

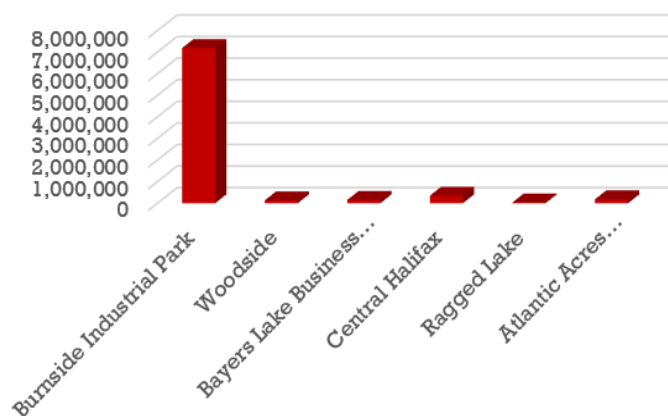


HALIFAX INDUSTRIAL RENTAL MARKET OVERVIEW

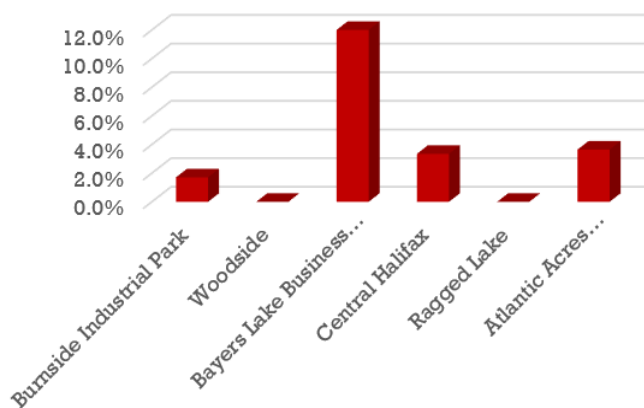
The Halifax industrial rental market continued with strong momentum throughout the 1st Quarter of 2023. Overall vacancy increased slightly to 2.2% from 1.6% in Q4 2022, largely the result of the completion of 2 new industrial rental warehousing projects in Burnside. Overall average triple net rents increased 7.4% to \$10.34 per sq. ft. with CAM & Taxes increasing 9.3% to \$6.20 per sq. ft. New construction projects have significantly higher asking rents with triple net rents ranging from \$14.00 to \$18.00 per sq. ft. To keep pace with pent up demand, there is currently 500,000 sq. ft. of industrial rental product under construction including: 188,000 sq ft at 29 Dugger McNeil Drive in the Bayers Lake Business Park as well as the following new Burnside developments: 409 Wilkinson Avenue (130,000 sq ft), 435 & 35 Higney Avenue (30,000 and 37,500 sq ft.), 1285 Jim Connors Avenue (40,000 sq. ft.), 63 Jim Connors Avenue (44,634 sq. ft) and 320 Higney Avenue (52,000 sq. ft.). Overall net absorption for Q1 2023 was -50,680 sq. ft.

Market Indicators	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Total Inventory (SF)	8,044,282	7,993,408	7,873,068	7,873,068
Direct Vacancy (SF)	178,618	127,938	129,821	176,673
Direct Vacancy %	2.2%	1.6%	1.6%	2.2%
Avg NNN Asking Rate	\$10.34	\$9.63	\$9.23	\$8.49
Avg CAM & Taxes	\$6.20	\$5.67	\$5.65	\$5.61
Avg Semi-Gross Rent	\$16.54	\$15.30	\$14.88	\$14.10
Net Absorption	-50,680	1,833	46,852	-9,853
Net Absorption YTD	-50,680	173,402	171,519	124,667

Sub-Market Inventory



Vacancy Rates



Top Lease	Size	Landlord	Tenant	Tenant Industry
320 Wright Avenue Burnside Business Park	16,000	PROREIT	Biovectra	Biochem
499 Wilkinson Avenue Burnside Business Park	17,900	Wilkinson Equities	Sobeys	Grocery
10 Morris Drive Burnside Business Park	15,038	PROREIT	Allen Print	Printing Solutions

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 maintaining a consistent color scheme.

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