

WILLIAM | WRIGHT

Report

2024: THE RETURN OF RETAIL

WHAT IS THE BEST INVESTMENT FOR THE UPCOMING YEAR?

FEATURED STORY
BY CORY WRIGHT

Q4 2023

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Kelowna Office
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THE RETURN OF RETAIL



WRITTEN BY



CORY WRIGHT
MANAGING DIRECTOR, BC
VANCOUVER OFFICE



What is the best investment for the upcoming year? This is the most commonly asked question year-after-year. Appraisals and comparables look to the past to draw patterns, while smart investors look to the future to establish trends. Looking forward into 2024, we predict that the best investment will be well-positioned retail in BC's secondary markets.

The retail market is coming off the COVID lows, where many landlords saw increased vacancies, lower than expected rate increases, and a shift in the retail tenant mix. COVID showed us the importance of a lifestyle tenant mix and rapid adoption of food and delivery apps. This has changed the face of retail and proved who were the winners and losers coming out of COVID. As we enter 2024, we will see high demand for well-positioned or grocery-anchored plazas as the retail market continues to rise.

Interest rates have pushed most asset classes into a pause, slowing down the transaction cycle dramatically in 2022 and 2023 as sellers still look for yesterday's prices and buyers look for today's discounts. As we have seen, the Bank of Canada has held the overnight posted rate at 5.0% for five consecutive months now, and buyers are becoming more bullish for 2024. Asset classes such as industrial and multifamily remained consistent throughout the rising interest rates, but the same

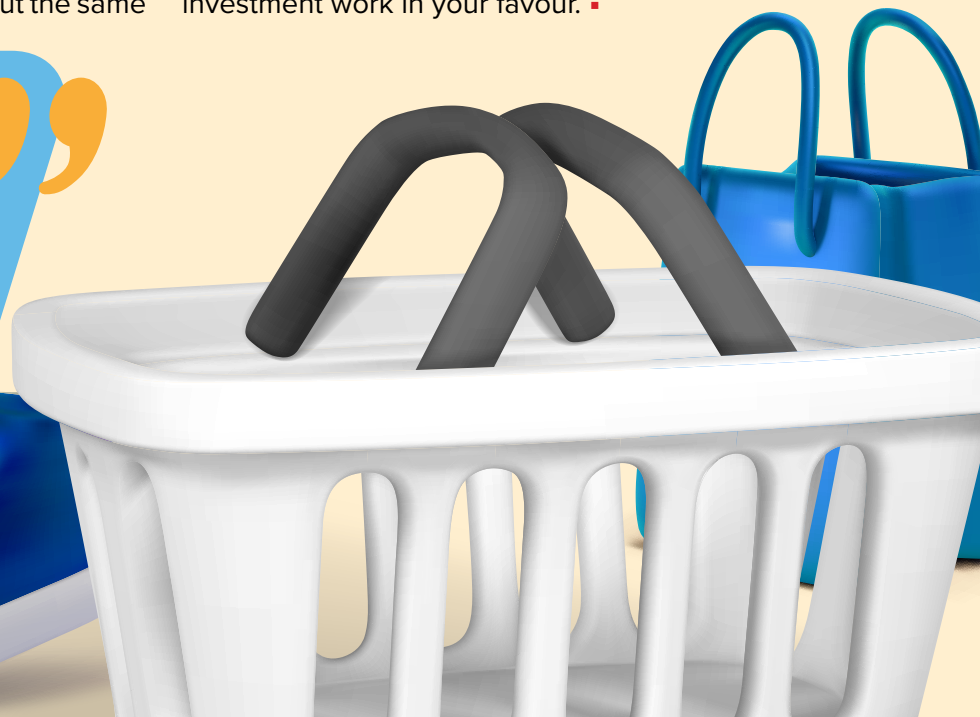


can't be said for retail. This could all change in 2024, as most retailers find their footing again and vacancy within this asset class tightens. Investors will be looking to re-enter the retail market and capitalize as lease rates look to climb in the coming years.

Our pick for the best investment market for 2024 would be a well-positioned retail asset located in any of BC's thriving secondary markets, such as Kelowna, Kamloops, Nanaimo, or Victoria. All four cities post populations of over 100,000 and growing, continue to set records for building permits issued over the last several years, and have various industries driving jobs and community growth, which will eventually push up retail demand and thus lease rates for landlords and investors alike.

With all this said, the retail landscape is poised for a rebound in 2024 and well-positioned retail in BC's secondary markets will present some of the best investment opportunities. Acquiring a retail asset on a fair market cap rate based on current income—and not future or projected income—is key to making this investment work in your favour. ■

THE RETAIL LANDSCAPE IS POISED FOR A REBOUND IN 2024 AND **WELL-POSITIONED RETAIL** IN BC'S SECONDARY MARKETS WILL PRESENT SOME OF THE BEST INVESTMENT OPPORTUNITIES.





PENTICTON'S NEWEST MASTER-PLANNED COMMUNITY: THE INNOVATION DISTRICT

WILLIAM | WRIGHT
Commercial Real Estate Services



Introducing Penticton's Newest Master-Planned Community: The Innovation District by Stryke Group

William Wright Commercial is thrilled to announce that we have been chosen by Stryke Group and Tien Sher Group to represent their commercial real estate needs for the Innovation District, a 10-acre master-planned community at 1704 Government Road in Penticton, BC.

The project will be anchored by over 100,000 SQFT of pedestrian focused retail, medical professional office space, and strata opportunities for businesses looking to be a part of this generational development. The site is strategically located across from the Penticton General Hospital (\$300 million expansion completed in November 2021) and will ultimately service 1,500 new homes on the site and truly transform the Penticton landscape.

For further information on sale and lease opportunities in 2024, please contact our Kelowna office at 236.420.3558 or email sales@williamwright.ca.

SOLD 27.13-ACRE SITE OF THE FORMER ROYAL OAK GOLF COURSE IN VICTORIA



William Wright Commercial is pleased to announce the sale of 540 Marsett Place, home of the former Royal Oak Golf Course in Saanich. The subject property was a par 32, 2000 yard, 9-hole golf course, which ceased operations in 2015. The remaining facility includes a 5,600 SQFT former clubhouse that is currently home to The Golf Performance Project, which is an indoor training facility and equipment fitting business. The rest of the property contains an excess of approximately 27 acres of unused lands adjacent to Elk/Beaver Lake Regional Park. The Seller is a diverse investment group from Saskatchewan, with interests ranging from farming, commodity investments, and development. Santanna Portman, the listing agent for the transaction, has worked with one of the partners who is the President of the All-Rite Group of Companies for over 10 years, with investments spanning throughout Western Canada. This transaction was a great opportunity to work with the Victoria/Saanich area and we are excited to see the property go back to the community under the Capital Regional District's guidance. The Seller group will be looking to reinvest into the BC market and have projects occurring in the Central Island region currently. We look forward to adding to the Seller's growing portfolio in Western Canada and wish the Capital Regional District the best in their latest acquisition.

ADDRESS

540 Marsett Place, Victoria

SIZE

+/- 27.13 Acres

AGENT

Santanna Portman

PRICE

\$8,500,000

TYPE

Development Land

FEATURED LISTINGS Q4 2023

FOR LEASE



8324 FRASER STREET, VANCOUVER
Nathan Armour*
 +/- 39,882 SQFT two-story warehouse and office building with nine dock-level loading doors and custom-built offices.

FOR LEASE



107-32559 LOGAN AVENUE, MISSION
Chris van Vliet*
 +/- 1,200 SQFT of restaurant space at Logan Crossing featuring a flexible layout, large windows, and ample parking.

FOR LEASE



108-2633 VIKING WAY, RICHMOND
Mark Nemish
 Centrally located ground level retail unit close to transit with IB1 zoning, front only access, and showroom. +/- 1,268 SQFT.

FOR LEASE



3-8555 GREENALL AVENUE, BURNABY
Zuber Jamal
 +/- 8,913 SQFT of industrial space offering a warehouse with 24' ceilings, mezzanine area, office/storage area, and lunch room.

FOR SALE/LEASE



2626 MONTROSE AVE, ABBOTSFORD
Samraj Virk, Chris van Vliet*
 Brand new freestanding building in downtown offering three floors of retail/office space totalling +/- 6,266 SQFT.

FOR LEASE



715 EVANS COURT, KELOWNA
Shelby Kostyshen
 Move-in ready industrial units with offices in a central location with quick access to Highway 97. +/- 1,630-4,613 SQFT.

FOR LEASE



100-1525 W 7TH AVENUE, VANCOUVER
Roderick MacKay, Meg Cooney
 Prime +/- 2,675 SQFT office opportunity offering a well-designed workspace, an equipped kitchen, and washrooms.

FOR LEASE



300-13805 104 AVENUE, SURREY
Chris van Vliet*, Stephen Gammer, CCIM*
 +/- 6,600 SQFT of office space featuring a large board room, meeting rooms, washrooms, lunch room, and reception.

FOR SALE



\$1,068,000

648-1281 HORNBY STREET, VANCOUVER
Meg Cooney, Katie Zoladek
 +/- 841 SQFT of office space at One Burrard Place, with investment potential for owner occupiers and investors alike.

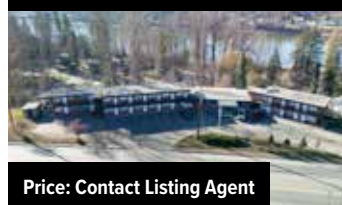
FOR SALE



Price: Contact Listing Agent

6482 175A STREET, SURREY
Sam Repchuk
 +/- 23,573 SQFT of levelled, gravelled, and industrial-zoned development land in Cloverdale.

FOR SALE



Price: Contact Listing Agent

855 FRONT STREET, QUESNEL
Marianne DeCotiis*
 Gold Pan Motel is a +/- 36,429 SQFT, 24-room hotel opportunity strategically located in a vibrant, tourist-friendly area.

FOR SALE



\$4,290,000

6893 HASTINGS STREET, BURNABY
Nathan Armour*
 Freestanding +/- 3,512 SQFT industrial building and bottle depot business, offering an owner occupier opportunity.

FOR SALE



\$1,698,550

2136 E HASTINGS STREET, VANCOUVER
Stathis Michael Savvis*
 +/- 1,477 SQFT of retail space currently improved as a fitness studio and offering high visibility in a prominent location.

FOR SALE



\$1,946,820

153-901 E KENT AVENUE N, VANCOUVER
Josh Jawanda
 +/- 2,742 SQFT of warehouse space with high ceilings in a brand-new industrial strata complex.

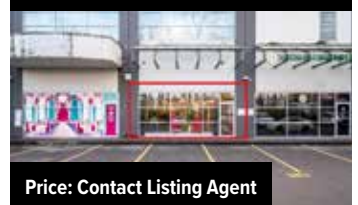
FOR SALE



Price: Contact Listing Agent

107, 108 & 109-23288 FRASERWOOD WAY, RICHMOND
Aman Kundi*
 Three continuous strata units offering +/- 9,402 SQFT of combined industrial and office space.

FOR SALE



Price: Contact Listing Agent

111-8166 128 STREET, SURREY
Aman Kundi*
 1,248 SQFT of retail space in Payal Business Centre, offering maximum visibility and significant foot traffic.

*PERSONAL REAL ESTATE CORPORATION

COMING SOON 4445 W 10TH AVENUE, VANCOUVER



Coming Soon Boutique Shops at Obsidian

Introducing Obsidian, an exclusive commercial opportunity coming soon to the heart of Vancouver's prestigious West Point Grey. Representing strength, sophistication, and timeless design, Obsidian is a premier boutique, mixed-use development crafted with top-quality concrete construction. Embracing the durability of obsidian stones, the building's sleek and elegant architecture, inspired by its dark colour and reflective surface, promises a luxurious retail experience. Ideal for upscale retail brands, food and beverage establishments, personal services, health and wellness studios, cultural exhibits, and high-end offices. Obsidian offers two prime strata commercial spaces at 4445 West 10th Avenue that rarely come available in the area. Located in the affluent West Point Grey neighbourhood, renowned for its scenic surroundings, educational prominence, and vibrant community life, Obsidian ensures a strategic and prestigious location for businesses. The opportunity to elevate your brand with Obsidian awaits—a unique canvas for luxury in Vancouver.

PRICE

Contact Listing Agents

TYPE

Retail

SIZES

+/- 569–1,069 SQFT

AGENTS

Meg Cooney
Roderick MacKay
Matthew Ho



FOR SALE 52855 YALE ROAD, CHILLIWACK



William Wright Commercial is delighted to introduce the sale of 52855 Yale Road, an exceptional opportunity that encompasses both the property and a diverse range of businesses. This unique offering includes a Liquor Store, Gas Station, Convenience Store, and the renowned Barcelos establishment.

Notably, this location has undergone recent renovations, ensuring it meets modern standards and is primed for continued success. What truly sets this opportunity apart is the establishment's impressive track record – it has been in operation for over 30 years and boasts a fiercely loyal customer base.

Additionally, this property features a prime tenant in the form of Tim Hortons, a well-known and beloved brand. Tim Hortons has a long-term lease in place, further solidifying the property's income potential and stability.

PRICE

Contact Listing Agents

TYPE

Retail

LOT SIZE

+/- 1.36 Acres

AGENTS

Bikram Singh
Esar Cheema
Mark Nemish

BUILDINGS

Tim Hortons, Liquor Store,
Gas Station, Convenience
Store, and Barcelos
Restaurant



RECENT TRANSACTIONS Q4 2023

LEASED



105-32559 LOGAN AVENUE, MISSION
Chris van Vliet*
 1,207 SQFT of prime retail space at Logan Crossing featuring flexible layouts, large storefront windows, and ample parking.

LEASED



8378 120TH STREET, SURREY
Chris van Vliet*
 Brand new mixed use building comprised of 3 retail units and 2 levels of office space. +/- 12,336 SQFT.

LEASED



134-8610 GLENLYON PWY, BURNABY
Nathan Armour*
 New Haven Business Park provides quick access to the Highway 91, Trans-Canada Highway. +/- 8,976 SQFT.

LEASED



2333 HUNTER ROAD, KELOWNA
Shelby Kostyshen, Jeff Hancock*
 1,488–3,260 SQFT Service Commercial/ Retail opportunities in one of the busiest commercial areas in Kelowna.

LEASED



2030 DOUGLAS STREET, VICTORIA
Harry Jones*, Connor Braid*, Jeff Hassler
 High exposure +/- 1,382 SQFT retail unit in a mixed-use multi-tenanted property with ample parking and exterior renovations.

LEASED



9B-1800 TRANQUILLE RD, KAMLOOPS
Marianne DeCotiis*, Jeff Brown
 Brock Centre is anchored by Save-On-Foods, Shoppers Drug Mart and Tim Hortons. +/- 5,433 SQFT.

LEASED



4-715 EVANS COURT, KELOWNA
Shelby Kostyshen
 +/- 1,342 square feet of move-in ready industrial space with office and is centrally located with quick access to Highway 97.

LEASED



345 BERNARD AVENUE, KELOWNA
Jeff Brown, Victoria Mitchell
 +/- 2,612 SQFT of prime retail space in downtown, which will become Fjällräven's first location in the Okanagan.

SOLD



Price: Contact Listing Agent

22356 LOUGHEED HWY, MAPLE RIDGE
Stathis Michael Savvis*
 +/- 3,446 SQFT retail space in the vibrant town centre, known for its bustling retail scene and standalone establishments.

SOLD



Price: Contact Listing Agent

11011 SCOTT ROAD, SURREY
Meg Cooney
 0.76 acre CHI-zoned development land with excellent access and immediate proximity to Scott Road SkyTrain.

SOLD



Price: Contact Listing Agent

612 YATES STREET, VICTORIA
Harry Jones*
 Tenant representation for Patagonia, who will operate out of the entire main retail level. +/- 3,341 SQFT.

SOLD



Price: Contact Listing Agents

356 HARBOUR ROAD, VICTORIA
Connor Braid*, Harry Jones*
 Flat, fenced, and graveled lot with proximity to major routes in the desirable Victoria West area. +/- 13,510 SQFT.

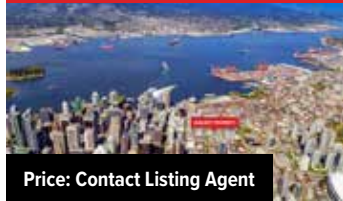
SOLD



\$1,625,000

420 ALBERT STREET, NANAIMO
Zuber Jamal
 A +/- 5,944 SQFT freestanding office building located one block from Nanaimo City Hall and two blocks from Downtown.

SOLD



Price: Contact Listing Agent

414 W PENDER STREET, VANCOUVER
Jeff Hancock*
 A +/- 6,240 SQFT mixed-use development site in downtown Vancouver and just a five minute walk to the Skytrain Station.

SOLD



\$4,650,000

232 W 7TH AVENUE, VANCOUVER
David Hemmings
 A ground-level flex industrial and office unit in Vancouver's Mount Pleasant neighbourhood. +/- 6,134 SQFT.

SOLD



Price: Contact Listing Agents

17 KTUNAXA ROAD, FERNIE
Connor Braid*, Patrick Wood*
 CityBox Storage is a 184-unit drive up facility located in beautiful Fernie, BC. +/- 19,664 SQFT.

*PERSONAL REAL ESTATE CORPORATION

RECENT TRANSACTION 345 BERNARD AVENUE, KELOWNA



COMING SOON

Fjällräven

LANDLORD REPRESENTATION
345 Bernard Avenue, Kelowna

On behalf of the Landlords of 345 Bernard Avenue, William Wright Commercial is pleased to welcome Fjällräven to their first location in the Okanagan! We look forward to seeing them open their doors in 2024.

ADDRESS

345 Bernard Avenue, Kelowna

SIZE

+/- 2,612 SQFT

AGENTS

Jeff Brown, Victoria Mitchell

LEASE RATES

Contact Listing Agents

TYPE

Retail

RECENTLY SOLD

patagonia®

William Wright Commercial is pleased to have represented our client in the acquisition of this beautiful mixed use building in the heart of downtown Victoria. Tenancies include the well known Patagonia who operate out of the entire main retail level. For more information on this transaction, or other similar opportunities, please don't hesitate to contact us.

ADDRESS

612 Yates Street, Victoria

PRICE

Contact Listing Agent

SIZE

+/- 3,341 SQFT

TYPE

Retail

AGENT

Harry Jones

PERSONAL REAL ESTATE CORPORATION





VANCOUVER COMMERCIAL REAL ESTATE PODCAST

For all the curious minds interested in commercial real estate investing, grab a coffee and pull up a chair because we have exclusive stories and tips from commercial real estate brokers, investors, developers, economists, urban planners, and everyone in-between. From the successes and failures to the motivations and lessons learned, the Vancouver Commercial Real Estate Podcast is your insight into commercial real estate in Vancouver, Victoria, Kelowna, and beyond.

Hosted by Cory Wright, founder of William Wright Commercial, and co-hosts Adam and Matt Scalena of the Vancouver Real Estate Podcast, our podcast opens the door to real estate investing.

A Top 20 Apple Business Podcast as of May 2021



FEATURED EPISODE

VCREP #120: 2023 REWIND: A LOOK BACK AT THE YEAR THAT WAS IN COMMERCIAL REAL ESTATE WITH CORY WRIGHT

In this concluding episode of the year, host Matt takes the reins to interview Cory, offering a comprehensive summary of the year's journey through the dynamic world of commercial real estate.

Together, they explore the transformative shifts within various asset classes, shedding light on how the commercial real estate landscape has evolved. From market events influencing discussions to the evolving topics on the show, Cory provides insights into the changing narratives and their impact.

This episode is a reflective journey through the past year, encapsulating the essence of the evolving market and setting the stage for what lies ahead.

PROVIDING REAL-TIME INSIGHT INTO TODAY'S COMMERCIAL REAL ESTATE INDUSTRY.

FEATURED EPISODE

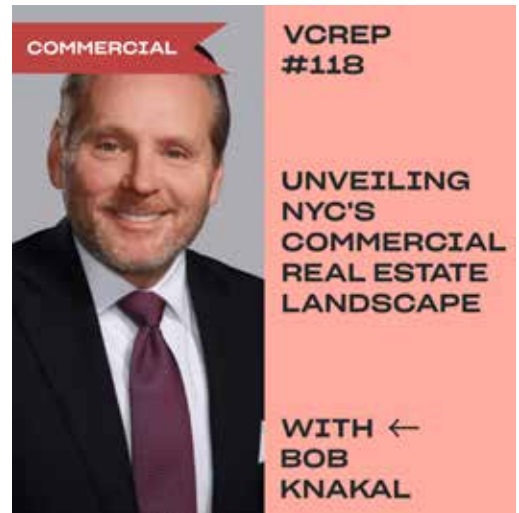
VCREP #118: UNVEILING NYC'S COMMERCIAL REAL ESTATE LANDSCAPE WITH BOB KNAKAL

Join Cory in an exclusive interview with Bob Knakal, a distinguished figure in New York City's commercial real estate scene, boasting an impressive 40-year tenure in the industry.

In this episode, Bob delves deep into the intricate details of the NYC office market. Gain unparalleled insights into the current vacancy rates, trends, and surprising lease rates for prime retail spaces.

Prepare to be astonished as Bob unravels the realities shaping the bustling commercial landscape of the Big Apple. This episode is a must-listen for anyone intrigued by the dynamics of one of the world's most vibrant real estate markets.

Don't miss out on this insider's perspective with Bob Knakal!



WILLIAM | WRIGHT

Commercial Real Estate Services

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For more information please contact our Vancouver office.
sales@williamwright.ca | 604.428.5255