Calgary Real Estate Forum

Presentation by:

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Vice Chairman, Canada

October 21, 2009
Investment Volumes have Collapsed

US and Canada Transaction Volume ($B)

Source: Real Capital Analytics, RealNet and CB Richard Ellis
REIT & REOC Issuance

Transaction Volume and $ Amount (Past 18 Months)
Transaction Volume and $ Amount (2004 to Present)

Year

2004 2005 2006 2007 2008 2009

$ Amount

0 500 1,000 1,500 2,000 2,500 3,000 3,500 4,000 4,500

# of Deals

0 5 10 15 20 25 30 35 40 45 50

5 Year $ Amount Average (2004 to 2008)
Who has been the most Active in 2009?

- Brookfield Properties
- Cominar REIT
- Crombie REIT
- RioCan REIT
- H&R REIT
- First Capital Realty
- Allied Properties REIT
- Morguard REIT
- CREIT
- Chartwell Seniors
- Artis REIT
- Primaris Retail REIT
- Dundee REIT
- Calloway REIT
- InnVest REIT
- Whiterock REIT
- Killam Properties
- Parkbridge Lifestyle
- Scott’s REIT

REIT & REOC Issuance

RBC Capital Markets
Real Estate Group
CMBS Maturity Values - Canada

Source: REALpac
Maturing CMBS Mortgages By Property Type – U.S.

Source: Realpoint

Billions


- Retail
- Office
- Mixed (Other)
- Multifamily
- Industrial
- Hotel
- Health Care
In Place Debt Drives Transactions

No Debt 23%

Existing Debt
VTB
Lender Assisted
77%
Canada Continues to Outperform the US

Office – 8.7%
Industrial – 6.4%

Office – 8.2%
Industrial – 7.8%

Office – 17.4%
Industrial – 11.4%

Office – 18.9%
Industrial – 11.8%

Office – 18.5%
Industrial – 13.6%

Office – 13.5%
Industrial – 13.8%

Source: CBRE
Decoupling of Canada from the US

Office Vacancy Rates

Source: TWR Office Outlook XL, Fall 2009
Canadian Office Vacancy On The Rise:
From Two Markets

Source: TWR Office Outlook XL, Fall 2009
Canada and US Job Losses Creates More Challenges in US Retail Vacancy Rates

Source: TWR Retail Outlook XL, Fall 2009 and CB Richard Ellis
Retail Space Fundamentals - Resilient

Source: Canadian Shopping Centres Directory, CB Richard Ellis
Further Decoupling…

Industrial Availability Rates

Source: TWR Industrial Outlook XL, Fall 2009
Canadian Industrial Availability Affected by Demand Contraction

Forecast

Source: TWR Industrial Outlook XL, Fall 2009
US Multi-Housing Market Still Affected by Housing Market Collapse

Source: TWR Multi-Housing Outlook XL, Fall 2009, CB Richard Ellis and Canada Mortgage and Housing Corporation
Canadian Multi-Residential – Slow and Steady

Source: CB Richard Ellis, CMHC
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