



METRO VANCOUVER RETAIL MARKET: Q2 SNAPSHOT

with Mark Kurkdjian & Sukh Pannu

Image Source: Altus Group

Q2 2023 Retail Real Estate Review

Subtle Shifts in Market Momentum

The retail real estate market, never a stranger to change, marked a few noticeable shifts during the second quarter of 2023. As we delve into the details, let's remember that the character of change is not merely in the shifts themselves but also in the ability of market players to adapt.

Transaction Tides

This quarter's market dynamics reported 15 notable transactions, subtly easing by 6.25% from the previous quarter. These figures underscore the market's resilience and inherent vibrancy despite this mild tempering.

Sales Volume Story

Q2's sales volume, an essential parameter of market health, recorded a total of **\$50,331,550**. Although representing a dip of 24.5% from the preceding quarter, this figure continues to reflect the robust foundation of the retail real estate sector and the sustained investor interest.

Price Palette & Size Spectrum

In Q2, the average property price gently ebbed to **\$3,355,437**, down by 19.38% from Q1. Yet, the market retained its broad reach, accommodating transactions ranging from a modest \$935,000 to a handsome \$6,700,000.

As for building sizes, the average remained relatively stable, embracing a spectrum from compact 650 SF spaces to sprawling 11,584 SF establishments.

Cost per Square Foot: A Diverse Landscape

The average cost per SF rose to **\$1,217**, with deals ranging from an economical \$575/SF to a premium \$1,954/SF. This diversity caters to various investor priorities, demonstrating the market's adaptability.

Steering Through Dynamic Shifts

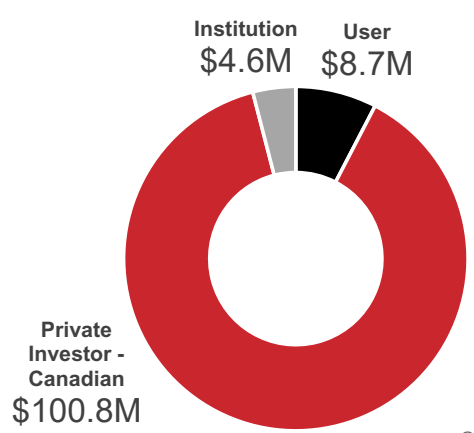
In light of the Bank of Canada's recent increase in the key interest rate to 5%, the retail sector is undergoing significant changes. Success in this rapidly evolving landscape hinges on effectively navigating these shifts.

Reflecting on Q2 2023, the retail real estate market has demonstrated remarkable resilience and adaptability amidst fluctuations. As we advance, these qualities will undoubtedly continue to be put to the test. While it's uncertain when the market will reach its lowest point, there are indications that this could occur as soon. Stay tuned for our next report, where we'll continue to follow these trends and provide you with the insights you need to navigate this dynamic landscape.

Q2 Retail Real Estate Metrics at a Glance

Total number of Transactions:	15
Total Volume in Sales:	\$50,331,550
Average Price:	\$3,355,437
Min – Max Price:	\$935,000 – \$6,700,000
Average Building Size:	3,478 SF
Min – Max Building Size:	650 SF – 11,584 SF
Average \$/SF:	\$1,217
Min – Max \$/SF:	\$575 – \$1,954

Purchaser Profile by \$ Volume



Source: Altus Group

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and the same is submitted subject to errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice, and of any special listing conditions imposed by our principals no warranties or representations are made as to the condition of the property or any hazards contained therein are any to be implied.