



MARKET FUNDAMENTALS

	YOY Chg	Outlook
3.0% Vacancy Rate	▲	▬
-399,295 YTD Net Absorption, SF	▼	▲
\$9.45 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
313,500 London Employment	▼	▲
7.0% London Unemployment Rate	▲	▼
6.7% Canada Unemployment Rate	▲	▬

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

ECONOMY

The local unemployment rate closed the year with a quarter-over-quarter (QOQ) increase, with the unemployment rate rising to 7.0% in the fourth quarter of 2024. Total employment in London was 313,500 jobs as of the fourth quarter of 2024, which represents a minimal year-over-year (YOY) decrease of approximately 100 jobs.

Following a year of fluctuations in the local economy throughout 2024, the Conference Board of Canada is forecasting a rebound in 2025 and strong average annual economic growth in London over the next few years. Employment is projected to remain relatively stable in the year ahead, with growth anticipated in the education, construction and manufacturing sectors, offset by declines in the finance, insurance and real estate sectors.

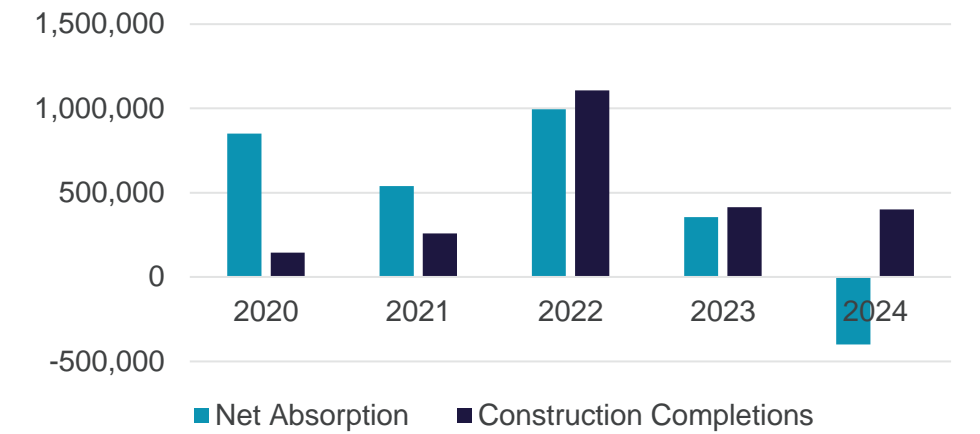
SUPPLY AND DEMAND

London's overall industrial vacancy rate remained steady at 3.0% in the fourth quarter of 2024. Although the local industrial vacancy has increased on a YOY basis, availability has remained limited and below levels recorded pre-2020. With low industrial vacancy rates and limited availability, new construction activity was an important driver of industrial absorption throughout 2024. There are also many ongoing construction projects underway in London that are expected to be delivered in the first half of 2025, the majority of which are purpose-built projects for designated industrial users. The most significant of these projects is a 558,550 square-foot facility being constructed by Dancor on behalf of Old Navy (Canada) Inc. that is nearing completion.

PRICING

As the city-wide industrial rate crept upwards over the course of 2024, the average net asking rate declined accordingly. As of the fourth quarter of 2024, the city-wide average net asking rate for industrial space in London was \$9.45 per square foot. This represents a departure from consistent annual increases that were observed in each of the previous five years; however, the local industrial market remains strong despite more balanced market conditions throughout 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	427,025	4.3%	-91,274	-208,839	558,550	0	\$7.91	\$2.83	\$10.73
Hyde Park	988,789	45,044	4.6%	-8,214	-35,924	0	0	\$11.97	\$5.47	\$17.43
Lambeth	291,222	5,320	1.8%	0	-5,320	0	0	n/a	n/a	n/a
Northeast	8,724,695	322,036	3.7%	6,272	-194,133	20,000	61,683	\$8.70	\$3.53	\$12.23
Veteran's Memorial Parkway	5,126,688	56,906	1.1%	44,291	134,827	524,829	198,200	\$9.30	\$2.82	\$12.12
Westminster	3,577,232	216,611	6.1%	-56,455	-41,873	43,164	44,400	\$11.03	\$4.23	\$15.26
White Oak	4,355,715	115,062	2.6%	6,505	-68,421	4,000	0	\$11.42	\$3.71	\$15.13
Wilton Grove	8,441,916	101,561	1.2%	5,425	17,188	0	96,875	\$11.19	\$3.57	\$14.76
LONDON TOTALS	42,405,922	1,289,565	3.0%	-93,450	-399,295	1,150,543	401,158	\$9.45	\$3.46	\$12.91

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

KEY LEASE TRANSACTIONS 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

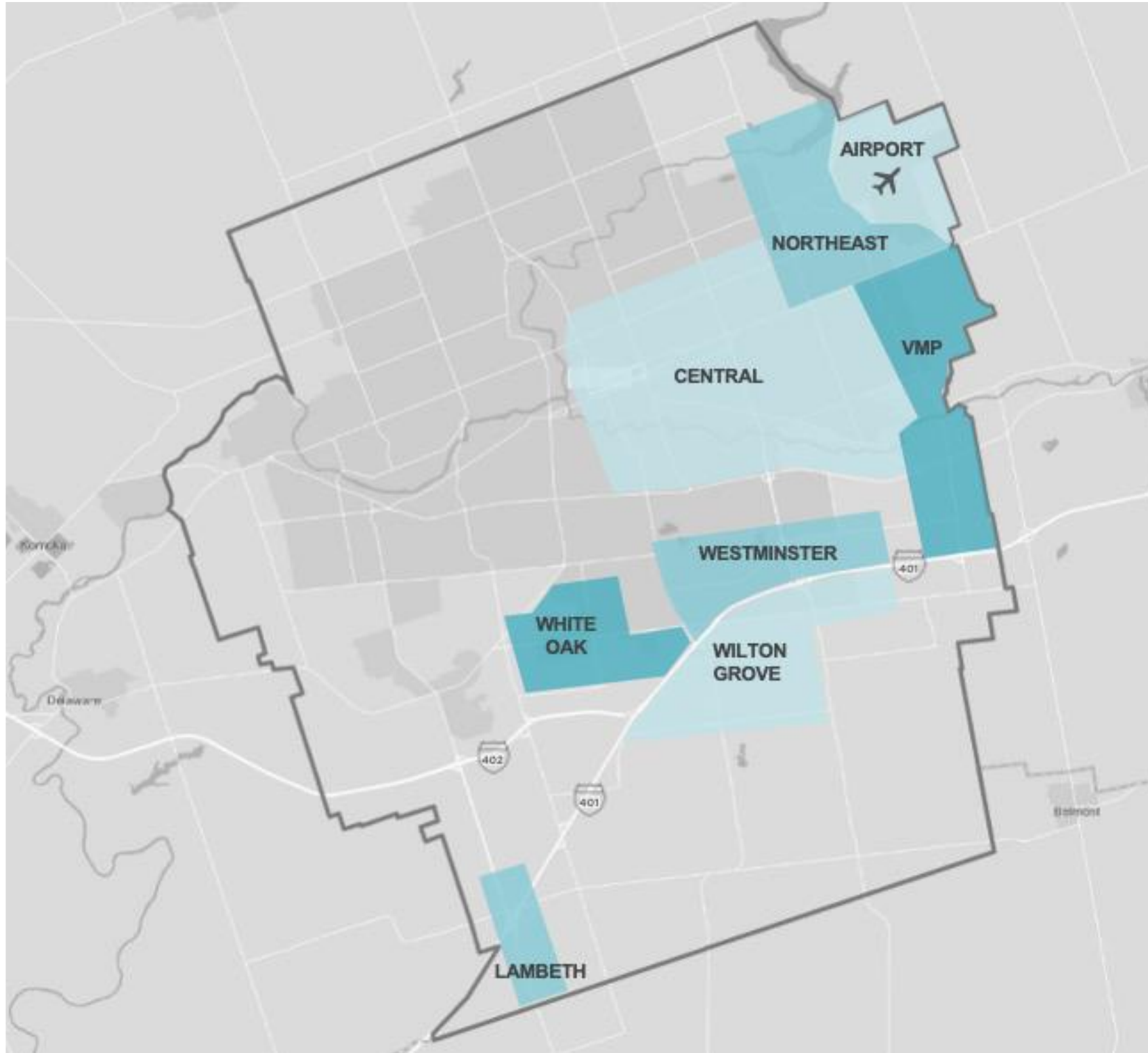
KEY SALE TRANSACTIONS 2024

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
439 Sovereign Rd	VMP	H. Wolynetz Investments Limited/1001070095 Ontario Inc.	77,877	\$16,800,000 / \$215.72
3799 Commerce Rd	Wilton Grove	12 Swiftsure Court Inc./Sydenham Realty Inc.	55,326	\$5,400,000 / \$97.60

KEY CONSTRUCTION COMPLETIONS 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
406 Newbold St	Westminster	Centura	44,400	2722260 Ontario Inc./825 Bradley Building LP
3036 Page St	Northeast	Crawford Packaging	37,598	Covey Investments Inc.

INDUSTRIAL SUBMARKETS



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