



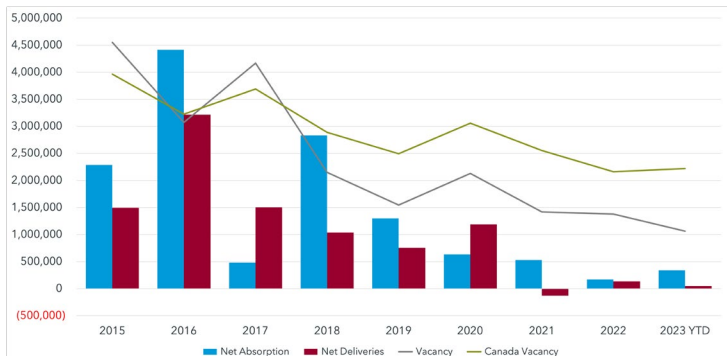
### RETAIL MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

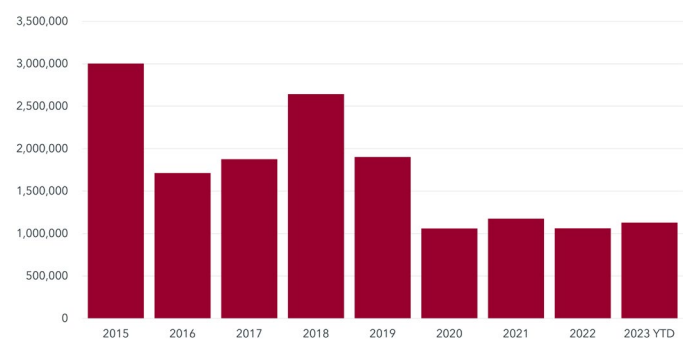
The first quarter of 2023 begun with Bed, Bath & Beyond and Nordstrom's both deciding to close all Canadian operations, even though the Vancouver location was the latter's top performing store. Despite these large floor spaces being vacated, the retail industry has so far shown resilience, as there has been lots of interest in new tenants for the spaces. Large floor areas are hard to come by in Metro Vancouver, especially when vacancy remains low at 5.2%. Inflation had the largest deceleration since April 2020, and interest rates have paused, which is hopeful for players in the retail market as there is a potential for more sales, development, and consumer spending in the coming quarters.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	482,748	170,181	263,816	648,537	535,948
▼ Vacancy Rate	1.10%	1.36%	1.29%	1.21%	1.28%
▼ Avg NNN Asking Rate PSF	\$34.28	\$34.45	\$34.42	\$34.16	\$33.86
▲ SF Under Construction	1,128,633	1,062,729	1,219,480	1,250,608	1,219,881
▲ Inventory SF	126,694,668	126,645,482	126,440,474	126,458,364	126,443,405

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
32559 Logan Avenue Mission, BC	10,885 SF	\$3,732,500* \$343.00 PSF	William Wright Commercial R.E. Svc Romar Developments Ltd	Multi Tenant
8565 132nd Street Surrey, BC	8,881 SF	\$3,735,000* \$421.00 PSF	1401000 BC Ltd. Undisclosed	Multi Tenant
818 20th Street New Westminster, BC	5,680 SF	\$2,900,000* \$511.00 PSF	1120331 BC Ltd. Undisclosed	Multi Tenant

\*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1060 Granville Street Vancouver, BC	11,442 SF	Onni	Value Village Boutique	Second-Hand
658 Homer Street Vancouver, BC	7,778 SF	QuadReal & Westbank	Fogo de Chao	Restaurant
7637 Edmonds Street Burnaby, BC	4,979 SF	Undisclosed	Canadian Appliance	Appliances

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com