

## Q1 2024 VANCOUVER, BC



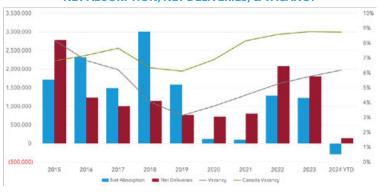
## **OFFICE MARKET OVERVIEW**

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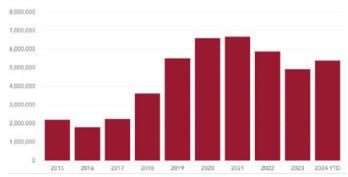
The Vancouver office market faces notable shifts and challenges going into 2024. Downtown vacancy rates are sitting at 12%, indicative of changing demand and tenant preferences. Bonnis Properties' decision to suspend a 17-storey project on Granville Street reflects this, as well as the struggle for developers with high costs and interest rates. This quarter, Westbank sold majority interest in Deloitte Summit to Allied Properties REIT, highlighting a significant ownership transfer in one of Downtown's most prominent office buildings. A trend towards smaller, amenity-rich spaces, particularly in the tech sector, is evident. However, a 40% drop in YoY office sales volume signals cautious investor sentiment.

MA	RKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
$\blacksquare$	12 Mo. Net Absorption SF	397,212	1,229,962	1,673,859	1,113,668	1,367,715
<b>A</b>	Vacancy Rate	6.22%	5.76%	5.91%	5.67%	5.67%
•	Avg NNN Asking Rate PSF	\$44.51	\$44.53	\$44.35	\$44.37	\$44.55
	SF Under Construction	5,388,369	4,915,677	4,898,155	4,971,183	4,998,149
<b>A</b>	Inventory SF	96,242,032	96,099,532	96,064,139	95,378,487	95,259,144

## **NET ABSORPTION, NET DELIVERIES, & VACANCY**



## **UNDER CONSTRUCTION**



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1758 West 8th Avenue Vancouver, BC	6,207 SF	\$8,600,000* \$1,385.53 PSF	McLean Group ECOMsquare	Class B
13402 104 Avenue Surrey, BC	6,278 SF	\$7,000,000* \$1,115.00 PSF	Undisclosed H.I.S. Canada Holdings, Inc.	Class B
2626 Croydon Drive Surrey, BC	4,900 SF	\$3,645,000* \$743.88 PSF	Harness Holdings, Inc. GV BT Holdings, Inc.	Class B

<sup>\*</sup>All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
855 Homer Street Vancouver, BC	23,185 SF	CRS Group of Companies	Undisclosed	Undisclosed
4621 Canada Way Burnaby, BC	19,657 SF	Crestpoint Real Estate Investments Ltd.	Scott Construction	Construction
733 Seymour Street Vancouver, BC	15,400 SF	Canada Life	Undisclosed	Undisclosed



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