

## WE ARE GROWING AGAIN!



P.G. Gagné Commercial Real Estate Corp. is proud to announce its new relationship with Mario Staltari of Staltari Commercial Real Estate in Ottawa. This relationship expands on the relationship between P.G. Gagné Commercial Real Estate Corp. and Barry Commercial Real Estate Corp. in Calgary to create a powerful pan Canadian association.

[Click here to read more](#)

P.G. Gagné Commercial Real Estate Corp is also looking for licensed real estate sales representatives to join our team.

For information, contact us at 416.955.1885 x228 and email your resume to [pierre@gagnerealestate.ca](mailto:pierre@gagnerealestate.ca)

## OUR CURRENT LISTINGS

### INFILL SITE TORONTO

#### Mixed Use Residential

- Commercial Potential
- 5.35 acres
- Res. and Com. zoning
- Builder terms available

Asking \$3,900,000

[Click to view our Investment Summary](#)

### 901 JANE STREET, TORONTO

#### Retail Plaza

- 23,378 SF Building
- NOI: \$315,000
- Upside Potential
- High Traffic Corner

Asking \$4,500,000

[Click to view our Investment Summary](#)

### 1375 MIDLAND AVE TORONTO

#### Rental Apartment

- 6.75% Cap Rate
- 145 Suites
- Daycare on site
- Short walk to LRT

Asking \$10,600,000

[Click to view our Investment Summary](#)

### 145 GREENBRAE CT TORONTO

#### Residential Infill

- Creative Deal Structure
- Attractive Builder Terms
- Zoned for 13 Townhomes
- 0.48 Acres

[Click to view our Investment Summary](#)

## OUR LISTINGS SOLD - 440 McNICOLL AVE



- Industrial Mall
- 47,921 SF Building
- NOI: \$227,000
- Up to 70% VTB

An unconditional sale with a 70% VTB for 5 years was negotiated and closed March in 2009. The VTB structure was beneficial for both parties. The offshore vendor reinvested the proceeds in a familiar asset with a return higher than GIC rates. The purchaser received favourable financing terms that allowed him to complete the required capital improvements and releasing.

## OTHER RECENT GTA INDUSTRIAL SALES

Source: Marshnet.com

**29 HOWDEN ROAD – Scarborough** – A 50,263 SF industrial building located just north of Lawrence Ave and West of Birchmount Rd. Closed Apr. 1, 2009 for \$2,300,000 or \$46 PSF.

**167 CASTER AVENUE – Vaughan** – A 28,405 SF industrial mall located west of Weston Rd between Hwy 407 and Hwy 7. Closed Mar. 27, 2009 for \$3,000,000 or \$105 PSF.

**77275 RAPISTAN COURT – Mississauga** – A 26,609 SF industrial building located just west of Mississauga Rd between Hwy 401 and Hwy 407. Closed Mar. 3, 2009 for \$2,985,000 or \$112 PSF.

**101 WEST DRIVE – Brampton** – A 99,293 SF industrial mall located just east of Hwy 410 and south of Queen Street E. Closed Feb. 27, 2009 for \$4,650,000 or \$47 PSF.

**89 NORTHLINE ROAD – Toronto** – A 52,766 SF industrial building located west of Victoria Park between Eglinton Ave and St. Clair Ave. Closed Feb. 11, 2009 for \$3,200,000 or \$61 PSF.

**6768 FINANCIAL DRIVE – Mississauga** – A 95,000 SF industrial building located just east of Mississauga Rd with Hwy 401 exposure. Closed Jan. 21, 2009 for \$8,580,000 or \$90 PSF.

## INDUSTRY COMMENTARY: GTA INDUSTRIAL REAL ESTATE SALES

### - OBVIOUS SIGNS OF CORRECTION

First quarter 2009 sales transactions confirm the early deteriorating trend set in 2008 in the GTA industrial real estate sector. After a twelve year increasing trend in values the first quarter of 2009 shows an average sale price of \$86 per square foot or a 17.3% and 9.5% decline from values in 08 and 07 respectively. [Click to read more](#)

## LIFE LESSONS at P.G. GAGNÉ COMMERCIAL REAL ESTATE CORP – Lesson #38

**One Billion Dollars** - All this talk about "stimulus packages" and "bailouts"... A billion dollars... A hundred billion dollars... Eight hundred billion dollars... One TRILLION dollars... What does that look like? [Click to read more](#)

## GTA INDUSTRIAL REAL ESTATE SALES



### - OBVIOUS SIGNS OF CORRECTION

First quarter 2009 sales transactions confirm the early deteriorating trend set in 2008 in the GTA industrial real estate sector. After a twelve year increasing trend in values as indicated by the average price per square foot of all trades in excess of \$1 million, the first quarter of 2009 shows an average sale price of \$86 per square foot or a 17.3% and 9.5% year over year reduction from values in 2008 (\$104 psf) and 2007 (\$95 psf) respectively. (Figure 1)

The year over year first quarter results show a seven year low of \$90 million on 34 trades in the first quarter 2009 (Figure 2). The long term trend shows that market value has steadily picked up since the bottom of 1995-1996 until the first signs of a correction in 2008 with volumes of trade receding from a peak of \$2.8 billions and 407 transactions in 2007 down to \$1.6 billion and 346 trades in 2008 (Figure 1).

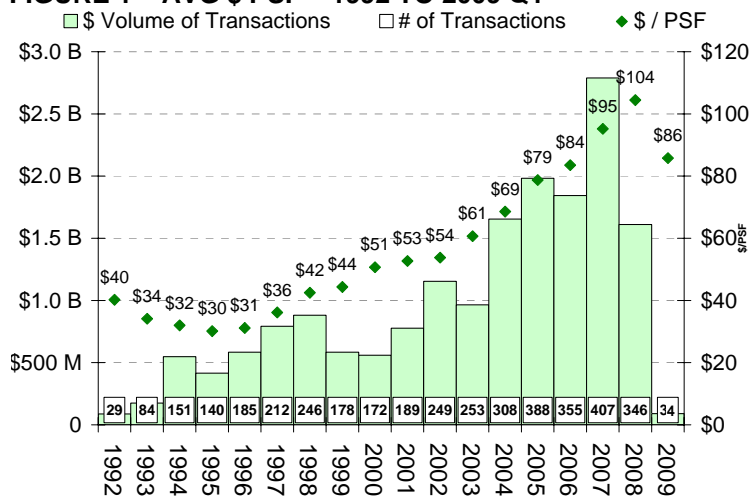
The average price per square foot continued to rise to a peak of \$104 in 2008 regardless of the decline in volume that year. The relatively high value per square foot reflects pricing mainly from the first half of the year. The lower volume is a correction happening in the second half of 2008.

There are also differences according to property size. The Q1 2009 data is biased towards smaller properties. As a matter of fact, 89% of dollar volume is generated from building sales of less than 100,000 square feet (Figure 3). As well, the rate of decline in dollar volume from the 2007 peak is correlated to the size of asset. The rate of decline is increases with the category of larger buildings (Figure 4).

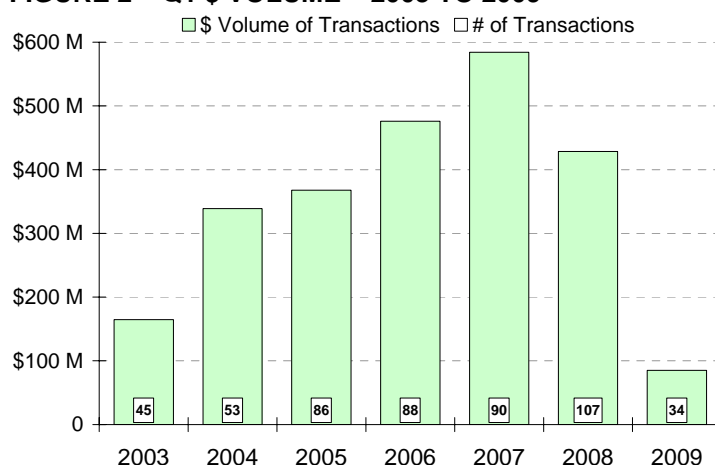
We forecast total volume to be \$500 to \$550 millions by year end 2009.

Source: Marshnet.com

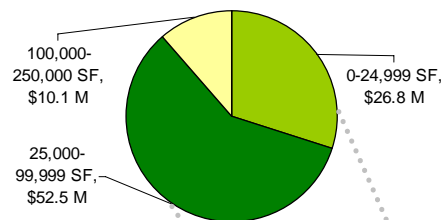
**FIGURE 1 – AVG \$ PSF – 1992 TO 2009 Q1**



**FIGURE 2 – Q1 \$ VOLUME – 2003 TO 2009**



**FIGURE 3 – \$ VOLUME BY SIZE – 2009 Q1**



**FIGURE 4 – \$ VOLUME BY SIZE – 1992 TO 2009 Q1**

