

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 tenth in the Large City of the Future category of fDi Magazine's American Cities of the Future ranking for 2015/2016. 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 third for connectivity, fourth for business friendliness and fifth for FDI strategy.

Building Activity

- The total dollar value of building permits issued for 2014 was \$1.1 billion.
- Mississauga's industrial/commercial activity in 2014 represented \$635 million (57.1%). Industrial permits issued totaled \$269 million and commercial \$365 million.
- Our residential sector accounted for 33.4% of the total permits issued in 2014 amounting to \$371 million. The following chart provides details on building activity over the last 7 years.

Comparative Value of Construction by Type 2009 - 2015

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	\$1,111,873	\$269,543	\$365,880	\$371,837	\$104,613
2015 (Jan.-Apr.)	\$184,391	\$36,183	\$64,869	\$75,751	\$7,588

City of Mississauga, Planning & Building Dept., 2009 – 2015 Building Permit Reports
*Note: *Other includes public, institutional, church, school and government, city and other.*

Updated May 2015

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: Please refer to page 5 for character area 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 – 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. Please refer to page 5 for character area locations.
- 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, March 2015</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

- Prices for industrial sales slightly increased over the last quarter of 2014.
- The average sale price for industrial space (per sq. ft.) over the last quarter of 2014 was approximately \$106.

Industrial Building Availability Rates

Existing Space (square feet)	Available Space (square feet)	Availability Rate
160,166,066	7,764,915	4.8%
<i>Source: Colliers, GTA Industrial Statistics, 2015 Q1</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, March 2015</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. The above quoted prices are to be used as a guideline only.</i>		

Industrial and Office Buildings – Leasing Activity

- Mississauga experienced significant growth throughout 2014 in industrial activity. As a result, industrial lease and vacancy rates are closer to pre-recession levels.
- Industrial buildings with greater than 30 foot ceiling heights continue to outperform other properties.
- Tenant improvements and extra office construction is either paid upfront or amortized over the lease term resulting in additional costs to users.
- Office tenants are increasingly opting for newer LEED-certified, accessible and visible space.

Source: Avison Young, 2015 Forecast

Office Space Vacancy Rates

Existing Space (square feet)	Vacant Space (square feet)	Vacancy Rate
28,929,177	2,759,138	9.5%

Source: Colliers, GTA West Office Statistics, Q1 2015

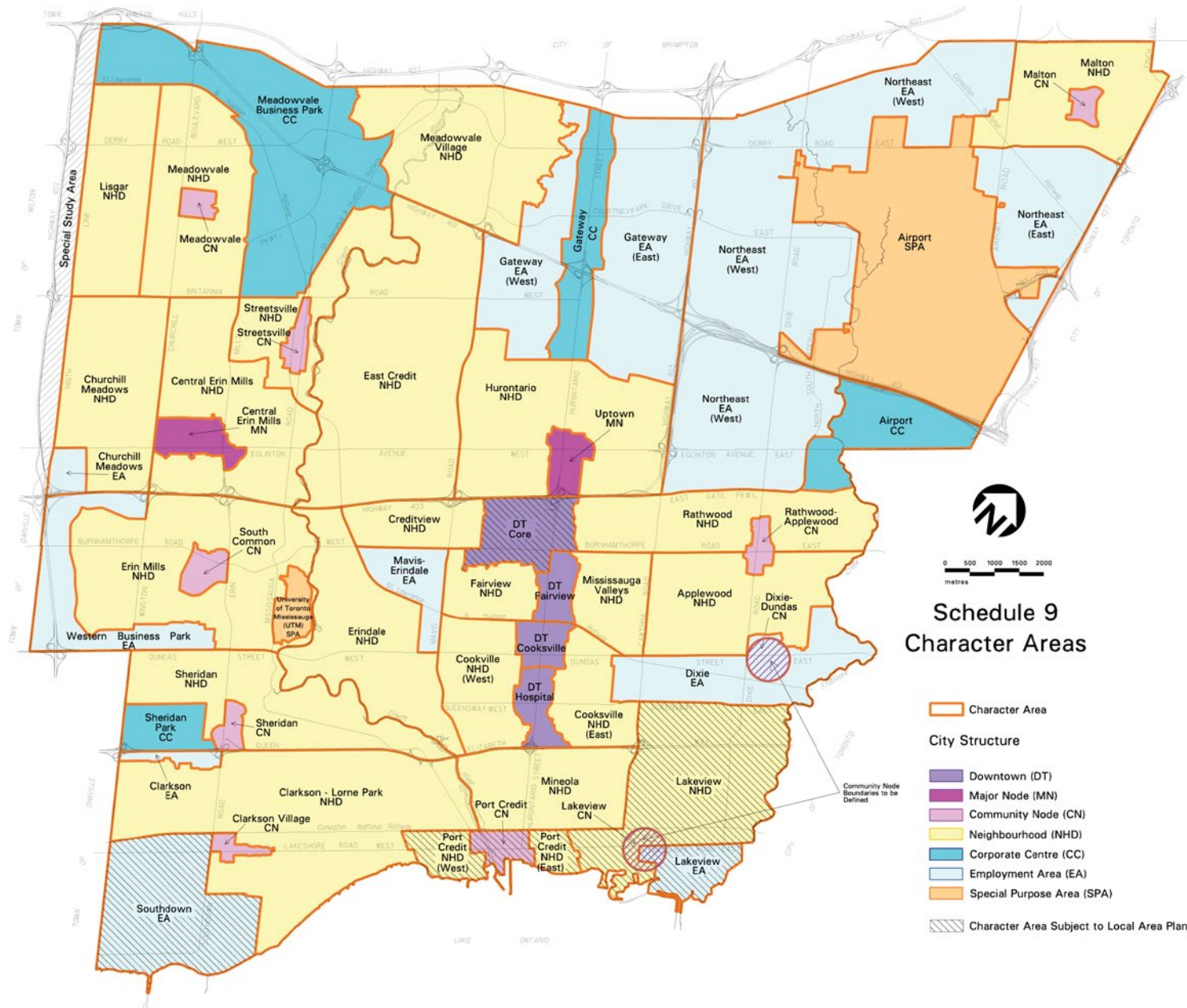
Office Space Lease Rates

Building Class	Weighted Average Net Rental Rate
A	\$15.39
B	\$12.71
C	\$10.05
All	\$14.97

Source: Colliers, GTA West Office Statistics, Q1 2015

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 charts above contain 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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