

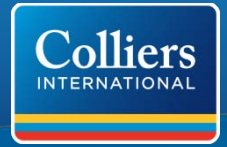


Colliers International 2014 Canadian Real Estate Review & Forecast

Accelerating success.

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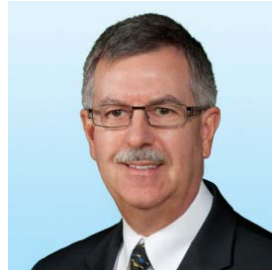
Colliers International Team Brokerage



Glen Paziuk



Brian Peberdy



Ken Suchan



Kevin Johnson



Tom Deibert



Graham Cowles



Cam Bristow



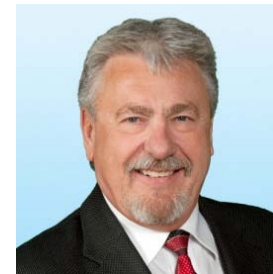
Ward Edwards



Lloyd Minion



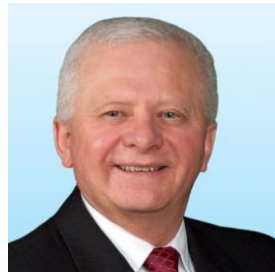
Lisa Matlock



Lothar Josephs



Al Myers



Gary Compton



Jason Wionzek



Keith Webb

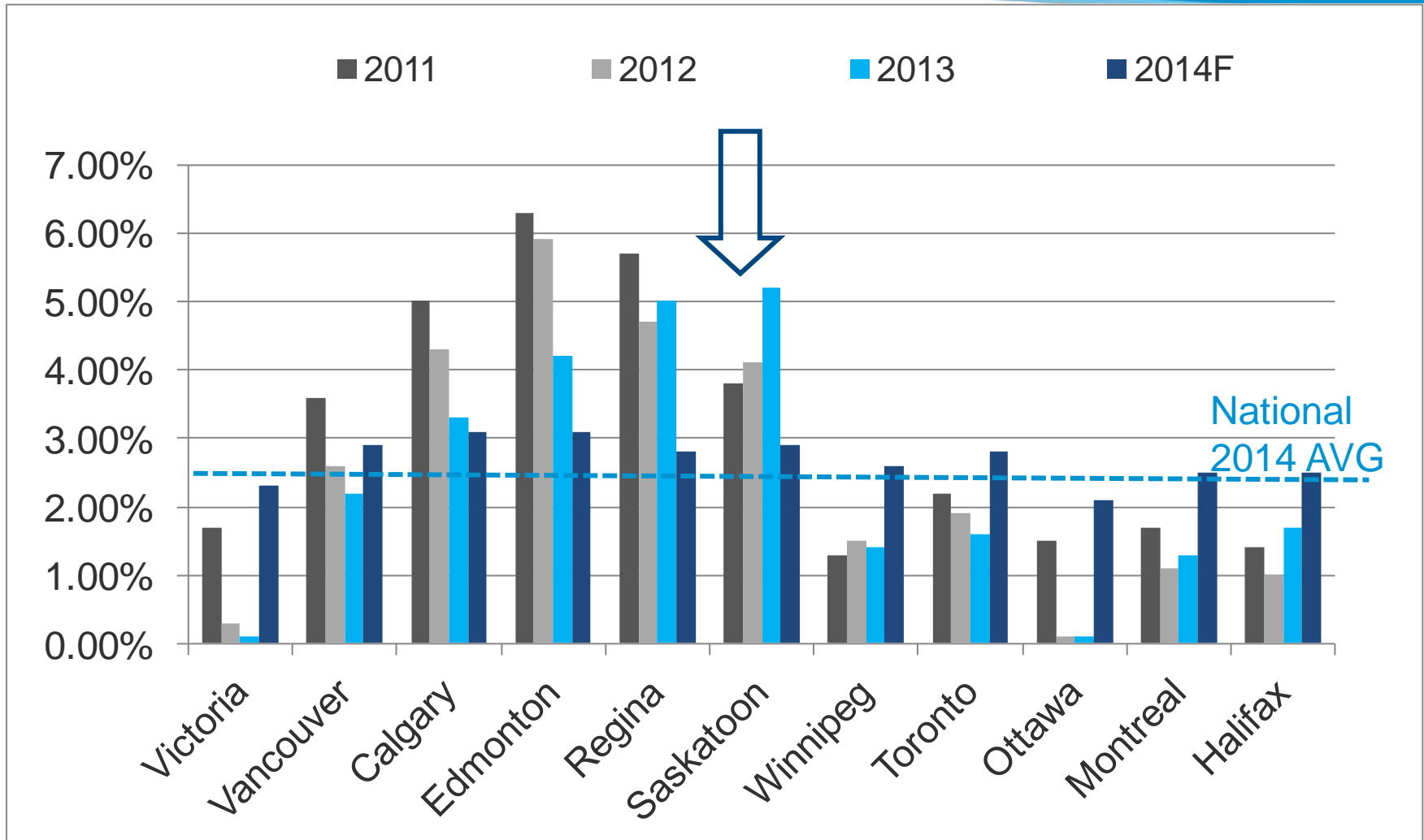
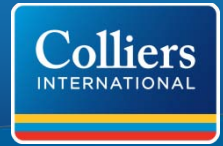


Ryann Braaten

Economic Overview

Economic Overview

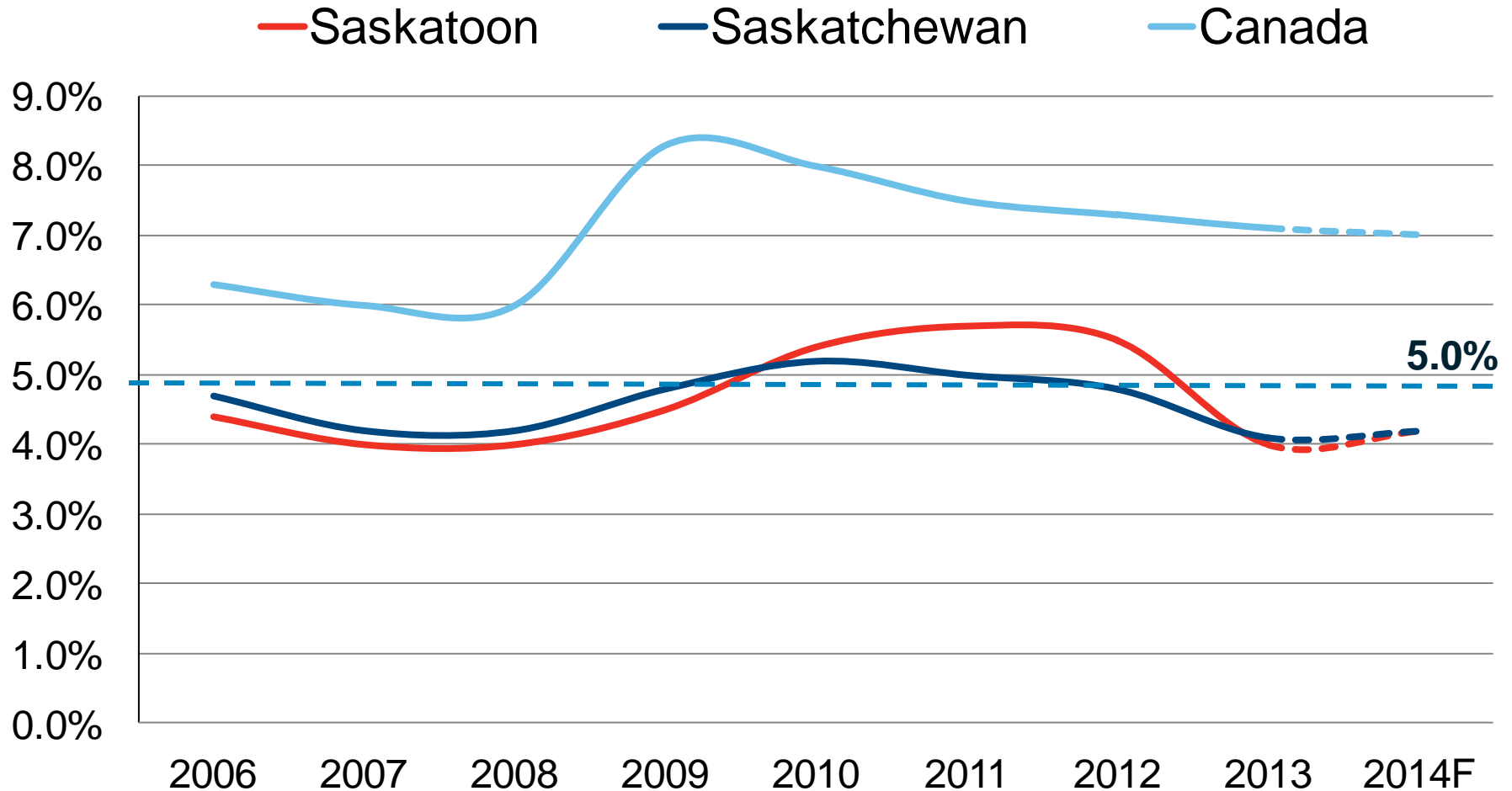
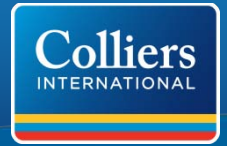
Real GDP Growth



Source: Conference Board of Canada

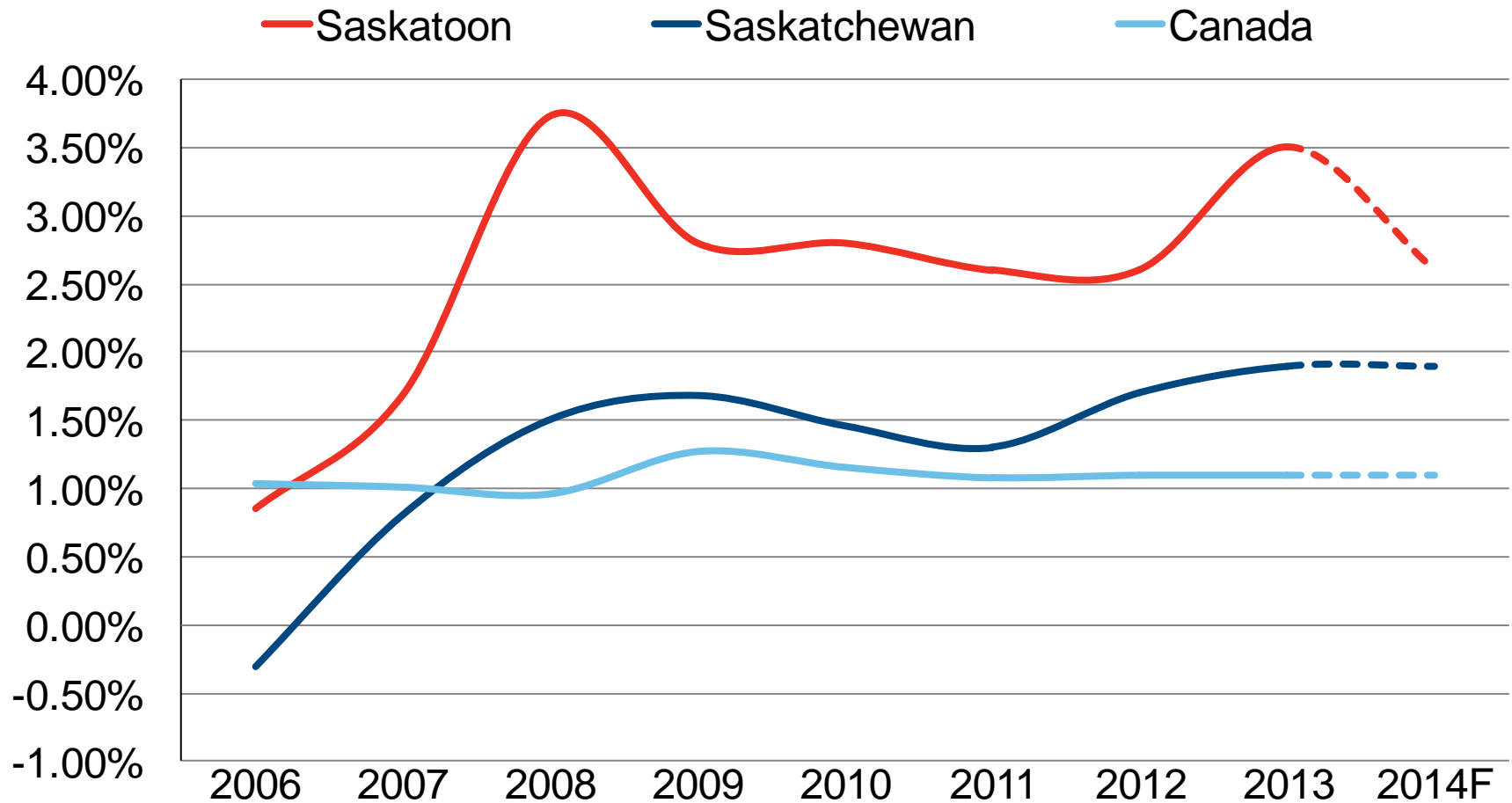
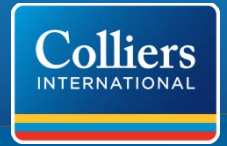
Economic Overview

Unemployment Rate



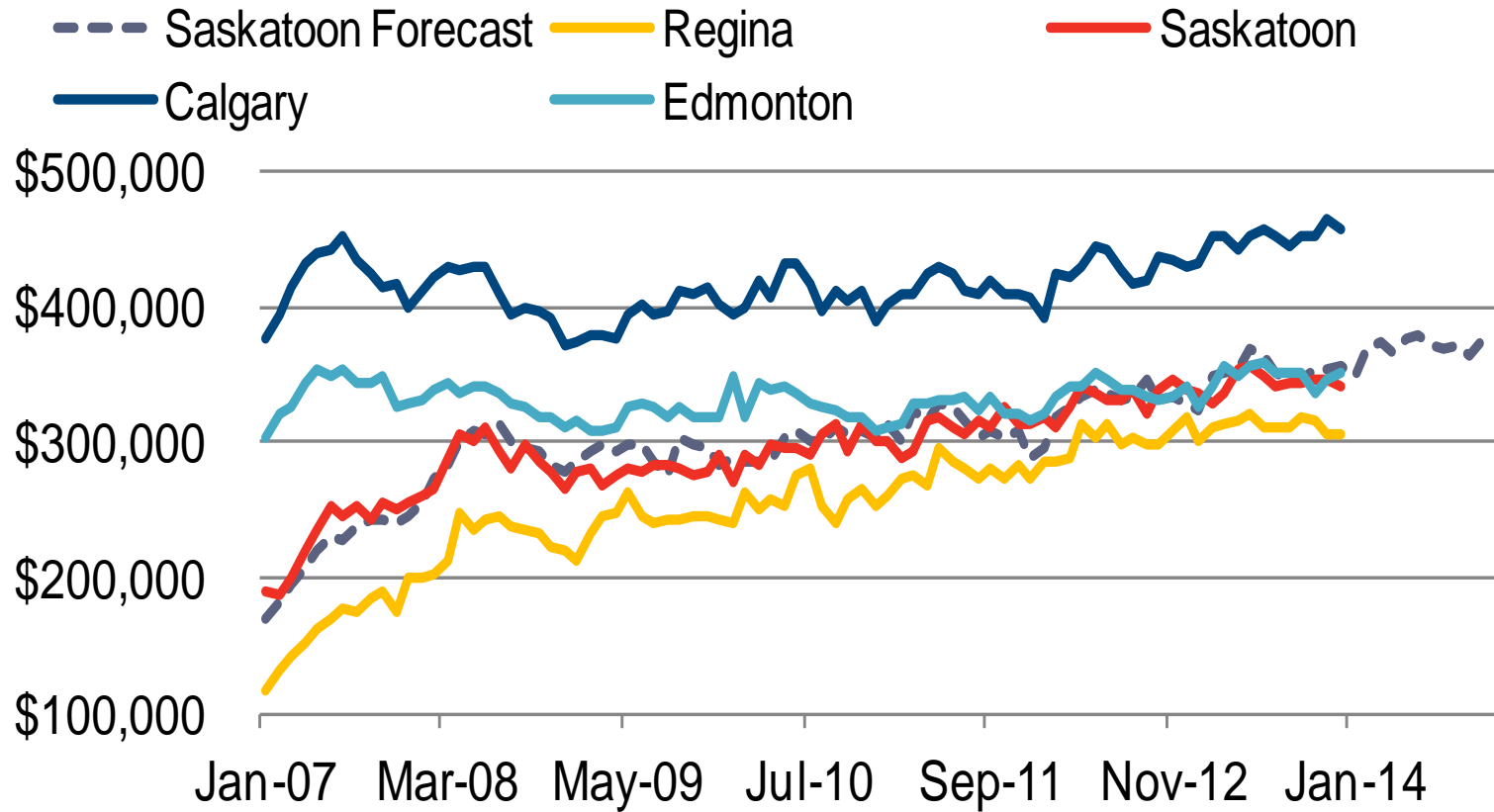
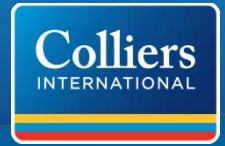
Economic Overview

Population Growth



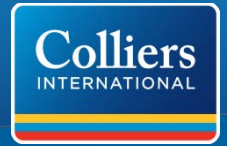
Economic Overview

Residential Sales Prices

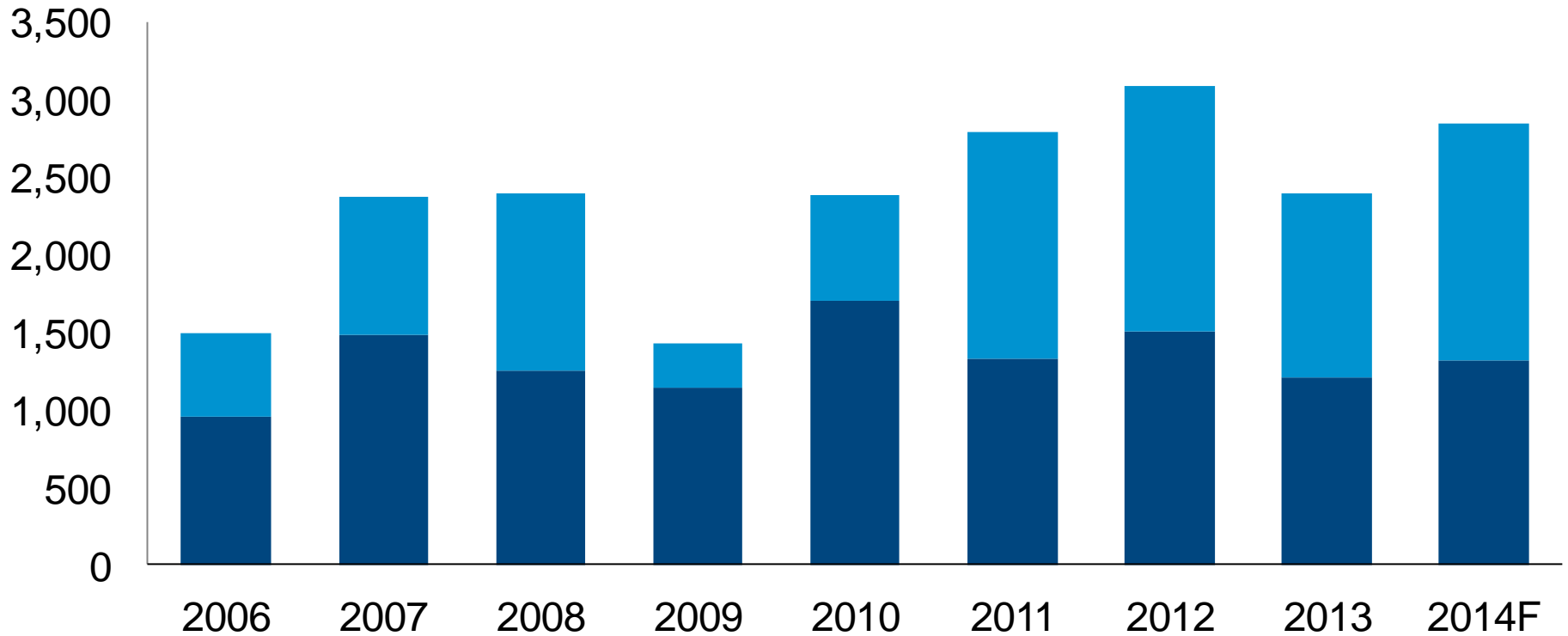


Economic Overview

Saskatoon Housing Starts

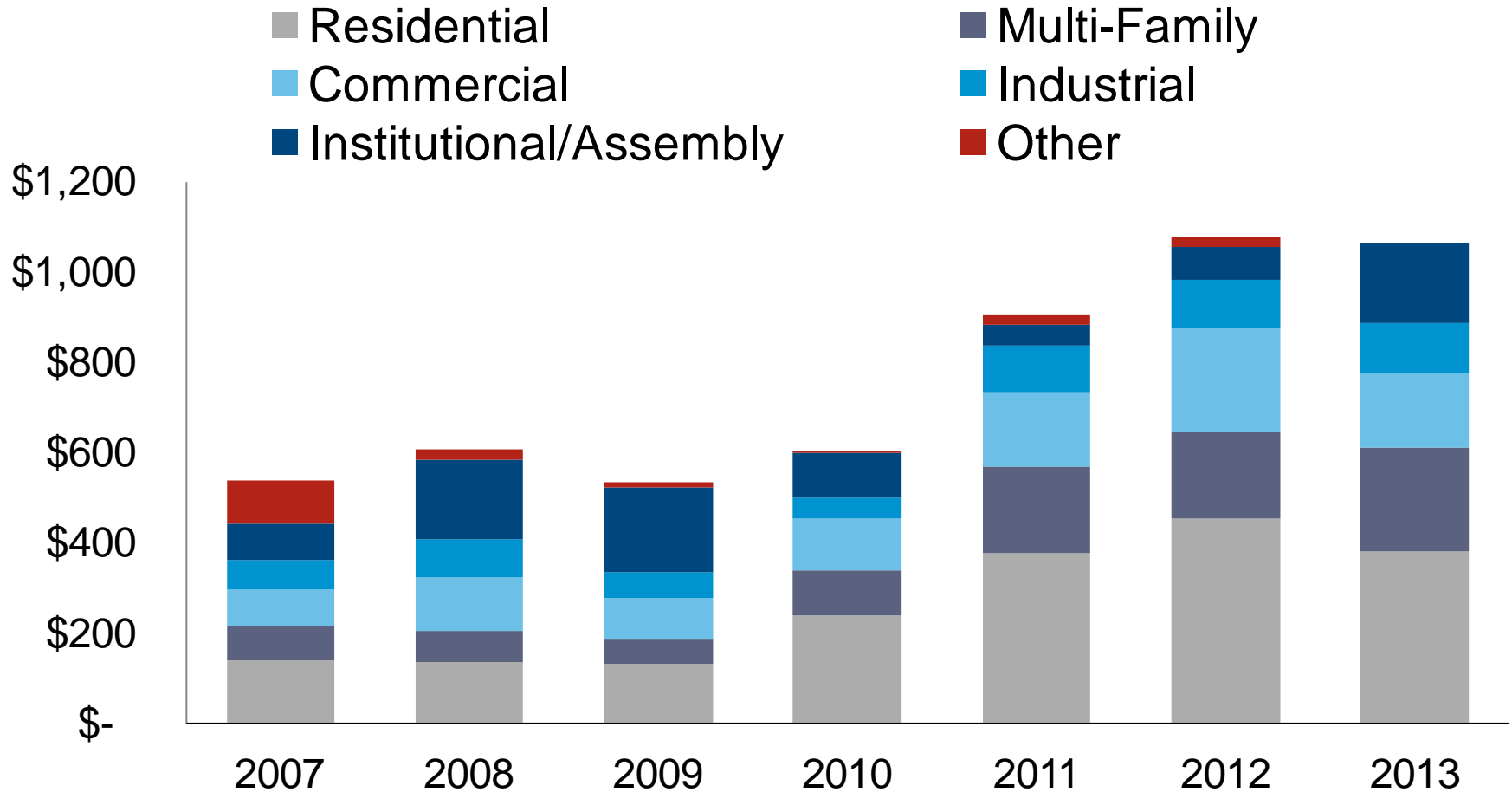
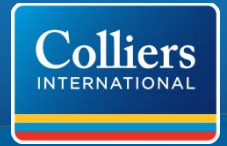


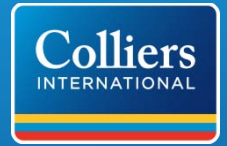
■ Saskatoon Single ■ Saskatoon Multiples



Economic Overview

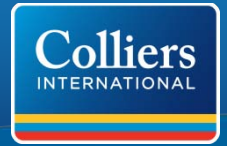
Saskatoon Building Permits





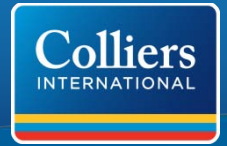
Office Market

Office National Snapshot

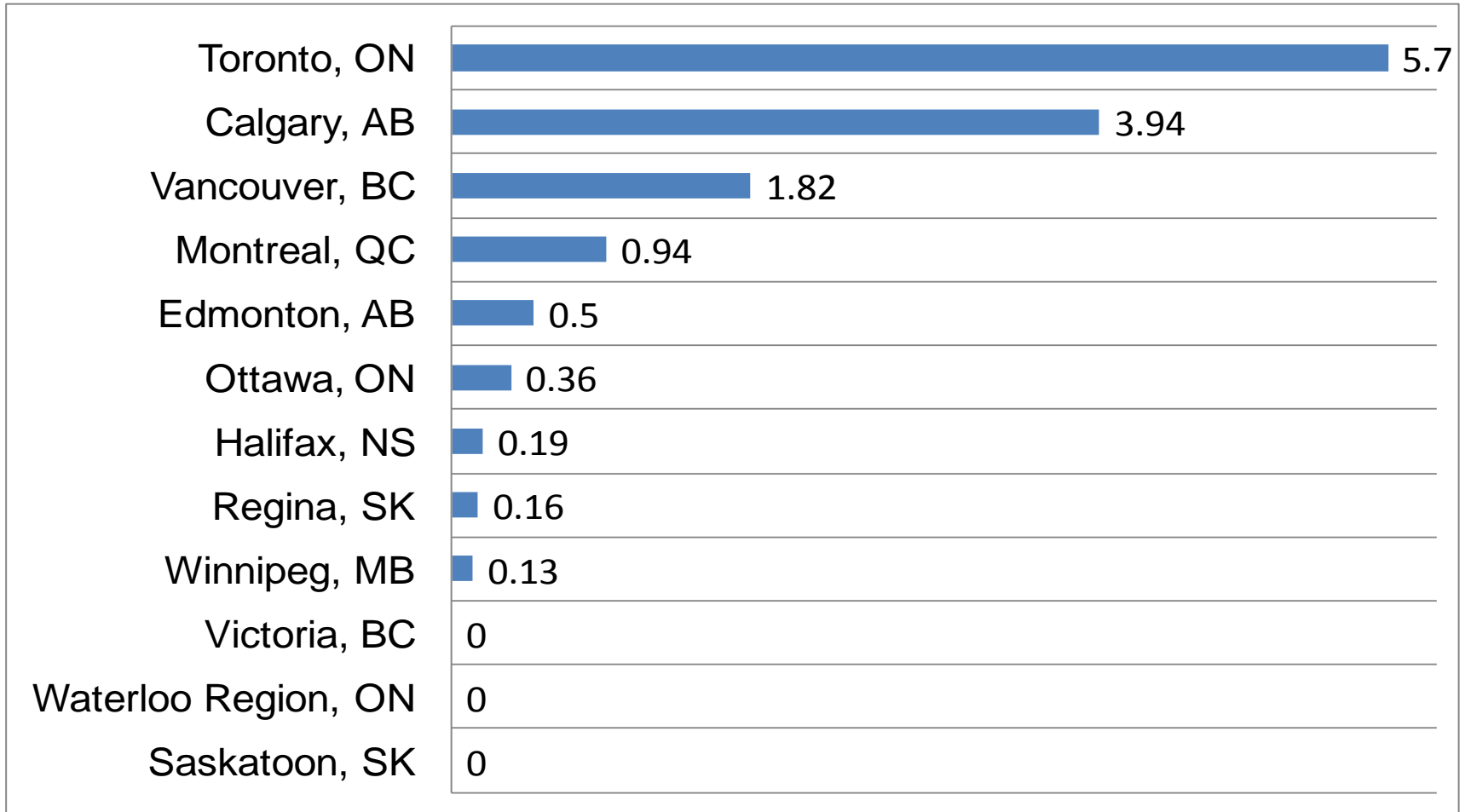


	2012	2013
Inventory (SF)	241M	241M
Vacant Space (SF)	12.9 M	13.1 M
Vacancy Rate	5.36%	5.44%
Net Absorption (SF)	3.2 M	-.47 M
Under Construction (SF)	7.4 M	13.6 M

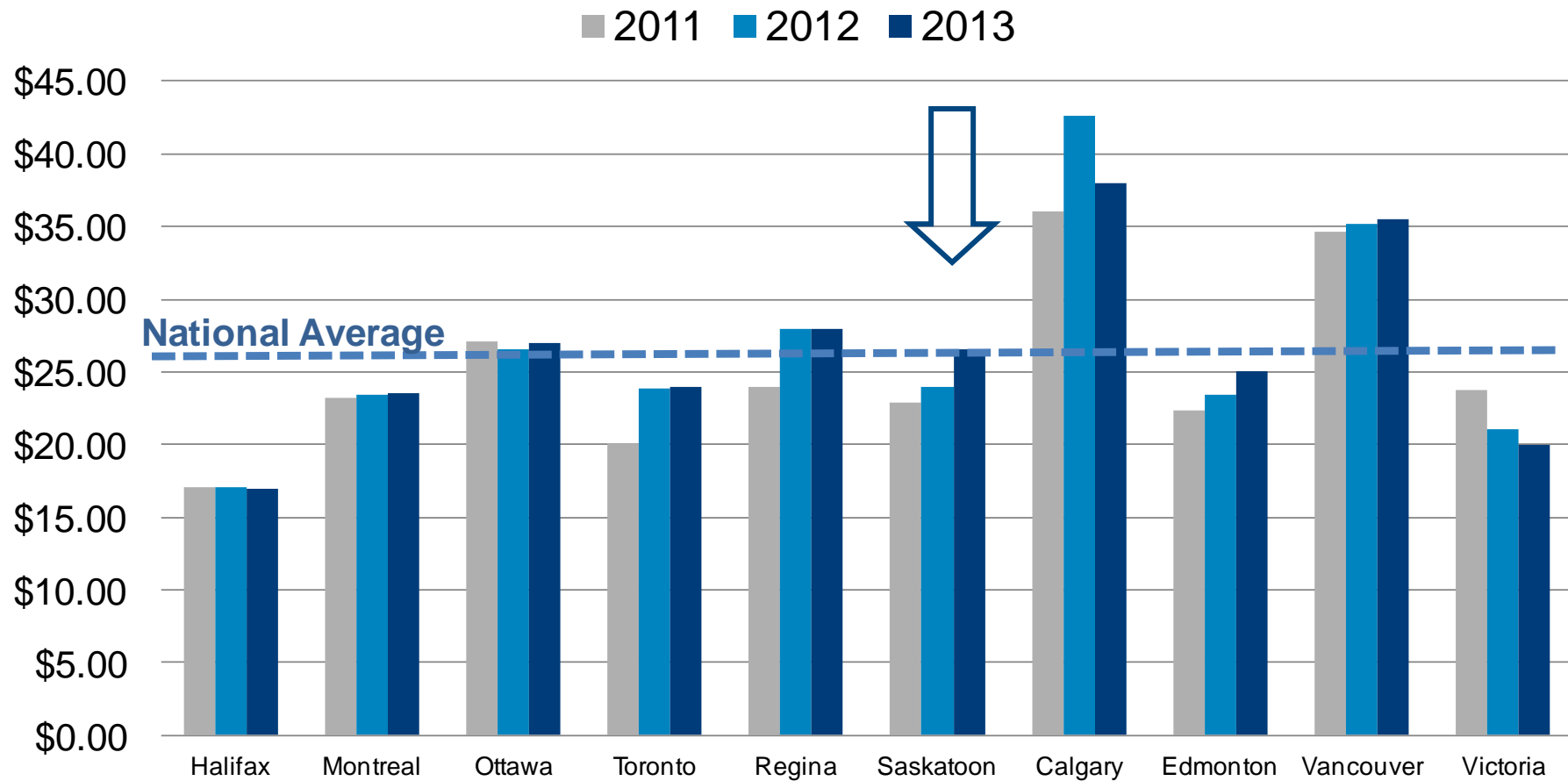
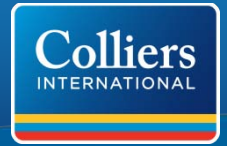
Office National CBD Office Construction



Millions of Square Feet



Office Canadian Downtown Class A Net Rents

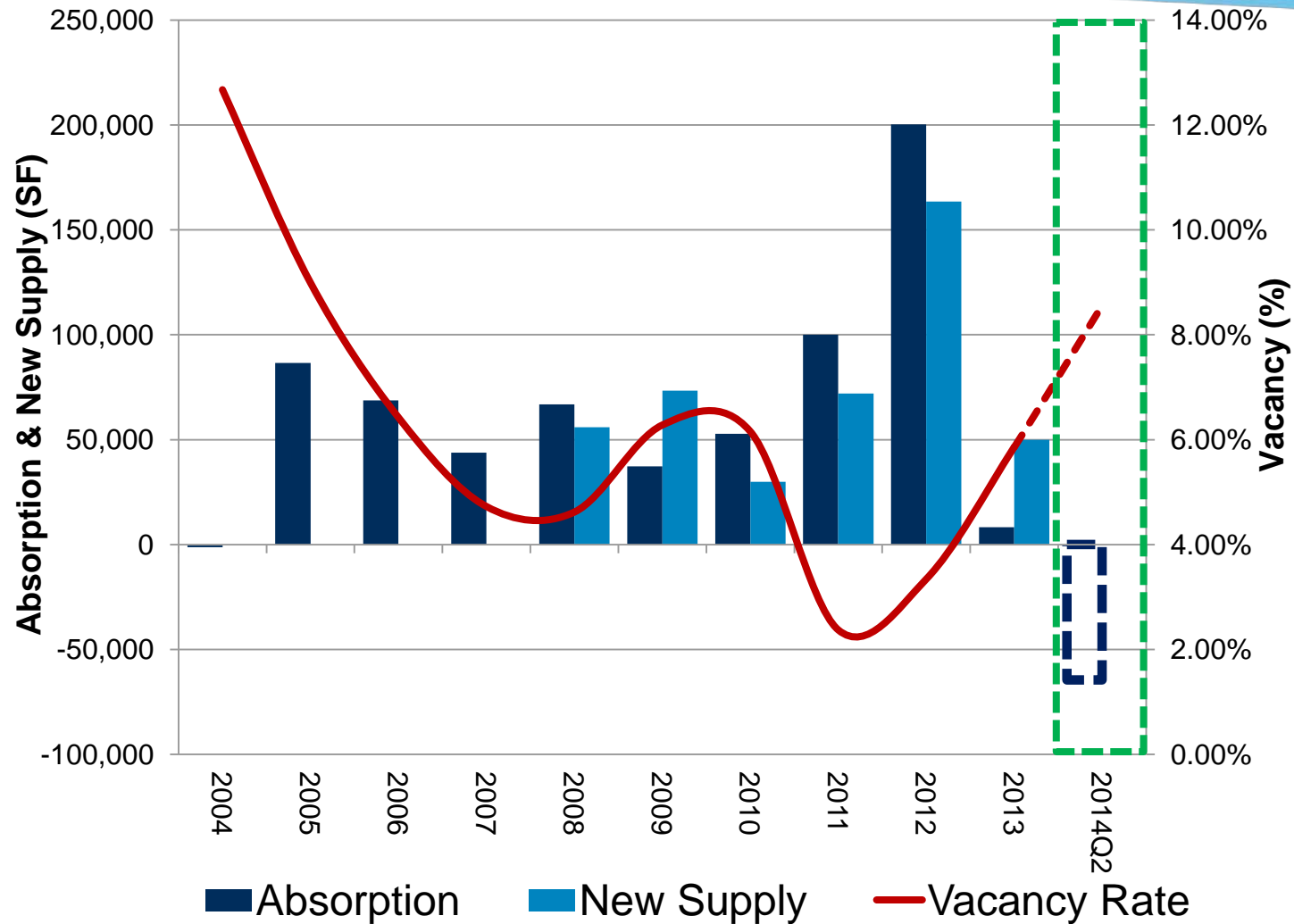
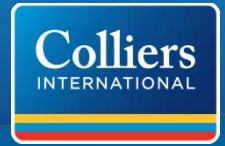


North America 10 Lowest CBD Vacancy Rates

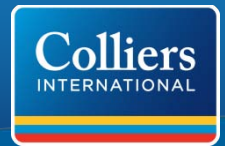


	City 2013	Vacancy Rate
	Toronto, ON	3.9%
	Vancouver, BC	4.28%
	Montreal, QC	4.66%
	Raleigh/Durham, NC	5.54%
	Calgary, AB	5.67%
	Saskatoon, SK	5.86%
	Ottawa, ON	7.28%
	Omaha, NE	7.37%
	Winnipeg, MB	7.75%
	
	Regina, SK	10.95%

Office Saskatoon Vacancy Absorption & New Supply



Office Notable Leases



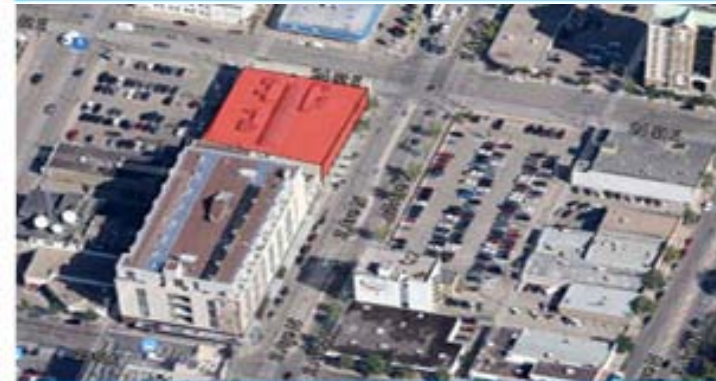
**220 Wall Street
K&S Building
38,000 SF**



**475 2nd Avenue South
River Centre
33,000 SF**

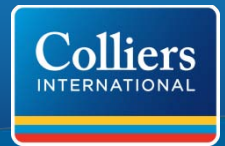


**Vecima Building
City of Saskatoon
72,000 SF**



**255 2nd Avenue North
Bayside Building
Vecima
26,000 SF**

Office Notable Leases



203 Wellman Crescent
Genivar
16,500 SF



15 Innovation Boulevard
Innovation Place - AMEC
85,000 SF

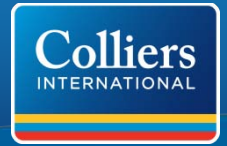


510 Wellman Crescent
Farm Credit
9,400 SF



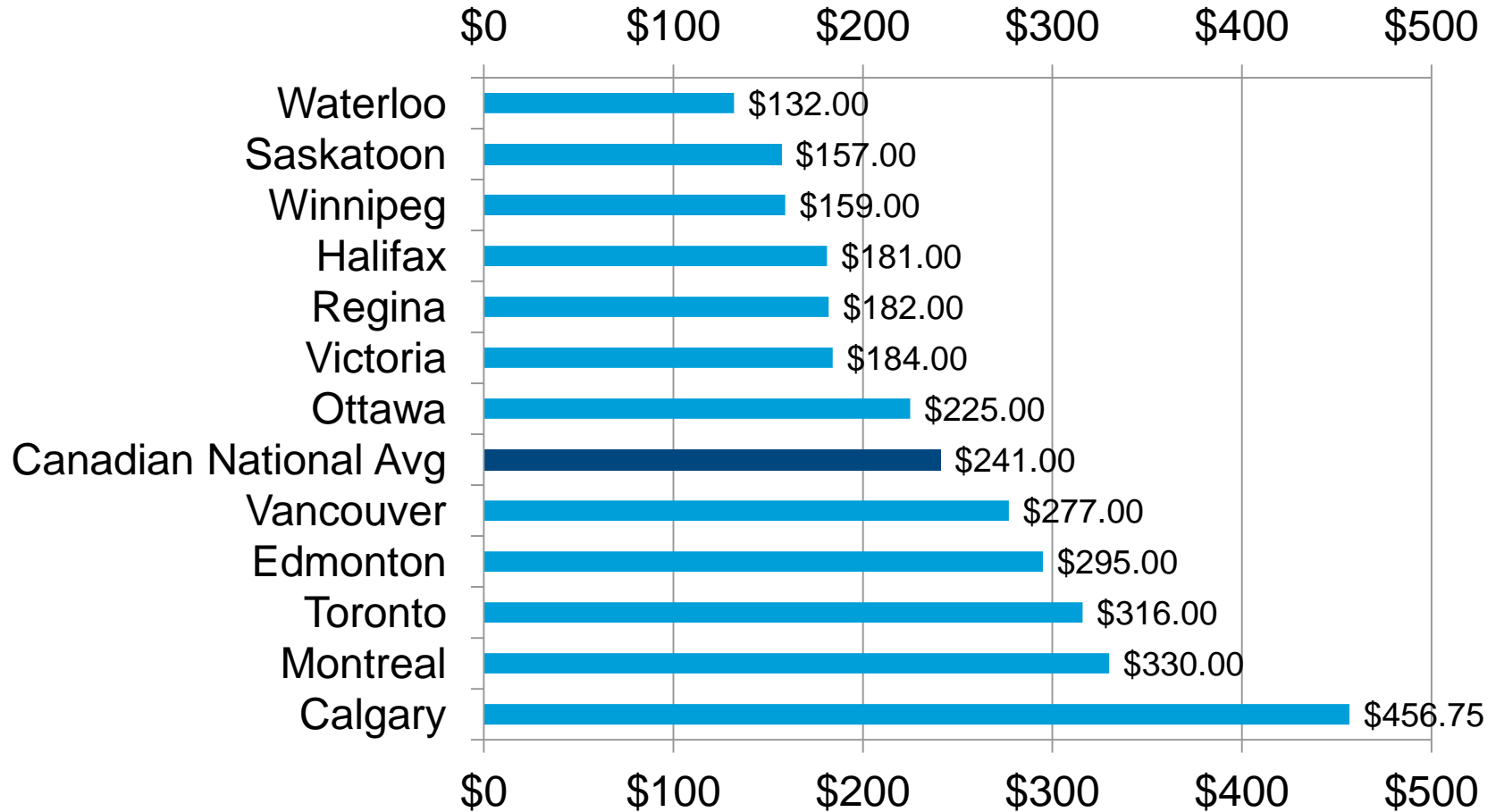
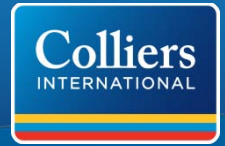
518 Wellman Crescent
Point 2 Expansion
16,000 SF

Office Developments

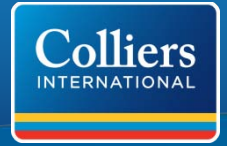


Project / Address	Size	Location	Status
River Landing – 200 Spadina Cres E	250,000	Downtown	Proposed
River Centre II – 363 2 nd Ave. S.	177,000	Downtown	Proposed
City Centre Tower – 311 22 nd St E	?	Downtown	2016
240Fourth – 240 4 th Ave S.	75,000	Downtown	2015
612 Main St E.	64,000	Nutana	2014
TOTAL	566,000		

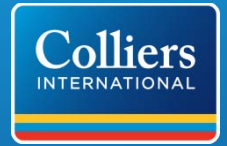
Parking Monthly Unreserved Median Rates



Office Saskatoon Lessons Learned | Forecast

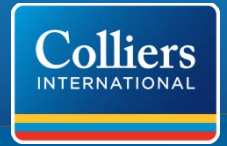


- CBD office market is experiencing a transition
- Vacancy is still amongst the lowest in North America
- Rental rates are expected to remain stable
- Suburban market will continue to grow
- Lack of large contiguous space options



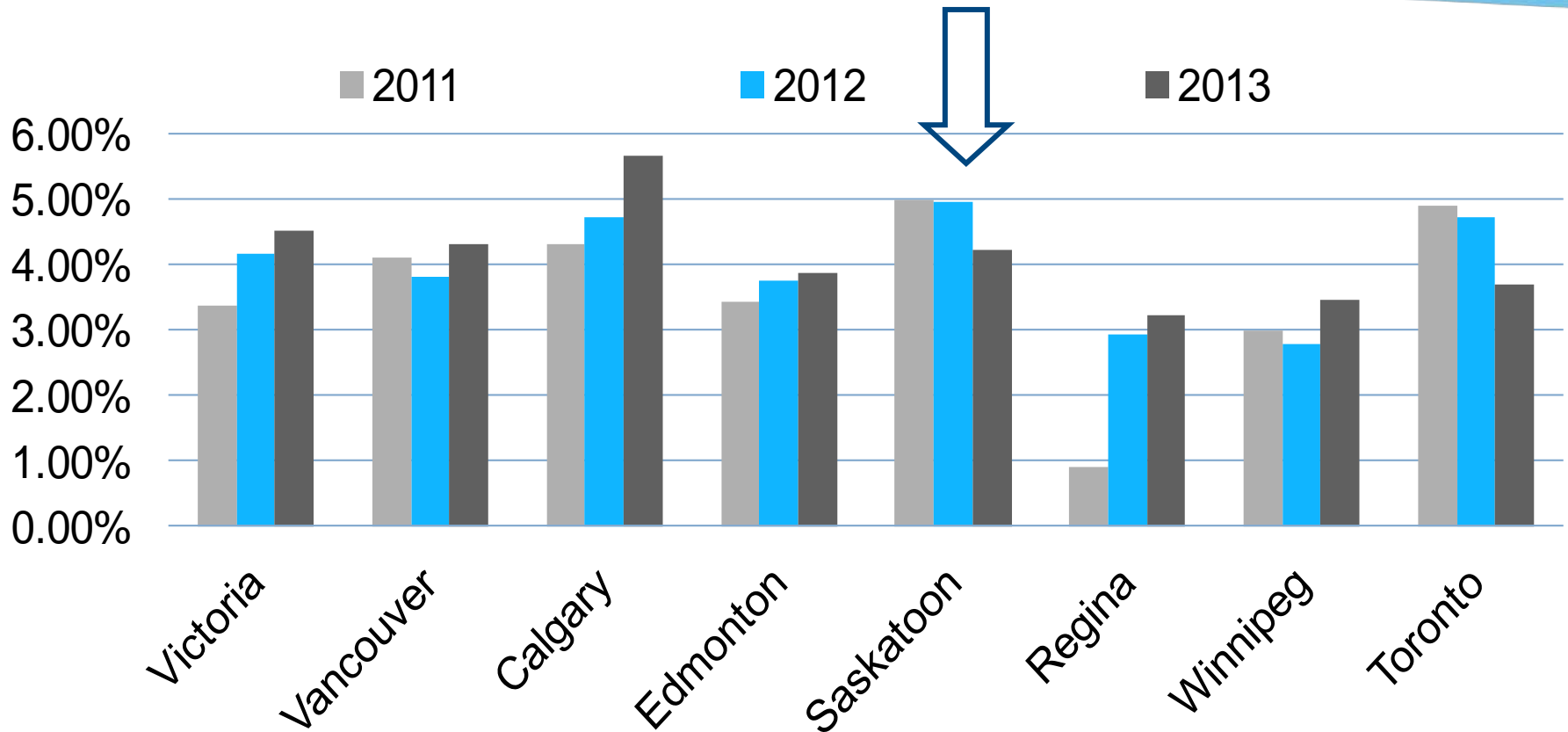
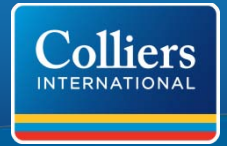
Industrial Market

Industrial National Snapshot

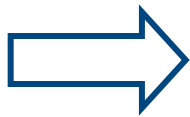
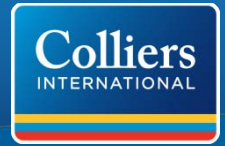












	2012	2013
Inventory (SF)	1.74B	1.75B
Vacant Space (SF)	79.0M	79.0M
Vacancy Rate	4.55%	4.40%
Net Absorption (SF)	14.3M	8.6M
Under Construction (SF)	11.9M	10.0M

Industrial Canadian Vacancy Rates

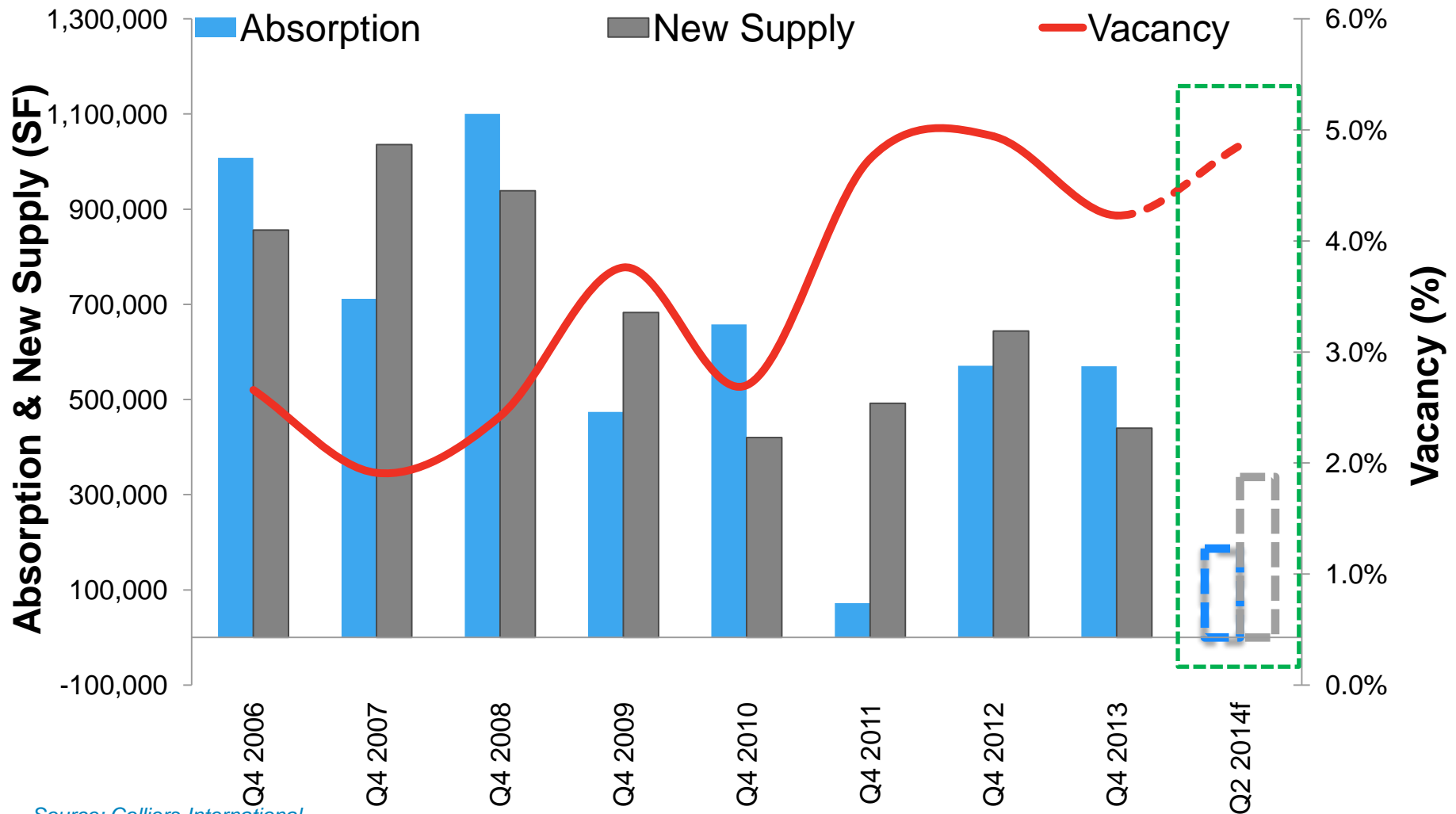
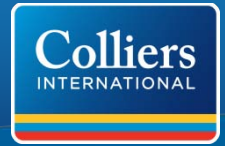


North America 10 Highest Price Per Square Foot for Industrial Warehouse Space

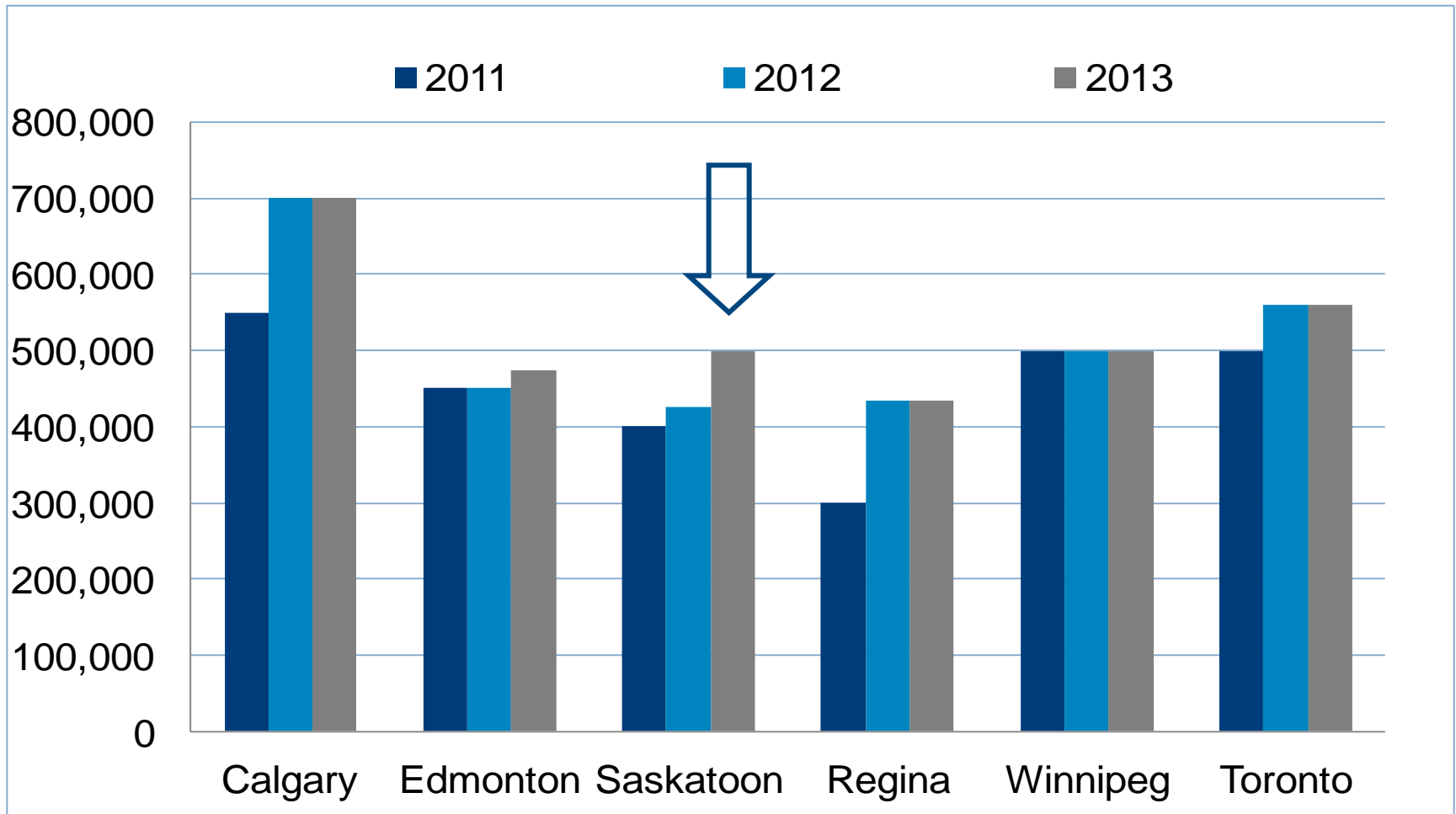
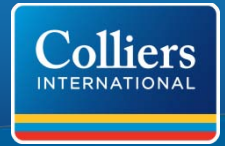


	City 2013	Price PSF
	Honolulu, HL	\$12.18
	Victoria, BC	\$11.50
	Saskatoon, SK	\$11.00
	Regina, SK	\$11.00
	San Francisco, Ca	\$10.44
	Long Island, NY	\$9.04
	Calgary, AB	\$9.00
	Miami, FL	\$8.44
	Ottawa, ON	\$8.25
	Edmonton, AB	\$8.00

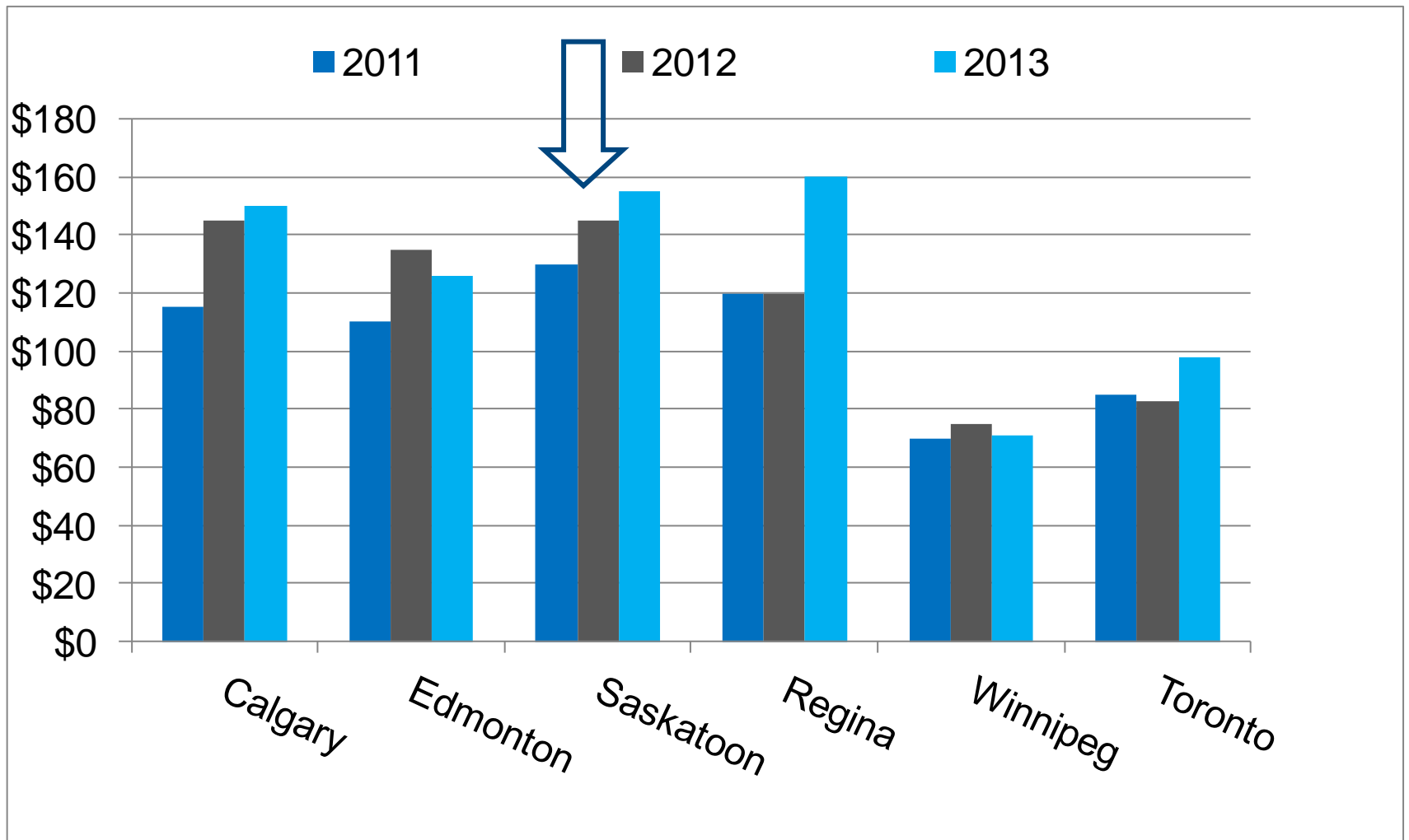
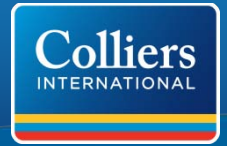
Industrial Saskatoon – Inventory & Vacancy



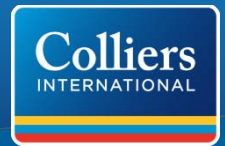
Industrial Sale Price Per Acre



Industrial Sale Price Per Square Foot Industrial Building



Industrial Notable Leases/Transactions



302 Melville Street
Crop Production Services
147,000 SF



820 60th Street
System Built Developments
105,000 SF

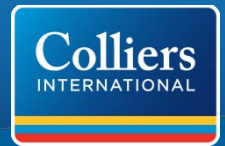


3927 Wanuskewin Road
Saputo
20,000 SF



215 Marquis Drive
Wajax
15,000 SF

Industrial Notable Leases/Transactions



2310 Millar Avenue
Western Producer
80,000 SF
\$8,200,000



2020 St. Patrick
KS Ice Sack
22,300 SF
\$3,650,000

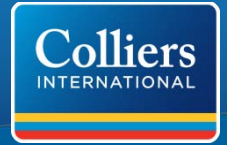


330 103rd Street East
Master Feeds
3.8 Acres
\$2,200,000



3455 Idylwyld Drive
Wheatheart Manufacturing
8 Acres
\$6,150,000

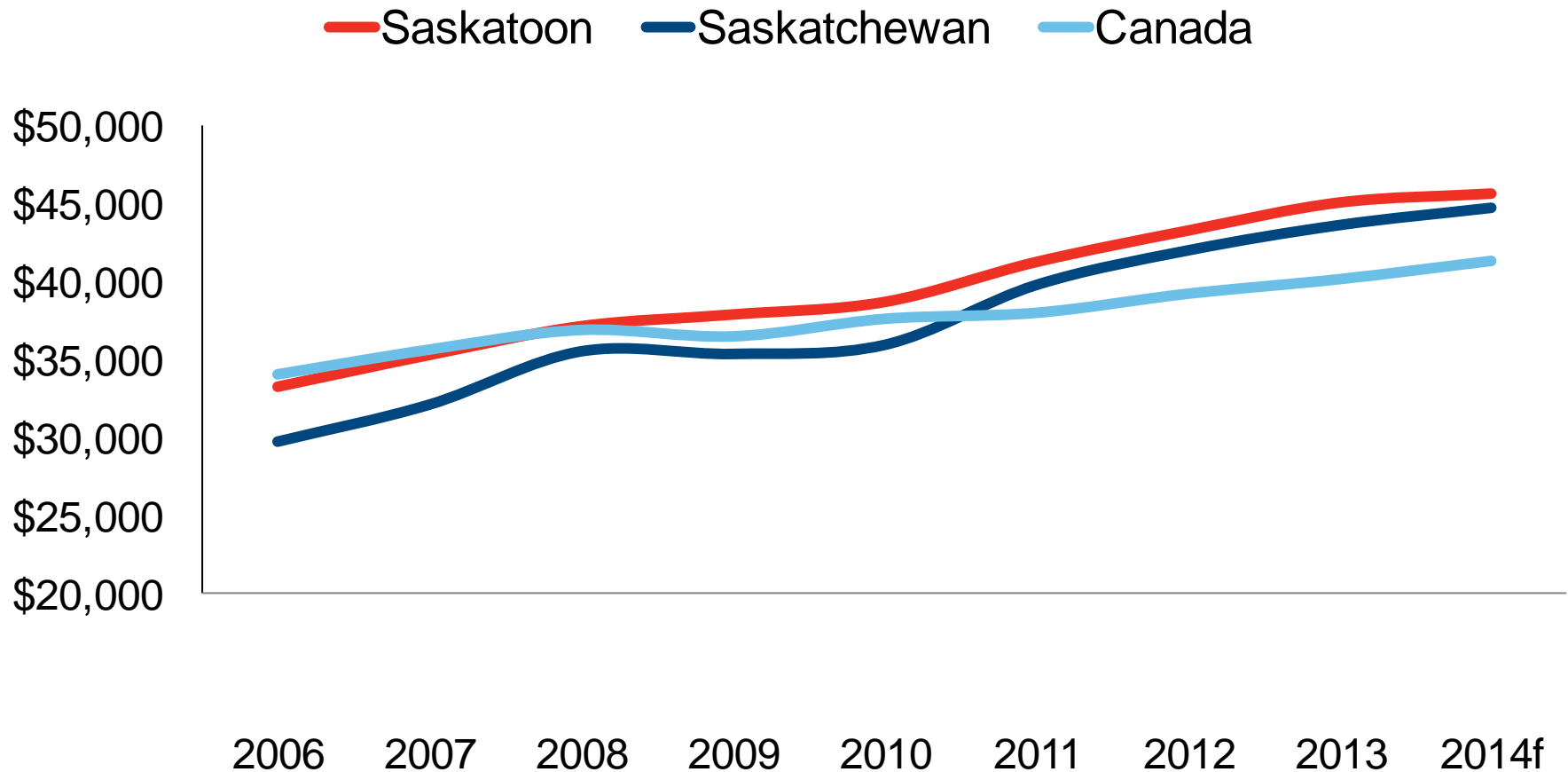
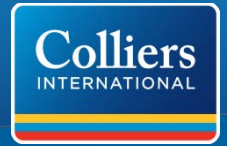
Industrial Saskatoon Lessons Learned/Forecast



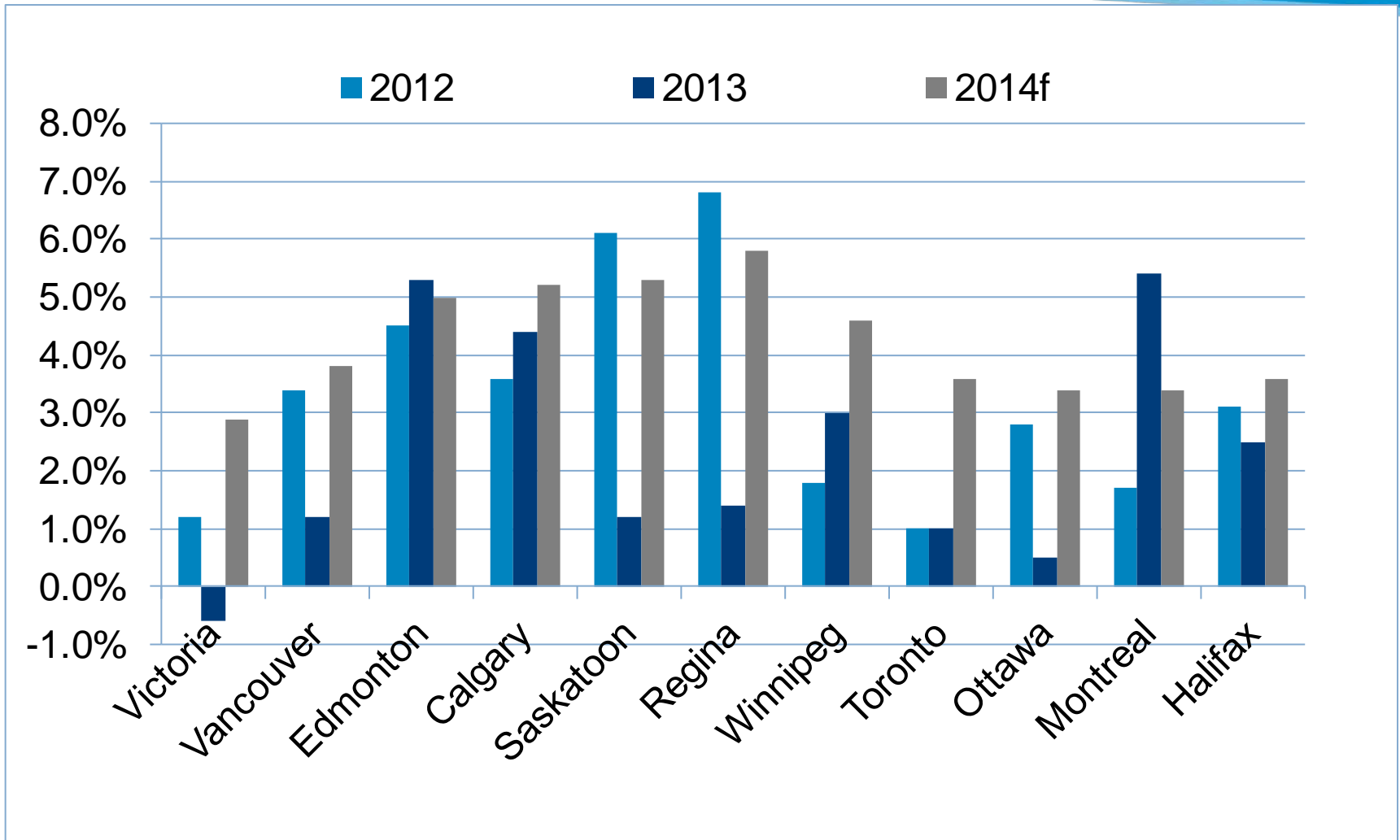
- Rental rates stabilized between \$11-\$13
- 440,000 square feet of industrial space added in 2013
- 260,000 square feet under construction
- Industrial land prices: \$500,000+ per fully serviced acre
- Fewer new developments in 2014

Retail Market

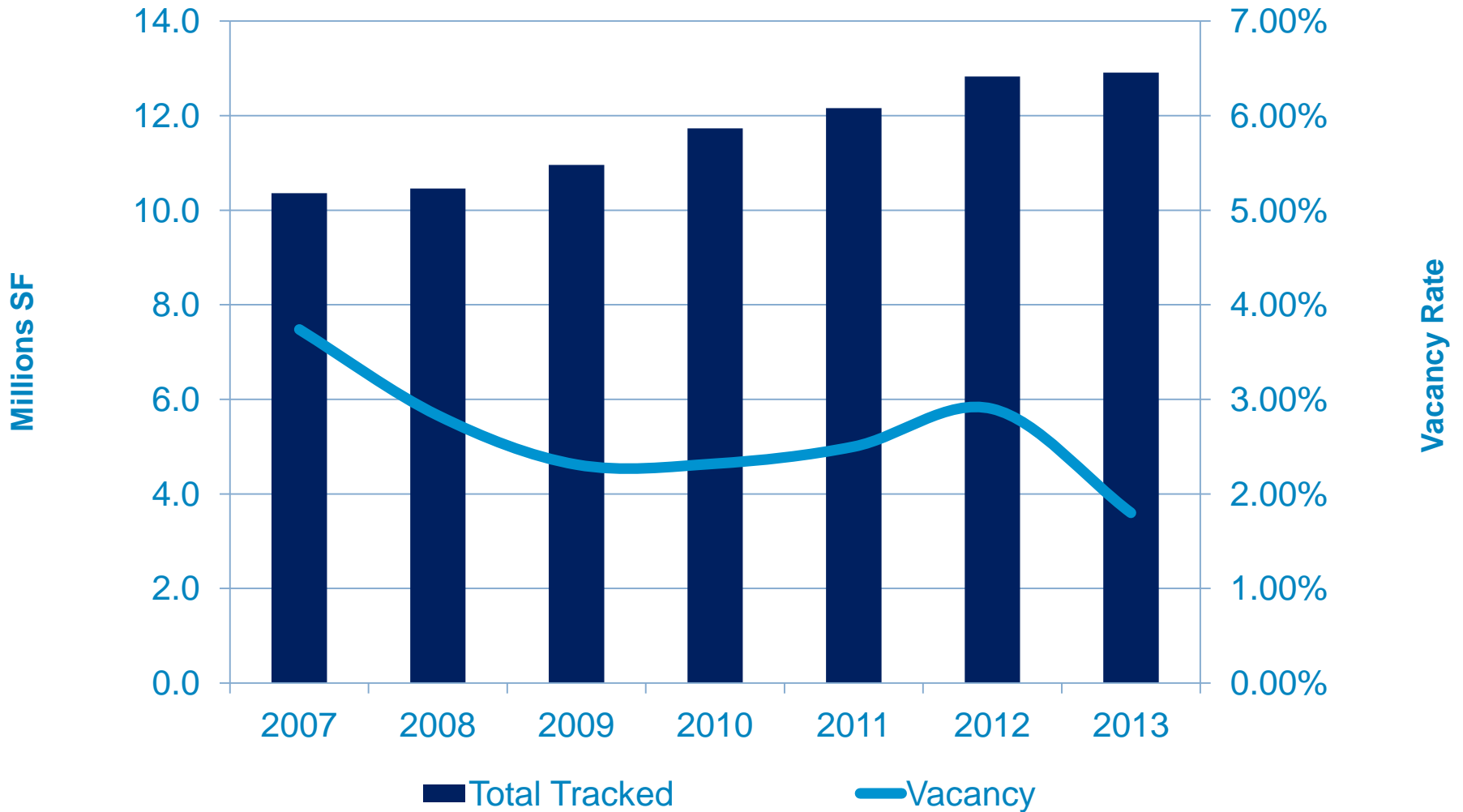
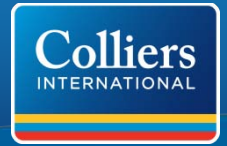
Retail Average Per Capita Income



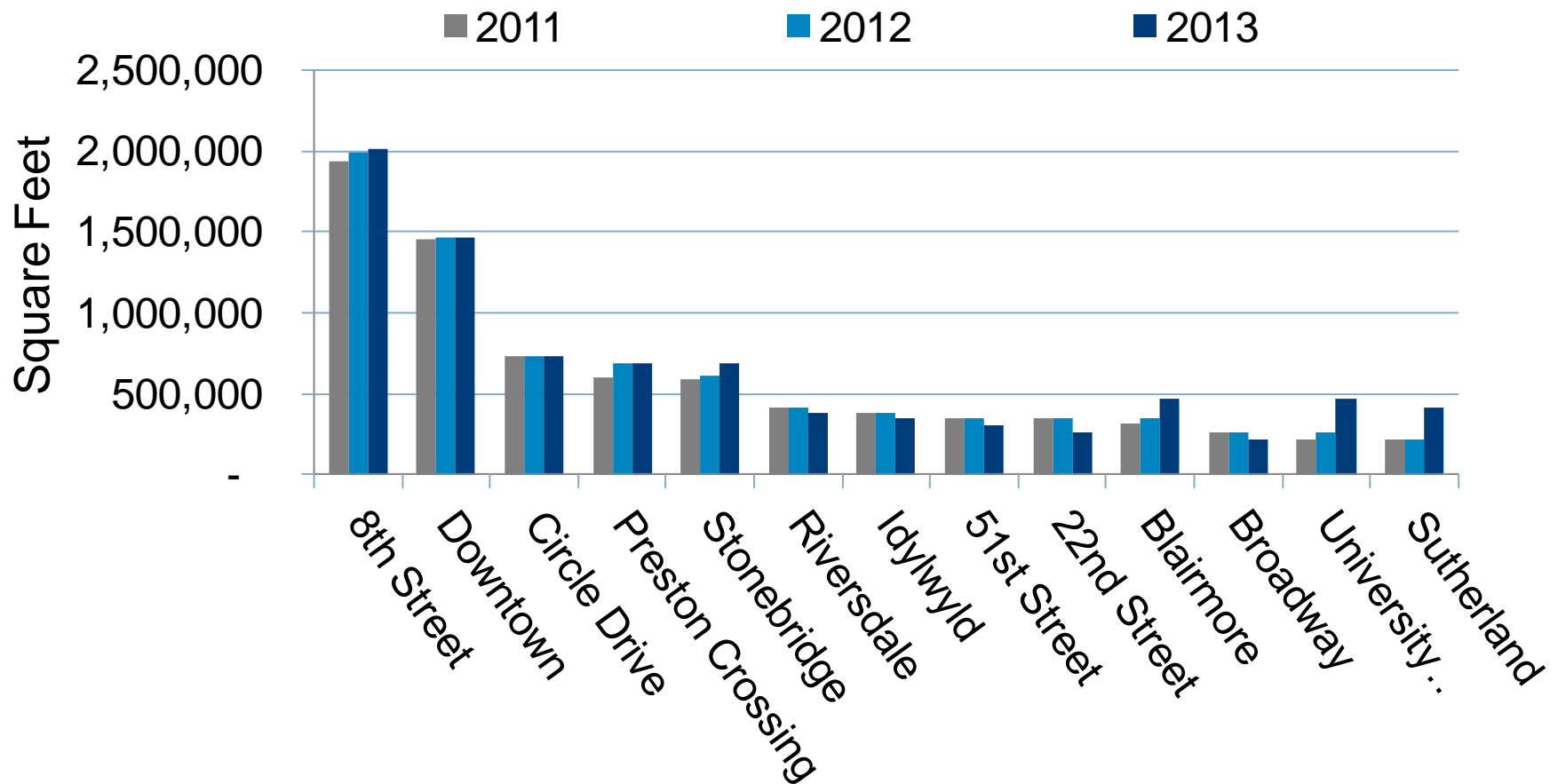
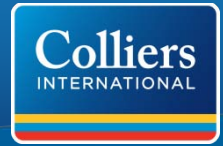
Retail Sales Growth



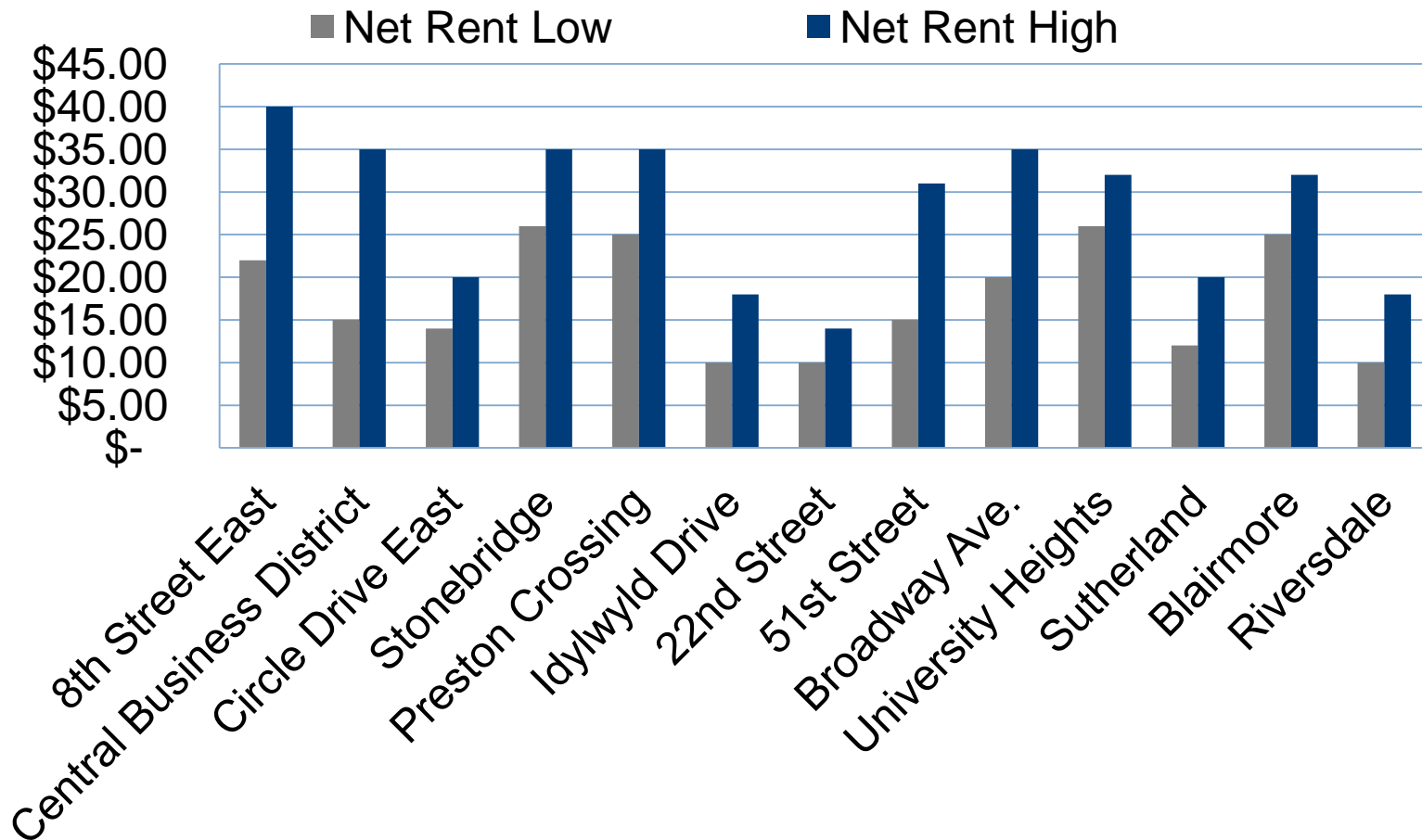
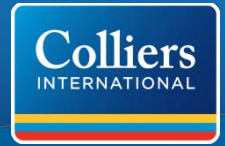
Retail Tracked Inventory & Vacancy Rate



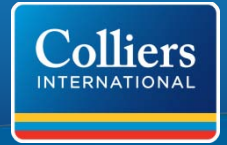
Retail Inventory - Saskatoon



Retail High/Low Net Rental Rates PSF



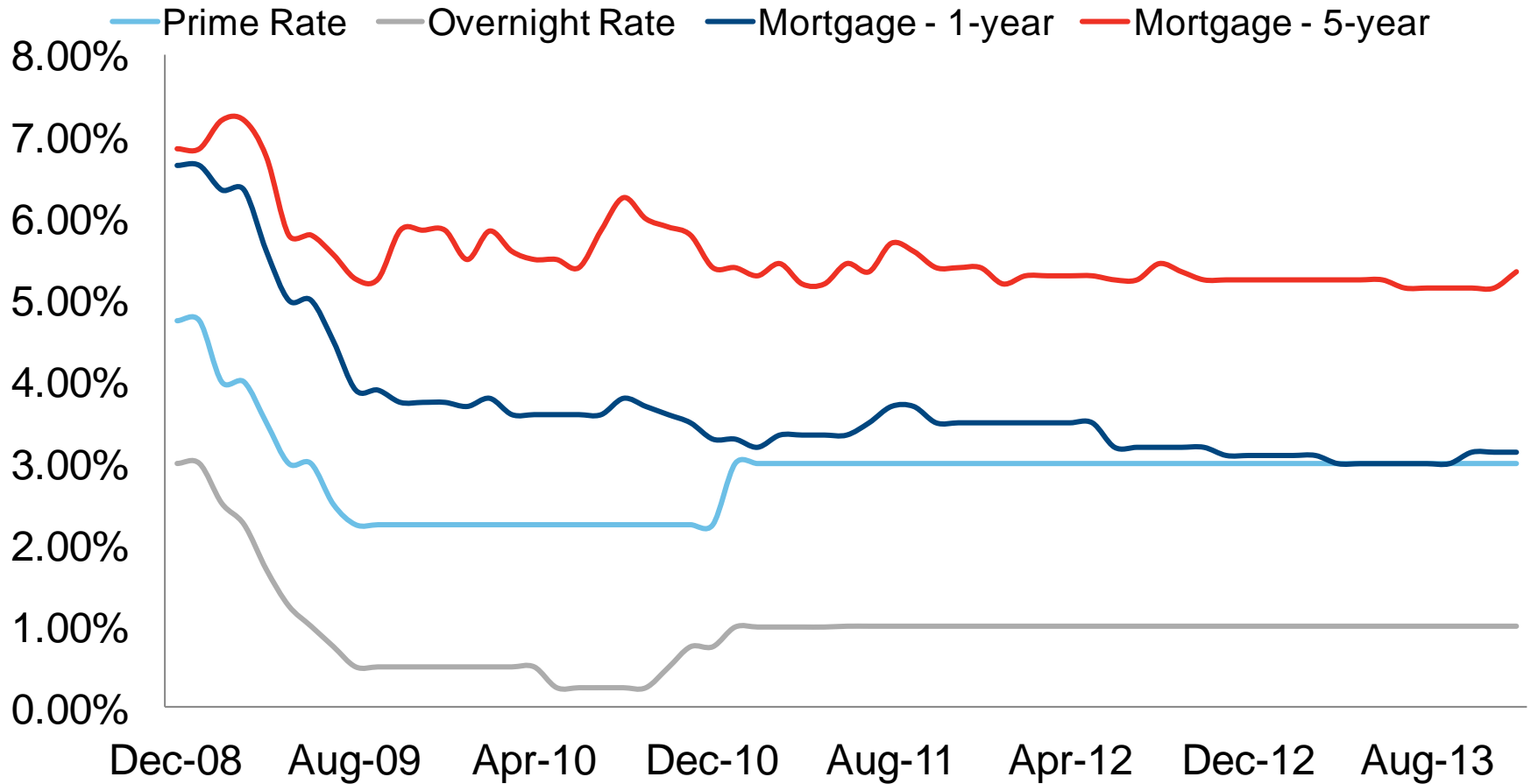
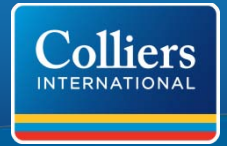
Retail Saskatoon Lessons Learned/Forecast



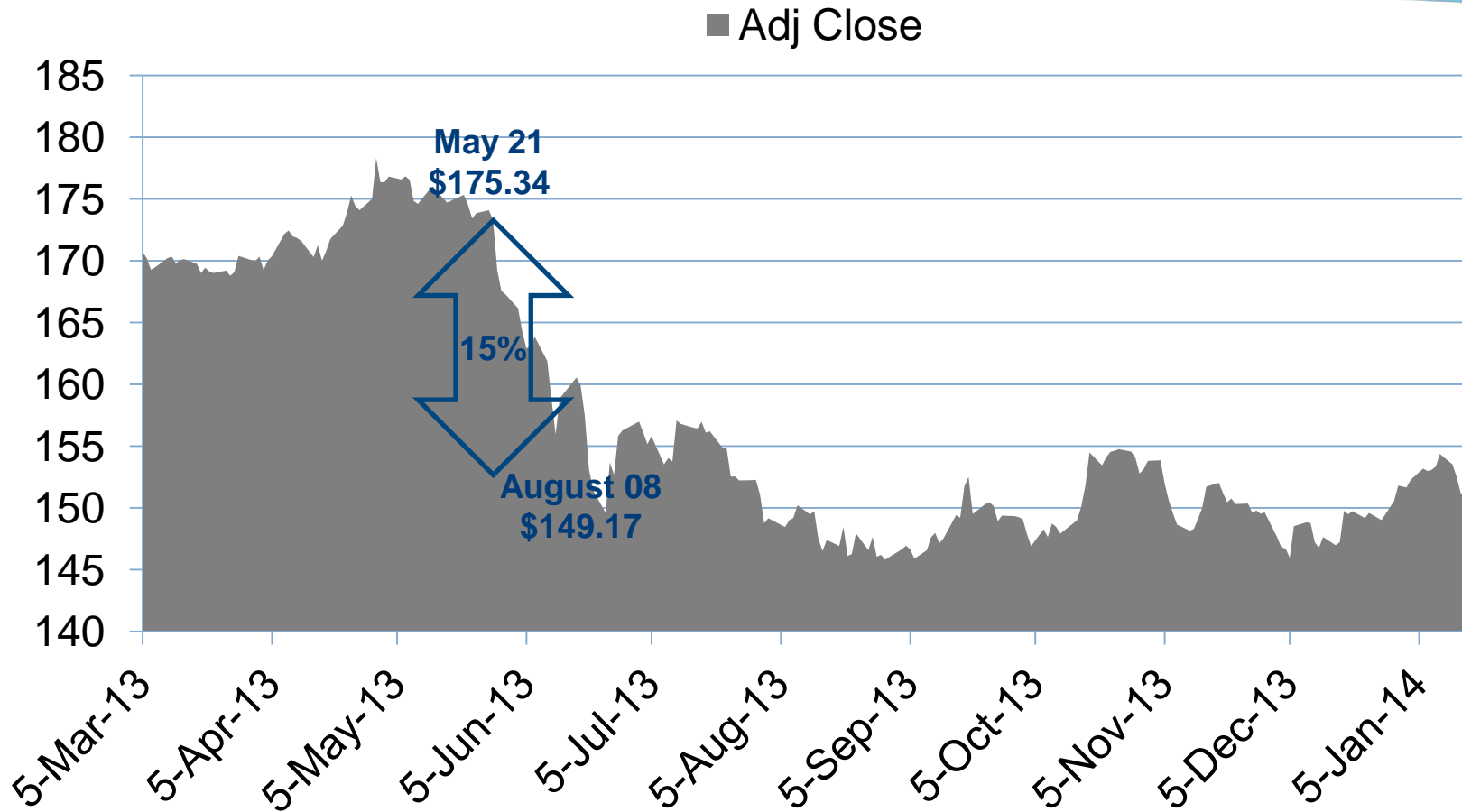
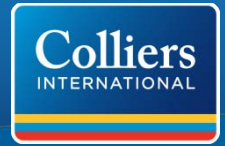
- Development opportunities are limited
- Development in secondary markets
- Demand for retail space will remain strong
- Continued rise in rental rates
- Neighborhood redevelopment

Investment Market

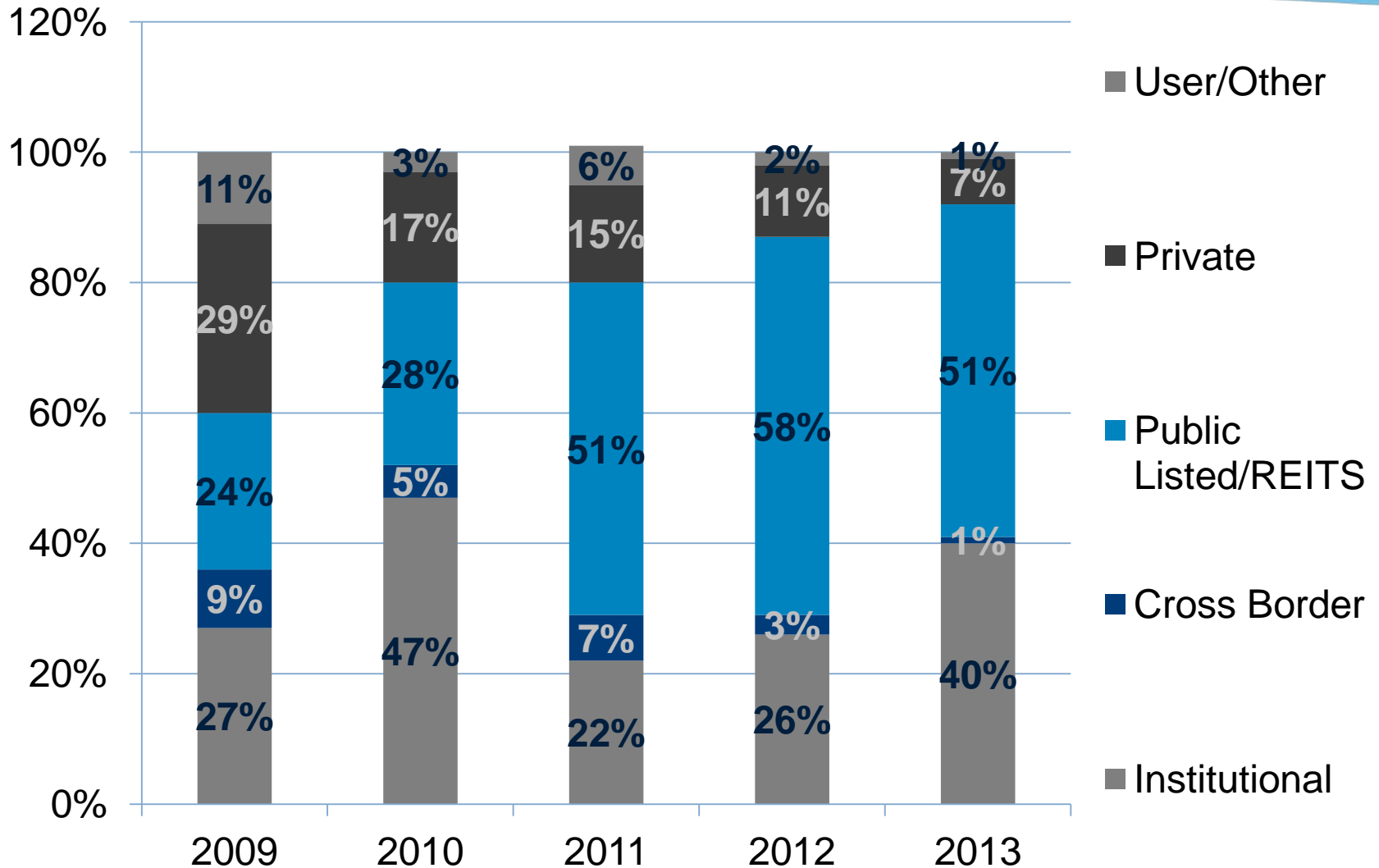
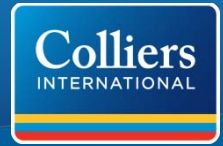
Investment National Interest & Mortgage Rates



Investment TSX/S&P Capped REIT Index

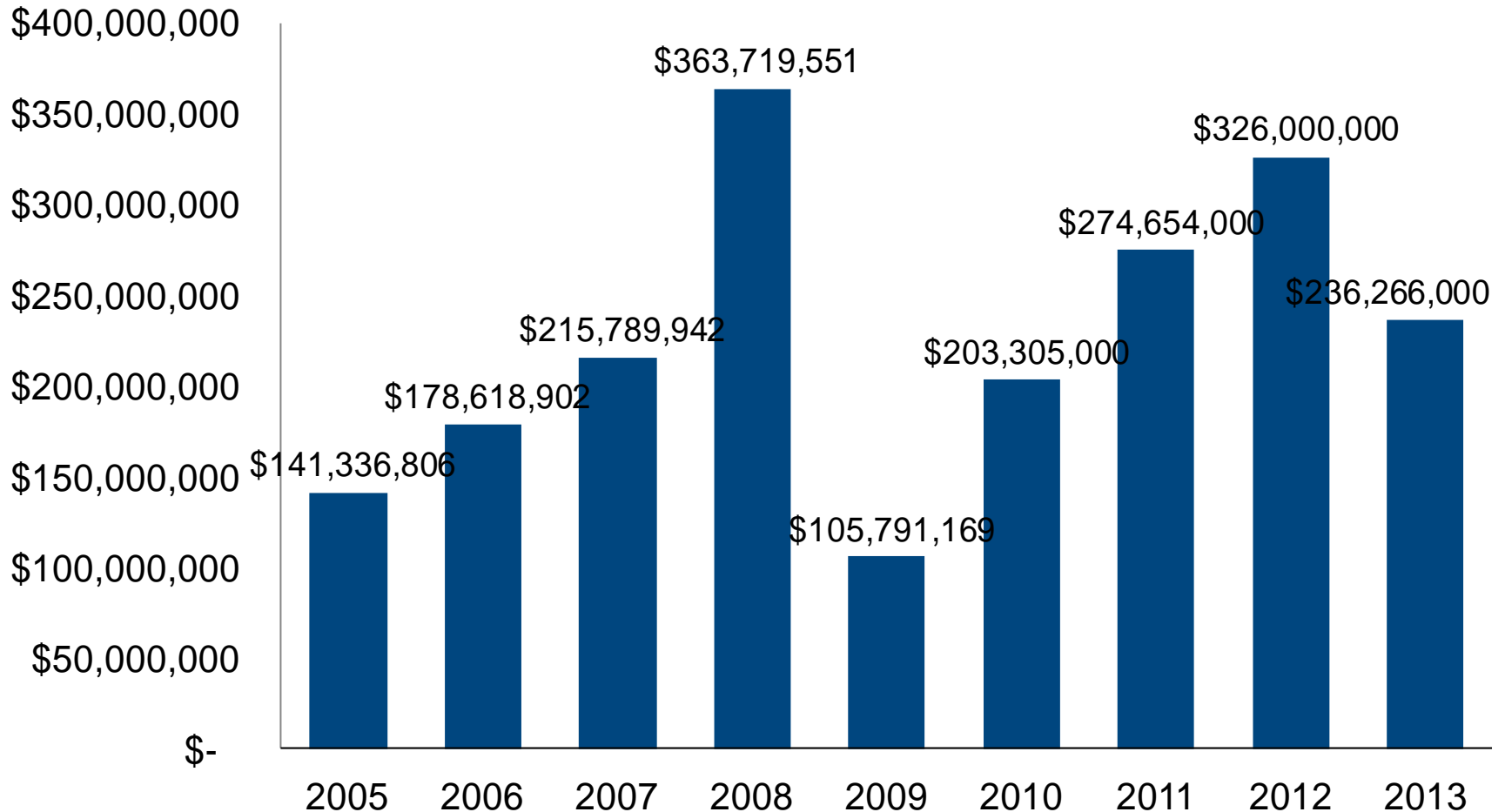
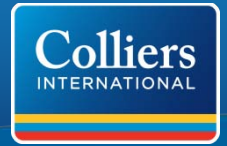


Buyer Profiles – All Commercial Property Canada



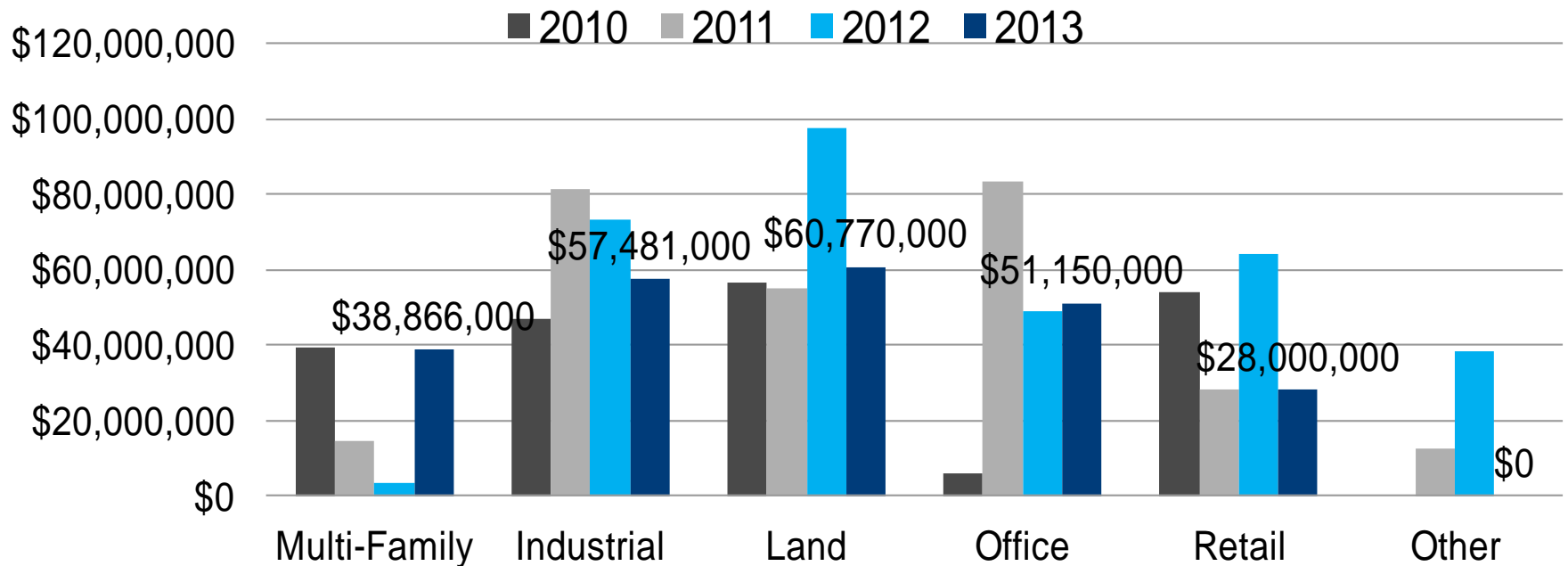
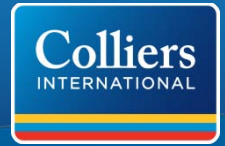
Investment | 2013

Saskatoon Transactions > \$1M

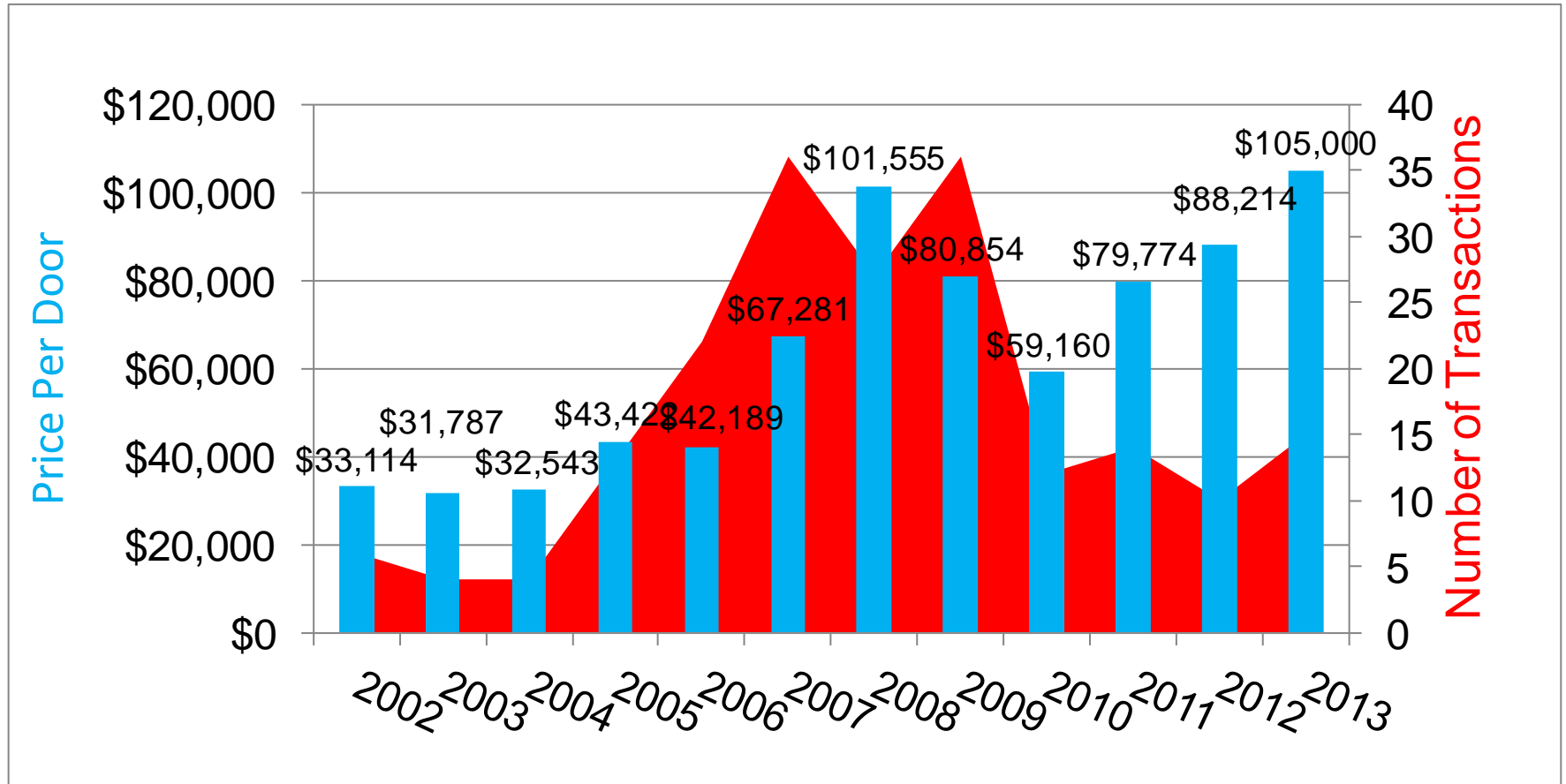
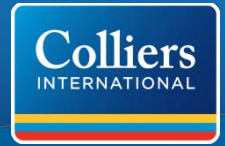


Investment | January 2010 - Present

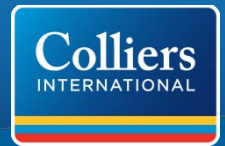
Saskatoon Transactions by Asset Class



Saskatoon | Multi-family Price Per Suite



Investment Notable Investment Transactions 2013



**640 Main Street
75 Units
\$170,000 / Door**



**840 Idylwyld Drive North
77 Units
\$130,000 / Door**

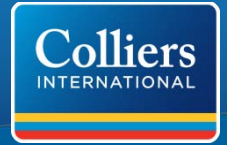


**Willis Road
7 Acres
\$8,400,000**



**154 8th Street East, 633 28th Street West,
and 1101 Branion Drive, Prince Albert
144 Units
\$83,000 / Door**

Overall Saskatoon Lessons Learned/Forecast



- Our economy continues to be a national leader
- Interest rates rise?
- Retail space will be in the highest demand
- Development pace slows for land and industrial
- Rental rates should remain stable