



RETAIL MARKET OVERVIEW

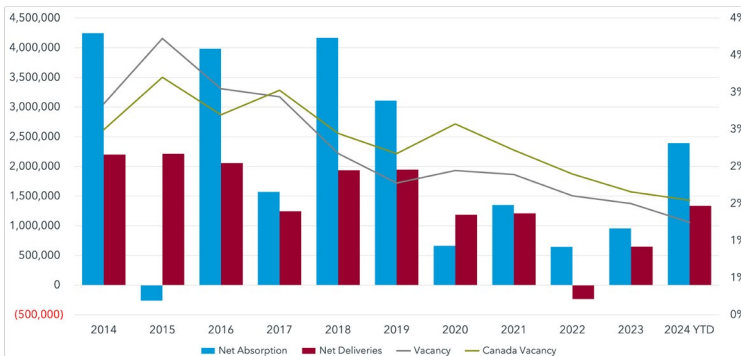
LEE & ASSOCIATES TORONTO, *Real Estate Intelligence Department*

Toronto's retail market is supported by a growing, diverse population and strong employment which drives demand for physical retail spaces. Over the past year, net absorption reached 2.1 million sq. ft., while rents modestly grew and vacancy rates declining. However, the market remains largely flat. E-commerce and changing consumer behavior are reshaping retail, pushing retailers to invest in technology and experiential shopping environments. Strategic investments and changes to alcohol sales, signal optimism. Despite challenges, stable rents and low vacancies make retail an appealing opportunity for institutional investors compared to office properties.

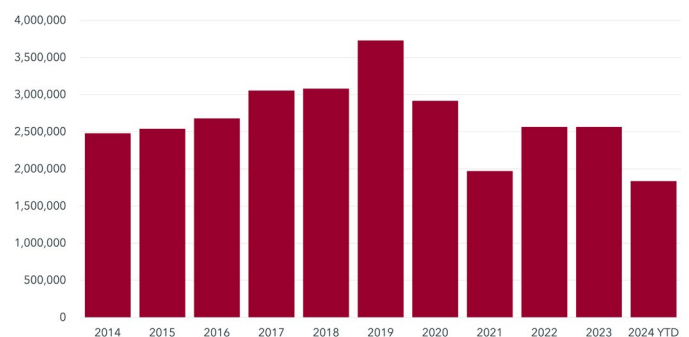
**All numbers shown are in Canadian dollars (CAD)*

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ 12 Mo. Net Absorption SF	2,088,865	1,665,401	1,303,187	954,582	686,121
◀▶ Vacancy Rate	1.3%	1.3%	1.5%	1.5%	1.7%
▲ Avg NNN Asking Rate PSF	\$35.98	\$35.97	\$35.59	\$35.37	\$35.19
▲ Sale Price PSF	\$537.00	\$535.00	\$529.00	\$528.00	\$524.00
◀▶ Cap Rate	4.7%	4.7%	4.7%	4.7%	4.7%
▼ Under Construction SF	1,836,332	2,365,148	2,425,615	2,564,273	2,632,665
▲ Inventory SF	304,541,093	303,978,942	303,724,456	303,587,489	303,741,495

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2027 Kipling Avenue Toronto, ON	56,500 SF	\$20,000,000 \$353.98 PSF	Tesco Building Supplies Canadian Tire	Single-Tenant
300 Queen Street East Brampton, ON	30,386 SF	\$18,250,000 \$600.61 PSF	Undisclosed The Humberview Group	Single-Tenant
19 Woodbine Downs Boulevard Toronto, ON	26,002 SF	\$2,950,000 \$113.45 PSF	Lutek Continental Services Undisclosed	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3003 Danforth Avenue Toronto, ON	134,845 SF	RioCan Real Estate Investment Trust	Canadian Tire	Department Stores
88 King Street West Oshawa, ON	15,831 SF	Abbas Bigdeli	TK Home	Department Stores
39 Orfus Road Toronto, ON	15,000 SF	Rhyl Realty	SoftMoc	Shoe Retailers

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