

TREB RELEASES COMMERCIAL MARKET FIGURES AS REPORTED BY GTA REALTORS®

Toronto, July 12, 2019 - Toronto Real Estate Board President Michael Collins announced that TREB Commercial Network Members reported 5,616,171 square feet of leased space in Q2 2019 for all lease transaction types across the industrial, commercial/retail and office market segments. This result represented a 15.4 per cent decline compared to Q2 of 2018.

Year-over-year changes in average per square foot net lease rates, for transactions with pricing disclosed, were mixed in Q2 2019. The average industrial lease rate rose 10.9 per cent, and the office lease rate rose 3.9 per cent from \$15.21 in Q2 2018 to \$15.81 in 2019. Average Commercial/Retail lease rates declined 2.7 per cent year-over-year to \$21.50. It is important to note that annual changes in average lease rates can be the 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.

“The regional economy of the Greater Toronto Area remains strong, as evidenced by very low unemployment from a historic perspective. Despite some shorter-term global issues associated with trade and tariffs, the longer-term growth prospects for the region’s economy are solid. This certainly suggests that businesses’ investment in real estate will continue,” said Mr. Collins.

Total commercial sales amounted to 243 in Q2 2019 – down by 69 transactions compared to Q2 2018. Year-over-year declines in transactions were noted across all market segments.

Second Quarter 2019: All Commercial Lease Transactions

Total Leased Space for All Lease Transaction Types on the TREB MLS® System

	Total Leased Square Feet		
	Q2 2019	Q2 2018	% Change
Industrial	3,332,879	4,976,635	-33.0%
Commercial	889,762	577,566	54.1%
Office	1,393,530	1,086,962	28.2%
Total	5,616,171	6,641,163	-15.4%

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Second Quarter 2019: Per Square Foot Net Commercial Leasing Summary

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Lease Transactions Completed on a Per Square Foot Net Basis with Pricing Disclosed on the TREB MLS® System

	Average Lease Rate		
	Q2 2019	Q2 2018	% Change
Industrial	\$8.46	\$7.63	10.9%
Commercial	\$21.50	\$22.10	-2.7%
Office	\$15.81	\$15.21	3.9%

**Second Quarter 2019: All Commercial Sale Transactions
Total Number of Sales on on the TREB MLS® System**

	Total Sales		
	Q2 2019	Q2 2018	% Change
Industrial	94	118	-20.3%
Commercial	98	119	-17.6%
Office	51	75	-32.0%
Total	243	312	-22.1%

Second Quarter 2019: Commercial Sales Completed with Pricing Disclosed on the TREB MLS® System

	Avg. Sale Price Per Sq. Ft. (Pricing Disclosed)		
	Q2 2019	Q2 2018	% Change
Industrial	\$207.96	\$128.78	61.5%
Commercial	\$250.78	\$204.12	22.9%
Office	\$284.44	\$248.27	14.6%

Source: TREB

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

Media Inquiries:

Mary Gallagher, Senior Manager Public Affairs
maryg@trebnet.com

TREB is Canada's largest real estate board. Over 54,500 residential and commercial TREB Members serve consumers in the Greater Toronto Area. Greater Toronto REALTORS® are passionate about their work. They are governed by a strict Code of Ethics and share a state-of-the-art Multiple Listing Service®.

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