



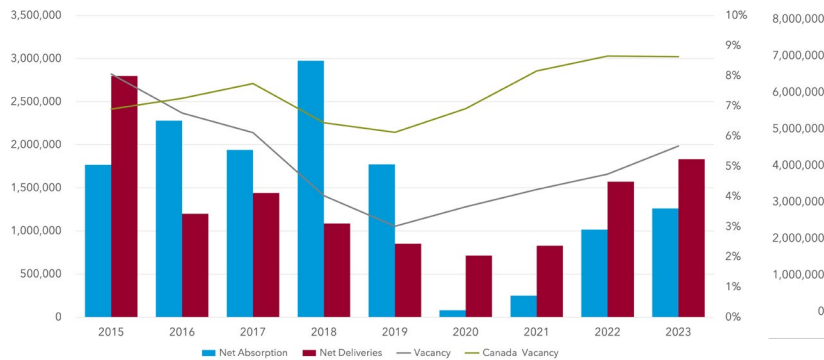
OFFICE MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

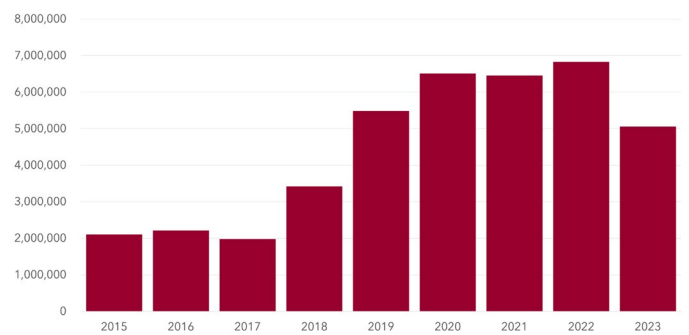
Vancouver has one of the lowest office vacancy rates in North America but is still feeling the effects of 12% vacancy in the downtown core in Q4. For the first time in two decades there is a tenant's market here, which makes it a great time for lessees to evaluate their lease and take advantage. Although landlords are reluctant to decrease rates, they are highly motivated to provide other concessions in lease negotiations, improve their buildings, and offer amenities where possible. Even with high vacancies and lower demand, class A space continues to dominate the market. There is a flight to quality happening, and a need for superior space that encourages workers back to the office.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▲ 12 Mo. Net Absorption SF	1,261,189	1,909,854	1,308,043	1,350,216	1,016,018
▲ Vacancy Rate	5.68%	5.63%	5.40%	5.25%	4.74%
▲ Avg NNN Asking Rate PSF	\$44.90	\$44.76	\$44.57	\$44.59	\$44.57
▼ SF Under Construction	5,061,050	4,493,191	5,325,258	5,591,917	6,830,011
▲ Inventory SF	96,164,875	97,078,037	96,174,595	96,082,132	94,672,772

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7298 Hurd Street Mission, BC	25,894 SF	\$15,900,200* \$614.00 PSF	DDS Canada Enera Enterprises Ltd.	Class B
535 Granville Street Vancouver, BC	25,401 SF	\$17,800,000* \$701.00 PSF	1003333 BC Ltd. Bonnis Properties 535, Inc.	Class B
333 East Hastings Street Vancouver, BC	2,115 SF	\$1,000,000* \$473.00 PSF	Undisclosed Canada Teo Chew Federation	Class C

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
550 Burrard Street Vancouver, BC	34,144 SF	BentallGreenOak	Teck Resources	Mining
666 Burrard Street Vancouver, BC	17,101 SF	QuadReal	Undisclosed	Undisclosed
595 Burrard Street Vancouver, BC	16,298 SF	Hudson Pacific Properties	Undisclosed	Undisclosed

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