



Commercial & Investment Real Estate Report

www.DonMulholland.com

The problem with a quarterly newsletter in a dynamic commercial real estate market like Toronto's is that things change daily not every three months...

In an effort to keep property owners up-to-date with all things that influence commercial Real Estate in the city, I've launched a new interactive website! By visiting it you can do the following:

- Subscribe to this newsletter digitally and have a look at some of my previous newsletters. It will also save paper.
- Be the first to get information on my latest properties for sale and lease including links to additional information such as photo galleries & floor plans.
- Request a customized search which I will set-up for you that can send properties within a specific geographic area within a certain price range your way by email.
- Visit my blog which will have information on the latest development proposals in the area, tax issues affecting investment property owners, statistics on lease and sale rates in the lower west end and links to articles of interest to commercial & investment real estate owners. This month's posts include an update on Toronto's plans to allow mid-rise development on main streets and densification, stats on the recovery of the U.S. commercial real estate market, and the top 10 neighbourhoods for condo construction in Toronto.

Cyclists & Bike Lanes have Positive Impact on Shopping



It turns out that cyclists and bike lanes are GOOD for business. The Toronto Cycling Think & Do Tank together with the School of the Environment at the University of Toronto completed a study in November 2013 on the economic impact of cyclists and bike lanes on local retailers and businesses in urban areas in North America. The study focused mainly on Toronto where a recent Spacing Magazine revealed that between 2006 and 2011 there was a 75% increase in overall bicycle use. In the Lower West End of Toronto (Ward 19 - Trinity - Spadina) an astonishing 11.35% of all trips were taken by bike. Two other Toronto studies showed that cyclists in pre-war urban neighbourhoods contribute significantly to businesses' sales and are in fact higher per-capita monthly spenders than drivers.

Of special interest to commercial and investment property owners is that evidence suggests bike lanes effectively act as a catalyst for economic activity. For example, the implementation of physical-

ly separated bike lanes in New York City led to widespread economic benefits along the streets where these lanes were located. These bike lanes contributed to a 49% increase in retail sales in businesses located on 9th Avenue compared to a 3% increase borough wide, 49% fewer commercial vacancies on Union Square, compared to a 5% increase borough wide, and a large increase in bicycle volumes on First and Second Avenues accompanied by 47% fewer commercial vacancies which compared to 2% more vacancies borough wide.

Another interesting detail mentioned in the report was that the perception that customers are likely to arrive by car in dense urban areas continues to be held by many retailers – even if other travel modes have firmly established themselves as the most popular. Studies conducted in downtown neighbourhoods of Toronto and Vancouver have shown that business operators tend to overestimate the number of customers arriving by car, and that the volume of customers who arrive by car is small in comparison to that of those who don't. In The Annex customers are more likely to arrive by cycling than by driving (12% cycling mode share vs. 10% car mode share), retailers overestimated the car mode share on average by 100%. Merchants from Bloor West Village, where car use is more prevalent, also over-estimated the number of drivers visiting their stores by 100%.

For a link to the full report visit my blog at www.DonMulholland.com.

Don Mulholland's Spring Transactions:



368-370 Spadina Ave.
Asking Price: \$1,625,000

- 2 bldgs. lots, 34' of frontage.
- Fantastic opportunity to create your own vision.
- Located at the gateway to Kensington Market steps to Green "P".



65 Bellwoods Ave.
Asking Price: \$22.00 sq.ft.

- Semi-Gross - (only hydro extra).
- Office/Studio loft space.
- Sizes 2,000 to 5,000 sq.ft.
- 11' ceilings, lots of natural light, Just north of Queen W.



40 Laird Dr.
Sold Price: \$2,000,000
Asking Price: \$30.00 Net

- Built in 1990 - located in an area in transition in Leaside.
- Main floor 2,829 sf for lease w/ 15' ceilings. Suitable for retail or studio space. New showcase window to be installed.



181 Augusta Ave.
Asking Price: \$1,595,000

- Located in the heart of Kensington Market.
- Potential income of \$100K Net.
- Live/work potential with views of park & city skyline.



225 Geary Ave.
Sold Price: \$779,000

- Approx. 6,000 sq. ft. on main, 2nd & bsmt.
- Industrial space w/ over 20' clear span & 9' ceilings.
- Potential \$60K+, Net Income.

Thinking of Selling...?

The market couldn't be better! Interest rates are low and demand is high - who knows how long it's going to last...

Give me a call or drop me a line to arrange a free, no-obligation, evaluation of your property.

Lower West End of Toronto - Market Report

Prices continue to rise throughout the area fueled mainly by a lack of product and low interest rates. In many cases, the same trend experienced in the residential market over the past few years - multiple offers on the same property - is now occurring with the sale of Investment and Commercial real estate.

Please contact me for a more in depth analysis of sales in your immediate area.

Street	Period (days)	# of Sales	average sale price	low	high	average \$ psf (bldg)	Street	Period (days)	# of Sales	average sale price	low	high	average \$ psf (bldg)
Queen St. W.	≤365	3	\$1,310,000	\$1,260,000	\$1,549,000	\$600.30	College St.	≤365	3	\$1,257,333	\$728,000	\$1,545,000	\$303.35
(Spadina to Dufferin)	365-730	11	\$1,367,000	\$1,100,000	\$2,000,000	\$526.04		365-730	5	\$1,568,000	\$1,300,000	\$1,800,000	\$313.83
Queen St. W.	≤365	5	\$2,255,200	\$890,000	\$3,825,000	\$405.80	Spadina Ave.	≤365	2	\$1,134,500	\$999,000	\$1,270,000	\$346.18
(West of Dufferin)	365-730	2	\$2,081,250	\$1,285,000	\$2,877,500	\$289.15		365-730	3	\$1,461,667	\$875,000	\$1,082,000	\$354.13
Dundas St. W.	≤365	5	\$1,764,800	\$1,270,000	\$3,200,000	\$369.20	Roncesvalles Ave.	≤365	7	\$1,104,375	\$975,000	\$1,400,000	\$461.64
(Spadina to Duffern)	365-730	4	\$672,250	\$450,000	\$1,050,000	\$396.29		365-730	0				
Dundas St. W.	≤365	4	\$843,500	\$639,000	\$1,160,000	\$296.82	Bloor St. W.	≤365	16	\$1,308,500	\$495,000	\$4,835,000	\$402.42
(Dufferin to Bloor W)	365-730	2	\$802,500	\$740,000	\$865,000	\$252.99	(Spadina to Dundas)	365-730	15	\$1,160,327	\$600,400	\$3,000,000	\$317.23

The chart above represents sales reported on MLS® by the Toronto Real Estate Board only and are provided to show general market conditions. Sales prices vary by block. Many factors effect property values such as location, size, configuration, use, taxes, operating expenses and the condition of the property. Please call me for the latest information relevant to the pricing of your property.