



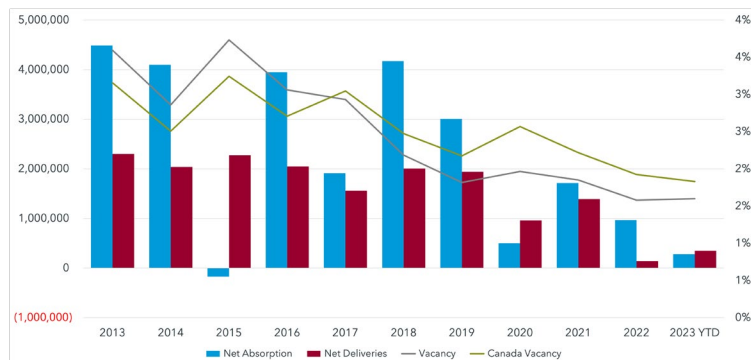
RETAIL MARKET OVERVIEW

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

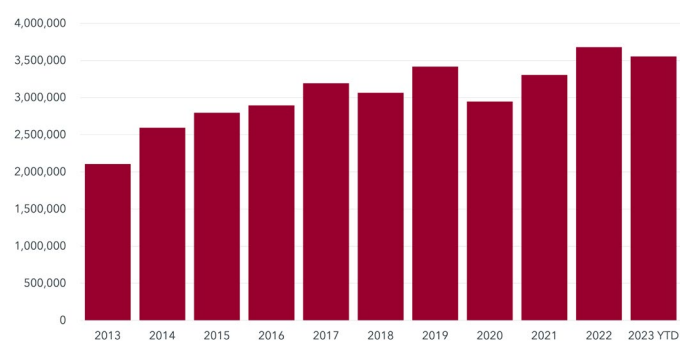
Toronto's retail vacancies continued to remain around 1.6% in Q2 2023. In response to high inflation, the popularity of percentage rent agreements has increased, allowing both landlords and tenants to benefit from any increase in sales. As the economy continues to recover in the post-pandemic era, retail sales are expected to further increase, driving rental rates upward. Despite the Bank of Canada's efforts at quantitative tightening, the job market in Toronto remained robust, fueling consumer spending. As a result, leasing volumes are currently centered around retail centres with essential retail tenants such as banks, grocery stores, and pharmacies. Additionally, luxury storefronts have recently demonstrated strong performances, contributing to the demand for spaces within retail centres.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	582,385	1,136,758	968,011	844,235	2,130,824
◀ ▶ Vacancy Rate	1.6%	1.6%	1.6%	1.7%	1.7%
▲ Avg NNN Asking Rate PSF	\$34.74	\$34.40	\$34.17	\$33.84	\$33.40
▲ SF Under Construction	3,553,482	3,510,300	3,679,651	3,772,656	3,529,609
▲ Inventory SF	303,366,543	303,296,352	303,016,800	303,099,370	303,001,224

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
126 Wellington Street W Aurora, ON	51,673 SF	\$15,950,000* \$308.67 PSF	Liisa Yazdani Harry Rotenberg Real Estate	Multi-Tenant
5328 Highway 7 Markham, ON	26,539 SF	\$26,500,000* \$998.53 PSF	Realtrium Holdings, Inc. Frank Shahidi	Multi-Tenant
76-94 Lakeshore Road W Oakville, ON	25,272 SF	\$1,360,000* \$53.81 PSF	Undisclosed Undisclosed	Multi-Tenant

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
909 Lake Shore Boulevard W Toronto, ON	65,000 SF	Ministry of Government and Consumer Services	Therme Spa	Health and Wellness
225 High Tech Road Richmond Hill, ON	31,756 SF	Metrus Properties	rooms + spaces	Home Furniture
1455-1457 McCowan Road Toronto, ON	28,676 SF	Desjardins Insurance	Si Vous Play Sports	Athletic Apparel

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