

CoStar Office Statistics

First Quarter 2017

Greater Toronto Office Market



CoStarTM
The knowledge market

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Methodology

The CoStar Office Statistics, unless specifically stated otherwise, calculates office statistics using CoStar Group's entire database of existing and under construction office buildings in each metropolitan area. Included are office, office condominium, office loft, office medical, all classes and all sizes, and both multi-tenant and single-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 Office Report have been converted to a Full Service equivalent rental rate.

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CoStar Group, Inc.

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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 certi-

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 Decreases to 6.2% Net Absorption Positive 1,141,794 SF in the Quarter

The Greater Toronto Office market ended the first quarter 2017 with a vacancy rate of 6.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,141,794 square feet in the first quarter. Vacant sublease space decreased in the quarter, ending the quarter at 963,205 square feet. Rental rates ended the first quarter at \$31.93 per square foot, a decrease over the previous quarter. A total of 11 buildings were delivered to the market in the quarter totaling 646,729 square feet, with 2,846,192 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Greater Toronto Office market was positive 1,141,794 square feet in the first quarter 2017. That compares to positive 1,290,820 square feet in the fourth quarter 2016, positive 408,054 square feet in the third quarter 2016, and positive 1,521,077 square feet in the second quarter 2016.

Tenants moving out of large blocks of space in 2017 include: Aegon Capital Management Inc moving out of 168,360 square feet at Transamerica Tower; Maple Leafs Foods Inc moving out of 112,860 square feet at 6985 Financial Dr; and RBC Royal Bank moving out of 88,216 SF at 483-523 Bay St.

Tenants moving into large blocks of space in 2017 include: Infrastructure Ontario moving into 389,000 square feet at Royal Bank Data Centre; Aviva Canada Inc moving into 219,504 square feet at Aviva Building; and Claims Pro moving into 68,000 square feet at 33 Yonge St.

The Class-A office market recorded net absorption of positive 861,749 square feet in the first quarter 2017, compared to positive 1,782,497 square feet in the fourth quarter 2016,

positive 66,848 in the third quarter 2016, and positive 405,982 in the second quarter 2016.

The Class-B office market recorded net absorption of positive 179,386 square feet in the first quarter 2017, compared to negative (169,363) square feet in the fourth quarter 2016, positive 416,122 in the third quarter 2016, and positive 1,011,810 in the second quarter 2016.

The Class-C office market recorded net absorption of positive 100,659 square feet in the first quarter 2017 compared to negative (322,314) square feet in the fourth quarter 2016, negative (74,916) in the third quarter 2016, and positive 103,285 in the second quarter 2016.

Vacancy

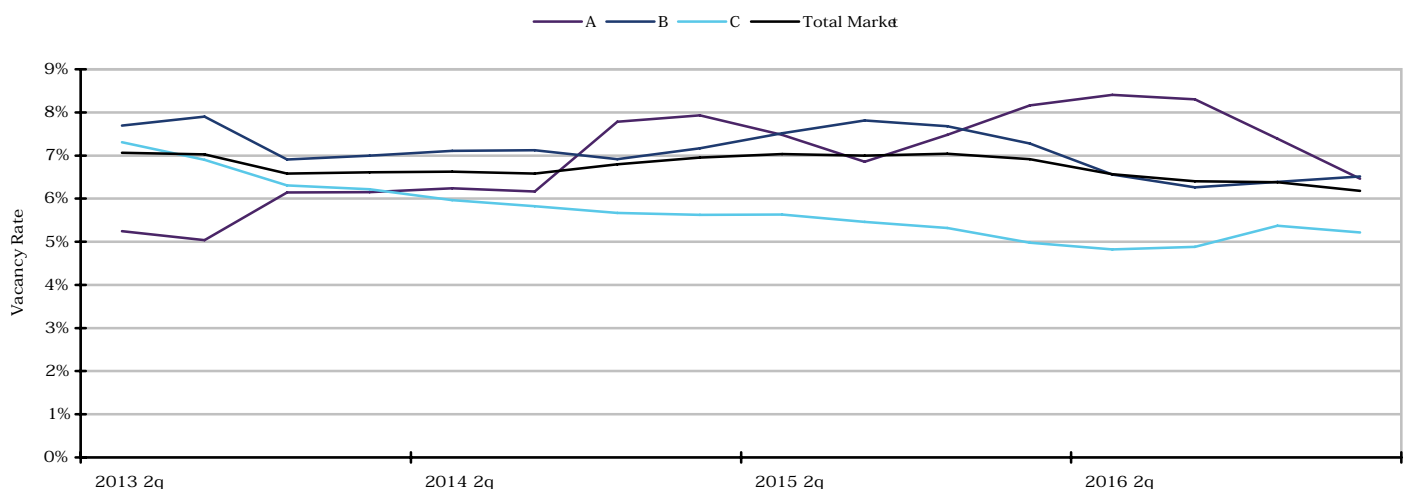
The office vacancy rate in the Greater Toronto market area decreased to 6.2% at the end of the first quarter 2017. The vacancy rate was 6.4% at the end of the fourth quarter 2016, 6.4% at the end of the third quarter 2016, and 6.6% at the end of the second quarter 2016.

Class-A projects reported a vacancy rate of 6.5% at the end of the first quarter 2017, 7.4% at the end of the fourth quarter 2016, 8.3% at the end of the third quarter 2016, and 8.4% at the end of the second quarter 2016.

Class-B projects reported a vacancy rate of 6.5% at the end of the first quarter 2017, 6.4% at the end of the fourth quarter 2016, 6.3% at the end of the third quarter 2016, and 6.6% at the end of the second quarter 2016.

Class-C projects reported a vacancy rate of 5.2% at the end of the first quarter 2017, 5.4% at the end of fourth quarter 2016, 4.9% at the end of the third quarter 2016, and 4.8% at the end of the second quarter 2016.

Vacancy Rates by Class 2013-2017



Source: CoStar Property®

Largest Lease Signings

The largest lease signings occurring in 2017 included: the 78,810-square-foot lease signed by Indigo at King Portland Centre in the Downtown market; the 36,545-square-foot deal signed by iQ Office Suites at Sun Life Financial Tower in the Downtown market; and the 34,650-square-foot lease signed by Give & Go Prepared Foods at 1 Marmac Dr in the Toronto West market.

Sublease Vacancy

The amount of vacant sublease space in the Greater Toronto market decreased to 963,205 square feet by the end of the first quarter 2017, from 1,126,702 square feet at the end of the fourth quarter 2016. There was 830,342 square feet vacant at the end of the third quarter 2016 and 824,820 square feet at the end of the second quarter 2016.

Greater Toronto's Class-A projects reported vacant sublease space of 219,138 square feet at the end of first quarter 2017, down from the 368,597 square feet reported at the end of the fourth quarter 2016. There were 239,272 square feet of sublease space vacant at the end of the third quarter 2016, and 193,407 square feet at the end of the second quarter 2016.

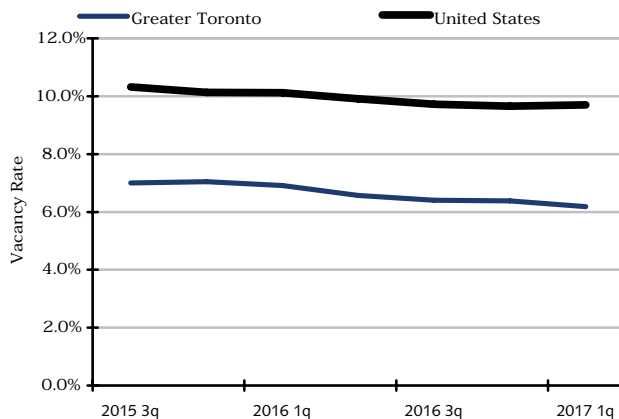
Class-B projects reported vacant sublease space of 561,577 square feet at the end of the first quarter 2017, down from the 563,234 square feet reported at the end of the fourth quarter 2016. At the end of the third quarter 2016 there were 401,918 square feet, and at the end of the second quarter 2016 there were 554,243 square feet vacant.

Class-C projects reported decreased vacant sublease space from the fourth quarter 2016 to the first quarter 2017. Sublease vacancy went from 194,871 square feet to 182,490 square feet during that time. There was 189,152 square feet at the end of the third quarter 2016, and 77,170 square feet at the end of the second quarter 2016.

Rental Rates

U.S. Vacancy Comparison

Past 7 Quarters



Source: CoStar Property®

The average quoted asking rental rate for available office space, all classes, was \$31.93 per square foot per year at the end of the first quarter 2017 in the Greater Toronto market area. This represented a 0.7% decrease in quoted rental rates from the end of the fourth quarter 2016, when rents were reported at \$32.17 per square foot.

The average quoted rate within the Class-A sector was \$38.66 at the end of the first quarter 2017, while Class-B rates stood at \$31.30, and Class-C rates at \$26.09. At the end of the fourth quarter 2016, Class-A rates were \$39.61 per square foot, Class-B rates were \$31.02, and Class-C rates were \$26.81.

Deliveries and Construction

During the first quarter 2017, 11 buildings totaling 646,729 square feet were completed in the Greater Toronto market area. This compares to two buildings totaling 1,300,000 square feet that were completed in the fourth quarter 2016, one building totaling 12,000 square feet completed in the third quarter 2016, and 608,669 square feet in five buildings completed in the second quarter 2016.

There were 2,846,192 square feet of office space under construction at the end of the first quarter 2017.

Some of the notable 2017 deliveries include: 2727 Meadowpine Blvd, a 147,716-square-foot facility that delivered in first quarter 2017 and is now 5% occupied, and 610 Chartwell Rd, a 104,000-square-foot building that delivered in first quarter 2017 and is now 71% occupied.

The largest projects underway at the end of first quarter 2017 were EY Tower, a 957,902-square-foot building with 87% of its space pre-leased, and King Portland Centre, a 253,965-square-foot facility that is 69% pre-leased.

Inventory

Total office inventory in the Greater Toronto market area amounted to 266,601,312 square feet in 5,791 buildings as of the end of the first quarter 2017. The Class-A office sector consisted of 64,858,876 square feet in 180 projects. There were 1,719 Class-B buildings totaling 135,919,988 square feet, and the Class-C sector consisted of 65,822,448 square feet in 3,892 buildings. Within the Office market there were 157 owner-occupied buildings accounting for 13,813,325 square feet of office space.

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

Greater Toronto Office Market



Markets

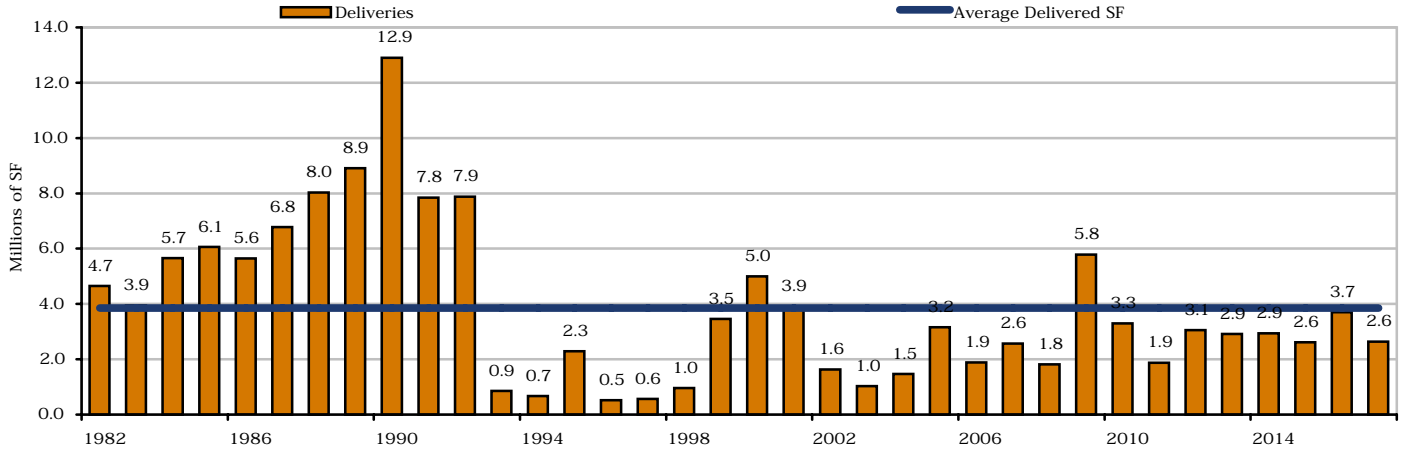
CoStar Submarkets

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	
Downtown	
Durham	
Halton	
Midtown	
Peel	
Toronto East	
Toronto North	
Toronto West	
York	

Historical Deliveries

1982 - 2017



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

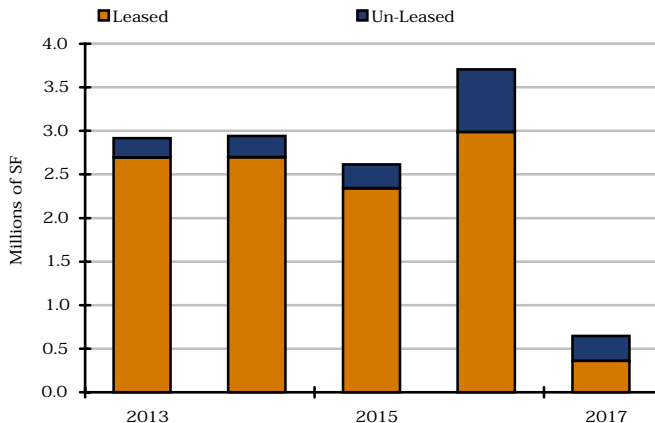
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Downtown	7	1,743,288	1,280,632	73.5%	115,546	249,041
Toronto West	8	523,341	118,300	22.6%	35,520	65,418
York	2	240,000	83,400	34.7%	18,866	120,000
Midtown	3	132,082	16,562	12.5%	44,771	44,027
Halton	3	91,741	26,374	28.7%	13,052	30,580
Toronto East	2	48,800	4,664	9.6%	47,782	24,400
Toronto North	2	33,504	8,134	24.3%	39,629	16,752
Durham	1	33,436	4,012	12.0%	16,783	33,436
Peel	0	0	0	0.0%	26,662	0
Totals	28	2,846,192	1,542,078	54.2%	46,037	101,650

Source: CoStar Property®

Recent Deliveries

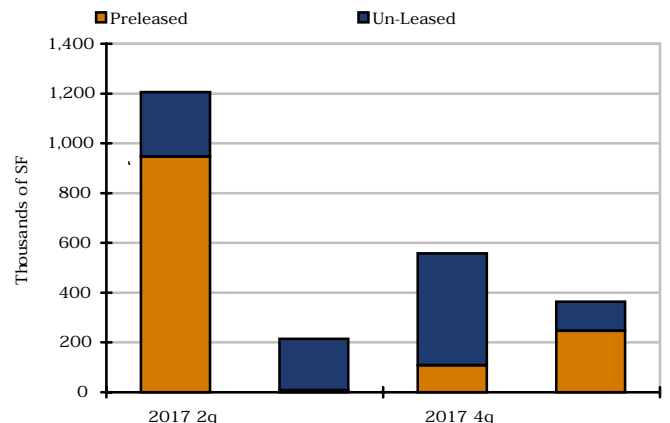
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

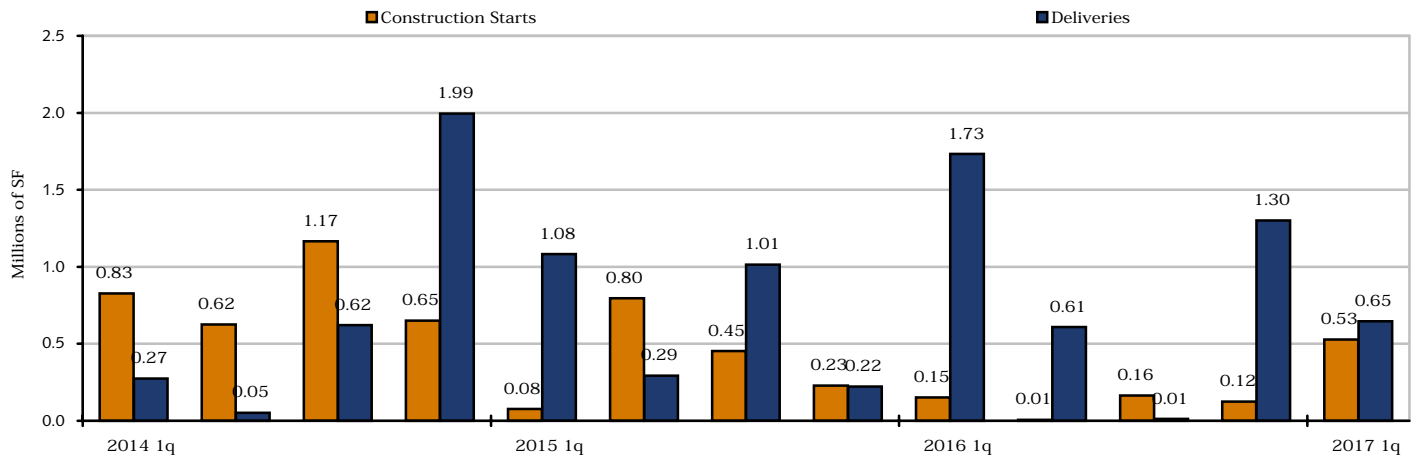
Greater Toronto Office Market



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	179,944	116,744	64.9%	\$27.76	0	179,944
50,000 SF - 99,999 SF	3	215,069	161,438	75.1%	\$65.00	0	215,069
100,000 SF - 249,999 SF	2	251,716	81,226	32.3%	\$34.32	0	251,716
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

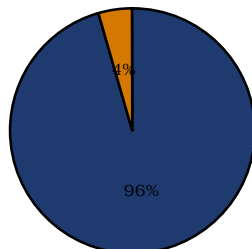
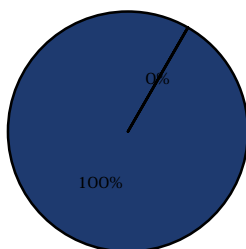
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

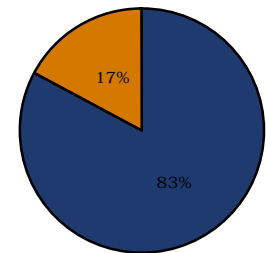
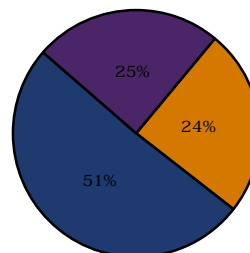
Source: CoStar Property®

Existing Inventory Comparison

Based on Total RBA

By Class

By Space Type



■ Class A ■ Class B ■ Class C

■ Multi ■ Single

Source: CoStar Property®

Select Year-to-Date Deliveries

Based on Project Square Footage

<p>1. 2727 Meadowpine Blvd</p> <p>Submarket: Toronto West RBA: 147,716 # Floors: 7 Class: A Occupied: 5% Quoted Rate: \$34.38 Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: Avison Young Developer: Cartera Private Equities Inc. Architect: N/A</p>	<p>2. 610 Chartwell Rd</p> <p>Submarket: Toronto West RBA: 104,000 # Floors: 4 Class: B Occupied: 71% Quoted Rate: \$34.00 Grnd Brk Date: Fourth Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: First Gulf Corporation Developer: N/A Architect: N/A</p>	<p>3. 7 St. Thomas St</p> <p>Submarket: Midtown RBA: 93,948 # Floors: 9 Class: A Occupied: 76% Quoted Rate: \$65.00 Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: K.P. Gillen & Co. Realty Ltd. Developer: St Thomas Developments Inc Architect: Hariri Pontarini Architects</p>
<p>4. Kingridge Square - Building 3</p> <p>Submarket: Toronto West RBA: 63,399 # Floors: 2 Class: B Occupied: 73% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: Kingridge Developments Corporation Architect: N/A</p>	<p>5. Kingridge Square - Building 2</p> <p>Submarket: Toronto West RBA: 57,722 # Floors: 2 Class: B Occupied: 66% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: Kingridge Developments Corporation Architect: N/A</p>	<p>6. Kingridge Square - Building 4</p> <p>Submarket: Toronto West RBA: 49,310 # Floors: 2 Class: B Occupied: 58% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: N/A Developer: Kingridge Developments Corporation Architect: N/A</p>
<p>7. Kingridge Square - Building 1</p> <p>Submarket: Toronto West RBA: 45,222 # Floors: 2 Class: B Occupied: 56% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: N/A Developer: Kingridge Developments Corporation Architect: N/A</p>	<p>8. Keele Rutherford Corporate Center</p> <p>Submarket: York RBA: 38,673 # Floors: 1 Class: A Occupied: 65% Quoted Rate: \$26.50 Grnd Brk Date: Third Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Melrose Investments Developer: N/A Architect: N/A</p>	<p>9. 3420 Major Mackenzie Dr</p> <p>Submarket: York RBA: 36,000 # Floors: 3 Class: B Occupied: 88% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Trinihill Realty Corp Developer: N/A Architect: N/A</p>
<p>10. 7735 Kennedy Rd S</p> <p>Submarket: Toronto West RBA: 6,003 # Floors: 1 Class: B Occupied: 100% Quoted Rate: \$34.50 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Rice Development Developer: N/A Architect: N/A</p>	<p>11. 7725 Kennedy Rd S</p> <p>Submarket: Toronto West RBA: 4,736 # Floors: 1 Class: B Occupied: 0% Quoted Rate: \$28.50 Grnd Brk Date: Third Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Avison Young Developer: N/A Architect: N/A</p>	

Greater Toronto Office Market



Inventory & development

Select Top Under Construction Properties

Based on Project Square Footage

<p>1. EY Tower</p> <p>Submarket: Downtown RBA: 957,902 # Floors: 40 Class: A Preleased: 87% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2014 Deliv Date: Second Quarter 2017 Leasing Co: Oxford Properties Group Developer: N/A Architect: Kohn Pederson Fox</p>	<p>2. King Portland Centre</p> <p>Submarket: Downtown RBA: 253,965 # Floors: 20 Class: A Preleased: 69% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2017 Deliv Date: First Quarter 2018 Leasing Co: Colliers International Developer: N/A Architect: N/A</p>	<p>3. Daniels Waterfront Phase A - West Tower</p> <p>Submarket: Downtown RBA: 185,000 # Floors: 9 Class: A Preleased: 43% Quoted Rate: \$47.95 Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2018 Leasing Co: Cushman & Wakefield Developer: Daniels Corporation Architect: Rafael + Bigauskas</p>
<p>4. Centro Square Offices</p> <p>Submarket: York RBA: 180,000 # Floors: 8 Class: A Preleased: 24% Quoted Rate: \$19.00 Grnd Brk Date: Second Quarter 2015 Deliv Date: Fourth Quarter 2017 Leasing Co: Avison Young Developer: Liberty Development Corp Architect: N/A</p>	<p>5. Daniels Waterfront - Creative Industries Hub</p> <p>Submarket: Downtown RBA: 143,000 # Floors: 3 Class: A Preleased: 24% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2015 Deliv Date: Second Quarter 2018 Leasing Co: Cushman & Wakefield Developer: Daniels Corporation Architect: Rafael + Bigauskas</p>	<p>6. 360 Centre</p> <p>Submarket: Toronto West RBA: 139,132 # Floors: 6 Class: A Preleased: 0% Quoted Rate: \$37.30 Grnd Brk Date: First Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: Avison Young Developer: Creek Bank Developments Architect: N/A</p>
<p>7. Daniels Waterfront Phase A - East Tower</p> <p>Submarket: Downtown RBA: 137,500 # Floors: 10 Class: A Preleased: 87% Quoted Rate: \$47.95 Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2018 Leasing Co: Cushman & Wakefield Developer: Daniels Corporation Architect: Rafael + Bigauskas</p>	<p>8. 6875 Financial Dr</p> <p>Submarket: Toronto West RBA: 125,790 # Floors: 5 Class: B Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2013 Deliv Date: Third Quarter 2017 Leasing Co: QuadReal Property Group Developer: Bentall Kennedy Architect: Adamson Associates Architects</p>	<p>9. Red Diamond Corporate Centre</p> <p>Submarket: Toronto West RBA: 110,000 # Floors: 6 Class: A Preleased: 65% Quoted Rate: \$32.00 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: First Quarter 2018 Leasing Co: JG Capital Realty Inc. Developer: N/A Architect: N/A</p>
<p>10. Casa III - Office Portion</p> <p>Submarket: Midtown RBA: 99,000 # Floors: 8 Class: A Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2016 Deliv Date: Fourth Quarter 2017 Leasing Co: Ashlar Urban Realty, Inc. Developer: Cresford Development Corporation Architect: architectsAlliance</p>	<p>11. 6260 Highway 7</p> <p>Submarket: York RBA: 60,000 # Floors: 3 Class: A Preleased: 67% Quoted Rate: \$28.00 Grnd Brk Date: Third Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: ZZen Group of Companies Limited Architect: N/A</p>	<p>12. 20 Wellington St E</p> <p>Submarket: Downtown RBA: 55,909 # Floors: 10 Class: A Preleased: 51% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2013 Deliv Date: Second Quarter 2017 Leasing Co: Avison Young Developer: Concert Properties Ltd Architect: N/A</p>
<p>13. 2800 High Point Dr - Building #2</p> <p>Submarket: Halton RBA: 46,000 # Floors: 2 Class: B Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: Coldwell Banker Commercial Integrity Developer: Elm Developments Architect: N/A</p>	<p>14. The Cooksville Medical Arts Centre</p> <p>Submarket: Toronto West RBA: 42,000 # Floors: 4 Class: A Preleased: 40% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Fourth Quarter 2017 Leasing Co: Intercity Realty Inc., Brokerage Developer: N/A Architect: N/A</p>	<p>15. Royal Centre</p> <p>Submarket: Toronto East RBA: 40,000 # Floors: 4 Class: B Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: Veedu Realty Inc Developer: Future Design Canada Inc. Architect: Battaglia Architects Inc.</p>



Greater Toronto Office Market

Figures at a Glance

Class A 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 %				
Downtown	68	43,293,957	1,545,566	1,638,234	3.8%	525,987	0	1,733,276	\$51.24
Durham	2	638,806	6,500	6,500	1.0%	0	0	33,436	\$28.50
Halton	0	0	0	0	0.0%	0	0	45,741	\$31.12
Midtown	11	2,537,961	166,627	255,915	10.1%	26,842	93,948	128,500	\$44.00
Peel	3	476,977	2,269	2,269	0.5%	2,800	0	0	\$16.43
Toronto East	21	3,851,805	510,036	545,248	14.2%	205,474	0	0	\$31.17
Toronto North	8	2,936,157	277,902	277,902	9.5%	(85,540)	0	25,370	\$38.31
Toronto West	50	8,614,831	1,184,429	1,186,399	13.8%	112,214	147,716	291,132	\$33.04
York	17	2,508,382	276,742	276,742	11.0%	73,972	38,673	240,000	\$23.54
Totals	180	64,858,876	3,970,071	4,189,209	6.5%	861,749	280,337	2,497,455	\$38.66

Source: CoStar Property®

Class B 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 %				
Downtown	290	36,451,251	1,199,185	1,297,442	3.6%	70,059	0	10,012	\$44.62
Durham	151	4,523,890	190,150	190,150	4.2%	7,466	0	0	\$23.55
Halton	22	510,147	34,314	34,314	6.7%	(390)	0	46,000	\$30.89
Midtown	82	10,869,268	378,624	386,675	3.6%	14,227	0	3,582	\$39.71
Peel	74	3,844,847	241,689	320,266	8.3%	40,754	0	0	\$24.50
Toronto East	372	31,562,648	2,116,397	2,219,157	7.0%	(166,096)	0	48,800	\$28.88
Toronto North	129	12,242,674	614,213	645,180	5.3%	(117,160)	0	8,134	\$36.52
Toronto West	460	30,664,963	3,372,057	3,606,622	11.8%	300,853	330,392	232,209	\$28.67
York	139	5,250,300	143,090	151,490	2.9%	29,673	36,000	0	\$26.48
Totals	1,719	135,919,988	8,289,719	8,851,296	6.5%	179,386	366,392	348,737	\$31.30

Source: CoStar Property®

Class C 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 %				
Downtown	448	13,384,519	526,216	556,900	4.2%	89,566	0	0	\$37.49
Durham	275	2,020,270	92,864	92,864	4.6%	7,789	0	0	\$19.58
Halton	63	599,267	9,594	9,594	1.6%	2,084	0	0	\$25.44
Midtown	420	9,560,352	269,768	285,406	3.0%	5,415	0	0	\$33.04
Peel	209	3,303,383	185,705	245,004	7.4%	(5,452)	0	0	\$21.98
Toronto East	570	10,599,147	849,399	852,126	8.0%	10,854	0	0	\$24.43
Toronto North	339	3,684,734	143,918	145,476	3.9%	(7,481)	0	0	\$20.41
Toronto West	1,145	19,506,083	1,076,042	1,148,626	5.9%	26,183	0	0	\$23.73
York	423	3,164,693	96,952	96,952	3.1%	(28,299)	0	0	\$21.83
Totals	3,892	65,822,448	3,250,458	3,432,948	5.2%	100,659	0	0	\$26.09

Source: CoStar Property®

Total Office 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 %				
Downtown	806	93,129,727	3,270,967	3,492,576	3.8%	685,612	0	1,743,288	\$46.40
Durham	428	7,182,966	289,514	289,514	4.0%	15,255	0	33,436	\$22.62
Halton	85	1,109,414	43,908	43,908	4.0%	1,694	0	91,741	\$29.72
Midtown	513	22,967,581	815,019	927,996	4.0%	46,484	93,948	132,082	\$38.34
Peel	286	7,625,207	429,663	567,539	7.4%	38,102	0	0	\$23.34
Toronto East	963	46,013,600	3,475,832	3,616,531	7.9%	50,232	0	48,800	\$28.53
Toronto North	476	18,863,565	1,036,033	1,068,558	5.7%	(210,181)	0	33,504	\$34.53
Toronto West	1,655	58,785,877	5,632,528	5,941,647	10.1%	439,250	478,108	523,341	\$28.51
York	579	10,923,375	516,784	525,184	4.8%	75,346	74,673	240,000	\$23.88
Totals	5,791	266,601,312	15,510,248	16,473,453	6.2%	1,141,794	646,729	2,846,192	\$31.93

Source: CoStar Property®

Greater Toronto Office Market



Figures at a Glance

Class A 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	180	64,858,876	3,970,071	4,189,209	6.5%	861,749	3	280,337	17	2,497,455	\$38.66
2016 4q	177	64,578,539	4,402,024	4,770,621	7.4%	1,782,497	2	1,300,000	17	2,359,325	\$39.61
2016 3q	175	63,278,539	5,013,846	5,253,118	8.3%	66,848	0	0	18	3,549,325	\$39.38
2016 2q	175	63,278,539	5,126,559	5,319,966	8.4%	405,982	4	572,029	15	3,429,911	\$39.22
2016 1q	170	62,664,706	4,883,746	5,112,115	8.2%	1,178,711	4	1,734,200	20	4,043,744	\$39.87
2015 4q	166	60,930,506	4,297,149	4,556,626	7.5%	(306,904)	1	76,885	23	5,678,944	\$39.44
2015 3q	165	60,853,621	3,917,051	4,172,837	6.9%	1,040,385	6	716,679	22	5,643,602	\$39.73
2015 2q	159	60,136,942	4,226,081	4,496,543	7.5%	423,132	1	165,000	23	5,941,477	\$40.49
2015 1q	158	59,971,942	4,492,588	4,754,675	7.9%	646,522	4	796,364	20	5,541,813	\$41.64
2014 4q	154	59,175,578	4,208,169	4,604,833	7.8%	842,023	8	1,918,365	24	6,338,177	\$41.07
2014 3q	146	57,257,213	3,190,855	3,528,491	6.2%	575,534	4	567,109	29	7,638,931	\$41.79
2014 2q	142	56,690,104	2,885,605	3,536,916	6.2%	(20,927)	1	29,971	30	7,162,082	\$40.70
2014 1q	141	56,660,133	2,874,645	3,486,018	6.2%	200,929	1	220,000	27	6,562,147	\$39.79
2013 4q	140	56,440,133	2,958,127	3,466,947	6.1%	357,879	4	1,031,550	23	6,112,274	\$41.27
2013 3q	136	55,408,583	2,446,310	2,793,276	5.0%	189,236	1	78,000	19	5,962,916	\$41.22
2013 2q	135	55,330,583	2,512,699	2,904,512	5.2%	0	1	150,000	14	4,989,671	\$40.72

Source: CoStar Property®

Class B 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	1,719	135,919,988	8,289,719	8,851,296	6.5%	179,386	8	366,392	11	348,737	\$31.30
2016 4q	1,711	135,553,596	8,101,056	8,664,290	6.4%	(169,363)	0	0	16	605,319	\$31.02
2016 3q	1,710	135,544,836	8,084,249	8,486,167	6.3%	416,122	1	12,000	15	591,458	\$31.86
2016 2q	1,709	135,532,836	8,336,046	8,890,289	6.6%	1,011,810	1	36,640	14	558,722	\$31.82
2016 1q	1,708	135,496,196	9,217,205	9,865,459	7.3%	538,793	0	0	11	547,643	\$32.05
2015 4q	1,709	135,501,746	9,633,112	10,409,802	7.7%	307,773	5	146,100	8	494,083	\$31.55
2015 3q	1,704	135,355,646	9,801,492	10,571,475	7.8%	(117,833)	4	296,613	11	524,183	\$31.37
2015 2q	1,699	135,055,888	9,494,754	10,153,884	7.5%	(352,440)	4	128,615	15	787,301	\$31.61
2015 1q	1,695	134,927,273	8,858,087	9,672,829	7.2%	(72,594)	3	286,606	14	684,263	\$31.69
2014 4q	1,692	134,640,667	8,540,207	9,313,629	6.9%	350,704	2	76,438	14	893,349	\$31.36
2014 3q	1,690	134,564,229	8,712,221	9,587,895	7.1%	25,124	3	54,428	14	937,154	\$31.15
2014 2q	1,687	134,509,801	8,586,750	9,558,591	7.1%	(133,703)	1	21,217	14	870,224	\$30.96
2014 1q	1,686	134,496,219	8,293,972	9,411,306	7.0%	(72,972)	4	53,859	15	896,791	\$30.58
2013 4q	1,682	134,442,360	8,045,557	9,284,475	6.9%	1,468,799	4	239,922	16	793,422	\$30.78
2013 3q	1,677	134,305,579	9,604,184	10,616,493	7.9%	123,451	7	434,523	17	906,812	\$30.41
2013 2q	1,667	133,865,688	9,407,771	10,300,053	7.7%	0	7	351,785	22	1,169,355	\$30.07

Source: CoStar Property®

Total Office Market Statistics

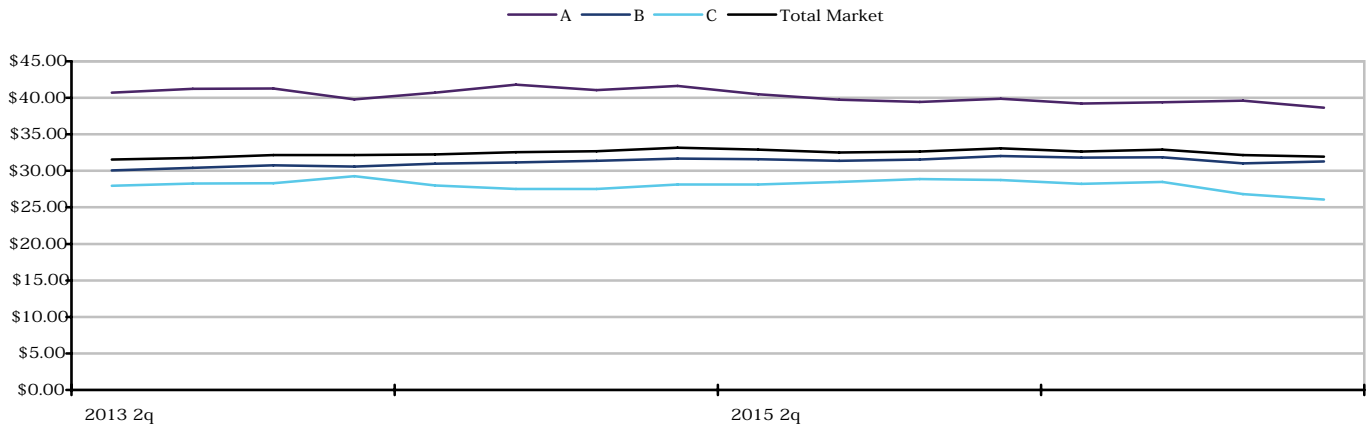
First Quarter 2017

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	5,791	266,601,312	15,510,248	16,473,453	6.2%	1,141,794	11	646,729	28	2,846,192	\$31.93
2016 4q	5,780	265,954,583	15,841,816	16,968,518	6.4%	1,290,820	2	1,300,000	33	2,964,644	\$32.17
2016 3q	5,777	264,645,823	16,120,236	16,950,578	6.4%	408,054	1	12,000	33	4,140,783	\$32.90
2016 2q	5,778	264,673,648	16,561,637	17,386,457	6.6%	1,521,077	5	608,669	29	3,988,633	\$32.66
2016 1q	5,772	264,023,175	17,294,413	18,257,061	6.9%	1,943,818	4	1,734,200	31	4,591,387	\$33.08
2015 4q	5,769	262,294,525	17,343,055	18,472,229	7.0%	72,528	6	222,985	31	6,173,027	\$32.64
2015 3q	5,767	262,089,860	17,232,921	18,340,092	7.0%	1,003,038	10	1,013,292	33	6,167,785	\$32.52
2015 2q	5,757	261,107,688	17,356,947	18,360,958	7.0%	9,945	5	293,615	38	6,728,778	\$32.89
2015 1q	5,754	260,876,401	17,005,898	18,139,616	7.0%	595,607	7	1,082,970	34	6,226,076	\$33.15
2014 4q	5,748	259,798,829	16,422,656	17,657,651	6.8%	1,298,737	10	1,994,803	38	7,231,526	\$32.68
2014 3q	5,738	257,804,026	15,679,767	16,961,585	6.6%	691,411	7	621,537	43	8,576,085	\$32.57
2014 2q	5,731	257,182,489	15,335,018	17,031,459	6.6%	1,555	2	51,188	44	8,032,306	\$32.27
2014 1q	5,730	257,147,578	15,176,355	16,998,103	6.6%	189,110	5	273,859	42	7,458,938	\$32.15
2013 4q	5,725	256,873,719	15,100,744	16,913,354	6.6%	2,216,564	8	1,271,472	39	6,905,696	\$32.16
2013 3q	5,716	255,705,388	16,499,787	17,961,587	7.0%	483,504	8	512,523	36	6,869,728	\$31.79
2013 2q	5,702	255,294,931	16,644,785	18,034,634	7.1%	0	8	501,785	40	6,174,223	\$31.56

Source: CoStar Property®

Historical Rental Rates

Based on Full-Service Equivalent Rental Rates



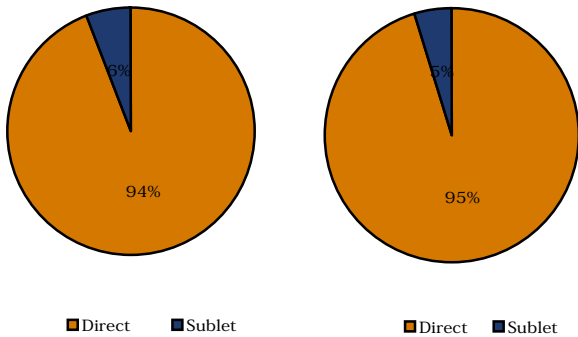
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Greater Toronto

United States



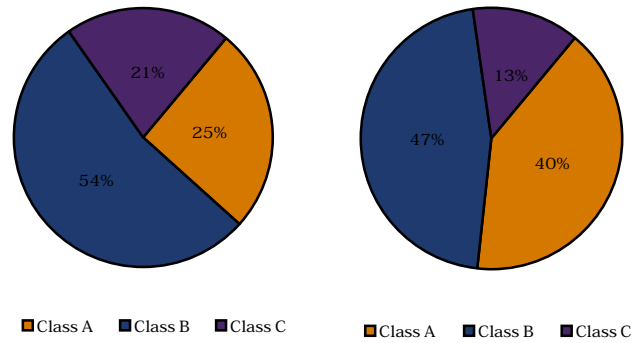
Source: CoStar Property®

Vacancy by Class

Percent of All Vacant Space by Class

Greater Toronto

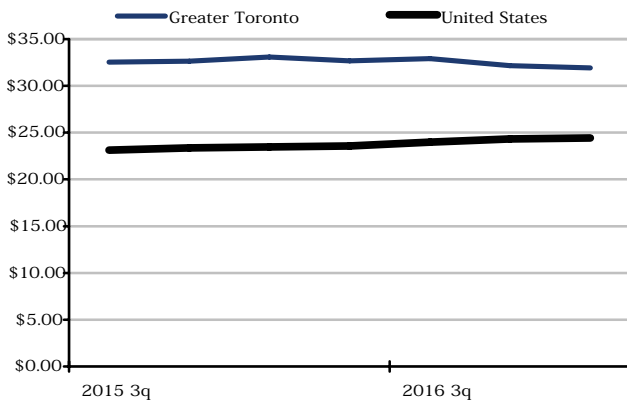
United States



Source: CoStar Property®

U.S. Rental Rate Comparison

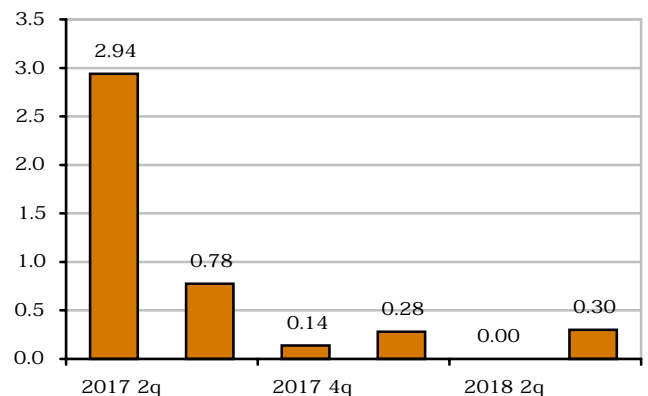
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



* Includes Under Construction Spaces

Source: CoStar Property®

Greater Toronto Office Market



Leasing Activity

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

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	King Portland Centre	Downtown West	78,810	1st	Indigo	Avison Young	Colliers International
2	20 Eglinton Ave W	Eglinton/Yonge	47,295	1st	N/A	N/A	CBRE
3	Sun Life Financial Tower	Financial Core	36,545	1st	iQ Office Suites	Cushman & Wakefield	Bentall Kennedy
4	1 Marmac Dr	Airport Corp Centre/Airpo	34,650	1st	Give & Go Prepared Foods	Colliers International	Colliers International
5	483 Bay St	Outer Financial Core	33,417	1st	N/A	N/A	Northam Realty Advisors Limited
6	First Canadian Place*	Financial Core	29,185	1st	Bank of Montreal	N/A	Brookfield Office Properties Manage
7	325 Milner Ave	Scarborough	27,819	1st	Government	Colliers International	Groupe Petra
8	325 Front St W	Downtown South	25,000	1st	Ontario Centres of Excellence	Direct Deal	Oxford Properties Group
9	145 King St W	Financial Core	24,682	1st	Canadian Partnership Against Cancer	Cresa Toronto Inc. Brokerage	Bentall Kennedy
10	North York Centre	North Yonge Corridor	24,669	1st	N/A	CBRE	GWL Realty Advisors
11	The Rothmans Building	DVP North/Duncan Mill	24,492	1st	411 Local Search Corporation	N/A	Crown Realty Partners
12	777 Bay St	Downtown North	24,403	1st	N/A	N/A	Canderel Commercial Services
13	Metro Centre North	Outer Financial Core	23,432	1st	N/A	N/A	Oxford Properties Group
14	1 Toronto St	Outer Financial Core	23,342	1st	CST Trust Company	N/A	GWL Realty Advisors
15	Royal Bank Plaza - South Tower	Financial Core	23,170	1st	N/A	N/A	Oxford Properties Group
16	255 Consumers Rd	Consumers	23,102	1st	N/A	N/A	CBRE
17	185 Frederick St	Downtown East	21,445	1st	N/A	N/A	Allied Properties REIT
18	Financial Links	Consumers	19,862	1st	N/A	Direct Deal	Redbourne Realty Advisors
19	401 The West Mall	427 Corr/Bloor/Islington	19,335	1st	N/A	N/A	Dream Unlimited Corporation
20	West Metro Corporate Centre III	427 Corr/Bloor/Islington	18,439	1st	N/A	N/A	Dream Unlimited Corporation
21	4711 Yonge St	North Yonge Corridor	17,508	1st	N/A	N/A	CBRE
22	50 Bay St	Downtown South	17,348	1st	Maple Leaf Sports & Entertainment Ltd.	N/A	Bentall Kennedy
23	2 Robert Speck Pky	City Centre	16,941	1st	N/A	N/A	Colliers International
24	Queens Quay Terminal	Downtown South	16,599	1st	N/A	N/A	Brookfield Office Properties Manage
25	952 Queen St W	King/Dufferin	16,095	1st	Sid Lee	JLL	Hullmark Development, LTD
26	185 Frederick St	Downtown East	15,957	1st	N/A	N/A	Allied Properties REIT
27	1201 King St W	King/Dufferin	15,913	1st	N/A	N/A	Colliers International
28	EY Tower	Financial Core	15,812	1st	N/A	N/A	Oxford Properties Group
29	1 Dundas St W	Outer Financial Core	15,529	1st	N/A	N/A	Cadillac Fairview
30	Hudson Bay Centre	Bloor/Yonge	15,435	1st	N/A	N/A	Brookfield Office Properties Manage
31	Toronto Star	Downtown South	14,800	1st	N/A	N/A	Colliers International
32	West Metro Corporate Centre III	427 Corr/Bloor/Islington	13,967	1st	N/A	N/A	Dream Unlimited Corporation
33	145 Wellington St W	Outer Financial Core	13,849	1st	N/A	N/A	Avison Young
34	Yorkland Court	Consumers	13,570	1st	N/A	N/A	Colliers International
35	Meadowvale Corporate Centre - V	Meadowvale	13,244	1st	N/A	N/A	QuadReal Property Group Brokerage
36	Hudson Bay Centre	Bloor/Yonge	12,670	1st	N/A	N/A	Brookfield Office Properties Manage
37	78 Richmond St W	Oshawa	12,124	1st	N/A	N/A	Cushman & Wakefield
38	410 Adelaide St W	Downtown West	11,930	1st	N/A	N/A	CBRE
39	1 Toronto St	Outer Financial Core	11,611	1st	N/A	N/A	GWL Realty Advisors
40	120 Adelaide St W	Financial Core	11,608	1st	N/A	N/A	Oxford Properties Group

Source: CoStar Property®

* Renewal

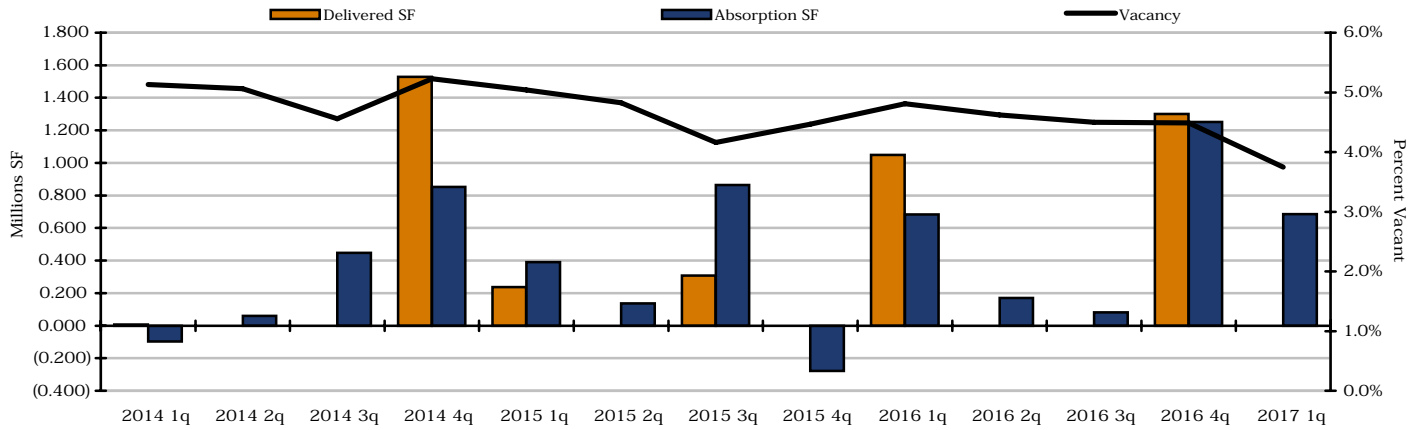


Greater Toronto Office Market

Downtown Market Market Highlights – Class "A, B & C"

Deliveries, Absorption & Vacancy

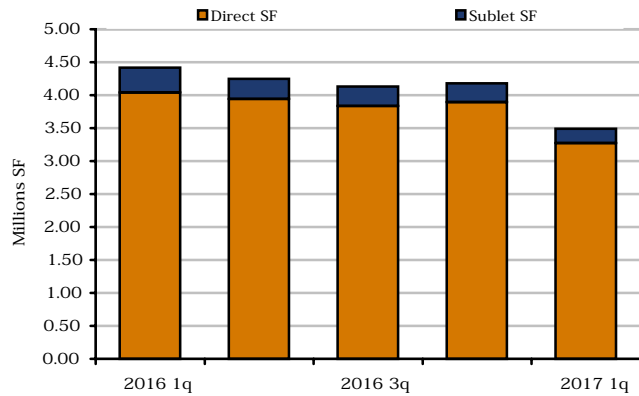
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

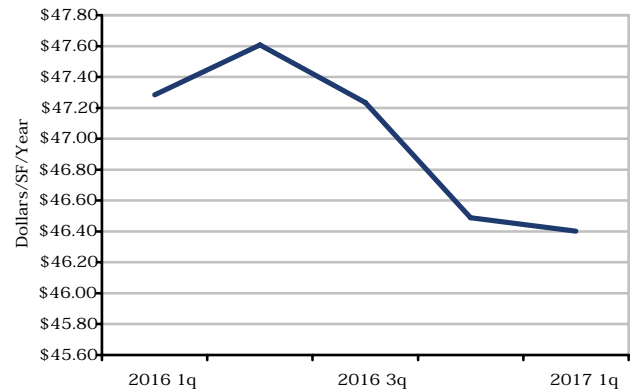
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	806	93,129,727	3,492,576	3.8%	685,612	0	0	7	1,743,288	\$46.40
2016 4q	806	93,129,727	4,178,188	4.5%	1,251,907	2	1,300,000	6	1,489,323	\$46.49
2016 3q	804	91,829,727	4,130,095	4.5%	80,786	0	0	7	2,779,311	\$47.23
2016 2q	805	91,865,708	4,246,862	4.6%	169,318	0	0	7	2,779,311	\$47.61
2016 1q	805	91,865,708	4,416,180	4.8%	683,457	1	1,048,319	7	2,779,311	\$47.28
2015 4q	805	90,822,939	4,056,868	4.5%	(278,699)	0	0	8	3,827,630	\$47.13
2015 3q	805	90,822,939	3,778,169	4.2%	864,908	1	307,040	8	3,827,630	\$47.17
2015 2q	805	90,550,164	4,370,302	4.8%	136,104	0	0	7	3,812,170	\$46.59
2015 1q	806	90,610,831	4,567,073	5.0%	390,363	1	236,806	6	3,669,170	\$46.45
2014 4q	806	90,379,423	4,726,028	5.2%	852,888	2	1,529,286	7	3,905,976	\$44.90
2014 3q	804	88,850,137	4,049,630	4.6%	448,162	0	0	9	5,435,262	\$44.60
2014 2q	804	88,850,137	4,497,792	5.1%	60,407	0	0	8	4,477,360	\$44.42
2014 1q	804	88,850,137	4,558,199	5.1%	(97,025)	1	7,545	8	4,477,360	\$43.25
2013 4q	803	88,842,592	4,453,629	5.0%	382,724	1	793,932	8	4,177,865	\$43.73
2013 3q	803	88,188,678	4,182,439	4.7%	398,111	0	0	8	4,471,797	\$43.33
2013 2q	803	88,188,678	4,580,550	5.2%	0	0	0	8	4,471,797	\$43.23

Source: CoStar Property®

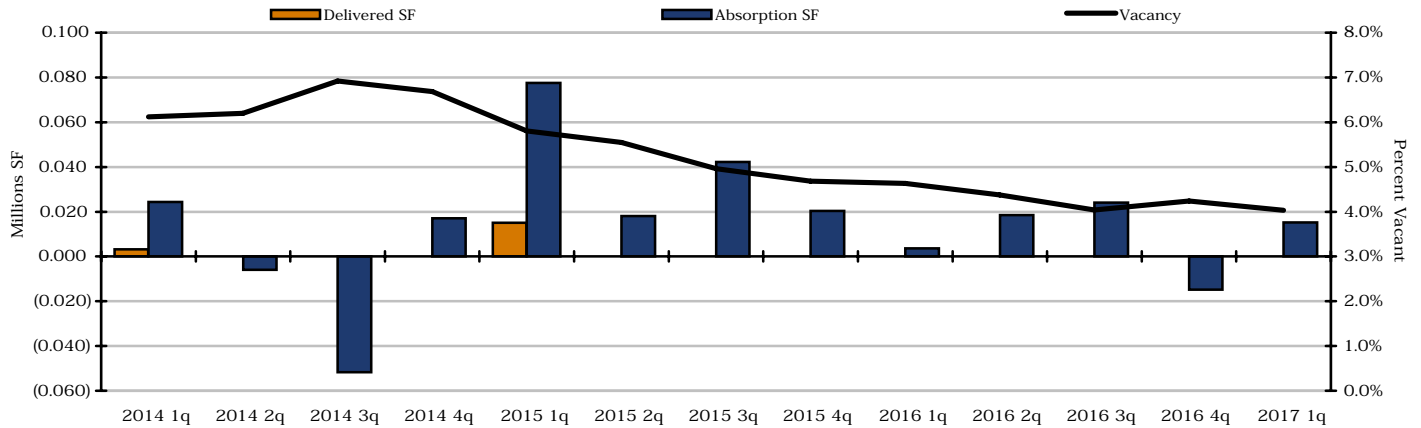
Greater Toronto Office Market



Durham Market Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

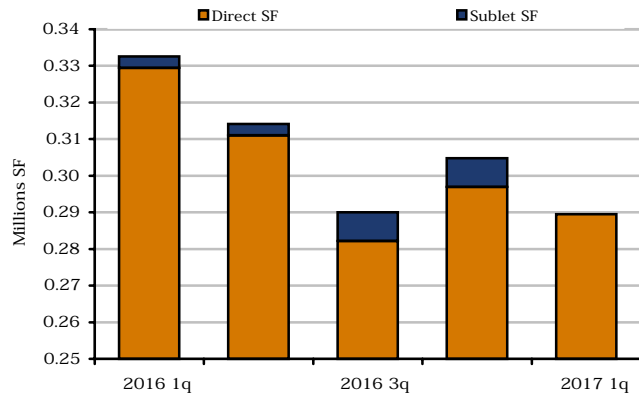
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

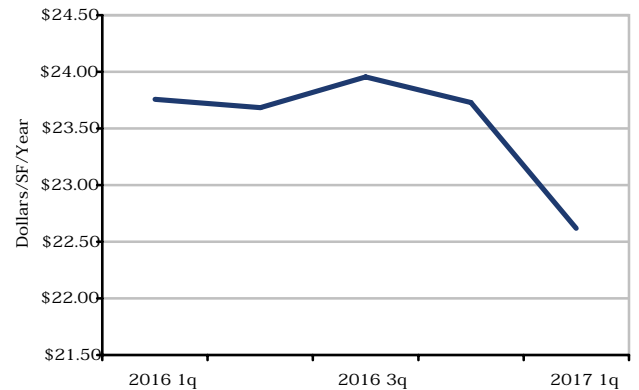
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	428	7,182,966	289,514	4.0%	15,255	0	0	1	33,436	\$22.62
2016 4q	428	7,182,966	304,769	4.2%	(14,765)	0	0	1	33,436	\$23.73
2016 3q	428	7,182,966	290,004	4.0%	24,127	0	0	1	33,436	\$23.95
2016 2q	428	7,182,966	314,131	4.4%	18,456	0	0	1	33,436	\$23.68
2016 1q	428	7,182,966	332,587	4.6%	3,580	0	0	1	33,436	\$23.76
2015 4q	428	7,182,966	336,167	4.7%	20,303	0	0	1	33,436	\$23.19
2015 3q	428	7,182,966	356,470	5.0%	42,263	0	0	1	33,436	\$22.49
2015 2q	428	7,182,966	398,733	5.6%	17,999	0	0	1	33,436	\$21.93
2015 1q	428	7,182,966	416,732	5.8%	77,493	1	15,000	1	33,436	\$21.99
2014 4q	427	7,167,966	479,225	6.7%	17,001	0	0	2	48,436	\$21.79
2014 3q	427	7,167,966	496,226	6.9%	(51,727)	0	0	1	15,000	\$21.22
2014 2q	427	7,167,966	444,499	6.2%	(5,933)	0	0	1	15,000	\$21.57
2014 1q	427	7,167,966	438,566	6.1%	24,416	1	3,260	0	0	\$21.57
2013 4q	426	7,164,706	459,722	6.4%	35,350	0	0	1	3,260	\$21.18
2013 3q	426	7,164,706	495,072	6.9%	99,401	1	70,324	1	3,260	\$20.79
2013 2q	425	7,094,382	524,149	7.4%	0	2	235,138	2	73,584	\$20.82

Source: CoStar Property®



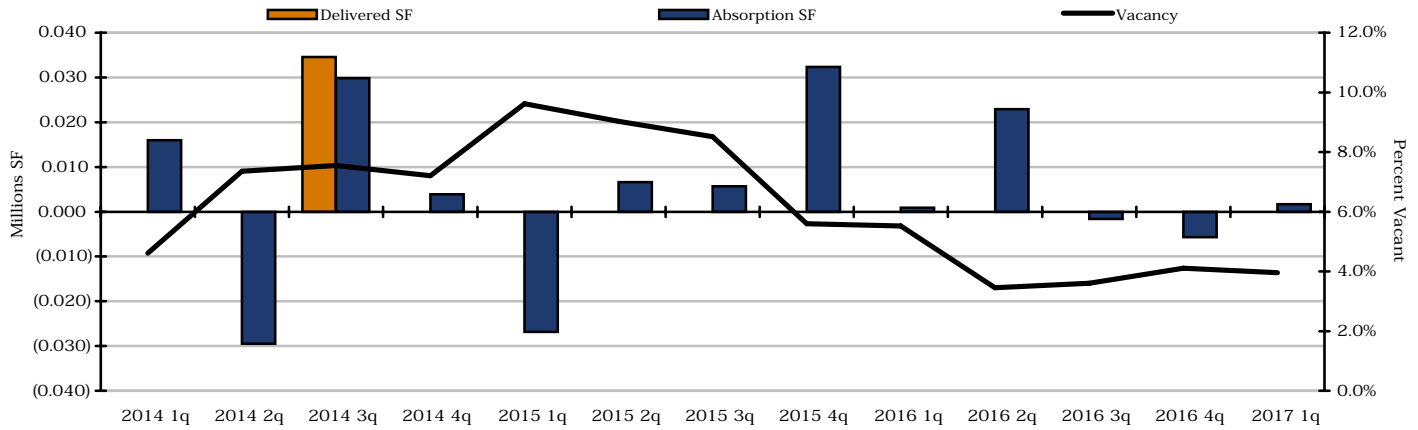
Greater Toronto Office Market

Halton Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

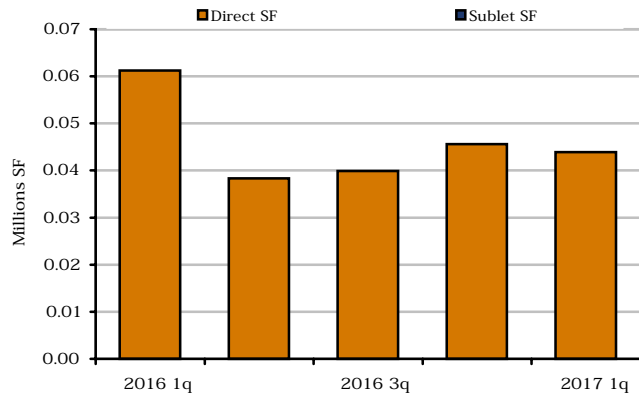
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

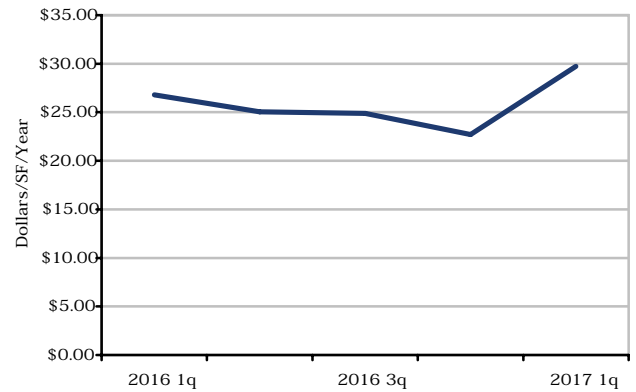
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	85	1,109,414	43,908	4.0%	1,694	0	0	3	91,741	\$29.72
2016 4q	85	1,109,414	45,602	4.1%	(5,675)	0	0	2	45,741	\$22.70
2016 3q	85	1,109,414	39,927	3.6%	(1,625)	0	0	2	45,741	\$24.88
2016 2q	85	1,109,414	38,302	3.5%	22,931	0	0	1	25,000	\$25.03
2016 1q	85	1,109,414	61,233	5.5%	867	0	0	1	25,000	\$26.80
2015 4q	85	1,109,414	62,100	5.6%	32,365	0	0	1	25,000	\$26.98
2015 3q	85	1,109,414	94,465	8.5%	5,668	0	0	1	25,000	\$23.83
2015 2q	85	1,109,414	100,133	9.0%	6,614	0	0	0	0	\$23.40
2015 1q	85	1,109,414	106,747	9.6%	(26,847)	0	0	0	0	\$23.27
2014 4q	85	1,109,414	79,900	7.2%	3,901	0	0	0	0	\$22.49
2014 3q	85	1,109,414	83,801	7.6%	29,824	1	34,600	0	0	\$23.05
2014 2q	84	1,074,814	79,025	7.4%	(29,470)	0	0	1	34,600	\$22.80
2014 1q	84	1,074,814	49,555	4.6%	16,010	0	0	1	34,600	\$21.00
2013 4q	84	1,074,814	65,565	6.1%	17,778	0	0	1	34,600	\$20.45
2013 3q	84	1,074,814	83,343	7.8%	9,521	0	0	0	0	\$19.80
2013 2q	83	1,069,955	88,005	8.2%	0	1	30,260	1	4,859	\$19.84

Source: CoStar Property®

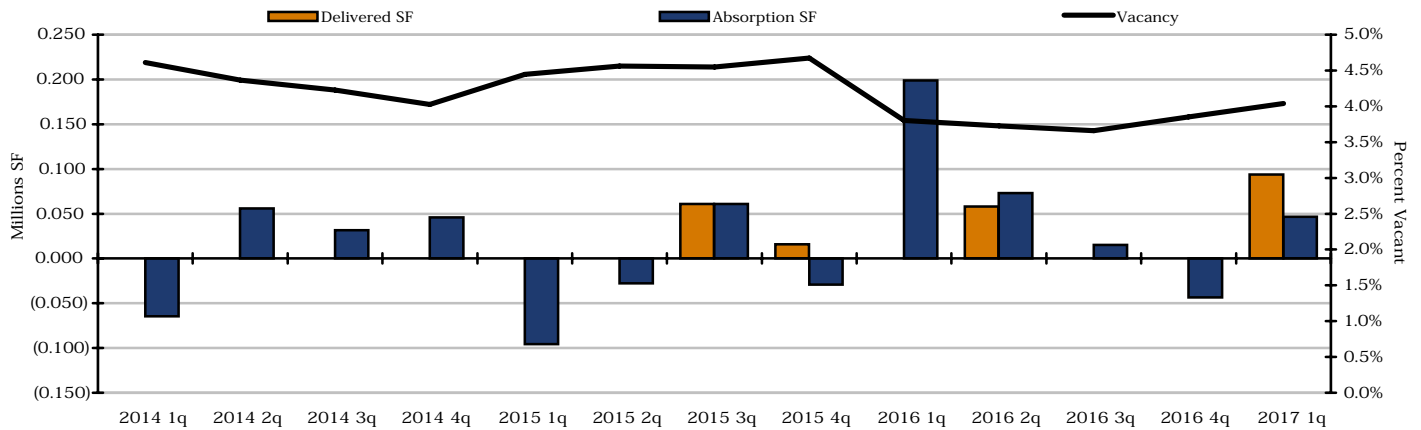
Greater Toronto Office Market



Midtown Market Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

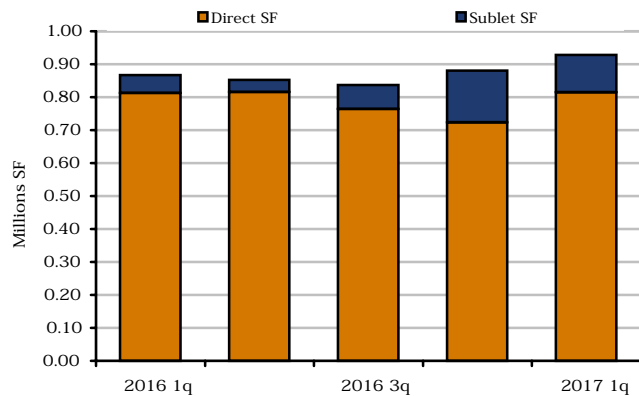
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

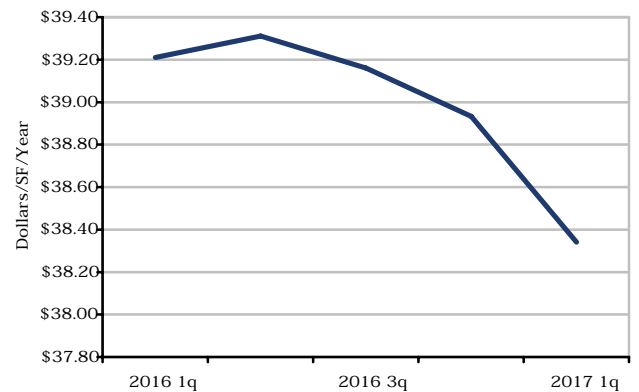
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	513	22,967,581	927,996	4.0%	46,484	1	93,948	3	132,082	\$38.34
2016 4q	512	22,873,633	880,532	3.8%	(43,528)	0	0	4	226,030	\$38.93
2016 3q	512	22,873,633	837,004	3.7%	15,306	0	0	4	226,030	\$39.16
2016 2q	512	22,873,633	852,310	3.7%	72,927	1	58,080	4	226,030	\$39.31
2016 1q	511	22,815,553	867,157	3.8%	198,949	0	0	4	280,528	\$39.21
2015 4q	511	22,815,553	1,066,106	4.7%	(29,114)	1	16,000	3	181,528	\$39.39
2015 3q	513	22,816,579	1,038,018	4.5%	60,998	1	60,865	4	197,528	\$40.05
2015 2q	512	22,755,714	1,038,151	4.6%	(27,840)	0	0	4	228,893	\$40.32
2015 1q	513	22,757,375	1,011,972	4.4%	(95,542)	0	0	3	134,945	\$39.80
2014 4q	513	22,757,375	916,430	4.0%	45,934	0	0	2	118,945	\$39.85
2014 3q	513	22,757,375	962,364	4.2%	31,472	0	0	2	118,945	\$39.42
2014 2q	513	22,757,375	993,836	4.4%	55,770	0	0	1	60,865	\$38.96
2014 1q	513	22,757,375	1,049,606	4.6%	(64,399)	0	0	1	60,865	\$38.21
2013 4q	513	22,757,375	985,207	4.3%	55,803	0	0	0	0	\$38.31
2013 3q	513	22,757,375	1,041,010	4.6%	103,268	0	0	0	0	\$37.97
2013 2q	513	22,757,375	1,144,278	5.0%	0	0	0	0	0	\$37.95

Source: CoStar Property®



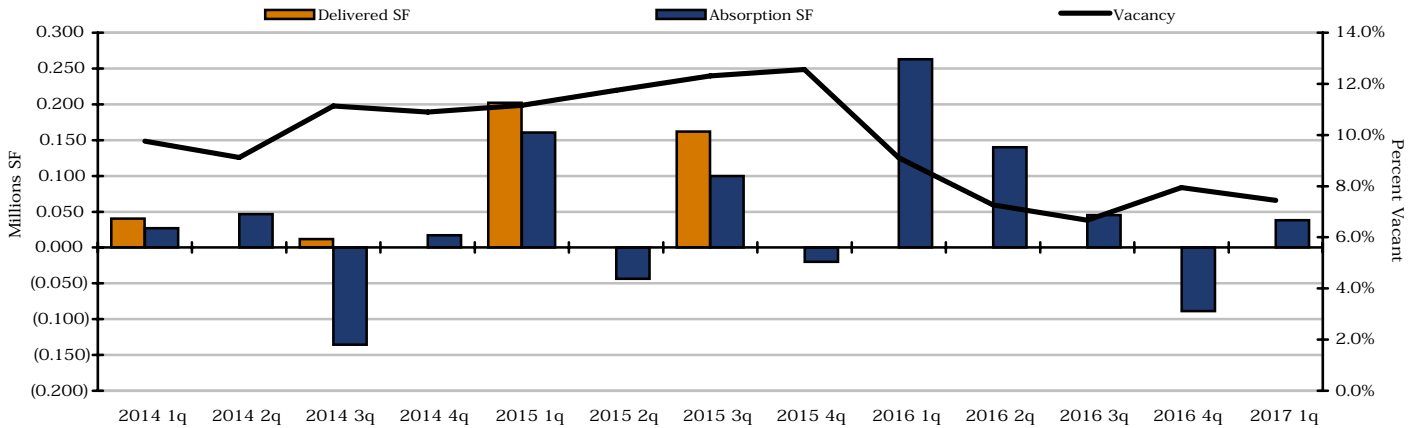
Greater Toronto Office Market

Peel Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

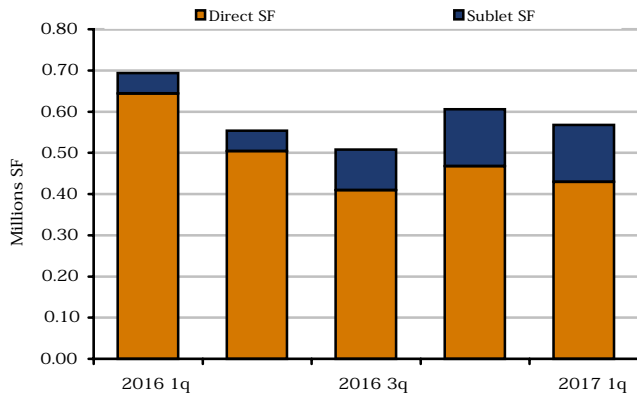
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

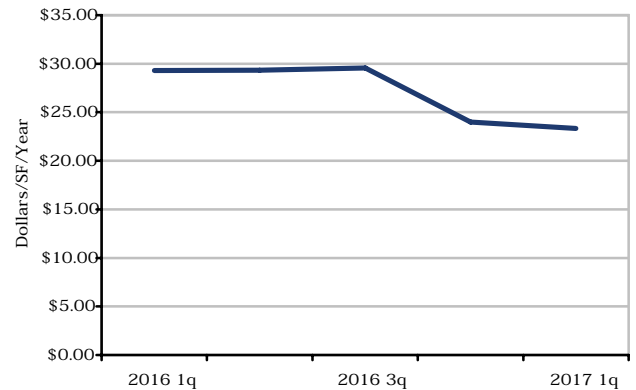
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	286	7,625,207	567,539	7.4%	38,102	0	0	0	0	\$23.34
2016 4q	286	7,625,207	605,641	7.9%	(88,910)	0	0	0	0	\$23.99
2016 3q	285	7,616,447	507,971	6.7%	45,469	0	0	1	8,760	\$29.55
2016 2q	285	7,616,447	553,440	7.3%	139,885	0	0	1	8,760	\$29.32
2016 1q	285	7,616,447	693,325	9.1%	263,127	0	0	1	8,760	\$29.30
2015 4q	285	7,616,447	956,452	12.6%	(20,146)	0	0	0	0	\$29.06
2015 3q	286	7,617,741	937,600	12.3%	100,024	1	162,000	0	0	\$28.45
2015 2q	285	7,455,741	875,624	11.7%	(43,602)	0	0	1	162,000	\$27.86
2015 1q	285	7,455,741	832,022	11.2%	160,720	1	202,000	1	162,000	\$28.19
2014 4q	284	7,253,741	790,742	10.9%	17,016	0	0	2	364,000	\$28.16
2014 3q	284	7,253,741	807,758	11.1%	(135,690)	1	11,660	2	364,000	\$28.23
2014 2q	283	7,242,081	660,408	9.1%	46,491	0	0	3	375,660	\$24.36
2014 1q	283	7,242,081	706,899	9.8%	27,057	1	40,414	3	375,660	\$25.13
2013 4q	282	7,201,667	693,542	9.6%	124,620	1	74,488	4	416,074	\$25.17
2013 3q	281	7,127,179	743,674	10.4%	95,333	1	75,000	4	478,902	\$25.36
2013 2q	280	7,052,179	764,007	10.8%	0	0	0	4	351,902	\$25.47

Source: CoStar Property®

Greater Toronto Office Market

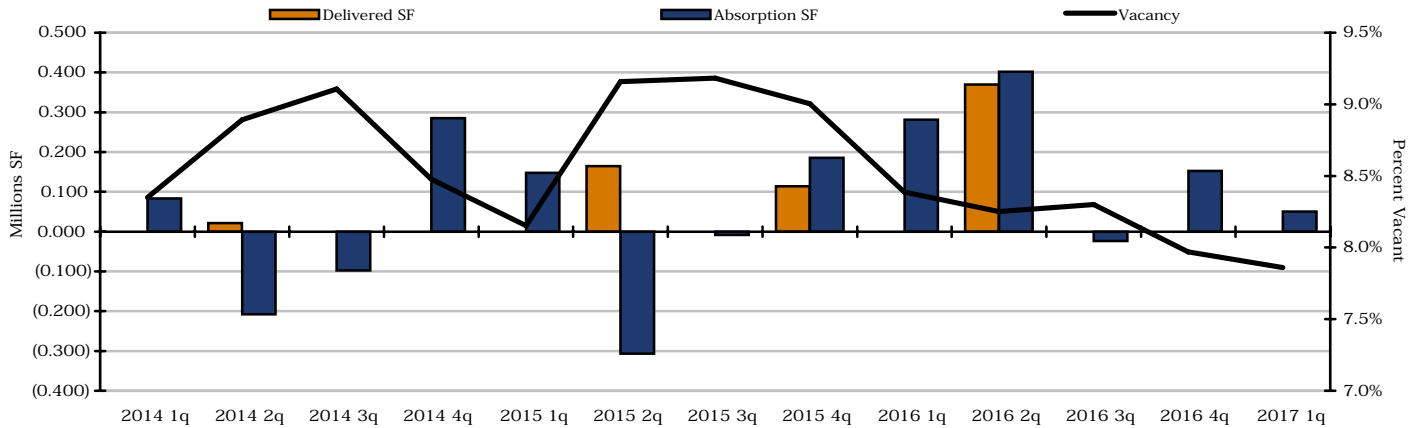


Toronto East Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

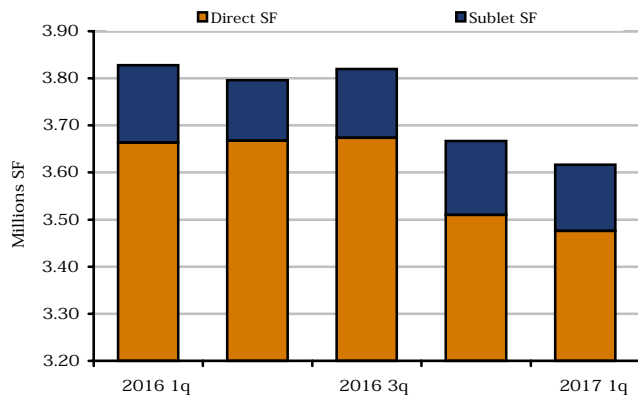
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

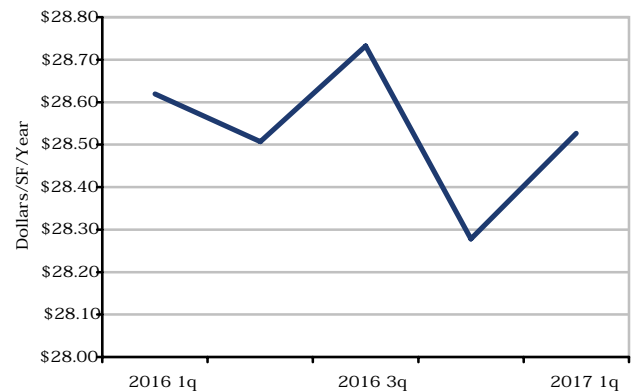
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	963	46,013,600	3,616,531	7.9%	50,232	0	0	2	48,800	\$28.53
2016 4q	963	46,013,600	3,666,763	8.0%	152,734	0	0	2	48,800	\$28.28
2016 3q	963	46,013,600	3,819,497	8.3%	(23,242)	0	0	2	48,800	\$28.73
2016 2q	963	46,013,600	3,796,255	8.3%	402,019	1	370,000	1	8,800	\$28.51
2016 1q	962	45,643,600	3,828,274	8.4%	281,053	0	0	2	378,800	\$28.62
2015 4q	962	45,643,600	4,109,327	9.0%	185,616	3	114,100	1	370,000	\$28.65
2015 3q	959	45,529,500	4,180,843	9.2%	(8,132)	0	0	4	484,100	\$28.03
2015 2q	958	45,526,355	4,169,566	9.2%	(306,682)	1	165,000	5	487,245	\$28.29
2015 1q	957	45,361,355	3,697,884	8.2%	147,680	0	0	6	652,245	\$28.21
2014 4q	957	45,361,355	3,845,564	8.5%	285,459	0	0	4	590,725	\$27.75
2014 3q	957	45,361,355	4,131,023	9.1%	(97,630)	0	0	3	587,580	\$27.94
2014 2q	957	45,361,355	4,033,393	8.9%	(208,052)	1	21,217	3	587,580	\$27.85
2014 1q	955	45,319,788	3,783,774	8.3%	83,488	0	0	4	259,147	\$29.50
2013 4q	955	45,319,788	3,867,262	8.5%	414,990	1	114,127	3	94,147	\$28.83
2013 3q	954	45,205,661	4,168,125	9.2%	(69,870)	0	0	3	155,694	\$28.77
2013 2q	953	45,204,161	4,096,755	9.1%	0	3	79,701	2	115,627	\$29.11

Source: CoStar Property®



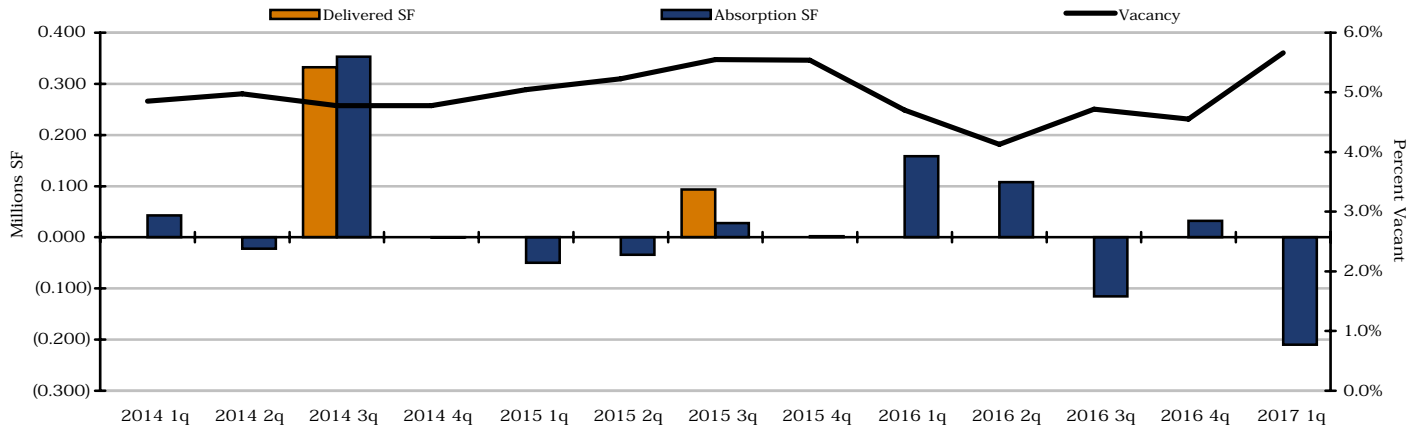
Greater Toronto Office Market

Toronto North Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

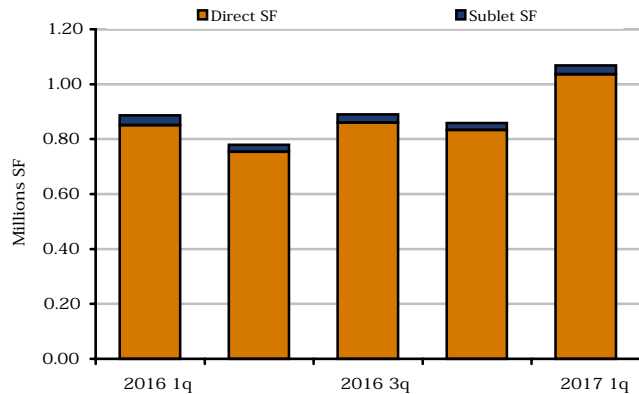
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

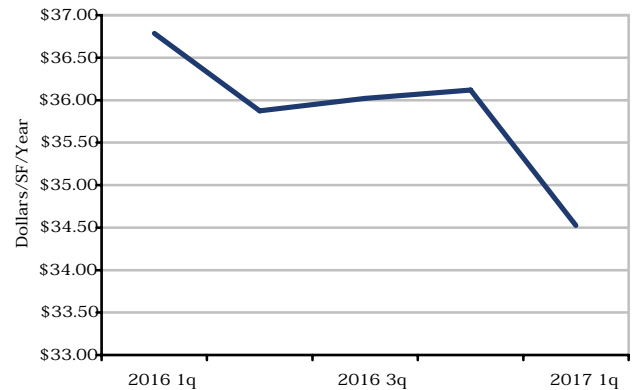
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	476	18,863,565	1,068,558	5.7%	(210,181)	0	0	2	33,504	\$34.53
2016 4q	476	18,863,565	858,377	4.6%	32,098	0	0	1	8,134	\$36.12
2016 3q	476	18,863,565	890,475	4.7%	(115,348)	0	0	1	8,134	\$36.02
2016 2q	477	18,867,409	778,971	4.1%	108,081	0	0	1	8,134	\$35.87
2016 1q	477	18,867,409	887,052	4.7%	158,341	0	0	0	0	\$36.78
2015 4q	477	18,867,409	1,045,393	5.5%	2,099	0	0	0	0	\$36.44
2015 3q	477	18,867,409	1,047,492	5.6%	27,511	2	93,687	0	0	\$35.97
2015 2q	475	18,773,722	981,316	5.2%	(34,095)	0	0	2	93,687	\$36.40
2015 1q	475	18,773,722	947,221	5.0%	(49,945)	0	0	2	93,687	\$35.73
2014 4q	475	18,773,722	897,276	4.8%	(421)	0	0	2	93,687	\$35.04
2014 3q	475	18,773,722	896,855	4.8%	352,870	1	332,499	2	93,687	\$34.76
2014 2q	474	18,441,223	917,226	5.0%	(22,526)	0	0	3	426,186	\$35.07
2014 1q	474	18,441,223	894,700	4.9%	43,088	0	0	3	426,186	\$34.69
2013 4q	474	18,441,223	937,788	5.1%	22,404	1	15,600	2	334,322	\$34.46
2013 3q	472	18,423,186	942,155	5.1%	59,645	1	34,960	3	19,860	\$33.95
2013 2q	470	18,386,226	964,840	5.2%	0	0	0	4	54,997	\$33.69

Source: CoStar Property®

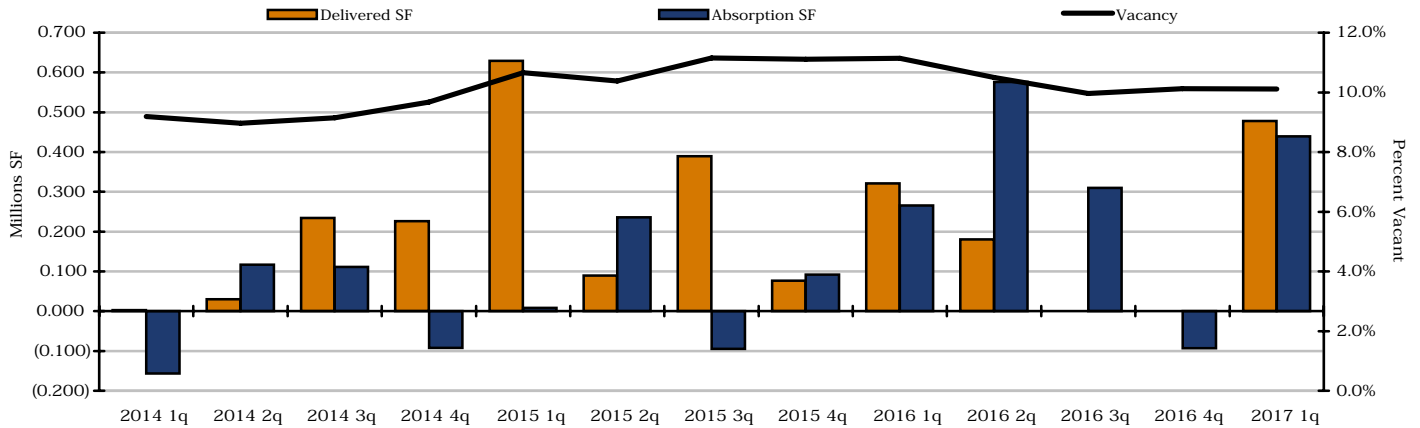
Greater Toronto Office Market



Toronto West Market Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

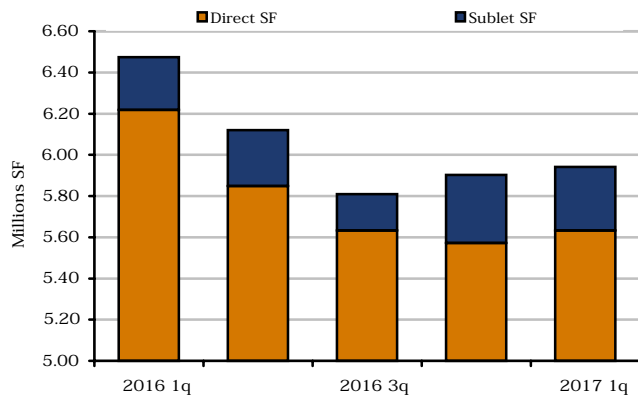
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

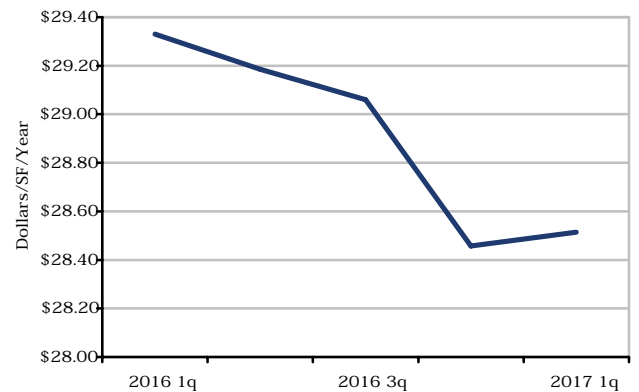
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	1,655	58,785,877	5,941,647	10.1%	439,250	8	478,108	8	523,341	\$28.51
2016 4q	1,647	58,307,769	5,902,789	10.1%	(93,151)	0	0	13	798,507	\$28.46
2016 3q	1,647	58,307,769	5,809,638	10.0%	310,072	0	0	11	675,898	\$29.06
2016 2q	1,647	58,307,769	6,119,710	10.5%	576,190	3	180,589	10	671,162	\$29.18
2016 1q	1,643	58,085,376	6,473,507	11.1%	265,534	2	320,881	12	857,552	\$29.33
2015 4q	1,641	57,764,495	6,418,160	11.1%	92,267	1	76,885	14	1,178,433	\$28.76
2015 3q	1,640	57,687,610	6,433,542	11.2%	(94,966)	5	389,700	12	1,039,091	\$28.59
2015 2q	1,635	57,297,910	5,948,876	10.4%	235,937	3	89,519	15	1,350,347	\$28.50
2015 1q	1,632	57,208,391	6,095,294	10.7%	8,235	4	629,164	13	1,076,497	\$28.28
2014 4q	1,628	56,579,227	5,474,365	9.7%	(92,115)	3	226,586	17	1,705,661	\$27.94
2014 3q	1,625	56,352,641	5,155,664	9.1%	110,973	3	234,610	18	1,683,584	\$27.60
2014 2q	1,622	56,118,031	5,032,027	9.0%	117,206	1	29,971	18	1,807,956	\$27.82
2014 1q	1,623	56,124,687	5,155,889	9.2%	(156,595)	1	2,640	16	1,578,021	\$27.87
2013 4q	1,622	56,122,047	4,996,654	8.9%	997,263	2	176,818	15	1,447,871	\$27.85
2013 3q	1,619	55,910,789	5,782,659	10.3%	(254,575)	3	309,841	12	1,339,540	\$27.56
2013 2q	1,615	55,714,741	5,332,036	9.6%	0	1	150,000	11	683,184	\$27.03

Source: CoStar Property®

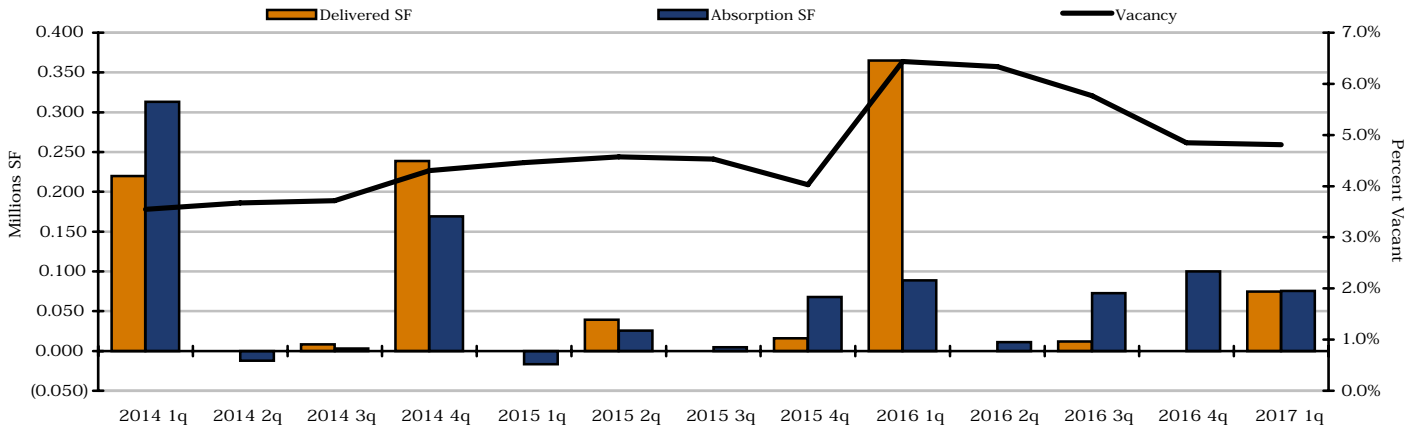


Greater Toronto Office Market

York Market
Market Highlights – Class "A, B & C"

Deliveries, Absorption & Vacancy

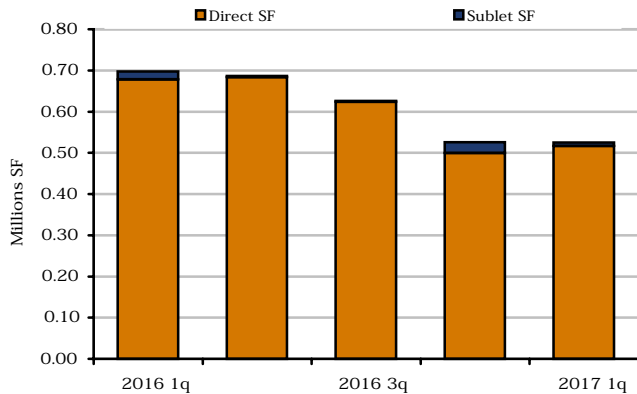
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

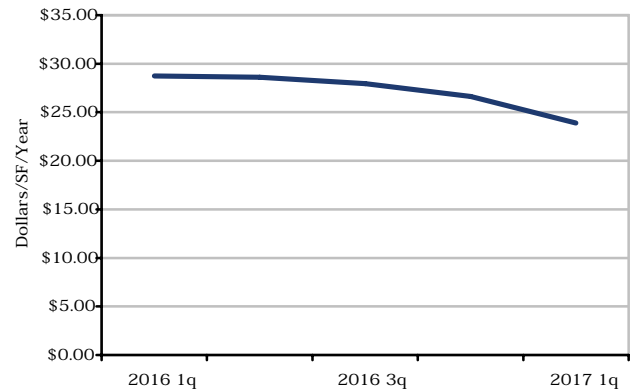
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	579	10,923,375	525,184	4.8%	75,346	2	74,673	2	240,000	\$23.88
2016 4q	577	10,848,702	525,857	4.8%	100,110	0	0	4	314,673	\$26.64
2016 3q	577	10,848,702	625,967	5.8%	72,509	1	12,000	4	314,673	\$27.96
2016 2q	576	10,836,702	686,476	6.3%	11,270	0	0	3	228,000	\$28.59
2016 1q	576	10,836,702	697,746	6.4%	88,910	1	365,000	3	228,000	\$28.73
2015 4q	575	10,471,702	421,656	4.0%	67,837	1	16,000	3	557,000	\$29.35
2015 3q	574	10,455,702	473,493	4.5%	4,764	0	0	3	561,000	\$27.24
2015 2q	574	10,455,702	478,257	4.6%	25,510	1	39,096	3	561,000	\$28.54
2015 1q	573	10,416,606	464,671	4.5%	(16,550)	0	0	2	404,096	\$26.28
2014 4q	573	10,416,606	448,121	4.3%	169,074	5	238,931	2	404,096	\$28.43
2014 3q	568	10,177,675	378,264	3.7%	3,157	1	8,168	6	278,027	\$28.57
2014 2q	567	10,169,507	373,253	3.7%	(12,338)	0	0	6	247,099	\$27.94
2014 1q	567	10,169,507	360,915	3.5%	313,070	1	220,000	6	247,099	\$27.43
2013 4q	566	9,949,507	453,985	4.6%	165,632	2	96,507	5	397,557	\$26.86
2013 3q	564	9,853,000	523,110	5.3%	42,670	2	22,398	5	400,675	\$26.36
2013 2q	560	9,827,234	540,014	5.5%	0	1	6,686	8	418,273	\$26.46

Source: CoStar Property®