



Winter Yaletown Office Perspective 2014

Prepared by
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Local Presence, Dedicated Focus

Winter Yaletown Market Update

The total Yaletown market inventory consists of 2,058,419 square feet of office space in 38 buildings. There are currently 41 vacancies ranging in size between 489 square feet to 28,000 square feet with a vacancy rate sitting at 7.1%. We have seen 0.5% of absorption since last quarter.

Rental rates in Yaletown continue to range from \$16.00 to \$35.00 p.s.f. per year, with inducements fluctuating from "AS-IS" to \$35.00 p.s.f. Average operating costs and taxes approximate \$15.46 p.s.f. per year, with the lowest being \$9.68 at 788 Beatty and the highest being \$18.71 at 1085 Cambie.

To summarize recent market activity in the last 90 days, a total of 23,342 sf was leased and 33,116 sf was added to the market. The largest deal completed last quarter was 11,546 sf in 948 Homer Street with the tenant signing a 5 year commitment.

If you are interested in Andrew's detailed report with specifics of all Yaletown vacancies and building details, please email him at Andrew@naicommercial.ca.

Source: Statistics provided by Altusinsite & Space List

Less is More

Less commercial property is selling but at far higher prices. *Commercial Edge* reports the number of commercial sales transactions dropped 17.45% from Q4 last year although the dollar value increased by 35.7%. What is driving this increase in sale prices? Foreign investors prove to be a major factor, *PWC* predicts that foreign investors will spend more than REITs in 2014 while being second only to institutional investors in markets such as Vancouver. According to a market survey done by CBRE, foreign buyers accounted for half of the office buildings sold downtown over the last year. Owners may be able to benefit in this time of less product on the market. Buyers have less product to choose from and are willing to pay more than ever.



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Yaletown Building Statistics

■ Increase from last quarter
■ Decrease from last quarter

Address	(2012)Assesed Land Value	(2012)Assesed Improvements Value	Lot Size (SF)	Total Office Area	Typical Floor (sq. ft.)	Available Office Area	Additional Rent
780 Beatty St	\$3,628,000	\$6,222,000	7,200	32,908	6,000	130	\$15.19
788 Beatty St	\$6,048,000	\$9,882,000	12,000	49,500	11,000	15,894	\$9.68
858 Beatty St	\$18,088,000	\$98,088,000	69,317	171,256	27,092	12,226	\$18.37
750 Cambie St	\$6,743,000	\$14,954,000	12,000	81,000	11,500	0	
775 Cambie St	\$22,445,000	\$29,183,000	91,492	282,004	35,000	0	
840 Cambie St	\$14,199,000	\$20,987,000	17,617	97,500	17,600	28,568	\$15.75
845 Cambie St	\$16,916,000	\$14,037,000	20,988	89,000	9,060	5,856	\$17.01
888 Cambie St	\$7,241,000	\$1,397,000	9,344	27,000	9,000	0	
896 Cambie St	\$12,322,000	\$50,300	15,000	24,000	8,000	984	
1001-1085 Cambie St	\$27,654,000	\$81,000	12,000	33,017	12,000	9,684	\$18.71
1028-1030 Hamilton St	\$6,150,000	\$6,482,000	6,000	24,000	6,000	24,000	\$16.50
1040 Hamilton St	\$12,300,000	\$11,277,000		48,000	12,000	3,504	\$15.21
1110 Hamilton St	\$12,546,000	\$16,614,000	12,000	48,000	12,000	1,000	\$15.24
1120 Hamilton St	\$6,150,000	\$5,007,000	6,000	20,000	5,000	0	
1132 Hamilton St				40,850	9,000	0	\$16.49
1168 Hamilton St	\$12,300,000	\$13,429,000	12,500	46,200	12,000	2,170	\$13.90
1228 Hamilton St	strata	strata		20,960	4,192	0	\$18.00
948-950 Homer St	\$10,147,000	\$7,147,000	15,000	21,600	10,800	0	\$14.25
990 Homer St	\$5,575,000	\$9,717,000	8,970	43,856	8,100	6,835	\$15.20
1008 Homer St	\$12,546,000	\$13,178,000	12,000	44,500	12,000	1,649	
1052 Homer St	\$12,207,000	\$8,183,000	11,910	43,493	10,500	6,307	
1085 Homer St	\$8,822,000	\$18,277,000	14,995	41,000	9,000	4,505	\$17.48
1090 Homer St	\$12,546,000	\$22,174,000	12,000	49,550	8,200	4,470	\$19.11
1107 Homer St				21,000	10,500	0	
1128 Homer St	\$9,963,000	\$17,588,000	9,000	33,679	11,226	0	
1140 Homer St	\$8,616,000	\$5,577,000	8,406	26,000	7,000	696	\$17.50
1148 Homer St	\$12,386,000	\$2,061,000	12,086	35,171	11,500	0	
1190 Homer St	\$10,036,000	\$12,542,000	10,000	23,000	9,600	0	
1220 Homer St	\$5,813,000	\$2,346,000	5,970	26,000	3,744	0	
1250 Homer St	\$3,078,000	\$4,708,000	18,000	26,000	6,500	2,803	\$16.67
1286 Homer St	\$5,842,000	\$5,437,000		20,424	5,000	5,154	\$14.00
910 Mainland St	\$106,531,000	\$856,000	101,895	289,500	96,000	20,000	\$10.00
1020 Mainland St	\$37,376,000	\$112,000	35,750	40,000	13,000	750	
1080 Mainland St	strata	strata		39,674	11,000	1,150	
1122 Mainland St	\$22,550,000	\$16,306,000	22,000	60,333	15,000	4,971	\$12.80
1152 Mainland St	\$8,121,000	\$5,411,000	10,650	38,444	9,500	4,286	\$13.00
1300 Richards St	\$6,303,000	\$31,600	7,500	20,000	7,000	0	

Source: Vacancy figures provided by Altusinsite and www.spacelist.ca

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Vacancy Trends

In the last 90 days, 9 new office availabilities came to market while 7 have been removed.

Space Added in the Last 90 Days

- | | |
|------------------------|----------|
| • 1122 Mainland Street | 3,600 SF |
| • 1008 Homer Street | 1,607 SF |
| • 1052 Homer Street | 6,307 SF |
| • 1250 Homer Street | 2,803 SF |
| • 1090 Homer Street | 2,700 SF |
| • 1238 Homer Street | 1,767 SF |

Leased in the Last 60 Days

- | | |
|------------------------|------------------|
| • 945-950 Homer Street | 1,361 SF, 694 SF |
| • 1110 Hamilton Street | 1,000 SF |
| • 1090 Homer Street | 1,753 SF |

Realizing potential, delivering results

Andrew is a dynamic and energetic force that brings a competitive edge to sourcing and retaining the right tenants for Landlords. With several years of experience, he brings a unique team approach to solving vacancy issues for his clients. Andrew is front and centre throughout the deal process while utilizing his team of Rob DesBrisay, Irene Yung and the NAI marketing department to facilitate transactions and aggressively fill vacancies.

Andrew focuses his energy on Yaletown. Yaletown is considered one of the most unique and dynamic places in BC for a firm to locate and an employee to live and work. The Yaletown market is one of the most vibrant communities in Vancouver. It is within close proximity to the financial core, offers rapid transit, home to both BC place and Rogers arena, and is the chosen location for some of Vancouver's finest restaurants and night clubs. It is no surprise that Yaletown is home to firms such as SAP, Big Park Games, Red Bull, Microsoft and Sony Pictures to name a few. If you would like to discuss your commercial real estate in Yaletown, Andrew would be happy to meet with you.

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