



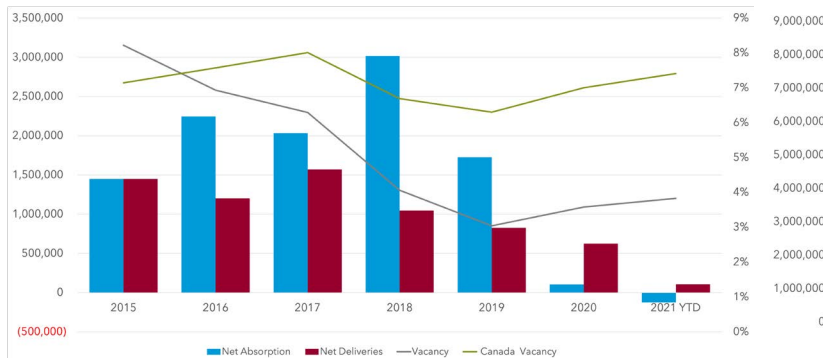
OFFICE MARKET OVERVIEW

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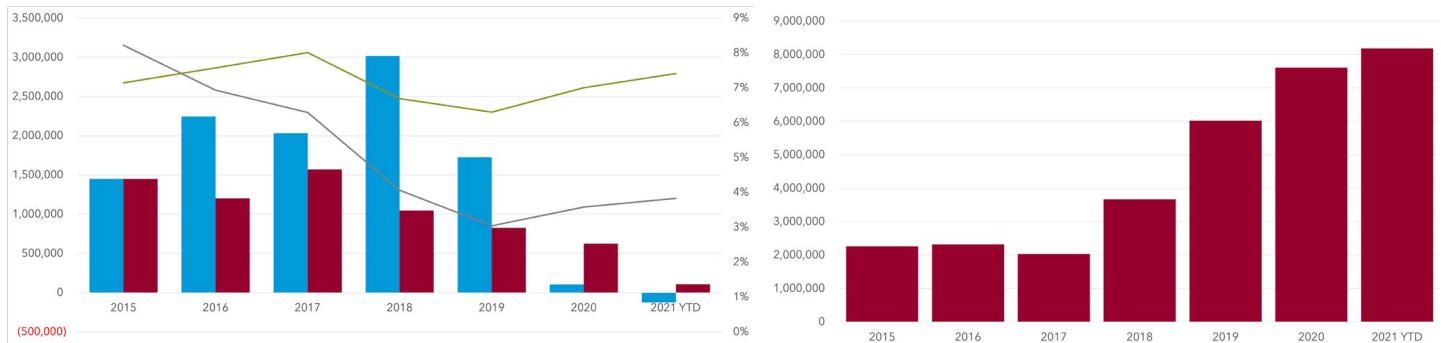
Weak leasing activity paired with small blocks of new construction coming to market have caused negative absorption in Metro Vancouver's office sector for the first time in five years. Yet asking rates have held relatively firm, as landlords bet on a quick recovery back to pre-pandemic levels. Sale volume for 2020 reached \$595 million, only 35% of the three-year average of \$1.7 billion. The largest purchase of the year, 375 Water Street, was negotiated before the pandemic commenced. Some are concerned by the 8.2 M SF of new construction that is now underway, however 66% is already pre-leased. Despite slowing down, Metro Vancouver remains one of the top office markets in North America.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▼ Net Absorption SF	(42,801)	103,982	535,760	870,159	1,031,651
▲ Vacancy Rate	3.76%	3.58%	3.40%	3.18%	2.82%
▼ Avg NNN Asking Rate	\$44.15 PSF	\$44.22 PSF	\$43.92 PSF	\$43.84 PSF	\$43.52 PSF
▲ SF Under Construction	8,181,142 SF	7,604,725 SF	7,356,977 SF	6,852,263 SF	6,310,369 SF
▲ Inventory SF	92,715,568	92,577,510	92,444,456	92,307,593	91,859,662

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
13575 Commerce Parkway Richmond, BC	906,400 SF	\$218,000,000 \$240.00 PSF	Peterson Investment Group GWL Realty Advisors, Inc.	Class A
375 Water Street Vancouver, BC	175,470 SF	\$225,000,000 \$1,282.00PSF	Allied Properties REIT Landing Holdings Ltd	Class B
1077 Great Northern Way Burnaby, BC	119,844 SF	\$103,000,000 \$859.45 PSF	Low Tide Properties Ltd. Crestpoint Real Estate Inv Ltd	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
400 W Georgia Vancouver, BC	119,000 SF	Undisclosed	Amazon	Retailers/Wholesalers
1380 Burrard Street Vancouver, BC	88,362 SF	BentallGreenOak (Canada) Ltd Ptnrshp	Lululemon Athletica	Apparel
550 Burrard Street Vancouver, BC	86,000 SF	BentallGreenOak (Canada) Ltd Ptnrshp	Fasken Martineau DuMoulin LLP	Law Firm

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