



SIGNIFICANT LEASE DEALS

Address	Submarket/City	SF	Tenant
1138 Melville St	Vancouver	155,000	Government of Canada
2025 Willingdon Ave	Burnaby	53,000	Parkland Fuels
355 Burrard St	Vancouver	19,000	Methanex

SIGNIFICANT BUILDING SALES

Address	Sale Value	PPSF	SF	Buyer
Submarket	Type of Sale	Cap Rate	Class	Seller
151-155 W. Hastings St	\$40,000,000	\$1,039.00	38,511	Allied Properties
Vancouver	Share Sale	-	Class B	Century Group
1220 Homer St	\$17,500,000	\$806.00	21,708	Allied Properties
Vancouver	Freehold	3.4%	Class C	O'Connor Gateway Inv.

LARGEST DELIVERIES


Address	Submarket/City	SF	Developer
565 Great Northern Way	Vancouver	162,554	PCI Developments
988 W. Broadway	Vancouver	80,814	Bluesky Properties
22 E. 5th Ave (Lightworks Bldg)	Vancouver	54,275	PC Urban Development

LARGEST UNDER CONSTRUCTION


Address	Submarket/City	SF	Delivery Date
349 W Georgia "The Post"	Vancouver	1,100,000	2023
753 Seymour St.	Vancouver	370,000	2021
400 W. Georgia St	Vancouver	345,846	2020

TOTAL OFFICE MARKET STATISTICS

	Vacancy Rate	Avg. SF Rental Rates	Net SF Absorption	SF Inventory	SF Under Construction
Q4 2018	5.2%	\$27.08	889,529	57,648,673	3,250,030
Q3 2018	6.2%	\$26.11	287,531	57,231,588	3,452,223
Q2 2018	7.2%	\$26.47	551,523	57,166,353	2,833,329
Q1 2018	7.4%	\$25.10	540,838	56,646,109	1,660,199
Q4 2017	8.3%	\$24.57	467,353	56,601,652	1,573,613

 **889,529** NET ABSORPTION SF

 **5.2%** VACANCY 3,023,306 SF

 **\$27.08** AVG. ASKING RATE PSF

 **297,643** DELIVERIES 3 Buildings

 **3,250,030** UNDER CONSTRUCTION 20 Buildings

JASON MARRIOTT

VP, Office Properties

Close to 1M SF of office leasing absorption was achieved in Q4 as a handful of new periphery office buildings were occupied and equally strong take-up in the Downtown and Suburban markets was recorded. Investment activity was subdued in Q4 ending up with cap rates at 4.1% as municipal elections resulted in some uncertainty in governing policies for B.C. investors and financial markets tumbled over the last 90 days of 2018. Nevertheless, recent moderation in borrowing costs, federally announced sustained immigration levels and B.C. leading the nation in non-residential building permits at year-end bode well for 2019.