



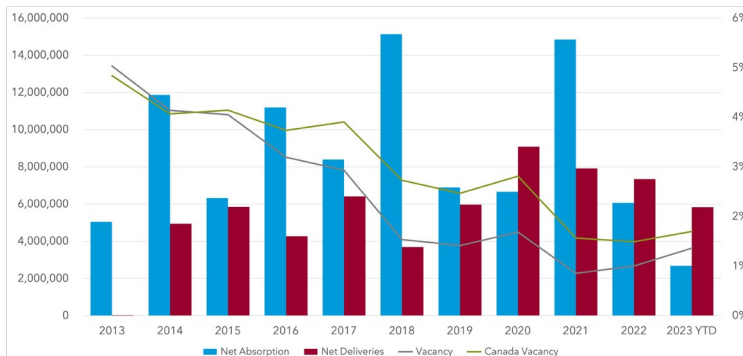
INDUSTRIAL MARKET OVERVIEW

DANIEL SMITH, Senior Vice President, Partner

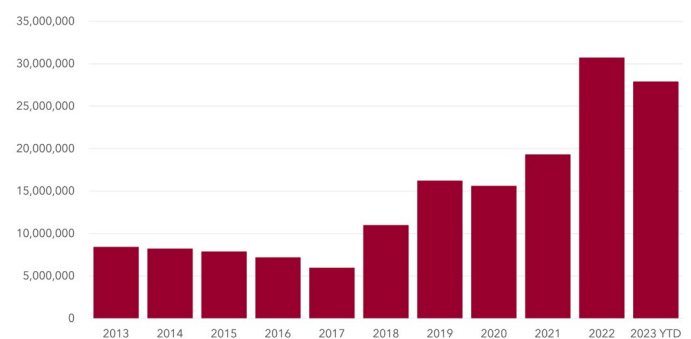
Toronto's industrial vacancies remained lower than the national average in Q2 2023. The high demand caused by the growth in e-commerce, increased manufacturing activity, and a growing population have resulted in the limited supply of industrial leases which will further tighten. As a result, industrial rents within the GTA have been on an upwards trend, reaching a record high average of \$18.70 PSF. This trend in rental costs is projected to continue, as demand is anticipated to outpace supply due to rising construction costs slowing the development of new buildings. Additionally, developers are constrained by the geographic limitations within the GTA such as the greenbelt and the decreasing availability of developable land.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	6,378,148	6,640,097	6,066,623	5,740,820	12,193,634
▲ Vacancy Rate	1.4%	1.2%	1.0%	1.0%	1.0%
▲ Avg NNN Asking Rate PSF	\$18.53	\$18.05	\$17.37	\$16.62	\$15.89
▼ SF Under Construction	27,915,191	28,602,898	30,730,734	29,995,623	26,046,398
▲ Inventory SF	862,761,123	860,117,237	856,929,974	854,665,628	853,707,840

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8574 Boston Church Road Milton, ON	754,704 SF	\$176,000,000** \$233.20 PSF	Pure Industrial TD Asset Management	Class B
150 Signet Drive* Toronto, ON	555,297 SF	Undisclosed	W.P. Carey, Inc. Apotex	Class B
50 Steinway Boulevard* Toronto, ON	516,845 SF	Undisclosed	W.P. Carey, Inc. Apotex	Class C

* Part of 16 Property Portfolio Sale; **All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1100 Thornton Road S Oshawa, ON	162,753 SF	Crux Capital Corporation	DCM	Advertising Agency
137 Horner Avenue Toronto, ON	149,378 SF	H&R Real Estate Investment Trust	Undisclosed	Undisclosed
4680 Garrard Road Whitby, ON	125,000 SF	Panattoni Canada	Undisclosed	Undisclosed

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