



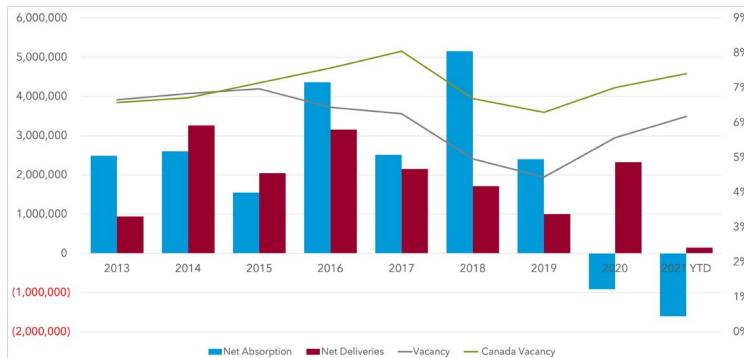
OFFICE MARKET OVERVIEW

WILL GEHRING, *Senior Vice President*

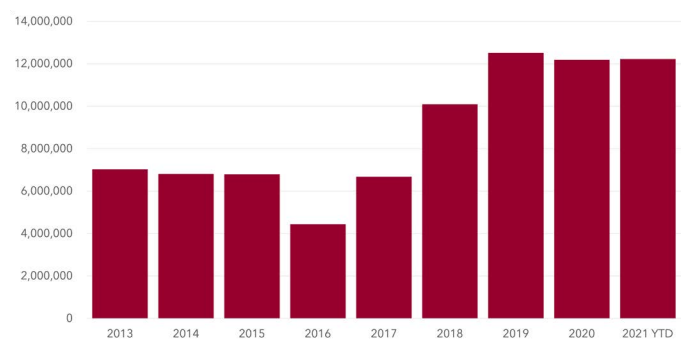
The pandemic has taken its toll on the office leasing market. Reports have shown leasing volume throughout the GTA has declined by 54% from this time one year ago. The current amount of sublet space in the GTA is approximately 6,000,000 SF, of which half is located in downtown Toronto. As we move into Q2 2021, tenants from most business sectors continue to have a “wait and see” mindset, hoping that once the vaccination of employees is fully complete, they will feel safe to return to work. The future workplace environment remains unknown. For now, the majority of employees continue to work from home and doing their best to be productive.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▼ Net Absorption SF	(2,526,172)	(911,835)	1,867,830	1,591,349	1,857,636
▲ Vacancy Rate	6.10%	5.60%	4.80%	4.50%	4.30%
◀▶ Avg NNN Asking Rate	\$19.78 PSF	\$19.78 PSF	\$19.64 PSF	\$19.55 PSF	\$19.60 PSF
▲ SF Under Construction	12,223,816	12,190,304	13,033,494	113,248,581	12,613,382
▲ Inventory SF	277,618,141	277,471,169	277,284,934	275,643,469	275,205,681

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
105 Commerce Valley Drive Markham, ON	188,865 SF	\$58,075,000 \$307.49 PSF	Soneil Group of Companies Northam Realty Advisors Ltd	Class A
55 Commerce Valley Drive Markham, ON	186,390 SF	\$56,925,000 \$305.41 PSF	Soneil Group of Companies Northam Realty Advisors Ltd	Class B
110 Yonge Street Toronto, ON	16,837 SF	\$58,000,000 \$721.23 PSF	Sutter Hill BentallGreenOak	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
40 King Street West Toronto, ON	922,360 SF	ARI SP NOMINEE INC.	Scotiabank	Finance
2360 Cornwall Road Oakville, ON	53,150 SF	C2C Industrial Properties (GTA) Ltd	Undisclosed	Undisclosed
8 Spadina Avenue Toronto, ON	33,218 SF	Quadrangle Architects Ltd.	Undisclosed	Undisclosed

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