MARKETBEAT
St. John's
INDUSTRIAL Q3 2025

CUSHMAN & WAKEFIELD Atlantic

MARKET FUNDAMENTALS

	YOY Chg	Outlook
11.8% Vacancy Rate	▼	▼
181K YTD Net Absorption, SF	▲	▲
$16.91 Gross Rent, PSF	▲	▲

(Overall, Gross Asking Rent)

ECONOMIC INDICATORS

	YOY Chg	Outlook
127K St. John's Employment	▲	▲
7.0% St. John's Unemployment Rate	—	▲
7.1% Canada Unemployment Rate	▲	—

Source: Statistics Canada

ECONOMY

In Q3 2025, Newfoundland and St. John's economic conditions are poised against a backdrop of stronger momentum in the provincial economy, anchored by robust growth in the offshore oil sector. The Newfoundland & Labrador government has upgraded its 2025 real GDP growth forecast to about 6.3% (from 4.4%) citing higher oil output. Meanwhile, RBC's provincial outlook cautions that despite this boost, longer-term growth may lag other provinces due to weak capital investment and demographic headwinds. On the external side, export headwinds and U.S. tariff risks loom as uncertainties. Q3 should see elevated growth in Newfoundland & St. John's relative to national norms, driven largely by energy, though underlying vulnerabilities (investment, population, trade) temper the upside.

(Sources: Statistics Canada, RBC, Government of Newfoundland & Labrador).

SUPPLY AND DEMAND

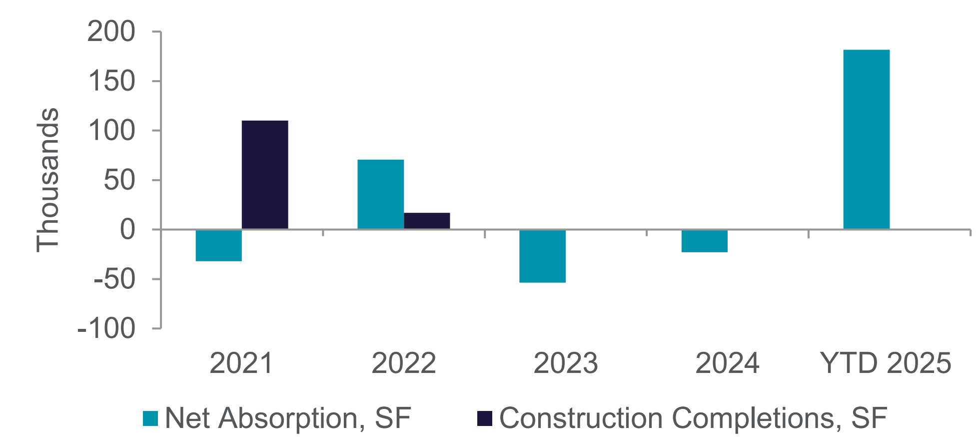
The vacancy rate in the St. John's industrial market decreased to 11.8% in the third quarter of 2025, a 150-basis point (bps) decrease quarter-over-quarter (QOQ). The driving force behind this decrease was the 200 bps decrease in vacancy in the Mount Pearl/Paradise submarket.

Overall absorption in the St. John's industrial market moved further into positive territory this quarter at roughly 64k square feet (sf), bringing the YTD 2025 total to 181k sf. A key contributor to this was positive absorption of approximately 51k sf in Mount Pearl/Paradise.

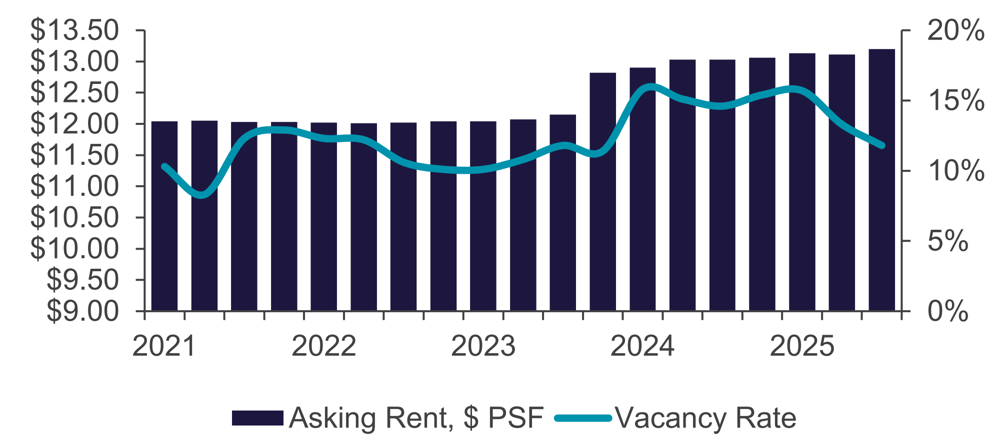
PRICING

The average net rent in the St. John's industrial market was $13.20 per square foot (psf) this quarter, a slight increase of $0.09 psf QOQ. The overall average additional rent this quarter rose by $0.03 to $3.71 psf, bringing the overall gross rent to $16.91 psf.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



ST. JOHN'S
INDUSTRIAL Q3 2025

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	421,852	55.8%	4,708	20,086	0	0	$15.94	$4.16	$20.11
West	148,610	33,515	22.6%	-1,265	-1,265	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	12,102	1.6%	9,600	40,854	0	0	$12.98	$5.46	$18.44
Mount Pearl/Paradise	2,623,991	50,963	2.2%	51,283	121,064	0	0	$12.37	$3.35	$16.91
ST. JOHN'S	**4,448,268**	**526,432**	**11.8%**	**64,326**	**180,739**	**0**	**0**	**$13.20**	**$3.71**	**$16.91**

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

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
1345 Topsail Road	Mount Pearl & Paradise	Undisclosed	13,052	Direct

KEY SALES TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
NA				

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About Cushman & Wakefield

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