

## 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

**OFFERS**

### 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

**OFFERS**

### 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

**OFFERS**

### 3122 EGLINTON AVE EAST, TORONTO

#### Mixed Use

- 1.52 Acre Site
- 18,334 SF Building
- Redevelopment
- Commercial Zoning

Asking \$2,200,000

Click to view our  Investment Summary

**UNDER CONTRACT**

## OUR LISTINGS SOLD

### 200 ANNETTE STREET



- Church, circa 1900
- 7,791 SF Building
- Aprx. 226 Pews
- Historical Designated

**SOLD**

### 440 McNICOLL AVENUE



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

**SOLD**

## OTHER RECENT GTA OFFICE SALES

Source: Marshnet.com

### USERS

**6700 CENTURY AVENUE – Mississauga – User Deal – Sanyo** – A 61,800 SF office building located just south-west of the Hwy 401/Mississauga Rd. interchange. Closed May 27, 2009 for \$7,000,000 or \$113 PSF.

**7150 DERRYCREST DRIVE – Mississauga – User Deal – PennCorp Life Ins.** – A vacant 57,962 SF newly constructed office building located just west of Hurontario St and north of Derry Rd backing on to Derrydale Golf Club. Closed Mar. 12, 2009 for \$15,198,620 or \$262 PSF.

**40 SHEPPARD AVE WEST – North York – User Deal – Ass. of Professional Engineers of Ontario** – A 105,181 SF office building located just west of Yonge St on the northeast corner of Sheppard Ave and Beecroft Rd. Closed Mar. 11, 2009 for \$22,575,000 or \$215 PSF.


### INVESTMENTS

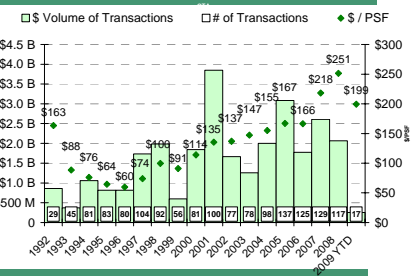
**860 RICHMOND STREET WEST – Toronto – 6.0% Cap Rate\*** – A 26,671 SF converted industrial loft located between Strachan Ave and Stafford St. Closed May 6, 2009 for \$4,356,000 or \$163 PSF. \*Deal done in June 08, with delayed closing.

**100 YORK BOULEVARD – Richmond Hill – 8.5% Cap Rate** – A 97,443 SF office building located just north of Hwy 7 and Hwy 404. Closed Feb. 20, 2009 for \$10,250,000 or \$105 PSF, part of a larger retail portfolio acquisition and hence the low price per square foot.

**HEARTLAND OFFICE PORTFOLIO – Mississauga – 8.5% Cap Rate** – Five office buildings totalling 252,968 SF located just west of Hurontario St and south of Britannia Rd. (5600 & 5705 Cancross Court, and 115, 135 & 155 Matheson Boulevard West) Closed Feb 2, 2009 for \$38,000,000 or \$150 PSF.

## INDUSTRY COMMENTARY: GTA OFFICE REAL ESTATE SALES - VALUES & VOLUME DECLINE IN Q1 2009

Sales transactions during the first five months of 2009 illustrate a declining trend in the GTA office real estate market. As of year to date (May 31/09) the average price per square foot of all trades in excess of \$1-million is \$199, or a 20.7% and 8.7% year over year reduction in values from 2008 (\$251 psf) and 2007 (\$218 psf) respectively. [Click to read more](#) 



## LIFE LESSONS at P.G. GAGNÉ COMMERCIAL REAL ESTATE CORP – Lesson #39

“For all their power and vitality, markets are only tools. They make a good servant but a bad master and a worse religion.”

- Paul Hawken, Author – *Natural Capitalism and Ecology of Commerce*

## GTA OFFICE REAL ESTATE SALES



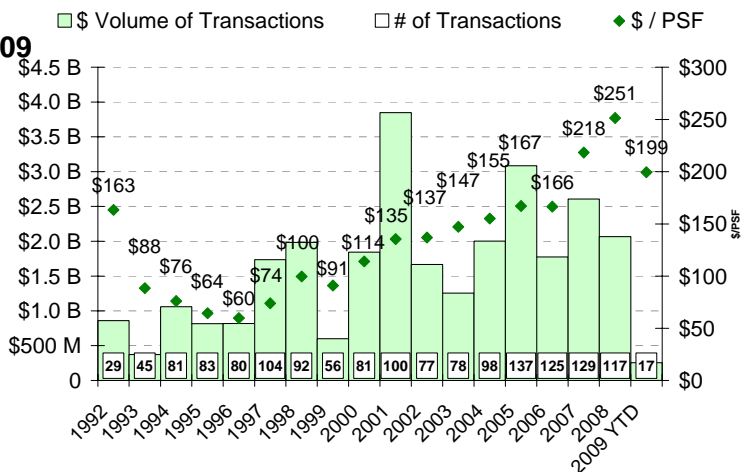
### - VALUES & VOLUME DECLINE IN Q1 2009

Sales transactions during the first five months of 2009 illustrate a declining trend in the GTA office real estate market. As of year to date (May 31/09), the average price per square foot of all trades in excess of \$1-million is \$199, or a 20.7% and 8.7% year over year reduction in values from 2008 (\$251 psf) and 2007 (\$218 psf) respectively. (Figure 1). This is the first decrease since 1996 when the average price per square foot was \$60.

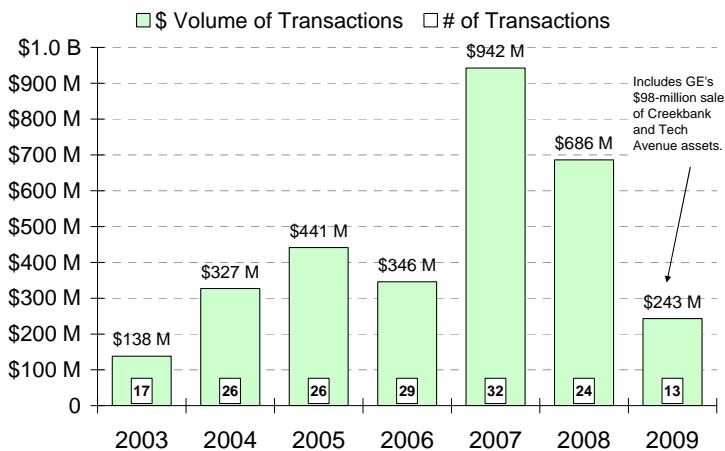
Year over year first quarter 2009 show volume at a six year low with only \$243-million from 13 transactions (Figure 2). The \$243-million might be overstated as it includes the \$98-million sale of GE's Airport Corporate Centre assets which may be classified as industrial or flex space by some, and was more or less a 2008 deal that closed in 2009. Total sales transaction dollar volume for the year end 2009 will likely be far below the 15-year historical annual average volume of \$1.8-billion. Our forecast for this year is \$500-million in GTA office transactions.

Transaction volume by property size as a percentage of total volume has remained stable YTD in 2009 when compared to the 15 year historical average (see Figure 4). As a matter of fact, in 2009, 53% of dollar volume is generated from building sales of greater than 250,000 square feet, compared to the historical average of 64%. Buildings of 25K-100K in 2009 have represented 20% of total sales, 8% more compared to the historical average of 12%.

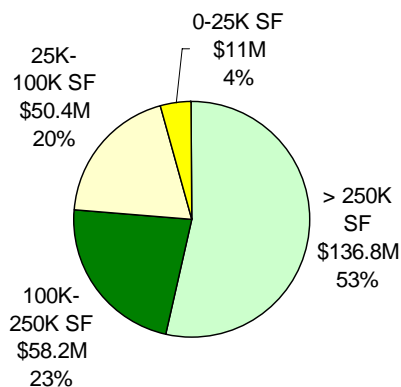
**FIGURE 1 – AVG \$ PSF – 1992 TO 2009 YTD (May 31/09)**



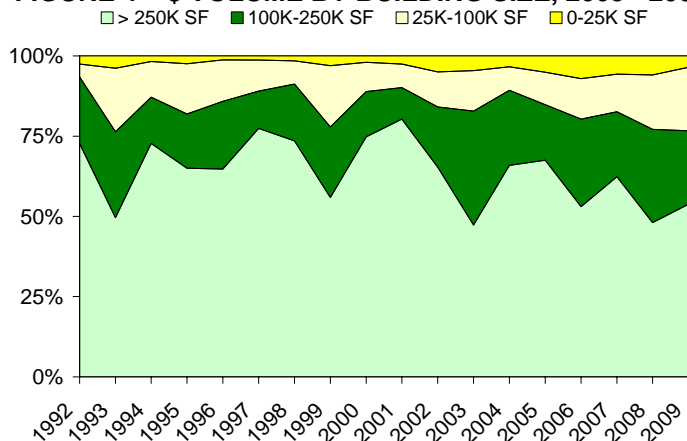
**FIGURE 2 – Q1 \$ VOLUME – 2003 TO 2009**



**FIGURE 3 – YTD 2009 \$ VOLUME BY BUILDING SIZE**



**FIGURE 4 – \$ VOLUME BY BUILDING SIZE, 2003 - 2009**



Building Size	# of Transactions	Total Sales \$ Volume	Avg Sale \$/PSF
> 250K SF	2	\$136,800,000	\$ 163
100K-250K SF	2	\$58,233,248	\$ 270
25K-100K SF	5	\$50,422,040	\$ 187
0-25K SF	8	\$11,001,000	\$ 199

Data Source: Marshnet.com