

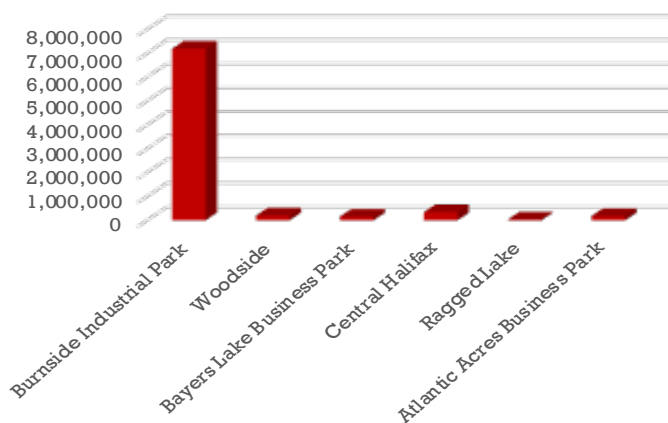


HALIFAX INDUSTRIAL RENTAL MARKET OVERVIEW

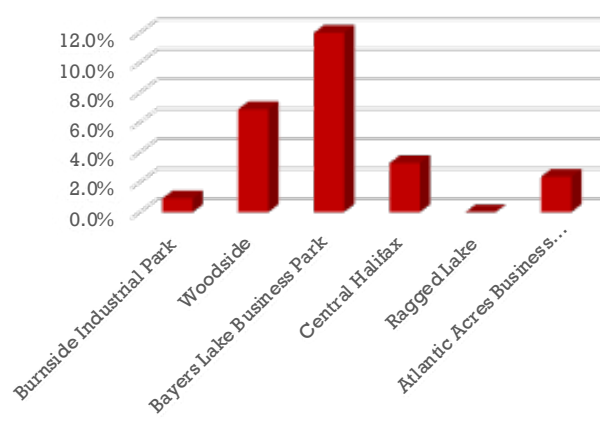
The Halifax industrial rental market continued with strong momentum throughout the 2nd Quarter of 2023. Overall vacancy decreased slightly to 1.7% from 2.2% in Q1 2023. Overall average triple net rents of existing buildings remained the same at \$10.34 per sq. ft. with CAM & Taxes holding steady at \$6.20 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 Q2 2023 was positive at 44,347 sq. ft.

Market Indicators	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Total Inventory (SF)	8,118,425	8,044,282	7,993,408	7,873,068
Direct Vacancy (SF)	134,271	178,618	127,938	129,821
Direct Vacancy %	1.7%	2.2%	1.6%	1.6%
Avg NNN Asking Rate	\$10.34	\$10.34	\$9.63	\$9.23
Avg CAM & Taxes	\$6.20	\$6.20	\$5.67	\$5.65
Avg Semi-Gross Rent	\$16.54	\$16.54	\$15.30	\$14.88
Net Absorption	44,347	-50,680	1,833	46,852
Net Absorption YTD	-6,333	-50,680	173,402	171,519

Sub-Market Inventory



Vacancy Rates



Top Lease	Size	Landlord	Tenant	Tenant Industry
65 John Savage Avenue Burnside Business Park	14,000	SUBLET	Canadian Spa Company	Hot Tub Manufacturing
499 Wilkinson Avenue Burnside Business Park	24,966	Wilkinson Equities	Source Atlantic	Industrial Supplier
100 Bluewater Road Burnside Business Park	6,000	3291663 NS Ltd.	Block Energy Labs	Renewable Energy

An aerial photograph of a city, likely Los Angeles, with a prominent red overlay. The image shows a dense urban landscape 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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