



MARKET FUNDAMENTALS

	YOY Chg	Outlook
3.6% Vacancy Rate	▲	▬
415,148 YTD Net Absorption, SF	▲	▬
\$9.78 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
328,300 London Employment	▲	▼
5.9% London Unemployment Rate	▼	▲
6.7% Canada Unemployment Rate	▲	▲

Source: Statistics Canada. Labour force characteristics, three month moving average, seasonally adjusted. March 2025.

ECONOMY

The local unemployment rate decreased to 5.9% in the first quarter of 2025. Total employment increased quarter-over-quarter (QOQ) in London to begin the year, jumping to 328,300 jobs in the first quarter of 2025.

In March 2025, the policy interest rate was reduced by a further 25 basis points (bps) to 2.75%, marking the seventh consecutive rate cut by the Bank of Canada. The most recent rate cut was prompted by the need to stimulate economic growth and in response to increased uncertainty due to new and pending future tariff policies implemented by the United States. Economic headwinds related to the trade war with the United States are likely to negatively impact employment and overall economic prospects in the local market, at least in the short-term.

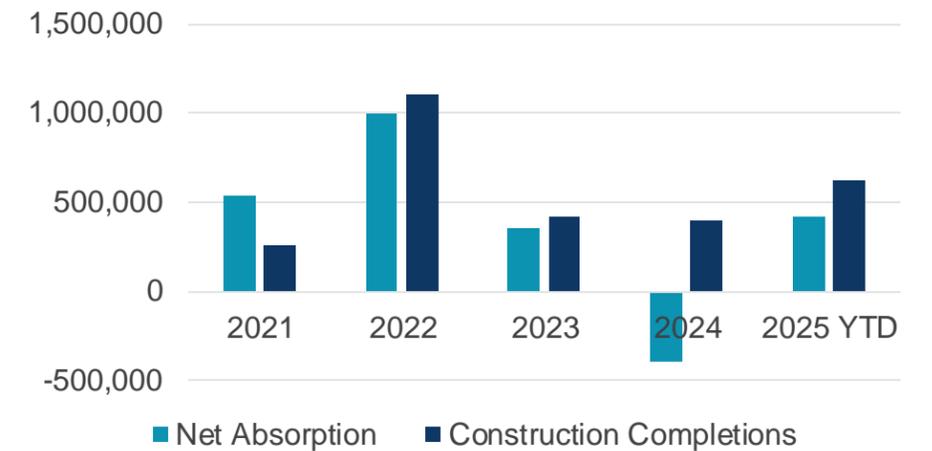
SUPPLY AND DEMAND

London's overall industrial vacancy rate increased slightly to 3.6% in the first quarter of 2025. The local industrial market has gradually returned to more balanced conditions over the past couple of years; however, vacancy remains low compared to pre-2020 levels. Although vacancy increased in the first quarter of 2025, absorption remained positive due to new construction activity, including the completion of a 558,550 square-foot facility constructed by Dancor on behalf of Old Navy (Canada) Inc. There are several ongoing industrial developments throughout London, with the greatest concentration in the City's Innovation Park located near the intersection of Veteran's Memorial Parkway and Highway 401.

PRICING

Despite increased vacancy in the local market, the city-wide average net asking rate for industrial space in London increased by approximately 350 bps QOQ, rising from \$9.45 per square foot (psf) to \$9.78 psf in the first quarter of 2025. The average sales price for industrial space in the first quarter of 2025 was relatively stable, at approximately \$180 psf. Minimal change is expected with respect to average net asking rates and sales prices for industrial space in the local market throughout the year.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CNSTR COMPLETIONS (SF)	WEIGHTED AVERAGE NET ASKING RENT*	WEIGHTED AVERAGE ADDITIONAL RENT	OVERALL WEIGHTED AVERAGE GROSS RENT
Airport	864,020	0	0.0%	0	0	0	0	n/a	n/a	n/a
Central	10,592,835	454,642	4.3%	530,933	530,933	2,000	558,550	\$7.82	\$2.99	\$10.81
Hyde Park	988,789	48,711	4.9%	-3,667	-3,667	0	0	\$11.97	\$5.25	\$17.22
Lambeth	291,222	5,320	1.8%	0	0	0	0	n/a	n/a	n/a
Northeast	8,743,002	363,869	4.2%	15,765	15,765	0	20,000	\$9.17	\$3.51	\$12.68
Veteran's Memorial Parkway	5,126,688	38,356	0.7%	45,550	45,550	484,829	0	\$12.60	\$3.24	\$15.84
Westminster	3,620,396	206,485	5.7%	53,920	53,920	0	43,164	\$11.19	\$4.31	\$15.50
White Oak	4,355,232	125,618	2.9%	-10,556	-10,556	4,000	0	\$10.60	\$3.63	\$14.23
Wilton Grove	8,441,916	318,358	3.8%	-216,797	-216,797	0	0	\$11.32	\$3.90	\$15.21
LONDON TOTALS	43,024,100	1,561,359	3.6%	415,148	415,148	490,829	621,714	\$9.78	\$3.63	\$13.41

*Rental rates reflect weighted net asking \$psf/year; 5,320 sf of vacant space in Lambeth is listed for sale only

KEY LEASE TRANSACTIONS 2025 YTD

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
2455 Innovation Dr	Veteran's Memorial Parkway	Confidential	48,750	Sublease
22 Pegler St	Central	Undisclosed	12,000	Lease

*Renewals not included in leasing statistics

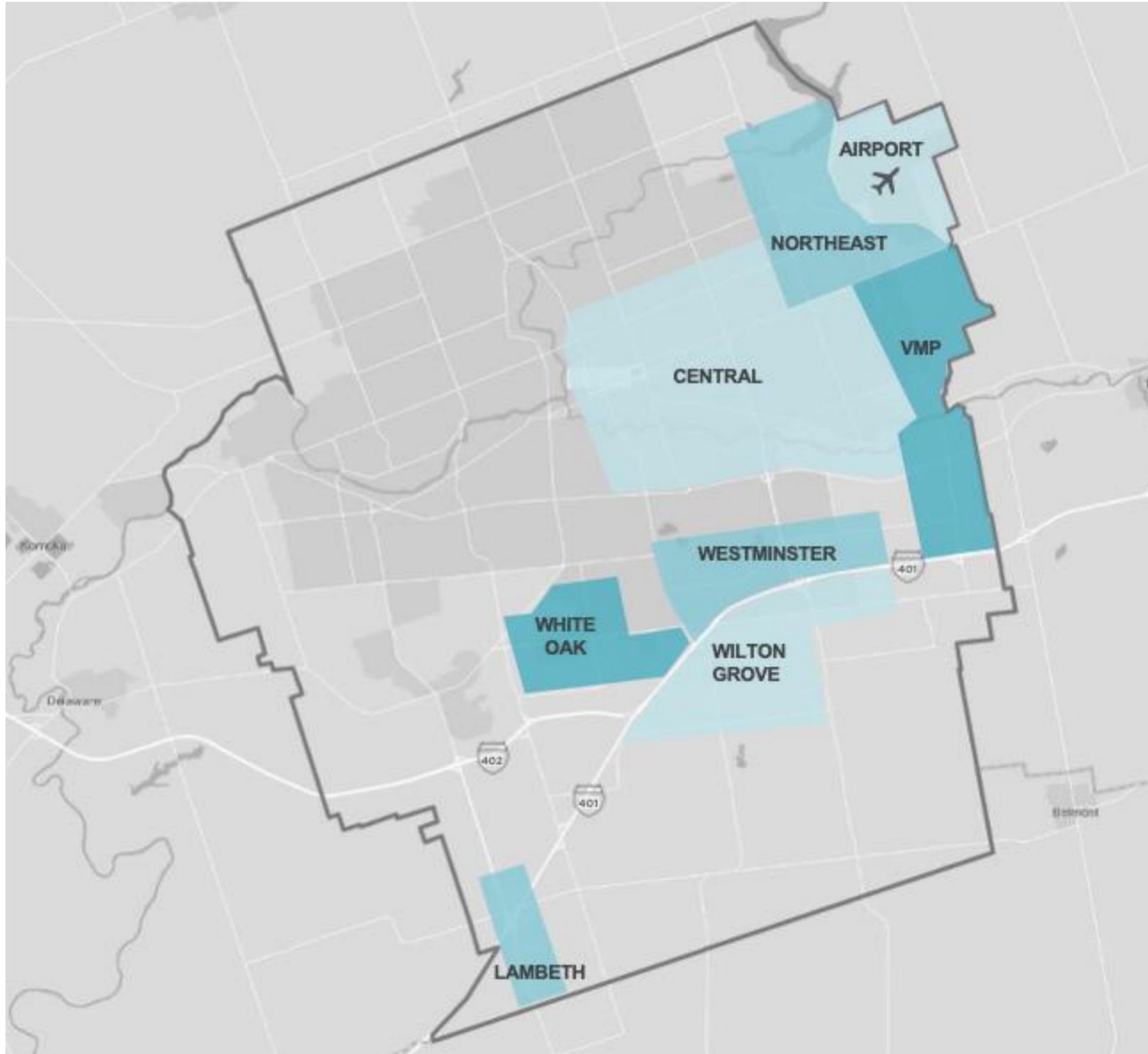
KEY SALE TRANSACTIONS 2025 YTD

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
405 Exeter Rd	White Oak	9593998 Ontario Limited/Bluestone Properties Inc.	62,000	\$8,750,000 / \$141.13
4226 Raney Cres	White Oak	2266779 Ontario Limited/2450627 Ontario Inc.	12,476	\$3,500,000 / \$280.54
2104 Jetstream Rd	Northeast	4Array Media Inc./2744920 Ontario Inc.	9,470	\$1,800,000 / \$190.07

KEY CONSTRUCTION COMPLETIONS 2025 YTD

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
1985 Gore Rd	Veteran's Memorial Parkway	Old Navy	558,550	Old Navy (Canada) Inc.
1061 Hargreive Rd	Westminster	Undisclosed	43,164	1061 Hargreive Road Holdings Inc.
1881 Huron St	Northeast	Militex	20,000	1253645 Ontario Inc.

INDUSTRIAL SUBMARKETS



MICHAEL JOHNSON
Sales Representative
Tel: +1 519 438 7325
michael.johnson@cushwakeswo.com

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