



LEE & ASSOCIATES

COMMERCIAL REAL ESTATE SERVICES





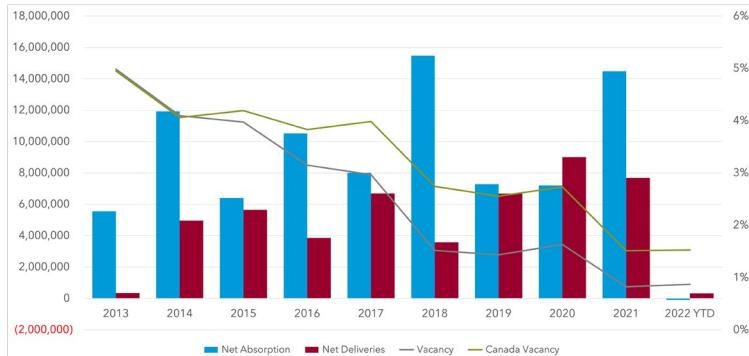
INDUSTRIAL MARKET OVERVIEW

DANIEL SMITH, *Senior Vice President, Partner*

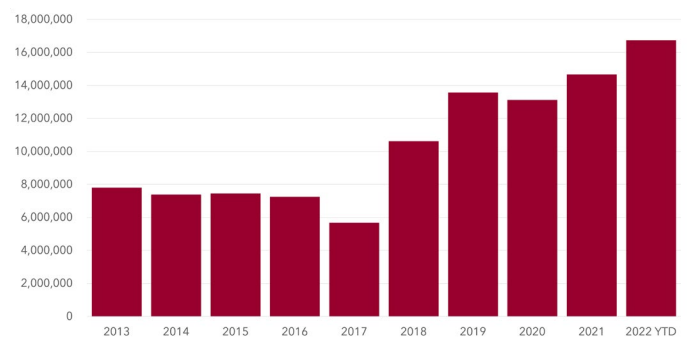
Toronto's industrial market continues to see a lack of available space and demand for warehouse/distribution space, reinforcing its position as one of the tightest markets in North America. Demand for quality space has increased, with tenants desiring certain requirements that older buildings are being challenged to meet. Those in search of options greater than 200,000 SF will need to be active and diligent in their search, as large bay space is being leased 2-3 years out for buildings under construction and those still in the planning stages. New developments will come to market fully pre-leased, leading to limited opportunities and continued scarcity of available space over the coming years.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▼ 12 Mo. Net Absorption SF	12,496,098	14,483,407	12,070,670	7,138,585	8,099,275
▲ Vacancy Rate	0.9%	0.8%	1.0%	1.4%	1.6%
▲ Avg NNN Asking Rate PSF	\$14.54	\$14.03	\$13.54	\$13.07	\$12.61
▲ SF Under Construction	16,734,709	14,665,091	13,107,302	14,835,228	12,770,005
▲ Inventory SF	853,074,737	852,742,534	852,108,751	848,183,470	846,989,951

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
250 Bowie Avenue Toronto, ON	265,000 SF	\$100,000,000 \$377.36 PSF	Hullmark Gemstone Property	Class C
1120 Birchmount Road Toronto, ON	220,465 SF	\$45,000,000 \$204.11 PSF	Pure Industrial Van Rob, Inc.	Class C
8301 Keele Street Concord, ON	262,658 SF	\$59,590,000 \$226.87 PSF	Soneil Investments Holdings	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15 Bramalea Road Brampton, ON	373,071 SF	Carterra	Syncreon	3PL
2750 Morningside Avenue Toronto, ON	333,638 SF	Oxford Properties	Global Industrial	Commercial Products
800 Kipling Avenue Toronto, ON	301,218 SF	OPG Inc.	Kinectrics	Technology



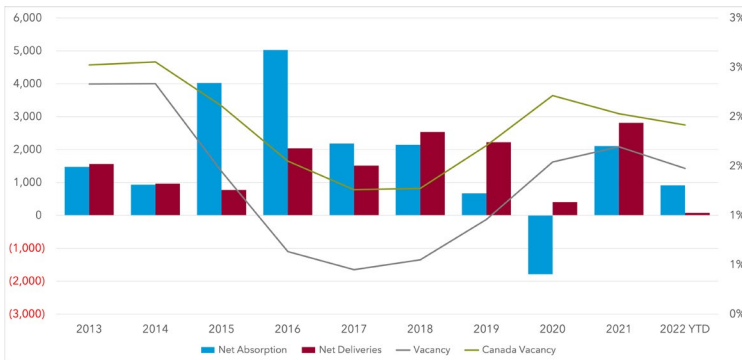
MULTIFAMILY MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

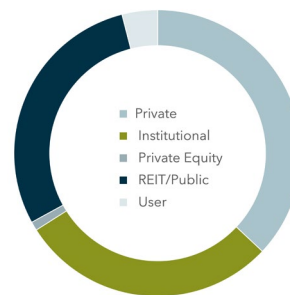
As economic restrictions ease, a sense of normalcy has returned to many aspects of everyday life. A constant throughout the pandemic has been the demand and the resiliency of Toronto's multifamily sector. The long-term forecast has been widely optimistic, which has been reflected in escalating valuations and continued increases to the rental pipeline. The market has long been defined by low vacancy rates. The rental pool consists of young professionals, new immigrants, students, and those unable to finance a home purchase.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▲ 12 Mo. Absorption Units	3,035	2,109	895	(583)	(1,802)
▼ Vacancy Rate	1.5%	1.7%	1.9%	1.8%	1.7%
▲ Asking Rent/Unit (\$)	\$1,802	\$1,787	\$1,770	\$1,753	\$1,746
▲ Under Construction Units	22,516	21,499	19,583	13,823	10,105
▲ Inventory Units	380,430	380,352	380,123	378,668	378,049

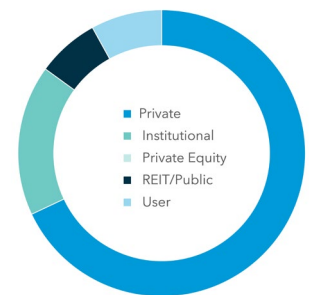
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS BY SF	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
NONE TO REPORT			

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Rockport Group	\$338,000,000	DREAM Unlimited	\$426,818,058
Starlight Investments Ltd.	\$332,500,000	Canadian Apartment Properties REIT	\$378,114,271
Perkell Brothers Construction	\$194,000,000	Akelius	\$282,150,000
MetCap Living	\$174,544,748	Timbercreek Capital Inc	\$264,280,000
CST Corporation	\$159,000,000	InterRent Real Estate Investment Trust	\$234,401,000



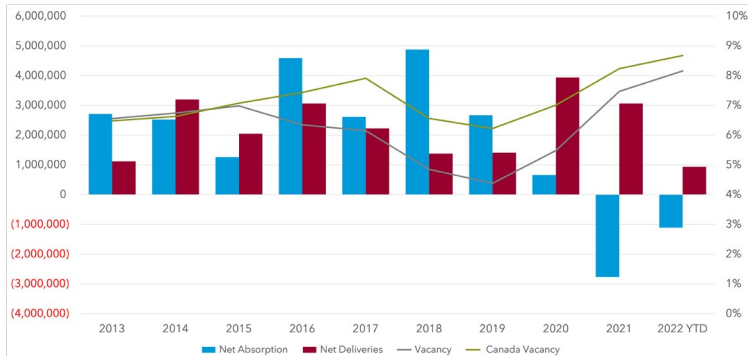
OFFICE MARKET OVERVIEW

WILL GEHRING, Senior Vice President

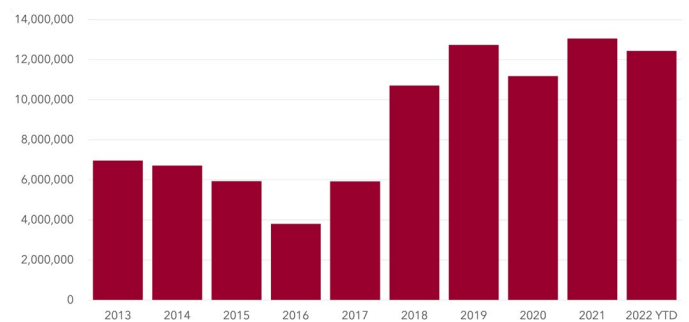
Vacancy rates are showing signs of plateauing. Sublets are getting canceled and high-end office space is in demand. With new vaccines in circulation, the path of a safe return to the office is becoming clearer. Tenants are starting to put more emphasis on amenities, more space and systems, such as HVAC and touchless technology. With confidence returning to the market, occupiers are slowly reintegrating the office into their work routine. The tide seems to be turning across Toronto's office sector and healthy growth is expected this year.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▲ 12 Mo. Net Absorption SF	(1,958,421)	(2,766,405)	(3,892,630)	(2,683,009)	(920,751)
▲ Vacancy Rate	7.9%	7.5%	6.5%	6.3%	6.0%
▲ Avg NNN Asking Rate PSF	\$38.25	\$38.24	\$38.23	\$37.88	\$37.79
▼ SF Under Construction	12,435,080	13,048,368	14,513,404	12,553,718	12,393,045
▲ Inventory SF	286,121,753	285,189,197	283,099,339	282,876,879	282,464,229

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
200 Bay Street Building Toronto, ON	1,633,333 SF	\$815,621,018 \$499.36 PSF	Pontegadea Canada Canada Pension Plan	Class A
5099 Creebank Road Mississauga, ON	525,921 SF	\$207,472,950 \$394.49 PSF	Oak Streat Real Estate Capital H&R REIT	Class A
4950 Yonge Street Toronto, ON	445,000 SF	\$118,000,000 \$265.17 PSF	Europro Northern Realty	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
125 Queens Quay East Toronto, ON	93,027 SF	Menkes	The Score	Telecommunications
105 Clegg Road Markham, ON	41,000 SF	1547 Critical Systems	Cologix	Data Processing, Hosting
25 York Street Toronto, ON	27,470 SF	Menkes	Telus	Telecommunications



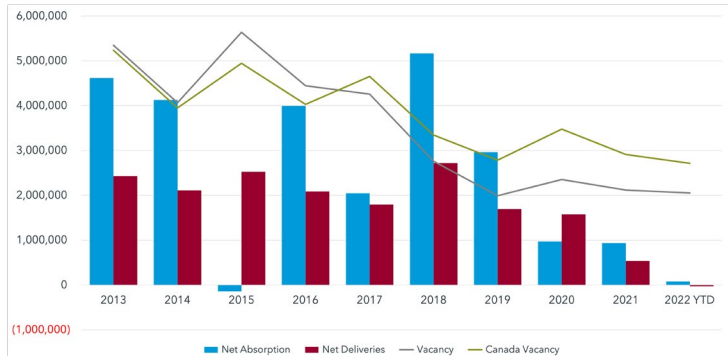
RETAIL MARKET OVERVIEW

NICOLE MONIZ, *Vice President*

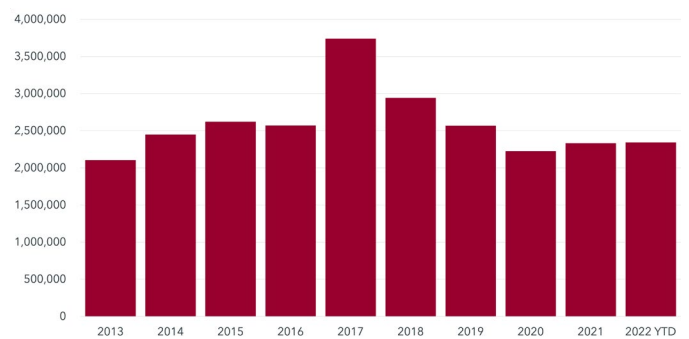
Toronto's retail sector is in better shape than it may seem from a street front perspective. Leasing and transaction activity is continuing to grow with retailers having both a physical and digital presence focused on designing a cohesive user experience for customers at every touchpoint. The structural headwinds for the retail sector that existed pre-pandemic - competition from e-commerce sales and evolving consumer shopping behaviour - have only intensified. What is evident is that retailers are becoming experts at managing their space and the shoppers in their stores. The market seems ready to accept a new normal, especially with high vaccination rates, and is keen to get back to in-person dining and shopping.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▼ 12 Mo. Net Absorption SF	667,546	934,356	1,411,454	948,211	1,434,418
▼ Vacancy Rate	1.7%	1.8%	1.8%	1.8%	1.9%
◀▶ Avg NNN Asking Rate PSF	\$31.77	\$31.77	\$31.75	\$31.42	\$31.15
▲ SF Under Construction	2,343,733	2,332,580	2,482,133	2,222,590	2,169,845
▼ Inventory SF	299,146,783	299,175,864	299,004,803	298,853,585	298,815,483

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4051-4059 New Street Burlington, ON	58,052 SF	\$19,800,000 \$341.07 PSF	Fieldgate Arrigo Brothers	Multi-Tenant
7070-7080 McLaughlin Road Mississauga, ON	50,469 SF	\$32,500,000 \$643.96 PSF	7070 McLaughlin Rd Realty Derry McLaughlin Development	Multi-Tenant
8855-8865 Woodbine Avenue Markham, ON	44,249 SF	\$25,500,000 \$576.28 PSF	Woodbine Apple Creek NE Holdings Apple Cheer Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4038 Hwy 7 Markham, ON	23,000 SF	Private	Binmart	Retail - Liquidator
19-29 William Kitchen Road Toronto, ON	20,259 SF	First Gulf	Undisclosed	Retail
17215 Leslie Street Newmarket, ON	10,983 SF	Tricap	Dollarama	Retail

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