



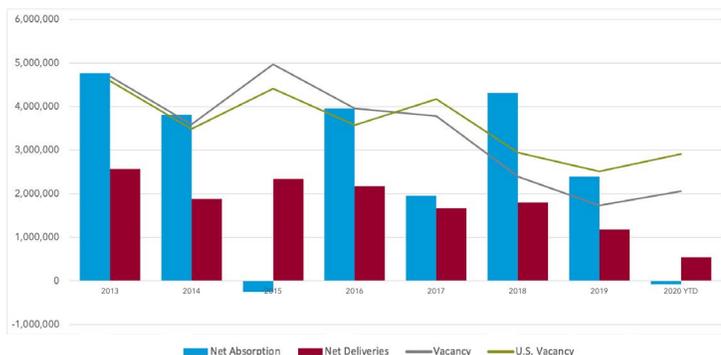
RETAIL MARKET OVERVIEW

DANIEL SMITH, *Vice President, Principal*

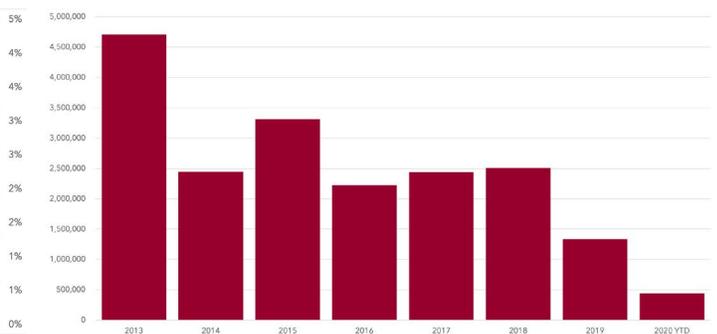
Toronto's retail sector has struggled as e-commerce slowly transformed traditional brick and mortar models. Despite innovative concepts, 2019 sales growth was the lowest since 2009 with retailers struggling to survive in a digitalized landscape. The damage due to the pandemic shutdowns has been severe and widespread. Even now as measures are relaxed, it is unlikely that shopping malls will return to the same levels pre-COVID. Streetfront stores and nodes with necessity-based retailers, primarily grocery and pharmacy, may be the only ones not to see a reduction in foot traffic. The cumulative effects of these factors may be the sectors tipping point, diminishing hope of recovery for traditional retail performance.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	857,934 SF	1,327,668 SF	2,387,811 SF	4,494,010 SF	4,249,288 SF
◀▶ Vacancy Rate	1.90%	1.90%	1.80%	1.80%	2.00%
▲ Avg NNN Asking Rate	\$26.96 PSF	\$26.77 PSF	\$26.21 PSF	\$25.55 PSF	\$25.43 PSF
▲ Under Construction	2,929,587 SF	2,790,771 SF	3,135,557 SF	2,913,318 SF	3,039,404 SF
▲ Inventory	291,948,977 SF	291,746,535 SF	291,385,721 SF	291,204,875 SF	291,205,970 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1030 Queen Street West Brampton, ONT	36,900 SF	\$3,400,000 \$92.14 PSF	Private Private	Class B
9651 Yonge Street Richmond Hill, ONT	31,858 SF	\$23,770,000 \$746.12 PSF	Private Clarissa Developments, Ltd	Class B
2 Allaura Blvd. Aurora, ONT	23,926 SF	\$9,650,000 \$403.33 PSF	Mer/Ax Investments & Dev Speed & Precision Construction Ltd	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8677 Weston Road Vaughan, ONT	10,112 SF	Capital North Realty Corporation	Mob Beauty Ink	Cosmetics
330 Bay Street Toronto, ONT	7,507 SF	Trinity Group	Supernova Ballroom	Hospitality
3160 Steeles Ave E Markham, ONT	5,600 SF	Agree Realty Centre Inc.	Heisei Mart	Grocery