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NEWS AND VIEWS FROM
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YEAR END REVIEW:

A Glance Back at the 2002 Apartment Market and What's Ahead

As an ongoing service to recipients of the Goodman Report, we are very pleased to provide a detailed summary of the latest market data as it relates to the Lower Mainland apartment scene, comparing 2001 vs. 2002.

While 2002 Buildings Sold increased to (142) from (98) transactions a year earlier (a 40% increase), dollar volumes soared to \$394,487,450 in 2002 – a staggering 107% increase over 2001!

Vancouver Activity

Dollar volumes increased dramatically in all Vancouver areas except Eastside, while Marpole Buildings Sold increased to (13) in 2002 vs (8) in 2001. Overall a 122% in dollar volumes and 20% increase in buildings sold.

Activity Outside of Vancouver

New Westminster and White Rock showed exceptional increases in dollar volumes (273% & 680% respectively) while Burnaby, New Westminster and White Rock showed (75% – 142%) increases in buildings sold. Overall, the 'burbs' showed an 84% increase in dollar volumes and buildings sold.

Would you believe?

In looking at the world today versus the world one or two years ago, this sudden love affair with tangibles can be explained.

- 9/11 – whole new ballgame
- Stock market collapse – can you say 36% decline? Can you say 20 trillion dollars? That's right 20 trillion dollars! Lost in 2 years
- Civic and Provincial Politics – is there a word stronger than volatile?

All of these world, national and local events make owning of "dirt" with a cashflow yield of 7% look pretty safe and attractive, all other things being equal. Let's look briefly at ownership of Apartment building(s).

- A war in Iraq would not directly impact on day-to-day value or cash flow.
- Terrorism, although terrible and horrendously evil, does not directly impact on day-to-day value or cash flow.
- Stock market in doldrums does not directly impact on day-to-day value or cash flow.

All of the above headline grabbers seemingly impact on the economy yet strengthen real estate as an asset to hold because of its stability.

There is *no better time* to achieve the highest sales price with the lowest tax bite than today. Don't call for an amateur. Call for the GOODMAN TEAM!

Vancouver Lower Mainland Apartment Sales Comparison: Year 2001 vs 2002

Location	2001 Total \$ Volume	2002 Total \$ Volume	2001 Average \$ Unit	2002 Average \$ Unit	2001 Buildings Sold	2002 Buildings Sold
Vancouver						
Eastside	24,189,000	25,017,450	58,007	60,429	15	19
Kerrisdale	13,720,000	43,626,000	146,043	191,342 ⁽¹⁾	6	8
Kitsilano	14,405,000	35,770,500	119,050	111,435	12	12
Marpole	8,306,000	14,281,500	74,161	80,233	8	13
South Granville	16,932,350	26,305,000	105,828	114,869	10	14
West End	40,032,900	115,901,000	80,851	152,904 ⁽²⁾	11	9
Sub Totals	117,585,250	260,901,450			62	75
Burnaby	32,649,000	41,371,500	74,371	78,355	12	21
Coquitlam	No Sales	3,350,000	–	65,686	0	2
New Westminster	7,405,000	27,686,000	47,519	63,210	7	17
North Vancouver	12,101,000	18,830,500	78,071	88,823	9	14
Port Coquitlam	620,000	No Sales	56,363	–	1	0
Surrey	9,884,000	8,533,000	55,842	69,374 ⁽³⁾	2	3
West Vancouver	6,400,000	4,000,000	148,837	114,285	1	1
White Rock	3,824,000	29,815,000	68,285	88,210	4	9
Sub Totals	72,883,000	133,586,000			36	67
Totals	190,468,250	394,487,450			98	142

Kerrisdale includes Point Grey and Oakridge.

Source DAVID GOODMAN

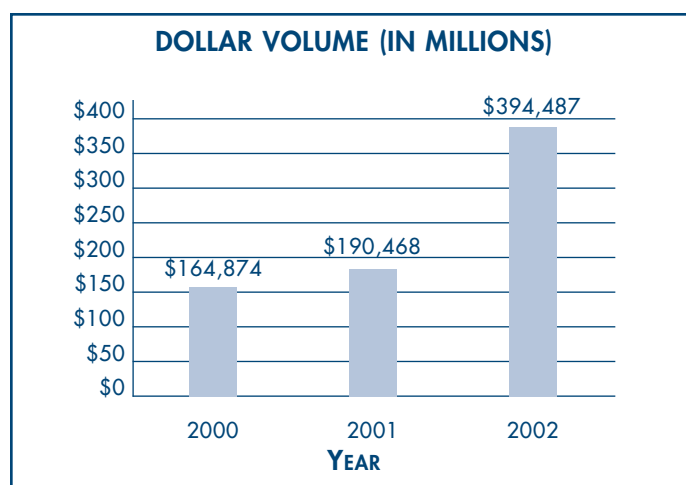
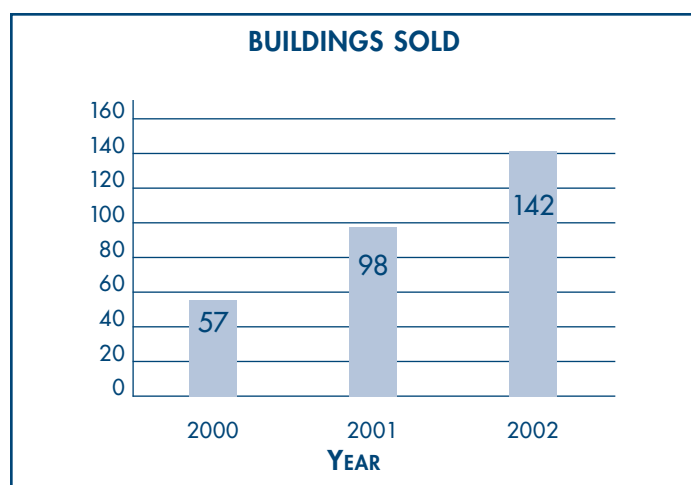
(1) Includes Polygon's sale of the newly constructed rental building at 4750 Arbutus Street \$222,772 per suite

(2) Includes Wall Financial's sale of new high rise rental on Seymour Street at \$176,000 a suite

(3) Includes sale of new 33 suite strata building at \$109,000 per suite

A Three Year Picture

To further illustrate the "rediscovery" by investors of the apartment sector, we have provided a three year picture as it relates to the Lower Mainland market.



Source DAVID GOODMAN

So What's Ahead?

Strong demand continues unabated. With historically low interest rates, continuing volatility in the stock markets and improvements in the Residential Tenancy Act investors are flocking to the apartment sector in unprecedented numbers while supply remains limited. For 2003 a further lowering of cap rates (higher prices) and an increase in buildings sold to approximately 175 from 142 buildings in 2002 and dollar volume to increase to \$475M for 2003, compared to \$394M in 2002.

Recent Performance

Over the past 4 months, the Goodman Team has successfully sold 12 apartment buildings totalling \$24,500,000; the Middlegate Shopping Centre for \$18,000,000 and a town-house development site in Richmond for \$1,000,000. For the latest news, views & current listings, please subscribe to www.goodmanreport.com. David Goodman can be reached at 604-714-4778 or e-mail david@goodmanreport.com.

REPORTED APARTMENT SALES IN THE LOWER MAINLAND BY AREA (from January 1, 2002 to December 31, 2002)

Prepared by: **DAVID GOODMAN**

VANCOUVER (Kerrisdale)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
4750 Arbutus	101	22,500,000	222,772
2095 W. 46th Ave.	10	1,300,000	130,000
2625 Tolmie	10	1,500,000	150,000
5506 Kings Rd.	6	1,550,000	258,333
2170 W. 44th Ave.	51	7,240,000	141,960
2292 W. 43rd Ave.	12	1,750,000	145,833
3673 W. 11th Ave.	13	2,196,000	168,923
2155 W. 44th Ave.*	25	5,590,000	223,600
TOTALS	228	43,626,000	Avg. 191,342

(**Includes Oakridge and Point Grey)

* Denotes Hi Rise, all other buildings are Frame

VANCOUVER (Kitsilano)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
2090 W. 1st Ave.	35	3,650,000	104,285
3525 W. Broadway	62	7,360,000	118,709
2425 W. 4th Ave.	66	7,740,000	117,272
2294 W. 5th Ave.	8	1,250,000	156,250
1534 Vine St.	23	3,220,000	140,000
2065 W. 1st Ave.	17	1,765,000	103,823
1206 Maple	9	750,000	83,333
2436 York	11	1,400,000	127,272
2066-72 W. 8th Ave.	19	2,200,000	115,789
1919 W. 8th Ave.	20	1,711,500	85,575
2189 W. 2nd Ave.	12	1,274,000	106,167
1875 W. 7th Ave.	39	3,450,000	88,461
TOTALS	321	35,770,500	Avg. 111,435

VANCOUVER (Marpole)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
8747 Granville	14	1,000,000	71,429
8726 Hudson	10	925,000	92,500
1267 W. 70th	10	814,000	81,400
8669 Heather	23	1,730,000	75,200
1250 W. 71st Ave.	10	890,000	89,000
8732 Granville	10	790,000	79,000
815 S.W. Marine Dr.	19	1,530,000	80,526
8650 Hudson	10	850,000	85,000
8626 Fremlin	8	695,000	86,875
8780 Fremlin	8	667,500	84,375
8656 Fremlin	23	1,700,000	73,913
8582 Cartier	9	915,000	101,600
767 W. 70th Ave.	24	1,775,000	73,958
TOTALS	178	14,281,500	Avg. 80,233

VANCOUVER (East Side)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
2026 Franklin	8	430,000	53,750
1470 Victoria	14	859,200	61,371
1880 E. Pender	54	2,900,000	58,000
2199 Wall St.	28	1,340,000	47,897
414 E. 10th Ave.	38	2,288,000	60,210
275 Garden Dr.	11	659,000	56,272
2475 St. Catherines	20	1,130,000	56,500
322 E. 8th Ave.	18	1,101,000	61,672
765 Victoria	13	680,000	52,307
3636 Fraser	12	502,000	41,833
1150 Cotton Dr.	16	1,200,000	75,000
2130 Cambridge	23	1,531,250	66,576
1835 McLean	33	2,199,000	66,636
1689 Gravely	34	1,850,000	54,411
3302-8 Fraser	11 + comm	1,100,000	77,272
2502 St. Georges	14 + comm	925,000	77,083
2275 Oxford	42	3,000,000	71,428
675 Victoria	9	559,000	62,111
512 Woodland	16	764,000	46,500
TOTALS	414	25,017,450	Avg. 60,429

VANCOUVER (South Granville)

ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1655 W. 11th Ave.	11	1,250,000	113,636
1384 W. 10th Ave.	10	1,060,000	106,000
1012 Richelieu	20	2,060,000	103,000
989 W. 20th Ave.	13	1,280,000	101,538
1346 W. 11th Ave.	9	1,105,000	122,777
1366 W. 13th Ave.	10	1,200,000	120,000
1225 W. 13th Ave.	15	1,255,000	83,666
1035 W. 10th Ave.	9	1,025,000	113,888
1338 W. 10th Ave.	9	985,000	109,444
3300 Oak	50	5,670,000	113,400
525 W. 14th Ave.	33	3,045,000	92,272
1385 W. 15th Ave.*	19	2,720,000	143,157
3289 Oak St.	10	1,400,000	140,000
1678 W.7th Ave.	11	2,250,000	204,545
TOTALS	229	26,305,000	Avg. 114,869

Continued on Page 4

VANCOUVER (West End)			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1220 Comox	11	1,480,000	134,545
1225 Nelson	25	1,795,000	71,800
1947 Pendrell*	56	6,776,000	121,000
1450 W. Georgia St.*	163	21,000,000	128,834
1606 Nelson	13	2,000,000	153,846
935 Jervis	18	1,600,000	88,888
940-990 Seymour*	430 + retail	76,100,000	176,970
1170 Barclay	16	1,950,000	121,875
1265 Cardero*	26	3,200,000	123,076
TOTALS	758	115,901,000	Avg. 152,904

NORTH VANCOUVER			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
363 W. 4th	13	1,345,000	103,846
155 E. 19th	23	1,860,000	80,889
1630 Chesterfield	11	1,030,000	93,636
1549 Chesterfield	13	1,190,000	91,538
2525 Lonsdale	24	2,183,000	90,958
116 W. 21st	23	1,850,000	80,435
165 E. 19th	13	950,000	73,076
158 E. 4th	7	760,000	108,571
132 E. 20th	5	760,000	152,000
644 E. Victoria	10	962,500	96,250
132 W. 4th	10	800,000	80,000
274 W.2nd	27	2,270,000	84,074
236 E. 15th	8	695,000	86,875
460 W. 15th	25	2,175,000	87,000
TOTALS	212	18,830,500	Avg. 88,823

NEW WESTMINSTER			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1024-6 4th Ave.	26	1,750,000	60,384
1016 5th Ave.	42	2,600,000	61,904
53 4th St.	10	537,000	53,700
1218 5th Ave.	21	934,000	44,476
621 8th St.*	83	6,500,000	78,310
1033 4th St.	41	2,550,000	62,195
74 Merrivale	16	850,000	53,125
215 Carnarvon	17	900,000	52,941
435 Ash	44	2,720,000	61,818
323 7th St.	14	800,000	57,142
201 Carnarvon	17	925,000	54,111
427 8th St.	15	870,000	58,000
1019 Nanaimo	21	1,380,000	65,714
430 9th St.	28	1,780,000	63,577
711 Queens	15	865,000	57,666
76 Coburg	12	775,000	64,583
502 9th St.	16	950,000	59,375
TOTALS	438	27,686,000	Avg. 63,210

WEST VANCOUVER			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1640 Esquimalt*	35	4,000,000	114,285

BURNABY			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
6729 Marlborough	8	589,000	73,625
6960 Elwell	50	3,200,000	64,000
5025 Imperial	23	1,505,000	65,434
5250 Hastings	35	2,100,000	60,000
7177 Linden	20	1,230,000	61,500
4466 Pender	18	1,400,000	77,777
6828 Balmoral	6	476,000	79,333
6635 McKay	36	2,400,000	66,666
6695 Dunblane	38	2,890,000	76,092
7471 Kingsway	7	516,500	73,714
6822 Arcola	11	652,000	59,272
6813 Arcola	9	670,000	74,444
6353 Royal Oak	29	2,255,000	77,586
6545 Bonsor*	93 + comm	10,800,000	116,129
7110 Linden	30	1,660,000	55,333
6592 Telford	9	850,000	94,414
6580 Dunblane	9	685,000	76,111
7465 13th Ave.	26	1,690,000	65,000
5285 Hastings St.	22	1,553,000	70,590
3962 Pender	11	985,000	89,545
6577 Royal Oak	38	3,265,000	85,921
TOTALS	528	41,371,500	Avg. 78,355

COQUITLAM			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
668 Whiting Way	17	1,600,000	94,117
751 Clarke	34	1,750,000	51,470
TOTALS	51	3,350,000	Avg. 65,686

SURREY			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
15915 84 Ave.	33	3,600,000	109,000
10188 136 A St.	12	948,000	79,000
13352 105A	78	3,985,000	51,100
TOTALS	123	8,533,000	Avg. 69,374

WHITE ROCK			
ADDRESS	SUITES	SALE PRICE	PRICE PER UNIT
1350 George	27	1,845,000	68,333
1281 Foster	11	800,000	72,727
14884 N. Bluff Rd.	27	1,800,000	66,666
14989 Roper	48	8,950,000	96,236
1371 Blackwood*	45	(Sold together)	
15158 Royal Ave	30	2,250,000	75,000
1450 Merklin	35	5,400,000	157,143
1455 Fir	58	4,500,000	77,586
1580 Everall	57	4,270,000	74,912
TOTALS	338	29,815,000	Avg. 88,210

Kindly note: The above information is a general guide only. There are numerous variables to be considered such as: 1) Suite Mix 2) Rents/ft. 3) Net leasable sq. feet 4) Buildings' age and condition 5) location 6) Frame or Highrise 7) Strata vs Non-Strata 8) Land Value (Dev. Site) 9) Special financing 10) Asset vs Share Purchase. To determine more accurately how your building compares to the above data, contact David Goodman @ (604) 714-4778.

The information contained herein was obtained from sources which we deem reliable, and while thought to be correct, is not guaranteed by Macdonald Commercial Real Estate Services Ltd."

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