

# Watch

December 2010

## Strong Rebound in Commercial Real Estate in 2010

For All Media/Public  
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For All TREB Member  
Inquiries: (416) 443-8152

**January 7, 2011** — In December, TREB Commercial Members reported 460,741 square feet of leased space – up 38 per cent from the 334,290 leased square feet recorded in December of 2009. For 2010 as a whole, TREB Commercial Members reported 8,717,456 square feet of space – up 46 per cent from the 5,977,552 square feet recorded in 2009.

“Alongside overall economic recovery, including improved business investment and strengthening labour market conditions, the demand for commercial space rebounded in 2010,” Commercial Council Chair Larry Purchase noted. “Expect the commercial real estate market to benefit from further improvement in the Canadian economy through 2011.”

In December by category, 359,103 square feet of industrial space was leased – up 62 per cent over the December 2009 total of 221,403 square feet. TREB Commercial Members leased 64,508 square feet of commercial space – down three per cent from 66,617 square feet in December 2009. Finally, 37,130 square feet of office space was leased – down 20 per cent from 46,270 square feet leased in December 2009.

Average lease rates remained mixed in December. Industrial space in all size categories leased for an average of \$4.79 per square foot net (sfn) – down six per cent from the average of \$5.11/sfn recorded during the same period last year. Commercial space traded for an average of \$17.96/sfn – a 31 per cent increase from the average of \$13.69/sfn figure reported in December 2009. Finally, office space traded for an average of \$11.73/sfn – up eight per cent from last December’s average of \$10.85/sfn figure.

### Executive Council, Commercial Division

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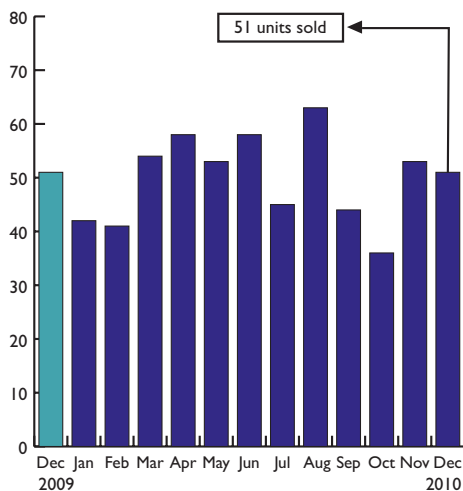
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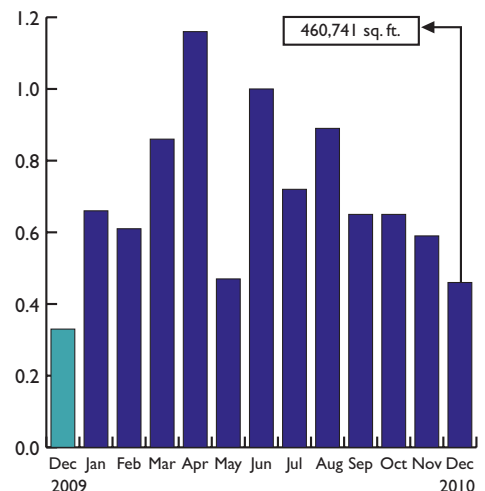
### Sales Market Highlights

In December, TREB Commercial Members recorded 51 sales of IC&I properties last month, including 26 industrial buildings of all size categories which sold for an average of \$59.19 per square foot - down 32 per cent from an average of \$87.46/SF recorded in December 2009. The average sale price for industrial properties from non-MLS sources was \$101.18/SF square foot. The 25 Commercial/Retail sales had an average price of \$68.03/SF – down 74 per cent from the \$261.96/SF figure recorded in December 2009. ♦

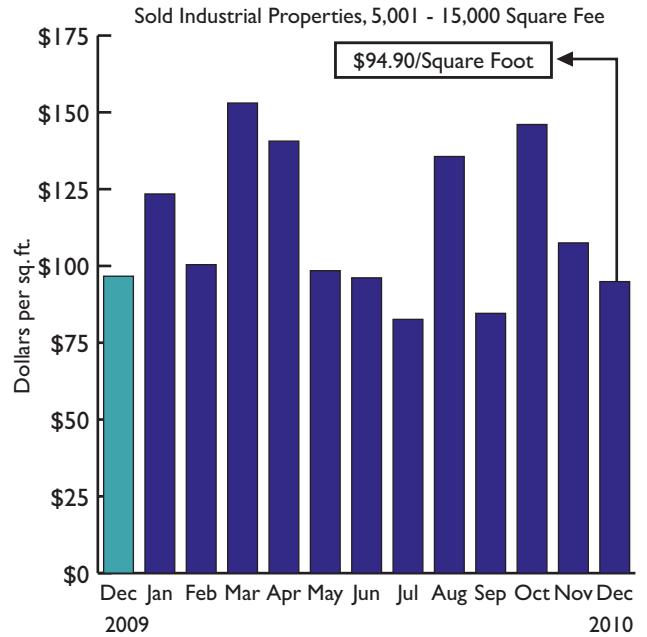
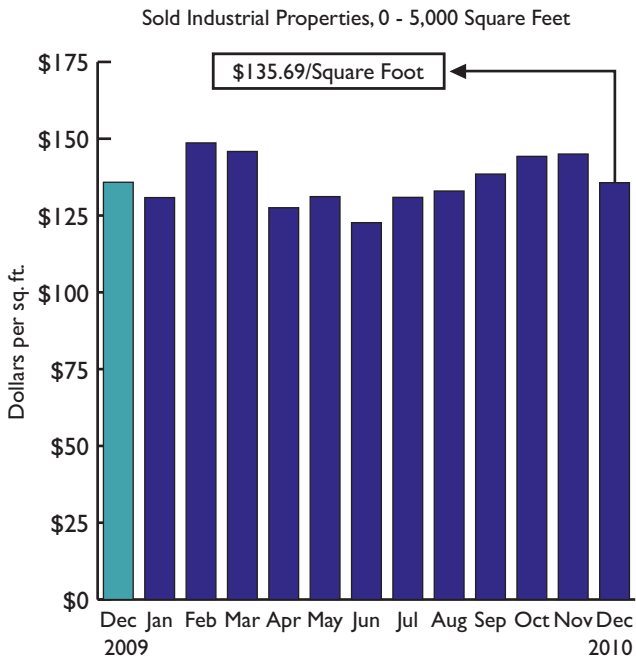
Total Number of Commercial Sales



Total Square Footage of all Leased Space



**SOLD INDUSTRIAL PROPERTIES**



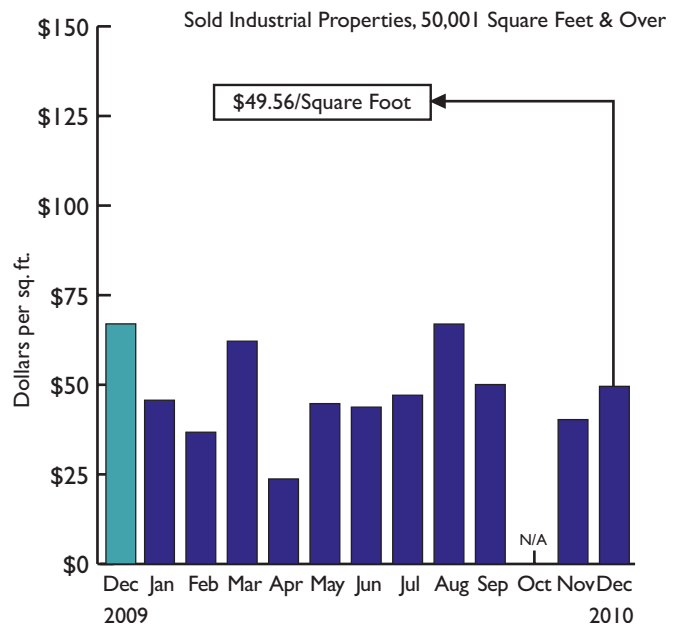
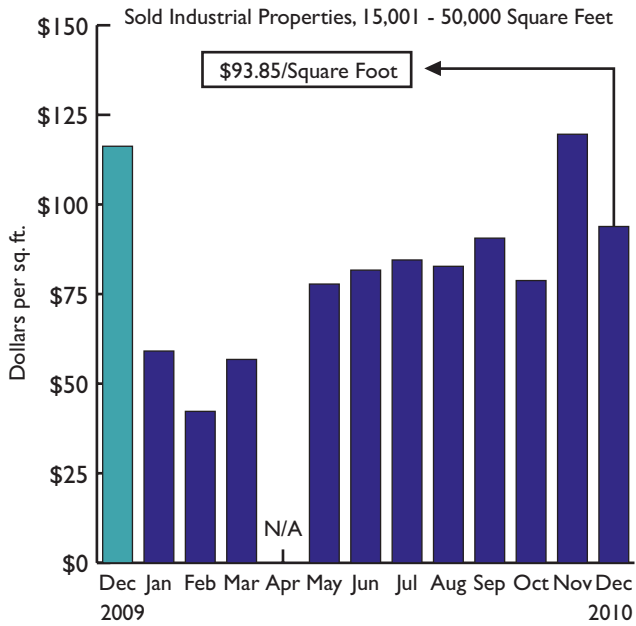
**0 - 5,000 SQ. FT.**

Area	Sales	Total Sold	Av. Price
<b>Toronto</b>			
C02	1	2,700	\$152.22
E07	2	3,125	\$142.40
W10	1	2,530	\$101.58
<b>Total:</b>	<b>4</b>	<b>8,355</b>	<b>\$133.21</b>
<b>East</b>			
E12	1	925	\$74.99
E15	1	1,176	\$97.79
<b>Total:</b>	<b>2</b>	<b>2,101</b>	<b>\$87.75</b>
<b>West</b>			
W17	2	3,859	\$144.47
W23	1	920	\$157.07
W24	1	1,700	\$115.24
W28	1	1,806	\$120.71
<b>Total:</b>	<b>5</b>	<b>8,285</b>	<b>\$134.69</b>
<b>North</b>			
N03	1	1,592	\$169.60
N06	1	2,340	\$145.30
N10	1	1,200	\$180.00
<b>Total:</b>	<b>3</b>	<b>5,132</b>	<b>\$160.95</b>
<b>Grand Total:</b>	<b>14</b>	<b>23,873</b>	<b>\$135.69</b>

**5,001 - 15,000 SQ. FT.**

Area	Sales	Total Sold	Av. Price
<b>Toronto</b>			
E06	1	8,520	\$45.66
W05	2	20,817	\$86.32
<b>Total:</b>	<b>3</b>	<b>29,337</b>	<b>\$74.51</b>
<b>West</b>			
W17	1	14,000	\$120.54
W21	1	14,350	\$99.30
W24	1	10,000	\$112.50
<b>Total:</b>	<b>3</b>	<b>38,350</b>	<b>\$110.50</b>
<b>Grand Total:</b>	<b>6</b>	<b>67,687</b>	<b>\$94.90</b>

**SOLD INDUSTRIAL PROPERTIES**



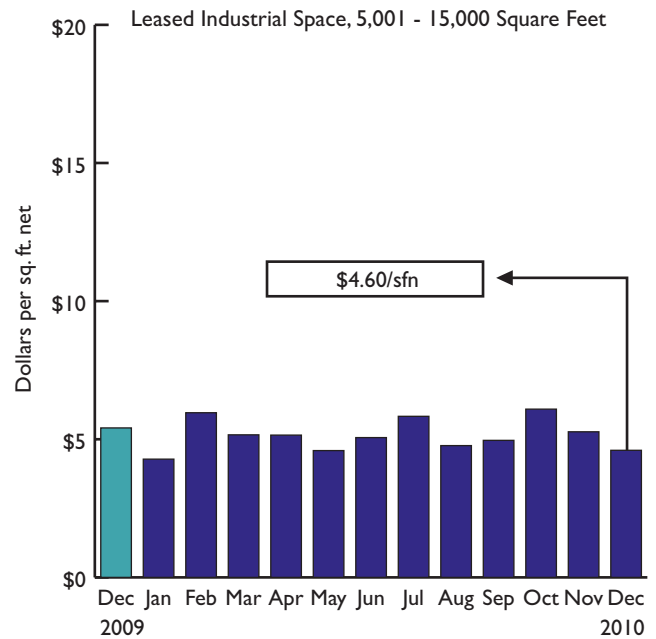
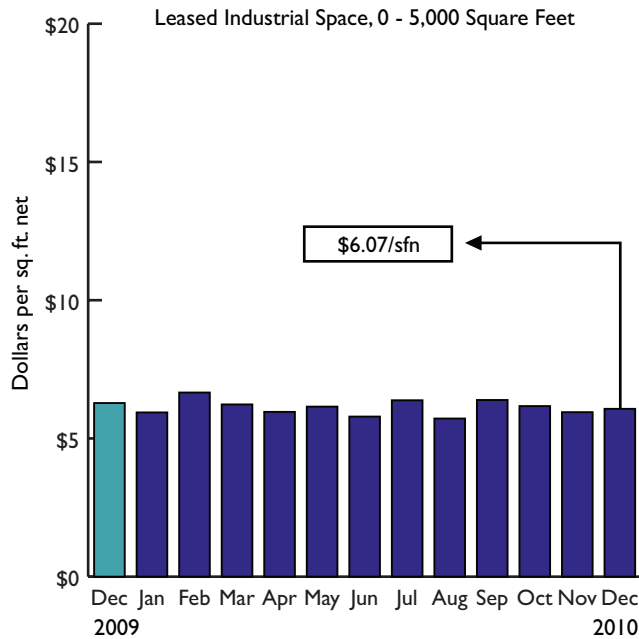
15,001 - 50,000 SQ. FT.			
Area	Sales	Total Sold	Av. Price
<b>West</b>			
W17	2	65,450	\$80.98
<b>Total:</b>	<b>2</b>	<b>65,450</b>	<b>\$80.98</b>
<b>North</b>			
N08	1	36,222	\$88.07
N10	1	21,710	\$142.33
<b>Total:</b>	<b>2</b>	<b>57,932</b>	<b>\$108.40</b>
<b>Grand Total:</b>	<b>4</b>	<b>123,382</b>	<b>\$93.85</b>

50,001 SQ. FT. AND OVER			
Area	Sales	Total Sold	Av. Price
<b>Toronto</b>			
E10	1	108,798	\$41.47
<b>Total:</b>	<b>1</b>	<b>108,798</b>	<b>\$41.47</b>
<b>North</b>			
N08	1	143,646	\$55.69
<b>Total:</b>	<b>1</b>	<b>143,646</b>	<b>\$55.69</b>
<b>Grand Total:</b>	<b>2</b>	<b>252,444</b>	<b>\$49.56</b>

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**LEASED INDUSTRIAL SPACE**



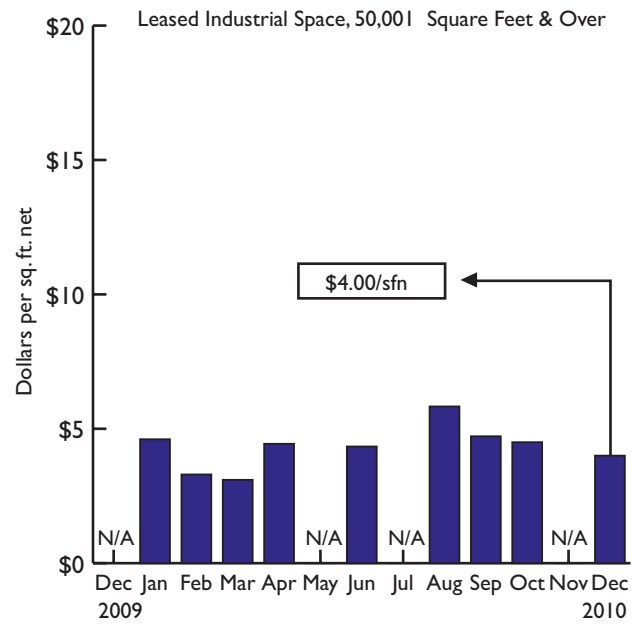
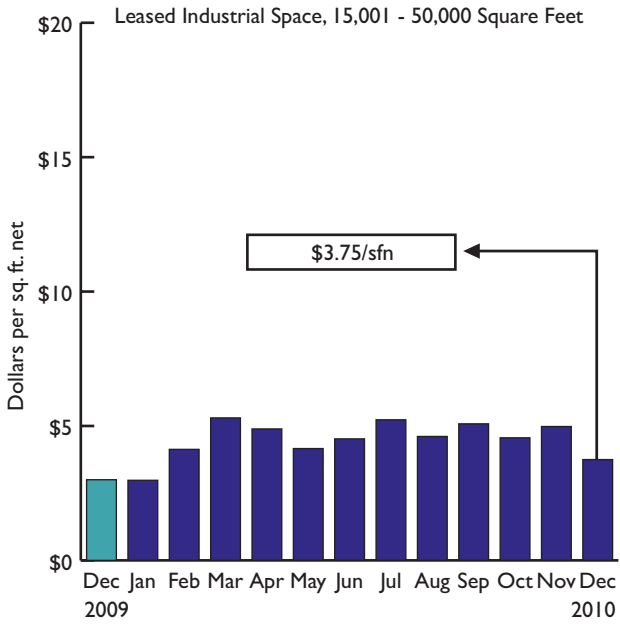
**0 - 5,000 SQ. FT.**

Area	Leased	Total Leased	Av. Price
<b>Toronto</b>			
E07	2	5,075	\$4.26
E09	1	3,000	\$8.80
W05	1	3,027	\$4.50
W07	1	2,560	\$5.95
W10	1	2,440	\$4.50
<b>Total:</b>	<b>6</b>	<b>16,102</b>	<b>\$5.46</b>
<b>East</b>			
E11	1	1,555	\$5.50
E16	1	1,435	\$5.50
<b>Total:</b>	<b>2</b>	<b>2,990</b>	<b>\$5.50</b>
<b>West</b>			
W12	1	2,232	\$5.50
W13	1	2,233	\$3.30
W14	1	3,749	\$4.95
W17	11	29,414	\$6.75
<b>Total:</b>	<b>14</b>	<b>37,628</b>	<b>\$6.29</b>
<b>North</b>			
N07	1	1,900	\$7.00
N08	8	24,740	\$5.63
N10	2	5,403	\$6.89
N11	2	2,963	\$8.75
<b>Total:</b>	<b>13</b>	<b>35,006</b>	<b>\$6.16</b>
<b>Grand Total:</b>	<b>35</b>	<b>91,726</b>	<b>\$6.07</b>

**5,001 - 15,000 SQ. FT.**

Area	Leased	Total Leased	Av. Price
<b>Toronto</b>			
E07	1	7,686	\$4.50
<b>Total:</b>	<b>1</b>	<b>7,686</b>	<b>\$4.50</b>
<b>East</b>			
E11	1	8,000	\$4.69
<b>Total:</b>	<b>1</b>	<b>8,000</b>	<b>\$4.69</b>
<b>West</b>			
W16	1	7,584	\$6.50
W17	8	83,427	\$3.88
W28	1	11,717	\$4.65
<b>Total:</b>	<b>10</b>	<b>102,728</b>	<b>\$4.16</b>
<b>North</b>			
N03	1	13,852	\$5.50
N07	1	6,080	\$6.25
N08	1	7,580	\$4.25
N10	2	18,113	\$5.95
<b>Total:</b>	<b>5</b>	<b>45,625</b>	<b>\$5.57</b>
<b>Grand Total:</b>	<b>17</b>	<b>164,039</b>	<b>\$4.60</b>

LEASED INDUSTRIAL SPACE



**15,001 - 50,000 SQ. FT.**

Area	Leased	Total Leased	Av. Price
<b>West</b>			
W17	1	22,420	\$3.75
<b>Total:</b>	<b>1</b>	<b>22,420</b>	<b>\$3.75</b>
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<b>Grand Total:</b>	<b>1</b>	<b>22,420</b>	<b>\$3.75</b>

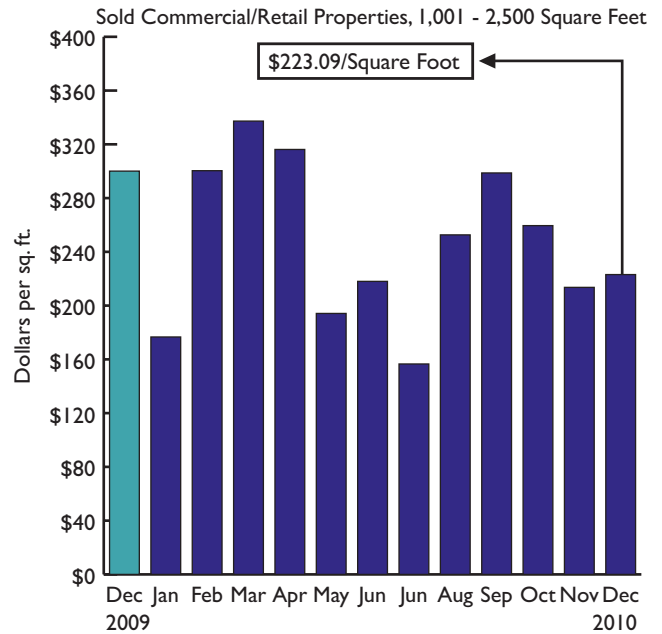
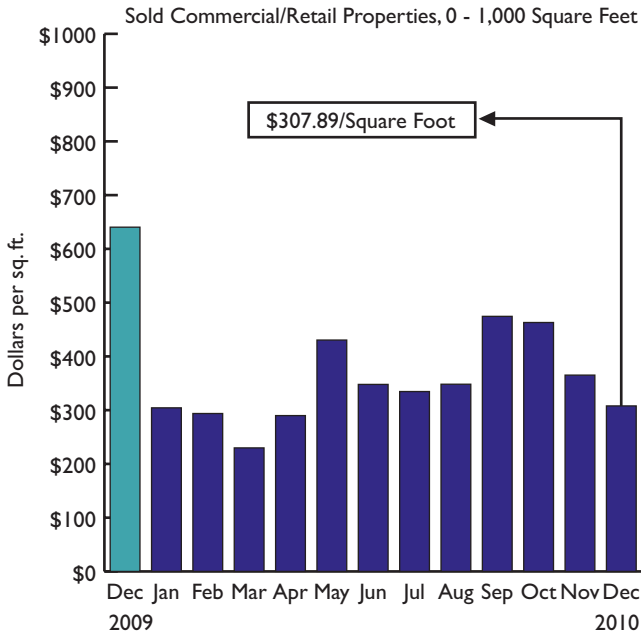
**50,001 SQ. FT. AND OVER**

Area	Leased	Total Leased	Av. Price
<b>East</b>			
E11	1	80,918	\$4.00
<b>Total:</b>	<b>1</b>	<b>80,918</b>	<b>\$4.00</b>
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<b>Grand Total:</b>	<b>1</b>	<b>80,918</b>	<b>\$4.00</b>

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SOLD COMMERCIAL/RETAIL PROPERTIES



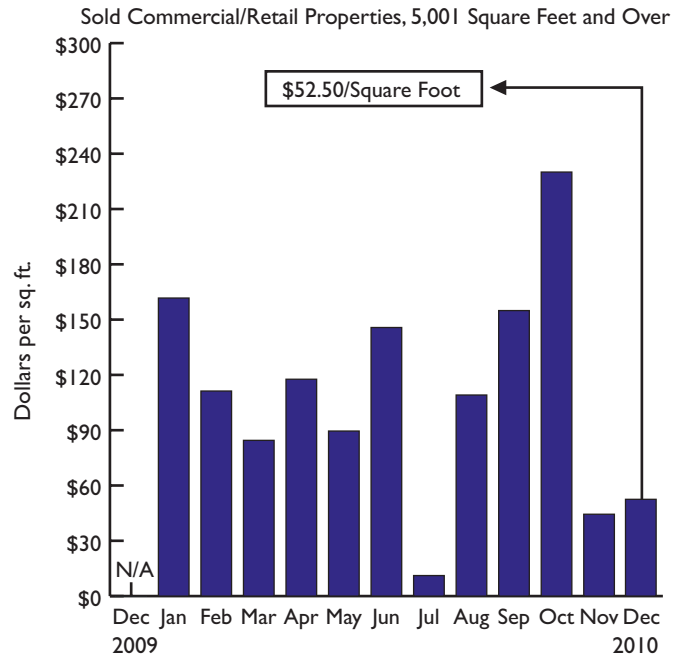
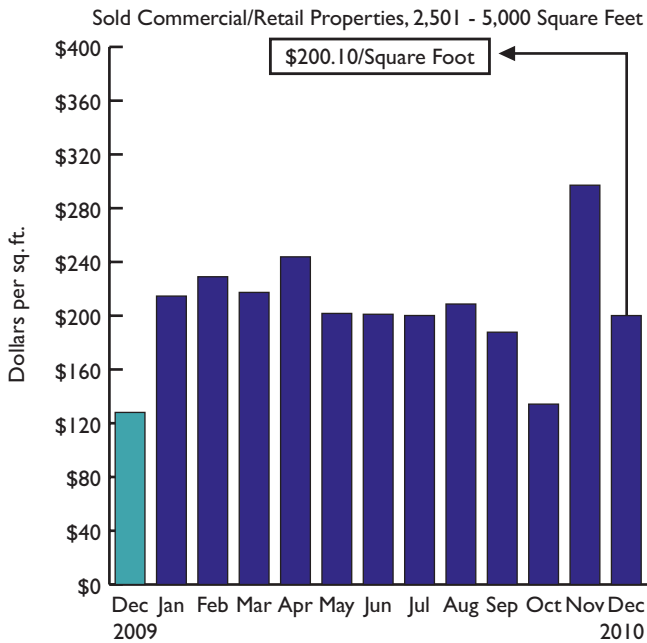
0 - 1,000 SQ. FT.

Area	Sales	Total Sold	Av. Price
<b>Toronto</b>			
C01	1	858	\$553.37
E07	1	1,000	\$192.00
W05	1	732	\$143.44
<b>Total:</b>	<b>3</b>	<b>2,590</b>	<b>\$298.03</b>
<b>East</b>			
E11	1	705	\$434.04
<b>Total:</b>	<b>1</b>	<b>705</b>	<b>\$434.04</b>
<b>North</b>			
N11	2	1,315	\$259.70
<b>Total:</b>	<b>2</b>	<b>1,315</b>	<b>\$259.70</b>
<b>Grand Total:</b>	<b>6</b>	<b>4,610</b>	<b>\$307.89</b>

1,001 - 2,500 SQ. FT.

Area	Sales	Total Sold	Av. Price
<b>Toronto</b>			
E06	1	1,620	\$265.43
<b>Total:</b>	<b>1</b>	<b>1,620</b>	<b>\$265.43</b>
<b>West</b>			
W24	2	2,720	\$209.56
<b>Total:</b>	<b>2</b>	<b>2,720</b>	<b>\$209.56</b>
<b>North</b>			
N06	1	1,200	\$258.33
N07	1	1,139	\$158.03
<b>Total:</b>	<b>2</b>	<b>2,339</b>	<b>\$209.49</b>
<b>Grand Total:</b>	<b>5</b>	<b>6,679</b>	<b>\$223.09</b>

**SOLD COMMERCIAL/RETAIL PROPERTIES**



**2,501 - 5,000 SQ. FT.**

Area	Sales	Total Sold	Av. Price
<b>Toronto</b>			
E03	2	6,200	\$150.81
E09	1	4,620	\$216.45
W02	1	2,600	\$186.54
<b>Total:</b>	<b>4</b>	<b>13,420</b>	<b>\$180.33</b>
<b>East</b>			
E14	1	2,900	\$91.38
<b>Total:</b>	<b>1</b>	<b>2,900</b>	<b>\$91.38</b>
<b>North</b>			
N04	1	3,000	\$393.67
<b>Total:</b>	<b>1</b>	<b>3,000</b>	<b>\$393.67</b>
<b>Grand Total:</b>	<b>6</b>	<b>19,320</b>	<b>\$200.10</b>

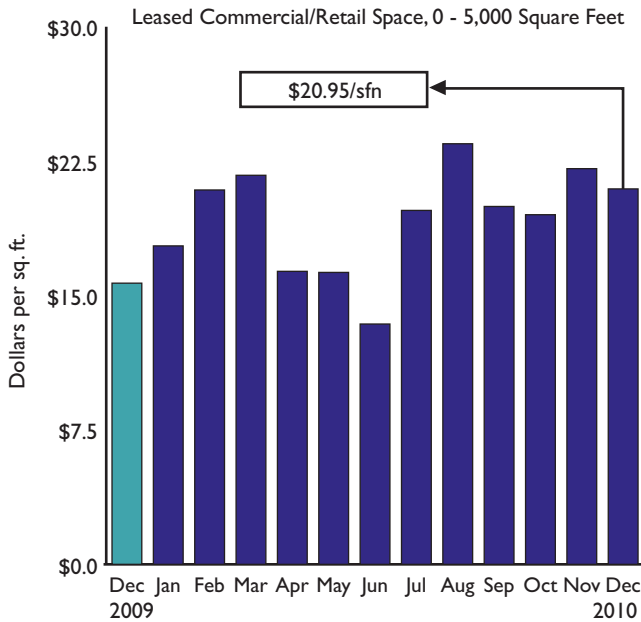
**5,001 SQ. FT. AND OVER**

Area	Sales	Total Sold	Av. Price
<b>Toronto</b>			
E01	1	9,655	\$152.25
E10	1	19,400	\$134.02
W05	1	7,000	\$150.00
W07	1	11,000	\$154.55
<b>Total:</b>	<b>4</b>	<b>47,055</b>	<b>\$144.94</b>
<b>East</b>			
E16	1	5,421	\$127.28
<b>Total:</b>	<b>1</b>	<b>5,421</b>	<b>\$127.28</b>
<b>West</b>			
W12	1	25,615	\$130.78
W23	1	6,200	\$32.26
W24	1	217,800	\$22.04
<b>Total:</b>	<b>3</b>	<b>249,615</b>	<b>\$33.45</b>
<b>Grand Total:</b>	<b>8</b>	<b>302,091</b>	<b>\$52.50</b>

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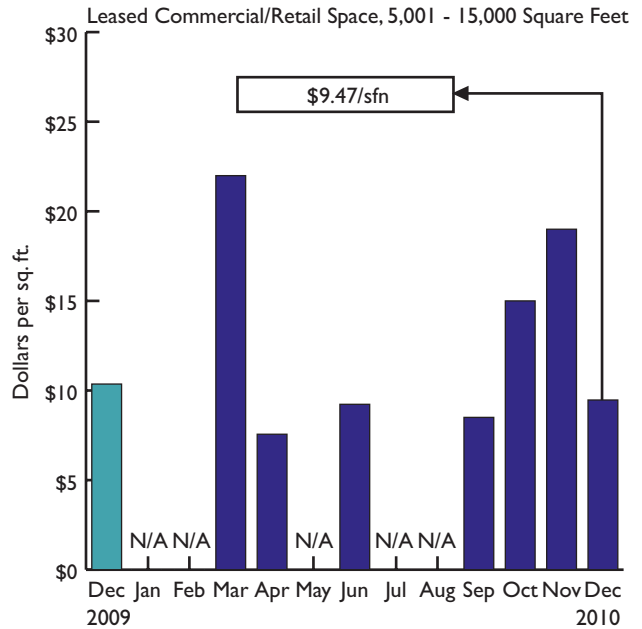
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LEASED COMMERCIAL/RETAIL SPACE



0 - 5,000 SQ. FT.

Area	Leased	Total Leased	Av. Price
<b>Toronto</b>			
C01	4	5,230	\$29.58
C02	1	800	\$24.75
C08	1	840	\$25.71
C15	1	409	\$45.00
E02	1	1,100	\$19.64
E07	1	1,615	\$33.00
W01	1	600	\$24.00
W03	1	1,000	\$12.00
W05	1	1,920	\$13.50
W06	1	1,800	\$23.33
W07	1	2,560	\$12.00
W08	1	940	\$21.70
<b>Total:</b>	<b>15</b>	<b>18,814</b>	<b>\$23.11</b>
<b>East</b>			
E17	1	940	\$12.00
<b>Total:</b>	<b>1</b>	<b>940</b>	<b>\$12.00</b>
<b>West</b>			
W12	1	480	\$32.50
W14	1	915	\$14.00
W20	1	928	\$19.40
W21	1	803	\$55.00
W23	5	5,678	\$19.68
W28	1	2,280	\$10.00
<b>Total:</b>	<b>10</b>	<b>11,084</b>	<b>\$20.31</b>
<b>North</b>			
N03	1	529	\$15.00
N07	1	1,011	\$15.00
N08	1	1,262	\$15.00
N19	1	1,088	\$13.24
<b>Total:</b>	<b>4</b>	<b>3,890</b>	<b>\$14.51</b>
<b>Grand Total:</b>	<b>30</b>	<b>34,728</b>	<b>\$20.95</b>



5,001 - 15,000 SQ. FT.

Area	Leased	Total Leased	Av. Price
<b>Toronto</b>			
C08	1	5,888	\$7.44
<b>Total:</b>	<b>1</b>	<b>5,888</b>	<b>\$7.44</b>
<b>West</b>			
W14	1	8,239	\$10.92
<b>Total:</b>	<b>1</b>	<b>8,239</b>	<b>\$10.92</b>
<b>Grand Total:</b>	<b>2</b>	<b>14,127</b>	<b>\$9.47</b>

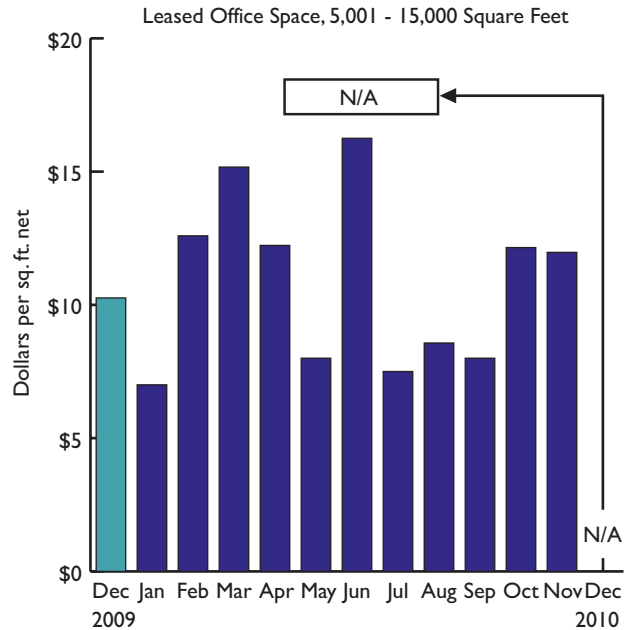
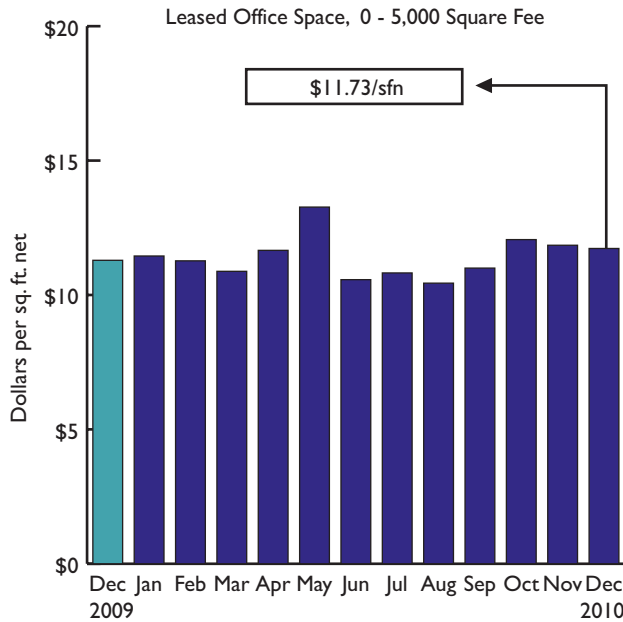
15,001 - 50,000 SQ. FT.

Area	Leased	Total Leased	Av. Price
<b>North</b>			
N11	1	15,653	\$19.00
<b>Total:</b>	<b>1</b>	<b>15,653</b>	<b>\$19.00</b>
<b>Grand Total:</b>	<b>1</b>	<b>15,653</b>	<b>\$19.00</b>

50,001 SQ. FT. AND OVER

Area	Leased	Total Leased	Av. Price
<b>Grand Total:</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

LEASED OFFICE SPACE



0 - 5,000 SQ. FT.

Area	Leased	Total Leased	Av. Price
<b>Toronto</b>			
C01	1	1,000	\$15.60
C03	1	719	\$32.55
C13	1	1,500	\$8.25
C15	2	5,208	\$5.25
E07	2	1,422	\$5.11
<b>Total:</b>	<b>7</b>	<b>9,849</b>	<b>\$8.73</b>
<b>West</b>			
W17	2	900	\$12.00
W19	3	8,670	\$16.00
W21	1	4,661	\$6.50
W24	1	1,163	\$12.90
<b>Total:</b>	<b>7</b>	<b>15,394</b>	<b>\$12.66</b>
<b>North</b>			
N03	2	1,804	\$14.96
N04	1	320	\$24.38
N08	1	2,672	\$8.98
N10	1	499	\$6.95
N11	3	6,592	\$14.01
<b>Total:</b>	<b>8</b>	<b>11,887</b>	<b>\$13.01</b>
<b>Grand Total:</b>	<b>22</b>	<b>37,130</b>	<b>\$11.73</b>

5,001 - 15,000 SQ. FT.

Area	Leased	Total Leased	Av. Price
<b>Grand Total:</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

15,001 - 50,000 SQ. FT.

Area	Leased	Total Leased	Av. Price
<b>Grand Total:</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

50,001 SQ. FT. AND OVER

Area	Leased	Total Leased	Av. Price
<b>Grand Total:</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**SOLD LAND**

**0 - 130,000 SQ. FT.**

Area	Sales	Total Sold	Av. Price	Total Acre	Av. Price
<b>Toronto</b>					
C04	1	4,356	\$96.42	0.10	\$4,200,000.00
C08	1	4,630	\$1,943.84	0.11	\$81,818,181.82
W06	1	9,400	\$45.74	0.22	\$1,954,545.45
<b>Total:</b>	<b>3</b>	<b>18,386</b>	<b>\$535.73</b>	<b>0.43</b>	<b>\$22,906,976.74</b>
<b>West</b>					
W27	1	123,275	\$7.71	2.83	\$335,689.05
<b>Total:</b>	<b>1</b>	<b>123,275</b>	<b>\$7.71</b>	<b>2.83</b>	<b>\$335,689.05</b>
<b>Grand</b>					
<b>Total:</b>	<b>4</b>	<b>141,661</b>	<b>\$76.24</b>	<b>3.26</b>	<b>\$3,312,883.44</b>

**130,001 SQ. FT. AND OVER**

Area	Sales	Total Sold	Av. Price	Total Acre	Av. Price
<b>Toronto</b>					
E07	1	250,470	\$11.38	5.75	\$495,652.17
<b>Total:</b>	<b>1</b>	<b>250,470</b>	<b>\$11.38</b>	<b>5.75</b>	<b>\$495,652.17</b>
<b>East</b>					
E13	1	150,718	\$14.60	3.46	\$635,838.15
<b>Total:</b>	<b>1</b>	<b>150,718</b>	<b>\$14.60</b>	<b>3.46</b>	<b>\$635,838.15</b>
<b>West</b>					
W17	1	414,256	\$12.64	9.51	\$550,473.19
W21	1	461,736	\$8.38	10.60	\$365,000.00
<b>Total:</b>	<b>2</b>	<b>875,992</b>	<b>\$10.39</b>	<b>20.11</b>	<b>\$452,710.09</b>
<b>Grand</b>					
<b>Total:</b>	<b>4</b>	<b>1,277,179</b>	<b>\$11.08</b>	<b>29.32</b>	<b>\$482,742.16</b>

TORONTO REAL ESTATE BOARD SERVICE AREAS



**GLOSSARY OF TERMS**

**Average Square Foot Net:**

The trimmed average of all Net Leases in a particular MLS® district or Area expressed on a per square foot basis. (ie: total \$ volume for a district or area ÷ total square footage for the district or area)

**Commercial/Retail:**

Commercial or Retail space for user, excluding Offices and Office Buildings.

**Industrial:**

Industrial buildings or space for user.

**Net Lease:**

A Leasing agreement whereby the tenant pays the rent and certain expenses connected with the leased premises. All information contained in the Commercial Insight concerns Net agreements.

**Office:**

Office space for lease (the Commercial Realty Watch contains no sold information for office buildings).

**Total Leased/Total Sold/Sold (space):**

The amount, expressed in square feet, of space actually leased in a particular MLS® district or Area.

*Note: When making use of the figures contained in this report, please be advised that the sold and leased properties reported on are only those listed through the TREB MLS® system. There are transactions that take place outside the purview of this system and therefore cannot not be captured in this report.*