

Market Conditions

This profile contains information on building activity, employment lands, as well as both industrial and office markets.

Mississauga Recognized for Economic Strategy

- Mississauga ranked first in the mid-sized City of the Future category of Foreign Direct (fDi) Magazine's American Cities of the Future ranking for 2013/2014. The ranking focuses on a mixture of data and expert opinion to rank cities that have the best prospects for inward investment, economic development and business expansion. The City of Mississauga also ranked first for business friendliness, second for economic potential and fourth for infrastructure.

Building Activity

- The total dollar value of building permits issued for 2013 was \$942 million.
- Mississauga's industrial/commercial activity in 2013 represented \$480 million (50.9%). Industrial permits issued totaled \$210 million and commercial \$270 million.
- Our residential sector accounted for 53.3% of the total permits issued amounting to \$367 million. The following chart provides details on building activity over the last 5 years.

Comparative Value of Construction by Type 2009 - 2014

Year	Total (\$000s)	Industrial (\$000s)	Commercial (\$000s)	Residential (\$000s)	Other* (\$000s)
2009	\$640,508	\$81,993	\$81,243	\$387,955	\$89,317
2010	\$451,806	\$42,415	\$131,454	\$190,604	\$87,333
2011	\$806,127	\$129,194	\$170,914	\$383,746	\$122,273
2012	\$856,857	\$158,270	\$199,839	\$457,040	\$41,708
2013	\$942,335	\$210,108	\$270,745	\$367,335	\$94,147
2014**	\$928,377	\$256,837	\$326,161	\$259,554	\$85,825

City of Mississauga, Planning & Building Dept., 2009 – 2014 Building Permit Reports

Note: *Other includes public, institutional, church, school and government, city and other.

**2014 includes January - October Building Permits



Employment Lands

Land Use Policies

- Municipalities control land use by means of an Official Plan addressing transportation, population densities, park and recreational needs and the location of business parks and commercial centres.
- The Mississauga Official Plan uses a comprehensive zoning by-law which defines specific uses for the developed and undeveloped lands in Mississauga. The Mississauga Plan also includes a set of character area plans outlining detailed policies for specific planning districts.
- Lands designated Business Employment and Industrial are found within the employment areas, corporate centres, downtown and special purpose areas.
- Lands associated with the Toronto Pearson International Airport are not included as they are federal government lands.

Vacant Lands by Character Areas

District	Total Land		Vacant Land		% Vacant
	Acres	Hectares	Acres	Hectares	
Airport Corporate Centre	938	379	163	66	17
Churchill Meadows Employment Area	171	69	103	42	60
Clarkson Employment Area	130	53	11	5	9
Dixie Employment Area	1,346	545	65	26	5
Downtown Areas	1,380	559	86	35	6
Gateway Corporate Centre	848	343	240	97	28
Gateway East Employment Area	2,361	956	59	24	3

Gateway West Employment Area	1,298	525	151	61	12
Lakeview Employment Area	430	174	0	0	0
Mavis-Erindale Employment Area	497	201	31	13	6
Meadowvale Business Park Corporate Centre	3,274	1,325	352	142	11
Northeast East Employment Area	1,468	594	159	64	11
Northeast West Employment Area	6,883	2,785	275	111	4
Sheridan Park Corporate Centre	402	163	102	41	25
Southdown Employment Area	1,793	725	377	153	21
Western Business Park Employment Area	1,047	424	69	28	7
Total Employment Areas, Corporate Centres & Downtown Areas	24,267	9,822	2,245	909	9
Other Character Areas	47,919	19,392	553	224	1
Total	72,185	29,213	2,798	1,132	4

Source: City of Mississauga, Planning & Building Department, 2014 Vacant Lands
Note: Numbers may not add up due to rounding.

Note: [Click here to view district locations.](#)

- According to experts in the real estate community, the Greater Toronto Area, which includes Mississauga, is the 3rd largest industrial real estate market in North America, behind Chicago and Los Angeles
- Major factors influencing growth in Mississauga are easy access to Toronto Pearson International Airport, Highways 401, 403, 407, QEW and 410, and the availability of highway exposure sites.

Vacant Land – August 2014

Status	Acres	Hectares
Total Vacant Land in Employment Areas, Corporate Centres, & Downtown Area	2,245	909
<i>Source: City of Mississauga, Planning & Building Dept. 2014 Vacant Lands</i>		

- More than 2,000 acres of employment lands are available to be developed. [Click here for further information.](#)
- Employment lands include lands designated “Business Employment” and “Industrial”. These designations allow a variety of development including industrial, office, retail commercial and institutional uses.

Employment Lands Real Estate Activity

Employment Land Sales Activity

- Demand for land has levelled out.
- Acquisitions by owner/users with the intent of constructing their own facility is one of the driving forces behind most land sales.
- The supply of land has increased. Some parcels are priced very high, owners are testing the market.

Employment Land Values

Fully Serviced Land	Quoted Price/Acre
General	\$700,000 - \$750,000
Prestige	\$900,000 - \$1,000,000
High Exposure	\$1,300,000
<i>Source: Indusite Realty Corporation, September 2014</i> <i>Notes: The above quoted prices are to be used as a guideline only; they include development charges and are based on a 42% building coverage.</i>	

- Development charges are collected by the municipality for the purpose of financing the construction of new capital infrastructure, as a result of the growth stemming from development in the City of Mississauga. [Click here for detailed information regarding development charges.](#)

Industrial Buildings - Sales Activity

- Demand and prices for industrial sales have stabilized.
- Prices start at \$80 - \$100 per square foot depending on size, finish, quality and location.

Industrial Building Vacancy Rates

Existing Space (square feet)	Available Space (square feet)	Availability Rate
155,183,555	6,140,939	4.0%
<i>Source: C B Richard Ellis, 3rd Quarter 2014</i>		

Industrial Building Lease Rates

Size (square feet)	Quoted Net Rent (\$/square foot) 10% Finished Area	Quoted Net Rent (\$/square foot) 30% Finished Area
Under 10,000	\$4.50 - \$5.75	\$5.00 - \$6.25
10,000 - 20,000	\$4.25 - \$5.25	\$5.00 - \$6.00
20,000 - 50,000	\$4.25 - \$5.50	\$5.00 - \$5.50
60,000 - 100,000	\$4.00 - \$6.00	\$5.00 - \$6.25
Over 100,000	\$4.00 - \$6.25	\$5.00 - \$6.00
<i>Source: Indusite Realty Corporation, August 2014</i> <i>Notes: Taxes, Maintenance & Insurance (TMI) with 10% finished area \$3.25 - \$4.75/square foot; TMI with 30% finished area \$3.50 - \$4.95/square foot.</i> <i>The above quoted prices are to be used as a guideline only.</i>		

Industrial Buildings – Leasing Activity

- Lease rates have stabilized; there has been a moderate increase in vacancy rates. Sub-leases are being marketed aggressively, resulting in lower starting rents and adding to the supply.
- Tenant improvements and extra office construction is either paid upfront or amortized over the lease term resulting in additional costs to users.
- Less demand and absorption of industrial buildings containing a high percentage (50+%) of office.
- Industrial buildings with greater than 30 foot ceiling heights continue to outperform other properties.

Office Space Vacancy Rates

Existing Space (square feet)	Available Space (square feet)	Availability Rate
26,634,267	3,355,314	12.6%
<i>Source: Cushman & Wakefield, Office Space Market, 3rd Quarter 2014</i>		

Office Space Lease Rates

Building Class	Average Net Rental Rate
A	\$17.11
B	\$13.14
C	\$12.10
All	\$15.87

Source: Cushman & Wakefield, 3rd Quarter 2014

Notes: The above rates are to be used as a guideline only; they do not include Realty Taxes, Operating Costs or Hydro and exclude business taxes. Numbers may not add up due to rounding.

- Due to continual changes in the office market, the city does not monitor vacancy rates or lease rates but relies on information supplied by the real estate community.
- Boundaries used by the real estate community are based on office concentration areas and not based on municipal boundaries or municipal geographical districts found in other inventories. It should also be noted that not all realtors use the same concentration area boundaries.
- The chart contains data for office areas that may extend beyond the municipal boundaries of the City of Mississauga.
- The total square footage, available space and vacancy rate represents “office space” but may not be located within an “office building”.
- The information in the charts above depict vacancy and lease rates and are intended to be a guideline only.



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