

# THE COMMERCIAL & INDUSTRIAL REPORT



## A GTA Commercial Real Estate Market Overview

From Melanie King, Sales Representative - Binswanger Hectare, Brokerage

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Market Stats September 2010	
Inflation Rate <sup>1</sup>	Jun 2010
Total CPI (Yr./Yr. % Change)	1.8%
Bank of Canada <sup>4</sup>	Aug 2010
Prime Rate	2.75%
Bank of Canada <sup>4</sup>	Aug 2010
Target for Overnight Rate	0.75%
Canadian GDP Growth <sup>1</sup>	Jun 2010
Month/Month % Change	0.2%
Unemployment Rate <sup>1</sup>	Jun 2010
Canada	8.0%

## FEATURE PROPERTY - INDUSTRIAL



- 6,120 square feet with approx. 10% office space
- End of complex with ample parking and turning radius
- 2 Truck level shipping doors, 16' clear height
- 60 amps (each unit) / 600 volts
- Forced air gas open heat
- Dundas / Winston Churchill area of Mississauga
- Quick access to highways, local area amenities

## HOW TO GENERATE INCOME FROM YOUR BUILDING'S ROOF



With the introduction of the Ontario Power Authority's Feed-in Tariff (FIT) program, as a property owner you can now create additional income with your unused roof space.

The FIT Program is North America's first comprehensive guaranteed pricing structure for renewable electricity production.

The most valuable option is a rooftop solar installation with rates between 60 to 80 cents/kWh, for 20 years, guaranteed by a government contract. This translates into returns of investment of more than 15%.

*An example of a 40,000 square foot unobstructed building yields a gross profit of more than \$200,000 annually, over a 20 year period when the system is purchased. At no cost to you in a lease arrangement the potential revenue for a 20 year contract is between \$15,000 and \$25,000 per year to the building owner.*

### Time is of the Essence:

Ontario will not keep this program available forever. People/companies who act now will be able to lock into the attractive rates of 70+ cents/kWh, while late-comers will most likely see

rates drop (as they have in other FIT markets like Germany and Spain).

**Contact me today for more information and to put you in touch with Ontario Solar Provider (OSP) to show you how to benefit from this limited time government backed program.**

With OSP you get a company that has over 7 years of experience successfully installing over 350 solar rooftop installations across Europe, the U.S. and Ontario.

## QUOTE OF THE MONTH

"When written in Chinese the word crisis is composed to two characters. One represents danger, and the other represents opportunity."  
(John F. Kennedy)

ADDITIONAL AVAILABILITIES



Mississauga condo unit  
Ideal for warehouse, mfg. uses



Many suites, from 1-10,000 SF  
Underground parking available



3.82 acre yard for lease  
Available in 1 acre portions



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



Mississauga 12,000 SF  
Freestand with radiant heat



1,600 SF condo for sale  
20% office, street facing



1.69 acres at Healey/Holland  
Quick access to Hwy 50



Brand new commercial space  
1,100—12,000 SF available

LEASE TRANSACTIONS UP 4% OVER 2009

\*November 3, 2009 -- In October, TREB Commercial Members reported 648,934 square feet of leased space, up four per cent from the 625,841 leased square feet recorded in October of 2009.

"Businesses have become more upbeat regarding future sales growth and their intentions to make capital investments. This improvement in sentiment has translated into heightened demand for space from which to operate," Commercial Council Chair Larry Purchase.

TREB Commercial Members leased 511,839 square feet of industrial space, up 24 per cent over last October's total of 412,360 square feet. In addition, 43,649 square feet of commercial space leased during the month, which constituted a 63

per cent decline from October 2009's 118,914 square foot figure. Finally, commercial members leased 93,446 square feet of office space, down one per cent from the 94,567 square feet recorded during the same month last year.

Industrial space in all size categories leased for an average of \$5.14 per square foot net (sfn), down 11 per cent from the average of \$5.78/sfn reported in October of 2009. Commercial space traded for an average of \$18.19/sfn, a 23 per cent increase from the average of \$14.74/sfn recorded during the same period last year. Office space traded for an average of \$11.20/sfn, rising 23 per cent from the average of \$9.11/sfn for October 2009.

Sales Market Highlights

TREB Commercial Members recorded 36 sales of IC&I properties last month. Of these transactions, 17 were industrial buildings of all size categories, which sold for an average price of \$125.29 per square foot – up 141 per cent from the average of \$51.90 last year. The average sales price for industrial properties sold through the MLS® was also higher than the average of \$96.54 per square foot derived from non-MLS® sources. The 19 Commercial/Retail transactions recorded in October sold for an average price of \$235.32 per square foot. This figure is up 84 per cent from the average of \$127.68 per square foot recorded in October of 2009.

\*source—Toronto Real Estate Board, Commercial Division



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