



Q3 Update – Calgary Downtown Office

CBRE Limited

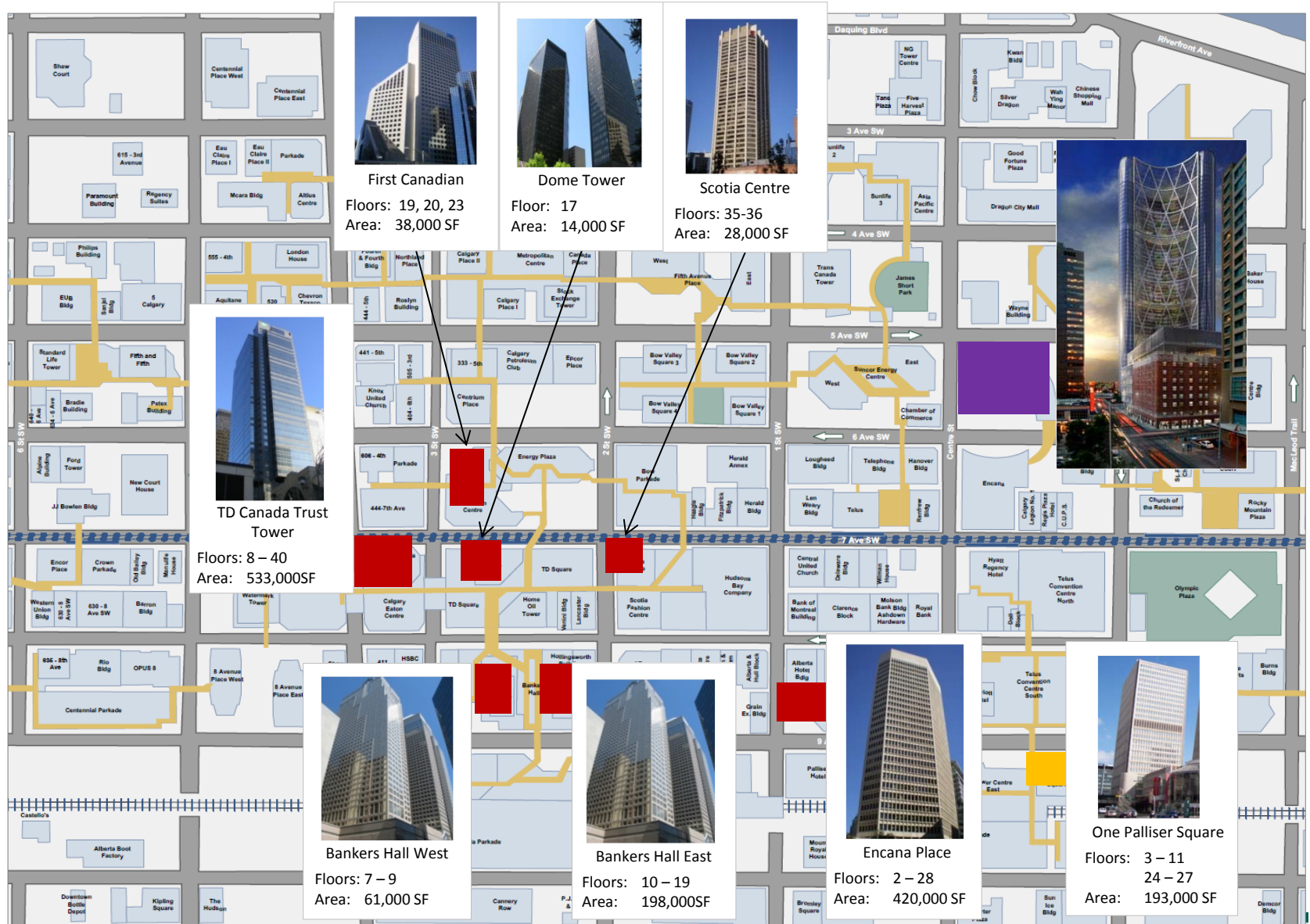
DOWNTOWN CALGARY OFFICE MARKET..THE FACTS

- Strong stable institutional ownership: primarily pension funds
- Overall Vacancy – 7.0% (was 11.5% Jan 2011)
- YTD absorption - 2.2 million SF!!!!...that's a record!!!
- Class AA Vacancy – 2.9%
- 5,845,000 SF built 2009-2012 : ONLY 80,000 SF vacant
- Who's next?....Eighth Avenue Place?....Cadillac Fairview's City Centre? ...Palliser West?... Oxford Eau Claire?

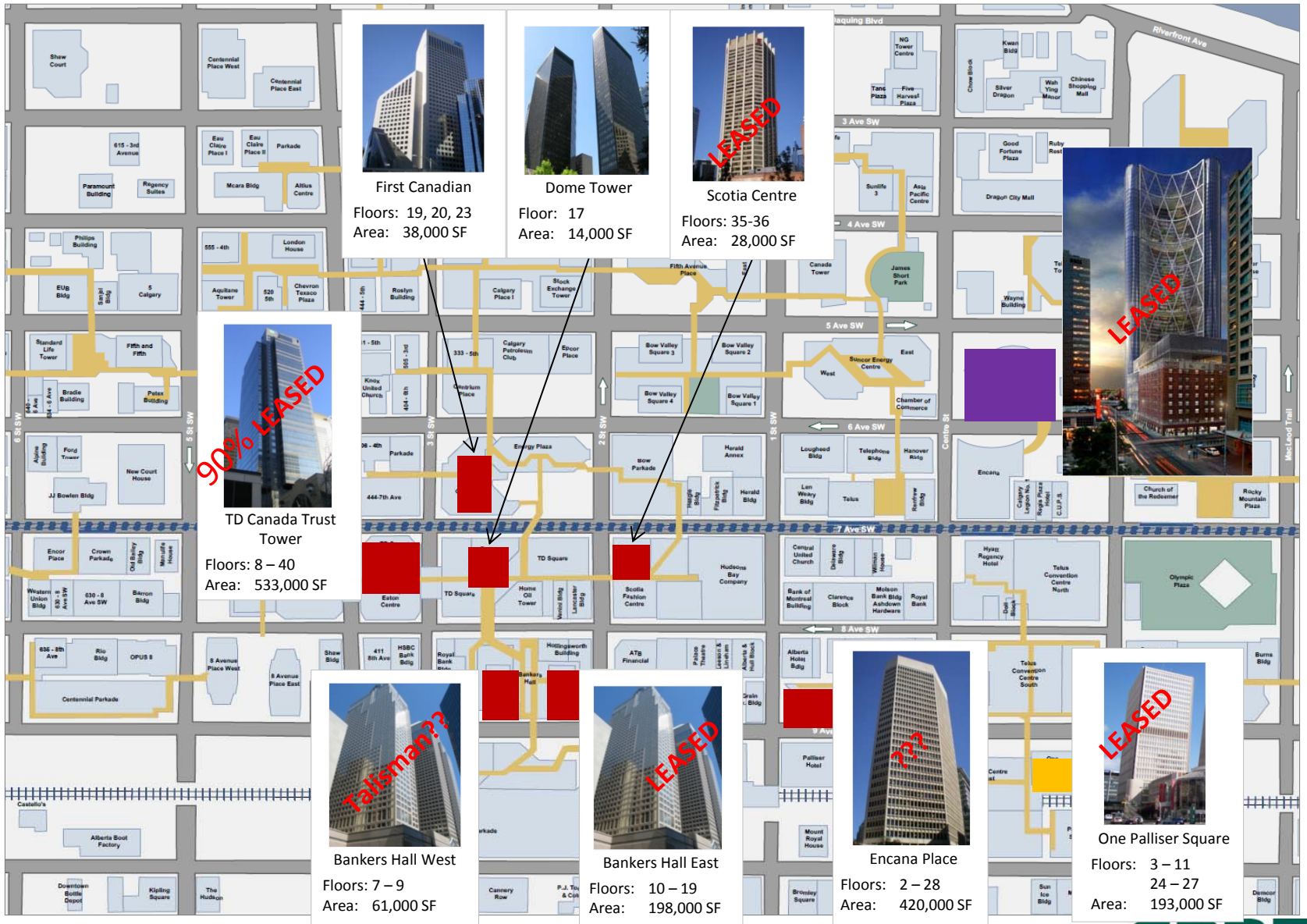
Major Lease Transactions 2011

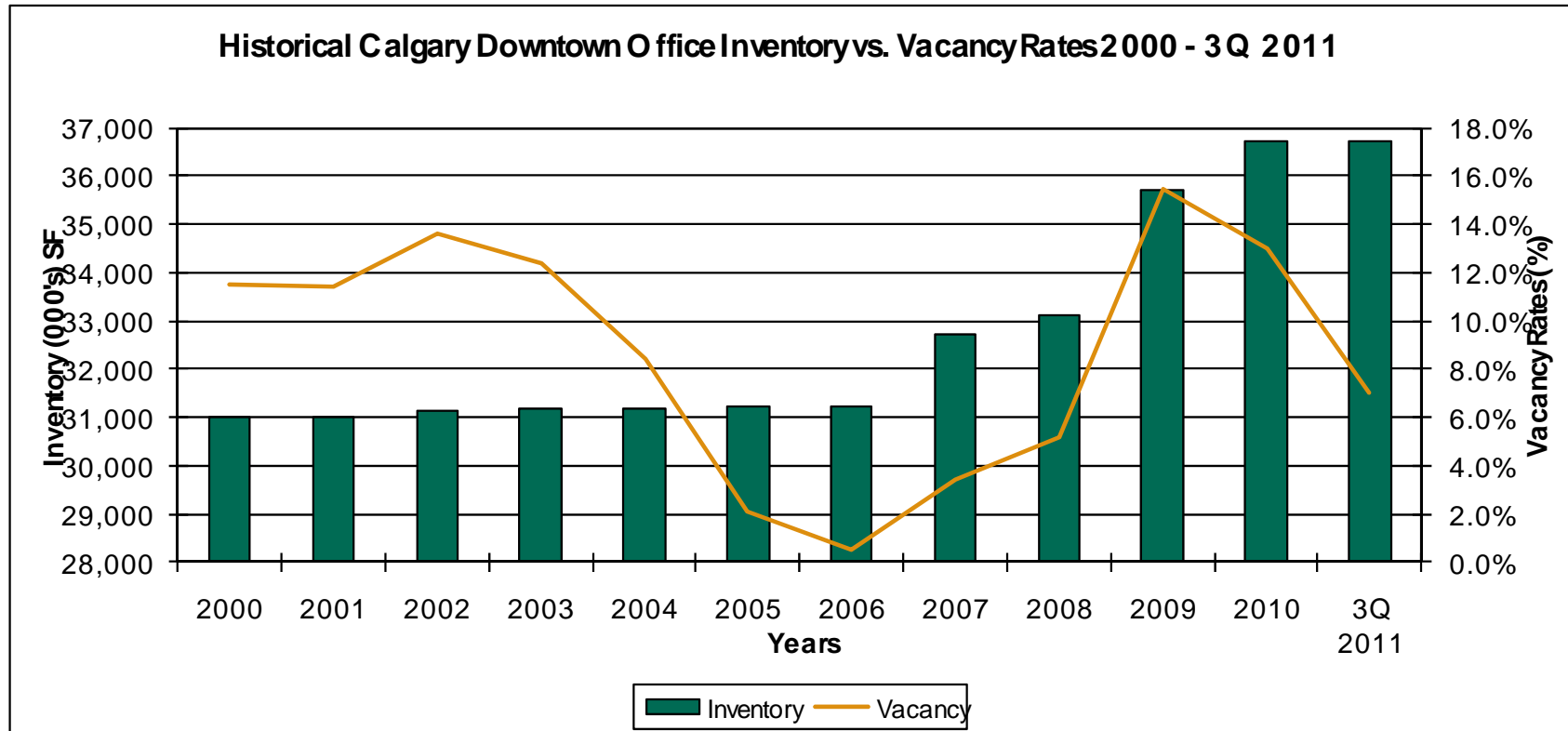
TENANT	BUILDING	SF
<i>New Deals</i>		
Suncor	Suncor East	120,000
SNC Lavalin	640 5th	100,000
Meyers Norris Penny LLP	640 5th	68,000
Canadian Forest Oil Ltd.	640 5th	34,000
Crew Energy	Centennial	66,000
Talisman/ Sasol	PennWest	63,000
Talisman	First Canadian Centre	118,000
Imperial Oil	BP Centre	75,000
Dover Energy	Bow Valley Square	24,000
Husky Energy	Western Canadian Place	37,000
IMV Projects	555 4 Avenue SW	34,000
<i>Significant Renewals</i>		
SNC Lavalin	5th & 5th	115,000
Paramount, Stikeman, Blakes, Talisman	Bankers Hall	800,000
AltaGas	Calgary Place II	100,000
<i>Encana Backfill</i>		
Apache	TD Canada Trust	206,000
TD Bank	TD Canada Trust	74,000
Schlumberger	One Palliser	140,000
CNRL	Bankers Hall East	180,000
Gowlings	TD Canada Trust	72,000

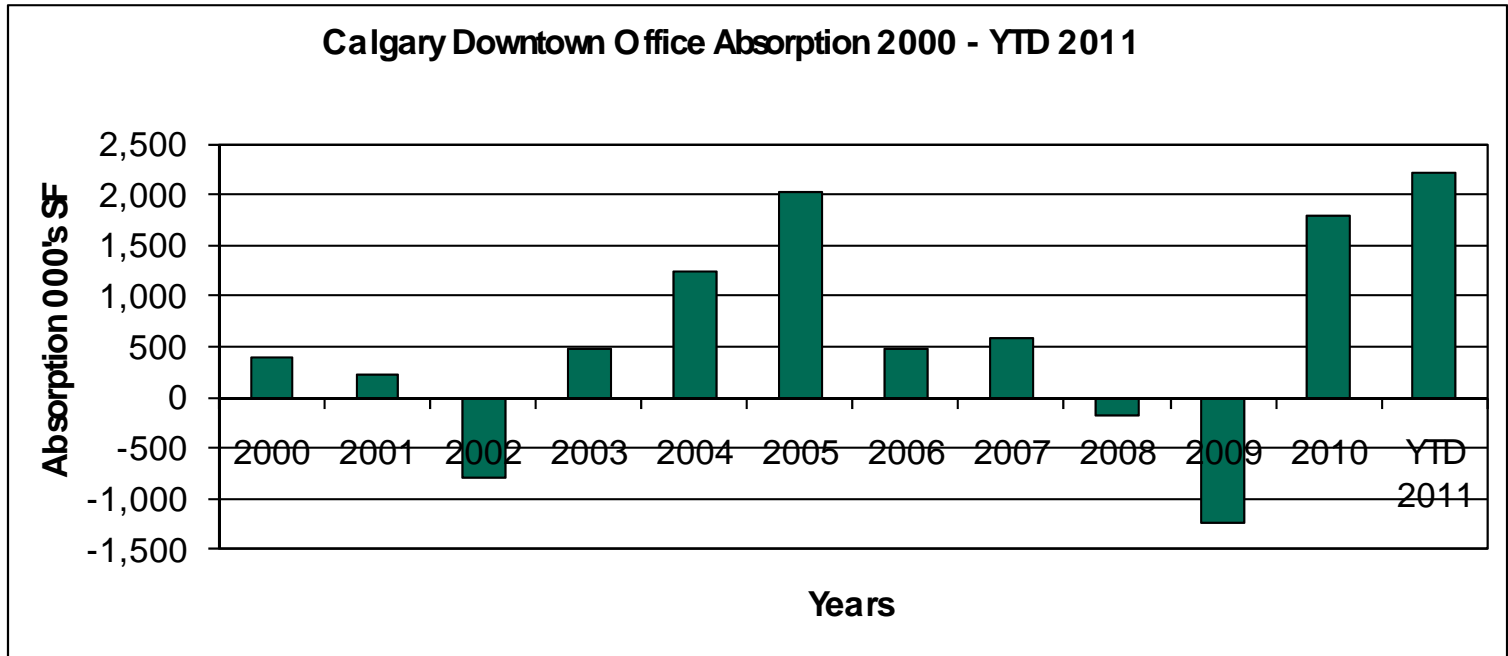
ENCANA OFFICE FALLOUT - Then

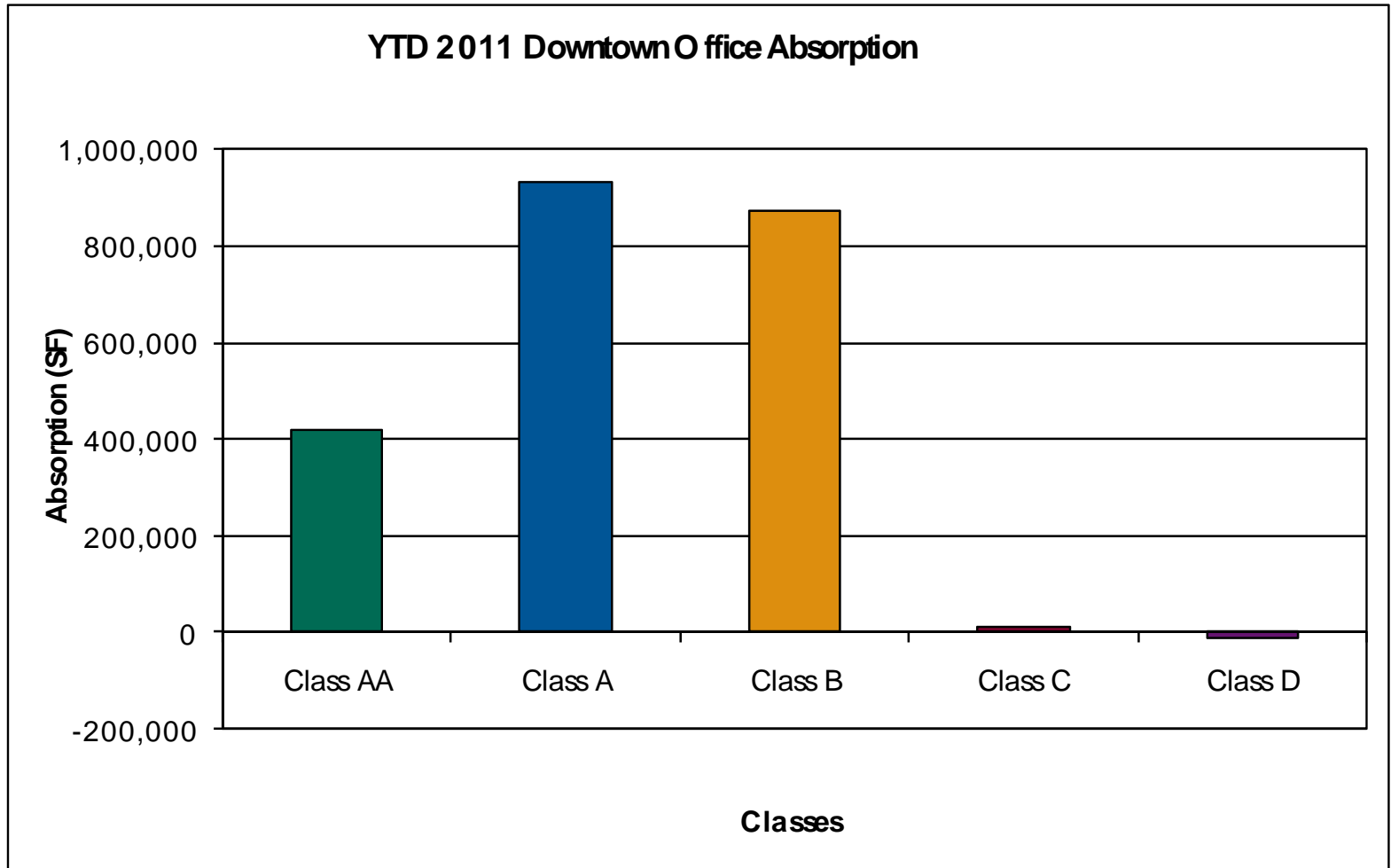


ENCANA OFFICE FALLOUT – Now!!









- Continued Confidence, Continued Investment
- Demand to Remain Stable...velocity to slow down
- Product Offerings Deteriorate
- Increased Focus on Renewal Leasing
- New Developments (8th Ave West, City Centre, Eau Claire Tower, Bow South, Centre 10)

LET'S
MAKE
A
DEAL



- 60,000 sq.ft. Oil and Gas company
- Renewal offer for 10 years.
- \$25 psf – years 1-5
- \$32 psf – years 6-10
- \$90 psf tenant improvement allowance
- Brokerage fee
- Approx. NER of \$13.71 psf

- 20,000 sq.ft. Law firm
- Renewal offer for 10 years.
- \$28 psf – years 1-5
- \$32 psf – years 6-10
- \$60 psf tenant improvement allowance
- Brokerage fee
- Approx. NER of \$19.84 psf

- 150,000 sq.ft. Oil and Gas company
- Offer for 10 years on upper floors.
- \$38 psf – years 1-5
- \$45 psf – years 6-10
- \$100 psf tenant improvement allowance
- Brokerage fee
- Approx. NER of \$22.56 psf

Brad, would you have done any of these deals as a tenant? If not, please comment.



Q3 Update – Calgary Downtown Office

CBRE Limited