

National message



Rick Gleed
National Chairman

DTZ Barnicke is Canada's leader in commercial real estate brokerage and related services. Our core strength is our people and their ability to continue to provide 'best in class' guidance and service to corporate Canada. A substantive element to our service is the use of forecasts and the impact that expected long-term economic trends have on current business decisions. Accordingly, our view and interpretation of economic trends represents a substantive variable upon which our recommendations are predicated.

Our national economic picture continues to be cautiously optimistic. Each of our Canadian offices are forecasting growth during 2008. Of course our offices in western Canada will continue to enjoy the benefits of rising fuel prices and the impact of same on demand by companies in this realm for commercial office space. The secondary and tertiary industries in these markets will also be the beneficiaries of this continued robust spending in western Canada. In addition, Vancouver continues to see the economic benefits of capital infrastructure improvements resulting from preparations for the 2010 Winter Olympics.

In eastern Canada, the rising Canadian dollar has not resulted in as severe an exodus of manufacturing jobs as initially forecast. Accordingly, markets in Montréal, Toronto, Waterloo Wellington, Ottawa, London and Halifax continue to experience demand for more office and industrial space. However, the pace of demand, particularly for industrial, is more moderate than that seen in western Canada. In each of these major markets, continued immigration, increased consumer spending and continued historically high residential development activity will result in modest economic improvement throughout 2008.

In addition, investor demand for all levels of ICI real estate continues to exceed supply, although compression on cap rates and the resulting capital gains on real estate experienced over the last several years are not expected to continue. However, because interest rates continue to be low by historical standards, investors continue to see real estate as a viable alternative to government bonds and similar securities. The dark cloud however that has plagued international markets, including Canada, since August 2007 is the availability of credit. As credit markets have tightened around the world, many would be purchasers have been forced to the sidelines, creating a better balance in the demand/supply relationship for real estate investment.

As we continue to enjoy sustained growth, and in an effort to ensure that our clients are better served, each of our Canadian offices continues to focus on improved training and education, IT development, enhanced service delivery techniques, and strategic hiring. We believe that our position as Canada's leader in commercial real estate brokerage and related services will be better served by focusing on these core initiatives.

We trust that the pages that follow will provide you with new insight into our major Canadian markets and look forward to assisting you with your real estate requirements across the country!

A handwritten signature in black ink, appearing to read 'R. Gleed'. The signature is fluid and cursive, written in a professional style.