

BUSINESS PARKS Q REPORT

HALIFAX

4th QUARTER - FISCAL 2016 - 2017

HALIFAX REGIONAL MUNICIPALITY

April 2017

Quarterly report Market view

Courtesy of:

CBRE
CB RICHARD ELLIS

- Owner occupied properties continue to thrive in the Halifax industrial market, representing 28.8% of total inventory. This shift can be largely attributed to low mortgage rates and the fact that much of the development land is most suitable for smaller buildings.
- Halifax recorded a strong performance in 2016 with real GDP growth of 2.2%. The economy is poised for sustained growth in 2017 - forecasting a robust real GDP increase of 2.4%
- Construction and manufacturing sectors will continue to drive growth within the industrial market, as they remain strong pillars within the economy. Each sector performed well in 2016, with growth of 5.2% and 2.7% respectively.

These trends are expected to continue, as work on the Arctic Offshore Patrol Ships (AOPS) \$3.5 billion contract at the Halifax Shipyards is underway, part of the larger \$26 billion frigate replacement program.

Major non-residential projects such as the Nova Centre and Pratt and Whitney's expansion of its plane engine manufacturing plant will continue to feed these sectors. Construction is forecast to expand 3.5% in 2017, while manufacturing a more robust 5.0%.

Quick Stats

	CHANGE FROM LAST	
INDUSTRIAL MARKET	CURRENT	QTR. YR.
AVAILABILITY RATE (%)	11.8%	▲ ▲
NET RENT (PSF)	\$7.92	▲ ▲
NET ABSORPTION* (SF)	22,784	▲ ▼
NEW SUPPLY (SF)	47,500	▲ ▼

* 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.)

Recent Development

Lot 66B-1



Construction nears completion at this soon-to-be new home for Juicy Fruit Market Inc., at 123 Chain Lake Dr. in Bayers Lake park. The new building will feature a warehouse and distribution facility for a commercial and retail fresh fruit and produce market with leasing opportunities for other tenants.

Lot 1152-B



Development of a new independent/private educational and sport facility - Somerled Newbridge Academy - is taking place on this lot at 361 John Savage Avenue, at the corner of Commodore Drive in City of Lakes park.

The lot consists of 231,884 sq. ft, and the building is expected to be 80,350 sq. ft., and will feature classroom space, administration offices, indoor athletic facilities including an attached indoor field house.

Lot Sales - Fiscal 2016 / 17

Lot #	Street	Date Sold	Sq. Ft.	Sale Price	Sold to
66B-1	Chain Lake Dr	28-Sep-16	115,001	\$621,003	Samir Metlej Holdings (Juicy Fruit Market)
12-5-01	Wilkinson Ave	10-Nov-16	564,152	\$2,905,383	O'Regan Properties Limited
1152-B	John Savage Ave	05-Jan-17	231,884	\$1,623,188	Somerled Newbridge
12-5-02-A	Wilkinson Ave	10-Jan-17	1,006,111	\$6,288,194	94046780 Canada Inc. - East Port Properties
125oB & Block RN1E	Wilkinson Ave (consolidation)	10-Jan-17	349,555	\$1,364,263	Cherubini Metal Works Ltd.
TOTAL			2,266,703	\$12,802,031	

HRM BUSINESS PARKS TEAM

Robin Boudreau
Sales & Marketing
Coordinator
902-490-5932

John MacPherson
Sr. Real Estate
Officer
902-490-1582

Shawn Woodard
Sr. Real Estate
Officer
902-490-5717

Michael Wile
Business Parks
Manager
902.490.5521

Peter Stickings
Manager
Corporate
Real Estate
902-490-7129

HALIFAX

Corporate Real Estate
Finance & Asset Management
PO Box 1749
Halifax, NS
B3J 3A5

TEL: (902) 490-6025
FAX: (902) 490-6030

Ten Year Trend

