



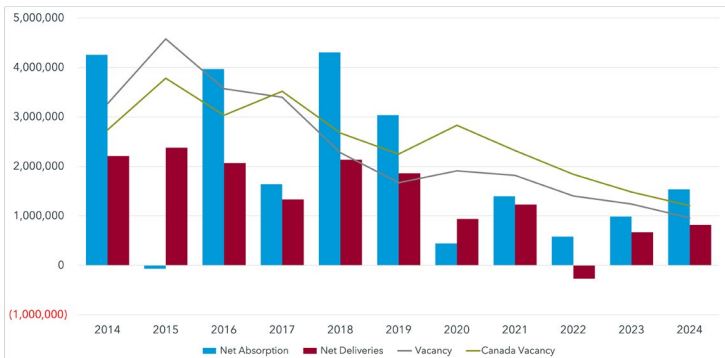
RETAIL MARKET OVERVIEW

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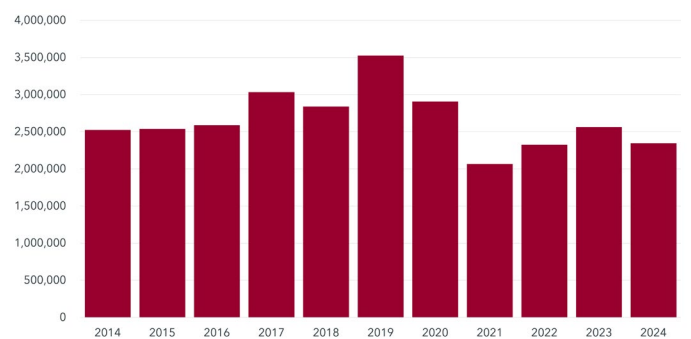
The Greater Toronto Area (GTA) is thriving on strong market fundamentals, with population growth outpacing retail inventory expansion. Since 2016, the GTA's retail inventory has increased by 4%. When compared to the 17% surge in population, this underscores a clear supply-demand gap. Concerns about the rise of e-commerce previously slowed retail construction. However, with e-commerce usage steady at 6%, demand for physical stores remains strong, driven by growing consumer spending. Toronto's tight vacancies are paired with notable activity, such as Tiffany & Co.'s flagship relocation and Harry Rosen's \$50 million Yorkville expansion. New alcohol sales policies in convenience stores enhance retail prospects but raise concerns about the LCBO's role as a key anchor tenant.

| MARKET INDICATORS | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 1,537,170 | 2,133,093 | 1,910,564 | 1,300,104 | 985,757 |
| ▲ Vacancy Rate | 1.3% | 1.2% | 1.3% | 1.5% | 1.5% |
| ▼ Avg NNN Asking Rate PSF | \$36.21 | \$36.22 | \$36.10 | \$35.77 | \$35.55 |
| ▲ Sale Price PSF | \$530 | \$529 | \$527 | \$523 | \$524 |
| ◀▶ Cap Rate | 4.8% | 4.8% | 4.8% | 4.8% | 4.7% |
| ▼ Under Construction SF | 2,344,100 | 2,423,081 | 2,361,350 | 2,549,382 | 2,563,890 |
| ▲ Inventory SF | 303,982,509 | 303,909,993 | 303,449,168 | 303,004,717 | 302,998,113 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | TENANCY TYPE |
|--|------------|------------------------------|--|---------------|
| 1629-1633 The Queensway Toronto, ON | 106,600 SF | \$34,300,000 \$321.76 PSF | Zanchin Automotive Group First Capital REIT | Single-Tenant |
| 77-83 Davis Drive Newmarket, ON | 35,000 SF | \$6,100,000 \$174.29 PSF | Advanced Precast, Inc. Zen Trinity Properties | Multi-Tenant |
| 10 Neighbourhood Lane Toronto, ON | 31,826 SF | \$14,000,000 \$439.89 PSF | Supertrin Properties Ontario Superior Court | Multi-Tenant |

*All numbers shown are in Canadian dollars (CAD)

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|---|-----------|------------------|--------------------|---------------------------------|
| 700 University Avenue Toronto, ON | 17,000 SF | KingSett Capital | Shoppers Drug Mart | Pharmacies and Drug Retailer |
| 877-899 College Street Toronto, ON | 15,009 SF | Clifton Blake | Loblaws | Supermarkets and Grocery Stores |
| 77 City Centre Drive Mississauga, ON | 12,306 SF | Morguard | Undisclosed | Undisclosed |

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