

Toronto Industrial

2018 Market Insight Report



Q3 2018

cresa

Cresa's Industrial Team



Sean Hoehn
Managing Principal,
Sales Representative



Steven Rector
Principal,
Sales Representative



Mark Rodgers
Vice President,
Sales Representative



Marvin Yousif, MBA
Advisor,
Sales Representative



Kyle Rees
Advisor,
Sales Representative



Renee Rees
Advisor,
Sales Representative



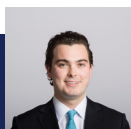
Sean Spiers
Advisor,
Sales Representative



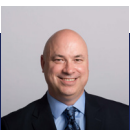
Adrian Pajtasz
Advisor,
Sales Representative



Craig Birk
Business Development
Representative



James Jackson
Business Development
Representative



Michael Wasyliw
Principal, Project
Management



Joanne Chan
Principal, Interior
Design

We take your business further

Cresa is the world's largest occupier-only commercial real estate firm. We think of real estate as a business tool - one that goes beyond operational needs to help drive profitability, enhance your image and attract top talent.

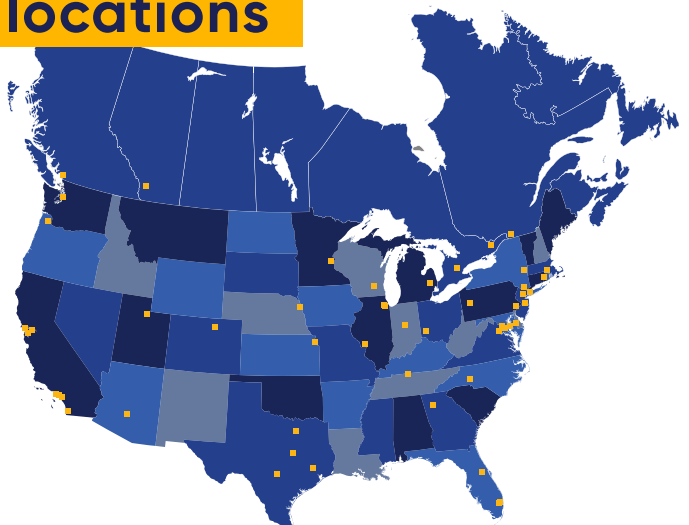
In the past year, Cresa has worked with:

Over 1,700 **Covering 59** **In 891 cities**
clients **industries** **worldwide**

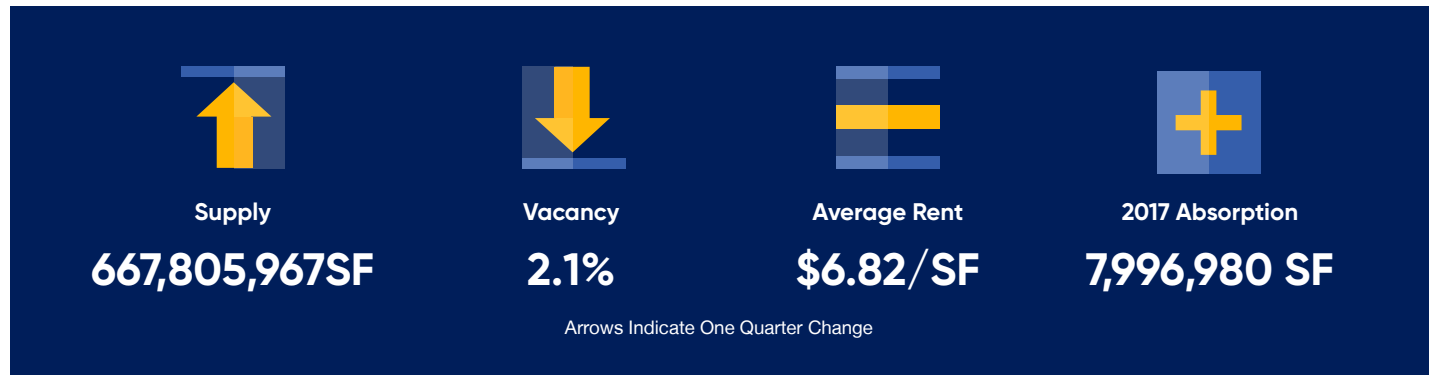
We think beyond space.

We take a fully integrated approach, first determining what your business needs are, then figuring out how to meet them and finally implementing a solution.

Canada & U.S. locations



GTA Overview



Vacancy Rate

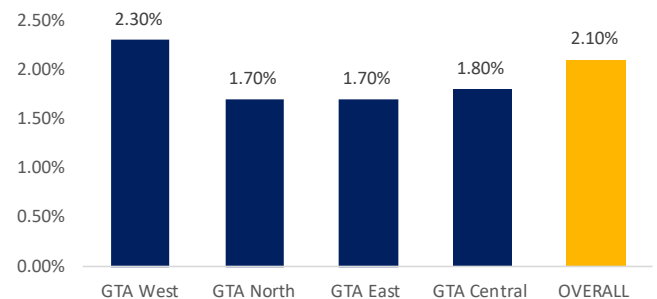
	Q1	Q2	Q3	
GTA West	2.9%	2.5%	2.3%	▼
GTA North	2.4%	2.1%	1.7%	▼
GTA East	1.4%	1.7%	1.7%	►
GTA Central	1.7%	1.6%	1.8%	▲
Overall	2.5%	2.2%	2.1%	▼



Landlord expectations will continue to climb alongside rates. Rates in some nodes have increased as much as 50% to 70% over the last 5 years.



Vacancy Rates (%)



Vacancy & Availability

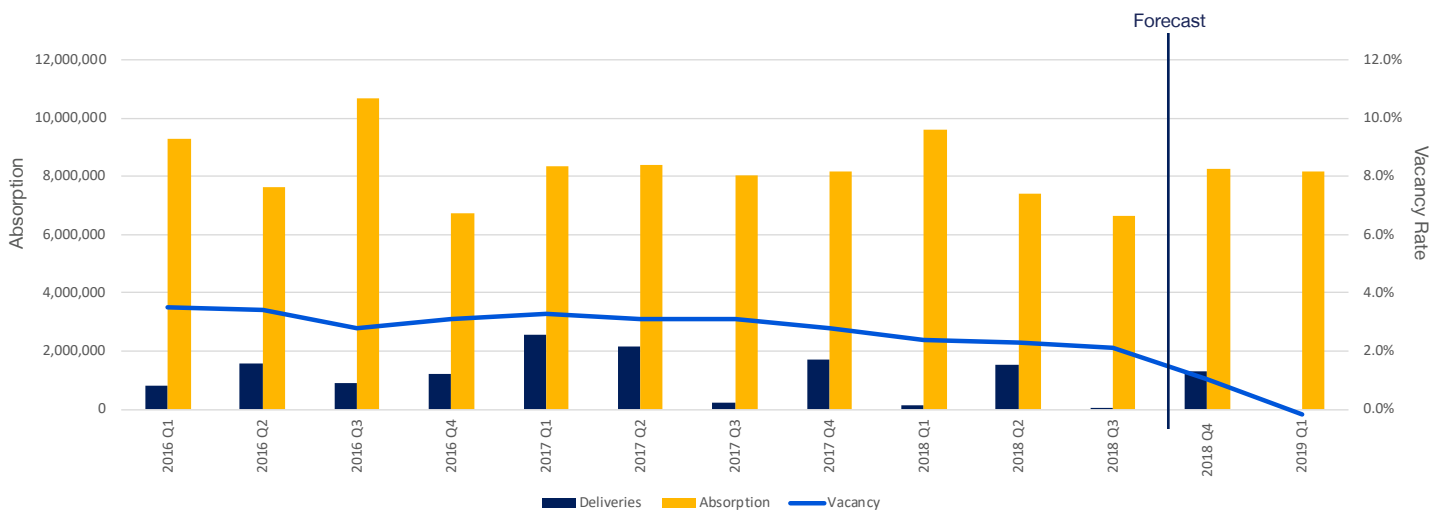
Vacancy Rates

The vacancy rate is the percentage of all available units in a rental property, that are vacant or unoccupied at a particular time.

Availability Rates

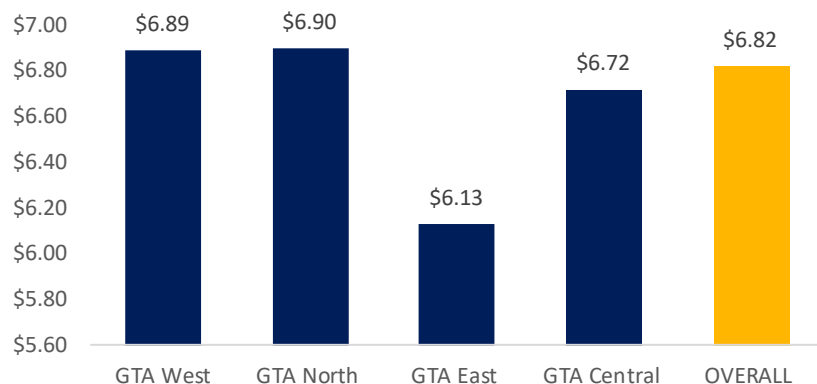
The availability rate is the percentage of total rentable space including new developments under construction.

New Construction and Absorption

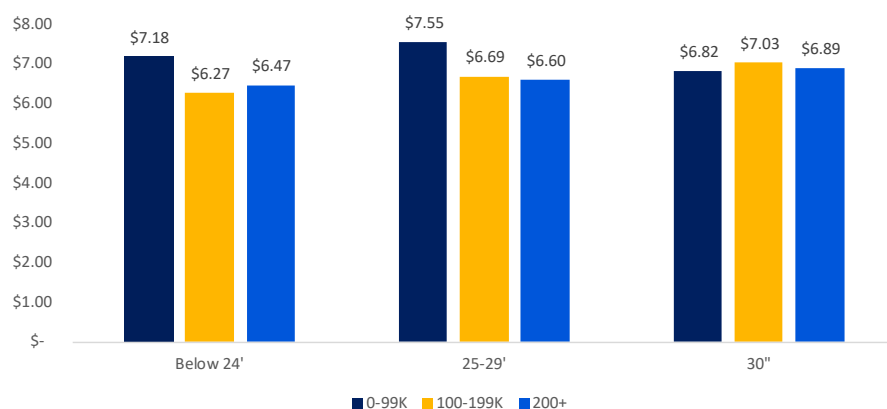


GTA Overview

Net Rate (PSF)



Net Rent by Clear Height



Notable Lease Transactions



Cresa Transactions

Address	Size	Market
1 6757 Northwest Drive	392,919	Mississauga
2 6 Cleve Court	324,000	Halton Hills
3 55-61 Browns Line	302,170	Toronto
4 6 Monogram Place	158,757	Toronto
5 299 Orenda Road	105,000	Brampton
6 33 Commerce Valley Drive East	101,449	Markham
7 20 Commander Blvd	63,966	Scarborough
8 55 New Huntington Road	45,000	Vaughan

Industrial Market Insights

1

The Q3 2018 industrial market in the GTA was characterized by low vacancy rates that continue to decrease.

2

Demand continues to outpace supply, as the number of developments are minimal, there continues to be pressure on occupiers seeking space.

3

Occupiers seeking spaces between 30,000 SF to 70,000 SF are getting squeezed out, as there are so few availabilities that fit their requirements.

Q3 2018



Supply

329,200,816 SF



Vacancy

2.3%



Average Rent

\$6.89/SF



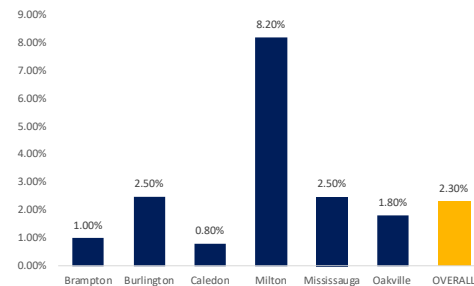
Net Absorption

1,192,515 SF

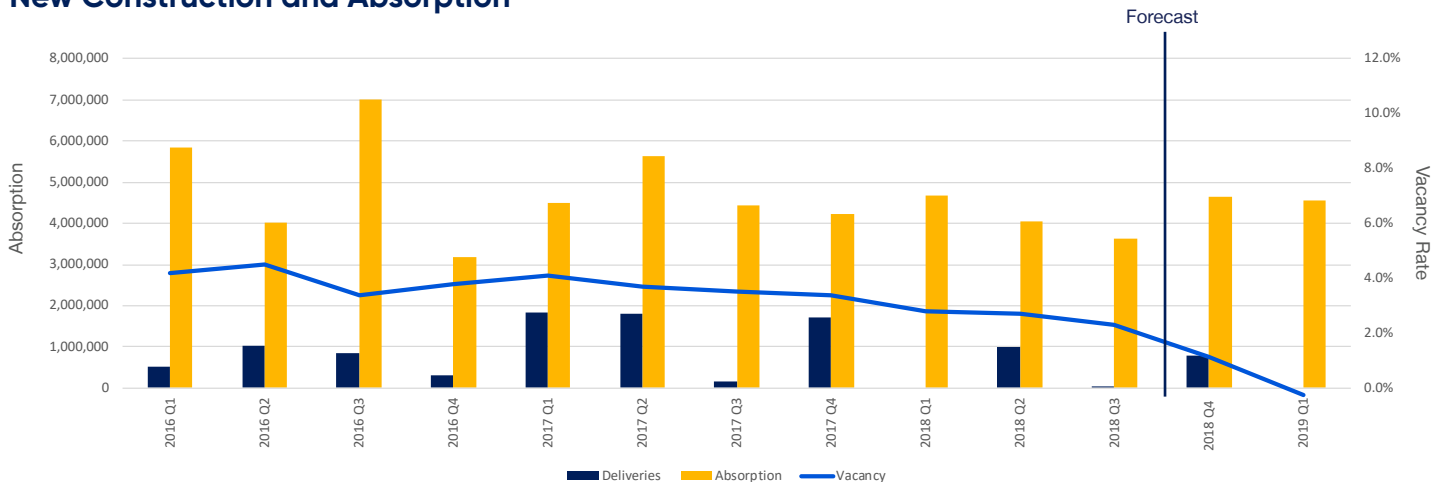
Vacancy Rate

	Q1	Q2	Q3	
Brampton	1.5%	1.6%	1.0%	▼
Burlington	2.7%	2.3%	2.5%	▲
Caledon	3.2%	1.1%	0.8%	▼
Milton	6.6%	1.1%	8.2%	▲
Mississauga	2.8%	2.7%	2.5%	▼
Oakville	2.0%	1.8%	1.8%	►
OVERALL	2.9%	2.5%	2.3%	▼

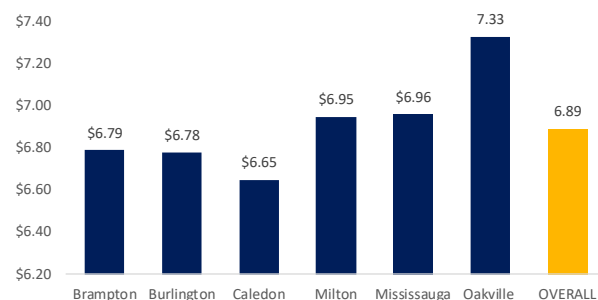
Vacancy Rates (%)



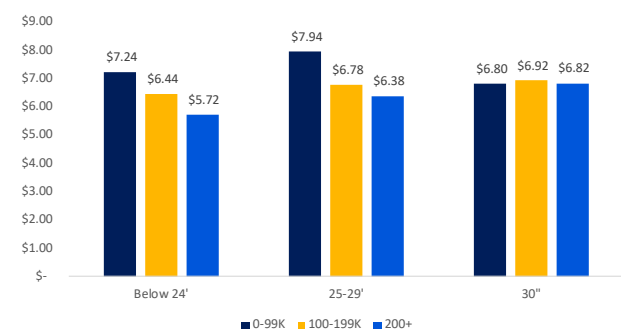
New Construction and Absorption



Net Rate (PSF)



Net Rent by Clear Height



Notable Lease Transactions

Address	Size	Market
1 6757 Northwest Drive	392,919	Mississauga
2 6 Cleve Court	324,000	Halton Hills
3 299 Orenda Road	105,000	Brampton

Q3 2018



Supply

42,761,216 SF



Vacancy

1.7%



Average Rent

\$6.13/SF



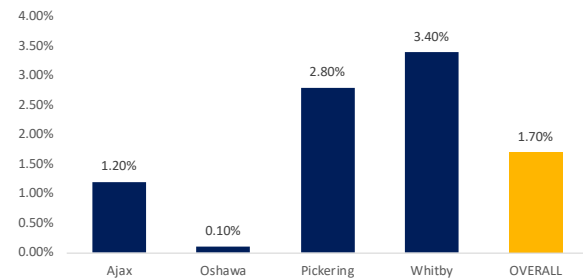
Net Absorption

23,334 SF

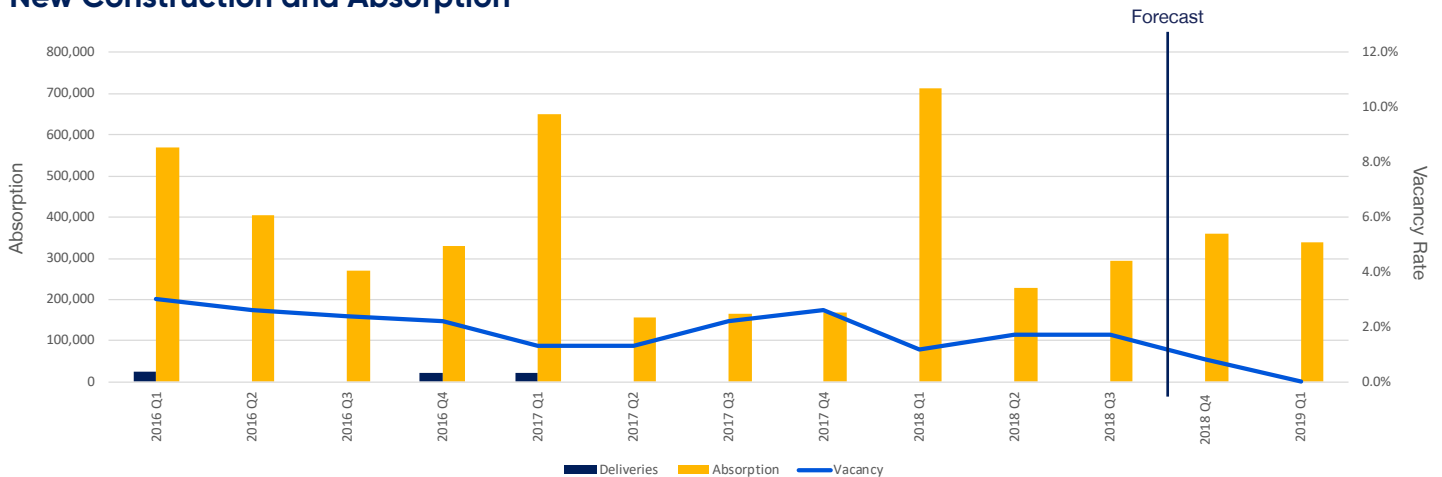
Vacancy Rate

	Q1	Q2	Q3	
Ajax	2.1%	2.4%	1.2%	▼
Oshawa	0.1%	0.1%	0.1%	►
Pickering	1.2%	1.8%	2.8%	▲
Whitby	3.0%	3.7%	3.4%	▼
OVERALL	1.4%	1.7%	1.7%	►

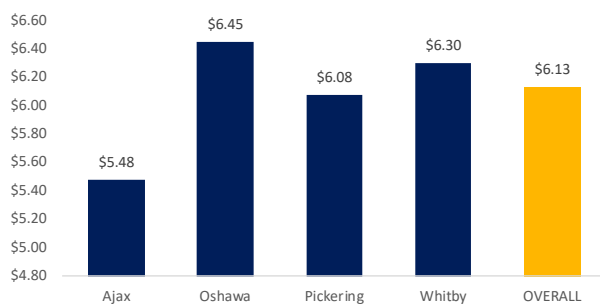
Vacancy Rates (%)



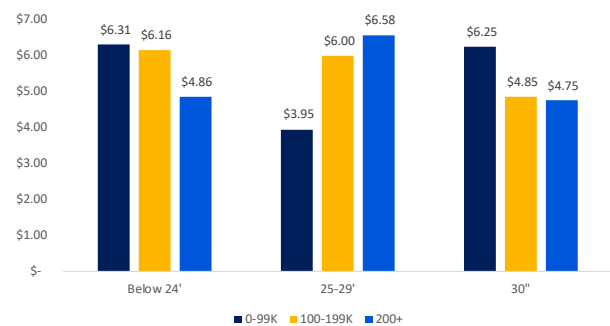
New Construction and Absorption



Net Rate (PSF)



Net Rent by Clear Height



Notable Lease Transactions

Address	Size	Market
1 1845 Clements Road	38,933	Pickering
2 202 South Blair Street	29,244	Whitby
3 1402 Bayly Street	26,612	Pickering

GTA North

Q3 2018



Supply

131,665,995 SF



Vacancy

1.7%



Average Rent

\$6.90/SF



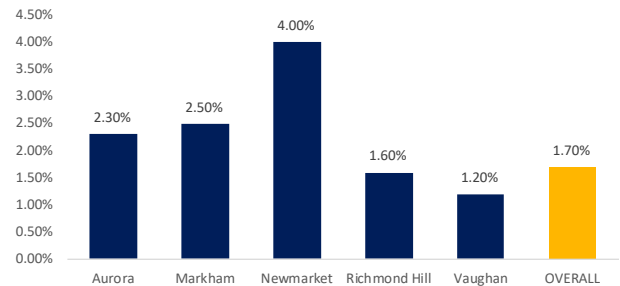
Net Absorption

608,711 SF

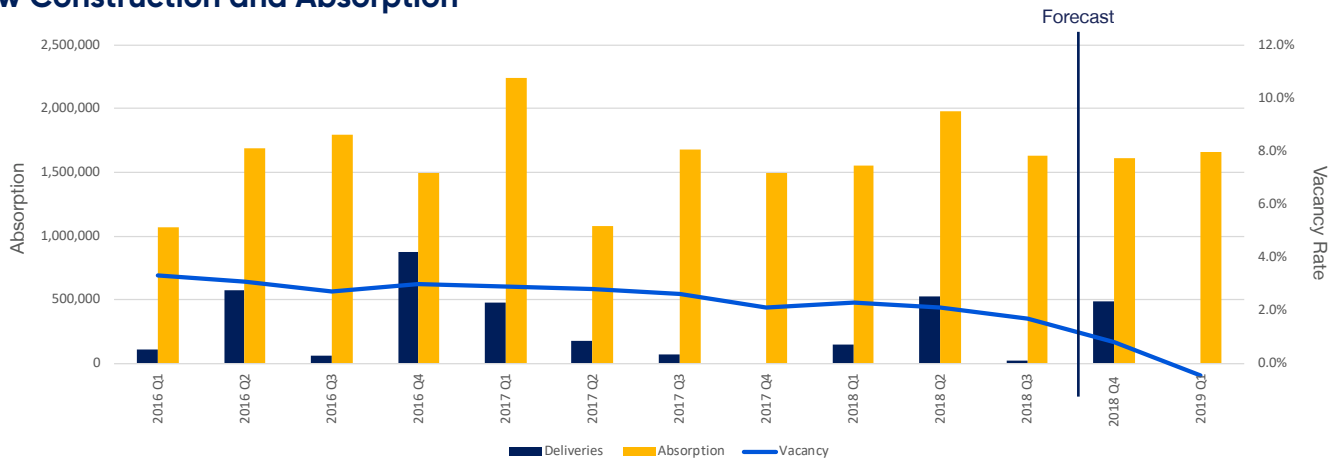
Vacancy Rate

	Q1	Q2	Q3	
Aurora	2.1%	2.2%	2.3%	▲
Markham	1.8%	1.7%	2.5%	▲
Newmarket	0.8%	2.8%	4.0%	▲
Richmond Hill	1.7%	1.8%	1.6%	▼
Vaughan	2.8%	2.2%	1.2%	▼
OVERALL	2.4%	2.1%	1.7%	▼

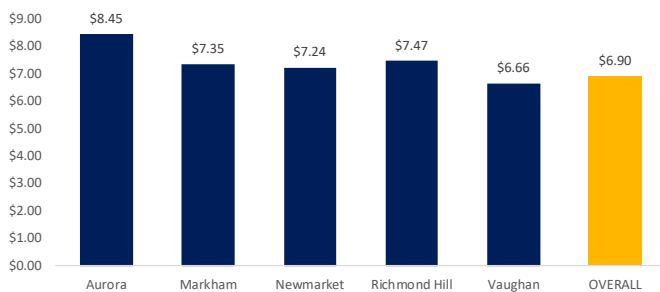
Vacancy Rates (%)



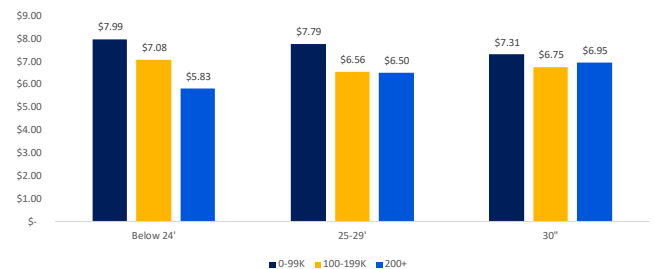
New Construction and Absorption



Net Rate (PSF)



Net Rent by Clear Height



Notable Lease Transactions

Address	Size	Market
1 33 Commerce Valley Drive East	101,449	Markham
2 55 New Huntington Road	45,000	Vaughan
3 25 Esna Park Drive	37,000	Markham

GTA Central

Q3 2018



Supply

190,817,577 SF



Vacancy

1.8%



Average Rent

\$6.72/SF



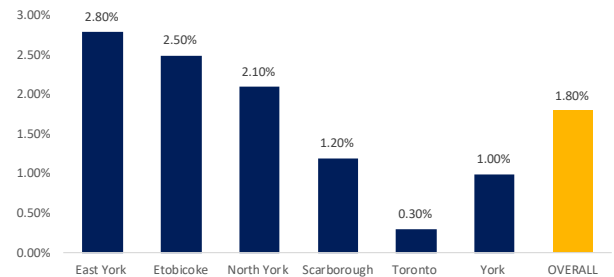
Net Absorption

-158,362 SF

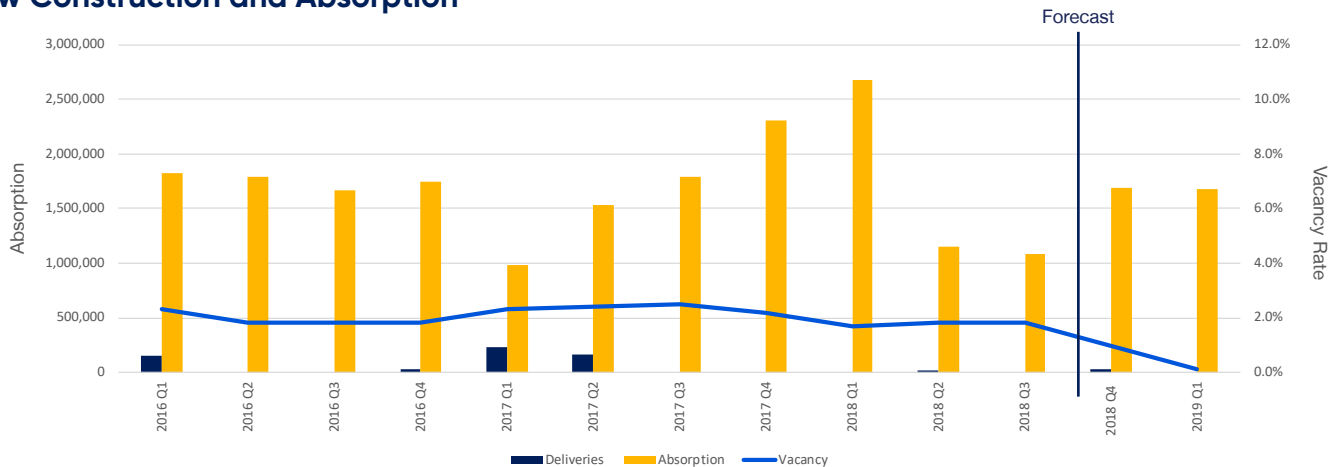
Vacancy Rate

	Q1	Q2	Q3	
East York	3.8%	3.3%	2.8%	▼
Etobicoke	1.9%	2.1%	2.5%	▲
North York	1.9%	1.6%	2.1%	▲
Scarborough	1.1%	1.0%	1.2%	▲
Toronto	1.3%	1.8%	0.3%	▼
York	1.8%	0.9%	1.0%	▲
OVERALL	1.7%	1.6%	1.8%	▲

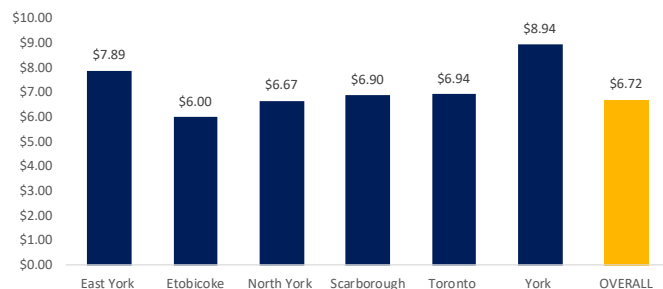
Vacancy Rates (%)



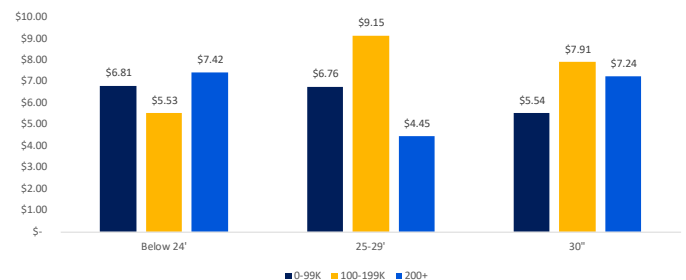
New Construction and Absorption



Net Rate (PSF)



Net Rent by Clear Height



Notable Lease Transactions

Address	Size	Market
1 55-61 Browns Line	302,170	Toronto
2 6 Monogram Place	158,757	Toronto
3 20 Commander Blvd	63,966	Scarborough

About Cresa Toronto

Cresa is the world's largest commercial real estate firm that exclusively represents occupiers of space. By not taking listings on behalf of landlords or developers, we are able to provide our clients with objective, conflict-free advice.

For the last 25+ years, Cresa's Toronto office has worked alongside our clients to align their business plans and their real estate needs, increase their productivity, and consistently save them money. Our integrated team of real estate advisors, project managers, designers, and analysts, listen to occupiers' needs, meticulously research market conditions, firmly negotiate terms, and manage the design and construction of projects to customize the best possible occupancy solutions. And it's this relentless focus on our clients that has earned us numerous industry awards along the way.

Contact

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