



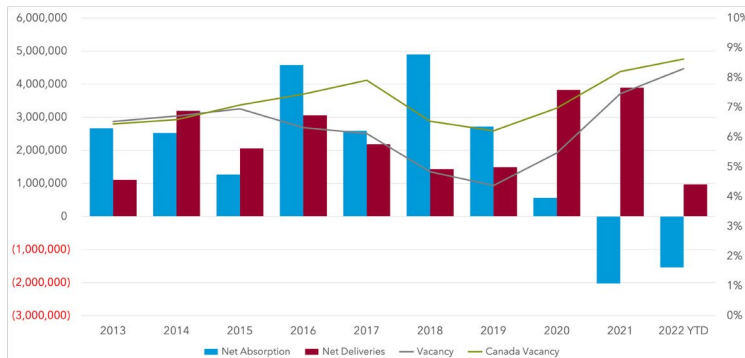
OFFICE MARKET OVERVIEW

WILL GEHRING, Senior Vice President

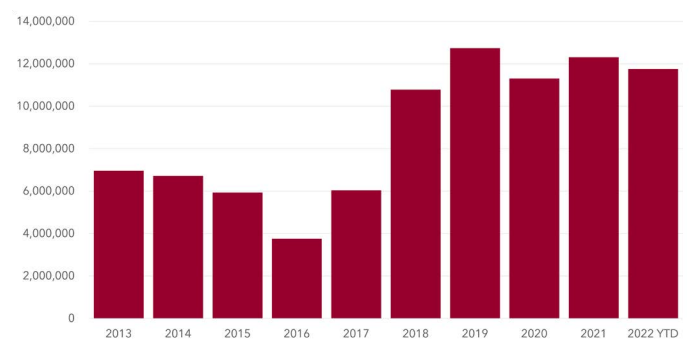
As the office sector slowly recovers from the pandemic, office markets overall are showing signs of stabilization; office real estate still has purpose and value to businesses from every industry. Signs of office market stabilization include decreasing vacancy rates in select markets across Canada, a decrease in the number of sublets, and construction permits on the rise. Class A office product continues to be in highest demand for both downtown and suburban nodes, mainly due to the immediate access these commercial properties have to desirable amenities for employers and their employees alike. We will see in Q3 the use of office space outside of our homes slowly trend back into our office markets resulting in a healthier balance between the supply and demand of office space.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▼ 12 Mo. Net Absorption SF	(1,609,581)	(1,178,951)	(2,023,190)	(3,818,242)	(2,610,612)
▲ Vacancy Rate	8.1%	7.9%	7.5%	6.5%	6.3%
▲ Avg NNN Asking Rate PSF	\$39.80	\$39.74	\$39.74	\$39.64	\$39.23
▼ SF Under Construction	11,759,383	11,880,090	12,312,317	14,528,587	12,432,841
▼ Inventory SF	288,010,165	288,039,003	287,042,388	284,167,530	283,945,070

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
55 Standish Court Mississauga, ON	821,954 SF	\$126,071,118 \$153.38 PSF	Crown Realty Partners Orlando Corporation	Class A
121 King Street W Toronto, ON	528,286 SF	\$369,491,849 \$699.42 PSF	Crestpoint Real Estate Investments BentallGreenOak	Class A
5770 Hurontario Street Mississauga, ON	250,703 SF	\$40,321,730 \$160.83 PSF	Crown Realty Partners Chiefton Investments	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
105 Berkeley Street Toronto, ON	150,000 SF	Colonia Treuhand	Undisclosed	Undisclosed
199 Bay Street Toronto, ON	69,918 SF	BCI	Guardian Capital	Finance and Insurance
6696 Financial Drive Mississauga, ON	50,970 SF	Meadowdale North	Undisclosed	Undisclosed

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