



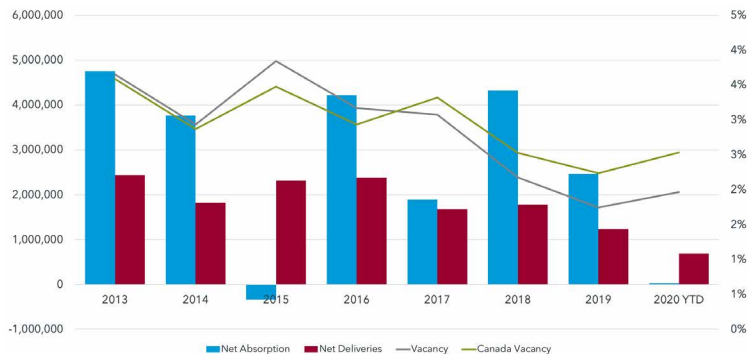
RETAIL MARKET OVERVIEW

NICOLE MONIZ, *Vice President, Retail*

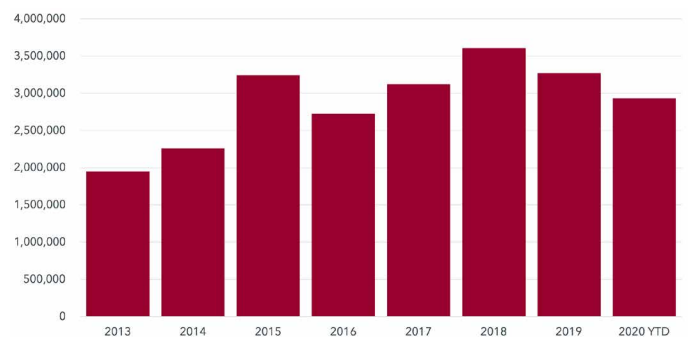
The Toronto retail industry seems to have reached a tipping point, allowing e-commerce to emerge as the logical successor to traditional brick-and-mortar models. Due to the lockdown and warnings to avoid high-traffic indoor areas, many shopping malls and underground pathways will inevitably see a large reduction in shoppers for the foreseeable future. Foot traffic in assets with essential based retailers remains high as well as neighbourhood streetfront as 'shopping local' has gained momentum and the perception of safety is higher. Albeit, tech giants like Amazon and Shopify continue digitalizing the industry and driving consumer behavior to e-commerce channels, further diminishing hope of a recovery for traditional retail performance.

MARKET INDICATORS	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
▼ Net Absorption	117,064 SF	949,921 SF	1,425,132 SF	2,468,205 SF	4,618,915 SF
▲ Vacancy Rate	2.0%	1.9%	1.9%	1.7%	1.8%
▼ Avg NNN Asking Rate	\$26.38 PSF	\$26.94 PSF	\$26.75 PSF	\$26.19 PSF	\$25.54 PSF
▼ Under Construction	3,070,308 SF	3,091,220 SF	2,966,835 SF	3,271,675 SF	2,890,703 SF
▲ Inventory	292,095,383 SF	292,073,733 SF	291,859,531 SF	291,528,942 SF	291,372,812 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
643-651 The Queensway Toronto, ON	9,718 SF	\$4,600,000.00 \$473.35 PSF	Private Private	Investment
3524 Dundas St Toronto, ON	7,055 SF	\$7,900,000.00 \$1,119.77 PSF	XYZ Storage Starbank Development	User
1116 Dundas St E Mississauga, ON	3,980 SF	\$2,200,000.00 \$552.76 PSF	Private Private	Investment

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
17440 Yonge Street Newmarket, ON	9,349 SF	Value Centres Inc.	Undisclosed	-
240 Leighland Avenue Oakville, ON	6,281 SF	Rio Can	The Pearl	Jewellery
18166 Yonge Street East Gwillimbury, ON	4,998 SF	Rio Can	Bath Depot	Building Material

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property and Lee Proprietary Data. ©

© Copyright 2020 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com