



OFFICE MARKET OVERVIEW

MASON TAYKANDY, *Research Coordinator*

Downtown Vancouver office vacancies this quarter are holding at around 12%, with increasing vacancies in Class B and C properties. In the past two years, public sector employment has grown substantially, surpassing private sector investment and contributing to rising vacancy rates and slower deal activity downtown. In contrast, the suburban office market is showing stronger demand, returning to levels seen prior to the pandemic. With hybrid work models evolving, landlords are offering enticing incentives to attract tenants. While challenges persist in the downtown market, the outlook for longer-term demand may improve as companies refine their space strategies.

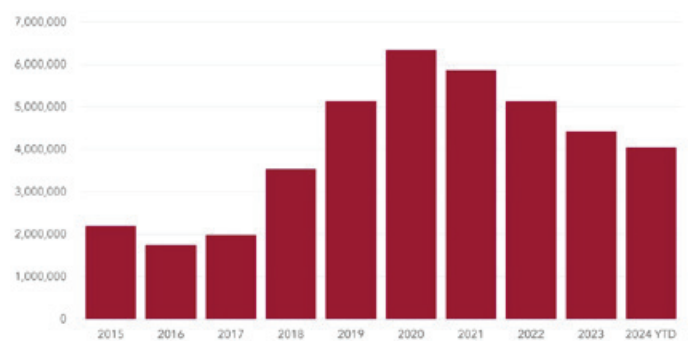
**All numbers shown are in Canadian dollars (CAD)*

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	(78,640)	331,307	148,426	904,378	1,584,505
▲ Vacancy Rate	6.72%	6.69%	6.23%	5.90%	5.83%
▲ Avg NNN Asking Rate PSF	\$45.64	\$45.60	\$45.57	\$45.86	\$45.63
▲ Sale Price PSF	\$653.88	\$651.79	\$653.71	\$657.19	\$662.51
▼ Cap Rate	4.31%	4.33%	4.33%	4.32%	4.28%
▲ Under Construction SF	3,775,225	3,700,967	4,516,179	4,421,830	4,388,378
▲ Inventory SF	96,926,318	96,898,056	96,012,297	95,947,212	95,911,819

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8035 120th Street Delta, BC	18,696 SF	\$16,000,000 \$855.80 PSF	Undisclosed 8035120 ND Holdings Ltd.	Class B
8011 Leslie Road Richmond, BC	8,921 SF	\$5,580,000 \$625.49 PSF	Capital Master Investment Ltd. Undisclosed	Class C
34595 3rd Avenue Abbotsford, BC	7,381 SF	\$2,950,000 \$399.67 PSF	High Hill Holdings Ltd. Double B Investments Corp.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
595 Burrard Street Vancouver, BC	31,112 SF	Hudson Pacific	Elk Valley Resources	Mining
2920 Virtual Way Vancouver, BC	29,231 SF	BCI	HTEC Hydrogren Technology & Energy Corporation	Energy
21 Water Street Vancouver, BC	22,959 SF	Low Tide Properties Ltd.	ICON Creative Studio	Film Production

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