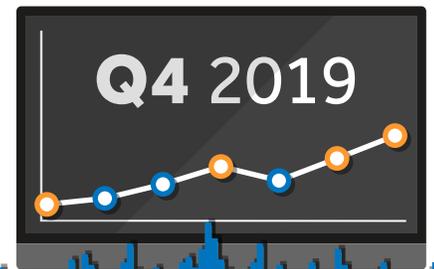
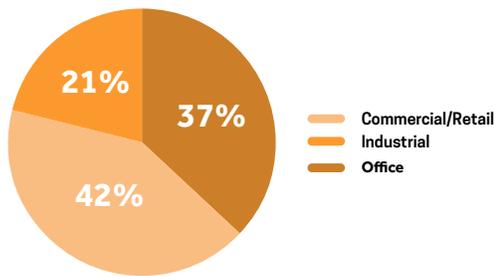


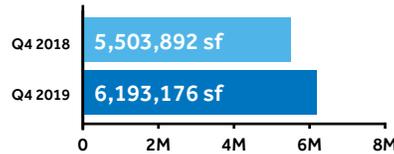
Commercial Watch



Q4 New Lease Listings Per Property Type



Q4 Total Square Feet Leased



Key Indices

December 2019 Unemployment rate: 5.7%¹
Q3 2019 real GDP growth: 1.3%¹
December 2019 Inflation: 2.2%²
BoC Overnight Rate: 1.8%²
Prime Rate: 4%²
 1. Statistics Canada
 2. Bank of Canada

TREB RELEASES COMMERCIAL MARKET FIGURES AS REPORTED BY GTA REALTORS®

TORONTO, March 2, 2020 – TRREB Commercial Network Members reported 6,193,176 square feet of leased space in Q4 2019 for all lease transaction types across the industrial, commercial/retail and office market segments. This result represented a 12.5 per cent increase compared to Q4 of 2018.

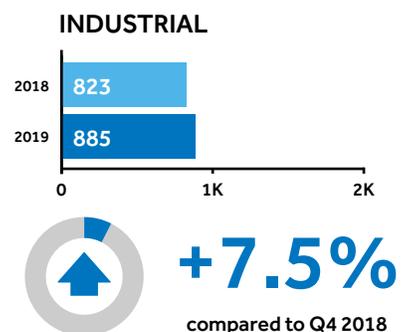
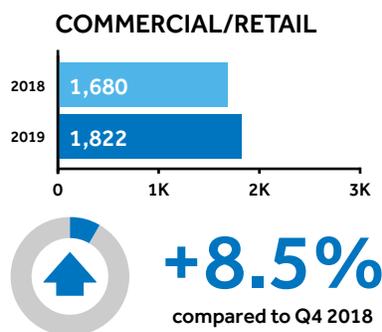
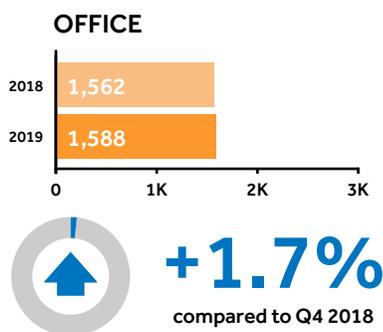
Year-over-year changes in average price per square foot net lease rates, for transactions with pricing disclosed, were mixed in Q4 2019. The average industrial lease rate rose to \$9.62 in Q4 2019 from \$7.62 in Q4 2018. The average commercial/retail rate was down to \$21.35 in Q4 2019 from \$24.66 in Q4 2018. And the average office lease rate was down to \$17.29 from \$19.64 the previous year.

It is important to note that annual changes in average lease rates can be a result of changing market conditions and changes in the mix of properties leased from one year to the next, in terms of location, size, mix and other related variables.

Total commercial sales in Q4 2019 were 267, down by 10 transactions compared to 277 sales in Q4 2018. There was a decline in sales for the industrial sector, while the commercial/retail and office sectors had slight increases for Q4 2019.

Full Commercial Tables Available at TRREB.ca

Q4 Total Lease Listings Added



Upcoming Commercial Courses & Events

April 1 or May 20: MPAC propertyline for Commercial Practitioners (Webinar)
 10:00 a.m. – 11:00 a.m.

For more information, or to register, visit [TRREB e-Commerce](http://TRREB.commerce).



Commercial Watch



Year in Review: Leases

In 2019, just under 25 million square feet of combined industrial, commercial/retail and office space was leased through TRREB's MLS® System. This represented a slight 1.5 per cent decrease compared to the more than 25 million square feet of total commercial space leased in 2018.

Leased industrial space accounted for 70 per cent of total commercial space leased. This was a slight decline from 2018. The total amount of industrial space leased declined by 5.6 per cent on a year-over-year basis. Conversely, there was a strong increase of commercial/retail space leased in 2019. 2,948,869 square feet of commercial/retail space was leased – up 12.9 per cent on a year-over-year basis compared to 2018. This robust increase of commercial/retail space leased indicated that retail operations saw continued growth within the GTA and that a solid customer base is continuing to spend money at retail locations. And this has proven to be sustained growth as 2018 saw a 6.1 per cent growth in commercial/retail leasing over 2017 totals. Despite the popularity of online shopping, this trend of strong commercial/retail lease growth bodes well for storefront retail operations in the GTA.

There was a large increase in leased office space for 2019. Total leased office space increased by 6.9 per cent over 2018 to 4,631,741 square feet. This growth helps to confirm the notion that Toronto has become a centre for growth in administrative, professional and tech services and industries. Also, this strong office growth confirmed what the Bank of Canada had expected to happen in 2019 in terms of sales growth remaining positive and firms hiring more employees.

Year in Review: Sales

Commercial Property Sales through TRREB's MLS® System were slightly up compared to 2018. A combined 1,191 industrial, commercial/retail and office properties were sold in 2019 – up 0.3 per cent from 1,187 properties sold in 2018. Industrial properties were down by 0.2 per cent on a year-over-year basis, with 454 sales. The office segment experienced an annual decrease of 7.2 per cent to 257 properties sold. The commercial/retail segment experienced a jump in sales with a 5.5 per cent year-over-year increase to 480 transactions.