



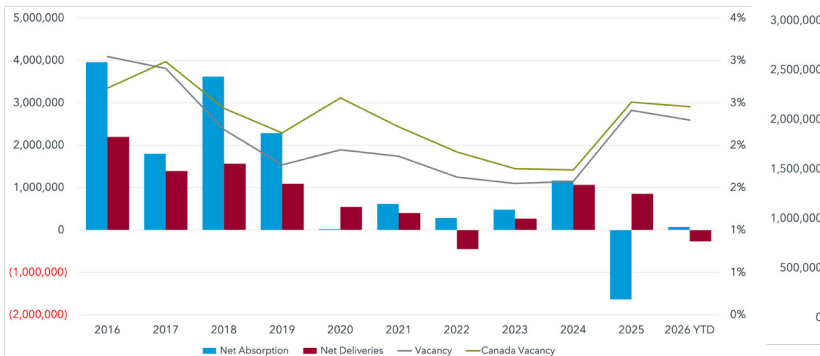
RETAIL MARKET OVERVIEW

LEE & ASSOCIATES TORONTO, *Real Estate Intelligence Department*

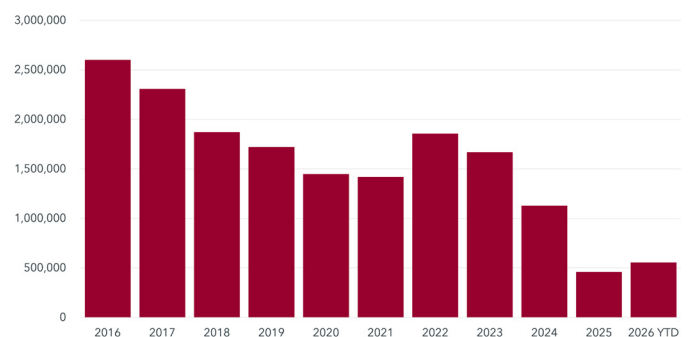
GTA retail conditions remain relatively tight, supported by limited new supply and ongoing demand for necessity-based space. Retailer activity has recovered following the disruption caused by major department store closures, although large-format vacancies may take longer to absorb as many locations require subdivision, redevelopment or alternative uses. Performance varies across the region, with suburban necessity-based nodes holding up better than areas more exposed to enclosed malls and large-format retail. Rent growth is expected to moderate as retailers become more selective, while constrained development and healthy occupancy should continue to support the market.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	229,214	519,400	(1,625,069)	(1,634,839)	(2,183,493)
◀ ▶ Vacancy Rate	2.34%	2.34%	2.43%	2.41%	2.34%
▲ Avg NNN Asking Rate PSF	\$36.87	\$36.75	\$36.51	\$36.41	\$36.24
▼ Sale Price PSF	\$513.97	\$515.94	\$507.85	\$508.38	\$509.83
▲ Cap Rate	5.11%	5.09%	5.10%	5.07%	5.04%
▼ Under Construction SF	576,408	598,386	556,359	459,478	946,571
▼ Inventory SF	295,830,525	295,899,004	296,070,069	296,118,509	295,591,422

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2267 Islington Ave Toronto, ON	97,229 SF	\$23,500,000 \$241.70 PSF	TWTH Development Inc. Consolidated Group of Companies (Canada) Inc.	Multi-Tenant
19 Notion Rd Ajax, ON	35,000 SF	\$5,500,000 \$157.14 PSF	The Regional Municipality of York- Active Consumer Electronics Inc.	Multi-Tenant
1165 Kennedy Rd Toronto, ON	30,270 SF	\$11,375,000 \$375.78 PSF	Northstone Asset Inc. Nova Properties Inc.	Single-Tenant

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5000 Highway 7 E Markham, ON	68,000 SF	Cadillac Fairview	T&T Supermarket	Supermarkets and Grocery Stores
1650 Victoria St E Whitby, ON	31,470 SF	RioCan	JYSK	All Other Home Fur- nishings Retailers
36 Glenwoods Ave Georgina, ON	26,000 SF	CRAFT Development	Winners	Family Clothing Stores

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