



# CANADA QUARTERLY STATISTICS

SECOND QUARTER 2025

Better never settles





# OFFICE STATISTICS

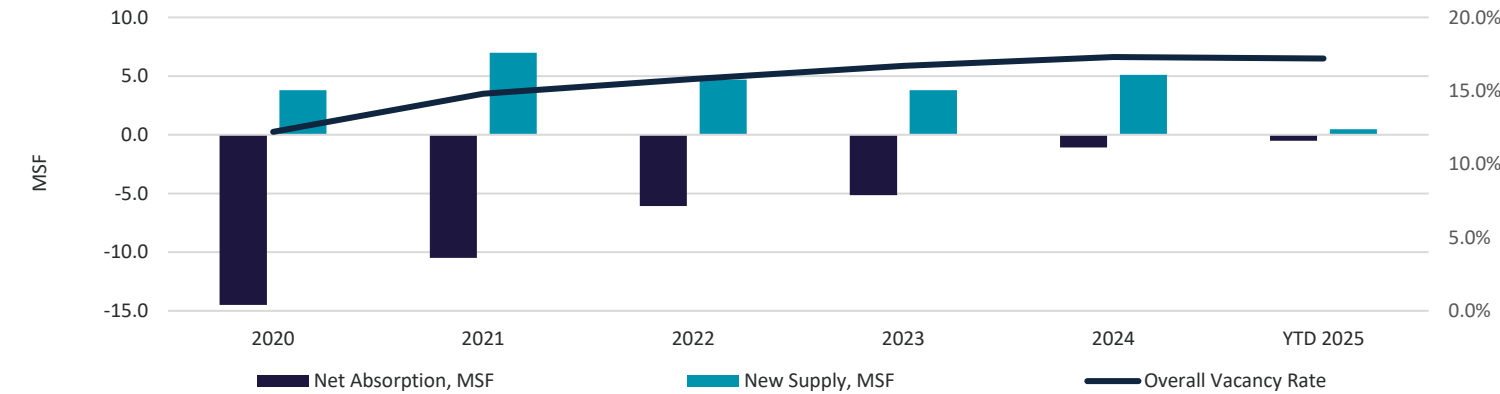
SECOND QUARTER 2025



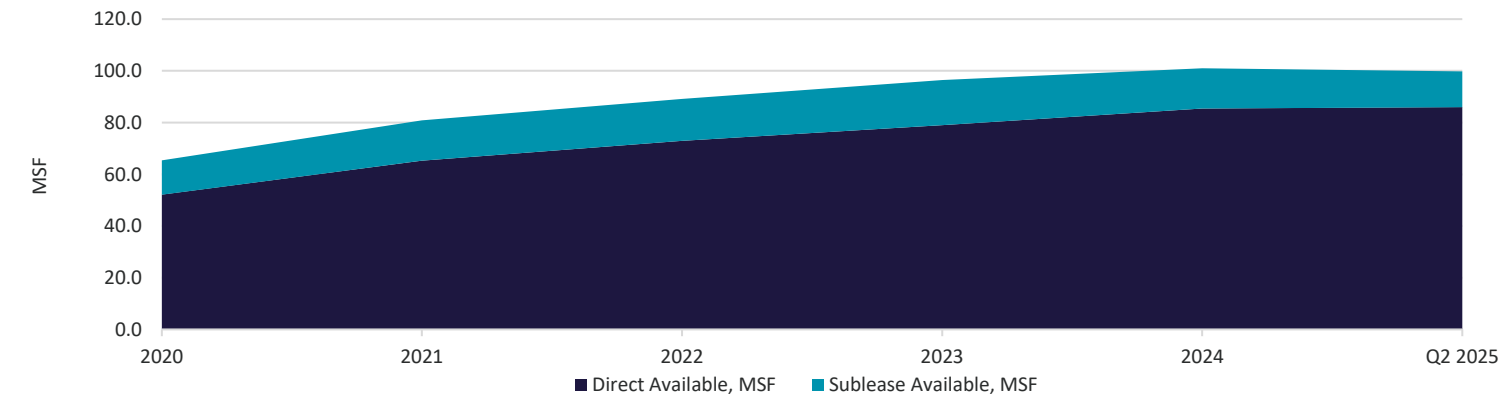
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	324,473,045	61,582,025	18.7%	19.2%	19.0%	98,028	323,468	200,561	-404,152	\$25.55	\$22.10	\$47.65
Suburban	257,374,100	38,235,158	14.9%	14.9%	14.9%	363,350	363,350	-278,409	-107,174	\$18.15	\$15.58	\$33.72
Total	581,847,145	99,817,183	17.0%	17.3%	17.2%	461,378	686,818	-77,848	-511,326	\$22.50	\$19.65	\$42.15
Class A Central	191,156,664	33,032,261	17.4%	17.8%	17.3%	98,028	323,468	650,337	32,043	\$30.23	\$24.81	\$55.04
Class A Suburban	131,047,155	22,406,663	16.4%	16.9%	17.1%	363,350	363,350	-249,466	-252,902	\$20.21	\$16.87	\$37.08
Class A Total	322,203,819	55,438,924	17.0%	17.4%	17.2%	461,378	686,818	400,871	-220,859	\$26.31	\$21.89	\$48.20

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



17.2% OVERALL VACANCY

Overall office vacancy reached 17.2% in the second quarter of 2025, virtually unchanged from last quarter, as the stabilization of the market continues. The most notable change in vacancy quarter-over-quarter (QOQ) was in the Central Class A market as vacancy declined to 17.3%. Overall direct vacancy witnessed a minor increase from last quarter while sublet vacancy has continued to trend downwards to now sit at 13.8 million square feet (msf) – approximately 16.1% lower compared to one-year-ago. This decrease in sublet vacancy was driven primarily by the Suburban Class A market, where sublet vacancy has a percentage of overall vacant space is now at 14.7%, the lowest rate since the beginning of 2016.



-78K SF OVERALL ABSORPTION

While the overall market remained in negative territory this quarter it is an improvement from the past three quarters. The gain in absorption was the result of some momentum in the Central Class A market with absorption reaching just over 650k square feet (sf), as the occupancy of space by tenants outpaced new vacancy that arrived on the market. Absorption totals were also boosted in part by the just shy of 3.0 msf of leasing activity recorded this quarter, the highest total the Central Class A market has witnessed since the second quarter of 2022.



461K SF OVERALL NEW SUPPLY

New supply reached 461k sf this quarter, with Vancouver accounting for the majority of the completions with four buildings delivered totaling 357k sf. Looking to the remainder of 2025 approximately 2.9 msf of additional inventory is set to be delivered, with the number of projects split fairly evenly between the Central and Suburban markets. Currently 2.1 msf of this space has been preleased, about 73.1%, and therefore these completions alone will not move the needle on vacancy. That being said additional vacancy may arrive on the market in future quarters as tenants take occupancy in these new buildings.

Q2 2025

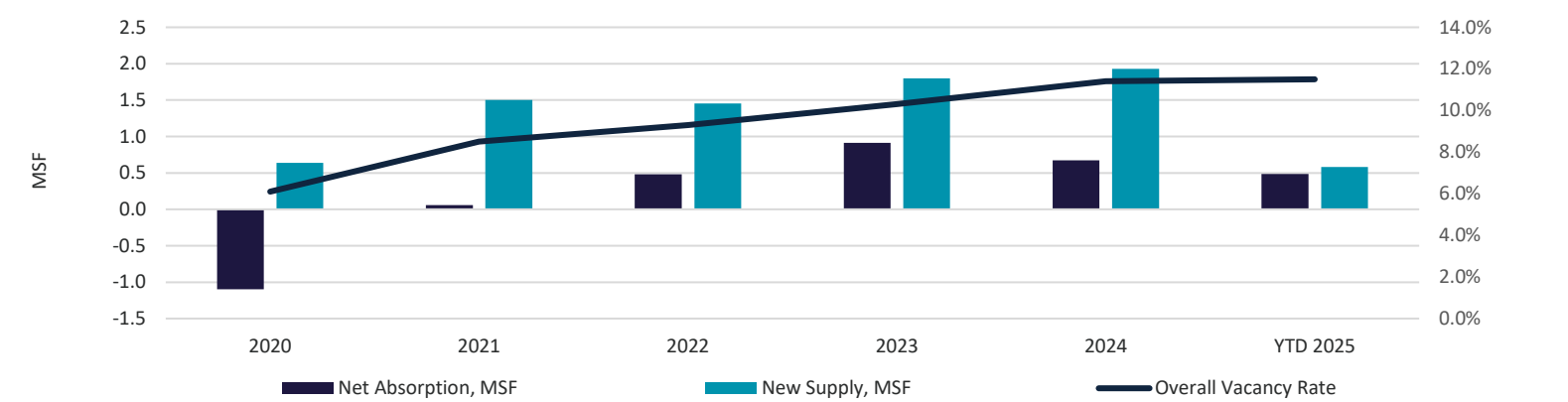
# VANCOUVER OFFICE STATISTICAL SUMMARY



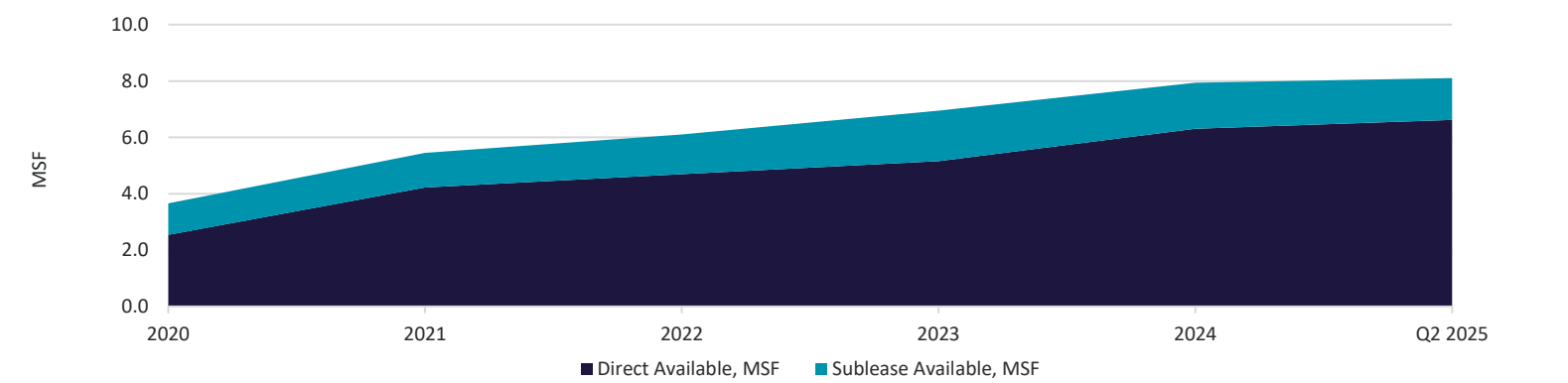
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	41,272,058	5,541,329	12.4%	13.2%	13.4%	58,851	284,291	54,818	166,192	\$34.82	\$22.73	\$57.55
Suburban	29,350,600	2,563,048	7.2%	8.8%	8.7%	298,350	298,350	259,347	320,210	\$28.91	\$17.89	\$46.80
Total	70,622,658	8,104,377	10.3%	11.4%	11.5%	357,201	582,641	314,165	486,402	\$33.01	\$21.25	\$54.26
Class A Central	22,061,705	2,797,874	12.7%	12.8%	12.7%	58,851	284,291	117,635	179,770	\$42.19	\$25.00	\$67.19
Class A Suburban	18,632,702	1,886,342	7.8%	10.3%	10.1%	298,350	298,350	275,093	292,662	\$31.73	\$17.93	\$49.66
Class A Total	40,694,407	4,684,216	10.6%	11.7%	11.5%	357,201	582,641	392,728	472,432	\$37.66	\$21.93	\$59.59

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



**14.2% DOWNTOWN CORE VACANCY AND 11.5% OVERALL**  
Downtown Core vacancy remained high at 14.2%, reflecting a minor 10 basis points (bps) decrease QOQ. With pockets of vacant space remaining from the recent wave of new construction completions, vacancy has remained elevated and relatively stable over the past 10 quarters, fluctuating within a narrow range between 13.7% and 14.3%. The trend suggests a plateauing market with steady demand gradually absorbing new supply - though not fast enough to significantly reduce vacancy. This indicates a phase of gradual rebalancing rather than active tightening. Overall Metro Vancouver vacancy remained nearly unchanged QOQ rising by just 10 bps to 11.5%, reflecting market stability.



**SUBLEASE ACTIVITY ON THE DECLINE**  
Metro Vancouver sublease activity declined in Q2 2025, with sublet space now accounting for 18.3% of total vacant space - a 6.0% decrease QOQ. This represents an almost 30% drop from the market highs in 2022–2023 and a 37% decrease from the pandemic peak in Q4 2020. Downtown Core sublease activity also continued to decline, dropping to 17.0% in Q2 (12.4% decrease QOQ) - the lowest level in 10 quarters. This trend reflects a combination of naturally expiring subleases reverting to landlords as direct space (e.g., Telus Podium) and a gradual absorption of sublease inventory.

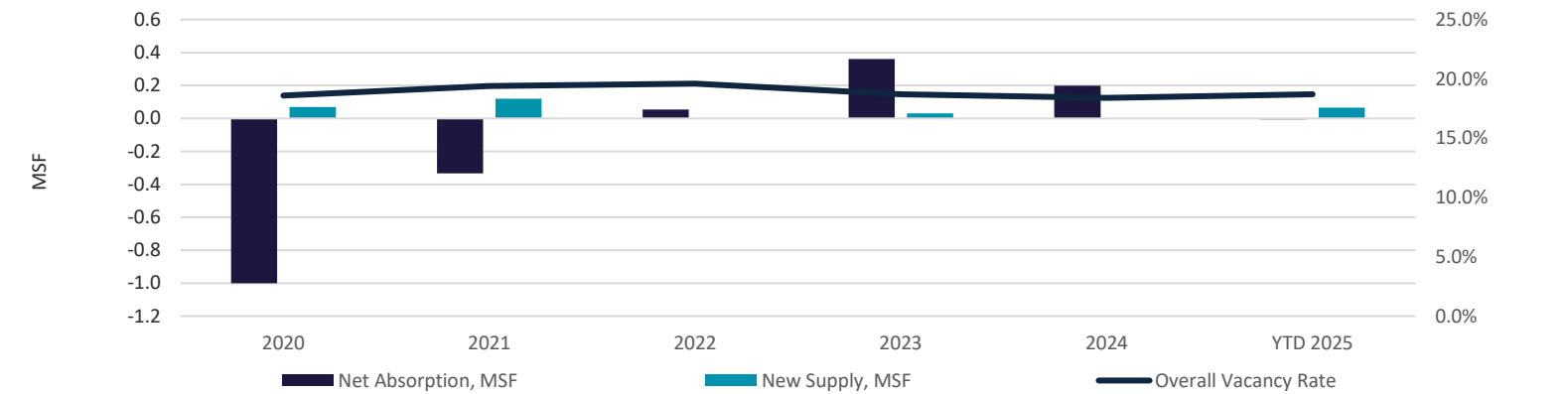


**ASKING GROSS RENTS REMAIN STABLE**  
Lower demand and elevated vacancy levels, combined with more higher-quality space being leased, led to a slight QOQ decline in asking rents in the Downtown Core, averaging \$61.39 per square foot (psf) gross in Q2 2025, down from \$61.58 psf in Q1 and reflecting a 1.8% decrease year-over-year (YOY). This reflects a gradual normalization from the peak levels seen in 2023 when rates were temporarily elevated by an influx of newly built, higher-quality space commanding premium rents. Across Metro Vancouver, average asking rents edged up to \$54.26 psf from \$53.80 psf in Q1 2025.

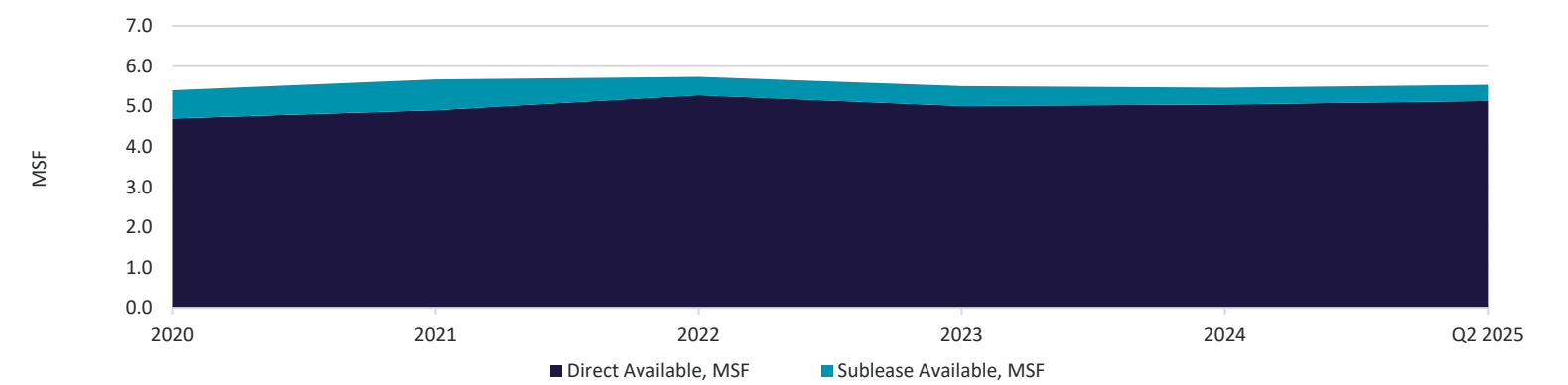
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			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	17,831,679	3,437,121	18.0%	19.1%	19.3%	0	0	-18,907	-106,457	\$16.54	\$18.73	\$35.27
Suburban	11,797,597	2,098,126	19.1%	18.0%	17.8%	65,000	65,000	85,764	100,648	\$15.90	\$13.81	\$29.72
Total	29,629,276	5,535,247	18.4%	18.7%	18.7%	65,000	65,000	66,857	-5,809	\$16.30	\$16.85	\$33.14
Class A Central	12,306,697	2,424,800	17.7%	19.7%	19.7%	0	0	-3,910	-83,932	\$18.13	\$20.34	\$38.47
Class A Suburban	6,389,359	949,104	14.4%	14.8%	14.9%	65,000	65,000	51,675	65,994	\$18.86	\$15.92	\$34.78
Class A Total	18,696,056	3,373,904	16.6%	18.0%	18.0%	65,000	65,000	47,765	-17,938	\$18.35	\$19.10	\$37.45

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



OFFICE ABSORPTION DRIVEN BY SUBURBAN GROWTH

In Q2 2025 total net absorption reached 66,857 sf, driven primarily by the strong suburban market performance which accounted for 85,764 sf of positive absorption. Meanwhile, the financial core continued to struggle, posting a net loss of 18,907 sf for the quarter. Edmonton’s office market remains divided, with steady suburban demand offset by ongoing challenges in the downtown core.



NEW SUPPLY, STRONG PRE-LEASING

Office development in Edmonton continues to face challenges, but new projects are showing signs of progress, supported by strong pre-leasing activity. The new Covenant Health building exemplifies this trend, adding 65,000 sf to the market, with 49,200 sf already pre-leased ahead of completion.



GROSS RENTS & OPERATING COSTS RISE SLIGHTLY

The overall gross rent increased QOQ from \$32.96 psf to \$33.14 psf, while operating costs rose from \$16.65 psf to \$16.85 psf. The asking net rent remained stable, with a negligible change from \$16.31 psf to \$16.30 psf, consistent with the previous quarter.

Q2 2025

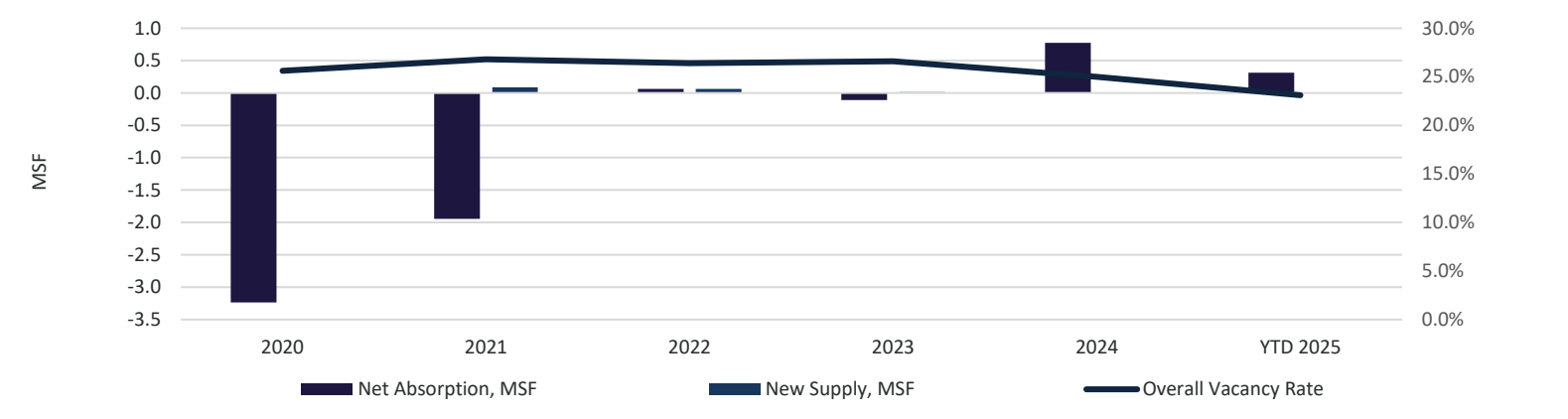
# CALGARY OFFICE STATISTICAL SUMMARY



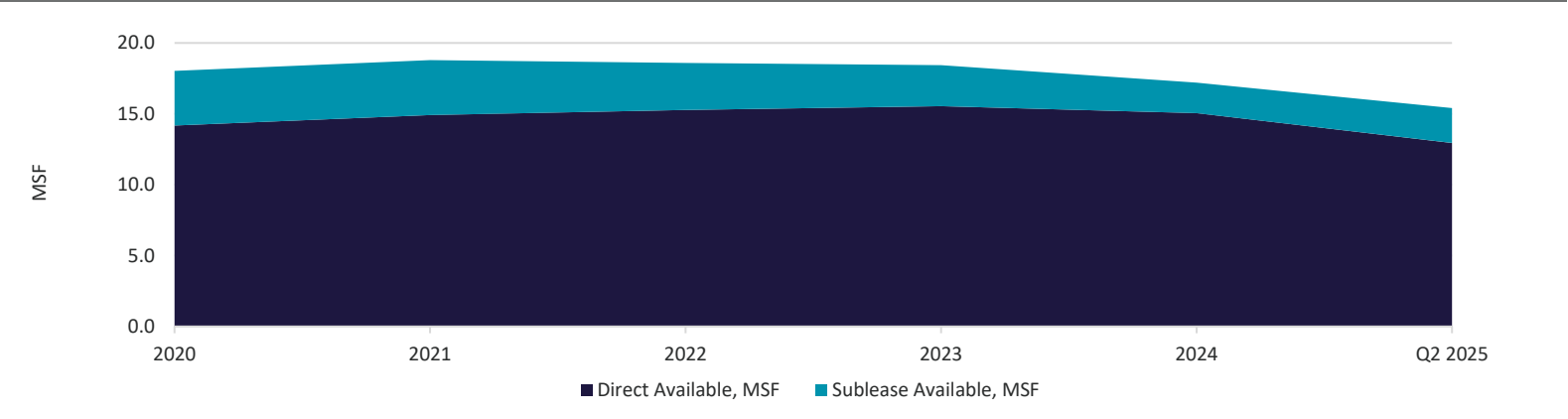
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	47,845,658	12,163,035	28.4%	25.7%	25.4%	0	0	-126,576	75,661	\$15.73	\$18.95	\$34.68
Suburban	18,873,634	3,247,854	20.3%	18.3%	17.2%	0	0	140,170	239,542	\$14.74	\$15.86	\$30.60
Total	66,719,292	15,410,889	26.2%	23.6%	23.1%	0	0	13,594	315,203	\$15.53	\$18.31	\$33.84
Class A Central	34,645,507	7,957,096	25.4%	23.6%	23.0%	0	0	-142,393	-111,326	\$21.36	\$20.86	\$42.22
Class A Suburban	11,371,165	2,132,287	22.7%	20.5%	18.8%	0	0	111,002	195,083	\$16.60	\$15.74	\$32.34
Class A Total	46,016,672	10,089,383	24.7%	22.9%	21.9%	0	0	-31,391	83,757	\$20.27	\$19.69	\$39.96

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



### 23.1% OVERALL VACANCY

Overall vacancy declined slightly QOQ to 23.1%. Demand was strong throughout the city with just three submarkets posting negative absorption. New office conversion announcements and work on existing projects in the Downtown and the Beltline submarkets continued. These initiatives have successfully removed large blocks of vacant space that have been on the books for multiple quarters – and in some cases, years.



### 911K SF OVERALL NEW LEASING ACTIVITY

Leasing activity slowed through the second quarter of 2025, falling to a little more than half of Q1 2025 levels. Nonetheless, we maintain the view that this remains indicative of confidence in the market as the mid-point of 2025 arrived. This was most notable in the Downtown submarket where more than half – approximately 527k sf – of new leasing activity occurred. The South markets reported the next highest total of leasing activity with an additional 210k sf of space being secured by tenants throughout the quarter.



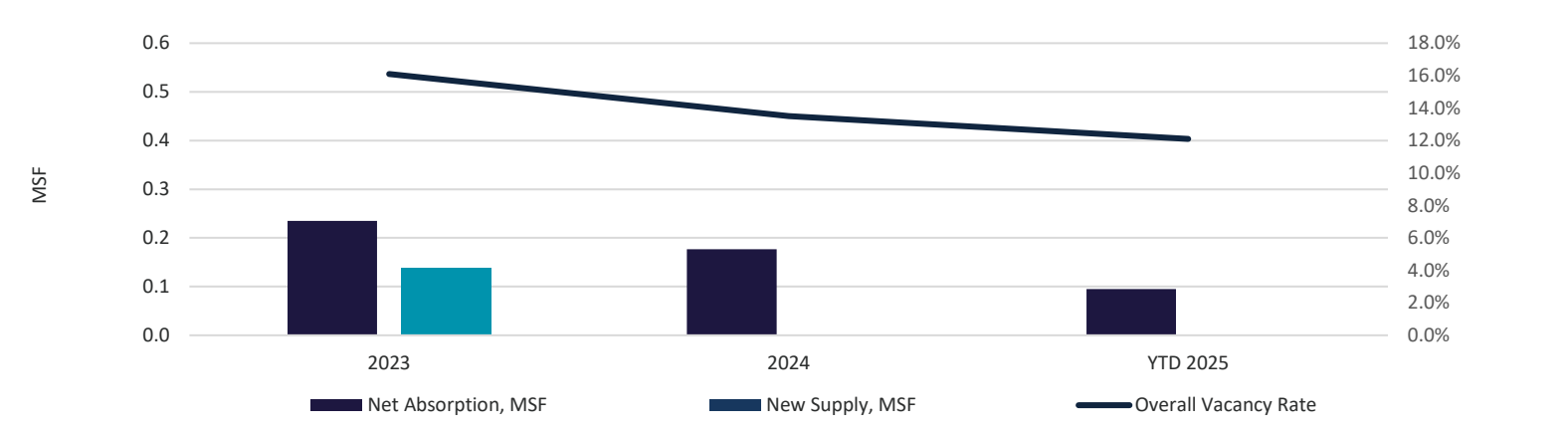
### 19K SF OVERALL NET ABSORPTION

Net positive absorption was recorded again this quarter, and while essentially flat, built on net positive absorption reported in Q1 2025. This brought year-to-date numbers to positive 321k sf. A combination of continuing office conversions in the Downtown and ongoing, but slowed, positive net migration to the city's suburbs continued to be major contributors to a net positive uptake in occupied office space.

Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	3,151,280	646,554	21.3%	21.2%	20.5%	0	0	21,449	2,234	\$22.09	\$15.34	\$37.43
Suburban	3,682,717	179,350	9.4%	5.0%	4.9%	0	0	5,970	92,708	\$19.15	\$9.50	\$28.65
Total	6,833,997	825,904	14.9%	12.5%	12.1%	0	0	27,419	94,942	\$21.92	\$13.81	\$35.73
Class A Central	1,107,662	229,678	24.3%	21.4%	20.7%	0	0	7,187	18,502	\$27.81	\$15.68	\$43.49
Class A Suburban	1,656,424	82,637	13.8%	5.4%	5.0%	0	0	7,221	94,975	\$26.34	\$11.35	\$37.69
Class A Total	2,764,086	312,315	18.0%	11.8%	11.3%	0	0	14,408	113,477	\$28.18	\$13.52	\$41.70

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



SUBURBAN OFFICE SPACE IN HIGH DEMAND

Suburban office space continued to witness strong demand maintaining sub-5.0% vacancy for six consecutive months. Suburban office vacancy as of Q2 2025 is 4.9%.



VACANCY RATE IS SET TO RISE IN THE CBD

In July 2025 Discovery Plaza will be vacated by BHP Billiton as they relocate to their new office building at River Quarry; leaving approximately 54,000 sf available for lease.



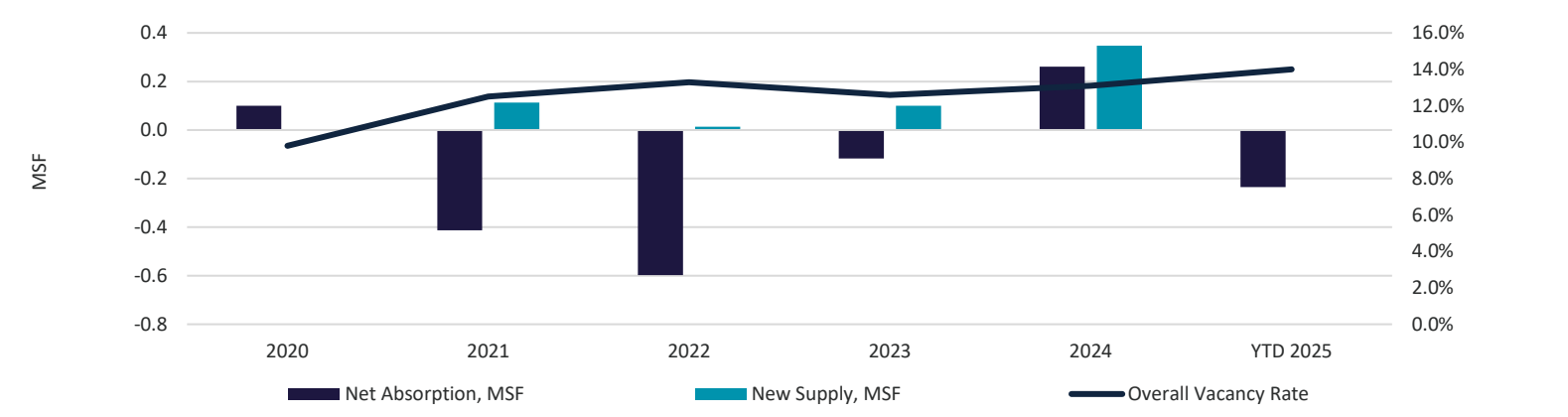
DOWNTOWN LANDLORDS AGGRESSIVE IN TENANT ATTRACTION

The CBD office landlords have been utilizing aggressive strategies to attract tenants to buildings with long standing vacancy. In some cases, they are cutting asking rates from \$16.00 psf or \$20.00 psf net to \$5.00 net psf.

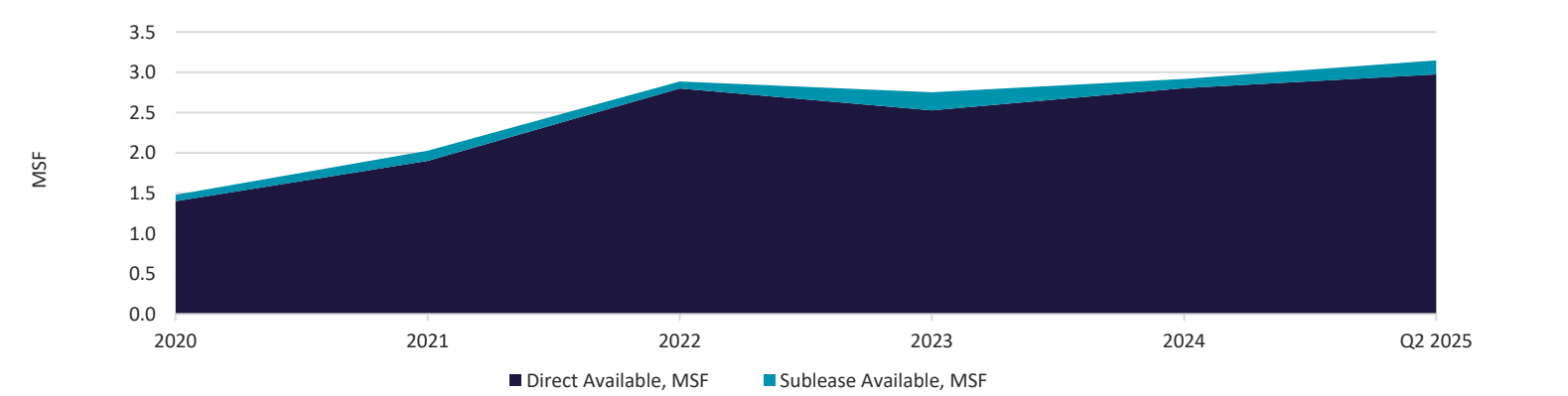
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			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	13,359,062	2,035,407	15.3%	15.0%	15.2%	0	0	-29,945	22,802	\$15.75	\$15.97	\$31.72
Suburban	9,150,659	1,114,077	8.8%	10.3%	12.2%	0	0	-193,195	-258,689	\$15.24	\$10.04	\$25.28
Total	22,509,721	3,149,484	12.7%	13.1%	14.0%	0	0	-223,140	-235,887	\$15.63	\$14.20	\$29.83
Class A Central	3,537,672	367,364	14.0%	10.2%	10.4%	0	0	-6,361	25,940	\$16.73	\$20.43	\$37.16
Class A Suburban	1,655,453	428,690	14.0%	13.2%	25.9%	0	0	-242,820	-251,070	\$18.69	\$8.04	\$26.73
Class A Total	5,193,125	796,054	14.0%	11.1%	15.3%	0	0	-249,181	-225,130	\$17.14	\$16.85	\$33.98

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



VACANCY: UPWARD PRESSURE CONTINUES

Following a period of relative stability, the overall vacancy rate rose to 14.0%, up from 13.1% QOQ. While the Central area held steady at 15.2%, the Suburban area witnessed a more pronounced increase, which was largely driven by Suburban Class A space, where vacancy nearly doubled QOQ to 25.9%. The gap between sublet and direct vacancy widened slightly, as tenants—especially in high-end suburban assets—continue to offload excess space. Within the Downtown, Class B vacancy rose to 19.5%, while Class C declined modestly, suggesting a shift in demand toward more affordable, central locations.



ASKING RATES: MODEST GROWTH DESPITE SOFTENING DEMAND

Despite the rise in vacancy, asking rents remained resilient. The overall average net rent increased from \$15.51 psf to \$15.63 psf QOQ, while the overall average gross rent rose to \$29.83 psf. Suburban markets led the increase, with net rents up from \$14.92 psf to \$15.24 psf QOQ, driven by continued interest in smaller, cost-efficient Class C spaces. Net asking rents in Winnipeg’s downtown were stable at \$15.75 psf, though Class A buildings saw a slight softening as landlords offered concessions. Properties linked to the Skywalk or concourse system continue to outperform, underscoring the value of accessibility in the hybrid work era.



ABSORPTION: ACTIVITY SLOWS FURTHER

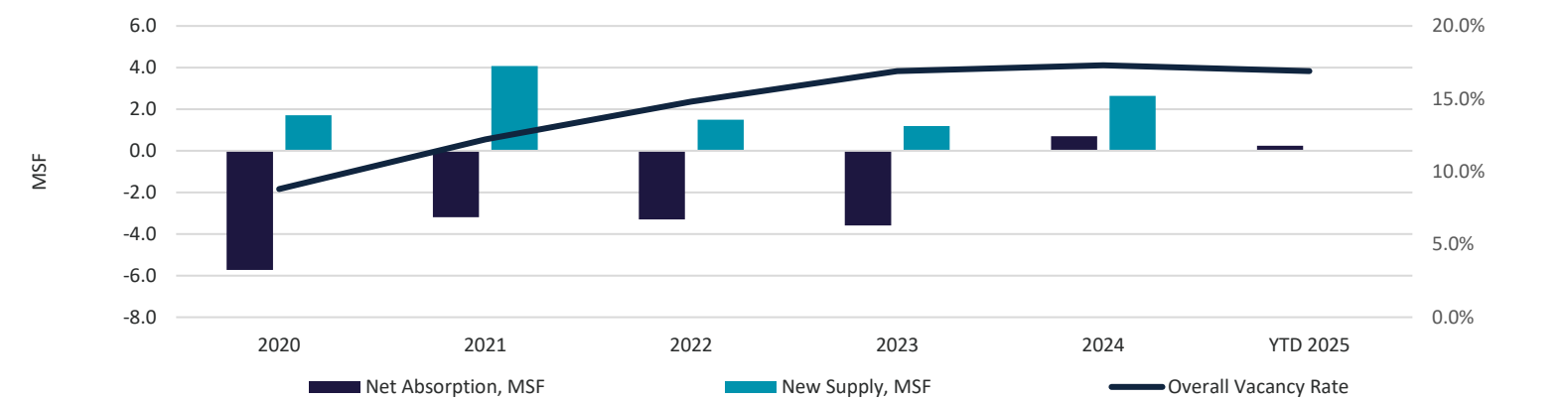
Net absorption dropped to negative 223k sf, down sharply from negative 12k sf last quarter. The decline was primarily due to a substantial softening in Suburban Class A at negative 243k sf, which outweighed small gains in Class B and C, and the overall trend highlights ongoing struggles in this segment. The Central area witnessed negative absorption of 30k sf, driven by declines in Class and Class B, although Class C showed modest growth.



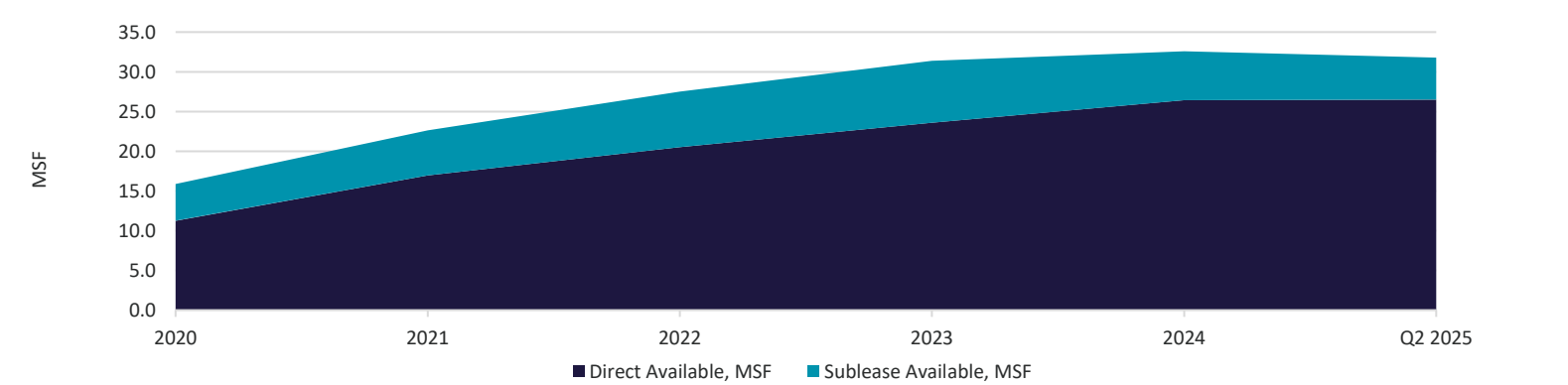
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			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	98,142,143	17,143,400	17.5%	18.2%	17.5%	0	0	691,157	423,010	\$36.83	\$28.16	\$64.99
Suburban	89,482,538	14,654,261	16.5%	16.1%	16.4%	0	0	-213,399	-178,003	\$18.26	\$18.23	\$36.49
Total	187,624,681	31,797,661	17.1%	17.2%	16.9%	0	0	477,758	245,007	\$27.97	\$23.43	\$51.40
Class A Central	66,339,960	10,461,789	16.1%	16.9%	15.8%	0	0	793,329	529,577	\$40.03	\$29.69	\$69.72
Class A Suburban	51,147,694	10,482,191	20.1%	20.0%	20.5%	0	0	-243,110	-83,932	\$19.35	\$18.64	\$37.99
Class A Total	117,487,654	20,943,980	17.9%	18.3%	17.8%	0	0	550,219	445,645	\$31.03	\$24.88	\$55.91

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



**17.0% OVERALL DOWNTOWN VACANCY**  
Second-quarter performance in the downtown market offered the strongest signs of progress in the past five years, suggesting that the weight of recent challenges may finally be starting to lift. While vacancy remained in the 17.0% range for a fifth quarter, the 60-bps drop marked the most significant quarterly decline in close to eight years—bringing the rate back in line with where it stood a year ago. Direct vacancy fell by 60 bps, ending a five-year stretch of consistent increases, while sublet availability continued its downward slide, reaching a near three-year low of 2.5 msf.



**16.4% OVERALL SUBURBAN VACANCY**  
The five-quarter stretch of declining overall suburban vacancy came to a pause in Q2 2025, with a modest 20 bps uptick. Vacancy remained in the 16.0% range, where it has held steady since early 2024—a flattening trend that mirrors conditions in the downtown market. The vacancy trajectory in GTA West changed course, rising 60 bps QOQ after a mostly uninterrupted period of decline since late 2022. Vacancy continued to climb in GTA North, while GTA East recorded its third consecutive decline.

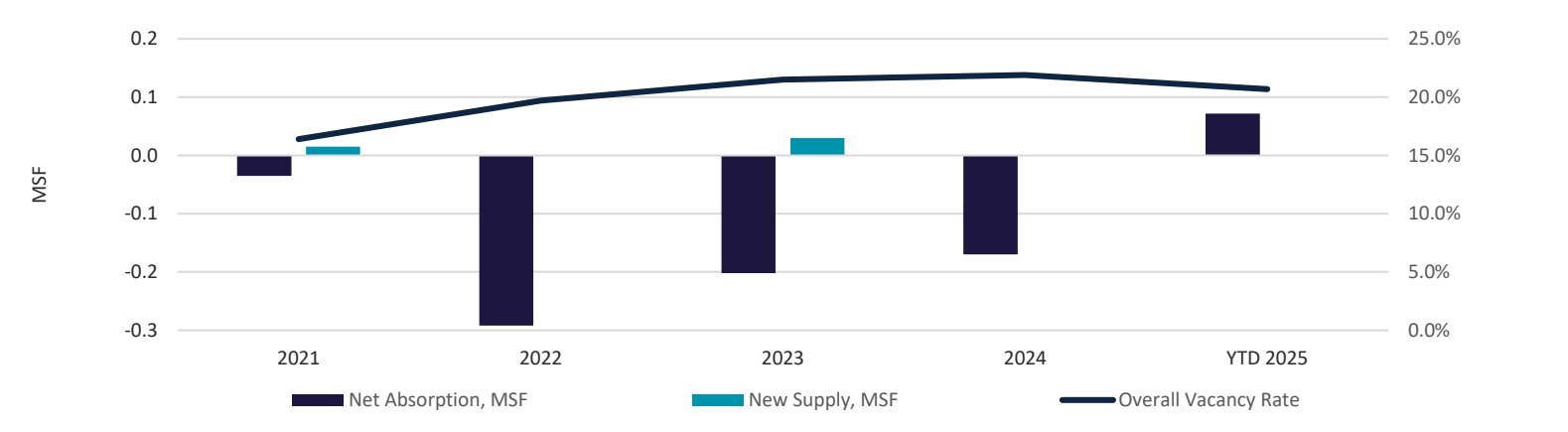


**3.0 MSF GTA NEW LEASING ACTIVITY**  
Overall market activity took centre stage in Q2 2025, soaring to its highest quarterly level in just over six years. The downtown market was the hub of this momentum, with new leasing surging to 1.6 msf—the strongest quarterly total in six years and well above the pre-2020 three-year average of 1.3 msf. This brought the year-to-date total to 2.4 msf, just 26.3% below 2024’s total. In a reversal of recent patterns, total suburban leasing fell to a near three-year low of 897,000 sf—trailing downtown for the first time since the end of 2023—accounting for just 29.4% of overall activity.

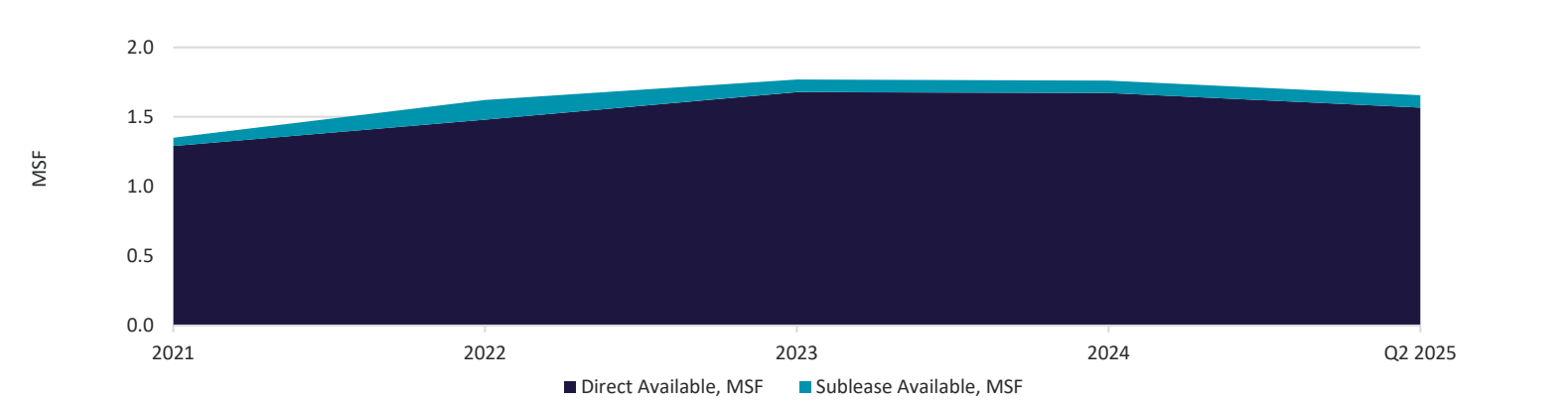
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Central	5,583,143	1,495,319	29.2%	28.9%	26.8%	0	0	97,950	80,040	\$13.05	\$12.21	\$25.26
Suburban	2,405,511	159,983	5.9%	7.4%	6.7%	0	0	12,364	-7,600	\$15.78	\$11.56	\$27.34
Total	7,988,654	1,655,302	22.2%	22.4%	20.7%	0	0	110,314	72,440	\$13.31	\$12.15	\$25.46
Class A Central	1,907,072	348,269	21.5%	23.5%	18.3%	0	0	83,410	30,649	\$15.00	\$15.22	\$30.22
Class A Suburban	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Class A Total	1,907,072	348,269	21.5%	23.5%	18.3%	0	0	83,410	30,649	\$15.00	\$15.22	\$30.22

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



**CONTINUED OFFICE MARKET HEADWINDS**  
There was a modest decline in London’s city-wide office vacancy in Q2 2025, however significant challenges remain, with downtown vacancy hovering just below 30% and persistent headwinds that constrain overall recovery momentum.



**CLASS A SPACE DRIVING ABSORPTION**  
Overall office market sentiment in London remained largely unchanged in Q2 2025, despite some positive momentum with respect to leasing activity for Class A space in the downtown area.



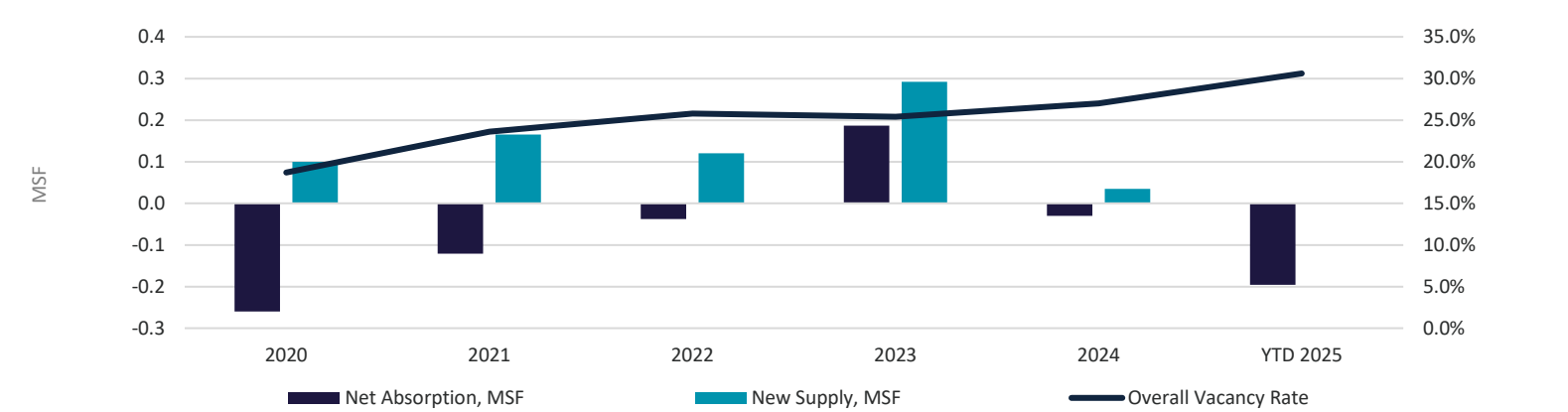
**\$13.31 PSF AVERAGE NET ASKING RENT**  
Average net asking rents for office space in London decreased marginally in Q2 2025, falling by approximately 30 bps to \$13.31 psf.



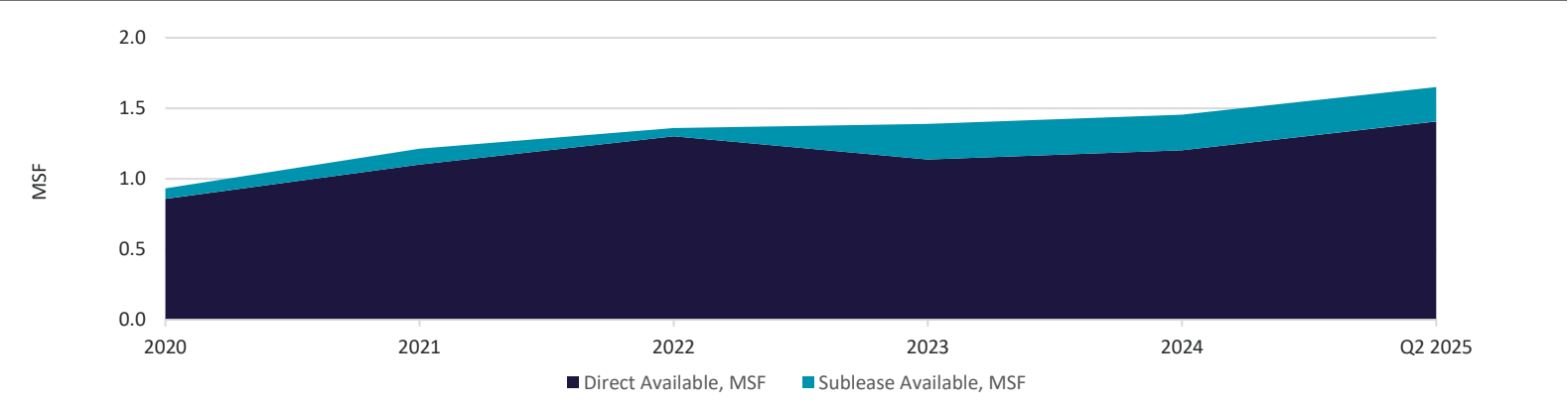
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Central	2,996,461	1,249,367	37.9%	42.0%	41.7%	0	0	8,697	-120,201	\$17.80	\$14.24	\$32.04
Suburban	2,392,047	400,417	12.9%	14.3%	16.7%	0	0	-58,781	-75,530	\$17.03	\$11.07	\$28.10
Total	5,388,508	1,649,784	26.9%	29.7%	30.6%	0	0	-50,084	-195,731	\$17.62	\$13.47	\$31.09
Class A Central	1,922,219	790,829	34.7%	41.1%	41.1%	0	0	0	-141,866	\$19.70	\$14.33	\$34.02
Class A Suburban	1,313,716	279,512	13.4%	16.8%	21.3%	0	0	-59,284	-63,213	\$18.04	\$10.23	\$28.27
Class A Total	3,235,935	1,070,341	26.2%	31.2%	33.1%	0	0	-59,284	-205,079	\$19.27	\$13.26	\$32.52

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



**41.7% OVERALL DOWNTOWN AVAILABILITY**  
In Q2 2025 Downtown Kitchener witnessed it's first decrease in vacancy in some time. Though a modest decrease, this is still a slight change in the continuous upward trend that had been occurring in Kitchener's downtown core the past few years. Though vacancy rates remain relatively high in Kitchener across classes, demand has remained stable and is gradually increasing year-over-year.



**9K SF OVERALL DOWNTOWNW ABSORPTION**  
There was some significant space brought to market last quarter which inflated the vacancy in Downtown Kitchener. However, the current quarter absorption was positive as demand stayed healthy despite wavering market conditions and an upward trending vacancy rate over the past few years. Currently demand remains focused on space in the 2k-5k-sf range.

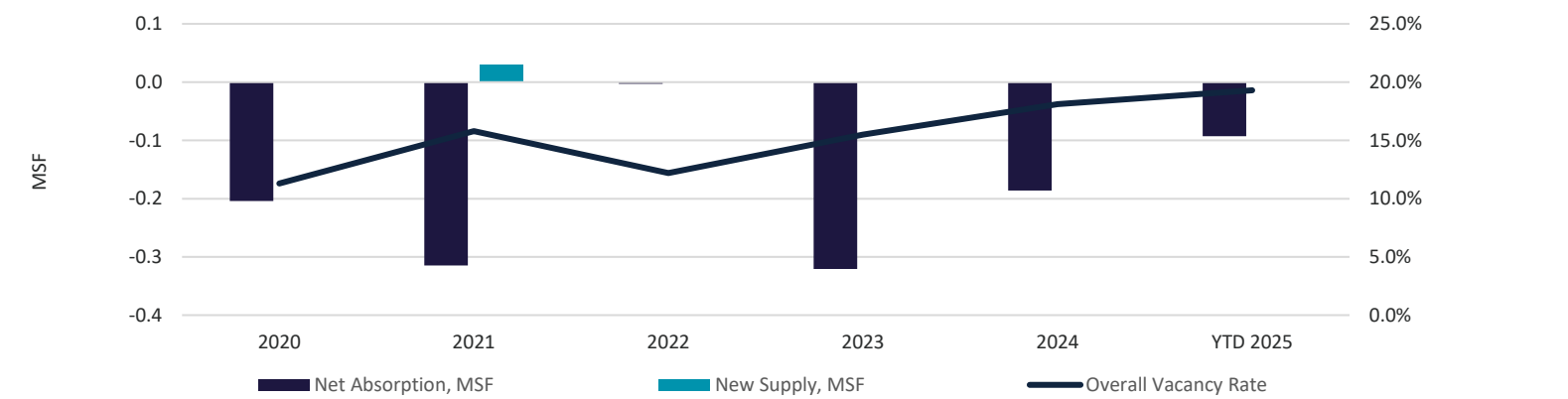


**NEW SUPPLY**  
There is currently little-to-no new supply of office space planned in the Downtown market

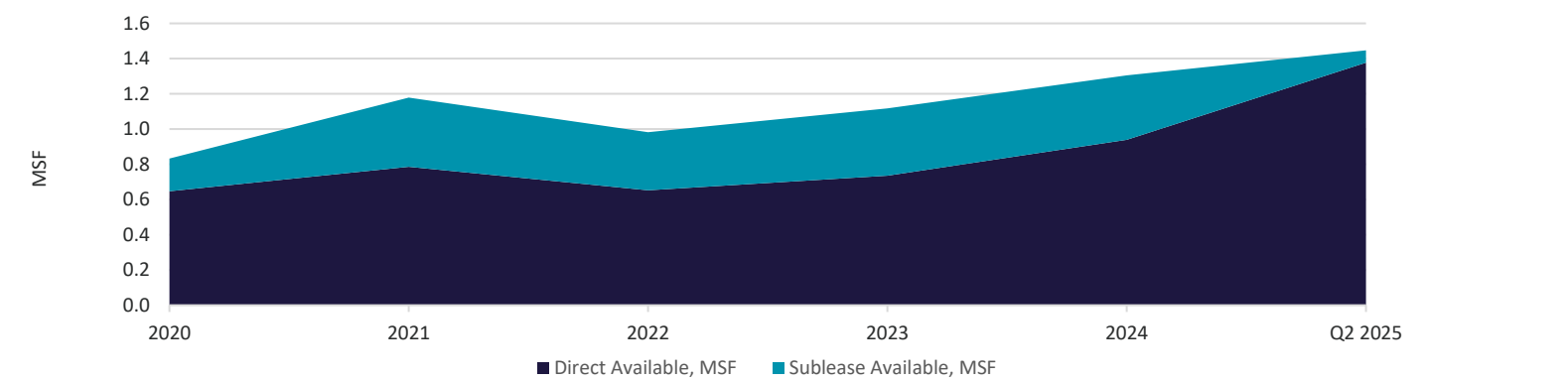
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	1,599,864	79,793	5.6%	5.3%	5.0%	0	0	4,587	4,587	\$22.80	\$12.96	\$35.76
Suburban	5,625,924	1,317,657	19.2%	25.2%	23.4%	0	0	100,338	-97,760	\$16.64	\$13.00	\$29.64
Total	7,225,788	1,397,450	16.2%	20.8%	19.3%	0	0	104,925	-93,173	\$17.00	\$13.00	\$29.99
Class A Central	1,302,168	46,151	3.5%	3.5%	3.5%	0	0	0	0	\$25.56	\$11.21	\$36.77
Class A Suburban	3,034,216	908,117	22.6%	31.0%	29.9%	0	0	31,226	-182,413	\$17.45	\$13.39	\$30.85
Class A Total	4,336,384	954,268	16.9%	22.7%	22.0%	0	0	31,226	-182,413	\$17.85	\$13.29	\$31.13

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



**5.0% UPTOWN VACANCY**  
The Uptown Waterloo office market posted some positive absorption in Q2 2025 and a 30-bps QOQ reduction in the overall vacancy rate. More notably Suburban Waterloo had a 180 bps decrease in vacancy from last quarter. Demand has remained steady from Q1 2025, particularly within the Suburban Class A market, which has helped contribute to the falling vacancy within the Region.



**100K SF SUBURBAN ABSORPTION**  
There was some positive news for office leasing with 100k sf of positive absorption in Q2 2025 for the Uptown Waterloo market, although the YTD absorption still reflects negative absorption from the notable Q1 2025 negative absorption in Suburban Class A. Waterloo's current quarter demand is still reflecting strength moving into the second half of the year.



**NEW SUPPLY**  
There is currently little-to-no new supply of office space planned in the Uptown market.



Q2 2025

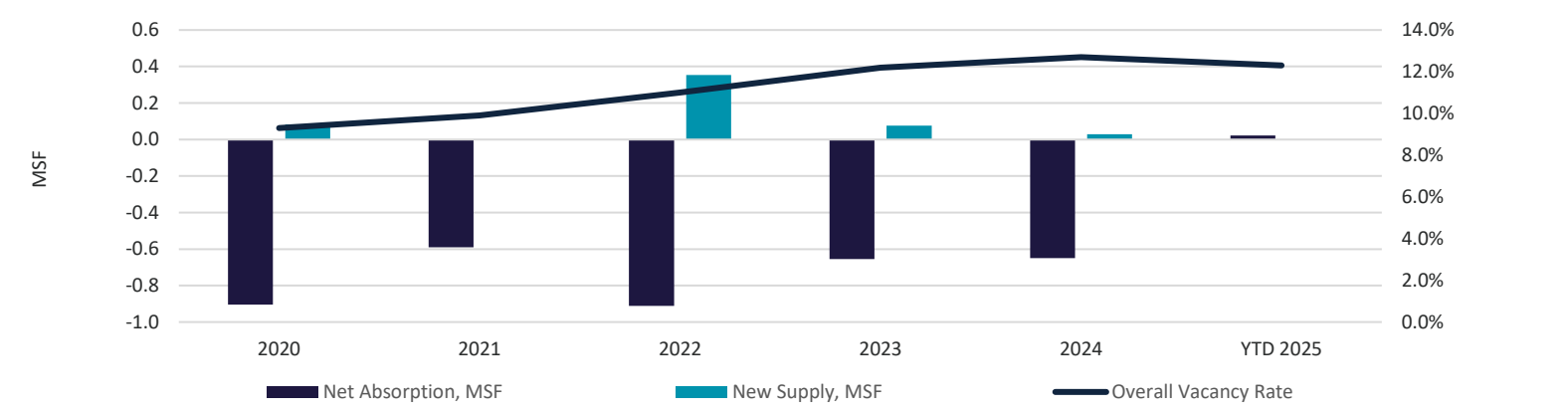
# OTTAWA OFFICE STATISTICAL SUMMARY



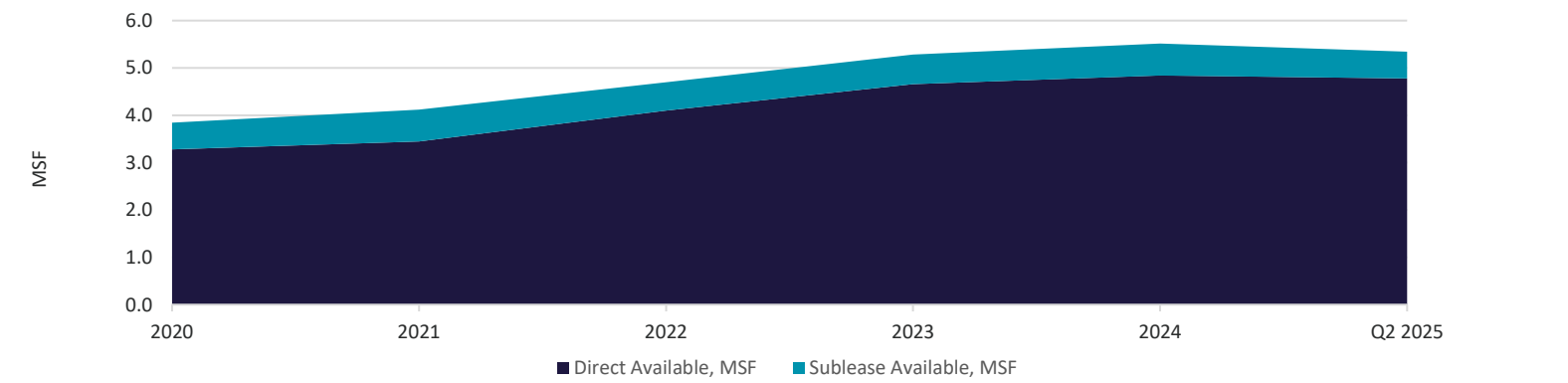
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	20,976,366	2,972,810	12.1%	14.0%	14.2%	0	0	-81,686	-29,857	\$19.32	\$20.26	\$39.58
Suburban	22,517,045	2,367,562	11.5%	11.1%	10.5%	0	0	89,454	51,987	\$15.19	\$17.50	\$32.69
Total	43,493,411	5,340,372	11.8%	12.5%	12.3%	0	0	7,768	22,130	\$17.75	\$19.21	\$36.96
Class A Central	12,867,927	1,700,271	10.5%	13.0%	13.2%	0	0	-23,370	62,189	\$24.44	\$24.40	\$48.84
Class A Suburban	15,068,365	1,604,738	11.1%	11.0%	10.6%	0	0	31,629	-80,652	\$15.99	\$17.94	\$33.93
Class A Total	27,936,292	3,305,009	10.8%	11.9%	11.8%	0	0	8,259	-18,463	\$20.49	\$21.38	\$41.87

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



### 12.3% OVERALL VACANCY

Ottawa’s overall office vacancy rate edged down to 12.3% in Q2 2025. In the Central market, vacancy rose across all classes, pushing the total vacancy rate up to 14.2%. Within that, the CBD Class A segment had a modest 20-bps QOQ increase, rising from 12.3% to 12.5%. In contrast, the Suburban market posted a notable decline in vacancy, falling to 10.5%. All suburban submarkets—except Ottawa East—recorded positive absorption, resulting in a total of 89k sf of absorption, a sharp rebound from negative figures in the previous quarter.



### 499K SF LEASING ACTIVITY

Leasing activity totalled 499k sf in Q2 2025, continuing the upward trend that began in late 2024. The Suburban market contributed 341k sf, driven by strong gains in Class B leasing, which doubled to 124k sf. Class C activity also rose significantly, from 9k sf last quarter to 54k sf. In the Central market, Class B leasing increased from 49k sf to 64k sf, offsetting slight declines in Class A and C segments and bringing total Central leasing activity to 158k sf.



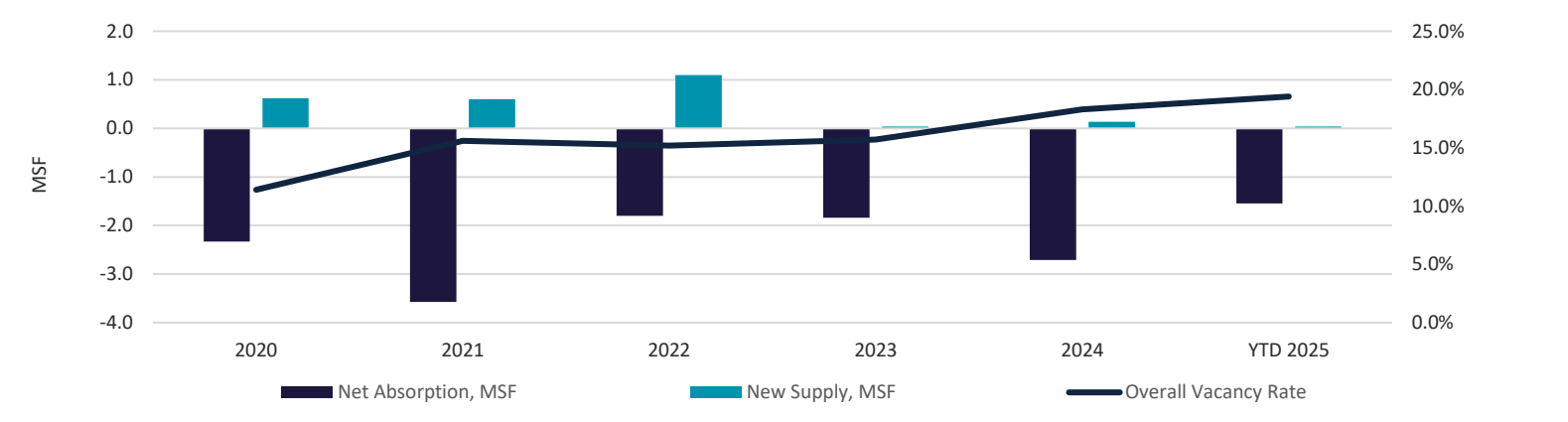
### \$17.75 PSF OVERALL AVERAGE ASKING NET RENT

The citywide average direct net asking rent in Q2 2025 increased slightly to \$17.75 psf, with overall additional rent averaging \$19.21 psf. In the Central market, the direct net asking rent dipped slightly from \$19.44 to \$19.32 psf, while the additional rent increased to \$20.26 psf. Meanwhile, the Suburban market posted a moderate increase, with the net asking rent rising to \$15.19 psf in Q2 2025.

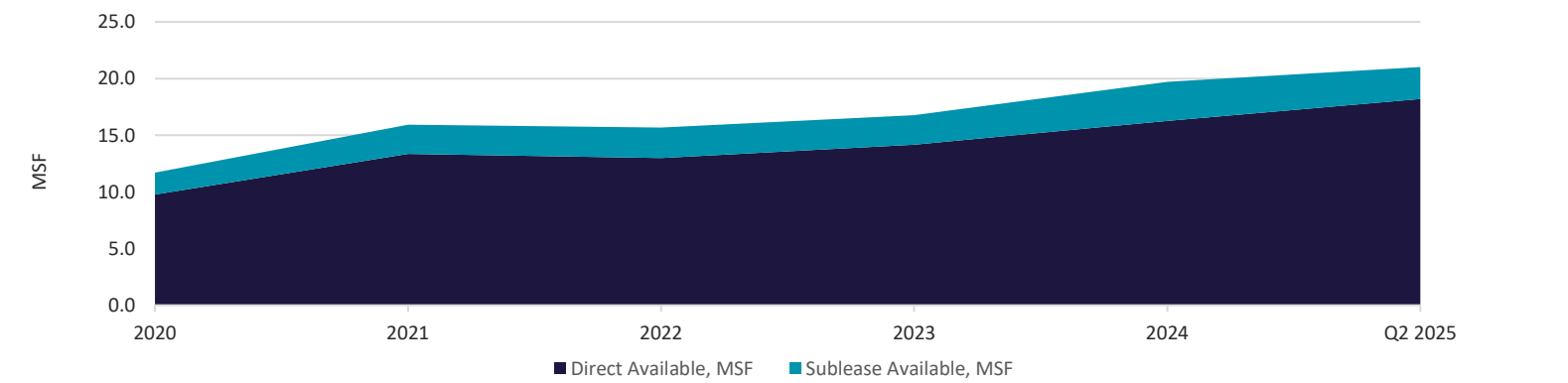
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	55,292,674	11,848,942	17.9%	21.1%	21.4%	39,177	39,177	-565,734	-1,110,050	\$19.49	\$21.44	\$40.93
Suburban	52,809,498	9,169,971	16.7%	17.3%	17.4%	0	0	-589,081	-434,052	\$16.01	\$11.85	\$27.86
Total	108,102,172	21,018,913	17.3%	19.2%	19.4%	39,177	39,177	-1,154,815	-1,544,102	\$18.30	\$18.16	\$36.46
Class A Central	26,668,233	4,808,009	15.2%	17.4%	18.0%	39,177	39,177	-207,527	-522,591	\$22.56	\$25.29	\$47.85
Class A Suburban	17,016,343	3,365,896	16.2%	18.8%	19.8%	0	0	-256,586	-347,557	\$17.67	\$13.84	\$31.51
Class A Total	43,684,576	8,173,905	15.6%	18.0%	18.7%	39,177	39,177	-464,113	-870,148	\$21.28	\$22.30	\$43.58

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



19.4% OVERALL VACANCY

The Greater Montreal Area (GMA) posted an increase in the overall vacancy rate this quarter, climbing to 19.4%. While all markets and classes of space had QOQ increases in vacancy, the most notable shift occurred in the Suburban Class A market as vacancy climbed to 19.8%. This increase may be attributed to higher rental rates, which could be deterring tenants who are increasingly drawn to more cost-effective alternatives in Suburban Class B properties. In Suburban markets, tenants often prioritize affordability over the premium amenities and features typically offered by Class A buildings.



-1.15 MSF OVERALL NEGATIVE ABSORPTION

Overall absorption remained in negative territory this quarter and was reflected in all submarkets and classes, split fairly evenly between the Central & Suburban markets. Continued negative absorption is not being driven by large blocks of space coming on the market – this quarter just two were over 50k sf - but rather the number of spaces that are over 10k sf which for this quarter totaled 55. As office leases are currently averaging approximately 5k sf, demand is low for these larger spaces and are likely remaining on the market for longer periods of time.



\$36.46 PSF OVERALL AVERAGE ASKING GROSS RENT

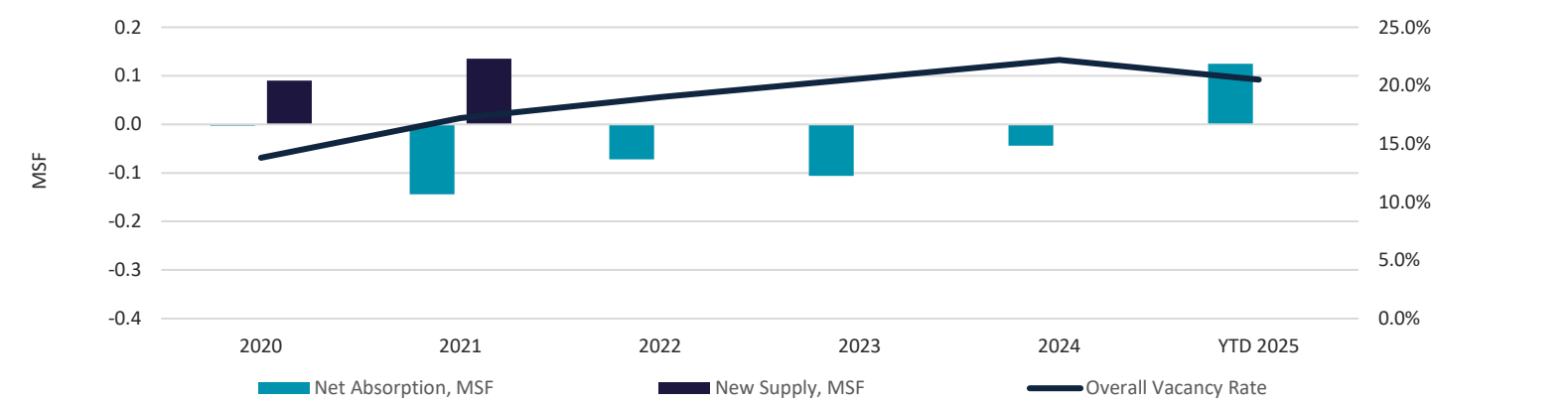
The overall average gross asking rate had a slight decline this quarter to \$36.46 psf. The most notable decrease occurred in Central Area Class B properties, where gross rates fell to \$35.87 psf. This decline suggests that landlords in this segment are adjusting pricing strategies to attract tenants as they are unable to compete with the amenities and features offered by Class A buildings. Most other markets remained stable, with the exception of Suburban Class B, which had a modest increase in asking rates.



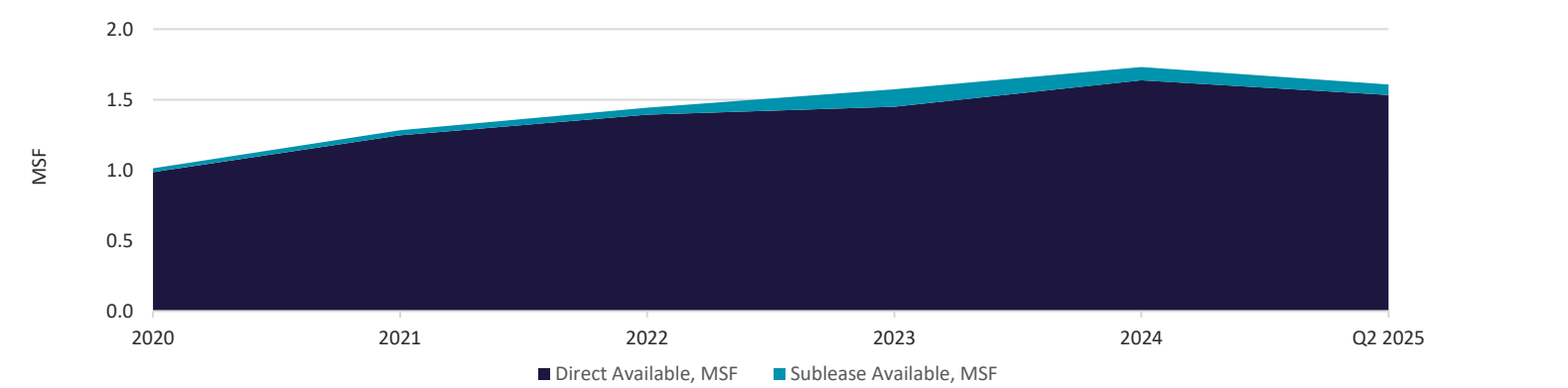
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Fredericton	2,278,872	258,892	16.5%	11.2%	11.4%	0	0	-4,111	15,463	\$15.43	\$11.85	\$27.29
Saint John	2,476,133	856,725	35.1%	37.9%	34.6%	0	0	74,474	73,705	\$12.54	\$10.98	\$23.52
Moncton	3,063,541	491,064	18.2%	17.1%	16.0%	0	0	31,582	35,950	\$14.07	\$12.68	\$26.75
Class A Overall	2,872,607	512,919	21.1%	18.4%	17.9%	0	0	16,331	-11,506	\$16.34	\$14.65	\$30.99
Overall Total	7,818,546	1,606,681	23.0%	21.9%	20.5%	0	0	101,945	125,118	\$13.99	\$12.15	\$26.14

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



20.5% OVERALL VACANCY

The overall vacancy rate in New Brunswick decreased by 140 bps QOQ from 21.9% to 20.5%. While vacancy has increased in the Fredericton market by 20 bps it decreased by 110 bps in the Moncton market as well as in Saint John which had a significant decrease in vacancy by 330 bps.



102K SF OVERALL ABSORPTION

Overall absorption in New Brunswick increased into higher positive territory this quarter to 102k sf as all classes of space in Moncton, and Class B and C space in Saint John, all witnessed positive absorption this quarter. Fredericton had negative absorption of 4k sf, largely the result of a notable movement of 16k sf becoming available on 82 Westmorland Street.



\$13.99 PSF OVERALL AVERAGE ASKING NET RENT

The overall net asking rental rate in New Brunswick decreased this quarter from \$14.03 psf to \$13.99 psf QOQ. The Fredericton market had a decrease, with the overall net rate falling by \$0.32 psf from last quarter to \$15.43 psf. However, Moncton saw an increase in its overall rent of \$0.06 psf QOQ to \$14.07 psf. Saint John also had an increase of \$0.09 psf from last quarter bringing its average net rent to \$12.54 psf.

Q2 2025

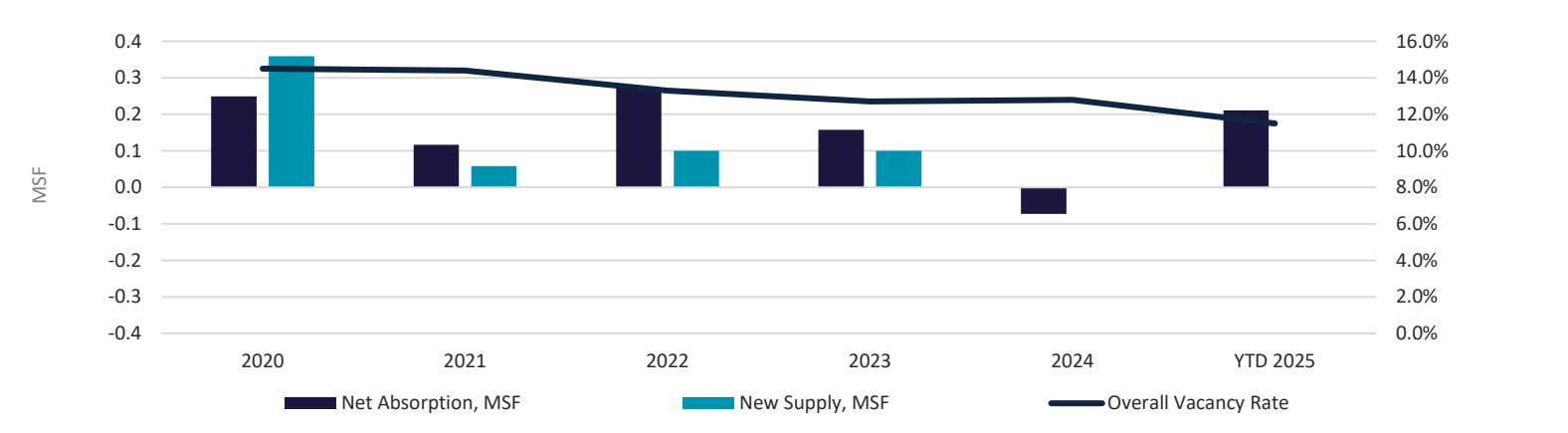
HALIFAX OFFICE STATISTICAL SUMMARY



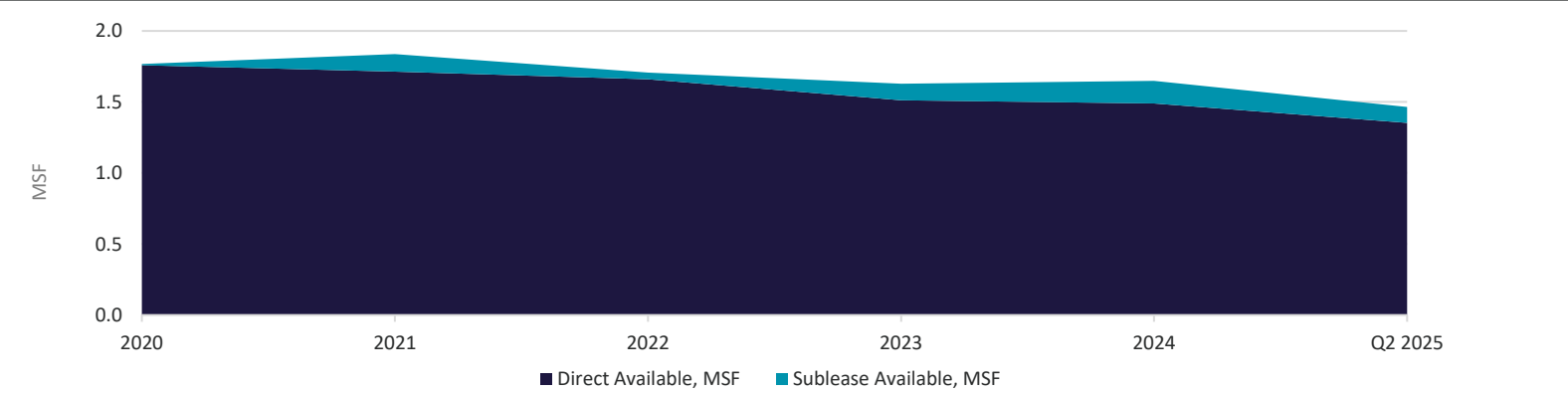
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	5,844,077	828,026	15.6%	14.2%	14.2%	0	0	19,821	39,635	\$16.54	\$16.46	\$33.00
Suburban	6,893,378	637,547	10.6%	10.5%	9.2%	0	0	86,062	171,387	\$16.03	\$13.04	\$29.07
Total	12,737,455	1,465,573	12.9%	12.2%	11.5%	0	0	105,883	211,022	\$16.14	\$14.40	\$30.55
Class A Central	1,845,409	273,197	20.0%	14.1%	14.8%	0	0	4,416	33,663	\$20.52	\$17.29	\$37.81
Class A Suburban	3,592,401	280,349	10.7%	9.0%	7.8%	0	0	44,488	107,231	\$17.02	\$13.43	\$30.45
Class A Total	5,437,810	553,546	14.5%	10.9%	10.2%	0	0	48,904	140,894	\$17.86	\$14.90	\$32.76

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



**11.5% OVERALL VACANCY**  
The overall vacancy rate for the Halifax office market decreased to 11.5% in Q1 2025, a QOQ decrease of 70 bps. The Dartmouth submarket was the primary driver behind the decrease, as this market witnessed a significant decrease in vacancy of 330 bps QOQ. The Central submarket had no change to vacancy QOQ, while the remaining submarkets posted slight increases in vacancy.



**106K SF OVERALL ABSORPTION**  
Overall absorption in the Halifax market remained in positive territory this quarter at close to 106k sf. The majority of submarkets witnessed positive absorption, with the most significant totals being 108k sf in the Dartmouth submarket and 19k sf in the Central submarket.



**\$16.14 PSF OVERALL AVERAGE ASKING NET RENT**  
The overall asking net rental rate in the Halifax office market remained unchanged this quarter with either identical rates or only small variations from last quarter.

Q2 2025

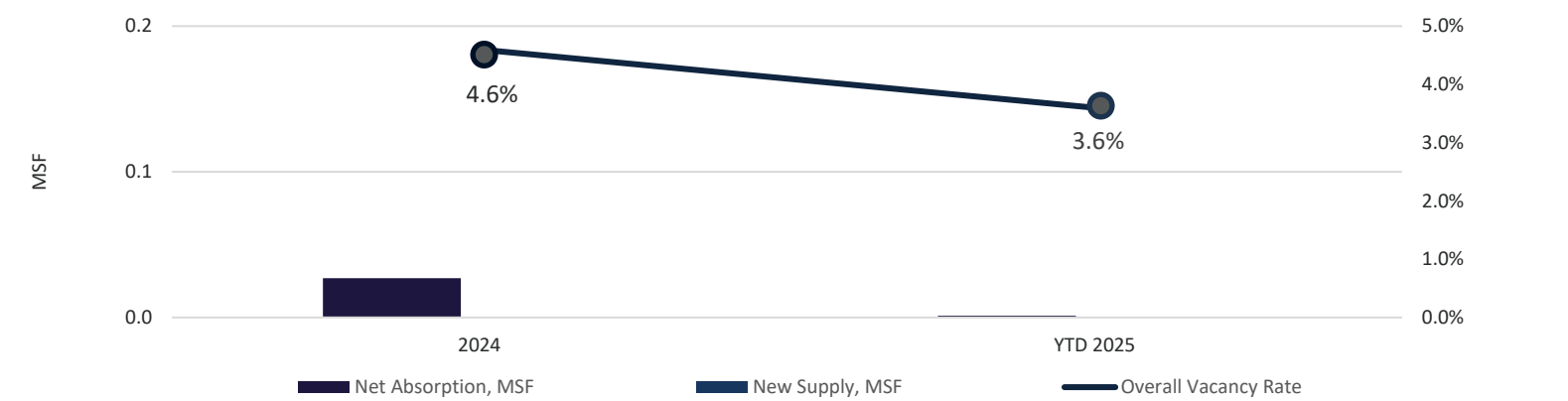
CHARLOTTETOWN OFFICE STATISTICAL SUMMARY



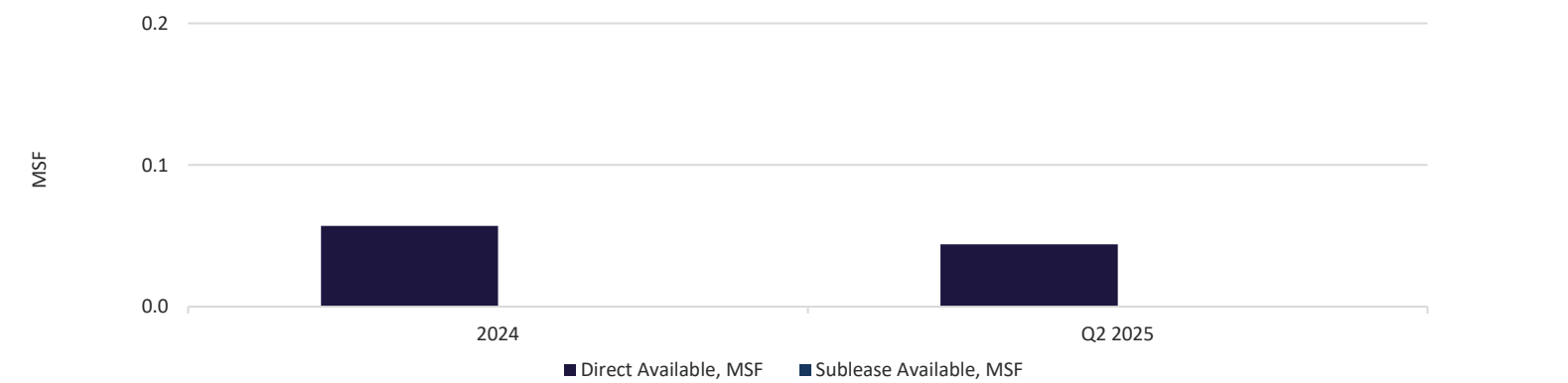
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	1,035,199	32,409	6.1%	4.5%	3.1%	0	0	13,800	12,685	\$16.49	\$8.55	\$25.04
Suburban	197,704	11,708	6.2%	5.9%	5.9%	0	0	0	0	\$13.13	\$10.78	\$23.91
Total	1,232,903	44,117	6.1%	4.7%	3.6%	0	0	13,800	12,685	\$15.97	\$8.89	\$24.86
Class A Central	723,788	12,109	3.9%	2.8%	1.7%	0	0	8,000	8,000	\$16.43	\$9.23	\$25.66
Class A Suburban	42,000	6,800	7.1%	16.2%	16.2%	0	0	0	0	\$18.00	\$11.50	\$29.50
Class A Total	765,788	18,909	4.1%	3.5%	2.5%	0	0	8,000	8,000	\$16.46	\$9.27	\$25.73

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



**3.6% OVERALL VACANCY**  
The Charlottetown office market posted an overall vacancy rate of 3.6% in the second quarter of 2025, a decrease of 110 bps from last quarter. Central market vacancy decreased by 140 bps QOQ to 3.1%, while vacancy in the Suburban market remained stable from last quarter at 5.9%.



**58K SF OVERALL VACANT SPACE**  
The total vacant space available in Charlottetown this quarter was close to 44k sf, a 14k-sf decrease QOQ, and was comprised entirely of direct space. The Central market witnessed a decrease in vacant space of about 14k sf in the second quarter, while vacant space the Suburban market remained the same at approximately 12k sf.



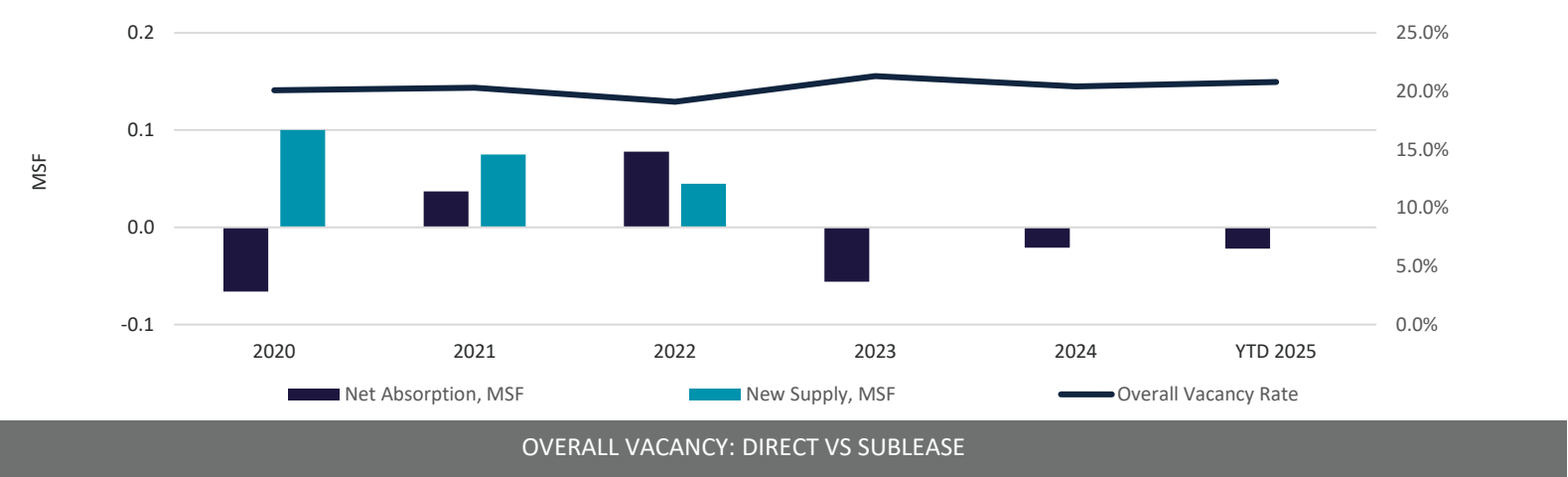
**\$24.86 PSF OVERALL AVERAGE GROSS RENT**  
The average net rent in the Charlottetown office market slightly increased this quarter from \$15.93 psf in Q1 2025 to \$15.97 psf. The overall average additional rent remained stable at \$8.89 psf, bringing the overall gross rent to \$24.86 psf.



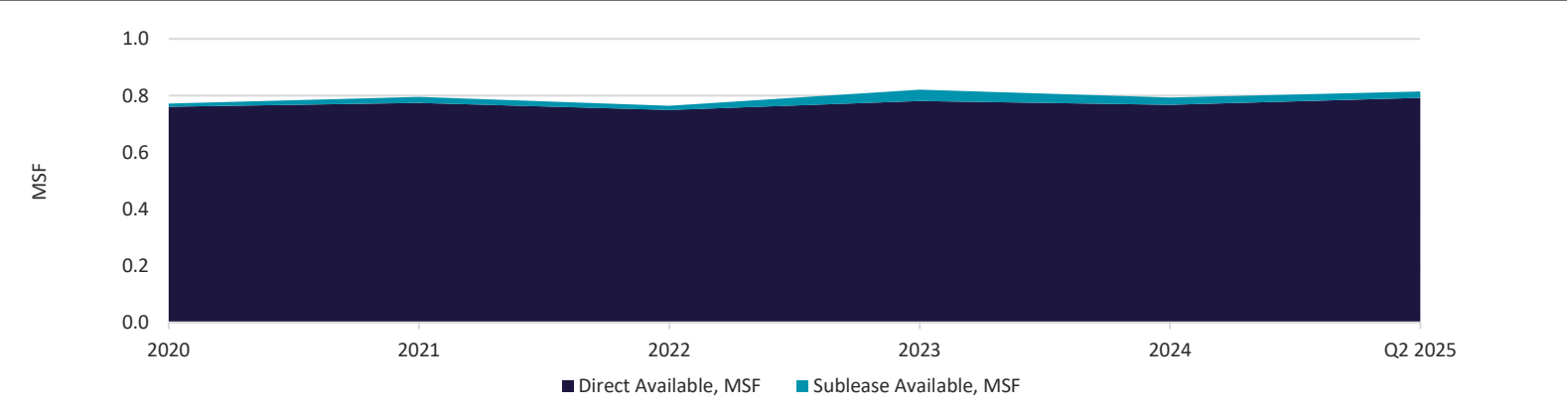
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Central	1,724,835	501,832	29.1%	30.1%	29.1%	0	0	9,185	10,449	\$24.67	\$15.39	\$40.06
Suburban	2,195,248	313,597	12.9%	14.2%	14.3%	0	0	-3,422	-32,969	\$17.76	\$11.06	\$28.81
Total	3,920,083	815,429	20.0%	21.1%	20.8%	0	0	5,763	-22,520	\$21.16	\$13.35	\$34.51
Class A Central	1,048,038	301,906	28.5%	30.0%	28.8%	0	0	3,590	14,974	\$25.26	\$16.84	\$42.10
Class A Suburban	127,317	0	0.0%	0.0%	0.0%	0	0	0	0	\$26.00	\$11.40	\$37.40
Class A Total	1,175,355	301,906	25.3%	26.6%	25.7%	0	0	3,590	14,974	\$24.06	\$16.04	\$40.10

OVERALL SUPPLY & DEMAND

OFFICE HIGHLIGHTS



OVERALL VACANCY: DIRECT VS SUBLEASE



20.8% OVERALL VACANCY

The St. John’s office market witnessed a decrease in the overall vacancy rate in the second quarter of 2025, decreasing by 30 bps from last quarter to 20.8%. This decrease was particularly notable in the North submarket, where the total vacancy rate decreased by 150 bps QOQ.



6K SF OVERALL ABSORPTION

Absorption levels rebounded into positive territory this quarter reaching close to 6k sf, While there was close to 15k sf of negative absorption in the Suburban Class B market, this was outpaced slightly by either minimal positive or nil absorption in the other markets and classes.



\$34.51 PSF OVERALL AVERAGE GROSS RENT

In the first quarter of 2025, the average net rent in the St. John’s office market increased to \$21.16 psf from \$21.10 psf in the previous quarter. The overall average additional rent increased from \$13.26 psf to \$13.35 psf, bringing the overall gross rent to \$34.51 psf.

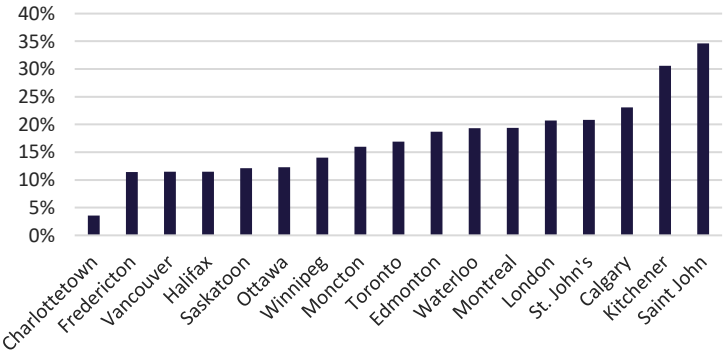
NATIONAL OFFICE STATISTICAL SUMMARY

OVERALL MARKET - ALL CLASSES

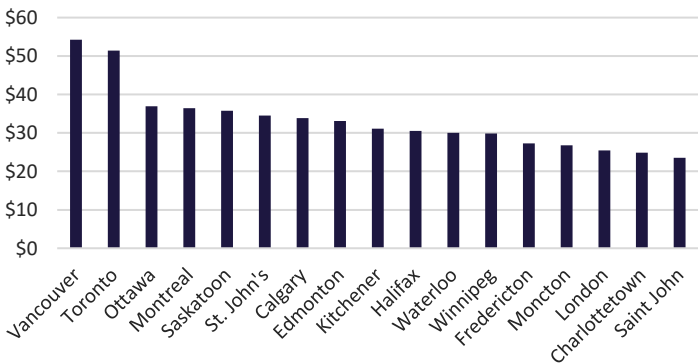


Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Vancouver	70,622,658	8,104,377	10.3%	11.4%	11.5%	357,201	582,641	314,165	486,402	\$33.01	\$21.25	\$54.26
Edmonton	29,629,276	5,535,247	18.4%	18.7%	18.7%	65,000	65,000	66,857	-5,809	\$16.30	\$16.85	\$33.14
Calgary	66,719,292	15,410,889	26.2%	23.6%	23.1%	0	0	13,594	315,203	\$15.53	\$18.31	\$33.84
Saskatoon	6,833,997	825,904	14.9%	12.5%	12.1%	0	0	27,419	94,942	\$21.92	\$13.81	\$35.73
Winnipeg	22,509,721	3,149,484	12.7%	13.1%	14.0%	0	0	-223,140	-235,887	\$15.63	\$14.20	\$29.83
Toronto	187,624,681	31,797,661	17.2%	17.3%	16.9%	0	0	477,758	245,007	\$27.97	\$23.43	\$51.40
London	7,988,654	1,655,302	22.2%	22.4%	20.7%	0	0	110,314	72,440	\$13.31	\$12.15	\$25.46
Kitchener	5,388,508	1,649,784	26.9%	29.7%	30.6%	0	0	-50,084	-195,731	\$17.62	\$13.47	\$31.09
Waterloo	7,225,788	1,397,450	16.2%	20.8%	19.3%	0	0	104,925	-93,173	\$17.00	\$13.00	\$29.99
Ottawa	43,493,411	5,340,372	11.8%	12.5%	12.3%	0	0	7,768	22,130	\$17.75	\$19.21	\$36.96
Montreal	108,102,172	21,018,913	17.3%	19.2%	19.4%	39,177	39,177	-1,154,815	-1,544,102	\$18.30	\$18.16	\$36.46
Fredericton	2,278,872	258,892	16.5%	11.2%	11.4%	0	0	-4,111	15,463	\$15.43	\$11.85	\$27.29
Saint John	2,476,133	856,725	35.1%	37.9%	34.6%	0	0	74,474	73,705	\$12.54	\$10.98	\$23.52
Moncton	3,063,541	491,064	18.2%	17.1%	16.0%	0	0	31,582	35,950	\$14.07	\$12.68	\$26.75
Halifax	12,737,455	1,465,573	12.9%	12.2%	11.5%	0	0	105,883	211,022	\$16.14	\$14.40	\$30.55
Charlottetown	1,232,903	44,117	6.1%	4.7%	3.6%	0	0	13,800	12,685	\$15.97	\$8.89	\$24.86
St. John’s	3,920,083	815,429	20.0%	21.1%	20.8%	0	0	5,763	-22,520	\$21.16	\$13.35	\$34.51
National	581,847,145	99,817,183	17.0%	17.3%	17.2%	461,378	686,818	-77,848	-511,326	\$22.50	\$19.65	\$42.15

CANADIAN MARKETS OVERALL VACANCY



CANADIAN MARKETS OVERALL GROSS RENTS



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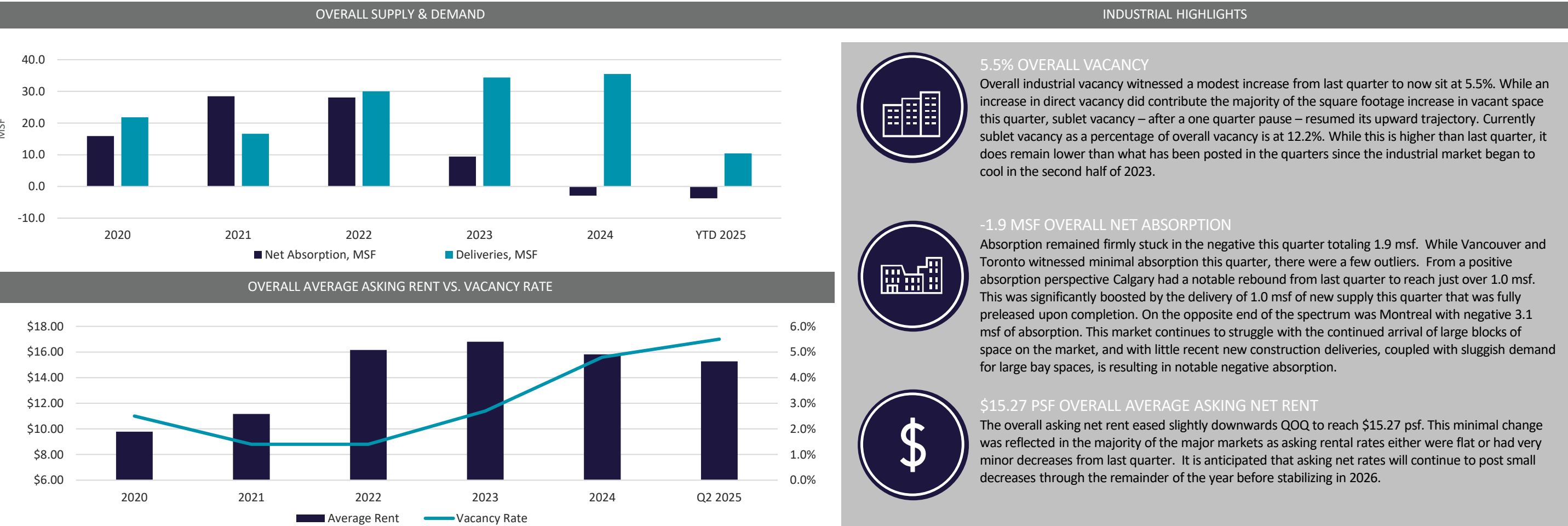
# INDUSTRIAL STATISTICS


SECOND QUARTER 2025

Better never settles




Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	2,055,201,585	112,383,335	3.8%	5.3%	5.5%	4,588,845	10,407,028	-1,945,225	-3,706,017	\$15.27	\$4.61	\$19.88






5.5% OVERALL VACANCY

Overall industrial vacancy witnessed a modest increase from last quarter to now sit at 5.5%. While an increase in direct vacancy did contribute the majority of the square footage increase in vacant space this quarter, sublet vacancy – after a one quarter pause – resumed its upward trajectory. Currently sublet vacancy as a percentage of overall vacancy is at 12.2%. While this is higher than last quarter, it does remain lower than what has been posted in the quarters since the industrial market began to cool in the second half of 2023.



-1.9 MSF OVERALL NET ABSORPTION

Absorption remained firmly stuck in the negative this quarter totaling 1.9 msf. While Vancouver and Toronto witnessed minimal absorption this quarter, there were a few outliers. From a positive absorption perspective Calgary had a notable rebound from last quarter to reach just over 1.0 msf. This was significantly boosted by the delivery of 1.0 msf of new supply this quarter that was fully preleased upon completion. On the opposite end of the spectrum was Montreal with negative 3.1 msf of absorption. This market continues to struggle with the continued arrival of large blocks of space on the market, and with little recent new construction deliveries, coupled with sluggish demand for large bay spaces, is resulting in notable negative absorption.



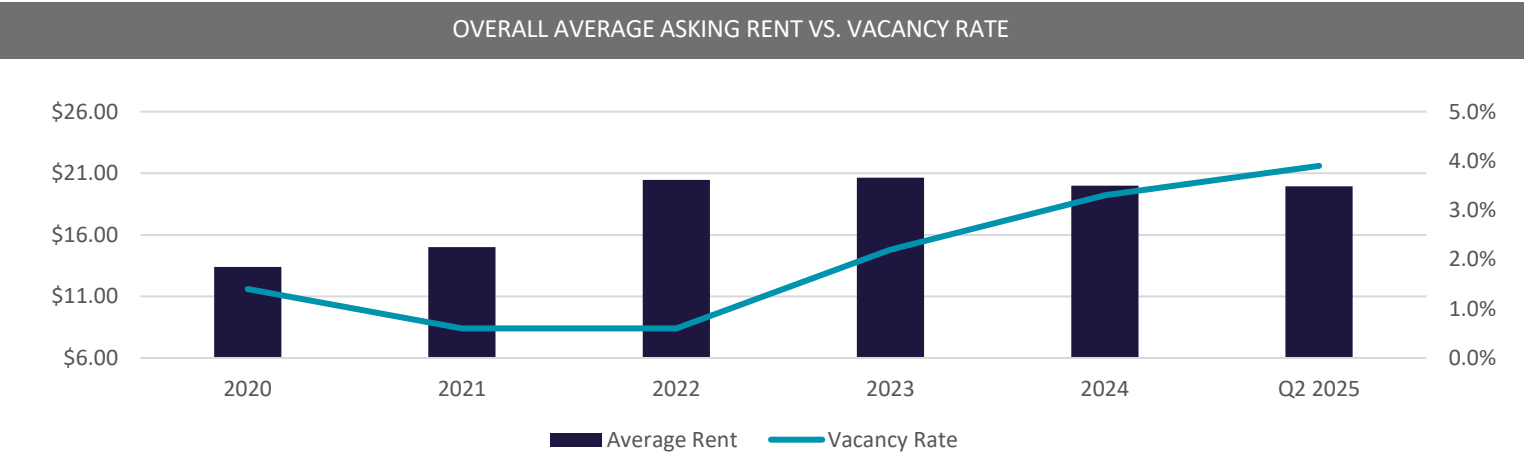
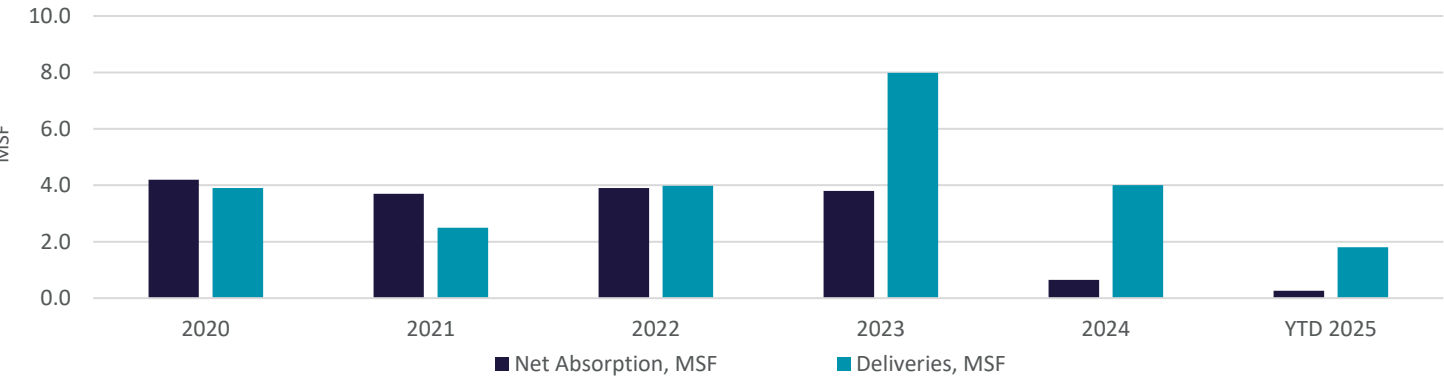
\$15.27 PSF OVERALL AVERAGE ASKING NET RENT

The overall asking net rent eased slightly downwards QOQ to reach \$15.27 psf. This minimal change was reflected in the majority of the major markets as asking rental rates either were flat or had very minor decreases from last quarter. It is anticipated that asking net rates will continue to post small decreases through the remainder of the year before stabilizing in 2026.

Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	249,039,055	9,671,132	2.7%	3.6%	3.9%	781,747	1,813,113	-66,133	258,576	\$19.94	\$5.71	\$25.65

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



**3.9% OVERALL VACANCY**

Overall vacancy rose for the tenth consecutive quarter, up 30 bps QOQ to 3.9% - the highest level since the upward vacancy trend began in Q1 2023. The increase was driven by new construction completions of 782k sf, (380k sf was vacant), a 16% QOQ rise in sublease activity and several large blocks of space hitting the market. The largest was the former Hudson’s Bay distribution center at 18111 Blundell Road in Richmond (438k sf) which alone added 0.2% to overall vacancy (0.9% in Richmond). Looking ahead, overall vacancy is expected to edge higher through year-end 2025 as more industrial product delivers (around 3.8 msf) and market demand continues to adjust to the influx of new supply.



**-66K SF OVERALL ABSORPTION**

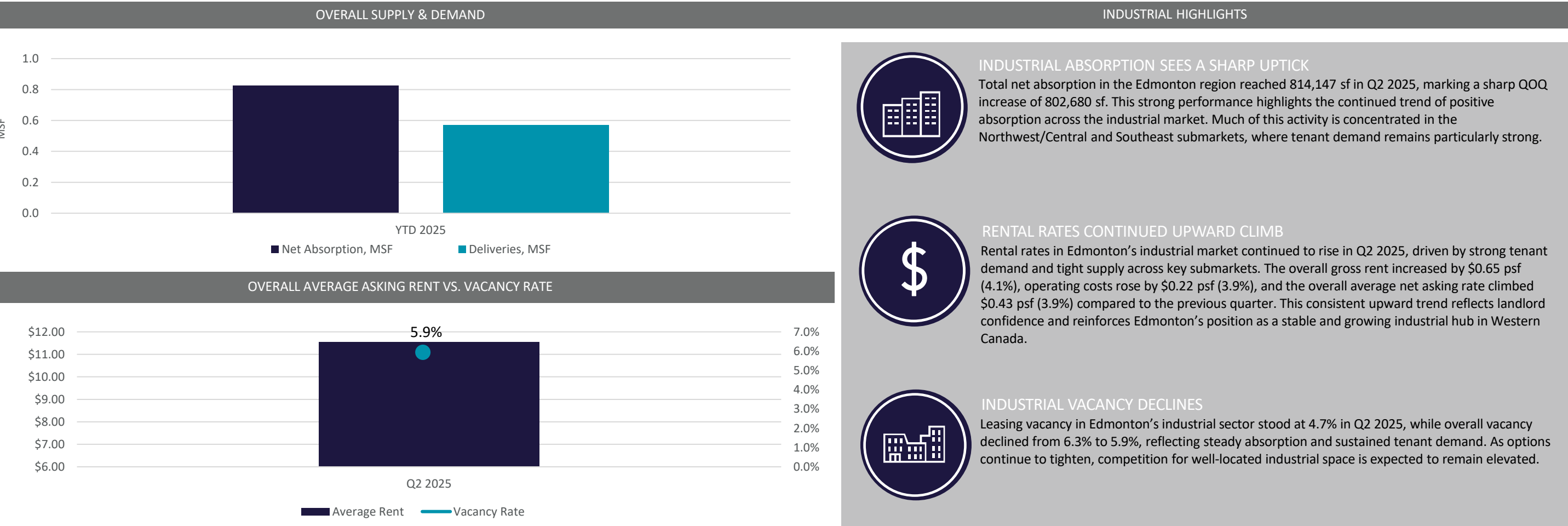
After two consecutive quarters of positive net absorption, this quarter saw a reversal with net absorption turning negative 66k sf. This was primarily driven by the Hudson’s Bay move-out in Richmond (438k sf) and a new 214k-sf sublease in Surrey; excluding these, absorption would have remained positive. On balance, large move-ins helped offset the impact of major move-outs. Notable positive contributors included Costco (136k sf) in Langley, IEM (243k sf in a new build) in Surrey and Morris National (90k sf) in Surrey. Absorption performance varied by submarket, with Fraser Valley posting positive 299k sf, while North Fraser recorded negative 365k sf.



**ASKING RENTAL RATES REMAINED STABLE**

Overall net asking rates remained just below \$20 psf for the fourth consecutive quarter, holding nearly flat QOQ at \$19.94 psf in Q2 2025 - a 1.1% decrease YOY. This represents a 5.7% decline from the peak rates recorded in Q3 of 2022 and 2023. Driven by the addition of higher-quality new builds this quarter which command higher asking rates, submarkets such as Richmond and Coquitlam recorded QOQ rent increases of \$1.91 psf and \$1.25 psf, respectively. Asking rates in the Fraser Valley declined slightly to \$19.15 psf, while rates in the North Fraser region edged up to \$20.73 psf. Landlords continue to offer significant tenant improvements (TI’s) to maintain higher asking rates.

Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	163,248,169	9,570,135	n/a	6.3%	5.9%	128,700	571,406	814,147	825,614	\$11.55	\$4.78	\$16.33

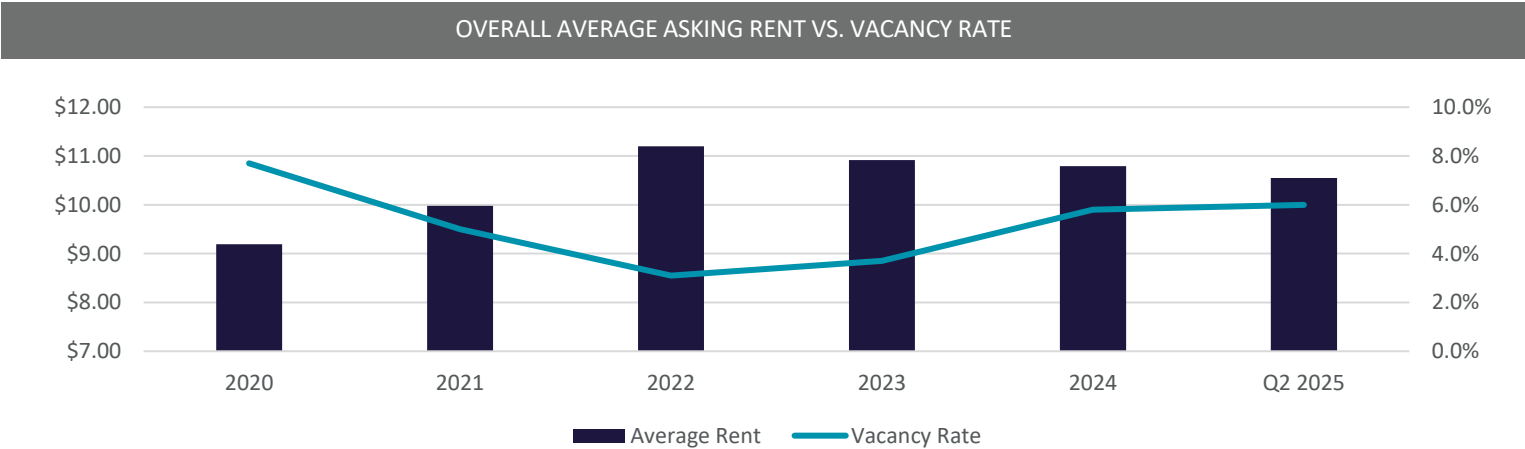
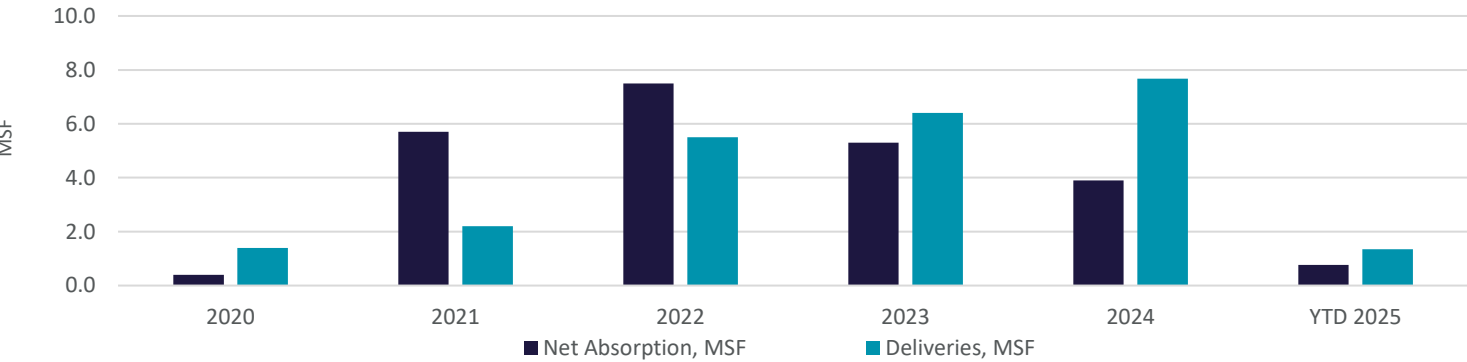




Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	159,256,189	9,549,261	4.8%	6.1%	6.0%	1,013,970	1,348,490	1,025,281	766,125	\$10.55	\$4.48	\$15.03

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



**6.0% OVERALL VACANCY**  
Overall industrial vacancy decreased slightly on a QOQ basis, falling roughly in line with expectations given the city’s diminishing construction pipeline. With the exception of a few built-to-suit projects, overall construction activity continued to slow overall and has allowed leasing activity to catch up. As anticipated, this shifted focus toward availabilities in existing buildings and the result has been a slight but important drop in the overall vacancy rate. While demand was muted for a brief period as landlords and tenants assessed the potential impacts of the tariff/counter-tariff economic situation between Canada and the U.S. Despite many sub-industries adjusting quickly to the ‘new normal’ others have not and as such vacancy is anticipated to remain largely stagnant for the better part of 2025.

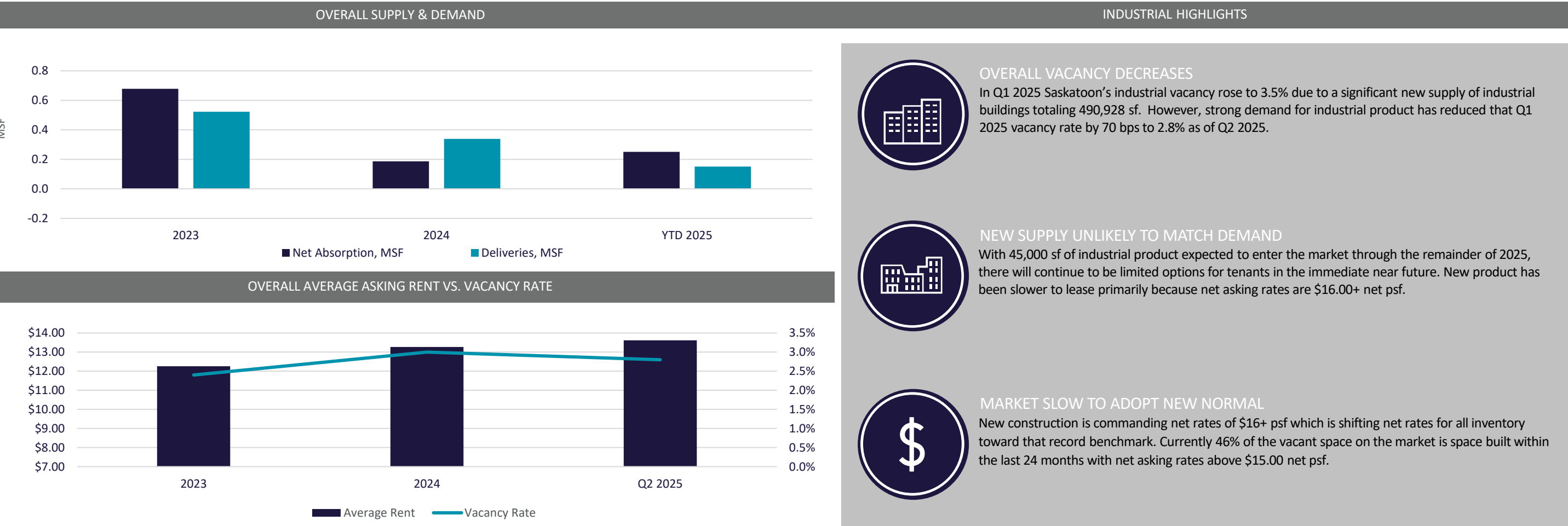


**1.7 MSF OVERALL NEW LEASING ACTIVITY**  
Industrial leasing activity increased by approximately one-third over the 1.24 msf posted in Q1 2025. Contributing to this increase were the largest leases of the year to date - Direct Limited Partnership and Triple Eight Transport Inc. – with both taking more than 200k sf of space in Q2 2025.



**1.0 MSF OVERALL NET ABSORPTION**  
Due to particularly strong leasing activity in the Northeast (NE) industrial zone, overall positive absorption was recorded this quarter. More than 1.3 msf of positive absorption was tracked in the NE, while small amounts of negative absorption emerged in the Central (-96.7k sf) and Southeast (-22.3k sf) which partially offset the positive NE numbers.

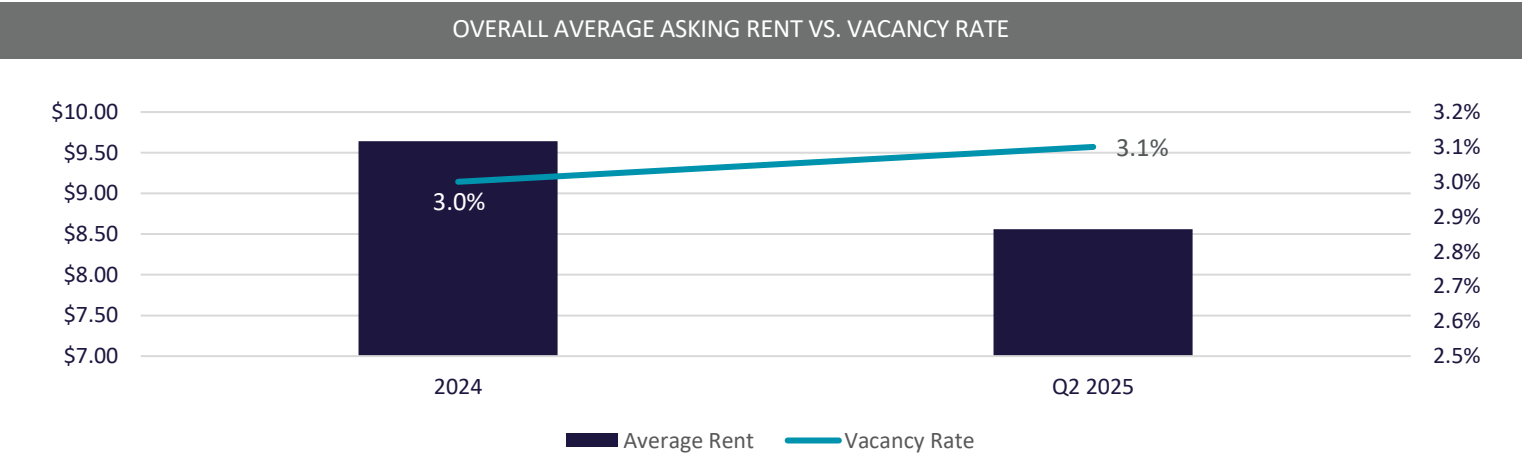
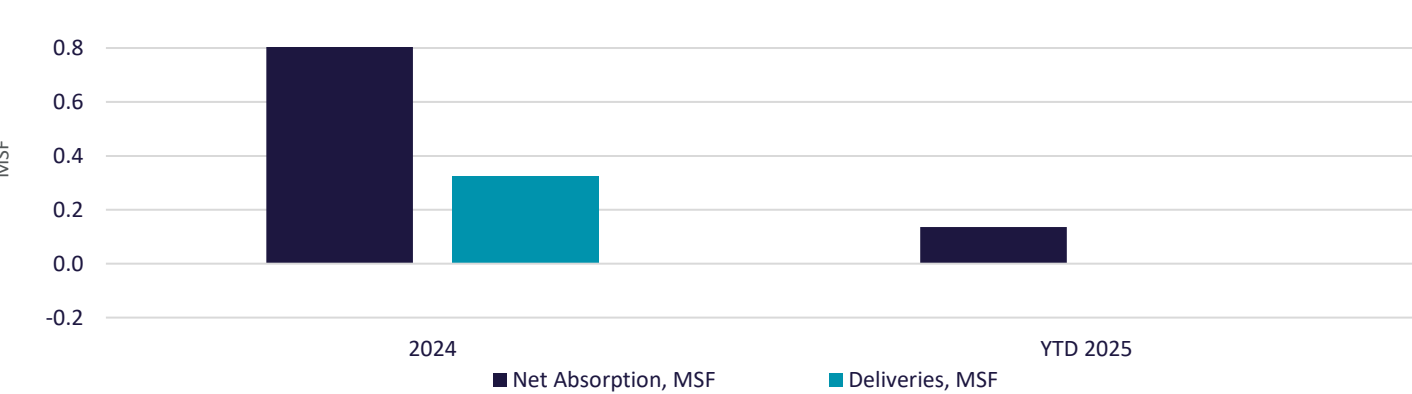
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	24,778,383	699,079	2.5%	3.5%	2.8%	60,928	150,928	271,035	251,330	\$13.62	\$5.15	\$18.77



Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	77,120,822	2,400,334	3.0%	2.7%	3.1%	0	0	-340,984	135,849	\$8.56	\$4.13	\$12.69

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



DEMAND WEAKENS FOLLOWING STRONG START TO 2025

Following a strong opening quarter, Winnipeg’s industrial market slowed significantly, with net absorption falling to -341k sf—a sharp contrast to the positive 477k sf absorbed in Q1 2025. The drop was largely due to move-outs and inactivity in the Southwest submarket and a smaller decline in the Northwest. Other areas, such as the Northeast and Southeast, remained flat or mildly positive but could not offset the broader decline, pointing to softening demand and tenant consolidation.



RENTAL RATES HOLD DESPITE SOFTER CONDITIONS

Even with reduced demand, rental rates stayed firm. The average net asking rent remained at \$8.56 psf, while gross rents edged up to \$16.38 psf, continuing the modest QOQ gains witnessed in recent quarters. Premium submarkets like Southeast (\$12.25 psf net, \$16.76 gross) and Southwest (\$13.83 psf net, \$19.35 psf gross) retained strong pricing, supported by tight supply and quality inventory. Landlords appear to be holding pricing steady amid limited new construction and low vacancy.



VACANCY EDGES UP BUT REMAINS HEALTHY

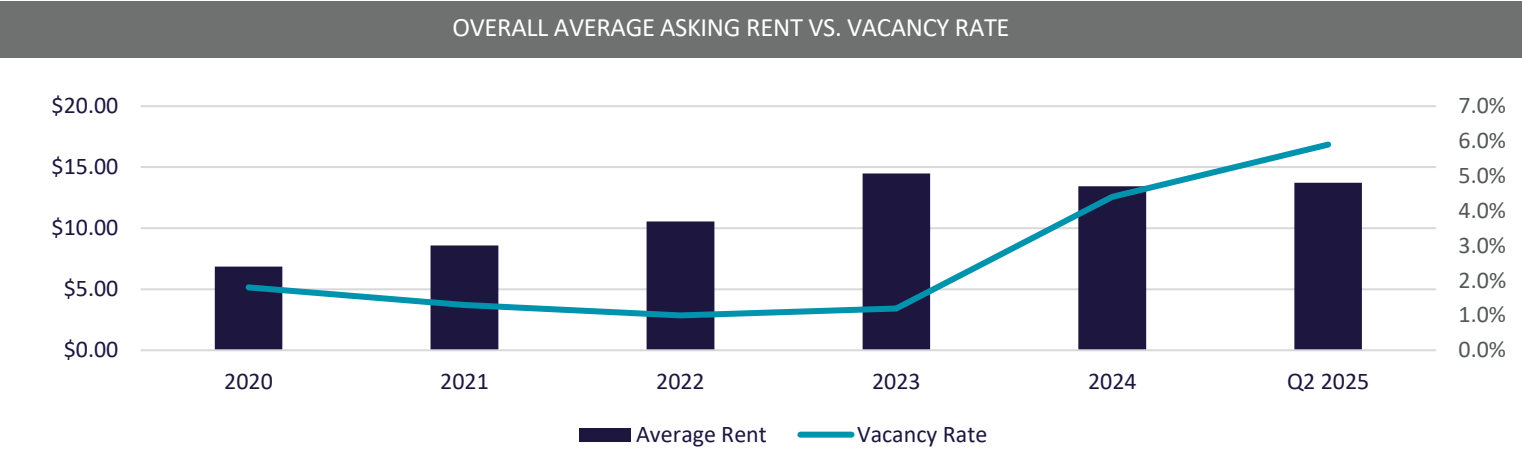
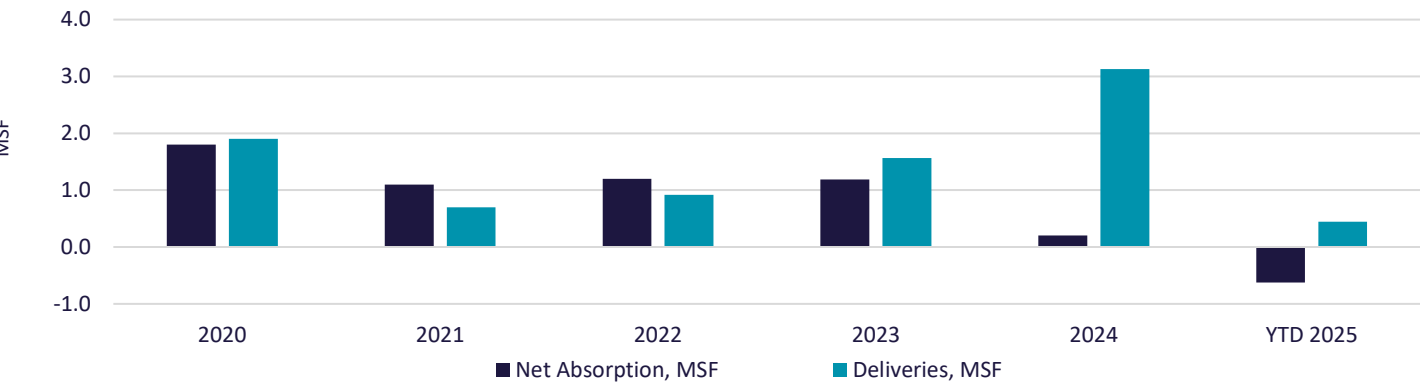
Total vacancy rose slightly to 3.1%, up from 2.7%, with the amount of vacant space increasing by over 340k sf to 2.4 msf. This reflects net move-outs rather than oversupply as new construction deliveries remains low. The Southwest and Northeast submarkets saw the sharpest increases, while Central and Southeast remained near full occupancy, underscoring a divergent performance across submarkets. Though vacancy remains low by historical standards, rising availability may start to impact pricing if demand does not recover in the second half of the year.



Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	97,198,009	5,747,201	3.1%	5.2%	5.9%	0	444,186	-295,548	-623,228	\$13.72	\$3.91	\$17.63

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



**5.9% OVERALL VACANCY**  
This past year’s construction completions have caused a notable increase in vacancy, largely driven by the rate of completions and the slowdown in demand. Although this upward trend of rising vacancy may continue as there is a still 1.6 msf in the pipeline, underlying demand remains present reflected in the Q2 2025 leasing activity total. It will be important to monitor how if demand is able to be maintained through the remainder of the year.

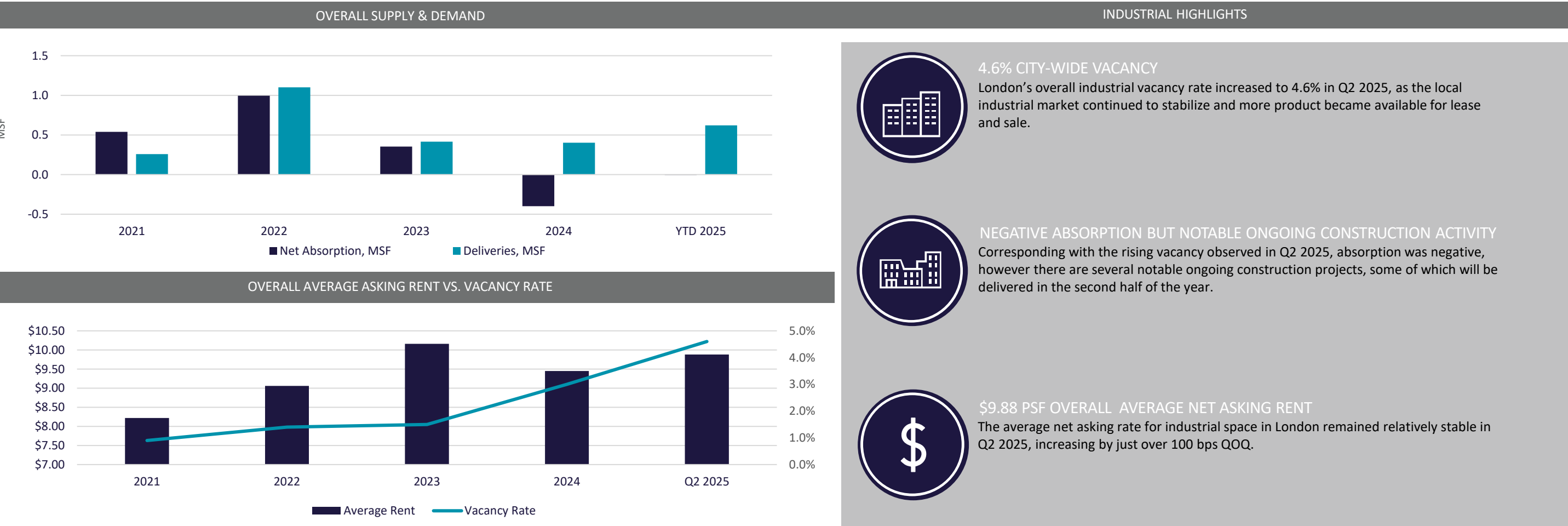


**-295K SF OVERALL ABSORPTION**  
Leasing activity experienced a bounce back from a relative pause in momentum last quarter, as Q2 2025 leasing activity more than doubled from last quarter. That being said the Region’s industrial market remains under pressure due to the steady pipeline of new construction outpacing absorption. This quarter had minimal delivery of new space, but the addition of key large existing sites added to market sustained vacancy trends.



**1.6 MSF UNDER CONSTRUCTION**  
While this quarter saw minimal completions to impact the vacancy rates, there is a still an ample amount of supplementary space to be delivered in the coming quarters. It is likely that supply will continue to outpace demand until this current construction cycle ends.

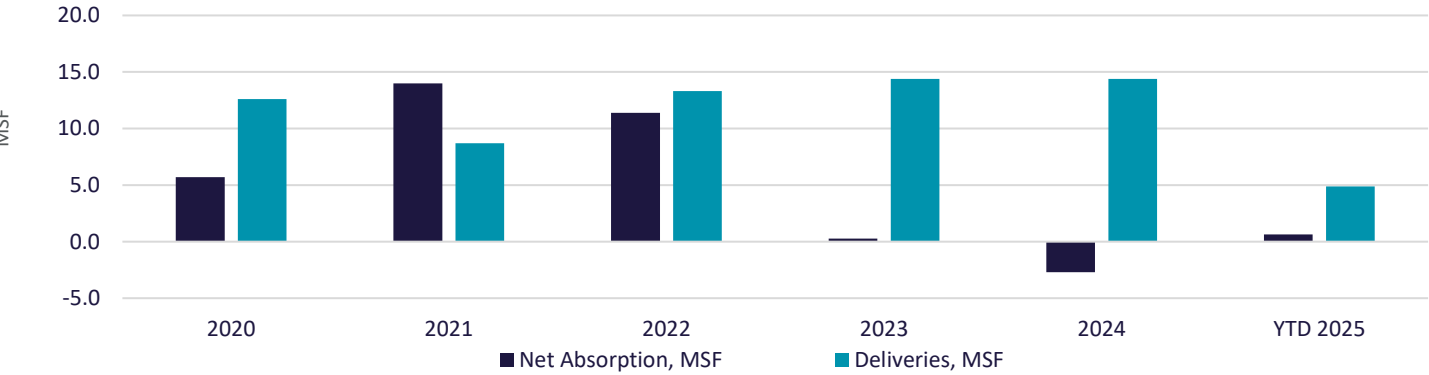
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	43,037,369	1,960,436	1.9%	3.6%	4.6%	0	621,714	-420,060	-4,912	\$9.88	\$3.65	\$13.53



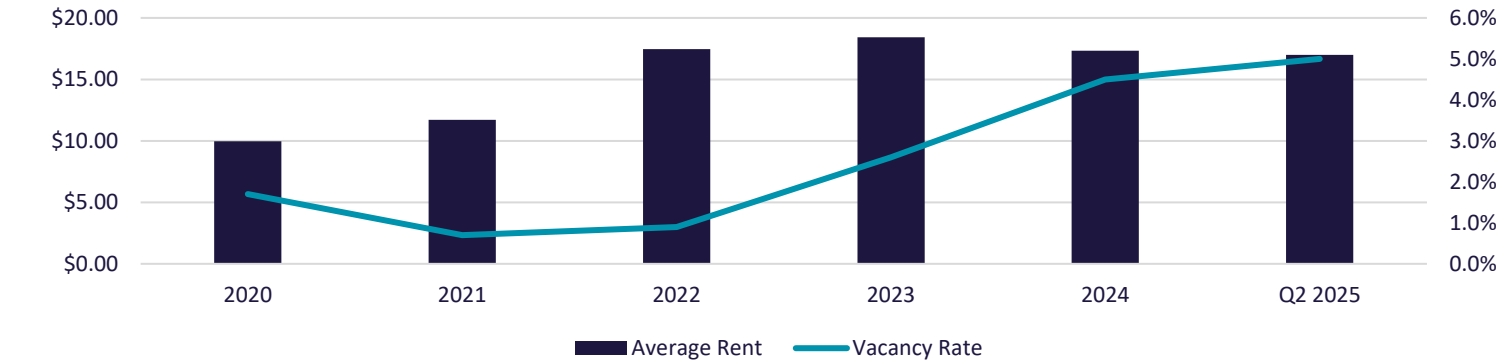
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	840,835,763	42,005,333	3.7%	4.7%	5.0%	2,486,673	4,894,314	58,847	647,854	\$17.00	\$4.06	\$21.06
GTA Central	224,165,902	8,109,266	2.6%	3.3%	3.6%	176,032	513,242	-655,382	-755,582	\$16.63	\$4.42	\$21.05
GTA West	394,533,777	24,565,402	4.8%	5.6%	6.2%	1,200,179	1,655,613	-1,404,041	-1,399,357	\$17.30	\$3.95	\$21.25
GTA North	166,298,595	5,420,260	2.6%	3.3%	3.3%	1,110,462	1,863,017	1,063,082	1,629,706	\$17.41	\$4.17	\$21.58
GTA East	55,837,489	3,910,405	4.3%	8.9%	7.0%	0	862,442	1,055,188	1,173,087	\$13.82	\$3.46	\$17.28

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



OVERALL AVERAGE ASKING RENT VS. VACANCY RATE



5.0% GTA OVERALL AVAILABILITY

The GTA industrial market continued to navigate a persistent supply-demand imbalance in the first half of the year. A 50-bps climb in Q2 2025 vacancy brought the market closer to completing a three-year streak of steady increases—an about-turn from the preceding five years of mostly declining vacancy. Even so, this quarter’s uptick aligned with the two-year quarterly average. GTA East was the lone region to buck the trend, driven by the lease of a 700,000-sf facility that pulled vacancy down.



5.9 MSF GTA NEW LEASING ACTIVITY

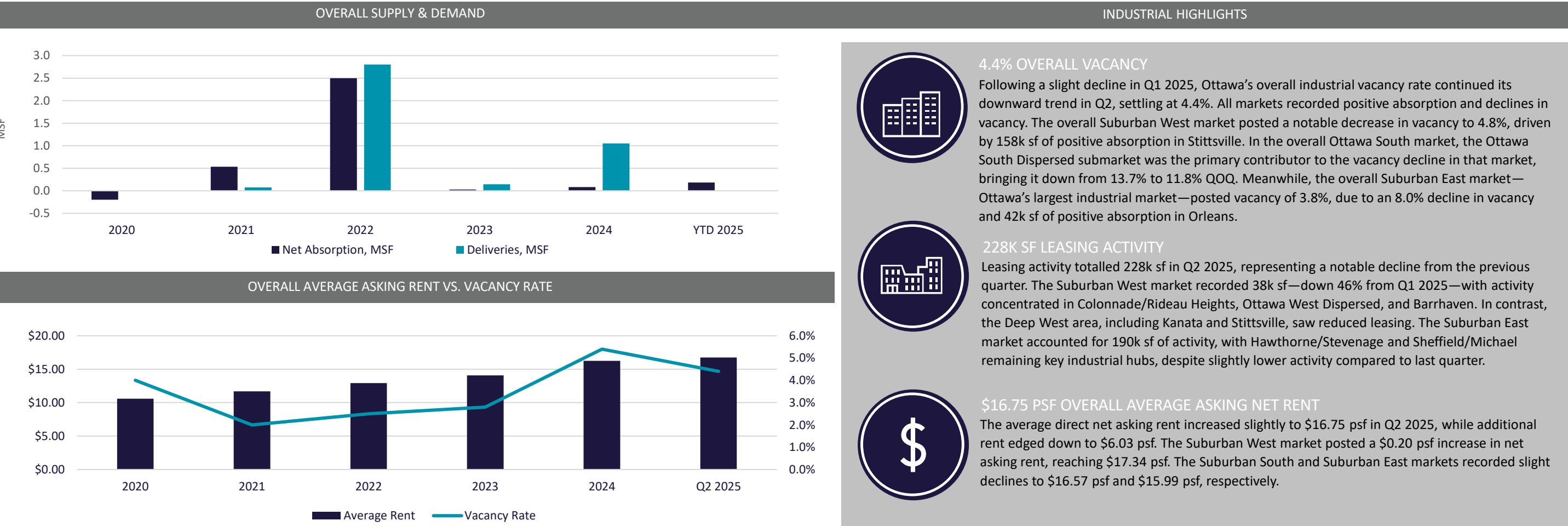
Amid an ongoing market reset, new leasing activity once again delivered a strong showing, reaching the highest quarterly level since late 2023. The quarterly volume rose 37.6% YOY, edging slightly above the five-year average of 5.8 msf. This pushed the year-to-date total to 11.4 msf—38.9% higher than at the same point in 2024. GTA East posted the most significant growth, with mid-year total new leasing activity soaring to 1.6 msf—four times the volume recorded by mid-2024.



\$17.00 PSF AVERAGE ASKING NET RENT

The quoted average net rent continued to adjust in response to evolving market conditions, falling back for a fifth straight quarter to the lowest level in close to three years. This marked the most prolonged period of decline since the 2008-2009 downturn. GTA West remained at the forefront of this downward trend, recording a 200-bps QOQ decrease in Q2 2025 and extending its run of quarterly declines to seven. The most significant reductions were concentrated in aging stock, while newer developments have posted relatively stable pricing or only modest downward adjustments.

Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	28,462,345	1,261,366	3.5%	5.3%	4.4%	0	0	189,355	183,280	\$16.75	\$6.03	\$22.78

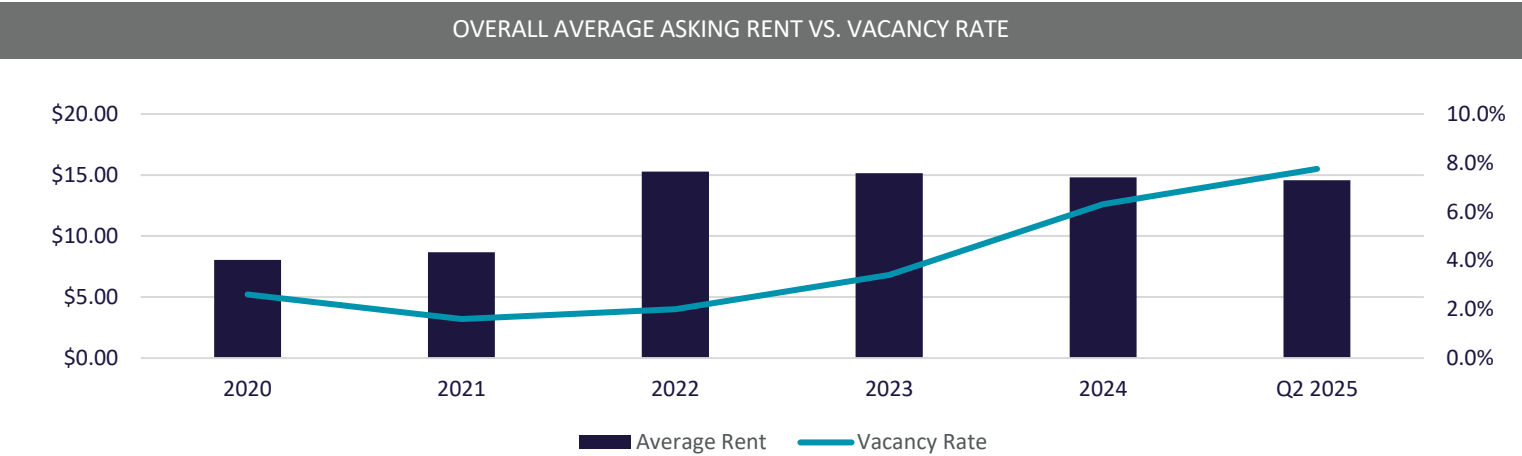
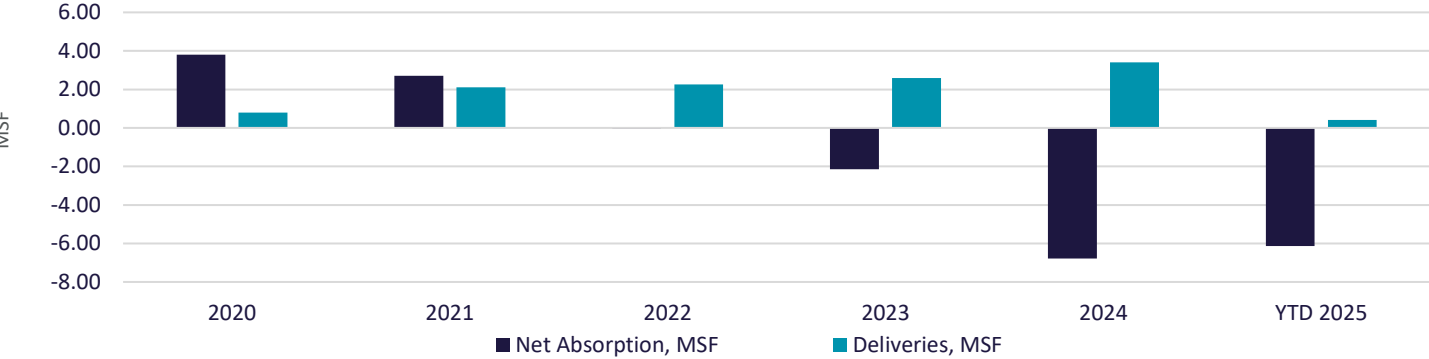




Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	351,562,207	27,239,461	5.0%	7.4%	7.7%	0	408,466	-3,120,067	-6,128,380	\$14.56	\$4.38	\$18.94

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



**7.7% OVERALL VACANCY**  
The Montreal industrial vacancy rate reached 7.7% in Q2 2025, reflecting a QOQ increase in direct vacant space that was witnessed throughout most submarkets in the GMA and has resulted in the continued easing in occupancy levels.



**-3.1 MSF OVERALL ABSORPTION**  
Overall absorption totaled negative 3.1 msf in Q2 2025 with negative absorption witnessed in all submarkets. The highest total this quarter was in Montreal East with negative 837k sf; however, it is worth noting this was in large part driven by a single vacant space of 658k sf coming onto the market this quarter. A similar story exists throughout the GMA as large blocks of space (over 100k sf) continue to come on the market, and with insufficient demand to counter-act this new vacancy is resulting in persistent negative absorption.

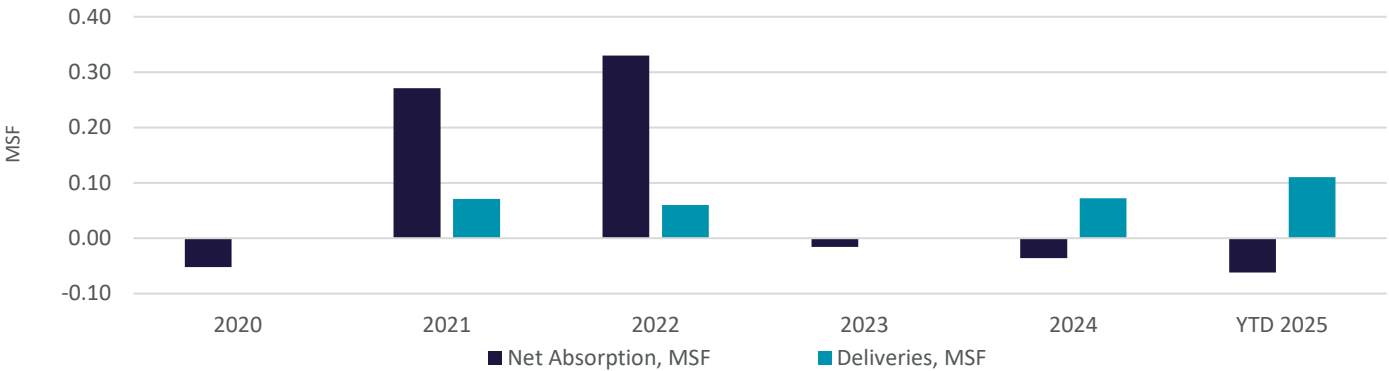


**\$14.56 PSF OVERALL AVERAGE ASKING NET RENT**  
The average direct net asking rent remained stable at \$14.56 psf in Q2 2025. Despite fluctuations in individual submarkets, the overall Montreal average net rent showed little movement from Q1 2025. After experiencing a downward correction that has been underway since early 2024, there is a growing possibility that the market could reach a point of stabilization by the end of 2025, with the assumption that market conditions adapt to the new economic landscape.

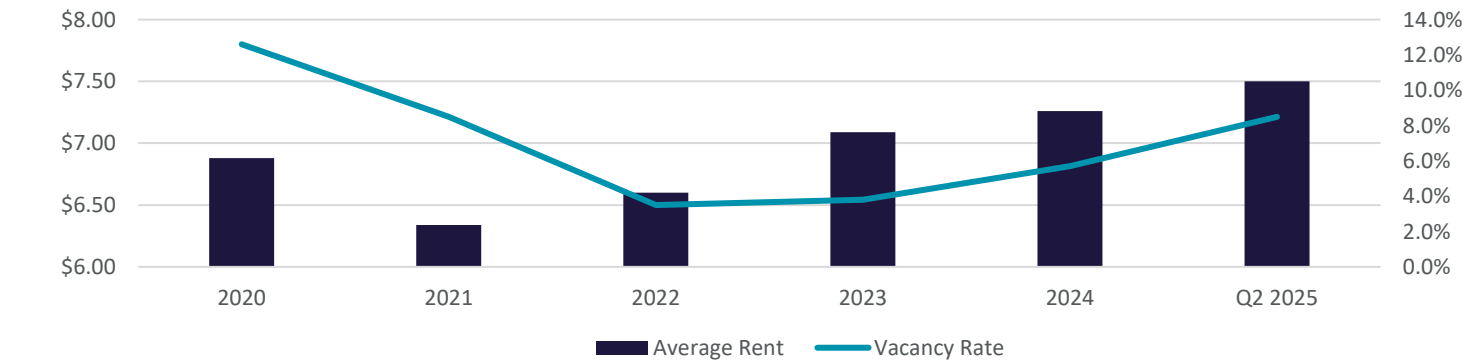
Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Fredericton	523,015	0	0.7%	0.4%	0.0%	0	0	1,982	982	\$8.10	\$4.95	\$13.05
Saint John	522,603	19,739	6.9%	6.4%	3.8%	0	0	13,800	481	\$8.53	\$4.27	\$12.79
Moncton	4,916,105	488,197	5.4%	6.6%	9.9%	109,895	109,895	-64,057	-66,247	\$7.32	\$3.63	\$10.94
Overall New Brunswick	5,961,723	507,936	5.1%	6.0%	8.5%	109,895	109,895	-48,275	-62,594	\$7.50	\$3.81	\$11.31

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



OVERALL AVERAGE ASKING RENT VS. VACANCY RATE



8.5% OVERALL VACANCY

Industrial vacancy in New Brunswick increased to 8.5% in the first quarter of 2025, up 250 bps from 6.0% in the previous quarter. Moncton had a large QOQ increase in vacancy totaling 330 bps to reach 9.9%. The Saint John submarket witnessed a significant decrease in overall vacancy of about 260 bps QOQ from 6.4% last quarter to 3.8%. The Fredericton Submarket also had a slight QOQ decrease in vacancy of about 40 bps to now sit at 0.0%.



-48K SF OVERALL ABSORPTION

Overall absorption in New Brunswick slipped further into negative territory this quarter to negative 48k sf. Moncton was the driving force behind the overall negative absorption, with approximately negative 64k sf. Fredericton only experienced 2k sf of positive absorption, and Moncton only recouped its negative absorption from last quarter with 14k sf of positive absorption this quarter.



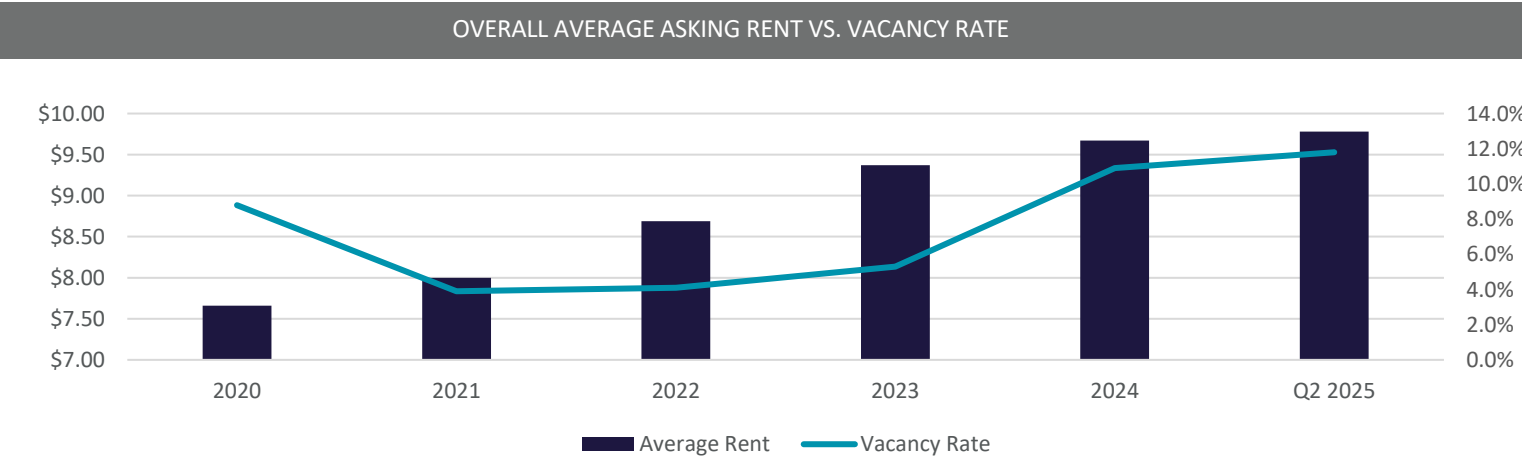
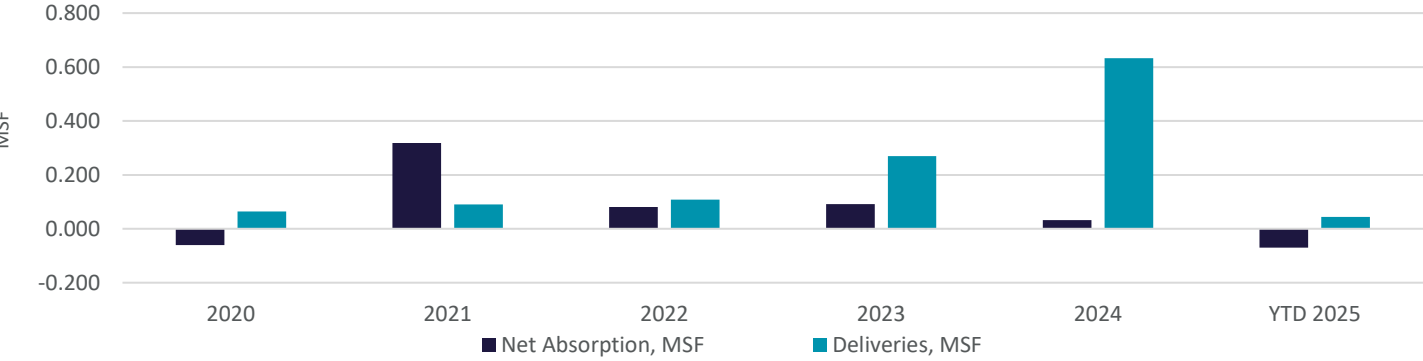
\$7.50 PSF OVERALL AVERAGE ASKING NET RENT

The overall net asking rental rate in New Brunswick increased from last quarter by \$0.10 to \$7.50 psf. Moncton drove the total increase, with a \$0.13 psf QOQ increase in its overall net asking rent, while Fredericton and Saint John rents remained stable with no changes.

Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	9,858,409	1,165,504	6.4%	10.7%	11.8%	6,932	44,516	-120,780	-69,754	\$9.78	\$6.44	\$16.22

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



**10.7% OVERALL VACANCY**  
Vacancy in the Halifax industrial market increased to 11.8% in the second quarter of 2025, a 90 bps increase from the previous quarter. The Halifax submarket posted the most significant increase in vacancy of 390 bps to 6.1%, with the Burnside submarket posting a notable QOQ increase of 140 bps.



**-121K SF OVERALL ABSORPTION**  
Overall absorption in the Halifax industrial market shifted into negative territory this quarter reaching 121k sf. The negative absorption this quarter was primarily focused in Burnside with approximately -112k sf. The Halifax submarket experienced a decrease in absorption QOQ by nearly negative 19k sf, while the remaining submarkets showed slight increases in absorption levels or remained unchanged

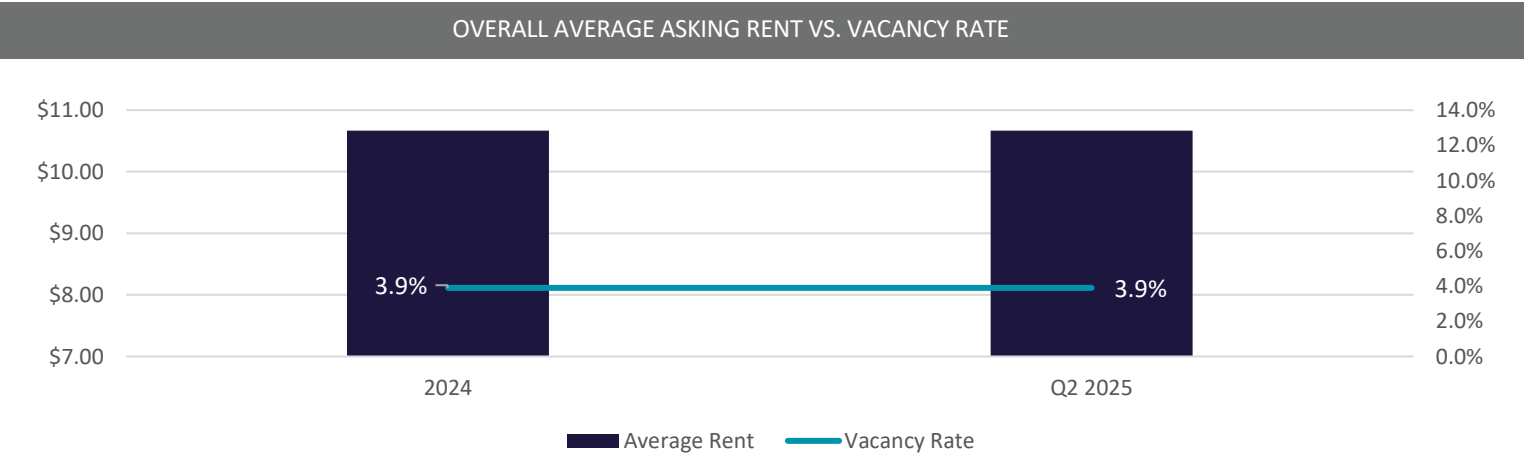
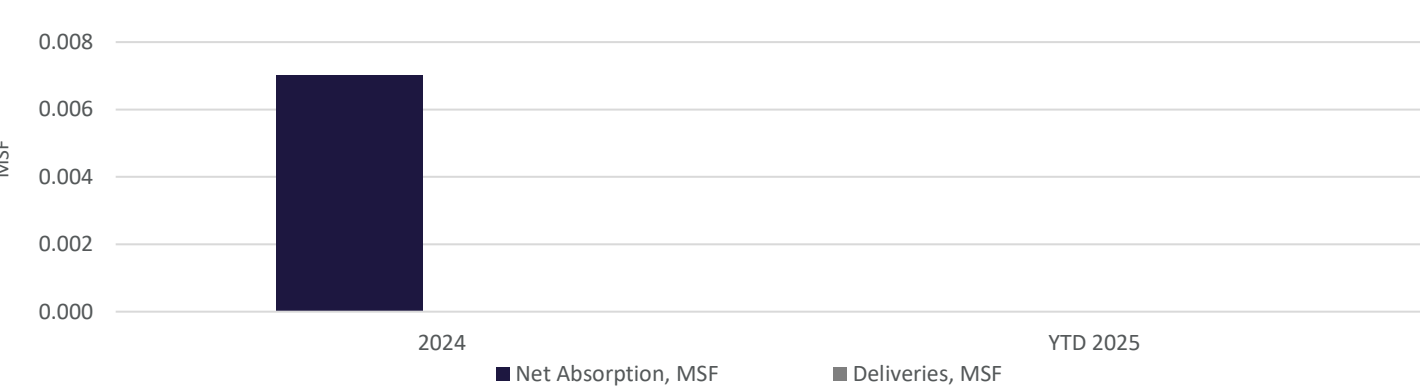


**\$9.78 PSF OVERALL AVERAGE ASKING NET RENT**  
The Halifax industrial overall average net asking rent slightly increased from last quarter to \$9.78 psf, a QOQ increase of 30 bps. This increase was primarily driven by the Bedford Sackville submarket, which witnessed asking rates increasing by 130 bps QOQ.

Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	396,139	15,399	3.9%	3.9%	3.9%	0	0	0	0	\$10.67	\$5.52	\$16.19

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



**3.9% OVERALL VACANCY**  
The vacancy rate within the Charlottetown industrial market remained unchanged from last quarter at 3.9%, with 5.5% vacancy in the Parkdale submarket and 3.5% vacancy in the West Royalty submarket.



**15K SF TOTAL VACANT SPACE**  
Identical to the previous quarter, total vacant space in Charlottetown was 15k sf, of which 8k sf was available for sublease.



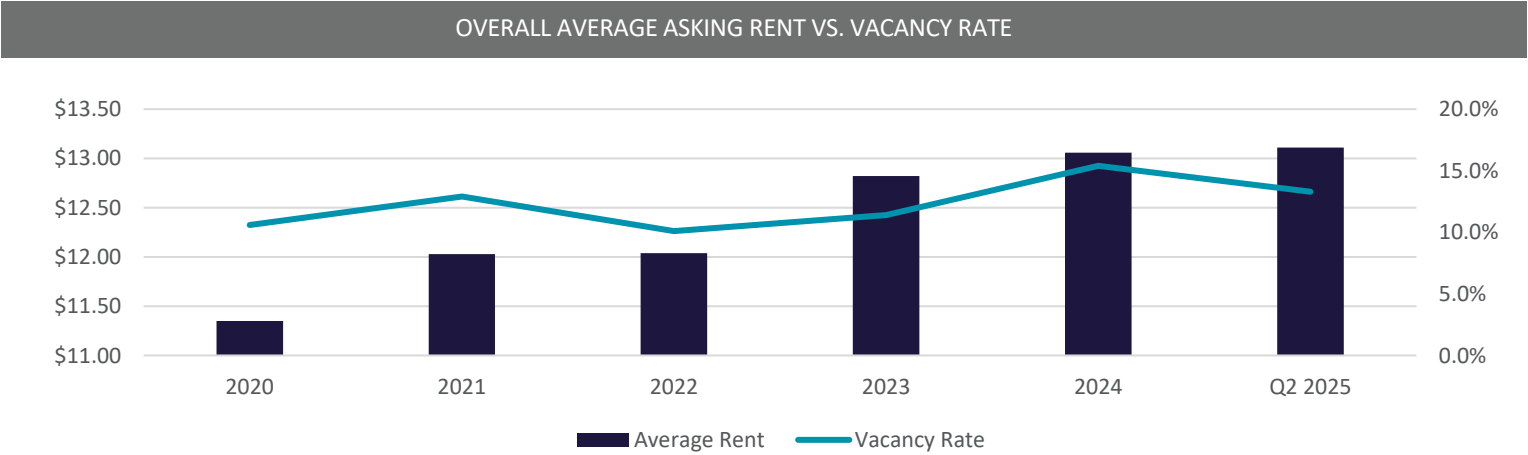
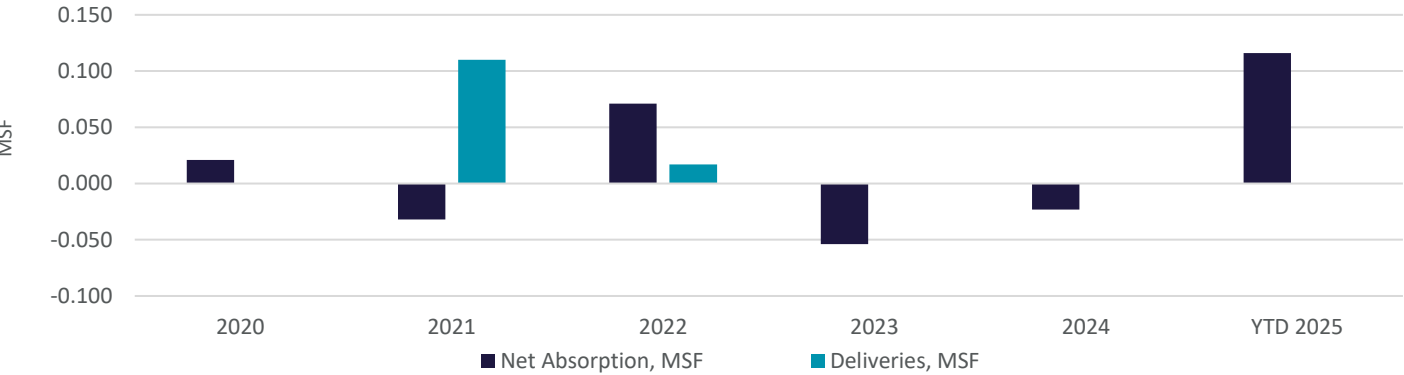
**\$16.19 PSF OVERALL AVERAGE GROSS RENT**  
In the second quarter of 2025 the average net rent in the Charlottetown industrial market remained stable at \$10.67 psf, with the overall average additional rent at \$5.52 psf. This brought the overall gross rent to \$16.19 psf.



Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Overall	4,447,003	590,758	15.1%	15.7%	13.3%	0	0	107,957	116,413	\$13.11	\$3.68	\$16.79

OVERALL SUPPLY & DEMAND

INDUSTRIAL HIGHLIGHTS



**13.3% OVERALL VACANCY**  
The vacancy rate in the St. John's industrial market decreased to 13.3% in the second quarter of 2025, a 240 bps decrease QOQ. The driving force behind this decrease was the North submarket, where vacancy decreased by 280 bps QOQ.



**108K SF OVERALL ABSORPTION**  
Overall absorption in the St. John's industrial market was strongly in positive territory this quarter. A key contributor to this was positive absorption of approximately 88k sf in Mount Pearl/Paradise.



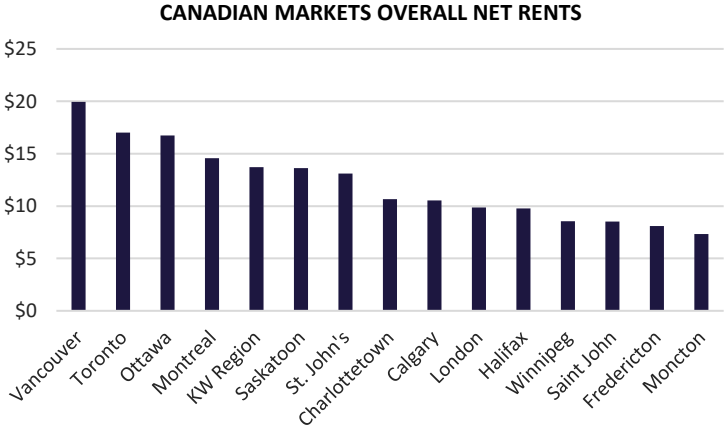
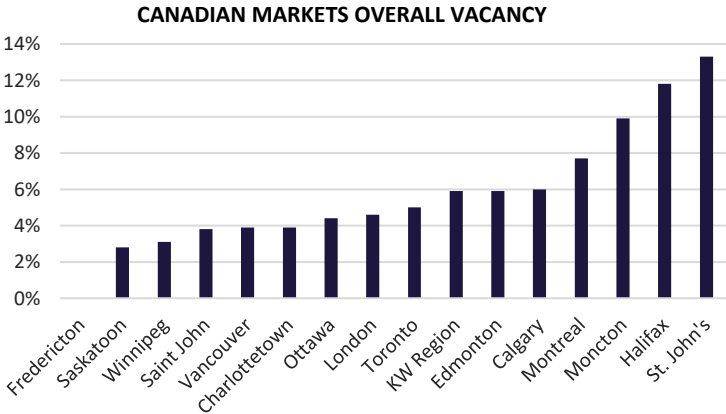
**\$13.11 PSF OVERALL AVERAGE ASKING NET RENT**  
The average net rent in the St. John's industrial market was \$13.11 psf this quarter, a slight decrease of \$0.02 psf QOQ. The overall average additional rent this quarter remained steady at \$3.68 psf, bringing the overall gross rent to \$16.79 psf.

Q2 2025

NATIONAL INDUSTRIAL STATISTICAL SUMMARY



Market	Current Inventory	Current Vacancy	Overall Vacancy Rate			2025 New Supply		2025 Absorption		Net Rent	Additional Rent	Gross Rent
			1 Year Ago	1 Quarter Ago	Current Quarter	Current Quarter	Year to Date	Current Quarter	Year to Date			
Vancouver	249,039,055	9,671,132	2.7%	3.6%	3.9%	781,747	1,813,113	-66,133	258,576	\$19.94	\$5.71	\$25.65
Edmonton	163,248,169	9,570,135	n/a	6.3%	5.9%	128,700	571,406	814,147	825,614	\$11.55	\$4.78	\$16.33
Calgary	159,256,189	9,549,261	4.8%	6.1%	6.0%	1,013,970	1,348,490	1,025,281	766,125	\$10.55	\$4.48	\$15.03
Saskatoon	24,778,383	699,079	2.5%	3.5%	2.8%	60,928	150,928	271,035	251,330	\$13.62	\$5.15	\$18.77
Winnipeg	77,120,822	2,400,334	3.0%	2.7%	3.1%	0	0	-340,984	135,849	\$8.56	\$4.13	\$12.69
Waterloo Region	97,198,009	5,747,201	3.1%	5.2%	5.9%	0	444,186	-295,548	-623,228	\$13.72	\$3.91	\$17.63
London	43,037,369	1,960,436	1.9%	3.6%	4.6%	0	621,714	-420,060	-4,912	\$9.88	\$3.65	\$13.53
Toronto	840,835,763	42,005,333	3.7%	4.7%	5.0%	2,486,673	4,894,314	58,847	647,854	\$17.00	\$4.06	\$21.06
Ottawa	28,462,345	1,261,366	3.5%	5.3%	4.4%	0	0	189,355	183,280	\$16.75	\$6.03	\$22.78
Montreal	351,562,207	27,239,461	5.0%	7.4%	7.7%	0	408,466	-3,120,067	-6,128,380	\$14.56	\$4.38	\$18.94
Fredericton	523,015	0	0.7%	0.4%	0.0%	0	0	1,982	982	\$8.10	\$4.95	\$13.05
Saint John	522,603	19,739	6.9%	6.4%	3.8%	0	0	13,800	481	\$8.53	\$4.27	\$12.79
Moncton	4,916,105	488,197	5.4%	6.6%	9.9%	109,895	109,895	-64,057	-66,247	\$7.32	\$3.63	\$10.94
Halifax	9,858,409	1,165,504	6.4%	10.7%	11.8%	6,932	44,516	-120,780	-69,754	\$9.78	\$6.44	\$16.22
Charlottetown	396,139	15,399	3.9%	3.9%	3.9%	0	0	0	0	\$10.67	\$5.52	\$16.19
St. John’s	4,447,003	590,758	15.1%	15.7%	13.3%	0	0	107,957	116,413	\$13.11	\$3.68	\$16.79
National	2,055,201,585	112,383,335	3.8%	5.3%	5.5%	4,588,845	10,407,028	-1,945,225	-3,706,017	\$15.27	\$4.61	\$19.88



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