



MARKET SURVEY NB OFFICES & WAREHOUSES JUNE 2020



Survey Scope: 169 office & 98 warehouse buildings
7,918,210 ft.² of rental office space
4,184,718 ft.² of rental warehouse space
expert researchers
3 cities



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JUNE 2020 MARKET SURVEY NEW BRUNSWICK OFFICES

Year at a Glance

	Fredericton	Saint John	Moncton
Office Inventory (ft. ²)	2,130,348	2,521,861	3,498,164
Net Absorption (ft. ²)	47,462	64,203	7,013
Vacancy Rate	5.99%	16.47%	12.92%
Avg. Net Rent/ft. ²	\$13.79	\$12.76	\$13.01
Avg. RTCAM/ft. ²	\$10.09	\$ 8.96	\$ 9.30
Avg. Gross Rent/ft. ²	\$24.05	\$21.78	23.36%

Survey Overview

These surveys included every office building with a total rentable area of 5,000 ft.² or greater, available for rent in the three major cities in New Brunswick: Greater Fredericton, Greater Saint John, and Greater Moncton. A team of trained researchers collected rental, operating expense and vacancy data on 169 buildings with an aggregate rentable area of 8,150,373 ft.², broken down by city as follows:

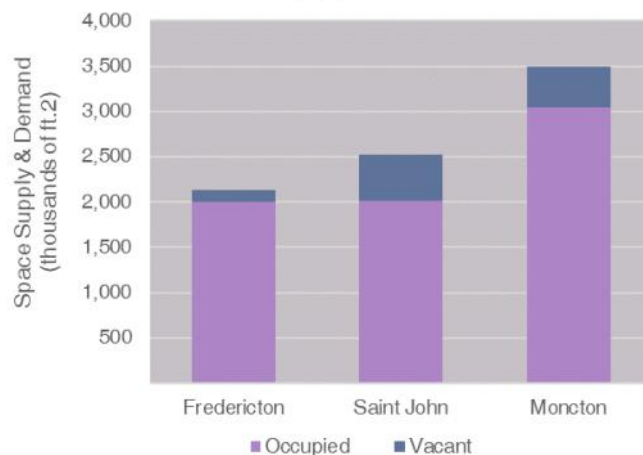
Greater Fredericton: 51 buildings 2,130,348 ft.² GLA

Greater Saint John: 43 buildings 2,521,861 ft.² GLA

Greater Moncton: 75 buildings 3,498,164 ft.² GLA

The survey successfully collected information on 80% of the rental stock polled. The results flow from what we believe is the most comprehensive survey of office space ever undertaken in New Brunswick.

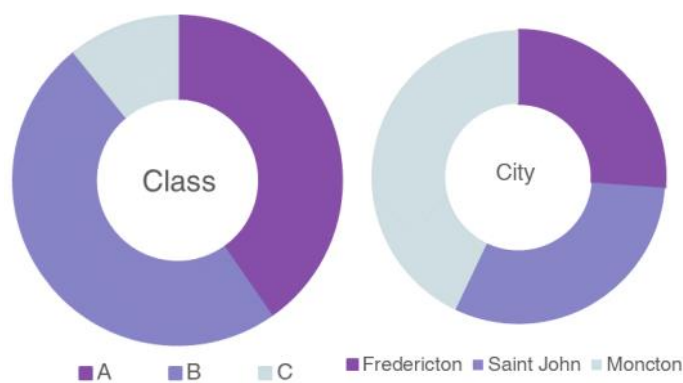
Supply & Demand



Vacant Space by Class

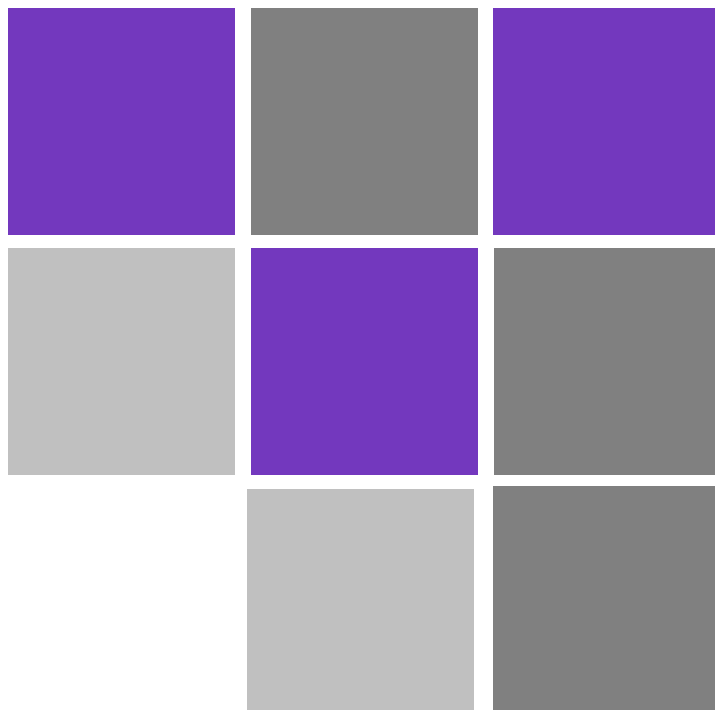
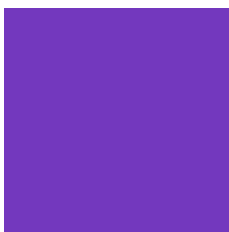


Overall Office Inventory



Net Absolute Rent/ft.2 by Class





MARKET SURVEY FREDERICTON OFFICES JUNE 2020

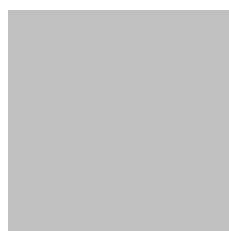
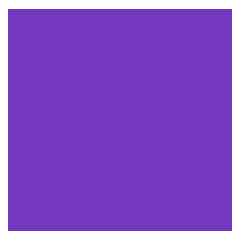


Survey Scope:

51 buildings

2,130,348 ft.² of rental office space

expert researchers



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JUNE 2020 MARKET SURVEY FREDERICTON OFFICES

Year at a Glance

	2019	2020	Change
Office Inventory (ft. ²)	2,126,368	2,130,348	↑ 3,980
Net Absorption (ft. ²)	684	47,462	↑ 46,778
Vacancy Rate	8.04%	5.99%	↓ - 2.05 pp
Avg. Net Rent/ft. ²	\$13.84	\$13.79	↓ - 0.36%
Avg. RTCAM/ft. ²	\$10.10	\$10.09	↓ - 0.10%
Avg. Gross Rent/ft. ²	\$23.94	\$24.05	↑ 0.46%

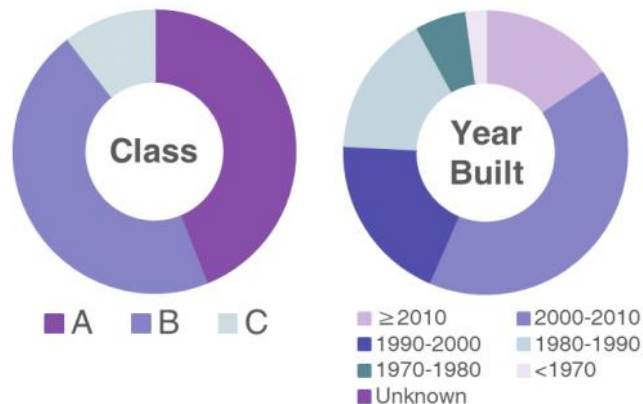
Supply & Demand Overview

The total amount of rentable office space in Greater Fredericton decreased 0.19% over last year. The overall vacancy rate decreased from 8.04% in 2019 to 5.99% in 2020. The key driver of space demand is the growth in the provincial real (deflated) Gross Domestic Product. Our analysis of GDP projections indicates that 2021 will see GDP growth of 4.5%, contributing to an uptick in demand for office space of 4.42%. With additional supply expected to enter the market, the vacancy rate is expected to rise to 13.95%.

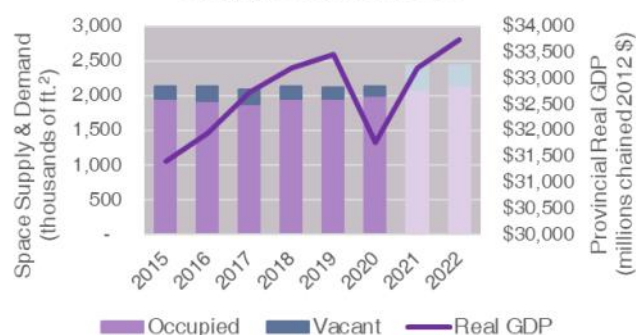
Our survey measured vacancy and rental rates by class of building. Class A buildings command the highest rents in their community and have distinctive design and lobbies. Class B buildings offer “no frills” modern, air conditioned space. Class C buildings make up the remainder of the office rental market. The current vacancy rates by class are: Class A 4.81%; Class B 7.58%; Class C 4.02%; Overall 5.99%.

The vacancy rate and net rental rate are inversely correlated: empirical data indicates that generally a falling vacancy rate portends a rising net rental rate, while a rising vacancy rate indicates that net rental rate increases will moderate or even fall. Current average net absolute rental rates per square foot are: Class A \$15.27; Class B \$13.19; Class C \$13.38; Overall \$13.79.

Overall Office Inventory



Supply, Demand & GDP



Vacant Space



Net Absolute Rent/ft.²

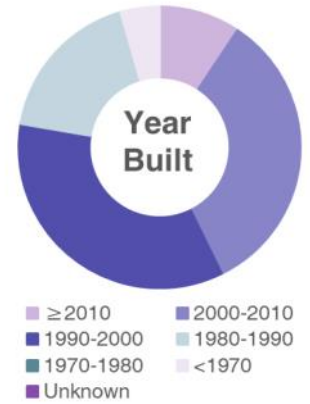
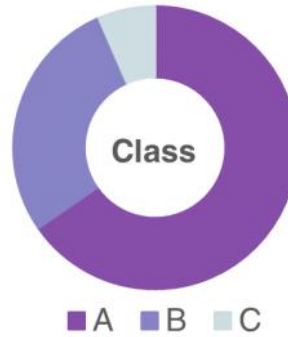


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CENTRAL FREDERICTON

Year at a Glance

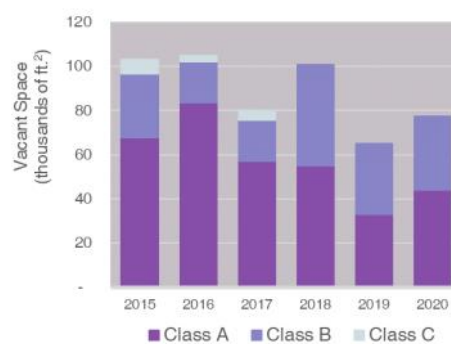
	2019	2020	Change
Office Inventory (ft. ²)	1,011,279	1,036,767	↑ 25,488
Net Absorption (ft. ²)	35,877	13,210	↓ (22,667)
Vacancy Rate	6.43%	7.45%	↑ 1.02 pp
Avg. Net Rent/ft. ²	\$15.20	\$15.13	↓ - 0.46%
Avg. RTCAM/ft. ²	\$ 9.94	\$ 9.60	↓ - 3.42%
Avg. Gross Rent/ft. ²	\$25.13	\$25.14	↑ 0.04%



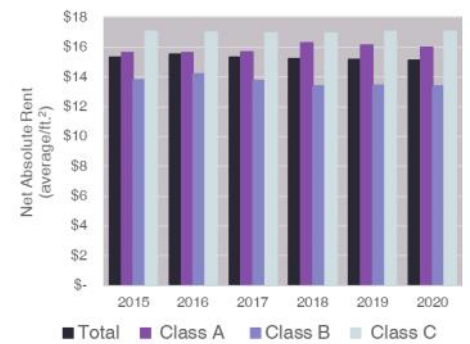
Supply & Demand



Vacant Space



Net Absolute Rent/ft.²



FREDERICTON PERIPHERAL

Class

Class A Class B Class C

Year Built

≥2010 2000-2010
1990-2000 1980-1990
1970-1980 <1970
Unknown

Year at a Glance

	2019	2020	Change
Office Inventory (ft. ²)	1,115,089	1,093,581	↓ (21,508)
Net Absorption (ft. ²)	(35,193)	34,252	↑ 69,445
Vacancy Rate	9.51%	4.60%	↓ - 4.91 pp
Avg. Net Rent/ft. ²	\$13.14	\$13.05	↓ - 0.68%
Avg. RTCAM/ft. ²	\$10.19	\$10.37	↑ 1.77%
Avg. Gross Rent/ft. ²	\$23.33	\$23.43	↑ 0.43%

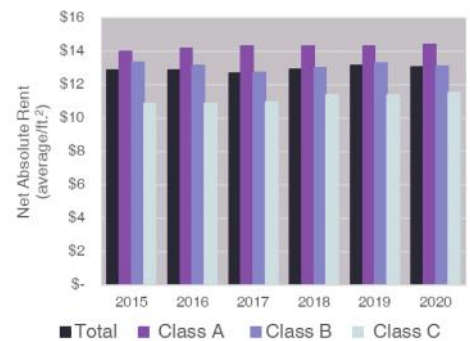
Supply & Demand




Vacant Space



Net Absolute Rent/ft.²






MARKET SURVEY SAINT JOHN NB OFFICES JUNE 2020



Survey Scope:
43 buildings
2,521,861 ft.² of rental office space
expert researchers



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JUNE 2020 MARKET SURVEY SAINT JOHN NB OFFICES

Year at a Glance

	2019	2020	Change
Office Inventory (ft. ²)	2,498,661	2,521,861	↑ 23,200
Net Absorption (ft. ²)	(46,640)	64,203	↑ 110,843
Vacancy Rate	18.26%	16.47%	↓ - 1.79 pp
Avg. Net Rent/ft. ²	\$12.94	\$12.76	↓ - 1.39%
Avg. RTCAM/ft. ²	\$ 9.35	\$ 8.96	↓ - 4.17%
Avg. Gross Rent/ft. ²	\$22.06	\$21.78	↓ - 1.27%

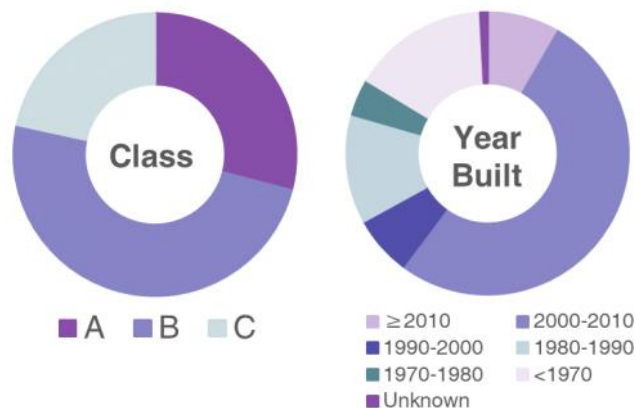
Supply & Demand Overview

The total amount of rentable office space in Saint John increased 0.93% over last year. The overall vacancy rate decreased from 18.26% in 2019 to 16.47% in 2020. The key driver of space demand is the growth in the provincial real (deflated) Gross Domestic Product. Our analysis of GDP projections indicates that 2021 will see GDP growth of 4.5%, with a decrease in demand for office space of 3.03%. No major additions to rental supply are anticipated in the year to come, and the vacancy rate is expected to climb to 19.00%.

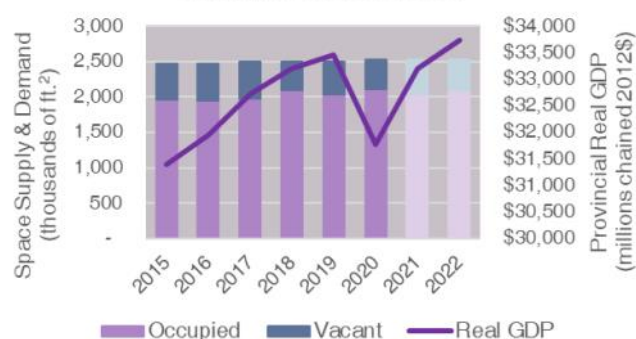
Our survey measured vacancy and rental rates by class of building. Class A buildings command the highest rents in their community and have distinctive design and lobbies. Class B buildings offer “no frills” modern, air conditioned space. Class C buildings make up the remainder of the office rental market. The current vacancy rates by class are: Class A 15.55%; Class B 17.36%; Class C 15.67%; Overall 16.47%.

The vacancy rate and net rental rate are inversely correlated: empirical data indicates that generally a falling vacancy rate portends a rising net rental rate, while a rising vacancy rate indicates that net rental rate increases will moderate or even fall. Current average net absolute rental rates per square foot are: Class A \$14.86; Class B \$12.68; Class C \$10.60; Overall \$12.76.

Overall Office Inventory



Supply, Demand & GDP



Vacant Space



Net Absolute Rent/ft.²

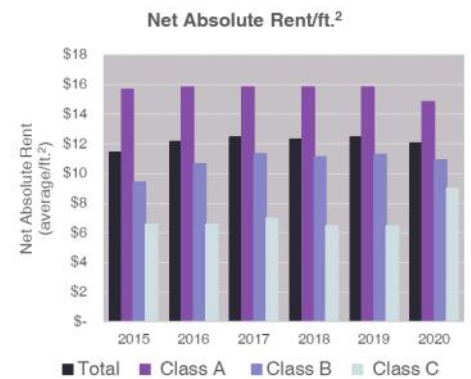
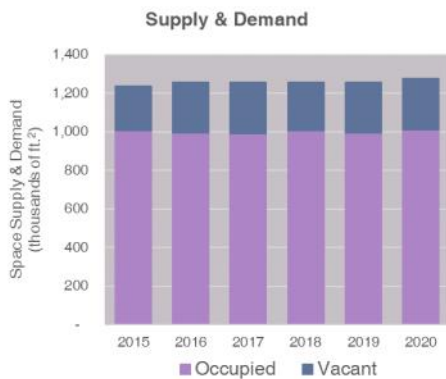
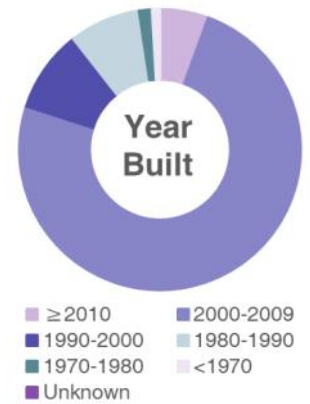
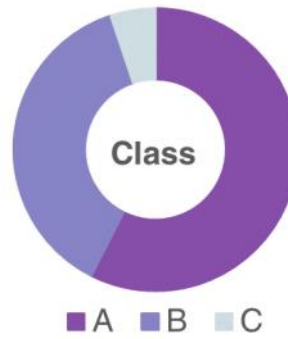


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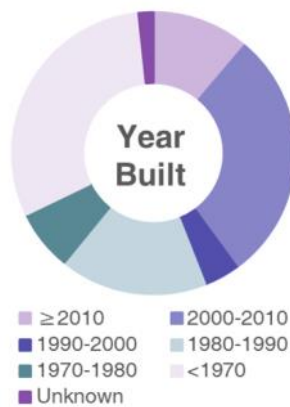
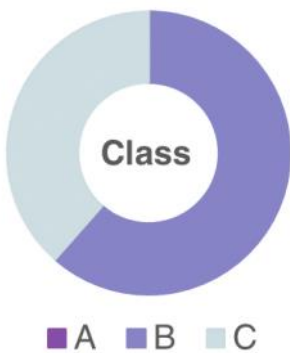
UPTOWN SAINT JOHN NB

Year at a Glance

	2019	2020	Change
Office Inventory (ft. ²)	1,256,438	1,275,504	↑ 19,066
Net Absorption (ft. ²)	(11,025)	14,693	↑ 25,718
Vacancy Rate	20.70%	20.74%	↑ 0.03 pp
Avg. Net Rent/ft. ²	\$12.47	\$12.04	↓ - 3.45%
Avg. RTCAM/ft. ²	\$10.30	\$10.35	↑ 0.49%
Avg. Gross Rent/ft. ²	\$23.39	\$22.75	↓ - 2.74%

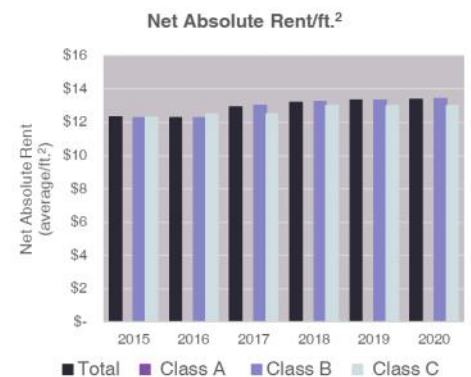


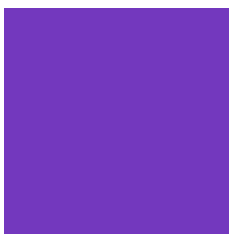
PERIPHERAL SAINT JOHN NB



Year at a Glance

	2019	2020	Change
Office Inventory (ft. ²)	1,242,223	1,246,357	↑ 4,134
Net Absorption (ft. ²)	(35,615)	49,510	↑ 85,125
Vacancy Rate	15.80%	12.10%	↓ - 3.69 pp
Avg. Net Rent/ft. ²	\$13.31	\$13.36	↑ 0.38%
Avg. RTCAM/ft. ²	\$ 8.55	\$ 7.84	↓ - 8.30%
Avg. Gross Rent/ft. ²	\$20.99	\$20.90	↓ - 0.43%

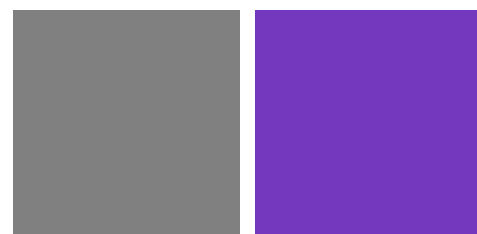
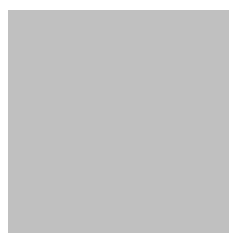




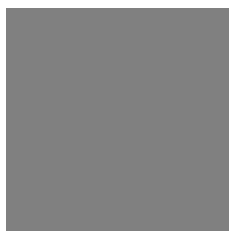
MARKET SURVEY MONCTON OFFICES JUNE 2020



Survey Scope:
75 buildings
3,498,164 ft.² of rental office space
expert researchers



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JUNE 2020 MARKET SURVEY MONCTON OFFICES

Year at a Glance

	2019	2020	Change
Office Inventory (ft. ²)	3,292,182	3,498,164	↑ 205,982
Net Absorption (ft. ²)	370,700	7,013	↓ (363,687)
Vacancy Rate	7.68%	12.92%	↑ 5.24 pp
Avg. Net Rent/ft. ²	\$12.84	\$13.01	↑ 1.32%
Avg. RTCAM/ft. ²	\$ 9.21	\$ 9.30	↑ 0.98%
Avg. Gross Rent/ft. ²	\$22.58	\$23.36	↑ 3.45%

Supply & Demand Overview

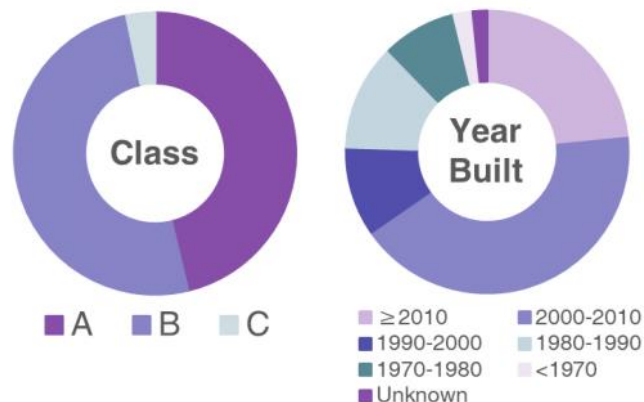
The total amount of rentable office space in Greater Moncton increased 6.26% over last year, due in part to newly converted office space being added into the market. The overall vacancy rate increased from 7.68% in 2019 to 12.92% in 2020. The key driver of space demand is the growth in the provincial real (deflated) Gross Domestic Product. Our analysis of GDP projections indicates that 2021 will see GDP growth of 4.5%, with a decrease in demand for office space of 3.03%. With some new office supply expected to be brought to the market in 2020, the vacancy rate is expected to rise to 15.56%.

Our survey measured vacancy and rental rates by class of building. Class A buildings command the highest rents in their community and have distinctive design and lobbies. Class B buildings offer “no frills” modern, air conditioned space. Class C buildings make up the remainder of the office rental market. The current vacancy rates by class are: Class A 5.34%; Class B 20.06%; Class C 9.85%; Overall 12.92%.

The vacancy rate and net rental rate are inversely correlated: empirical data indicates that generally a falling vacancy rate portends a rising net rental rate, while a rising vacancy rate indicates that net rental rate increases will moderate or even fall. Current average net absolute rental rates per square foot are: Class A \$14.24; Class B \$12.38; Class C \$11.92; Overall \$13.01.

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Overall Office Inventory



Supply, Demand & GDP



Vacant Space



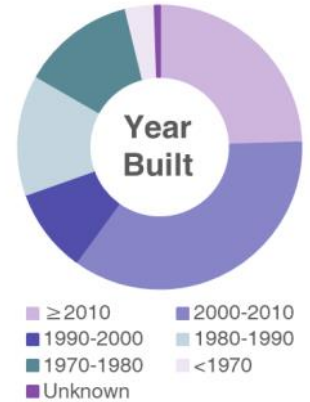
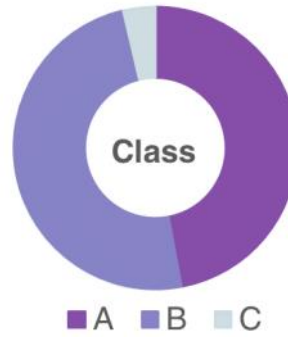
Net Absolute Rent/ft.²



CENTRAL MONCTON

Year at a Glance

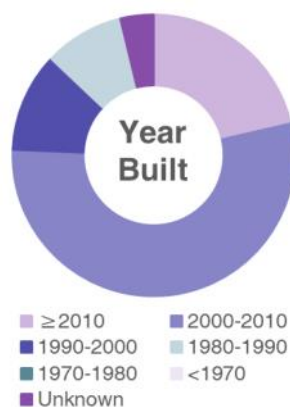
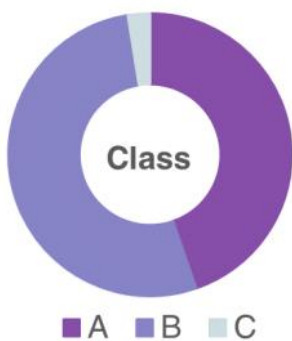
	2019	2020	Change
Office Inventory (ft. ²)	2,099,370	2,307,010	↑ 207,640
Net Absorption (ft. ²)	181,979	(15,635)	↓ (197,614)
Vacancy Rate	5.22%	14.43%	↑ 9.21 pp
Avg. Net Rent/ft. ²	\$12.82	\$12.86	↑ 0.31%
Avg. RTCAM/ft. ²	\$ 8.87	\$ 8.77	↓ - 1.13%
Avg. Gross Rent/ft. ²	\$22.94	\$23.68	↑ 3.23%



MONCTON PERIPHERAL

Year at a Glance

	2019	2020	Change
Office Inventory (ft. ²)	1,192,812	1,191,154	↓ (1,658)
Net Absorption (ft. ²)	188,721	22,648	↓ (166,073)
Vacancy Rate	12.01%	9.99%	↓ - 2.02 pp
Avg. Net Rent/ft. ²	\$12.86	\$13.13	↑ 2.10%
Avg. RTCAM/ft. ²	\$ 9.56	\$ 9.94	↑ 3.97%
Avg. Gross Rent/ft. ²	\$22.27	\$23.07	↑ 3.59%



JUNE 2020 MARKET SURVEY NEW BRUNSWICK WAREHOUSES

Year at a Glance

	Fredericton	Saint John	Moncton
Office Inventory (ft. ²)	322,571	551,430	3,163,495
Net Absorption (ft. ²)	8,603	15,409	47,309
Vacancy Rate	3.36%	17.30%	11.45%
Avg. Net Rent/ft. ²	\$ 6.93	\$ 8.17	\$ 6.89
Avg. RTCAM/ft. ²	\$ 3.80	\$ 4.64	\$ 4.22
Avg. Gross Rent/ft. ²	\$11.01	\$12.80	\$11.09

Survey Overview

These surveys included every warehouse building with a total rentable area of 5,000 ft.² or greater, available for rent in the three major cities in New Brunswick: Greater Fredericton, Greater Saint John, and Greater Moncton. A team of trained researchers collected rental, operating expense and vacancy data on 98 buildings with an aggregate rentable area of 4,037,496 ft.², broken down by city as follows:

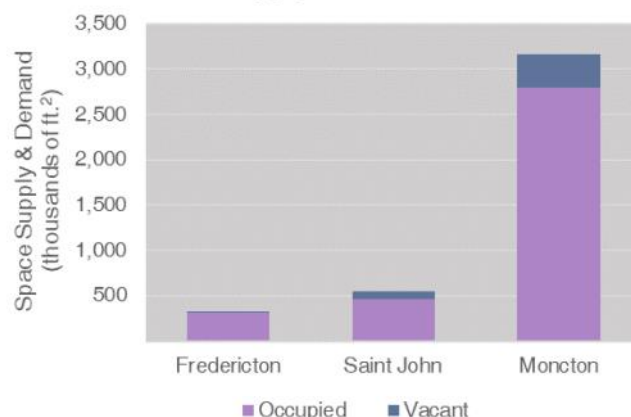
Greater Fredericton: 11 buildings 322,571 ft.² GLA

Greater Saint John: 16 buildings 551,430 ft.² GLA

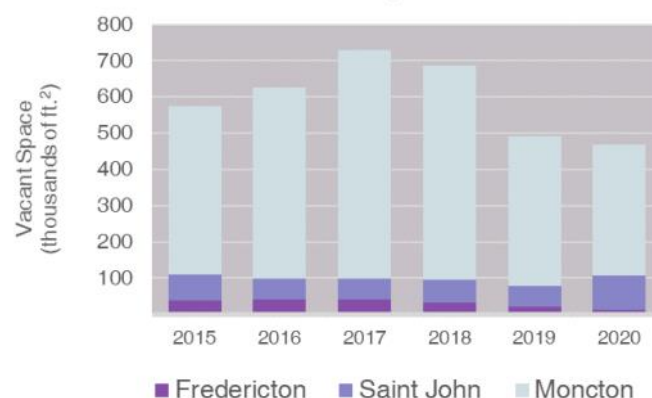
Greater Moncton: 71 buildings 3,163,495 ft.² GLA

The survey successfully collected information on 80% of the rental stock polled. The results flow from what we believe is the most comprehensive survey of office space ever undertaken in New Brunswick.

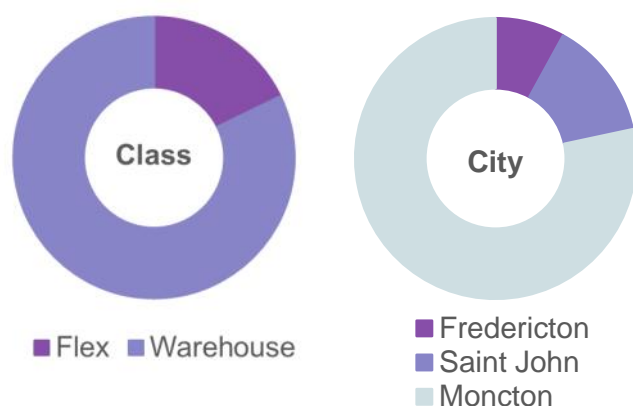
Supply & Demand



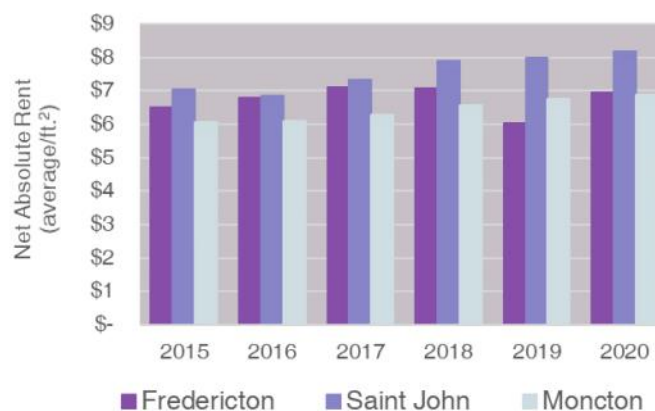
Vacant Space



Overall Warehouse Inventory



Net Absolute Rent/ft.²





MARKET SURVEY FREDERICTON WAREHOUSES

JUNE 2020



Survey Scope:

11 buildings

322,571 ft.² of rental warehouse space

expert researchers



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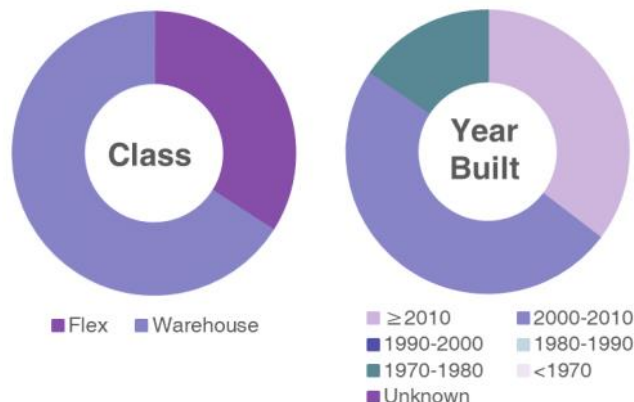
E-Mail: tdp@turnerdrake.com

JUNE 2020 MARKET SURVEY FREDERICTON WAREHOUSES

Year at a Glance

Warehouse	2019	2020	Change
Inventory (ft. ²)	322,571	322,571	↔ - - -
Net Absorption (ft. ²)	22,917	8,603	↓ (14,313)
Vacancy Rate	6.03%	3.36%	↓ - 2.67 pp
Avg. Net Rent/ft. ²	\$ 6.93	\$ 6.93	↔ - - -
Avg. RTCAM/ft. ²	\$ 4.39	\$ 3.80	↓ - 13.44%
Avg. Gross Rent/ft. ²	\$11.32	\$11.01	↓ - 2.74%

Overall Warehouse Inventory



Supply & Demand Overview

The total amount of rentable warehouse space in Greater Fredericton did not change from last year, holding steady at 322,571 ft.². The overall vacancy rate dropped from 6.03% in 2019 to 3.36% in 2020. The key driver of space demand is the growth in the provincial real (deflated) Gross Domestic Product. Our analysis of GDP projections indicates that 2021 will see GDP growth of 4.5%, with a decrease in demand for warehouse space of 1.06%. The vacancy rate is expected to increase to 4.39%.

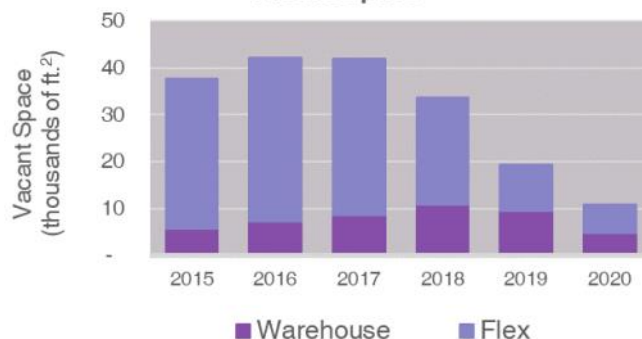
Our survey measured the vacancy rate by geographic node. The current vacancy rate in each of the following locations is: Fredericton Central 0.88%; Fredericton Industrial Park 5.16%; Overall 3.36%.

Our survey also measured rental rates. Industrial properties in Fredericton saw the overall net absolute rent per square foot unchanged from 2019, holding at \$6.93 /ft.² for 2020. The average overall net rental rates per square foot in each of the following locations are: Central Fredericton \$7.71; Fredericton Industrial Park \$6.67; Overall \$6.93.

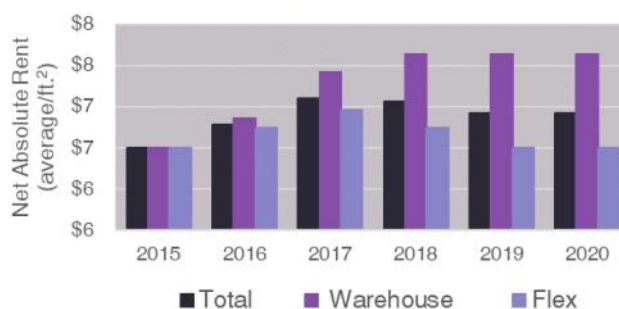
Supply, Demand & GDP



Vacant Space



Net Absolute Rent/ft.²

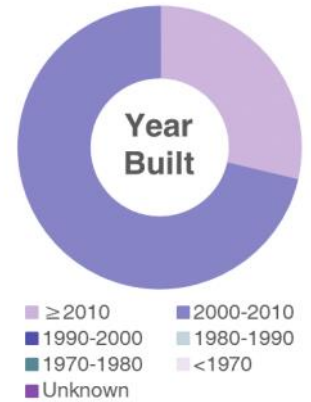
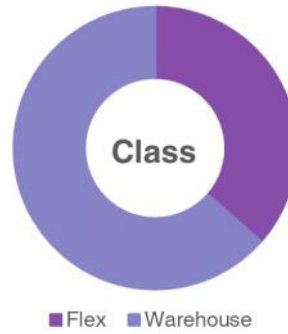


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CENTRAL FREDERICTON

Year at a Glance

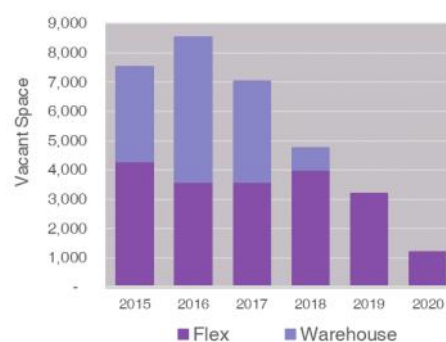
Warehouse	2019	2020	Change
Inventory (ft. ²)	135,644	135,644	↔ ---
Net Absorption (ft. ²)	1,550	2,000	↑ 450
Vacancy Rate	2.36%	0.88%	↓ - 1.47 pp
Avg. Net Rent/ft. ²	\$ 7.71	\$ 7.71	↔ ---
Avg. RTCAM/ft. ²	\$ 3.80	\$ 2.74	↓ - 27.89%
Avg. Gross Rent/ft. ²	\$11.51	\$10.69	↑ - 7.12%



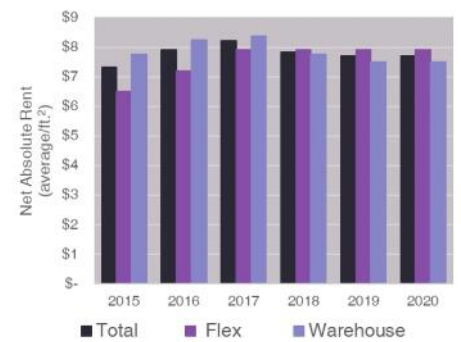
Supply & Demand



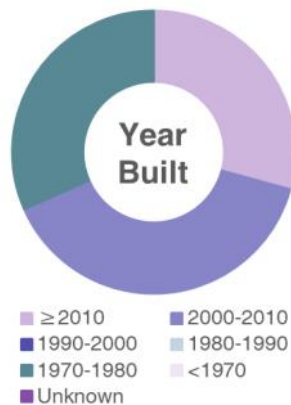
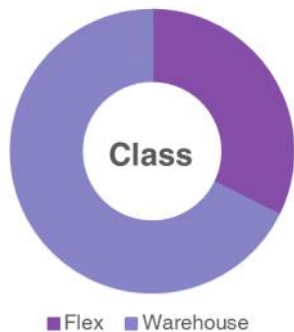
Vacant Space



Net Absolute Rent/ft.²



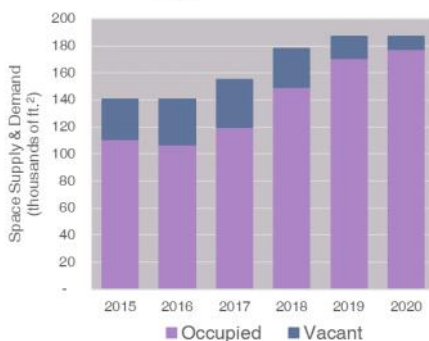
FREDERICTON PERIPHERAL



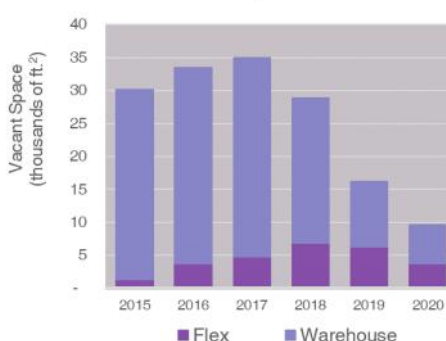
Year at a Glance

Warehouse	2019	2020	Change
Inventory (ft. ²)	186,927	186,927	↔ ---
Net Absorption (ft. ²)	21,367	6,603	↓ (14,764)
Vacancy Rate	8.69%	5.16%	↓ - 3.53 pp
Avg. Net Rent/ft. ²	\$ 6.67	\$ 6.67	↔ ---
Avg. RTCAM/ft. ²	\$ 4.46	\$ 4.26	↓ - 4.48%
Avg. Gross Rent/ft. ²	\$11.13	\$11.16	↑ 0.27%

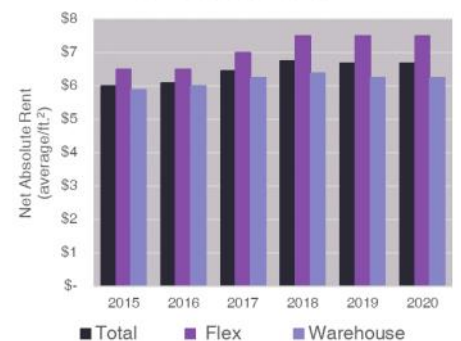
Supply & Demand




Vacant Space



Net Absolute Rent/ft.²





MARKET SURVEY SAINT JOHN NB WAREHOUSES

JUNE 2020



Survey Scope:

16 buildings

551,430 ft.² of rental warehouse space

expert researchers



Real Estate Counsellors, Brokers and Valuers
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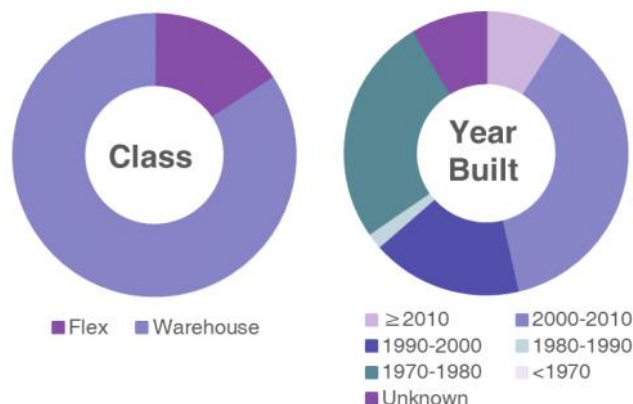
JUNE 2020 MARKET SURVEY

SAINT JOHN WAREHOUSES

Year at a Glance

Warehouse	2019	2020	Change
Inventory (ft. ²)	536,021	551,430	↑ 15,409
Net Absorption (ft. ²)	27,836	(21,412)	↓ (49,248)
Vacancy Rate	10.93%	17.30%	↑ 6.37 pp
Avg. Net Rent/ft. ²	\$ 7.99	\$ 8.17	↑ 2.25%
Avg. RTCAM/ft. ²	\$ 4.81	\$ 4.64	↓ - 3.53%
Avg. Gross Rent/ft. ²	\$12.80	\$12.80	↔ 4.07%

Overall Warehouse Inventory



Supply & Demand Overview

The total amount of rentable warehouse space in Greater Saint John increased by 2.87% over last year. The overall vacancy rate increased from 10.93% in 2019 to 17.30% in 2020. The key driver of space demand is the growth in the provincial real (deflated) Gross Domestic Product. Our analysis of GDP projections indicates that 2021 will see GDP growth of 4.5%, with a decrease in demand for warehouse space of 1.06%. With no anticipated new supply set to come to market in 2020, the vacancy rate is expected to rise only slightly to 18.18%.

Our survey measured the vacancy rate by geographic node. The current vacancy rate in each of the following locations is: Grandview Industrial Park 18.45%; Saint John Remainder 14.51%, Overall 17.30%.

Our survey also measured rental rates. Industrial properties in Saint John saw the overall net absolute rent per square foot increase by 2.25% year over year, to \$8.17/ft.² in 2020. The average overall net rental rates per square foot in each of the following locations are: Grandview Industrial Park \$6.85; Saint John Remainder \$11.06; Overall \$ 8.17.

Supply, Demand & GDP



Vacant Space



Net Absolute Rent/ft.²

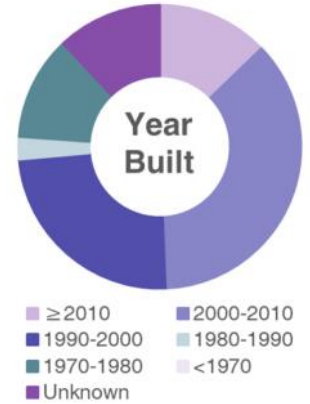
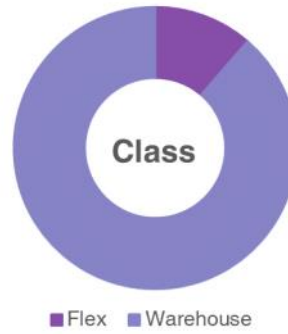


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GRANDVIEW INDUSTRIAL PARK

Year at a Glance

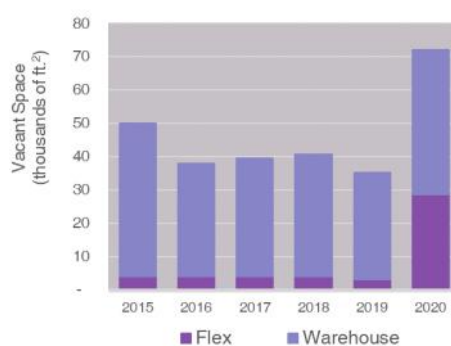
Warehouse	2019	2020	Change
Inventory (ft. ²)	375,124	390,533	↑ 15,409
Net Absorption (ft. ²)	20,897	(21,412)	↓ (42,309)
Vacancy Rate	9.39%	18.45%	↑ 9.06 pp
Avg. Net Rent/ft. ²	\$ 6.44	\$ 6.85	↑ 6.37%
Avg. RTCAM/ft. ²	\$ 4.14	\$ 4.26	↑ 2.90%
Avg. Gross Rent/ft. ²	\$10.06	\$11.11	↑ 10.44%



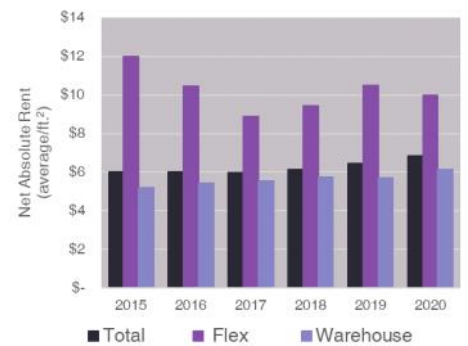
Supply & Demand



Vacant Space



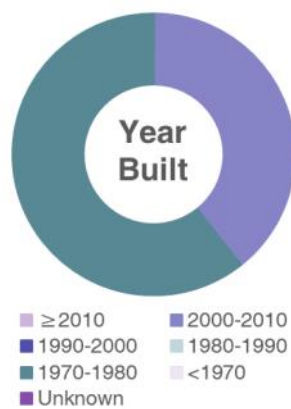
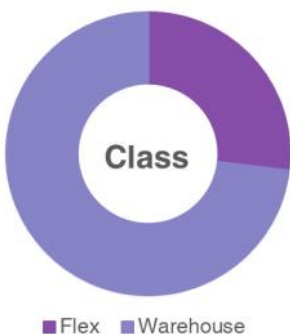
Net Absolute Rent/ft.²



SAINT JOHN REMAINDER

Year at a Glance

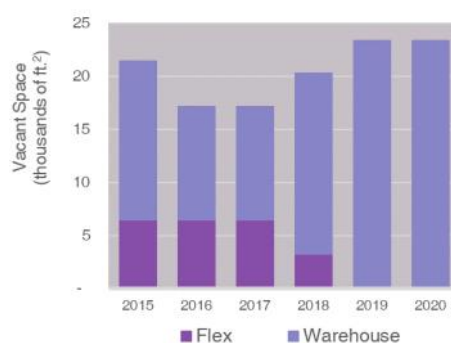
Warehouse	2019	2020	Change
Inventory (ft. ²)	160,897	160,897	↔ ---
Net Absorption (ft. ²)	6,939	---	↓ (6,939)
Vacancy Rate	14.51%	14.51%	↔ ---
Avg. Net Rent/ft. ²	\$11.45	\$11.06	↓ - 3.41%
Avg. RTCAM/ft. ²	\$ 6.19	\$ 5.47	↓ - 11.63%
Avg. Gross Rent/ft. ²	\$17.64	\$16.53	↓ - 6.29%



Supply & Demand

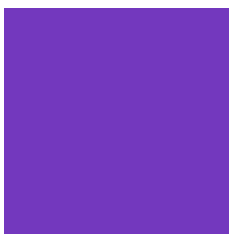


Vacant Space



Net Absolute Rent/ft.²



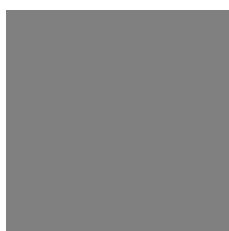
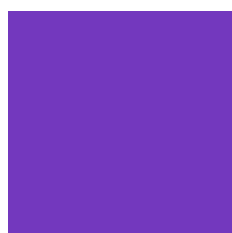


MARKET SURVEY MONCTON WAREHOUSES

JUNE 2020



Survey Scope:
71 buildings
3,163,495 ft.² of rental warehouse space
expert researchers



Real Estate Counsellors, Brokers and Valuers
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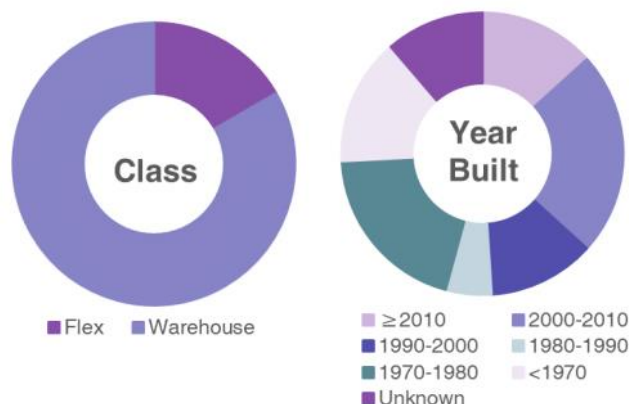
JUNE 2020 MARKET SURVEY

MONCTON WAREHOUSES

Year at a Glance

Warehouse	2019	2020	Change
Inventory (ft. ²)	3,116,186	3,163,495	↑ 47,309
Net Absorption (ft. ²)	243,564	97,650	↓ (145,914)
Vacancy Rate	13.24%	11.45%	↓ - 1.79 pp
Avg. Net Rent/ft. ²	\$ 6.74	\$ 6.89	↑ 2.23%
Avg. RTCAM/ft. ²	\$ 4.23	\$ 4.22	↓ - 0.24%
Avg. Gross Rent/ft. ²	\$10.97	\$11.09	↑ 1.09%

Overall Warehouse Inventory



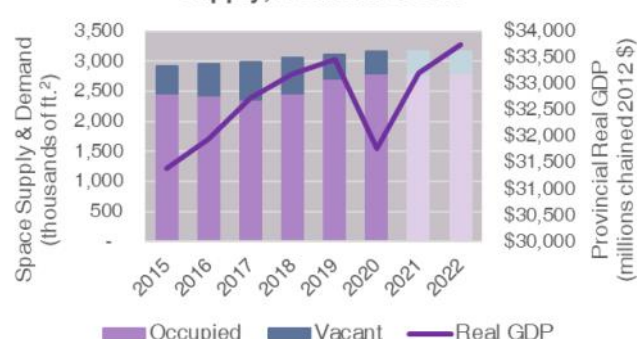
Supply & Demand Overview

The total amount of rentable warehouse space in Greater Moncton increased by 1.52% over last year. The overall vacancy rate dropped from 13.24% in 2019 to 11.45% in 2020. The key driver of space demand is the growth in the provincial real (deflated) Gross Domestic Product. Our analysis of GDP projections indicates that 2021 will see GDP growth of 4.5%, with a decrease in demand for warehouse space of 1.06%. The vacancy rate is expected to increase to 12.39%.

Our survey measured the vacancy rate by geographic node. The current vacancy rate in each of the following locations is: Moncton Central 1.68%; Moncton Industrial Park 16.27%; Dieppe Industrial Park 2.08%; Caledonia Industrial Park 10.82%; Overall 11.45%.

Our survey also measured rental rates. The average overall net rental rates per square foot in each of the following locations are: Moncton Central \$7.97; Moncton Industrial Park \$6.85; Dieppe Industrial Park \$7.03; Caledonia Industrial Park \$6.67; Overall \$6.89.

Supply, Demand & GDP



Vacant Space



Net Absolute Rent/ft.²

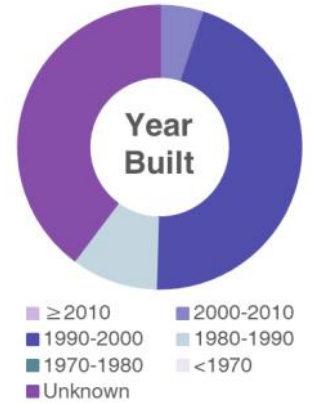
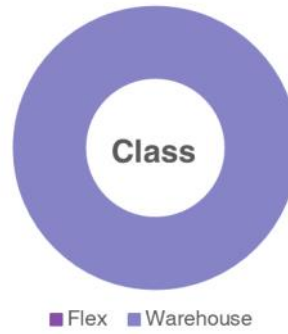


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CENTRAL MONCTON

Year at a Glance

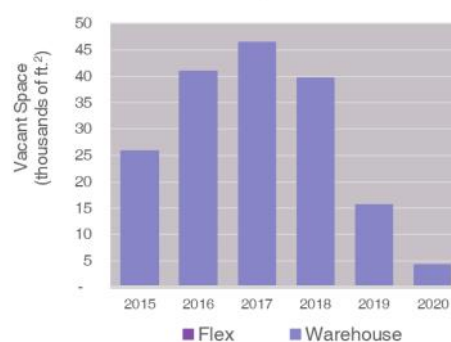
Warehouse	2019	2020	Change
Inventory (ft. ²)	257,323	257,001	↓ (322)
Net Absorption (ft. ²)	23,630	11,067	↓ (12,563)
Vacancy Rate	6.11%	1.68%	↓ - 4.42 pp
Avg. Net Rent/ft. ²	\$ 7.89	\$ 7.97	↑ 1.01%
Avg. RTCAM/ft. ²	\$ 4.48	\$ 5.30	↑ 18.30%
Avg. Gross Rent/ft. ²	\$12.37	\$13.27	↑ 7.28%



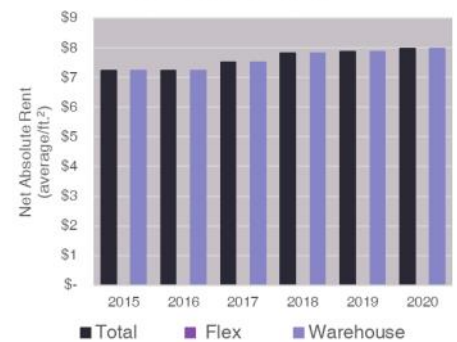
Supply & Demand



Vacant Space



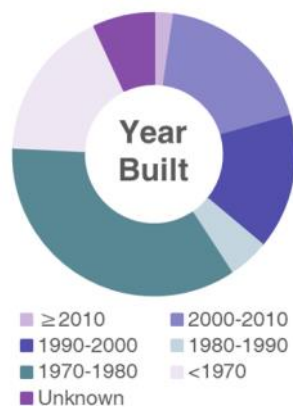
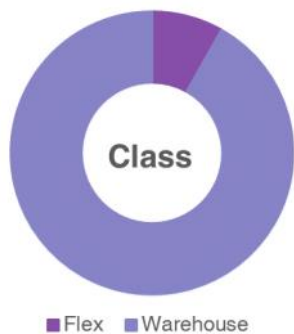
Net Absolute Rent/ft.²



MONCTON INDUSTRIAL PARK

Year at a Glance

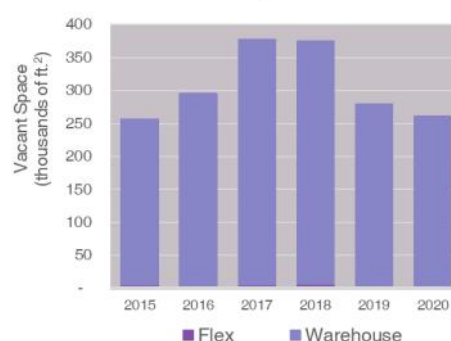
Warehouse	2019	2020	Change
Inventory (ft. ²)	1,602,318	1,603,468	↑ 1,150
Net Absorption (ft. ²)	114,355	19,154	↓ (95,201)
Vacancy Rate	17.41%	16.27%	↓ - 1.14 pp
Avg. Net Rent/ft. ²	\$ 6.52	\$ 6.85	↑ 5.06%
Avg. RTCAM/ft. ²	\$ 4.01	\$ 4.10	↑ 2.24%
Avg. Gross Rent/ft. ²	\$10.53	\$10.76	↑ 2.18%



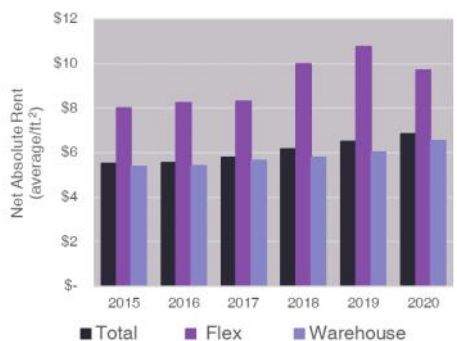
Supply & Demand



Vacant Space



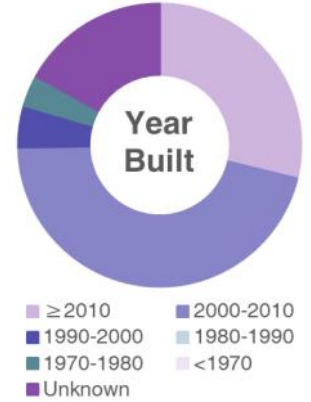
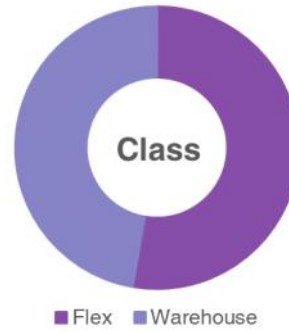
Net Absolute Rent/ft.²



DIEPPE INDUSTRIAL PARK

Year at a Glance

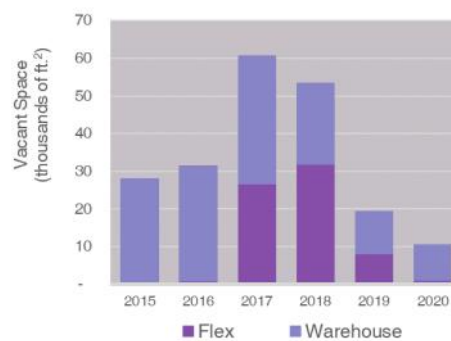
Warehouse	2019	2020	Change
Inventory (ft. ²)	480,217	502,185	↑ 21,968
Net Absorption (ft. ²)	56,038	30,864	↓ (25,174)
Vacancy Rate	4.03%	2.08%	↓ - 1.95 pp
Avg. Net Rent/ft. ²	\$ 6.95	\$ 7.03	↑ 1.15%
Avg. RTCAM/ft. ²	\$ 4.53	\$ 4.49	↓ - 0.88%
Avg. Gross Rent/ft. ²	\$11.48	\$11.88	↑ 3.48%



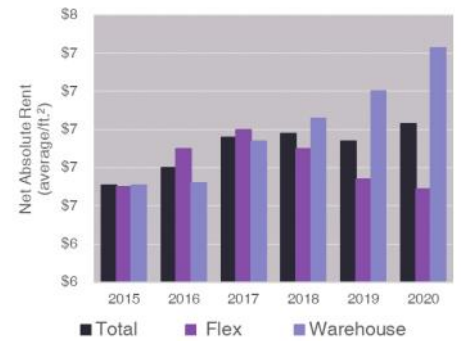
Supply & Demand



Vacant Space



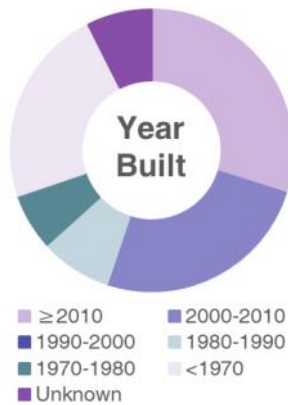
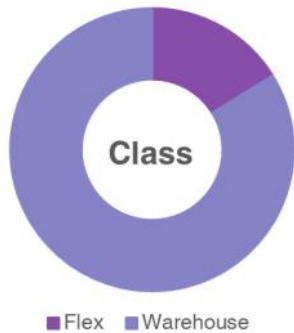
Net Absolute Rent/ft.²



CALEDONIA INDUSTRIAL PARK

Year at a Glance

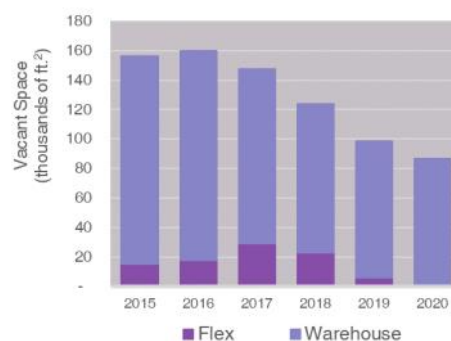
Warehouse	2019	2020	Change
Inventory (ft. ²)	776,328	800,841	↑ 24,513
Net Absorption (ft. ²)	49,540	36,565	↓ (12,975)
Vacancy Rate	12.71%	10.82%	↓ - 1.89 pp
Avg. Net Rent/ft. ²	\$ 6.83	\$ 6.67	↓ - 2.34%
Avg. RTCAM/ft. ²	\$ 4.38	\$ 4.03	↓ - 7.99%
Avg. Gross Rent/ft. ²	\$11.21	\$10.71	↓ - 4.46%



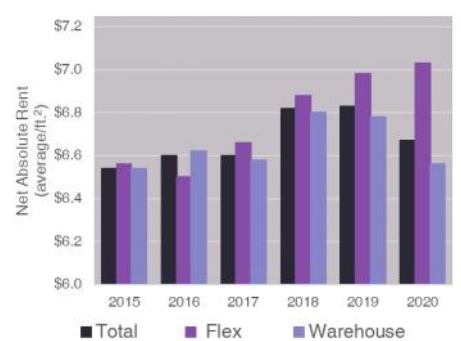
Supply & Demand



Vacant Space



Net Absolute Rent/ft.²



JUNE 2020 MARKET SURVEY

NEW BRUNSWICK OFFICES & WAREHOUSES

Glossary

Inventory/Supply: The total rentable area of office space in the rental market, occupied or vacant.

Vacancy Rate - The vacancy rate excludes any space available for sub-lease: it is the total amount of space which is vacant and not currently leased.

Absorption - This is the amount of additional space absorbed by the market during that period. It is the incremental market demand.

Building Class:

Office Class - This is the industry definition common to this particular marketplace.

Class A - These office buildings command the highest rents, have “presence” by virtue of their distinctive design and lobbies, are air-conditioned and sprinklered. They are regarded as “prestige” buildings in their marketplace and are usually the most modern buildings. They typically include the leading firms of lawyers and accountants, together with regional or head offices for banks, financial institutions and other major companies, as their tenants.

Class B - These are “second tier” office buildings in terms of rents. They are usually older than Class A buildings and lack “presence”. They are air conditioned and are usually sprinklered. They are regarded as offering modern, but not “prestige” office accommodation in their marketplace. Typically they were built over 20 years ago. Tenants usually include second tier firms of lawyers and accountants, together with a wide selection of private sector companies, provincial and local government agencies.

Class C - These include all office buildings not classed as “A” or “B”.

Class W - Distribution warehouse

Class F - Flex space. This type of space may be used for retail or office use as an alternative to pure warehousing and is typically located at the entrance to a business park in an area with high traffic exposure.

Income & Expense Data:

Net Absolute Rent - This is often referred to as “AAA” or “Base” rent and does not include Realty or Business Occupancy Taxes, Common Area Maintenance (CAM), or any other services such as Electricity, Cleaning or Heating.

Current Realty Taxes - These are the Realty Taxes (not the Business Occupancy Taxes) currently paid by the Landlord and which are recovered from the Tenant usually as part of the Service Rent.

Current CAM - This is the additional amount recovered by the Landlord from the Tenant to cover the operating and maintenance costs of the building including the tenant suites. Common Area Maintenance (CAM) typically includes fire insurance, repairs and maintenance, cleaning (common areas plus often the tenant suites), electricity (common areas plus often the tenant suites), heating and air conditioning (common areas plus often the tenant suites), water, garbage removal, snow clearing, elevator maintenance, management, security, etc. It, together with the Realty Taxes, is recovered by the Landlord from the Tenant as “Service Rent”, if the Tenant has a “net absolute” lease.

Total Realty Taxes + CAM (RTCAM) - This is the total of the Realty Taxes and CAM, and is often recovered from the tenant as “Service Rent”.

Total Gross Rent - This is the total rent recovered from the Tenant by the Landlord and is the total of the Base (Net Absolute Rent) plus the Service Rent (Realty Taxes + CAM).



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