



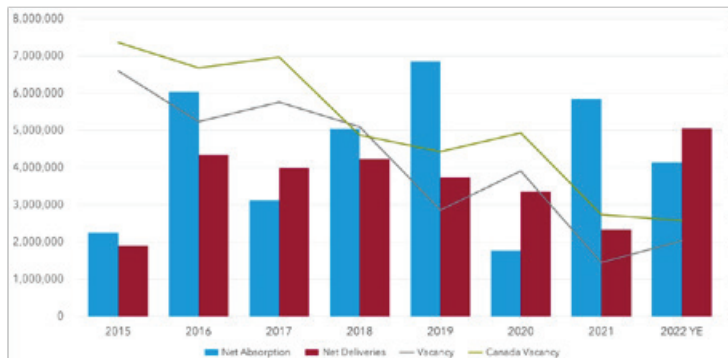
INDUSTRIAL MARKET OVERVIEW

NOLAN JACKSON, *Research Coordinator*

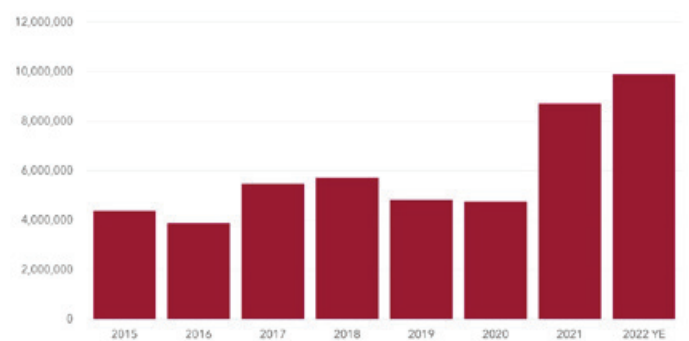
Vacancy rates remain near 1% and demand has yet to show signs of easing, positioning Vancouver among North America's tightest industrial real estate markets. The low vacancy rate and scarcity of developable land have continued to support lease activity and lease rate growth within the region. The Bank of Canada raised interest rates twice this quarter, increasing the overnight rate by 50bps on October 26th, and another 50bps on December 7th, resulting in a rate of 4.25%. Consequently, the cost to purchase has been climbing, shifting additional demand towards leasing. Activity within the lease market is expected to remain hot, while sales may pick up in 2023 as both inflation and interest rate hikes decrease.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	4,136,199	3,613,622	4,967,470	5,919,470	5,844,420
▲ Vacancy Rate	1.14%	1.06%	0.97%	0.75%	0.81%
▲ Avg NNN Asking Rate PSF	\$19.26	\$18.58	\$17.96	\$17.21	\$16.49
▼ SF Under Construction	9,902,341	11,035,141	10,357,375	9,262,468	8,717,384
▲ Inventory SF	266,809,421	265,098,422	264,217,476	262,957,542	261,750,503

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3333 Bridgeway Street Vancouver, BC	112,629 SF	\$38,250,000* \$340.00 PSF	Access Self Storage Inc. 0876242 B.C. Ltd	Class A
7950 Enterprise Street Burnaby, BC	49,447 SF	\$21,100,000* \$427.00 PSF	7950 Enterprise Street Holdings Ltd. Norco Management Inc.	Class C
851 & 855 Terminal Avenue Vancouver, BC	15,120 SF	\$14,800,000* \$979.00 PSF	FA (Terminal) Limited Partnership Sunshine Coast Education Grp Ltd	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
20580 & 20600 Maple Crescent Maple Ridge, BC	260,342 SF	Undisclosed	Trans Mountain Pipeline L.P.	Oil & Gas
19550 36 Avenue Surrey, BC	212,351 SF	Undisclosed	Mountain Equipment Company Ltd.	Retail
18750 28 Avenue Surrey, BC	193,000 SF	Undisclosed	IEM Industrial Electric MFG. (Canada) Inc.	Electrical Equipment Manufacturer

*All numbers shown are in Canadian dollars (CAD)

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