



HOUSING DEMAND TO REMAIN ELEVATED THROUGH 2016

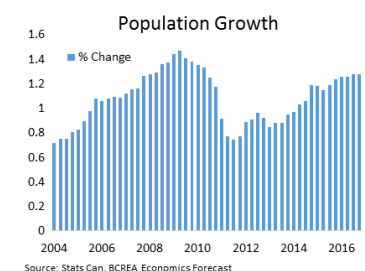
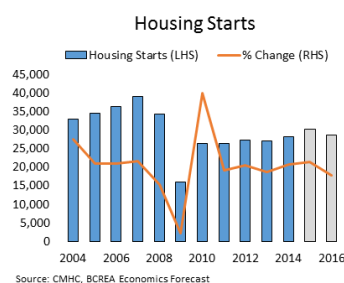
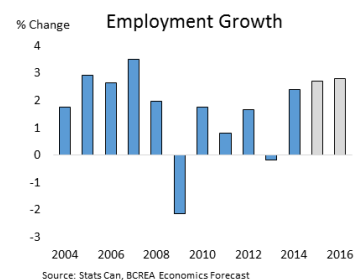
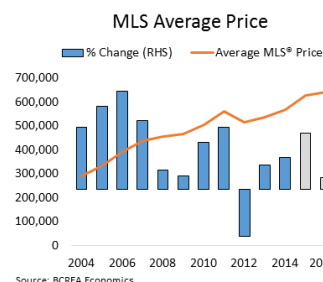
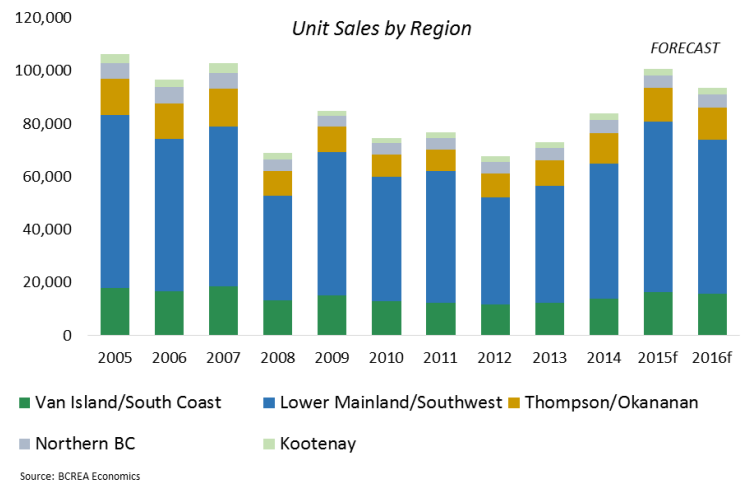
Multiple Listing Service® (MLS®) residential sales in the province are on track to surpass 100,000 units this year. This level of home sales will be the third strongest on record and mark the first year since 2007 that BC home sales exceed the ten year average. An easing of pent-up demand and gradual upward momentum of mortgage interest rates are expected to moderate housing demand next year. After climbing 15 per cent in 2014 and nearly 20 per cent this year, BC MLS® residential sales are forecast to decline 7 per cent to 93,700 units in 2016.

Robust housing demand is largely the result of a strengthening economy, population growth, and persistently low mortgage interest rates. The BC economy is arguably the best performing in the country, with employment and income on an upswing. In addition, weaker economic conditions in Alberta are bolstering a net inflow of interprovincial migrants to BC. Elevated consumer confidence has led to a significant increase in retail sales activity as well as a marked increase in housing demand.

Market conditions are variable around the province. Strong consumer demand has generally been experienced in the southern half of the province, with sellers' markets evident in many communities and home types. Weaker commodity demand and the negative fallout from low oil prices has slowed home sales in many northern regions. Market conditions, however, remain in relative balance in northern BC. The average MLS® residential price in the province is projected to increase 10.2 per cent to \$626,000 this year and forecast to slow to a 2.2 per cent increase at \$639,700 in 2016.

The inventory of homes for sale has declined to its lowest level since 2007. In response, builders and developers have increased production. Total housing starts in the province are projected to reach over 30,000 units this year, the highest level of production since 2008. Capacity constraints and an edging back of consumer demand is largely behind a forecast decline of BC housing starts to 28,800 units in 2016.

MLS® Residential Sales British Columbia



INSIDE

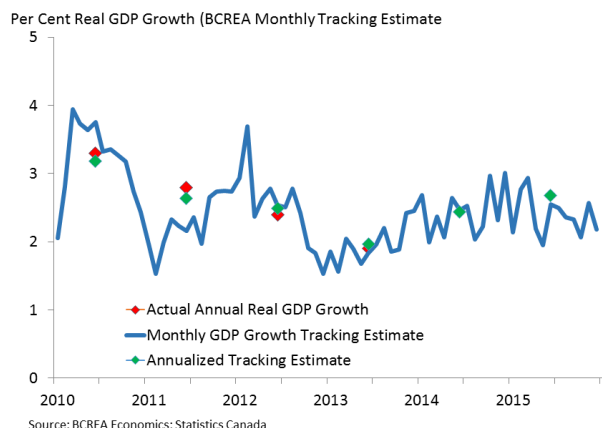
Economic Outlook	2
Vancouver Island-Coast	4
Lower Mainland-Southwest	6
Thompson-Okanagan	8
Northern BC	10
Kootenay	12
Tables	13

ECONOMIC OUTLOOK

The BC economy exhibited remarkable resilience to falling oil prices and the resulting pullback of investment in the energy sector. The province is on track to post a Canada-leading real GDP growth rate of 2.7 per cent, despite a slowing global economy and a sharp decline in commodity prices.

Credit for rising economic growth is largely due to resurgent BC consumption spending and a robust housing market. Following several years of stagnation, growth in retail sales in the province is on pace to post a multi-year high as rising employment and wage growth acceleration have spurred consumer confidence. Indeed, retail sales are up more than 7 per cent over the first three quarters of the year. Likewise, MLS® residential sales are on pace to record their highest annual tally in almost a decade.

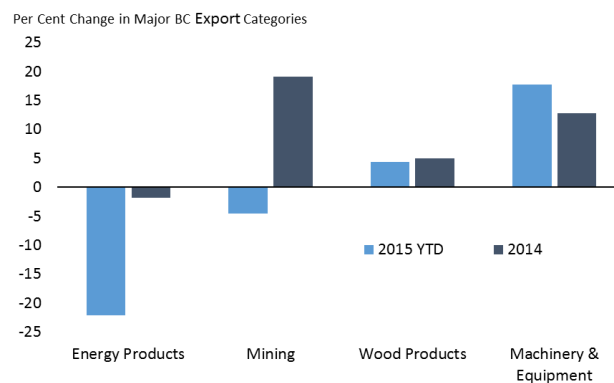
BC Economic Growth



Surging housing demand has helped pull both resale and new home inventories to multi-year lows. The resulting supply crunch has pushed home prices higher and induced builders and developers to increase production. Housing starts are expected to reach 30,000 units this year, the highest level of new home construction since 2008. That level of starts, combined with an already significant number of units under construction, will likely limit additional housing starts in 2016. However, total housing starts are forecast to be in-line with household formations at about 28,000 units.

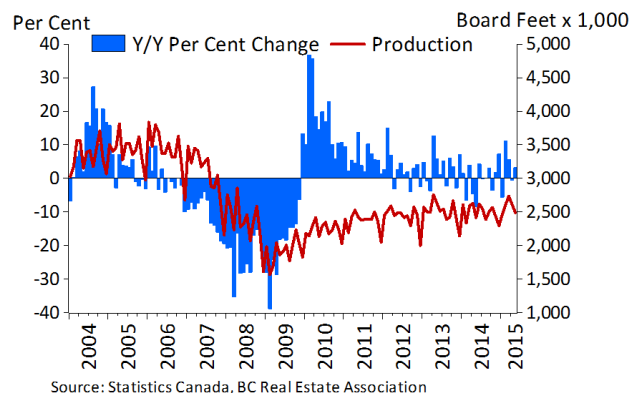
Although the domestic side of the economy appears to be firing on all cylinders, a struggling global economy has meant flagging provincial export growth. Fortunately, BC's merchandise trade sector is diversified across both geography

Falling Commodity Prices/Demand Limit Exports



and industries. While exports of energy products to important markets like China and Japan are struggling due to low prices and falling demand, shipments of wood products to a growing US economy are rising at a double digit annual rate. A weak Canadian dollar has partially offset the negative impact of faltering global demand, providing a boost to US bound exports in particular. The combination of a recovering US economy and a low loonie has helped a burgeoning provincial trade in machinery and equipment, which in the past two years has re-emerged as one of BC's most important export industries.

BC Sawn Lumber Production

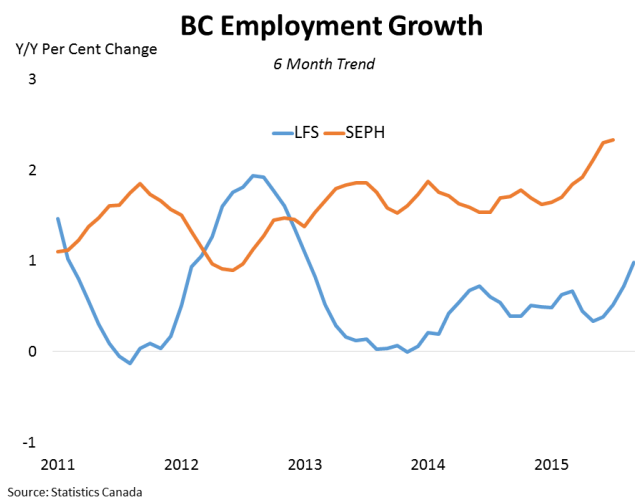


BC Economic Outlook	2014 ¹	2015F	2016F
Real GDP Growth (%)	2.4	2.7	2.8
Employment (millions)	2.28	2.31	2.35
Employment Growth (%)	0.6	1.2	2.0
Unemployment (000s)	146.9	142.2	137.1
Unemployment Rate (%)	6.1	6.0	5.8
Personal Disposable Income (\$billions)	150.4	154.9	161.6
Personal Disposable Income Growth (%)	3.7	4.5	4.3
Average Weekly Wage	\$882	\$916	\$938
Weekly Wage Growth (%)	0.3	3.8	2.4
Retail Sales (\$billions)	\$66.4	\$71.1	\$74.9
Retail Sales Growth (%)	5.8	7.0	5.4
Range of Posted 5-year Fixed Mortgage Rate	4.79-4.99	4.64-4.79	4.79-5.20

1. Values have been estimated where data has not yet been released.

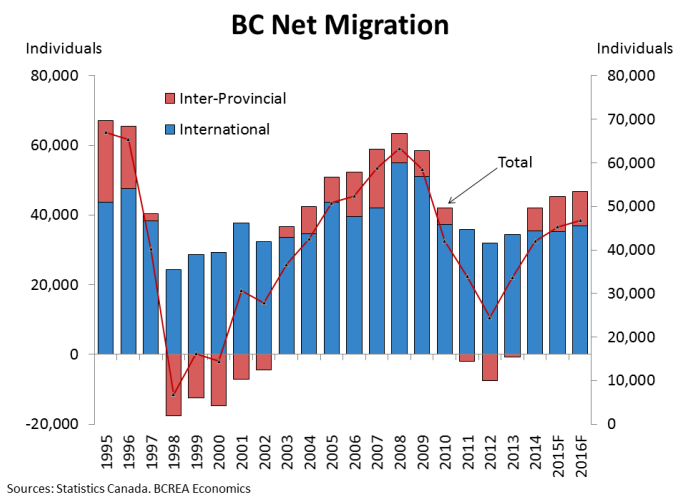
Source: BCREA Economics, Statistics Canada

Headline employment figures from the Labour Force Survey (LFS) have been modest in recent years. While most economic outlooks, including our own, incorporate a forecast of employment based on LFS data, the survey results have been in stark contrast to other labour market indicators. The Survey of Employment Payrolls and Hours (SEPH) appears to be more representative of current job trends and is supported by other indicators like retail and home sales. However, the LFS measure of employment growth in BC surpassed the 2 per cent year-over-year growth threshold for the first time in years this September, a sign that LFS employment is catching up to the robust growth signalled by the SEPH data.



Growing employment and BC's current position as Canada's best performing economy will likely induce more Canadians to relocate to BC. Population growth, a key factor to housing markets, is expected to be underpinned by both increased immigration and a continuing improvement in net inter-provincial migration.

The principal risk to the BC economy and housing market over the medium term remains the threat of sharply higher interests. While the Canadian economy is recovering from its first half slowdown, neither inflation nor economic growth is likely to accelerate to the point that the Bank of Canada reverses the reductions in its overnight target rate made earlier this year.



With the Bank of Canada on hold, mortgage rates are expected to remain near historically low levels through next year. However, mortgage rates could inch higher as key Canadian bond yields react to a likely tightening of monetary policy in the United States.

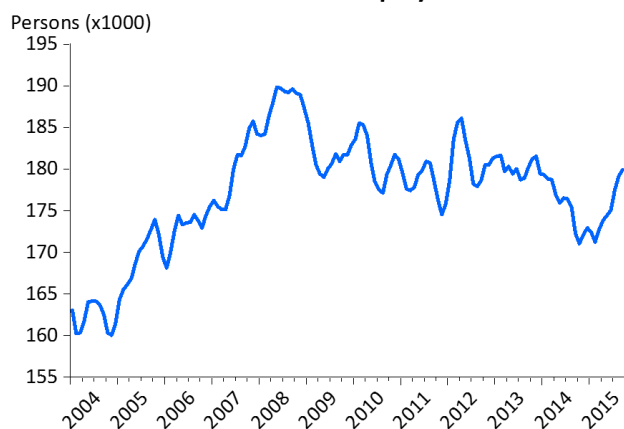
Continuing robust domestic demand, low interest rates, and a US-led pick-up in exports is expected to translate into upward momentum in the BC economy with real GDP growth increasing to 2.8 per cent and unemployment falling below 6 per cent next year.

VANCOUVER ISLAND-COAST

The Victoria, Vancouver Island and Powell River Real Estate Boards service the Vancouver Island-Coast Region of the province. Their combined MLS® residential sales activity represents approximately 17 per cent of the provincial total, equivalent to Vancouver Island-Coast's proportion of the overall BC population.

Metro Victoria's position as the provincial capital means employment in public administration and related services are important to the local economy. Indeed, one-quarter of BC's public administration jobs are located within the Vancouver Island-Coast region. While growth in government related employment has been constrained in recent years, the base of public sector jobs moderates the impact of the ebb and flow of the business cycle on the local economy.

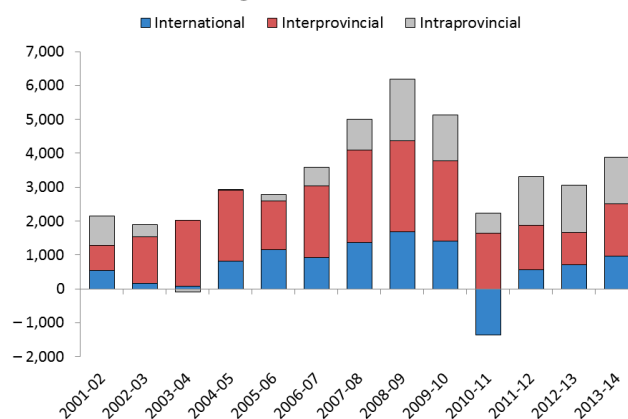
Victoria CMA Employment



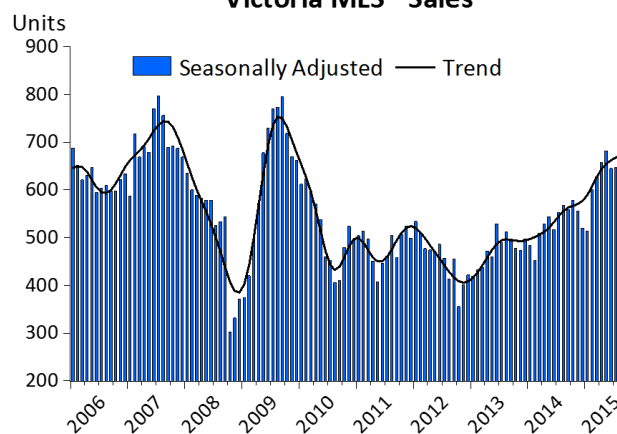
However, recent improvements in tourism related activity, consumer confidence and the housing sector have elevated local consumption levels. With nearly 84 per cent of employment in the region tied to the service sector, job growth is on an upswing.

Population growth is also posting improvement as a marked increase in households moving from other regions of the province and Canada bolster housing demand. After rising 12 per cent in 2014, MLS® residential sales in Metro Victoria are expected to increase a further 22 per cent this year. Housing demand this year is the strongest it has been since 2007.

Net Migration - Victoria CMA



Victoria MLS® Sales



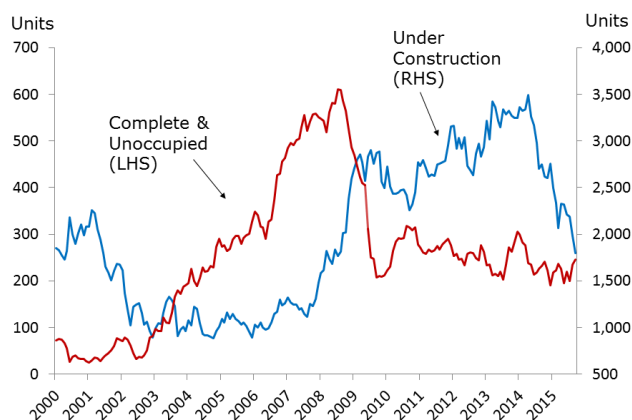
Rising consumer demand has pulled down the number of homes available for sale on the market. Active MLS® residential listings were down 19 per cent in September at the Victoria Real Estate Board and 17 per cent at the Vancouver Island Real Estate Board. This has led to sellers' market conditions emerging in Victoria and other preferred Vancouver Island locales.

Victoria Sales-to-Active Listings Ratio



The drawdown of housing inventory has not only pushed home prices higher, with the aggregate MLS® benchmark price rising 5 to 6 per cent across Vancouver Island in September compared to the same month last year, it is providing incentive to increase new home construction.

New Home Inventory – Victoria CMA



Source: CMHC, BCREA Economics

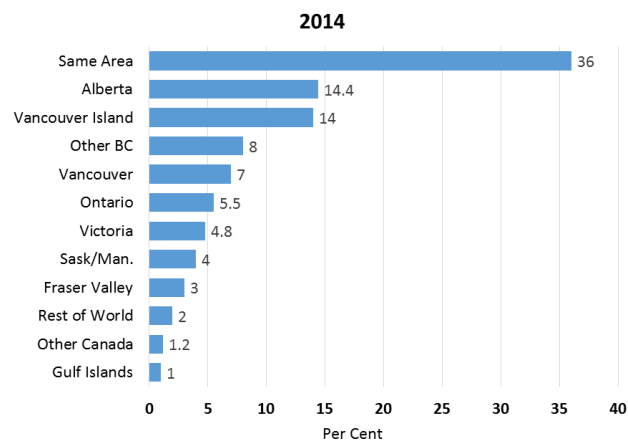
The number of new homes complete and unoccupied has fallen by half over the past eighteen months in Victoria, while homes under construction have remained relatively muted. Even after an expected 57 per cent surge in housing starts this year, the supply of new homes will only edge up modestly.

The Nanaimo CA is also experiencing a sharp increase in new home construction as inventories draw down and consumer demand remains high. Housing starts in Nanaimo are expected to rise 41 per cent this year after a 60 per cent jump in 2014. New home construction activity is a significant driver of local economic activity, with large associated indirect and induced expenditures.

Outside of Metro Victoria, the economy and housing market are increasingly influenced by resource industries. Nearly one-quarter of forestry jobs and about half of BC's fishing, hunting and trapping jobs derive from the region.

In addition, Vancouver Island is a preferred retirement destination. More than 45 per cent of homes sold through the Vancouver Island

Vancouver Island Buyer Origins



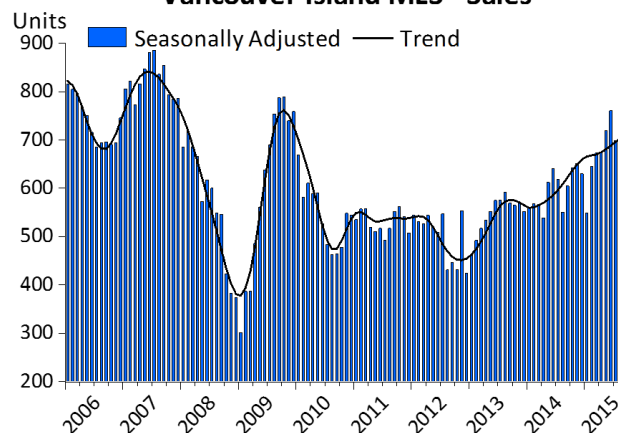
Source: VIREB Buyer Survey

Real Estate Board came from off-island. Over 14 per cent originated from Alberta.

Increasingly, migration and service sector employment are driving local housing markets. Retirees are important drivers of economic growth and less economic volatility associated with commodity cycles. The long-term outlook for Vancouver Island is strong as wealth laden retirees flock to the moderate climate and lifestyle opportunities.

MLS® residential sales through the Vancouver Island Real Estate Board are expected to end the year up nearly 17 per cent compared to last year. However, the additional demand experienced through the Vancouver Island-Coast region this year is expected to taper off in 2016 as pent-up demand diminishes in intensity and a modest uptick in mortgage interest rates takes some toll on affordability.

Vancouver Island MLS® Sales



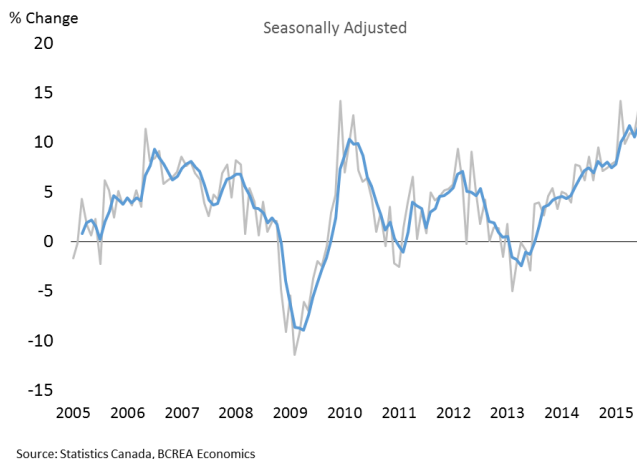
Source: Vancouver Island Real Estate Board, BCREA

LOWER MAINLAND-SOUTHWEST

The Lower Mainland-Southwest region is serviced by the Real Estate Board of Greater Vancouver, the Fraser Valley and Chilliwack Real Estate Boards. The area contributes more than 60 per cent of the housing demand in the province.

The economy of the region is performing well and is largely responsible for the BC economy growing faster than any other province this year. While the oil price shock of late 2014 has had a disastrous effect on oil dependent economies, Metro Vancouver has experienced a boost in consumer expenditures. Indeed, home sales have tended to rise in Metro Vancouver during previous negative oil price shocks.

Retail Sales Growth – Vancouver CMA

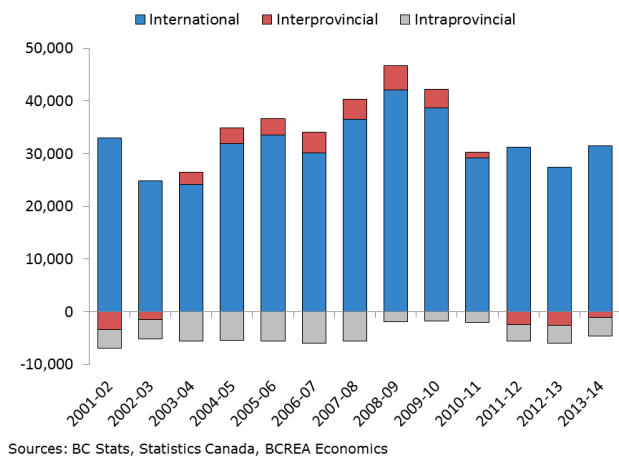


Consumers are the most noticeable economic drivers this year, with confidence in their household financial conditions inducing expenditures on everything from apparel to housing. Retail sales in Metro Vancouver were up more than 11 per cent over the first half of the year.

Population growth, led by immigration, continues to exert pressure on the housing stock, especially single-detached homes. Over the past three decades over one million immigrants landed in BC, with the vast majority settling in Metro Vancouver and Lower Mainland-Southwest region.

The region's population is expected to be further bolstered this year and next by a net gain in inter-provincial migrants. Weak employment

Net Migration - Vancouver CMA

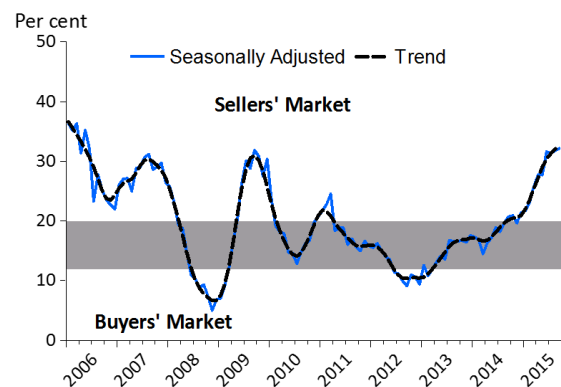


opportunities in Alberta and other oil dependent economies will slow outward migration while the Lower Mainland-Southwest region's strong economy draws footloose households in search of jobs.

After several years of relatively lacklustre to average home sales activity, housing demand is in a significant upswing this year. MLS® residential sales are projected to rise by over 25 per cent in the Real Estate Board of Greater Vancouver, nearly 28 per cent in the Fraser Valley Real Estate Board and 18 per cent in the Chilliwack Real Estate Board.

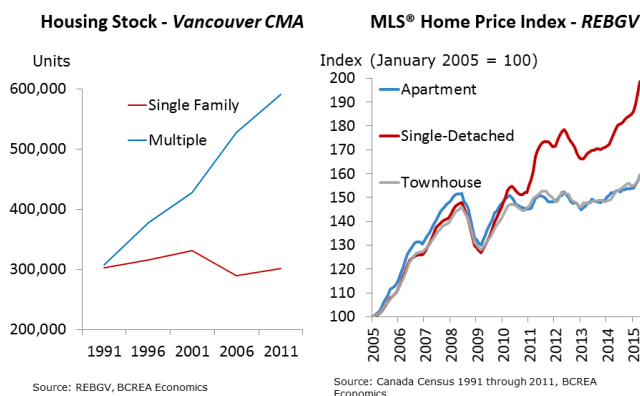
Robust consumer demand has drawn down the inventory of homes for sale. Total active residential listings were down 24 to 26 per cent in the region's three real estate boards in September compared to the previous year. The result is sellers' market conditions emerging in most communities, particularly in the single-detached market segment.

Greater Vancouver Sales-to-Active Listings Ratio



Source: Real Estate Board of Greater Vancouver, BCREA

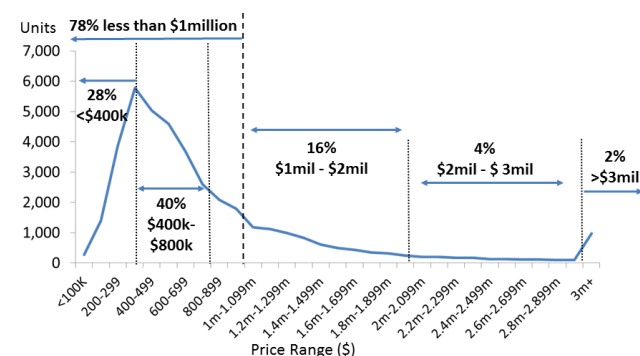
Upward pressure on home prices is not uniform across home types. A significant increase in single-detached home values has not translated into a similar rise in the prices of apartments or townhouses. Indeed, the average price of a single-detached home is projected to rise 14 per cent in the Greater Vancouver Real Estate Board



area this year, while the average apartment price is expected to rise less than 4 per cent. This divergence is manifest in the Fraser Valley and Chilliwack as well.

The difference in values by home type is largely the result of the changing regional housing stock. New residential construction activity has veered away from single-detached homes as a result of a constrained land supply, local planning imperatives and housing affordability. As a result, single-detached homes have become an increasingly smaller proportion of the housing stock. In addition, many homes classified by local real estate

MLS® Residential Price Distribution Metro Vancouver Jan-Aug 2015

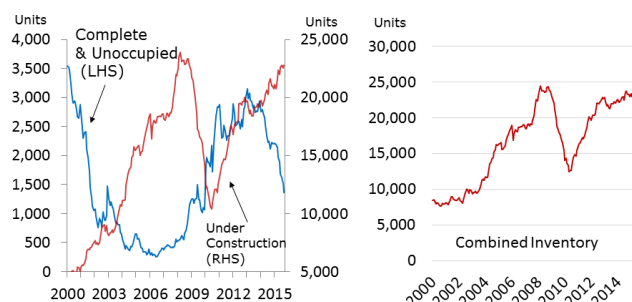


boards as single-detached are de facto duplexes, triplexes or fourplexes as a result of the exploding number of accessory suites.

The maturing of the Metro Vancouver housing stock has forced many consumers to alter their housing expectations, especially near the urban core. Actual single-family detached homes in the City of Vancouver comprise just five per cent of the Metro Vancouver housing stock. As a result, using Vancouver detached home prices as a benchmark for Metro Vancouver affordability ignores market realities.

During the first eight months of the year almost 80 per cent of MLS® residential sales in Metro Vancouver were below \$1 million. Nearly 70 per cent were sold below the average price of \$814,000, and just 2 per cent of homes sold were priced over \$3 million.

New Home Inventory – Vancouver CMA



A sharp decline in the inventory of newly completed and unoccupied housing units has been met with a commensurate rise in housing starts as well as homes currently under construction. Builders and developers are responding to the overall dwindling supply of homes for sale. However, while nearly 22,000 new homes are expected to be started this year in the Vancouver CMA, Abbotsford CMA and Chilliwack CA, production is likely to edge back next year. Capacity constraints, less frenetic consumer demand, and a near historic level of combined inventory is expected to limit overall housing starts in 2016.

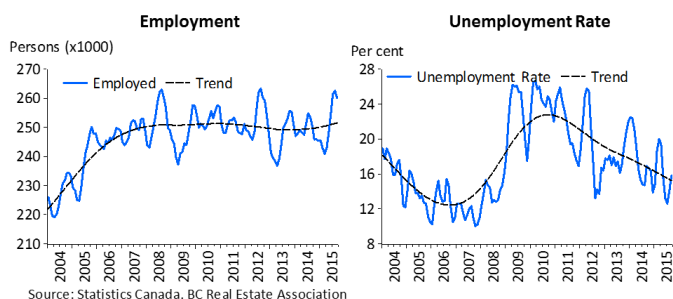
THOMPSON-OKANAGAN

The Thompson-Okanagan region is home to the Kamloops and District Real Estate Association, the Okanagan Mainline Real Estate Board and the South Okanagan Real Estate Board. The region typically accounts for nearly 15 per cent of provincial MLS® residential sales.

The diverse local economy is driven by the forestry, tourism and manufacturing industries as well as a thriving agriculture sector. The region's numerous orchards, vineyards and cattle ranches are a prominent source of employment with nearly one

Labour Market Trends

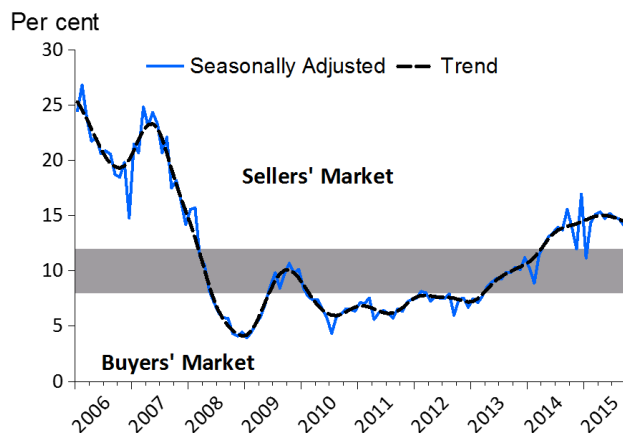
Thompson-Okanagan



quarter of all of BC's agricultural jobs located in the Thompson Okanagan region. BC's non-seafood agricultural and food exports have been an important source of growth this year, rising 23 per cent and helping to offset weakness in other areas of the trade sector.

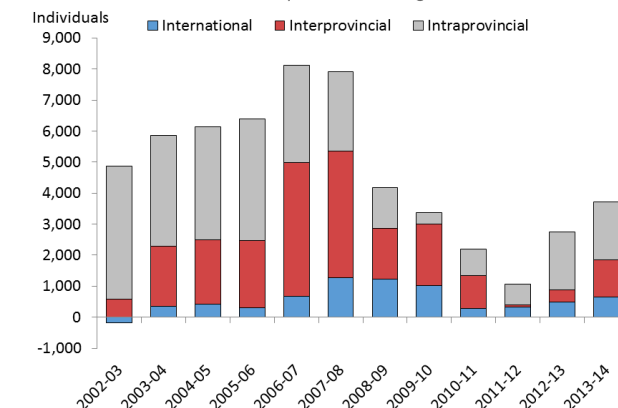
The fallout from the sharp decline in oil prices and investment has likely impacted parts of the local economy through cross-border supply chains and Alberta bound workers. However, employment has

Okanagan-Mainline Sales-to-Active Listings Ratio



Net Migration

Thompson-Okanagan

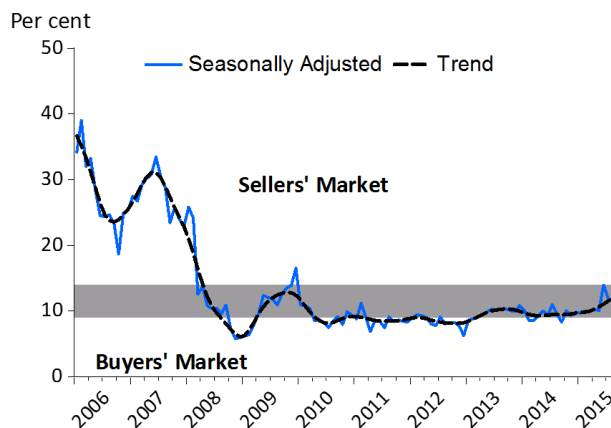


recently trended higher and the unemployment rate continues its downward trajectory. Stronger labour market conditions are not only tied to robust domestic consumption, but also a recent increase in population growth.

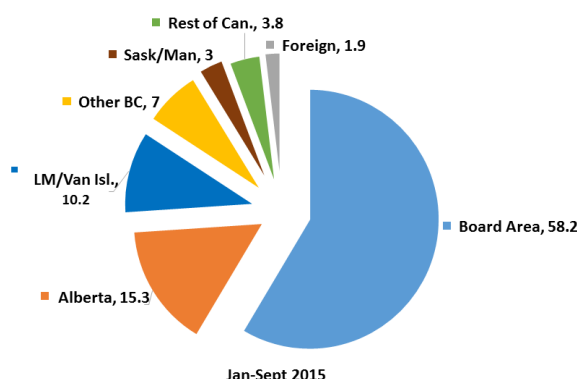
Net migration to the Thompson-Okanagan has trended higher in recent years after a significant post-recession downturn. The oscillation was more pronounced in the Kamloops area than along the Okanagan Valley. Nevertheless, a marked increase households moving to the region from other provinces and from within BC have likely bolstered local housing demand.

MLS® residential sales are projected to rise nearly 7 per cent in the Kamloops area and 10 to 13 per cent in the Okanagan this year. After several years of relatively moderate home sales activity, the region is experiencing a resurgence of housing demand

Kamloops and District Sales-to-Active Listings Ratio



Home Buyer Origins Okanagan Mainline Estate Board

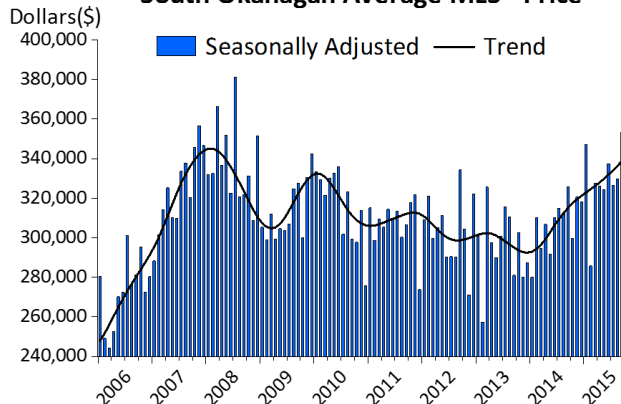


from local owner-occupiers, recreation buyers and investors. Through the first three quarters, nearly one in ten homes sold through the Okanagan Mainline Real Estate Board were to revenue investors.

Robust consumer demand has tightened market conditions throughout the region. Many Okanagan communities are experiencing sellers' market conditions, while the Kamloops area is exhibiting strong balance.

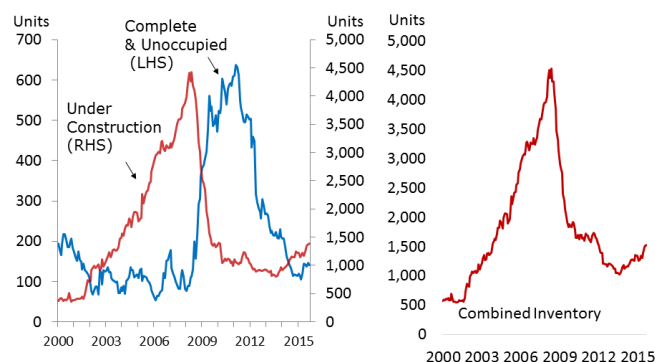
Strong market conditions are putting upward pressure on home prices as buyers compete for the best properties. The average home price is projected to climb nearly 3 per cent to a record \$409,000 in the Okanagan Mainline Real Estate Board Area this year. Home prices in the South Okanagan are expected to be up 5.5 per cent, while the Kamloops and District area will likely post an increase of 3.4 per cent. Some of the strongest price gains are occurring in apartments and townhouses in the Okanagan.

South Okanagan Average MLS® Price



Source: South Okanagan Real Estate Board, BCREA

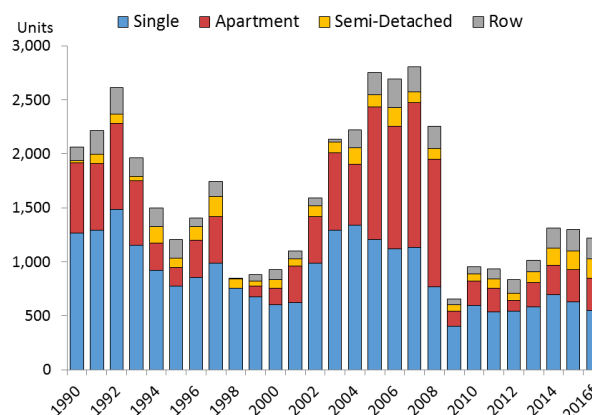
New Home Inventory – Kelowna CMA



Source: CMHC, BCREA Economics

After several years of oversupply, builders and developers are increasing production. A significant and unsustainable ramping up of new home construction activity prior to the recession in 2009 created a mountain of complete and unoccupied units in the Kelowna CMA. It took nearly 6 years to draw down the inventory to the point where many proposed projects could get off the ground. The new home market in the Thompson-Okanagan region is now much better balanced and able to respond to changing consumer dynamics.

Housing Starts Kelowna CMA



Source: CMHC, BCREA Economics

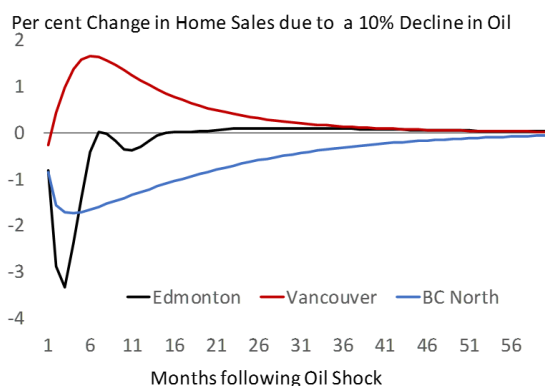
Housing demand is expected to edge back in 2016 as pent-up demand is largely now expended and the fallout from a weaker Alberta economy continues to limit growth. However, a 2 to 5 per cent pull back in home sales is more a sign of market stabilization than a signal of decline. Indeed, MLS® residential sales are up 42 per cent in the Thompson-Okanagan since 2012, representing stronger underlying economic fundamentals and demographic trends.

NORTHERN BC

Housing demand in Northern BC was negatively impacted by the collapse of the oil prices and declining global commodity demand. The fallout caused a pulling back of capital investment and a commensurate ebb in employment in the affected sectors. While much of the province has benefited from surging housing demand, many markets in the north have struggled to keep pace with last year's results.

Indeed, the impact of low oil prices on northern BC housing markets has much more in common with energy-sector driven cities like Edmonton than with Vancouver. Home sales in the BC Northern Real Estate Board area, which encompasses most of the northern half of the province, are on pace to decline 3.5 per cent this year, while sales in and around Dawson Creek are projected to fall 6.4 per cent.

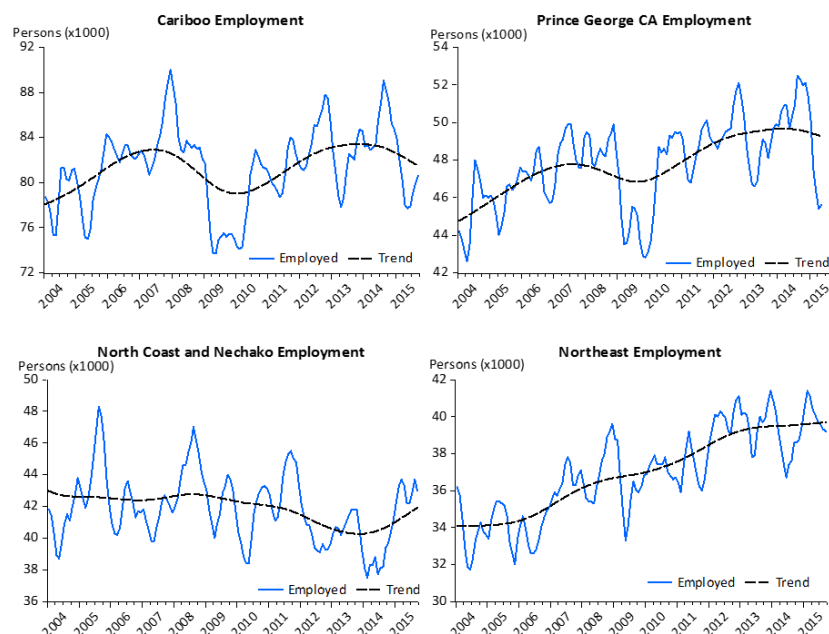
Impact of Oil Shock in Northern Markets



Source: BCREA Economics

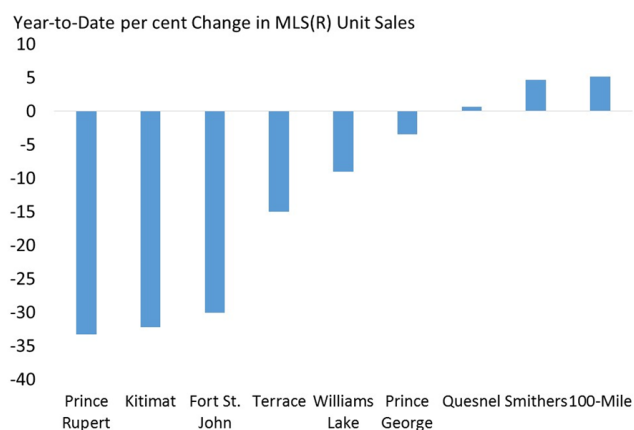
Northern BC is a vast area with numerous diverse regions and housing markets. However, trends in the north are currently reflecting the broader narrative of the Canadian economy. Many areas where employment is largely dependent on oil and gas or mining have experienced slowing consumer demand, while areas that are more economically diversified and less dependent on energy have posted modest growth.

For example, in the Cariboo region of the province, cities such as Quesnel and 100-Mile House have



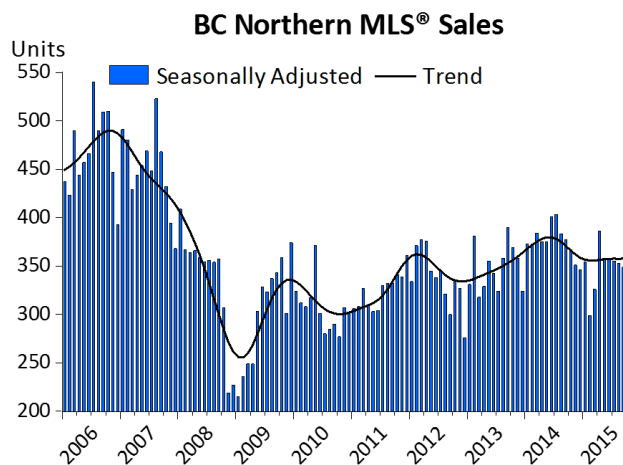
experienced an increase in consumer demand this year. In the north's largest city, Prince George, MLS® residential sales have ebbed but have not struggled nearly to the extent of markets like Kitimat, Prince Rupert and Fort St. John, that are more influenced by the oil and gas sector.

MLS® Sales by City in BCNREB Region



While the outlook for oil and gas remains uncertain, the negative effect of last year's oil price shock is expected to dissipate over time. In addition, some long-term energy-sector projects planned for the north have been delayed rather than cancelled, with significant potential investment and related employment prospects still on the table.

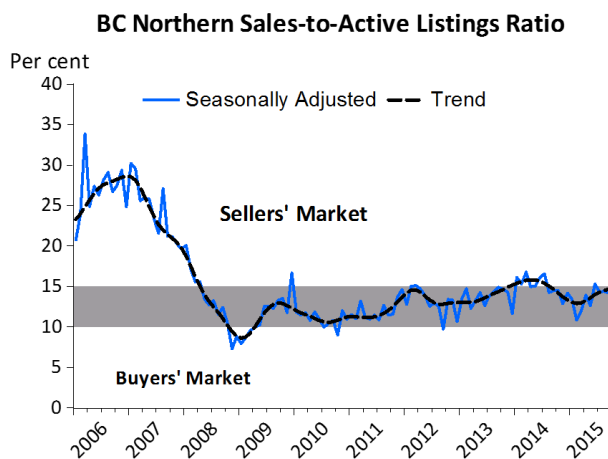
MLS® residential sales in Northern BC have increased every year since 2009, and this year's modest decline in consumer demand is expected to be temporary. Indeed, home sales are projected to



Source: BC Northern Real Estate Board, BCREA

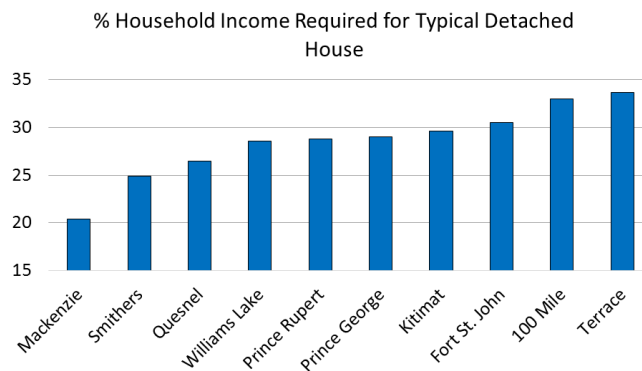
rebound next year, climbing by 6.7 per cent to 4,640 units, more than enough to erase this year's deficit.

Despite fewer transactions, market conditions across the north are essentially unchanged compared to a year ago as 6 per cent fewer active listings on the market sustain relative balance between buyers and sellers. Stronger consumer demand in 2016 is expected to exert additional upward pressure on home values, with the average single-detached home price rising close to 4 per cent to \$295,000.



Source: BC Northern Real Estate Board, BCREA

Relative Housing Affordability

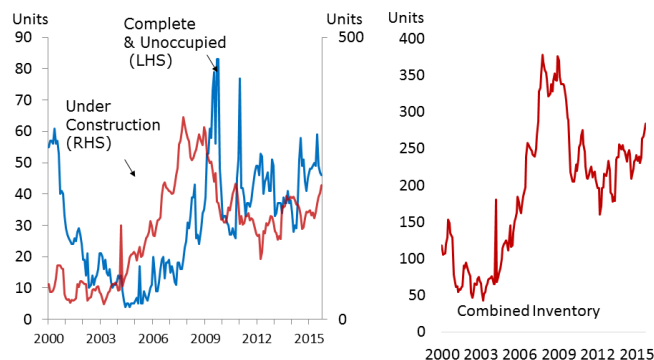


Source: BCNREB, BCREA Economics

Housing affordability is a strong magnet for those looking to relocate or invest in housing across Northern BC. The relative carrying cost of a single-detached home is markedly lower than in most other BC regions. Indeed, the proportion of median household income necessary to purchase a detached home is less than 30 per cent in many urban areas.

The large urban centre of Prince George has a relatively diverse economy and anchors the north through producer services, management, education and transportation. New residential construction is being largely driven by population growth and recent increases have led to a significant rise in production. Housing starts in the Prince George CA are projected to increase over 70 per cent this year to 270 units.

New Home Inventory – Prince George CMA

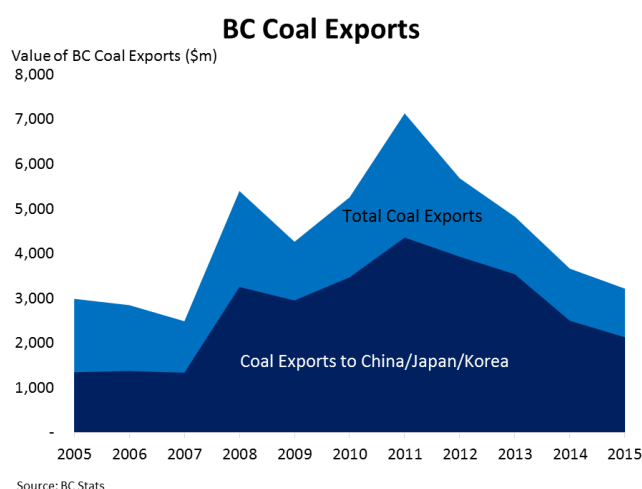


Source: CMHC, BCREA Economics

KOOTENAY

Housing demand in the Kootenay region has outperformed expectations despite the collapse of oil prices and subsequent weakness in the Alberta economy and housing market. MLS® residential sales have begun to edge lower in recent months, but overall, the market remains stable. A lagged effect of Alberta's slide into recession is likely unfolding, but a general cooling of overall commodity demand has limited housing demand in many resource concentrated markets this year.

The East Kootenay is home to large deposits of metallurgical coal. Once flourishing exports of coal to Asia, and particularly to China, have declined

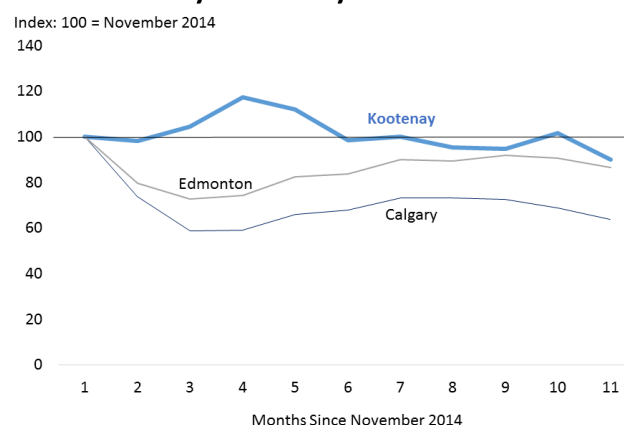


over the past several years due to slowing growth in the Asia-Pacific region.

An uptick in global economic growth next year should help to offset some of the current drag on the Kootenay economy. Stronger demand for solid wood products from the US housing sector as well as a boost in tourism resulting from a favourable exchange rate are expected to provide additional stimulus.

The mixed economic outlook is expected to generate roughly the same level of housing demand in the Kootenay region as experienced in 2014. However, after rising 22 per cent to over

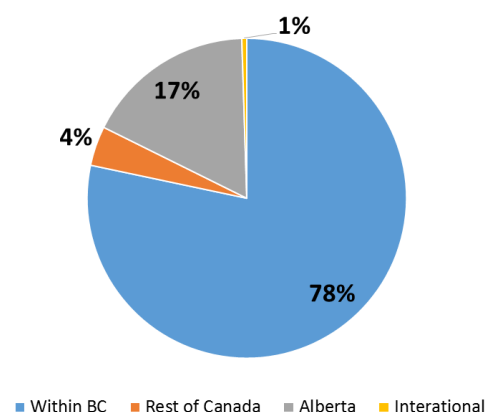
Kootenay versus Key Alberta Markets



Source: CREA, BCREA Economics

2,500 units last year, 2015 is shaping up to be a plateau rather than a trough. Momentum in the market is expected to renew next year as stronger economic fundamentals at home and abroad, combined with demographic realities, begin to push home sales higher. Expect housing demand to increase by nearly 3 per cent in 2016.

Homebuyer Origin in the Kootenay



Source: Kootenay Real Estate Board 2014 Buyers' Survey

Home buyers originating from Alberta generally account for one-fifth of home sales in the East Kootenay region as well as over 10 per cent of sales in the West Kootenay. A modest recovery in the Alberta economy will likely limit home price appreciation in the region. With market conditions projected to trend in relative balance the average MLS® residential price is forecast to remain in the \$275,000 to \$282,000 range through 2016.

BC Housing Outlook	2012	2013	2014	2015F	2016F
MLS Unit Sales	67,637	72,936	84,049	100,745	93,735
% change	-11.8	7.8	15.2	19.9	-7.0
MLS Average Price	\$514,836	\$537,414	\$568,405	\$626,100	\$639,700
% change	-8.3	4.4	5.8	10.2	2.2
MLS® Dollar Volume (\$b)	\$34.82	\$39.20	\$47.77	\$63.08	\$59.96
% change	-19.1	12.6	21.9	32.0	-4.9
Housing Starts	27,465	27,054	28,356	30,200	28,800
% change	4.0	-1.5	4.8	6.5	-4.6
Single	8,333	8,522	9,569	8,900	9,200
% change	-6.0	2.3	12.3	-7.0	3.4
Multiple	19,132	18,532	18,787	21,300	19,600
% change	9.1	-3.1	1.4	13.4	-8.0
Total Net Migration	26,749	33,625	43,932	45,500	46,800
% change	-24.0	37.2	30.7	3.6	2.9
Net International Migration	31,345	34,457	33,890	35,500	36,300
% change	-0.6	9.9	-1.6	4.8	2.3
Net Interprovincial Migration	(4,596)	(832)	10,042	10,000	10,500
% change	-	81.9	1307.0	-0.4	5.0
Range of Posted 5-year Fixed Mortgage Rate %	5.14-5.44	5.14-5.34	4.79-4.99	4.64-4.79	4.79-5.20

BC Economic Outlook	2012	2013	2014	2015F	2016F
Real GDP Growth (%)	1.5	1.9	2.4	2.7	2.8
Employment (millions)	2.26	2.27	2.28	2.31	2.35
Employment Growth (%)	1.7	0.1	0.6	1.2	2.0
Unemployment (ooos)	166.1	159.7	146.9	142.2	137.1
Unemployment Rate (%)	6.7	6.6	6.1	6.0	5.8
Personal Disposable Income (\$billions)	138.2	145.0	150.4	154.9	161.6
Personal Disposable Income Growth (%)	4.0	4.9	3.7	4.5	4.3
Average Weekly Wage	\$854	\$880	\$882	\$916	\$938
Weekly Wage Growth (%)	2.0	3.0	0.3	3.8	2.4
Retail Sales (\$billions)	\$61.3	\$62.7	\$66.4	\$71.1	\$74.9
Retails Sales Growth (%)	2.2	2.4	5.8	7.0	5.4

Lower Mainland/Southwest

<i>MLS® Unit Sales</i>	2014	%	2015F	%	2016F	%
Real Estate Board of Greater Vancouver	33,693	16.2	42,300	25.5	37,800	-10.6
Single Detached	14,060	20.1	17,125	21.8	15,400	-10.1
Apartment	13,416	14.3	17,400	29.7	15,400	-11.5
Townhouse	5,709	10.8	7,100	24.4	6,450	-9.2
Fraser Valley Real Estate Board	15,017	16.5	19,200	27.9	17,600	-8.3
Single Detached	8,095	17.5	10,700	32.2	9,750	-8.9
Apartment	2,431	4.7	2,850	17.2	2,750	-3.5
Townhouse	3,489	0.2	4,470	28.1	4,050	-9.4
Chilliwack and District Real Estate Area	2,499	21.2	2,950	18.0	2,775	-5.9
Single Detached	1,450	27.9	1,700	17.2	1,625	-4.4
Apartment	249	-3.5	280	12.4	270	-3.6
Townhouse	575	23.7	700	21.7	620	-11.4
<i>MLS® Average Price</i>	2014	%	2015F	%	2016F	%
Real Estate Board of Greater Vancouver	\$ 812,652	5.8	\$ 885,000	8.9	\$ 925,000	4.5
Single Detached	\$ 1,245,218	4.8	\$ 1,420,000	14.0	\$ 1,510,000	6.3
Apartment	\$ 458,576	3.8	\$ 476,000	3.8	\$ 482,000	1.3
Townhouse	\$ 579,681	2.8	\$ 626,000	8.0	\$ 650,000	3.8
Fraser Valley Real Estate Board	\$ 517,718	5.6	\$ 568,000	9.7	\$ 591,000	4.0
Single Detached	\$ 642,871	4.4	\$ 706,000	9.8	\$ 740,000	4.8
Apartment	\$ 228,718	4.4	\$ 233,000	1.9	\$ 239,000	2.6
Townhouse	\$ 354,016	3.9	\$ 370,000	4.5	\$ 383,000	3.5
Chilliwack and District Real Estate Area	\$ 308,790	2.4	\$ 330,000	6.9	\$ 334,000	1.2
Single Detached	\$ 348,020	-1.4	\$ 370,000	6.3	\$ 375,000	1.4
Apartment	\$ 144,889	0.3	\$ 145,000	0.1	\$ 147,000	1.4
Townhouse	\$ 255,325	3.4	\$ 265,200	3.9	\$ 273,000	2.9
<i>Housing Starts</i>	2014	%	2015F	%	2016F	%
Vancouver CMA	19,212	2.8	20,380	6.1	18,600	-8.7
Single	4,374	9.2	4,720	7.9	4,100	-13.1
Multiple	14,838	1.0	15,660	5.5	14,500	-7.4
Abbotsford CMA	499	24.9	820	64.3	675	-17.7
Single	251	-54.7	360	43.4	300	-16.7
Multiple	248	-33.4	460	85.5	375	-18.5
Chilliwack CA	559	26.2	645	15.4	570	-11.6
Single	280	29.6	320	14.3	270	-15.6
Multiple	279	22.9	325	16.5	300	-7.7

Vancouver Island/Coast

<i>MLS® Unit Sales</i>	2014	%	2015F	%	2016F	%
Victoria Real Estate Board	6,371	11.9	7,775	22.0	7,250	-6.8
Single Detached	3,819	13.6	4,675	22.4	4,340	-7.2
Apartment	1,626	12.7	2,025	24.5	1,900	-6.2
Townhouse	716	6.5	855	19.4	800	-6.4
Vancouver Island Real Estate Board	7,187	9.7	8,400	16.9	8,100	-3.6
Single Detached	4,874	9.8	5,600	14.9	5,440	-2.9
Apartment	554	11.0	725	30.9	680	-6.2
Townhouse	431	5.9	460	6.7	475	3.3
Powell River and Sunshine Coast Real Estate Board	323	14.1	340	5.3	345	1.5
Single Detached	256	16.4	270	5.5	275	1.9
Condo	43	7.5	50	16.3	45	-10.0
Single Family Mobile	24	4.3	20	-16.7	25	25.0
<i>MLS® Average Price</i>	2014	%	2015F	%	2016F	%
Victoria Real Estate Board	\$ 496,473	3.2	\$ 520,000	4.7	\$ 535,000	2.9
Single Detached	\$ 601,103	2.1	\$ 630,000	4.8	\$ 645,000	2.4
Apartment	\$ 324,988	7.0	\$ 329,000	1.2	\$ 338,000	2.7
Townhouse	\$ 415,860	0.9	\$ 418,500	0.6	\$ 425,000	1.6
Vancouver Island Real Estate Board	\$ 328,740	4.4	\$ 342,000	4.0	\$ 352,000	2.9
Single Detached	\$ 360,317	4.5	\$ 372,300	3.3	\$ 381,700	2.5
Apartment	\$ 195,759	-1.3	\$ 193,000	-1.4	\$ 198,000	2.6
Townhouse	\$ 250,481	3.9	\$ 248,700	-0.7	\$ 255,000	2.5
Powell River and Sunshine Coast Real Estate Board	\$ 233,407	4.3	\$ 247,500	6.0	\$ 249,900	1.0
Single Detached	\$ 260,926	2.3	\$ 276,000	5.8	\$ 280,100	1.5
Condo	\$ 165,314	10.1	\$ 168,300	1.8	\$ 170,000	1.0
Single Family Mobile	\$ 61,850	17.7	\$ 61,000	-1.4	\$ 62,000	1.6
<i>Housing Starts</i>	2014	%	2015F	%	2016F	%
Victoria CMA	1,315	-22.0	2,070	57.4	1,750	-15.5
Single	551	7.2	690	25.2	600	-13.0
Multiple	764	-34.8	1,380	80.6	1,150	-16.7
Nanaimo CMA	665	60.2	940	41.4	760	-19.1
Single	318	55.1	390	22.6	360	-7.7
Multiple	347	65.2	550	58.5	400	-27.3

Thompson Okanagan

<i>MLS® Unit Sales</i>	2014	%	2015F	%	2016F	%
Okanagan Mainline Real Estate Board	7,525	23.7	8,030	6.7	7,875	-1.9
Single Detached	4,168	20.5	4,350	4.4	4,425	1.7
Apartment	1,208	33.2	1,350	11.8	1,250	-7.4
Townhouse	1,150	27.6	1,230	7.0	1,200	-2.4
South Okanagan Real Estate Board	1,757	25.4	1,940	10.4	1,850	-4.6
Single Detached	976	31.2	1,050	7.6	1,000	-4.8
Apartment	298	8.4	330	10.7	315	-4.5
Townhouse	192	21.5	240	25.0	250	4.2
Kamloops and District Real Estate Area	2,260	-4.6	2,560	13.3	2,500	-2.3
Single Detached	1,637	1.2	1,850	13.0	1,820	-1.6
Apartment	145	-36.1	200	37.9	190	-5.0
Townhouse	269	-7.6	290	7.8	280	-3.4
<i>MLS® Average Price</i>	2014	%	2015F	%	2016F	%
Okanagan Mainline Real Estate Board	\$ 397,661	5.9	\$ 409,000	2.9	\$ 416,100	1.7
Single Detached	\$ 465,263	5.6	\$ 479,900	3.1	\$ 483,700	0.8
Apartment	\$ 236,737	4.4	\$ 244,400	3.2	\$ 247,000	1.1
Townhouse	\$ 330,413	2.6	\$ 334,600	1.3	\$ 335,000	0.1
South Okanagan Real Estate Board	\$ 308,494	3.1	\$ 325,400	5.5	\$ 332,000	2.0
Single Detached	\$ 375,529	2.4	\$ 383,000	2.0	\$ 390,000	1.8
Apartment	\$ 226,761	1.1	\$ 225,000	-0.8	\$ 231,000	2.7
Townhouse	\$ 233,638	-3.7	\$ 255,000	9.1	\$ 260,000	2.0
Kamloops and District Real Estate Area	\$ 318,241	1.9	\$ 329,000	3.4	\$ 337,000	2.4
Single Detached	\$ 357,018	0.2	\$ 371,000	3.9	\$ 380,800	2.6
Apartment	\$ 195,253	1.8	\$ 196,100	0.4	\$ 200,200	2.1
Townhouse	\$ 278,351	1.9	\$ 280,000	0.6	\$ 282,400	0.9
<i>Housing Starts</i>	2014	%	2015F	%	2016F	%
Kelowna CMA	1,311	29.4	1,300	-0.8	1,150	-11.5
Single	695	20.0	630	-9.4	550	-12.7
Multiple	616	41.9	670	8.8	600	-10.4
Penticton CMA	181	126.3	285	57.5	315	10.5
Single	145	145.8	145	0.0	200	37.9
Multiple	36	71.4	140	288.9	115	-17.9
Kamloops CA	518	8.1	605	16.8	535	-11.6
Single	281	28.3	315	12.1	260	-17.5
Multiple	237	-8.8	290	22.4	275	-5.2

Kootenay

<i>MLS® Unit Sales</i>	2014	%	2015F	%	2016F	%
Kootenay Real Estate Board	2,536	22.0	2,550	0.6	2,625	2.9
Single Detached	1,496	18.4	1,575	5.3	1,610	2.2
Apartment	254	35.1	200	-21.3	195	-2.5
Townhouse	184	17.2	185	0.5	190	2.7
<i>MLS® Average Price</i>	2014	%	2015F	%	2016F	%
Kootenay Real Estate Board	\$ 277,867	0.5	\$ 277,000	-0.3	\$ 281,000	1.4
Single Detached	\$ 282,900	1.4	\$ 284,000	0.4	\$ 288,000	1.4
Apartment	\$ 180,183	4.6	\$ 173,900	-3.5	\$ 185,000	6.4
Townhouse	\$ 264,132	2.8	\$ 263,200	-0.4	\$ 262,000	-0.5
<i>Housing Starts</i>	2014	%	2015F	%	2016F	%
Cranbrook CMA	86	4.9	80	-7.0	85	6.3
Single	86	19.4	60	-30.2	70	16.7
Multiple	-	n/a	20	n/a	15	-25.0

Northern BC

<i>MLS® Unit Sales</i>	2014	%	2015F	%	2016F	%
BC Northern Real Estate Board	4,507	7.9	4,350	-3.5	4,640	6.7
Single Detached	2,630	4.7	2,525	-4.0	2,630	4.2
House with Acreage	687	16.0	675	-1.7	680	0.7
Northern Lights Area ¹	374	4.8	350	-6.4	375	7.1
Single Detached	321	2.9	295	-8.1	310	5.1
<i>MLS® Average Price</i>	2014	%	2015F	%	2016F	%
Kootenay Real Estate Board	\$ 262,174	7.6	\$ 267,300	2.0	\$ 275,000	2.9
Single Detached	\$ 278,507	7.5	\$ 284,100	2.0	\$ 295,000	3.8
House with Acreage	\$ 329,354	2.8	\$ 337,800	2.6	\$ 338,000	0.1
Northern Lights Area ¹	\$ 283,271	5.0	\$ 285,000	0.6	\$ 288,000	1.1
Single Detached	\$ 292,930	4.8	\$ 298,300	1.8	\$ 303,000	1.6
<i>Housing Starts</i>	2014	%	2015F	%	2016F	%
Prince George CMA	158	-19.0	270	70.9	200	-25.9
Single	133	5.6	170	27.8	130	-23.5
Multiple	25	-63.8	100	300.0	70	-30.0
Dawson Creek CMA	297	53.9	135	-54.5	175	29.6
Single	56	115.4	35	-37.5	50	42.9
Multiple	241	44.3	100	-58.5	125	25.0

1. The former Northern Lights Real Estate Board merged with the South Okanagan Real Estate

Housing Forecast Summary — Fourth Quarter

Board Area	Unit Sales			Average MLS® Price (\$)		
	2014	2015F	2016F	2014	2015F	2016F
Victoria	6,371 11.9%	7,775 22%	7,250 -6.8%	\$496,473 3.2%	\$520,000 4.7%	\$535,000 2.9%
Vancouver Island	7,187 9.7%	8,400 16.9%	8,100 -3.6%	\$328,740 4.4%	\$342,000 4%	\$352,000 2.9%
Powell River Sunshine Coast	323 14.1%	340 5.3%	345 1.5%	\$233,407 4.3%	\$247,500 6%	\$249,900 1%
Greater Vancouver	33,693 16.2%	42,300 25.5%	37,800 -10.6%	\$812,652 5.8%	\$885,000 8.9%	\$925,000 4.5%
Fraser Valley	15,017 16.5%	19,200 27.9%	17,600 -8.3%	\$517,718 5.6%	\$568,000 9.7%	\$591,000 4%
Chilliwack and District	2,499 21.2%	2,950 18.0%	2,775 -5.9%	\$308,790 2.4%	\$330,000 6.9%	\$334,000 1.2%
Kamloops and District	2,260 -4.6%	2,560 13.3%	2,500 -2.3%	\$318,241 1.9%	\$329,000 3.4%	\$337,000 2.4%
Okanagan Mainline	7,525 23.7%	8,030 6.7%	7,875 -1.9%	\$397,661 5.9%	\$409,000 2.9%	\$416,100 1.7%
South Okanagan*	1,757 25.4%	1,940 10.4%	1,850 -4.6%	\$308,494 3.1%	\$325,400 5.5%	\$332,000 2%
Northern Lights	374 4.8%	350 -6.4%	375 7.1%	\$283,271 5%	\$285,000 0.6%	\$288,000 1.1%
Kootenay	2,536 22%	2,550 0.6%	2,625 2.9%	\$277,867 0.5%	\$277,000 -0.3%	\$281,000 1.4%
BC Northern	4,507 7.9%	4,350 -3.5%	4,640 6.7%	\$262,174 7.6%	\$267,300 2%	\$275,000 2.9%
BC Total	84,049 15.2%	100,745 19.9%	93,735 -7%	568,405 5.8%	626,100 10.2%	639,700 2.2%

NOTE: The Northern Lights Real Estate Board (NLREB) became part of the South Okanagan Real Estate Board (SOREB) on January 1, 2011.

*Excluding Northern Lights

BCREA Economics provides timely research, analysis and information on economic factors affecting British Columbia and its housing markets.

The British Columbia Real Estate Association (BCREA) is the professional association for more than 19,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's 11 real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports policies that help ensure economic vitality, provide housing opportunities, preserve the environment, protect property owners and build better communities with good schools and safe neighbourhoods.

Send questions and comments about the Housing Forecast to:

Cameron Muir, Chief Economist,
cmuir@bcrea.bc.ca; 604.742.2780

Brendon Ogmundson, Economist,
bogmundson@bcrea.bc.ca; 604.742.2796

Additional economics information is available on
BCREA's website at: www.bcrea.bc.ca.

To sign up for BCREA news releases by email visit:
[www.bcrea.bc.ca/news-and-publications/publications/
manage-subscriptions](http://www.bcrea.bc.ca/news-and-publications/publications/manage-subscriptions).