

Real Estate Investment Network *B.C. Workshop Presentation* *May 20th, 2010*

Red Robinson Show Theatre

Presented By:

Don White, CFA, CGA

WinnipegREALTORS® Commercial Division Chair

Peter Squire

WinnipegREALTORS® MLS® Market Analyst



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Winnipeg's MLS® Market



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First Millennium Decade Speaks Volumes

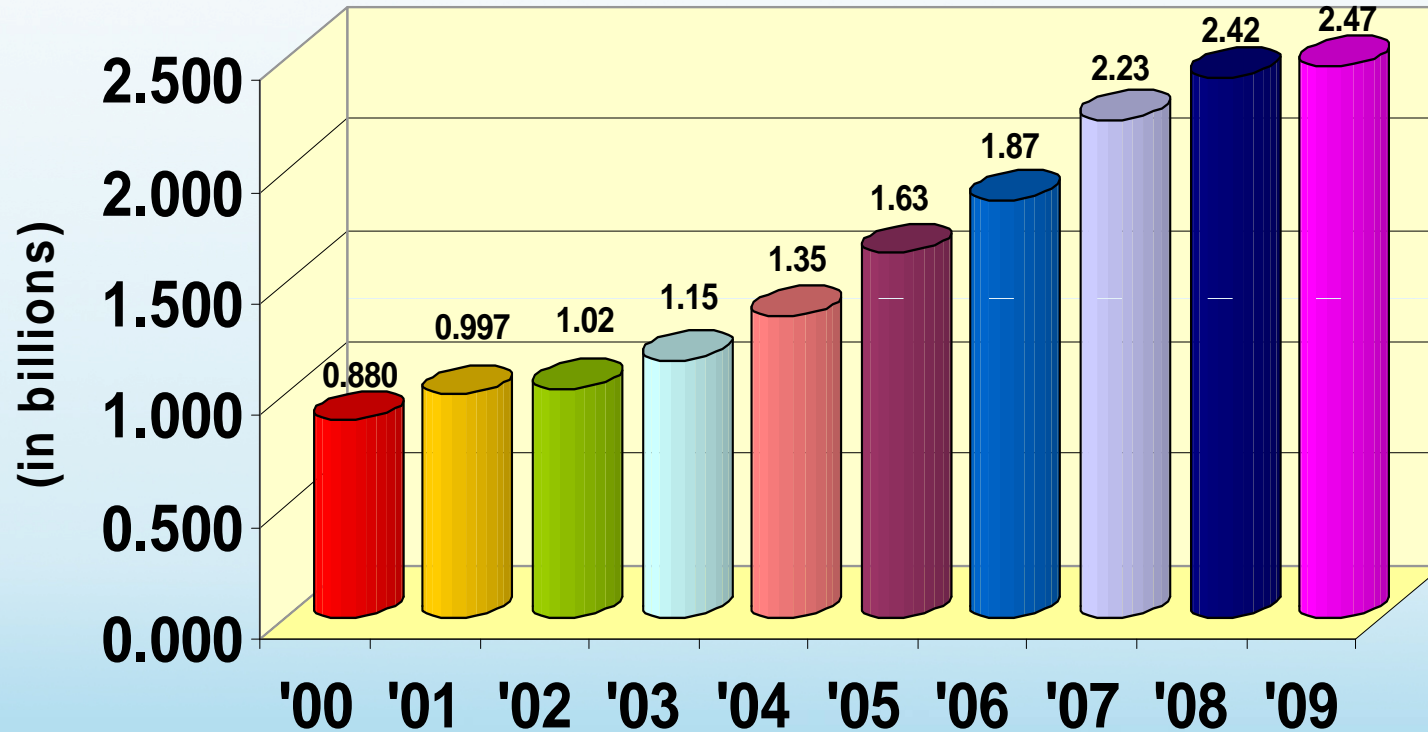
- A decade noteworthy for price growth
- 2003 gets things going in earnest
- Six consecutive years of double-digit price increases
- First \$1 billion MLS® market progresses to \$2.5 billion
- RD sales consistently over 9,000 since 2005
- RD sales dollar volume reached \$2 billion in 2009
- RD days on market improve dramatically
- Condo sales finish decade with biggest market share ever
- Condo sales consistently over 1,000 since 2006



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MLS® Sales Dollar Volume

January 1st to December 31st



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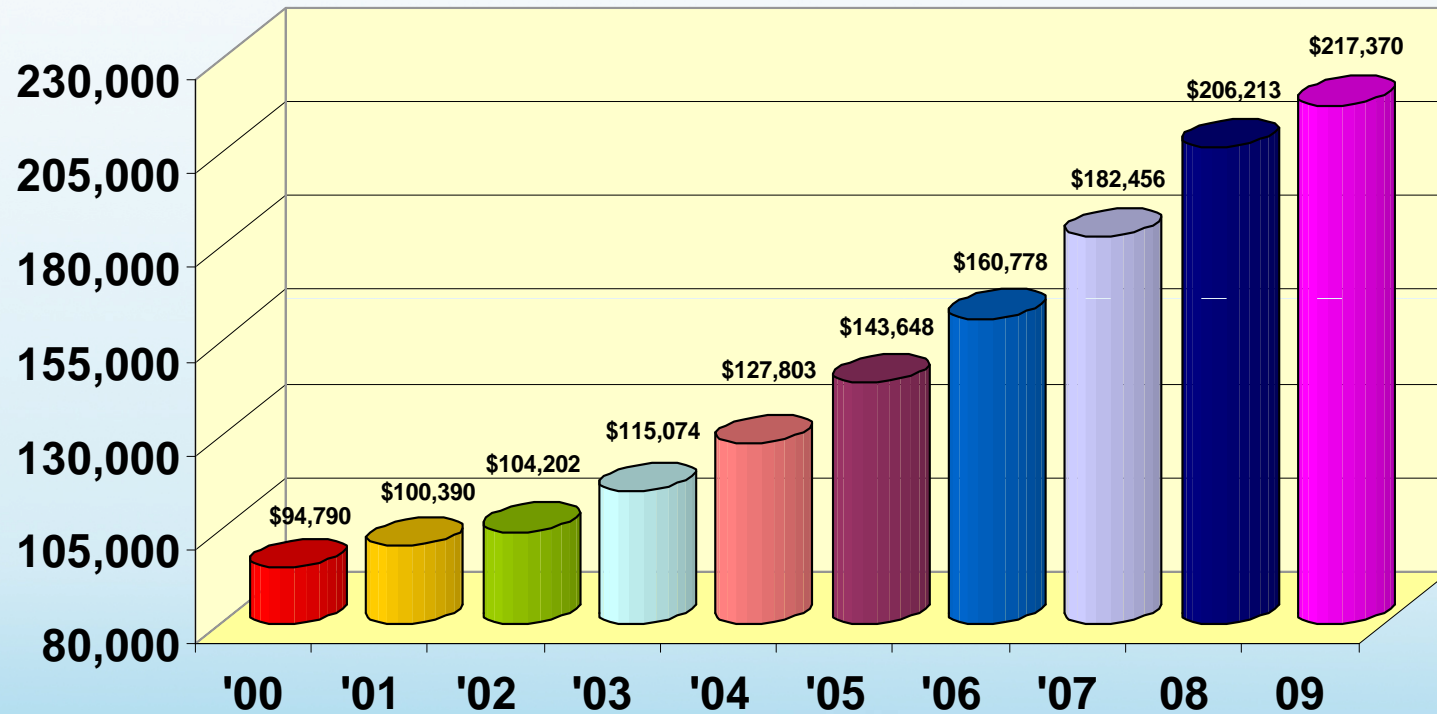
MLS® Sales to Active Listings Comparison



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Residential-Detached Average Sale Price

Average Annual Increase of 12%



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2009 Average Home

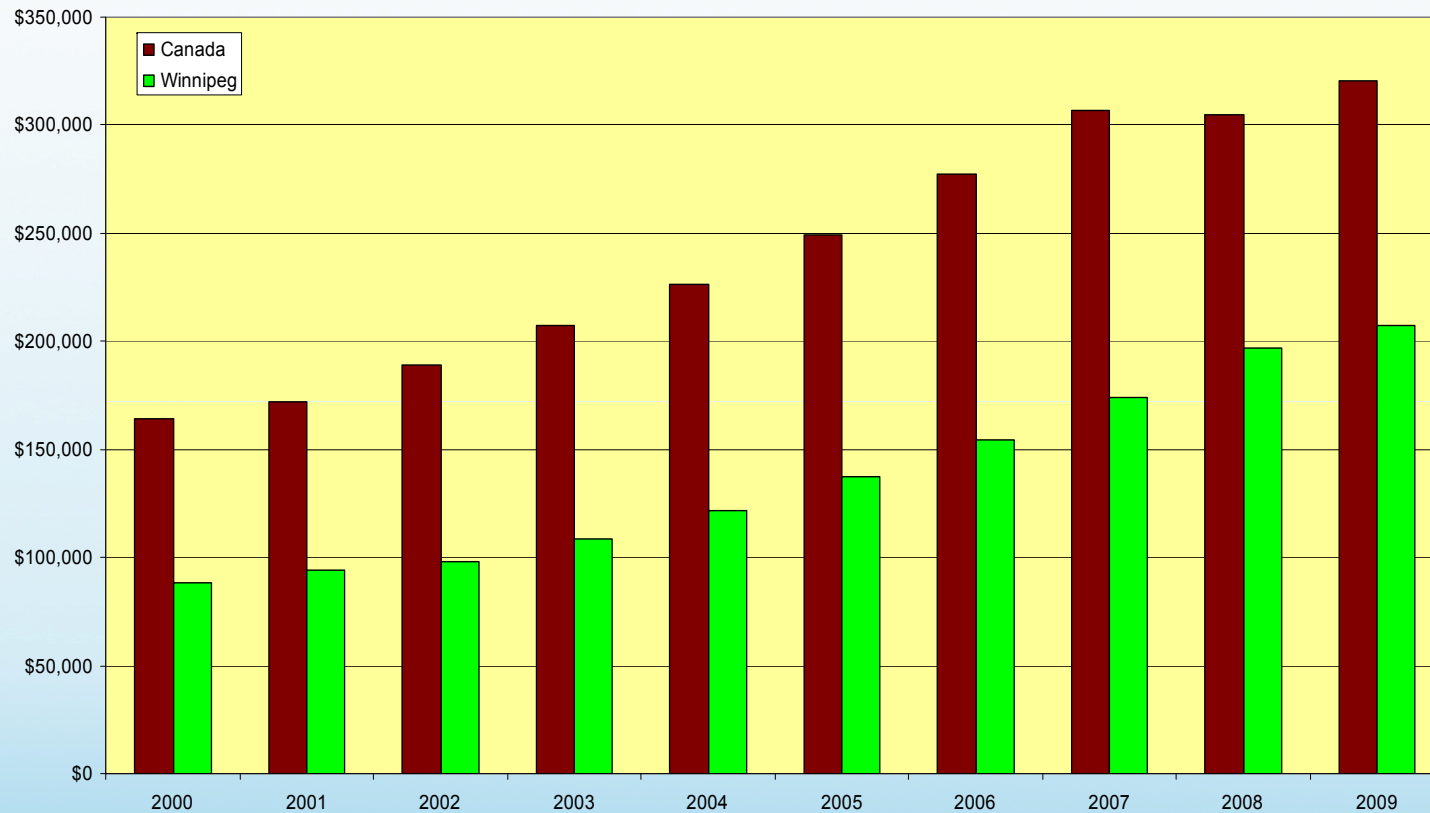


Sold Price \$217,000



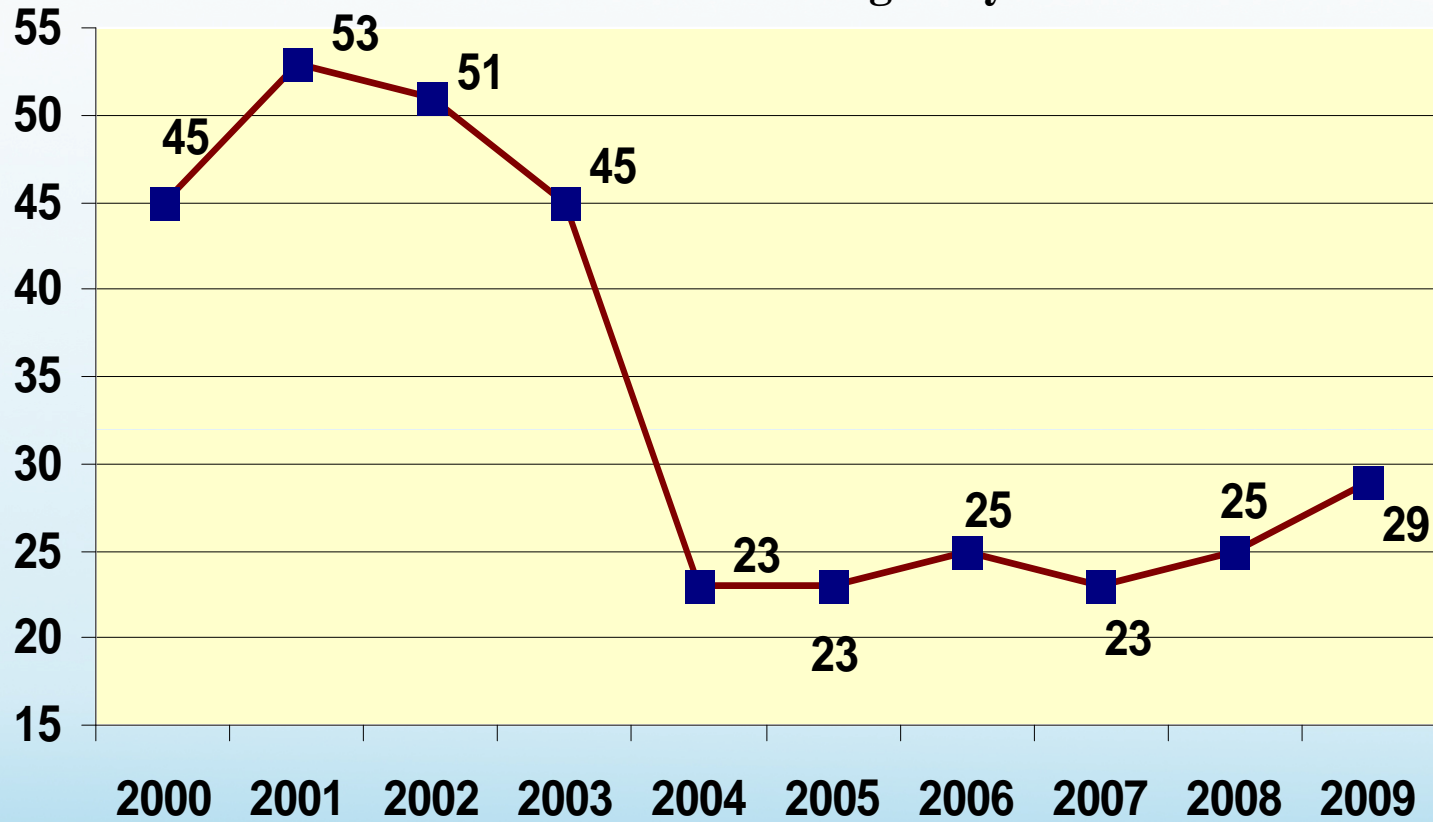
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MLS® Residential Average Price Comparison



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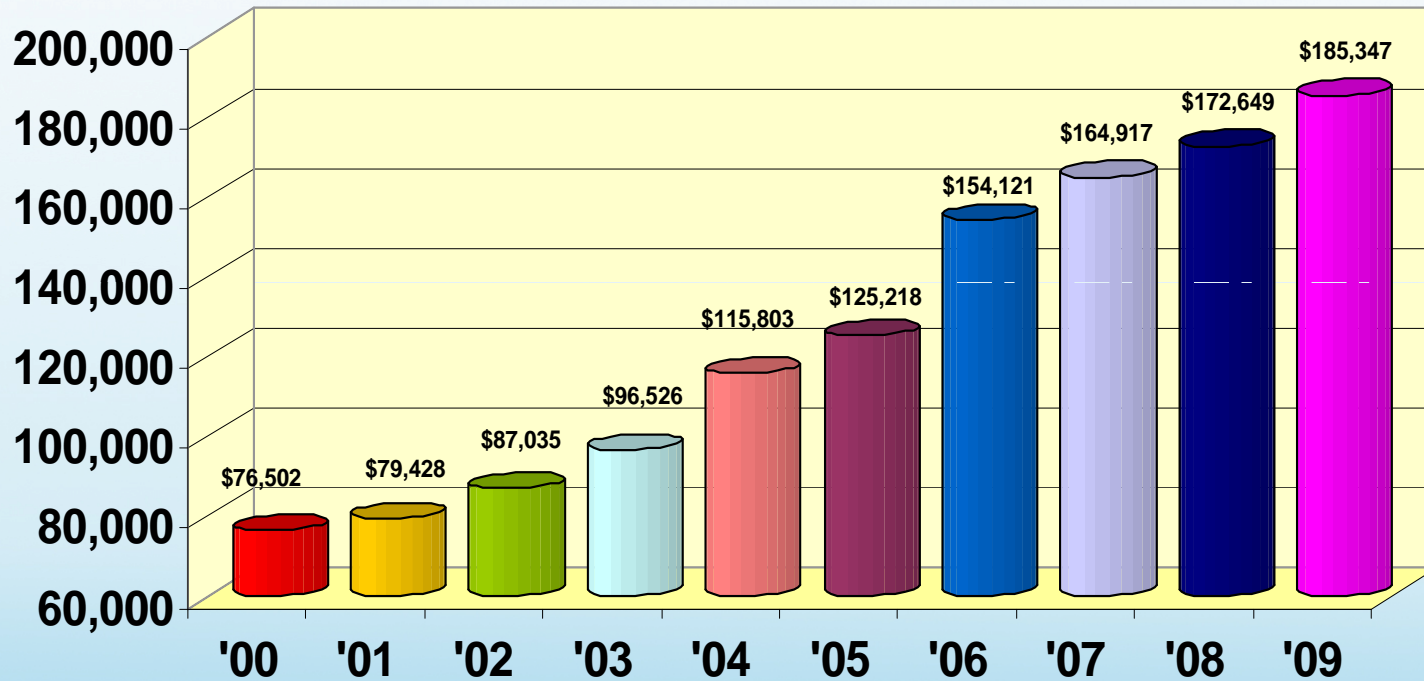
Residential-Detached Average Days on Market



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Condominium Average Sale Price

Average Annual Increase of 14%



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2010 MLS® Forecast

- Consumer optimism high
- Holding on to housing affordability
- Immigration up 25% in first 9 months of 2009
- Low interest rates at least until third quarter
- Default position still goes to resale market
- Economy and job market remains positive
- Construction activity and infrastructure investment brisk
- Strong REALTOR® network and overall team



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2010 MLS® Forecast

	Forecast
Home Sales	2 - 4 %
Home Prices	6%
Condo Prices	6 - 8 %
Total MLS® Dollar Volume	8 - 10 %



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2010 continues upward trend-line of First Millennium Decade

- Residential-detached (RD) prices up 10% in first four months to \$239,000
- April average RD price reaches \$250,000
- MLS® sales up 12% in 2010
- New MLS® monthly dollar volume records set each month
- First time April MLS® sales worth over \$300 million
- Shift in RD sales to higher price ranges with the \$200,000 to \$249,999 being most active
- Average days on market for RD sales only 26 days, just 21 days for April
- 46% of residential-detached sales this year are going for above list price
- Another 10% are selling at list price
- Condominium prices are up 5% to \$195,000
- The most active condo price range is \$150,000 to \$199,999



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Winnipeg's Cottage Country



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Winnipeg's Economy

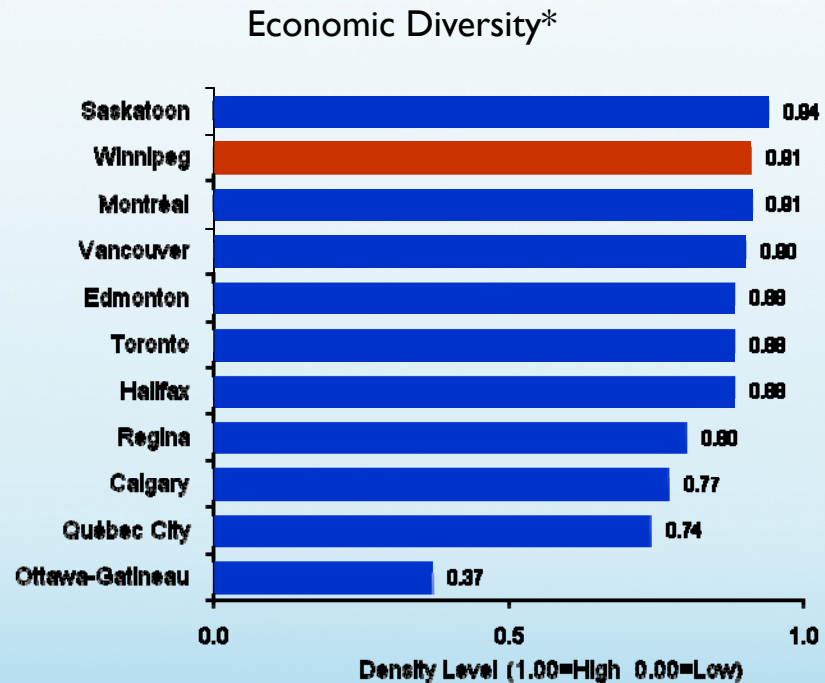
(What's Going On?)



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Moving forward in a tough North American economy through:

- Diversity
- Stability
- Resilience

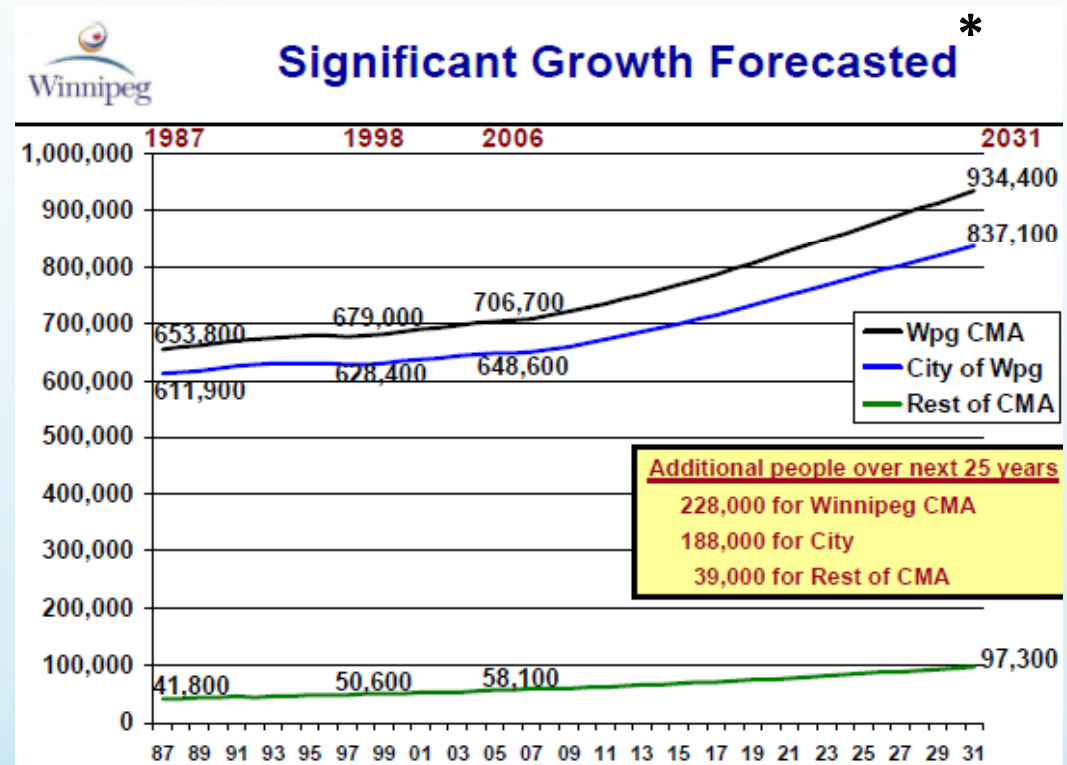


*2009 Conference Board of Canada



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- Manitoba's population grew by nearly 16,000 (net) people during the last 12 months, a 38-year high.
- Represents an increase of 1.32 per cent, Canada's growth rate was 1.24 per cent during the same timeframe.
- Projected Winnipeg CMA population growth over the next 25 years will be in the order of 230,000 people.
- Much of the growth is attributed to the success of the Provincial Nominee Program.



*City of Winnipeg, September 2007



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Mid-Continent Trade Corridor – Northern Hub

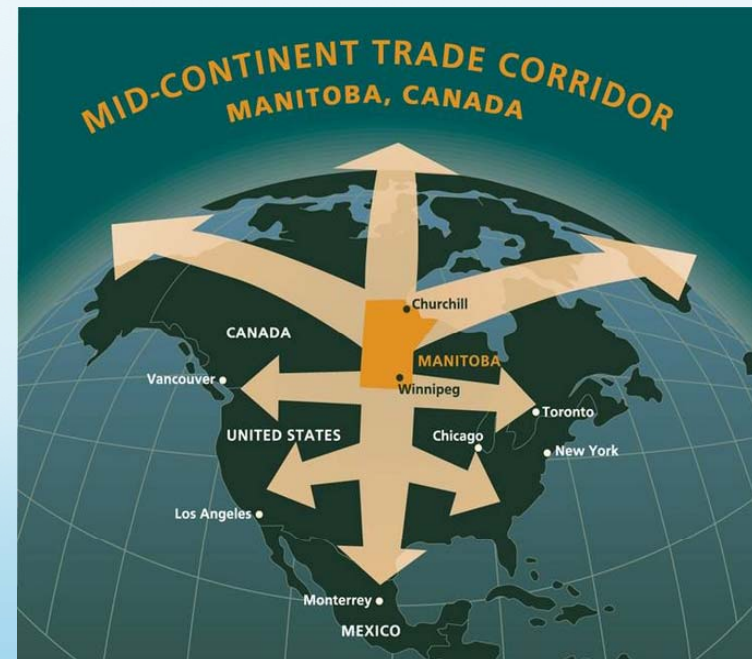
- \$10 billion in annual two-way trade
- Winnipeg is a critical transportation centre between Vancouver and Toronto
- Centre of Canada's national inter-modal rail systems - east/west & north/south
- Central access point to ocean ports through Churchill and Thunder Bay
- Airport upgrading underway – new terminal for 2010
- Emerson / Pembina border 2nd busiest crossing in Western Canada



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Centre Port Canada

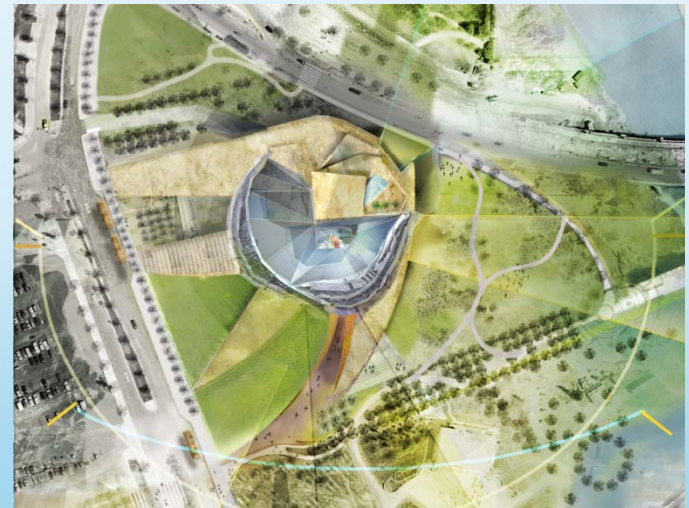
- CentrePort Canada is our country's **first** Foreign Trade Zone (FTZ) and inland port.
- Open for business next to Winnipeg's James Armstrong Richardson International Airport.
- CentrePort offers greenfield investment opportunities for a wide variety of sectors including distribution centres, warehousing and manufacturing.
- The inland port is the result of a dynamic partnership between governments and the private sector.
- CentrePort Canada is being built on a foundation of trade and transportation assets that are unmatched anywhere in the region.
- CentrePort Canada is growing these assets with new investments in transportation infrastructure and in manufacturing and distribution facilities.



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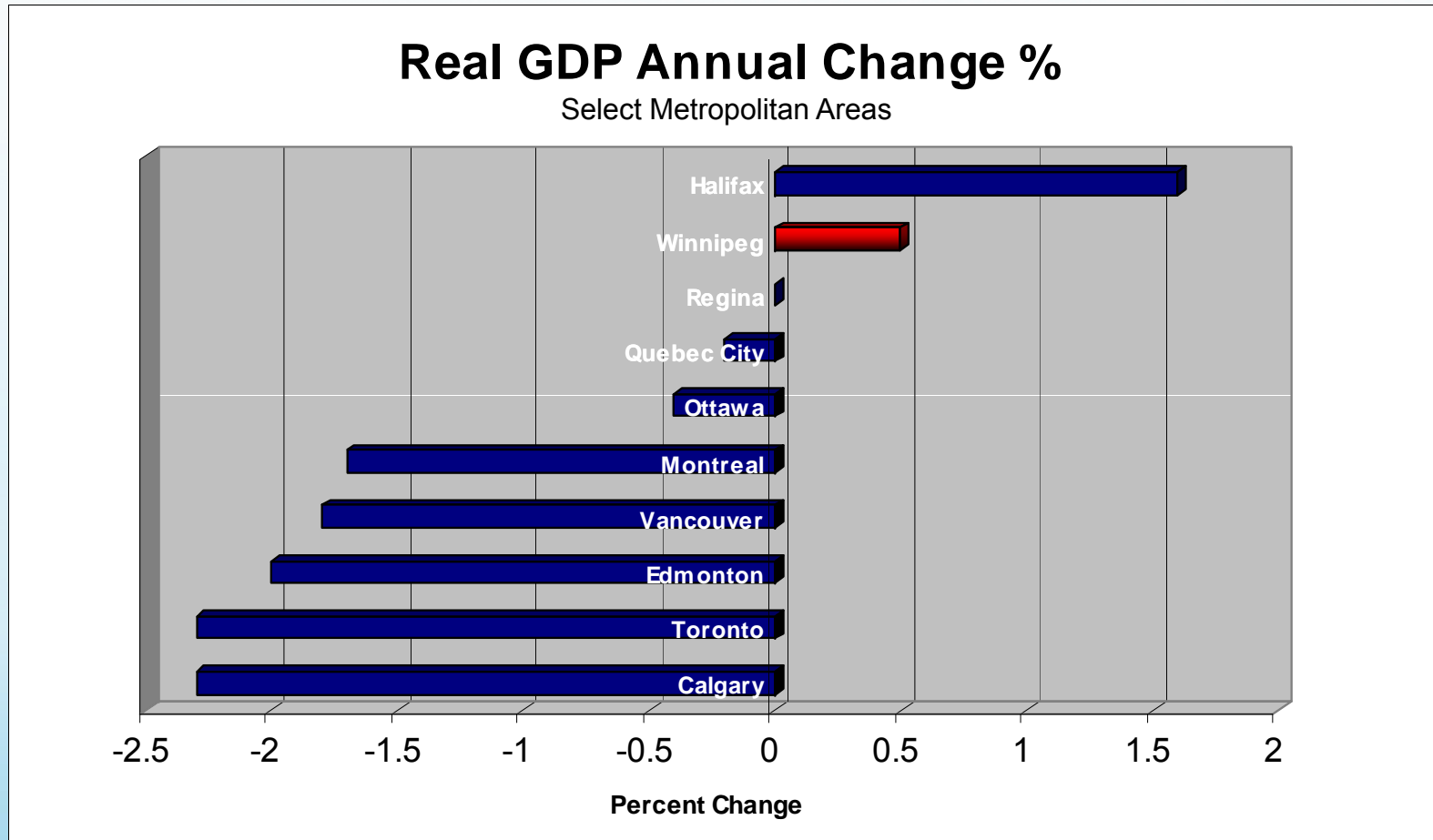
Canadian Museum for Human Rights

- The Canadian Museum for Human Rights will promote respect, understanding and an awareness of the role that each individual can play in furthering the dignity and rights of all citizens of the world;
- The Museum will be a catalyst for action, exhibition content and educational programming will have a transformative impact on the minds and the hearts of those it reaches;
- The Museum will be an exceptional national and international destination that encourages reflection and dialogue on human rights issues, sensitizes the world to the consequences of prejudice and results in greater respect for the rights of others;
- The Museum's programming will be housed in a magnificent and inspiring building that is worthy of its content and that becomes an internationally recognized symbol both of the ongoing struggle to defend human rights and of Canada's important role in that journey.



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Winnipeg's 2009 GDP Growth



Source: 2009 Conference Board of Canada



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2009 Economic Summary

- Manitoba outperformed the national economy in virtually all of the major economic indicators in 2009.
- Manitoba's population increased by 16,435 in the year ending January 1, 2010, the best performance since at least 1972.
- In 2009, there were only 65 business bankruptcies in Manitoba, the lowest number since 1977.
- After maintaining positive economic growth in 2009, Manitoba is forecast to enjoy a 2.5% expansion in real GDP in 2010, largely thanks to stronger manufacturing output and more robust domestic demand.

Sources: Manitoba Finance **Economic and Fiscal Analysis Branch**, Taxation, Economic and Intergovernmental Fiscal Research Division; & Conference Board of Canada



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Winnipeg's Commercial Market



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Winnipeg Commercial Market Overview

- Stable and diversified economy
- Leasing and supply fundamentals in check
- Cash yield and long-term hold – passive nature of the Winnipeg market

Winnipeg Vacancy Trend:

Industrial Market

2007	4.3%
2008	3.2%
2009	3.8%

2010

Office Market

2007	6.8%
2008	5.4%
2009	7.8%

2010

Retail Market

2007	3.4%
2008	2.7%
2009	2.6%

2010



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Winnipeg Commercial Market Outlook

- Capital > Investment Opportunities
- ↓↓↓↓ Pressure to Sell
- Multi-Residential and Retail Hot
- ↓↓↓↓ Business Failures and ↑↑↑↑ Government & Private Sector Spending



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Total Sales Volume - Winnipeg

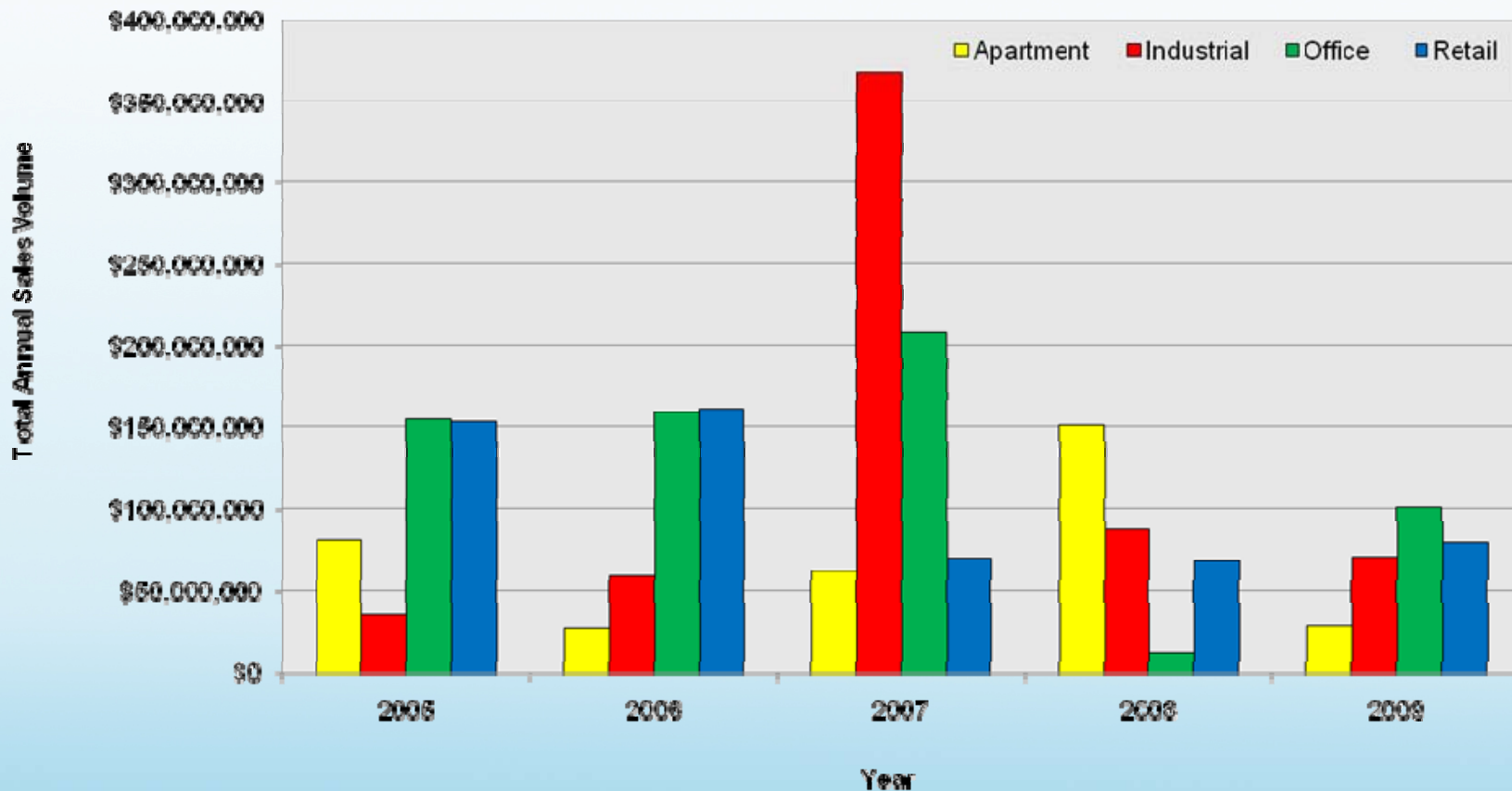


* As tracked by Colliers and based on sales over \$1 million. Data may exclude certain bare trustee sales not tracked by Winnipeg Land Titles Office.



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Sales Volume Trend - Winnipeg



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Major Trades in 2009 - Winnipeg



Cityplace
Sold for \$81.5 million
455,000 sf
Purchased by MPIC



ING Industrial Portfolio
Sold for \$42.7 million
721,000 sf
Purchased by Artis REIT



Garden City Shopping Centre
Sold for \$41 million
283,000 sf
Purchased by RioCan REIT/Bayfield



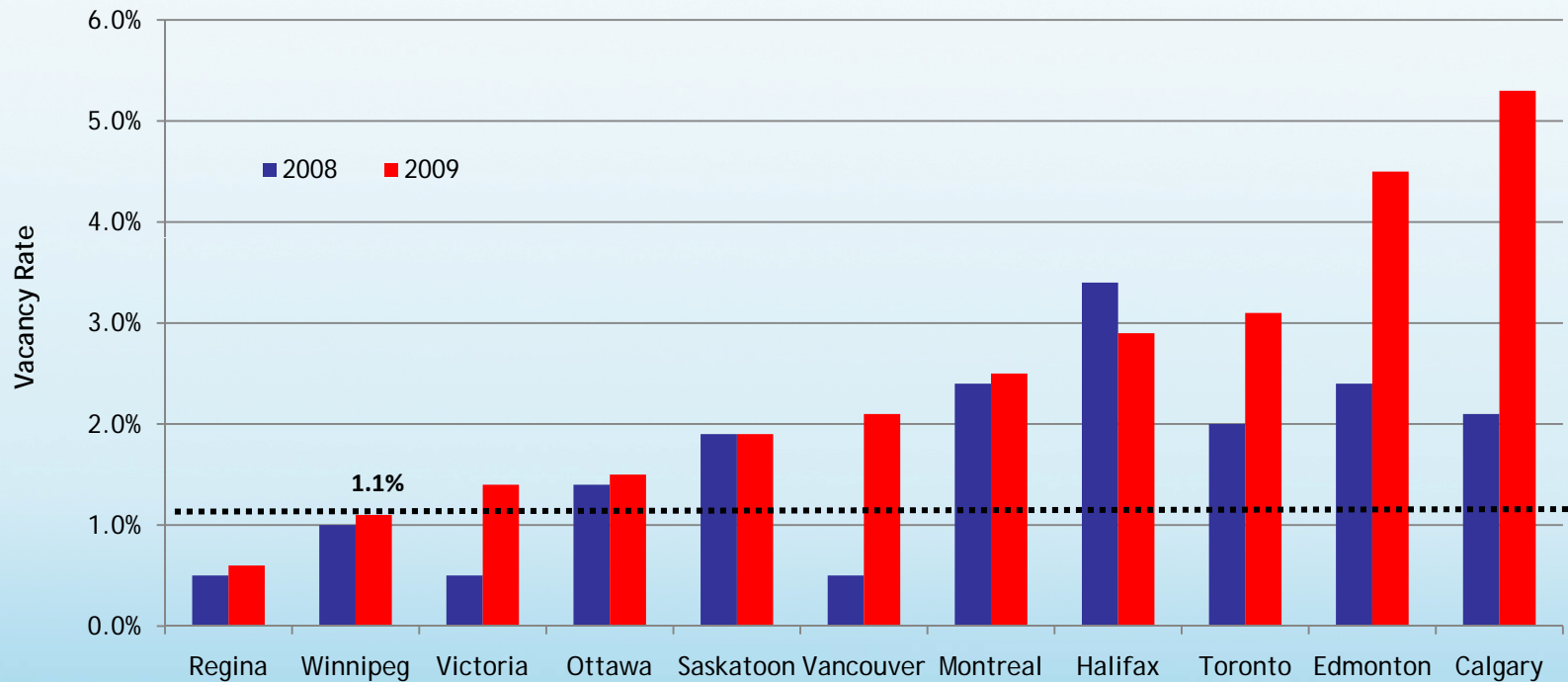
Kenaston Village Mall / Kenaston Place
Sold for \$18.35 million
103,000 sf
Purchased by a private local buyer



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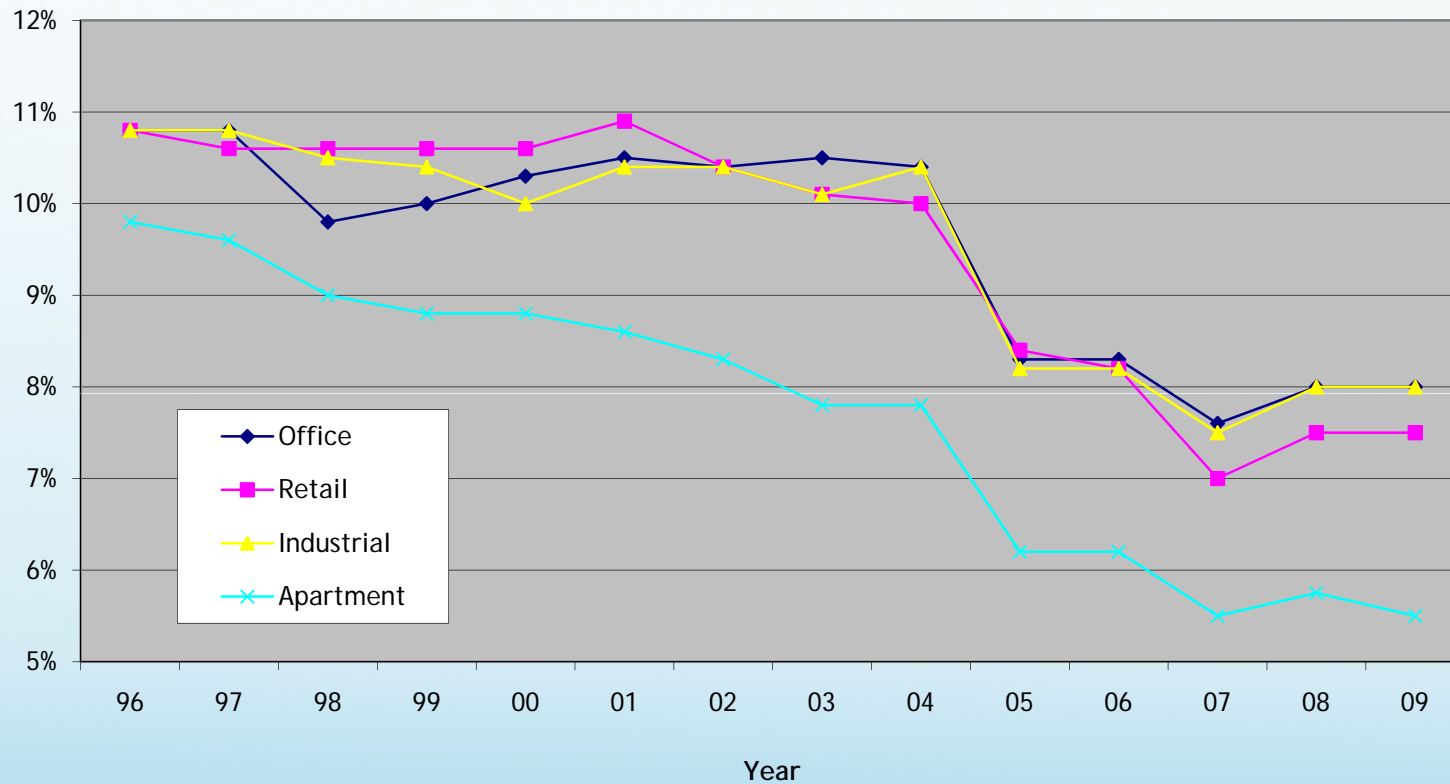
Apartment Vacancy Rates Canadian Comparison

October 2009 Vacancy Rates - Selected CMAs



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Capitalization Rates - Winnipeg



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Historical Winnipeg Leasing Overview – Annual Metrics

Industrial

Year End	Inventory (SF)	INDUSTRIAL			
		Net New Supply (SF)	Absorption (SF)	Vacancy (%)	Average Net Rent PSF
2005	77,859,000	484,000	849,095	4.5%	\$4.25
2006	78,209,000	350,000	99,623	4.8%	\$4.25
2007	78,522,280	313,280	690,854	4.3%	\$4.75
2008	79,002,993	480,713	1,314,673	3.2%	\$5.25
2009	79,114,047	111,054	-344,152	3.8%	\$5.50

Office

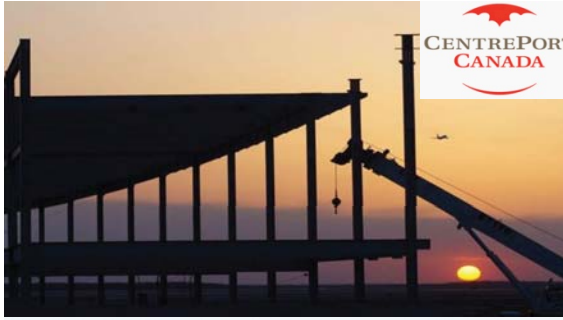
Year End	Inventory (SF)	OFFICE			
		Net New Supply (SF)	Absorption (SF)	Vacancy (%)	Average Net Rent PSF
2005	13,228,239	411,963	354,197	7.8%	\$16.00
2006	13,506,671	278,432	351,261	7.1%	\$16.00
2007	13,565,651	58,980	95,489	6.8%	\$17.00
2008	13,667,549	101,898	286,315	5.4%	\$17.00
2009	14,861,996	1,194,447	774,687	7.8%	\$17.00

Retail

Year End	Inventory (SF)	RETAIL			
		Net New Supply (SF)	Absorption (SF)	Vacancy (%)	Net Rent Range PSF
2005	11,527,666	103,589	N/A	3.5%	\$14-\$50
2006	12,219,904	692,238	N/A	3.3%	\$16-\$50
2007	12,422,966	203,062	N/A	3.4%	\$18-\$55
2008	13,066,938	643,972	N/A	2.7%	\$18-\$60
2009	13,201,594	134,656	N/A	2.6%	\$18-\$90



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CENTREPORT
CANADA



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