COLLIERS INTERNATIONAL I FIRST QUARTER 2007

North America Office Real Estate Highlights

Demand Drops by Half in 1st Quarter – Shaky Start to the Year

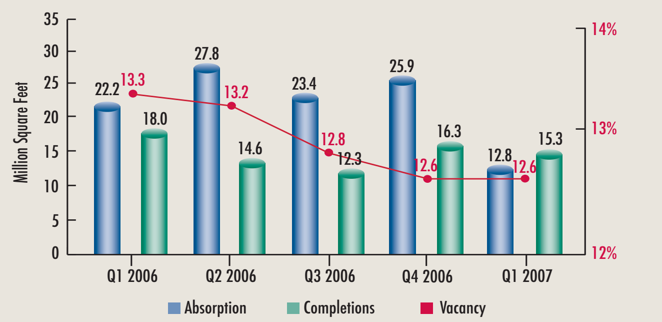
First quarter absorption came in well below anticipated levels marking the weakest quarter since the 4th quarter of 2003. While a slowdown relative to 2006 was expected, the size of the decline was a surprise. Fortunately completions were also on the low side keeping the vacancy rate more or less steady. Rents, and in particular downtown rents, continued to surge higher suggesting the best quality space is quickly becoming in short supply.

US office vacancy rate held steady in Q1. – The U.S. national office vacancy rate held steady during the first quarter continuing to register 12.56%. This, however was 69 basis points lower than the year-ago period when the vacancy rate measured 13.25%. Downtown and suburban market vacancy rates moved in opposite directions with the CBD vacancy rate falling 18 basis points to 11.67% while non-CBD markets saw vacancies increase 7 basis points to 13.03%. Canadian office vacancies moved lower with the downtown vacancy rate dropping by 17 basis points during the quarter to 6.64% while suburban vacancies fell 31 basis points to register 8.93%.

Q1 absorption slumps to just 12.8 million square feet. – Following a relatively robust fourth quarter, first quarter absorption totaled just 12.8 million square feet (MSF), breaking a string of seven quarters where occupied space had increased by at least 20 MSF. First quarter absorption was also well below the year ago period when occupied space increased by 22.2 MSF. Canadian office markets absorbed 3.5 MSF in the first quarter, well above the preceding quarter when absorption totaled 1.9 MSF.

Office rents again go substantially higher. – For the fifth consecutive quarter, both downtown and suburban asking rents registered healthy increases. Downtown Class A rents in particular increased by 5.2% to $43.22 per square foot while suburban Class A rents rose by 1.7% to 26.27 per square foot. This left downtown rents up 19.4% year-over-year and suburban rents 7.7% higher. During the first quarter Canadian office markets posted healthy growth with Edmonton helping to push downtown rents up 8.9% while suburban markets rose by 2.1%.

U.S. OFFICE MARKET Q1 2006 – Q1 2007



New construction still somewhat muted with 15.3 MSF completed in Q1. – First quarter office completions barely exceeded the 15.0 MSF level with 15.3 MSF delivered to the market. This was 1.0 MSF below Q4 and well below anticipated levels. New construction is sure to pick during the balance of 2007 as demonstrated by Q1 under construction activity which registered 119.2 MSF compared with 106.9 MSF under construction at the end of 4th quarter

Economic slowdown appears to be leaking into the office space market – Without question the first quarter results call into question the depth and strength of the U.S. office leasing market. Office absorption has been relatively strong for the past two years propped up by a growing economy and perhaps more importantly the creation of a significant number of new jobs. While the former faltered in the first quarter, the latter remained strong adding 143,000 jobs on average per month during the first quarter. For those interested in the office market, the question is – was this a one off or the beginning of a period of reduced demand? The answer won't be known until later in the year, but the stripping away much of the "noise" the trend still appears to be up as evidenced by still rising rents. The mid year numbers will be much anticipated!

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U.S OFFICE MARKET SUMMARY STATISTICS

(1ST QUARTER 2007)

Vacancy Rate – Q1 2007 (Change from Q4)
Vacancy . . . 12.56% (0.00)

Absorption – Q1 2007 (Million Square Feet)
Absorption . . . 12.8

New Construction – Q1 2007 (Million Square Feet)
Completions. . . 15.3

Under Construction (Million Square Feet)
Construction Activity . . . 119.2

Asking Rents – Per Square Foot (Change from Q4)
Downtown Class A . . . $43.22 (+5.2%)
Suburban Class A. . . $26.27 (+1.7%)

Market	Existing Inventory (SF) March 31, 2007	New Supply Q1 2007 (SF)	Under Construction (SF)	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007
Atlanta, GA	54,164,000	242,000	1,415,000	83,000	14.0	14.2
Bakersfield, CA	2,860,000	0	0	3,000	4.3	4.1
Baltimore, MD	16,739,000	0	190,000	(10,200)	17.0	17.0
Boise, ID	3,412,000	0	84,000	3,000	10.6	10.7
Boston, MA	66,326,000	0	0	27,000	9.7	9.7
Charleston, SC	2,064,000	0	0	17,000	7.5	7.5
Charlotte, NC	20,234,000	0	1,481,000	146,000	4.5	3.8
Chicago, IL	126,856,000	0	2,850,000	470,000	15.5	15.1
Cincinnati, OH	12,368,000	0	0	25,000	18.4	18.2
Cleveland, OH	29,386,000	0	0	(48,000)	18.7	18.7
Columbia, SC	4,461,000	0	107,000	43,000	12.4	11.5
Columbus, OH	8,142,000	0	285,000	84,000	17.1	17.3
Dallas/Ft. Worth, TX	33,556,000	60,000	400,000	(36,000)	21.0	21.2
Denver, CO	26,281,000	0	553,000	81,000	11.7	11.2
Detroit, MI	150,145,000	432,000	621,000	339,000	17.5	17.5
Fresno, CA	2,997,000	21,000	0	(3,000)	7.3	8.1
Ft. Lauderdale/Broward County, FL	7,739,000	0	263,000	(68,000)	8.8	9.7
Greenville, SC	3,101,000	0	36,000	0	12.0	12.0
Hartford, CT	10,050,000	0	0	(131,000)	15.2	17.4
Honolulu, HI	7,932,000	0	0	(45,000)	6.7	7.1
Houston, TX	37,075,000	0	253,000	157,000	18.2	17.8
Indianapolis, IN	11,518,000	123,000	0	44,000	18.1	17.3
Jacksonville, FL	12,838,000	0	0	116,000	12.7	11.8
Kansas City MO-KS	11,056,000	(138,000)	0	(18,000)	24.0	23.2
Las Vegas, NV	3,270,000	265,000	30,000	241,000	5.9	6.2
Little Rock, AR	5,669,000	0	0	61,000	12.9	11.9
Los Angeles, CA	31,282,000	0	0	73,000	15.8	15.5
Louisville, KY	9,171,000	0	0	156,000	15.3	13.6
Memphis, TN	6,590,000	0	0	(121,000)	15.4	17.3
Miami, FL	8,140,000	0	709,000	55,000	9.3	8.6
Milwaukee, WI	15,982,000	144,000	0	(51,000)	14.1	15.2
Minneapolis/St. Paul, MN	24,318,000	(229,000)	0	116,000	19.3	18.1
Nashville, TN	6,795,000	0	338,000	24,000	11.4	11.1
New York, NY - Downtown Manhattan	89,744,000	0	4,600,000	766,000	8.9	8.1
New York, NY - Midtown Manhattan	251,516,000	0	3,561,000	(642,000)	6.5	6.8
New York, NY - Midtown South Manhattan	98,339,000	122,000	0	369,000	7.6	7.3
Oakland, CA	13,169,000	0	215,000	(76,000)	11.9	12.5
Orlando, FL	11,053,000	26,000	428,000	(111,000)	9.6	10.5
Philadelphia, PA	39,005,000	0	1,253,000	73,000	12.4	12.2
Phoenix, AZ	20,610,000	0	0	(187,000)	10.6	11.9
Pleasanton/Walnut Creek, CA	21,079,000	(6,000)	25,000	(13,000)	11.3	11.3
Portland, OR	20,386,000	0	251,000	(158,000)	11.6	12.6
Raleigh/Durham/Chapel Hill, NC	3,688,000	0	332,000	14,000	10.6	7.5
Reno, NV	1,429,000	0	0	16,000	17.2	16.1
Sacramento, CA	12,817,000	0	800,000	56,000	13.7	13.3
San Diego County, CA	10,133,000	236,000	0	215,000	13.5	13.4
San Francisco, CA	81,040,000	235,000	2,544,000	372,000	11.4	11.0
San Jose/Silicon Valley, CA	7,172,000	0	0	430,000	20.0	14.0
Seattle, WA	37,114,000	0	1,781,000	(27,000)	8.5	5.8
St. Louis, MO	11,234,000	0	0	75,000	19.2	18.6
Tampa Bay, FL	8,589,000	0	88,000	120,000	14.3	12.9
Washington, DC	111,668,000	368,000	5,788,000	76,000	7.1	7.2
West Palm Beach, FL	10,073,000	0	625,000	(13,000)	8.9	9.0
Totals	**1,632,375,000**	**1,901,000**	**31,906,000**	**3,187,800**	**11.8**	**11.7**

Market	Existing Inventory (SF) March 31, 2007	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007	Average Annual Quoted Rent (US$PSF) March 31, 2007	Quarterly Change (%)
Atlanta, GA	27,654,000	143,000	17.9	18.1	22.02	0.7
Bakersfield, CA	627,000	5,000	2.3	1.5	17.40	0.0
Baltimore, MD	9,120,000	38,000	18.0	17.6	23.82	0.0
Boise, ID	2,318,000	5,000	11.5	11.3	19.91	(0.2)
Boston, MA	46,235,000	58,000	9.3	9.1	47.67	3.6
Charleston, SC	1,031,000	(2,000)	8.0	8.1	27.75	1.9
Charlotte, NC	14,467,000	83,000	3.4	2.9	23.43	2.9
Chicago, IL	68,185,000	902,000	16.9	15.6	38.50	6.9
Cincinnati, OH	5,710,000	19,000	21.0	20.9	20.21	(7.2)
Cleveland, OH	7,783,000	(12,000)	13.2	13.3	20.16	(0.7)
Columbia, SC	1,876,000	43,000	13.0	10.7	20.04	1.9
Columbus, OH	4,693,000	52,000	16.5	15.6	21.77	0.0
Dallas/Ft. Worth, TX	21,725,000	(140,000)	19.4	20.1	24.50	0.0
Denver, CO	16,661,000	63,000	11.2	10.4	26.40	11.2
Detroit, MI	10,229,000	(47,000)	12.9	13.3	22.50	2.3
Fresno, CA	911,000	(6,000)	5.5	6.1	27.60	15.0
Ft. Lauderdale/Broward County, FL	4,172,000	(49,000)	13.5	14.7	31.72	4.9
Greenville, SC	1,907,000	0	7.3	5.8	16.48	0.0
Hartford, CT	6,291,000	(140,000)	10.7	14.4	24.03	(0.7)
Honolulu, HI	4,700,000	(32,000)	11.3	7.6	34.56	1.1
Houston, TX	26,872,000	190,000	16.6	15.9	23.71	(0.8)
Indianapolis, IN	6,504,000	4,000	19.8	18.7	19.47	0.3
Jacksonville, FL	6,562,000	79,000	13.7	12.5	20.00	0.0
Kansas City MO-KS	6,114,000	86,000	22.8	21.4	20.71	0.9
Las Vegas, NV	700,000	239,000	0.0	3.8	40.56	4.0
Little Rock, AR	3,239,000	(6,000)	13.0	13.1	14.75	0.0
Los Angeles, CA	14,756,000	4,000	14.0	13.9	33.84	(1.7)
Louisville, KY	3,475,000	55,000	8.1	6.5	19.98	0.0
Memphis, TN	1,948,000	(80,000)	19.3	23.4	17.13	3.3
Miami, FL	3,550,000	36,000	7.4	6.4	35.88	8.4
Milwaukee, WI	6,136,000	(23,000)	12.8	12.1	22.00	0.0
Minneapolis/St. Paul, MN	13,240,000	36,000	14.9	14.6	24.43	0.0
Nashville, TN	3,535,000	5,000	11.1	10.9	21.09	1.1
New York, NY - Downtown Manhattan	55,574,000	349,000	7.1	6.5	50.34	3.9
New York, NY - Midtown Manhattan	155,704,000	(744,000)	5.6	6.1	82.44	3.6
New York, NY - Midtown South Manhattan	14,176,000	226,000	5.9	5.1	54.39	22.4
Oakland, CA	6,694,000	7,000	8.5	8.4	29.40	4.3
Orlando, FL	5,326,000	4,000	14.3	14.2	26.76	0.9
Philadelphia, PA	29,548,000	144,000	12.2	11.7	23.36	(1.4)
Phoenix, AZ	8,858,000	(120,000)	8.3	9.3	21.62	0.9
Pleasanton/Walnut Creek, CA	12,148,000	(52,000)	10.8	11.2	27.24	1.3
Portland, OR	10,178,000	(147,000)	6.4	6.8	22.69	6.3
Raleigh/Durham/Chapel Hill, NC	2,474,000	3,000	9.0	8.0	20.10	4.4
Reno, NV	548,000	14,000	16.2	13.5	23.52	0.0
Sacramento, CA	5,961,000	171,000	12.7	9.8	30.36	0.9
San Diego County, CA	6,960,000	223,000	14.7	14.4	37.80	10.5
San Francisco, CA	49,558,000	224,000	10.7	10.4	44.41	11.0
San Jose/Silicon Valley, CA	3,047,000	417,000	25.0	11.3	30.00	(1.4)
Seattle, WA	27,373,000	(6,000)	7.9	8.0	28.80	4.7
St. Louis, MO	6,721,000	50,000	14.7	13.9	20.58	0.0
Tampa Bay, FL	5,264,000	106,000	18.7	16.7	20.88	0.8
Washington, DC	68,475,000	50,000	4.5	6.3	46.71	0.0
West Palm Beach, FL	2,400,000	(32,000)	9.2	10.5	37.31	6.4
Totals	**829,913,000**	**2,495,000**	**10.5**	**10.4**	**43.22** (Weighted)	**5.2**
					28.35 (Equal)	**3.2**

Market	Existing Inventory (SF) March 31, 2007	New Supply Q1 2007 (SF)	Under Construction (SF)	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007
Atlanta, GA	166,711,000	505,000	3,886,000	107,000	14.1	14.3
Bakersfield, CA	5,321,000	115,000	163,000	136,000	4.2	3.7
Baltimore, MD	42,392,000	276,000	2,005,000	4,320	13.4	14.0
Boise, ID	8,392,000	0	597,000	(140,000)	12.5	14.2
Boston, MA	107,600,000	248,000	1,408,000	255,000	12.9	12.9
Charleston, SC	6,836,000	0	250,000	56,000	14.3	13.6
Charlotte, NC	45,953,000	416,000	1,002,000	752,000	15.1	14.0
Chicago, IL	104,410,000	45,000	920,000	(121,000)	18.8	18.9
Cincinnati, OH	18,084,000	0	623,000	177,000	22.9	21.8
Cleveland, OH	61,417,000	48,000	652,000	(119,000)	13.1	13.3
Columbia, SC	4,532,000	14,000	0	40,000	19.5	18.6
Columbus, OH	15,458,000	0	986,000	53,000	21.2	20.8
Dallas/Ft. Worth, TX	233,453,000	598,000	5,983,000	370,000	16.6	16.5
Denver, CO	86,842,000	318,000	1,392,000	463,000	13.4	13.0
Detroit, MI	94,308,000	346,000	238,000	62,000	17.5	17.6
Fresno, CA	16,703,000	263,000	328,000	219,000	8.8	8.9
Ft. Lauderdale/Broward County, FL	44,689,000	35,000	1,843,000	(156,000)	8.1	8.6
Greenville, SC	3,801,000	0	318,000	0	16.2	16.2
Hartford, CT	14,299,000	0	37,000	(165,000)	15.5	16.8
Honolulu, HI	7,660,000	27,000	0	51,000	7.1	6.9
Houston, TX	140,746,000	60,000	2,784,000	319,000	13.6	13.8
Indianapolis, IN	18,656,000	139,000	642,000	39,000	17.8	18.8
Jacksonville, FL	25,786,000	194,000	587,000	145,000	11.8	11.9
Kansas City MO-KS	33,432,000	129,000	1,095,000	290,000	17.3	16.7
Las Vegas, NV	32,238,000	1,019,000	2,032,000	395,000	10.0	11.6
Little Rock, AR	7,232,000	0	0	(38,000)	9.8	10.3
Los Angeles, CA	148,714,000	1,054,000	2,387,000	274,000	9.6	10.1
Louisville, KY	8,999,000	150,000	0	119,000	16.4	16.5
Memphis, TN	25,399,000	35,000	75,000	(173,000)	15.2	16.0
Miami, FL	67,816,000	283,000	2,527,000	41,000	7.3	7.4
Milwaukee, WI	38,827,000	411,000	0	639,000	12.0	11.2
Minneapolis/St. Paul, MN	42,758,000	0	1,781,000	327,000	15.5	14.8
Nashville, TN	21,676,000	97,000	1,069,000	243,000	10.6	9.8
New Jersey - Central	102,155,000	508,000	1,958,000	358,000	12.9	13.1
New Jersey - Northern	158,149,000	878,000	4,517,000	1,125,000	11.8	11.5
New York - Fairfield County, CT	61,510,000	0	452,000	(247,000)	14.1	14.5
New York - Westchester County, NY	43,823,000	0	0	244,000	16.8	16.3
Oakland, CA	15,113,000	0	0	204,000	17.3	15.9
Orange County, CA	72,214,000	370,000	3,761,000	(253,000)	9.3	10.1
Orlando, FL	44,805,000	791,000	2,322,000	(135,000)	8.1	8.5
Philadelphia, PA	102,999,000	855,000	1,698,000	586,000	14.0	14.2
Phoenix, AZ	89,375,000	1,678,000	7,829,000	947,000	12.8	13.9
Pleasanton/Walnut Creek, CA	20,869,000	(28,000)	164,000	(29,000)	13.5	13.5
Portland, OR	35,498,000	290,000	634,000	(50,000)	12.2	13.1
Raleigh/Durham/Chapel Hill, NC	37,514,000	278,000	2,000,000	342,000	15.4	15.2
Reno, NV	5,021,000	0	0	36,000	11.0	11.3
Sacramento, CA	61,016,000	347,000	2,437,000	377,000	13.5	13.3
San Diego County, CA	60,866,000	63,000	3,686,000	(189,000)	11.1	11.7
San Francisco Peninsula - San Mateo County, CA	30,414,000	0	0	421,000	15.8	14.6
San Jose/Silicon Valley, CA	50,146,000	0	0	(108,000)	6.9	7.1
Seattle, WA	51,455,000	83,000	4,340,000	558,000	11.0	10.1
St. Louis, MO	36,785,000	0	395,000	275,000	11.8	11.0
Tampa Bay, FL	66,504,000	297,000	1,166,000	371,000	9.0	9.1
Washington, DC - N. Virginia	142,762,000	303,000	7,362,000	411,000	10.3	10.2
Washington, DC - Suburban, MD	71,989,000	62,000	2,320,000	137,000	9.5	10.0
West Palm Beach, FL	30,342,000	97,000	2,604,000	(114,000)	9.2	9.9
Totals	**3,092,464,000**	**13,697,000**	**87,255,000**	**9,931,320**	**13.0**	**13.0**

Market	Existing Inventory (SF) March 31, 2007	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007	Average Annual Quoted Rent (US$PSF) March 31, 2007	Quarterly Change (%)
Atlanta, GA	73,626,000	70,000	14.8	14.8	22.28	1.5
Bakersfield, CA	2,469,000	93,000	4.5	2.0	19.80	0.0
Baltimore, MD	16,511,000	176,000	12.2	12.8	24.55	0.0
Boise, ID	3,919,000	(78,000)	13.0	15.0	18.23	12.3
Boston, MA	48,264,000	189,000	14.7	14.8	22.36	0.0
Charleston, SC	3,166,000	48,000	17.9	16.4	25.50	4.1
Charlotte, NC	20,089,000	437,000	16.9	15.5	20.23	2.6
Chicago, IL	54,890,000	(29,000)	18.4	18.4	21.72	(2.5)
Cincinnati, OH	10,808,000	64,000	20.4	19.5	20.14	1.7
Cleveland, OH	10,067,000	41,000	16.6	16.9	21.32	(1.6)
Columbia, SC	887,000	4,000	10.6	10.0	17.89	0.7
Columbus, OH	10,223,000	41,000	20.8	20.3	18.32	0.0
Dallas/Ft. Worth, TX	89,154,000	391,000	13.9	13.6	26.50	1.9
Denver, CO	33,320,000	342,000	11.1	10.9	22.76	7.7
Detroit, MI	26,325,000	317,000	18.3	17.6	23.50	0.0
Fresno, CA	3,268,000	3,000	15.7	16.9	27.60	4.5
Ft. Lauderdale/Broward County, FL	9,176,000	48,000	10.3	9.8	28.00	0.0
Greenville, SC	2,180,000	0	13.5	13.5	18.53	0.0
Hartford, CT	8,123,000	(158,000)	13.2	15.2	20.63	(0.4)
Houston, TX	55,356,000	136,000	10.9	11.6	23.13	3.4
Indianapolis, IN	8,881,000	9,000	16.2	16.4	19.32	0.4
Jacksonville, FL	8,880,000	76,000	10.6	11.7	20.50	0.0
Kansas City MO-KS	11,196,000	128,000	16.5	15.8	21.14	2.6
Las Vegas, NV	3,454,000	100,000	8.2	8.3	33.84	5.2
Little Rock, AR	3,477,000	28,000	5.0	4.2	17.85	0.0
Los Angeles, CA	90,994,000	120,000	8.7	9.3	33.12	2.2
Louisville, KY	5,041,000	93,000	14.9	15.6	17.13	0.0
Memphis, TN	6,554,000	(8,000)	6.5	6.6	21.04	1.3
Miami, FL	15,689,000	53,000	8.5	8.1	32.54	(5.5)
Milwaukee, WI	6,836,000	486,000	16.0	12.9	21.00	0.0
Minneapolis/St. Paul, MN	15,686,000	134,000	9.7	8.8	25.85	7.6
Nashville, TN	13,235,000	131,000	8.0	7.7	21.05	5.0
New Jersey - Central	60,133,000	413,000	15.0	14.9	25.91	1.7
New Jersey - Northern	95,997,000	389,000	13.2	13.1	28.30	0.4
New York - Fairfield County, CT	30,421,000	(251,000)	17.4	18.2	29.58	(2.6)
New York - Westchester County, NY	24,600,000	(17,000)	20.3	20.8	28.04	1.6
Oakland, CA	3,374,000	87,000	13.7	11.1	28.32	0.7
Orange County, CA	29,233,000	(46,000)	9.7	9.9	36.39	6.2
Orlando, FL	15,048,000	(66,000)	8.8	9.5	22.83	1.1
Philadelphia, PA	59,798,000	480,000	14.1	14.6	23.10	0.7
Phoenix, AZ	29,374,000	214,000	12.1	15.0	23.47	0.4
Pleasanton/Walnut Creek, CA	10,860,000	(47,000)	12.8	13.3	26.64	0.9
Portland, OR	12,170,000	(56,000)	9.9	10.8	23.48	8.0
Raleigh/Durham/Chapel Hill, NC	21,373,000	107,000	14.3	14.2	20.75	5.1
Reno, NV	2,717,000	(10,000)	12.0	12.3	24.00	0.0
Sacramento, CA	13,090,000	126,000	14.7	13.7	26.04	0.5
San Diego County, CA	20,435,000	14,000	14.5	15.0	36.36	1.3
San Francisco Peninsula - San Mateo County, CA	19,426,000	421,000	17.8	16.0	32.28	8.9
San Jose/Silicon Valley, CA	22,349,000	(167,000)	7.4	8.1	32.40	0.9
Seattle, WA	32,329,000	354,000	10.4	9.5	26.77	2.9
St. Louis, MO	22,538,000	190,000	9.0	8.2	23.00	0.0
Tampa Bay, FL	20,864,000	140,000	6.3	7.1	24.20	4.6
Washington, DC - N. Virginia	83,370,000	0	0.0	0.0	33.00	1.5
Washington, DC - Suburban, MD	37,363,000	59,000	0.0	0.0	28.50	5.4
West Palm Beach, FL	9,110,000	13,000	14.4	14.3	29.10	3.9
Totals	**1,347,716,000**	**5,832,000**	**12.0**	**12.1**	**26.27** (Weighted)	**1.7**
					24.72 (Equal)	**2.0**

DOWNTOWN OFFICE – ALL INVENTORY

Market	Existing Inventory (SF) March 31, 2007	New Supply Q1 2007 (SF)	Under Construction (SF)	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007
Calgary, AB	33,728,000	1,529,000	2,377,000	1,119,000	0.3	1.5
Edmonton, AB	9,374,000	0	40,000	(42,000)	4.8	5.3
Halifax, NS	4,891,000	0	0	54,000	7.4	6.0
Montreal, QC	43,963,000	0	695,000	147,000	12.4	11.2
Ottawa, ON	14,606,000	330,000	437,000	60,000	4.1	6.0
Regina, SK	3,605,000	0	27,000	60,000	4.1	3.3
Saskatoon, SK	1,800,000	0	0	142,000	6.5	7.5
Toronto, ON	84,678,000	4,000	3,389,000	255,000	8.2	7.9
Vancouver, BC	24,297,000	0	238,000	160,000	3.8	3.1
Victoria, BC	4,697,000	0	0	0	2.9	2.9
Totals	**225,639,000**	**1,863,000**	**7,203,000**	**1,955,000**	**6.8**	**6.6**

DOWNTOWN OFFICE – CLASS A

Market	Existing Inventory (SF) March 31, 2007	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007	Average Annual Quoted Rent (C$PSF) March 31, 2007	Quarterly Change (%)
Calgary, AB	12,793,000	449,000	0.0	1.9	55.00	0.0
Edmonton, AB	6,248,000	(51,000)	3.9	4.7	34.00	23.6
Halifax, NS	1,916,000	72,000	8.3	4.6	29.38	2.3
Montreal, QC	22,968,000	79,000	9.7	9.4	35.39	0.0
Ottawa, ON	8,641,000	55,000	2.7	6.0	44.85	0.0
Regina, SK	1,026,000	12,000	3.9	2.4	24.71	0.0
Saskatoon, SK	442,000	(4,000)	5.4	6.3	22.96	0.0
Toronto, ON	42,629,000	132,000	10.0	9.7	51.25	(1.4)
Vancouver, BC	9,796,000	61,000	3.4	2.8	38.00	0.0
Victoria, BC	597,000	0	0.0	0.0	32.50	0.0
Totals	**107,056,000**	**805,000**	**7.1**	**7.2**	**44.69** (Weighted)	**8.9**
					36.80 (Equal)	**1.8**

SUBURBAN OFFICE – ALL INVENTORY

Market	Existing Inventory (SF) March 31, 2007	New Supply Q1 2007 (SF)	Under Construction (SF)	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007
Calgary, AB	17,481,000	0	3,453,000	122,000	2.2	1.3
Edmonton, AB	7,865,000	0	150,000	57,000	7.7	7.0
Halifax, NS	5,129,000	7,000	20,000	(5,000)	10.1	10.1
Montreal, QC	19,164,000	171,000	80,000	317,000	14.6	13.7
Ottawa, ON	19,606,000	387,000	243,000	152,000	9.0	9.1
Regina, SK	514,000	0	0	0	0.4	0.4
Toronto, ON	81,464,000	750,000	1,771,000	856,000	10.4	10.2
Vancouver, BC	26,887,000	0	987,000	44,000	7.7	7.5
Victoria, BC	3,195,000	0	139,000	0	5.7	5.7
Totals	**181,305,000**	**1,315,000**	**6,843,000**	**1,543,000**	**9.2**	**8.9**

SUBURBAN OFFICE – CLASS A

Market	Existing Inventory (SF) March 31, 2007	Absorption Q1 2007 (SF)	Vacancy Rate (%) Dec. 31, 2006	Vacancy Rate (%) March 31, 2007	Average Annual Quoted Rent (C$PSF) March 31, 2007	Quarterly Change (%)
Calgary, AB	5,998,000	33,000	1.0	0.5	37.00	0.0
Halifax, NS	2,031,000	10,000	11.4	11.0	26.45	15.4
Montreal, QC	11,571,000	187,000	10.7	10.4	25.00	0.0
Ottawa, ON	11,471,000	65,000	7.5	8.7	26.54	0.0
Regina, SK	514,000	0	0.0	0.4	24.00	0.0
Toronto, ON	45,171,000	751,000	11.9	11.7	30.07	3.7
Vancouver, BC	11,676,000	(35,000)	6.2	5.9	30.00	0.0
Victoria, BC	586,000	0	23.8	1.8	27.00	0.0
Totals	**89,018,000**	**1,011,000**	**9.7**	**9.5**	**29.28** (Weighted)	**2.1**
					28.26 (Equal)	**2.1**

UNITED STATES OFFICE INVESTMENT

Market	CBD Sales Price (US$PSF)	CBD Cap Rate (%)	Suburban Sales Price (US$PSF)	Suburban Cap Rate (%)
Atlanta, GA	245	6.50	154	7.20
Bakersfield, CA	184	–	256	7.20
Baltimore, MD	188	7.25	205	7.25
Boise, ID	169	7.00	169	7.00
Boston, MA	405	5.60	185	6.40
Charleston, SC	350	6.50	200	7.50
Charlotte, NC	138	6.80	110	6.50
Chicago, IL	435	5.50	195	7.25
Cincinnati, OH	144	6.60	93	8.90
Cleveland, OH	115	9.50	130	8.50
Columbia, SC	140	7.00	100	7.00
Columbus, OH	222	–	101	7.60
Dallas/Ft. Worth, TX	170	7.80	145	7.15
Denver, CO	185	7.00	180	7.00
Detroit, MI	70	10.00	155	9.00
Fresno, CA	200	7.75	225	7.25
Ft. Lauderdale/Broward County, FL	235	7.10	136	6.80
Greenville, SC	148	9.00	117	10.00
Hartford, CT	200	7.15	110	7.25
Houston, TX	142	7.00	124	7.20
Indianapolis, IN	150	6.00	150	6.00
Jacksonville, FL	95	8.00	100	7.50
Kansas City MO-KS	180	8.50	140	7.00
Las Vegas, NV	–	–	233	6.40
Little Rock, AR	78	8.75	122	9.00
Los Angeles, CA	375	5.80	325	6.10
Memphis, TN	–	–	133	–
Miami, FL	208	6.80	193	6.20
Milwaukee, WI	225	7.50	140	8.00
Minneapolis/St. Paul, MN	85	7.00	83	7.25
Nashville, TN	155	7.00	223	7.50
New Jersey - Central	–	188	7.00	–
New Jersey - Northern	–	250	7.00	–
New York - Fairfield County, CT	–	250	5.40	–
New York - Westchester County, NY	175	6.70	–	–
New York, NY - Downtown Manhattan	400	5.40	–	–
New York, NY - Midtown Manhattan	785	4.90	–	–
New York, NY - Midtown South Manhattan	600	5.00	–	–
Orange County, CA	–	276	6.50	–
Orlando, FL	250	8.00	225	8.00
Philadelphia, PA	153	7.00	157	7.00
Phoenix, AZ	197	6.80	212	6.60
Pleasanton/Walnut Creek, CA	310	6.25	265	6.50
Portland, OR	277	7.00	213	6.90
Raleigh/Durham/Chapel Hill, NC	278	6.50	160	7.80
Reno, NV	200	6.50	230	6.75
Sacramento, CA	345	6.00	230	6.40
San Diego County, CA	327	5.90	289	6.35
San Francisco Peninsula - San Mateo County, CA	410	5.50	–	–
San Francisco, CA	582	6.50	–	–
San Jose/Silicon Valley, CA	310	7.50	165	8.50
Seattle, WA	370	6.50	250	6.20
St. Louis, MO	125	7.75	150	7.50
Tampa Bay, FL	200	7.00	170	7.20
Washington, DC	700	5.25	–	–
Washington, DC - N. Virginia	–	295	6.25	–
Washington, DC - Suburban, MD	–	238	7.00	–
West Palm Beach, FL	247	6.30	223	6.20

CANADA OFFICE INVESTMENT

Market	CBD Sales Price (C$PSF)	CBD Cap Rate (%)	Suburban Sales Price (C$PSF)	Suburban Cap Rate (%)
Calgary, AB	520	5.75	350	6.25
Edmonton, AB	240	6.25	180	6.50
Montreal, QC	250	7.00	150	8.00
Ottawa, ON	300	6.25	160	8.00
Regina, SK	130	9.20	–	–
Toronto, ON	400	6.00	250	6.75
Vancouver, BC	300	6.10	285	6.70
Victoria, BC	225	6.50	185	7.00

GLOSSARY

Inventory – Includes all existing multi or single tenant leased and owner-occupied office properties greater than or equal to 10,000 square feet (net rentable area). In some larger markets this minimum size threshold may vary up to 50,000 square feet. Does not include medical or government buildings.

Vacancy Rate – Percentage of total inventory physically vacant as at the survey date including direct vacant and sublease space.

Absorption – Net change in physically occupied space over a given period of time.

New Supply – Includes completed speculative and build-to-suit construction. New supply quoted on a net basis after any demolitions or conversions.

Annual Quoted Rent – Includes all costs associated with occupying a full floor in the mid-rise portion of a Class A building inclusive of taxes, insurance, maintenance, janitorial and utilities (electricity surcharges added where applicable). All office rents in this report are quoted on an annual, gross per square foot basis. Rent calculations do not include sublease space.

Cap Rate – (Or going-in cap rate) Capitalization rates in this survey are based on multi-tenant institutional grade buildings fully leased at market rents. Cap rates are calculated by dividing net operating income (NOI) by purchase price.

Note: SF = Square Feet
PSF = Per Square Foot
CBD = Central Business District

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	17	Canada	
	17	Latin America	
85	Europe, Middle East & Africa		
52	Asia Pacific		

56 COUNTRIES ON 6 CONTINENTS

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