



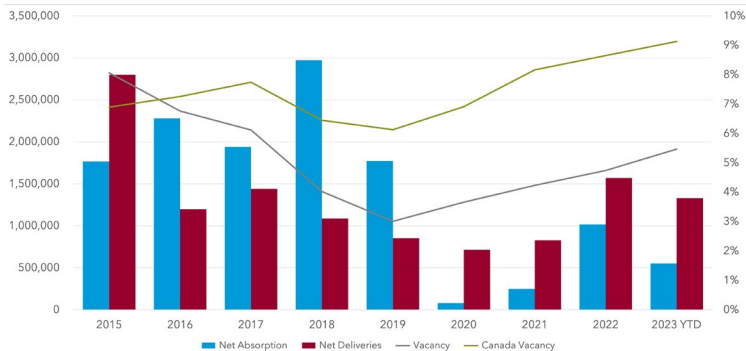
OFFICE MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

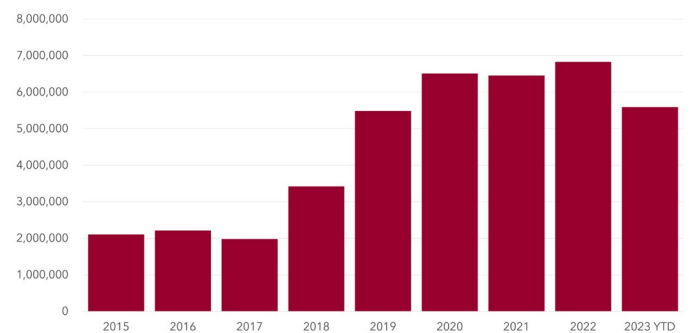
Q1 2023 was marked by even more layoffs in the tech industry, and the most sublease space seen in downtown Vancouver in 30 years. While no official statements have been made by companies in Vancouver like Microsoft and Amazon that they will sublease their expansive floor space in the downtown core, the worry is there. Although more sublease space is expected this year as new projects reach completion, long-term projections for Vancouver are still positive as we have one of the lowest office vacancies in North America, at 5% for Metro Vancouver, and pushing 10% in the downtown core.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	1,350,216	1,016,018	421,868	614,849	714,276
▲ Vacancy Rate	5.25%	4.74%	4.96%	4.63%	4.47%
▼ Avg NNN Asking Rate PSF	\$45.00	\$45.32	\$45.28	\$45.20	\$44.52
▼ SF Under Construction	5,591,917	6,830,011	6,953,683	6,459,905	6,339,995
▲ Inventory SF	98,652,438	97,321,794	97,034,093	96,903,895	96,450,135

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
93 Sixth Street New Westminster, BC	11,127 SF	\$4,200,000* \$377.00 PSF	1391383 BC Ltd. A.J.E. Management, Inc.	Class B
156 West 3rd Street North Vancouver, BC	4,636 SF	\$3,800,000* \$820.00 PSF	Lolo Group Holdings Ltd. Glove Management, Inc.	Class C
1443 East Pender Street Vancouver, BC	4,200 SF	\$3,900,000* \$929.00 PSF	1392407 BC Ltd. Stringham Holdings, Inc.	Class C

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2920 Virtual Way Vancouver, BC	69,611 SF	QuadReal	Undisclosed	Undisclosed
745 Thurlow Street Vancouver, BC	31,800 SF	QuadReal	Weta Digital	Visual FX
2930 Virtual Way Vancouver, BC	28,304 SF	QuadReal	AMD	Technology

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