

Q4 2008 Office Market Summary Waterloo Region and Guelph

Market	Submarket	Inventory ¹	Available Space (SF)	Availability Rate (%)	Vacant Space (SF)	Vacancy Rate (%)	Sublet Space (SF)	Sublet % of Available Space ²	Under Construction (SF)	New Supply Q4 2008 (SF)	New Supply YTD (SF)	Absorption Q4 2008 (SF)	Absorption YTD (SF)	Rental Rates ³ (\$/PSF)
Kitchener	Downtown	1,453,335	122,503	8.4%	96,562	6.6%	17,369	14.2%	124,463	0	0	-3,293	6,137	\$10.38
	Suburban	1,052,170	241,595	23.0%	196,185	18.6%	16,300	6.7%	23,185	68,450	99,801	-17,543	-19,475	\$13.70
	Total	2,505,505	364,098	14.5%	292,747	11.7%	33,669	9.2%	147,648	68,450	99,801	-20,836	-13,338	\$12.59
Waterloo	UpTown	451,579	23,649	5.2%	20,571	4.6%	3,078	13.0%	102,000	0	0	0	-4,485	\$13.10
	Suburban	1,696,359	90,105	5.3%	77,423	4.6%	2,721	3.0%	54,260	34,613	134,896	16,940	108,155	\$13.90
	Total	2,147,938	113,754	5.3%	97,994	4.6%	5,799	5.1%	156,260	34,613	134,896	16,940	103,670	\$13.73
Cambridge	Downtown	308,006	85,003	27.6%	80,679	26.2%	0	0.0%	0	0	0	0	-33,262	\$9.00
	Suburban	568,353	127,748	22.5%	93,317	16.4%	5,404	4.2%	94,780	0	47,140	1,151	-3,649	\$14.31
	Total	876,359	212,751	24.3%	173,996	19.9%	5,404	2.5%	94,780	0	47,140	1,151	-36,911	\$12.18
Guelph	Downtown	365,799	4,437	1.2%	4,437	1.2%	0	0.0%	97,173	0	0	-4,437	-1,573	\$12.12
	Suburban	687,775	101,786	14.8%	34,742	5.1%	3,455	3.4%	9,880	0	27,000	-431	-431	\$12.28
	Total	1,053,574	106,223	10.1%	39,179	3.7%	3,455	3.3%	107,053	0	27,000	-4,868	-2,004	\$12.27
Kitchener-Waterloo	Downtown	1,904,914	146,152	7.7%	117,133	6.1%	20,447	14.0%	226,463	0	0	-3,293	1,652	\$9.89
	Suburban	2,748,529	331,700	12.1%	273,608	10.0%	19,021	5.7%	77,445	103,063	234,697	-603	88,680	\$12.96
	Total	4,653,443	477,852	10.3%	390,741	8.4%	39,468	8.3%	303,908	103,063	234,697	-3,896	90,332	\$11.92
Waterloo Region	Downtown	2,212,920	231,155	10.4%	197,812	8.9%	20,447	8.8%	226,463	0	0	-3,293	-31,610	\$9.23
	Suburban	3,316,882	459,448	13.9%	366,925	11.1%	24,425	5.3%	172,225	103,063	281,837	548	85,031	\$13.50
	Total	5,529,802	690,603	12.5%	564,737	10.2%	44,872	6.5%	398,688	103,063	281,837	-2,745	53,421	\$11.86
Total Market	Downtown	2,578,719	235,592	9.1%	202,249	7.8%	20,447	8.7%	323,636	0	0	-7,730	-33,183	\$10.34
	Suburban	4,004,657	561,234	14.0%	401,667	10.0%	27,880	5.0%	182,105	103,063	308,837	117	84,600	\$14.15
	Total	6,583,376	796,826	12.1%	603,916	9.2%	48,327	6.1%	505,741	103,063	308,837	-7,613	51,417	\$12.90

Notes:

1. Includes all competitive office buildings greater than or equal to 10,000 SF. A competitive building must be less than 50% owner occupied. Government buildings and medical office space are not included in this survey.
2. Identifies the amount of the available space on the market that is sublease space versus direct available space.
3. Rental rates are determined by multiplying the asking net lease rate for each building by its available space, summing the products, then dividing by the sum of the available space with net leases for all buildings in the summary.
4. Due to a reclassification of the market, the base, number and square footage of buildings from previous quarters have been adjusted to match the current base. Availability and vacancy figures for those buildings have been adjusted.

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