

GTA REALTORS® RELEASE COMMERCIAL MARKET FIGURES

TORONTO, April 5, 2016 – Toronto Real Estate Board President Mark McLean announced that TREB Commercial Network Members reported year-over-year growth in total commercial leasing activity reported through TREB's MLS® System for the first quarter of 2016. Lease agreements were signed for a combined 6,381,533 square feet of industrial, commercial/retail and office space. This result represented a 6.9 per cent increase compared to the first quarter of 2015.

The amount of space leased was up for all three major market segments. Industrial space accounted for approximately three-quarters of total leased space.

The average industrial lease rate, for properties transacted on a per square foot net basis with pricing disclosed, was \$4.93 – down from \$5.40 in Q1 2015. The commercial/retail lease rate was also down from \$19.30 in Q1 2015 to \$19.08 in Q1 2016. In contrast, the average office lease rate was up to \$14.18 compared to \$12.54 last year. It is important to note that year-over-year changes in average lease rates can result from shifts in market conditions and from changes in the mix of properties leased from one period to the next.

“The uptick in the amount of commercial space leased in the first quarter is a promising sign and may follow along with the strong result for Canadian economic growth recently reported by Statistics Canada for January 2016. What was interesting from the most recent GDP release was the fact that goods producing sectors were key drivers of growth, which is obviously a good news story when it comes to industrial-focused properties,” said Mr. McLean.

The total number of combined industrial, commercial/retail and office property sales through TREB's MLS® System amounted to 222 in the first quarter. This result was down from 287 sales reported during the same timeframe in 2015. Sales were down for both the industrial and commercial/retail market segments and up for the office segment.

Average selling prices on a per square foot basis for transactions with pricing disclosed held up well compared to last year. Industrial and commercial/retail pricing was up annually, while the sale price for office properties was down.

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First Quarter 2016: All Commercial Lease Transactions
Total Leased Space for All Lease Transaction Types on TorontoMLS

	Total Leased Square Feet		
	Q1 2016	Q1 2015	% Change
Industrial	4,851,899	4,711,794	3.0%
Commercial	666,374	616,592	8.1%
Office	863,260	640,090	34.9%
Total	6,381,533	5,968,476	6.9%

First Quarter 2016: Per Square Foot Net Commercial Leasing Summary
Lease Transactions Completed on a *Per Square Foot Net Basis with Pricing Disclosed* on TorontoMLS

	Average Lease Rate		
	Q1 2016	Q1 2015	% Change
Industrial	\$4.93	\$5.40	-8.7%
Commercial	\$19.08	\$19.30	-1.1%
Office	\$14.18	\$12.54	13.1%

First Quarter 2016: All Commercial Sale Transactions
Total Number of Sales on TorontoMLS

	Total Sales		
	Q1 2016	Q1 2015	% Change
Industrial	71	138	-48.6%
Commercial	91	97	-6.2%
Office	60	52	15.4%
Total	222	287	-22.6%

First Quarter 2016: Commercial Sales Completed with Pricing Disclosed on TorontoMLS
Avg. Sale Price Per Sq. Ft. (Pricing Disclosed)

	Avg. Sale Price Per Sq. Ft. (Pricing Disclosed)		
	Q4 2016	Q4 2015	% Change
Industrial	\$100.10	\$96.32	3.9%
Commercial	\$199.93	\$165.60	20.7%
Office	\$179.67	\$203.29	-11.6%

Source: TREB

NOTE: Some table totals may differ due to conversion and rounding.

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