



CONDOMINIUM MARKET OPPORTUNITIES REPORT

Metro Vancouver Edition

Vol. 2 No. 1

February, 2012

Metro Vancouver Condominium Market Opportunities Report



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Disclaimer

All information and detail within the report are obtained from through public sources and from developers, property owners and their representatives. MPC and Strategics have made every reasonable effort to compile reliable, accurate and timely information. The data contained within the document is deemed to be that.

MPC and Strategics assume no responsibility for inaccuracies of information provided by any of the reporting parties. The views, opinions and conclusions expressed in the report are those of Strategics and MPC Intelligence.

About Us

Strategics

Strategics (1981) is a Vancouver-based company providing information and analysis designed to minimize marketing risk for condominium developers, lenders, project marketers and investors.

Frank Schliewinsky (MSc) is the principal and founder of Strategics. He has over 35 years of experience and expertise in providing comprehensive marketing and market research services to the housing and condominium development industry. His specialized expertise is in advanced analytical techniques designed to assess the market feasibility of new condominium projects and in the design of pro-active marketing strategies.

For over 15 years he edited the Strategics' Vancouver Housing Market Report and Strategics' Vancouver Condominium Handbook. From 2001 to 2007, he edited and wrote PwC's Greater Vancouver Condominium Review (published until December, 2007)

MPC Intelligence

MPC Intelligence (MPC) is a real estate data provider and consultancy group and specializes in actively tracking the new residential marketplace in Metro Vancouver and Abbotsford.

MPC tracks all new projects over 10 units in size across 27 different submarkets in Metro Vancouver and Abbotsford. MPC monitors new home projects from when they are first proposed until they are sold out. MPC evaluates the market's performance, continuously updating data and providing economic and statistical analysis to its clients. MPC was founded in 2005 and has been successfully serving all facets of the new home industry in Western Canada ever since.

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Metro Vancouver Condominium Market Opportunities Report

Introduction

The Metro Vancouver Condominium Market Opportunities Report (CMOP) is the most extensive and comprehensive analysis available for the new condominium market in Metro Vancouver. The February, 2012 edition covers 414 projects or project phases with 36,983 units that were marketing during the second half of 2011. The February, 2012 edition also includes upcoming supply estimates based on the analysis the development applications of 673 projects with approximately 39,000 units that could start marketing within the next 24 months.

The objective of the CMOP report is to identify development opportunities for new condominium projects in the major Metro Vancouver markets over the next 12 to 24 months. Market opportunities for high rise, low rise and townhome projects are identified in terms:

- Markets with insufficient upcoming supply to meet estimated marketing start requirements based on forecast sales and current inventories;
- Promising trends in monthly sales and selling prices;
- Changes in unit size range and product mix that could lead to improved sales performance in new projects;
- Project features that could result in improved sales and revenues.

Several changes, some major and some minor, are introduced in this edition of the CMOP report with the objective of improving the identification of market opportunities.

Major Changes:

- The standardized monthly sales rate per project has been improved by including marketing months in the calculation. Monthly sales are influenced by the number of units in a project and how long it's been on the market. All things being equal, a large project should sell more units per month than a small project and sales are typically highest in the first marketing month and decline with each successive month. The standardized rate now controls for both project size and months on the market.
- Estimated planned starts for 2011 made in Vol. 1 No. 1 of the CMOP Report under estimated actual apartment condominium marketing

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starts by 60% and townhome marketing starts by 30%. This typically happens when developers sense growing market opportunities. In this edition of the CMOP Report, planned marketing starts for the 12 months are adjusted to compensate for this past under estimation. The total number of estimated starts for the next 24 months has not been adjusted.

- A calculation of the optimal product mix that maximizes gross sales revenue for the average high rise, low rise or townhome project in a market is now included in the CMOP Report. The analysis uses the CMOP Toolkit optimal mix routine to produce a market –driven product mix by unit size range. This is compared to the product mix within new projects marketing during the previous six months to identify any marketing advantages to be gained by adjusting the product mix in planned projects

Minor Changes:

- The charts showing sales and price trends by project type are now combined into one chart. This gives a clearer picture of the relationship between changes in monthly sales and prices.
- The analysis of features associated with better than average standardized revenue estimates no longer shows suite flooring finishes. These are basically the same for kitchen and bathroom flooring finishes. Standard appliances have been expanded to include wood paneled gas and electric appliances.
- The comparison of the unit size distribution of MLS sales of newer product over the past six months is now compared to the unit size distribution in new projects that started marketing in the past six months. This presents a better picture of potential opportunities in adjusting the product mix in new projects.
- A one line summary of projects marketing in Metro Vancouver during the second half of 2011 is now included in the Appendices.

MPC's latest market survey conducted between December 1, 2011 and January 10, 2012 shows that, during the second half of 2011, a total of 65 projects or project phases with a total of 3,690 units started marketing in Metro Vancouver. This is down from the 81 projects with 6,093 units that started marketing during the first half of 2011. Perhaps developers are now sensing that market opportunities are not as great as they once thought.

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But it's more likely that developers will increase project starts during the first half of 2012 and the reduction in starts during the last six months of 2011 was due to slower than expected sales in new projects and a build up of unsold inventory. Unsold inventory at the end of December, including yet to be released phases in these projects, is estimated to be over 3,300 units. This is not much less than the number of marketing starts during second half of 2011.

Based on MPC's latest review of outstanding development applications, about 6,400 apartment and townhome marketing starts are expected during the first half of 2012. This could be too much and too fast with population and household growth slowing in Metro Vancouver.

The latest migration figures from BC Stats show that net migration to the Province at the end of the third quarter was down by 29% compared to the same period in 2010. BC is losing people to other provinces and the number of immigrants is down by 27%. Third quarter net migration figures usually represent about 82% of the total net migration for a year. If this holds true for 2011, then total net migration in 2011 might be down by 8% from 2010. Not as bad as first quarter migration figures had suggested.

However, given the relationship of net migration to housing demand in Metro Vancouver, an 8% drop in net migration to BC means a 16% drop in total housing demand in 2012 and a 10% drop in demand for new apartment and townhome condos.

Most of the media attention on the Vancouver condo market has been speculation on whether there's a market bubble or a balloon, whether it's going to snap, crackle or pop. But not much attention has been paid to declining net migration or the potential impact of the deflating Chinese real estate bubble on foreign speculation in the Vancouver condo market. Both of these factors will have a negative effect on new condo sales in 2012. Some of this is already evident in the latest figures. 2012 may be the year of the dragon but for the Vancouver market the only thing draggin' will be new condo sales.

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CMOP High Rise Index



MPC's latest survey of Metro Vancouver condominium projects shows 111 high rise and mid rise projects with product for sale in the second half of 2011. This includes 15 projects with 1,510 units that started marketing in the last six months of 2011 and projects with 17,066 units that started before July, 2011. An estimated 3,900 high rise and mid rise units were still for sale in new projects at the end of December.

The assessment of market opportunities for new high rise projects is summarized in the CMOP Index. This index rates market opportunities for new projects over the next 12 months on a scale of 0 to 100, with 100 identifying a market with the best development opportunities.

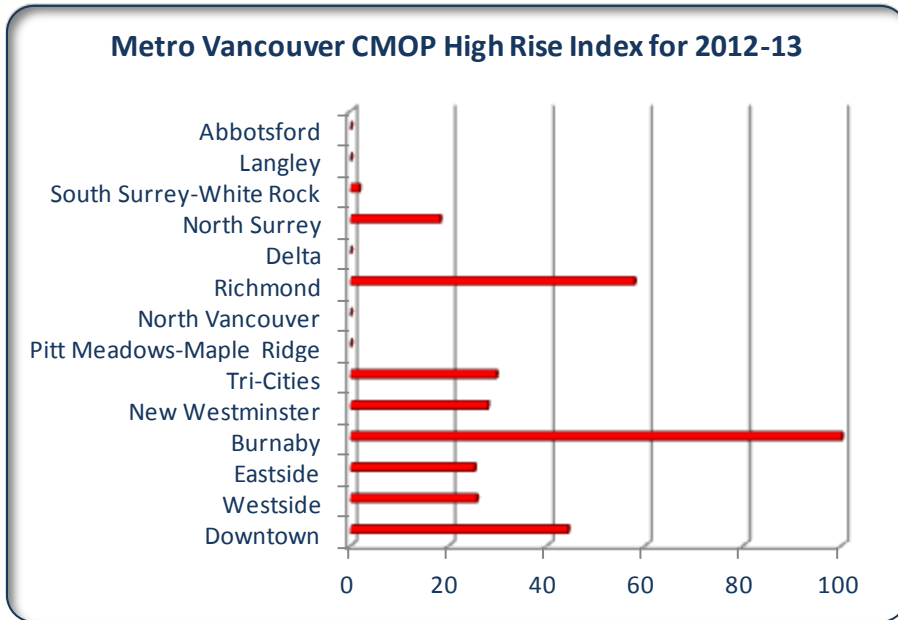
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Major High Rise Markets	C-MOP Index	Comments
Downtown Vancouver	44	slow sales in the past six months have knocked down the forecast for 2012; asking prices over \$800 per square foot will put a crimp on demand; too much upcoming supply will result in longer selling periods
Westside Vancouver	26	monthly sales are down with every price increase and there's too much unsold inventory and too many planned starts; a risky market for 2012
Eastside Vancouver	25	excess inventory won't be a problem in 2012 but potential demand is difficult to gauge; MLS high rise sales indicate less demand in 2012
Burnaby	100	still the best market for high rise in 2012 if developers can keep a lid on prices; high rise product in the 800 to 1,000 square foot range should do well in 2012
New Westminster	28	high rise sales in the second half of 2011 exceeded expectations but this is still a relatively small market; too much supply in 2012 could be a real problem; any price increases will likely put a damper on sales
Tri-Cities	30	high rise sales were up in the second half but so was unsold inventory and upcoming supply for 2012; much of the new product was targeted to investors and speculators
North Vancouver	0	excess inventory is still a drag on this market; a couple of high rise did start in the second half of 2011; expected marketing period is 26 months

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Richmond

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slow sales in the past six months and major declines in MLS high rise sales don't bode well for new projects in 2012; the only positive is that planned starts in 2012 may leave the market undersupplied for a while

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North Surrey

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unless prices can be competitive with New Westminster and the Tri-Cities, developers should be cautious about this market; they also have to undercut the 240 or so units in unsold inventory and the 580 units planned for 2012

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CMOP Low Rise Index



During the second half of 2011, a total of 151 low rise projects had product for sale in Metro Vancouver. An estimated 70% of the 11,058 units in these projects were sold at the end of 2011. Unsold inventory, including units yet to be released in projects now marketing, is estimated to be close to 4,700 units.

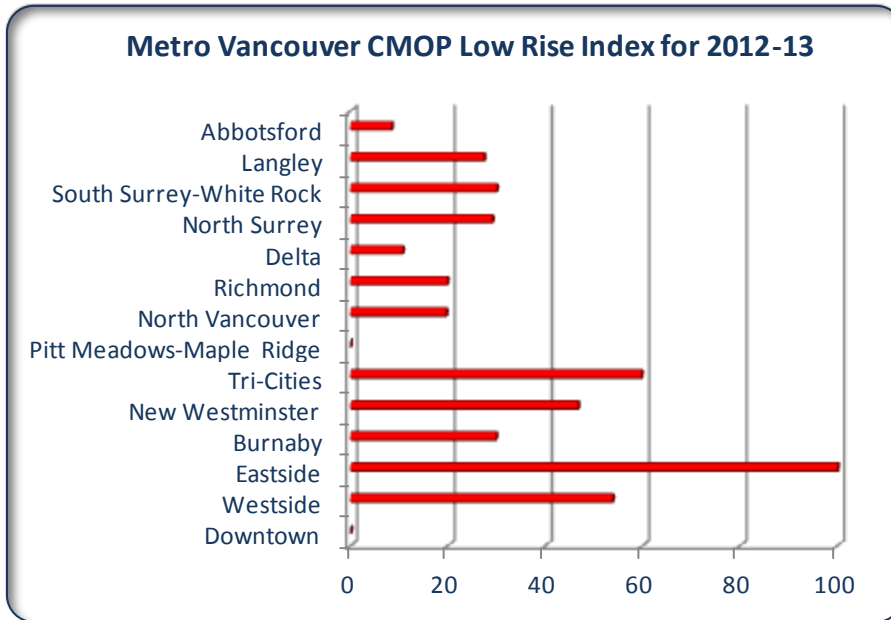
The total number of low rise projects includes 26 projects with 1,615 units that started marketing during the second half of 2011. These projects were about 36% sold after an average of three months on the market. Sales of low rise condos definitely slowed over the past six months.

The assessment of market opportunities for low rise condominiums is summarized in the CMOP Index. This index rates market opportunities for low rise projects over the next 12 months on a scale of 0 to 100, with 100 identifying a market with the best development opportunities.

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Major Low Rise Markets	C-MOP Index	Comments
Westside Vancouver	54	still one of the better low rise markets but not as good as six months ago; over supply not a threat for 2012 but further price increases will turn off buyers
Eastside Vancouver	100	market will likely remain under supplied in 2012 leaving lots of room for new projects; Eastside low rise projects had better sales rates and revenue estimates than those marketing on the Westside during the second half of 2011
Burnaby	30	developers may try to make up for the lack of product in 2011 by over supplying the market in 2012; new projects in 2012 could take 29 months to sell out
New Westminster	47	opportunities for low rise have improved over the past six months; market will be under supplied in 2012; pricing will be crucial to marketing success; keep average prices below \$300,000
Tri-Cities	60	the low rise market was hot during the second half of 2011 so now developers want to start even more projects; but price increases have been aggressive and much of the product has been targeted to investors; this may not work in 2012
Pitt Meadows-Maple Ridge	0	good sales in one project may result in too many starts in 2012; this market still has over 300 units in unsold and yet to be released units; not much room for new projects
North Vancouver	20	low rise sales have stalled out; pent up demand has been satisfied; upcoming supply is excessive; buyers balking at prices over \$500 per square foot

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Richmond	20	marketing starts over the past six months filled the gap in this market; now the risk is too much supply in 2012; the effect of lower net migration numbers is already evident in MLS sales; expect less demand for new units in 2012
Delta	11	one new project in 2011 did very well; no sign of oversupply in 2012 so room for another 50 or so unit project
North Surrey	29	unsold inventory is now two year's worth of sales; targeting investors and speculators with small units hasn't worked but developers are determined to keep on trying
South Surrey-White Rock	30	excess unsold inventory and slow project sales limit the opportunities in this market for 2012; only major price reductions can stimulate sales
Langley	27	developers plan to start twice as many units as needed in 2012; one project has this market cornered and it'll be tough to beat
Abbotsford	8	no starts in 2011 and still over two year's worth of unsold inventory; even the lowest price in town may not help spur sales in new projects starting in 2012

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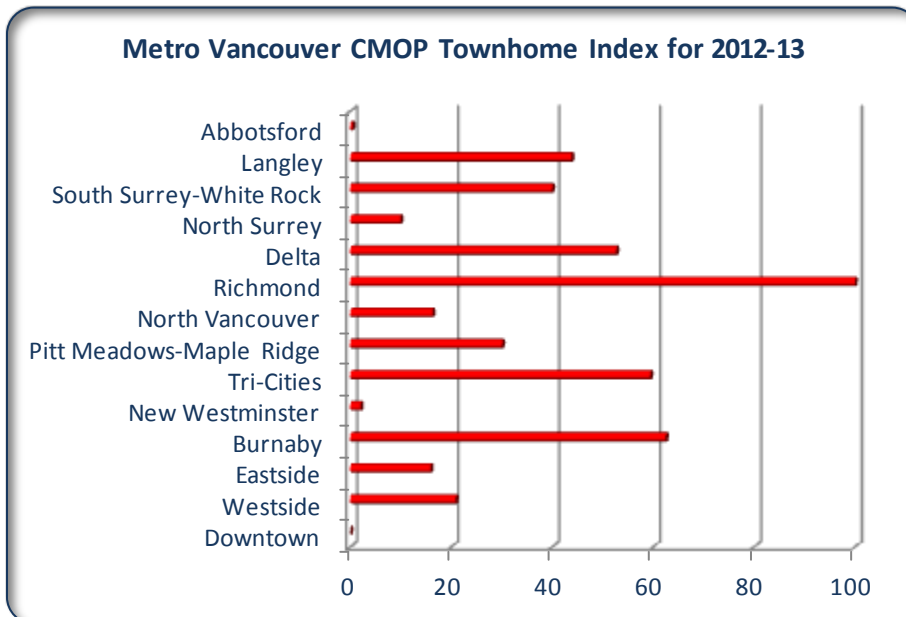
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CMOP Townhome Index



MPC’s latest survey of the Metro Vancouver townhome market covered 148 projects marketing during the second half of 2011. At the end of December, an estimated 78% of the 7,232 units in these projects were sold. Total unsold inventory, including yet to be released units in projects now marketing, is estimated to be 3,089 units.

During the second half of 2011, townhome developers launched 24 new projects with a total of 565 units. At the end of December, these projects had sold 34% of their units after an average of four months on the market.



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Major Town Home Markets	C-MOP Index	Comments
Westside Vancouver	21	for this market to absorb all the planned starts, sales will have to quadruple in 2012; annual sales are still on the order of 60 units
Eastside Vancouver	16	no starts planned for 2012 means there's room for a 60 unit project in 2012; grade-access townhomes are a better bet than stacked townhomes
Burnaby	63	more smaller stacked townhome units have reduced average prices and improved sales; market could be under supplied in 2012 increasing opportunities for new projects
Tri-Cities	59	new townhome projects did not sell well during the second half of 2011; price increases didn't help; product in the 1,250 to 1,500 square foot range isn't selling as well as it once was
Pitt Meadows-Maple Ridge	30	planned starts for 2012 will swamp this market; projects starting in 2012 are expect to take 48 months to sell out
North Vancouver	16	new projects have done reasonably well but annual demand for townhomes is still only 60 to 80 units a year; market could be under supplied in 2012
Richmond	100	relatively good sales and revenues and planned starts close to estimated sales in 2012 make this the market for townhome developers in 2012; major threat is from a reduction in demand because of slower household growth
Delta	53	new projects have sold well and have little inventory left for sale; planned starts for 2012 won't be enough to satisfy demand leaving opportunities for three to four new projects in 2012
North Surrey	10	too much unsold inventory and too much upcoming supply severely limit development opportunities in 2012; ; average project to start marketing in 2012 is expected to take 34 months to sell out
South Surrey-White Rock	40	too much unsold inventory, slow sales and too many planned starts for 2012; but South Surrey often outperforms expectations for townhome sales
Langley	44	a couple of projects propped up townhome sales in 2011 (some with questionable reported sales numbers); repeating the success of these projects won't be easy; unsold inventory is over one year's worth of demand
Abbotsford	0	best market to avoid in 2012

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Metro Vancouver Condo Market - Sales Forecast

Sales Forecast Next 24 Months	Metro Vancouver Total Market		
	High Rise	Low Rise	Town home
Trend-based Sales Forecast	10934	8244	4346
Population-based Forecast	8640	6515	4391
Blended Forecast (40% pop'n:60% trend)	10017	7552	4364
Est. Unsold Inventory (Dec 31-11)	3890	4710	3089
Req'd Unsold for Balanced Mkt	2504	1888	1091
Excess/(Deficiency) Unsold Inventory	1385	2822	1998
Required Marketing Starts Next 24 Months	8631	4730	2366
Planned Marketing Starts Next 12 Months	7414	4106	3172
Planned Marketing Starts Next 24 Months	23177	10225	6650
Excess/(Def'cy) Planned Starts Next 12 Mo	3099	1740	1989
Excess/(Def'cy) Planned Starts Next 24 Mo	14545	5495	4284

The sales forecast for new condominium product is based on an extrapolation of sales trends and the relationship between annual sales and BC Stats most recent P.E.O.P.L.E. forecasts for Metro Vancouver Local Health Areas. The sales forecast blends these two forecasts, giving slightly more weight to the trend-based forecast.

Differences between the trend-based and population-based forecasts are important. A higher population-based forecast can be indicative of pent-up demand in a market. A higher trend-based forecast can be a sign of current sales borrowing from future demand and an over-heated market.

The 24 month trend-based sales forecast of 10,934 units for new high rise condos in Metro Vancouver is down by about 1,700 units from last June. Sales have not been as good as expected which is likely a factor of increasing prices and a slow down in net migration to the Lower Mainland.

Unsold inventory at the end of 2011 reduces the estimated required high rise marketing starts to 8,600 units for the next 24 months. High rise developers plan to start 7,400 units in 2012. An over supplied high rise market is now a more serious threat than the hypothetical bubble that might pop or fizzle.

The 24 month sales forecast for low rise condos is up from last June but unsold inventory is up by even more. With over a year's worth of unsold inventory, marketing start requirements are down to 4,700 or so units over the next 24

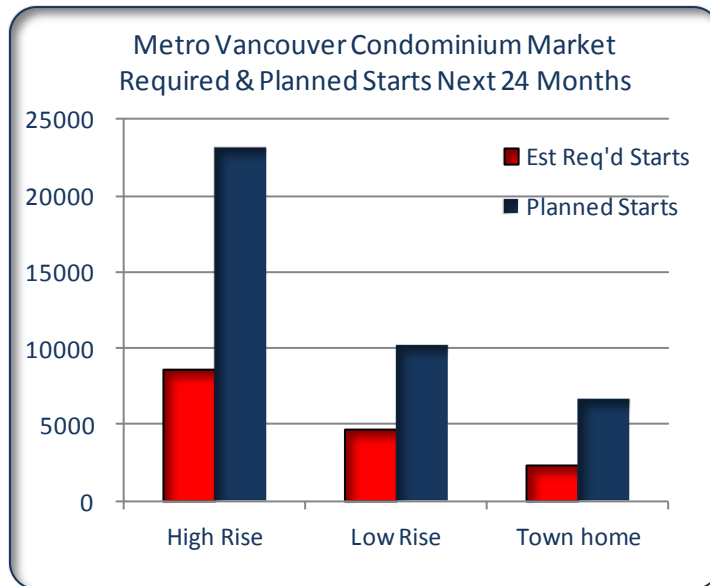
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months. Same story as the high rise market: low rise developers plan to start almost two years of required marketing starts in 2012.

The demand forecast and unsold inventory levels of townhomes are almost the same as they were last June. However, if developers carry through on planned starts, the townhome market will be swamped with new product in 2012.



Planned starts for 2012 are excessive for most Metro Vancouver markets. Planned starts for the next 24 months are unrealistic. Whatever developers intentions are now for upcoming projects, they're bound to change after the first half of 2012. No doubt that upcoming supply estimates for 2013 will have to be adjusted downward instead of upward.

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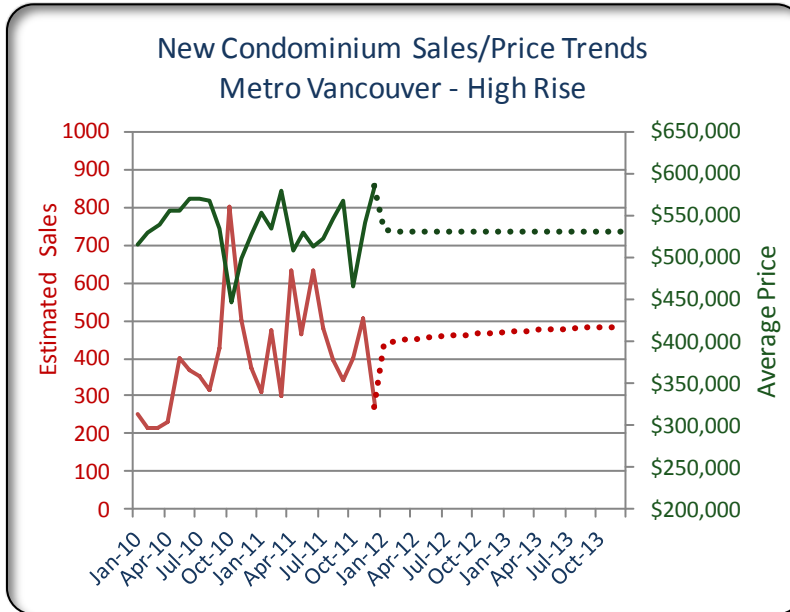
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Metro Vancouver Condo Market – Sales/Price Trends

High Rise



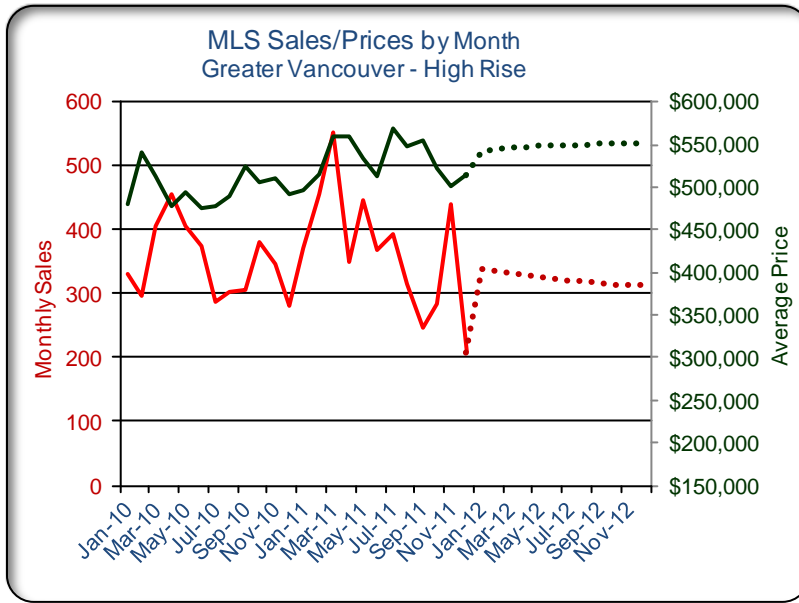
The analysis of new high rise sales shows estimated monthly sales and the trend line for average monthly sales for the past two years. The trend is projected until the end of 2013 to give an indication of expected monthly sales. Total high rise sales in 2012 could be 5% higher than in 2011 but it all depends whether sales snap out of the slump they've been in for the past six months.

Average high rise prices were close to \$586,000 per unit or \$630 per square foot (excluding HST) at the end of 2011 and sales were down. The trend analysis show average prices in 2012 to be close to \$530,000 per unit. If they increase much beyond this, expect to sales to be below the forecast.

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The resale market is often a leading indicator for new condo sales. MLS sales were up during the first half of 2011 but then declined during the second half. Some of this decline may be seasonal, but increasing prices and a drop in net migration probably also played a role. If MLS sales continue to slip, total sales in 2012 could be down by 12% from 2011.

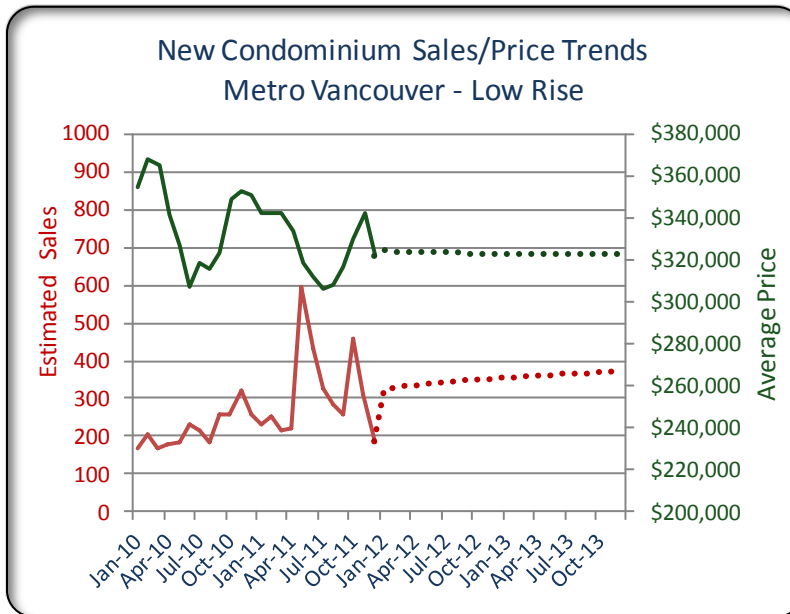
The average MLS selling price for high rise condos at the end of 2011 was \$514,000 or \$562 per square foot. Average MLS prices are expected to increase by about 2% in 2012. This is a relatively modest increase but may be enough to reduce sales.

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Low Rise



Monthly low rise sales picked up in the first half of 2011 and then slowed during the second half of last year. Total sales for 2011 year were up by about 42% from 2010. The sales trend now shows a further 8% increase in sales for 2012. But this all depends on how much developers try to push prices.

Average prices of low rise projects starting in 2011 were about 9% lower than prices for projects that started in 2010. Average price per square foot was down by about 7%. If the price trend remains flat, the average price for new low rise condos in 2011 should be close to \$324,000 per unit or \$416 per square foot (excluding HST).

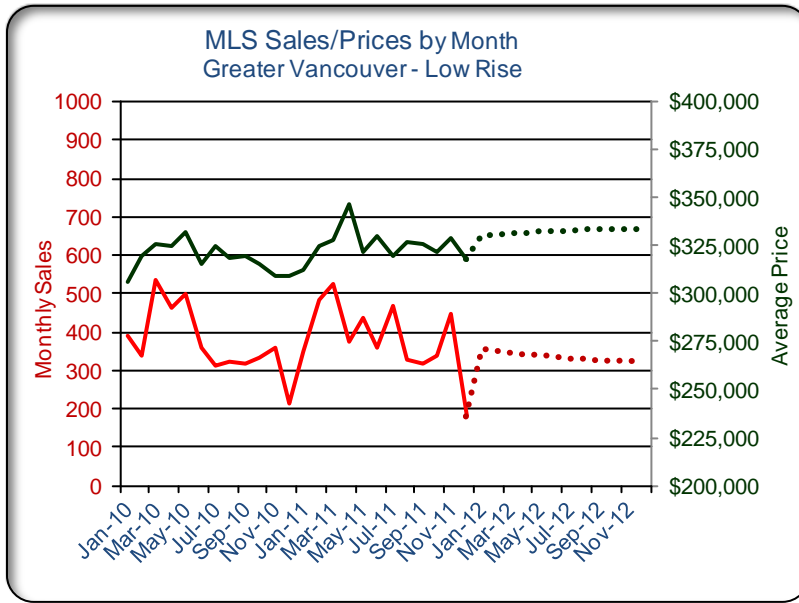
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MLS low rise prices remained close to \$325,000 per unit or \$370 per square foot for most of 2011 but that didn't seem to help sales. Total sales in 2011 were up by 4% from 2010 because of strong sales in the first quarter of the year. Declining sales over the second half of the year have put the trend on a negative course. If sales continue as indicated by the trend, total MLS low rise sales in 2012 could be down by 13%.

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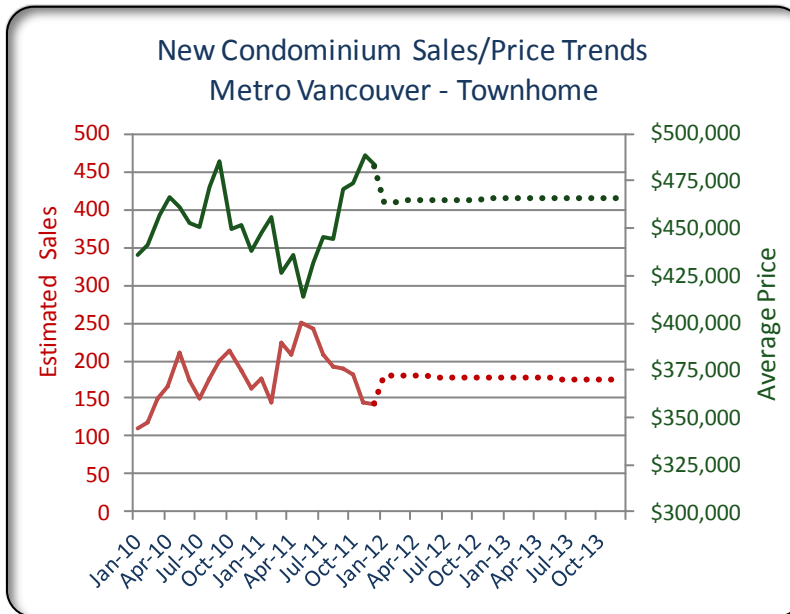
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Townhome



Total sales of new townhomes in Metro Vancouver in 2011 were about 14% higher than in 2010 but sales in 2012 could be down by 8%. And it probably has more to do with price than anything else.

Average asking prices for new townhomes dropped from an average of \$448,000 at the beginning of 2011 to \$414,000 in May, 2011. Sales went up. Since May 2011, average prices have increased to \$483,000 and sales have dropped. The average price in 2012 is expected to be \$465,000 per unit or \$309 per square foot (excluding HST). With any luck, the market will covet a “front door” enough buy at that price.

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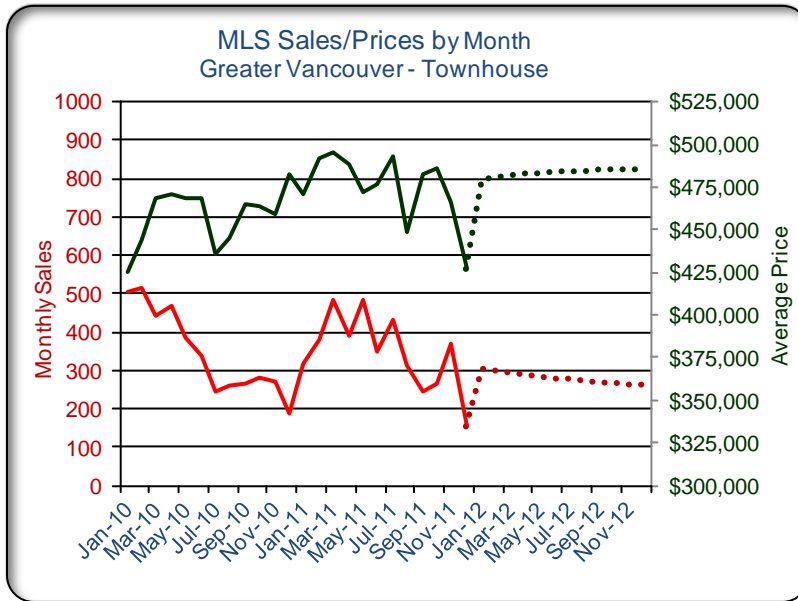
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There's not much difference between average MLS prices for townhomes and new townhome prices. Even the price per square foot is close without the HST added in. The average MLS price for townhouse condos in 2011 was \$475,000 per unit or \$312 per square foot.

MLS townhouse sales have been on a downward trend for the past few years. Sales were up during the first half of 2011 but the downward trend resumed after July of last year. It may be that with relatively little price advantage in buying a resale unit, buyers have opted for new product and the sales of new townhouses are up since 2009. Or it may be that potential townhome buyers are now priced out of the resale and presale markets and are still living in an apartment condo or their parent's basement.

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Product Mix Analysis

Metro Vancouver Projects with Marketing Start Jan - Dec, 2011						
	High Rise	Mid Rise	Low Rise - Concrct	Low Rise - Wood frame	Town home	Stacked Town home
Number of Projects	22	7	3	55	60	10
Avg Number of Units	187	48	60	73	33	35
Percent Sold	67%	41%	60%	54%	60%	46%
Total Unsold Inventory	1032	198	72	3318	1900	193
Avg Months on Market	6	4	7	6	7	7
Avg Monthly Sales/Proj	29	9	5	7	3	3
Avg Stdzd Sales Rate/Mo	14.1	8.4	6.7	3.9	3.1	3.3
Average Unit Size	781	1140	723	815	1554	1123
Average Unit Price	\$486,29	\$777,92	\$435,92	\$341,41	\$456,51	\$514,35
Average Price/ Sq.Ft.	\$638	\$614	\$606	\$409	\$356	\$430
Unit Mix						
under 600 sf	23%	9%	34%	15%	0%	8%
600-700 sf	18%	10%	27%	16%	0%	4%
700-800 sf	9%	6%	12%	16%	0%	1%
800-900 sf	23%	8%	15%	22%	0%	9%
900-1000 sf	16%	9%	11%	17%	0%	18%
1000-1100 sf	5%	12%	0%	6%	2%	17%
1100-1250 sf	3%	10%	0%	6%	13%	20%
1250-1500 sf	2%	5%	0%	2%	44%	6%
1500-1750 sf	1%	27%	0%	1%	18%	7%
1750-2000 sf	0%	2%	0%	0%	8%	7%
2000-2500 sf	0%	2%	0%	0%	11%	3%
2500+ sf	0%	0%	0%	0%	3%	0%

The most detailed analysis by project type is shown above in the analysis of product mix for new condominium projects that started marketing in 2011. MPC's market survey shows 157 projects with a total of 10,975 units started marketing in 2011.

High rise projects had the best standardized sales rate of projects that started marketing in 2011. The average standardized rate of 14.1 units per month was almost four times better than that of new low rise or townhome projects.

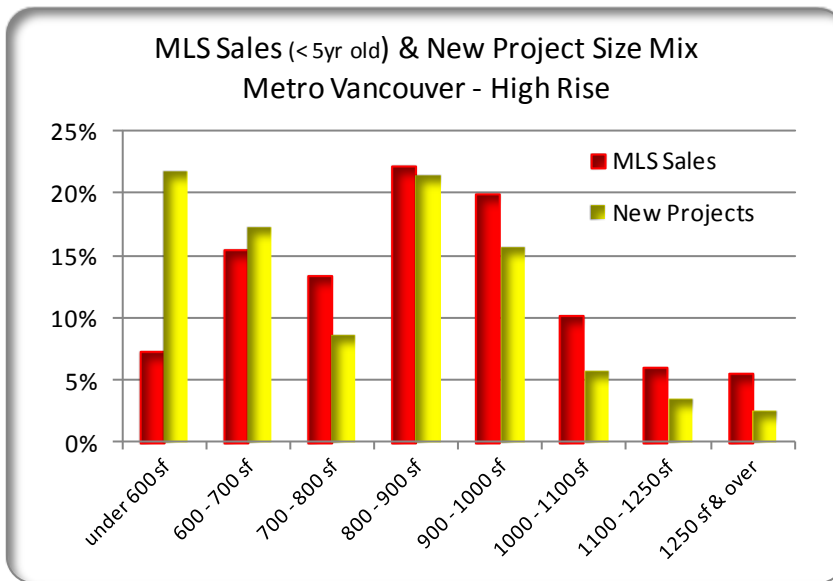
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The average new low rise wood frame project had a standardized sales rate of 3.9 units per month. After an average of six months on the market 54% of the units in these projects were sold. Unsold inventory in these projects at the end of 2011 was over 3,300 units. This included units still to be released in low rise projects now marketing.

New townhome projects had a slightly lower standardized sales rate than new low rise projects. After an average of seven months on the market, 60% of the units in new townhome projects were sold. Like the new low rise projects, many new townhome projects are phased and units yet to be released pushed unsold inventory up to 1,900 units at the end of 2011.

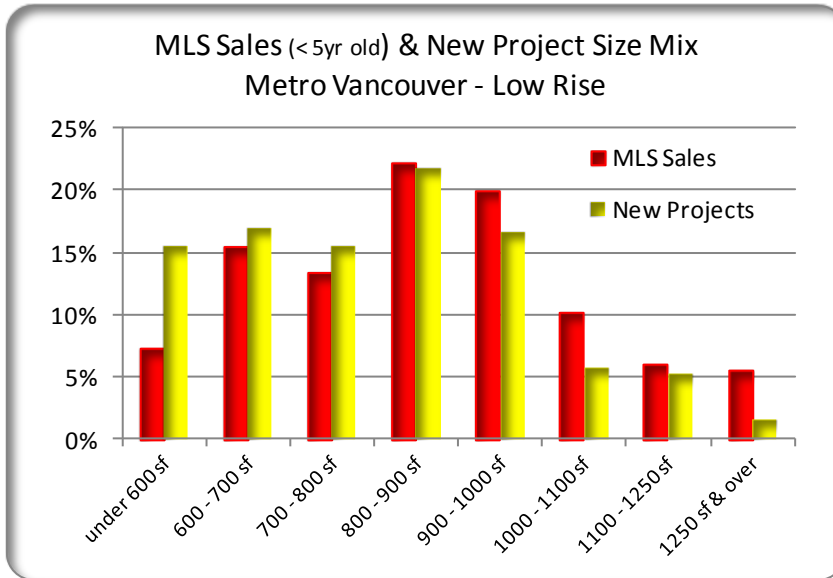


New high rise projects have done well over the past six months targeting investors and price sensitive buyer segments with small units under 600 square feet. However, putting over 20% of your product mix in this size range may not be such a good idea in 2012. If demand softens, projects are going to be caught with a lot of unsellable units. A comparison of the unit mix in new projects and MLS sales of newer high rise condos shows that new projects could increase the mix of units in the 700 to 800 square foot range. However, that wouldn't make up for a major reduction in demand from investors or speculators for units less than 600 square feet.

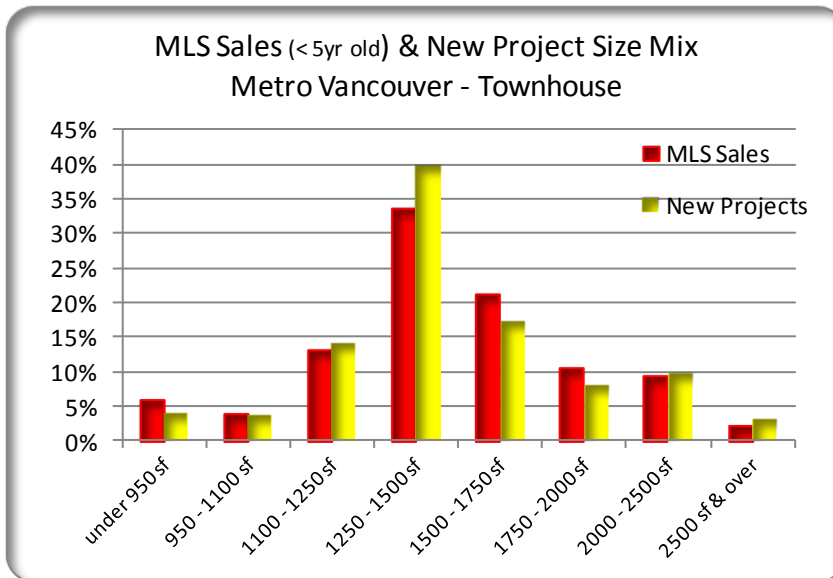
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The product mix in new low rise projects, that started marketing in 2011, is fairly close to the mix of recent MLS sales of newer low rise condos. About half of recent MLS sales and a similar proportion of units in new low rise project is in the 700 to 1,000 square foot ranges. About 15% of the units in new low rise projects are less than 600 square feet in size.



There's not much difference between the product mix in new townhome projects that started marketing in 2011 and recent MLS sales of newer townhouse condos. While there are differences by market area, the similarity in product mix does suggest that there's little upside from product mix changes.

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Analysis of Product Features

Metro Vancouver Projects Marketing Jul-Dec, 2011							
Features Associated with a Higher than Average Revenue							
% increase over average std revenue/sf							
	High Rise	Mid Rise	Low Rise - Wood frame	Low Rise - Concrct	Lofts	Town home	Stkd Town home

Avg Std Rev/SqFt/Mo	\$1,965	\$1,809	\$1,362	\$1,911	\$639	\$1,058	\$1,335
Number of Projects	90	25	133	8	4	125	19

Kitchen Flooring

laminite hardwood	77%	-	7%	167%	-	9%	-
engineered hardwood	28%	76%	63%	-	-	24%	-
porcelain tile	-	104%	14%	-	-	-	-

Bathroom Flooring

laminite hardwood	-	-	-	375%	-	-	-
ceramic tile	7%	-	-	-	-	-	8%
porcelain tile	7%	6%	18%	-	-	15%	9%
vinyl	65%	-	-	-	-	-	-
polished concrete	-	-	-	-	97%	-	-

Standard Appliances

stainless steel electric	10%	-	-	64%	-	-	12%
stainless steel gas	13%	-	139%	-	-	-	-
white electric	-	13%	-	-	-	-	-
black electric	28%	-	-	-	-	-	-
wood paneled electric	9%	74%	-	-	97%	-	-

Appliance Brand Names

Blomberg	41%	-	35%	-	97%	90%	-
Bosch	-	-	159%	-	-	-	7%
Fisher Paykel	-	-	109%	-	-	18%	7%
GE	11%	11%	-	31%	-	-	-
Jenn-Air	26%	-	-	-	-	-	-
KitchenAid	-	-	25%	-	-	15%	-
Liebherr	50%	-	-	-	-	-	-
LG	18%	40%	-	-	-	-	-
Samsung	-	-	91%	-	-	59%	122%
Sub-Zero	15%	131%	-	-	-	18%	-
Viking	124%	-	-	-	-	-	-
Whirlpool	-	-	-	-	-	29%	27%

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Metro Vancouver Projects Marketing Jul-Dec, 2011
Features Associated with a Higher than Average Revenue
% increase over avg std revenue/sf

Kitchen Countertops

	High Rise	Mid Rise	Low Rise - Wood frame	Low Rise - Concrct	Lofts	Town home	Stkd Town home
Quartz	99%	80%	15%	-	-	58%	-
Stone Composite	17%	48%	-	97%	-	66%	189%

Bathroom Countertops

Laminate	25%	-	-	-	-	17%	-
Marble	17%	37%	36%	-	97%	101%	-
Quartz	188%	224%	79%	-	-	73%	-
Stone Composite	7%	-	-	-	-	-	107%

Kitchen Cabinets

Glass Door	-	-	46%	-	97%	-	7%
Laminate	10%	-	-	-	-	14%	-
Shaker Style	-	-	14%	-	-	-	75%

Bathroom Cabinets

Glass Door	392%	-	70%	-	-	-	-
Laminate	-	-	-	70%	-	22%	-
Shaker Style	-	-	17%	-	-	-	58%

Fireplace Feature

electric fireplace	10%	-	-	-	-	14%	-
gas fireplace	-	-	14%	-	-	-	75%
fireplace not featured	-	27%	-	197%	-	-	-

Projects can be compared on the basis of selling price per square foot and on the basis of their sales rate. The standardized revenue estimate used in the CMOP report combines the average selling price per square foot and the standardized monthly sales rate to produce an estimate of gross revenue per square foot per month. The standardized revenue estimate controls for unit size, months on the market and number of units in a project.

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Features are a major factor in the sales success of new projects. The analysis of project features identifies those features with a higher than average standardized revenue estimate. The analysis shows this difference in percentage terms. If the average standardized revenue estimate for a project type is \$1,000, a feature with a positive difference of 50% is associated with a project with a standardized revenue estimate of \$1,500 or 50% more than average.

High rise projects marketing during the second half of 2011 had an average standardized gross revenue estimate of \$1,965 per square foot per month; the best of any project type. Features found in new high rise projects marketing in the second half of 2011 that were associated with a much higher than average standardized revenue estimate included:

- Laminate hardwood kitchen flooring
- Viking and Liebherr kitchen appliances
- Quartz kitchen countertops
- Vinyl bathroom flooring
- Glass door bathroom cabinets
- Quartz bathroom countertops.

Low rise projects had an average standardized revenue estimate of \$1,362 per square foot per month. Projects that had much better than average standardized revenue estimates included these features in their units:

- Engineered hardwood kitchen flooring
- Stainless steel kitchen appliances
- Bosch, Samsung or Fisher Paykel kitchen appliances
- Stainless steel kitchen appliances
- Glass door kitchen cabinets
- Quartz bathroom countertops
- Glass door bathroom cabinets.

The average new townhome project marketing during the second half of 2011 had a lower standardized revenue estimate than either low rise or high rise projects (\$1,058 per square foot per month). Those townhome projects with much better than average revenue estimates had the following features:

- Blomberg or Samsung kitchen appliances
- Quartz or stone composite kitchen countertops
- Marble or quartz bathroom countertops.