

RECENT INDUSTRIAL SALES IN MARKHAM, ONTARIO

Address	Date	Price	Land Area (acres)	Building Area (sf)	Building Area Price (\$/sf)	Cap Rate
Industrial Malls						
951 Denison Street	2016-05-12	\$9,018,000	3.56	66,264	\$136	5.70%
860 DENISON STREET	2016-08-08	\$7,006,963	3.07	54,000	\$130	4.90%
Industrial Buildings						
55 Valleywood Drive	2016-02-25	\$7,120,000		58,350	\$122	
390 Steelcase Road East	2016-03-31	\$6,475,000		47,200	\$137	
1495 DENISON STREET	2016-06-20	\$7,600,000	4.33	57,819	\$131	
7400 BIRCHMOUNT ROAD	2016-06-22	\$9,650,000	5.11	87,273	\$111	
350 STEELCASE ROAD WEST	2016-06-01	\$4,915,000	2.81	40,400	\$122	
351 JOHN STREET	2016-06-01	\$2,850,000	2.49	9,900	\$288	
311 AMBER STREET	2016-06-30	\$2,400,000	1.09	20,815	\$115	
66 LEEK CRESCENT	2016-06-30	\$16,000,000	9.55	166,768	\$95.94	
26 LAIDLAW BOULEVARD	2016-07-18	\$6,500,000	2.00	44,000	\$148	
170 FERRIER STREET	2016-07-29	\$3,300,000	1.26	22,876	\$144	
612 HOOD ROAD	2016-07-29	\$3,395,402	1.46	23,200	\$146	
911 DENISON STREET	2016-08-08	\$5,293,037	1.19	40,200	\$132	5.00%
120 DUFFIELD DRIVE	2016-08-23	\$3,850,000	1.14	25,135	\$153	



INDUSTRY COMMENTARY:

Markham Industrial Market Overview

With approximately 800 million square feet of space, the Greater Toronto Area industrial market is Canada's largest and among the top three on the continent. Traditionally part of the manufacturing heartland, the area is transforming from manufacturing to a focus on warehousing, logistics and distribution, with some of the largest logistics and supply-chain management companies operating facilities in the area.

[Click here for more information](#) 



LIFE LESSONS at PETRUS COMMERCIAL REALTY CORP - Lesson #75

The Technology that is Changing Our Life:

1. Hyperloop One *Source: <https://hyperloop-one.com/>*

Hyperloop is a new way to move people or things anywhere in the world quickly, safely, efficiently and with minimal impact to the environment. The system uses electric propulsion to accelerate a passenger or cargo vehicle through a tube in a low pressure environment. It's the next mode of transportation.

2. Pilot *Source: <http://www.waverlylabs.com/>*

A world without language barriers: The Pilot is the world's first smart earpiece which translates between users speaking different languages.



INDUSTRY COMMENTARY: Markham Industrial Market Overview

Toronto, like the Canadian market overall, is viewed internationally as a safe, stable and transparent place to invest, and thus has attracted attention from foreign buyers. Given the institutional-grade quality of assets in the city, the size of the market and the high profile it enjoys among the international commercial real estate investment community, it is not surprising that Toronto captures the lion's share of dollar volume in the Canadian investment market.

Our [#23.03 Real Estate Report](#) on the Markham Office market, states that: Markham is boasting on its web site that Markham offers an expanding business base, a motivated, highly educated workforce and an affluent, diverse population. Markham claims that it is Canada's high-tech capital and that by every measure, is thriving. There are more than 400 Canadian head offices of the 10,200 companies in Markham.

The condensed statistics below point to low single digits in availability and vacancy rates as well as mid-single digit net rents in the Markham market. As a side comment, there is not much convergence otherwise in the data coming out of the five largest GTA brokerage firms. The discrepancy in numbers such as new supply, absorption and net rent is inexplicable letting one to wonder about the research input quality. Investigation with the respective research departments is a futile pointing-finger exercise blaming Co-Star or Altus at its data source. Anyway, enough said on that digression. There is still new construction across the GTA as well as in Markham. Absorption continues to be a guessing game when looking at the numbers that diverge so widely across these brokerages.

Industrial Q2 2016																	
GTA					North					Markham							
	Inventory (million sft.)	Avail.	Vac.	4 Q Exp. New Supply (million sft.)	Net Absorption YTD(sft.)	Inventory (million sft.)	Average Asking Net Rent	Avail.	Vac.	4 Q Exp. New Supply (sft.)	Net Absorption YTD (sft.)	Inventory (million sft.)	Average Asking Net Rent	Avail.	Vac.	4 Q Exp. New Supply (sft.)	Net Absorption (sft.)
Colliers			3.3%	7.6	-671,062		\$5.47		2.9%	716,555	-70,801						
C & W	780		3.5%	8.9	1,102,796	150	\$5.61		2.8%	1,070,209	204,416	33	\$6.00		2.4%	79,660	285,374
CBRE	761	3.7%	1.8%	4.6	3,887,565	128	\$5.63	3.7%	1.8%	1,101,999	574,036	36	\$5.80	3.3%	1.2%	59,750	-58,929
Avison	871	3.8%	3.8%	7.4		181	\$6.53	3.3%	3.3%	1,371,289		40	\$7.19	3.8%		79,660	
JLL	778	3.7%	2.8%		6,519,741	163	\$5.94		3.1%	868,654	1,654,591						
deals done MLS							\$6.22						\$7.72				
Average	798		3.0%	7.1	2,709,760	156	\$5.90	3.5%	2.8%	1,025,741	590,561	36	\$6.68	3.6%	1.8%	73,023	113,223

The list below shows selected availabilities of industrial rentals in the Markham market.

Address	For Lease			Building			Asking		
	Space SF	Unit#	Type	Ceiling ft	Size SF	Year	Expenses /SF	Base /SF	Gross /SF
730 COCHRANE DR	14,400	2	Industrial	24	20,527	1973	\$4.77	\$7.95	\$12.72
39 RIVIERA DR	6,344	14	Industrial		373,532	1986	\$3.85	\$7.95	\$11.80
147 DENISON ST	2,662	177	Industrial	14	14,458	1971	\$4.68	\$6.50	\$11.18
91 ESNA PARK DR	12,226	8, 9	Industrial	18	58,092	1972	\$3.60	\$6.50	\$10.10
85 CITIZEN CT	2,425	7	Industrial	18	17,931		\$4.38	\$7.95	\$12.33
191 MCNABB ST	49,486	1	Industrial		218,600		\$2.25	\$3.95	\$6.20
3400 14TH AVE	1,920	35	Industrial		35,000	1985	\$4.51	\$6.95	\$11.46
642 DENISON ST	8,066	660	Industrial		44,300	1973	\$3.05	\$6.50	\$9.55
241 WHITEHALL DR	42,110		Industrial		41,299		\$3.30	\$5.95	\$9.25
625 HOOD RD	77,267		Industrial		77,267	1981	\$2.50	\$6.95	\$9.45
245 TORBAY RD	15,000	2	Industrial		52,000	1982	\$3.50	\$6.50	\$10.00
331 AMBER ST	33,848		Flex (46% office)	18	33848	1988	\$3.89	\$5.95	\$9.84
752 COCHRANE DR	10,300	1	Flex (30% office)	24			\$4.11	\$6.50	\$10.61
710 COCHRANE DR	30,076		Flex (22% office)	24	30,076		\$4.04	\$6.50	\$10.54
400 BENTLEY ST	2,915	6	Flex (34% office)	16	34,796	1987	\$4.22	\$7.95	\$12.17
235 ALDEN RD	95,305	8	Flex (14% office)	24	95,305		\$3.25	\$6.25	\$9.50
401 BENTLEY ST	5,761	10, 11	Flex (46% office)	16	34,064	1987	\$4.22	\$7.25	\$11.47
160 COCHRANE DR	48,505		Flex (20% office)	24	48,505		\$3.39	\$6.50	\$9.89
75 FRONTENAC DR	50,000		Flex (9% office)		246,469	1987	\$2.50	\$4.95	\$7.45
91 ESNA PARK DR	7,382	2, 3	Flex (75% office)	18	58,092	1972	\$3.60	\$6.50	\$10.10
170 FERRIER ST	13,400	2	Flex (46% office)	16.5			\$3.25	\$5.95	\$9.20