

BC Multifamily Market Report

MBM Quarterly: Q1 2024

Marcus & Millichap
MCEVAY | BLAIR
MULTIFAMILY GROUP

Year-to-Date Highlights

	YTD 2024	Q1 2023
Transactions	32	25
Investment Volume	\$367.2 M	\$194.3 M

Trailing 4 Quarters Metrics

2023 Q2 - 2024 Q1

\$286,719
Median Price/ Unit

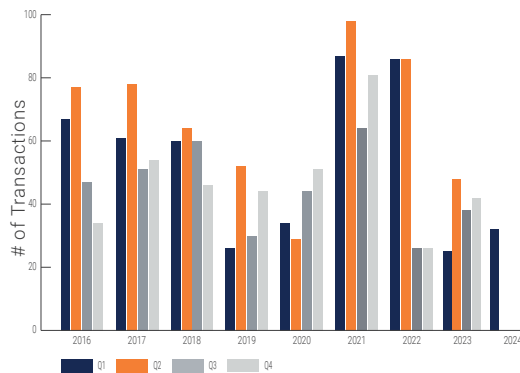
▲ 4.94%
Quarterly Change

4.15%
Average Cap Rate

▼ 3 bps
Quarterly Change

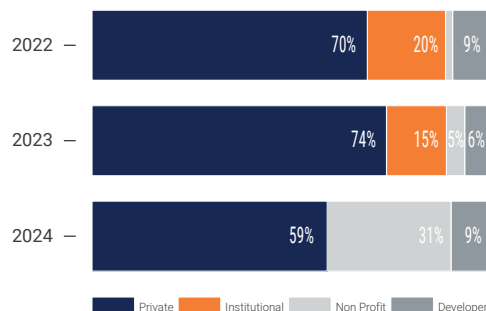
Quarterly Sales

2016-2024 Q1



Purchaser Types

2022-2024 Q1



Market Outlook

It has been two years since we witnessed the first interest hike in March 2022. This was the mark of the most aggressive monetary policy tightening campaigns on record as the Bank of Canada raised the benchmark rate from 0.25 per cent to 5 per cent over the course of 10 rate hikes in just 16 months. Unfortunately for the real estate capital markets, and more specifically, the local multifamily market, this has led to a stark softening in overall sale volume.

While, the first quarter of 2024 saw 32 apartment sales in BC, up 28 per cent from the same quarter last year which saw 25 apartment sales, we are still grossly behind the 85 transactions in Q1 2022. Despite heightened sale activity in secondary and tertiary markets over the last two years, the Lower Mainland continues to display the most sales followed by Vancouver Island, and the Central, Interior & Northern BC regions with 24, 6, and 2 respectively. Of note, non-profit housing groups accounted for nearly one third of these transactions – a sixfold increase from the prior year. This sudden rise can be directly attributed to the provincial government’s Rental Protection Fund and it’s \$500 million fund pledging to protect affordable rentals.

Since the Bank of Canada has held the policy rate steady at 5 per cent over the past six rate decisions, investor confidence

has slowly found its way back into the market, and many believe that 2024 will eventually bring a revitalization in the multifamily market. However, the slow start to 2024 can be attributed to a high number of buyers continuing to remain on the sideline in anticipation for the possibility of a rate decrease in June. While the market eagerly awaits the first signs of rates decreasing, there is a general sense of optimism that this will spark renewed confidence and activity in the multifamily investment market. While we remain hopeful, we are tempering our expectations in the event that other factors could play a role in mediating this expected market boost. The first rate decrease will be minimal, in the 0.25-0.5 per cent range, which will have a positive effect on the market but will likely not be enough to fully move the needle for investors. On the other side, sellers may look at this as a sign that the market is on its way to returning to peak levels as seen in 2021, and will adjust their price expectations as such, resulting in inflated market values once again. We are also expecting that there will be an inundation of product that will hit the market once the first rate drop occurs, which could result in a saturation of listings, and an overabundance of options for buyers.

BC Multifamily Sales

2024 Year-to-Date

Address	Sale Date	Sale Price	Price/Unit	Units	Year Built	Cap Rate
7268 Balmoral Street, Burnaby	Feb-24	\$16,240,000	\$290,000	56	1967	3.04%
3940 Pender Street, Burnaby	Mar-24	\$11,950,000	\$291,463	41	1970	2.82%
102 Agnes Street, New Westminster	Feb-24	\$50,000,000	\$310,559	161	1974	-
1923 Purcell Way, North Vancouver	Jan-24	-	-	90	1974	-
165 West 6th Street, North Vancouver	Mar-24	\$13,000,000	\$371,429	35	1969	2.95%
22422 North Avenue, Maple Ridge	Mar-24	\$4,823,000	\$192,920	25	1966	-
15791 Marine Drive, White Rock	Jan-24	\$4,940,000	\$548,889	9	1960	-
5374 203 Street, Langley	Mar-24	\$16,465,000	\$304,907	54	1980	4.19%
5375 204 Street, Langley	Mar-24	\$18,535,000	\$343,241	54	1980	3.73%
2865 Packard Ave, Coquitlam	Feb-24	\$49,014,085	\$405,075	121	1982	-
2860 Packard Ave, Coquitlam	Feb-24	\$37,985,915	\$223,447	170	1982	-
33333 12th Avenue, Mission	Jan-24	\$6,958,000	\$117,932	59	1979	-
2991 Trethewey Street, Abbotsford	Feb-24	\$4,500,000	\$562,500	8	1993	-
46288 Yale Road, Chilliwack	Mar-24	\$4,570,000	\$163,214	28	1967	-
5520 Inlet Avenue, Sechelt	Mar-24	\$1,655,000	\$183,889	9	1954	5.82%
1925 Nelson Street, Vancouver	27-Mar	\$8,100,000	\$385,714	21	1956	3.50%
2043 Stainsbury Avenue, Vancouver	Jan-24	\$1,850,000	\$231,250	8	1910	-
2164 Wall Street, Vancouver	Feb-24	\$2,800,000	\$350,000	8	1967	4.15%
2275 Oxford Street, Vancouver	Feb-24	\$12,000,000	\$285,714	42	1977	3.91%
2325 Glen Drive, Vancouver	Jan-24	\$5,600,000	\$466,667	12	1965	3.43%
2772 Spruce Street, Vancouver	Jan-24	\$9,800,000	\$515,789	19	1956	1.76%
2175 West 7th Avenue, Vancouver	Jan-24	\$26,000,000	\$742,857	35	1970	-
1960 West 7th Avenue, Vancouver	Mar-24	\$23,000,000	\$657,143	35	1965	-
1350 West 70th Avenue, Vancouver	Jan-24	\$6,900,000	\$328,571	21	1987	2.71%
4028 7th Avenue, Port Alberni	Jan-24	\$1,250,000	\$178,571	7	1968	-
7080 Glacier Street, Powell River	Feb-24	\$6,250,000	\$105,932	59	1968	4.90%
3690 Country Club Drive, Nanaimo	Feb-24	\$12,500,000	\$347,222	36	2018	4.87%
901 South Island Hwy, Nanaimo	Feb-24	\$2,500,000	\$125,000	20	1947	-
860 Carrie Street, Esquimalt	Feb-24	\$5,300,000	\$331,250	16	1971	-
3820 Shelbourne Street, Saanich	Jan-24	-	-	32	1965	-
952 Dynes Avenue, Penticton	Feb-24	\$2,670,000	\$157,059	17	1975	4.68%
3352 Hemlock Street, Penticton	Feb-24	-	-	166	2021	-

BC Multifamily Sales Summary

2024 Year-to-Date

Market	# of Sales	Sale Volume	Median PPU	Avg. Cap Rate
Lower Mainland Total	24	\$336,686,000	\$319,565	3.29%
Vancouver Island Total	6	\$27,800,000	\$178,571	4.89%
Interior, Central & Northern BC Total	2	\$2,670,000	\$162,193	5.17%
British Columbia Total	32	\$367,156,000	\$307,733	3.62%

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Our 2024 Activity

Current Listing & Recent Transactons

Marcus & Millichap
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Coming Soon

Maple Manor New Westminster

17 Units

Renovated Apartment Building in New Westminster's Desirable Queen's Park Neighbourhood



For Sale

Cypress Steps 425 Twelfth St, New Westminster

List Price: \$12,00,000
34 Units | Cap Rate: 3.07%

Rarely Offered, 1999-Built, 34-Unit Strata-Titled Apartment Building in New Westminster



For Sale

Greatview Manor 1280 Haro Street, Vancouver

List Price: \$31,00,000
66 Units | Price/Unit: \$469,697

66 Unit Concrete West End Highrise Surrounded by World Class Amenities



For Sale

Waldorf Manor 7448 & 7466 14th Ave, Burnaby

List Price: \$22,000,000
68 Units | Cap Rate: 3.52%

Two Adjacent Apartment Buildings Comprised of 68 Units and Covering a Sprawling 60,946 sf of land



For Sale

Noraleen Apartments 1676 West 10th Ave, Vancouver

List Price: \$6,300,000
11 Units | Cap Rate: 3.72%



For Sale

Homeview Apartments 33654 Homeview St, Abbotsford

List Price: \$3,900,000
11 Units | Major Renovations



For Sale

The Mayflower 323 Seventh St, New Westminster

List Price: \$3,950,000
14 Units | Cap Rate: 3.34%



For Sale

1420 Estevan Road Nanaimo

List Price: \$3,200,000
16 Units | Cap Rate: 5.58%



For Sale

8690 Montcalm Street Vancouver

List Price: \$4,200,000
12 Units | Price/Unit: \$350,000



For Sale

2432 Fraser Street Vancouver

List Price: \$2,780,000
Fourplex | Built in 2024



For Sale

524 Jermyn Avenue Penticton

List Price: \$3,900,000
20 Units | Cap Rate: 4.15%



For Sale

Valley View Mobile Home Park 446 Lumby Mabel Lake Rd, Lumby

List Price: \$4,999,000
83 Pads | Cap Rate: 5.48%

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For Sale

Pelican Place

629 Twelfth St, New Westminster

List Price: \$3,300,000

14 Units | Cap Rate: 2.70%



For Sale

Rim Rock Manor

8630 Osler Street, Vancouver

List Price: \$6,950,000

21 Units | Price/Unit: \$330,952



For Sale

11121 Prairie Valley Road

Summerland

List Price: \$1,790,000

7 Units | Cap Rate: 4.01%



For Sale

The Aspen

1455 West 71st Ave, Vancouver

List Price: \$7,680,000

21 Units | Cap Rate: 3.33%



For Sale

6721, 6735, 6749 Dow Ave

Burnaby

List Price: \$39,900,000

54,555 sf



For Sale

Suffolk Place

1972 Suffolk Ave, Port Coquitlam

List Price: \$11,500,000

29 Units | Cap Rate: 3.36%



Under Contract

Tiffany Court

1225 West 72nd Ave, Vancouver

List Price: \$3,900,000

11 Units | Cap Rate: 3.82%



Under Contract

285 Robson Road W

Kelowna

List Price: \$6,300,000

Gross Buildable sf: 88,249 sf



Under Contract

Copperview Suites

941 7th Avenue, Kamloops

List Price: \$13,250,000

54 Units | Built in 2021



Under Contract

228 Manitoba Street

New Westminster

List Price: \$2,650,000

9 Units | Cap Rate: 3.90%



Firm

540 Beatty Street

Vancouver

List Price: \$3,799,000

High Profile Retail Strata Units



Firm

Plaza 43

4300 27 Avenue, Vernon

List Price: \$4,100,000

Fully Leased | Cap Rate: 4.50%



Firm

3333 Commercial Drive

Vancouver

List Price: \$7,500,000

20 Units | Cap Rate: 2.63%



Firm

Strata Place

10012 3 Street, Dawson Creek

List Price: \$3,000,000

36 Units | Cap Rate: 5.46%



Sold

2164 Wall Street

Vancouver

List Price: \$8,000,000

8 Units | Cap Rate: 4.15%



Sold

952 Dynes Avenue

Penticton

List Price: \$2,670,000

17 Units | Cap Rate: 4.68%