



THE COMMERCIAL & INDUSTRIAL REPORT

A GTA Commercial Real Estate Market Overview

From Melanie King, Sales Representative - Hectare GMAC Real Estate
www.hectare.com | mking@hectare.com | 905-624-4456 x203

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COMMERCIAL MORTGAGE RATES

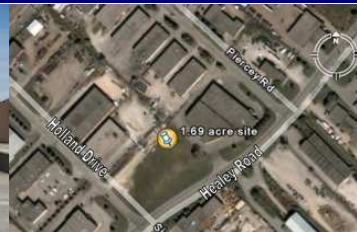
Floating Rate	4.25%
1 year	4.70%
2 year	5.05%
3 year	5.60%
4 year	6.05%
5 year	6.55%
6 year	6.90%
7 year	7.30%
10 year	7.40%
15 year	7.85%
20 year	7.90%



FEATURE PROPERTIES



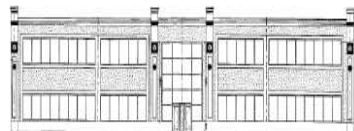
6,500 SF freestand (for sale)
 Highway exposure, 18' clear



1.69 acre building lot for sale
 Outside storage permitted



5 acres, ideal for yard
 22,000 SF site plan, for lease



19,000 SF, divisible (lease)
 Outside storage - new build



5 acre industrial/commercial site
 Highway 400 exposure (sale)



27,000 SF whse, 18' clear
 Low rates, great exposure

WHAT DO OUR CLIENTS SAY?

"Although I have detailed local knowledge, we ended up with a far superior property than the ones I was considering.

All of my dealings with her [Melanie King] were very professional and everything happened in exactly the way I expected."

Michael Schafer,
 President
 LawnMart
 (Bolton, Ontario)



COMMERCIAL REAL ESTATE BOUNCES BACK

Globe & Mail p.B1-B2, Oct. 19, 2009
 Canada's commercial real estate market is on the mend, as an 18-month slump in Toronto has ended and other urban centres are showing signs of renewed activity that **suggest the sector has decoupled from its troubled U.S. counterpart.**

After almost two years of flat or declining activity, industry tracker RealNet Canada Inc. said investments in commercial property in the Greater Toronto Area increased by 46 per cent in the third quarter over the second quarter, to \$1.31-billion, while the number of transactions increased by 20 per cent.

"This is a statistical sign of a recovery, even if it's not a full-blown recovery," said RealNet president

George Carras, adding that sales are still only half of what they were going into the recession. "You can't call a bottom until it's passed, but this data is positive and very factual - it's real, hard evidence, and not anecdotal comments."

A healthy real-estate sector is considered important because commercial and residential property underpins a significant proportion of the assets of banks, pension funds and other institutions. Troubles in the sector contributed to the demise of some large trust companies in the early 1990s.

While the RealNet data only reflect activity in the GTA, there have been signs of recovery elsewhere and office vacancy rates have stayed below 10 per cent, in contrast to the U.S. where vacancy rates have crept up toward 20 per cent.

Real estate investment trusts are in a particular position of strength, after raising almost \$1-billion in equity in the last year while their main competitors - particularly private buyers - have found capital difficult to obtain.

Patrick Lai of Toronto's Redcliff Realty Advisers said **it's becoming difficult to justify sitting defensively on cash as quality properties come on the market.** Mr. Lai signed a deal in September, buying a Markham, Ont., shopping centre for \$32-million. "We all know what's happened this year in terms of the economic crisis, but now we certainly feel this is a good opportunity **before everyone else starts to be really interested,**" he said.

QUOTE OF THE MONTH

"Never let the fear of striking out get in your way." - Babe Ruth

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[Melanie A. King, BA \(Hons\)](#)
Sales Representative
(905) 624-4456 ext. 203
mking@hectare.com



Hectare **GMAC**
Real Estate

Commercial Division

1279 Matheson Blvd. E.
Mississauga, ON L4W 1R1
Fax: (905) 624-4458
www.hectare.com

ADDITIONAL AVAILABILITIES

- Industrial/commercial condo units for lease or sale
- Crane buildings with outside storage for lease or sale
- 10-800,000 SF distribution space for lease, with trailer parking (SALE POSSIBLE)
- 40,000 SF freestand for lease, 10% office, 70 parking spaces, quick access to highways & subway station
- **Building lots for sale, variety of sizes**
- 6,000 SF high-tech, high quality suburban office space (Cat-6 wiring, training rooms)
- **Design/build available — custom build to suit your needs!**

CLIENT LIST



GTA COMMERCIAL MARKET - LEASED SPACE INCREASES IN SEPTEMBER

*October 19, 2009 — TREB Commercial Members reported 614,830 square feet of space leased in September – up 12% from the 548,399 leased square feet recorded in September of 2008.

“September was the first month in 2009 that posted a year-over-year gain,” said TREB Commercial Division Chair Garry Lander. “Recently reported job gains in the GTA coupled with the consensus view that economic recovery will take hold in the latter half

of this year suggests that demand for commercial real estate should strengthen moving forward. With this in mind, however, we will continue to see some volatility in the monthly figures”.

Lease rates were mixed in September. Industrial space in all size categories leased for \$5.19 sfn – down four per cent from the \$5.42 sfn recorded in September of 2008. The average commercial lease rate rose 41 per cent to \$20.34 sfn from \$14.39 in September 2008.

Office space traded for \$10.10 sfn – down 19% from last September’s \$12.43 sfn figure.

Sales Market Highlights: TREB Members recorded 64 sales of IC&I properties in June, including 34 industrial buildings, with an average selling price of \$76.59 per square foot. This compares to the \$62.28 per square foot derived from non-MLS sources.

*source—Toronto Real Estate

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