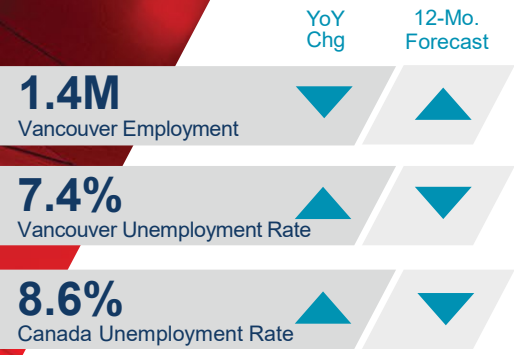


VANCOUVER, BC

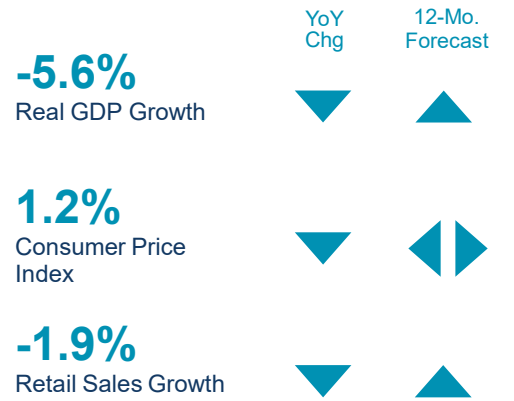
Retail Q4 2020

CUSHMAN & WAKEFIELD



Sources: Statistics Canada

CANADIAN ECONOMIC INDICATORS FORECAST 2020



Source: Moody's Analytics

ECONOMY: Surviving and Stabilizing

With the Canadian government announcement on December 1st, 2020 of a \$100 billion economic relief package; the largest since World War II, it is clear the national economy took a hit in 2020 and will need time to recover. As evidenced by the programs and subsidies that were put in place for unemployed citizens (CERB), affected businesses (Wage Subsidy), and affected landlords (CECRA), the government has made decisions that have been vital for many to survive the challenging year. As the pandemic led to unemployment levels as high as 13.7% in May 2020, there are signs of recovery as the unemployment rate declined to 8.6% in December. As business closures reached record highs across the country, with Statistics Canada stating that there were 56,000 closures in the month of June, the other side of that story shows that there were nearly 53,000 new businesses opened in the same month.

SUPPLY AND DEMAND: Recovering and Realigning

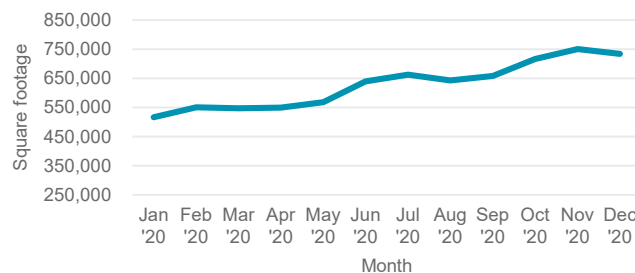
Regarding supply in the Vancouver market, there was 200k additional square feet (sf) available in mid-December compared to the beginning of the year. This is in part due to corporate decisions like Starbucks, whom after announcing 200 closures across Canada early this year, added another 100 to their plans in November. While supply increased statistically, both mom & pop retailers, and established corporate occupiers, are actively searching and seriously interested in the vacant spaces. Vacancies are being absorbed in time frames that the market has rarely experienced. Additionally, older buildings where many leases were set to expire in the fourth quarter of 2020 or the first quarter of 2021, are now able to prepare for redevelopment as their tenants have vacated the space sooner than expected.

Demand continues to be high for the Metro Vancouver market with lease rates among the highest in Canada. Specifically, Alberni Street continues to establish itself as a destination luxury node with rates persistently escalating to those on par with the renowned Robson Street. Major brands see the Metro Vancouver market as one they must have a presence in, proven by tenants' lists such as The Amazing Brentwood's. Additionally, luxury brands such as Thom Browne are entering the downtown Vancouver market, just as international retailer Moose Knuckles opened a new store at CF Pacific Centre. Retailers remain bullish on the future and believe that foot traffic will return to downtown cores. Demand for all types of restaurants, cannabis stores, and health-oriented quick service food continues to grow with brands such as Dutch Love Cannabis, Body Energy Club and The Chopped Leaf all in expansion phases.

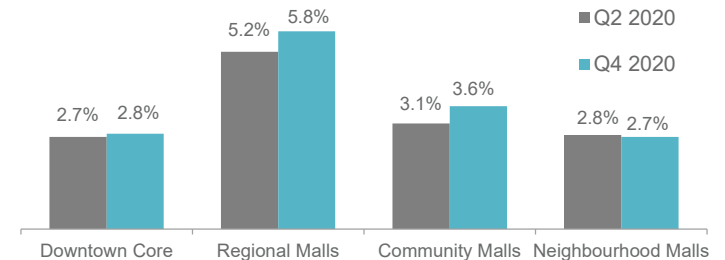
PRICING: Daily Data Leveraging

What many expected would be a year where rates would fall and bargains would be had, instead was a year where information and comparable data was heavily utilized, and daily references to the government programs and quantitative regulations were essential. Leaning on the subsidies, low interest rates, and creatively structured leases, businesses were able to navigate the complex market conditions with a surprising majority of lease transactions closing at asking or within a modest 10%-15% discount to pre-COVID quoted rates. Based on Cushman & Wakefield's internal data from all of 2020, the Vancouver brokerage team completed lease transactions in 15 different cities in the province, proving that real-time data and market knowledge enabled a strong understanding of what was a constantly changing market. Specifically, in the third and fourth quarters of 2020, lease rates rarely fell more than 5%-10% below the pre-COVID-19 asking rate as vaccine news and a glimpse of normalcy boosted both the economy and recovery expectations.

VANCOUVER RETAIL AVAILABLE SF BY MONTH



AVAILABILITY BY PRODUCT TYPE



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	TOTAL BUILDINGS	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION(SF)	YTD OVERALL NET ABSORPTION (SF)
Regional Malls	17,278,394	25	1,021,056	5.9%	-119,645	-337,387
Community Malls	11,247,227	60	407,536	3.6%	-58,183	-87,034
Downtown Core (Office Towers)	1,058,879	34	29,203	2.8%	1,886	8,645
Burnaby	522,836	9	15,086	4.0%	-2,489	5,417
Tri-Cities	1,062,054	17	62,537	3.8%	-14,694	-44,309
Richmond/Delta	1,478,220	21	37,081	2.6%	-15,066	-13,121
Langley	425,663	8	2,185	0.7%	3,654	-1,023
Surrey	1,420,602	23	26,388	1.8%	-572	-2,708
North Shore	715,676	12	10,363	1.7%	30,705	20,052
Neighbourhood Malls	5,625,051	90	153,640	2.7%	1,538	-39,044
VANCOUVER TOTALS	35,211,143	209	1,595,039	4.6%	-174,404	-450,820

KEY LEASE TRANSACTIONS Q4 2020

PROPERTY	SUBMARKET	TENANT	SF	TYPE
The Amazing Brentwood	Burnaby	Evolve Strength Fitness	28,000	Headlease
882 East Cordova Street	Vancouver	Lordco Parts Ltd.	18,600	Headlease
1588 Johnson Road	White Rock	RBC Royal Bank	8,000	Headlease
1816 Garibaldi Way	Squamish	Starbucks Coffee Company	4,000	Headlease
Park Royal South	West Vancouver	Peloton	3,500	Headlease

KEY SALES TRANSACTIONS Q4 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$PSF
Trenant Park Square	Delta	Investors Real Property Fund / Keltic Canada Development	139,000	\$64,500,000 / \$465
London Plaza	Richmond	Investors Group Trust Co. Ltd. / 1265493 B.C. Ltd.	105,907	\$57,000,000 / \$538
Delta Shoppers Mall – Share Sale	Delta	Artis REIT / A.L. Sott Inc.	75,000	\$34,300,000 / \$459
1395, 1401 & 1455 United Boulevard	Coquitlam	Dayhu Investments Ltd. / Canadian Urban Limited	66,000	\$24,925,000 / \$376
Rainbow Mall – Share Sale	Langley	Berezan Management Ltd. / 20500 Logan Holdings Ltd.	54,000	\$19,950,000 / \$366

KEY CONSTRUCTION COMPLETIONS 2020

PROPERTY	SUBMARKET	MAJOR TENANT	UNITS	OWNER / DEVELOPER
The Amazing Brentwood Phase 1	Burnaby	Nike	-	SHAPE Properties

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