



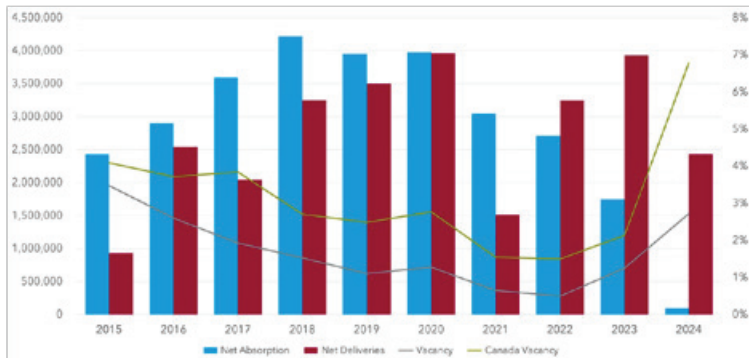
INDUSTRIAL MARKET OVERVIEW

DERRICK GONZALES, *Director of Research*

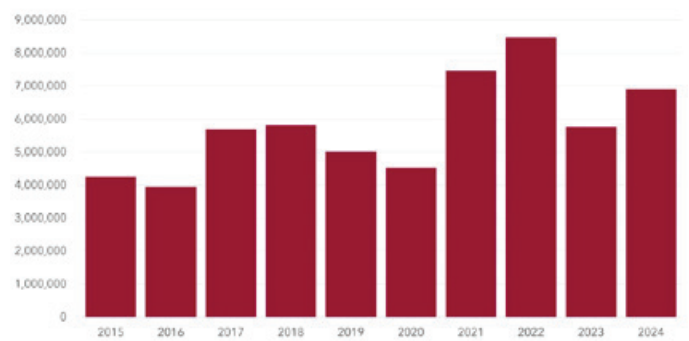
The Vancouver industrial market continues to maintain a strong delivery pipeline that will continue into 2025 while deliveries for 2024 totaled 2.43M SF. New completions this quarter comprised of small bay strata and large bay warehouse and distribution uses which continue to alleviate the supply-demand imbalance. Vacancy increased by 30 basis points (bps) quarter-over-quarter to 3.3%, while the availability rate increased 10 basis points to 5.2%, an upward trend since Q3 2022 when industrial vacancy rates began to rise from sub 1% territory. There are more than 70 available listings over 50,000 SF and new upcoming completions, the downward trajectory of asking rates may continue into the next few quarters.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	561,169	(361,635)	(339,084)	(1,231,612)	1,471,093
▲ Vacancy Rate	3.3%	3.0%	2.8%	2.4%	2.1%
▼ Avg NNN Asking Rate PSF	\$19.54	\$20.38	\$21.29	\$21.21	\$21.08
▼ Sale Price PSF	\$452	\$458	\$453	\$444	\$449
▼ Cap Rate	4.09%	4.10%	3.99%	3.99%	3.94%
▲ Under Construction SF	6,897,808	6,237,268	7,221,910	6,644,627	6,470,037
▲ Inventory SF	243,314,849	243,111,057	242,923,052	242,403,396	240,808,899

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9844 199A Street Langley, BC	55,285 SF	\$33,950,000 \$614.00 PSF	FWP Real Estate Ltd. C&S Ceramic Tile Distributors Ltd.	Class B
20104 & 20108 Logan Avenue Langley, BC	25,870 SF	\$15,985,060 \$618.00 PSF	Mainland Developments Teck Construction LLP	Class B
12303 King George Boulevard Surrey, BC	27,236 SF	\$8,500,000 \$312.00 PSF	Private Investor B&H Developments Ltd.	Class B

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
27475 58th Crescent Langley, BC	162,000 SF	Manulife	General Motors	Automotive
7200 Nelson Road Richmond, BC	137,844 SF	Austeville Properties	Acrocargo Express	3PL
7595 Lowland Drive Burnaby, BC	113,457 SF	Beedie	Pacific Specialty Brands	Warehousing & Distribution

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com