



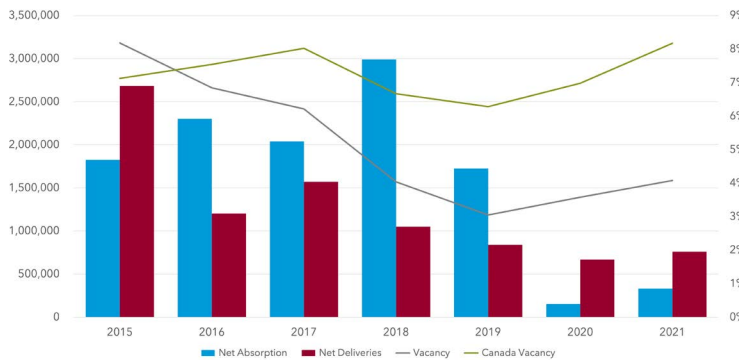
OFFICE MARKET OVERVIEW

MACYN SCHOLZ, *Research Coordinator*

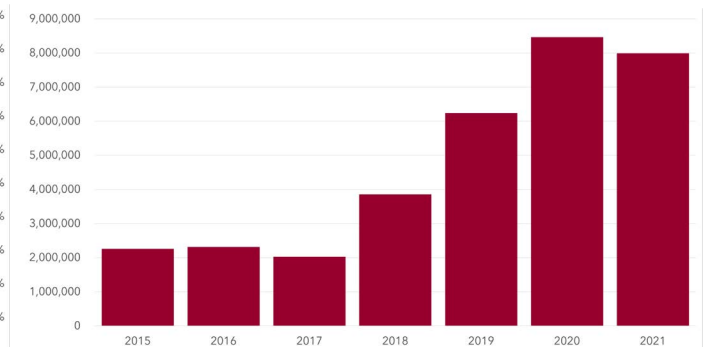
The return to office for many was halted once again by the surge of coronavirus cases due to the Omicron variant. Vacancy increased for the second consecutive quarter - this time by 41 basis points. Nevertheless, confidence remains strong in Vancouver's office market, as is reflected by many plans for new developments. This includes a new 800,000 SF research centre planned for East Vancouver, and the launch of One Park in Richmond, the area's first class-A office development in over 20 years. Rent continued to steadily increase in Q4, as it has done all year, and a few large-scale office building transactions were recorded this quarter. All of which reflects the resilience of the market.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▼ 12 Mo. Net Absorption SF	331,112	397,961	221,207	(29,290)	152,870
▲ Vacancy Rate	4.08%	3.67%	3.41%	3.75%	3.58%
▲ Avg NNN Asking Rate PSF	\$44.70	\$44.35	\$44.31	\$44.01	\$44.16
▼ SF Under Construction	7,992,110	8,215,263	9,157,771	9,201,730	8,464,039
▲ Inventory SF	95,015,843	94,896,870	94,003,859	93,950,077	93,812,019

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1138 Melville Street Vancouver, BC	156,000 SF	\$156,000,000 \$1,000 PSF	Stairlight Investments & AIMCo JV Hydro Quebec Pension Fund	Class A
207 West Hastings Street Vancouver, BC	72,305 SF	\$65,000,000 \$899.00 PSF	Allied Properties REIT Army and Navy Properties	Class C
45255 Keith Wilson Road Chilliwack, BC	13,860 SF	\$4,400,000 \$317.00 PSF	Garrison 5 Holdings Ltd. Bless Holdings, Ltd	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
110 East 5th Avenue Vancouver, BC	110,300 SF	Westbank	Animal Logic	Animation / Visual FX
595 Burrard Street Vancouver, BC	67,197 SF	Hudson Pacific Properties	Undisclosed	Undisclosed
114 East 4th Avenue Vancouver, BC	29,397 SF	Westbank	Undisclosed	Undisclosed

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