



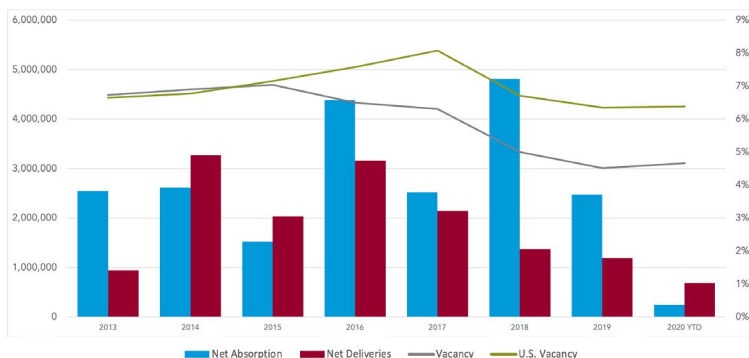
OFFICE MARKET OVERVIEW

LUIS ALMEIDA, SIOR, Senior Vice President, Partner

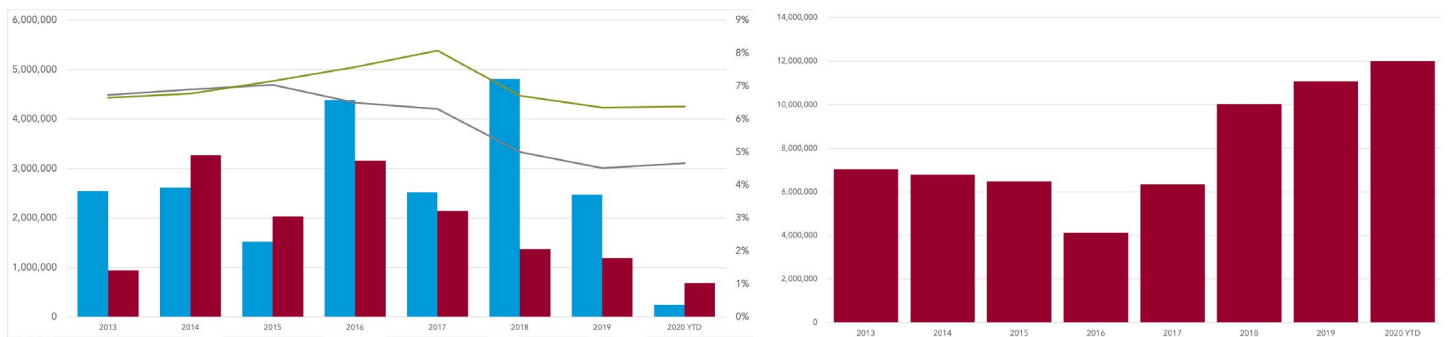
Toronto's office market continues to thrive with low vacancy and unemployment, strong rental growth, and new construction to meet demand. Tech firms flock to the downtown core thanks to strong talent pools, world-class universities, and relaxed immigration policies resulting in a vacancy of just 1.9% - the lowest in NA. These factors have helped insulate the sector from recessionary effects of the pandemic, but a levelling off is anticipated as tenants reconsider expansions and work-from-home policies become part of the 'new normal'. Strong demand can also be seen in the suburban markets as tenants looking for larger spaces or have been squeezed out of the downtown market explore other options.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	1,579,512 SF	2,002,616 SF	2,477,222 SF	3,903,087 SF	4,968,853 SF
▲ Vacancy Rate	4.70%	4.40%	4.50%	4.60%	4.70%
▼ Avg NNN Asking Rate	\$19.57 PSF	\$19.62 PSF	\$19.75 PSF	\$19.83 PSF	\$19.59 PSF
▲ Under Construction	12,007,455 SF	11,025,130 SF	11,062,689 SF	11,957,437 SF	11,674,597 SF
▲ Inventory	273,108,949 SF	272,631,835 SF	272,418,402 SF	271,644,231 SF	271,644,231 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5825 Explorer Drive Mississauga, ONT	152,948 SF	\$33,750,000 \$220.66 PSF	Baylis Medical Company BentallGreenOak	Class B
240 Richmond St W Toronto, ONT	119,442 SF	\$39,375,000 \$659.32 PSF	BentallGreenOak OCAD University	Class B
5060 Spectrum Way Mississauga, ONT	114,505 SF	\$33,800,000 \$295.18 PSF	Sun Commercial Real Estate GWL Realty Advisors	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16 York St Toronto, ONT	63,294 SF	Cadillac Fairview	IBM Canada	Technology
7020 Hurontario St Mississauga, ONT	60,000 SF	Kallo Developments	Undisclosed	Undisclosed
5050 Satellite Dr Mississauga, ONT	51,092 SF	Triovest Realty Advisors	Guideware Software Canada Ltd.	Technology