
**LONDON
PACIFIC**

Commercial Real Estate Redefined —

An aerial photograph of a city, likely Vancouver, showing a dense urban area with numerous buildings, green spaces, and a prominent mountain range in the background under a clear blue sky. The text is overlaid on the bottom left of the image.

Q4 - 2024

**QUARTERLY INSIGHT
AND LAND ASSEMBLY**

EXECUTIVE SUMMARY

CONTRIBUTED BY THOMAS TROWBRIDGE



The Vancouver commercial real estate market concluded 2024 on a positive note, supported by notable economic, political, and policy developments. The Bank of Canada further reduced its benchmark interest rate to 3.25% in mid-December, marking a pivotal moment in its monetary easing cycle. This reduction has offered developers and investors much-needed relief after a challenging period of elevated borrowing costs. Inflation has been stabilizing and is now approaching the Bank of Canada's 2% target, contributing to improved market sentiment and fostering cautious optimism in the real estate sector.

The broader economic landscape, however, reflects ongoing structural challenges. As Raoul Pal emphasizes, central banks' reliance on quantitative easing and monetary expansion since 2008 has driven long-term currency depreciation, estimated at approximately 8% annually. When combined with inflation averaging around 4% in Canada, this underscores a significant challenge: preserving purchasing power requires investors to achieve returns exceeding 12% annually. While inflation may stabilize near the Bank of Canada's target in the short term, these structural forces reinforce the importance of strategic asset allocation in high-demand markets like Vancouver's development land sector.

ECONOMIC AND POLITICAL FACTOR

Vancouver's development land market offers a compelling hedge against systemic economic challenges. Strategic assets with inherent scarcity and long-term demand—such as transit-adjacent sites—provide opportunities for investors to achieve competitive returns. For example, projects near major transit lines like the Canada Line and Expo Line remain highly attractive for their accessibility and growth potential. The December rate cut by the Bank of Canada has further reinforced investor confidence, creating a more favorable environment for high-quality developments.

The recent U.S. presidential election and Donald Trump's return to office have introduced additional uncertainty into the North American trade landscape. Trump's proposed 25% tariff on Canadian imports has raised concerns across various sectors, including real estate and construction, which rely on cross-border material flow. However, past patterns suggest that such proposals often serve as negotiating tactics rather than finalized policies. Developers and investors are advised to remain cautious while monitoring potential impacts on project costs and supply chains.

TRANSIT-ORIENTED AREA (TOA) POLICY INTEGRATION

Greater Vancouver municipalities are progressing at varying speeds in implementing provincially mandated Transit-Oriented Area (TOA) policies. Vancouver and New Westminster continue to lead the region, integrating TOA initiatives into their long-standing development strategies to foster housing density and sustainability near transit hubs. Surrey has also emerged as a key player, leveraging its expanding SkyTrain network to promote significant residential and commercial growth around transit nodes.

Port Coquitlam has shown promising engagement in adapting TOA policies, focusing on creating sustainable growth patterns around transit access points. However, other cities, like Burnaby and Delta, are progressing more cautiously. Burnaby is still in the proposal stages of finalizing Development Cost Charges (DCC) and Amenity Cost Charges (ACC), while Delta explores the feasibility of inclusionary housing policies but has yet to implement concrete measures. These discrepancies underscore the uneven pace of policy adoption across the region, with some municipalities advancing more rapidly than others in aligning with provincial TOA goals.

Despite these disparities, the TOA framework is fostering a more unified approach to urban planning across Metro Vancouver. As municipalities align their zoning and infrastructure policies with provincial mandates, demand for land near transit hubs remains robust, offering significant opportunities for investors and developers

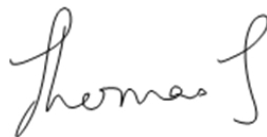
MARKET TRENDS AND OPPORTUNITIES

Development land transactions in Q4 2024 indicate a cautiously optimistic market. The December rate cut has reinvigorated interest in transit-oriented development opportunities, with many developers returning to the market after sitting on the sidelines. Land values near transit hubs have held steady, with some locations experiencing slight increases due to renewed demand. Improved financing conditions have sparked interest in strategic acquisitions.

A standout transaction this quarter was a 12-lot assembly in the Burquitlam-Lougheed Neighborhood Plan, where fellow brokers Ben Williams and Daniel Link facilitated a \$50 million deal for land at the corner of Perth and Appian. The site, which posted an impressive **±140,000 ft of land assembled**, represents approximately 3.2 acres of strategically located property. It was acquired by Anthem Properties Group Ltd. for a six-story multifamily development community. This transaction underscores the enduring demand for strategically located development sites and the resilience of the development land market in the Greater Vancouver Area.

OUTLOOK FOR 2025

The combination of favorable interest rates, successful rollout of TOA policies, and strategic market activity sets a strong foundation for continued growth in Vancouver's development land sector. Developers are well-positioned to capitalize on demand for transit-oriented housing, leveraging policy stability and accessible borrowing conditions to advance key projects. While the potential for new U.S. trade policies introduces a degree of uncertainty, Vancouver's strong market fundamentals continue to support an optimistic outlook for 2025.



THOMAS TROWBRIDGE. RET. AACI

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OPPORTUNITIES



2300 CLARKE ST PORT MOODY

Gross Site Area: 24,879 SQFT

Parcel Assembled: 1

Development Potential: Mixed-use



2901 - 2909 ST GEORGE ST, PORT MOODY

Gross Site Area: 26,127 SQFT

Parcels Assembled: 3

TOA: Tier 2 201-400m up to 4.0 FSR



40127 KALODON RD, SQUAMISH

Gross Site Area: 32,583 SQFT

Parcel Assembled: 1

Development Potential: Townhouse



21938 - 21988 LOUGHEED HIGHWAY MAPLE RIDGE

Gross Site Area: 45,477 SQFT

Parcels Assembled: 5

Development Potential: Apartment



1146 KINGSWAY, VANCOUVER

Gross Site Area: 5,049 SQFT

Parcel Assembled: 1

Development Potential: 4 Storeys



2702 - 2750 KINGSFORD AVE, BURNABY

Gross Site Area: 37,884 SQFT

Parcels Assembled: Strata Wind-up

TOA: Type 1 200m or less up to 5.0 FSR

MACRO SNAPSHOT

Curated expert economic commentary to review the most significant macroeconomic statistic and trends impacting the real estate market for the end of Q4 2024

INTEREST RATE

The Bank of Canada cut its key interest rate by 50bps for a second consecutive decision in its December 2024 meeting bringing the policy rate to 3.25%. Rhetoric from policymakers from the central bank suggested that there will not be any more aggressive rate cuts in 2025, and officials dropped the statement that borrowing costs are due to be lowered should their base case hold. The public should not get used to these “super sized” rate cuts. The next rate announcement will take place on January 24 2025.

<https://tradingeconomics.com/canada/interest-rate>
<https://www.theglobeandmail.com/topics/bank-of-canada/>

INFLATION

Inflation has fallen considerably over the past 18 months, in part because higher interest rates have forced some households and businesses to curb their spending. The inflation rate (as of December 17, 2024) sits at 1.9% the lowest annual inflation rate since March, 2021. Today, the cost of shelter is the single biggest driver of inflation. This includes mortgage interest costs, which have been pushed higher by the Bank of Canada’s own interest rate hikes, as well as rents. Shelter inflation is being driven in large part by a combination of high demand, due to rapid population growth, and a shortage of housing supply, due to structural impediments to home building.

<https://wowa.ca/inflation-rate-canada-cpi>

GDP

“The real measuring stick of a country’s economy,” says economist Lars Osberg, “is real GDP per capita, an economy’s production per person.” Canada’s real GDP per capita in the third quarter declined for the sixth consecutive quarter, falling by 0.4 per cent. “In terms of GDP per capita, we’ve been in a recession for some time now and the increase in the unemployment rate reflects that,” Osberg said. The unemployment rate in November rose to 6.8 per cent, up one percentage point from the same time last year.

Of further concern is United States president-elect Donald Trump’s threat to slap a 25 per cent tariff on all Canadian imports; particularly damaging for certain provinces, including Alberta and Saskatchewan, which export billions of dollars of oil and gas annually to the U.S. “This will remain a source of uncertainty for Canada’s growth and investment until we see the way the dust settles.”

<https://financialpost.com/commodities/energy/oil-gas/canada-recession-headline-numbers-economists>

BOND MARKET

“The interest rate environment in Canada may continue to offer an attractive risk/return profile for investors in government bonds into 2025.” Financial markets initially reacted to Donald Trump’s U.S. presidential election victory with risk assets (equities and cryptocurrency) responding positively and with U.S. bonds being sold off. That being said, government bond yields across the curve, in both Canada and the U.S., are at levels near their highest in the past 20 years. “This environment may allow fixed income markets to generate substantial income for investors, meaning that any potential capital losses could be at least partially mitigated by income generation.”

https://www.agf.com/ca/en/insights/outlookfixed-income-government-bonds.jsp?gad_source=1&gclid=EAlaIqobChMlOJuKvtrhigMVKDwIh2nOB2CEAAAYIAAEglttFD_BwE

THE REAL ESTATE MARKET

Commercial transaction volumes in the Lower Mainland fell significantly in the aftermath of the June 25 deadline to increase the capital gains inclusion rate, as many deals that would have transacted in the third quarter were pulled forward into the second quarter.

The total dollar value of commercial real estate sales in the Lower Mainland was \$1.447 billion in Q3 2024, a 26 per cent decrease from \$1.955 billion in Q3 2023.

Land: There were 64 commercial land sales in Q3 2024, which is a 33.3 per cent decrease from the 96 land sales in Q3 2023. The dollar value of land sales was \$736 million in Q3 2024, a 12.6 per cent decrease from \$842 million in Q3 2023.

Multi-Family: There were 15 multi-family land sales in the Lower Mainland in Q3 2024, which is a 25 per cent increase from 12 sales in Q3 2023. The dollar value of multi-family sales was \$348 million in Q3 2024, a 163.8 per cent increase from \$132 million in Q3 2023.

“Following two pretty challenging years for sales, it looks like markets across BC are starting to build momentum,” said BCREA Chief Economist Brendon Ogmundson. “In addition to lower mortgage rates, new policy changes allowing longer amortization for first-time homebuyers and increased mortgage insurance caps will provide a boost to market activity.”

“Although new listings activity has been much stronger than last year, the accumulation of inventory in 2024 had much more to do with a prolonged slump in home sales. With active listings returning to more healthy levels across BC, we expect that the market will be able to absorb the coming rise in sales activity without a sharp increase in prices. Therefore, the average price in BC is projected to rise by a modest 3.3 per cent in 2025, following flat prices in 2024.”

<https://www.bcrea.bc.ca/wp-content/uploads/2024-11-housing-forecast-news-release.pdf>
Commercial Edge Report 2024-Q3

Metro Vancouver Market Highlights December 2024



DETACHED

Active Listings: 4,081

Sales: 494

Benchmark Price: \$1,997,000

Avg. Days On Market: 58



ATTACHED

Active Listings: 1,574

Sales: 371

Benchmark Price: \$1,114,600

Avg. Days On Market: 44



APARTMENT

Active Listings: 4,774

Sales: 891

Benchmark Price: \$749,900

Avg. Days On Market: 41



YTY Sales

2023	2024	
26,249	26,561	(1.2%) ↑
Sold	Sold	

LONDON PACIFIC LAND ASSEMBLY

\$2.29B+

In Sales

800+

Arces Sold

14

Expert Brokers

39

Years of Experience



**INLET DISTRICT
PORT MOODY**

ASSEMBLED BY LONDON PACIFIC

LAND ASSEMBLY 101

As TOA legislation promises to change the landscape of Metro Vancouver and the Fraser Valley, it is critical that property owners seek out commercial real estate advice from London Pacific. For 4 decades we've been the most active and successful land assembly specialists in Metro Vancouver. Our reputation and network ensures that your site is being presented to the right developer group. There is no other brokerage that you should trust to educate, advise and maximize the value of your most important asset.

WHAT IS LAND ASSEMBLY

Combining multiple properties to form larger development sites, owners can realize higher returns. The whole is greater than the sum of the parts.

“The whole is greater than the sum of the parts.”

We qualify and pre-assemble sites to minimize risk, create collaboration between neighbours and achieve shorter transactional timelines with maximum financial success.

HOW IT WORKS AND WHO CAN PARTICIPATE

Selling your home as part of a land assembly is a COMMERCIAL real estate transaction.

Complex contractual Terms and Conditions along with municipal policy to gain approval may be required. You need a Commercial Land Broker with a proven track record in development land sales to guide you.

Not every homeowner can take part in land assembly. An increase in land value can be achieved through assembly if your property is designated for higher density. Our team is aware of where and how land-use might be changing in your neighbourhood and we have the most recent updates when it comes to TOA legislation and roll out.

Start the conversation with our team today. Knowledge is power.

LAND ASSEMBLY OPPORTUNITIES



2175 - 2197 WEST 13TH AVE VANCOUVER

Gross Site Area: 18,750 SQFT
Parcels Assembled: 6
Development Potential: High-rise



11824 - 11838 90 AVE DELTA

Gross Site Area: 42,393 SQFT
Parcels Assembled: 3
Development Potential: Apartment



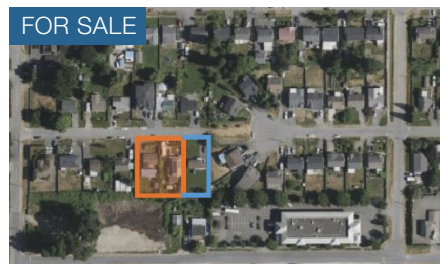
10498 - 10526 131A, SURREY

Gross Site Area: 79,023 SQFT
Parcels Assembled: 3
TOA: Tier 3 up to 3.0 FSR



112 MORAY ST, PORT MOODY

Gross Site Area: 43,560 SQFT
Parcel Assembled: 1
TOA: Type 3 up to 3.0 FSR



12452 - 12470 113 AVE, SURREY

Gross Site Area: 44,478 SQFT
Parcels Assembled: 3
TOA: Type 3 up to 3.0 FSR



14447 - 14475 104A AVE SURREY

Gross Site Area: 110,814 SQFT
Parcels Assembled: 4
Development Potential: Apartment

INLET DISTRICT PORT MOODY

FORMERLY CORONATION PARK



ONE OF THE **TOP 100** COMMERCIAL LAND DEALS BY **BUSINESS IN VANCOUVER 2022**

Thomas Trowbridge and **Grant L. Gardner** of London Pacific brokered the largest land assembly in Metro Vancouver's history to Wesgroup Properties. This 9 year community engagement process saw three Terms of Council and transitioned 2 real estate market cycles.

Inlet District's first phase will be comprised of two 26-storey residential towers atop a four-storey podium (with office, grocery and daycare) along loco Road.

The subsequent three phases will see four more towers built (one 26-storeys and the other three 31-storeys) as well as three six-storey residential buildings and a 2,000 sq. ft. civic amenity space to be managed by the city. In total, the project includes 2,486 market condos and 101 market rental units. 10% of rental units will be set aside for seniors and tenants will be able to participate in a program that gives them a discount on the purchase of a new home in a Wesgroup project.

https://www.tricitynews.com/local-news/coronation-park-is-no-more-historic-port-moody-development-project-now-called-inlet-district-8150434#google_vignette



58
Single Family Home Lots



\$157.2 M
Sold Price



14.83
Acres

"Thank you Thomas for your professionalism, charisma and patience! Thomas sold my home in what I believe is the largest land assembly in Canada. I received double the value of my home! I would most definitely recommend Thomas to anyone! He is the most experienced, hardworking and sincerest Land Broker/Realtor I know!"

Almerina Michelin, Homeowner, City of Port Moody



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2024 LAND ASSEMBLY HIGHLIGHTS

VANCOUVER



1110-1160 W KING EDWARD AVE`

Assembly: 5 lots
Gross Site Area: ± 48,450 Sqft
Sold Price: Contact Broker
Buyer: Amica King Ed & Osler

This site feature flat, rectangular, deep lots, ideally located in coveted Shaughnessy. A Senior care housing project is currently underway.



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COQUITLAM



537-559 APPIAN WAY & 542-564 PERTH AVE

Assembly: 12 lots
Gross Site Area: ± 139,647 Sqft
Sold Price: \$50,603,500
Buyer: Anthem Properties Group Ltd

This site is located in the Whiting + Appian Neighbourhood within the Burquitlam Lougheed Area Plan. The permitted use includes 6 storey multifamily development: strata condo and purpose built market rental.



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2024 LAND ASSEMBLY HIGHLIGHTS

SURREY



9774 134 STREET & 13430 98 AVENUE

Assembly: 2 lots
Gross Site Area: ± 21,837 Sqft
Sold Price: \$6,170,000
Buyer: Contact Broker

This site located Surrey's City Centre will yield a six storey wood-frame development. Surrey City Centre will be the Fraser Valley's metropolitan centre connected to regional destination via rapid transit.



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CHILLIWACK



45768 - 45798 WELLINGTON AVE

Assembly: 5 lots
Gross Site Area: ± 46,920 Sqft
Sold Price: Contact Broker
Buyer: Whitetail Homes

This medium density site designated RES3A allows for RES4 up to 450 UPH. This development will represent an exciting step forward in providing much-needed rental housing to the area, supporting the growth and revitalization of Chilliwack's downtown core.



JOHN WESTACOTT

Associate
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"John is a great agent and he was very helpful to our team in putting a multi-family land deal together. We would be pleased to work with John again the future!"

Luc Gosselin, Whitetail Homes Ltd

2024 LAND ASSEMBLY HIGHLIGHTS

PENTICTON



1635 MAIN STREET

Off-market transaction

Gross Site Area: ± 49,092 Sqft

Sold Price: Contact Broker

Buyer: Contact Broker

Located close to the industrial employment lands, Penticton Regional Hospital, a new master planned 1,500 unit condo project on Government St. This future development will include premium commercial/retail spaces along the coveted “Restaurant Row” stretch of Main St.



ALEXANDER LOUGHEED

Associate

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“I have been impressed with Alexander’s focus, interactions and comprehension of the real estate transaction. Highly recommended!”

Investor/Developer - Penticton, BC

LAND ASSEMBLY OPPORTUNITIES



721 - 739 SMITH AVE & 704 ROBINSON ST, COQUITLAM

Gross Site Area: 44,478 SQFT

Parcels Assembled: 5

TOA: Type 1 401-800m up to 3.0 FSR



701 - 705 SMITH AVE 710 - 726 DUCKLOW ST, COQUITLAM

Gross Site Area: 177,498 SQFT

Parcels Assembled: 8

TOA: Type 1 401-800m up to 3.0 FSR



2666 - 2692 KINGSFORD AVE BURNABY

Gross Site Area: 52,377 SQFT

Parcels Assembled: Strata Wind-up

TOA: Type 1 200m or less up to 5.0 FSR



2105 - 2109 ST JOHNS PORT MOODY

Gross Site Area: 17,416 SQFT

Parcels Assembled: 2

Development Potential: Mixed-use



7008 GREENWOOD ST BURNABY

Gross Site Area: 26,244 SQFT

Parcel Assembled: 1

Development Potential: Apartment



2620-2698 MOORCROFT COURT, 6858-6898 BEECHCLIFFE DRIVE, 6871-6899 BROMLEY COURT BURNABY

Gross Site Area: 156,312 SQFT

Parcels Assembled: Strata Wind-up

TOA: Type 1 200m or less up to 5.0 FSR

2024 PROJECT SALES



OUR GOAL IS TO ACCELERATE YOUR PROJECT'S SALES BY TURNING BUYERS INTO HOMEOWNERS

Jerry Lee supports developers with Project Sales. Our commercial real estate experience in development land, delivers a sales team well versed in land economics and buildable cost. In this way, London Pacific represents an undeniable advantage for developers bringing their latest achievements to market. Working with you and your marketing team, we'll create a risk-attentive and tailor-made sales strategy for your project.

Jerry Lee worked with Westbury Properties to market and sell AURA - 46 Scandinavian inspired and designed residences capturing a balance of luxury and modernized living only a 5 minute walk to the Joyce-Collingwood Skytrain Station.

Full services provided included: Unit pricing, Marketing & social media, Buyer relations, Key hand over, Deficiency walk throughs, Offer contracts, Contract addendums and notices.



46
Multi-family Units



\$40M
Total Sales Volume



3.5 Years
Project Marketing to Key Turnover



100% Presold
In 30 Days



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LONDON PACIFIC

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The information in this report is based on data available as of July 31, 2023, obtained from sources deemed reliable. While efforts were made to ensure accuracy and completeness, we cannot guarantee its current accuracy or reliability. Circumstances may have changed since the data was last updated. This information is for reference and general purposes only. The term "newly built" refers to units that are no older than 5 years. This is not intended to be a forecast of future events, and this is not a guaranty regarding a future event. This is not intended to provide specific investment advice and should not be considered as investment advice.

Sources: Altus Data Solutions; Bank of Canada; Paragon; Zonda Urban; RBC; CPA Canada, Real Estate Magazine, Impact Commercial

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