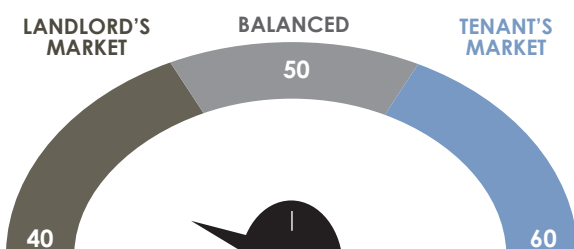




41

An index of 41 indicates that we are in a **Landlord's market**.



THE ELLINGTON INDEX is designed to take into consideration a variety of factors which influence the market. We do this on a quarterly basis. The higher the individual factor is ranked means it influences the overall market in a positive way for the tenant or in other words, contributes to a "Tenant's Market". Conversely the lower the rank, the more the factor contributes to it being a "Landlord's Market"

ELLINGTON INDEX - FACTORS/VALUES		RANK
Current Availability Rate (GTA)	8.5% ▼	4
Current Availability Rate (Downtown)	4.0% ◀▶	4
Change Availability Rate since last Quarter (DT)	0% ▼	4
Available Sublet Space - % of Direct Space (DT)	0.8% ▼	4
New Supply (buildings under construction) (DT)	17 ▲	4
Space Leased since last Quarter (DT)	5,471 sf	4
Tenant Confidence (DT)	Medium	5
Landlord Confidence (DT)	Strong	3
Forecasted Rental Rates over next 3 months (DT)	Slight increase	4
Tenant Deal Velocity in Market (DT)	Low	5
TOTAL		41

Looking at what is transpiring in leasing markets across Canada, we offer the following:

CITY	DOWNTOWN OFFICE VACANCY RATE	COMMENTS
Vancouver	2.5%	Vacancy rate expected to decrease slightly
Calgary	24.2%	Vacancy rate is slowly trending downwards
Montreal	7.5%	Vacancy rate is slowly trending downwards
Toronto	2.8%	Vacancy rate is slowly decreasing
Halifax	18.5%	Vacancy rate expected to decrease slightly

- In the largest cities, big blocks of office space continue to be scarce;
- Vacancy rates in all cities are declining and are expected to do so for the rest of 2019;
- Residential and commercial developments continue to create larger live-work neighbourhoods.

NOTABLE TRANSACTIONS - Q2, 2019

TENANT	ADDRESS	SIZE (SF)
TD Bank	160 Front St. West	919,902
Chartwell Headquarters	7070 Derrycrest Drive	130,000
Freedom Mobile	16 York Street	113,000
Spaces	25 Ontario Street	105,550
Prodigy Games	874 Sinclair Rd., Oakville	94,000
Toronto Region Board of Trade	100 Queens Quay East	92,000
Ipsos	160 Bloor St. East	48,744
Lerners	225 King St. West	43,000
Ontario Cannabis Retail Stores	4100 Yonge Street	37,000
Cognizant	5255 Yonge Street	34,460