

GLOBAL SPOTLIGHT

Halifax, Nova Scotia



Construction and Development Extend Urban Sprawl to Halifax Suburbs

- As the largest city in Atlantic Canada, Halifax is the business center for all of Nova Scotia. With a multitude of educational facilities, an extensive variation in culture and as a base for offshore exploration, investors and developers are now taking notice of this Atlantic Canadian city.
- Vacancy rates in office space in the Halifax CBD have dropped to 3.2% as of June 2008, the lowest rate in over three decades, resulting in an increase in rental rates. Developers are responding to this high level of demand by building Class A office space on new suburban sites. This migration to the suburbs will initiate an increase in the vacancy rates in the CBD while solving accessibility issues, providing onsite parking and decreasing travel time both for employees and clients.
- With new, modern, energy efficient space and lower than normal vacancy, rental rates for industrial buildings are also on the rise. Industrial properties have seen a 5.5% increase in rental rates since 2007. Many business owners are now taking notice of the up and coming developments in the suburbs, and are moving from the CBD to these new areas.
- Construction is full speed ahead in the Halifax retail market. Halifax is gaining a lot of attention from big box retailers. With new retail districts opening and the competition increasing, current retailers are migrating from their old locations to new, fresh spaces in these developments.
- The 2008 investment market is attracting both Canadian and international investors alike. In 2007, multi-family was the most active asset class, with the investment in office and retail properties coming in a close second. With a shortage in available investment products, investors are now turning to development as an attractive alternative.

Halifax At A Glance

Population	385,500
Location	Provincial capital of Nova Scotia
GDP	\$29.042 billion
GDP Growth	1.56%
Inflation	1.9%
Unemployment	5.8%
Conversion	1.27 CDN = 1 USD

Property	Rent/SF/Year Low	High	Vacancy Rate
Downtown Class A Office	\$ 16.00	\$ 20.00	2.89%
Suburban Class A Office	\$ 10.00	\$ 18.10	5.5%
Industrial	\$ 4.50	\$ 8.90	4.18%
Retail	\$ 32.88	\$ 60.00	4.9%

NAI Global has 11 offices serving the Calgary, Edmonton, Gatineau, Halifax, Langley, Montreal, New Westminster, Ottawa, Toronto, Vancouver and Victoria markets in Canada. NAI Turner, Drake & Partners serves the greater Halifax market in Nova Scotia.

About NAI Global

NAI Global is one of the world's leading providers of commercial real estate services. We bring together people and resources wherever needed to deliver outstanding results for our clients.

At A Glance

325	Offices
55	Countries
5,000	Professionals
\$45 billion	Annual Transaction Volume
200	MSF of Property Management

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January 2009



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