DTZ Barnicke

# Q3 2008 Office Market Summary
## Waterloo Region and Guelph

| Market | Submarket | Inventory[1] | Available Space (SF) | Availability Rate (%) | Vacant Space (SF) | Vacancy Rate (%) | Sublet Space (SF) | Sublet % of Available Space[2] | Under Construction (SF) | New Supply Q3 2008 (SF) | New Supply YTD (SF) | Absorption Q3 2008 (SF) | Absorption YTD (SF) | Rental Rates[3] ($/PSF) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Kitchener | Downtown | 1,434,381 | 108,307 | 7.6% | 93,269 | 6.5% | 12,001 | 11.1% | 124,463 | 0 | 0 | 9,430 | 42,522 | $9.79 |
| | Suburban | 983,720 | 142,304 | 14.5% | 110,192 | 11.2% | 9,000 | 6.3% | 68,450 | 0 | 31,351 | -1,932 | 28,865 | $13.40 |
| | Total | 2,418,101 | 250,611 | 10.4% | 203,461 | 8.4% | 21,001 | 8.4% | 192,913 | 0 | 31,351 | 7,498 | 71,387 | $11.84 |
| Waterloo | UpTown | 451,579 | 23,649 | 5.2% | 20,571 | 4.6% | 3,078 | 13.0% | 102,000 | 0 | 0 | -4,485 | -10,892 | $13.10 |
| | Suburban | 1,661,746 | 65,153 | 3.9% | 59,750 | 3.6% | 2,721 | 4.2% | 34,613 | 100,283 | 100,283 | 91,215 | 101,567 | $11.83 |
| | Total | 2,113,325 | 88,802 | 4.2% | 80,321 | 3.8% | 5,799 | 6.5% | 136,613 | 100,283 | 100,283 | 86,730 | 90,675 | $12.17 |
| Cambridge | Downtown | 308,006 | 85,003 | 27.6% | 80,679 | 26.2% | 0 | 0.0% | 0 | 0 | 0 | -33,262 | -56,182 | $9.00 |
| | Suburban | 568,353 | 128,899 | 22.7% | 94,468 | 16.6% | 5,404 | 4.2% | 94,780 | 0 | 47,140 | -4,800 | -292 | $14.30 |
| | Total | 876,359 | 213,902 | 24.4% | 175,147 | 20.0% | 5,404 | 2.5% | 94,780 | 0 | 47,140 | -38,062 | -56,474 | $12.19 |
| Guelph | Downtown | 365,799 | 5,487 | 1.5% | 0 | 0.0% | 0 | 0.0% | 97,173 | 0 | 0 | 2,864 | 12,741 | $11.00 |
| | Suburban | 687,775 | 101,355 | 14.7% | 34,311 | 5.0% | 0 | 0.0% | 9,880 | 0 | 27,000 | 0 | -1,488 | $12.48 |
| | Total | 1,053,574 | 106,842 | 10.1% | 34,311 | 3.3% | 0 | 0.0% | 107,053 | 0 | 27,000 | 2,864 | 11,253 | $12.40 |
| Kitchener-Waterloo | Downtown | 1,885,960 | 131,956 | 7.0% | 113,840 | 6.0% | 15,079 | 11.4% | 226,463 | 0 | 0 | 4,945 | 31,630 | $9.89 |
| | Suburban | 2,645,466 | 207,457 | 7.8% | 169,942 | 6.4% | 11,721 | 5.6% | 103,063 | 100,283 | 131,634 | 89,283 | 130,432 | $12.96 |
| | Total | 4,531,426 | 339,413 | 7.5% | 283,782 | 6.3% | 26,800 | 7.9% | 329,526 | 100,283 | 131,634 | 94,228 | 162,062 | $11.92 |
| Waterloo Region | Downtown | 2,193,966 | 216,959 | 9.9% | 194,519 | 8.9% | 15,079 | 7.0% | 226,463 | 0 | 0 | -28,317 | -24,552 | $9.23 |
| | Suburban | 3,213,819 | 336,356 | 10.5% | 264,410 | 8.2% | 17,125 | 5.1% | 197,843 | 100,283 | 178,774 | 84,483 | 130,140 | $13.50 |
| | Total | 5,407,785 | 553,315 | 10.2% | 458,929 | 8.5% | 32,204 | 5.8% | 424,306 | 100,283 | 178,774 | 56,166 | 105,588 | $11.86 |
| Total Market | Downtown | 2,559,765 | 222,446 | 8.7% | 194,519 | 7.6% | 15,079 | 6.8% | 323,636 | 0 | 0 | -25,453 | -11,811 | $9.82 |
| | Suburban | 3,901,594 | 437,711 | 11.2% | 298,721 | 7.7% | 17,125 | 3.9% | 207,723 | 100,283 | 205,774 | 84,483 | 128,652 | $13.62 |
| | **Total** | **6,461,359** | **660,157** | **10.2%** | **493,240** | **7.6%** | **32,204** | **4.9%** | **531,359** | **100,283** | **205,774** | **59,030** | **116,841** | **$12.14** |

**Notes:**

1. Includes all competitive office buildings greater than or equal to 10,000 SF. A competitive building must be less than 50% owner occupied. Government buildings and medical office space are not included in this survey.
2. Identifies the amount of the available space on the market that is sublease space versus direct available space.
3. Rental rates are determined by multiplying the asking net lease rate for each building by its available space, summing the products, then dividing by the sum of the available space with net leases for all buildings in the summary.
4. Due to a reclassification of the market, the base, number and square footage of buildings from previous quarters have been adjusted to match the current base. Availability and vacancy figures for those buildings have been adjusted.