

Market Report

Interest in leasing registered a significant increase in the first quarter, with a number of large enterprise companies active in the market. This came on the heels of relatively quiet fourth quarter. First quarter absorption (change in occupied space) was also healthy at 370,000 square feet. As anticipated, sublease space increased slightly, and early signs suggest a further increase in the second quarter. Notable in the first quarter was the delivery of three office buildings in the downtown core; 601 W. Hastings, 410 W. Georgia, and 1280 Burrard. None of which were delivered fully leased. For the balance of the year, a further 1.4 million square feet will be completed including Bosa Waterfront Centre, Vancouver Centre II, and The Stack. This new space however, is not expected to materially change the supply/demand balance in the downtown market.



Rental and Availability Rates

Gross Rent* (Square Foot)	Availability Rate (03/31/2022)	QoQ Change/Availability
\$67.11	Downtown Core Class A 13.3%	▲ 0.9%
\$53.76	Broadway Corridor Class A 8.6%	▼ 0.3%
\$49.82	Vancouver City Class A 13.6%	▲ 0.3%
\$44.51	Burnaby Class A 15.3%	▼ 0.1%
\$35.60	Richmond Class A 17.2%	▼ 0.1%
\$36.10	Surrey Class A 8.1%	▲ 0.6%
\$38.95	North Shore Class A 3.7%	▼ 0.0%
\$38.69	New Westminister Class A - %	▼ 0.0%
\$33.10	Langley Class A 25.9%	▲ 0.5%

*Class A average asking rent CAD QoQ [quarter-over-quarter]

Recent Transactions (1st Quarter 2022)

Occupier	Size	Submarket	Type	Address
1 Plenty of Fish	30,169 SF	Downtown	Prelease	1133 Melville Street
2 Noram Engineering	25,338 SF	Downtown	Expansion	200 Granville Street
3 Clarius Mobile Health	21,200 SF	Vancouver	New	2980 Virtual Way
4 Masimo	16,369 SF	Downtown	Sublet	666 Burrard Street
5 Premium Brands	10,219 SF	Richmond	Expansion	10991 Shellbridge Way

Occupier's Perspective

The dilemma among occupiers is palpable, as employers wrestle about their future office needs, and the new hybrid/flexible work model.

The trend emerging is for occupiers to settle for less space, but better space.

Employers across a wide spectrum of industries, are now very sensitive to their employees needs and wants, and how office space can, and should be a positive force.

Market Trends



By many measures, Metro Vancouver's office market, is back to pre-covid conditions, despite the hangover from COVID, and work from home.

Despite mostly positive indicators, the underlying trend is less demand for office space, but robust job growth in the Vancouver region is masking this overriding trend.

Class A rents, not just Downtown, but across the region are surprising strong, with near record high rents seen in a number of submarkets.