

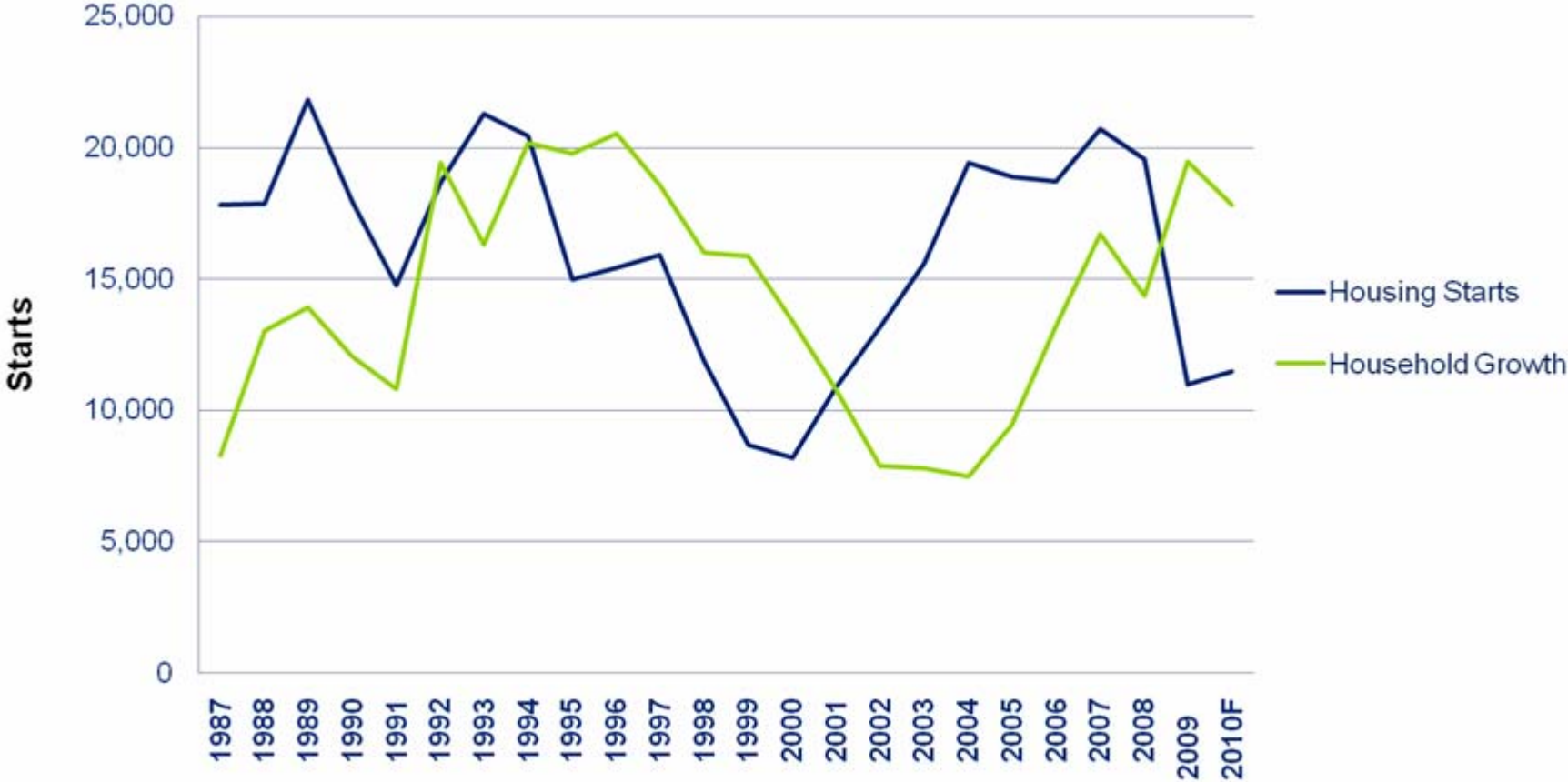


The Vancouver Residential Market Crystal Ball

May 13, 2010



Household Growth vs. Housing Starts



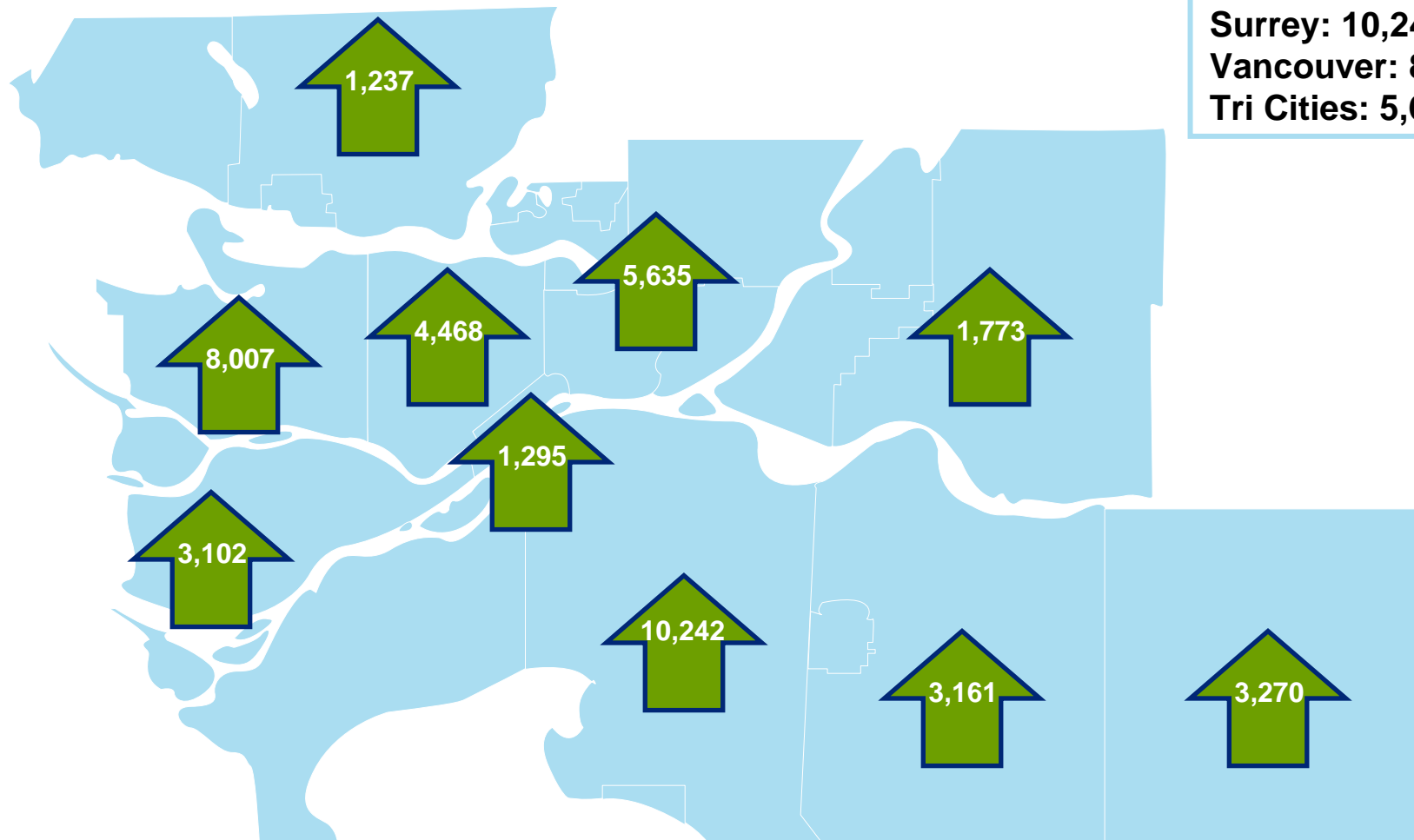
Source: BC Stats, CMHC Forecast

2006 to 2016 Estimated Population Growth Per Year

(Metro Vancouver Regional Growth Strategy)

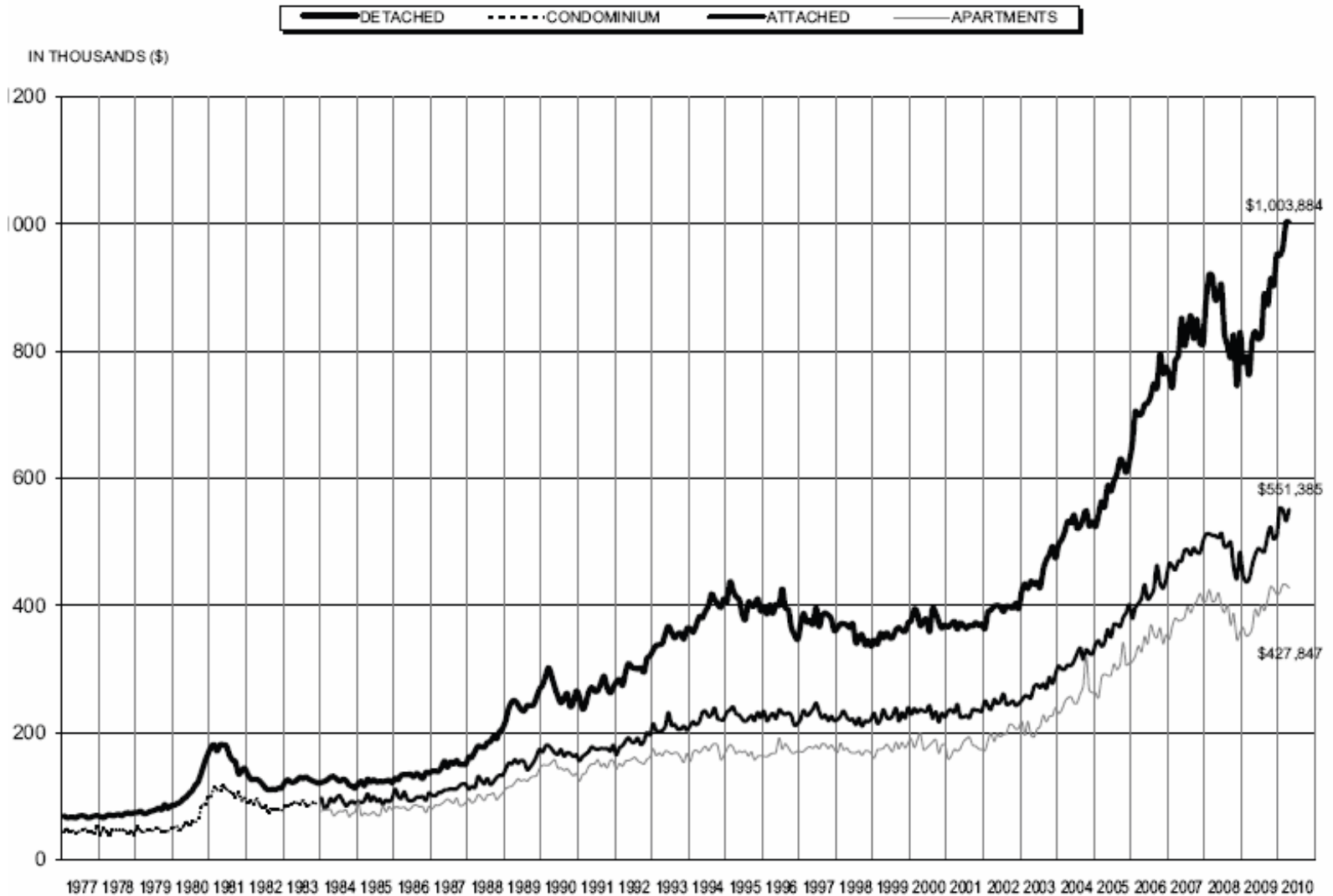
Estimated Pop.
Growth/Year

Surrey: 10,242
Vancouver: 8,007
Tri Cities: 5,635



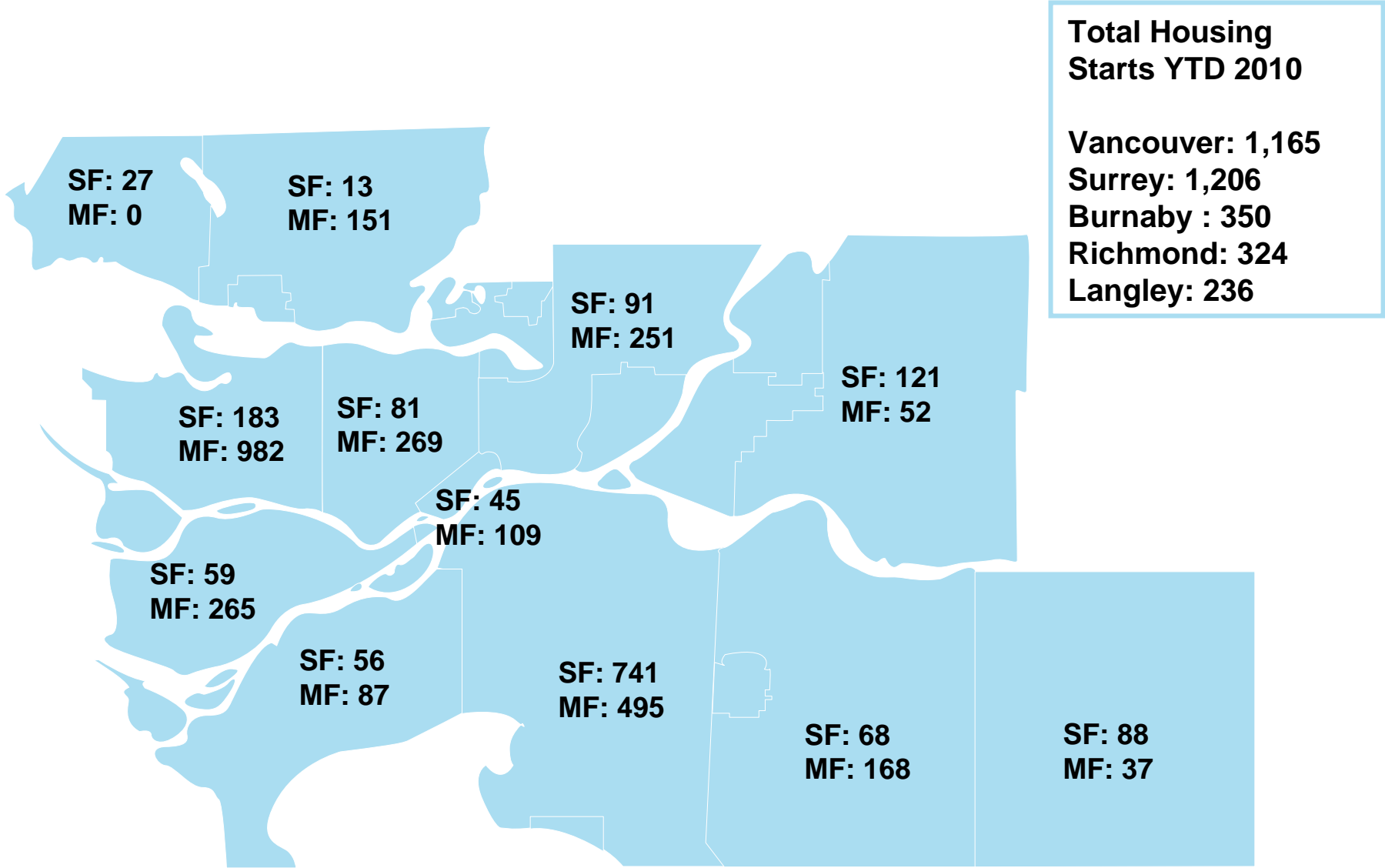
Market	2006 - 2016 Population and Housing Demand Projections by BC Stats & Metro Vancouver				Housing Starts 2005-2008 Average	Potential Overbuilding	
	Population Growth Per Year	Total Demand Per Year	Ownership Demand Per Year	Rental Demand Per Year		Total Demand Neg. indicates under building / pos indicates overbuilding	Ownership Demand Neg. indicates under building / pos indicates overbuilding
Burnaby	4,468	2,300	1,500	800	2,167	-133	667
Delta	260	550	360	190	215	-335	-145
Langley	3,161	1,770	1,150	620	1,183	-588	33
Maple Ridge / Pitt Meadows	1,773	775	505	270	941	166	436
New West	1,295	600	390	210	689	89	299
North Vancouver	1,237	615	400	215	640	25	240
Richmond	3,102	1,620	1,050	570	1,942	322	892
Surrey	10,242	5,125	3,330	1,795	4,900	-225	1,570
Tri Cities	5,635	2,825	1,850	975	2,033	-792	183
Vancouver	8,007	2,750	1,790	960	4,513	1,763	2,723
West Vancouver	379	70	45	25	200	130	155
Metro Vancouver	39,558	19000	12,370	6,630	19,423	423	7,053

Real Estate Board of Greater Vancouver Average Price Graph January 1977 to April 2010

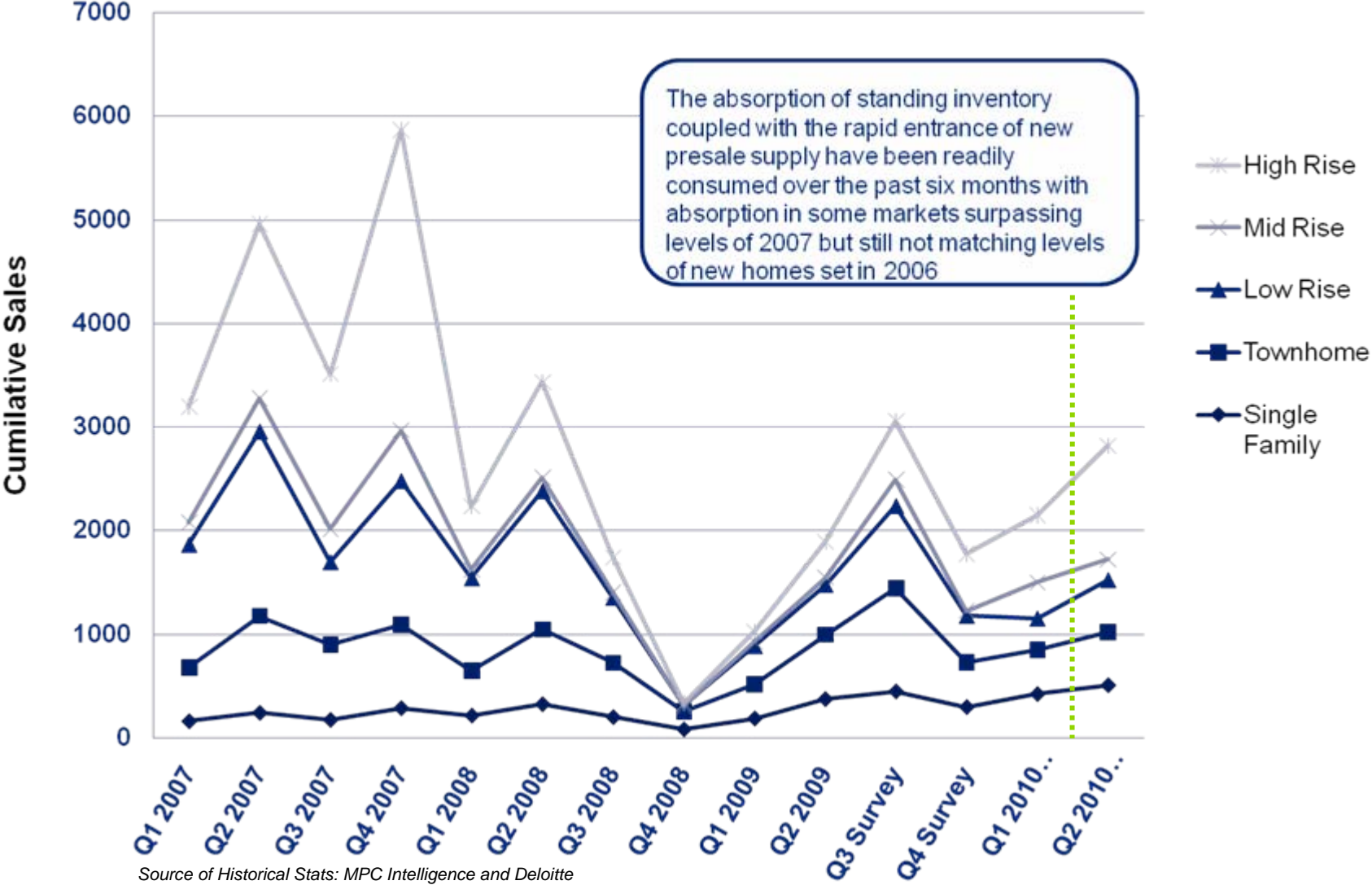


Source: Real Estate Board of Greater Vancouver

YTD Housing Starts up 94% from 2009 (CMHC)



Historical Absorption and Trends



The current market

- New product launches up.....way up
 - Market averaging 7 launches each weekend
 - Approximately 23 launches (2800 units) during the past month and nearly 45 launches year to date
 - Conversion on launches relatively low at public openings
 - Realtor events and pre-launch campaigns account for current absorption
- Fraser Valley completed product outpacing presale campaigns
- Investors are driving the market
- Listings increasing – nearly 9500 listings vs 7400 in 2009
- Housing starts are not yet reflective of the new activity as most projects have yet to break ground

Which brings us to the Crystal Ball



Deloitte.