



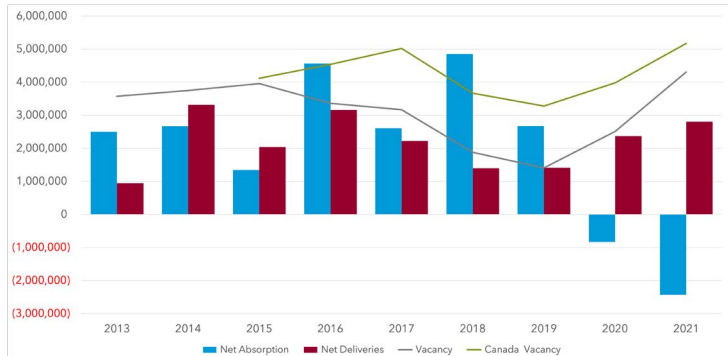
OFFICE MARKET OVERVIEW

WILL GEHRING, Senior Vice President

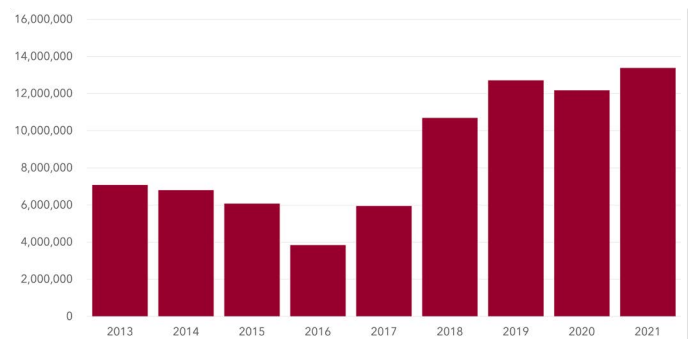
Although Canada's overall office vacancy rate increased slightly in Q4 2021, net absorption in Toronto turned positive for the first time since Q1 2020. Toronto's Pre-COVID vacancy rate was around 2% versus 10% today, which is comparatively healthy and with half the vacancy of many other North American metros. Office leasing activity has picked up with the downtown market slightly outperforming our suburban markets. As workers slowly return to their offices, they will expect a safe work environment that fosters interaction and collaboration.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▲ 12 Mo. Net Absorption SF	14,551,934	12,035,139	7,225,949	8,205,875	7,419,034
▼ Vacancy Rate	0.80%	1.00%	1.40%	1.60%	1.60%
▲ Avg NNN Asking Rate PSF	\$13.90	\$13.42	\$12.96	\$12.53	\$12.19
▲ SF Under Construction	16,360,903	13,434,214	15,169,116	12,460,930	12,866,669
▲ Inventory SF	852,395,302	851,725,519	847,717,375	846,523,856	844,724,338

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5099 Creebank Rd- Buildings B,C,D (Part of a Portfolio), Mississauga, ON	525,921 SF	\$207,470,000 \$394.49 PSF	Oak Street Real Estate Capital H&R Real Estate Investment Trust	Class A
5025 Creebank Rd- Building A (Part of a Portfolio), Mississauga, ON	365,295 SF	\$147,940,000 \$404.98 PSF	Oak Street Real Estate Capital H&R Real Estate Investment Trust	Class A
99 Atlantic Ave (99 Atlantic (Part of a Portfolio), Toronto, ON	140,500 SF	\$138,390,000 \$984.96 PSF	The BlackStone Group Inc. PSP Investments	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
40 King Street W Toronto, ON	558,104 SF	Undisclosed	Scotiabank	Finance & Insurance
895 Don Mills Road Toronto, ON	114,208 SF	Fana Group of Companies Inc.	LifeWorks	Professional, Scientific
19 Allstate Parkway Markham, ON	109,560 SF	Crown Realty Partners	Huawei Technologies Co. Ltd.	Manufacturing

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