

# CoStar Industrial Statistics

First Quarter 2017

## Greater Toronto Industrial Market



**CoStar**<sup>TM</sup>  
The knowledge market

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## Methodology

The CoStar Industrial Statistics calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 95.6 billion square feet of coverage in 4.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

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## Terms & Definitions

**Availability Rate:** The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

**Available Space:** The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

**Build-to-Suit:** A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

**Buyer:** The individual, group, company, or entity that has purchased a commercial real estate asset.

**Cap Rate:** Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

**CBD:** Abbreviation for Central Business District. (See also: Central Business District)

**Central Business District:** The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

**Class A:** A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

**Class B:** A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Class C:** A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Construction Starts:** Buildings that began construction during a specific period of time. (See also: Deliveries)

**Contiguous Blocks of Space:** Space within a building that is, or is able to be joined together into a single contiguous space.

**Deliveries:** Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certifi-

cate of occupancy must have been issued for the property.

**Delivery Date:** The date a building completes construction and receives a certificate of occupancy.

**Developer:** The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

**Direct Space:** Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

**Existing Inventory:** The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

**Flex Building:** A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

**Full Service Rental Rate:** Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

**Gross Absorption:** The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

**Growth in Inventory:** The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

**Industrial Building:** A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

**Landlord Rep:** (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

**Leased Space:** All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

**Leasing Activity:** The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

**Market:** Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

**Multi-Tenant:** Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

**Net Absorption:** The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

**Net Rental Rate:** A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

**New Space:** Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

**Occupied Space:** Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

**Office Building:** A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

**Owner:** The company, entity, or individual that holds title on a given building or property.

**Planned/Proposed:** The status of a building that has been announced for future development but not yet started construction.

**Preleased Space:** The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

**Price/SF:** Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

**Property Manager:** The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

**Quoted Rental Rate:** The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

**RBA:** Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

**Region:** Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

**Relet Space:** Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

**Rentable Building Area:** (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

**Rental Rates:** The annual costs of occupancy for a particular space quoted on a per square foot basis.

**Sales Price:** The total dollar amount paid for a particular property at a particular point in time.

**Sales Volume:** The sum of sales prices for a given group of buildings in a given time period.

**Seller:** The individual, group, company, or entity that sells a particular commercial real estate asset.

**SF:** Abbreviation for Square Feet.

**Single-Tenant:** Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

**Sublease Space:** Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

**Submarkets:** Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

**Suburban:** The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

**Tenancy:** A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

**Tenant Rep:** Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

**Time On Market:** A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

**Under Construction:** Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

**Vacancy Rate:** A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

**Vacant Space:** Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

**Weighted Average Rental Rate:** Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

**Year Built:** The year in which a building completed construction and was issued a certificate of occupancy.

**YTD:** Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

## Greater Toronto's Vacancy Increases to 3.5% Net Absorption Positive 1,249,374 SF in the Quarter

The Greater Toronto Industrial market ended the first quarter 2017 with a vacancy rate of 3.5%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 1,249,374 square feet in the first quarter. Vacant sublease space increased in the quarter, ending the quarter at 2,801,699 square feet. Rental rates ended the first quarter at \$6.53 per square foot, an increase over the previous quarter. A total of 14 buildings delivered to the market in the quarter totaling 2,516,388 square feet, with 5,038,673 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Greater Toronto Industrial market was positive 1,249,374 square feet in the first quarter 2017. That compares to negative (991,160) square feet in the fourth quarter 2016, positive 4,591,732 square feet in the third quarter 2016, and positive 1,709,901 square feet in the second quarter 2016.

Tenants moving out of large blocks of space in 2017 include: Sobeys moving out of (563,431) square feet at 2701 High Point Dr after moving to their new expanded space at 8265 Huntington Rd in Vaughan in 2016, Martinre Automotive System Ajax moving out of (128,238) square feet at 650 Finley Ave, and Schenker Canada moving out of (123,745) square feet at 104 Walker Dr.

Tenants moving into large blocks of space in 2017 include: Genco moving into 236,245 square feet at 95 Market Dr, Exel Inc moving into 235,980 square feet at 6 Manchester Ct, and Mevotech moving into 183,258 square feet at 3075 Caravelle Dr.

The Flex building market recorded net absorption of positive 85,951 square feet in the first quarter 2017, compared to positive 40,512 square feet in the fourth quarter 2016, positive 290,599 in the third quarter 2016, and positive 73,058 in the second quarter 2016.

The Warehouse building market recorded net absorption of positive 1,163,423 square feet in the first quarter 2017 compared to negative (1,031,672) square feet in the fourth quarter 2016, positive 4,301,133 in the third quarter 2016, and positive 1,636,843 in the second quarter 2016.

### Vacancy

The Industrial vacancy rate in the Greater Toronto Area market increased to 3.5% at the end of the first quarter 2017. The vacancy rate was 3.3% at the end of the fourth quarter 2016, 3.1% at the end of the third quarter 2016, and 3.6% at the end of the second quarter 2016.

Flex projects reported a vacancy rate of 4.1% at the end of the first quarter 2017, 4.2% at the end of the fourth quarter 2016, 4.3% at the end of the third quarter 2016, and 4.6% at the end of the second quarter 2016.

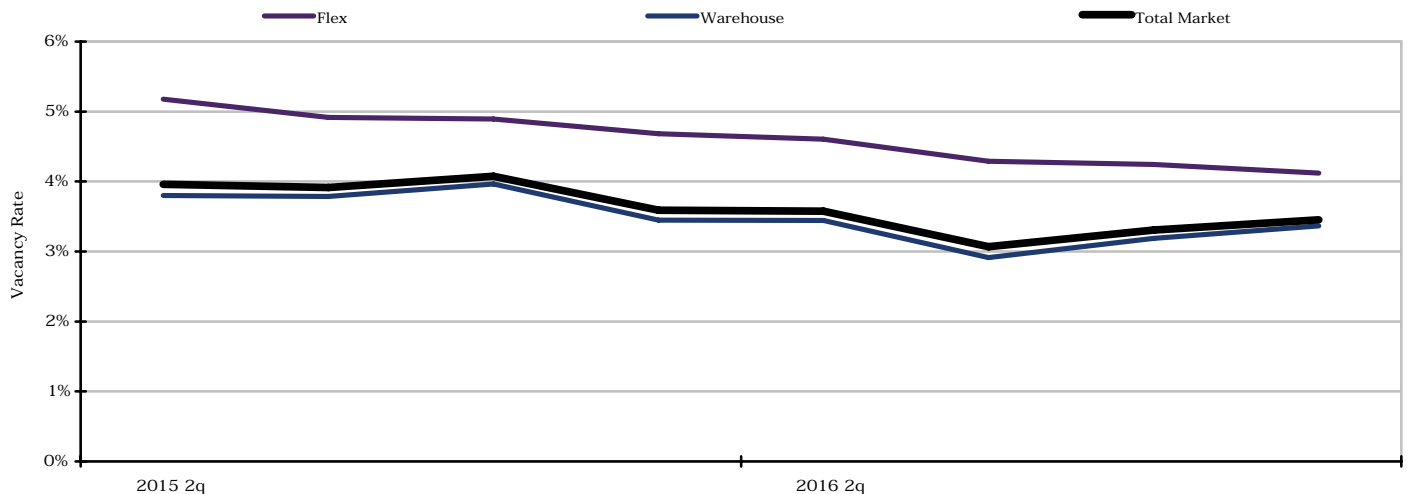
Warehouse projects reported a vacancy rate of 3.4% at the end of the first quarter 2017, 3.2% at the end of fourth quarter 2016, 2.9% at the end of the third quarter 2016, and 3.4% at the end of the second quarter 2016.

### Largest Lease Signings

Some of the largest lease signings occurring in 2017 included: the 250,000-square-foot lease signed by State Window Corporation at 200 Trade Valley Dr in the North

## Vacancy Rates by Building Type

2013-2017



Source: CoStar Property®

market; the 158,458-square-foot deal signed by Technicolor Canada Inc at 1271 Tapscott Rd - Bldg 3 in the Central market; and the 134,850-square-foot lease signed by Exel Inc at 6 Manchester Ct in the West market.

### Sublease Vacancy

The amount of vacant sublease space in the Greater Toronto market increased to 2,801,699 square feet by the end of the first quarter 2017, from 2,065,318 square feet at the end of the fourth quarter 2016. There was 1,918,085 square feet vacant at the end of the third quarter 2016 and 3,141,307 square feet at the end of the second quarter 2016.

Greater Toronto's Flex projects reported vacant sublease space of 174,709 square feet at the end of first quarter 2017, down from the 195,044 square feet reported at the end of the fourth quarter 2016. There were 136,750 square feet of sublease space vacant at the end of the third quarter 2016, and 209,436 square feet at the end of the second quarter 2016.

Warehouse projects reported increased vacant sublease space from the fourth quarter 2016 to the first quarter 2017. Sublease vacancy went from 1,870,274 square feet to 2,626,990 square feet during that time. There was 1,781,335 square feet at the end of the third quarter 2016, and 2,931,871 square feet at the end of the second quarter 2016.

### Rental Rates

The average quoted asking rental rate for available Industrial space was \$6.53 per square foot per year at the end of the first quarter 2017 in the Greater Toronto Area market. This represented a 0.8% increase in quoted rental rates from the end of the fourth quarter 2016, when rents were reported at \$6.48 per square foot.

The average quoted rate within the Flex sector was \$11.84 per square foot at the end of the first quarter 2017, while

Warehouse rates stood at \$6.18. At the end of the fourth quarter 2016, Flex rates were \$11.60 per square foot, and Warehouse rates were \$6.12.

### Deliveries and Construction

During the first quarter 2017, 14 buildings totaling 2,516,388 square feet were completed in the Greater Toronto Area market. This compares to 11 buildings totaling 1,260,086 square feet that were completed in the fourth quarter 2016, six buildings totaling 941,927 square feet completed in the third quarter 2016, and 1,750,708 square feet in 11 buildings completed in the second quarter 2016.

There were 5,038,673 square feet of Industrial space under construction at the end of the first quarter 2017.

Some of the notable 2017 deliveries include: 2994 Peddie Rd, a 665,206-square-foot facility that delivered in first quarter 2017 and is now 0% occupied, and 125 Madill Blvd, a 450,000-square-foot building that delivered in first quarter 2017 and is now 100% occupied.

The largest projects underway at the end of first quarter 2017 were Canadian Tire Distribution Centre, a 1,400,000-square-foot building with 100% of its space pre-leased, and Plan 1 Building A at 7951 5th Line in Halton Hills, a 774,614-square-foot facility that is 0% pre-leased.

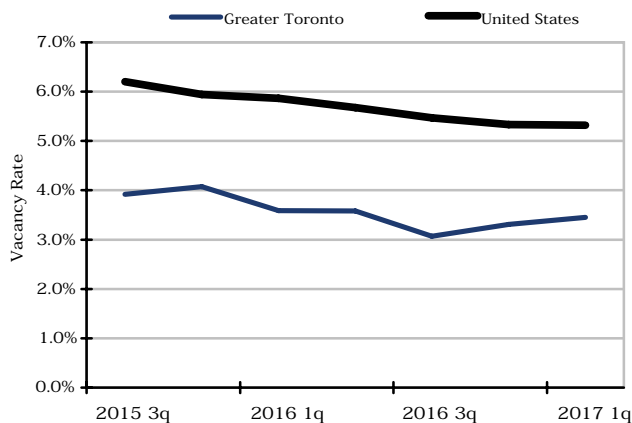
### Inventory

Total Industrial inventory in the Greater Toronto Area market amounted to 802,447,065 square feet in 16,920 buildings as of the end of the first quarter 2017. The Flex sector consisted of 92,047,696 square feet in 2,171 projects. The Warehouse sector consisted of 710,399,369 square feet in 14,749 buildings. Within the Industrial market there were 338 owner-occupied buildings accounting for 45,730,688 square feet of Industrial space.

*Reports compiled by: Roelof van Dijk, CoStar Senior Research Manager*

## U.S. Vacancy Comparison

Past 7 Quarters



Source: CoStar Property®

## CoStar Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

### Submarket Clusters

Central Ind

East Ind

North Ind

West Ind



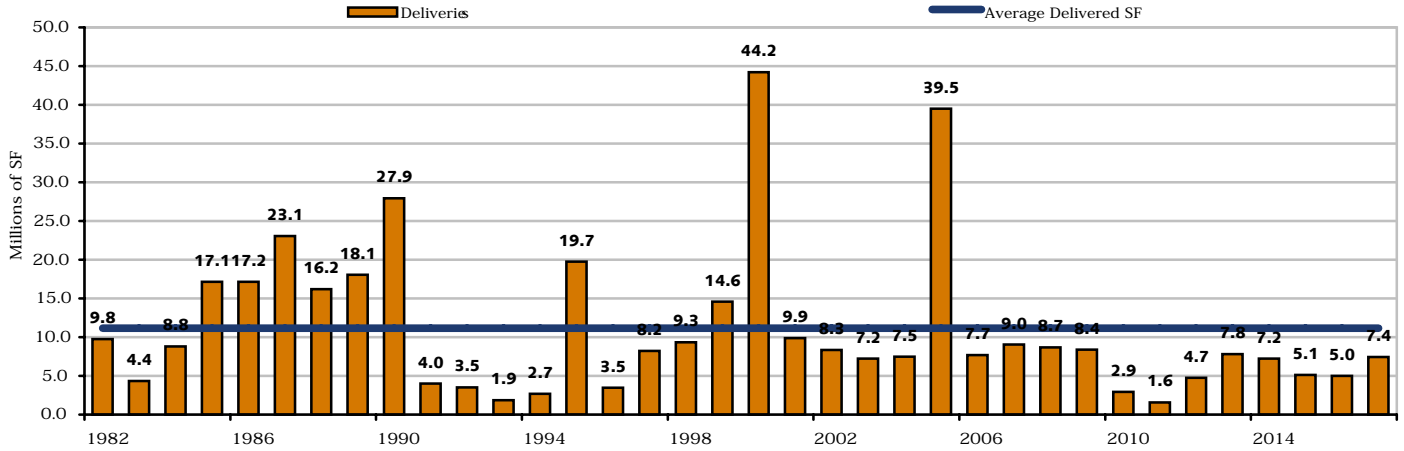


# Greater Toronto Industrial Market

Inventory & development

## Historical Deliveries

1982 - 2017



Source: CoStar Property® \* Future deliveries based on current under construction buildings.

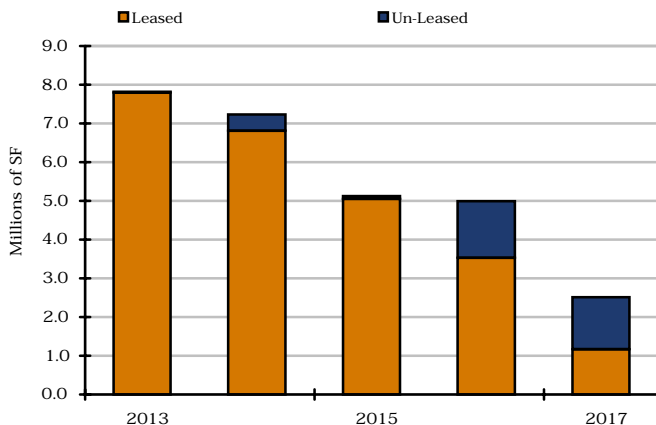
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
West Ind	16	4,257,854	2,006,405	47.1%	53,934	266,116
North Ind	8	475,361	340,681	71.7%	47,632	59,420
Central Ind	3	305,458	243,818	79.8%	39,490	101,819
East Ind	0	0	0	0.0%	49,253	0
<b>Totals</b>	<b>27</b>	<b>5,038,673</b>	<b>2,590,904</b>	<b>51.4%</b>	<b>47,426</b>	<b>186,618</b>

Source: CoStar Property®

## Recent Deliveries

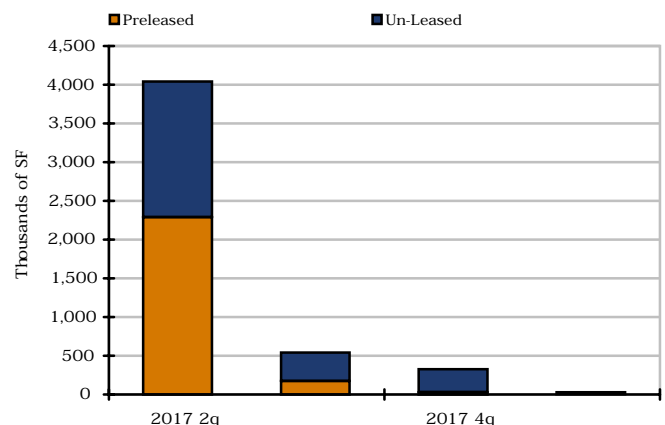
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

## Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

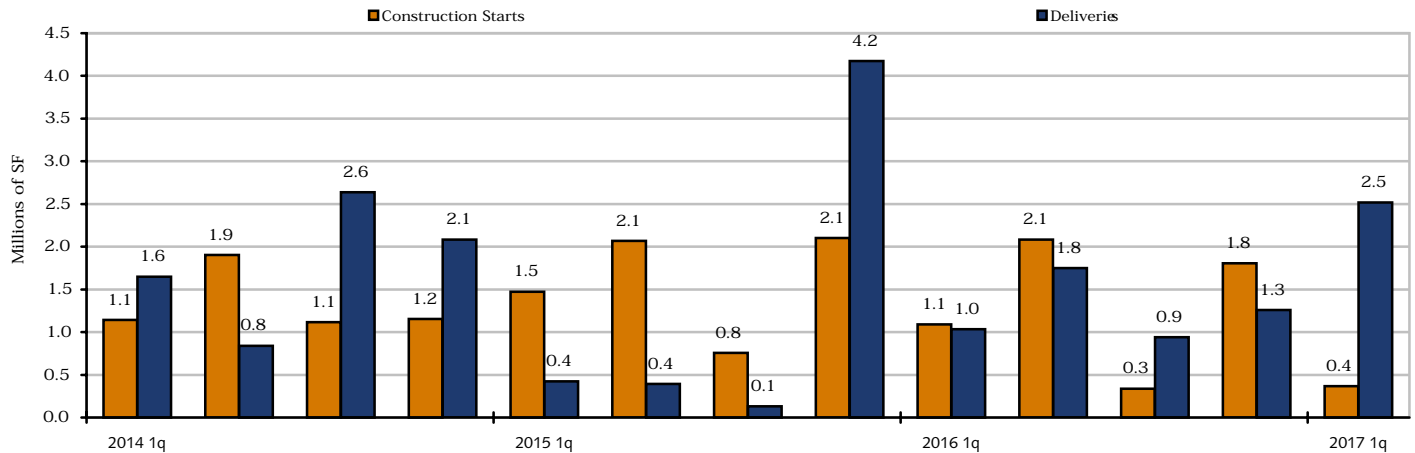
# Greater Toronto Industrial Market



Inventory & development

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

## RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	6	167,812	138,343	82.4%	\$9.35	30,048	137,764
50,000 SF - 99,999 SF	2	160,346	66,549	41.5%	\$7.23	0	160,346
100,000 SF - 249,999 SF	2	350,256	212,347	60.6%	\$6.80	0	350,256
250,000 SF - 499,999 SF	3	1,172,768	750,000	64.0%	\$6.50	722,768	450,000
>= 500,000 SF	1	665,206	0	0.0%	\$6.50	0	665,206

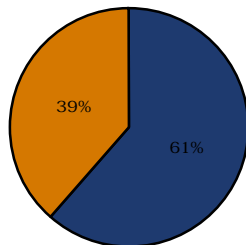
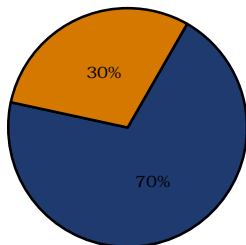
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

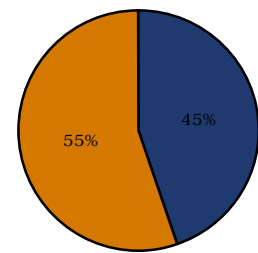
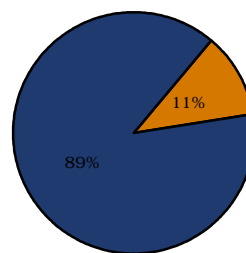
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

## Select Year-to-Date Deliveries

Based on Project Square Footage

<p><b>1. 2994 Peddie Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>665,206</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$6.50</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>Kylin Developments</b></p>	<p><b>2. 125 Madill Blvd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>450,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>Orlando Corporation</b></p>	<p><b>3. Expansion Building B</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>422,768</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$6.50</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>Orlando Corporation</b></p>
<p><b>4. Drivers Centre Industrial Park - Building C</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>300,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>	<p><b>5. 1380 Creditstone Rd</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>185,000</b>            Occupied: <b>46%</b>            Quoted Rate: <b>\$6.75</b>            Grnd Brk Date: <b>Fourth Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Metrus Properties</b>            Developer: <b>N/A</b></p>	<p><b>6. 1261 Tapscott Rd - Building 2</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>165,256</b>            Occupied: <b>77%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>N/A</b></p>
<p><b>7. 250 Don Hillock Dr</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>93,797</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$7.50</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>	<p><b>8. 7930 Huntington Rd - Phase 1</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>66,549</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$6.85</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>	<p><b>9. 41 Scarsdale Rd</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>45,473</b>            Occupied: <b>41%</b>            Quoted Rate: <b>\$16.12</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>
<p><b>10. 155 Industrial Pky S- Building B</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>45,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$5.95</b>            Grnd Brk Date: <b>Third Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Aurora Investments Inc</b>            Developer: <b>N/A</b></p>	<p><b>11. 20 Scarsdale Rd</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>24,000</b>            Occupied: <b>89%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Second Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>	<p><b>12. 171 Trade Valley Dr</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>23,899</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>
<p><b>13. 2095 Forbes St - Building C</b></p> <p>Submarket: <b>East Industrial Market</b>            RBA: <b>23,291</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$3.60</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>D. W. Gould Realty Advisors Inc.</b>            Developer: <b>Dancor Construction</b></p>	<p><b>14. 111 Cartwright Ave</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>6,149</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Fourth Quarter 2014</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Porretta, Lidia</b>            Developer: <b>N/A</b></p>	

# Greater Toronto Industrial Market



Inventory &amp; development

## Select Top Under Construction Properties

Based on Project Square Footage

<p><b>1. Canadian Tire Distribution Centre</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>1,400,000</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2013</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>Canadian Tire Corporation, Limited</b>            Developer: <b>Broccolini Real Estate Group Inc.</b></p>	<p><b>2. Plan 1 Building A</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>774,614</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.75</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>QuadReal Property Group Brokerage</b>            Developer: <b>First Gulf Corporation</b></p>	<p><b>3. Gateway Distribution Center</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>639,839</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.50</b>            Grnd Brk Date: <b>Fourth Quarter 2015</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>Broccolini Real Estate Group Inc.</b></p>
<p><b>4. Drivers Centre Industrial Park - Building D</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>238,206</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>	<p><b>5. 7855 Heritage Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>219,078</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.25</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>N/A</b></p>	<p><b>6. Pillsworth Rd - Phase I</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>189,721</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.25</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>Anatolia Capital Corporation</b></p>
<p><b>7. 1271 Tapscott Rd - Bldg 3</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>158,458</b>            Preleased: <b>100%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>N/A</b></p>	<p><b>8. 7845 Heritage Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>149,632</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.25</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>N/A</b></p>	<p><b>9. Drivers Centre Industrial Park - Building B</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>131,150</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>
<p><b>10. 6500 Kitimat Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>114,065</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.10</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>	<p><b>11. Melrose Business Park - A</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>100,000</b>            Preleased: <b>0%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>Melrose Investments</b>            Developer: <b>N/A</b></p>	<p><b>12. 9098 Goreway Dr</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>100,000</b>            Preleased: <b>100%</b>            Quoted Rate: <b>\$6.63</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Second Quarter 2019</b>            Leasing Co: <b>Di Poce Management Inc.</b>            Developer: <b>N/A</b></p>
<p><b>13. 525 Cochrane Dr</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>100,000</b>            Preleased: <b>100%</b>            Quoted Rate: <b>\$19.95</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>Cushman &amp; Wakefield</b>            Developer: <b>Cesaroni &amp; Son Ltd</b></p>	<p><b>14. 855 Passmore Ave</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>92,000</b>            Preleased: <b>33%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Re/Max Realtron Realty Inc</b>            Developer: <b>N/A</b></p>	<p><b>15. 7875 Highway 50</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>88,545</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.95</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Rentex Realty Inc</b>            Developer: <b>N/A</b></p>



# Greater Toronto Industrial Market

Figures at a Glance

## Flex Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central Ind	685	25,211,713	568,451	617,693	2.5%	125,463	0	0	\$11.52
East Ind	96	5,526,679	541,917	541,917	9.8%	6,324	0	0	\$8.56
North Ind	691	30,001,039	785,708	826,697	2.8%	(44,697)	0	100,000	\$12.23
West Ind	699	31,308,265	1,722,956	1,807,434	5.8%	(1,139)	0	0	\$12.73
<b>Totals</b>	<b>2,171</b>	<b>92,047,696</b>	<b>3,619,032</b>	<b>3,793,741</b>	<b>4.1%</b>	<b>85,951</b>	<b>0</b>	<b>100,000</b>	<b>\$11.84</b>

Source: CoStar Property®

## Warehouse Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central Ind	5,067	201,932,580	5,013,715	5,071,060	2.5%	(1,051,476)	240,878	305,458	\$6.22
East Ind	983	47,617,285	635,118	635,118	1.3%	407,297	23,291	0	\$5.06
North Ind	2,797	136,138,560	3,659,290	4,235,791	3.1%	385,938	414,245	375,361	\$6.23
West Ind	5,902	324,710,944	11,968,312	13,961,456	4.3%	1,421,664	1,837,974	4,257,854	\$6.27
<b>Totals</b>	<b>14,749</b>	<b>710,399,369</b>	<b>21,276,435</b>	<b>23,903,425</b>	<b>3.4%</b>	<b>1,163,423</b>	<b>2,516,388</b>	<b>4,938,673</b>	<b>\$6.18</b>

Source: CoStar Property®

## Total Industrial Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central Ind	5,752	227,144,293	5,582,166	5,688,753	2.5%	(926,013)	240,878	305,458	\$6.48
East Ind	1,079	53,143,964	1,177,035	1,177,035	2.2%	413,621	23,291	0	\$5.53
North Ind	3,488	166,139,599	4,444,998	5,062,488	3.0%	341,241	414,245	475,361	\$6.74
West Ind	6,601	356,019,209	13,691,268	15,768,890	4.4%	1,420,525	1,837,974	4,257,854	\$6.60
<b>Totals</b>	<b>16,920</b>	<b>802,447,065</b>	<b>24,895,467</b>	<b>27,697,166</b>	<b>3.5%</b>	<b>1,249,374</b>	<b>2,516,388</b>	<b>5,038,673</b>	<b>\$6.53</b>

Source: CoStar Property®

## Greater Toronto Industrial Market



Figures at a Glance

## Flex Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2017 1q	2,171	92,047,696	3,619,032	3,793,741	4.1%	85,951	0	0	1	100,000	\$11.84
2016 4q	2,172	92,077,158	3,714,110	3,909,154	4.2%	40,512	0	0	1	100,000	\$11.60
2016 3q	2,172	92,077,158	3,812,916	3,949,666	4.3%	290,599	0	0	0	0	\$11.30
2016 2q	2,172	92,077,158	4,030,829	4,240,265	4.6%	73,058	0	0	0	0	\$10.53
2016 1q	2,172	92,077,158	4,101,521	4,313,323	4.7%	339,014	1	155,000	0	0	\$10.80
2015 4q	2,171	91,922,158	4,352,974	4,497,337	4.9%	144,600	3	128,669	1	155,000	\$10.41
2015 3q	2,168	91,793,489	4,429,160	4,513,268	4.9%	240,142	0	0	4	283,669	\$10.90
2015 2q	2,168	91,793,489	4,666,413	4,753,410	5.2%	73,094	0	0	4	283,669	\$10.83
2015 1q	2,168	91,793,489	4,760,599	4,826,504	5.3%	356,851	0	0	3	235,760	\$10.96
2014 4q	2,168	91,793,489	5,077,017	5,183,355	5.6%	514,213	0	0	2	165,760	\$11.14
2014 3q	2,168	91,793,489	5,585,967	5,697,568	6.2%	(213,785)	2	30,875	1	10,760	\$10.93
2014 2q	2,167	91,793,347	5,366,396	5,483,641	6.0%	262,937	1	19,882	2	30,875	\$11.00
2014 1q	2,166	91,773,465	5,598,208	5,726,696	6.2%	589,517	1	160,000	3	50,757	\$11.43
2013 4q	2,165	91,613,465	5,994,674	6,156,213	6.7%	1,566,086	5	121,525	2	179,882	\$11.84
2013 3q	2,159	91,419,457	7,303,852	7,528,291	8.2%	(39,519)	1	19,200	7	354,008	\$11.54
2013 2q	2,155	91,330,346	7,092,205	7,399,661	8.1%	0	0	0	11	443,119	\$11.57

Source: CoStar Property®

## Warehouse Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2017 1q	14,749	710,399,369	21,276,435	23,903,425	3.4%	1,163,423	14	2,516,388	26	4,938,673	\$6.18
2016 4q	14,735	707,882,981	20,680,186	22,550,460	3.2%	(1,031,672)	11	1,260,086	35	7,089,232	\$6.12
2016 3q	14,727	706,943,450	18,797,922	20,579,257	2.9%	4,301,133	6	941,927	37	6,642,475	\$6.07
2016 2q	14,723	706,394,584	21,399,653	24,331,524	3.4%	1,636,843	11	1,750,708	39	7,247,433	\$5.97
2016 1q	14,713	704,716,201	22,505,179	24,289,984	3.4%	4,339,557	6	880,024	35	6,913,510	\$5.94
2015 4q	14,709	704,016,177	26,104,425	27,929,517	4.0%	2,523,572	15	4,045,743	32	6,702,759	\$5.95
2015 3q	14,695	700,060,840	25,266,602	26,497,752	3.8%	144,343	3	132,740	34	8,646,762	\$5.89
2015 2q	14,693	700,020,656	25,115,646	26,601,911	3.8%	253,859	5	392,039	32	8,021,253	\$5.88
2015 1q	14,689	699,958,481	25,394,336	26,793,595	3.8%	1,690,641	3	424,031	27	6,392,970	\$5.86
2014 4q	14,687	699,797,423	26,855,469	28,323,178	4.0%	3,709,991	10	2,082,783	17	5,415,208	\$5.80
2014 3q	14,679	697,814,420	28,224,393	30,050,166	4.3%	2,092,864	7	2,605,132	21	6,498,666	\$5.79
2014 2q	14,672	695,209,288	27,689,961	29,537,898	4.2%	2,032,948	6	819,380	24	7,996,357	\$5.72
2014 1q	14,667	695,594,235	30,177,001	31,955,793	4.6%	3,251,144	12	1,488,600	26	6,913,876	\$5.67
2013 4q	14,657	694,484,793	32,730,408	34,097,495	4.9%	1,870,586	9	496,171	33	7,289,483	\$5.63
2013 3q	14,647	694,060,204	33,710,748	35,543,492	5.1%	1,728,136	11	1,368,024	37	7,337,028	\$5.53
2013 2q	14,635	692,665,196	34,019,806	35,876,620	5.2%	0	0	0	37	4,346,513	\$5.47

Source: CoStar Property®

## Total Industrial Market Statistics

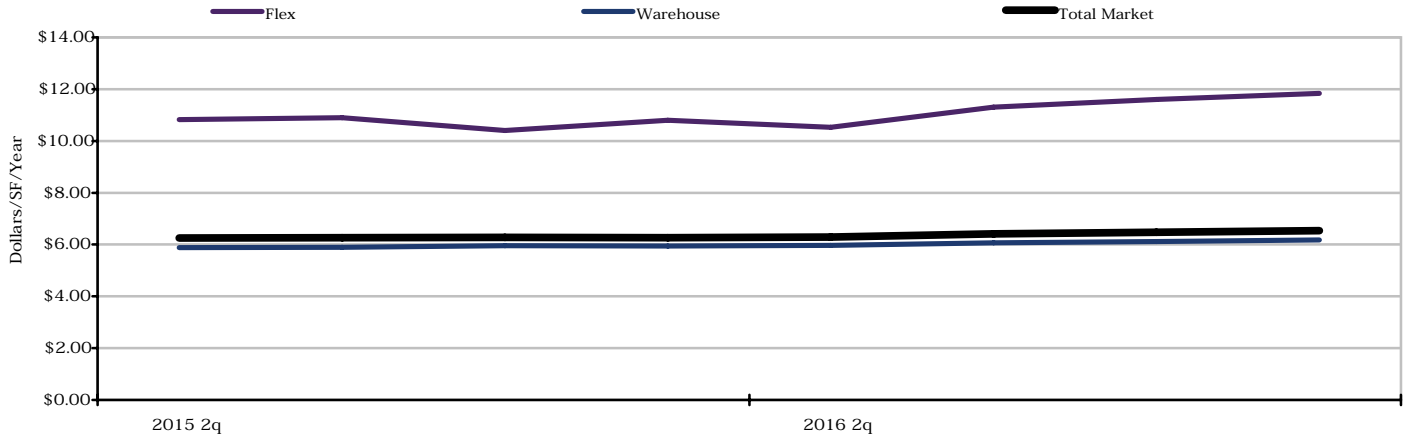
First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2017 1q	16,920	802,447,065	24,895,467	27,697,166	3.5%	1,249,374	14	2,516,388	27	5,038,673	\$6.53
2016 4q	16,907	799,960,139	24,394,296	26,459,614	3.3%	(991,160)	11	1,260,086	36	7,189,232	\$6.48
2016 3q	16,899	799,020,608	22,610,838	24,528,923	3.1%	4,591,732	6	941,927	37	6,642,475	\$6.42
2016 2q	16,895	798,471,742	25,430,482	28,571,789	3.6%	1,709,901	11	1,750,708	39	7,247,433	\$6.29
2016 1q	16,885	796,793,359	26,606,700	28,603,307	3.6%	4,678,571	7	1,035,024	35	6,913,510	\$6.26
2015 4q	16,880	795,938,335	30,457,399	32,426,854	4.1%	2,668,172	18	4,174,412	33	6,857,759	\$6.28
2015 3q	16,863	791,854,329	29,695,762	31,011,020	3.9%	384,485	3	132,740	38	8,930,431	\$6.27
2015 2q	16,861	791,814,145	29,782,059	31,355,321	4.0%	326,953	5	392,039	36	8,304,922	\$6.25
2015 1q	16,857	791,751,970	30,154,935	31,620,099	4.0%	2,047,492	3	424,031	30	6,628,730	\$6.24
2014 4q	16,855	791,590,912	31,932,486	33,506,533	4.2%	4,224,204	10	2,082,783	19	5,580,968	\$6.17
2014 3q	16,847	789,607,909	33,810,360	35,747,734	4.5%	1,879,079	9	2,636,007	22	6,509,426	\$6.17
2014 2q	16,839	787,002,635	33,056,357	35,021,539	4.4%	2,295,885	7	839,262	26	8,027,232	\$6.10
2014 1q	16,833	787,367,700	35,775,209	37,682,489	4.8%	3,840,661	13	1,648,600	29	6,964,633	\$6.09
2013 4q	16,822	786,098,258	38,725,082	40,253,708	5.1%	3,436,672	14	617,696	35	7,469,365	\$6.06
2013 3q	16,806	785,479,661	41,014,600	43,071,783	5.5%	1,688,617	12	1,387,224	44	7,691,036	\$5.95
2013 2q	16,790	783,995,542	41,112,011	43,276,281	5.5%	0	0	0	48	4,789,632	\$5.89

Source: CoStar Property®

## Historical Rental Rates

Based on Quoted Rental Rates

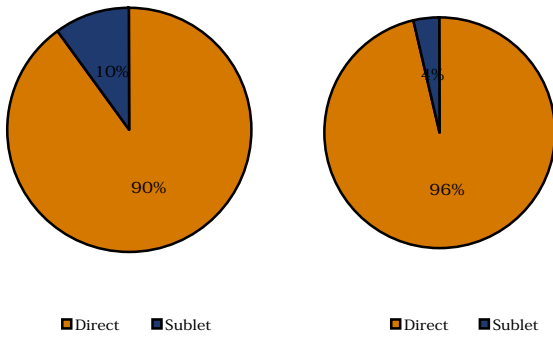


Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Greater Toronto      United States

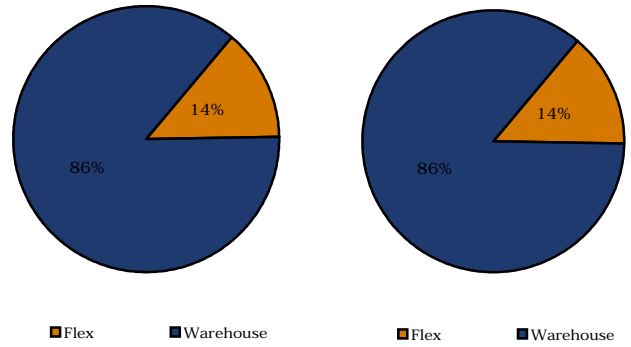


Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

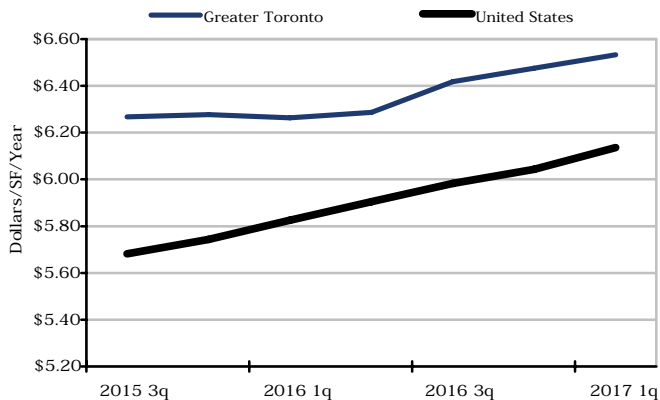
Greater Toronto      United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

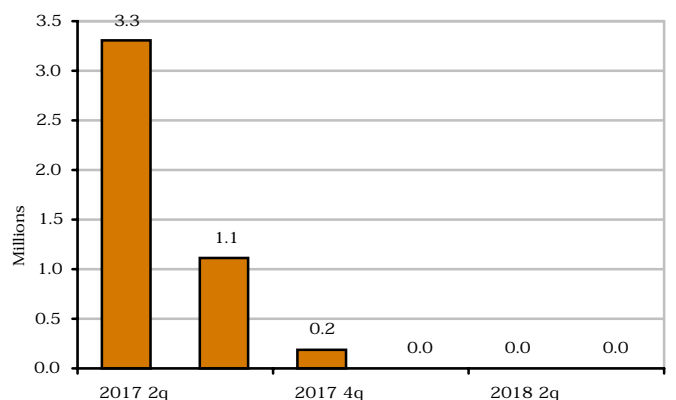
Based on Average Quoted Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space

# Greater Toronto Industrial Market



Leasing Activity

## Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2017

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	200 Trade Valley Dr	Vaughan Ind	250,000	1st	State Window Corporation	N/A	Condor Properties
2	220 Hunter's Valley Rd	Vaughan Ind	250,000	1st	N/A	N/A	Colliers International
3	1271 Tapscott Rd - Bldg 3	Scarborough North Ind	158,458	1st	Technicolor Canada Inc	N/A	CBRE
4	1296 Martin Grove Rd	Etobicoke North Ind	152,377	1st	N/A	N/A	CBRE
5	5650 Keaton Cres	Mississauga North Ind	151,950	1st	N/A	N/A	Orlando Corporation
6	7200 Martin Grove Rd	Vaughan Ind	151,379	1st	N/A	N/A	CBRE
7	7510 Bren Rd	Mississauga North Ind	141,239	1st	N/A	N/A	CBRE
8	6 Manchester Ct	Caledon Ind	134,850	1st	Exel Inc	JLL	Panattoni Development Company
9	330 Humberline Dr	Etobicoke North Ind	125,000	1st	N/A	N/A	CBRE
10	3160 Derry Rd	Mississauga North Ind	115,700	1st	N/A	N/A	Lennard Commercial Realty
11	6690 Goreway Dr	Mississauga North Ind	110,338	1st	N/A	N/A	Orlando Corporation
12	6233 Cantay Cres	Mississauga North Ind	106,435	1st	N/A	N/A	Orlando Corporation
13	6 Manchester Ct	Caledon Ind	101,130	1st	Exel Inc	JLL	Panattoni Development Company
14	9098 Goreway Dr	Brampton Ind	100,000	1st	N/A	N/A	Di Poce Management Inc.
15	35 Rakely Ct	Etobicoke South Ind	82,380	1st	N/A	N/A	CBRE
16	6160 Kenway Dr	Mississauga North Ind	80,483	1st	N/A	N/A	GWL Realty Advisors
17	6950 Creditview Rd	Mississauga North Ind	66,965	1st	N/A	N/A	Bentall Kennedy
18	1575 S Gateway Rd	Mississauga North Ind	62,420	1st	N/A	N/A	CBRE
19	913 Brock Rd	Pickering Ind	60,000	1st	N/A	N/A	CBRE
20	6615 Ordan Dr	Mississauga North Ind	57,443	1st	N/A	N/A	Cushman & Wakefield
21	980 Thornton Rd S	Whitby Ind	55,000	1st	N/A	N/A	CBRE
22	525 Cochrane Dr	Markham Ind	50,000	1st	N/A	N/A	Cushman & Wakefield
23	150 Caldari Rd	Vaughan Ind	45,229	1st	N/A	N/A	CBRE
24	120 Walker Dr	Brampton Ind	45,023	1st	N/A	N/A	Pure Industrial Real Estate Trust;
25	946 Edgeley Blvd	Vaughan Ind	42,691	1st	N/A	N/A	CBRE
26	420 Passmore Ave	Scarborough North Ind	40,800	1st	N/A	N/A	Cushman & Wakefield
27	55 E Beaver Creek Rd	Richmond Hill Ind	40,549	1st	N/A	N/A	Orlando Corporation
28	173 Carrier Dr	Etobicoke North Ind	40,000	1st	N/A	N/A	CBRE
29	800 Cochrane Dr	Markham Ind	39,564	1st	N/A	N/A	Colliers International
30	1845 Clements Road	Pickering Ind	39,440	1st	N/A	N/A	CBRE
31	5958 Ambler Dr	Mississauga North Ind	39,233	1st	N/A	N/A	CBRE
32	8120 Lawson Rd	Milton Ind	39,000	1st	N/A	N/A	CBRE
33	4069 Gordon Baker Rd	Scarborough North Ind	35,830	1st	N/A	N/A	CBRE
34	71 Steinway Blvd	Etobicoke North Ind	34,848	1st	N/A	N/A	CBRE
35	1625 Enterprise Rd	Mississauga North Ind	33,560	1st	N/A	N/A	Binswanger Hectare
36	355 Norfinch Dr	North York West Ind	32,532	1st	N/A	N/A	CBRE
37	3500 Laird Rd	Mississauga South Ind	30,828	1st	N/A	N/A	GWL Realty Advisors; Avison Young
38	6006 Kestrel Rd	Mississauga North Ind	30,030	1st	N/A	N/A	Rentex Realty Inc
39	202 S Blair St	Whitby Ind	29,000	1st	N/A	N/A	Cushman & Wakefield
40	25 Nixon Rd	Caledon Ind	25,140	1st	N/A	N/A	Re/Max West Realty Inc.

Source: CoStar Property®

\* Renewal



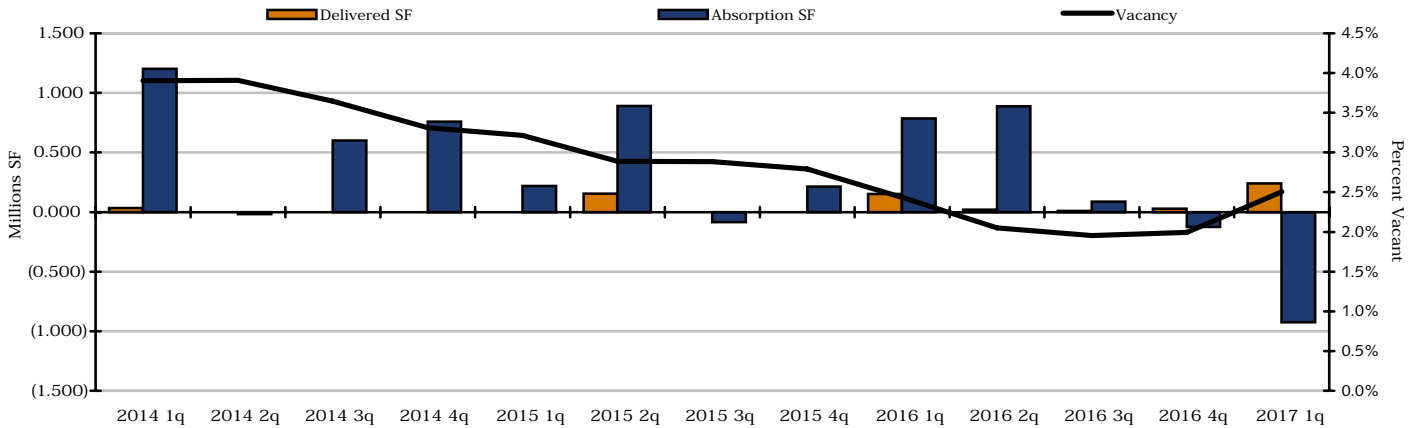


# Greater Toronto Industrial Market

Central Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

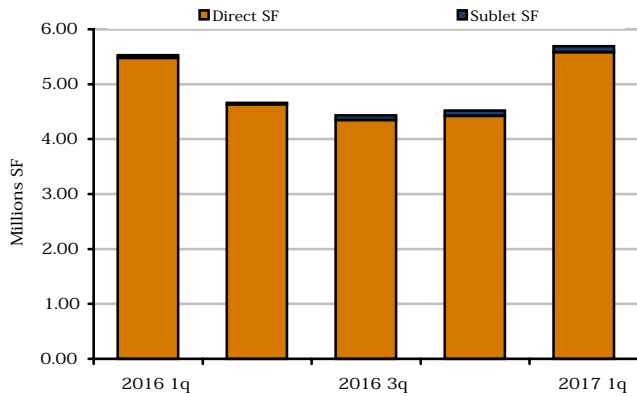
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

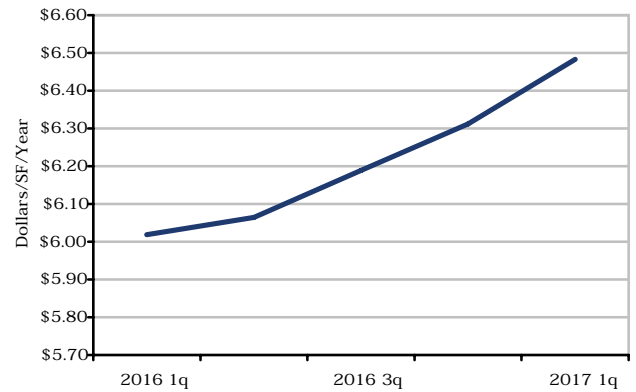
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	5,752	227,144,293	5,688,753	2.5%	(926,013)	4	240,878	3	305,458	\$6.48
2016 4q	5,748	226,903,415	4,521,862	2.0%	(124,731)	2	27,835	7	546,336	\$6.31
2016 3q	5,748	226,936,630	4,430,346	2.0%	87,094	1	9,924	9	574,171	\$6.19
2016 2q	5,748	227,079,767	4,660,577	2.1%	886,901	1	20,779	9	538,622	\$6.06
2016 1q	5,747	227,058,988	5,526,699	2.4%	785,449	2	152,698	7	143,687	\$6.02
2015 4q	5,747	227,086,290	6,339,450	2.8%	212,876	0	0	9	296,385	\$5.94
2015 3q	5,747	227,086,290	6,552,326	2.9%	(85,341)	0	0	6	247,771	\$5.90
2015 2q	5,748	227,178,846	6,559,541	2.9%	891,018	1	153,679	6	247,771	\$6.07
2015 1q	5,747	227,025,167	7,296,880	3.2%	219,752	0	0	5	367,526	\$6.25
2014 4q	5,747	227,025,167	7,516,632	3.3%	759,189	0	0	1	153,679	\$6.09
2014 3q	5,747	227,025,167	8,275,821	3.6%	599,138	0	0	0	0	\$6.19
2014 2q	5,747	227,025,167	8,874,959	3.9%	(16,542)	0	0	0	0	\$6.11
2014 1q	5,747	227,025,167	8,858,417	3.9%	1,201,072	2	33,444	0	0	\$6.02
2013 4q	5,746	227,241,194	10,275,516	4.5%	962,715	3	27,214	2	33,444	\$6.04
2013 3q	5,742	227,285,562	11,282,599	5.0%	1,771,386	2	165,883	6	111,416	\$5.94
2013 2q	5,736	227,034,172	12,802,595	5.6%	0	0	0	12	362,806	\$5.99

Source: CoStar Property®

# Greater Toronto Industrial Market

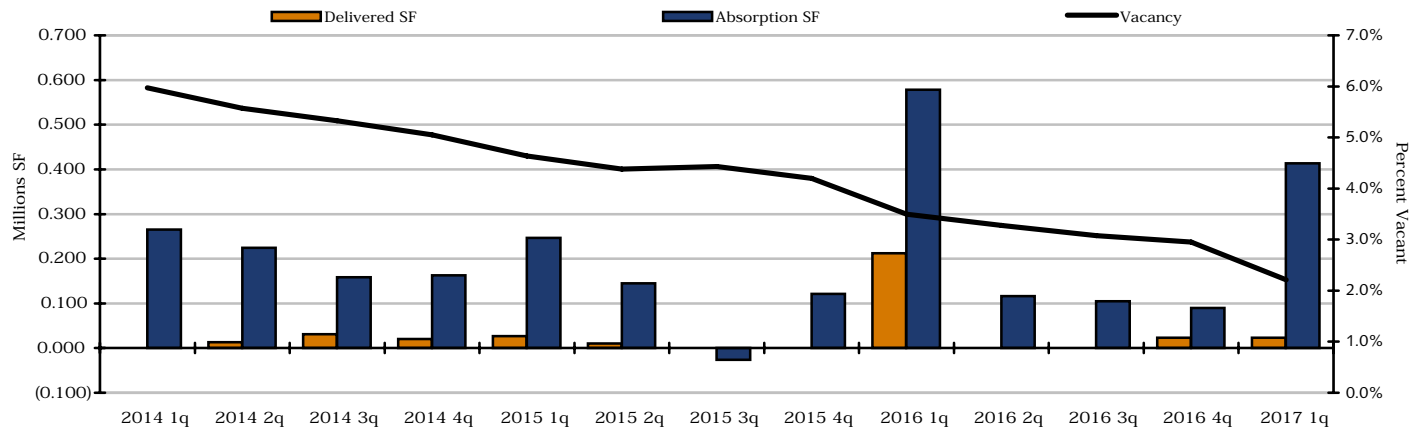


## East Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

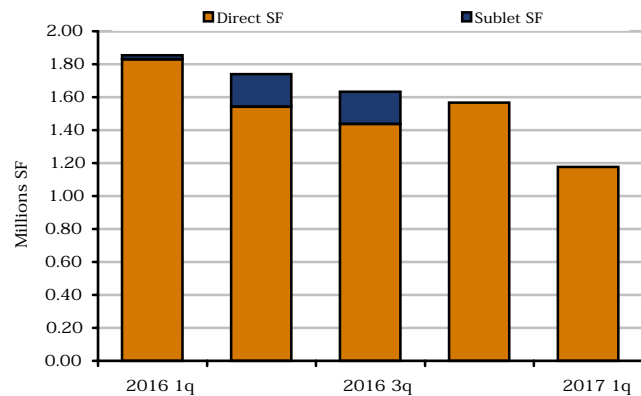
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

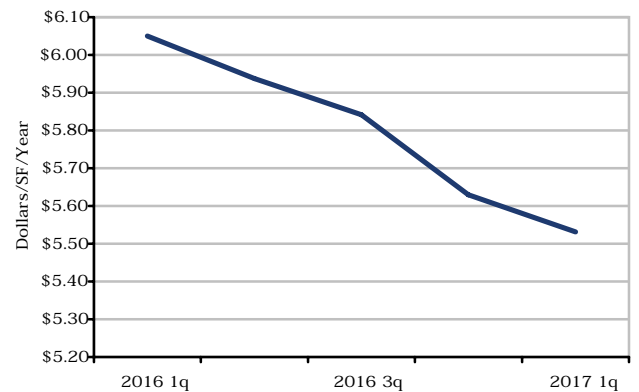
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	1,079	53,143,964	1,177,035	2.2%	413,621	1	23,291	0	0	\$5.53
2016 4q	1,078	53,120,673	1,567,365	3.0%	89,669	1	23,291	1	23,291	\$5.63
2016 3q	1,077	53,097,382	1,633,743	3.1%	105,152	0	0	2	46,582	\$5.84
2016 2q	1,077	53,097,382	1,738,895	3.3%	116,416	0	0	2	46,582	\$5.94
2016 1q	1,077	53,097,382	1,855,311	3.5%	578,548	1	212,486	0	0	\$6.05
2015 4q	1,076	52,884,896	2,221,373	4.2%	121,105	0	0	1	212,486	\$6.12
2015 3q	1,076	52,884,896	2,342,478	4.4%	(26,127)	0	0	1	212,486	\$5.99
2015 2q	1,076	52,884,896	2,316,351	4.4%	144,749	1	10,000	1	212,486	\$5.91
2015 1q	1,075	52,874,896	2,451,100	4.6%	246,397	1	26,959	1	10,000	\$5.52
2014 4q	1,074	52,847,937	2,670,538	5.1%	163,002	1	20,000	2	36,959	\$4.96
2014 3q	1,073	52,827,937	2,813,540	5.3%	158,879	2	30,875	3	56,959	\$5.28
2014 2q	1,071	52,797,062	2,941,544	5.6%	224,448	1	13,427	4	60,875	\$5.08
2014 1q	1,070	52,783,635	3,152,565	6.0%	265,454	0	0	4	54,302	\$5.11
2013 4q	1,070	52,783,635	3,418,019	6.5%	190,807	1	101,567	1	13,427	\$5.39
2013 3q	1,069	52,682,068	3,507,259	6.7%	(1,003,034)	1	20,363	2	114,994	\$5.32
2013 2q	1,067	52,647,005	2,469,162	4.7%	0	0	0	3	136,630	\$5.36

Source: CoStar Property®

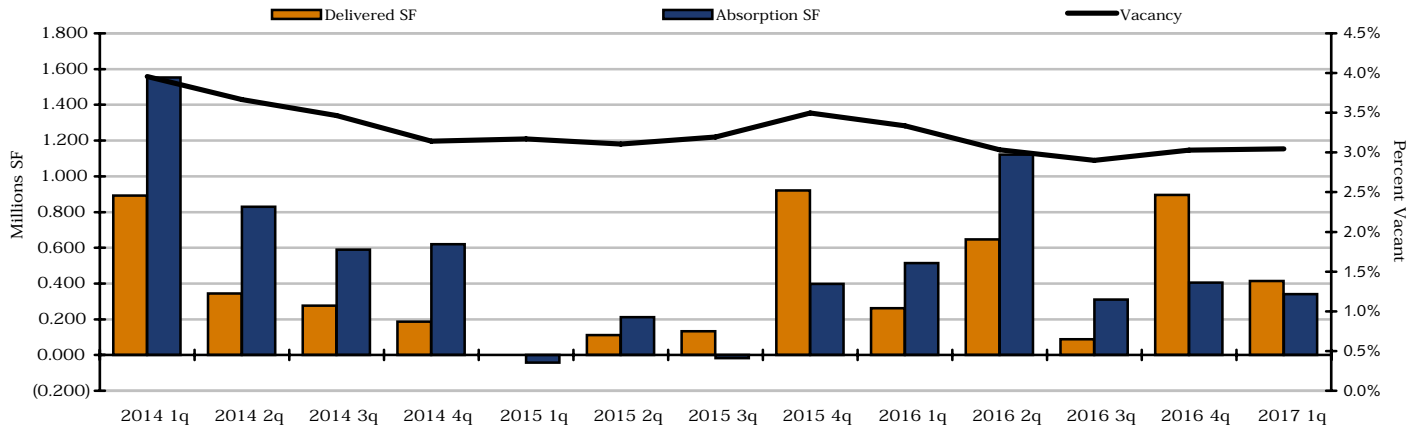


# Greater Toronto Industrial Market

North Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

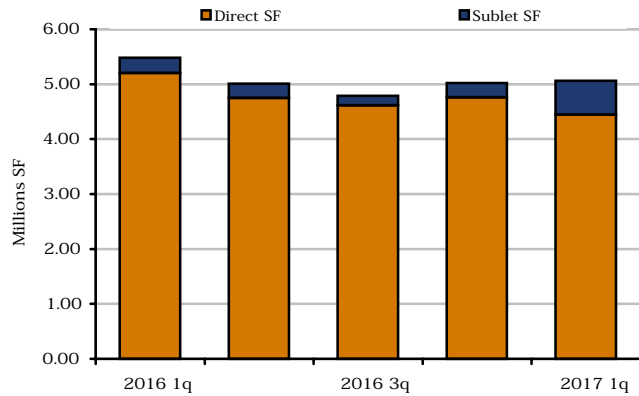
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

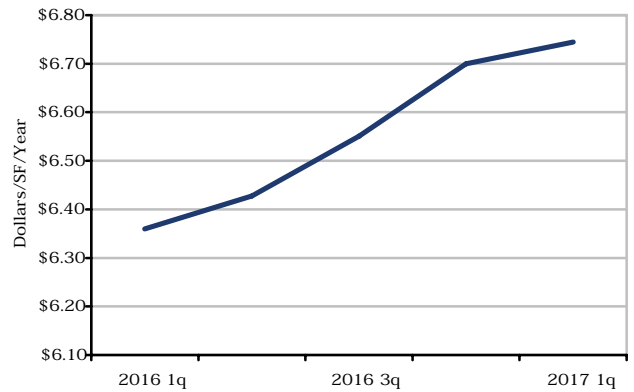
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	3,488	166,139,599	5,062,488	3.0%	341,241	5	414,245	8	475,361	\$6.74
2016 4q	3,484	165,754,816	5,018,946	3.0%	404,628	6	895,702	11	767,842	\$6.70
2016 3q	3,479	165,118,619	4,787,377	2.9%	309,594	3	87,790	14	1,485,452	\$6.55
2016 2q	3,476	165,030,829	5,009,181	3.0%	1,121,516	4	646,533	15	1,412,896	\$6.43
2016 1q	3,472	164,384,296	5,484,164	3.3%	514,458	2	261,913	15	1,869,862	\$6.36
2015 4q	3,470	164,122,383	5,736,709	3.5%	398,800	7	921,696	10	1,889,464	\$6.70
2015 3q	3,463	163,200,687	5,213,813	3.2%	(16,639)	3	132,740	13	2,402,042	\$6.88
2015 2q	3,460	163,067,947	5,064,434	3.1%	212,641	1	112,102	15	2,489,782	\$6.81
2015 1q	3,459	162,955,845	5,164,973	3.2%	(42,549)	0	0	10	1,076,099	\$6.85
2014 4q	3,459	162,955,845	5,122,424	3.1%	619,523	3	186,174	4	487,174	\$6.92
2014 3q	3,457	162,858,471	5,644,573	3.5%	589,959	2	277,000	5	446,276	\$6.86
2014 2q	3,455	162,581,471	5,957,532	3.7%	829,724	2	344,463	6	611,174	\$6.68
2014 1q	3,452	162,210,555	6,416,340	4.0%	1,552,428	6	892,646	8	834,090	\$6.65
2013 4q	3,447	161,447,596	7,205,809	4.5%	997,952	5	98,210	14	1,726,736	\$6.60
2013 3q	3,441	161,276,903	8,033,068	5.0%	649,182	1	25,600	15	1,503,545	\$6.14
2013 2q	3,441	161,254,615	8,659,962	5.4%	0	0	0	13	1,468,787	\$6.05

Source: CoStar Property®

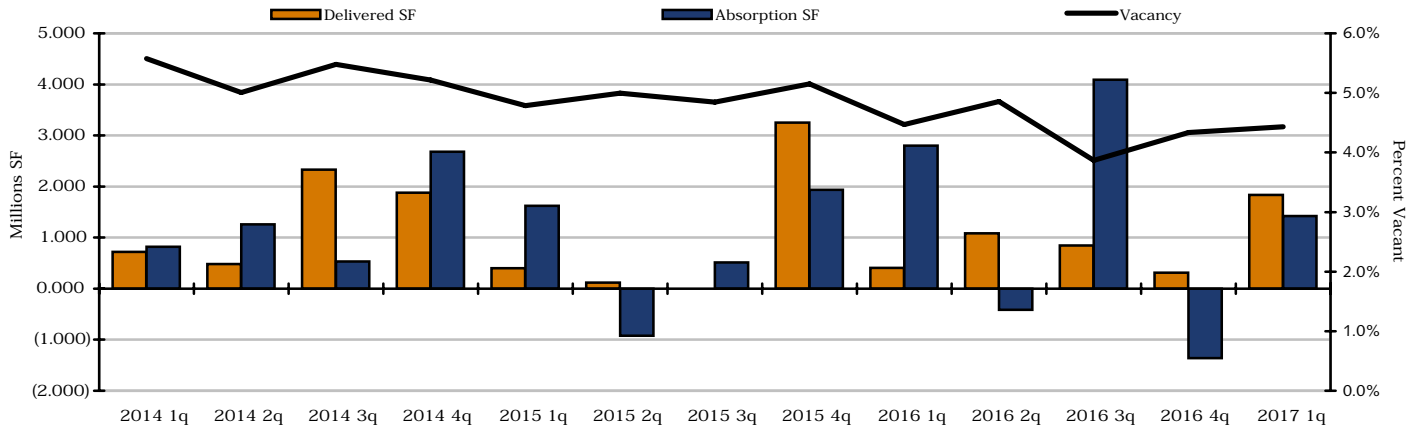
# Greater Toronto Industrial Market



## West Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

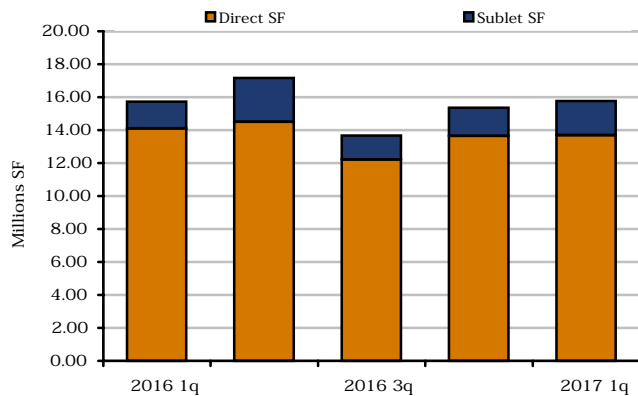
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

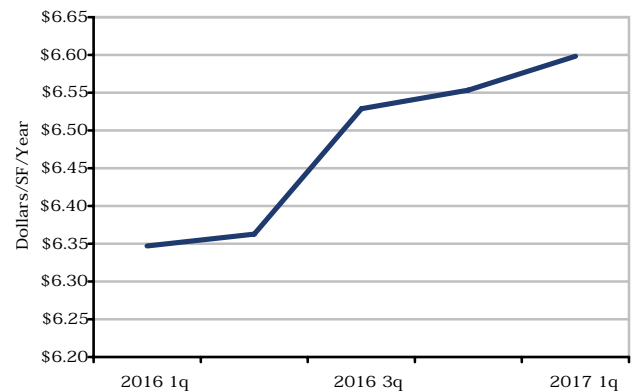
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	6,601	356,019,209	15,768,890	4.4%	1,420,525	4	1,837,974	16	4,257,854	\$6.60
2016 4q	6,597	354,181,235	15,351,441	4.3%	(1,360,726)	2	313,258	17	5,851,763	\$6.55
2016 3q	6,595	353,867,977	13,677,457	3.9%	4,089,892	2	844,213	12	4,536,270	\$6.53
2016 2q	6,594	353,263,764	17,163,136	4.9%	(414,932)	6	1,083,396	13	5,249,333	\$6.36
2016 1q	6,589	352,252,693	15,737,133	4.5%	2,800,116	2	407,927	13	4,899,961	\$6.35
2015 4q	6,587	351,844,766	18,129,322	5.2%	1,935,391	11	3,252,716	13	4,459,424	\$6.31
2015 3q	6,577	348,682,456	16,902,403	4.8%	512,592	0	0	18	6,068,132	\$6.26
2015 2q	6,577	348,682,456	17,414,995	5.0%	(921,455)	2	116,258	14	5,354,883	\$6.19
2015 1q	6,576	348,896,062	16,707,146	4.8%	1,623,892	2	397,072	14	5,175,105	\$6.13
2014 4q	6,575	348,761,963	18,196,939	5.2%	2,682,490	6	1,876,609	12	4,903,156	\$6.10
2014 3q	6,570	346,896,334	19,013,800	5.5%	531,103	5	2,328,132	14	6,006,191	\$6.02
2014 2q	6,566	344,598,935	17,247,504	5.0%	1,258,255	4	481,372	16	7,355,183	\$5.99
2014 1q	6,564	345,348,343	19,255,167	5.6%	821,707	5	722,510	17	6,076,241	\$6.01
2013 4q	6,559	344,625,833	19,354,364	5.6%	1,285,198	5	390,705	18	5,695,758	\$5.94
2013 3q	6,554	344,235,128	20,248,857	5.9%	271,083	8	1,175,378	21	5,961,081	\$5.94
2013 2q	6,546	343,059,750	19,344,562	5.6%	0	0	0	20	2,821,409	\$5.82

Source: CoStar Property®