

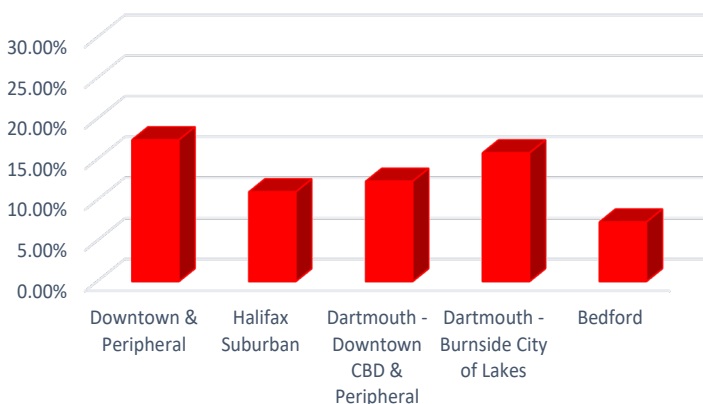


HALIFAX RENTAL OFFICE MARKET OVERVIEW

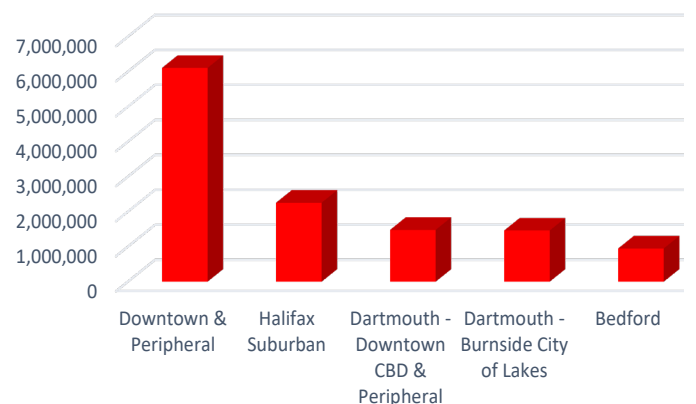
KW Commercial surveyed over 13 million square feet of leased office space in 167 buildings throughout HRM. The Halifax office market recorded good leasing activity in Q4 2021 with 50,432 sq. ft. of positive net absorption. The vacancy rate is down 50 basis points (bps) to 14.6% quarter over quarter. The average net asking rental rates remained at \$14.54 per sq. ft. and the average taxes and operating costs are at \$12.31 psf. There are currently 2 new Class A suburban office projects under construction that will add to the inventory in 2022. Armco Capital's 168 Hobson Lake Drive in Bayers Lake, Halifax will be completed in Q1 2022 and will add 95,000 sq. ft. of Class A office space. Armour Group's Westway IV in West Bedford is also under construction and will be adding 105,000 sq. ft. of Class A suburban office space. This project is set to be completed in Q3 2022.

Market Indicators	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Total Inventory (SF)	12,263,286	12,264,998	12,264,998	12,264,998
Direct Vacancy (SF)	1,795,738	1,846,170	1,876,606	1,624,767
Direct Vacancy Rate	14.6%	15.1%	15.3%	13.2%
Avg NNN Asking Price	\$14.54	\$14.53	\$14.53	\$14.39
Avg CAM & Taxes	\$12.31	\$12.31	\$12.31	\$12.31
Avg Gross Rent	\$26.85	\$26.84	\$26.84	\$26.70
Net Absorption	50,432	30,436	(251,839)	47,197
Net Absorption YTD	(123,774)	(174,206)	(209,642)	47,197

Vacancy Rate



Sub-Market Inventory



Top Lease	Size	Landlord	Tenant	Tenant Industry
7 Mellor Avenue Burnside Business Park	15,000	KS Eastern Industrial Inc.	Cambridge Professional Group	Accounting
1650 Grafton Street Halifax CBD	56,000	Rank Inc	Cox & Palmer	Law
1969 Upper Water Street Halifax CBD	8,870	GWL	Adaptiiv Medical Technologies	Cancer Therapy

An aerial photograph of a city, likely Los Angeles, with a prominent red overlay. The image shows a dense urban area with various buildings, roads, and green spaces. The red overlay is semi-transparent, allowing the city details to be visible while creating a strong color theme.

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