MARKETBEAT

St. John's

INDUSTRIAL Q1 2026

CUSHMAN & WAKEFIELD Atlantic

MARKET FUNDAMENTALS

	YOY Chg	Outlook
11.2% Vacancy Rate	▼	▲
51K YTD Net Absorption, SF	▲	▲
$16.94 Gross Rent, PSF *(Overall, Gross Asking Rent)*	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
127K St. John's Employment	▲	▲
7.3% St. John's Unemployment Rate	▲	▼
6.7% Canada Unemployment Rate	▲	▲

Source: Statistics Canada

ECONOMY

Newfoundland and Labrador recorded employment growth of 0.8% in February 2026, representing the strongest monthly increase among Atlantic provinces. The provincial unemployment rate remained unchanged at 9.2% quarter-over-quarter (QOQ), the highest in the region, despite gains in both full-time and part-time employment. The participation rate increased to 58.1%, reflecting improved labour market activity. While momentum has strengthened, structural labour market challenges persist relative to regional peers. Courtesy of the growth of the offshore oil & gas industry, St. John's is still expected to be a leader in industrial employment growth.

(Source: Statistics Canada).

SUPPLY AND DEMAND

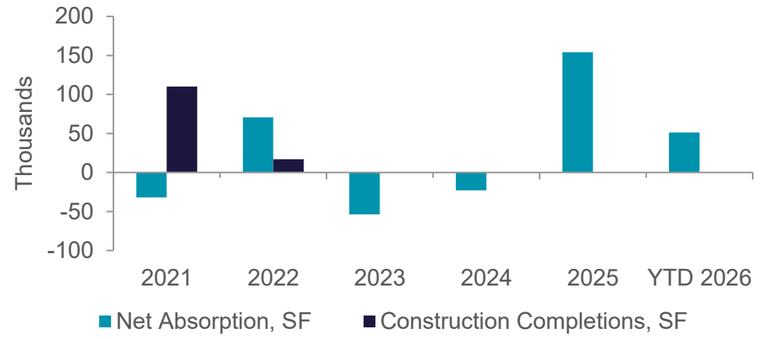
The vacancy rate in the St. John's industrial market decreased to 11.2% in Q1 2026, a 120-bps decrease QOQ. The driving force behind this increase was the East submarket, where vacancy decreased by more than 16% QOQ due to 28 Stavanger Drive, a former Costco being leased to become a new Palliative Care Clinic. To give an idea on how significant this transaction was, the remaining submarkets had vacancy increase QOQ, yet the average vacancy rate across the province still fell.

Overall absorption in the St. John's industrial market moved back into positive territory this quarter, thanks to the new Palliative Care Clinic opening, reaching roughly 51k sf across the province. A key contributor to balancing these numbers was 56k sf of negative absorption in the Mount Pearl/Paradise submarket, and 15k sf of negative absorption in the West submarket.

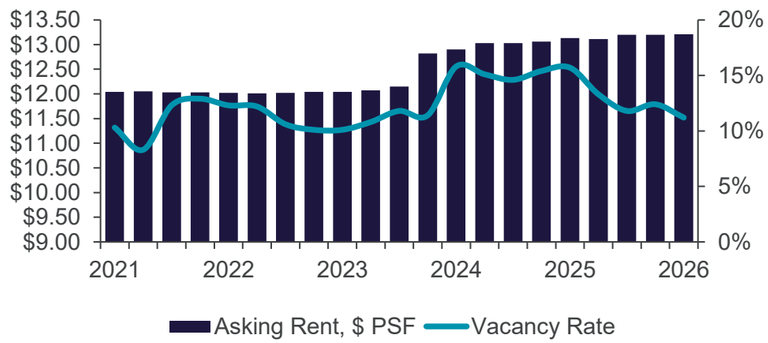
PRICING

The average net rent in the St. John's industrial market was virtually unchanged from last quarter at $13.21 psf. The overall average additional rent this quarter climbed to $3.73 psf, resulting in the overall gross rate reaching $16.94 psf.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



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ST. JOHN'S
INDUSTRIAL Q1 2026

MARKET STATISTICS

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
East	756,463	298,937	39.5%	122,915	122,915	0	0	$15.94	$4.16	$20.11
West	148,610	49,199	33.1%	-15,684	-15,684	0	0	$11.49	$3.76	$15.25
Downtown	140,951	0	0.0%	0	0	0	0	$12.88	$6.29	$19.17
North	778,253	6,702	0.9%	0	0	0	0	$13.02	$5.59	$18.61
Mount Pearl/Paradise	2,639,891	147,082	5.6%	-56,181	-56,181	0	0	$12.74	$3.40	$16.14
ST. JOHN'S	**4,464,168**	**501,920**	**11.2%**	**51,050**	**51,050**	**0**	**0**	**$13.21**	**$3.73**	**$16.94**

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

KEY LEASE TRANSACTIONS Q1 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
N/A				

KEY SALES TRANSACTIONS Q1 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
N/A				

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