

RealLeasing 2015 Conference “A3”

Industrial leasing across the GTA:
A tale of two markets? Where are they heading? What is the
future for older building stock?

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Redevelopment 8875 Torbram Road, Brampton



*Aging second generation facility redeveloped
to modern 38' clear LEED Gold*

Retrofit 101 Royal Group Crescent, Vaughan



*Difficult to lease second generation facility
retrofit and modernized for food user*

Manufacturing Conversion to Warehouse/Distribution 2130 Williams Parkway East, Brampton



Condo Conversion 6355 Kennedy Road, Mississauga

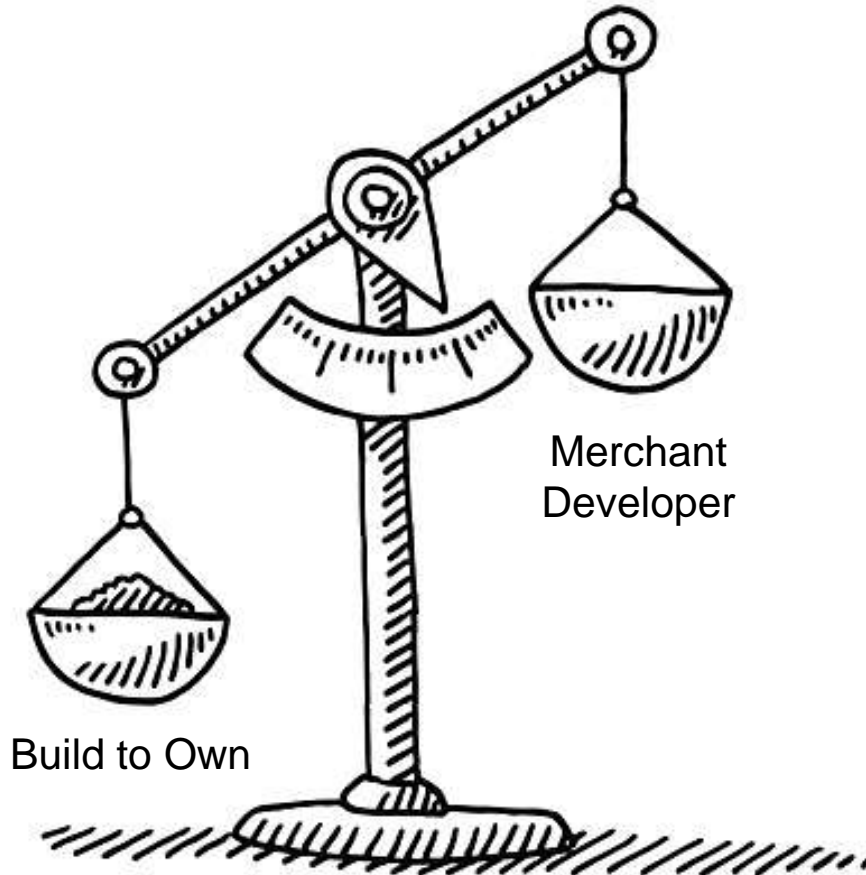


Developer tapping into vibrant user market for small bay product

Industrial Leasing Perspective

- What are the natural step downs in an industrial lease negotiation at this time?
- What are typical compromises?
- What are significant differences in transactions and negotiating styles involving U.S. vs. Canadian tenants & landlords?
- Typical points of discussion:
 - Self Management
 - Roof
 - HVAC
 - Asphalt

Build to Own vs. Merchant Builder



Build to Own vs. Merchant Builder

Over the past 15 years in the GTA:

- Average Industrial Rents – 0.5% annual increase
- Development Charges – 4.1% annual increase
- Land Value – 3.7% annual increase
- Development yields compressed



95 Market Drive, Milton
406,000 SF



8690 Escarpment Way, Milton
580,538 SF

Will the merchant builder return?

Sector Disruptors



Industrial Market

1. Who is going to come out ahead?
2. What do you see as threats to the market?
3. How will changes in transportation influence the future?

THANK YOU!