



## MARKET FUNDAMENTALS

	YOY Chg	Outlook
<b>6.0%</b> Vacancy Rate	▲	▼
<b>-16K</b> YTD Net Absorption, SF	▼	▲
<b>\$7.40</b> Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▲	▲

## ECONOMIC INDICATORS

	YOY Chg	Outlook
<b>401.6K</b> New Brunswick Employment	▲	▲
<b>7.0%</b> New Brunswick Unemployment Rate	▼	▼
<b>6.7%</b> Canada Unemployment Rate <i>Source: Statistics Canada</i>	▲	▲

## ECONOMY

New Brunswick's economy remained strong in Q1 2025, with a budget surplus rising to \$247.4 million (mn), driven by higher-than-expected tax revenues and federal transfers. Total revenue is projected to reach \$12.7 billion (bn), up \$510.5 mn, while spending will increase by \$303.5 mn, mainly on healthcare and social services. The province's net debt is estimated at \$12.4 bn. Capital spending is also increasing, with \$1.2 bn allocated for infrastructure projects, particularly in transportation. Population growth, which surged to 2.7% in 2024, is expected to slow significantly to 0.9% in 2025. This demographic shift could influence labour availability and consumer demand, which are key factors in sustaining economic momentum.

*(Sources: Statistics Canada, RBC, TD Economics)*

## SUPPLY AND DEMAND

Industrial vacancy in New Brunswick slightly increased to 6.0% in the first quarter of 2025, up 30 basis points (bps) from 5.7% in the previous quarter. Moncton had an increase in vacancy of 10 bps quarter-over-quarter (QOQ) to reach 6.6%. The Saint John market had the most significant increase in overall vacancy of about 250 bps QOQ from 3.9% last quarter to 6.4%. The Fredericton market had a slight increase in vacancy of about 20 bps QOQ to 0.4%. In the Moncton Industrial Park submarket, an undisclosed tenant occupied 653 St George Blvd, resulting in positive absorption of 18k sf and Dizolve moved out of 300 Baig Boulevard, leaving 15k sf vacant. In the Greater Saint John market Coast Tire and Battlefield Equipment Rentals moved out of 455 McAllister Dr, resulting in negative absorption of around 13k sf.

Overall absorption in New Brunswick slipped further into negative territory this quarter to negative 16k sf. Saint John was the driving force behind the overall negative absorption, with close to negative 13k sf. Both Fredericton and Moncton only posted negative 2k sf of absorption in each market.

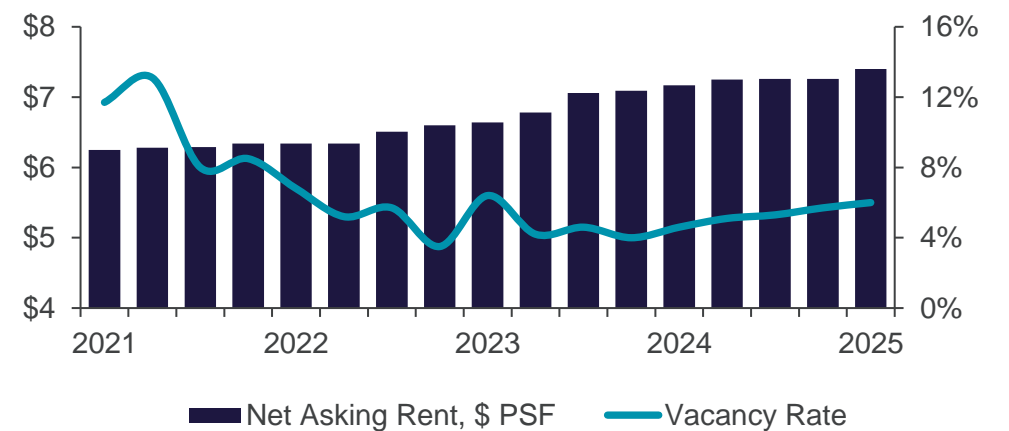
## PRICING

The overall net asking rental rate in New Brunswick increased from last quarter by \$0.14 to \$7.40 per square foot (psf). Moncton drove the increase, with a \$0.19 psf QOQ increase to \$7.19 psf, while Fredericton and Saint John rates remained unchanged from last quarter.

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY & ASKING RENT



SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT *	OVERALL WEIGHTED AVG ADD. RENT	OVERALL WEIGHTED AVG GROSS RENT
Greater Moncton	504,958	2,000	0.4%	0	0	14,080	0	\$6.48	\$3.43	\$9.92
Moncton Industrial Park	2,365,280	154,353	6.5%	-2,190	-2,190	122,000	0	\$7.25	\$3.37	\$10.63
Dieppe Industrial Park	665,576	29,085	4.4%	0	0	122,544	0	\$7.84	\$3.93	\$11.78
Caledonia Industrial Park	1,239,871	128,807	10.4%	0	0	147,000	0	\$6.87	\$4.32	\$11.19
<b>MONCTON TOTALS</b>	<b>4,775,685</b>	<b>312,055</b>	<b>6.5%</b>	<b>-2,190</b>	<b>-2,190</b>	<b>405,624</b>	<b>0</b>	<b>\$7.19</b>	<b>\$3.61</b>	<b>\$10.81</b>
Greater Fredericton	179,440	0	0.0%	0	0	0	0	\$8.21	\$4.35	\$12.56
Fredericton Industrial Park	343,575	1,982	0.6%	-1,000	-1,000	11,250	0	\$8.27	\$5.41	\$13.68
<b>FREDERICTON TOTALS</b>	<b>523,015</b>	<b>1,982</b>	<b>0.2%</b>	<b>-1,000</b>	<b>-1,000</b>	<b>11,250</b>	<b>0</b>	<b>\$8.10</b>	<b>\$4.95</b>	<b>\$13.05</b>
<b>SAINT JOHN TOTALS</b>	<b>522,603</b>	<b>33,539</b>	<b>6.4%</b>	<b>-13,319</b>	<b>-13,319</b>	<b>0</b>	<b>0</b>	<b>\$8.53</b>	<b>\$4.27</b>	<b>\$12.79</b>
<b>NEW BRUNSWICK TOTALS</b>	<b>5,821,303</b>	<b>349,766</b>	<b>6.0%</b>	<b>-16,509</b>	<b>-16,509</b>	<b>416,874</b>	<b>0</b>	<b>\$7.40</b>	<b>\$3.80</b>	<b>\$11.20</b>

\*Rental rates reflect weighted net asking \$psf/year

**KEY LEASE TRANSACTIONS Q1 2025**

PROPERTY	SUBMARKET	TENANT	SF	TYPE
653 St George Blvd	Moncton	Undisclosed	18,000	Direct
158-172 Toombs St	Moncton	Undisclosed	14,000	Direct

**KEY SALES TRANSACTIONS Q1 2025**

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
275 Baig	Moncton Industrial Park	Undisclosed	6,000	Undisclosed
39 Hatheway	Greater Saint John	Undisclosed	9,726	Undisclosed
135 Pepin Road	Fredericton Industrial Park	Undisclosed	8,400	Undisclosed
500 Caledonia	Caledonia Industrial Park	Undisclosed	12,254	Undisclosed

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