

QUARTERLY REPORT MARKET VIEW

Courtesy of:



CB RICHARD ELLIS

- The availability rate in Halifax industrial market, at 5.2% is well below the national average at 7.9%. Halifax has the second lowest availability rate behind Ottawa at 4.8%.
- The Halifax industrial market remains on the tightest in the country. The availability rate has not exceeded 5.5% since the first quarter of 2008 when it was 5.9%.
- A total of 106,000 SF of owner-occupied assets is under construction.
- Although total volume has decreased, there is still an appetite for industrial investment in the region. Low vacancy, steady rental, and stable local market have vendors holding their assets in Halifax while disposing of properties in other regions.
- The industrial sector is the backbone and driving force behind the economy. Thankfully, there is not a large concentration of manufacturing companies in the Burnside Business Park, as this sector was deeply impacted by the global recession.

Quick Stats

	Current	Change from last	
		Yr.	Qtr.
Availability Rate	5.2%	↑	↑
Lease Rates	\$7.11	↑	↓
Net Absorption (SF)*	3,149	↓	↓
Construction (SF)	106,000	↑	↔

* The arrows are trend indicators over the specified time period and do not represent a positive or negative value. (eg., absorption could be negative, but still represent a positive trend over a specified period.)

BURNSIDE'S LATEST DEVELOPMENTS

Cabot Shipping Supplies Limited purchased Lot 1212, comprising of 93,641 square feet (2.1 acres) on Burbridge Avenue, Burnside Business Park.

Cabot Shipping Supplies Limited specializes in shipping room supplies, packaging and material handling. The new development is a 16,000 square foot distribution / warehouse facility.



TTL Real Estate Holdings Limited purchased Lot 1211 comprising of 76,122.37 square feet (1.75 acres) on Burbridge Avenue, Burnside Business Park.

TTL Real Estate Holdings Limited specializes in custom gaskets for the Oil and Gas industry. The new development is a 20,000 square foot distribution / warehouse facility.

Pattison Group purchased lot 1213 Burbridge Avenue, comprising of 175,988 square feet (4.05 acres).

Pattison Group - a 40,000 square foot branch office and warehouse to be occupied by The News Group (periodical distribution) and a branch office to be occupied by Pattison Outdoors (media and commercial signage).



METALS 'R' US' new facility in Burnside is well underway



The 10,000 square foot metal sales, customizing (i.e. cutting to size) and warehousing is presently under construction on Gloria McCluskey Avenue, Burnside.

Nova Scotia Power Inc. plan new power substation for Burnside

Nova Scotia Power Incorporated have begun construction of a new

power substation at Wilkinson Avenue to meet demand for continued expansion of Burnside as well as the adjacent Dartmouth Crossing.



WRIGHT & BURNSIDE LANDS TAKES SHAPE

The **Hardman Group** of Halifax have commenced earthworks at the former Wright Avenue water reservoir site located at the intersection of Wright Avenue and Burnside Drive.

The planned development will promote several sustainable development initiatives and is proposed to include six office buildings totaling 400,000 square feet and up to 50,000 square feet of commercial / retail space.



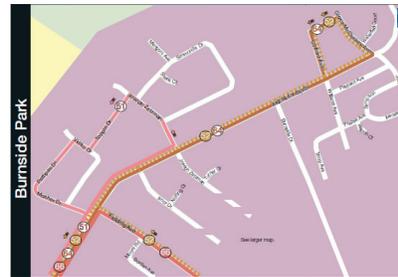
ACTIVE TRANSPORTATION

Active transportation is vital to any community and HRM's Business Parks are responsive to this need. From 2003 - 2009 Burnside / City of Lakes Parks have delivered:

- 13 km's of sidewalk
- 16 lane km's of shared or dedicated bikelanes
- 700 metres of trail / boardwalk around Spectacle Lake Park.



As Burnside continues to develop, it is important that the levels of transit service within the park also continue to improve, and they will over the next few years. As identified in the Business Parks



Functional Plan it is Metro Transit's priority to improve service, with more routes and increased frequency in both Burnside and Bayers Lake.

RAGGED LAKE TRANSIT CENTRE BREAKS GROUND IN RAGGED LAKE BUSINESS PARK

On July 31, 2009 HRM celebrated the ground breaking of the new Metro Transit operations and maintenance centre at the corner of Ragged Lake Blvd. and Grassy Lake Drive in Ragged Lake Business Park.



Already well under construction, the facility is designed to Lead Silver standard and will comprise a 55,920 square foot maintenance service centre and a 119,900 square foot transit operations centre, which includes the enclosed bus storage facility to accommodate 150 buses, with expansion capability to accommodate 200 buses.



HRM BUSINESS PARKS FUNCTIONAL PLAN - PHASE 2 RECEIVES APPROVAL FROM REGIONAL COUNCIL

At its June 2, 2009 Committee of the Whole Session, Halifax Regional Council approved-in-principle, Part 2 of the Business Park Development Functional Plan which provides Land Use related recommendations for the Greater Bayers Lake /Ragged Lake Business Park area.

The public planning process in which the findings

of both Part 1 & Part 2 of the Functional Plan will be considered for implementation into municipal planning policy and land use by-law is scheduled to commence Fall '09.

Both Part 1 and Part 2 final drafts of the Functional Plan are available for download as a PDF at www.businessparks.com

HRM BUSINESS PARKS TEAM

Robin Boudreau
Sales & Marketing
Coordinator
490-5932

John MacPherson
Real Estate Officer
490-1582

Shawn Woodard
Sr. Real Estate
Officer
490-5717

Michael Wile
Business Parks
Manager
490-5521

Peter Stickings
Manager
Real Estate &
Facility Services
490-7129



Real Estate &
Facility Services
Transportation & Public
Works
PO Box 1749
Halifax, NS
B3J 3A5

tel: (902) 490-6025
fax: (902) 490-6030