



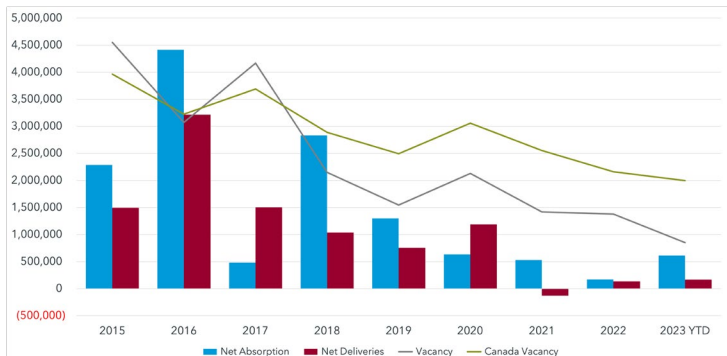
RETAIL MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

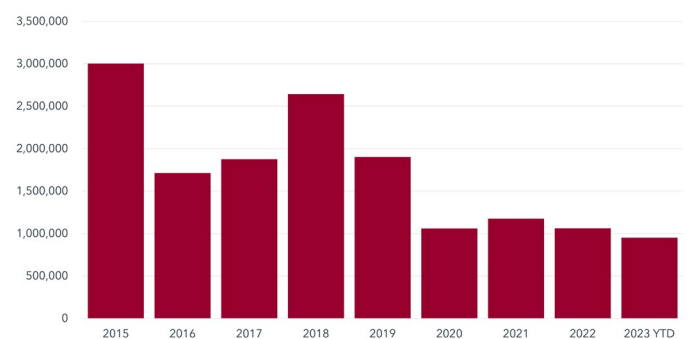
This quarter, the Bank of Canada raised the policy rate by 25 basis points, bringing the current prime rate to 6.95%. However, the retail industry in Metro Vancouver has not yet felt the full effect of this soft recession, as consumer spending remains strong. This goes beyond the demand for budget-friendly or essential items, as experiential retail demand is up. According to Statistics Canada, restaurant/bar spending reached new highs in April in BC. An increase in the number of cruise ships in Vancouver harbor this year is also helping downtown retailers by boosting the foot traffic; between this quarter and October, we will see a record high of 331 ships.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	555,884	482,748	170,181	263,816	648,537
▼ Vacancy Rate	1.00%	1.10%	1.36%	1.29%	1.21%
▼ Avg NNN Asking Rate PSF	\$33.68	\$34.28	\$34.45	\$34.42	\$34.16
▼ SF Under Construction	1,014,614	1,128,633	1,062,729	1,219,480	1,250,608
▼ Inventory SF	126,676,004	126,694,668	126,645,482	126,440,474	126,458,364

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
15350 34th Ave & 3388 Rosemary Hts Crescent, Surrey, BC	26,126 SF	\$16,125,000* \$617.00 PSF	1411787 BC Ltd. Ocean Park Enterprises Ltd.	Multi-Tenant
5491 Parkwood Way Richmond, BC	19,400 SF	\$24,000,000* \$1,237.00 PSF	Go Auto Automax	Single-Tenant
1316 Commercial Drive Vancouver, BC	11,584 SF	\$6,600,000* \$570.00 PSF	FCCZ Investment, Inc. Celador Enterprises Ltd.	Multi-Tenant

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
425 West 6th Avenue Vancouver, BC	43,000 SF	Cressey Development Group	Altea Active	Fitness
19860 Langley Bypass Langley, BC	15,966 SF	Wesgroup	Rooms + Spaces	Furniture
701 West Georgia Street Vancouver, BC	5,400 SF	Cadillac Fairview	Alo Yoga	Althetic Wear

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