

CANADIAN CAP RATE SURVEY | Q1 '10

NATIONAL INVESTMENT TEAM CANADA

	Vancouver	Δ	Calgary	Δ	Edmonton	Δ	Winnipeg	Δ	Toronto	Δ	Ottawa	Δ	Montreal	Δ	Halifax	Δ
DOWNTOWN OFFICE																
"AA"	5.75-6.00%	↓	6.75-7.25%	↔	N/A		N/A		6.75-7.25%	↔	6.75-7.25%	↓	6.50-7.00%	↓	N/A	
"A"	6.25-6.50%	↓	7.50-8.00%	↔	7.00-7.50%	↔	7.00-7.50%		7.25-7.50%	↔	7.00-7.50%	↓	7.00-7.75%	↓	6.75-7.25%	↓
"B"	6.50-6.75%	↓	9.00-9.50%	↔	8.25-8.75%	↔	8.00-8.50%		7.75-8.50%	↔	7.25-7.75%	↓	7.75-8.75%	↓	7.25-7.75%	↓
SUBURBAN OFFICE																
"A"	6.50-6.75%	↓	7.50-8.25%	↔	7.50-8.00%	↔	7.75-8.25%		7.50-8.00%	↔	7.75-8.50%	↓	7.75-8.50%	↓	8.00-8.50%	↓
"B"	7.25-7.75%	↔	8.75-9.25%	↔	8.00-8.50%	↔	8.00-8.50%		8.00-8.75%	↔	8.25-9.00%	↓	8.50-9.25%	↓	9.00-9.50%	↔
INDUSTRIAL																
"A"	6.25-6.50%	↓	7.00-7.50%	↓	7.00-7.50%	↓	7.75-8.25%		7.25-7.75%	↓	7.75-8.50%	↓	7.25-8.00%	↓	8.00-8.25%	↔
"B"	6.50-7.25%	↔	8.00-8.50%	↓	8.00-8.75%	↓	8.25-9.00%		7.75-8.50%	↓	8.25-8.75%	↓	8.00-9.25%	↓	8.50-9.50%	↔
RETAIL																
Regional	6.25-6.50%	↓	6.25-6.75%	↓	6.25-7.00%	↓	6.75-7.25%		6.25-7.00%	↔	6.50-7.25%	↔	6.50-7.50%	↓	7.00-7.75%	↓
Power	6.75-7.00%	↓	7.00-7.50%	↓	7.00-7.50%	↓	7.25-7.75%		7.00-7.50%	↓	7.50-8.25%	↓	7.00-8.00%	↓	7.75-8.25%	↔
Neighbourhood	6.50-7.00%	↓	7.00-7.50%	↓	7.25-8.00%	↓	7.75-8.25%		7.50-8.00%	↔	7.75-8.50%	↓	7.75-8.75%	↓	8.25-9.25%	↔
Strip	6.50-7.00%	↓	7.00-7.50%	↓	7.00-7.50%	↓	8.25-8.75%		7.00-7.50%	↔	7.00-7.75%	↓	8.00-9.00%	↓	8.50-9.50%	↔
Strip (Non Anchored)	7.25-7.50%	↔	8.00-8.75%	↓	8.25-8.75%	↓	8.50-10.00%		8.00-9.00%	↔	8.50-9.00%	↓	8.75-9.50%	↓	9.00-10.00%	↔
APARTMENT																
High Rise A	4.00-4.50%	↔	5.50-6.00%	↔	6.00-6.50%	↓	N/A		5.25-6.25%	↔	5.75-6.50%	↔	6.25-6.75%	↓	6.00-6.50%	↓
High Rise B	4.25-4.75%	↔	6.00-6.50%	↔	6.50-7.00%	↓	6.75-7.50%		6.25-6.50%	↔	6.25-6.75%	↔	7.00-7.50%	↓	7.00-7.50%	↓
Low Rise A	4.50-5.00%	↔	5.75-6.25%	↔	6.50-7.00%	↓	7.25-7.75%		5.25-6.25%	↔	6.00-6.50%	↔	7.00-7.50%	↓	6.25-7.00%	↓
Low Rise B	4.75-5.25%	↔	6.25-6.50%	↔	7.00-8.00%	↓	7.75-8.25%		6.25-6.75%	↔	6.50-7.00%	↔	7.50-8.25%	↔	7.50-8.25%	↓
HOTEL																
Downtown Full-Service	8.00-8.50%	↔	9.00-9.50%	↔	9.00-9.50%	↔	9.00-9.50%		8.00-8.50%	↑	8.75-9.25%	↔	8.75-9.25%	↔	9.50-10.00%	↔
Suburban Limited-Service	9.00-9.50%	↔	11.00-12.00%	↔	11.50-12.50%	↔	10.00-11.00%		9.00-10.00%	↔	10.00-11.00%	↔	10.00-11.00%	↔	10.50-11.50%	↔

NOTES ON SURVEY

Cap Rate: Estimates are provided by NIT members in respective markets based on market transactions and/or feedback from investors on their current yield expectations.

AA Downtown Office: The Downtown's best office buildings, typically newer, larger than 800,000 SF with larger floor plates, attract larger, top quality tenants with 5 and 10 year leases.

Class A Suburban Office & Industrial: Best of class product, recently completed to a high-standard,

leases to better quality tenants on 5 and 10 year leases, typically newer construction.

Class B Suburban Office & Industrial: Older product, mostly 5 year leases, typically previously owned.

Regional: Enclosed Malls, are the top performers in sales PSF, has strong anchors and high percentage of National Tenants in CRU space. Typically >500,000 SF and has a department store as one of the anchors.

Power Centres: Open-air retail centre comprised of larger, brand name tenants. Tend to be in a node with other anchor tenants. Limited CRU space and typically larger than 400,000 SF or in a node of that size.

Community/Neighborhood: Enclosed Centre that serves a community and is generally anchored by some combination of a junior department store, supermarket, drug or sport store; supplies a wide range of apparel and soft goods. Can range from 150,000 SF-350,000 SF.

Strip (Anchored): Open-air centre anchored by either food or drug.

Strip (Non-Anchored): Open-air centre typically not anchored by either food or drug.

Hotel: As per existing summary in Cap Rate Survey.

www.cbre.ca/nitcanada