

Market Report

Vancouver

Year End 2009



Commercial Real Estate Finance Made Simple

VANCOUVER MARKET REPORT

Vancouver had a population of 578,041 as of the 2006 census (Vancouver CMA: 2,116,581).

The city is the host of the 2010 Winter Olympic Games and this has driven significant investments in transportation infrastructure in the city in recent years.

Vancouver is known as one of the best cities in which to live, ranked third in the 2007 Worldwide Quality of Living Survey by Mercer Human Resource Consulting's livability index, after Zurich and Geneva.

Vancouver's economy has traditionally been driven by British Columbia's resources sectors: forestry, mining, fishing, and agriculture. The city's economy has grown more diverse in recent years, with a growing tourism industry and significant expansion in high-tech industries. The biotechnology sector in Vancouver consists of approximately 90 private sector firms. It is the 7th largest biotech cluster in North America and accounts for one quarter of biotech R&D spending in the country.

Vancouver is also the third largest film production centre in North America, after Los Angeles and New York City.

Vancouver is one of Canada's largest industrial centres. The Port of Vancouver is the largest in Canada and exports more cargo than any other port in North America. Principal exports are coal, major grains, and other resources. Through the Port of Vancouver, more than \$43 billion in goods are traded with more than 90 different economies annually. More than 62,000 jobs are generated by the Port of Vancouver.

Of Canada's top 500 corporations, 41 (8.2%) are headquartered in Vancouver (Fraser Forum 10/2009). Vancouver is also one of Canada's financial services centres.

Metro Vancouver Commercial Building Permits (thousands of dollars)

2004	812,400
2005	1,099,029
2006	1,666,544
2007	1,730,566
2008	1,710,326

Source: Metro Vancouver

Metro Vancouver Housing Starts

2001	10,862
2002	12,844
2003	15,626
2004	19,430
2005	18,914
2006	18,705
2007	20,736
2008	19,591

Source: Metro Vancouver

Metro Vancouver Unemployment Rate (%)

2004	6.8
2005	5.7
2006	4.4
2007	4.0
2008	4.3

Source: Metro Vancouver

Metro Vancouver Commercial Real Estate

Industrial Q3 09	
Inventory (SF)	175,129,468
New Construction YTD 2009 (SF)	3,846,112
Currently Under Construction (SF)	1,274,876
Absorption YTD (SF)	61,771
Vacancy Rate Q3 09	4.6%
Vacancy Rate Q2 09	3.8%
Downtown Office Q3 09	
Inventory(SF)	24,469,697
Net Absorption YTD	(534,862)
Vacancy Rate Q3 09	4.5%
Vacancy Rate Q2 09	4.5%
Suburban Office Q4 07	
Inventory (SF)	28,139,327
Net Absorption YTD	(353,462)
Vacancy Rate Q3 09	9.6%
Vacancy Rate Q2 09	8.1%

Source: Colliers