

Land sales soar as real estate preps for B.C. recovery

Lower Mainland land values soared 28 per cent in 2020 year-over-year to more than \$4 billion to lead all commercial real estate sectors

WI Staff
April 19, 2021
Western Investor



— A 9.7-acre site in Port Coquitlam sold for \$13.5 million in December 2020. | Lee & Associates

Land was the hottest commercial real estate sector in 2020 across B.C.'s Lower Mainland, accounting for nearly half the value of the entire market. With 409 transactions, up 2.4 per cent from 2019, the year-over-year dollar value of land sales rose 28.7 per cent to \$4.28 billion, according to the Commercial Edge report from the Real Estate Board of Greater Vancouver (REBGV).

The momentum of land sales increased later in the year, with 54 per cent of sale volumes - \$2.6 billion - taking place in the

second half of 2020.

Total sales in the commercial real estate market followed suit, with a rally in the last six months of the year.

There were a total 1,582 commercial real estate sales in the Lower Mainland in 2020, a 0.6 per cent decrease from 1,592 sales in 2019, according to the REBGV.

The total dollar value of commercial real estate sales in the Lower Mainland was \$8.622 billion in 2020, a 21 per cent increase from \$7.128 billion in 2019.

“Commercial real estate activity mirrored activity in our overall economy in 2020,” said Taylor Biggar, REBGV Chair said.

“The uncertainty brought on by the pandemic caused activity to slow in the first half of the year, but the market picked up in the latter half of 2020 as people and businesses established safety protocols and began assessing their real estate needs again.”

2020 activity by category

Land: There were 409 commercial land sales in 2020, which is a 2.4 per cent decrease from the 419 land sales in 2019. The dollar value of land sales was \$4.283 billion in 2020, a 28.7 per cent increase from \$3.329 billion in 2019.

Office and Retail: There were 592 office and retail sales in the Lower Mainland in 2020, which is down 8.8 per cent from the 649 sales in 2019. The dollar value of office and retail sales was \$1.7 billion in 2020, a 2.1 per cent increase from \$1.666 billion in 2019.

Industrial: There were 508 industrial land sales in the Lower Mainland in 2020, which is a 9.5 per cent increase from the 464 sales in 2019. The dollar value of industrial sales was \$1.457 billion in 2020, a 6.1 per cent increase from \$1.373 billion in 2019.

Multi-family: There were 73 multi-family rental apartment sales in the Lower Mainland in 2020, up 21.7 per cent from 60 sales in 2019. The dollar value of multi-family sales was \$1.180 billion in 2020, a 55.7 per cent increase from \$758 million in 2019.