

# CoStar Industrial Statistics

Year - End 2017

## Greater Toronto Industrial Market



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

## Table of Contents

Table of Contents . . . . .	<b>A</b>
Methodology . . . . .	<b>B</b>
Terms & Definitions . . . . .	<b>C</b>
Market Highlights & Overview . . . . .	<b>1</b>
CoStar Markets . . . . .	<b>3</b>
Inventory & Development Analysis . . . . .	<b>4</b>
Inventory & Development Analysis	
Select Top Deliveries	
Select Top Under Construction Properties	
Figures at a Glance . . . . .	<b>8</b>
Figures at a Glance by Building Type & Market	
Historical Figures at a Glance	
Leasing Activity Analysis . . . . .	<b>10</b>
Select Top Lease Transactions	
Analysis of Individual CoStar Submarket Clusters . . . . .	<b>12</b>
Central Market	
East Market	
North Market	
West Market	

## 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 119 billion square feet of coverage in 5.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

For information on subscribing to CoStar's other products and services, please contact us at 1-877-7COSTAR, or visit our web site at [www.costar.com](http://www.costar.com)

© Copyright 2018 CoStar Group, Inc. All Rights Reserved. Although CoStar makes efforts to ensure the accuracy and reliability of the information contained herein, CoStar makes no guarantee, representation or warranty regarding the quality, accuracy, timeliness or completeness of the information. The publication is provided 'as is' and CoStar expressly disclaims any guarantees, representations or warranties of any kind, including those of MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**CoStar Group, Inc.**

1331 L ST NW • Washington, DC 20005 • (800) 204-5960 • [www.costar.com](http://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 certifi-

cate of occupancy must have been issued for the property.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

tenant needs. (See also: Tenancy).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**SF:** Abbreviation for Square Feet.

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

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

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

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

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

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

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

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

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

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

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

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

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

## Greater Toronto's Vacancy Decreases to 3.3% Net Absorption Positive 2,720,262 SF in the Quarter

The Greater Toronto Industrial market ended the fourth quarter 2017 with a vacancy rate of 3.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 2,720,262 square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending at 2,128,106 square feet. Net asking rental rates ended the fourth quarter at \$6.98 per square foot, an increase over the previous quarter. A total of four buildings delivered to the market in the quarter totaling 823,494 square feet, with 5,036,351 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Greater Toronto Area Industrial market was positive 2,720,262 square feet in the fourth quarter 2017. That compares to negative (263,452) square feet in the third quarter 2017, positive 3,002,147 square feet in the second quarter 2017, and positive 1,128,721 square feet in the first quarter 2017.

Tenants moving out of large blocks of space in 2017 include: Unilever Canada moving out of (744,992) square feet at 7900 Airport Rd in Brampton, Sobeys moving out of (563,431) square feet at 2701 Highpoint Dr, and Sears Canada Inc moving out of (416,262) square feet at 21 Rexdale Blvd.

Tenants moving into large blocks of space in 2017 include: Maritime-Ontario moving into 359,341 square feet at 8495 Goreway Dr, B2B Global Inc moving into 336,045 square feet at 6500 Silver Dart Dr and Investments Hardware Ltd moving into 321,572 square feet at 250 Rowntree Dairy Rd.

The Flex building market recorded net absorption of negative (228,897) square feet in the fourth quarter 2017, compared

to positive 259,378 square feet in the third quarter 2017, positive 341,234 in the second quarter 2017, and positive 107,506 in the first quarter 2017.

The Warehouse building market recorded net absorption of positive 2,949,159 square feet in the fourth quarter 2017 compared to negative (522,830) square feet in the third quarter 2017, positive 2,660,913 in the second quarter 2017, and positive 1,021,215 in the first quarter 2017.

### Vacancy

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

Flex projects reported a vacancy rate of 3.5% at the end of the fourth quarter 2017, 3.3% at the end of the third quarter 2017, 3.3% at the end of the second quarter 2017, and 3.6% at the end of the first quarter 2017.

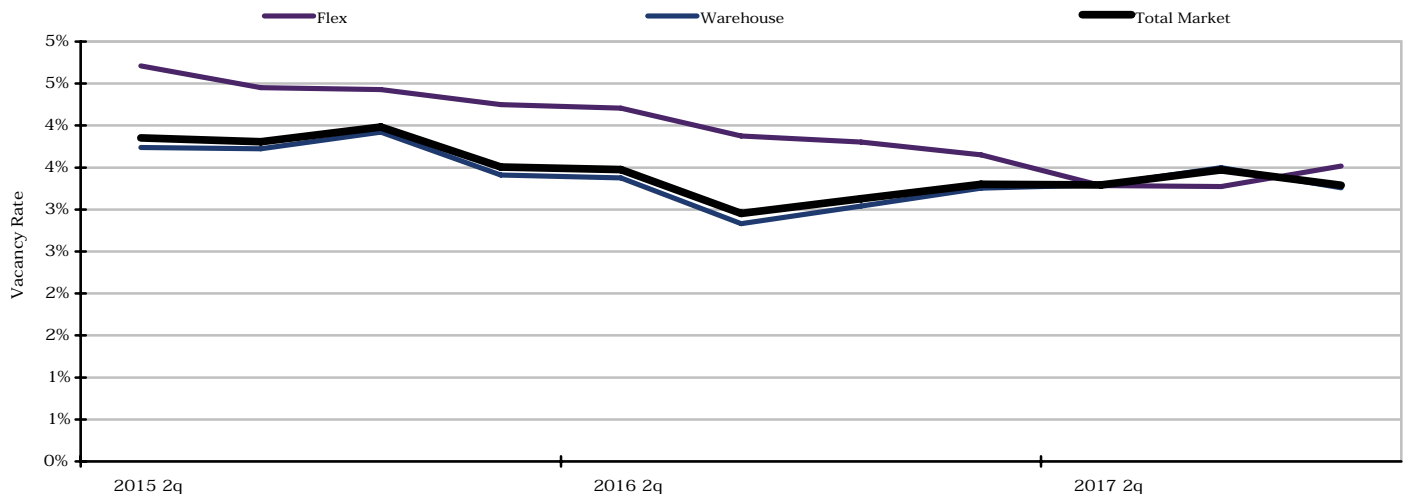
Warehouse projects reported a vacancy rate of 3.3% at the end of the fourth quarter 2017, 3.5% at the end of third quarter 2017, 3.3% at the end of the second quarter 2017, and 3.3% at the end of the first quarter 2017.

### Largest Lease Signings

The largest lease signings occurring in 2017 included: the 774,614-square-foot lease signed by Kraft Canada Inc at 7951 5th Line - Plan 1 Building A in the West market; the 770,000-square-foot deal signed by Wayfair at 2020 Logistics Dr in the West market; and the 359,341-square-foot lease signed by

## Vacancy Rates by Building Type

2013-2017



Source: CoStar Property®

Maritime-Ontario at 8495 Goreway Dr in the West market.

## Sublease Vacancy

The amount of vacant sublease space in the Greater Toronto Area market decreased to 2,128,106 square feet by the end of the fourth quarter 2017, from 2,304,829 square feet at the end of the third quarter 2017. There was 1,928,141 square feet vacant at the end of the second quarter 2017 and 2,591,552 square feet at the end of the first quarter 2017.

The Greater Toronto Area’s Flex projects reported vacant sublease space of 152,253 square feet at the end of fourth quarter 2017, down from the 197,443 square feet reported at the end of the third quarter 2017. There were 176,981 square feet of sublease space vacant at the end of the second quarter 2017, and 174,709 square feet at the end of the first quarter 2017.

Warehouse projects reported decreased vacant sublease space from the third quarter 2017 to the fourth quarter 2017. Sublease vacancy went from 2,107,386 square feet to 1,975,853 square feet during that time. There was 1,751,160 square feet at the end of the second quarter 2017, and 2,416,843 square feet at the end of the first quarter 2017.

## Rental Rates

The average quoted net asking rental rate for available Industrial space was \$6.98 per square foot per year at the end of the fourth quarter 2017 in the Greater Toronto Area market. This represented a 4.3% increase in quoted rental rates from the end of the third quarter 2017, when rents were reported at \$6.69 per square foot.

The average quoted rate within the Flex sector was \$12.88 per square foot at the end of the fourth quarter 2017, while Warehouse rates stood at \$6.63. At the end of the third quarter 2017, Flex rates were \$12.20 per square foot, and Warehouse rates were \$6.37.

## Deliveries and Construction

During the fourth quarter 2017, four buildings totaling 823,494 square feet were completed in the Greater Toronto market area. This compares to six buildings totaling 1,233,167 square feet that were completed in the third quarter 2017, nine buildings totaling 3,070,652 square feet completed in the second quarter 2017, and 2,638,591 square feet in 15 buildings completed in the first quarter 2017.

There was 5,036,351 square feet of Industrial space under construction at the end of the fourth 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 at 7951 5th Line, 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 fourth quarter 2017 were 200 Trade Valley Dr, a 697,800-square-foot building with 36% of its space pre-leased, and 220 Hunter’s Valley Rd, a 697,800-square-foot facility that is 100% pre-leased.

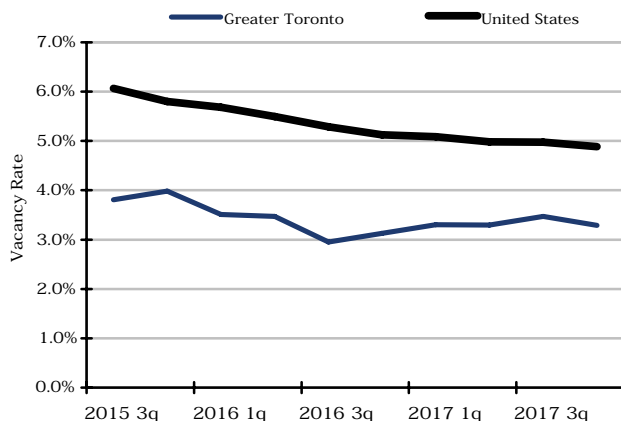
## Inventory

Total Industrial inventory in the Greater Toronto Area market amounted to 815,407,143 square feet in 16,982 buildings as of the end of the fourth quarter 2017. The Flex sector consisted of 93,633,438 square feet in 2,197 projects. The Warehouse sector consisted of 721,773,705 square feet in 14,785 buildings. Within the Industrial market there were 340 owner-occupied buildings accounting for 50,028,060 square feet of Industrial space.

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

## U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

## CoStar Submarkets

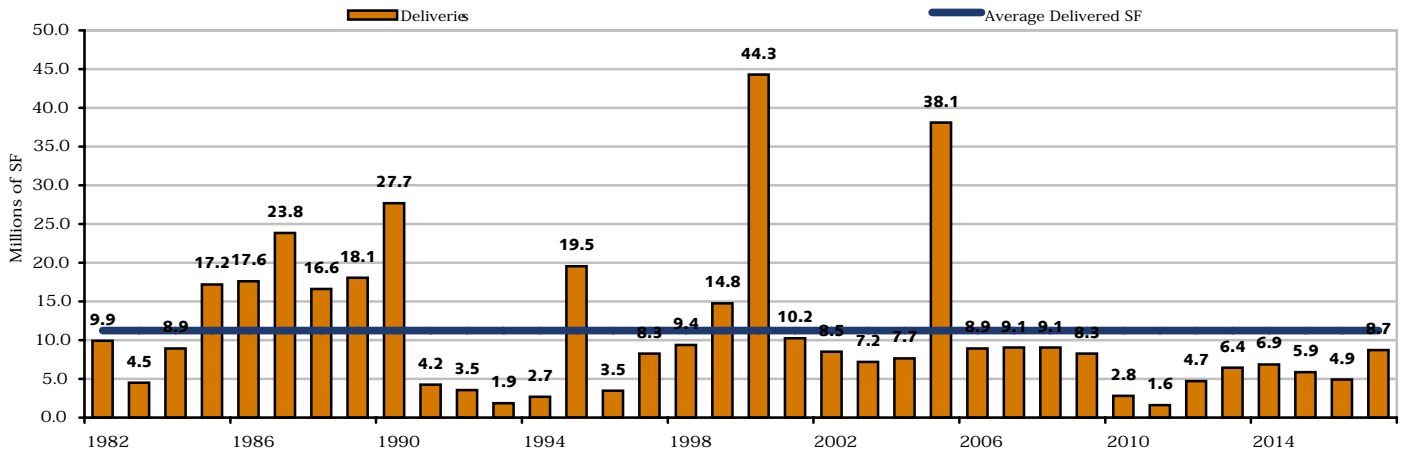
In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities 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.

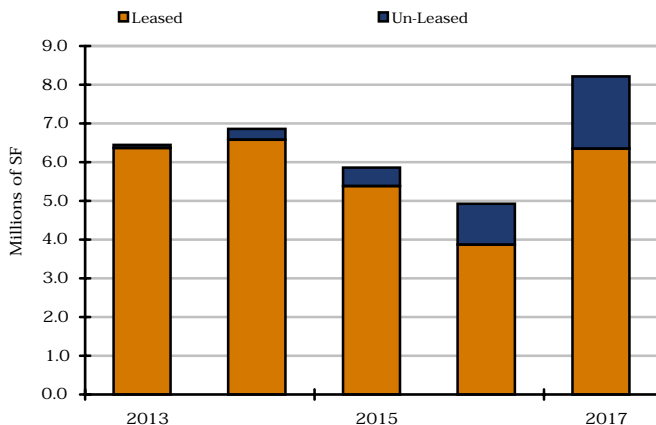
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
North Ind	11	2,469,818	705,053	28.5%	48,187	224,529
West Ind	19	2,251,793	894,672	39.7%	55,244	118,515
Central Ind	6	314,740	80,270	25.5%	39,474	52,457
East Ind	0	0	0	0.0%	48,690	0
<b>Totals</b>	<b>36</b>	<b>5,036,351</b>	<b>1,679,995</b>	<b>33.4%</b>	<b>48,016</b>	<b>139,899</b>

Source: CoStar Property®

## Recent Deliveries

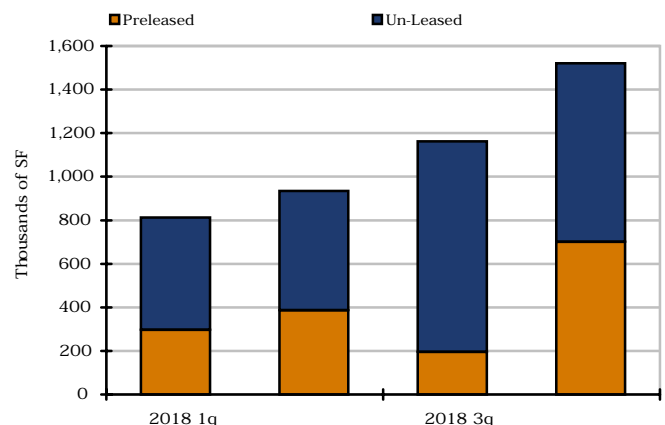
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

## Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

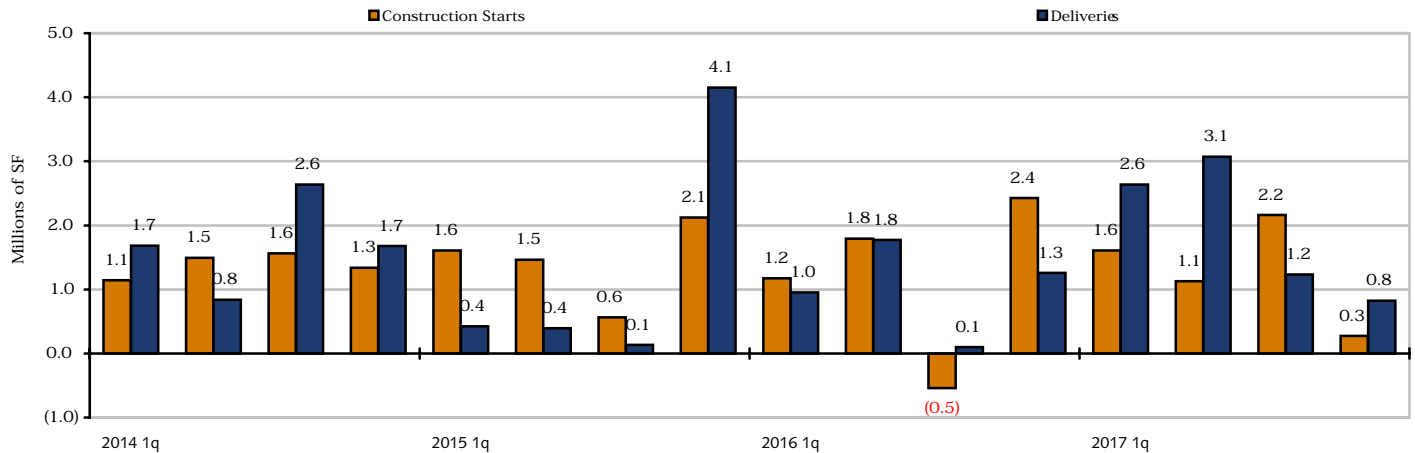
# Greater Toronto Industrial Market



Inventory & development

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

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

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	11	257,139	224,208	87.2%	\$11.54	62,079	195,060
50,000 SF - 99,999 SF	6	430,147	419,664	97.6%	\$6.75	0	430,147
100,000 SF - 249,999 SF	8	1,286,461	1,216,111	94.5%	\$7.84	527,814	758,647
250,000 SF - 499,999 SF	5	1,988,658	1,542,498	77.6%	\$6.74	300,000	1,688,658
>= 500,000 SF	5	4,249,659	2,944,614	69.3%	\$6.56	1,414,453	2,835,206

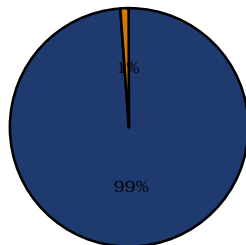
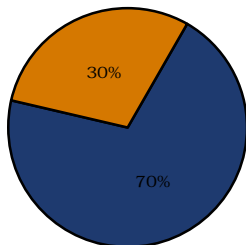
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

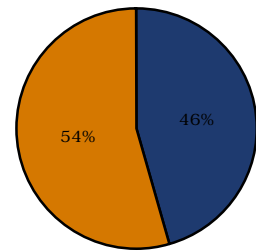
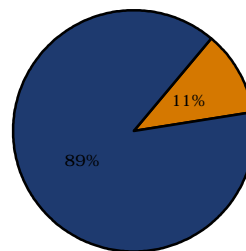
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

## Select Year-to-Date Deliveries

Based on Project Square Footage

<p><b>1. Canadian Tire Distribution Centre</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>1,400,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2013</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>Canadian Tire Corporation, Limited</b>            Developer: <b>Broccolini Real Estate Group Inc.</b></p>	<p><b>2. Plan 1 Building A - 7951 5th Line</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>774,614</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$6.75</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>QuadReal Property Group</b>            Developer: <b>First Gulf Corporation</b></p>	<p><b>3. 2020 Logistics Dr</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>770,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Panattoni Development Company</b>            Developer: <b>N/A</b></p>
<p><b>4. 2994 Peddie Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>665,206</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$6.62</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>Kylin Developments</b></p>	<p><b>5. Gateway Distribution Center</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>639,839</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$6.50</b>            Grnd Brk Date: <b>Fourth Quarter 2015</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>Broccolini Real Estate Group Inc.</b></p>	<p><b>6. 125 Madill Blvd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>450,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>Orlando Corporation</b></p>
<p><b>7. 233 Madill Blvd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>446,160</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>2017</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>N/A</b></p>	<p><b>8. Expansion Building B - 7825 Winston Churchill</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>422,768</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$6.75</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>Orlando Corporation</b></p>	<p><b>9. 6 Cleve Ct - Phase I</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>369,730</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$6.50</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>Triovest Realty Advisors, Inc.</b></p>
<p><b>10. 307 Orenda Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>341,130</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Cushman &amp; Wakefield</b>            Developer: <b>First Gulf Corporation</b></p>	<p><b>11. Drivers Centre Industrial Park - Building C</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>300,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>	<p><b>12. Drivers Centre Industrial Park - Building D</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>238,206</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>
<p><b>13. 1380 Creditstone Rd</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>185,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$6.75</b>            Grnd Brk Date: <b>Fourth Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Metrus Properties</b>            Developer: <b>N/A</b></p>	<p><b>14. 1261 Tapscott Rd - Building 2</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>165,256</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>N/A</b></p>	<p><b>15. 250 Don Hillock Dr</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>161,000</b>            Occupied: <b>65%</b>            Quoted Rate: <b>\$7.95</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>

# Greater Toronto Industrial Market



Inventory &amp; development

## Select Top Under Construction Properties

Based on Project Square Footage

<p><b>1. 200 Trade Valley Dr</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>697,800</b>            Preleased: <b>36%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Third Quarter 2017</b>            Deliv Date: <b>Third Quarter 2018</b>            Leasing Co: <b>Condor Properties</b>            Developer: <b>N/A</b></p>	<p><b>2. 220 Hunter's Valley Rd</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>697,800</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Fourth Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2018</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>	<p><b>3. 7245 Highway 50 - Bldg 2</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>383,194</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>Third Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2018</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>
<p><b>4. 7245 Highway 50 - Bldg 1</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>344,930</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>Third Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2018</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>	<p><b>5. 6360 Belgrave Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>303,000</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2017</b>            Deliv Date: <b>Second Quarter 2018</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>N/A</b></p>	<p><b>6. Meadowvale Distribution Centre - Bldg 3</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>248,856</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.75</b>            Grnd Brk Date: <b>Third Quarter 2017</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>
<p><b>7. 7855 Heritage Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>219,078</b>            Preleased: <b>100%</b>            Quoted Rate: <b>\$7.25</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>N/A</b></p>	<p><b>8. 150 New Huntington Rd - Phase I</b></p> <p>Submarket: <b>North Industrial Market</b>            RBA: <b>200,100</b>            Preleased: <b>0%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Second Quarter 2017</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>	<p><b>9. 6 Cleve Ct - Phase II</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>195,094</b>            Preleased: <b>100%</b>            Quoted Rate: <b>\$6.50</b>            Grnd Brk Date: <b>Third Quarter 2017</b>            Deliv Date: <b>Third Quarter 2018</b>            Leasing Co: <b>CBRE</b>            Developer: <b>Triovest Realty Advisors, Inc.</b></p>
<p><b>10. Pillsworth Rd - Phase I</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>189,721</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.25</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Fourth Quarter 2018</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>Anatolia Capital Corporation</b></p>	<p><b>11. 8400 Parkhill Dr</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>166,414</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.37</b>            Grnd Brk Date: <b>Second Quarter 2017</b>            Deliv Date: <b>Second Quarter 2018</b>            Leasing Co: <b>CBRE</b>            Developer: <b>Broccolini Construction Inc</b></p>	<p><b>12. 188 Cartwright Ave</b></p> <p>Submarket: <b>Central Industrial Market</b>            RBA: <b>158,000</b>            Preleased: <b>49%</b>            Quoted Rate: <b>\$11.06</b>            Grnd Brk Date: <b>Second Quarter 2017</b>            Deliv Date: <b>Second Quarter 2018</b>            Leasing Co: <b>CBRE</b>            Developer: <b>N/A</b></p>
<p><b>13. 7845 Heritage Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>149,632</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.25</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Orlando Corporation</b>            Developer: <b>N/A</b></p>	<p><b>14. 3465 Argentia Rd</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>115,224</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2017</b>            Deliv Date: <b>Second Quarter 2018</b>            Leasing Co: <b>N/A</b>            Developer: <b>First Gulf Corporation</b></p>	<p><b>15. 9098 Goreway Dr</b></p> <p>Submarket: <b>West Industrial Market</b>            RBA: <b>100,000</b>            Preleased: <b>100%</b>            Quoted Rate: <b>\$6.63</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Second Quarter 2019</b>            Leasing Co: <b>Di Poce Management Inc.</b>            Developer: <b>N/A</b></p>



# Greater Toronto Industrial Market

Figures at a Glance

## Flex Market Statistics

Year-End 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	694	25,640,950	1,080,771	1,083,471	4.2%	(206,378)	147,391	0	\$13.42
East Ind	95	3,505,653	148,530	148,530	4.2%	(12,086)	0	0	\$8.77
North Ind	700	32,775,059	574,425	630,910	1.9%	279,779	100,000	27,625	\$12.36
West Ind	708	31,711,776	1,337,729	1,430,797	4.5%	417,906	10,000	0	\$13.29
<b>Totals</b>	<b>2,197</b>	<b>93,633,438</b>	<b>3,141,455</b>	<b>3,293,708</b>	<b>3.5%</b>	<b>479,221</b>	<b>257,391</b>	<b>27,625</b>	<b>\$12.88</b>

Source: CoStar Property®

## Warehouse Market Statistics

Year-End 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	5,075	202,085,541	4,846,414	5,106,732	2.5%	(934,519)	454,336	314,740	\$6.74
East Ind	985	49,079,718	1,206,165	1,235,409	2.5%	(190,894)	23,291	0	\$5.73
North Ind	2,799	135,829,508	3,102,196	3,721,439	2.7%	881,725	743,293	2,442,193	\$6.86
West Ind	5,926	334,778,938	12,391,500	13,458,548	4.0%	6,352,145	6,287,593	2,251,793	\$6.60
<b>Totals</b>	<b>14,785</b>	<b>721,773,705</b>	<b>21,546,275</b>	<b>23,522,128</b>	<b>3.3%</b>	<b>6,108,457</b>	<b>7,508,513</b>	<b>5,008,726</b>	<b>\$6.63</b>

Source: CoStar Property®

## Total Industrial Market Statistics

Year-End 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	5,769	227,726,491	5,927,185	6,190,203	2.7%	(1,140,897)	601,727	314,740	\$7.12
East Ind	1,080	52,585,371	1,354,695	1,383,939	2.6%	(202,980)	23,291	0	\$5.87
North Ind	3,499	168,604,567	3,676,621	4,352,349	2.6%	1,161,504	843,293	2,469,818	\$7.25
West Ind	6,634	366,490,714	13,729,229	14,889,345	4.1%	6,770,051	6,297,593	2,251,793	\$6.94
<b>Totals</b>	<b>16,982</b>	<b>815,407,143</b>	<b>24,687,730</b>	<b>26,815,836</b>	<b>3.3%</b>	<b>6,587,678</b>	<b>7,765,904</b>	<b>5,036,351</b>	<b>\$6.98</b>

Source: CoStar Property®

## Greater Toronto Industrial Market



Figures at a Glance

## Flex Market Statistics

Year-End 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 4q	2,197	93,633,438	3,141,455	3,293,708	3.5%	(228,897)	0	0	1	27,625	\$12.88
2017 3q	2,197	93,633,438	2,867,368	3,064,811	3.3%	259,378	3	257,391	1	27,625	\$12.20
2017 2q	2,194	93,376,047	2,889,817	3,066,798	3.3%	341,234	0	0	4	285,016	\$12.54
2017 1q	2,194	93,376,047	3,233,323	3,408,032	3.6%	107,506	0	0	3	257,391	\$12.16
2016 4q	2,196	93,413,941	3,358,388	3,553,432	3.8%	67,789	0	0	2	247,391	\$11.87
2016 3q	2,196	93,413,941	3,484,471	3,621,221	3.9%	309,528	0	0	1	147,391	\$11.46
2016 2q	2,196	93,413,941	3,721,313	3,930,749	4.2%	38,807	0	0	1	147,391	\$10.68
2016 1q	2,196	93,413,941	3,757,754	3,969,556	4.2%	315,814	1	155,000	1	147,391	\$10.77
2015 4q	2,195	93,258,941	3,986,007	4,130,370	4.4%	144,683	3	128,669	2	302,391	\$10.34
2015 3q	2,192	93,130,272	4,062,276	4,146,384	4.5%	240,742	0	0	4	283,669	\$10.95
2015 2q	2,192	93,130,272	4,300,129	4,387,126	4.7%	74,226	0	0	4	283,669	\$10.85
2015 1q	2,192	93,130,272	4,395,447	4,461,352	4.8%	361,415	0	0	3	235,760	\$10.99
2014 4q	2,192	93,130,272	4,716,429	4,822,767	5.2%	556,210	0	0	2	165,760	\$11.08
2014 3q	2,192	93,130,272	5,267,376	5,378,977	5.8%	139,713	2	30,875	1	10,760	\$10.86
2014 2q	2,191	93,130,130	5,401,303	5,518,548	5.9%	291,300	1	19,882	2	30,875	\$10.71
2014 1q	2,190	93,110,248	5,648,578	5,789,966	6.2%	736,083	1	160,000	3	50,757	\$11.11

Source: CoStar Property®

## Warehouse Market Statistics

Year-End 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 4q	14,785	721,773,705	21,546,275	23,522,128	3.3%	2,949,159	4	823,494	35	5,008,726	\$6.63
2017 3q	14,780	720,504,051	23,094,247	25,201,633	3.5%	(522,830)	3	975,776	38	5,560,580	\$6.37
2017 2q	14,777	719,528,275	21,951,867	23,703,027	3.3%	2,660,913	9	3,070,652	30	4,372,793	\$6.30
2017 1q	14,769	716,495,755	20,914,577	23,331,420	3.3%	1,021,215	15	2,638,591	29	6,343,684	\$6.20
2016 4q	14,754	713,857,164	19,993,917	21,714,044	3.0%	(324,326)	11	1,260,386	37	7,385,067	\$6.13
2016 3q	14,745	712,657,828	18,435,249	20,190,382	2.8%	4,558,799	4	97,714	33	6,316,816	\$6.07
2016 2q	14,740	711,955,901	21,141,585	24,047,254	3.4%	1,873,832	11	1,770,845	35	6,955,721	\$5.97
2016 1q	14,730	710,257,381	22,463,963	24,222,566	3.4%	4,236,235	8	799,516	35	6,933,647	\$5.94
2015 4q	14,724	709,637,865	26,040,395	27,839,285	3.9%	2,495,585	15	4,019,867	33	6,558,587	\$5.95
2015 3q	14,709	705,569,992	25,062,049	26,266,997	3.7%	318,343	3	132,740	36	8,603,090	\$5.89
2015 2q	14,706	705,347,608	24,902,893	26,362,956	3.7%	294,655	5	392,039	34	8,174,481	\$5.88
2015 1q	14,701	704,842,210	24,779,156	26,152,213	3.7%	1,723,199	3	424,031	30	7,152,513	\$5.87
2014 4q	14,699	704,681,152	26,246,645	27,714,354	3.9%	3,689,535	9	1,675,839	19	6,036,339	\$5.81
2014 3q	14,692	703,105,093	28,002,057	29,827,830	4.2%	2,092,208	7	2,605,132	21	6,530,653	\$5.79
2014 2q	14,685	700,499,961	27,467,604	29,314,906	4.2%	2,111,596	6	819,380	23	7,585,121	\$5.72
2014 1q	14,680	700,884,908	30,046,192	31,811,449	4.5%	3,252,290	13	1,522,383	26	6,913,876	\$5.68

Source: CoStar Property®

## Total Industrial Market Statistics

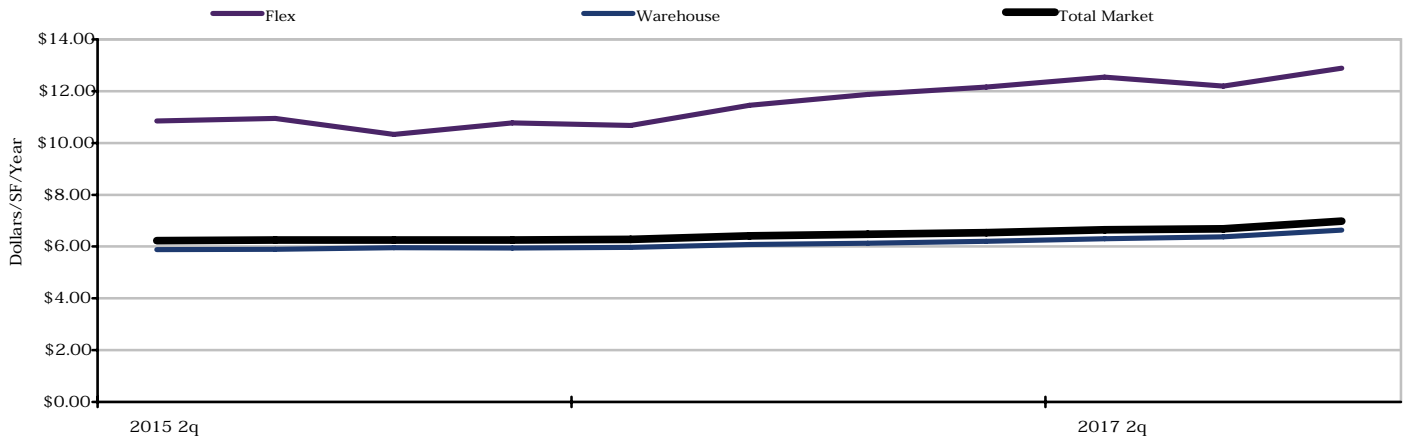
Year-End 2017

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 4q	16,982	815,407,143	24,687,730	26,815,836	3.3%	2,720,262	4	823,494	36	5,036,351	\$6.98
2017 3q	16,977	814,137,489	25,961,615	28,266,444	3.5%	(263,452)	6	1,233,167	39	5,588,205	\$6.69
2017 2q	16,971	812,904,322	24,841,684	26,769,825	3.3%	3,002,147	9	3,070,652	34	4,657,809	\$6.65
2017 1q	16,963	809,871,802	24,147,900	26,739,452	3.3%	1,128,721	15	2,638,591	32	6,601,075	\$6.54
2016 4q	16,950	807,271,105	23,352,305	25,267,476	3.1%	(256,537)	11	1,260,386	39	7,632,458	\$6.47
2016 3q	16,941	806,071,769	21,919,720	23,811,603	3.0%	4,868,327	4	97,714	34	6,464,207	\$6.42
2016 2q	16,936	805,369,842	24,862,898	27,978,003	3.5%	1,912,639	11	1,770,845	36	7,103,112	\$6.28
2016 1q	16,926	803,671,322	26,221,717	28,192,122	3.5%	4,552,049	9	954,516	36	7,081,038	\$6.25
2015 4q	16,919	802,896,806	30,026,402	31,969,655	4.0%	2,640,268	18	4,148,536	35	6,860,978	\$6.26
2015 3q	16,901	798,700,264	29,124,325	30,413,381	3.8%	559,085	3	132,740	40	8,886,759	\$6.25
2015 2q	16,898	798,477,880	29,203,022	30,750,082	3.9%	368,881	5	392,039	38	8,458,150	\$6.23
2015 1q	16,893	797,972,482	29,174,603	30,613,565	3.8%	2,084,614	3	424,031	33	7,388,273	\$6.22
2014 4q	16,891	797,811,424	30,963,074	32,537,121	4.1%	4,245,745	9	1,675,839	21	6,202,099	\$6.18
2014 3q	16,884	796,235,365	33,269,433	35,206,807	4.4%	2,231,921	9	2,636,007	22	6,541,413	\$6.17
2014 2q	16,876	793,630,091	32,868,907	34,833,454	4.4%	2,402,896	7	839,262	25	7,615,996	\$6.12
2014 1q	16,870	793,995,156	35,694,770	37,601,415	4.7%	3,988,373	14	1,682,383	29	6,964,633	\$6.11

Source: CoStar Property®

## Historical Rental Rates

Based on Quoted Rental Rates



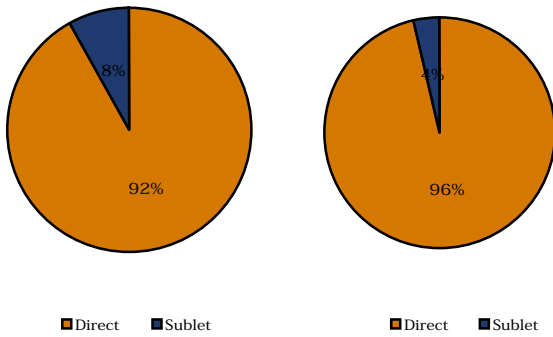
Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Greater Toronto

United States



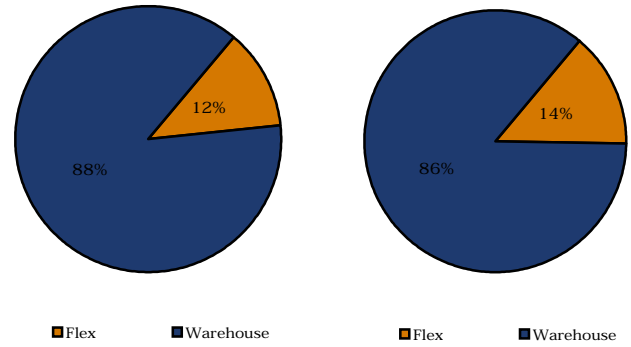
Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

Greater Toronto

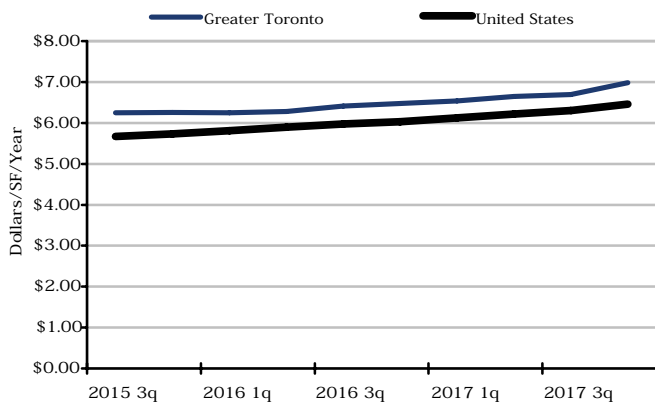
United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

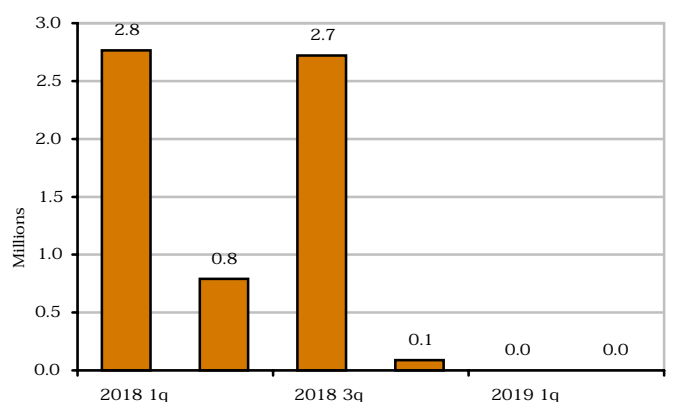
Based on Average Quoted Rental Rates



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 2020 Logistics Dr	Mississauga North Ind	770,000	4th	Wayfair	Cushman & Wakefield	Panattoni Development Company
3 86 Pillsworth Dr	Caledon Ind	627,731	4th	N/A	N/A	Colliers International
4 8495 Goreway Dr	Brampton Ind	359,341	2nd	Maritime-Ontario	N/A	Colliers International
5 6360 Belgrave Rd	Mississauga North Ind	303,000	4th	N/A	Direct Deal	Orlando Corporation
6 2701 Highpoint Dr	Milton Ind	300,000	2nd	N/A	Colliers International	CBRE
7 8020 Fifth Line N	Halton Hills Ind	286,881	3rd	QRC Logistics	CBRE	JLL
8 200 Trade Valley Dr	Vaughan Ind	250,000	1st	State Window Corporation	Colliers International	Condor Properties
9 220 Hunter's Valley Rd	Vaughan Ind	250,000	1st	N/A	N/A	Colliers International
10 104 Walker Dr	Brampton Ind	248,769	2nd	Polar Pak	Colliers International	Bentall Kennedy
11 6 Manchester Ct	Caledon Ind	235,980	1st	Exel Inc	JLL	Panattoni Development Company
12 7855 Heritage Rd	Brampton Ind	219,078	4th	N/A	N/A	Orlando Corporation
13 2695 Meadowvale Blvd*	Mississauga North Ind	218,639	1st	Uline Canada Corporation	N/A	N/A
14 7825 Winston Churchill Blvd - Expansion Bldg	Brampton Ind	212,883	1st	N/A	N/A	Orlando Corporation
15 7825 Winston Churchill Blvd - Expansion Bldg	Brampton Ind	209,885	2nd	N/A	N/A	Orlando Corporation
16 213 Harry Walker Pky S	Newmarket Ind	186,912	4th	N/A	N/A	CBRE
17 145 Walker Dr*	Brampton Ind	185,652	1st	Uni-Select Eastern Inc	N/A	N/A
18 1271 Tapscott Rd - Bldg 3	Scarborough North Ind	158,458	1st	Technicolor Canada Inc	N/A	CBRE
19 1296 Martin Grove Rd	Etobicoke North Ind	152,377	1st	Dominion Warehousing and Distribution	N/A	CBRE
20 5650 Keaton Cres	Mississauga North Ind	151,950	1st	Ingram Micro	JLL	Orlando Corporation
21 7200 Martin Grove Rd	Vaughan Ind	151,379	1st	Woodbridge Pallet Ltd	N/A	CBRE
22 7510 Bren Rd	Mississauga North Ind	141,239	1st	N/A	N/A	CBRE
23 191 Mcnabb St	Markham Ind	132,022	1st	N/A	N/A	Cushman & Wakefield
24 388 Applewood Cres	Vaughan Ind	129,244	2nd	Toro Aluminium	Royal LePage Real Estate Services L	Rentex Realty Inc
25 1355 Meyerside Dr	Mississauga North Ind	127,376	3rd	N/A	Orlando Corporation	Orlando Corporation
26 330 Humberline Dr	Etobicoke North Ind	125,000	1st	N/A	N/A	CBRE
27 2450 Hogan Dr	Mississauga North Ind	125,000	2nd	N/A	N/A	Cushman & Wakefield
28 8 Van Der Graaf Ct	Brampton Ind	120,673	2nd	N/A	N/A	Orlando Corporation
29 1121 Walkers Line	Burlington Ind	117,997	2nd	N/A	N/A	CBRE
30 3160 Derry Rd	Mississauga North Ind	115,700	1st	N/A	N/A	Lennard Commercial Realty
31 2800 Peddie Rd	Milton Ind	112,953	4th	N/A	N/A	CBRE
32 375 Kennedy Rd*	Scarborough South Ind	111,563	1st	Elizabeth Grant International	Savills	CBRE
33 190 Statesman Dr	Mississauga North Ind	108,868	3rd	N/A	Avison Young	Avison Young
34 6233 Cantay Cres	Mississauga North Ind	106,435	1st	N/A	N/A	Orlando Corporation
35 3105 Dixie Rd	Mississauga South Ind	105,000	4th	N/A	N/A	Norman Hill Realty, Inc
36 7550 Tranmere Dr	Mississauga North Ind	100,443	3rd	N/A	N/A	CBRE
37 190 Carrier Dr	Etobicoke North Ind	100,405	1st	N/A	N/A	Colliers International
38 9098 Goreway Dr	Brampton Ind	100,000	1st	N/A	N/A	Di Poce Management Inc.
39 1380 Creditstone Rd	Vaughan Ind	100,000	3rd	N/A	N/A	Metrus Properties
40 1771 Aimco Blvd	Mississauga North Ind	94,875	3rd	N/A	N/A	Indusite Realty Corporation

Source: CoStar Property®

\* Renewal



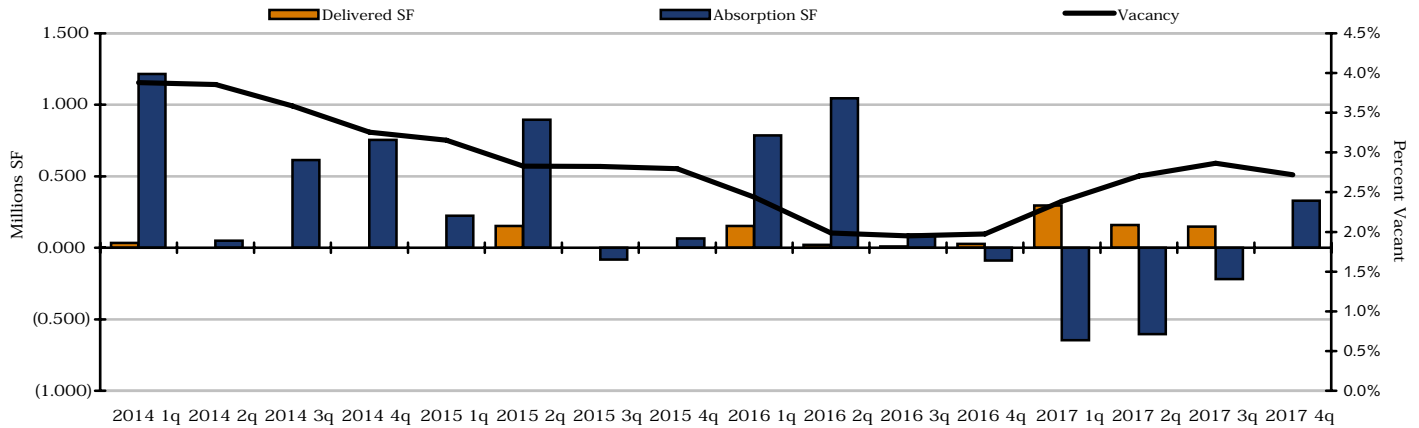


# Greater Toronto Industrial Market

Central Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

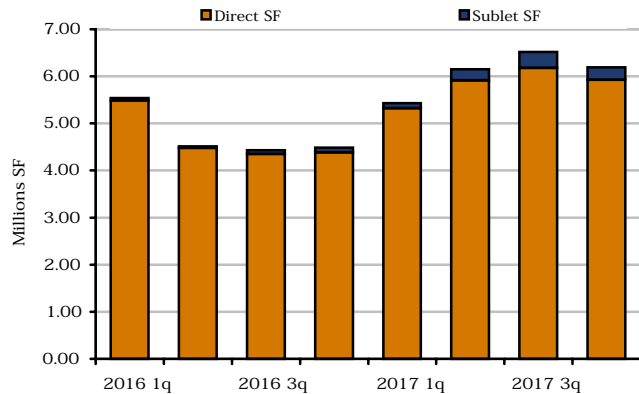
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

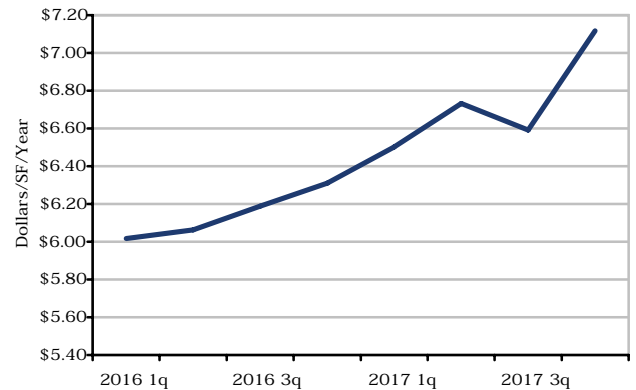
Historical Analysis, Flex and Warehouse



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 4q	5,769	227,726,491	6,190,203	2.7%	328,837	0	0	6	314,740	\$7.12
2017 3q	5,769	227,726,491	6,519,040	2.9%	(218,202)	1	147,391	5	294,740	\$6.59
2017 2q	5,768	227,579,100	6,153,447	2.7%	(604,561)	1	158,458	6	442,131	\$6.73
2017 1q	5,768	227,458,774	5,428,560	2.4%	(646,971)	5	295,878	3	385,849	\$6.50
2016 4q	5,763	227,162,896	4,485,711	2.0%	(89,701)	2	27,835	7	601,727	\$6.31
2016 3q	5,763	227,196,111	4,429,225	1.9%	93,262	1	9,924	9	629,562	\$6.19
2016 2q	5,762	227,186,187	4,512,563	2.0%	1,044,562	1	20,779	9	594,013	\$6.06
2016 1q	5,761	227,165,408	5,536,346	2.4%	785,897	2	152,698	8	291,078	\$6.02
2015 4q	5,761	227,192,710	6,349,545	2.8%	66,015	0	0	10	443,776	\$5.94
2015 3q	5,761	227,192,710	6,415,560	2.8%	(83,341)	0	0	6	247,771	\$5.91
2015 2q	5,762	227,285,266	6,424,775	2.8%	895,687	1	153,679	6	247,771	\$6.08
2015 1q	5,761	227,131,587	7,166,783	3.2%	224,772	0	0	5	367,526	\$6.26
2014 4q	5,761	227,131,587	7,391,555	3.3%	754,689	0	0	1	153,679	\$6.10
2014 3q	5,761	227,131,587	8,146,244	3.6%	614,754	0	0	0	0	\$6.20
2014 2q	5,761	227,131,587	8,760,998	3.9%	50,719	0	0	0	0	\$6.12
2014 1q	5,761	227,131,587	8,811,717	3.9%	1,215,972	2	33,444	0	0	\$6.03

Source: CoStar Property®

# Greater Toronto Industrial Market

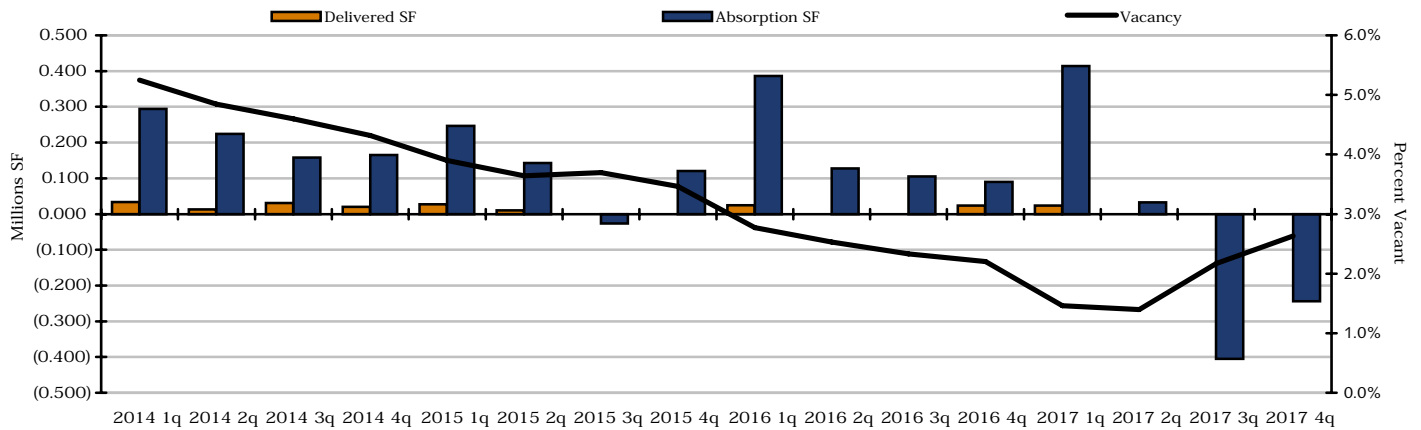


## East Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

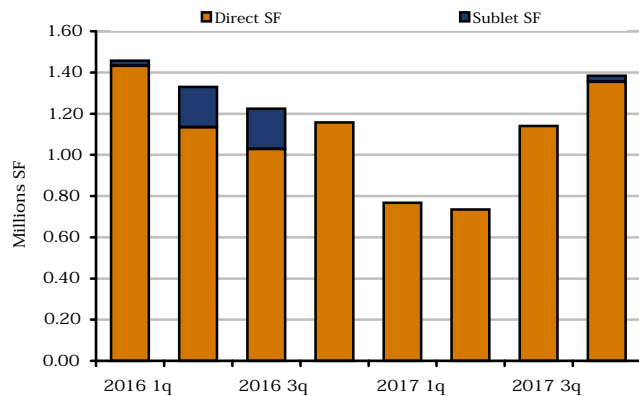
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

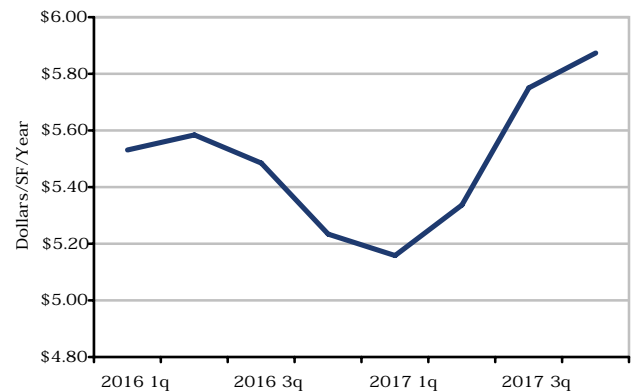
### Historical Analysis, Flex and Warehouse



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 4q	1,080	52,585,371	1,383,939	2.6%	(243,517)	0	0	0	0	\$5.87
2017 3q	1,080	52,585,371	1,140,422	2.2%	(405,357)	0	0	0	0	\$5.75
2017 2q	1,080	52,585,371	735,065	1.4%	32,273	0	0	0	0	\$5.34
2017 1q	1,080	52,585,371	767,338	1.5%	413,621	1	23,291	0	0	\$5.16
2016 4q	1,079	52,562,080	1,157,668	2.2%	90,369	1	23,291	1	23,291	\$5.23
2016 3q	1,078	52,538,789	1,224,746	2.3%	105,452	0	0	2	46,582	\$5.48
2016 2q	1,078	52,538,789	1,330,198	2.5%	127,413	0	0	2	46,582	\$5.58
2016 1q	1,078	52,538,789	1,457,611	2.8%	386,662	1	25,000	0	0	\$5.53
2015 4q	1,077	52,513,789	1,819,273	3.5%	120,405	0	0	1	25,000	\$5.57
2015 3q	1,077	52,513,789	1,939,678	3.7%	(26,027)	0	0	1	25,000	\$5.38
2015 2q	1,077	52,513,789	1,913,651	3.6%	143,049	1	10,000	0	0	\$5.30
2015 1q	1,076	52,503,789	2,046,700	3.9%	246,397	1	26,959	1	10,000	\$4.94
2014 4q	1,075	52,476,830	2,266,138	4.3%	165,302	1	20,000	2	36,959	\$4.96
2014 3q	1,074	52,456,830	2,411,440	4.6%	158,379	2	30,875	3	56,959	\$5.28
2014 2q	1,072	52,425,955	2,538,944	4.8%	224,348	1	13,427	4	60,875	\$5.08
2014 1q	1,071	52,412,528	2,749,865	5.2%	293,931	1	33,783	4	54,302	\$5.11

Source: CoStar Property®

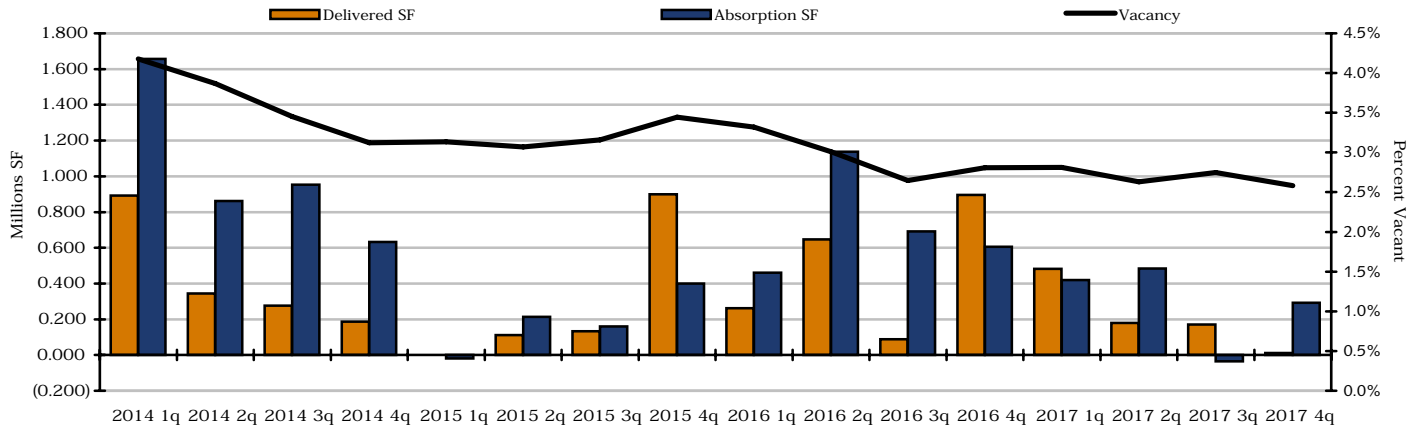


# Greater Toronto Industrial Market

North Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

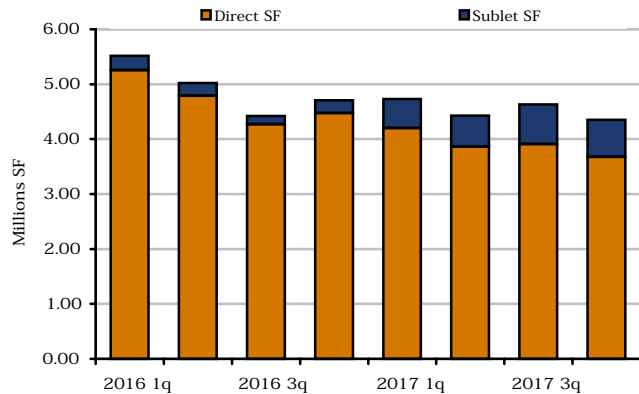
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

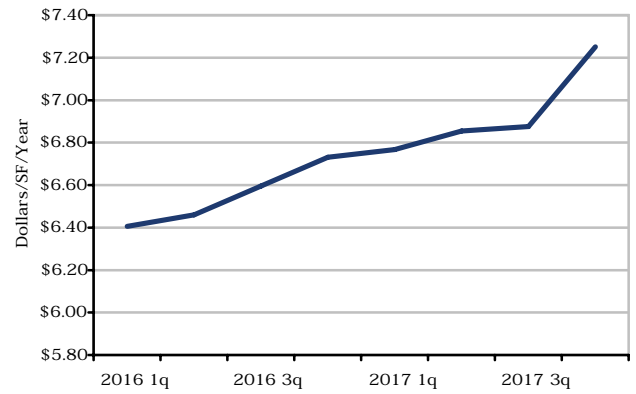
Historical Analysis, Flex and Warehouse



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 4q	3,499	168,604,567	4,352,349	2.6%	291,638	1	11,463	11	2,469,818	\$7.25
2017 3q	3,498	168,593,104	4,632,524	2.7%	(34,406)	2	170,012	11	1,783,481	\$6.88
2017 2q	3,496	168,423,092	4,428,106	2.6%	484,188	3	180,370	9	504,569	\$6.86
2017 1q	3,493	168,242,722	4,731,924	2.8%	420,084	5	481,448	10	459,219	\$6.77
2016 4q	3,490	167,799,168	4,708,454	2.8%	606,623	6	896,002	15	940,667	\$6.73
2016 3q	3,484	166,903,166	4,419,075	2.6%	691,830	3	87,790	13	1,482,943	\$6.60
2016 2q	3,481	166,815,376	5,023,115	3.0%	1,137,959	4	646,533	14	1,343,184	\$6.46
2016 1q	3,477	166,168,843	5,514,541	3.3%	460,074	2	261,913	15	1,869,862	\$6.41
2015 4q	3,475	165,906,930	5,712,702	3.4%	400,500	7	900,112	10	1,889,464	\$6.71
2015 3q	3,468	165,006,818	5,213,090	3.2%	159,961	3	132,740	13	2,380,458	\$6.89
2015 2q	3,464	164,691,878	5,058,111	3.1%	214,162	1	112,102	16	2,650,398	\$6.81
2015 1q	3,463	164,579,776	5,160,171	3.1%	(19,347)	0	0	11	1,258,299	\$6.86
2014 4q	3,463	164,579,776	5,140,824	3.1%	632,423	3	186,174	5	669,374	\$6.93
2014 3q	3,461	164,482,402	5,675,873	3.5%	953,624	2	277,000	5	446,276	\$6.88
2014 2q	3,459	164,205,402	6,352,497	3.9%	861,224	2	344,463	6	611,174	\$6.74
2014 1q	3,456	163,834,486	6,842,805	4.2%	1,656,463	6	892,646	8	834,090	\$6.72

Source: CoStar Property®

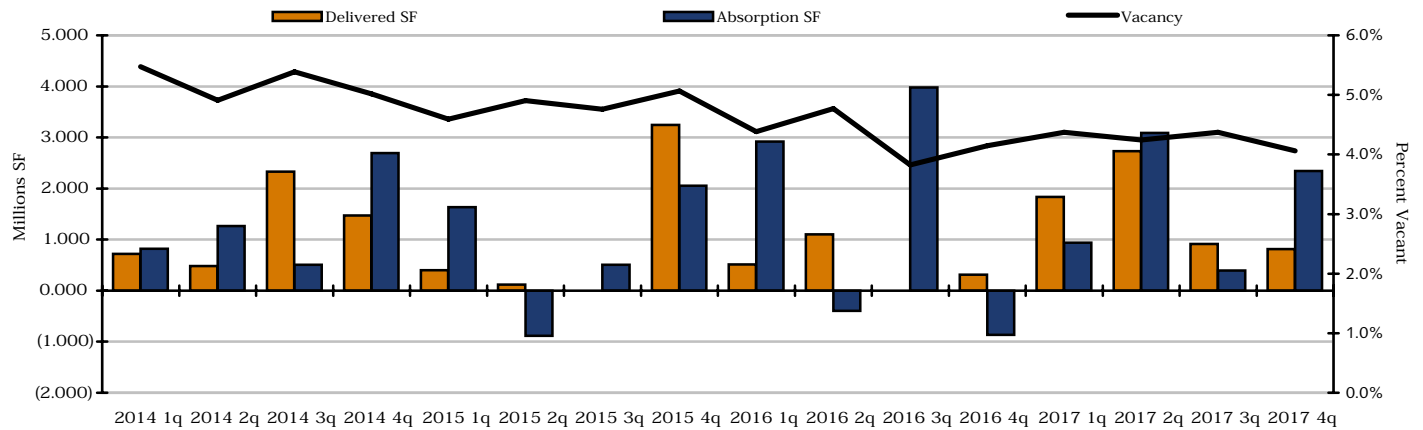
# Greater Toronto Industrial Market



## West Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

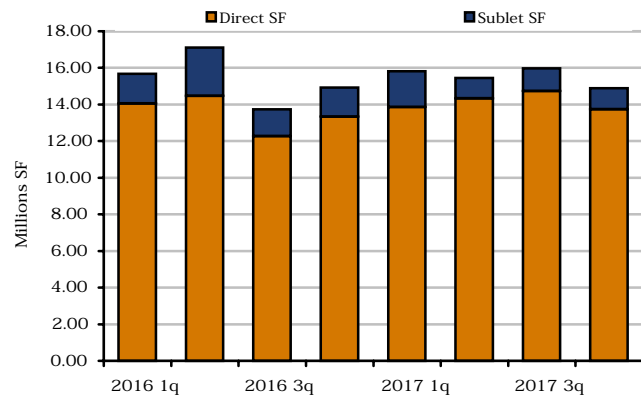
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

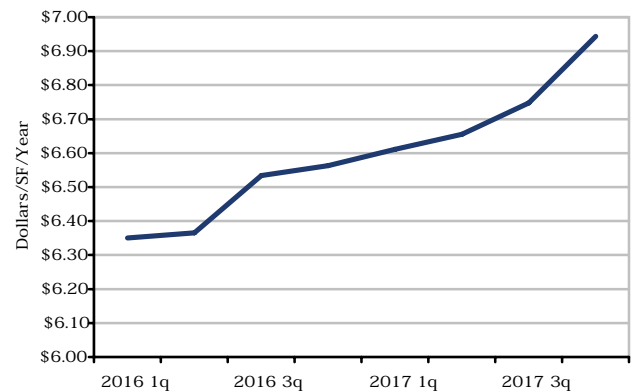
#### Historical Analysis, Flex and Warehouse



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 4q	6,634	366,490,714	14,889,345	4.1%	2,343,304	3	812,031	19	2,251,793	\$6.94
2017 3q	6,630	365,232,523	15,974,458	4.4%	394,513	3	915,764	23	3,509,984	\$6.75
2017 2q	6,627	364,316,759	15,453,207	4.2%	3,090,247	5	2,731,824	19	3,711,109	\$6.65
2017 1q	6,622	361,584,935	15,811,630	4.4%	941,987	4	1,837,974	19	5,756,007	\$6.61
2016 4q	6,618	359,746,961	14,915,643	4.1%	(863,828)	2	313,258	16	6,066,773	\$6.56
2016 3q	6,616	359,433,703	13,738,557	3.8%	3,977,783	0	0	10	4,305,120	\$6.53
2016 2q	6,615	358,829,490	17,112,127	4.8%	(397,295)	6	1,103,533	11	5,119,333	\$6.37
2016 1q	6,610	357,798,282	15,683,624	4.4%	2,919,416	4	514,905	13	4,920,098	\$6.35
2015 4q	6,606	357,283,377	18,088,135	5.1%	2,053,348	11	3,248,424	14	4,502,738	\$6.31
2015 3q	6,595	353,986,947	16,845,053	4.8%	508,492	0	0	20	6,233,530	\$6.27
2015 2q	6,595	353,986,947	17,353,545	4.9%	(884,017)	2	116,258	16	5,559,981	\$6.19
2015 1q	6,593	353,757,330	16,239,911	4.6%	1,632,792	2	397,072	16	5,752,448	\$6.14
2014 4q	6,592	353,623,231	17,738,604	5.0%	2,693,331	5	1,469,665	13	5,342,087	\$6.10
2014 3q	6,588	352,164,546	18,973,250	5.4%	505,164	5	2,328,132	14	6,038,178	\$6.03
2014 2q	6,584	349,867,147	17,181,015	4.9%	1,266,605	4	481,372	15	6,943,947	\$5.99
2014 1q	6,582	350,616,555	19,197,028	5.5%	822,007	5	722,510	17	6,076,241	\$6.02

Source: CoStar Property®