Leasing Conference – November 2006
Panelists

• Greg Kwong, Regional Managing Director – Alberta
• Dave Young, VP & Managing Director – Edmonton - Investment
• Angus Fraser, VP - Office
• Marshall Toner, VP – Industrial
• Chris Thompson, Senior Sales Associate – Retail
Calgary Markets

- Office – 45,302,600 SF; Vacancy 1.2% (3Q 2006)
- Industrial – 104,382,600 SF; Vacancy 0.8% (3Q 2006)
- Retail – 28,961,100 SF; Vacancy 1.7% (2Q 2006)

Edmonton Markets

- Office – 20,359,200 SF; Vacancy 7.7% (3Q 2006)
- Industrial – 83,379,600 SF; Vacancy 1.4% (3Q 2006)
- Retail – 26,700,000 SF; Vacancy 3.5% (2Q 2006)
Office Absorption – 2006 YTD

<table>
<thead>
<tr>
<th>City</th>
<th>Downtown Office</th>
<th>Suburban Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toronto</td>
<td>606,400</td>
<td>263,800</td>
</tr>
<tr>
<td>Montreal</td>
<td>982,700</td>
<td>94,300</td>
</tr>
<tr>
<td>Ottawa</td>
<td>88,200</td>
<td>88,200</td>
</tr>
<tr>
<td>Calgary</td>
<td>486,500</td>
<td>606,400</td>
</tr>
<tr>
<td>Vancouver</td>
<td>546,100</td>
<td>546,100</td>
</tr>
<tr>
<td>Edmonton</td>
<td>123,100</td>
<td>123,100</td>
</tr>
</tbody>
</table>

-660,000

(Inventory)

<table>
<thead>
<tr>
<th>City</th>
<th>Absorp. (Sq. Ft.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toronto</td>
<td>(139.1 M)</td>
</tr>
<tr>
<td>Montreal</td>
<td>(63.3 M)</td>
</tr>
<tr>
<td>Ottawa</td>
<td>(50.7 M)</td>
</tr>
<tr>
<td>Calgary</td>
<td>(45.2 M)</td>
</tr>
<tr>
<td>Vancouver</td>
<td>(38.7 M)</td>
</tr>
<tr>
<td>Edmonton</td>
<td>(20.4 M)</td>
</tr>
</tbody>
</table>
Industrial Absorption* – 2006 YTD

- Toronto (705.7 M)
- Montreal (327.3 M)
- Vancouver (157.0 M)
- Calgary (104.4 M)
- Edmonton (83.4 M)
- Winnipeg (78.58 M)
- Waterloo (105.4 M)

* Based on change in availability
Office (Combined DT & Sub.) Vacancy Comparison – Major World Markets

Vacancy Rate

- Calgary: 1.2%
- Edmonton: 7.7%
- Vancouver: 8.1%
- Toronto: 9.6%
- Montreal: 11.7%
- New York: 6.7%
- Dallas: 20.7%
- Mexico City: 9.0%
- Sao Paulo Brazil: 13.6%
- London: 4.9%
- Frankfurt: 14.5%
- Tokyo: 2.4%
### Downtown Office – What We Know

**Ernst & Young & Bankers Hall - W**

- **TCPL**
- **Plaza 1000**

**New Supply - % of existing Supply**

<table>
<thead>
<tr>
<th>Year</th>
<th>Inventory</th>
<th>Absorption</th>
<th>Vac. Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>31,152,000</td>
<td>-840,900 sq.ft.</td>
<td>13.8%</td>
</tr>
<tr>
<td>2003</td>
<td>31,179,300</td>
<td>479,100 sq.ft.</td>
<td>12.4%</td>
</tr>
<tr>
<td>2004</td>
<td>31,179,300</td>
<td>1,240,700 sq.ft.</td>
<td>8.4%</td>
</tr>
<tr>
<td>2005</td>
<td>31,204,100</td>
<td>2,030,500 sq.ft.</td>
<td>2.1%</td>
</tr>
<tr>
<td>2006</td>
<td>32,204,400</td>
<td>550,000 sq.ft.</td>
<td>0.3%</td>
</tr>
<tr>
<td>2007</td>
<td>32,724,062</td>
<td>1,300,000 sq.ft.**</td>
<td>0.9%</td>
</tr>
<tr>
<td>2008</td>
<td>33,464,062</td>
<td>600,000 sq.ft. **</td>
<td>1.3%</td>
</tr>
<tr>
<td>2009</td>
<td>34,264,062</td>
<td>600,000 sq.ft. **</td>
<td>1.8%</td>
</tr>
<tr>
<td>2010</td>
<td>35,104,062</td>
<td>1,000,000 sq.ft.**</td>
<td>1.3%</td>
</tr>
<tr>
<td>2011</td>
<td>36,804,062</td>
<td>1,000,000 sq. Ft.**</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

* Projection  ** Forecast
Downtown Office – Speculative

Ernst & Young
&
Bankers Hall - W

New Supply - % of existing Supply
Overall Vacancy Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Inventory</th>
<th>Absorption</th>
<th>Vac. Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>31,152,000</td>
<td>-840,900 sq.ft.</td>
<td>13.8%</td>
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<td>1,240,700 sq.ft.</td>
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<td>2005</td>
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<td>2,030,500 sq.ft.</td>
<td>2.1%</td>
</tr>
<tr>
<td>2006</td>
<td>32,204,400</td>
<td>550,000 sq.ft. *</td>
<td>0.3%</td>
</tr>
<tr>
<td>2007</td>
<td>32,724,062</td>
<td>1,300,000 sq.ft. **</td>
<td>0.9%</td>
</tr>
<tr>
<td>2008</td>
<td>33,464,062</td>
<td>600,000 sq.ft. **</td>
<td>1.3%</td>
</tr>
<tr>
<td>2009</td>
<td>34,264,062</td>
<td>600,000 sq.ft. **</td>
<td>1.8%</td>
</tr>
<tr>
<td>2010</td>
<td>35,104,062</td>
<td>1,000,000 sq.ft. **</td>
<td>1.3%</td>
</tr>
<tr>
<td>2011</td>
<td>38,604,062</td>
<td>1,000,000 sq. Ft. **</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

* Projection  ** Forecast

2007: Livingston Place
Centrium
Opus 8, Trident
1,520,000 sq ft

2010: Jamieson Place 840,000 sq ft

2009: Centennial – 800,000 sq ft

2008: 8 West
Homburg Harris II
Bankers Court
740,000 sq ft

2009: Bankers Hall - W

2011: 3,500,000 sq ft

100 A CENTURY OF SERVICE 1906 | 2006

CBRE
CB RICHARD ELLIS
ALBERTA RESEARCH GROUP
Suburban Office - Calgary Historical & Projected Vacancy

- New Supply - % of previous year inventory
- Overall Vacancy Rate

Year | Inventory | Absorption
--- | --- | ---
1997 | 9,805,100 | 483,000 sq.ft.
1998 | 10,775,900 | 861,000 sq.ft.
1999 | 11,185,600 | -165,000 sq.ft.
2000 | 12,123,800 | 949,000 sq.ft.
2001 | 12,758,900 | 223,900 sq.ft.
2002 | 13,203,200 | -38,700 sq.ft.
2003 | 13,473,700 | 300,000 sq.ft.
2004 | 13,801,800 | 707,000 sq.ft.
2005 | 13,943,700 | 754,600 sq.ft.
2006 | 14,526,100 | *1,000,000 sq.ft.*
2007 | 15,939,100 | **800,000 sq.ft.**
2008 | 16,696,000 | **475,000 sq.ft.**
2009 | 17,196,000 | **500,000 sq.ft.**
2010 | 17,696,100 | **515,000 sq.ft.**

* Projection  **Forecast

- 2005: Highfield I & II, Sunridge Mall, Medical Gallery, Blackfoot Corp., Centre
- 2006: Citadel West, Two Exec. Place, WestMount Corp., Sundance I, Comm.,y First, Crowfoot W
- 2008: Genco Place, Quarry Park, Stampede Stn. OPUS II
- 2009: 
- 2010: 

Forecast
Calgary Industrial Vacancy Rate

- 4.7% (3Q 03)
- 4.4% (4Q 03)
- 4.1% (1Q 04)
- 4.0% (2Q 04)
- 3.9% (3Q 04)
- 3.5% (4Q 04)
- 3.1% (1Q 05)
- 3.4% (2Q 05)
- 2.3% (3Q 05)
- 1.6% (4Q 05)
- 1.0% (1Q 06)
- 0.8% (2Q 06)
- 0.0% (3Q 06)

10 yr. Average - 3.4% / Quarter
Calgary Retail Market Historical Vacancy

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q-02</td>
<td>4.7%</td>
</tr>
<tr>
<td>4Q-02</td>
<td>4.0%</td>
</tr>
<tr>
<td>2Q-03</td>
<td>3.7%</td>
</tr>
<tr>
<td>4Q-03</td>
<td>4.7%</td>
</tr>
<tr>
<td>2Q-04</td>
<td>4.3%</td>
</tr>
<tr>
<td>4Q-04</td>
<td>3.3%</td>
</tr>
<tr>
<td>2Q-05</td>
<td>3.9%</td>
</tr>
<tr>
<td>4Q-05</td>
<td>2.3%</td>
</tr>
<tr>
<td>2Q-06</td>
<td>1.7%</td>
</tr>
</tbody>
</table>
Calgary Retail Trade Areas: 2Q 2006

**SUBTRADE AREAS**

- KENSINGTON TRADE AREA
  - Total Rentable Area: 491,660
  - Percentage Vacant: 2.9%

- 17TH AVE & 4TH ST TRADE AREA
  - Total Rentable Area: 572,959
  - Percentage Vacant: 3.5%

**MARKET TOTAL**

- Total Rentable Area: 28,762,711
  - Percentage Vacant: 1.7%
  - *2004 Population: 933,495
  - SF/Capita: 30.8
  - Annual Pop. Growth: +1.2%

**CBD**

- Total Rentable Area: 1,731,700
  - Percentage Vacant: 0.9%
  - *2004 Population: 111,962
  - SF/Capita: 15.4
  - Annual Pop. Growth: +2.9%

- Total Rentable Area: 1,731,700
  - Percentage Vacant: 0.9%
  - *2004 Population: 111,962
  - SF/Capita: 15.4
  - Annual Pop. Growth: +2.9%

- Total Rentable Area: 4,080,384
  - Percentage Vacant: 3.5%
  - *2004 Population: 49,240
  - SF/Capita: 82.8
  - Annual Pop. Growth: -0.9%

- Total Rentable Area: 7,516,803
  - Percentage Vacant: 1.5%
  - *2004 Population: 166,573
  - SF/Capita: 45.1
  - Annual Pop. Growth: -1.5%

- Total Rentable Area: 1,803,609
  - Percentage Vacant: 0.9%
  - SF/Capita: 28.9
  - Annual Pop. Growth: +4.7%

- Total Rentable Area: 2,072,255
  - Percentage Vacant: 1.3%
  - *2004 Population: 83,730
  - SF/Capita: 24.7
  - Annual Pop. Growth: +2.5%
### Calgary Summary of Proposed and Under Construction Retail Development

<table>
<thead>
<tr>
<th>Trade Area</th>
<th>Proposed Construction</th>
<th>Under Construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.W.</td>
<td>980,000</td>
<td>930,000</td>
<td>1,910,000</td>
</tr>
<tr>
<td>N. CENTRAL</td>
<td>183,000</td>
<td>715,000</td>
<td>898,000</td>
</tr>
<tr>
<td>EAST</td>
<td>476,000</td>
<td>115,000</td>
<td>591,000</td>
</tr>
<tr>
<td>SOUTH EAST</td>
<td>1,270,000</td>
<td>76,000</td>
<td>1,346,000</td>
</tr>
<tr>
<td>SOUTH</td>
<td>430,000</td>
<td>0</td>
<td>430,000</td>
</tr>
<tr>
<td>SOUTH CENTRAL</td>
<td>518,000</td>
<td>780,000</td>
<td>1,298,000</td>
</tr>
<tr>
<td>WEST</td>
<td>615,000</td>
<td>0</td>
<td>615,000</td>
</tr>
<tr>
<td>CORE</td>
<td>0</td>
<td>21,000</td>
<td>21,000</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>4,472,000</strong></td>
<td><strong>2,637,000</strong></td>
<td><strong>7,109,000</strong></td>
</tr>
</tbody>
</table>
Edmonton Historical Downtown Vacancy Rate

Vacancy Rate

10 Year Average - 9.0%/Quarter

- 9.0%/Quarter
Edmonton Suburban Vacancy Rate

Vacancy Rate

3Q 03 4Q 03 1Q 04 2Q 04 3Q 04 4Q 04 1Q 05 2Q 05 3Q 05 4Q 05 1Q 06 2Q 06 3Q 06

10.7% 10.1% 10.0% 9.7% 9.1% 9.0% 9.4% 8.5% 8.8% 8.2% 8.4% 8.7% 7.9%

10 Year Average - 9.2% / Quarter
Edmonton Retail Market

Total Inventory: Just over 26.7 million SF.
Overall vacancy: 3.5%
Lowest vacancy: 1.3% (southwest)
Highest vacancy: 6.1% (southeast)

New Developments:

- Riocan: 524,000 SF, anchored by Home Depot, Superstore, and Staples.
- Hopewell: 100,000 SF, anchored by Safeway.
- Cameron Developments: 120,000 SF, anchored by Sobey’s and RBC.

Rental rates:

- The highest rates are in South Edmonton Common, West Edmonton Mall, and Whyte Avenue.
- Edmonton has seen an increase in rental rates across all retail types.
Edmonton Retail Market Historical Vacancy

Vacancy Rate

0% 1% 2% 3% 4% 5% 6% 7% 8%

2Q-02 4Q-02 2Q-03 4Q-03 2Q-04 4Q-04 2Q-05 4Q-05 2Q-06

7.7% 6.1% 5.4% 4.9% 5.0% 4.1% 3.9% 3.7% 3.5%
Edmonton Retail Trade Areas: 2Q 2006

There is 7.9 million SF of retail space in this trade area, representing 30% of the total retail space inventory.

There is 5.1 million SF of retail space in this trade area, representing 19.1% of the total retail space inventory.

There is 2.2 million SF of retail space in this trade area, representing 8.2% of the total retail space inventory.

There is 2.7 million SF of retail space in this trade area, representing 10.1% of the total retail space inventory.

There is 2.7 million SF of retail space in this trade area, representing 10.1% of the total retail space inventory.

Edmonton Market
Vacancy: 3.5%
## Edmonton Summary of Proposed and Under Construction Retail Development

<table>
<thead>
<tr>
<th>Trade Area</th>
<th>Proposed Construction</th>
<th>Under Construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>South West</td>
<td>500,000</td>
<td>415,181</td>
<td>915,181</td>
</tr>
<tr>
<td>South East</td>
<td>0</td>
<td>574,000</td>
<td>574,000</td>
</tr>
<tr>
<td>North West</td>
<td>0</td>
<td>975,600</td>
<td>975,600</td>
</tr>
<tr>
<td>North East</td>
<td>15,000</td>
<td>17,000</td>
<td>32,000</td>
</tr>
<tr>
<td>Central</td>
<td>30,000</td>
<td>0</td>
<td>30,000</td>
</tr>
<tr>
<td>West</td>
<td>36,500</td>
<td>120,000</td>
<td>156,500</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>581,500</td>
<td>2,101,781</td>
<td>2,683,281</td>
</tr>
</tbody>
</table>