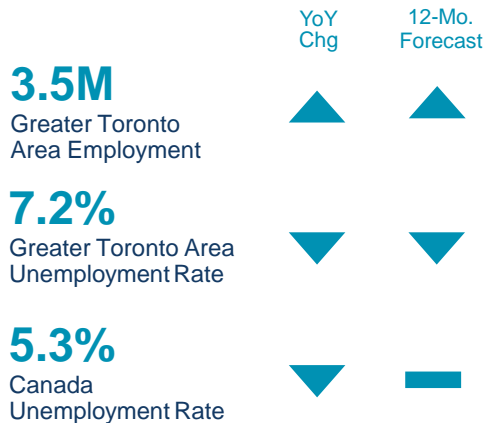


Overall, Net Asking Rent

ECONOMIC INDICATORS Q1 2022



Source: Statistics Canada March 2022

ECONOMY: Employment Growth

Canadian unemployment fell to 5.3% in March 2022, the lowest rate on record since data became available in 1976. Jobs increased in both the goods and services-producing sectors, with the greatest gains concentrated in Ontario and Quebec. With all capacity limits and proof-of-vaccination requirements lifted in Ontario and other provinces, new signs of life have returned to the GTA. Meanwhile, the GTA's red-hot housing market saw continued double-digit annual price increases, driving the average selling price to \$1.3 million (TREB).

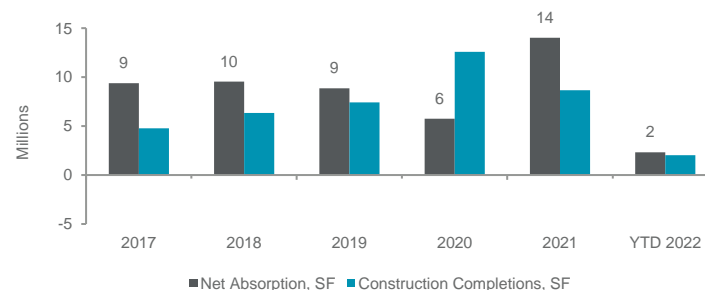
SUPPLY AND DEMAND: Vacancy Bottomed Out

The GTA industrial market is off to another boom year. With no let up in demand against a chronic supply shortage, overall vacancy in the first quarter of 2022 remained at 0.7% -- the third consecutive quarter that vacancy remained under 1.0%. With 90% of new builds pre-leased before completion, the dire shortage of supply remained widespread across the major industrial markets and the number one challenge for occupiers and economic growth. While vacancy in the GTA West and Central markets remained unchanged quarter-over-quarter (QoQ) at 0.8% and 0.7% respectively, in GTA East vacancy fell by 20 basis points (bps) to 0.4%, making it the tightest industrial market. GTA North followed, dipping to another record low of 0.6%. Although at 2.3 million square feet (msf), overall absorption remained strong and in step with the three-year average of 2.3 msf, 83% (1.9 msf) was due to tenant occupancy in the quarter's 2.0 msf of new supply. The GTA West market accounted for over 40% of the quarter's absorption at 1.0 msf. With nonstop demand outpacing supply, developers are doing what they can to ease the supply crunch; as of this quarter, there was a near-record 16.9 msf in the construction pipeline for delivery over the next two years. This represents an expansion of 17.7% over the fourth quarter of 2021 -- about 46% over the first quarter of 2021 levels.

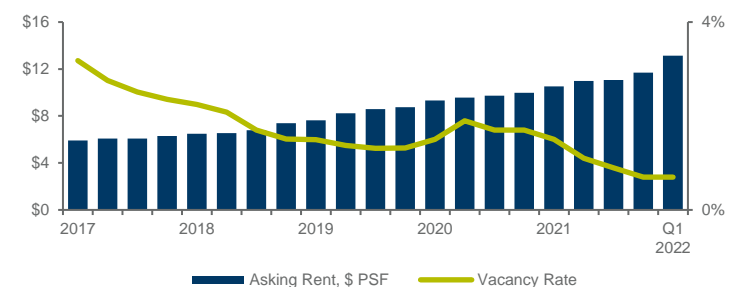
PRICING: Asking Rents Surged

The ongoing tight market conditions and aggressive competition for space pushed the average net asking rent for existing assets to another high to \$13.13 per square foot (psf) this quarter – a record increase of 12.2% QoQ. GTA West led the way with a record-breaking year-over-year jump of 32.7%, pushing the average rent in the market to \$14.20 psf. Meanwhile, demand for new facilities along with rising land prices and construction costs have pushed asking rents in new builds above \$15.00 psf in most markets.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



Industrial Q1 2022

GTA UNDER CONSTRUCTION



TOTAL UNDER CONSTRUCTION SF
16.9 MSF



TOTAL AVAILABLE SF
10.9 MSF

SPECULATIVE



TOTAL SF SPEC UNDER CONSTRUCTION
14.2 MSF



SPEC BUILDINGS ACCOUNT FOR
84% OF TOTAL CONSTRUCTION

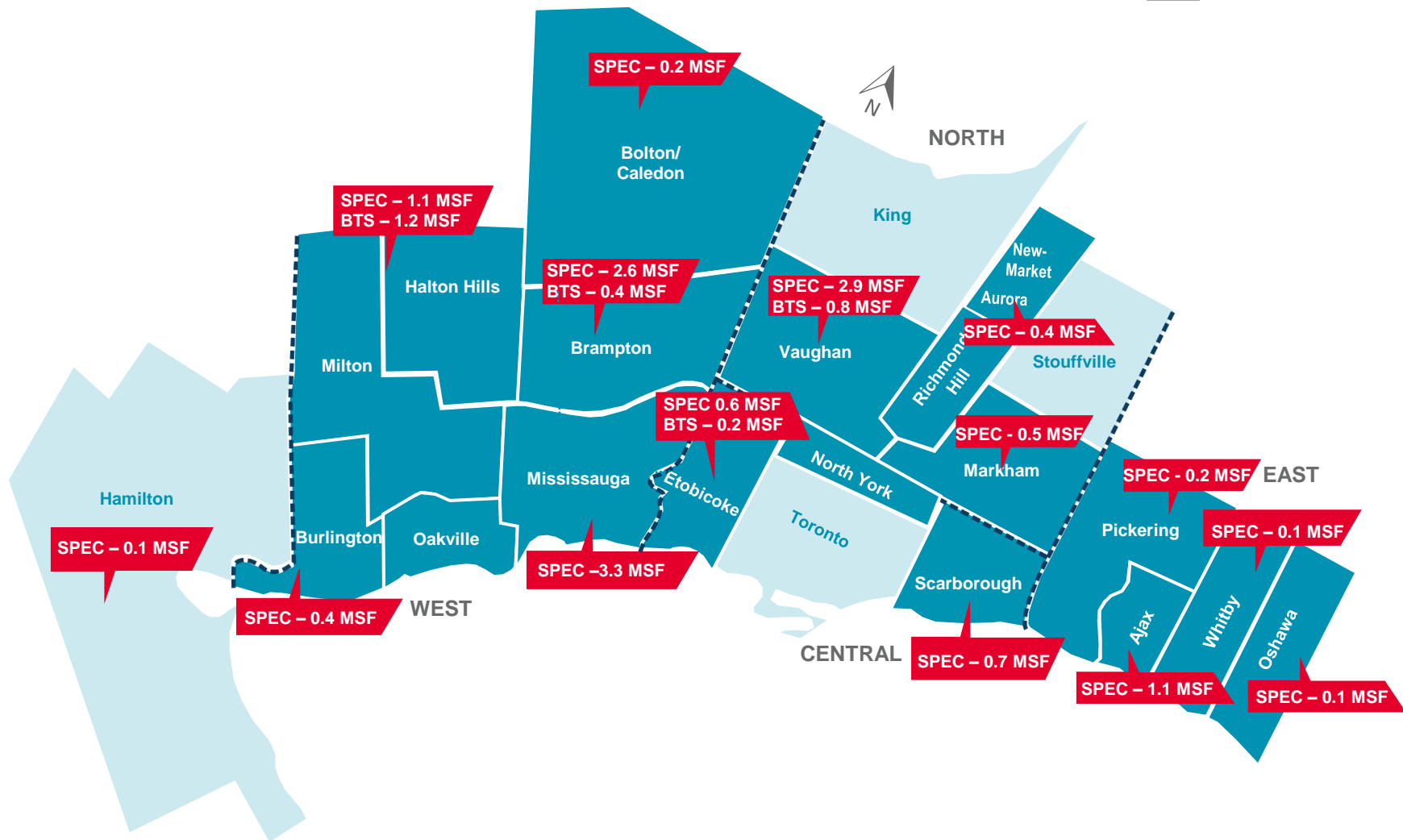
BUILD TO SUIT



2.7 MSF
TOTAL SF BTS UNDER CONSTRUCTION



BTS BUILDINGS ACCOUNT FOR
16% OF TOTAL CONSTRUCTION



Industrial Q1 2022

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD ADJUSTED OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT*	OVERALL WEIGHTED AVG TMI**	OVERALL WTD AVG ASKING SALE PRICE \$/SF
GTA Central	225,420,531	1,610,548	0.7%	497,792	497,792	1,576,491	458,140	\$12.50	\$4.01	\$344.72
GTA West	373,628,664	2,894,778	0.8%	1,017,515	1,017,515	9,199,498	1,015,837	\$14.20	\$4.86	\$416.79
GTA North	157,435,576	936,890	0.6%	701,299	701,299	4,639,097	563,788	\$12.76	\$4.60	n/a
GTA East	47,430,844	198,949	0.4%	93,136	93,136	1,458,263	0	\$9.83	\$3.88	n/a
SUBURBAN	578,495,084	4,030,617	0.7%	1,811,950	1,811,950	15,296,858	1,579,625	\$13.54	\$4.73	\$416.79
GTA TOTALS	803,915,615	5,641,165	0.7%	2,309,742	2,309,742	16,873,349	2,037,765	\$13.13	\$4.44	\$370.53
HAMILTON	52,553,447	613,875	1.2%	9,838	9,838	89,618	0	\$7.98	\$3.58	\$199.43

*Rental rates reflect weighted net asking \$psf/year.

** TMI – Taxes, Maintenance, Insurance

KEY LEASE TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
15 Bramalea Road	Mississauga	Syncreon	373,757	New Lease
759 Winston Churchill Boulevard	Brampton	Goodfood	218,097	New Lease
12366 Coleraine Drive – Ph. 1	Mississauga	DSV Solutions	208,815	New Lease

*Renewals not included in leasing statistics

KEY SALE TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
8301 Keele Street	Vaughan	8301 Keele Street Holdings Inc. / Soneil Investments	275,000	\$59,590,000 / \$217
1120 Birchmount Road	Scarborough	New-Can Realty Ltd. / Pure Industrial Real Estate Trust	220,465	\$45,000,000 / \$204
1055 Clark Boulevard	Brampton	7298340 Canada Inc. / Soneil Investments	205,000	\$44,700,000 / \$218
250 Bowie Avenue	North York	1166 Caledonia Holdings Inc. / Hullmark	165,535	\$76,808,240 / \$464

KEY CONSTRUCTION COMPLETIONS 2022

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER / DEVELOPER
8465 Mount Pleasant Way	Milton	NFI Canada	328,873	BentallGreenOak (Canada) Limited Partnership
51 Mobis Drive, Building 1	Markham	Bolt Logistics	295,929	Berkshire Axis Development
12366 Coleraine Drive, Bldg E	Caledon	DSV Solutions	230,151	Boltcol Holdings South Inc. (HOOPP)

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