

2016 U.S. GDP growth is forecast to be the fastest in the last 10 years at 2.8%¹

1 Source: Federal Reserve Board, U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis



U.S. job growth over 2014 and 2015 will be the strongest back-to-back gains since 1998 and 1999.¹

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Q3 15 national office vacancy rate in the U.S. fell to its lowest level in seven years at 14%

New York will be the #1 market in the world for Canadian institutional investors.



Cross border capital accounted for 29% of investment volume in Manhattan, up from 19% in 2014.²

2 Source: Cushman & Wakefield Capital Markets, RCA



Since 2013, Canadian real estate is 28% and 26% cheaper for American and Chinese investors, respectively, due to the drop in the loonie.



Regarding Downtown Toronto, values across all major asset classes have surpassed the peak of 2007 by more than 10% and continue to rise.

Downtown Toronto's office market has a significant amount of new supply representing a 15% increase in inventory by 2019.



New supply could get absorbed in the next 4-5 years if we experience heated demand.



Values for land have increased over 20% in the past year for well-located tracts.



Over 4 msf of new industrial product in GTA west is currently leasing in the high \$5 / low \$6 net rents.

In retail, we are seeing a bifurcated market. The top of the market is getting stronger and challenged retail assets will continue to struggle.



Summary

Going forward, we should all be proud of the fact that Canada is significantly punching above its weight, and our investors are part of the action across the globe. Canadian pension funds will continue to increase their allocations to global real estate, and global investors will continue to explore opportunities in Canada with a particular focus on Toronto.

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