The Suburban Market
How is it performing compared to Downtown?
MODERATOR

- Alex Brough, Associate Broker, Senior Vice President
  Cushman & Wakefield Ltd.

OUR PANEL

- Cody Clayton, Senior Vice President
  Remington Development Corporation

- Rod Gatenby, Managing Director, Real Estate
  Sun Life Assurance Company of Canada

- Hannes Kovac, President and CEO
  Opus Building Corporation

- John Marotta, Senior Vice President, Western Region
  Bentall LLP
DOWNTOWN ABSORPTION DRIVER

1998
• Avg Oil: $11.91

2002
• 9/11
• Enron Scandal
• Tech Bubble Burst

2008-2009
• Global Recession
• Commodity Pricing
• Royalty Regime

Source: PSAC
DOWNTOWN FORECAST

- Livingston Place East
- Livingston Place West
- Homburg Harris I
- Opus 8
- Centrium Place
- Jamieson Place
- Penn West Centre
- Le Germaine
- Bankers Court
- Eighth Avenue Place I
- The Bow

2007: 2.1%
2008: 3.6%
2009F: 16.6%
2010F: 15.0%
2011F: 17.7%
2012F: 20.4%

New Supply (SF) / Millions
Vacancy (%) / Rental Rates ($)

Key: 
- New Supply
- Medium Absorption
- High Absorption
- Low Absorption

CUSHMAN & WAKEFIELD®
SOUTH ABSORPTION DRIVER

Source: CAPP
SOUTH FORECAST

THE C.D. EFFECT

Glenmore Professional Centre
Railway Street A & B
Manchester Park I
8th Street Centre

Lincoln Park Building
Quarry Park
Interplex Opus II
Sundance West
Westmount 3
Douglasdale Centre
Airstate Centre

Southland Park 4
Manchester Park II
3595 114th Ave SE
Centron Park 1 & 2
WestMount 2
Douglasdale Exec
West Canadian
Quarry Park North C

Glenmore
Quarry Park
Interplex
Sundance West
Airstate Centre

THE C.D. EFFECT

Millions

New Supply (SF)

Vacancy (%) / Rental Rates ($)


Glenmore
Quarry Park
Interplex
Sundance West
Airstate Centre

New Supply
Medium Absorption
High Absorption
Low Absorption
Rent - Mid
Rent - High
Rent - Low

CUSHMAN & WAKEFIELD®
### NORTHWEST FORECAST

<table>
<thead>
<tr>
<th>Year</th>
<th>Known/Forecasted Supply</th>
<th>Medium Absorption</th>
<th>High Absorption</th>
<th>Low Absorption</th>
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<tbody>
<tr>
<td>2007</td>
<td>Cambrian Executive</td>
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<td>2008</td>
<td>Crowfoot West</td>
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<td>2012</td>
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</tbody>
</table>

- **Rent - Mid**
- **Rent - High**
- **Rent - Low**

**Vacancy (%) / Rental Rates ($)**

- **$30.59**
- **0.00**
- **0.25**
- **0.50**
- **1.00**

**Inventory (SF)**

- **0.00**
- **0.25**
- **0.50**
- **0.75**
- **1.00**

**Millions**

- **0.00**
- **0.25**
- **0.50**
- **0.75**
- **1.00**
- **1.25**
- **1.50**
- **1.75**
- **2.00**
- **2.25**
- **2.50**
- **2.75**
- **3.00**
- **3.25**
- **3.50**
- **3.75**
- **4.00**

**Graph Key**

- **Known/Forecasted Supply**
- **Medium Absorption**
- **High Absorption**
- **Low Absorption**

- **Rent - Mid**
- **Rent - High**
- **Rent - Low**
DISCUSSION POINTS

- How mature are the Suburban Markets?
- Will Oil & Gas move to the Suburbs?
- Can Suburban rents fend off Downtown pressure?
- Parking & Transit – Complimentary or not?