

CoStar Industrial Statistics

Third Quarter 2017

Greater Toronto Industrial Market



CoStarTM
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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CoStar Group, Inc.

1331 L ST NW • Washington, DC 20005 • (800) 204-5960 • www.costar.com • NASDAQ: CSGP

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 Increases to 3.5%

Net Absorption Negative (480,452) SF in the Quarter

The Greater Toronto Area Industrial market ended the third quarter 2017 with a vacancy rate of 3.5%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (480,452) square feet in the third quarter. Vacant sublease space increased in the quarter, ending the quarter at 2,304,829 square feet. Rental rates ended the third quarter at \$6.70 per square foot, an increase over the previous quarter. A total of six buildings delivered to the market in the quarter totaling 1,233,167 square feet, with 5,297,035 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Greater Toronto Area Industrial market was negative (480,452) square feet in the third quarter 2017. That compares to positive 2,835,052 square feet in the second quarter 2017, positive 1,112,768 square feet in the first quarter 2017, and negative (258,369) square feet in the fourth quarter 2016.

Tenants moving out of large blocks of space in 2017 include: Unilever Canada moving out of (744,992) square feet at 7900 Airport Rd.; Sobeys moving out of (563,431) square feet at 2701 Highpoint Dr. and Sony Canada Ltd. moving out of (227,072) square feet at 1602 Tricont Ave.

Tenants moving into large blocks of space in 2017 include: Maritime-Ontario moving into 359,341 square feet at 8495 Goreway Dr.; Investments Hardware Ltd moving into 321,572 square feet at 250 Rowntree Dairy Rd. and Polar Pak moving into 248,769 square feet at 104 Walker Dr. in Brampton.

The Flex building market recorded net absorption of positive 262,539 square feet in the third quarter 2017, compared to

positive 335,326 square feet in the second quarter 2017, positive 108,423 in the first quarter 2017, and positive 52,735 in the fourth quarter 2016.

The Warehouse building market recorded net absorption of negative (742,991) square feet in the third quarter 2017 compared to positive 2,499,726 square feet in the second quarter 2017, positive 1,004,345 in the first quarter 2017, and negative (311,104) in the fourth quarter 2016.

Vacancy

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

Flex projects reported a vacancy rate of 3.3% at the end of the third quarter 2017, 3.3% at the end of the second quarter 2017, 3.7% at the end of the first quarter 2017, and 3.8% at the end of the fourth quarter 2016.

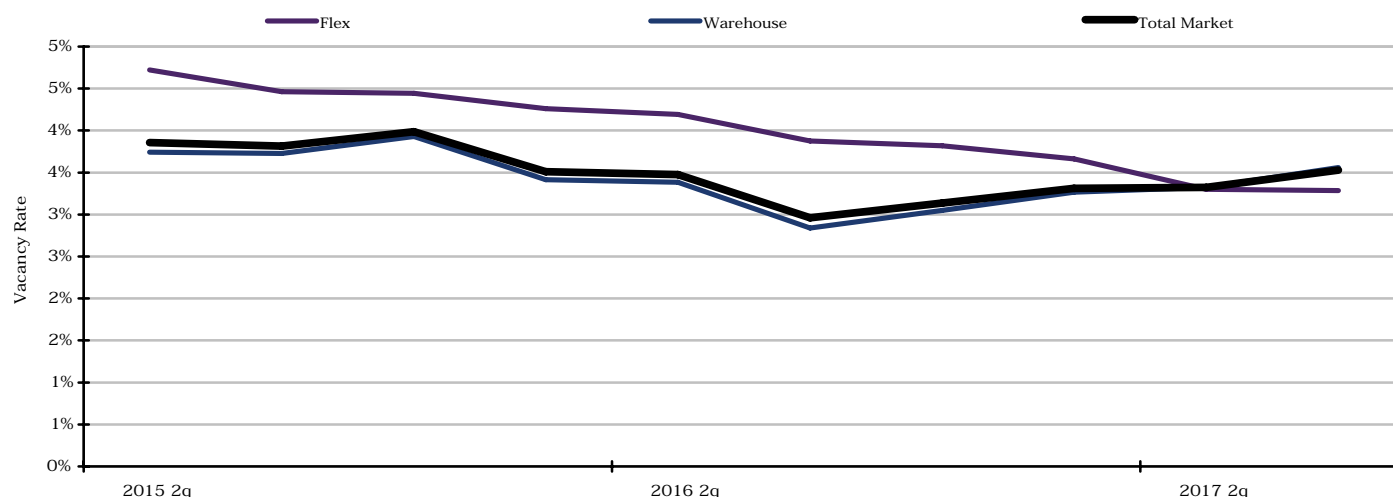
Warehouse projects reported a vacancy rate of 3.6% at the end of the third quarter 2017, 3.3% at the end of second quarter 2017, 3.3% at the end of the first quarter 2017, and 3.0% at the end of the fourth quarter 2016.

Largest Lease Signings

The largest lease signings occurring in 2017 included: the 774,614-square-foot lease signed by Kraft Canada Inc at Plan 1 Building A – 7951 5th Line in the West market; the 359,341-square-foot deal signed by Maritime-Ontario at 8495 Goreway Dr. in the West market; and the 250,000-square-foot lease

Vacancy Rates by Building Type

2013-2017



Source: CoStar Property®

signed by State Window Corporation at 200 Trade Valley Dr. in the North market.

Sublease Vacancy

The amount of vacant sublease space in the Greater Toronto Area market increased to 2,304,829 square feet by the end of the third quarter 2017, from 1,928,141 square feet at the end of the second quarter 2017. There was 2,591,552 square feet vacant at the end of the first quarter 2017 and 1,915,171 square feet at the end of the fourth quarter 2016.

Greater Toronto Area's Flex projects reported vacant sublease space of 197,443 square feet at the end of third quarter 2017, up from the 176,981 square feet reported at the end of the second quarter 2017. There were 174,709 square feet of sublease space vacant at the end of the first quarter 2017, and 195,044 square feet at the end of the fourth quarter 2016.

Warehouse projects reported increased vacant sublease space from the second quarter 2017 to the third quarter 2017. Sublease vacancy went from 1,751,160 square feet to 2,107,386 square feet during that time. There was 2,416,843 square feet at the end of the first quarter 2017, and 1,720,127 square feet at the end of the fourth quarter 2016.

Rental Rates

The average quoted asking rental rate for available Industrial space was \$6.70 per square foot per year at the end of the third quarter 2017 in the Greater Toronto Area market. This represented a 0.6% increase in quoted rental rates from the end of the second quarter 2017, when rents were reported at \$6.66 per square foot.

The average quoted rate within the Flex sector was \$12.21 per square foot at the end of the third quarter 2017, while Warehouse rates stood at \$6.39. At the end of the second quarter 2017, Flex rates were \$12.56 per square foot, and Warehouse rates were \$6.32.

Deliveries and Construction

During the third quarter 2017, six buildings totaling 1,233,167 square feet were completed in the Greater Toronto Area market. This compares to nine buildings totaling 3,070,652 square feet that were completed in the second quarter 2017, 15 buildings totaling 2,638,591 square feet completed in the first quarter 2017, and 1,260,386 square feet in 11 buildings completed in the fourth quarter 2016.

There was 5,297,035 square feet of Industrial space under construction at the end of the third quarter 2017.

Some of the notable 2017 deliveries include: Canadian Tire Distribution Centre, a 1,400,000-square-foot facility that delivered in second quarter 2017 and is now 100% occupied, and Plan 1 Building A, a 774,614-square-foot building that delivered in third quarter 2017 and is now 100% occupied.

The largest projects underway at the end of third quarter 2017 were 2020 Logistics Dr., a 770,000-square-foot building with 0% of its space pre-leased, and 8300 Parkhill Dr., a 617,580-square-foot facility that is 0% pre-leased.

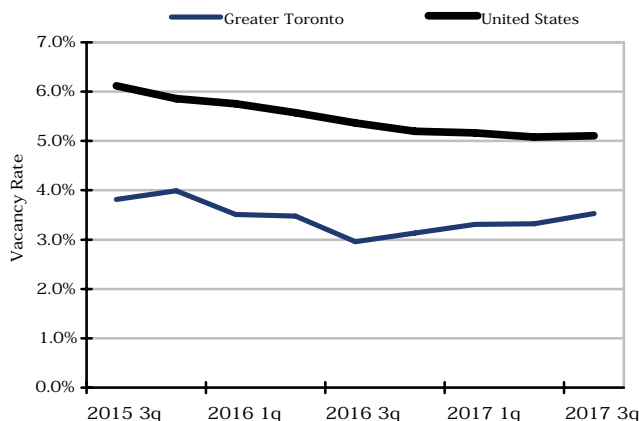
Inventory

Total Industrial inventory in the Greater Toronto Area market amounted to 812,132,746 square feet in 16,959 buildings as of the end of the third quarter 2017. The Flex sector consisted of 93,043,963 square feet in 2,181 projects. The Warehouse sector consisted of 719,088,783 square feet in 14,778 buildings. Within the Industrial market there were 335 owner-occupied buildings accounting for 49,811,454 square feet of Industrial space.

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

U.S. Vacancy Comparison

Past 9 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

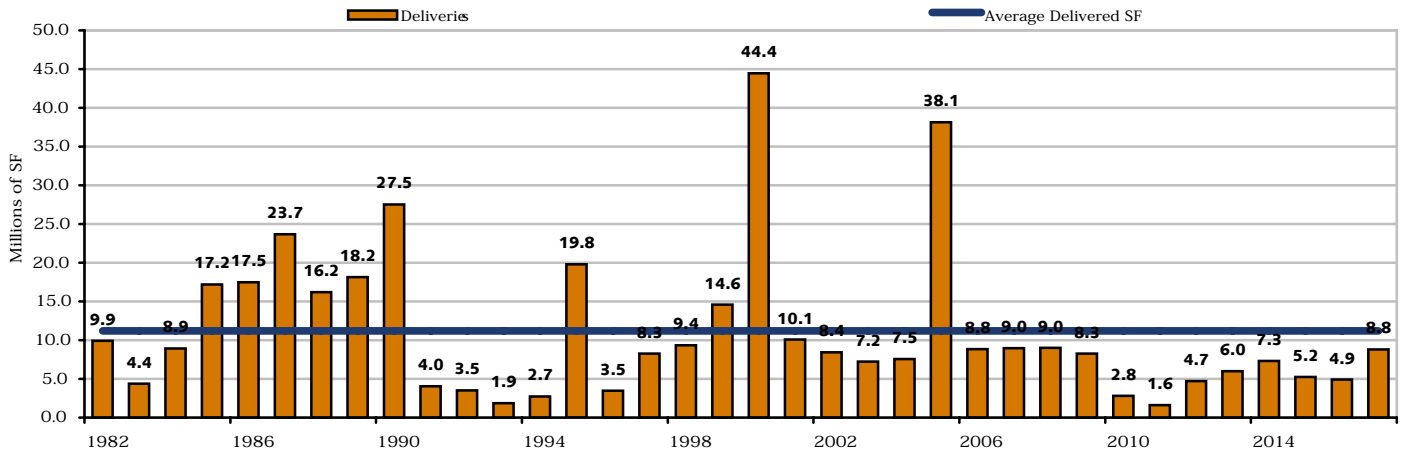
Central Ind

East Ind

North Ind

West Ind

Historical Deliveries 1982 - 2017



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

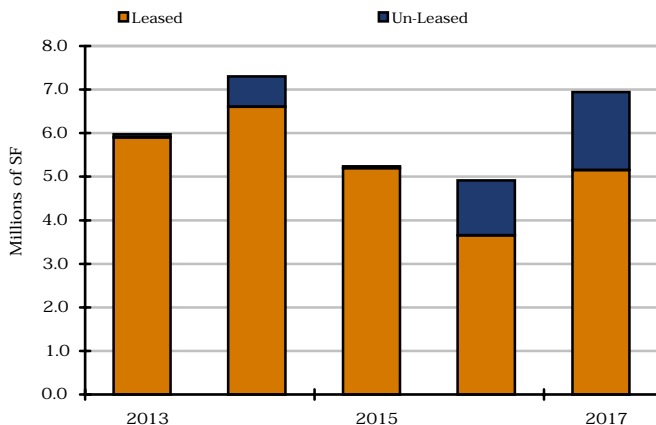
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Released SF	Released %	All Existing	U/C
West Ind	18	3,997,000	349,414	8.7%	54,891	222,056
North Ind	8	1,035,295	84,991	8.2%	48,010	129,412
Central Ind	4	264,740	160,850	60.8%	39,593	66,185
East Ind	0	0	0	0.0%	48,783	0
Totals	30	5,297,035	595,255	11.2%	47,888	176,568

Source: CoStar Property®

Recent Deliveries

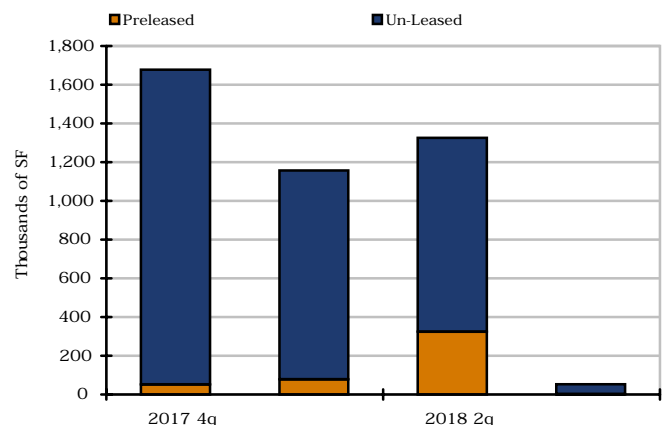
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

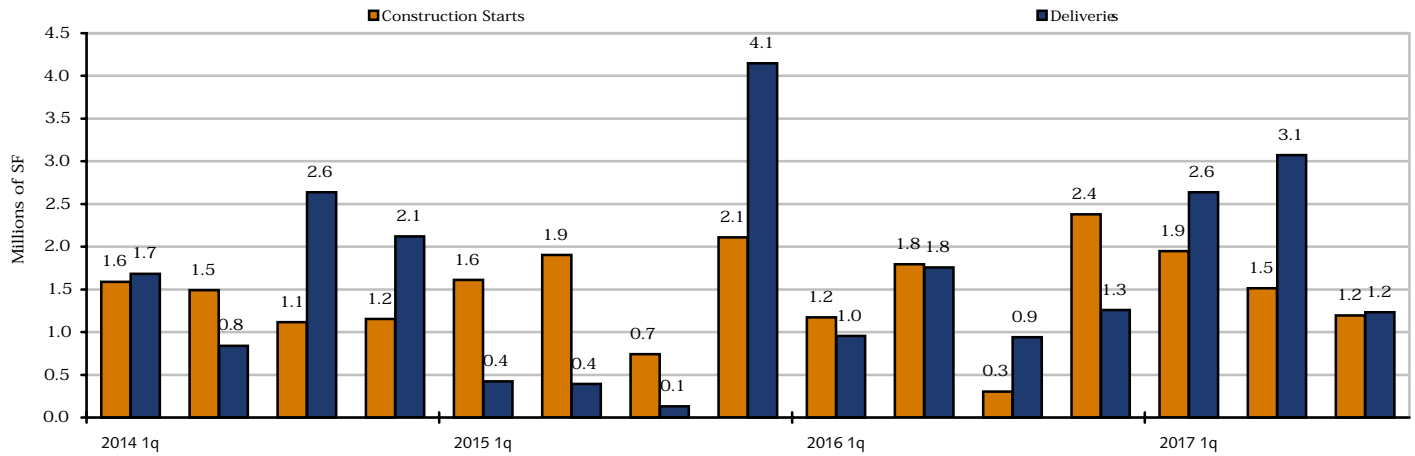
Greater Toronto Industrial Market



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	8	203,645	179,764	88.3%	\$17.94	30,048	173,597
50,000 SF - 99,999 SF	6	430,147	420,413	97.7%	\$7.07	0	430,147
100,000 SF - 249,999 SF	8	1,286,461	1,200,011	93.3%	\$7.84	527,814	758,647
250,000 SF - 499,999 SF	4	1,542,498	1,172,768	76.0%	\$6.59	300,000	1,242,498
>= 500,000 SF	4	3,479,659	2,174,614	62.5%	\$6.56	1,414,453	2,065,206

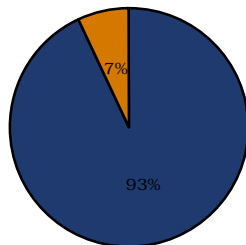
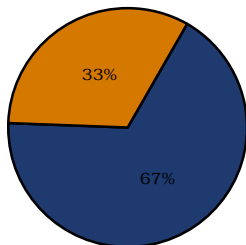
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

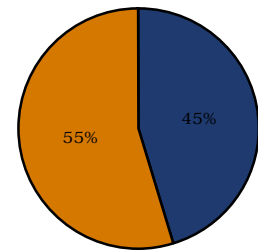
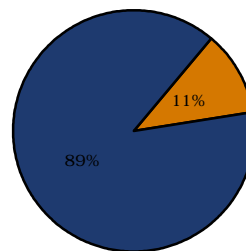
Source: CoStar Property®

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>1. Canadian Tire Distribution Centre</p> <p>Submarket: West Industrial Market RBA: 1,400,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2013 Deliv Date: Second Quarter 2017 Leasing Co: Canadian Tire Corporation, Limited Developer: Broccolini Real Estate Group Inc.</p>	<p>2. Plan 1 Building A - 7951 5th Line</p> <p>Submarket: West Industrial Market RBA: 774,614 Occupied: 100% Quoted Rate: \$6.75 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Third Quarter 2017 Leasing Co: QuadReal Property Group Brokerage Developer: First Gulf Corporation</p>	<p>3. 2994 Peddie Rd</p> <p>Submarket: West Industrial Market RBA: 665,206 Occupied: 0% Quoted Rate: \$6.62 Grnd Brk Date: First Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: Kylin Developments</p>
<p>4. Gateway Distribution Center</p> <p>Submarket: West Industrial Market RBA: 639,839 Occupied: 0% Quoted Rate: \$6.50 Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: Broccolini Real Estate Group Inc.</p>	<p>5. 125 Madill Blvd</p> <p>Submarket: West Industrial Market RBA: 450,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Orlando Corporation Developer: Orlando Corporation</p>	<p>6. Expansion Building B</p> <p>Submarket: West Industrial Market RBA: 422,768 Occupied: 100% Quoted Rate: \$6.75 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Orlando Corporation Developer: Orlando Corporation</p>
<p>7. 6 Cleve Ct - Phase I</p> <p>Submarket: West Industrial Market RBA: 369,730 Occupied: 0% Quoted Rate: \$6.50 Grnd Brk Date: First Quarter 2017 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: Triovest Realty Advisors, Inc.</p>	<p>8. Drivers Centre Industrial Park - Building C</p> <p>Submarket: West Industrial Market RBA: 300,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: N/A Developer: N/A</p>	<p>9. Drivers Centre Industrial Park - Building D</p> <p>Submarket: West Industrial Market RBA: 238,206 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: N/A Developer: N/A</p>
<p>10. 1380 Creditstone Rd</p> <p>Submarket: North Industrial Market RBA: 185,000 Occupied: 100% Quoted Rate: \$6.75 Grnd Brk Date: Fourth Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: Metrus Properties Developer: N/A</p>	<p>11. 1261 Tapscott Rd - Building 2</p> <p>Submarket: Central Industrial Market RBA: 165,256 Occupied: 100% Quoted Rate: \$6.95 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: N/A</p>	<p>12. 250 Don Hillock Dr</p> <p>Submarket: North Industrial Market RBA: 161,000 Occupied: 55% Quoted Rate: \$7.95 Grnd Brk Date: Third Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Colliers International Developer: N/A</p>
<p>13. 1271 Tapscott Rd - Bldg 3</p> <p>Submarket: Central Industrial Market RBA: 158,458 Occupied: 100% Quoted Rate: \$6.95 Grnd Brk Date: Second Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: Prologis Developer: N/A</p>	<p>14. 411 Evans Ave</p> <p>Submarket: Central Industrial Market RBA: 147,391 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Third Quarter 2017 Leasing Co: Vision Truck Group Developer: N/A</p>	<p>15. Drivers Centre Industrial Park - Building B</p> <p>Submarket: West Industrial Market RBA: 131,150 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2017 Deliv Date: Third Quarter 2017 Leasing Co: N/A Developer: N/A</p>

Greater Toronto Industrial Market



Inventory & development

Select Top Under Construction Properties

Based on Project Square Footage

<p>1. 2020 Logistics Dr</p> <p>Submarket: West Industrial Market RBA: 770,000 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: Panattoni Development Company Developer: N/A</p>	<p>2. 8300 Parkhill Dr</p> <p>Submarket: West Industrial Market RBA: 617,580 Preleased: 0% Quoted Rate: \$7.39 Grnd Brk Date: Second Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: CBRE Developer: Broccolini</p>	<p>3. 233 Madill Blvd</p> <p>Submarket: West Industrial Market RBA: 446,160 Preleased: 0% Quoted Rate: \$6.95 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: First Quarter 2018 Leasing Co: Orlando Corporation Developer: N/A</p>
<p>4. 7245 Highway 50 - Bldg 2</p> <p>Submarket: North Industrial Market RBA: 383,194 Preleased: 0% Quoted Rate: \$6.95 Grnd Brk Date: Third Quarter 2017 Deliv Date: Fourth Quarter 2018 Leasing Co: Colliers International Developer: N/A</p>	<p>5. 7245 Highway 50 - Bldg 1</p> <p>Submarket: North Industrial Market RBA: 344,930 Preleased: 0% Quoted Rate: \$6.95 Grnd Brk Date: Third Quarter 2017 Deliv Date: Fourth Quarter 2018 Leasing Co: Colliers International Developer: N/A</p>	<p>6. 307 Orenda Rd</p> <p>Submarket: West Industrial Market RBA: 341,130 Preleased: 0% Quoted Rate: \$6.95 Grnd Brk Date: First Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: Cushman & Wakefield Developer: First Gulf Corporation</p>
<p>7. 6360 Belgrave Rd</p> <p>Submarket: West Industrial Market RBA: 303,000 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: Orlando Corporation Developer: N/A</p>	<p>8. Meadowvale Distribution Centre - Bldg 3</p> <p>Submarket: West Industrial Market RBA: 248,856 Preleased: 0% Quoted Rate: \$6.75 Grnd Brk Date: Third Quarter 2017 Deliv Date: First Quarter 2018 Leasing Co: Colliers International Developer: N/A</p>	<p>9. 7855 Heritage Rd</p> <p>Submarket: West Industrial Market RBA: 219,078 Preleased: 0% Quoted Rate: \$7.25 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: First Quarter 2018 Leasing Co: Orlando Corporation Developer: N/A</p>
<p>10. 150 New Huntington Rd - Phase I</p> <p>Submarket: North Industrial Market RBA: 200,100 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: Colliers International Developer: N/A</p>	<p>11. 6 Cleve Ct - Phase II</p> <p>Submarket: West Industrial Market RBA: 195,094 Preleased: 0% Quoted Rate: \$6.50 Grnd Brk Date: Third Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: CBRE Developer: Triovest Realty Advisors, Inc.</p>	<p>12. Pillsworth Rd - Phase I</p> <p>Submarket: West Industrial Market RBA: 189,721 Preleased: 0% Quoted Rate: \$6.25 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Fourth Quarter 2017 Leasing Co: Colliers International Developer: Anatolia Capital Corporation</p>
<p>13. 8400 Parkhill Dr</p> <p>Submarket: West Industrial Market RBA: 166,414 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: CBRE Developer: Broccolini Construction Inc</p>	<p>14. 188 Cartwright Ave</p> <p>Submarket: Central Industrial Market RBA: 158,000 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: Minuk Construction & Engineering Co Developer: N/A</p>	<p>15. 7845 Heritage Rd</p> <p>Submarket: West Industrial Market RBA: 149,632 Preleased: 0% Quoted Rate: \$7.25 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: First Quarter 2018 Leasing Co: Orlando Corporation Developer: N/A</p>



Greater Toronto Industrial Market

Figures at a Glance

Flex Market Statistics

Third 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	690	25,529,987	601,640	624,070	2.4%	250,523	147,391	0	\$11.49
East Ind	95	3,502,873	133,566	133,566	3.8%	2,878	0	0	\$8.40
North Ind	693	32,499,333	551,907	621,454	1.9%	287,135	100,000	0	\$11.73
West Ind	703	31,511,770	1,572,877	1,678,343	5.3%	165,752	10,000	0	\$13.18
Totals	2,181	93,043,963	2,859,990	3,057,433	3.3%	706,288	257,391	0	\$12.2

Source: CoStar Property®

Warehouse Market Statistics

Third 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	5,072	202,606,316	5,640,662	5,958,393	2.9%	(1,764,847)	454,336	264,740	\$6.34
East Ind	984	49,133,732	1,006,356	1,006,356	2.0%	37,659	23,291	0	\$5.57
North Ind	2,799	135,151,399	3,460,398	4,113,728	3.0%	451,073	731,830	1,035,295	\$6.55
West Ind	5,923	332,197,336	13,380,990	14,517,315	4.4%	4,037,195	5,475,562	3,997,000	\$6.43
Totals	14,778	719,088,783	23,488,406	25,595,792	3.6%	2,761,080	6,685,019	5,297,035	\$6.39

Source: CoStar Property®

Total Industrial Market Statistics

Third 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	5,762	228,136,303	6,242,302	6,582,463	2.9%	(1,514,324)	601,727	264,740	\$6.63
East Ind	1,079	52,636,605	1,139,922	1,139,922	2.2%	40,537	23,291	0	\$5.75
North Ind	3,492	167,650,732	4,012,305	4,735,182	2.8%	738,208	831,830	1,035,295	\$6.87
West Ind	6,626	363,709,106	14,953,867	16,195,658	4.5%	4,202,947	5,485,562	3,997,000	\$6.76
Totals	16,959	812,132,746	26,348,396	28,653,225	3.5%	3,467,368	6,942,410	5,297,035	\$6.70

Source: CoStar Property®

Greater Toronto Industrial Market



Figures at a Glance

Flex Market Statistics

Third 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 3q	2,181	93,043,963	2,859,990	3,057,433	3.3%	262,539	3	257,391	0	0	\$12.21
2017 2q	2,178	92,786,572	2,885,600	3,062,581	3.3%	335,326	0	0	3	257,391	\$12.56
2017 1q	2,178	92,786,572	3,223,198	3,397,907	3.7%	108,423	0	0	3	257,391	\$12.20
2016 4q	2,180	92,824,466	3,349,180	3,544,224	3.8%	52,735	0	0	2	247,391	\$11.91
2016 3q	2,180	92,824,466	3,460,209	3,596,959	3.9%	295,198	0	0	1	147,391	\$11.58
2016 2q	2,180	92,824,466	3,682,721	3,892,157	4.2%	64,499	0	0	1	147,391	\$10.73
2016 1q	2,180	92,824,466	3,744,854	3,956,656	4.3%	315,014	1	155,000	1	147,391	\$10.89
2015 4q	2,179	92,669,466	3,972,307	4,116,670	4.4%	141,699	3	128,669	2	302,391	\$10.44
2015 3q	2,176	92,540,797	4,045,592	4,129,700	4.5%	238,442	0	0	4	283,669	\$10.98
2015 2q	2,176	92,540,797	4,281,145	4,368,142	4.7%	70,294	0	0	4	283,669	\$10.87
2015 1q	2,176	92,540,797	4,372,531	4,438,436	4.8%	360,813	0	0	3	235,760	\$11.01
2014 4q	2,176	92,540,797	4,692,911	4,799,249	5.2%	550,630	0	0	2	165,760	\$11.10
2014 3q	2,176	92,540,797	5,238,278	5,349,879	5.8%	150,647	2	30,875	1	10,760	\$10.89
2014 2q	2,175	92,540,655	5,383,139	5,500,384	5.9%	283,800	1	19,882	2	30,875	\$10.73
2014 1q	2,174	92,520,773	5,622,914	5,764,302	6.2%	716,785	1	160,000	3	50,757	\$11.12
2013 4q	2,173	92,360,773	6,146,648	6,321,087	6.8%	1,538,855	4	110,726	2	179,882	\$11.39

Source: CoStar Property®

Warehouse Market Statistics

Third 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 3q	14,778	719,088,783	23,488,406	25,595,792	3.6%	(742,991)	3	975,776	30	5,297,035	\$6.39
2017 2q	14,775	718,113,007	22,125,865	23,877,025	3.3%	2,499,726	9	3,070,652	28	5,077,737	\$6.32
2017 1q	14,767	715,080,487	20,927,388	23,344,231	3.3%	1,004,345	15	2,638,591	28	6,634,428	\$6.21
2016 4q	14,752	712,441,896	19,989,858	21,709,985	3.0%	(311,104)	11	1,260,386	35	7,334,681	\$6.13
2016 3q	14,743	711,242,560	18,444,412	20,199,545	2.8%	4,546,361	6	941,927	33	6,316,816	\$6.07
2016 2q	14,738	710,540,633	21,138,310	24,043,979	3.4%	1,837,104	11	1,758,809	35	6,955,721	\$5.97
2016 1q	14,728	708,854,149	22,435,996	24,194,599	3.4%	4,243,654	8	799,516	35	6,921,611	\$5.94
2015 4q	14,722	708,234,633	26,019,847	27,818,737	3.9%	2,500,002	15	4,019,867	33	6,546,551	\$5.96
2015 3q	14,707	704,166,760	25,045,918	26,250,866	3.7%	147,343	3	132,740	36	8,603,090	\$5.89
2015 2q	14,705	704,126,576	24,897,962	26,358,025	3.7%	256,380	5	392,039	33	7,992,281	\$5.88
2015 1q	14,701	704,064,401	25,179,173	26,552,230	3.8%	1,726,501	3	424,031	28	6,527,090	\$5.87
2014 4q	14,699	703,903,343	26,649,964	28,117,673	4.0%	3,723,353	10	2,119,062	17	5,410,916	\$5.81
2014 3q	14,691	701,884,061	27,995,971	29,821,744	4.2%	2,076,958	7	2,605,132	21	6,530,653	\$5.79
2014 2q	14,684	699,278,929	27,446,268	29,293,570	4.2%	2,110,596	6	819,380	24	8,028,344	\$5.73
2014 1q	14,679	699,663,876	30,023,856	31,789,113	4.5%	3,263,388	13	1,522,383	27	7,357,099	\$5.68
2013 4q	14,668	698,520,651	32,555,089	33,909,276	4.9%	2,077,072	9	496,171	34	7,323,266	\$5.64

Source: CoStar Property®

Total Industrial Market Statistics

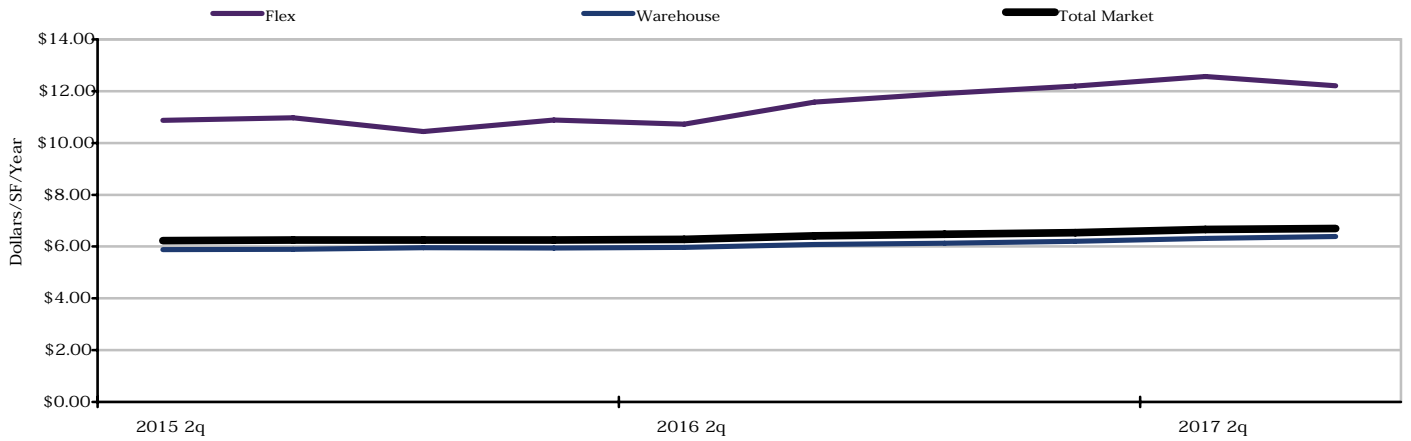
Third Quarter 2017

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 3q	16,959	812,132,746	26,348,396	28,653,225	3.5%	(480,452)	6	1,233,167	30	5,297,035	\$6.70
2017 2q	16,953	810,899,579	25,011,465	26,939,606	3.3%	2,835,052	9	3,070,652	31	5,335,128	\$6.66
2017 1q	16,945	807,867,059	24,150,586	26,742,138	3.3%	1,112,768	15	2,638,591	31	6,891,819	\$6.54
2016 4q	16,932	805,266,362	23,339,038	25,254,209	3.1%	(258,369)	11	1,260,386	37	7,582,072	\$6.47
2016 3q	16,923	804,067,026	21,904,621	23,796,504	3.0%	4,841,559	6	941,927	34	6,464,207	\$6.42
2016 2q	16,918	803,365,099	24,821,031	27,936,136	3.5%	1,901,603	11	1,758,809	36	7,103,112	\$6.28
2016 1q	16,908	801,678,615	26,180,850	28,151,255	3.5%	4,558,668	9	954,516	36	7,069,002	\$6.25
2015 4q	16,901	800,904,099	29,992,154	31,935,407	4.0%	2,641,701	18	4,148,536	35	6,848,942	\$6.26
2015 3q	16,883	796,707,557	29,091,510	30,380,566	3.8%	385,785	3	132,740	40	8,886,759	\$6.25
2015 2q	16,881	796,667,373	29,179,107	30,726,167	3.9%	326,674	5	392,039	37	8,275,950	\$6.23
2015 1q	16,877	796,605,198	29,551,704	30,990,666	3.9%	2,087,314	3	424,031	31	6,762,850	\$6.22
2014 4q	16,875	796,444,140	31,342,875	32,916,922	4.1%	4,273,983	10	2,119,062	19	5,576,676	\$6.18
2014 3q	16,867	794,424,858	33,234,249	35,171,623	4.4%	2,227,605	9	2,636,007	22	6,541,413	\$6.17
2014 2q	16,859	791,819,584	32,829,407	34,793,954	4.4%	2,394,396	7	839,262	26	8,059,219	\$6.12
2014 1q	16,853	792,184,649	35,646,770	37,553,415	4.7%	3,980,173	14	1,682,583	30	7,407,856	\$6.11
2013 4q	16,841	790,881,424	38,701,737	40,230,363	5.1%	3,615,927	13	606,897	36	7,503,148	\$6.09

Source: CoStar Property®

Historical Rental Rates

Based on Quoted Rental Rates



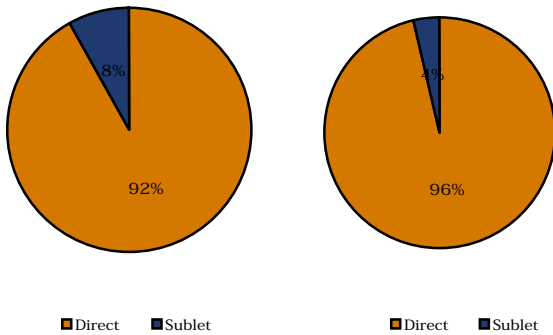
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Greater Toronto

United States



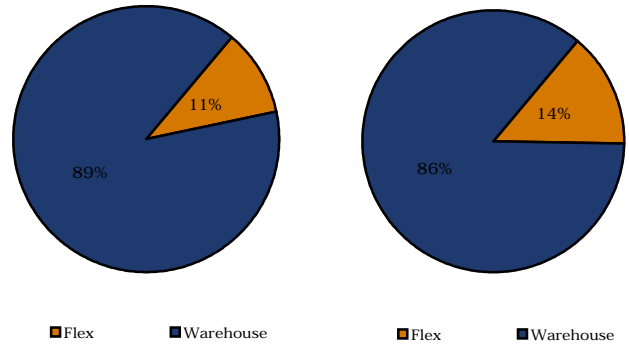
Source: CoStar Property®

Vacancy by Building Type

Percent of All Vacant Space by Building Type

Greater Toronto

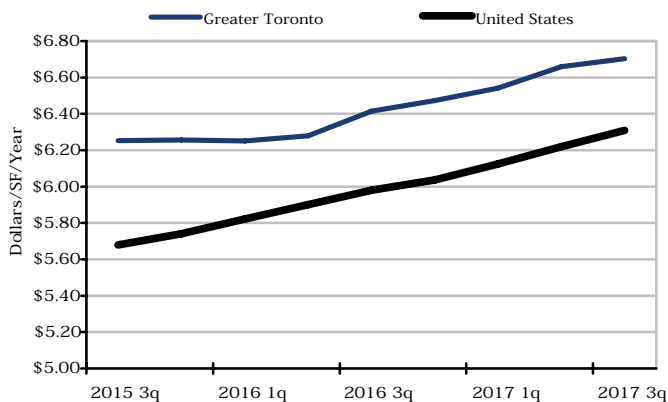
United States



Source: CoStar Property®

U.S. Rental Rate Comparison

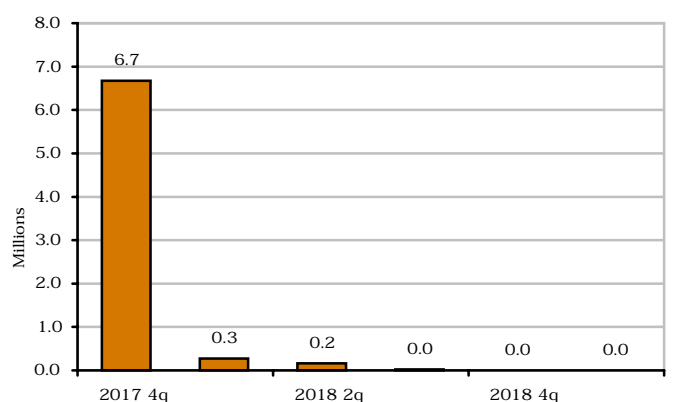
Based on Average Quoted Rental Rates



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 7951 5th Line - Plan 1 Building A	Halton Hills Ind	774,614	3rd	Kraft Canada Inc	CBRE	QuadReal Property Group Brokerage;
2 8495 Goreway Dr	Brampton Ind	359,341	2nd	Maritime-Ontario	N/A	Colliers International
3 2701 Highpoint Dr	Milton Ind	300,000	2nd	N/A	Colliers International	CBRE
4 200 Trade Valley Dr	Vaughan Ind	250,000	1st	State Window Corporation	Colliers International	Condor Properties
5 220 Hunter's Valley Rd	Vaughan Ind	250,000	1st	N/A	N/A	Colliers International
6 104 Walker Dr	Brampton Ind	248,769	2nd	Polar Pak	Colliers International	Bentall Kennedy
7 6 Manchester Ct	Caledon Ind	235,980	1st	Exel Inc	JLL	Panattoni Development Company
8 2695 Meadowvale Blvd*	Mississauga North Ind	218,639	1st	Uline Canada Corporation	N/A	N/A
9 7825 Winston Churchill Blvd. - Expansion Buil	Brampton Ind	212,883	1st	N/A	N/A	Orlando Corporation
10 7825 Winston Churchill Blvd. - Expansion Buil	Brampton Ind	209,885	2nd	N/A	N/A	Orlando Corporation
11 145 Walker Dr*	Brampton Ind	185,652	1st	Uni-Select Eastern Inc	N/A	N/A
12 8020 Fifth Line N	Halton Hills Ind	176,193	3rd	N/A	N/A	JLL
13 1271 Tapscott Rd - Bldg 3	Scarborough North Ind	158,458	1st	Technicolor Canada Inc	N/A	CBRE
14 1296 Martin Grove Rd	Etobicoke North Ind	152,377	1st	Dominion Warehousing and Distribution	N/A	CBRE
15 5650 Keaton Cres	Mississauga North Ind	151,950	1st	Ingram Micro	JLL	Orlando Corporation
16 7200 Martin Grove Rd	Vaughan Ind	151,379	1st	Woodbridge Pallet Ltd	N/A	CBRE
17 7510 Bren Rd	Mississauga North Ind	141,239	1st	N/A	N/A	CBRE
18 191 McNabb St	Markham Ind	132,022	1st	N/A	N/A	Cushman & Wakefield
19 388 Applewood Cres	Vaughan Ind	129,244	2nd	Toro Aluminium	N/A	Rentex Realty Inc
20 330 Humberline Dr	Etobicoke North Ind	125,000	1st	N/A	N/A	CBRE
21 2450 Hogan Dr	Mississauga North Ind	125,000	2nd	N/A	N/A	Cushman & Wakefield
22 8 Van Der Graaf Ct	Brampton Ind	120,673	2nd	N/A	N/A	Orlando Corporation
23 1121 Walkers Line	Burlington Ind	117,997	2nd	N/A	N/A	CBRE
24 3160 Derry Rd	Mississauga North Ind	115,700	1st	N/A	N/A	Lennard Commercial Realty
25 375 Kennedy Rd*	Scarborough South Ind	111,563	1st	Elizabeth Grant International	Savills	CBRE
26 8020 Fifth Line N	Halton Hills Ind	110,688	3rd	N/A	N/A	JLL
27 190 Statesman Dr	Mississauga North Ind	108,868	3rd	N/A	Avison Young	Avison Young
28 6233 Cantay Cres	Mississauga North Ind	106,435	1st	N/A	N/A	Orlando Corporation
29 7550 Tranmere Dr	Mississauga North Ind	100,443	3rd	N/A	N/A	CBRE
30 9098 Goreway Dr	Brampton Ind	100,000	1st	N/A	N/A	Di Poce Management Inc.
31 1380 Creditstone Rd	Vaughan Ind	100,000	3rd	N/A	N/A	Metrus Properties
32 400 Cochrane Dr	Markham Ind	100,000	3rd	N/A	N/A	CBRE
33 1771 Aimco Blvd	Mississauga North Ind	94,875	3rd	N/A	N/A	Indusite Realty Corporation
34 1695 Drew Rd	Mississauga North Ind	92,627	1st	N/A	N/A	Colliers International
35 2771 Bristol Cir	Oakville Ind	90,038	2nd	N/A	N/A	GWL Realty Advisors
36 71 Todd Rd	Halton Hills Ind	86,914	2nd	N/A	N/A	CBRE
37 81 Royal Group Cres*	Vaughan Ind	83,625	3rd	RM2 Canada Inc.	N/A	Oxford Properties Group
38 2230 Meadowpine Blvd	Mississauga North Ind	82,638	2nd	N/A	N/A	CBRE
39 30 Fasken Dr	Etobicoke North Ind	82,417	3rd	N/A	N/A	CBRE
40 35 Rakely Ct	Etobicoke South Ind	82,380	1st	N/A	N/A	CBRE

Source: CoStar Property®

* Renewal

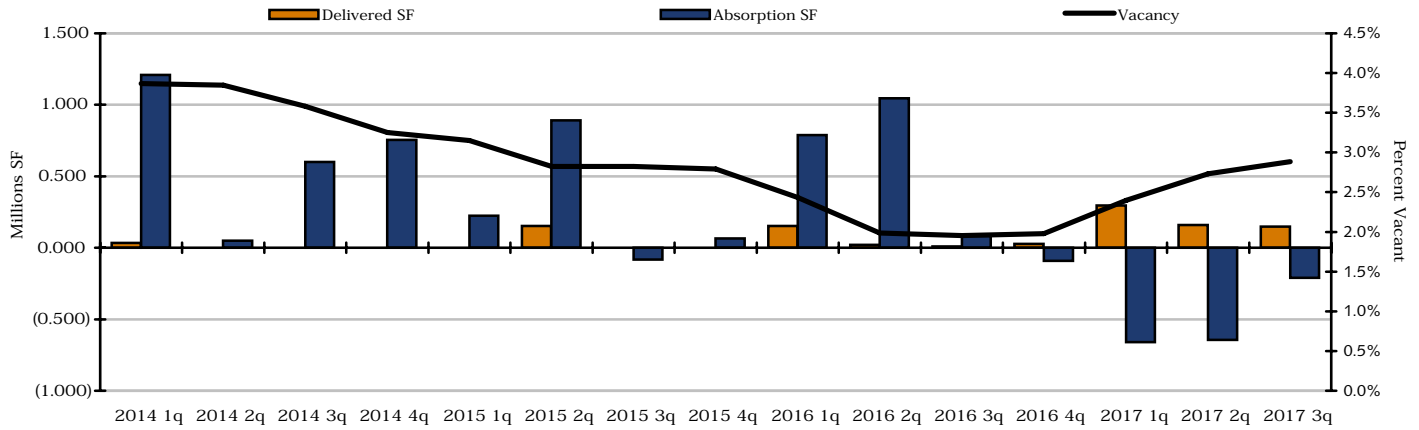


Greater Toronto Industrial Market

Central Market
MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

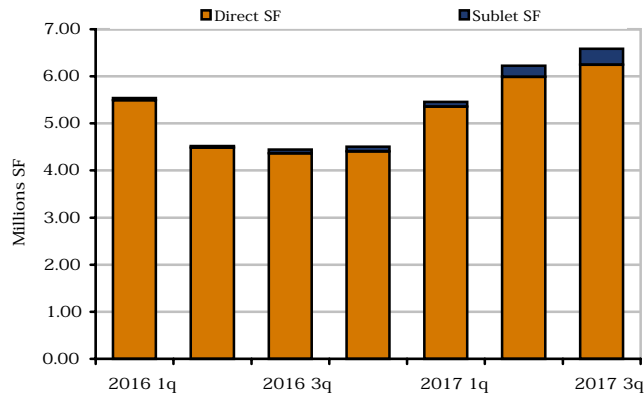
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

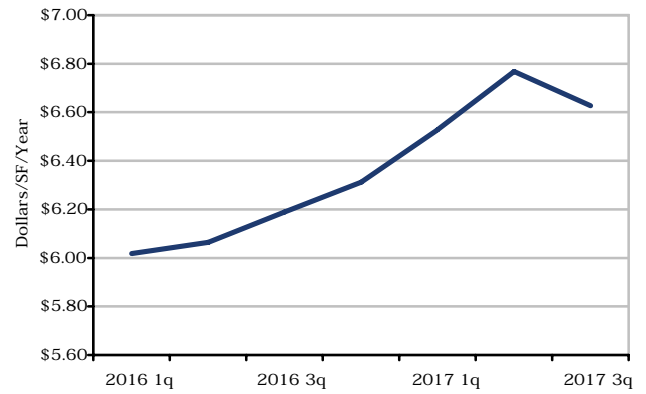
Historical Analysis, Flex and Warehouse



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 3q	5,762	228,136,303	6,582,463	2.9%	(210,702)	1	147,391	4	264,740	\$6.63
2017 2q	5,761	227,988,912	6,224,370	2.7%	(643,598)	1	158,458	5	412,131	\$6.77
2017 1q	5,761	227,868,586	5,460,446	2.4%	(660,024)	5	295,878	3	385,849	\$6.53
2016 4q	5,756	227,572,708	4,504,544	2.0%	(92,033)	2	27,835	7	601,727	\$6.31
2016 3q	5,756	227,605,923	4,445,726	2.0%	82,594	1	9,924	9	629,562	\$6.19
2016 2q	5,755	227,595,999	4,518,396	2.0%	1,044,562	1	20,779	9	594,013	\$6.06
2016 1q	5,754	227,575,220	5,542,179	2.4%	788,649	2	152,698	8	291,078	\$6.02
2015 4q	5,754	227,602,522	6,358,130	2.8%	66,015	0	0	10	443,776	\$5.94
2015 3q	5,754	227,602,522	6,424,145	2.8%	(82,941)	0	0	6	247,771	\$5.91
2015 2q	5,755	227,695,078	6,433,760	2.8%	890,718	1	153,679	6	247,771	\$6.08
2015 1q	5,754	227,541,399	7,170,799	3.2%	224,572	0	0	5	367,526	\$6.26
2014 4q	5,754	227,541,399	7,395,371	3.3%	754,689	0	0	1	153,679	\$6.10
2014 3q	5,754	227,541,399	8,150,060	3.6%	600,638	0	0	0	0	\$6.20
2014 2q	5,754	227,541,399	8,750,698	3.8%	48,719	0	0	0	0	\$6.12
2014 1q	5,754	227,541,399	8,799,417	3.9%	1,209,672	2	33,444	0	0	\$6.03
2013 4q	5,753	227,757,426	10,225,116	4.5%	1,026,629	3	27,214	2	33,444	\$6.05

Source: CoStar Property®

Greater Toronto Industrial Market

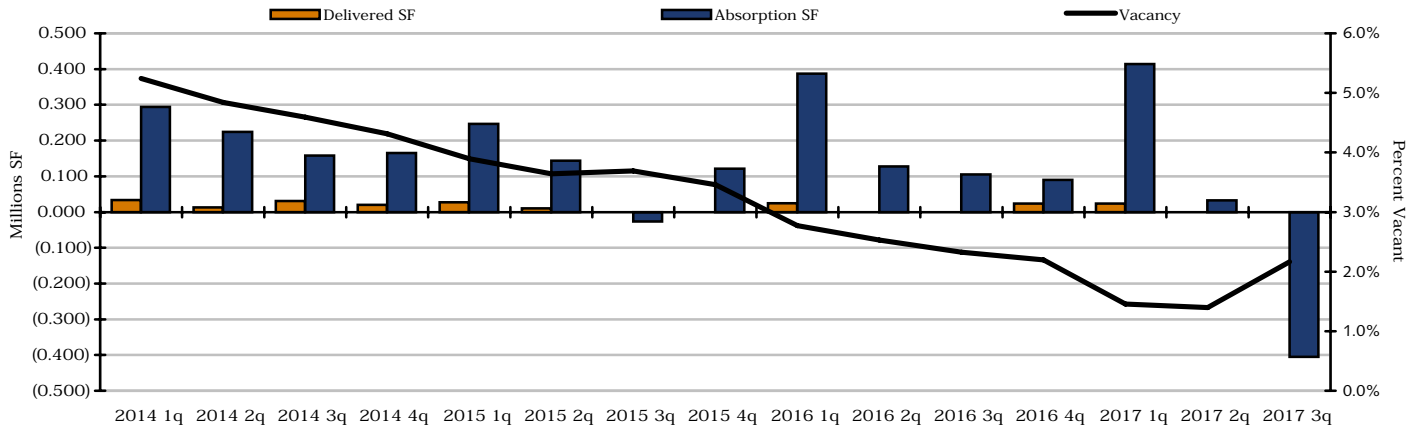


East Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

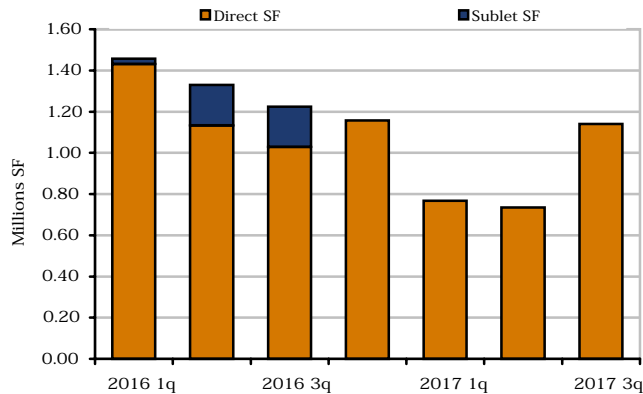
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

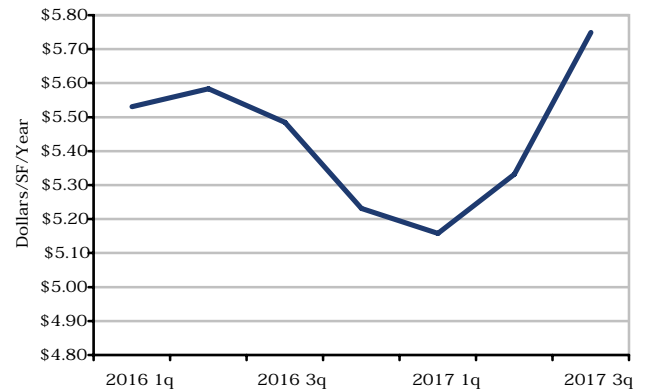
Historical Analysis, Flex and Warehouse



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 3q	1,079	52,636,605	1,139,922	2.2%	(405,357)	0	0	0	0	\$5.75
2017 2q	1,079	52,636,605	734,565	1.4%	32,273	0	0	0	0	\$5.33
2017 1q	1,079	52,636,605	766,838	1.5%	413,621	1	23,291	0	0	\$5.16
2016 4q	1,078	52,613,314	1,157,168	2.2%	90,369	1	23,291	1	23,291	\$5.23
2016 3q	1,077	52,590,023	1,224,246	2.3%	105,452	0	0	2	46,582	\$5.48
2016 2q	1,077	52,590,023	1,329,698	2.5%	127,313	0	0	2	46,582	\$5.58
2016 1q	1,077	52,590,023	1,457,011	2.8%	386,762	1	25,000	0	0	\$5.53
2015 4q	1,076	52,565,023	1,818,773	3.5%	120,905	0	0	1	25,000	\$5.57
2015 3q	1,076	52,565,023	1,939,678	3.7%	(26,527)	0	0	1	25,000	\$5.38
2015 2q	1,076	52,565,023	1,913,151	3.6%	143,549	1	10,000	0	0	\$5.30
2015 1q	1,075	52,555,023	2,046,700	3.9%	246,397	1	26,959	1	10,000	\$4.94
2014 4q	1,074	52,528,064	2,266,138	4.3%	164,802	1	20,000	2	36,959	\$4.96
2014 3q	1,073	52,508,064	2,410,940	4.6%	158,379	2	30,875	3	56,959	\$5.28
2014 2q	1,071	52,477,189	2,538,444	4.8%	224,348	1	13,427	4	60,875	\$5.08
2014 1q	1,070	52,463,762	2,749,365	5.2%	293,931	1	33,783	4	54,302	\$5.11
2013 4q	1,069	52,429,979	3,009,513	5.7%	193,747	1	101,567	2	47,210	\$5.39

Source: CoStar Property®

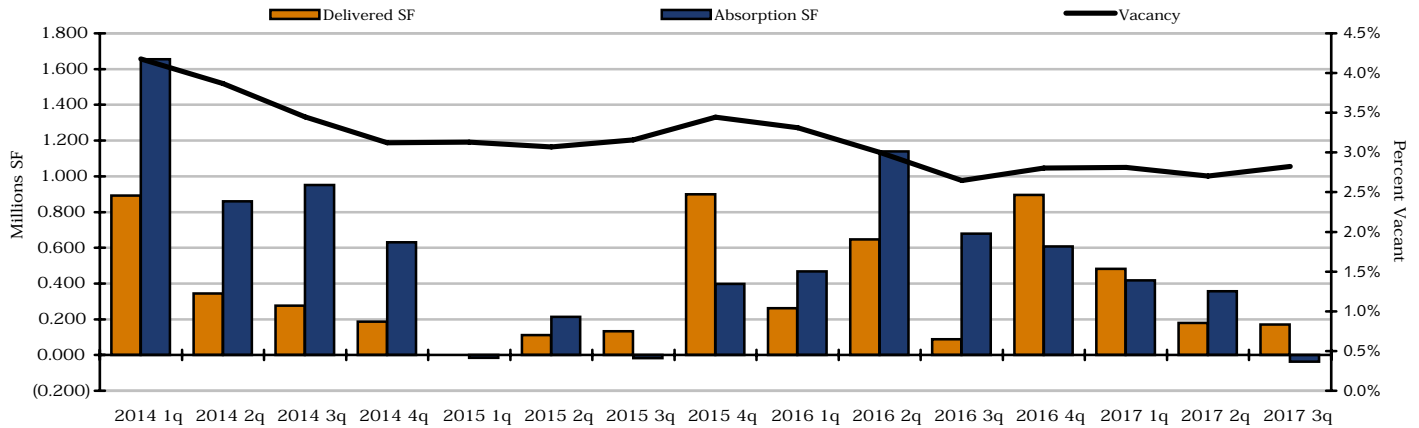


Greater Toronto Industrial Market

North Market
MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

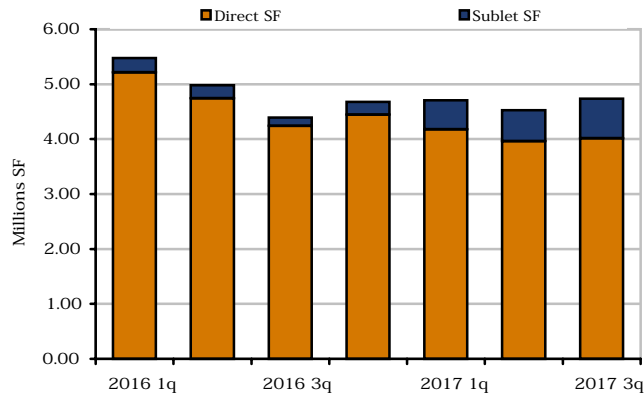
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

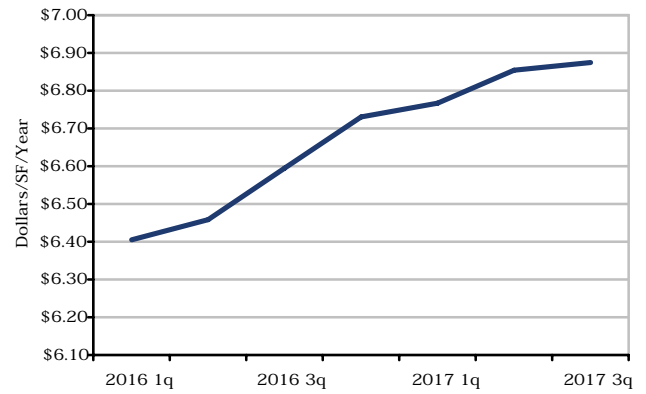
Historical Analysis, Flex and Warehouse



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 3q	3,492	167,650,732	4,735,182	2.8%	(36,206)	2	170,012	8	1,035,295	\$6.87
2017 2q	3,490	167,480,720	4,528,964	2.7%	356,930	3	180,370	7	454,183	\$6.85
2017 1q	3,487	167,300,350	4,705,524	2.8%	417,484	5	481,448	8	408,833	\$6.77
2016 4q	3,484	166,856,796	4,679,454	2.8%	606,923	6	896,002	13	890,281	\$6.73
2016 3q	3,478	165,960,794	4,390,375	2.6%	678,730	3	87,790	13	1,482,943	\$6.59
2016 2q	3,475	165,873,004	4,981,315	3.0%	1,138,959	4	646,533	14	1,343,184	\$6.46
2016 1q	3,471	165,226,471	5,473,741	3.3%	468,274	2	261,913	15	1,869,862	\$6.40
2015 4q	3,469	164,964,558	5,680,102	3.4%	398,800	7	900,112	10	1,889,464	\$6.71
2015 3q	3,462	164,064,446	5,178,790	3.2%	(16,739)	3	132,740	13	2,380,458	\$6.89
2015 2q	3,459	163,931,706	5,029,311	3.1%	213,862	1	112,102	15	2,468,198	\$6.81
2015 1q	3,458	163,819,604	5,131,071	3.1%	(16,147)	0	0	10	1,076,099	\$6.86
2014 4q	3,458	163,819,604	5,114,924	3.1%	631,223	3	186,174	4	487,174	\$6.93
2014 3q	3,456	163,722,230	5,648,773	3.5%	951,324	2	277,000	5	446,276	\$6.88
2014 2q	3,454	163,445,230	6,323,097	3.9%	859,824	2	344,463	6	611,174	\$6.74
2014 1q	3,451	163,074,314	6,812,005	4.2%	1,654,163	6	892,646	8	834,090	\$6.72
2013 4q	3,446	162,311,355	7,703,209	4.7%	982,353	4	87,411	14	1,726,736	\$6.68

Source: CoStar Property®

Greater Toronto Industrial Market

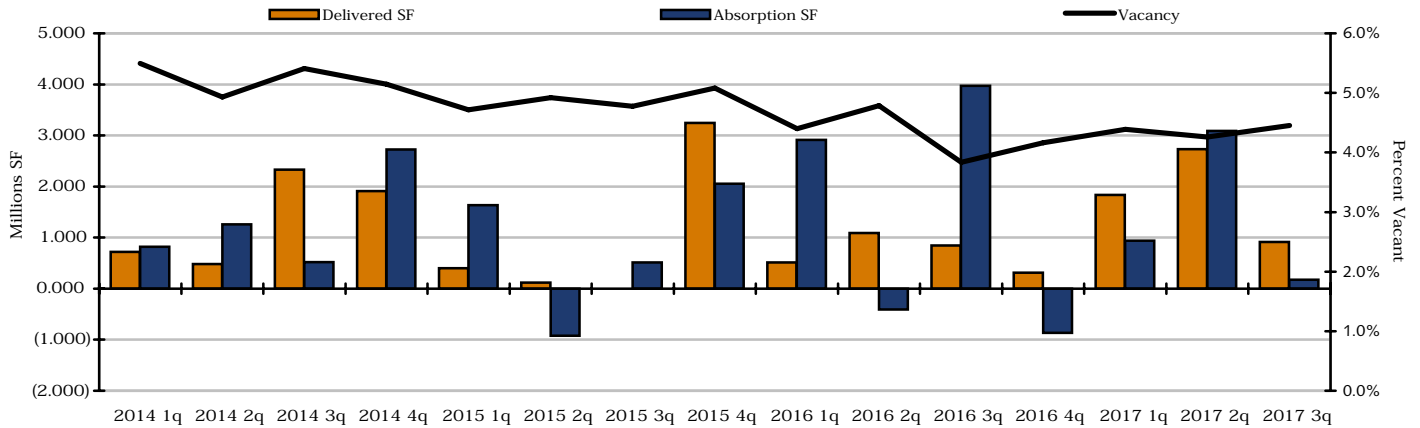


West Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

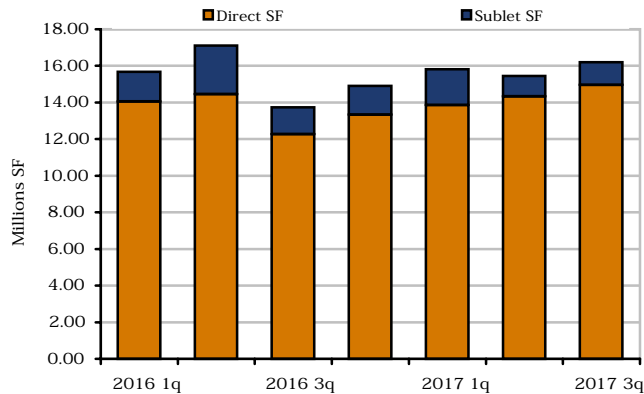
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

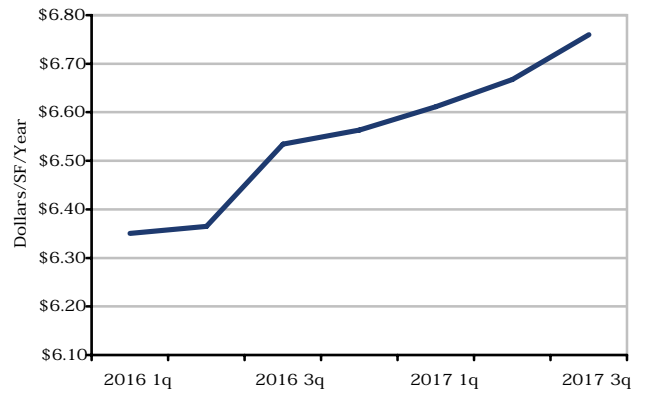
Historical Analysis, Flex and Warehouse



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 3q	6,626	363,709,106	16,195,658	4.5%	171,813	3	915,764	18	3,997,000	\$6.76
2017 2q	6,623	362,793,342	15,451,707	4.3%	3,089,447	5	2,731,824	19	4,468,814	\$6.67
2017 1q	6,618	360,061,518	15,809,330	4.4%	941,687	4	1,837,974	20	6,097,137	\$6.61
2016 4q	6,614	358,223,544	14,913,043	4.2%	(863,628)	2	313,258	16	6,066,773	\$6.56
2016 3q	6,612	357,910,286	13,736,157	3.8%	3,974,783	2	844,213	10	4,305,120	\$6.53
2016 2q	6,611	357,306,073	17,106,727	4.8%	(409,231)	6	1,091,497	11	5,119,333	\$6.37
2016 1q	6,606	356,286,901	15,678,324	4.4%	2,914,983	4	514,905	13	4,908,062	\$6.35
2015 4q	6,602	355,771,996	18,078,402	5.1%	2,055,981	11	3,248,424	14	4,490,702	\$6.31
2015 3q	6,591	352,475,566	16,837,953	4.8%	511,992	0	0	20	6,233,530	\$6.27
2015 2q	6,591	352,475,566	17,349,945	4.9%	(921,455)	2	116,258	16	5,559,981	\$6.19
2015 1q	6,590	352,689,172	16,642,096	4.7%	1,632,492	2	397,072	15	5,309,225	\$6.14
2014 4q	6,589	352,555,073	18,140,489	5.1%	2,723,269	6	1,912,888	12	4,898,864	\$6.10
2014 3q	6,584	350,653,165	18,961,850	5.4%	517,264	5	2,328,132	14	6,038,178	\$6.03
2014 2q	6,580	348,355,766	17,181,715	4.9%	1,261,505	4	481,372	16	7,387,170	\$5.99
2014 1q	6,578	349,105,174	19,192,628	5.5%	822,407	5	722,510	18	6,519,464	\$6.02
2013 4q	6,573	348,382,664	19,292,525	5.5%	1,413,198	5	390,705	18	5,695,758	\$5.95

Source: CoStar Property®