

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
22.0% Vacancy Rate	▲	▼
-26K YTD Net Absorption, SF	▼	▲
\$25.94 Asking Rent, PSF <i>(Overall, All Property Classes)</i>	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
402K New Brunswick Employment	▲	▲
6.5% New Brunswick Unemployment Rate	▼	▼
6.6% Canada Unemployment Rate <i>Source: Statistics Canada</i>	▲	—

ECONOMY

The economy in New Brunswick is still facing hurdles despite a strengthening in consumer spending. The province is reaching an above-average labour force growth rate compared to the rest of Canada. These economic gains are attributed to the development of multi-unit structures, which have reached 40% compared to September 2023, and strength in consumer spending. The driving force behind these developments and investments is the growing population. New Brunswick is expected to steady manufacturing and exports once the United States' monetary conditions ease. Despite the slowdown that the province is experiencing this quarter in the industrial sector, New Brunswick is expected to reach firmer growth in 2025.

(Sources: Statistics Canada, RBC, TD Economics)

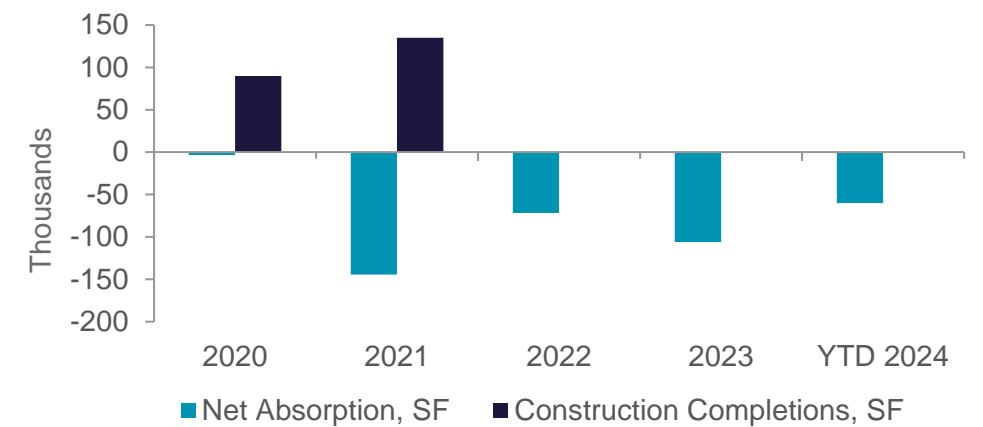
SUPPLY AND DEMAND

The vacancy rate in New Brunswick decreased by 100 basis points (bps) quarter-over-quarter (QOQ) to 22.0%. The was driven by a significant decrease in vacancy of 330 bps in the Fredericton market to 13.2%, and a slight decline of 70 bps in the Moncton market to 17.5%. However, there was an increase in vacancy in the Saint John market of 90 bps to 36.0%. Overall absorption in New Brunswick shifted back into negative territory this quarter to 5k square feet (sf). The Saint John Class C submarket posted notable negative absorption of 24k sf this quarter, leading to an overall market total of close to negative 24k sf. Moncton had positive absorption of 10k sf, in large part due to the 8k sf of positive absorption in the Class A market. In the Moncton Class A submarket Ditech Testing moved into 770 Main Street, occupying 6,454 sf of office space.

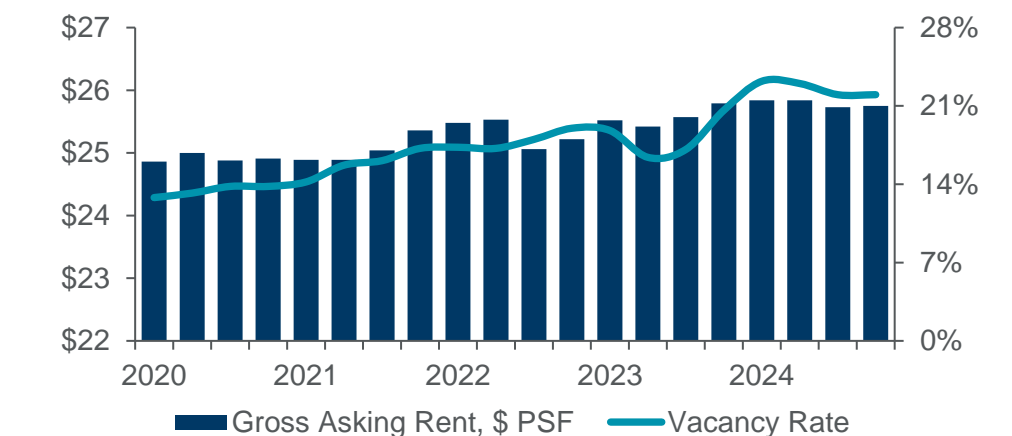
PRICING

The overall net asking rental rate in New Brunswick remained stable this quarter. The most significant increase was in the Saint John submarket, with the overall net rate rising by \$0.09 per square foot (psf) from last quarter to \$12.44 psf. Moncton also had an overall increase of \$0.05 psf QOQ to \$13.90 psf, and Fredericton remained unchanged at \$12.35 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)*
Moncton	3,063,033	14,000	522,994	17.5%	10,063	-48,855	38,764	\$26.55	\$30.99
Fredericton	2,278,872	37,294	263,259	13.2%	8,364	33,877	0	\$27.01	\$30.17
Saint John	2,433,139	42,972	833,739	36.0%	-23,801	-11,224	0	\$23.45	\$30.74
Totals	7,775,044	94,266	1,619,989	22.0%	-5,374	24,273	38,764	\$25.94	\$30.70

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
196 Robinson Street	Moncton	Undisclosed	2,000	Direct
281 St. George Street	Moncton	Undisclosed	1,600	Direct
1199 Main Street	Moncton	Undisclosed	6,251	Direct

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
NA				

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