

BUSINESS PARKS Q REPORT

HALIFAX

4th QUARTER - FISCAL 2019 - 2020

HALIFAX REGIONAL MUNICIPALITY

April 2020

Quarterly report Market view

Courtesy of:



- The total Halifax industrial market saw a decrease in the availability rate by 10 bps (to 6.6%) despite adding 62,000 sf of inventory to the market, showcasing the market's strong demand.
- The Halifax market recorded 70,016 sf of positive net absorption quarter-over-quarter.
- Average asking net rents decreased \$0.02 psf in Q1 to \$8.14 psf.
- The Halifax industrial market saw leasing activity pick up after a slower last quarter.
- With the completion of the Wilkinson Warehouse and the additional scheduled new supply for 2020, this year is set to experience another strong year of new supply, after recording 217,086 sf of new inventory in 2019...the most added to the Halifax market in a year since 2013.
- *Covid-19 Impact – As Halifax commercial real estate market enters the upcoming period of recession and uncertainty due to the effects of COVID-19, the industrial market is in a strong position. Running historically tight, and its fundamentals put industrial assets at far less risk than retail and office markets. With the eventual increase in imports recovering from the virus and the expected increases in inventory to stockpile supplies, industrial market assets such as warehouse space, cold storage, and certain manufacturing facilities could see an increase in demand.*

Quick Stats

	CHANGE FROM LAST	
INDUSTRIAL MARKET	CURRENT	QTR. YR.
AVAILABILITY RATE (%)	6.6%	▼ ▼
NET RENT (PSF)	\$8.14	▼ ▲
NET ABSORPTION* (SF)	70,016	▲ ▲
CONSTRUCTION (SF)	85,000	▲ ▼

* 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.)

Recent Development



Construction nears completion for this building on Wilkinson Avenue in Burnside Park, the third of a string of multi-tenant warehousing units being developed by Wilkinson Equities.



Progress continues at this soon-to-be new home for Eastern Fence on Cutler Avenue in Burnside Park.



Construction is progressing well at this lot on Higney Avenue in Burnside Park, at what will be a new sales and service facility for Maaco Auto Body.

Recent Development Cont'd

Lot 1292-A



Work continues at this lot on Higney Avenue in Burnside park. Purchased by Murlee Holdings Ltd., it's a consolidation of Lots 1292/93/94, totaling 585,237 sq. ft. This site will feature a 164,000 sq. ft. warehouse/distribution centre for home furnishings/appliances/electronics, and repairs.

Lot 12-5-03



Ground has broke at this lot on Wilkinson Avenue in Burnside. A consolidation of Lots 12-5-03 A & B, it consists of 293,763 sq. ft. and was purchased by Somerled ECI GP Management where it will develop a transport trucking sales and service repair facility and cardlock refueling station.

4th Quarter Sales

1298-A Wilkinson Ave - J & J Ferguson Holdings Limited purchased this 31,959 sq. ft. lot in Burnside to build a warehouse and small showroom for its commercial concrete laying operations.

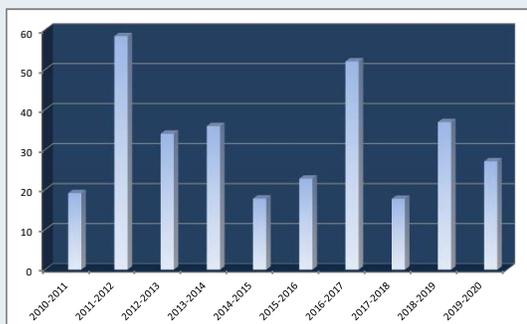
1283 Higney Ave - Expanding into the NS market, Student Transportation of Canada purchased this 126,374 sq. ft. lot in Burnside for its head office, maintenance garage and parking of school buses.

Fiscal 2019-20 Lot Sales at a Glance

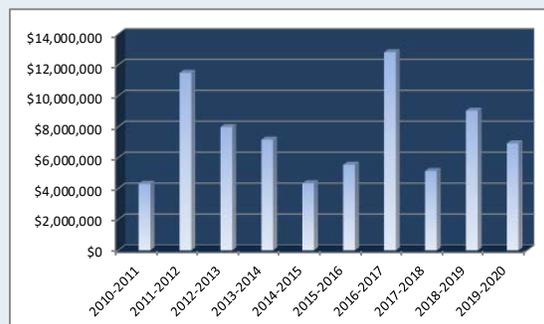
Lot #	Street	Date Sold	Sq. Ft.	Sale Price	Sold to
12-5-03A	Wilkinson Ave	28-Aug-19	163,959	\$1,065,734	Somerled ECI GP Management
12-5-03B	Wilkinson Ave	28-Aug-19	132,804	\$863,226	Somerled ECI GP Management
1282	Higney Ave	4-Sep-19	138,702	\$832,210	3326341 Nova Scotia Limited
1292-A	Higney Ave	18-Sep-19	585,237	\$3,201,246	Murlee Holdings Limited
1298-A	Wilkinson Ave	12-Mar-20	31,959	\$191,754	J & J Ferguson Holdings Ltd.
1283	Higney Ave	27-Mar-20	126,374	\$758,244	Student Transportation Canada
TOTAL			1,179,035	\$6,912,414	

Ten Year Trend

Lot Sales - Acreage Overview



Lot Sales - Revenue Overview



For Business Park land lease inquiries, please contact one of our Real Estate Officers.

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