

GLOUCESTER MARKET ACTIVITY

A FRONTLINE REAL ESTATE SERVICES' INDUSTRIAL MARKET UPDATE



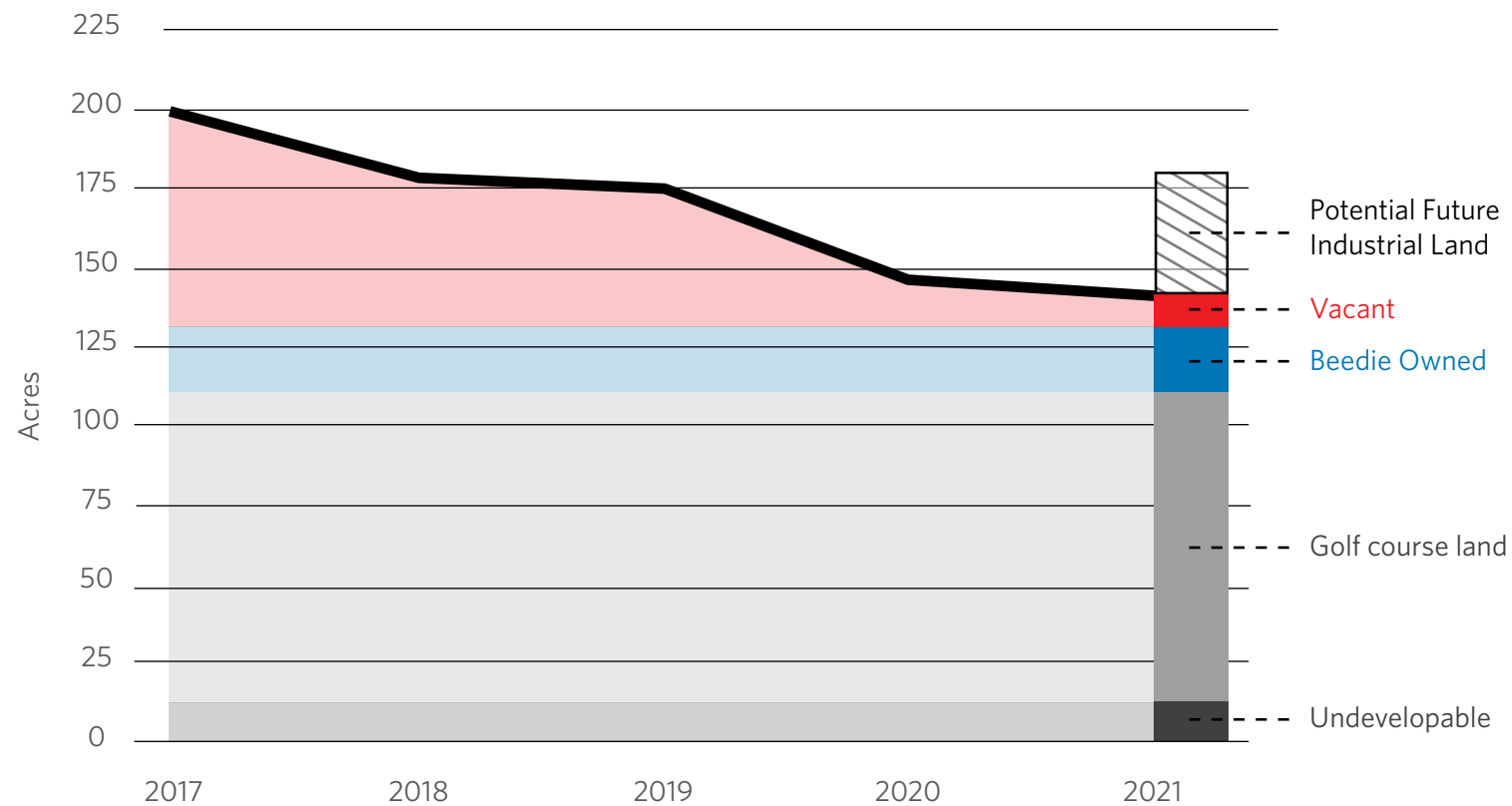
GLOUCESTER INDUSTRIAL MARKET ACTIVITY

Perception is rarely reality, at least it never tells the full story. A quick glance at an aerial photo of Langley's Gloucester Industrial Park (shown right) indicates an abundance of available land. However, when taking stock of available development properties, it becomes clear that existing developable industrial land is more scarce than some think. As demonstrated by the graph below, approximately 75% of currently vacant land in Gloucester is either undevelopable or will not be developed in the near future, due to environmental encumbrances and land use restrictions; another 15% is owned by Beedie for future development.

What does this mean for you? Vacant development land is nearly non-existent. From industrial land to strata, if you want to get into Gloucester, be sure to act fast when anything of quality comes to market. For anyone thinking about relocating to, or already currently in Gloucester, here's what you need to know:

- 1. Sellers, sell for more!** Turnover is low and pricing is difficult. If you are looking to sell, you may be able to receive more than you think. If you are looking to buy, we can only guess how much you will have to pay.
- 2. Buyers, look for alternatives!** Finding opportunities in Gloucester is extremely difficult. Can your business operate with an alternative in a nearby market? Open your scope to options in other submarkets such as West Abbotsford, Port Kells, Langley City, etc.
- 3. Some relief may be on the way!** 8 properties (totaling 36 acres) have received conditional approval to be removed from the Agricultural Land Reserve, with development already proposed for ~600,000 square feet of distribution warehousing. See ALR Exclusion Update on the back page for more information.

GLOUCESTER'S DECLINING VACANT LAND BASE



2021 TRANSACTION SUMMARY

Below is a summary of Gloucester industrial real estate transactions that closed in 2021.

Land	Freestanding Building	Strata Warehouse
1 transaction	3 transactions	19 transactions
totaling \$8.0 M	totaling \$29.3 M	totaling \$67.2 M
and 2.5 acres	and 106,600 sf	and 176,500 sf

ALTERNATIVE SUBMARKET COMPARISON

Submarket	Drive Time to Gloucester	Comparative Pricing
West Abbotsford	10 Minutes	\$ ▼
Port Kells	15 Minutes	\$ ▲
Maple Ridge	20 Minutes	\$ ▼
Langley City	20 Minutes	\$ ▲
Cloverdale	25 Minutes	\$ ▲
Campbell Heights	25 Minutes	\$ ▲
Bridgeview	30 Minutes	\$ ▲▼
Chilliwack	30 Minutes	\$ ▼

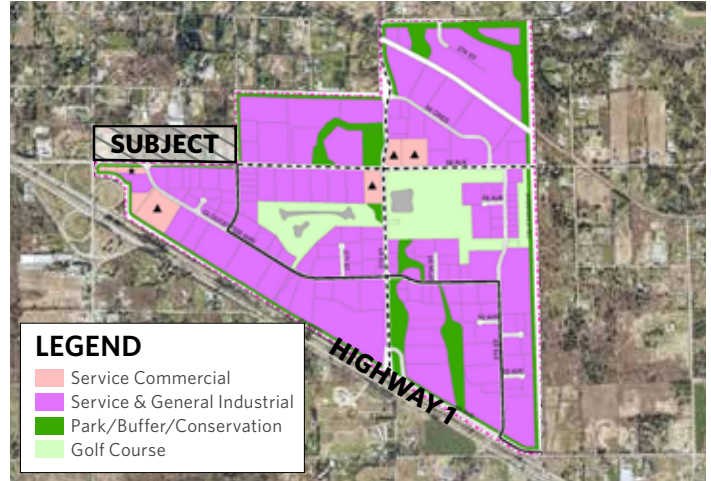
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ALR EXCLUSION UPDATE

36 ACRES OF LAND COULD BE ADDED TO GLOUCESTER INDUSTRIAL PARK

Established in 1988, Gloucester's industrial land boundaries were set through an amendment to the Langley Official Community Plan. Since then, given that Gloucester Industrial Park is encircled by ALR land, expanding the industrial park's land base has proven to be near impossible. However, one 36-acre parcel (comprising of eight properties) on 56th Avenue recently received conditional approval to be brought out of the ALR. Acquired by local developers, this land is intended to be used for industrial distribution and warehousing, providing much needed relief to both Gloucester and Metro Vancouver's industrial inventory.

- **ALR Exclusion:** In 2020, the properties received conditional exclusion from the ALR, the land was then acquired at industrial value.
- **Public Reading:** On March 28, 2022, The Township of Langley Council voted in favour of moving the application forward to public hearing.
- **Potential Industrial Product:** A 600,000 square foot distribution facility is already being contemplated for development.
- **Estimated Completion:** Current estimates indicate a mid-late 2024 completion.



WHAT IS THE ALR?

Established in 1973, the Agricultural Land Reserve (ALR) is a province-wide land zone in which agriculture is recognized as the priority use. Unlike other lands within municipalities, ALR land is regulated by the Agricultural Land Commission (ALC), an independent provincial agency that takes precedence over municipal land use bylaws. The process to bring land out of the ALR is extremely difficult and time-consuming.

DYK: -75% of land within the Township of Langley is ALR.

UPCOMING OPPORTUNITY IN GLOUCESTER



Rare Freestanding Building

27078 56 Avenue

- Low site coverage freestanding building with yard
- 15,594 sf building on 1.58 usable acres
- 4,214 sf warehouse + 11,380 sf of office
- Listed by Frontline Real Estate Services
- Contact us at the coordinates below for more details



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