



Winnipeg, Manitoba and Surrounding Areas

2020 Multi-Family Forecast: Drivers & Indicators

Manitoba has always been economically strong and diverse. We have nurtured a robust workforce that is skilled, talented and productive. If you're looking to relocate or expand to a place where opportunities for growth are limited only by imagination, considering Manitoba should be at the top of your list. Our Province is a place where business can grow faster, stronger and better; a place that is intelligent, creative and culturally diverse; a place where the infrastructure, supplier base and (most importantly) the people are ready to help your business get growing.

Manitoba's flourishing industry sectors, geographic and time zone advantages, and transportation assets – coupled with Winnipeg's CentrePort Canada, the nation's only trimodal inland port to offer foreign trade zone advantages – make's Manitoba an exceptional draw for business. Consider this: the City of

Winnipeg has the largest aerospace centre in Western Canada. It's home to advanced manufacturing market leaders and boasts one of the biggest hubs for bus manufacturing in North America. Agribusiness has long nourished Manitoba's growth, due to its world-class agricultural infrastructure; and initiatives in life sciences make Winnipeg a remarkable centre of discovery, housing the only Level 4 bio-containment lab in the country and about 40 additional R&D institutions.

CNR intersects with Brandon and Portage La Prairie with 72 trains that pass through on a daily basis. Brandon is also known for having a very large Health Care labour force. Portage La Prairie is known to have some of the best soil for agricultural growing in Canada. Selkirk is known for being the Catfish Capital of the World and home base for the Canadian Coast Guard. Steinbach is the major immigration

destination of Canada and a model for immigrant integration in Canada.

Winnipeg has the lowest published electricity costs in Canada for small medium and large businesses, and KPMG ranks the city No. 1 in cost-competitiveness in Western Canada and in all U.S. cities surveyed. Also, BellMTS is launching a \$400MM, 5-year commitment construction project that will be installing fibre optic cables throughout the City. Over 250,000 Winnipeg residents and businesses will be connected to the state-of-the-art fibre optics that will boost capacity and internet speeds to the fastest in North America.

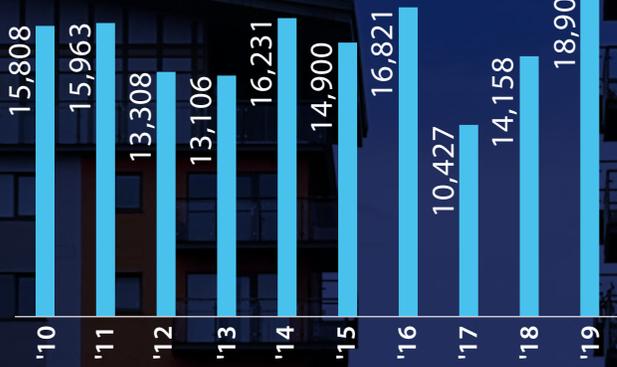
Named a Top Canadian Metro by Site Selection magazine thanks to exceptional public- and private-sector investments citywide, there's never been a better time to invest in Manitoba.

Demographics for Winnipeg and Surrounding Areas

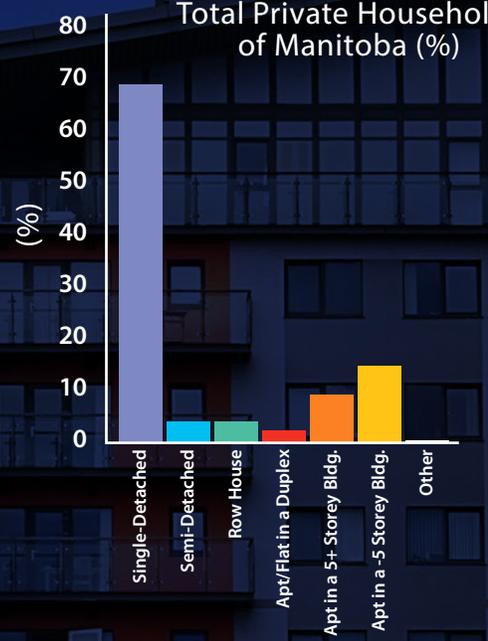
\$752
Median Monthly Rent
in Manitoba (2018)

1,369M
Current Population in
Manitoba (2019)

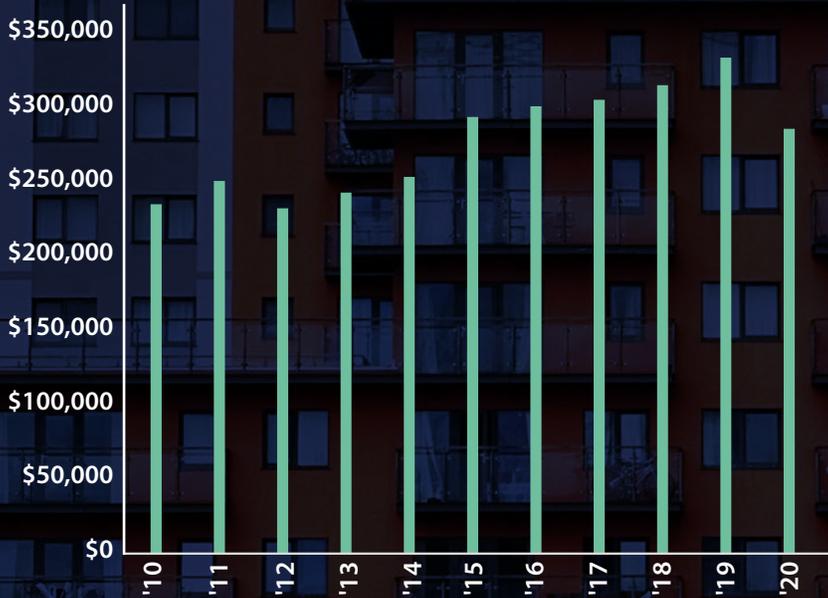
Manitoba Immigration Influx



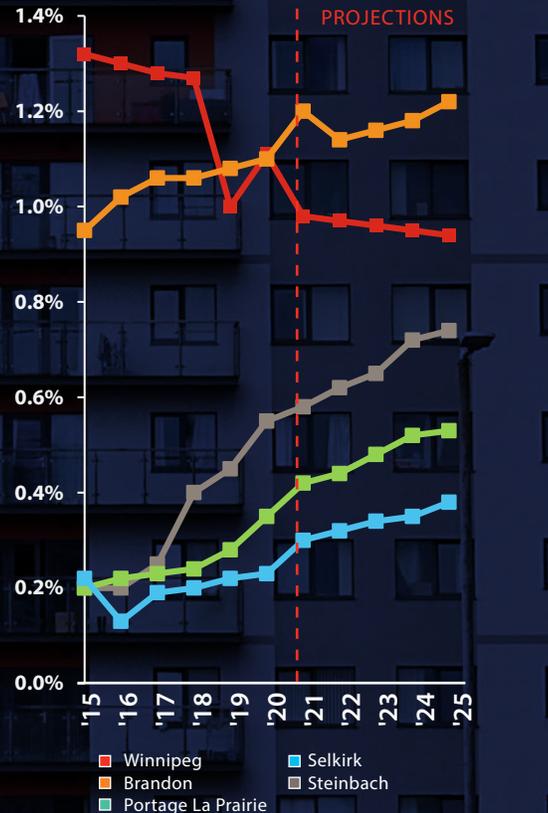
Total Private Households of Manitoba (%)



Winnipeg Average House Price



Population Growth Rate Change



Information as per MacroTrends

Drivers of Multifamily

Canada's multi-family market is the most robust it's ever been – with growing populations, rising home ownership costs and lack of rental supply, it is driving the sector up with record setting returns and investment volumes



Population Growth

Population growth is one of the main drivers of the multifamily sector, increasing the demand for housing up – particularly purpose-built rental units.

One of the key factors behind Winnipeg's

sustained growth is immigration. 2018 saw the highest number of immigrants that landed in Manitoba – over 19,000. At an average of 14,500 immigrants per year, of whom 85% will stay in Winnipeg, Manitoba offers five (5) different immigration programs and has the most affordable tuition fees for international students in Canada. With such steady growth, Manitoba's Economic Growth Action Plan has set out to create 40,000 jobs over the next four years.

According to the Conference Board of Canada, Winnipeg has been growing more than Edmonton, Ottawa, and Halifax, and is tied with Calgary.



The projection for the next five years is a 18% population increase at consistent annual rates, with Winnipeg CMA hitting the mark of 892,900 inhabitants by 2023.

Home Ownership Unaffordability

According to current research, housing prices have been a growing concern in Canada over the past few years.

Recent reports have shown that when comparing affordability (the relationship between average home prices and median incomes) across global cities, Canadian markets consistently rank as some of the least affordable in the world. No major Canadian city was classified as affordable in this report, including Winnipeg, which



ranked as slightly more unaffordable than Edmonton and Halifax.

While rising home prices are not necessarily a



problem by themselves, the chief issue is that income growth has not kept pace with the growth witnessed in housing prices.

Lack of Supply

On the other side of the coin sits a supply of rental units. Outside a few exceptions, rental inventories in major Canadian markets are limited compared to their global peers. The largest rental market in Canada is Montreal with just under 600,000 units. Winnipeg's inventory sits at 61,553 units.



Factoring in the population base of each city sheds further light on the lack of rental housing.

For example, there are approximately 15 people living in Winnipeg CMA for every unit of rental housing. For reference, the number of persons per rental unit is 7 in New York, 9 in Los Angeles and 13 in Chicago. While this metric reflects poorly on many of the larger Canadian markets except for Montreal.

Key Indicators

Historical Vacancy Rates (%) In Winnipeg

YEAR	Bach.	1 BRM	2 BRM	3+ BRM	TOAL
1999	4.6	3.2	2.4	2.4	3
2000	4.7	2.2	1.2	1.2	2
2001	3.4	1.5	1.1	1	1.4
2002	2.2	1.3	0.7	0.8	1.2
2003	2.7	1.5	0.8	0.7	1.3
2004	1.4	1.2	0.9	2.1	1.1
2005	3	1.8	1.4	1	1.7
2006	2.2	1.4	1.1	1.2	1.4
2007	1.8	1.4	1.5	2.2	1.5
2008	1.9	0.8	0.9	1.3	1
2009	2	1.2	1	0.9	1.1
2010	1.2	0.8	0.8	1.2	0.8
2011	1.6	0.9	1.2	0.9	1.1
2012	1.7	1.4	2	1.1	1.7
2013	2.7	2.4	2.5	2.9	2.5
2014	3.6	2.5	2.4	2	2.5
2015	2.9	2.7	3.2	3	2.9
2016	2.1	3	2.8	2.8	2.8
2017	2.7	3.1	2.6	2.4	2.8

Source: Canadian Mortgage and Housing Corporation

Average Rent (\$) In Winnipeg's Neighbourhoods

AREA	Bach.	1 BRM	2 BRM	3+ BRM	AVG
Charleswood	791	945	1,147	1,481	1,024
Downtown	717	917	1,133	1,211	938
East St. Boniface	**	909	1,210	1,384	1,133
Fort Garry North	797	975	1,132	1,411	1,064
Fort Richmond	**	1,118	1,366	1,525	1,307
Fort Rouge West	727	934	1,167	1,477	1,028
Garden City	**	1,020	1,228	1,315	1,164
Norwood	761	841	1,114	**	927
Old St. Vital	766	919	1,113	1,168	1,001
River-Osborne	661	953	1,294	1,514	1,093
Rossmere - Concordia	766	981	1,271	1,453	1,116
South St. Vital	**	1,057	1,348	1,366	1,221
St. Boniface	678	889	1,081	1,272	943
St. James East	791	956	1,154	1,413	1,048
St. James West	752	945	1,133	1,527	1,058
Tuxedo	**	1,164	1,396	1,940	1,363
Wolseley	640	785	984	1,171	844
Winnipeg	697	920	1,180	1,420	1,039

Sampling of Multi-Family Opportunities Available For Sale

Address	Size	Description	Price
1501 Braecrest Drive, Brandon	12.23 Acres	Zoned to allow 12 floor buildings - density of 59 units per acre	\$2,500,000
330 Creek Bend Road, Winnipeg	5 Acres	Close to UofM, high income area, other MF developments in area	\$1,750,000
677 Maryland Street, Winnipeg	3-Storey	32 fully renovated suites, on-site parking, many amenities	\$2,795,000
SW Winnipeg @ Bishop Grandin	2-15 Acres	Multiple options are available – \$1,200,000 per acre	Call Agents

Comparable Multi-Family Sales

Address	Size	Description	Sold Price	Sold Date
Mcdonald Road, Oakbluff	14.55 Acres	SW of Winnipeg; designated as an Urban Centre	\$1,100,000	May 2019
Bridgewater Lands, Winnipeg	1.42 Acres	Fastest growing subdivision in SW Winnipeg	\$2,412,000	Sept 2019
3270 Pembina Highway, Winnipeg	1.69 Acres	For commercial or multifamily development	\$1,750,000	Oct 2019

Trends to Watch

Here are a few trends that will impact multi-family real estate and sustainability strategies in 2020 and beyond



Millennials Are On The Move

Millennials are moving out of their parent's houses often to multi-family, amenity-rich apartments



Baby Boomers Are Downsizing

Boomers are selling their homes and relocating to urban developments and embracing city life



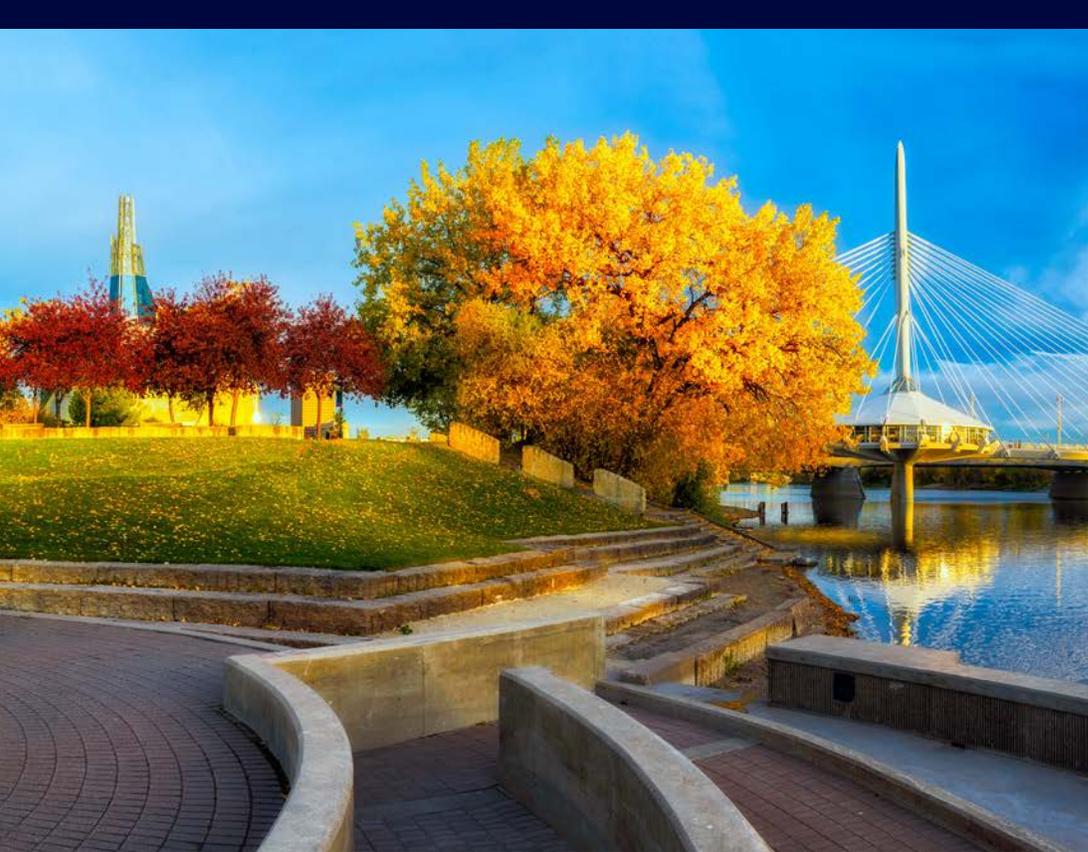
Millennials Are Having Children

As Millennials start having families, their demand for mixed-use suburban areas with schools and transit will increase



Multi-Family Is Flourishing

Marked by low vacancies nation-wide and rental rates at 10-year highs, the multifamily segment shows no sign of slowing down



Winnipeg – Quick Facts

- Winnipeg has a **solid, consistent, and diversified economy**
- Canada's **7th largest city both by population and GDP**, and the **3rd fastest growing major city**
- Winnipeg is home to the **Royal Canadian Mint** (produces coins for 73 countries, medals, gold, silver and platinum bullions), **Winnie-the-Pooh** (Winnie originated from Winnipeg and was the inspiration for Winnie-the-Pooh stories), **Royal Winnipeg Ballet** (Canada's oldest ballet and one of the worlds most prestigious ballet schools) and **Canadian Museum for Human Rights** (first museum in the world solely dedicated to the evolution and future of human rights)
- Winnipeg's CMA will hit the mark of **892,900 inhabitants by 2023**
- **48% of housing are rentals** and according to Census 2016, **33% of all the households are renters**
- The **average rent increase expected in 2019 is 3 to 5%**, varying by area, age, and size
- There are approximately **15 people living in every unit of rental housing**. For reference, this number is **7 in New York, 9 in Los Angeles, and 13 in Chicago**
- City-wide, the **average vacancy rate is at 2.8%** (2017), and the **average rent is at \$1,039** (2018)
- **The lack of supply of rental units is considered critical** by the Canadian Rental Housing Index
- **Winnipeg strategic plan to cross the city with Rapid Transit lines is already being executed**, and in 2019 Downtown was connected to the University of Manitoba and the south end. By 2031, **all the main commercial corridors of the city will be integrated**

Quick Stats

Mayor

Brian Bowman

Area

464.08 km² (City)
5,306.79 km² (Metro)

Population

753,700 (City) / 832,200 (Metro)

Industries

Advanced Manufacturing, Aerospace, Agribusiness, Information & Communication Technologies, Creative Industries, Energy & Environment, Financial Services, Life Sciences, Logistics, Tourism, Transportation & Distribution, and others

5.0%

Unemployment Rate in 2020

\$75,042

Median Household Income

\$43.3B

Real GDP at Market Prices

\$14B

Exports

- Situated in the very heart of Canada and is home to **CentrePort Canada, a 20,000 acres tri-modal dry port adjacent to Winnipeg International Airport** - international cargo airport, access to three class I rail carriers and national / international trucking routes. **It is a major driver of investment and employment in Winnipeg CMA**
- Winnipeg **James Armstrong Richardson International Airport is the seventh busiest airport in Canada** by passenger traffic, and is one of eight Canadian airports that has **US Border Pre-clearance facilities**.



Brandon – Quick Facts

- **2nd largest city in Manitoba**
- Median home value: \$227,299 (2020)
- Median rent: \$1,224
- Vacancy rate: 1.5% (2017)
- **Brandon is an important part of the higher education network in Manitoba**, with several notable facilities located in the city including Brandon University, Assiniboine Community College and the Manitoba Emergency Services College
- **Brandon's Keystone Centre is one of the largest** consolidated entertainment, recreation, convention and agriculture complexes in Canada
- CNR intersects Portage la Prairie – 72 trains pass though daily
- Aggressive tree planting program – **the city is known for its urban forest**
- Main economy:
 - Largest industry by labour force: Health Care
 - Largest industry by occupation: Sales & Service
- Events:
 - AgDays – Canada's largest indoor agricultural trade show (January)
 - Royal Manitoba Winter Fair (March)
 - Manitoba Summer Fair (June)
 - Manitoba Livestock Expo (November)
- Brandon West:
 - 8,580 total private households:**
 - 68.9% (owner) / 31.1% (renter)**
 - Single-detached house (59.8%)
 - Semi-detached house (5.7%)
 - Row house (5.4%)
 - Apartment or flat in a duplex (1.0%)
 - Apartment in a building with five or more storeys (22.6%)

Quick Stats

Mayor
Rick Chrest

Area
77.41 km² (City)
2,289.33 km² (Metro)

Population
48,859 (City)
58,003 (Metro)

Industries
Health Care – Labor Force
Sales & Service – Occupation

4.5%
Unemployment Rate in 2020

\$71,027
Median Household Income

14.0%
% of Brandon's Immigrants

36
Median Age of Brandon

- Apartment in a building with fewer than five storeys (0.2%)
- Other (0.1%)
- Brandon East:
 - 9,590 total private households:**
 - 52.3% (owner) / 47.7% (renter)**
 - Single-detached house (49.6%)
 - Semi-detached house (3.6%)
 - Row house (9.2%)
 - Apartment or flat in a duplex (5.4%)
 - Apartment in a building with five or more storeys (6.8%)
 - Apartment in a building with fewer than five storeys (24.7%)
 - Other (0.3%)

Information as per Townfolio 2017 Demographics, the 2018 MB Provincial Electoral Divisions Report – based on 2016 Census, AreaScore



Steinbach – Quick Facts

- **Manitoba's 3rd largest city**
- Population increased by 87% between 1996-2016
- Largest immigration influx was between 2011 and 2016 this **growth is attributed to immigration from such countries as Germany, Russia and the Philippines**
- Median home value: \$217,079 (2020)
- Average home value: \$230,322
- Median rent: \$745
- Vacancy rate: 1 – 1.5% (2017)
- **2nd lowest taxes in Manitoba**
- 3rd fastest-growing census agglomeration in Canada
- Steinbach was visited by Queen Elizabeth and Prince Charles in 1970, the year of Manitoba's centennial - **highlighting a century of economic and cultural development**
- Celebrated author Miriam Toews was born and grew up in Steinbach – the fictionalized town in **her novel A Complicated Kindness was modelled after Steinbach.** The book won the Governor General's Award for Fiction and was selected as the 2006 book for Canada Reads, the first book by a female writer to be chosen
- Mennonite Heritage Village, opened in 1967 is the foremost cultural facility and tourist attraction in Steinbach – it contains **the windmill which is a recognized symbol of the city**
- The Steinbach Arts Council has showcased Steinbach arts and culture of various types since the 1980s
- In 2018, Steinbach became a sister city with Zaporizhia Ukraine, which is near where all of Steinbach's pioneering families immigrated from in the 1870s

Quick Stats

Mayor
Earl Funk

Area
25.59 km² (City)

Population
15,829 (1,092/km)

Industries
Agriculture

5.5%
Unemployment Rate in 2020

\$61,355
Median Household Income

19.7%
% of Steinbach's Immigrants

38
Median Age of Steinbach

- **Major immigration destination of Canada and a model for immigrant integration in Canada**
- Major employers: Baush and Loewen Windows (manufacturing)
- Agriculture is the traditional industry in the region
- **8,060 total private households: 69.3% (owner) / 30.7% (renter)**
 - Single-detached house (62.5%)
 - Semi-detached house (8.8%)
 - Row house (3.2%)
 - Apartment or flat in a duplex (3.5%)
 - Apartment in a building that has five or more storeys (3.2%)
 - Apartment in a building that has fewer than five storeys (16.3%)
 - Other (0.1%)

Information as per Townfolio 2017 Demographics, the 2018 MB Provincial Electoral Divisions Report – based on 2016 Census, AreaScore



Quick Stats

Mayor
Irvine Ferris

Area
24.68 km² (City)
783.76 km² (Metro)

Population
13,304 (City)
21,667 (Metro)

Industries
Sales & Services
Business
Education
Community & Government Services

4.5%
Unemployment Rate in 2020

\$77,852
Median Household Income

4.74%
% of PLP's Immigrants

41
Median Age of PLP

PLP – Quick Facts

- Median home value: \$224,950 (2020)
- Median rent: \$594
- Vacancy rate: 5.1% (2018)
- Main economy:
 - Major agricultural center in MB – **best soil in Canada** producing a wide array of vegetables, berries grain and lentils
 - Top occupations: sales & service, business, education, community and government services
- **Home to McCain Foods and Simplot potato processing plants**, which provide French Fries for McDonald's, Wendy's and various other commercialized restaurant chains
- Viterra is one of the largest oat mills in the world
- **One of the most prosperous communities in Manitoba**
- Portage La Prairie means a place where canoes could be carried overland between waterways
- After 1794, **Hudson's Bay Company maintained a trading post in Portage La Prairie**
- Has the most sunny days during the warm months in Canada
- During WWII, the Royal Canadian Air Force constructed the Canadian Forces Base Portage La Prairie in support of the British Commonwealth Air Training Plan. The station was controlled by the RCAF but used naval personnel as high-frequency direction finding operators
- CNR intersects Portage la Prairie – 72 trains pass though daily. **One of the few places in Canada where CPR and CNR meet**
- Aggressive tree planting program – city known for its urban forest
- Largest Cottonwood trees in Canada
- **8,195 total private households: 66.3% (owner) / 29.5% (renter)**
 - Single-detached house (74.2%)
 - Semi-detached house (3.9%)
 - Row house (4.0%)
 - Apartment or flat in a duplex (0.7%)
 - Apartment in a building that has five or more storeys (2.4%)
 - Apartment in a building that has fewer than five storeys (10.4%)
 - Other (0.1%)

Information as per Townfolio 2017 Demographics, the 2018 MB Provincial Electoral Divisions Report – based on 2016 Census, AreaScore



Quick Stats

Mayor

Larry Johansson

Area

24.86 km² (City)

Population

10,278 (410/km)

Industries

Tourism

Steel Mill

Largest Mental Health Facility in MB

6.9%

Unemployment Rate in 2020

\$60,732

Median Household Income

5.70%

% of Selkirk's Immigrants

45

Median Age of Selkirk

Selkirk – Quick Facts

- Median home value: \$299,786 (2020)
- Median rent: \$680
- **Marine Museum of MB; site of the Canadian Coast Guard base**
- **Catfish Capital of the World**
- Oak Hammock Marsh is one of the **premiere bird watching areas in North America**
- The **Selkirk Fair and Rodeo** is held annually to celebrate the area's agricultural history – it celebrated its **130th anniversary in 2008**
- Selkirk partnered with the government to cost share **upgrades to the water treatment and distribution** infrastructure in 2016. Construction began in August 2018 to replace the aging wastewater facility. **The new facility would cost \$35.9MM, the largest capital works project in the City's history**
- **Located near historic Lower Fort Garry**, established by the Hudson's Bay Company in the early 1900's as a supply depot for the Red River settlement and the surrounding Cree, Anishinaabe, Metis and European nations. The site hosts excellent examples of Red River Frame and Half-Timbered construction and many of the buildings were built from local limestone. Training of the North West Mounted Police took place at the fort during 1873-1874 – the fort is now utilized as a living museum with re-enactors recreating life in the 1850's
- **Selkirk is neighbor to Lockport**, home of the Lockport Dam. **Lockport is one of the oldest known settlements in Canada, predating European history by thousands of years.** The bridge and locks at Lockport were completed in 1910 to make the Red River navigable through Lake Winnipeg. Flocks of the North American White Pelican, Bald Eagles,

Double Crested Cormorants and many other land and water birds migrate and nest at Lockport

- Lockport is known for having some of the **best fishing in the world**, specifically trophy channel catfish
- **8,505 total private households: 79.4% (owner) / 20.6% (renter)**
 - Single-detached house (79.5%)
 - Semi-detached house (1.5%)
 - Row house (2.8%)
 - Apartment or flat in a duplex (0.1%)
 - Apartment in a building that has five or more storeys (3.2%)
 - Apartment in a building that has fewer than five storeys (9.9%)
 - Other (0.1%)

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