior year. Goodman Commercial sold 5 buildings in this neighbourhood in 2021, just under 25% of the total buildings sold in South Granville. This included the sale of 3 side-by-side buildings at 1156, 1176 and 1190 W 12th Avenue, affording 250' frontage along the arterial.

In the suburbs, the North Shore (North Vancouver & West Vancouver) represented 52% of total sales volume in 2021, at a combined value of \$486 million. Sixteen (16) buildings sold in North Vancouver, an increase of 100% over the year. It's worth noting that 50% of these transactions represented future development sites, as builders' confidence in North Vancouver's development process grew more positive.

While sales increased by 100% over the year in the City of Burnaby with 8 buildings sold, overall sales volume decreased by 33% to \$57 million in 2021. North Burnaby represented 50% of transactions, with all 4 sales occurring near the Hastings Street corridor.

Average price per door remained relatively unchanged in the City of Vancouver at \$486,688, while increasing substantially by 52% in the suburbs. Note, however, that this increase can be attributed to several large development land sales.



**INVESTMENT PROPERTY / DEV SITE**  
1717 & 1727 West 5th Avenue, Vancouver

IC-1 zoned ~20,000 SF site in Burrard Slopes. Just off Burrard Street & W 4th Avenue.

**Call for price**



**METROTOWN DEVELOPMENT SITE**  
6470 & 6508 Silver Avenue, Burnaby

1.4 acres development site across from Maywood Park. Up to 368,399 SF buildable.

**List \$50,000,000**



**EAST VAN DEVELOPMENT SITES**  
5056–5076 Earles Street, Vancouver

Side-by-side condo projects. 1.35-acre site with plans in place. Norquay Village neighbourhood.

**List \$31,900,000**

# 2021 APARTMENT BUILDING SALES: CITY OF VANCOUVER

ADDRESS	SUITES	PRICE (\$)	AVG \$/UNIT
<b>Vancouver (Eastside)</b>			
566 E 44th (ST)	30	\$10,500,000	\$350,000
1383 E Broadway	30	11,250,000	375,000
1344 E 1st Ave	30	8,300,000	276,667
3080 E 54th Ave	18	6,200,000	344,444
* 150 E 16th Ave	27	9,300,000	344,444
765 Victoria Dr	14	5,500,000	392,857
1522 E 3rd Ave (DS)	5	2,900,000	580,000
3795 Commercial St	9	5,475,000	608,333
837 E Broadway (ST)	12	5,900,000	491,667
229 E 13th Ave	25	8,218,000	328,720
550 E 15th Ave	6	2,150,000	358,333
825 E 8th Ave	41	19,880,000	484,878
1536 E 3rd Ave (ST, DS)	8	3,175,000	396,875
1777 Francis St	59	17,382,000	294,610
2257 Dundas St	8	2,575,000	321,875
3583 Kingsway (NC)	104	52,000,000	500,000
* 306 E 6th Avenue	18	7,500,000	416,667
2611 Victoria (DS)	20	12,500,000	625,000
75 E 8th Ave	27	13,728,000	508,444
1575 E 1st Ave	13	4,920,000	378,462
3040 Nanaimo St	17	5,050,000	297,059
	<b>521</b>	<b>\$214,403,000</b>	<b>\$411,522</b>

<b>Vancouver (Kerrisdale)</b>			
5815 Yew St (HR)	83	\$50,000,000	\$602,410
5940 Balsam St	18	7,000,000	388,889
5950 E Blvd	10	5,250,000	525,000
	<b>111</b>	<b>\$62,250,000</b>	<b>\$560,811</b>

<b>Vancouver (Kitsilano)</b>			
4640 W 10th Ave	14	\$7,250,000	\$517,857
2280 W 6th Ave (SP)	43	17,051,724	396,552
2040 York Ave (SP)	54	21,413,793	396,552
1968 W 2nd Ave	24	13,500,000	562,500
2035 W 5th Ave	9	4,000,000	444,444
1977 W 3rd Ave	16	7,350,000	459,375
1540 Yew St	10	4,525,000	452,500
* 2012 Cornwall Ave	20	10,075,000	503,750
3670 W 5th Ave	25	11,500,000	460,000
2155 W 7th Ave	20	8,900,000	445,000
2280 Cornwall Ave	24	16,750,000	697,917
1833-1875 Yew St	27	16,500,000	611,111
* 2200 W 7th Ave (TH)	4	2,600,000	650,000
2244 W 6th Ave	46	19,500,000	423,913
	<b>336</b>	<b>\$160,915,517</b>	<b>\$478,915</b>

\* Sold by The Goodman Team

ADDRESS	SUITES	PRICE (\$)	AVG \$/UNIT
<b>Vancouver (South Granville)</b>			
1326 W 13th Ave (MR)	30	\$16,185,000	\$539,500
1355 W 14th Ave (MR)	28	17,000,000	607,143
1003 Wolfe Ave	6	3,200,000	533,333
3075 Willow St (TH)	8	7,088,000	886,000
1364 W 11th Ave (SP)	30	13,980,000	466,000
1107 W 14th Ave (SP)	32	13,850,000	432,813
1766 W 11th Ave (ST)	7	3,760,000	537,143
1366 W 12th Ave	30	14,600,000	486,667
* 1290 W 13th	23	9,900,000	430,435
2775 Pine St	20	11,800,000	590,000
1255 W 14th Ave (HR)	61	30,300,000	496,721
3985 Cambie St	17	17,850,000	510,000
3939 Cambie St	18		
1584 W 12th Ave	11	5,620,000	510,909
2626 Fir St (CO)	10	6,550,000	655,000
* 1455 W 8th Ave (SP)	25	16,000,000	640,000
1298 W 10th Ave	69	25,500,000	369,565
* 1190 W 12th Ave	23		
* 1176 W 12th Ave	10	22,200,000	482,609
* 1156 W 12th Ave	13		
985 W 14th Ave	11	4,543,000	413,000
	<b>482</b>	<b>\$239,926,000</b>	<b>\$497,772</b>

<b>Vancouver (West End)</b>			
1537 Burnaby St (SP)	24	\$13,000,000	\$541,667
* 1435 Pendrell St (SP)	21	8,375,000	398,810
1955 Nelson St (DS)	11	6,387,500	580,682
1885 Barclay St	41	22,100,000	539,024
1924 Barclay St (HR)	42	22,750,000	541,667
1580 Haro St (MR)	61	32,000,000	524,590
855 Jervis (MR)	48	25,265,000	526,354
1270 Nicola (MR)	37	17,950,000	485,135
1461 Harwood St (MR)	38	22,500,000	592,105
* 1623 Haro St	24	10,000,000	416,667
2035 Barclay St (SP)	28	15,200,000	542,857
* 1869 Comox St	86	40,800,000	474,419
1249 Granville St (ST, MU, SP)	46	23,300,000	506,522
2054 Comox St	23	10,800,000	469,565
1825 Haro St (HR)	90	37,300,000	414,444
* 1011 Beach Ave (SP, HR, IF)	220	Confidential	Confidential
* 1160 Broughton St (HR)	75	29,750,000	396,667
945 Jervis St (SP, EST)	109	60,500,000	555,046
1454 Pendrell St	51	24,194,000	474,392
1348 Barclay St (SP, EST)	143	86,000,000	601,399
1825 Comox St	23	9,100,000	395,652
1155 Beach Ave (HR)	151	91,000,000	602,649
1045 Burnaby St (ST, DS)	37	28,830,000	779,189
1689 Robson St	17	7,325,000	430,882
777 Bidwell St (ST)	30	15,000,000	500,000
* 1133 Barclay St	31	15,200,000	490,323
	<b>1507</b>	<b>\$809,626,500</b>	<b>\$537,244</b>

ADDRESS	SUITES	PRICE (\$)	AVG \$/UNIT
<b>Vancouver (Marpole)</b>			
* 8755 Laurel Ave	33	\$10,500,000	\$318,182
8675 French	72	29,000,000	402,778
8740 Cartier St (SP)	35	13,879,310	396,552
8790 Cartier St (SP)	35	13,879,310	396,552
1373 W 73rd Ave (SP)	36	14,275,862	396,552
8582 Cartier St	10	3,650,000	365,000
8726 Hudson St	10	4,350,000	435,000
8735 Selkirk St	22	8,100,000	368,182
8777 Montcalm St	19	6,880,000	362,105
8707 Montcalm St	16	6,150,000	384,375
8740 Selkirk St	27	8,880,000	328,889
8692 French St	6	3,350,000	558,333
8656 Montcalm St	11	4,150,000	377,273
8757 Selkirk St	17	6,150,000	361,765
8645 Fremlin	10	2,925,000	292,500
8750 Selkirk St	27	8,698,000	322,148
8860 Montcalm St	24	8,650,000	360,417
8675 Fremlin	18	6,850,000	380,556
	<b>428</b>	<b>\$160,317,482</b>	<b>\$374,574</b>

The sale information provided is a general guide only. There are numerous variables to be considered such as:

- Suite mix (HR) Highrise
- Rent/SF (MR) Midrise
- Rent leaseable area (TH) Townhouse
- Buildings' age and condition (ST) Strata (DS) Development site
- Location (EST) Estimated price
- Frame or highrise (SP) Share purchase
- Strata vs. non-strata (NC) New construction
- Land value (MU) Mixed-use (CO) Co-op
- Special financing (TR) Trade (RH) Rooming house (IF) Infill

\* Sold by The Goodman Team

### Metro Vancouver 10-year multi-family performance



Source: Goodman Report

# 2021 APARTMENT BUILDING SALES: SUBURBS

ADDRESS	SUITES	PRICE (\$)	AVG \$/UNIT
<b>Burnaby</b>			
6660 Telford Ave	47	\$14,700,000	\$312,766
6649 Burlington Ave (DS)	8	3,800,000	475,000
6868 Arcola St	7	1,655,000	236,429
4424 Pender St	29	9,694,000	334,276
366 Howard Ave	45	12,375,000	275,000
* 4651 & 4663 Hastings St (MU)	13	6,750,000	519,231
7262 Curtis St (DS, RH)	13	1,800,000	138,462
* 7312 Magnolia Terrace (MU)	15	6,000,000	400,000
	<b>177</b>	<b>\$56,774,000</b>	<b>\$320,757</b>

## Coquitlam

1160 Inlet St (DS, TH, ST)	36	\$34,551,360	\$959,760
1184 Inlet St (DS, TH, ST)	17	22,350,000	1,314,706
	<b>53</b>	<b>\$56,901,360</b>	<b>\$1,073,611</b>

## Port Coquitlam

2232 McAllister (MU)	73	\$18,220,000	\$249,589
2209 Atkins	10	2,850,000	285,000
	<b>83</b>	<b>\$21,070,000</b>	<b>\$253,855</b>

## Delta

8507 120th St (DS)	70	\$19,500,000	\$278,571
4650 Evergreen Ln	14	\$2,740,000	\$195,714
4552 Evergreen Ln	14	\$2,920,000	\$208,571
4586 Evergreen Ln	17	\$3,530,000	\$207,647
	<b>115</b>	<b>\$28,690,000</b>	<b>\$249,478</b>

## Langley

20709 Eastleigh Cres (DS, TH)	7	\$4,100,000	\$585,714
21755 61A Ave (TH)	8	2,750,000	343,750
	<b>15</b>	<b>\$6,850,000</b>	<b>\$456,667</b>

## Maple Ridge

22334 117 Ave (MU)	37	\$8,625,000	\$233,108
11872 Laity St	12	2,800,000	233,333
22337 Lougheed Hwy (MU)	10	3,165,000	316,500
22325 St Anne Ave	66	22,160,000	335,758
	<b>125</b>	<b>\$36,750,000</b>	<b>\$294,000</b>

## Mission

7365 Alder St	8	\$1,400,000	\$175,000
32846 E 14th Ave	30	3,940,000	131,333
7581 Cedar St (ST)	21	3,454,000	164,476
	<b>59</b>	<b>\$8,794,000</b>	<b>\$149,051</b>

ADDRESS	SUITES	PRICE (\$)	AVG \$/UNIT
<b>New Westminister</b>			
818 Twelfth St (MU)	7	\$3,950,000	\$564,286
65 First St (ST, DS)	61	22,735,920	372,720
1205 - 1207 Fourth St	33	6,600,000	200,000
716 Columbia St (MU)	8	2,565,000	320,625
377 Hospital St	5	2,365,000	473,000
520 Eighth St (SP)	56	16,150,000	288,393
331 Eighth St	6	2,000,000	333,333
	<b>176</b>	<b>\$56,365,920</b>	<b>\$320,261</b>

## North Vancouver

1629 St Georges Ave	22	\$10,800,000	\$490,909
215 E 16th St (DS)	25	10,750,000	430,000
235 E 16th St (DS)	17	7,675,000	451,471
1540 St. Georges Ave (DS)	18	8,950,000	497,222
154 E 18th St (NC, HR, SP)	96	52,900,000	551,042
143 E 21th St (NC, MR, SP)	99	55,500,000	560,606
145 E 4th St (DS)	11	9,600,000	436,364
153 E 4th St (DS)	11		
2832 Capilano Rd (ST)	14	9,500,000	678,571
165 E 19th St	14	5,700,000	407,143
380 E 1st St (DS)	20	10,700,000	535,000
201 W 1st St (MU)	30	19,900,000	663,333
1612 St. Georges Ave (DS)	26	10,350,000	398,077
118 W 18th St	21	7,850,000	373,810
* 2670 Library Lane (NC)	75	54,450,000	726,000
3050 Baird (DS/TH)	32	31,995,250	999,852
	<b>531</b>	<b>\$306,620,250</b>	<b>\$577,439</b>

## Richmond

* 14000 & 14088 Riverport Wway	135	\$45,465,000	336,778
12040 2nd Ave (ST)	7	4,200,000	600,000
	<b>142</b>	<b>\$49,665,000</b>	<b>\$349,754</b>

## Surrey

13301 104 Ave (DS)	156	\$98,600,000	\$632,051
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## West Vancouver

425 6th St (SP)	16	\$11,880,000	\$742,500
2025 Bellevue Ave (MR)	42	24,500,000	583,333
2190 Bellevue Ave (DS)	62	41,602,000	671,000
2222 Bellevue Ave (DS)	100	101,300,000	1,013,000
	<b>220</b>	<b>\$179,282,000</b>	<b>\$814,918</b>

## White Rock

1455 Fir St	58	\$12,800,000	\$220,690
15281 Royal Ave	21	6,300,000	300,000
1430 Blackwood St	15	3,700,000	246,667
	<b>94</b>	<b>\$22,800,000</b>	<b>\$242,553</b>

\* Sold by The Goodman Team

# ACTIVITY HIGHLIGHTS: 2021 COMPARED TO 2020

## Dollar volume (\$)

City	2021 \$ volume	2020 \$ volume	% change
<b>Vancouver areas</b>			
Eastside	\$214,403,000	\$200,553,000	+7%
Kerrisdale	62,250,000	76,600,000	- 19%
Kitsilano	160,915,517	16,700,000	+864%
Marpole	160,317,482	72,717,888	+120%
South Granville	239,926,000	142,175,000	+69%
UBC	0	0	N/A
West End	809,626,500	165,190,000	+390%
<b>Vancouver</b>	<b>\$1,647,438,499</b>	<b>\$673,935,888</b>	<b>+144%</b>

### Suburban areas

Burnaby	\$56,774,000	\$84,500,000	- 33%
Coquitlam	56,901,360	13,000,000	N/A
Delta	28,690,000	0	N/A
Langley	6,850,000	12,700,000	- 46%
Maple Ridge	36,750,000	56,695,000	- 35%
Mission	8,794,000	0	N/A
New Westminster	56,365,920	221,172,000	- 75%
North Vancouver	306,620,250	51,388,499	+497%
Port Coquitlam	21,070,000	0	N/A
Port Moody	0	0	N/A
Pitt Meadows	0	0	N/A
Richmond	49,665,000	0	N/A
Surrey	98,600,000	17,675,000	+458%
West Vancouver	179,282,000	0	N/A
White Rock	22,800,000	3,625,000	+529%
<b>Suburbs</b>	<b>\$929,162,530</b>	<b>\$460,755,499</b>	<b>+102%</b>

### Metro Vancouver

<b>Total</b>	<b>\$2,576,601,029</b>	<b>\$1,134,691,387</b>	<b>+127.1%</b>
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## Building transactions

City	2021 buildings sold	2020 buildings sold	% change
<b>Vancouver areas</b>			
Eastside	21	12	+75%
Kerrisdale	3	2	+50%
Kitsilano	14	4	+250%
Marpole	18	7	+157%
South Granville	21	11	+91%
UBC	0	0	N/A
West End	26	10	+160%
<b>Vancouver</b>	<b>103</b>	<b>46</b>	<b>+124%</b>

### Suburban areas

Burnaby	8	4	+100%
Coquitlam	2	1	N/A
Delta	4	0	N/A
Langley	2	2	0%
Maple Ridge	4	6	- 33%
Mission	3	0	N/A
New Westminster	7	7	0%
North Vancouver	16	8	+100%
Port Coquitlam	2	0	N/A
Port Moody	0	0	N/A
Pitt Meadows	0	0	N/A
Richmond	2	0	N/A
Surrey	1	3	- 67%
West Vancouver	4	0	N/A
White Rock	3	1	N/A
<b>Suburbs</b>	<b>58</b>	<b>32</b>	<b>+81%</b>

### Metro Vancouver

<b>Total</b>	<b>161</b>	<b>78</b>	<b>+106%</b>
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## Average price

City	2021 \$ per suite	2020 \$ per suite	% change
<b>Vancouver areas</b>			
Eastside	\$411,522	\$471,889	- 13%
Kerrisdale	560,811	781,633	- 28%
Kitsilano	478,915	451,351	+6%
Marpole	374,574	382,726	- 2%
South Granville	497,772	551,066	- 10%
UBC	0	0	N/A
West End	537,244	483,012	+11%
<b>Vancouver</b>	<b>\$486,688</b>	<b>\$499,212</b>	<b>- 3%</b>

### Suburban areas

Burnaby	\$320,757	\$449,468	- 29%
Coquitlam	1,073,611	371,429	+189%
Delta	249,478	0	N/A
Langley	456,667	373,529	+22%
Maple Ridge	294,000	179,984	+63%
Mission	149,051	0	N/A
New Westminster	320,261	324,775	- 1%
North Vancouver	577,439	367,061	+57%
Port Coquitlam	253,855	0	N/A
Port Moody	0	0	N/A
Pitt Meadows	0	0	N/A
Richmond	349,754	0	N/A
Surrey	632,051	280,556	+125%
West Vancouver	814,918	0	N/A
White Rock	242,553	402,778	- 40%
<b>Suburbs</b>	<b>\$477,473</b>	<b>\$314,509</b>	<b>+52%</b>

### Metro Vancouver

<b>Total</b>	<b>\$483,324</b>	<b>\$403,088</b>	<b>+20%</b>
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## Number of suites sold

City	2021 suites sold	2020 suites sold	% change
<b>Vancouver areas</b>			
Eastside	521	425	+23%
Kerrisdale	111	98	+13%
Kitsilano	336	37	+808%
Marpole	428	190	+125%
South Granville	482	258	+87%
UBC	0	0	N/A
West End	1,507	342	+341%
<b>Vancouver</b>	<b>3,385</b>	<b>1,350</b>	<b>+151%</b>

### Suburban areas

Burnaby	177	188	- 6%
Coquitlam	53	35	N/A
Delta	115	0	N/A
Langley	15	34	- 56%
Maple Ridge	125	315	- 60%
Mission	59	0	N/A
New Westminster	176	681	- 74%
North Vancouver	531	140	+279%
Port Coquitlam	83	0	N/A
Port Moody	0	0	N/A
Pitt Meadows	0	0	N/A
Richmond	142	0	N/A
Surrey	156	63	+148%
West Vancouver	220	0	N/A
White Rock	94	9	+944%
<b>Suburbs</b>	<b>1,946</b>	<b>1,465</b>	<b>+33%</b>

### Metro Vancouver

<b>Total</b>	<b>5,331</b>	<b>2,815</b>	<b>+89%</b>
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# TRUDEAU'S FALSE "US VERSUS THEM"

## Housing priorities will hurt rental supply and affordability

By Andrey Pavlov, Ph.D., *Goodman Report*

Recently, Prime Minister Trudeau outlined his housing policy priorities. His mandate letter to finance minister Chrystia Freeland includes working with the Minister of Housing and Diversity and Inclusion and calls to "curb excessive profits in investment properties" and "require landlords to disclose in their tax filings the rent they receive pre- and post-renovation and to pay a proportional surtax if the increase in rent is excessive" (emphasis added).

Remarkably, Trudeau's language resembles the first official election program of the Communist Party of Canada, then called the Labor-Progressive Party:

***"It is the principle that excessive profits should be taken by the government and used in the interest of the community."***

*– Communist Party of Canada Electoral Program, 1944*

Having witnessed first-hand the devastation communism brings, I'm shocked to find these ideas in our official policy priorities. About 30 years ago, I left everything I held dear to escape the consequences of precisely these types of "capital versus labour" policies.

My emotional distress aside, we now know that blaming capitalists, in this case landlords, backfires. I was neither a capitalist nor a worker when I left communist Bulgaria, but I noticed that a lot of "workers" left with me. They left a society that was purportedly working for them to join one that was presumably exploiting them. Not a single soul, capitalist or worker, was going the other way.

Yet we don't have to go back decades to see that reining in "greedy landlords" ends up hurting tenants. A recent study published in the *American Economic Review* uses data from a rent control measure in San Francisco to conclude: "Taking all of these points together, it appears rent control has actually contributed to the gentrification of San Francisco, the exact opposite of the policy's intended goal." More generally, a survey of several hundred economists published in the same journal found that 93 percent of respondents agreed completely or partly that "a ceiling on rents reduces the quantity and quality of housing available."



Our B.C. experience is no exception. For years, we've been placing one restriction on landlords and investors upon another. Our provincial and municipal governments have introduced speculation and vacancy taxes, rental-only zoning, vacancy control for SROs, land transparency registers, years-long permitting process, land-use restrictions, and intrusive building codes and requirements.

This misguided government activism produces the same unfortunate outcomes year after year. For instance, the City of Vancouver issued building permits for a total of 4,262 residential units in 2020: an 18% decline relative to 2019, which was already down a whopping 30% relative to 2018. Compare this to Seattle, where permits for 8,392 residential units were issued in 2020, for a city that's only about 10 percent bigger.

Insufficient supply translates into low vacancy rates and rent increases well above "mandated" numbers. COVID helped ease Vancouver vacancies a bit, but only at the expense of surrounding communities, not owing to a real improvement in the rental market. As with any other "us versus them" intervention, the policies above hurt the very people they're intended to help.

In short, we've tried "capital versus labour" and "landlord versus tenant" solutions many times already, with the same inevitable outcome every time. The policies in Trudeau's mandate letter would not be exceptions to the tragic history of Marxism. Curbing "excessive profits" and imposing additional reporting requirements on the already complex and burdensome tax system may hurt some existing landlords and investors. But to a far greater extent it would hurt current and future tenants, as they would face even fewer and less desirable housing options

going forward. These are lose-lose policies, with moderate and lower-income Canadians bearing the brunt.

To be fair, Trudeau's mandate letter contains many positive initiatives related to housing supply. For instance, he'd like to encourage municipalities to increase densification, reduce construction approval timelines and speed development of empty or underused lands. He'd also like to introduce rent-to-own programs, support property conversion, and make federal lands and properties available for housing development. These are all great ideas that could indeed improve affordability.

The tragedy is that Trudeau's letter steps on the gas and the brakes at the same time. Yes, simplifying and accelerating development is a must. However, it will do little good if "excess profits" policies make housing investment so risky that only a handful of projects can move forward. More, not fewer, properties will remain empty or underutilized.

Also, let's not forget that lengthy approvals, low rates of property conversion, and empty or underutilized federal lands and properties all result from government overreach and mismanagement. Instead of setting up an "Housing Accelerator Fund," Trudeau may achieve the same outcome more successfully by limiting governments at all levels, including his own.

Removing much of our current housing-related red tape and taxes would allow increased competition in the housing market, which, in turn, would keep profits in check and provide the much-needed housing supply. In the end, producing more housing is what matters most.

*Andrey Pavlov, PH.D., is Professor of Finance, Beedie School of Business, Simon Fraser University.*



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