DTZ Barnicke

Q3 2009 Office Market Summary
Waterloo Region and Guelph

Market	Submarket	Inventory[1]	Available Space (sq ft)	Availability Rate (%)	Vacant Space (sq ft)	Vacancy Rate (%)	Sublet Space (sq ft)	Sublet % of Available Space[2]	Under Construction (sq ft)	New Supply Q3 2009 (sq ft)	New Supply YTD (sq ft)	Absorption Q3 2009 (sq ft)	Absorption YTD (sq ft)	Rental Rates[3] ($/per sq ft)
Kitchener	Downtown	1,453,335	172,526	11.9%	157,622	10.8%	14,504	8.4%	80,000	0	0	-26,461	-61,060	$10.77
	Suburban	1,109,170	210,899	19.0%	171,954	15.5%	13,891	6.6%	21,044	0	33,111	4,589	57,342	$13.98
	Total	2,562,505	383,425	15.0%	329,576	12.9%	28,395	7.4%	101,044	0	33,111	-21,872	-3,718	$12.54
Waterloo	UpTown	553,579	55,352	10.0%	43,033	7.8%	15,205	27.5%	0	102,000	102,000	84,538	79,538	$13.17
	Suburban	1,761,641	145,125	8.2%	50,139	2.8%	25,096	17.3%	92,984	0	6,552	-2,279	33,836	$12.00
	Total	2,315,220	200,477	8.7%	93,172	4.0%	40,301	20.1%	92,984	102,000	108,552	82,259	113,374	$12.33
Cambridge	Downtown	311,230	94,731	30.4%	88,268	28.4%	0	0.0%	0	0	0	3,000	-7,589	$9.22
	Suburban	613,026	146,318	23.9%	141,527	23.1%	20,826	14.2%	0	50,000	78,500	34,153	30,290	$14.53
	Total	924,256	241,049	26.1%	229,795	24.9%	20,826	8.6%	0	50,000	78,500	37,153	22,701	$12.71
Guelph	Downtown	365,799	26,733	7.3%	23,946	6.5%	0	0.0%	0	0	0	-22,296	-19,509	$10.98
	Suburban	683,775	95,082	13.9%	37,987	5.6%	4,051	4.3%	0	10,000	10,000	2,900	6,755	$13.24
	Total	1,049,574	121,815	11.6%	61,933	5.9%	4,051	3.3%	0	10,000	10,000	-19,396	-12,754	$12.72
Kitchener-Waterloo	Downtown	2,006,914	227,878	11.4%	200,655	10.0%	29,709	13.0%	80,000	102,000	102,000	58,077	18,478	$10.63
	Suburban	2,870,811	356,024	12.4%	222,093	7.7%	38,987	11.0%	114,028	0	39,663	2,310	91,178	$12.96
	Total	4,877,725	583,902	12.0%	422,748	8.7%	68,696	11.8%	194,028	102,000	141,663	60,387	109,656	$12.02
Waterloo Region	Downtown	2,318,144	322,609	13.9%	288,923	12.5%	29,709	9.2%	80,000	102,000	102,000	61,077	10,889	$9.23
	Suburban	3,483,837	502,342	14.4%	363,620	10.4%	59,813	11.9%	114,028	50,000	118,163	36,463	121,468	$13.50
	Total	5,801,981	824,951	14.2%	652,543	11.2%	89,522	10.9%	194,028	152,000	220,163	97,540	132,357	$11.86
Total Market	Downtown	2,683,943	349,342	13.0%	312,869	11.7%	29,709	8.5%	80,000	102,000	102,000	38,781	-8,620	$10.71
	Suburban	4,167,612	597,424	14.3%	401,607	9.6%	63,864	10.7%	114,028	60,000	128,163	39,363	128,223	$14.18
	Total	**6,851,555**	**946,766**	**13.8%**	**714,476**	**10.4%**	**93,573**	**9.9%**	**194,028**	**162,000**	**230,163**	**78,144**	**119,603**	**$12.60**

Notes:

1. Includes all competitive office buildings greater than or equal to 10,000 sq ft. 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.