



AGENCY
RETAIL GROUP

Q3 2022

TORONTO

Urban Retail Report



Urban Retail Overview

Urban Retail Availability Rate

11.03 %

Average Asking Rent (All Corridors - \$/s.f./year)

\$92.08

Bloor Street Average Asking Rent (\$/s.f./year)

\$249.71

Bloor Street (Yonge to Avenue)

DEFINITIONS:

Average Asking Rent: Calculated using the straight-line average for direct ground-floor spaces that have frontage along one of the corridors tracked by JLL. Does not include sublets.

Average Asking Rent (All Corridors): The straight-line average of all direct, ground-floor availabilities with corridor frontage.

Toronto Market Overview

Toronto Urban Retail Report - Q3 2022

Another wave of workers is expected to return to Downtown Toronto in Q4 2022 as companies encourage their employees to return to the office. Although most workers are returning to work only two to three days a week it is estimated that over 50% of Downtown Toronto's daytime workers have returned to the office which has helped boost retail sales.

The City of Toronto's CaféTO program has been a big help to restaurants and bars providing the opportunity to expand their outdoor dining space through sidewalk cafés, curbside cafés or patios on private property. Many Toronto restaurants are reporting an increase in sales activity with year over year sales in 2022 higher than pre-pandemic levels in 2019.

The most active categories from a retail leasing perspective are food & beverage (quick service restaurants, fast casual and full-service restaurants), dental, medical, veterinary and pet stores while leasing activity from apparel companies and luxury goods has also remained resilient on select high streets.¹

1. Source: JLL's Agency Retail Group

Availability

The average availability rate across the 11 retail corridors tracked by JLL was 11.03%, totaling 145 storefronts. Bloor Street West from Yonge Street to Avenue Road had the highest percentage of retail available (23.61%) while Yonge Street from Eglinton Avenue to Blythwood Road had the lowest retail availability (3.48%). Surprisingly, there were fewer storefronts available on Bloor Street West (Yonge Street to Avenue Road) in Q3 2022 than in Q3 2019 when there were 26 storefronts available for lease.

King Street West (Spadina to Bathurst) has an availability rate of 19.74%, but 9 of the 15 King West availabilities are in Allied and Westbank's "King Toronto" development; King West has the second lowest availability rate (7.89%) if King Toronto is not included.

Average Asking Rent

Average asking rent across Toronto's 11 retail corridors was \$92.08 per square foot led by Bloor Street at \$249.71 per square foot, and followed by Yonge Street (Queen Street to Gerrard Street) and Yorkville Avenue (Yonge to Avenue) at \$111.17 and \$108.33 per square foot, respectively.

Market News

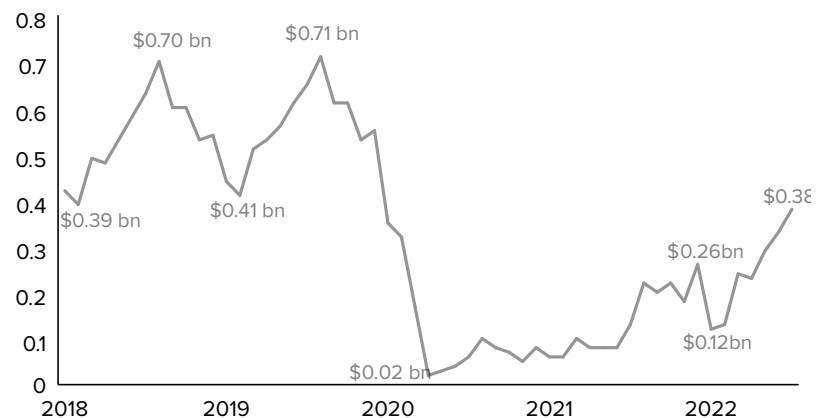
- Average asking rent in Toronto's 11 retail corridors was \$92.08 per square foot during Q3 2022
- The number of direct ground floor availabilities totaled 145, or 11.03% of the market
- Yonge Street from Eglinton Avenue to Blythwood Road had the lowest percentage of storefronts available for lease at 3.48%



Market Dynamics

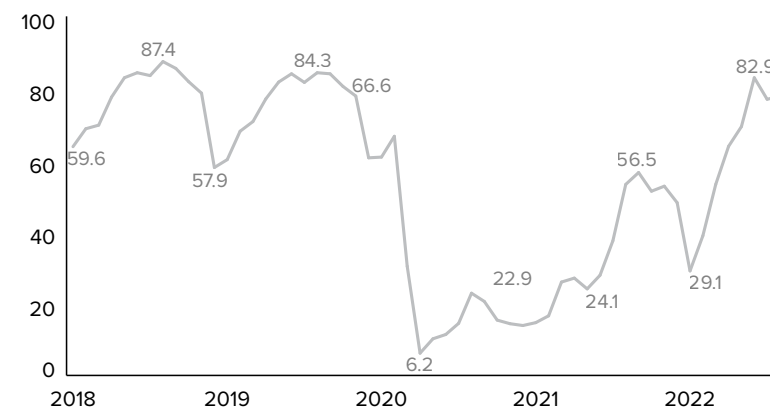
Toronto Market Overview

Visitor Spending (\$M)



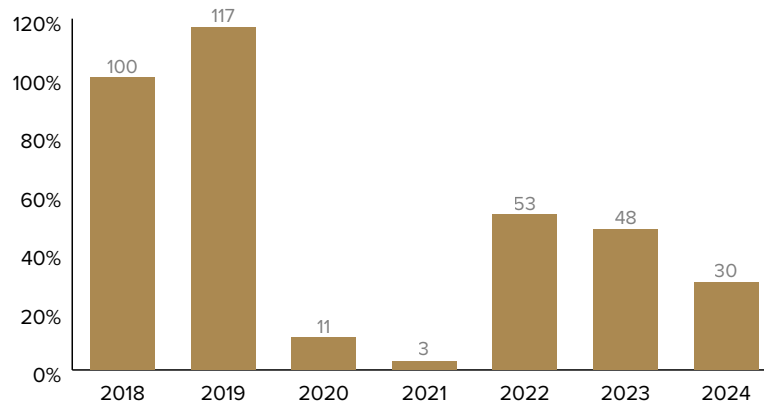
Source: StatsCan, Destination Canada

Hotel Occupancy (%)

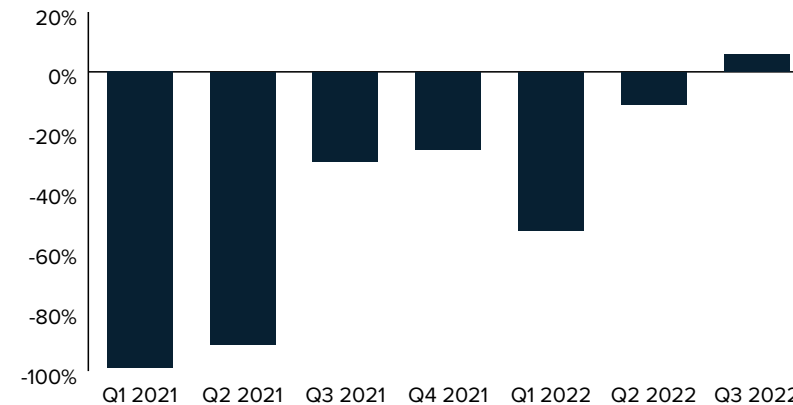


Source: STR, AirDNA

Events by Year
(Events 1,000+ Attendance)



Restaurant Foot Traffic Rebounds
(Percentage of Seated Diners in 2021 & 2022 compared to 2019)



Source: Opentable

Construction

Toronto Market Overview

Toronto continues to lead the crane count in North American, as it has since 2015

#1

In Q3 2022, Toronto had

230 active cranes,

5x more than second place Los Angeles

Despite a rise in interest rates and decline in new condo sales, Toronto has the highest number of cranes in the sky

- The Well, one of Toronto's largest developments spanning nearly eight acres in Toronto's Downtown West, is nearing completion. Allied and Riocan's mixed-use development will include 350,000+ square feet of retail space, 1.2 million square feet of office space and 1,700 residential units
- Union Station — Canada's busiest and most important commuter hub — recently underwent a substantial renovation with an addition of over 170,000 square feet of retail space
- IKEA (Yonge & Gerrard) and Decathlon (Union Station) recently opened new flagship locations Downtown Toronto
- The Ontario government is making significant investments to public transit including the largest single expansion in Toronto's subway history — The Ontario Line. Spanning 15.6 kilometers of much-needed subway service, the Ontario Line will have 15 new stations including stations at King & Bathurst and Queen & Spadina

Corridor Comparison

Toronto Market Overview

Corridor Parameters	# of Storefronts	# of Storefronts Available	% of Storefronts Available	Average Asking Rent (PSF)
Bloor Street West (Yonge to Avenue)	72	17	23.61%	\$249.71
King Street East (Yonge to Parliament)	114	17	14.91%	\$54.49
King Street West (Spadina to Bathurst)	76	15	19.74%	\$90.67
Leslieville (Queen Street East - Booth to Leslie)	164	14	8.54%	\$49.95
Ossington Avenue (Queen to Dundas)	107	11	10.28%	\$57.57
Queen Street West (John to Spadina)	91	9	9.89%	\$88.89
Queen Street West (Spadina to Bathurst)	154	18	11.69%	\$57.02
Yonge Street (Eglinton to Blythwood)	201	7	3.48%	\$60.86
Yonge Street (Gerrard to Bloor)	219	19	8.68%	\$84.26
Yonge Street (Queen to Gerrard)	75	12	16.00%	\$111.17
Yorkville Avenue (Yonge to Avenue)	42	6	14.29%	\$108.33
	Total # of Storefronts 1,315	Total # of Storefronts Available 145	Total % of Storefronts Available* 11.03%	Average Asking Rent (All Corridors)* \$92.08

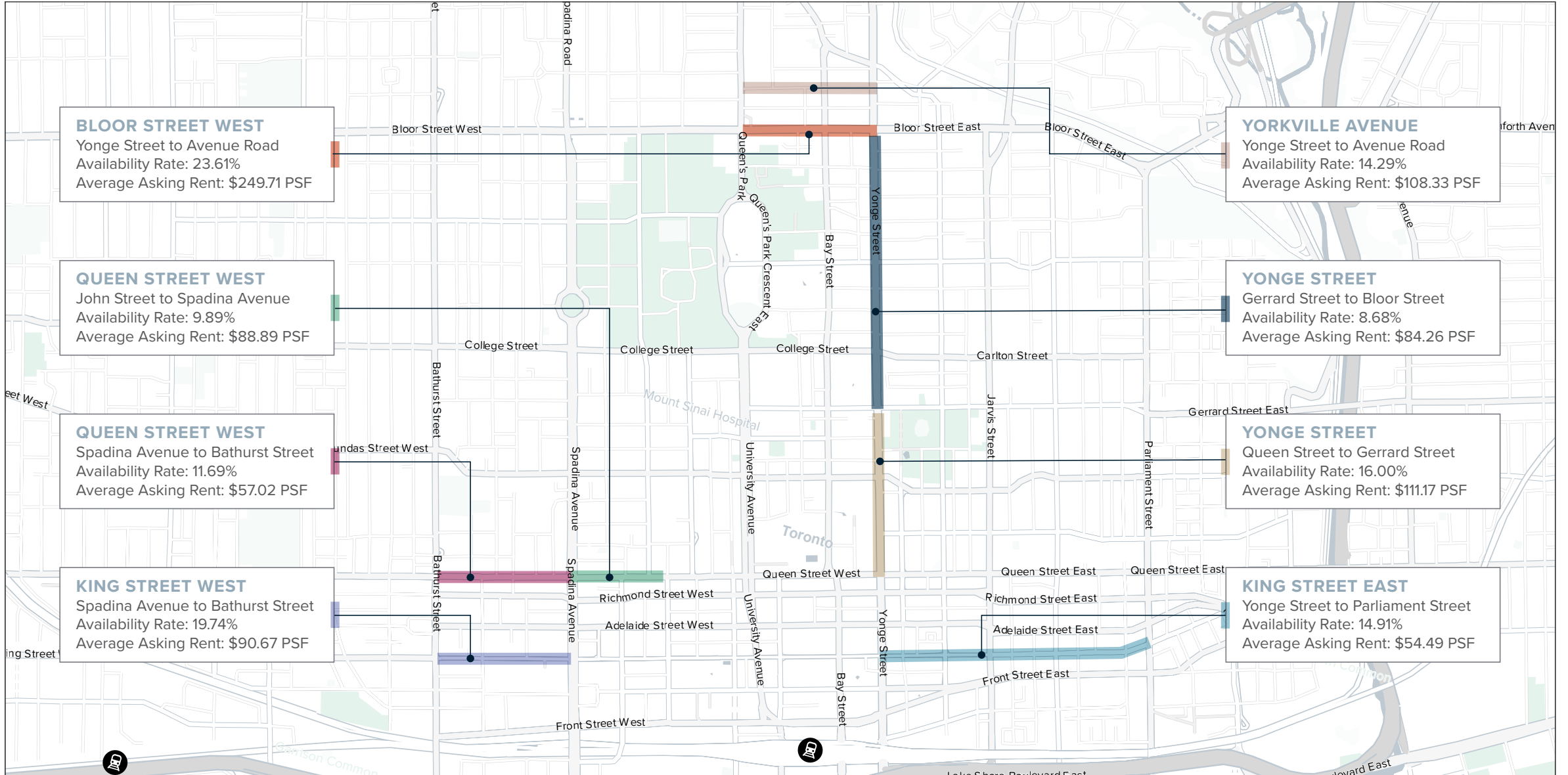
* Data may have been revised since original publication due to updated information

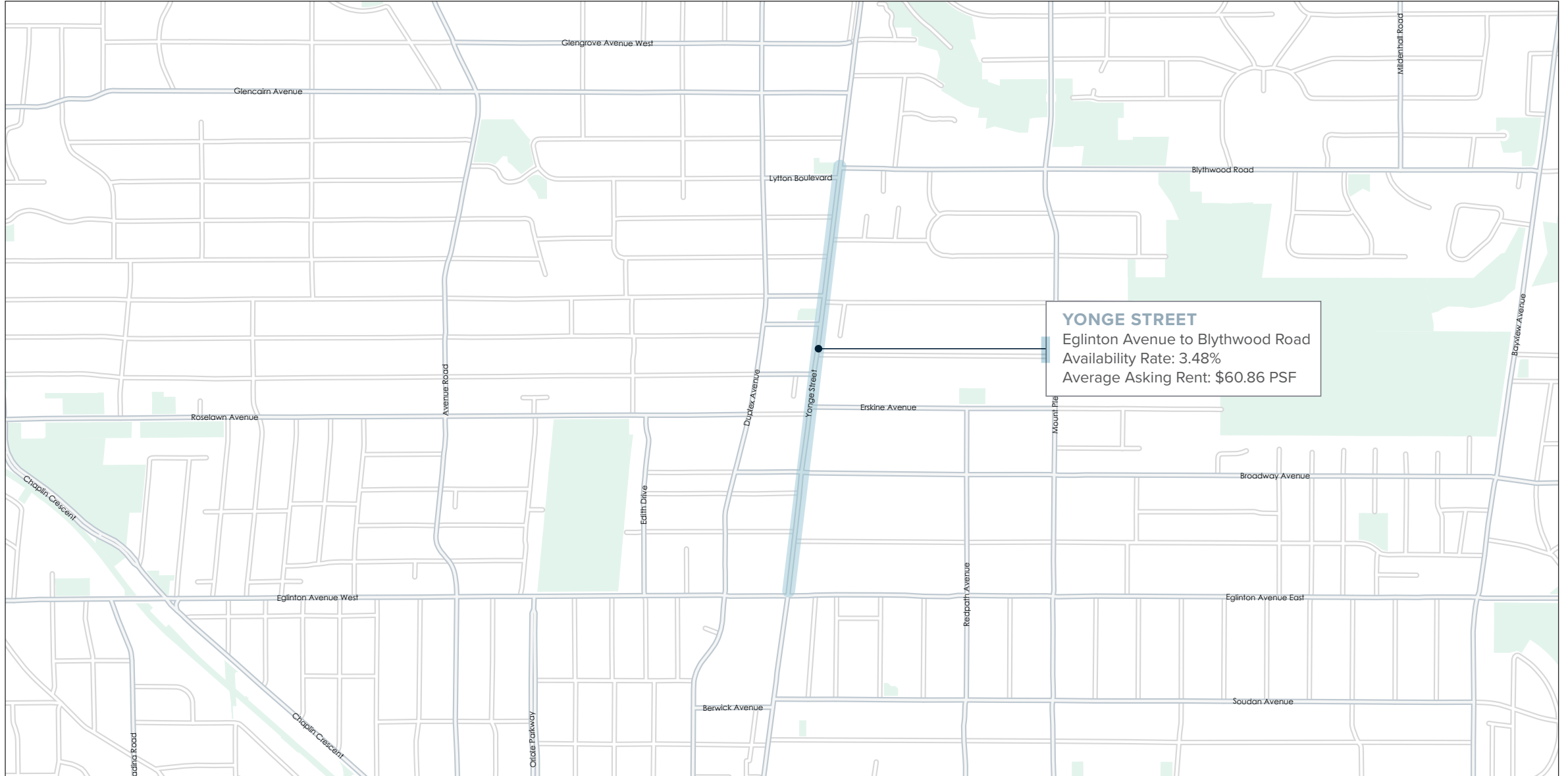
DEFINITIONS:

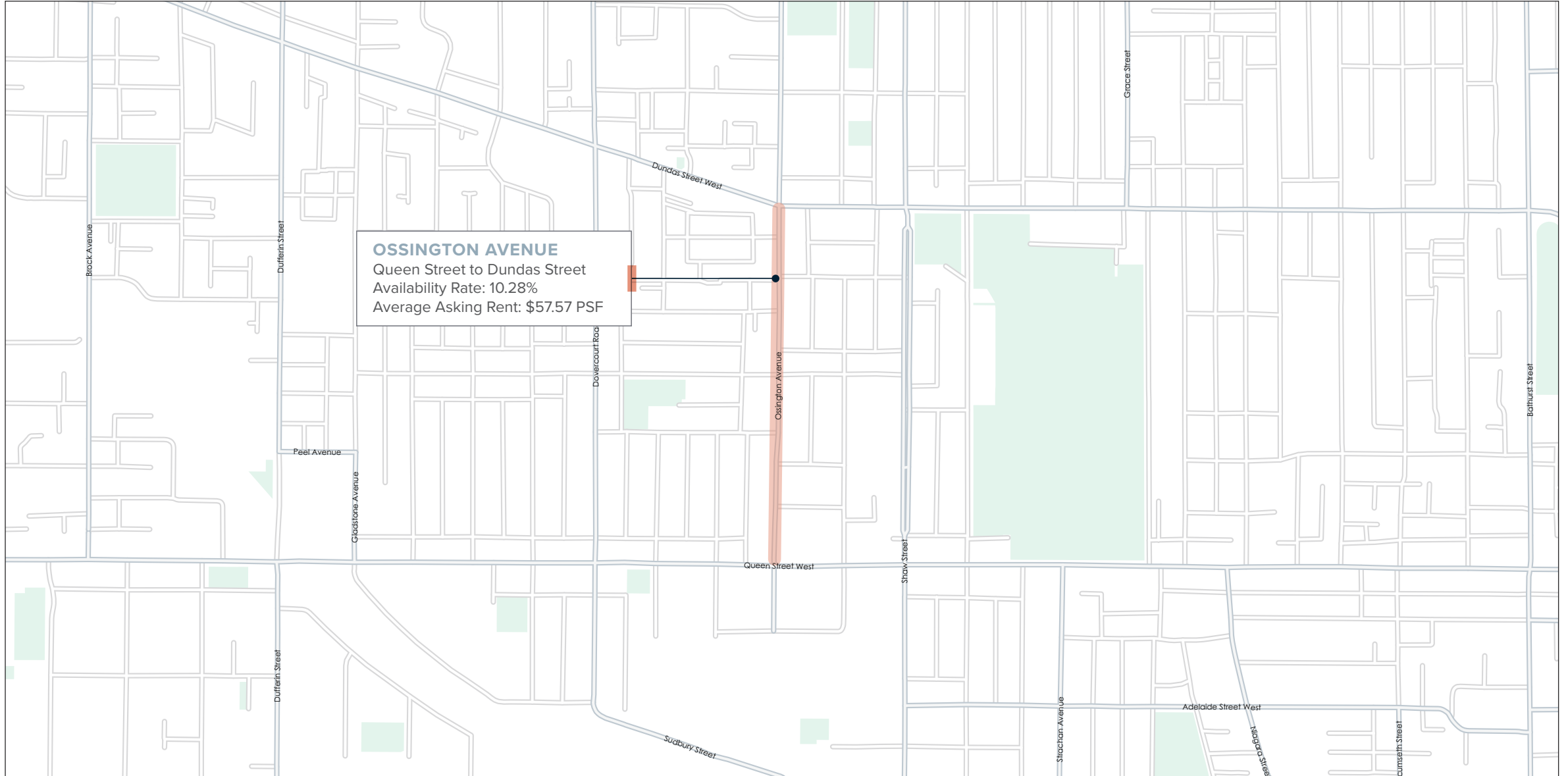
Availability: Direct space that is actively being marketed for lease in one of the corridors tracked by JLL; includes space for future and immediate occupancy with at least five years of guaranteed term.

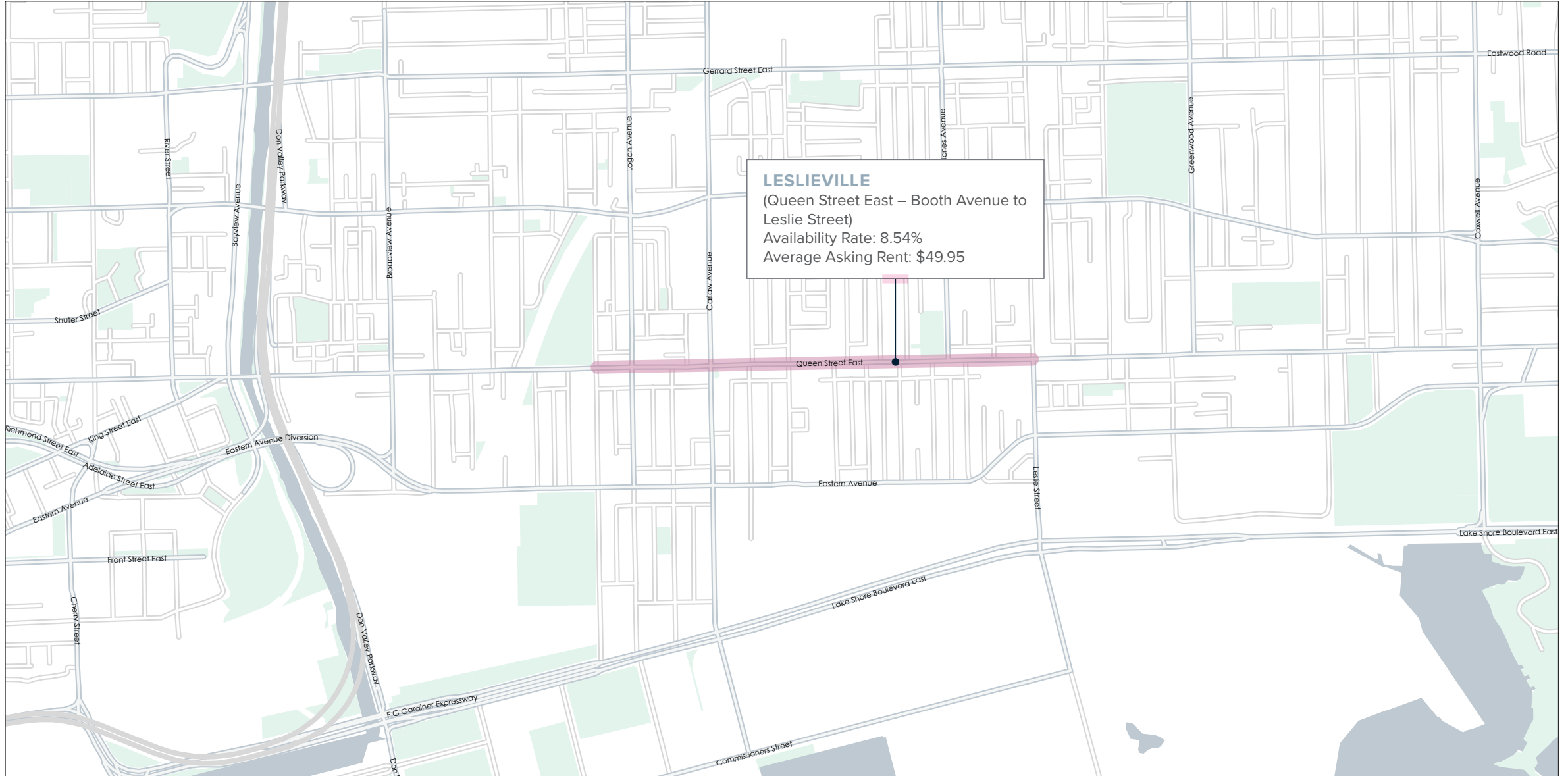
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