MARKETBEAT

# St. John's

## OFFICE Q2 2026

CUSHMAN & WAKEFIELD Atlantic

### MARKET FUNDAMENTALS

| | YOY Chg | Outlook |
|---|---|---|
| **20.2%** Vacancy Rate | ▼ | ▼ |
| **20K** YTD Net Absorption, SF | ▲ | ▲ |
| **$36.10** Gross Rent, PSF | ▲ | ▲ |

*(Overall, All Property Classes)*

### ECONOMIC INDICATORS

| | YOY Chg | Outlook |
|---|---|---|
| **128K** St. John's Employment | ▲ | ▲ |
| **7.0%** St. John's Unemployment Rate | ▲ | ▲ |
| **6.6%** Canada Unemployment Rate | ▼ | ▲ |

*Source: Statistics Canada*

### ECONOMY

St. John's reported employment growth in May 2026, with total employment increasing 80 basis points (bps) from Q1 2026 and increasing 80 bps year-over-year. The unemployment rate decreased 30 basis points (bps) from Q1 2026 to 7.0%, while remaining up 20 bps from 6.8% in May 2025. Labour force participation remained steady at 65.7%, reflecting continued engagement despite softer near-term employment conditions. Overall, the labour market shows mixed momentum, with modest quarterly and year-over-year employment gains offset by a modest increase in the unemployment rate.

*(Sources: Statistics Canada)*

### SUPPLY AND DEMAND

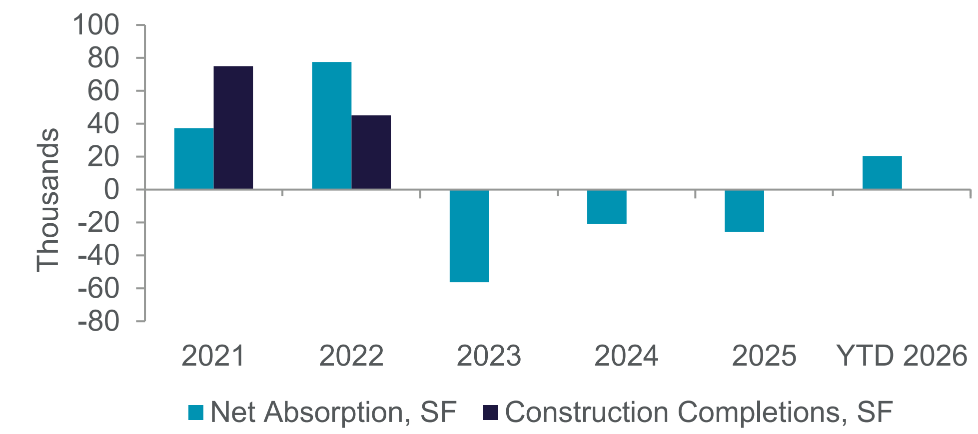
The St. John's office market recorded an overall vacancy rate of 20.2% in Q2 2026, up slightly from the prior quarter. Vacancy remained highest in Downtown at 30.1%, followed by Central at 25.0%, and East & West at 11.4%, highlighting continued divergence across submarkets.

Overall absorption was positive in Q2 2026 at 13,525 square feet (sf). Downtown led with 11,538 sf of positive absorption, followed by North at 30,442 sf, while the Central and East & West markets recorded negative absorption of 4,264 sf and 24,191 sf, respectively. Overall year-to-date absorption has now reached 20,475 sf as absorption levels through the first six months of the year has remained positive in both the Downtown and North markets. Overall leasing activity remains uneven but continues to show pockets of strength.

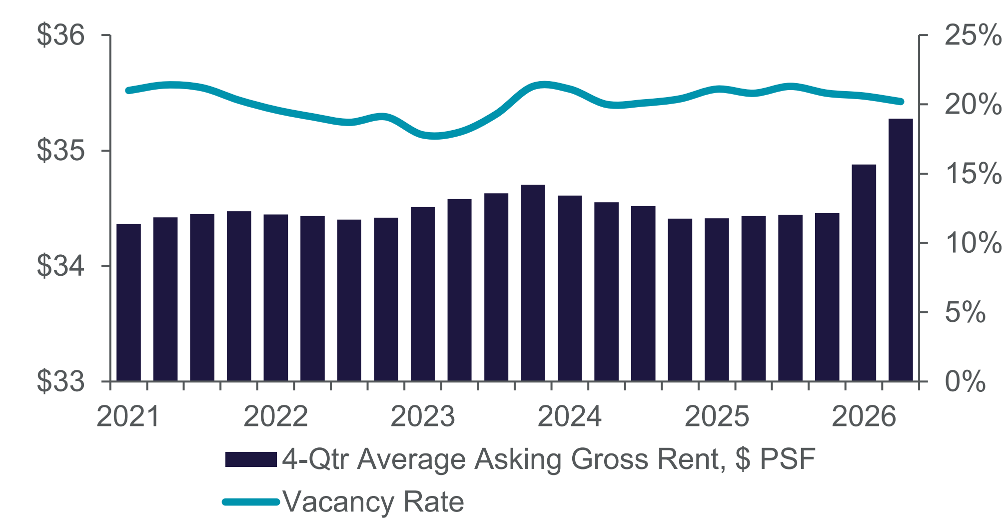
### PRICING

The average asking gross rent in the St. John's office market increased to $36.10 per square foot (psf) in Q2 2026. Downtown remained the highest at $39.94 psf, followed by East & West at $30.73 psf, North at $29.45 psf, and Central at $26.00 psf. Pricing remains elevated relative to regional peers, supported by limited quality supply and stable demand in select submarkets, despite ongoing volatility in absorption trends.

### 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)* |
|---|---|---|---|---|---|---|---|---|---|
| Downtown | 1,734,591 | 0 | 522,162 | 30.1% | 11,538 | 15,486 | 0 | $39.94 | $42.37 |
| Central | 324,945 | 0 | 81,229 | 25.0% | -4,264 | -5,130 | 0 | $26.00 | N/A |
| North | 796,770 | 15,000 | 54,223 | 8.7% | 30,442 | 31,941 | 0 | $29.45 | N/A |
| East & West | 1,073,533 | 10,755 | 111,397 | 11.4% | -24,191 | -21,822 | 0 | $30.73 | $37.58 |
| **St John's Totals** | **3,929,839** | **25,755** | **769,011** | **20.2%** | **13,525** | **20,475** | **0** | **$36.10** | **$39.33** |

*Rental rates reflect full service asking

## KEY LEASE TRANSACTIONS Q2 2026

| PROPERTY | SUBMARKET | TENANT | SF | TYPE* |
|---|---|---|---|---|
| N/A | | | | |

*Renewals not included in leasing statistics

## KEY SALES TRANSACTIONS Q2 2026

| PROPERTY | SUBMARKET | BUYER | SF | PRICE |
|---|---|---|---|---|
| N/A | | | | |

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About Cushman & Wakefield

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