

MARKET FUNDAMENTALS

	YOY Chg	Outlook
20.4% Vacancy Rate	▼	▼
-21K YTD Net Absorption, SF	▲	▲
\$34.43 Asking Rent, PSF <i>(Overall, All Property Classes)</i>	▼	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
120K St. John's Employment	▲	▲
6.8% St. John's Unemployment Rate	▲	▲
6.7% Canada Unemployment Rate	▲	▬

Source: Statistics Canada

ECONOMY

Newfoundland and Labrador (NL) continued to show signs of growth in the oil sector from last quarter with a projected increase in GDP by 2025. The manufacturing sector is another industry aiding this growth in the region despite the national slump. The robust growth in these key sectors is setting the stage for strong economic growth in 2025. NL is also in a favourable position with the threat of US tariffs, with only 50% of exports U.S.-based, which is much lower than the national average of 75%. Domestic-positioned industries are also strengthening due to population growth, leading to a robust workforce and increased consumer spending. Overall, NL is on track to have a strong year in 2025, with growth in manufacturing sectors supported by diversified exports and increased domestic activity.

(Sources: Statistics Canada, RBC, TD Economics)

SUPPLY AND DEMAND

The St. John's office market witnessed a slight increase in the overall vacancy rate in the fourth quarter of 2024, increasing by 30 basis points (bps) from last quarter to 20.4%. This increase was particularly notable in the Central submarket, where the total vacancy rate increased by 80 bps quarter-over-quarter.

Overall absorption remained in negative territory this quarter, from negative 6k square feet (sf) to close to negative 12k sf QOQ. The primary driver behind the overall negative absorption this quarter was from the Class A downtown submarket with negative absorption of approximately 10k sf. Class B East/West and Class B Downtown were the only submarkets with positive absorption this quarter. The North Class C market had Auditor General and Newfound Taxi move out of 5-7 Pippy Place, resulting in negative absorption of 8,758 sf.

PRICING

The average net rent in the St. John's office market remained stable at \$21.22 psf this quarter. The overall average additional rent was \$13.21 psf, bringing the overall gross rent to \$34.43 psf.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Downtown	1,696,676	0	512,281	30.2%	-7,080	-16,049	0	\$40.07	\$42.16
Central	324,945	0	52,928	16.3%	-2,700	-16,177	0	\$25.88	n/a
North	796,770	15,000	103,979	14.9%	-3,823	4,470	0	\$28.54	n/a
East & West	1,065,224	10,755	97,966	10.2%	2,000	7,067	0	\$30.68	\$37.11
St John's Totals	3,883,615	25,755	767,154	20.4%	-11,603	-20,689	0	\$34.43	\$40.11

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
140 Water Street	Downtown	TD Meloche Monnex	3,454	Expansion/Renewal
24 Stavanger Drive	East & West	Undisclosed	41,021	Renewal*

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	BUYER	SF	PRICE
NA				

BILL MACAVOY

Managing Director

Tel: +1 902 425 1872

bmacavoy@cwatlantic.com

JAKE MACMILLAN

Market Analyst

Tel: +1 902 334 2169

jmacmillan@cwatlantic.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

©2025 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.