The Newsletter for Apartment Owners since 1983

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Goodman report:

2016 GREATER VANCOUVER RENTAL APARTMENT REVIEW

GREATER VANCOUVER'S AUTHORITY ON APARTMENT BUILDINGS AND DEVELOPMENT SITES

goodmanreport.com

Granville Street Bridge, Vancouver, 1975

THE TAIL DOESN'T WAG THE DOG

Since 1983, the Goodman Report has clung to the position that socioeconomic and political events transpiring at least outside the borders of Metro Vancouver and B.C., if not of Canada, have played a major role in establishing and maintaining the status of our region. While the Vancouver brand is recognized, if not envied worldwide, our financial and political clout, by comparison, is considerably less so.

The recent American election only reinforces this view. Under a Trump-led administration, our next-door neighbour is about to undergo a political and economic metamorphosis that is likely to produce a spillover effect of considerable magnitude on Canada and Vancouver. Should the incoming administration live up to its "America first" protectionist rhetoric, it stands to reason that nations with longstanding treaties in place, including ours, will be required to make economic concessions to the U.S. In other words, we could very well experience potential disruptions to trade and commerce, quite possibly triggering higher deficits and interest-rate increases here at home. In addition, our competiveness could be sorely tested as the U.S. begins deregulation and major reform of both personal and corporate taxes. We're in for a bumpy ride: bet on it.

Aside from the external macro decisions and world events that shape our lives locally, there are equally discernible home-grown sources, including Canadian policymakers and politicians, that heavily influence Vancouver's high-profile real-estate reputation.

In our 2016 Mid-Year Review, we alluded to the potential for government intervention to cool our local markets, even asking whether the cure would be worse than the disease. Indeed, the year has been notable for governmental decisions designed to slow real-estate activity:

City of Vancouver

- 1% tax on vacant units
- Airbnb restrictions
- For 2017, a 3.9% increase in home property taxes
- Potential restrictions on tearing down pre-1940 single-family houses with character merit

Province of British Columbia

- 15% foreign buyer tax on Class 1 – Residential (including multifamily) real estate in Metro Vancouver
- Increase in property transfer tax to 3% for transactions over $2 million

Government of Canada

- Tightening of mortgage insurance eligibility requirements
- Maintaining the highly regressive GST on new rental construction

An upbeat prognosis

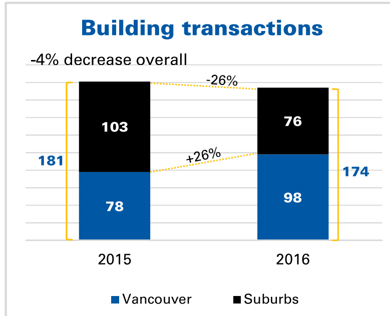
Nonetheless, the Goodman Report remains extremely upbeat, as do most investors, about the short and long-term prospects of Metro Vancouver's rental apartment asset class. Anticipated economic growth is forecast to continue unimpeded. Vancouver's lure as a key destination for tourism, immigration and business growth remains untarnished. For owners or developers of market rental housing, it adds up to a good news story. Vacancies in most communities have declined, significant rent increases are a sure bet on turnover, immigration remains strong, interest rates should maintain their low levels for the foreseeable future, and growing numbers of investors have a decided bias for "new." The recently implemented 1% vacancy tax in Vancouver and emphasis on laneway housing are not expected to have any meaningful impact on vacancies.

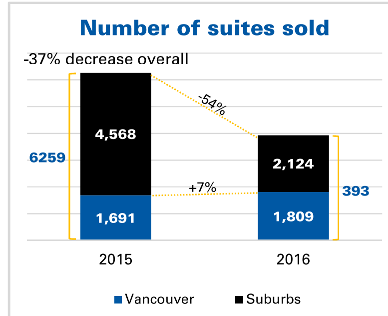
In a recent *Globe and Mail* article, Kerry Gold sums up the situation succinctly: "Now that many young people are expecting to rent for life – if they want to live in Vancouver – developers have woken up to the formerly neglected rental market. Renting has for too long been seen as second to owning, but in Vancouver at least, that attitude will soon have to change in the face of unaffordability and a rental vacancy rate below 1 per cent" ("The future for Vancouver's rental market," November 19, 2016).

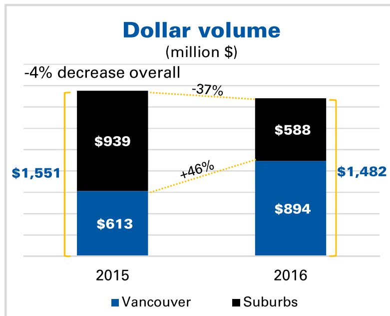
YEAR-TO-YEAR COMPARISON: THE STORY BEHIND THE STATS

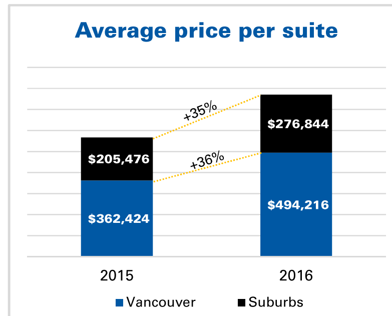
Since its implementation on August 2, 2016, B.C.'s 15% foreign buyer tax has had a notable cooling effect on the residential housing market and, some might argue, on the multifamily rental investment sector as well. While very few of the 124 buildings sold in the first half of 2016 actually went to offshore buyers, the newly introduced tax has nevertheless served to dampen the normally high enthusiasm for this asset class. In the second half of 2016, only 50 buildings were sold: clear evidence of slowing activity.

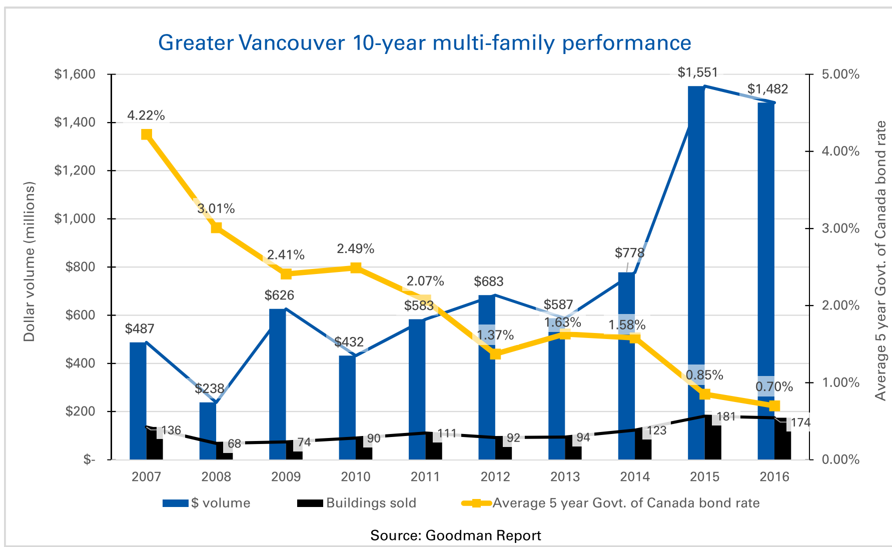
Still, 2016 was very active, indeed one of the liveliest in 25 years. Building sales and total dollar volume came in close to the banner year of 2015. For 2016, however, the key value indicator of average price per suite rose dramatically in most communities tracked.











Sale transactions

In Metro Vancouver overall, a total of 174 rental buildings changed hands in 2016, down 4% from the 181 sold in 2015.

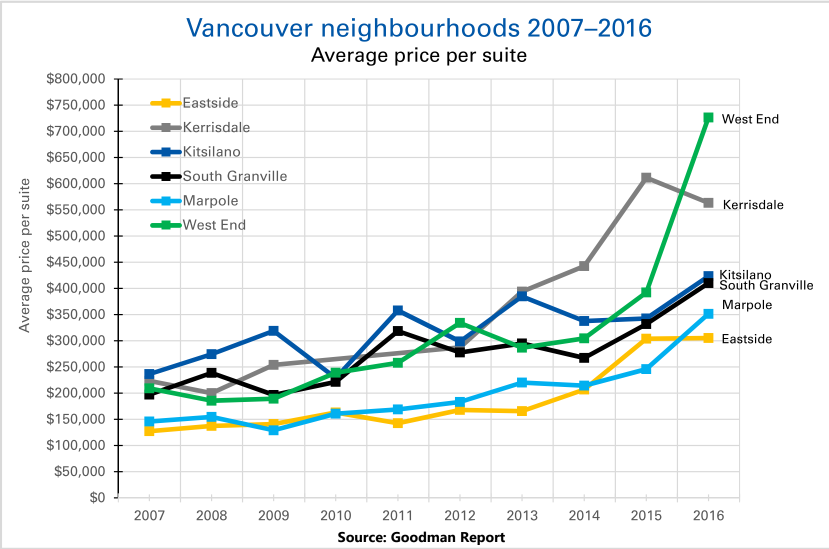
Vancouver itself surged to 98 sales, up 26% from the 78 of 2015, while the suburbs experienced a significant drop to 76 from the 103 recorded in 2015, a 26% decrease. More specifically, amongst Vancouver neighbourhood transactions, the Eastside soared to 24 versus 14 in 2015, while Kitsilano registered 16 sales, up slightly from the 15 recorded a year earlier. South Granville increased to 17 sales versus 10 in 2015, while Kerrisdale increased to 8 as compared to 6 in 2015. Marpole at 13 sales declined slightly from 14 in 2015. The West End at 17 sales matched 2015's performance.

Sales dollar volume

Total dollar volume for Metro Vancouver came in at $1.48 billion, down slightly 4% from the $1.55 billion in 2015. Vancouver's total dollar volume, however, climbed dramatically to $894 million, a 46% increase over 2015's figure of $613 million. By contrast, suburban dollar volume experienced a severe decline to $588 million, representing a 37% decrease as compared to 2015's figure of $939 million.

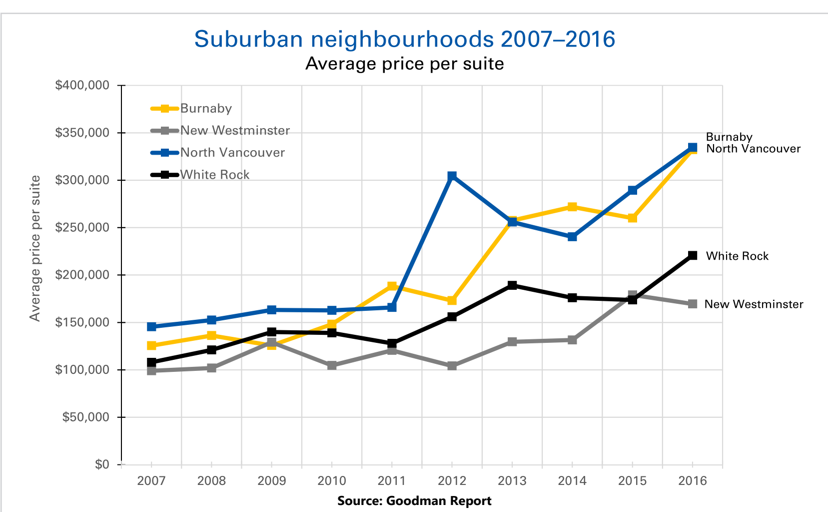
Average price per suite

2016's overall average price per suite for Metro Vancouver increased by a staggering 52% to $377,000, from $248,000 in 2015. Specifically, Vancouver's averages increased substantially to $494,000, up 36% over 2015's figure of $362,000, whereas the suburban figure came in at $277,000 per unit, jumping up from 2015's figure of $205,000, a 35% increase.



Vancouver neighbourhood highlights

For 2016, the average price per suite in five of Vancouver's seven distinct communities for 2016 versus 2015 demonstrated a decidedly upward momentum. Kerrisdale values declined to $563,000 per suite, down 8% over 2015's $611,000. The Eastside is essentially flat, at $305,000 in 2016 as compared to $304,000 in 2015. For the West End, average prices jumped to $726,000 per unit, up a whopping 85% over 2015's $392,000. Thanks solely to vigorous densification, the West End continues to experience sales of buildings slated for redevelopment (8 of the 17 sales fall into this category). This helps to explain the major increases in average suite value, where land value far exceeds the strata or inherent value using the income approach. Marpole witnessed a major escalation in pricing of 43% to $351,000 in 2016 as compared to $246,000 in 2015. This is due, in part, to 2 buildings acquired as redevelopment sites where the land value well exceeded the income value, plus a third building which was stratified. South Granville also increased, by 24%, to $412,000 per suite, compared to $332,000 in 2015. Similarly, Kitsilano climbed by 24% to $423,000 from $343,000 in 2015.



Suburban highlights

With respect to 2016's suburban activity, Burnaby, the perennial leader, had 30 building sales of which 17 went to developers, with the focus continuing to be in Metrotown. In 2015, there were 36 sales in total, 15 of which were slated for highrise condo development. Average prices escalated sharply in 2016 to $332,000 per suite, a 28% increase compared to $260,000 in 2015. New Westminster declined in both activity and average price per suite in 2016, with 19 sales at an average of $169,000 per suite, down from 22 sales at $179,000 per suite in 2015. Langley experienced only 2 sales in 2016 as compared to 9 in 2015, yet prices increased 34% to $213,000 per suite from $159,000 in 2015. North Vancouver saw a slight uptick in activity to 11 sales, as compared to 10 a year earlier with average price per suite climbing to $335,000 versus $289,000 in 2015, a 16% increase. White Rock recorded 3 sales in 2016, a similar number to 2015, with the average price per unit up to $221,000 as compared to $174,000 the previous year, a 27% lift.

On a lesser note, Coquitlam, Port Coquitlam, Surrey, Richmond and Mission each had 2 sales, while Maple Ridge had only a single transaction. West Vancouver, Port Moody and Ladner recorded no sales in 2016.

Goodman's performance

2016 was a blockbuster year for Goodman. Cynthia Jagger, formally an appraiser and director at Altus Group, joined our team as a commercial real estate broker. As for the numbers, we outsold the competition and were the highest grossing apartment sales specialists in Metro Vancouver! We successfully closed on 37 properties made up of apartment buildings and development sites totalling $240 million. Additionally, in the first month of 2017, we have sold 4 properties worth $180 million. Please don't hesitate to contact us for a no-cost, no-obligation evaluation of your property.

ACTIVITY HIGHLIGHTS: 2016 COMPARED TO 2015

Dollar volume / Average price

Greater Vancouver	2016 total $ volume	2015 total $ volume	% change	2016 $ per suite	2015 $ per suite	% change
Total	**$1,482,053,553**	**$1,551,473,100**	**- 4%**	**$376,825**	**$247,879**	**+ 52%**
Vancouver areas						
Eastside	$107,726,600	$57,138,000	+ 89%	$305,175	$303,926	+ 0%
Kerrisdale	$82,810,000	$59,300,000	+ 40%	$563,333	$611,340	- 8%
Kitsilano	$102,865,000	$151,800,000	- 32%	$423,313	$342,664	+ 24%
Marpole	$63,958,000	$56,256,300	+ 14%	$351,418	$245,661	+ 43%
South Granville	$156,233,000	$51,107,000	+ 206%	$410,060	$331,864	+ 24%
UBC	$36,883,500	$20,000,000	+ 84%	$1,229,450	$769,231	+ 60%
West End	$343,560,000	$217,258,000	+ 58%	$726,342	$392,162	+ 85%
Vancouver	**$894,036,100**	**$612,859,300**	**+ 46%**	**$494,216**	**$362,424**	**+ 36%**
Suburban areas						
Burnaby	$260,391,588	$439,981,555	- 41%	$332,132	$260,036	+ 28%
Coquitlam	$10,790,000	$17,785,085	- 39%	$199,815	$145,779	+ 37%
Ladner	$0	$11,815,000	- 100%	N/A	$151,474	N/A
Langley	$4,477,500	$84,709,037	- 95%	$213,214	$159,228	+ 34%
Maple Ridge	$2,220,000	$8,150,000	- 73%	$105,714	$92,614	+ 14%
Mission	$5,098,000	$4,650,000	+ 10%	$118,558	N/A	N/A
New Westminster	$65,585,888	$149,467,643	- 56%	$169,473	$179,003	- 5%
North Vancouver	$141,851,500	$91,148,939	+ 56%	$334,555	$289,362	+ 16%
Port Coquitlam	$34,000,000	$1,200,000	+ 2733%	$267,717	$240,000	+ 12%
Port Moody	$0	$10,571,686	- 100%	N/A	$165,183	N/A
Richmond	$29,100,000	$33,500,000	- 13%	$354,878	$251,880	+ 41%
Surrey	$12,877,977	$71,914,855	- 82%	$155,156	$128,419	+ 21%
West Vancouver	$0	$0	0%	N/A	N/A	N/A
White Rock	$21,625,000	$13,720,000	+ 58%	$220,663	$173,671	+ 27%
Suburbs	**$588,017,453**	**$938,613,800**	**- 37%**	**$276,844**	**$205,476**	**+ 35%**

Building transactions / Number of suites sold

Greater Vancouver	2016 buildings sold	2015 buildings sold	% change	2016 suites sold	2015 suites sold	% change
Total	**174**	**181**	**- 4%**	**3933**	**6259**	**- 37%**
Vancouver areas						
Eastside	24	14	+ 71%	353	188	+ 88%
Kerrisdale	8	6	+ 33%	147	97	+ 52%
Kitsilano	16	15	+ 7%	243	443	- 45%
Marpole	13	14	- 7%	182	229	- 21%
South Granville	17	10	+ 70%	381	154	+ 147%
UBC	3	2	+ 50%	30	26	+ 15%
West End	17	17	0%	473	554	- 15%
Vancouver	**98**	**78**	**+ 26%**	**1809**	**1691**	**+ 7%**
Suburban areas						
Burnaby	30	36	- 17%	784	1692	- 54%
Coquitlam	2	4	- 50%	54	122	- 56%
Ladner	0	3	- 100%	0	78	- 100%
Langley	2	9	- 78%	21	532	- 96%
Maple Ridge	1	3	- 67%	21	88	- 76%
Mission	2	2	0%	43	65	- 34%
New Westminster	19	22	- 14%	387	835	- 54%
North Vancouver	11	10	+ 10%	424	315	+ 35%
Port Coquitlam	2	1	+ 100%	127	5	+ 2440%
Port Moody	0	2	- 100%	0	64	- 100%
Richmond	2	2	0%	82	133	- 38%
Surrey	2	6	- 67%	83	560	- 85%
West Vancouver	0	0	0%	0	0	0%
White Rock	3	3	0%	98	79	+ 24%
Suburbs	**76**	**103**	**- 26%**	**2124**	**4568**	**- 54%**

2016 APARTMENT BUILDING SALES: CITY OF VANCOUVER

Vancouver (Eastside)

ADDRESS	SUITES	PRICE ($)	$/UNIT
396 E. 2nd Ave	53	$12,680,000	$239,245
206 E. 49th Ave (MU)	18	5,100,000	283,333
7883 Knight St	13	2,598,000	199,846
938 E. Broadway	10	2,780,000	278,000
234 E. 14th Ave	22	7,900,000	359,091
234 N. Templeton Dr (ST)	6	2,050,000	341,667
2381 Trinity St	12	2,750,000	229,167
243 E. 13th Ave	11	4,600,000	418,182
3528 E. Hastings St (MU)	9	3,100,000	344,444
53 E. 13th Ave	8	3,200,000	400,000
* 418 E. 44th Ave	16	4,950,000	309,375
833 E. Broadway	11	3,950,000	359,091
117 E. 15th Ave	10	2,500,000	250,000
4899 Quebec St	7	2,250,000	321,429
1727 William St	10	2,475,000	247,500
* 1122 Commercial Dr (MU)	6	3,120,000	520,000
1130 E. Broadway	29	7,500,000	258,621
1574 Kingsway (MU)	10	2,500,000	250,000
1837 Adanac St (TH)	7	3,150,000	450,000
1580–98 Kingsway (MU)	11	3,900,000	354,545
1957 E. 3rd Ave (TH)	8	3,015,000	376,875
2320 Woodland Drive (DS)	36	14,250,000	395,833
2285 Triumph St	16	4,500,000	281,250
1934 Triumph St (DS)	14	2,908,600	207,757
	353	**$107,726,600**	**$305,175**

Vancouver (Kerrisdale)

ADDRESS	SUITES	PRICE ($)	$/UNIT
* 2116 W. 39th Ave	10	$17,500,000	$416,667
* 2150 W. 39th Ave	32		
* 2105 W. 47th Ave (DS)	22	14,150,000	643,182
5615 Dunbar St (ST, MU)	10	5,980,000	598,000
6344 E. Boulevard (DS)	11	17,000,000	772,727
6356 E. Boulevard (DS)	11		
4620 Yew St (DS)	24	15,000,000 EST	625,000
5343 Yew St	27	13,180,000	488,148
	147	**$82,810,000**	**$563,333**

Vancouver (Kitsilano)

ADDRESS	SUITES	PRICE ($)	$/UNIT
2415 W. 4th Ave	9	$4,600,000	$511,111
2200 W. 5th Ave	7	2,400,000	342,857
1875 W. 7th Ave	39	13,500,000	346,154
1888 Maple St	24	8,150,000	339,583
1977 W. 3rd Ave			
2425 Alma St	8	3,650,000	456,250
2293 W. 6th Ave (TH)	6	4,500,000	750,000
1929 W. 3rd Ave	53	19,800,000	373,585
3731 W. 4th Ave (DS)	13	18,000,000	486,486
3743 W. 4th Ave (DS)	11		
1975 Alma St (DS)	13		
2272 W. 7th Ave	20	9,000,000	450,000
* 2475 W. 1st Ave	12	6,050,000	504,167
2565 Cornwall Ave	8	5,765,000	720,625
* 2424 W. Broadway	10	4,300,000	430,000
1812 W. 7th Ave (ST)	10	3,150,000	315,000
	243	**$102,865,000**	**$423,313**

Vancouver (Marpole)

ADDRESS	SUITES	PRICE ($)	$/UNIT
8635 Hudson St	23	$5,600,000	$243,478
8615 Laurel St	26	6,250,000	240,385
8676 Oak St	9	3,950,000	438,889
8709 Cartier St	6	2,020,000	336,667
8619 Cartier St	8	3,900,000	487,500
* 8685 Osler St	13	4,400,000	338,462
8636 Oak St (DS)	6	3,550,000	591,667
8615 Laurel St (DS) (resold)	26	7,800,000	300,000
8650 Osler St	26	7,700,000	296,154
8619 Cartier St (resold)	9	4,600,000	511,111
8680 Montcalm St	12	4,000,000	333,333
1440 W. 71st St	10	3,808,000	380,800
1520 Avery St (NC, ST)	8	6,380,000	797,500
	182	**$63,958,000**	**$351,418**

Vancouver (South Granville)

ADDRESS	SUITES	PRICE ($)	$/UNIT
* 1190 W. 10th Ave	35	$12,000,000	$342,857
1009 W. 10th Ave	41	12,850,000	313,415
1750 W. 13th Ave	47	18,100,000	385,106
2224 Alberta St	12	4,550,000	379,167
* 1557 W. 12th Ave	10	7,000,000	700,000
2910 Alder St	36	12,400,000	344,444
1386 W. 11th Ave	9	10,600,000	365,517
1396 W. 11th Ave	20		
916 W. Broadway (DS)	10	8,995,000	899,500
1309 W. 14th Ave	23	9,688,000	421,217
1666 W. 12th Ave	11	4,350,000	395,455
1225 W. 13th Ave	14	6,500,000	464,286
1530 W. 13th Ave	16	10,850,000	678,125
1395 W. 14th Ave (SP)	22	9,350,000	425,000
* 1455 W. 8th Ave	25	7,100,000	284,000
919 W. 13th Ave	38	15,500,000	407,895
3050 Oak St	12	6,400,000	533,333
	381	**$156,233,000**	**$410,060**

Vancouver (UBC)

ADDRESS	SUITES	PRICE ($)	$/UNIT
2225 Acadia Rd (TH, DS)	18		
5506 King Rd (TH, DS)	12	$36,883,500	$1,229,450
5519 Toronto Rd (TH, DS)			
	30	**$36,883,500**	**$1,229,450**

Vancouver (West End)

ADDRESS	SUITES	PRICE ($)	$/UNIT
819 Nicola St (DS)	7	$12,800,000	$1,828,571
1485 Davie St (DS)	51	36,500,000	715,686
1606 Nelson St	13	7,200,000	553,846
1070 Barclay St (DS)	77	59,000,000	766,234
1080 Barclay St (DS)			
1180 Broughton St (DS)	21	11,000,000	523,810
1090 Jervis St	19	6,500,000	342,105
1742 Pendrell St (SP)	23	7,680,000	333,913
1770 Davie St (MU)	61	43,000,000	704,918
1055 Harwood St (DS)	31	40,500,000	1,306,452
1075 Nelson St (DS)	23	68,000,000	1,333,333
1059 Nelson St (DS)	28		
1230 Burnaby St	23	17,250,000	383,333
1270 Burnaby St	22		
1425 Haro St	19	5,550,000	292,105
1531 Barclay St	27	15,080,000	558,519
1131 Barclay St	28	13,500,000	482,143
	473	**$343,560,000**	**$726,342**

* Sold by The Goodman Team

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

1. Suite mix
2. Rent/sq. ft.
3. Rent leaseable area
4. Buildings' age and condition
5. Location
6. Frame or highrise
7. Strata vs. non-strata
8. Land value (development site)
9. Special financing

(HR) Highrise
(MR) Midrise
(TH) Townhouse
(ST) Strata
(DS) Development site
(EST) Estimated price
(SP) Share purchase
(NC) New construction
(MU) Mixed-use

2016 APARTMENT BUILDING SALES: SUBURBS

ADDRESS	SUITES	PRICE ($)	$/UNIT
Burnaby			
* 7230 Elwell St	27	$5,400,000	$200,000
* 6947 Walker Ave	35	7,000,000	200,000
* 4680 Hastings St (MU)	13	4,500,000	346,154
6366 Cassie Ave	59	25,750,000	271,053
6433 McKay Ave	36		
6695 Dunblane (DS)	38	28,700,000	337,647
4971 Imperial St (DS)	29		
4929 Imperial St (DS)	10		
4909 Imperial St (DS)	8		
5868 Olive Ave (DS)	47	12,490,000	265,745
* 6580 Marlborough Ave (DS)			
* 6556 Marlborough Ave (DS)	45	14,500,000	322,222
* 6566 Marlborough Ave (DS)			
6540 Marlborough Ave	30	6,800,000	226,667
6576 Sussex Ave (DS)	8	3,525,000	440,625
4520 Beresford St (DS)	20	6,000,000	300,000
7465 14th St (DS)	10	2,900,000	290,000
6585 Sussex Ave (DS)	29	15,000,000	517,241
6559 Sussex Ave (DS)	10	7,000,000	700,000
6525 Sussex Ave (DS)	24	18,000,000	750,000
6425 Silver Ave (DS)	48	14,150,000	294,792
6525 Telford St (DS)	54	20,888,888	386,831
6749 Arcola St	9	2,270,000	252,222
6822 Arcola St	10	3,060,000	306,000
* 6665 Royal Oak Ave	19	5,475,000	288,158
5190 Hastings St	13	3,250,000	250,000
5336 Hastings St	33	7,300,000	221,212
4960 Bennett St (DS)	42	15,182,700	361,493
418 Gamma Ave (NC, MU)	30	17,750,000	591,667
7120 Pandora St	48	13,500,000	281,250
	784	**$260,391,588**	**$332,132**
Coquitlam			
530 Cottonwood Ave (DS)	21	5,090,000	242,381
329 Casey St	33	5,700,000	172,727
	54	**$10,790,000**	**$199,815**
Langley			
20689-99 Eastleigh Cres (TH)	14	$3,197,500	$228,393
19855 54th Ave (TH)	7	1,280,000	182,857
	21	**$4,477,500**	**$213,214**
Maple Ridge			
11682 224th St	**21**	**$2,220,000**	**$105,714**
Mission			
33523 3rd Ave	32	$3,598,000	$112,438
32500 Fraser Cres	11	1,500,000	136,364
	43	**$5,098,000**	**$118,558**

ADDRESS	SUITES	PRICE ($)		$/UNIT
New Westminster				
1222 Fifth St	21	$3,180,000		$151,429
1320 Fifth St	12	2,000,000		166,667
1024 St. Andrews St	23	3,650,000		158,696
815 Fifth St	61	8,450,000		138,525
217 Royal Ave	19	2,550,000		134,211
427 Eighth St	15	4,200,000		144,828
429 Eighth St	14			
615 Third St	29	4,450,000		153,448
204 Agnes St	14	2,848,888		203,492
53 Fourth St	10	1,875,000		187,500
311 Ash St	27	5,000,000		185,185
1210 Seventh Ave	15	2,728,000		181,867
818 Twelfth St (MU)	7	2,941,000		420,143
325 Ward St	57	11,300,000		198,246
228 Manitoba St	8	1,500,000		187,500
521 Victoria St	9	1,500,000		166,667
1321 Cariboo St	8	1,250,000		156,250
1314 Fifth Ave	16	2,575,000		160,938
460 Griffith Pl	22	3,588,000		163,091
	387	**$65,585,888**		**$169,473**
North Vancouver				
* 240 St. Andrews Ave	19	$7,420,000		$390,526
226 E. 15th St	12	3,600,000		300,000
365 E. 2nd St	18	4,475,000		248,611
154 E. 18th St (DS)	31	8,996,500		290,210
170 E. 5th St	53	15,000,000	EST	283,019
** 251 Riverside Dr (DS)	58	26,840,000		462,759
* 111 W. Windsor Rd	26	7,200,000		276,923
124 W 20th St	22	6,820,000		310,000
210 E. 2nd St	64	24,000,000		375,000
230 E. 2nd St				
1441 St. Georges Ave	121	37,500,000		309,917
	424	**$141,851,500**		**$334,555**
Port Coquitlam				
2066 Coquitlam Ave	12	$2,000,000		$166,667
2623 Burleigh Ave (ST)	115	32,000,000		278,261
	127	**$34,000,000**		**$267,717**
Richmond				
6071 Azure Rd (DS, TH)	50	$22,000,000		$440,000
8251 Bennett Rd (ST)	32	$7,100,000		$221,875
	82	**$29,100,000**		**$354,878**
Surrey				
13570 Hilton Rd (ST)	13	$2,075,000		$159,615
7760 120th St	70	10,802,977		154,328
	83	**$12,877,977**		**$155,156**
White Rock				
1580 Everall St	57	$10,925,000		$191,667
1461 Foster St	20	3,750,000		187,500
1497 Martin St	21	6,950,000		330,952
	98	**$21,625,000**		**$220,663**

* Sold by The Goodman Team

** December 2015 sale

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

1. Suite mix
2. Rent/sq. ft.
3. Rent leaseable area
4. Buildings' age and condition
5. Location
6. Frame or highrise
7. Strata vs. non-strata
8. Land value (development site)
9. Special financing

(HR) Highrise
(MR) Midrise
(TH) Townhouse
(ST) Strata
(DS) Development site
(EST) Estimated price
(SP) Share purchase
(NC) New construction
(MU) Mixed-use

THE RENTAL HOUSING CRISIS: SO WHAT ELSE IS NEW?

David Goodman

Mark Goodman

Have the proverbial lights finally flickered on at the corner of Vancouver's West 12th Avenue and Cambie Street? And have our elected officials and their advisors (read: spin doctors) acknowledged at last that we are in the midst of a rental housing crisis?

Under unrelenting pressure from a vast body of our citizenry – including students, new families, seniors and employers – the news media, BC Housing, the Urban Development Institute, landowners and the odd, very irritating commercial realtor, Vancouver's municipal leaders after years of ruling in a vacuum of denial have now changed their tune. Even Mayor Robertson, after eight years at the helm, has admitted as much. As quoted in an article in *The Guardian* by Ashifa Kassam, Robertson said he "wouldn't have dreamed the [housing] crisis would get this intense" (November 21, 2016). The Mayor artfully deflected blame away from his office by claiming that the crisis was owing to the impact of global capital and the fact that the provincial and federal governments were not doing enough.

We disagree. While these factors play a role, the Goodman Report takes the position that the City of Vancouver's housing policies, particularly relating to rentals, have greatly contributed to the established shortfall, notwithstanding an increase of 828 units over the past year as reported by CMHC. Strict land-use rules have been implemented under the Vision party's tenure. In a series of maneuvers, a wide array of highly restrictive anti-growth and anti-market policies have effectively pitted the City against the rental industry, including owners of aging, low-density buildings in RM-zoned areas and well-intentioned developers seeking to add stock. With little new inventory being added on the supply side, tenants seeking places to live remain the big losers. This issue has been festering chronically, and in previous issues going back some 10 years and readily available on the Goodman Report website, we've documented a litany of City measures both questionable and counterproductive that have greatly contributed to the crisis.

Accurate forecasting

On July 28, 2015, Barbara Yaffe published an article called "Rent increase tsunami expected" in *The Vancouver Sun*, inspired by a Goodman Report column wherein we had cautioned municipal governments and tenants that, in the face of ever-growing demand and minimal new supply, people would need to brace themselves for drastic housing shortages looming in the coming years. Needless to say, we called it right. 2016's vacancy rates according to CMHC's latest report have dropped yet again and stand now at 0.7%.

In our 2016 Mid-Year Review, we predicted that Metro Vancouver's municipalities would be seeking funds from the provincial and federal governments to assist in the development of initiatives pertaining to social and nonprofit housing. Again we called it. Over the past four months alone, the provincial government has approved $500 million in funding for affordable housing, and the City of Vancouver has vowed to build 650 below-market rental homes on municipal land. This past summer, Ottawa earmarked $150 million over two years for affordable housing in B.C.

Upon reflection, the City's decision to ask the feds to fund subsidized and so-called affordable housing seems almost hypocritical, flying in the face of its own intransigence. To its credit, Vancouver has created the Rental 100 program to encourage development of secured market rental housing. Unfortunately, the program hasn't provided nearly sufficient incentives in the form of adequate height limits or amply densified sites, or certainty on development cost charges (DCCs) and community amenity contributions (CACs). It often takes two to three years of bitter negotiations just to get a rental project green-lighted. Compounding the issues further is the City's intractable inability to streamline the supply and processing side. If we're to judge by Vision's strategies and the corresponding results, alleviating what are probably North America's lowest vacancies may simply be beyond the capabilities of Mayor Robertson's administration.

Not sleepless in Seattle

Meanwhile, faced with similar expanding patterns of immigration and business growth, our intrepid neighbours in the Puget Sound area in and around Seattle have managed to build 10,000 rental units in both 2015 and 2016, while planning 14,000 more for 2017. Perhaps our mayor, who likes to import Europe's latest ideas on bike lanes and lane closures, could send his staff south of the border to learn how our friends there have succeeded in building rentals. He might find it refreshing to learn that the Puget Sound area helps facilitate rental development simply by getting out of the way and allowing market forces to prevail.

Our mission

Ever since 1983 when we first started publishing the Goodman Report, we've never hesitated in our timely forecasts of trends such as mortgage rates, sales and pricing statistics, potential government legislation and its implications. Overall, the feedback we've received is that our newsletter has a track record as a well-researched, accurate source of intelligence for rental apartment owners and developers. In September 2016, we were named in the "best of real estate in Vancouver," as part of the *Georgia Straight's* Best of Vancouver series:

Best newsletter to learn about the apartment market

the georgia straight best of vancouver WINNER 2016

The Goodman Report

There's a reason the Goodman Report has become a must-read for Vancouver business journalists. It's because the father-and-son duo of David and Mark Goodman regularly deliver deep and original insights into the state of the local apartment market. Sure, the Goodmans tout their own listings in the publication. That's to be expected from anyone who's in the business of selling buildings. But what makes this newsletter better than others is the extent of information about the overall market, plus the clean, crisp writing.

That said, a *mea culpa* is due. We admit it: we can't claim to be dead-on every single time. In July 2016, our Mid-Year Review predicted that on the basis of the first six months of robust activity, approximately 225 buildings would sell in 2016 with volume anticipated in excess of \$2 billion. Instead, 174 buildings sold, totalling \$1.5 billion. On both counts we thus came up short. In response to unprecedented price increases in Metro Vancouver's real-estate markets, the B.C. government unexpectedly introduced its 15% property transfer tax targeted against the foreign speculation that many blamed for making the region's homes the most unaffordable in Canada. Surprisingly, rental apartment buildings have been included in the mix.

NEW RENTALS ARE COMING! NEW RENTALS ARE COMING!

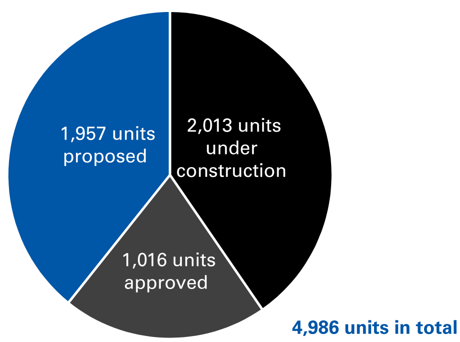
The shortfall in rentals hasn't been merely a Vancouver problem. Municipal governments outside the city's borders haven't been coping well with their aging rental stock either. Though a bonanza for rental owners in terms of soaring valuations and sharply escalating rents, the dire shortage in the region has been disruptive, indeed disheartening, to segments of society needing affordability. These include students, young families and seniors, as well as employers looking to attract and retain talent. New supplies of market rentals would help ease these severe pressures.

And now?

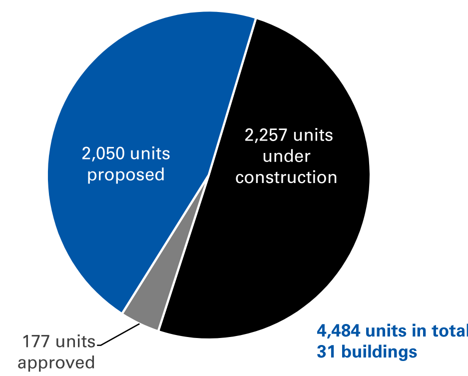
After almost a 40-year hiatus, which saw little in the way of new purpose-built market rentals anywhere in the area, the City of Vancouver and some suburban municipalities are at last gearing up and facilitating their development.

The Goodman Report has just conducted a comprehensive internal survey enumerating the new rental developments in various stages throughout Metro Vancouver. This report is broken down by municipality, classifying projects as under construction, approved or proposed. It also distinguishes Vancouver from all the other municipalities. Below are our summarized findings.

New rental apartment units in the City of Vancouver



New rental apartment units in the suburbs



An impervious asset class

Despite new purpose-built product now in the pipeline amounting to 9,470[1] units throughout Metro Vancouver, demand will continue to outstrip supply by far. It's anticipated that the regional population will increase by an average of 35,000 per year until 2040. The Goodman Report expects local landlords to remain insulated from any apparent decline in tenant demand or softening of rents. Considering strong absorption of emerging product (primarily condo rentals), the red tape facing developers that results in an exhausting three-year approval process, and the ongoing battles over land use, we should not expect the following matrix to show any notable improvement over the next five years. Since 2010, total suite count has increased only 4% in Vancouver (averaging just 371 units per year) and 3.2% in Vancouver census metropolitan area (CMA) (averaging 568 per year).

	2010 (total apartment units)	2016 (total apartment units)	Change (units)	Change (%)
City of Vancouver	54,791	57,018	+2,227	+4.0
Vancouver CMA	104,457	107,869	+3,410	+3.2

Source: *CMHC*

[1]The 9,470 rental units we've identified throughout Metro Vancouver include 4,270 under construction, 1,193 approved and 4,007 proposed. We should caution that not all those approved or proposed will necessarily be built.

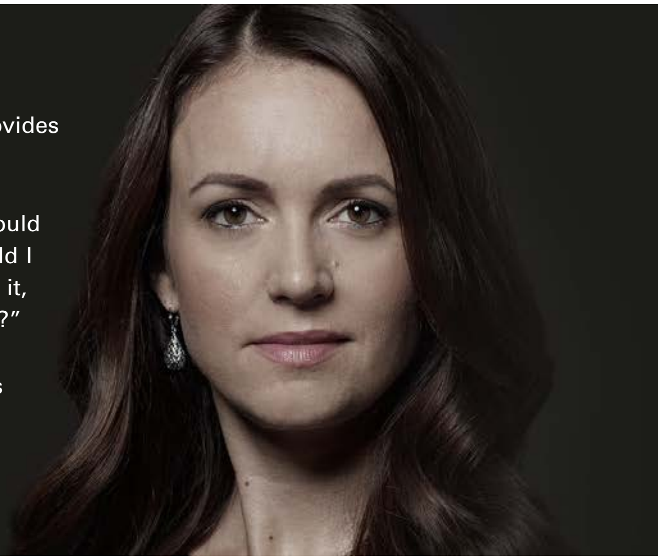
OUR RECIPE: VALUING AN APARTMENT BUILDING

CYNTHIA JAGGER, B.A. DULE, AACI, P. APP (Retired)

As a powerhouse broker and key member of the Goodman Team, Cynthia provides clients with the most valuable thing in the marketplace: knowledge.

For our clients, she answers questions like "If I buy this piece of land, what use would create the highest profit? If I buy this apartment building today, what rent could I charge now and after renovations?" and "If I buy a piece of land and build on it, what would the cost of development be? What will it be worth when it's finished?"

Cynthia knows multi-family investments and land. As a past appraiser, she's consulted and analyzed tens of billion of dollars worth of commercial real estate in B.C. and hundreds of rental apartment buildings. She's underwritten and provided guidance on some of the biggest land deals in Vancouver's history.



by Cynthia Jagger

What goes into the mix when we decide what a building is worth? Here's our stew:

Location: It's not just about municipality. Neighbourhood, street, corner or midblock position – they all matter too. We get into the nitty-gritty, converting the property's location into a quantified value.

Improvements/Condition: Any deferred maintenance? If the large items have been completed (think roof, piping, elevator, any structural requirements), then investors will view the property with greater pricing consideration. Is it a legal non-conforming structure, or does it conform? Any unauthorized suites?

Suite mix: Price per suite will vary depending on mix of units (number of one-bedrooms, two-bedrooms, etc.). Type matters also: apartment or townhouse? Strata or rental? So does size, with some one-bedrooms averaging 500 SF, others 750 SF in older buildings. Sellers need to consider all of these factors when looking at price per suite or room weight.

Lot size: Does it conform to current regulations? How big is the lot on its own? Would the property need to be assembled in the event of redevelopment?

Zoning/OCP: What's the existing zoning? What's the official community plan (OCP) designation? Are these set to change in the short to medium term? What's the underlying land value versus the income value?

Current rents versus market: How do current rents in the building compare with those prevailing in the market? Are newly leased units competing appropriately in terms of price and offerings as compared to others in similar buildings in the vicinity?

Other income: Parking, laundry, storage and antenna revenue all play a part in the calculation of the net operating income on a stabilized basis and can increase the value of your property.

Expenses: Comparing the previous year's expenses against the current expenses is important. Line items such as property taxes, insurance, repairs and maintenance, utilities, caretaker fees and property management, as well as any non-recurring expenses, need to be reviewed and potentially normalized to arrive at a current picture today.

Sales and available listings: Compare apartment building and/or land sales and listings in the immediate area, adjusting for the property's condition, location and make-up as well as for time and other factors as compared to the noted transactions.

Interest rates and investment climate: Interest rates (up, down or stable) play a significant part in determining what yield an investor will accept. Other than rates, how available is debt? What's the investment climate like otherwise? Investors are always comparing their return on capital with other opportunities, even outside of real estate.

Environmental: An up-to-date Stage 1 environmental report is extremely important.

Opportunity: Any future opportunity to add a suite? To expand or subdivide the site? To redevelop?

TRAIN BUT NO GAIN?
HIGH-DENSITY TRANSIT-ORIENTED SITE WASTED

For the record, the Goodman Report is very supportive of responsible efforts by various levels of government to provide assisted or social housing for those in need. It's clear to us, however, that the program put forward recently by the City of Vancouver for providing temporary modular housing is a reactive, poorly conceived solution to a deeply rooted problem.

Here's what's happening. To address the chronic non-market rental shortfall, Vancouver is currently installing on valuable City-owned land 40 temporary modular housing units of 250 SF each. While our politicians congratulate themselves on finding an approach to housing shortages and unaffordability, the manner in which they're executing this program represents a misguided, wasteful use of high-density land and taxpayer money.

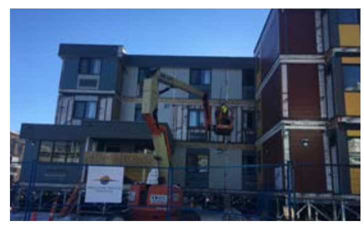
The site is located at 1500 Main Street (the corner of Terminal Avenue), a prime FC-1 zoned, 25,583-SF partially vacant property, strategically chosen for its adjacency to SkyTrain. From a walk-by, it appears that the modular housing is going up only on a portion of the site, with an approximate remainder of 16,000 SF sitting idle (okay, well, there's a tree farm of sorts). For the sake of this argument, we'll estimate that the modular housing occupies about 9,000 SF (around 35% of 25,583 SF total).

The cost of these units together (construction plus the land's market value, or opportunity cost) is potentially in the $15-million range. This is actually much higher than purchasing a conventional rental building on the basis of price per unit and price per SF, especially when one considers the unit size of only 250 SF.

Looking at the math, you have to wonder why the City is using extremely valuable taxpayer-owned land in this way. Check it out:

1500 Main Street – effective cost

Site size (approx.)	9,000 SF					
Number of units	40 units	(as per City website)				
Average unit size	250 SF	(as per City)				
Net rentable	10,000 SF					
Total building size	14,875 SF	(as per City)				
Resulting FSR	1.65					
Resulting efficiency	67%	(based on building size)				
Building costs – temporary modular – 40 units						
			Cost	$	85,000	per unit
			Total building cost	**$**	**3,400,000**	(as per City)
Potential market land pricing – 9,000 SF site						
			$/SF buildable			
Residential	3.0 FSR	27,000 SF			325	$8,775,000
Commercial	2.0 FSR	18,000 SF			150	$2,700,000
	5.0 FSR *	45,000 SF			**Total land**	**$ 11,475,000**
*as per FC-1 bylaw and requires conditional approval.				$	255	blended per buildable
			Total land & building	**$**	**14,875,000**	
				$	371,875	per unit
				$	1,000	per SF (gross building size)
				$	1,488	per SF (net rentable area)



Examining the numbers above, we note that the density is only 1.65 FSR (or 0.58 FSR on the overall site), whereas current zoning allows for 5.0 FSR (approximately 45,000 SF versus 14,875 SF on the portion of the site currently improved with modules). Furthermore, the efficiency ratio for the modular building at 67% is very low (i.e., inefficient) when compared to that of a well-designed project at 80–85%. Additionally, across the street, new market condos are starting at approximately $1,000 per SF, and this modular project appears to be *effectively* costing $1,488 per SF based on net rentable area!

The attempt of our politicians and planners to play developer by building expensive new temporary housing that costs more than buying existing properties is a stopgap measure, noble in intent, that represents but a drop in the bucket in terms of providing permanent relief. Once again, Mayor Robertson has shown knee-jerk and optics-driven reactivity, poor business acumen and limited consideration for long-term policy ramifications. Let's also keep in mind that if the City hadn't taken steps a few years back to exclude the private sector from owning social housing, we'd have plenty more privately built and financed new units available today for those who need them.

On the open market, this entire prime parcel could conceivably fetch in the range of $30+ million and could be used far more meaningfully. For example, a developer could build as many as 200–250 permanent units of non-market social housing. Alternatively, the City could elect to be the developer and own it on behalf of its citizenry.

CMHC SPEAKS

The 2016 CMHC Rental Market Report – Greater Vancouver and Abbotsford-Mission CMAs, has recently been published. Highly anticipated by developers, politicians, planners, lenders, property managers, investors, appraisers, building owners and realtors, the report focuses on the current state of the rental apartment market by area in the region.

Vacancy rates continue to be low

The rental market remains tight in 2016, with the vacancy rate for purpose-built apartments declining to 0.7 per cent from 0.8 per cent last year, in the Vancouver Census Metropolitan Area (CMA). Vacancy rates for submarkets within the CMA are generally low, but vary from a high of 1.7 per cent in the Tri-Cities to 0.0 per cent in the University Endowment Lands. Persistently low vacancy rates can be attributed to rising demand for rental units keeping pace with increasing supply.

Employment and population growth support demand for rental housing

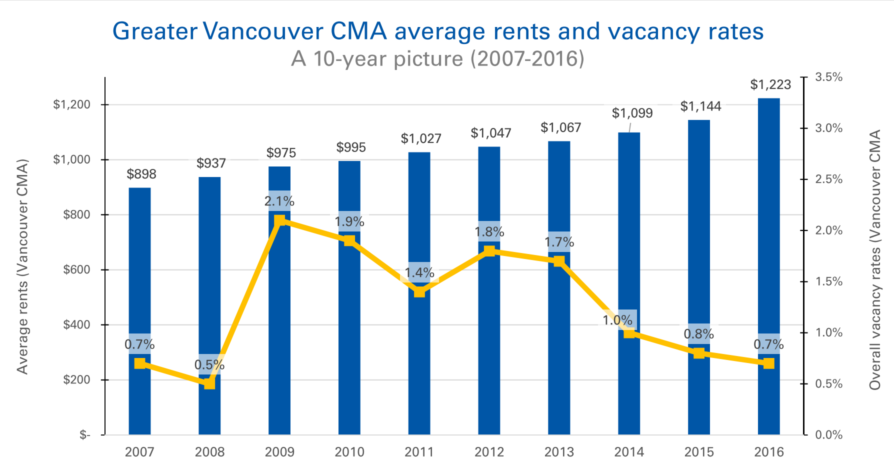
The Vancouver CMA continues to lead employment growth nationally, at a pace of 5.8 per cent year-over-year as of September 2016. This equates to more than 70,000 additional jobs created, compared to the same period last year. A strong job market generally contributes to rental demand, enabling renters to maintain or set up households. This is especially true for younger age groups that tend to rent as their first step(s) on the housing continuum. Year-to-date employment for the 15–24 year old group increased 12 per cent compared to the same period last year, with more than 12,000 full-time jobs added and nearly 7,000 part-time positions added. Strong growth in employment also continues to be a major pull factor contributing to migration to the Vancouver CMA from other parts of Canada and the world.

Population growth through migration and natural increase leads to household formation and ultimately to increased demand for housing, including rental housing. The Vancouver CMA added an estimated 15,733 new households between 2015 and 2016. This population-based demand is one of the main factors contributing to low vacancy rates.

Increases in entry-level home prices during the past year may have also indirectly shored up demand for rental housing. Current renters looking to become home owners, typically through the purchase of condominium apartments, face home prices that have increased considerably in the past year. Along with rising prices, monthly carrying costs (i.e. mortgage payments, strata fees and property taxes) have increased, although more slowly. Rising entry-level home prices also mean that a larger down payment is required for home purchase. As a result, some renter households may choose to stay in rental housing longer to save for their down payment.

Low vacancy rates put upward pressure on same sample rents

Reflective of the tight rental market, same sample average rents for primary market rental units increased by 6.4 per cent for all bedroom types within the Vancouver CMA over last year. This is well in excess of the allowable rent increase for 2016 of 2.9 per cent for existing tenants, as set by the BC government Residential Tenancy Branch, suggesting that new leases were signed by many tenants, often following significant building upgrades and renovations. Same sample rent increases outpaced last year's growth in all cities within the Vancouver CMA and across all bedroom types.



Source: CMHC & Goodman Report

Turnover – a useful measure for low vacancy rate markets

While vacancy rates have been low for a few years now in the Vancouver CMA, the turnover rate was within the expected range of 10 to 30 per cent at 15.8 per cent in the region. Turnover is a measure of mobility of tenants and provides a gauge of how often units become available in an area. Turnover is especially useful when looking at submarkets with low vacancy rates. For example, the vacancy rate for townhouses in the University Endowment Lands was 0.0 per cent, but the turnover rate was 53.2 per cent, indicating that this in-demand housing type is still regularly available, despite very low vacancy rates.

Supply of purpose-built rental units increasing

Following several years of few new rental units coming to market, the past four years have seen large increases in rental starts, with 2016 setting a new record. Rising rents and municipal incentive programs have stimulated the supply of new units in the rental market. While new units tend to command higher rents than existing units, new units allow renters who desire newer condition rentals to move, freeing up additional supply at other price points. Due to the recent increases in new rental construction, the universe of rental apartment units enumerated in CMHC's 2016 Fall Rental Market Survey increased by an estimated 922 units. The dip in the vacancy rate suggests that the increase in demand outpaced the increase in the number of units added to the stock.

Apartment condo vacancy rate declines

Strong rental demand coupled with limited additions to the stock of rental apartment condos kept vacancy rates below one per cent. The (investor-held) rental apartment condominium vacancy rate declined to 0.3 per cent from 0.9 per cent the previous year. In 2016, an estimated 1,516 units were added to the rental condominium apartment stock, compared to the addition of almost 5,000 units in 2015, contributing to the decrease in vacancy rates. Along with falling vacancy rates, the average monthly rent for apartment condominiums increased to $1,625.

The secondary rental market includes condominium apartments, laneway houses, and secondary suites, among other types. The secondary rental market is particularly important in the Vancouver CMA compared to the Toronto and Montreal CMAs, with secondary rental market units making up approximately 60 per cent of all rental units.

OPINION: INDUSTRY EXPERT SAYS SELL, SELL, SELL

The following article was published in an earlier version in *The Province* on December 28, 2016. It has been penned by a prominent financial advisor and is intended to offer a vivid alternate perspective to the market.

Over my lengthy 45-year career as a financial advisor, I have been a strong advocate of owning apartment buildings.

Yet now, as much as it pains me, I am recommending to clients not to buy any further residential revenue properties in Metro Vancouver. More importantly, though, I am also recommending to them to consider putting their apartment holdings on the market to take advantage of this overheated apartment feeding frenzy that we are currently experiencing.

This decision has not come lightly, nor did I wake up one morning and decide to sell. Many of my colleagues have been shocked that I, as a financial advisor and experienced real-estate professional, should have come to this conclusion. My detailed research and the current geopolitical climate have made it obvious to me that the values associated with apartment buildings just do not make any economic sense. To quote Judge Judy, "If it doesn't make sense, it cannot be true."

Is there a bubble about to burst? No. Is this a crisis similar to the U.S. sub-prime fiasco? No. Then where has my epiphany come from?

Many of you who own apartments believe this market will continue for many more years, and you may very well be right, but this is where I see the issue. When you decide to sell and cash in, there may be no bids – they may just disappear — and this could happen overnight. There will always be buyers out there, but they may only be scavengers taking advantage of fear.

In my view, it's not a matter of if, only of when. It has happened in the past, and it will happen in the future. History repeats!

The rewards that you have experienced have been amazing, but as my father once said, "Never argue or complain about a gain, even if you have to pay the tax, and leave something on the table for the next buyer, or there won't be a 'next buyer.'"

Here are my specific reasons that the market will change:

Vancouver and many of its close suburbs have or will become homes either to wealthy immigrants or to older retired or semi-retired professionals who have owned their properties for many years. This is evident in the fact that schools, especially on Vancouver's Westside, are losing students. The VSB is experiencing large budget shortfalls because of declining enrolment. When no children are entering elementary schools, it means that there are no young families. Demand starts at the bottom, not the top.

Lifestyle choices are in shift also. People balance their work and family lives with more weighting toward family. They're just not going to put up with these long commutes from the eastern valley to get jobs in Vancouver. Young professionals are moving out of Vancouver to other parts of Western Canada, even to Toronto where housing is far more affordable than here. Think about it: would you pay rent of $3,000 a month for a two-bedroom condo or $7,500 a month for a four-bedroom house? No, of course not.

Young people want homeownership, not a 900-SF two-bedroom condo that consumes half a paycheque just to make the monthly mortgage payment.

Jobs will disappear. Companies will relocate where young employees have access to more affordable housing – and $4 per SF per month is not affordable rent!

As demand for $2,200-per-month one-bedrooms falls, what happens to the value of your apartment?

It's always the economics. Why would anyone buy an apartment building at, say, 2.5% to 4% cap (after renovations and market rents are achieved), especially with rising interest rates almost a sure bet? Where is the upside? There are so many other vehicles that produce better returns, equally advantageous tax treatment and better liquidity, without the worries of toilet overflows and bed bugs.

Financing is becoming much more difficult: lenders want more equity and better covenants, and they're demanding terms and conditions.

Geopolitical forces are skewed against owning residential rental properties. With rent controls, restrictive demolition permits and tough zoning, landlords will always lose politically because they get outvoted by their tenants.

Rising interest rates always mean that cap rates don't lag far behind.

If government can pass the 15% foreign buyer tax (which certainly has an impact on demand), then what else can it pass? Trust me, you won't like it. Nothing good happens to entrepreneurs when government starts to mess with a business they know nothing about.

Given all that, if you own a rental property, sell. List your assets sooner than later.

This article is by Larry Jacobson of McDonald, Shymko & Company Ltd., Fee Only Financial Advisor. Phone number: 604-687-7966. Email: ljacobson@msc-feeonly.com.

INDUSTRY EXPERT: HOW TO FIND THE BEST TENANTS FOR YOUR APARTMENT INVESTMENT

Many landlords choose to manage their properties themselves, and such being the case, they're actively involved in leasing their own suites. If you're in this situation, it's important to screen prospective tenants well before allowing them into your building.

At a time like this when the rental market is tight, there should be absolutely no excuse for admitting bad tenants into your building. One of the easiest approaches is to check with your applicant's current landlord and ideally the previous one as well. What to ask:

1. How much is the rent?
2. Does the tenant pay the rent on time?
3. How does the tenant pay – cash, cheque? Any NSFs?
4. Have you been in the suite to see its condition? Is it kept clean?
5. Does the tenant smoke or have pets?
6. Why is the tenant moving?
7. Have you received proper one-month notice to vacate?
8. Any complaints about the tenant (e.g., noise, police attendance)?
9. Any RTB hearings?
10. Did the tenant return the security deposit on moving out? Was the suite cleaned properly? Any damage?

Look for any inconsistencies between what the prospective tenant is telling you and what the present and past landlords indicate.

Rod Fram is president of Transpacific Realty Advisors, providing full-service property management for residential rental and commercial holdings in Metro Vancouver since 1972. You can reach him at **rod@transpacificrealty.com**.

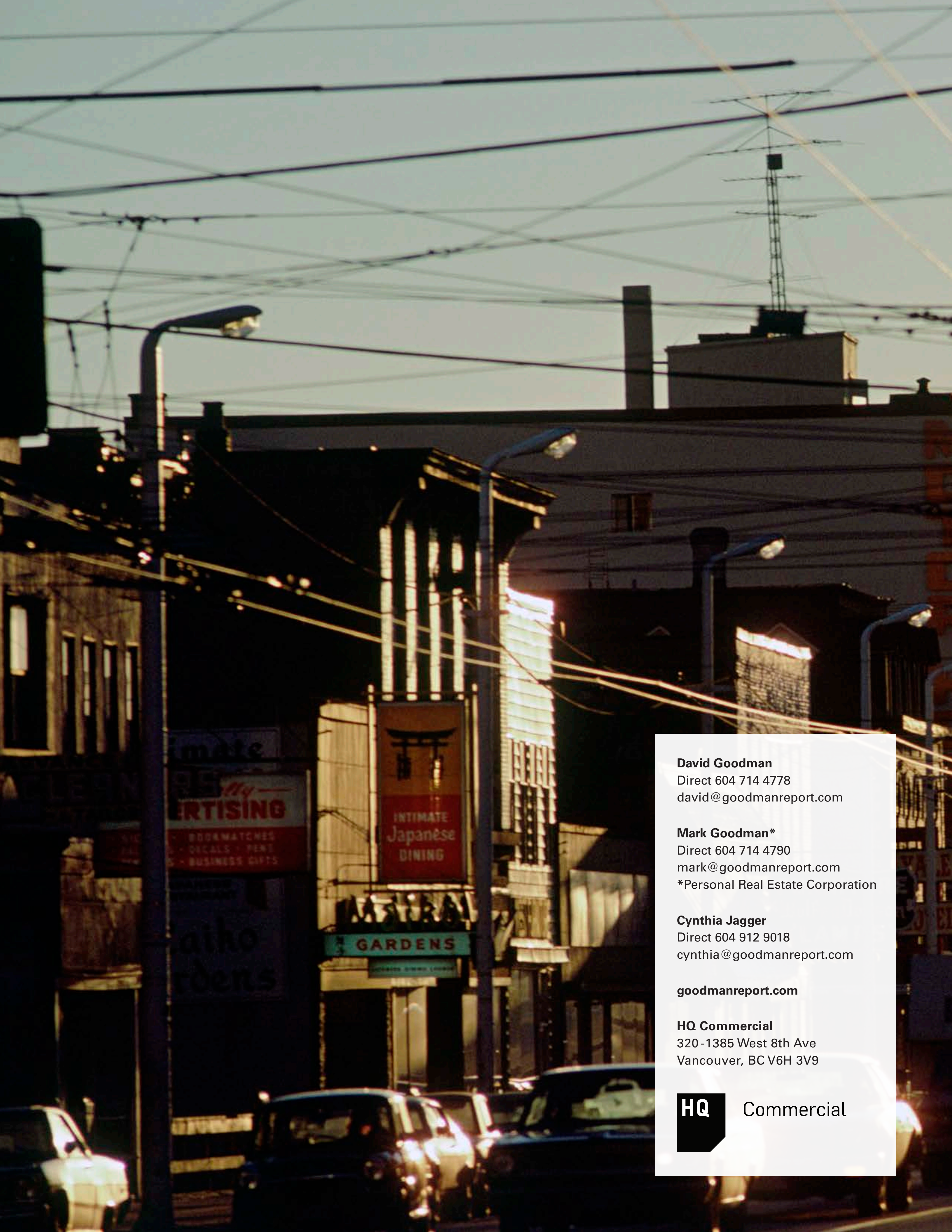
> **Even the highest towers begin from the ground.**
>
> **– Chinese Proverb**

WHAT'S HOT

- Cynthia Jagger joins Goodman as a commercial realtor
- Rental vacancies 0.8% in City of Vancouver, 0.7% in Vancouver CMA
- Oil prices moving up
- Rumours of dramatic change in Vancouver pertaining to densification and speeding up of development application processes
- Contrarians looking at Alberta real estate
- Townhouse development sites
- Reality Check with Bruce Allen on News Talk 980 CKNW
- Canada's 150th birthday
- Eye-popping rent increases on suite turnover
- Difficulty in achieving new softwood lumber trade agreement with the U.S.
- Michael Geller's always enlightening take on housing issues

WHAT'S NOT

- Prime Minister Trudeau's PR team
- Ice bombs on the Alex Fraser Bridge
- Interest rates slowly moving up: watch those U.S. bonds!
- Potential for an NDP provincial government
- Vancouver's moratorium on demolition of rental buildings now entering its 10th year
- Failure by Vancouver's road crews in snowstorms to salt and sand West 10th Avenue, with chaos ensuing
- Vancouver's plan to phase out natural gas by 2050
- 93% of Vancouver rental apartment buildings aging over 36 years
- Potential capital gains tax increase in 2017's federal budget



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