



MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
3.0% Vacancy Rate	▲	▼
-305,845 YTD Net Absorption, SF	▼	▲
\$11.31 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▲	—

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
308.3 London Employment	▼	▲
6.5% London Unemployment Rate	▲	▼
6.6% Canada Unemployment Rate	▲	—

Source: Statistics Canada. Labour force characteristics, three month moving average, seasonally adjusted. August 2024.

ECONOMY

London's unemployment rate has exhibited minor fluctuations throughout the first three quarters of this year; rising in the first quarter of 2024, before falling in the second quarter of 2024 and then rising again in the third quarter of 2024. London's unemployment rate increased by 30 basis points (bps) quarter-over-quarter (QOQ) and has generally been trending upwards over the past year. Although London's unemployment rate remains below Ontario, it reached the highest level in the past year during the third quarter of 2024. Recent cuts to the Bank of Canada's key lending rate have yet yield notable impacts for the local market.

SUPPLY AND DEMAND

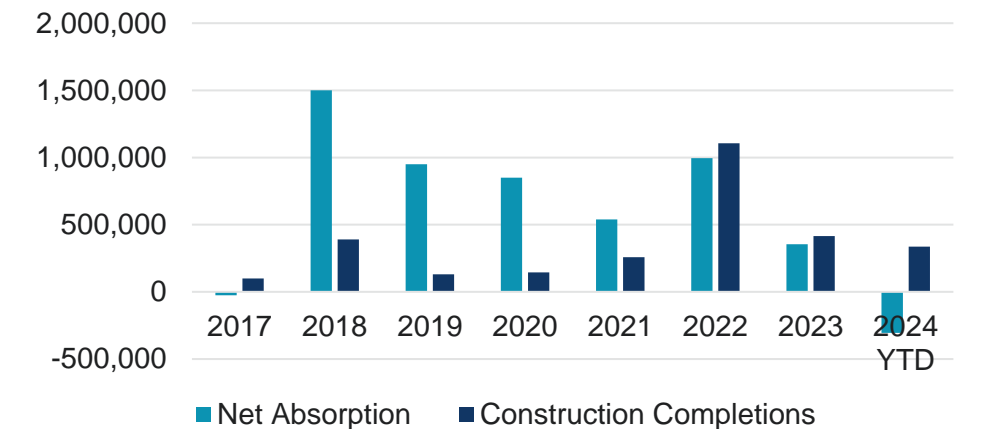
There was a sizable jump in London's overall industrial vacancy rate, increasing by 100 bps QOQ to 3.0% in the third quarter of 2024. Although the local industrial vacancy rate increased considerably in the most recent quarter, availability has remained limited and below levels recorded pre-2020. Although demand has cooled to some extent in recent quarters, sales and leasing activity have continued to be steady overall.

With low industrial vacancy rates and limited availability, new construction activity has been an important driver of industrial absorption over the past year. Construction completions in 2024 have continued to be robust and are on pace with 2023. Despite some softening demand in recent quarters, the local industrial market remains strong overall.

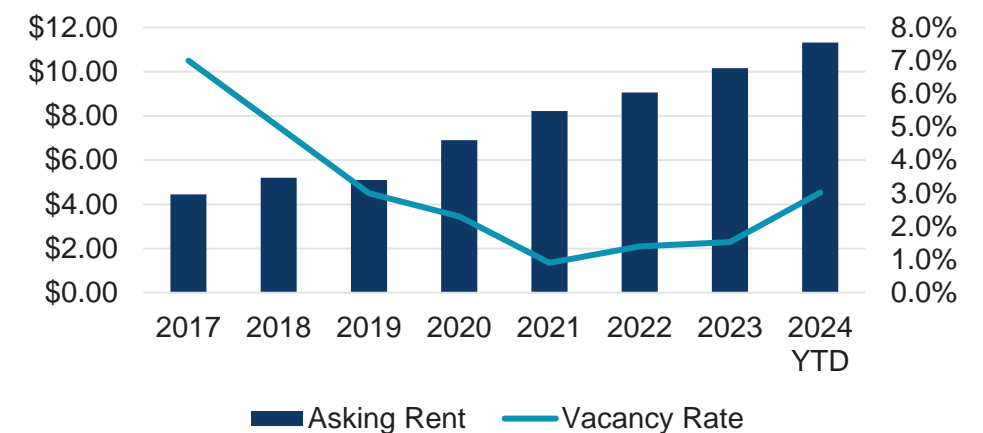
PRICING

There was a notable jump in average asking rates in the third quarter of 2024. However, it is important to note that this increase can be attributed to just a handful of larger units recently listed at premium lease rates for the local market. In general, average net asking rates for industrial space in London have stabilized over the past couple of years, following a period of rapid growth. The average net asking rate for industrial space in London was \$11.31 per square foot as of the third quarter 2024.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CNSTR COMPLETIONS (SF)	WEIGHTED AVERAGE NET ASKING RENT*	WEIGHTED AVERAGE ADDITIONAL RENT	OVERALL WEIGHTED AVERAGE GROSS RENT
Airport	864,020	0	0.0%	0	3,200	0	0	n/a	n/a	n/a
Central	10,035,645	338,310	3.4%	-89,197	-117,565	558,550	0	\$8.18	\$2.90	\$11.07
Hyde Park	986,303	36,830	3.7%	-15,496	-27,710	0	0	\$12.28	\$5.90	\$18.18
Lambeth	291,222	5,320	1.8%	0	-5,320	0	0	n/a	n/a	n/a
Northeast	8,687,097	323,910	3.7%	-81,146	-200,405	37,598	24,085	\$8.88	\$3.92	\$12.80
Veteran's Memorial Parkway	5,098,849	95,374	1.9%	-67,484	90,536	70,000	171,200	\$27.13	\$9.18	\$36.30
Westminster	3,577,232	160,156	4.5%	271	14,582	44,400	44,400	\$10.34	\$3.80	\$14.13
White Oak	4,355,715	210,549	4.8%	-110,649	-74,926	0	0	\$19.85	\$5.24	\$25.09
Wilton Grove	8,441,916	106,986	1.3%	8,062	11,763	96,875	96,875	\$11.64	\$3.59	\$15.24
LONDON TOTALS	42,337,999	1,277,435	3.0%	-355,639	-305,845	807,423	336,560	\$11.31	\$3.96	\$15.27

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

KEY LEASE TRANSACTIONS YTD 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
375 Exeter Rd	White Oak	MetalCor Building Systems	68,465	Lease
2146 Oxford St E	Northeast	Steris	24,085	Lease

*Renewals not included in leasing statistics

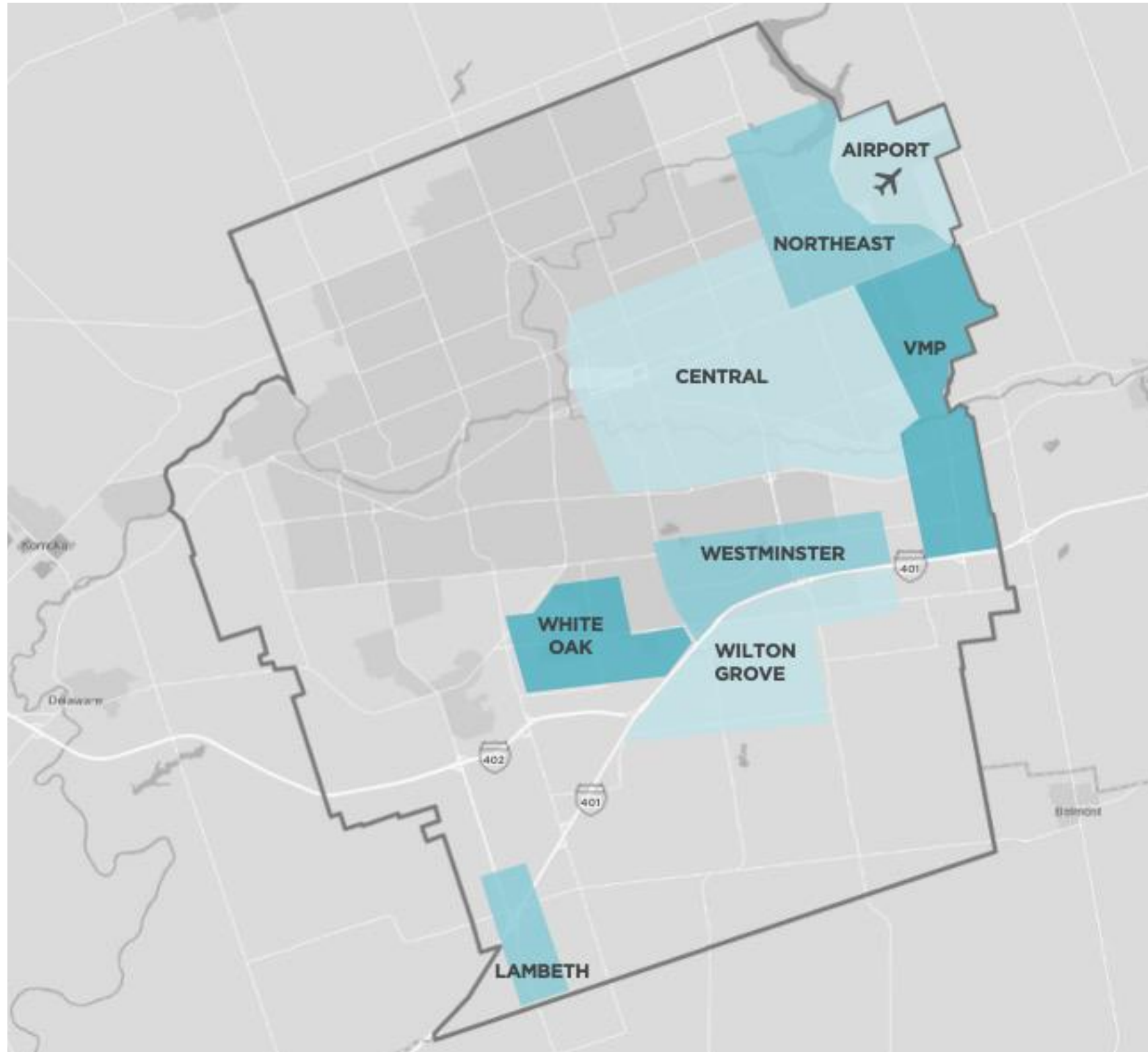
KEY SALE TRANSACTIONS YTD 2024

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
2800 Roxburgh Rd	Wilton Grove	PIRET (2800 Roxburgh Road) Holdings Inc. & BMO Life Assurance Company/ Fiera Real Estate Small Cap Industrial GP Inc.	99,910	\$16,100,000 / \$161.15
4350 Castleton Rd	Wilton Grove	BMO Life Assurance Company/Fiera Real Estate Small Cap Industrial GP Inc.	99,287	\$15,100,000 / \$152.09
3799 Commerce Rd	Wilton Grove	12 Swiftsure Court Inc./Sydenham Realty Inc.	55,326	\$5,400,000 / \$97.60
795 Wilton Grove Rd	Wilton Grove	Freightliner Properties Ltd./PTG Mississauga Enterprises Limited Partnership & PAG Commercial Vehicles Canada (GP) Ltd.	36,393	\$8,000,000 / \$219.82

KEY CONSTRUCTION COMPLETIONS YTD 2024

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
585 Sovereign Rd	Veteran's Memorial Parkway	Equals Brewing	106,200	SWS Property Corp.
1285 Hubrey Rd	Wilton Grove	Drexel	96,875	Nexus REIT

INDUSTRIAL SUBMARKETS



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