

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
4.8% Vacancy Rate	—	▲
24K YTD Net Absorption, SF	—	▲
\$24.51 Asking Rent, PSF <i>(Overall, All Property Classes)</i>	—	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
93K Prince Edward Island Employment	▲	▲
8.2% Prince Edward Island Unemployment Rate	▲	▼
6.6% Canada Unemployment Rate <i>Source: Statistics Canada</i>	▲	—

ECONOMY OVERVIEW

The PEI (Prince Edward Island) economy has a strong forecast, with an after-inflation adjustment of 2.0% of consumer spending year-to-date. The consumption growth is due to the province's population growth, answering PEI's growing demand for labour. Another vital factor for the increases in consumption is softening inflation and increased wages, allowing households to increase their saving and lower debt. Residential investment has also seen strong growth, specifically an increase in purpose-built rentals as a response to the influx of population growth. The forecast for PEI in 2025 continues to be strong, with falling interest rates leading to a boost in the housing market, consumption and business investments. This growth is expected to be unsustainable as the federal government plans to limit the number of non-permanent residents coming to the province in 2025.

(Sources: Statistics Canada, RBC, TD Economics)

DEMAND

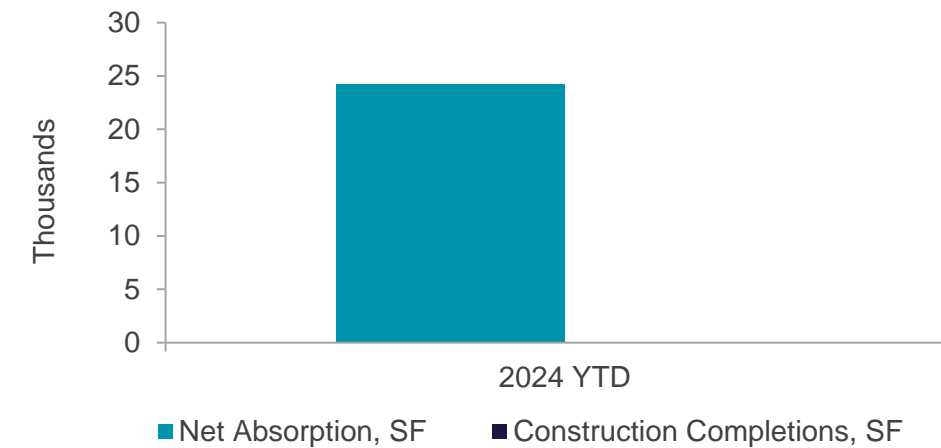
The total amount of vacant space available in Charlottetown this quarter was 59k square feet (sf), all direct vacancy, a 16k-sf decrease quarter-over-quarter (QOQ). Both the Central and Suburban markets witnessed a decline in vacant space in the third quarter of 2024.

The Charlottetown office market posted an overall vacancy rate of 4.8% in the third quarter of 2024, a decrease of 130 basis points (bps) from last quarter. Central market vacancy declined by 110 bps QOQ to 5.0%, while vacancy in the Suburban market declined 220 bps QOQ to 4.0%. In the Central submarket at 176 Great George Street, an undisclosed IT company moved in, taking 1,770 sf.

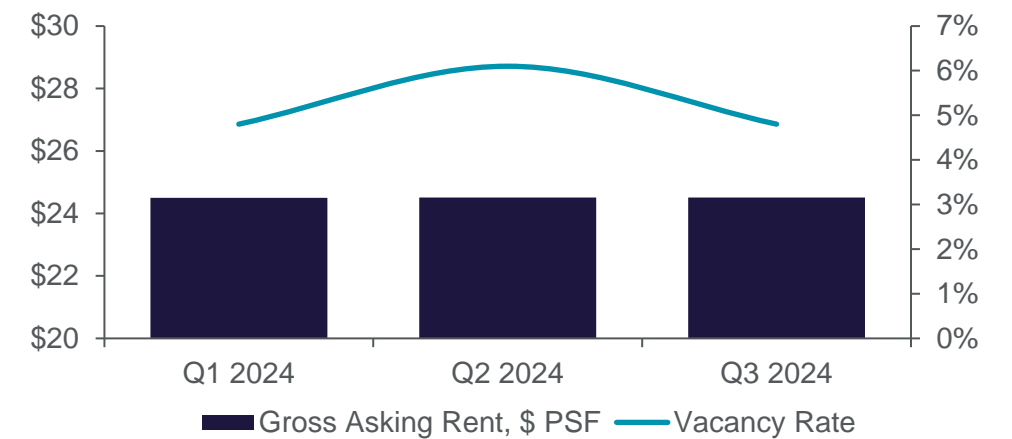
PRICING

The average net rent in the Charlottetown office market remained stable at \$15.91 per square foot (psf) this quarter. The overall average additional rent was \$8.61 psf, bringing the overall gross rent to \$24.51 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)*
Charlottetown- Central	1,035,199	-	51,594	5.0%	11,039	21,056	0	\$25.21	\$25.21
Charlottetown- Suburban	197,704	-	7,908	4.0%	4,400	3,217	0	\$29.50	\$29.50
Charlottetown Totals	1,232,903		59,502	4.8%	15,439	24,273	0	\$24.51	\$24.28

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
176 Great George Street	Central	Maximus Canada Services	5,000	Direct
284 Freetown Road	Suburban	PEI Bag Company	7,618	Direct
18 Queen Street	Central	Undisclosed	5,800	Direct

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2024

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

©2024 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.