



INDUSTRIAL MARKET OVERVIEW

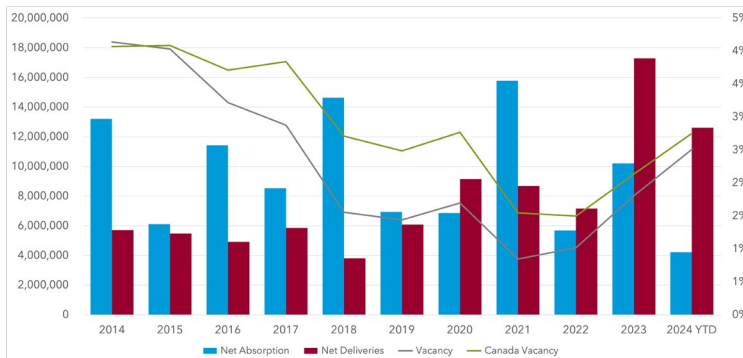
LEE & ASSOCIATES TORONTO, *Real Estate Intelligence Department*

The Greater Toronto Area industrial real estate market is softening after its pandemic peak, though it remains robust. Vacancy rates have doubled over the past year, surpassing the national average for the first time since 2016. Larger industrial spaces are seeing higher availability, with sublet spaces surging. Despite economic pressures and slowing construction, demand persists, and rent growth still outpaces inflation. By year-end, 16 million SF of new space is expected, with 65% being available. Additionally, sales volumes have declined, though price per square foot remains 20% above the national average.

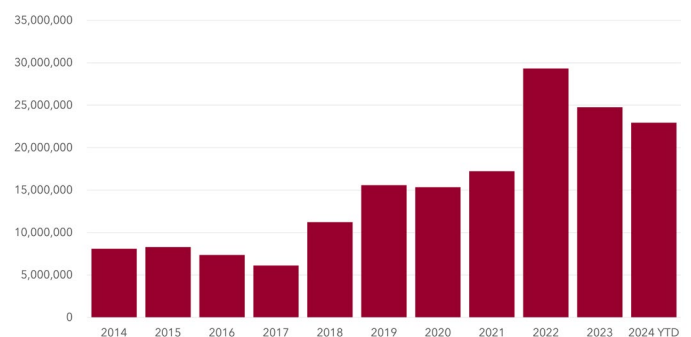
**All numbers shown are in Canadian dollars (CAD)*

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	5,585,390	8,387,353	8,891,711	10,205,801	9,078,018
▲ Vacancy Rate	2.6%	2.3%	2.1%	1.8%	1.3%
▲ Avg NNN Asking Rate PSF	\$20.11	\$20.07	\$19.89	\$19.44	\$18.94
▲ Sale Price PSF	\$364.00	\$361.00	\$354.00	\$347.00	\$338.00
◀▶ Cap Rate	4.5%	4.5%	4.5%	4.5%	4.5%
▼ Under Construction SF	22,937,221	25,393,889	23,194,026	24,757,321	29,880,794
▲ Inventory SF	884,470,873	880,291,392	878,426,828	875,294,055	867,829,648

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8450 Boston Church Road Milton, ON	1,335,026 SF	\$361,000,000 \$270.41 PSF	Prologis, Inc. Sycamore Partners	Class B
6941 Derry Road Mississauga, ON	685,575 SF	\$89,600,500 \$130.69 PSF	Crestpoint Real Estate Investments Loblaw Companies	Class B
1575 South Gateway Road Mississauga, ON	161,055 SF	\$52,530,042 \$326.16 PSF	Enticor Properties KingSett Capital	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1352 Tonolli Road Mississauga, ON	130,000 SF	BentallGreenOak	Philburn Logistics, Inc.	Transportation and Warehousing
6040 Cantay Road Mississauga, ON	95,499 SF	Orlando Corporation	Avantor	Medical and Dental Equipment
1 Parratt Road Uxbridge, ON	89,338 SF	Steve Richards	Pine Valley Packaging	Packaging and Labeling Services

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