



BC ASSESSMENT

2016 BCA/CPTA Market Value Forum

Retail, Industrial, Office, Hotel

Thursday October 29, 2015

Four Seasons Hotel, Vancouver



BC ASSESSMENT

Agenda

Registration	2:00pm – 2:30pm
Market Value Discussion Retail – Industrial – Office – Hotel	2:30pm – 4:30pm
Networking Meet & Greet	4:30pm – 7:30pm



BC ASSESSMENT

2016 Roll

Major Retail Properties Market Synopsis

Presenters:

Ramaish Shah	(BC Assessment)
Geoff Radtke	(BC Assessment)
Scott Bowden	(Colliers)

Agenda

- Recent Retail Transactions
- 2015 Assessment Preview Roll Summary
- Discussion and Questions

Recent Retail Transactions

Vancouver - 2310 & 2320 Kingsway

- **August 2014**
- **\$13,700,000**
- **26,518 SQFT**
- **\$517/SQFT**
- **Anchored by Shoppers Drug Mart & Royal Bank**
- **Est. Cap: 4.75%-5.00%**



Recent Retail Transactions

Vancouver – Maynard’s Block

- November 2014
- \$15,100,000
- 19,861 SQFT (4 Strata Lots)
- \$ 760/SQFT
- Anchored by Petsmart & Anytime Fitness
- Est. Cap: 4.25%-4.50%



Recent Retail Transactions

N. Vancouver – Rona

- July 2015
- \$13,000,000
- 50,356 SQFT
- \$ 258/SQFT
- Standalone Big Box
- Est. Cap: 4.25%-4.50%



Recent Retail Transactions

Coquitlam – Meridian Corner

- **October 2015**
- **\$11,847,000**
- **19,891 SQFT**
- **\$ 596/SQFT**
- **Anchored by Shoppers Drug Mart and TD Canada Trust**
- **Est. Cap: 4.25%-4.50%**



Recent Retail Transactions

Richmond – 8010 Saba Rd

- **June 2015**
- **\$24,250,000**
- **33,546 SQFT**
- **\$ 723/SQFT**
- **Anchored by HSBC & National Bank Financial**
- **Est. Cap: 4.25%-4.50%**



Recent Retail Transactions

Penticton – Peachtree Square

- December 2014
- \$16,900,000
- 54,916 SQFT
- \$ 308/SQFT
- Shadow Anchored by Walmart
- Anchored by SportChek, Dollar Tree, Bulk Barn & Valley First Credit Union
- Est. Cap: 6.00%- 6.25%



Recent Retail Transactions

Penticton – Cherry Lane Shopping Centre

- July 2015
- \$74,900,000
- 271,843 SQFT
- \$ 276/SQFT
- Anchored by The Bay, London Drugs, Save-on Foods
- Est. Cap: 6.25%- 6.50%



Recent Retail Transactions

Vernon – Anderson Crossing

- **April 2015**
- **\$12,350,000**
- **42,559 SQFT**
- **\$ 290/SQFT**
- **Anchored by The Brick & The Bulk Barn**
- **Est. Cap: 6.25%- 6.50%**



Recent Retail Transactions

Lake Country – Cooper's Village Centre

- **October 2014**
- **\$13,400,000**
- **57,427 SQFT**
- **\$ 233/SQFT**
- **Anchored by Cooper's Foods, Interior Savings Credit Union & McDonald's**
- **Est. Cap: 6.25%- 6.50%**



Recent Retail Transactions

Maple Ridge – Haney Place Mall

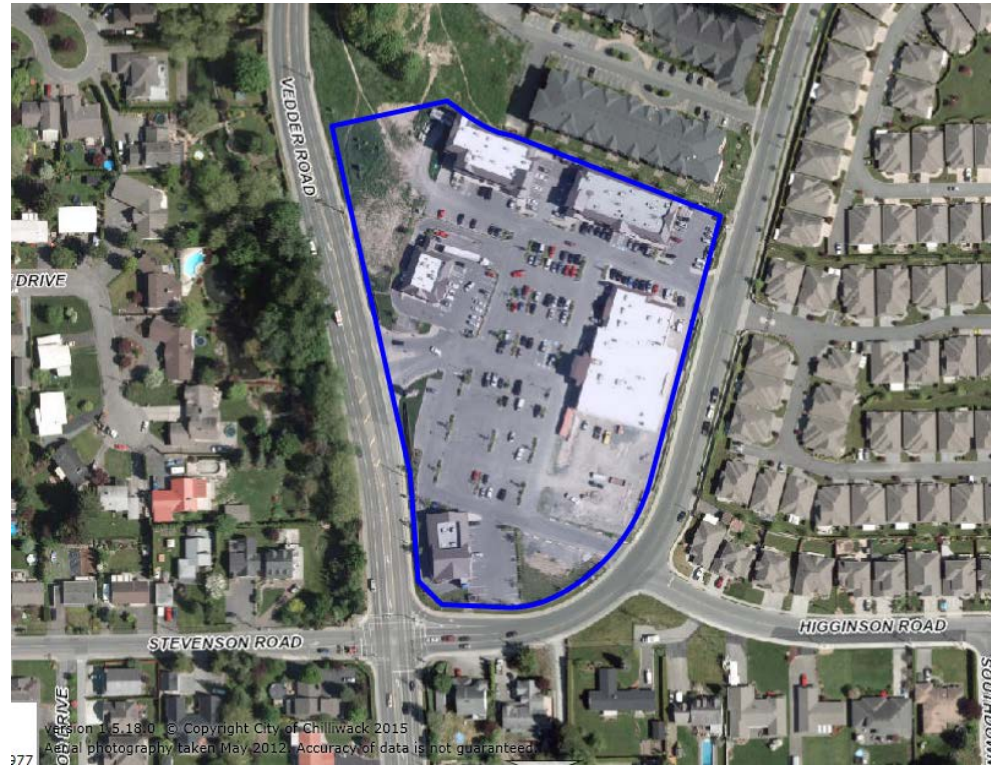
- July 2015
- \$57,600,000
- 226,188 SQFT
- \$ 255/SQFT
- Anchored by Walmart and Thrifty's Foods
- Est. Cap: 5.25%- 5.50%



Recent Retail Transactions

Chilliwack – Sardis Park Village

- April 2015
- \$15,170,000
- 45,678 SQFT
- \$ 332/SQFT
- Anchored by BMO and Tim Horton's
- Est. Cap: 5.25%- 5.50%



Recent Retail Transactions

Langley – Walnut Grove Town Centre

- **April 2015**
- **\$21,340,000**
- **56,782 SQFT**
- **\$ 376/SQFT**
- **Anchored by Buy-Low Foods and Coast Capital**
- **Est. Cap: 5.25%- 5.50%**



2016 Roll Preliminary Value Direction

- **Rental Rates**



- **Cap Rates**



- **Assessed Values**

- (0-10% increase)



**For your Major Retail Property
Assessment enquires, please contact:**

REGION	CONTACT
Vancouver Island	Bruce Bennett Shari Jablonski
Greater Vancouver	Mike Polomark
Fraser Valley	Darren Jerke Rav Punia
Thompson Okanagan	Carl Walton
Kootenay Columbia	Paul Mrazek
Northern BC	Sylvia Angus



Thank You

Discussion & Questions



2016 Roll

BC ASSESSMENT

Industrial Market Synopsis

October 29, 2015

Presenters:

Ryan Tung, Partner, Burgess, Cawley, Sullivan & Associates Ltd.

Mario Lee, Senior Appraiser, Greater Vancouver Region, BC Assessment

Pavel Potiaev, Appraiser, Greater Vancouver Region, BC Assessment

AGENDA

- Benchmark Industrial Transactions:
 - Improved
 - Land
- 2016 Industrial Assessment Roll Preview Summary
- Discussion and Questions

Improved Industrial Transactions

2015 Lower Mainland Improved Industrial Benchmark Sales

Improved Industrial Transactions: North Vancouver

- 758 Harbourside Dr.
- Sale Price: \$7,250,000 (\$ 272 / SF)
 - Sale Date: 22-Dec-2014
 - GLA: 26,610 SF
 - Year Built: 2001
 - Site Coverage: 49% (0.67 FSR)
 - Economic Cap Rate:
 - 4.75% – 5.00%



Three -storey concrete single tenant office and industrial warehouse building.

Office space ratio est. 34%
Estimated 27' ceiling height in the warehouse.

Purchaser converted the property to multi-tenancy. This is a typically larger investment for the area.

Improved Industrial Transactions: Vancouver

- 882 East Cordova St
- Sale Price: \$3,200,000 (\$ 192 / SF)
 - Sale Date: 24-Feb-2015
 - GLA: 16,710 SF
 - Year Built: 1910 (Reno 1970)
 - Site Coverage: 98% (1.16 FSR)
 - Economic Cap Rate (BCA):
 - 3.75 %- 4.00%



- Comment: Single tenant building. Was offered for lease at \$7.95 psf net for 16,710 SF. Mount Pleasant neigh.
- Draft Value \$2,918,000

Improved Industrial Transactions: Burnaby

- 6952 Greenwood St
- Sale Price: \$4,170,000 (\$ 166 / SF)
 - Sale Date: 30-Mar-2015
 - GLA: 25,046 SF
 - Year Built: 1990
 - Site Coverage: 48% (0.58FSR)
 - Economic Cap Rate:
 - 4.00 %- 4.25 %



- Comment: Single Tenant - 2 Buildings, User to User
- Re-sale: Sold in Apr 2009 for \$2,625,000
- Draft Value \$3,927,000

Improved Industrial Transactions: Port Coquitlam

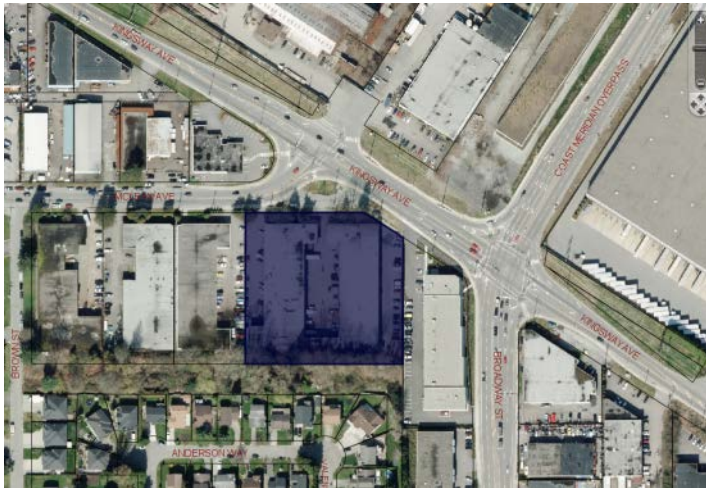
- 1495 Kebet Way
- Sale Price: \$4,600,000 (\$ 170 / SF)
 - Sale Date: 1-Feb-2015
 - GLA: 26,992 SF
 - Year Built: 1994
 - Site Coverage: 52% (0.57FSR)
 - Economic Cap Rate:
 - 4.50%- 5.00%



- Comment: Single tenant building purchased by the tenant
- Draft Value: \$4,063,000

Improved Industrial Transactions: Port Coquitlam

- 1750 McLean Ave
- Sale Price: \$6,398,100 (\$ 126 / SF)
 - Sale Date: 14-Oct-2014
 - GLA: 50,891 SF
 - Year Built: 1976
 - Site Coverage: 45% (0.46 FSR)
 - Economic Cap Rate:
 - 5.25% - 5.75%



- Comments: Multi-tenant 25 units building. With 6 units vacant at the time of sale 10+/-% vacancy and asking rates \$7 - \$8 PSF.
- BCS Research shows GLA 56,366 SF (\$114 PSF) and Cap Rate 4.65%,
- BCA GLA reflects 5yr-old fin. statement and the economic cap was estimated after interviews of the parties.
- Property access was negatively affected by road re-alignment
- 1770 McLean , sold in Jan 2015 for \$3,025,000 (\$123 PSF BCS / \$121 BCA). BCS research says 6.18% cap. BCA draft indication appx. 5.75% +/- . Previously it sold for \$2,635,000 in Sep 2007, showing 14.8% increase
- Draft Value (1750) \$5,412,000, (1770) \$2,937,000

Improved Industrial Transactions: Coquitlam

- 65 North Bend St
- Sale Price: \$19,250,000 (\$ 160 / SF)
 - Sale Date: 13-May-2015
 - GLA: 120,036 SF
 - Year Built: 1989
 - Site Coverage: 29% (0.32 FSR)
 - Economic Cap Rate:
 - 5.00% -5.50%



- Comment: Former Sony Distribution Warehouse. Excess Land approximately 2.17 acres
- BCS Research shows 121,884 SF (158 PSF) and potential to expand up to 60,000 SF or sub-divide for a stand alone building
- Draft Value \$17,833,000

Improved Industrial Transactions: Delta

- 7601 Macdonald Rd
- Sale Price: \$4,900,000 (\$ 159/ SF)
 - Sale Date: 16-Jul-2015
 - GLA: 30,859 SF
 - Year Built: 2001
 - Site Coverage: 43% (0.43 FSR)
 - Economic Cap Rate:
 - 4.25 %- 4.50%



- Comment: Re-sale - Sold in Sep 2013
(Completed in Apr 2014) for \$4,700,000
- Draft Value: \$4,897,000

Improved Industrial Transactions: Delta

- 1687 Cliveden Ave
- Sale Price: \$11,000,000 (\$ 145 / SF)
 - Sale Date: 7-Nov-2014
 - GLA: 75,901 SF
 - Year Built: 1996
 - Site Coverage: 39% (0.48 FSR)
 - Economic Cap Rate:
 - 4.50%– 5.25%



- Comment: Annacis Island.
- BCS Research shows 75,894 SF (\$145 PSF) and 5.23% Cap Rate
- Draft Value \$9,738,000

Improved Industrial Transactions: Richmond

- 12211 Horseshoe Way
- Sale Price: \$13,000,000 (\$ 127 / SF)
 - Sale Date: 27-Mar-2015
 - GLA: 102,518 SF
 - Year Built: 1982
 - Site Coverage: 43% (0.46 FSR)
 - Economic Cap Rate:
 - 4.75%– 5.25%



- Comment: Sold to First-Choice Foods who is owner/user, previous tenant did not renew lease
- Draft Value: \$12,284,000

Improved Industrial Transactions: Richmond

- 12155 Riverside Way
- Sale Price: \$4,750,000 (\$ 194 / SF)
 - Sale Date: 27-Mar-2015
 - GLA: 24,473 SF
 - Year Built: 2004
 - Site Coverage: 44% (0.46 FSR)
 - Economic Cap Rate:
 - 4.00%- 4.25%



- Comment: User to user sale
- Draft Value: \$4,469,000

Improved Industrial Transactions: Richmond

- 13140, 13155, 13200, 13231, 13251, 13260 Delf Place - Knightsbridge Business Park
- Sale Price: \$40,250,000 (\$ 194 / SF)
 - Sale Date: 27-Mar-2015
 - GLA: 260,481 SF
 - Year Built: 1982, 1987, 1988, 1999
 - Site Coverage: 40% (0.41 FSR)
 - Economic Cap Rate:
 - 4.50% - 4.75%



- Comment: 8 buildings on 6 folios, reported one building vacant at 75%. Actual Cap est 5.50% - 6.00%
- BCS Research shows 259,514 SF (\$155 PSF) and 6.03% using 5% vacancy
- BCA economic cap rate is based on the appraiser's estimated average economic rent at 3% Vac and 3% Expenses e.g. stabilized.
- Draft value: \$9,524,000 + \$5,379,000 + \$6,991,000 + \$6,748,000 + \$4,045,000 + \$4,726,000 = \$37,413,000

Improved Industrial Transactions: Surrey

- 5250 185A St
- Sale Price: \$4,335,000 (\$ 160 / SF)
 - Sale Date: 30-Jun-2015
 - GLA: 27,060 SF
 - Year Built: 2007
 - Site Coverage: 29% (0.32FSR)
 - Economic Cap Rate:
 - 4.00%– 4.25%



- Comment: Cloverdale
- Draft Value \$3,886,000

Improved Industrial Transactions: Surrey

- 18533 97 Ave
- Sale Price: \$2,100,000 (\$ 141 / SF)
 - Sale Date: 17-Apr-2015
 - GLA: 14,940 SF
 - Year Built: 1983
 - Site Coverage: 49% (0.55FSR)
 - Economic Cap Rate:
 - 4.50%- 4.75%



- Comment: Port Kells - older and higher site coverage than the previous transaction
- Draft Value \$2,196,000

Improved Industrial Transactions: Langley

- 27475 58 Cres
- Sale Price: \$22,000,000 (\$ 134 / SF)
 - Sale Date: 8-Aug-2014 (Closed Nov 2014)
 - GLA: 164,465 SF
 - Year Built: 1994
 - Site Coverage: 31% (0.31FSR)
 - Economic Cap Rate:
 - 5.00%- 5.25%



- Comment: Institutional Investor, Excess Land 2.42 acres
- Draft Value \$20,414,000

Improved Industrial Transactions: Abbotsford

- 2091 Paramount Cres.
- Sale Price: \$1,950,000 (\$ 148 / SF)
 - Sale Date: 22-May-2015
 - GLA: 13,200 SF
 - Year Built: 1986
 - Site Coverage: 63% (0.63FSR)
 - Economic Cap Rate:
 - 4.50 %- 5.00 %



- Comment: Renovated in 2006. Used for manufacturing. Purchased by the tenant
- Draft Value (Subject to Change!): \$1,524,000

Improved Industrial Transactions: Chilliwack

- 44621 Yale Rd
- Sale Price: \$1,400,000 (\$ 133 / SF)
 - Sale Date: 31-Dec-2014
 - GLA: 10,507 SF
 - Year Built: 1981
 - Site Coverage: 32% (0.32FSR)
 - Economic Cap Rate:
 - 5.50% - 6.00%



- Comment:
- Draft Value \$1,289,000

Industrial Land Transactions

2015 Lower Mainland Industrial Land Benchmark Sales

Industrial Land Transactions: Vancouver

- 370 & 456 Prior St
- Sale Price: \$ 18,033,000
- \$ 8,272,018/ Acre
- \$ 190 / SF
 - Sale Date: -2015
 - Land Area: 2.18 acres
 - Zoning: I-3 False Creek Flats, High Tech and Light Industry with max FSR 3.0
 - OCP: False Creek Flats Area Plan and Georgia and Dunsmuir Viaducts Study



- Comment: Vendor lease-back at market rates and termination closes
- Hot spot: Vancouver Mount Pleasant Neighborhood
- Draft Value (Subject to Change!): \$554,000 + \$10,330,000 = \$10,884,000

Industrial Land Transactions: Vancouver

- 900 Woodland Dr
- Sale Price: \$1,950,000
- \$ 10,055,000 / Acre
- \$ 231 / SF
 - Sale Date: 21-Jun-2015
 - Land Area: 8,448 sq ft
 - Zoning: I-2 Industrial
 - OCP:



- Comment: Re-sale - sold for \$1,238,000 in Oct 2014 (\$147 PSF) - 58% increase in less than a year!
- Hot spots: Vancouver Mount Pleasant Neighborhood
- Draft Value \$1,880,000

Industrial Land Transactions: Burnaby

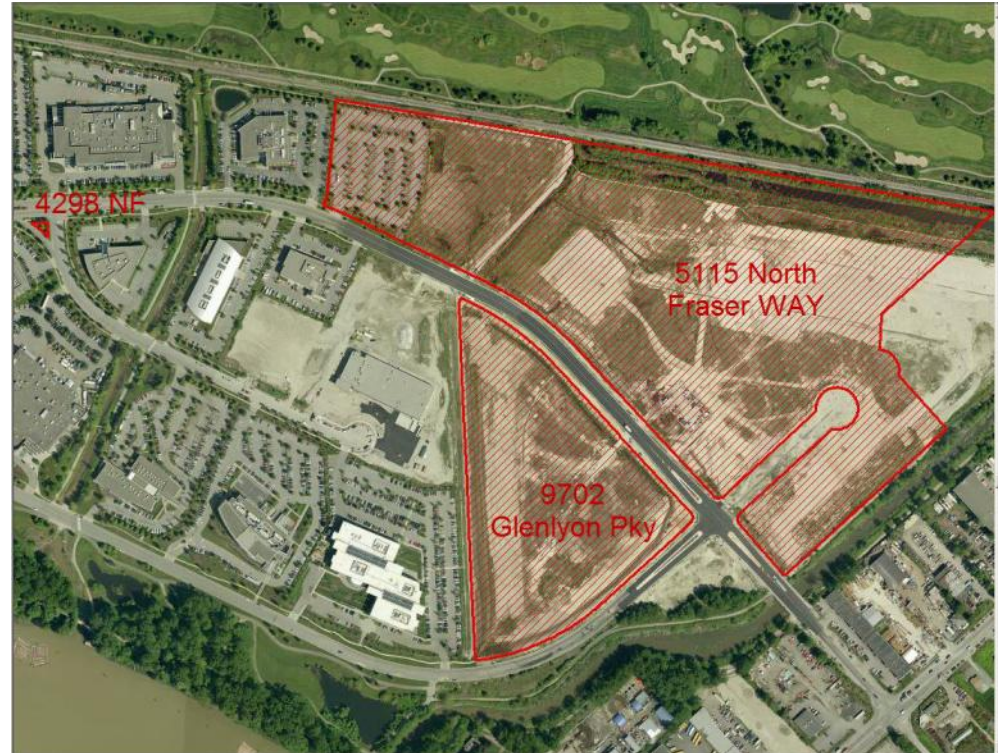
- 8155 North Fraser Way
- Sale Price: \$3,185,500
- \$ 1,697,123 / Acre
- \$ 39 / SF
 - Sale Date: 24-Oct-2014
 - Land Area: 1.877 acres
 - Zoning: CDM2M5 General and Light Industrial Guidelines - Burnaby Business Park
 - OCP: Burnaby Business Park, Big Bend



- Comment: Preloaded and serviced site that required additional site prep
- Land Values: +10%
- Draft Value \$3,003,000

Industrial Land Transactions: Burnaby

- 9702 Glenlyon Pky, 5115 & 4298 North Fraser Way
- Sale Price: \$44,900,000
- \$818,208 / Acre (Gross)
- \$1,044,186 / Acres (Net)
- \$24 / SF (Net) - \$19 / SF (Gross)
 - Sale Date: 24-Feb-2014 (Mar 2015 Close)
 - Land Area: 54.876 Acres (Gross Area)
 - 43 acres estimated net
 - Zoning: CDM2M5P8 General and Light Industrial Guidelines and Parking
 - OCP: Glenlyon Business Park, Big Bend



- Comment: Requires pre-load and piling for some future sites. The last phase of the Glenlyon Business Park purchased in two phases: 9702 Glenlyon Pky was completed in March 2014 and the remainder was completed in Mar 2015.
- Draft Value \$28,970,000 + \$14,231,000 + \$24,800 = \$43,225,800

Industrial Land Transactions: Port Coquitlam

- 592 Seaborn Ave
- Sale Price: \$2,726,436 (Adjusted for DCCs)
- \$ 1,410,469/ Acre
- \$ 32 / SF
 - Sale Date: 1-Feb-2015
 - Land Area: 1.933 Acres
 - Zoning: M3 Light Industry
 - OCP: Light Industrial, Dominion Triangle



- CommentRiver's Edge Business Park. Fully prepared site with DCCs paid
- Draft Value \$2,706,000

Industrial Land Transactions: Coquitlam

- 48 Fawcett Rd.
- Sale Price: \$1,500,000
- \$ 1,515,152/ Acre
- \$ 35 / SF
 - Sale Date: 3-Jul-2015
 - Land Area: 0.99 Acre
 - Zoning: M1 Industrial
 - OCP: Industrial - Pacific Reach / Maifair



- Comment: Used for parking and storage, Likely requires pre-load or pile for a heavy building
- Draft Value \$1,483,000

Industrial Land Transactions: Delta

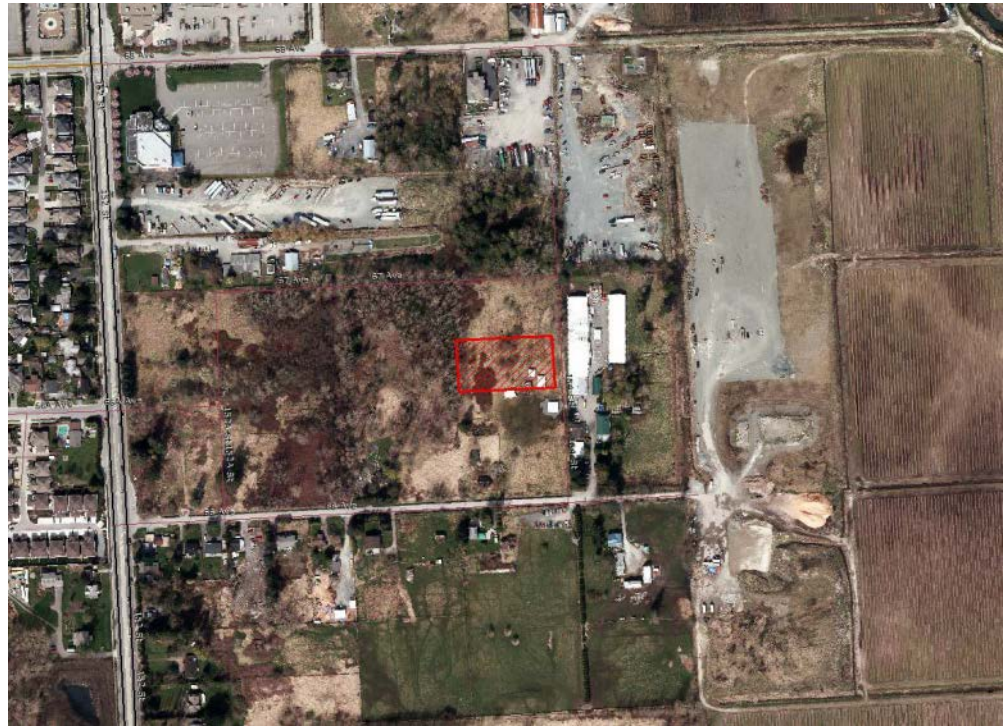
- 8051 92 St
- Sale Price: \$7,451,671
- \$ 1,443,004 / Acre
- \$ 33 / SF
 - Sale Date: 29-Jan-2015
 - Land Area: 5.164 Acre
 - Zoning: I-2 Industrial
 - OCP: Industrial



- Comment: Buckingham Industrial Estates, Tilbury / River Rd area
- Draft Value \$6,849,000

Industrial Land Transactions: Surrey

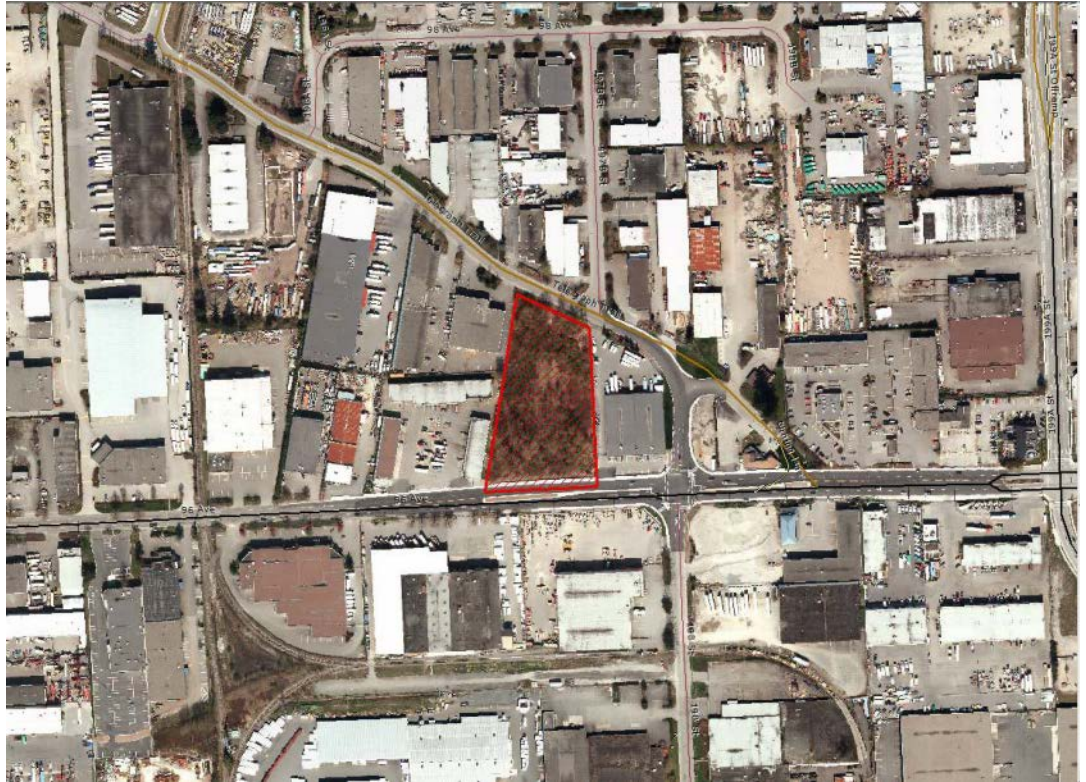
- 6655 154th St
- Sale Price: \$1,410,000
- \$ 1,391,905/ Acre
- \$ 32 / SF
 - Sale Date: 29-May-2015
 - Land Area: 1.013 Acre
 - Zoning: CD Business Park Uses
 - OCP:



- Comment: Serviced . East Newton Business Park. Asking price was \$1,350,000 /acre
- Draft Value \$1,344,000

Industrial Land Transactions: Langley

- Lot A BCP47568 96 Ave
- Sale Price: \$ 4,200,000
- \$ 1,406,093/ Acre
- \$ 32 / SF
 - Sale Date: xx-xxx-2015
 - Land Area: 2.987
 - Zoning: M2M1A
 - OCP: Industrial

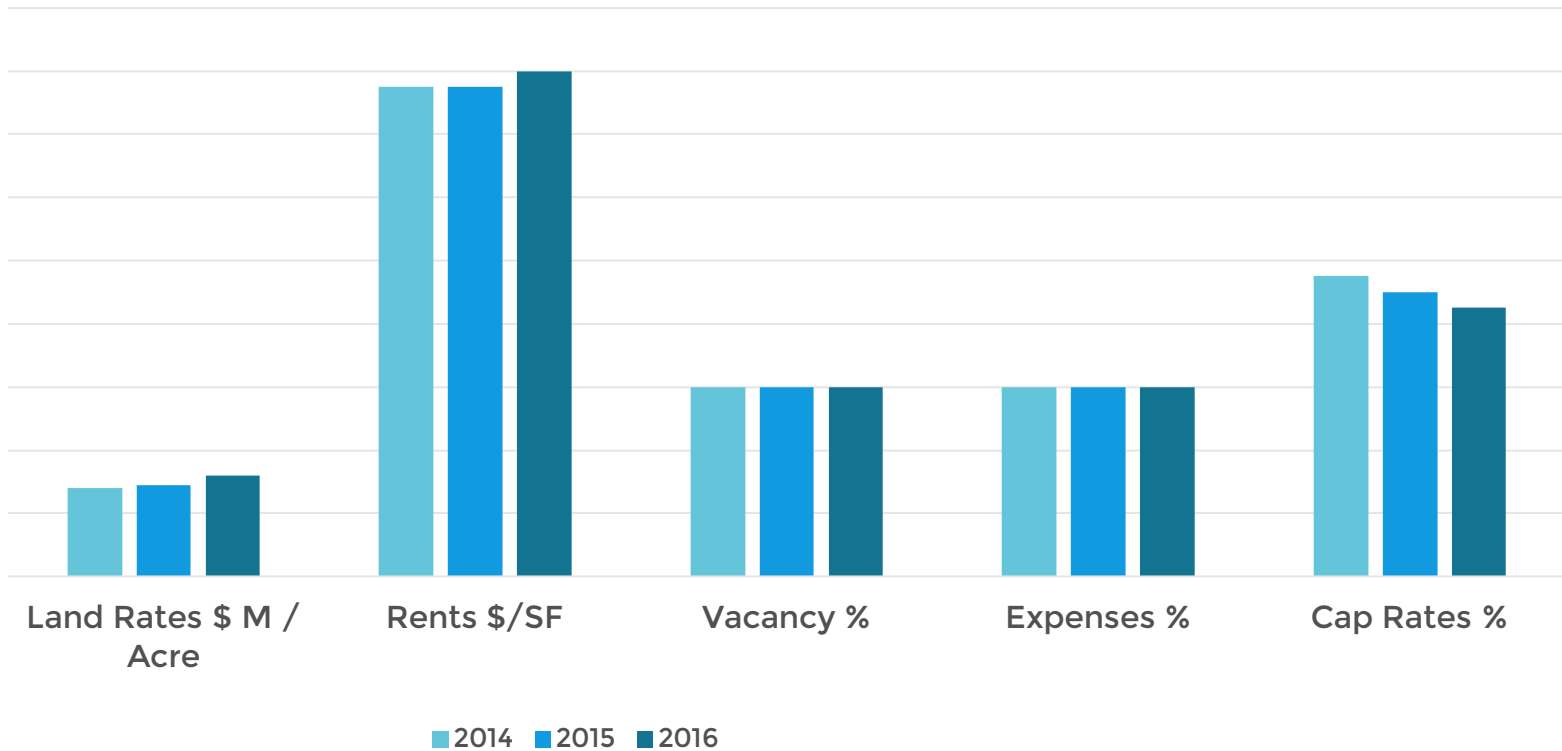


•Comment:

•Draft Value \$4,032,000

2016 Assessment Roll: Lower Mainland Industrial Trends

2016 Roll Industrial Trends



BC Assessment Lower Mainland Industrial Contacts

- Greater Vancouver Region:
 - Mario Lee, Senior Appraiser, Team Lead
1-866-825-8322 x 09574
- Fraser Valley Region (Surrey):
 - Brent Sear, Senior Appraiser, Team
Lead 1-866-825-8322 x 14236
- Fraser Valley Region (Abbotsford):
 - Harpreet Bhullar, Senior Appraiser,
Team Lead 1-866-825-8322 x 15270



Discussion & Questions



BC ASSESSMENT

2016 Roll

Office Properties Market Synopsis

Presenters:

Simone D'Souza (BC Assessment)

Valerie Lifanova (BC Assessment)

Ed Furlan (Altus Group)

Agenda

- Recent Significant Office Transactions
- 2016 Assessment Preview Roll Summary
- Discussion & Questions

Lower Mainland Office Market Synopsis

Address	City	Registered Sale Date	Sale Price	Size (sf) ('000s)	\$/SF	2015 Assessment	2016 Preliminary Assessment	% Increase	2016 ASR
1550 Alberni St	Vancouver	March 2015	\$47,080,000	100,000	\$470	\$42,000,000	\$51,159,000	22%	109%
750 Cambie St	Vancouver	February 2015	\$21,500,000	70,000	\$307	\$21,400,000	\$24,481,000	14%	114%
1867 W Broadway	Vancouver	February 2015	\$16,125,000	32,000	\$505	\$11,910,000	\$14,783,000	24%	92%
7 E 6 th Avenue	Vancouver	March 2015	\$9,850,000	18,000	\$547	\$3,931,000	\$9,746,000		99%
1045 Howe St	Vancouver	March 2015	\$47,500,000	101,000	\$470	\$40,645,000	\$47,520,000	17%	100%
626 W Pender St	Vancouver	April 2015	\$27,645,000	55,000	\$503	\$21,830,000	\$26,254,000	20%	95%
2609 Granville St	Vancouver	June 2015	\$29,000,000*	45,000	\$644	\$15,936,000	\$24,229,000	52%	84%
1128 Hornby	Vancouver	June 2015	\$25,500,000	42,000	\$607	\$18,957,000	\$23,465,000	23%	92%
3600 Lysander Lane	Richmond	March 2015	\$33,000,000	111,000	\$297	\$20,897,000	\$26,570,000	27%	81%
8100 Granville St	Richmond	July 2015	\$30,255,000	95,000	\$318	\$22,048,000	\$27,232,000	23%	90%
908 Pandora Ave	Victoria	January 2015	\$10,050,000	41,000	\$245	\$9,347,000	\$9,625,000	3%	97%
301-4501 Kingsway	Burnaby	February 2015	\$15,202,425	27,000			\$14,745,000		97%

Recent Office Transactions

1550 Alberni Street, Vancouver

- **March 2015* - \$47,080,000**
- “B” Class Office Building
- 100,128 SF GLA
- **\$470/SF**
- Purchaser: Westbank Projects
- Vendor: Wicklow West Holdings Ltd.
- 2016 Draft Assessment - \$51,158,000 (109%)

*Registered Sale Date.

The building was purchased by Westbank as a redevelopment project.

A rezoning application has been submitted for a new CD-1 (Comprehensive District) Zone, allowing for the construction of a 43-storey residential building.

The proposed FSR is 14.0 resulting in a total square footage of 272,262 sq. ft..



Recent Office Transactions

626 West Pender Street, Vancouver

June 2015* - \$27,645,000

- “C” Class Office Building (Heritage)
- 55,496 SF GLA
- \$498/SF
- 80% Occupied. Asking rates \$24 net
- Est. Cap: 4.5% - 5%
- BC Assessment Est. OCR : 4.25%
- Purchaser: 1030713 B.C. Ltd. - Private Investor
- Vendor: Narland Properties & Crestpoint
- 2016 Draft Assessment - \$26,254,000 (95% ASR)

•Registered Sale Date.

At time of sale the building was leased by VCAD - Visual College of Art & Design of Vancouver, CDI College, Vancouver Career College and University Canada West.



Vancouver Office Transactions

Resale - The London Building - 626 W Pender

CAP RATE

May 2010

Price: \$15,500,000

Cap rate: 6.25%

September 2013

Price: \$22,200,000

Cap rate: 5.25%

April 2015

Price: \$27,645,000

Cap rate: 4.25%



Recent Office Transactions

1045 Howe Street, Vancouver

June 2015 - \$47,500,000

- “C” Class Office Building
- 101,118 SF GLA
- **\$470/SF**
- 72% Occupied Asking rates \$24 net
- Est. Cap: 4.25% - 4.75%
- **BCA Est. OCR: 4.75%**
- Purchaser: 1045 Howe Street Holdings
- Vendor: Artis REIT
- 2016 Draft Assessment - \$47,520,000 (100% ASR)

At the time of sale the building was 72% occupied with two full floor vacancies available at the time of sale. The major tenants include MMM Group (32,775 sq. ft.) and Canadian Tourism Commission (14,005 sq. ft.).



Vancouver Office Transactions

Resale - 1045 Howe Street

CAP RATE

November 2008

Price: \$33,000,000

Cap rate: 6.75%

July 2010

Price: \$36,900,000

Cap rate: 6.25%

March 2015

Price: \$47,500,000

Cap rate: 4.75%



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Recent Office Transactions

1128 Hornby Street, Vancouver

September 2015 - \$25,500,000

- “C” Class Office Building
- 42,000 SF GLA
- **\$607/SF**
- 98% Occupied. Asking rates \$24 net
- **BCA Est. OCR: 4.00%**
- Vendor: Bene (Hornby) Development Ltd.
- 2016 Draft Assessment - \$23,465,000 (92% ASR)

At time of sale the building was leased by a mix of national and local tenancies. These include, but not limited to, Copeman Health Care Centre, Copeman Physiotherapy Centre, Vancouver Orthodontics, City Core, Condor Rebar, Intercon Security, Panorama Hair Replacement, VMDCC and numerous local medical practitioners.



Recent Office Transactions

2601-2609 Granville Street, Vancouver July 2015* - \$29,000,000

- “B” Class Office Building
- 45,540 SF GLA
- **\$637/SF**
- 90% Occupied. Asking rates \$22 net
- Est. Cap: 4.0% - 4.50%
- **BCA Est. OCR: 3.50%**
- Purchaser: Peterson Investment Group
- Vendor: Bank of Montreal
- 2016 Draft Assessment - \$24,386,000 (84% ASR)
 - (based on \$29M allocated to office property)

*registered sale date for office component only (2609 Granville St)
This property sold as an office tower (pictured here) plus a rear surface parking lot with redevelopment potential comprised of 52 stalls and is currently zoned RM-3 a medium density residential zone for a total of \$41,000,000. 90% occupied by BMO and Mosaic Developments.



Recent Office Transactions

750 Cambie Street, Vancouver February 2015* - \$21,500,000

- “C” Class Office Building
- 69,738 SF GLA
- \$308/SF
- Est. Cap - 5.5% - 6.0%
- **BCA Est. OCR: 5.00%**
- Purchaser: Peterson Investment Group
- Vendor: 616377 B.C. Ltd.
- 2016 Draft Assessment - \$25,481,000 (119% ASR)



Recent Office Transactions

301-4501 Kingsway, Burnaby

February 2015 - \$15,202,425

- “A” Class Office Building
- 29,791 SF GLA
- \$510/SF
- Purchaser: COPE – Canadian Office & Professional Employees Union
- Vendor: Bosa Properties
- 2016 Draft Assessment - \$14,745,000 (97% ASR)



The property is improved with one 45-storey, stratified, mixed-use residential building and approx. 100,000 sq. ft. of commercial space. This transaction involved the sale of one air space parcel containing a total gross floor area of 29,791 square feet, located on the third floor. In addition, the site is owner occupied by COPE, Canadian Office & Professional Employees Union, who is expected to occupy the premises.

Recent Office Transactions

3600 Lysander Lane, Richmond March 2015 - \$33,000,000

- “B” Class Office Building
- 110,951 SF GLA
- **\$297/SF**
- Est. Cap: 5.0% - 5.75%
- Purchaser: Lysander Holdings
- Share Sale
- 2016 Draft Assessment -
\$26,570,000 (81% ASR)

Approx. 96% leased at time of purchase, but approx. 56,138 sq. ft. (50% of RA) available for sublease in the near term.



Suburban Office Transactions

8100 Granville Place, Richmond July 2015 - \$30,255,000

- “A” Class Office Building
- 94,675 SF GLA
- **\$320/SF**
- Est. Cap: 5.5% - 6%
- Vendor: Dream Office REIT
- Share Sale
- 2016 Draft Assessment - \$27,232,000
(90% ASR)



At time of sale the building was 99% occupied and the rental rates varied from \$16.00 - \$20.00. The vendor acquired the property in November 2011 for a total consideration of \$23,800,000.

Upcoming Office Transactions

409 Granville Street, Vancouver

Estimated Sale Price: \$122,000,000

- “B” Class Office Building
- 215,573 SF GLA
- **\$566/SF**
- BCA Est. OCR- 3.75%
- Purchaser: TBA
- Vendor: Peterson Investment Group
- 2016 Draft Assessment - \$93,008,000 (76%)

Purchaser was a foreign investor and sold for approx. 50% more than the going rate for similar office buildings in the area. The tower is located on top of a SkyTrain station, so the expectation is that the owner purchased this property based on land for speculation as much as the building.



Upcoming Office Transactions

Bentall I - IV , Vancouver

Estimated Sale Price: ??

- “A” Class Office Buildings
- Approx. 1,500,000 SF GLA



2016 Roll Preliminary Value Direction

Vancouver Core

- Rental Rate



- Cap Rates



- Assessed Values

(12 - 22% increase)



2016 Roll Preliminary Value Direction

Vancouver Core

CLASS	RENT	VACANCY/EXPENSE		CAP RATE
AAA	\$33 to \$38	5 %	5 %	4.25 - 4.75%
A	\$28 to \$34	5 %	5 %	4.25 - 4.75%
B	\$23 to \$27	6 %	5 %	4.25 - 4.75%
C	\$19 to \$24	7%	6 %	4.25 - 4.75%

Notes:

- ❖ Rental ranges are typical for the majority blended space over the entire building
- ❖ Rents reflect typical lease terms for the different building classes.
- ❖ Rent analyzed on as is turnkey basis, averaged over the term, less free rent
- ❖ Space standards consistently applied for local markets (generally BOMA)
- ❖ Cap rates are analyzed based on adjusted actual and economic

2016 BCA/CPTA Market Forum
October 29, 2015

2016 Roll Preliminary Value Direction

Suburbs

- **Rental Rate**



- **Cap Rates**



- **Assessed Values**

(5-10% increase)



2016 BCA/CPTA Market Forum
October 29, 2015

**For your Office Property Assessment
enquires, please contact:**

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2016 BCA/CPTA Market
Forum
October 29, 2015



Discussion & Questions



BC ASSESSMENT

2016 Roll Hotel Market Synopsis

Presenters:

Phil Gertsman (Altus)

David Deng (BC Assessment)

Agenda

- ❑ Recent Hotel Transactions
- ❑ Hotels under Construction
- ❑ 2016 Assessment Preview Roll Summary
- ❑ Discussions and Question

Recent Hotel Transactions

Abigail's Hotel

Downtown Victoria

- 23 Rooms Boutique Hotel
- Sale Price \$5,075,000
- Sale Date April 2015
- \$220,000 per room
- Est. Cap Rate: 6.0 – 6.5%
- 2016 Value \$3,925,000



Recent Hotel Transactions

Quality Inn

Downtown Victoria

- 63 Rooms
- Sale Price \$8,200,000 (Reported)
- Sale Date August 2015
- \$130,000 per room
- Reported Cap Rate: 7.25 – 7.50%
- 2016 Value \$6,805,000



Recent Hotel Transactions

Ramada

Victoria Suburban

- 92 Rooms
- Sale Price \$8,480,000
- Sale Date February 2015
- \$92,000 per room
- Reported Cap Rate: 7.25 – 7.50%
- 2016 Value \$7,476,000



Recent Hotel Transactions

Metro Inn

Victoria Suburban

- 34 Rooms
- Sale Price \$2,480,000
- Sale Date May 2015
- \$73,000 per room
- Est. Cap Rate: 7.5 – 8.0%
- 2016 Value \$2,111,000

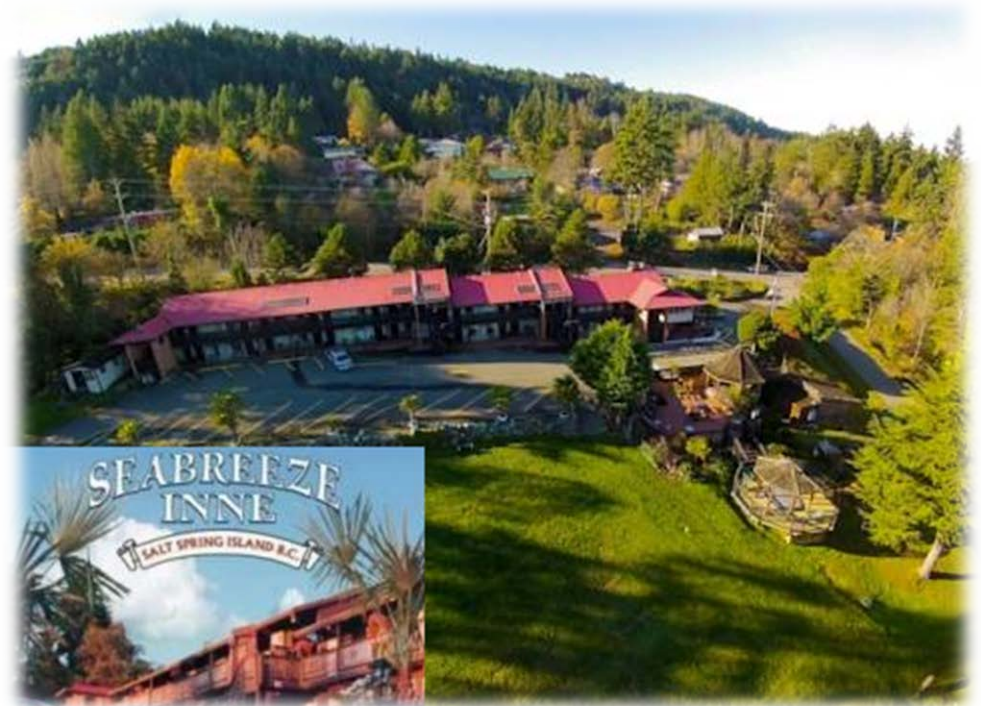


Recent Hotel Transactions

Seabreeze Inne

Salt Spring Island

- 28 room & manager's suite
- Sale Price \$2,450,000
- Sale Date February 2015
- \$87,500 per room
- Est. Cap Rate: 8.0 – 8.50%
- 2016 Value \$2,041,000



Recent Hotel Transactions

Days Inn

Cranbrook

- 90 Rooms
- Sale Price \$2,316,250
- Sale Date May 2015
- \$25,700 per room
- 2016 Value \$2,845,000



Recent Hotel Transactions

Super 8 Motel

Cranbrook

- 48 Rooms
- Sale Price \$2,300,000
- Sale Date Jun 2014
- \$47,900 per room
- 2016 Value \$2,092,000



Recent Hotel Transactions

Comfort Inn

Salmon Arm

- 114 Rooms
- Sale Price \$9,800,000
- Sale Date May 2015
- \$86,000 per room
- Est. Cap Rate: 7.5% – 8.0%
- 2016 Value \$8,328,000



Recent Hotel Transactions

Ramada

Harrison Hot Springs

- 88 Rooms
- Sale Price \$7,091,550
- Sale Date Aug 2015
- \$80,586 per room
- Est. Cap Rate: 6%
- 2016 Value \$5,701,000



Recent Hotel Transactions

Westin Grand

Vancouver

- 207 Rooms (145 Rooms Sold)
- Sale Price \$35,000,000
- Sale Date Feb – Jul 2015
- \$241,000 per room
- Reported Cap Rate: n/a
- 2016 Value for Sold Units
\$30,700,000
- 2016 Value for Total \$43,200,000



Recent Hotel Transactions

Hyatt Regency

Vancouver

- 644 Rooms
- Sale Price \$140,000,000
- Sale Date Nov 2014
- \$217,000 per room
- Est'd Cap Rate: n/a
- 2016 Value \$118,100,000



Recent Hotel Transactions

Fairmont Hotel Vancouver

- 556 Rooms
- Sale Price \$180,000,000
- Sale Date Late 2014
- \$323,000 per room
- Est. Cap Rate: 5%
- 2016 Value \$154,000,000



Recent Hotel Transactions

Westin Bayshore

Downtown Vancouver

- 511 Rooms
- Sale Price \$290 M
- Sale Date TBA
- \$567,000 per room
- 2016 Value \$



Hotels under Construction



Hotels under Construction



Hotels under Construction



2015 Hotel Preliminary Value Direction

Capital Region

RevPAR



Cap Rate



Assessed Value

(10% – 40% typical increase)



2015 Hotel Preliminary Value Direction

South Fraser Region

RevPAR



Cap Rate



Assessed Value
(10% increase)



2015 Hotel Preliminary Value Direction

VSS Region

RevPAR



Cap Rate



Assessed Value
(15% increase)



**For your Hotel Assessment enquires,
please contact:**

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Vancouver Island	Shandra McInnes
Okanagan	Ron Arnett
Thompson Cariboo	Ron Arnett
North	Fran Berry
Kootenays	Paul Mrazek



Thank You

Discussion & Questions