

Toronto

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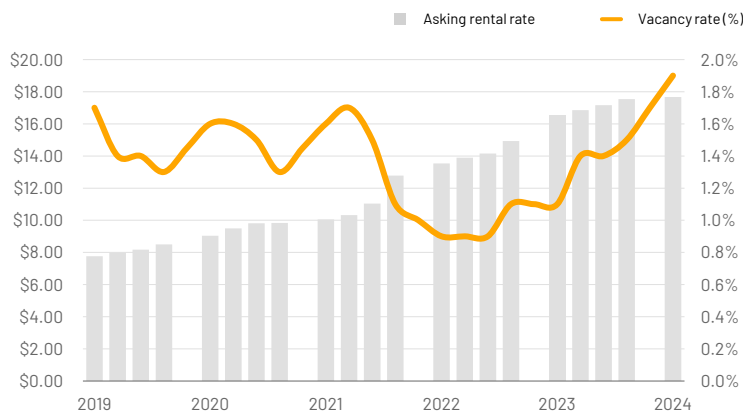
Inventory	Y-0-Y CHANGE	Vacancy Rate	Y-0-Y CHANGE	Asking Rental Rate	Y-0-Y CHANGE	Net Absorption	Y-0-Y CHANGE	Under Construction	Y-0-Y CHANGE	Deliveries	Y-0-Y CHANGE
824.6 msf	↗	1.9 %	↗	\$17.66 psf (NNN)	↗	2.5 msf	↗	15.3 msf	↘	6.0 msf	↗
Q1 2023: 806.5 msf		Q1 2023: 1.1%		Q1 2023: \$16.54		Q1 2023: 0.1 msf		Q1 2023: 26.7 msf		Q1 2023: 0.8 msf	

*Based on all classes of available inventory

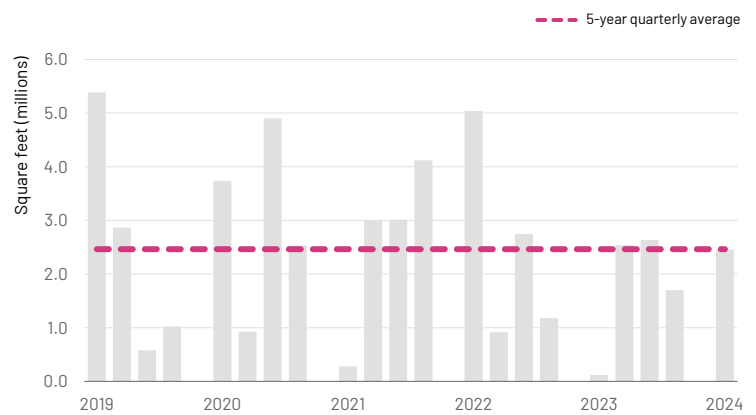
Market Trends

- 01** Vacancy, while still low at just 1.9%, has climbed 80 basis points (bps) over the last four quarters. Deliveries of new industrial product have aided the ascent as 70% of the 6.0 million square feet (msf) delivered in Q1 came to market vacant.
- 02** Speculative construction accounts for 88% of the current 15.3 msf pipeline, and nearly 60% of current projects are still available. While this figure may seem high, near-term supply risk is limited as unleased projects would add only about 1.0% to vacancy.
- 03** Sublease availability has risen to over 4.0 msf, a 245% increase from Q1 2023. Notable listings, including Traffic Tech's 200,000 sf sublet in the Peel submarket with significant term left, provides occupiers with leverage in negotiations.

Asking Rent and Vacancy



Net Absorption



Top Transactions

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
Irving Tissue	458,000	Toronto Central	700 Clayson Road	Renewal	Paper & Packaging
Saputo	206,124	Toronto North	101 Royal Group Crescent	Renewal	Food & Beverage
Sim-Tran, Inc.	142,025	Peel	7400 Bramalea Road	New Lease	Logistics & Distribution/3PLs
Stallion Express	126,183	Peel	1100 Courtneypark Drive	New Lease	Logistics & Distribution/3PLs
HPG	112,865	Halton	6670 Fifth Line - Building 4	New Lease	Industrial Machinery & Supplies

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Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

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