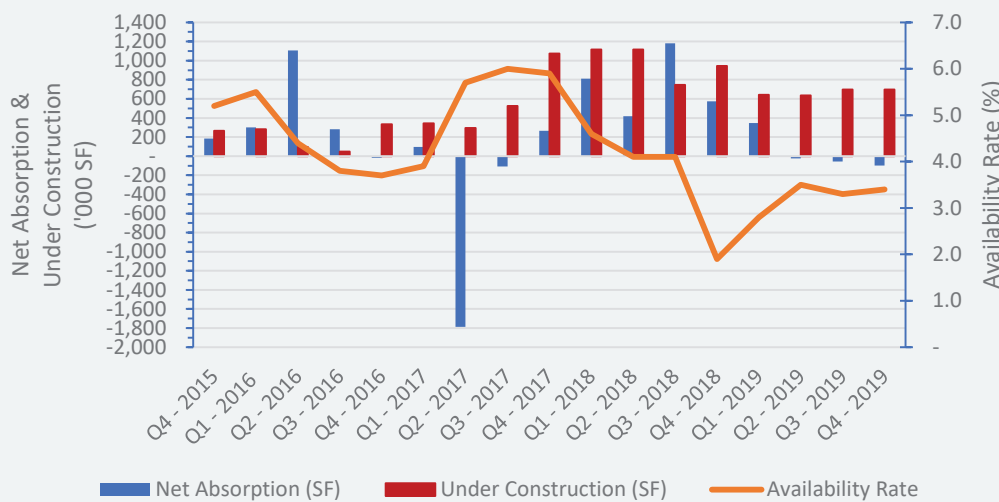


Waterloo/Wellington 4Q19 Industrial Snapshot

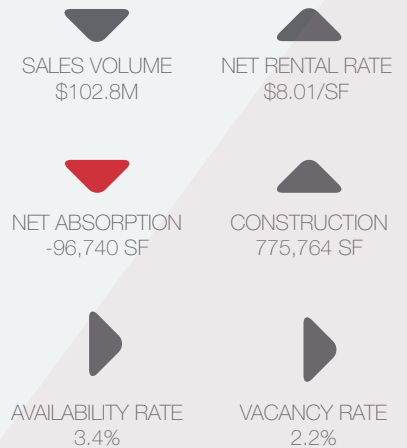


Rental rates increasing in Waterloo/Wellington for 4Q-2019



Trends for 4Q19

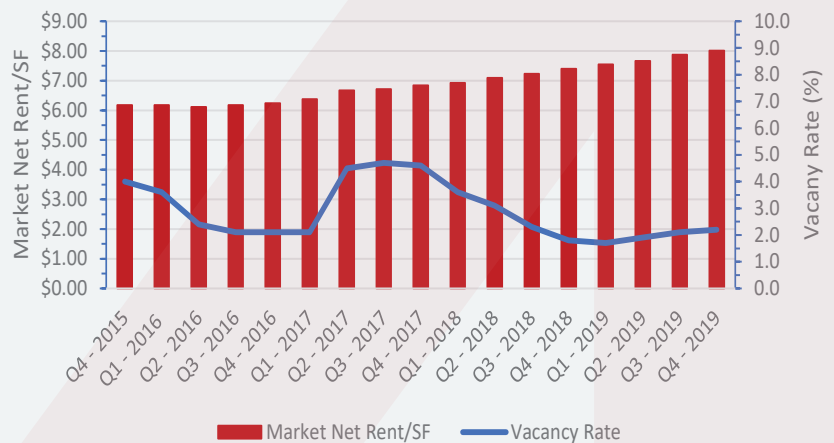
Arrows indicate change from previous quarter



Source: CoStar

- Industrial market in Waterloo/Wellington remains strong
- High-demand with little available space driving rental rates higher
- Very limited functional supply of sub-20,000 square foot spaces
- Addition of larger spaces resulted in negative absorption
- Larger spaces are taking longer to lease
- Strong demand for purchasing with limited supply in all size ranges

Waterloo/Wellington



Source: CoStar

Waterloo/Wellington 4Q 2019 Industrial Report

Market Overview:

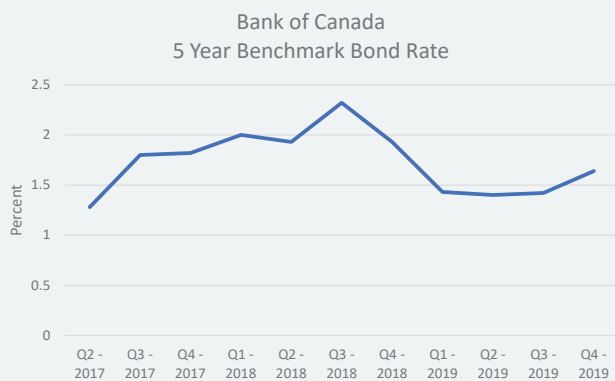
| Submarket | Inventory (SF) | Vacancy Rate (%) | Availability Rate (%) | Overall Net Rental Rate (PSF) | Sales Volume (\$) | Average Sale Price (\$) |
|---------------------|----------------|------------------|-----------------------|-------------------------------|-------------------|-------------------------|
| Guelph | 17,598,309 | 1.1% | 2.5% | \$7.98 | \$18,775,000 | \$112 |
| Kitchener/Waterloo | 26,108,637 | 2.6% | 4.3% | \$8.18 | \$64,889,383 | \$81 |
| Cambridge | 27,425,944 | 2.4% | 2.3% | \$7.88 | \$9,002,000 | \$80 |
| Waterloo/Wellington | 77,863,036 | 2.2% | 3.4% | \$8.01 | \$102,816,383 | \$90 |

Source: CoStar

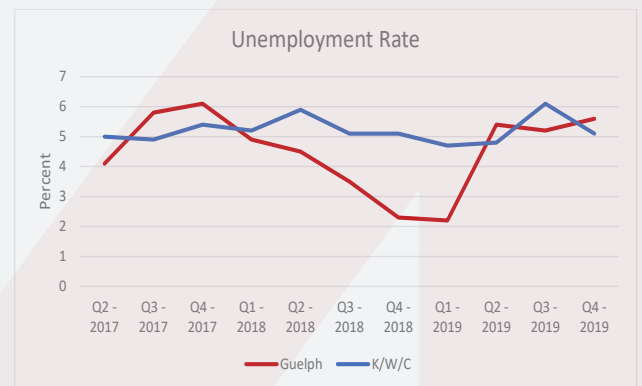
Significant Transactions:

| Submarket | Sale or Lease | Size (SF) |
|-----------|---------------|-----------|
| Guelph | Lease | 78,303 SF |
| Guelph | Sale | 53,500 SF |
| Guelph | Sale | 96,500 SF |
| Kitchener | Sale | 97,066 SF |
| Kitchener | Lease | 9,000 SF |
| Cambridge | Lease | 16,680 SF |

Source: CoStar



Source: Bank of Canada



Source: Statistics Canada

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