



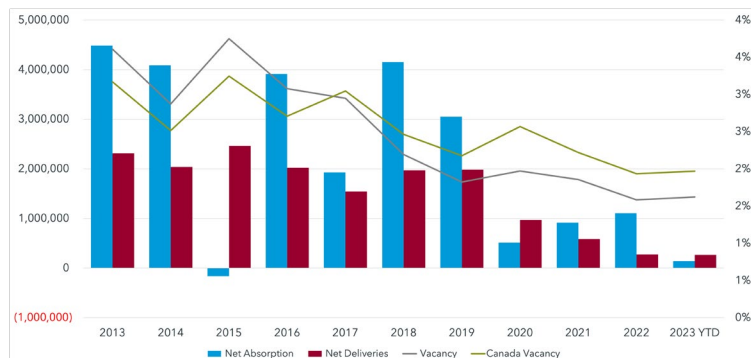
### RETAIL MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

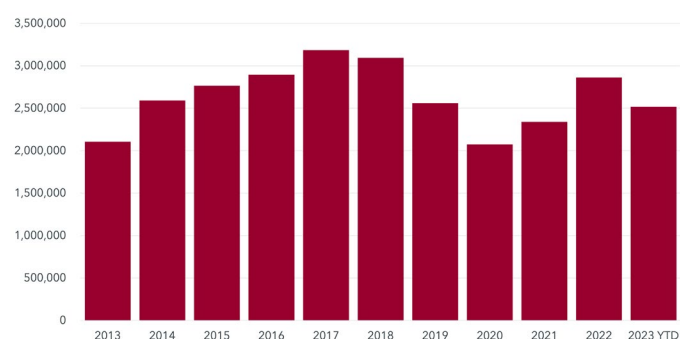
Retail in the Greater Toronto Area (GTA) is poised to recover well as we emerge from the pandemic, especially grocery-anchored retail centres. Even with the increasing CPI and interest rates, consumers will need to purchase everyday essentials making this format a preferred option for investors. Even though consumers are spending more, the effects of rising inflation and higher interest rates are impacting true growth in this sector. As the implications of higher inflation and a diminishing level of savings, consumers may slow their spending in the coming months. However, the rise in consumer prices positively affects landlords whose tenants' rents are correlated with their sales, translating into increased rent growth.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	1,261,377	1,106,258	987,998	1,292,459	786,785
◀ ▶ Vacancy Rate	1.60%	1.60%	1.60%	1.70%	1.90%
▲ Avg NNN Asking Rate PSF	\$34.09	\$34.01	\$33.75	\$33.36	\$32.78
▼ SF Under Construction	2,543,816	2,861,286	2,831,474	2,592,116	2,367,523
▲ Inventory SF	301,201,876	300,925,682	300,870,244	300,764,167	300,803,637

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
Portfolio Sale Ontario	3,746,535 SF	\$764,200,000* \$203.98 PSF	Sycamore Partners Lowe's Companies, Inc.	Multi-Tenant
5100 Erin Mills Parkway Mississauga, ON	800,000 SF	\$272,000,000* \$340.00 PSF	The Muzzo Group Ontario Pension Board	Multi-Tenant
3757 Keele Street Toronto, ON	93,088 SF	\$23,125,000* \$248.42 PSF	Nafeez Chowdhury CRAFT Development Corp	Single-Tenant

\*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1455-1457 McCowan Road Toronto, ON	28,676 SF	Desjardins Insurance	Princess Auto	Automotive
7979 Weston Road Vaughan, ON	23,186 SF	CPD Developments	Ashley HomeStore	Home Décor
15 Canmotor Avenue Toronto, ON	21,109 SF	Riverside Cardiology and Diagnostic Imaging	Social Motion Media Inc.	Media

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