

Office Market Dashboard Waterloo Region

2011 Q4

MARKET SNAPSHOT

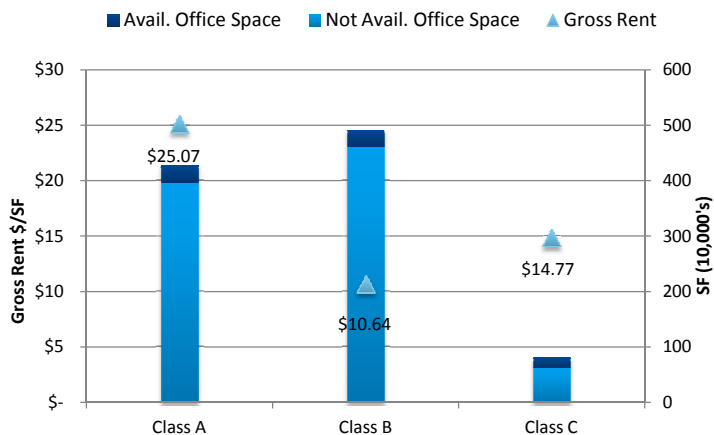
	2011 Q3	2011 Q4	Trend
Office Inventory*	9,893,930	10,001,562	▲
Net Absorption	42,576	84,082	▲
Vacancy Rate	12.6%	12.7%	▲
Average Asking Net Rent	\$10.03	\$10.08	▲
Average Additional Rent	\$6.15	\$6.15	▲

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 201 office buildings surveyed in the Waterloo Region.

MAP OF MARKET

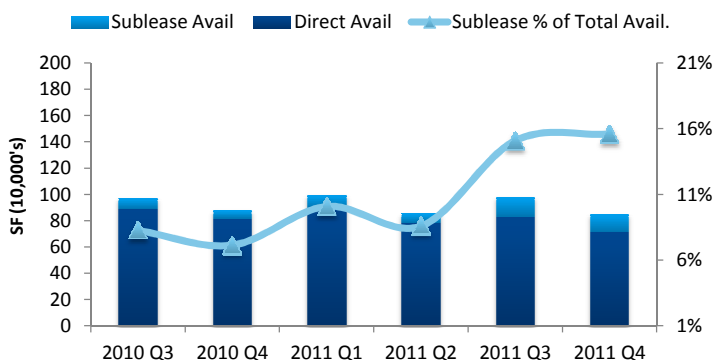


GROSS RENT & AVAILABILITY BY BUILDING CLASS



Note: Not available office space (light blue) and available office space (dark blue) add up to the total inventory of office space in the respective building class.

AVAILABLE SUPPLY SPLIT



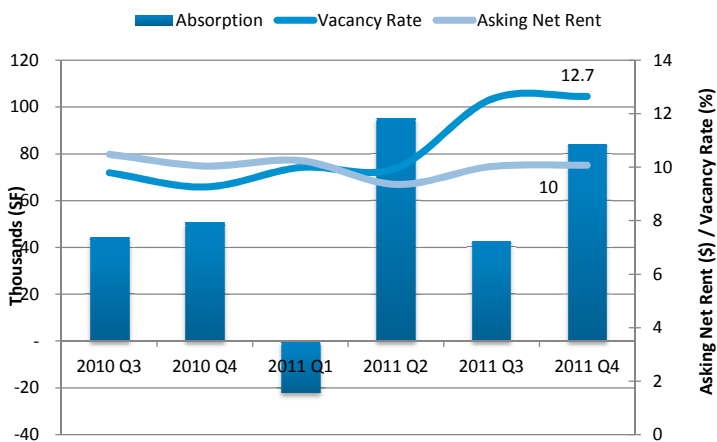
RECENT TRANSACTIONS

- 41 Ardelt Pl - 14,464 SF (Lease, Renewal)
- 375 Hagey Blvd - 13,000 SF (Lease, Multiple Tenants)
- 278 Pinebush Rd - 11,005 SF (Lease)
- 515 Riverbend Dr - 8,078 SF (Lease)
- 611 Kumpf Dr - 7,850 SF (Sublease)
- 1440 King St N - 7,500 SF (Lease)

TOP PROJECTS UNDER CONSTRUCTION

- 51 Breithaupt St - 175,716 SF
- 560 Westmount Rd N - 79,305 SF
- 630 Weber St N - 67,360 SF

18 MONTH TREND



Colliers International, 2011 Q4

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Office Market Dashboard Kitchener

2011 Q4

MARKET SNAPSHOT

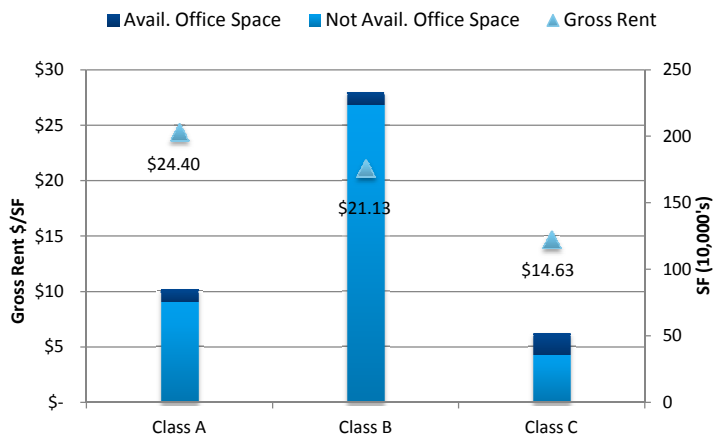
	2011 Q3	2011 Q4	Trend
Office Inventory*	3,695,648	3,695,648	↕
Net Absorption	33,132	9,087	▼
Vacancy Rate	14.0%	13.7%	▼
Average Asking Net Rent	\$11.04	\$10.77	▼
Average Additional Rent	\$8.05	\$8.06	▲

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 81 office buildings surveyed in the City of Kitchener.

MAP OF MARKET

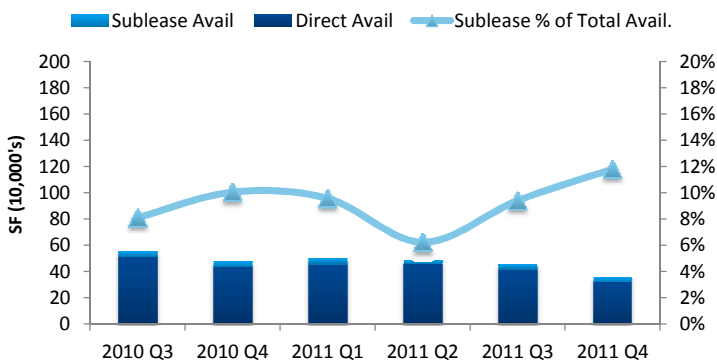


GROSS RENT & AVAILABILITY BY BUILDING CLASS



Note: Not available office space (light blue) and available office space (dark blue) add up to the total inventory of office space in the respective building class.

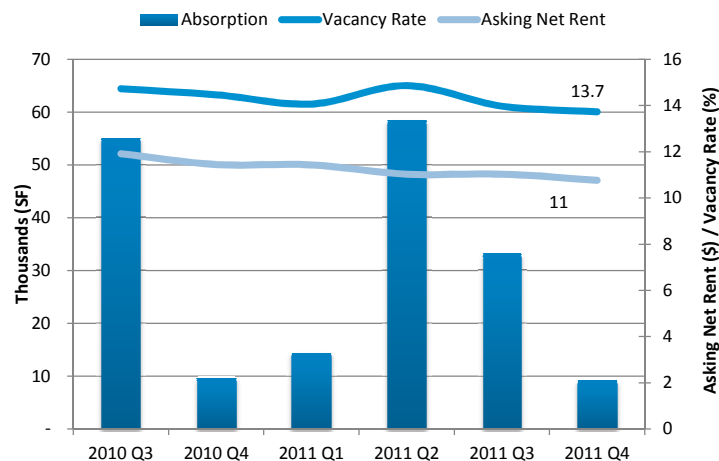
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 41 Ardelt Pl - 14,464 SF (Lease, Renewal)
- 515 Riverbend Dr - 8,078 SF (Lease)
- 305 King St W - 5,400 SF (Lease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

- 51 Breithaupt St - 175,716 SF

MARKET CHARACTERISTICS

- * The City of Kitchener offers a comprehensive package of financial incentives known as the Kitchener EDGE (Encouraging Development for Growth Efficiency) to assist local businesses in successfully reaching their goals.
- * Good parking, and access to public transit.
- * Contains Waterloo Region's largest urban office market.
- * Almost equally divided between suburban and downtown market.

Colliers International, 2011 Q4

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Office Submarket Dashboard Kitchener Downtown

2011 Q4

SUBMARKET SNAPSHOT

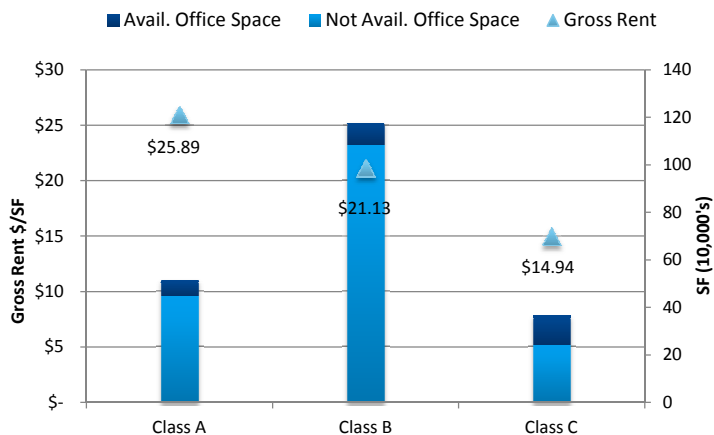
	2011 Q3	2011 Q4	Trend
Office Inventory*	2,058,995	2,058,995	↕
Net Absorption	28,556	13,700	▼
Vacancy Rate	16.1%	15.5%	▼
Average Asking Net Rent	\$10.70	\$10.90	▲
Average Additional Rent	\$7.98	\$8.04	▲

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 25 office buildings surveyed in the Downtown Kitchener office region.

MAP OF MARKET

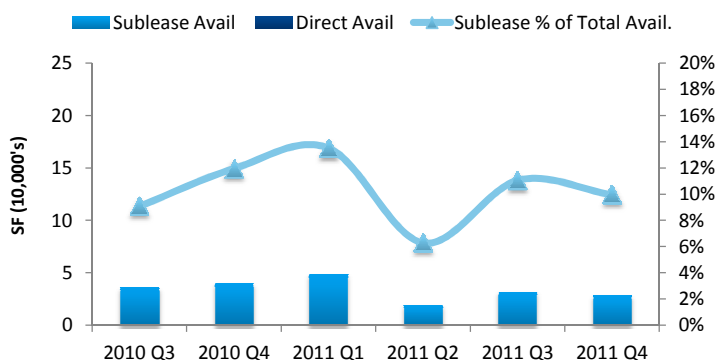


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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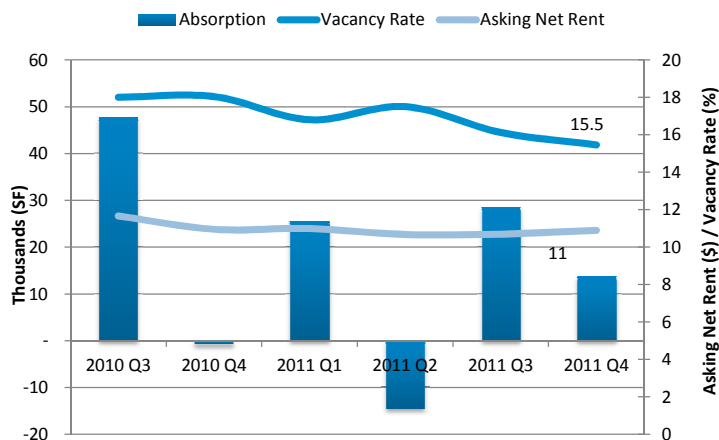
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 305 King St W - 5,400 SF (Lease)
- 7 Duke St W - 2,050 SF (Lease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

- 51 Breithaupt St - 175,716 SF

SUBMARKET CHARACTERISTICS

- *Largest downtown market in Waterloo Region.
- * Downtown Kitchener is undergoing revitalization.
- * Prominent Brick & Beam node developing - former factory buildings converted into office buildings hosting information industry and art and design workspaces. Projects include 72 Victoria St S, the Tannery, and the Breithaupt Block, all located in the "Warehouse District" which also includes The School of Pharmacy.
- * Highest number of underground and covered parking garages in Waterloo Region.

Colliers International, 2011 Q4

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Office Submarket Dashboard Kitchener Suburb

2011 Q4

SUBMARKET SNAPSHOT

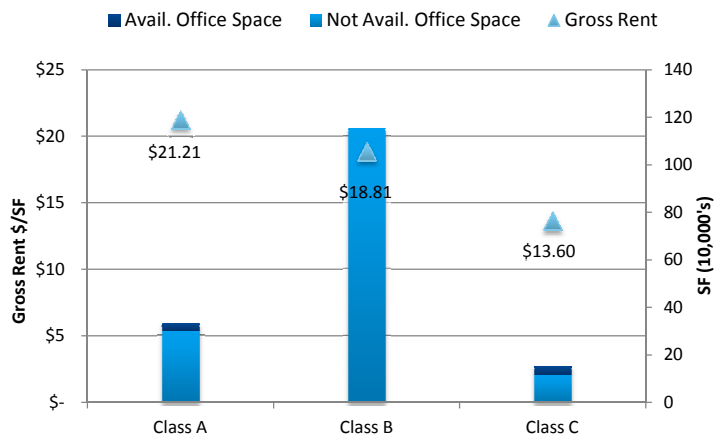
	2011 Q3	2011 Q4	Trend
Office Inventory*	1,636,653	1,636,653	↕
Net Absorption	4,576	(4,613)	▼
Vacancy Rate	11.3%	11.5%	▲
Average Asking Net Rent	\$11.55	\$10.24	▼
Average Additional Rent	\$8.03	\$7.67	▼

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 56 office buildings surveyed in the Kitchener Suburban office region.

MAP OF MARKET

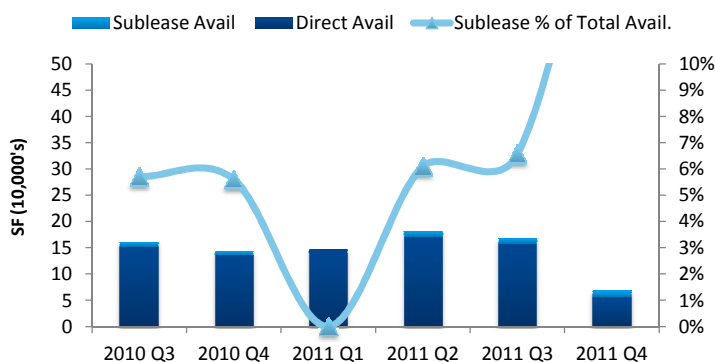


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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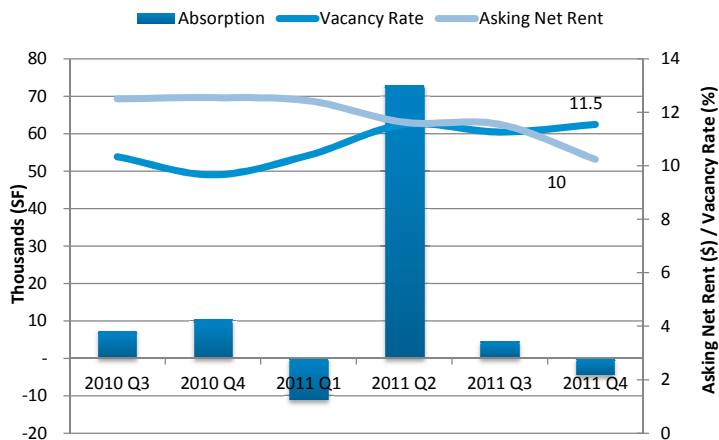
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 41 Ardel PI - 14,464 SF (Lease, Renewal)
- 515 Riverbend Dr - 8,078 SF (Lease)
- 450 Frederick St - 2,638 SF (Lease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

No projects under construction

SUBMARKET CHARACTERISTICS

- * Strong market with a large number of owner occupied product
- * Good drive up parking.
- * Highway access, especially to the 401, is much better than Waterloo.
- * Two major nodes: one in the north and one in the south end of the area.

Colliers International, 2011 Q4

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Office Submarket Dashboard Waterloo

2011 Q4

SUBMARKET SNAPSHOT

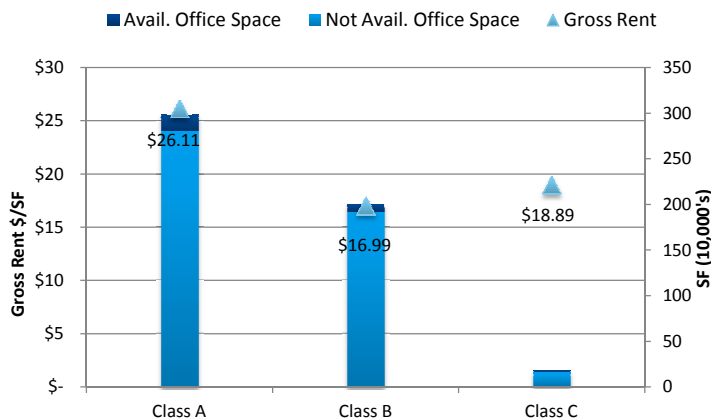
	2011 Q3	2011 Q4	Trend
Office Inventory*	5,045,240	5,152,872	▲
Net Absorption	45,744	47,741	▲
Vacancy Rate	9.0%	9.9%	▲
Average Asking Net Rent	\$13.74	\$14.35	▲
Average Additional Rent	\$7.27	\$7.56	▲

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 88 office buildings surveyed in the City of Waterloo.

MAP OF MARKET

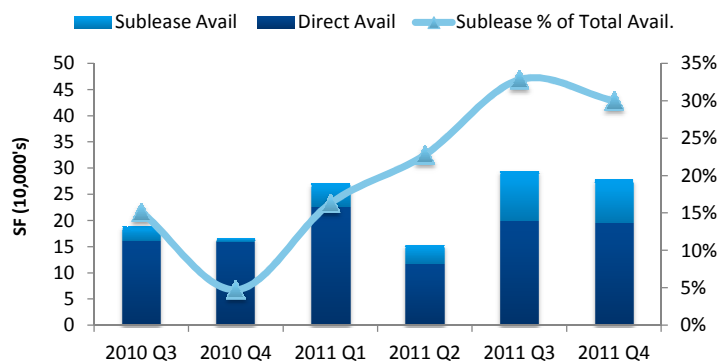


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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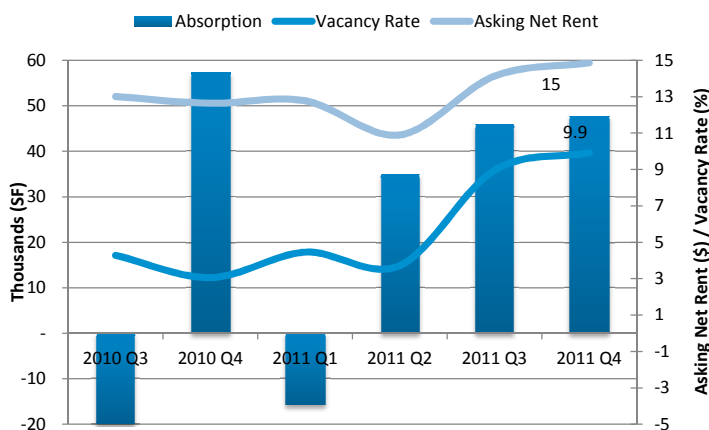
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 375 Hagey Blvd - 13,000 SF (Lease, Multiple Tenants)
- 611 Kumpf Dr - 7,850 SF (Sublease)
- 1440 King St N - 7,500 SF (Lease)
- 615 Kumpf Dr - 5,568 SF (Sublease)
- 149 Union St E - 5,600 SF (Lease)
- 33 Dupont St E - 3,696 SF (Lease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

- 375 Hagey Blvd - 107,632 SF
- 560 Westmount Rd N - 79,305 SF
- 630 Weber St N - 67,360 SF

SUBMARKET CHARACTERISTICS

- * The City of Waterloo is home to major knowledge economy employers, global think-tank organizations, and , in 2007, was recognized as the World's Top Intelligent Community.
- * Office inventory is increasing due to conversion of older industrial buildings and construction of new A class office space.
- * Lowest vacancy and highest asking rental rates in Waterloo Region.
- * Includes the University of Waterloo Research and Technology Park.

Office Submarket Dashboard Waterloo Downtown

2011 Q4

SUBMARKET SNAPSHOT

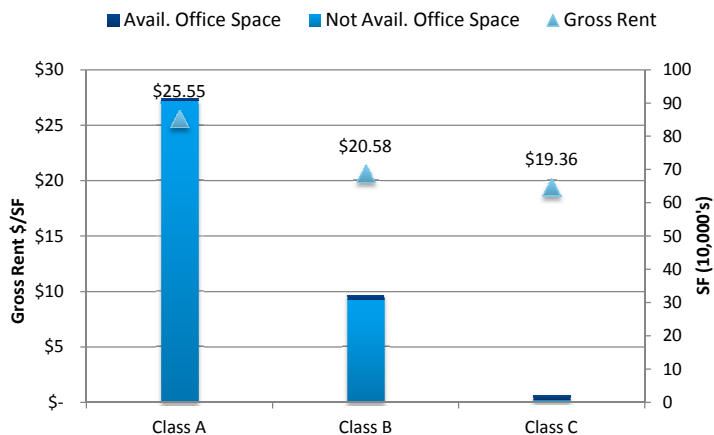
	2011 Q3	2011 Q4	Trend
Office Inventory*	1,254,619	1,254,619	↔
Net Absorption	10,151	399	↓
Vacancy Rate	2.8%	2.8%	↔
Average Asking Net Rent	\$12.04	\$11.27	↓
Average Additional Rent	\$8.77	\$9.74	↑

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 15 office buildings surveyed in the Waterloo Downtown (Uptown) office region.

MAP OF MARKET

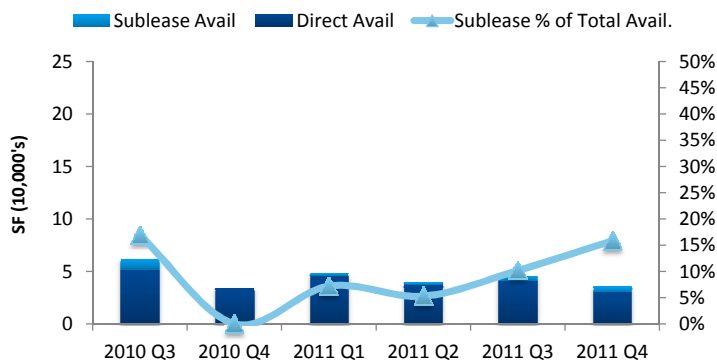


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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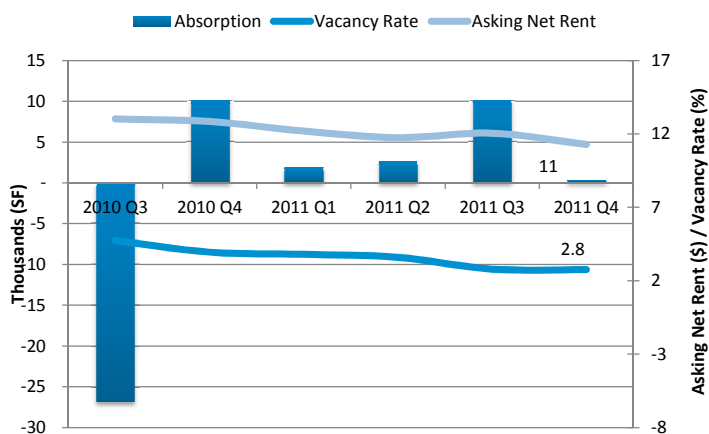
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 33 Dupont St E - 3,696 SF (Lease)
- 180 King St S - 2,237 SF (Lease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

No projects under construction.

SUBMARKET CHARACTERISTICS

- * Historically low vacancy rate.
- * Good quality buildings are in demand.
- * Excellent amenities.

Colliers International, 2011 Q4

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Office Submarket Dashboard Waterloo Suburb

2011 Q4

SUBMARKET SNAPSHOT

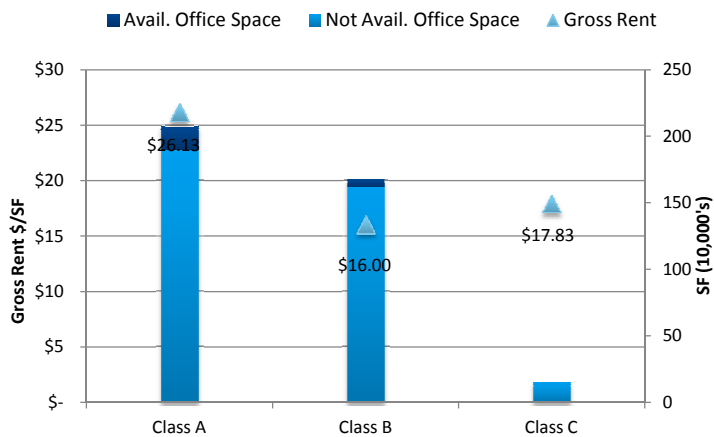
	2011 Q3	2011 Q4	Trend
Office Inventory*	3,790,621	3,898,253	▲
Net Absorption	35,593	47,342	▲
Vacancy Rate	11.0%	12.2%	▲
Average Asking Net Rent	\$14.14	\$14.87	▲
Average Additional Rent	\$6.90	\$7.18	▲

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 73 office buildings surveyed in the Waterloo Suburban office region.

MAP OF MARKET

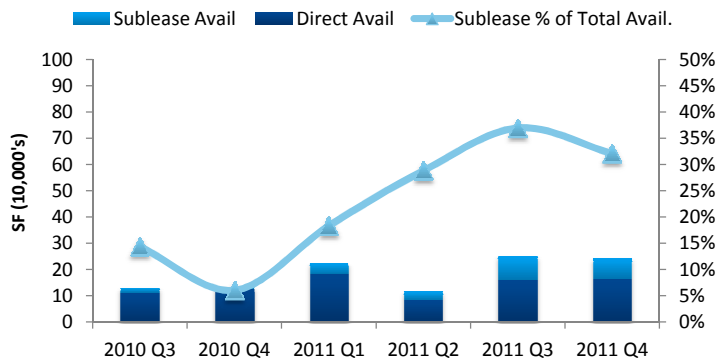


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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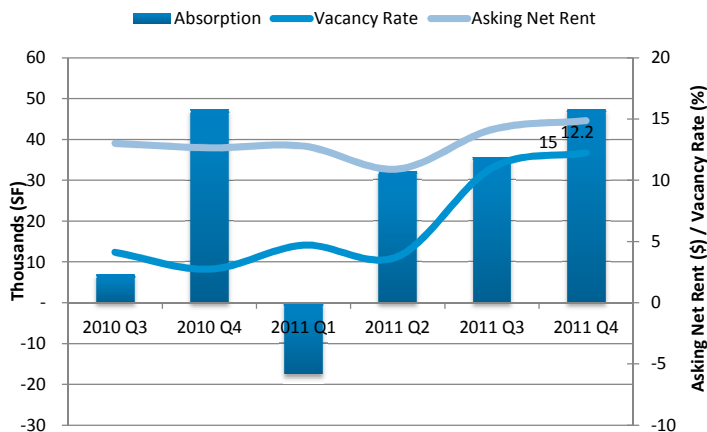
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 375 Hagey Blvd - 13,000 SF (Lease, Multiple Tenants)
- 611 Kumpf Dr - 7,850 SF (Sublease)
- 1440 King St N - 7,500 SF (Lease)
- 615 Kumpf Dr - 5,568 SF (Sublease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

- 375 Hagey Blvd - 107,632 SF
- 560 Westmount Rd N - 79,305 SF
- 630 Weber St N - 67,360 SF

SUBMARKET CHARACTERISTICS

- * Cluster of high-tech and R&D companies.
- * Submarket is in high demand by users looking for a prestige suburban location and modern, state-of-the-art architecture.
- * Lowest vacancy rates.
- * Waterloo Region top annual rental rates are achieved in buildings located in this market.
- * Continuous construction, including conversion of older industrial and commercial buildings.
- * RIM is a significant influence in this market.

Colliers International, 2011 Q4

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Office Submarket Dashboard Cambridge

2011 Q4

SUBMARKET SNAPSHOT

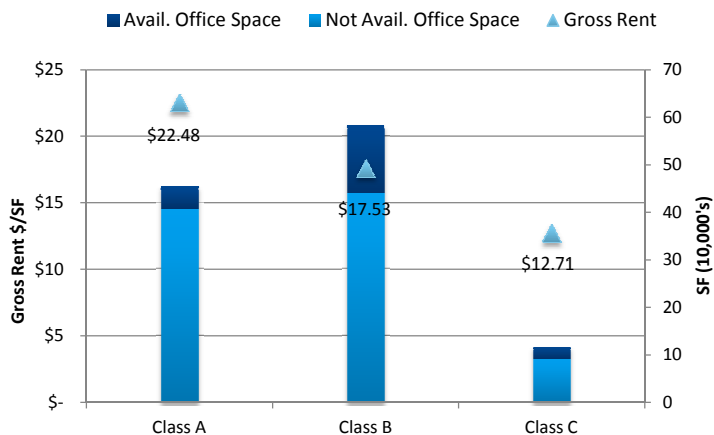
	2011 Q3	2011 Q4	Trend
Office Inventory*	1,153,042	1,153,042	↔
Net Absorption	(36,300)	27,254	▲
Vacancy Rate	23.7%	21.3%	▼
Average Asking Net Rent	\$11.16	\$11.09	▼
Average Additional Rent	\$7.06	\$7.00	▼

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 32 office buildings surveyed in the City of Cambridge.

MAP OF MARKET

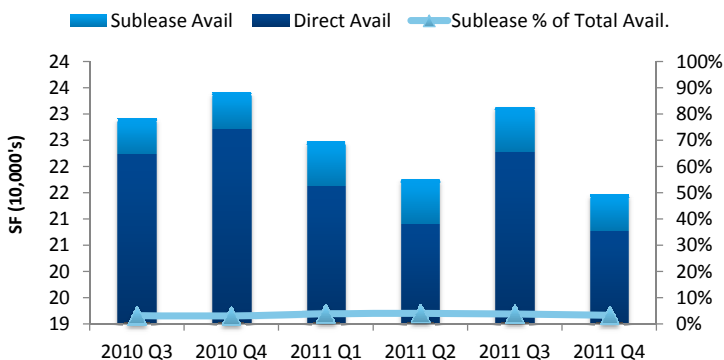


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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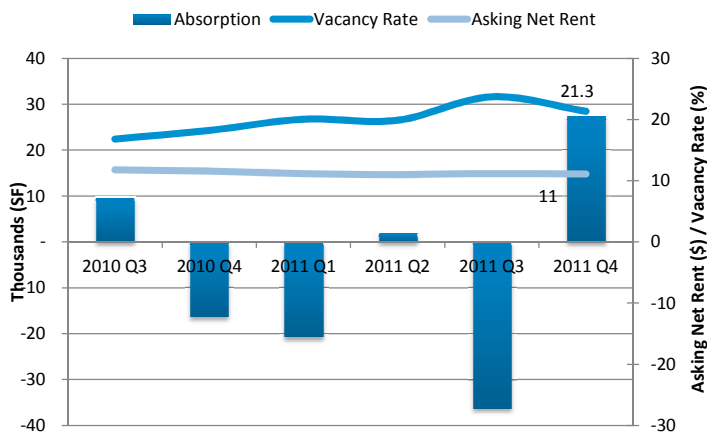
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 278 Pinebush Rd - 11,005 SF (Lease)
- 460 Thompson Dr - 2,750 SF (Lease)
- 1165 Franklin Blvd - 2,400 SF (Lease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

No projects under construction

SUBMARKET CHARACTERISTICS

- * Highest vacancy rates in Waterloo Region.
- * Lower CAM and taxes as compared to Kitchener and Waterloo.
- * Relatively small market for the Region.
- * Best access to Hwy 401 in the Region.
- * High number of owner occupied buildings.

Colliers International, 2011 Q4

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Office Market Dashboard Cambridge Downtown

2011 Q4

MARKET SNAPSHOT

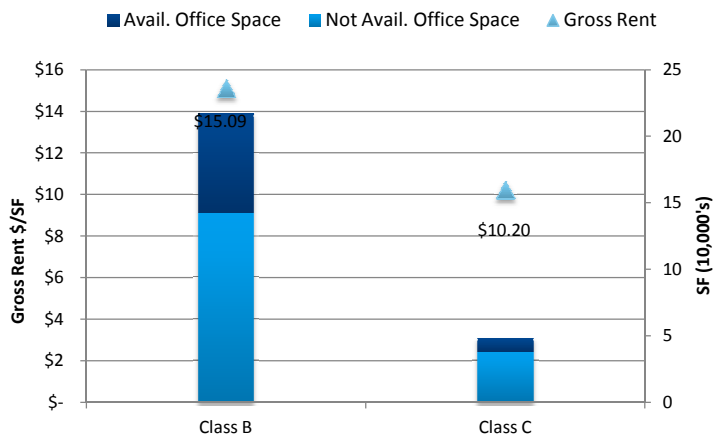
	2011 Q3	2011 Q4	Trend
Office Inventory*	265,314	265,314	◀▶
Net Absorption	0	0	▶▶
Vacancy Rate	32.0%	32.0%	▶▶
Average Asking Net Rent	\$7.80	\$7.80	▶▶
Average Additional Rent	\$6.71	\$6.71	▶▶

*Office Inventory: For the purpose of this report, buildings with less than 10,000 SF of office space and buildings owned and occupied by the government have not been included in the office inventory. There are 6 office buildings surveyed in Cambridge Downtown.

MAP OF MARKET

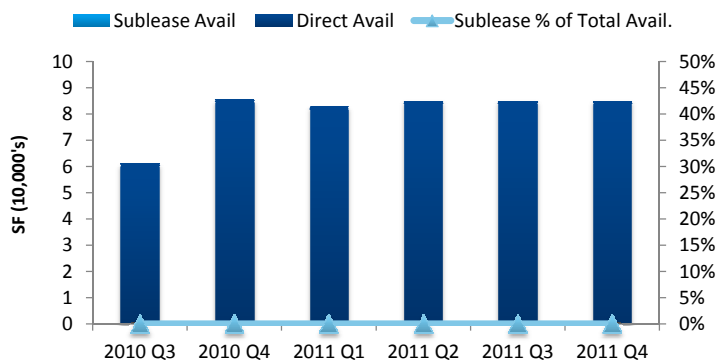


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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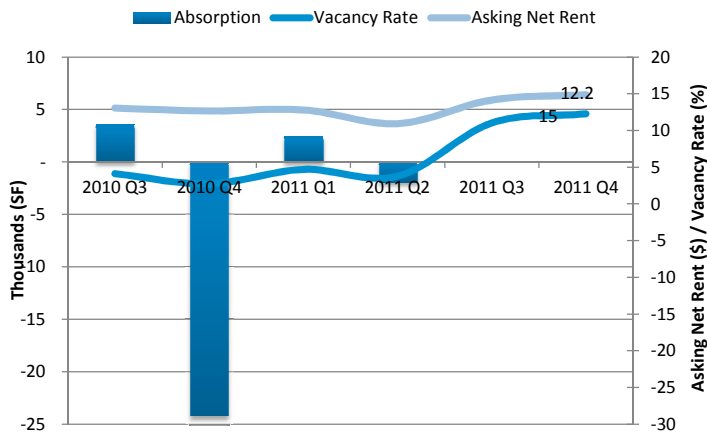
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

No significant transactions.

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

No projects under construction.

MARKET CHARACTERISTICS

- * Dominated by B and C class buildings.
- * Smallest downtown market in the Region.
- * Lowest asking net rent and additional rent.
- * New adaptive reuse buildings changing the landscape.

Colliers International, 2011 Q4

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Office Submarket Dashboard Cambridge Suburban

2011 Q4

SUBMARKET SNAPSHOT

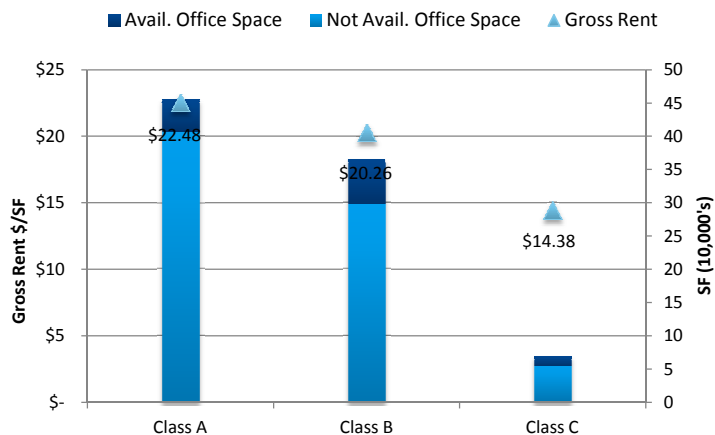
	2011 Q3	2011 Q4	Trend
Office Inventory*	887,728	887,728	↔
Net Absorption	(36,300)	27,254	▲
Vacancy Rate	21.2%	18.2%	▼
Average Asking Net Rent	\$13.12	\$13.24	▲
Average Additional Rent	\$7.25	\$7.16	▼

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MAP OF MARKET

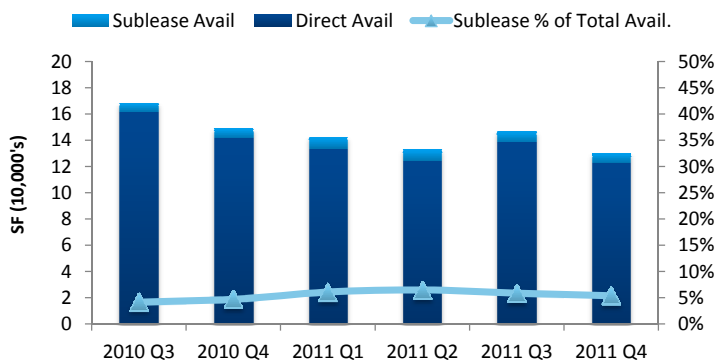


GROSS RENT & AVAILABILITY BY BUILDING CLASS



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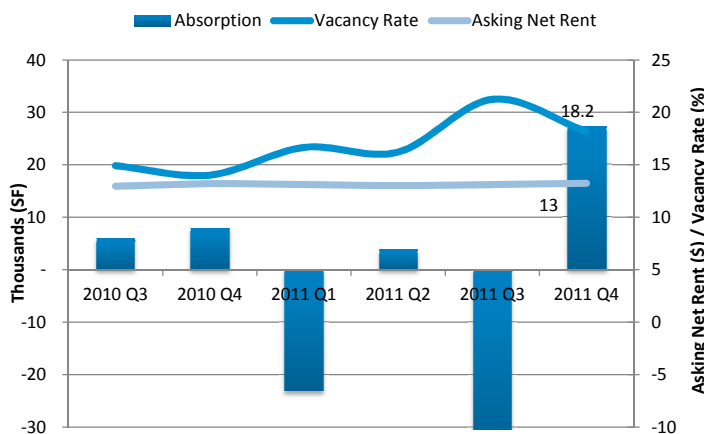
AVAILABLE SUPPLY SPLIT



RECENT TRANSACTIONS

- 278 Pinebush Rd - 11,005 SF (Lease)
- 460 Thompson Dr - 2,750 SF (Lease)
- 1165 Franklin Blvd - 2,400 SF (Lease)

18 MONTH TREND



TOP PROJECTS UNDER CONSTRUCTION

No projects under construction

SUBMARKET CHARACTERISTICS

- * Significantly larger market than downtown.
- * High vacancy rate.
- * Lower CAM and taxes as compared to Kitchener and Waterloo.
- * Good parking, and access to Hwy 401.
- * High quality product available.
- * High number of owner occupied buildings.

Colliers International, 2011 Q4

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