

MARKET TRENDS

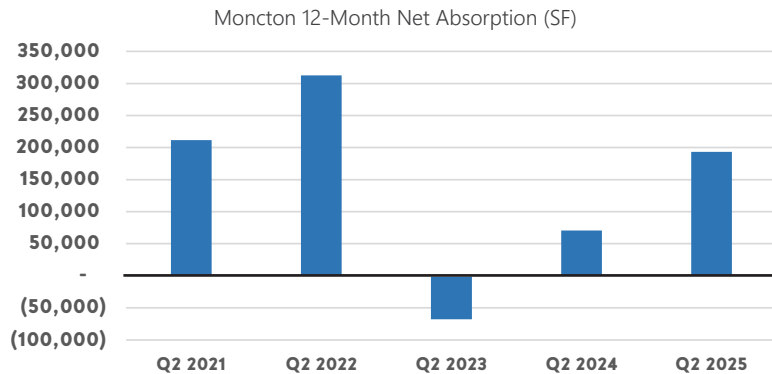
Vacancy Rate



Avg. Net Rent



Net Absorption



MARKET OVERVIEW

The Moncton industrial market saw a shift this period, with rising vacancy, stable rents, and expanding inventory.

Vacancy increased to 12.63%, up 3.22 percentage points, mainly due to new availability in Dieppe. The delivery of 1245 Aviation Avenue Phases 2 and 3 added 110,000 SF of vacant space. Other submarkets remained stable, suggesting localized vacancy increase.

Rental rates held steady, with average net rent at \$8.45 PSF, up \$0.41. Caledonia led growth with a \$0.86 increase to \$8.17 PSF, though still behind Moncton Industrial Park at \$8.72 PSF.

Inventory surpassed 4 million SF for the first time, now totaling 4,030,990 SF—an increase of 356,460 SF. Since 2020, Moncton has added roughly 1 million SF of industrial space to the non-owner-occupied market, reflecting strong development momentum.

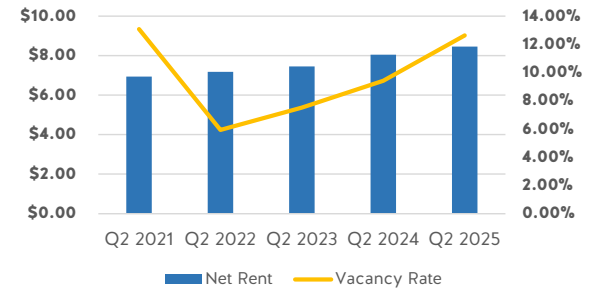
MARKET OUTLOOK

The Moncton industrial market is expected to remain active through the remainder of 2025, with rental rates likely to continue to hold steady. This is driven by a combination of limited modern inventory, strong demand for logistics and warehousing, and rising construction costs.

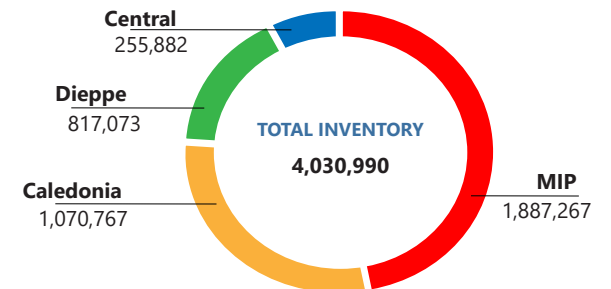
Moncton's industrial land pipeline is set to expand with MIP West Phase II unlocking 80 acres, and a future phase adding up to 200 more. The Horseman Road extension is expected to tender in early 2026, with construction starting in late spring and land availability projected for spring 2026. Harrisville Logistics Park remains active, with strong demand and premium pricing for highway-exposed parcels.

Despite strong fundamentals in the Moncton industrial market, economic uncertainty continues to influence decision-making. As seen in the Moncton office market, some occupiers are taking a cautious approach, delaying expansion or opting for shorter lease terms. However, the industrial sector remains more resilient, buoyed by e-commerce fulfilment, transportation, and warehousing needs.

Moncton Net Rent vs. Vacancy Rate



Market Share by Submarket (SF)



Sources: Turner Drake & Partners Ltd. supplemented by Brunswick Brokers Research, Moncton Industrial Development

Note: Statistics in this report track non-owner occupied buildings only.

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	VACANT SPACE (SF)	VACANCY RATE	12-MONTH NET ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	CONSTRUCTION COMPLETIONS (SF)	WEIGHTED AVG NET RENT	WEIGHTED AVG ADD. RENT	WEIGHTED AVG GROSS RENT
Moncton Industrial Park	1,887,267 sf	227,022 sf	12.03%	103,449 sf	0	0	\$8.72	\$4.82	\$13.70
Caledonia Industrial Park	1,070,767 sf	110,617 sf	10.33%	77,596 sf	0	0	\$8.17	\$5.61	\$13.83
Dieppe Industrial Park	817,074 sf	171,612 sf	21.00%	12,212 sf	0	0	\$8.22	\$5.15	\$13.21
Moncton Central	255,882 sf	0 sf	0%	0 sf	0	0	\$8.47	\$4.02	\$13.87
TOTAL MARKET	4,030,990 sf	509,251 sf	12.63%	193,257 sf	0 SF	0 SF	\$8.45	\$5.03	\$13.64

SIGNIFICANT TRANSACTIONS

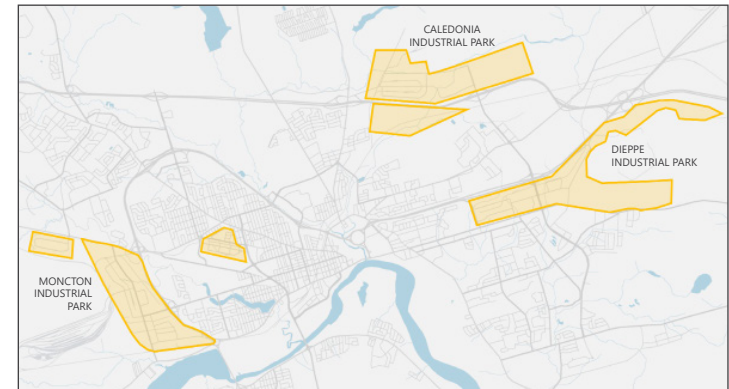
PROPERTY	SUBMARKET	TENANT/OWNER	AREA	PRICE	TYPE
111 Desbrisay Avenue	Moncton Industrial Park West	Gentek	42,000 sf	N/A	Lease
125 MacNaughton Avenue	Caledonia	Choice REIT	40,000 sf	\$5,000,000	Sale
150 English Drive	Moncton Industrial Park	Comztar Inc.	40,356 sf	\$4,950,000	Sale
275 Baig Boulevard	Moncton Industrial Park	681751 N.B. LTD.	6,100 sf	\$3,600,000	Sale

Gentek has leased a 42,000 SF build-to-suit facility from Atlantic Commercial Properties at 111 Desbrisay Avenue in Moncton Industrial Park West Phase I.

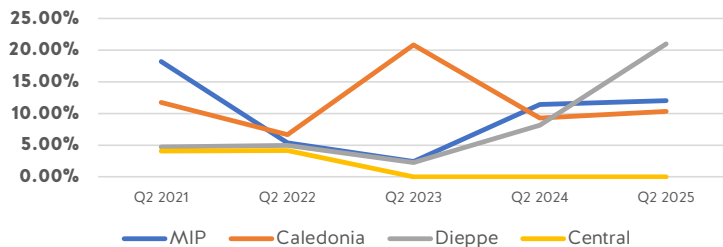
The most significant industrial transaction this period was the sale of 125 MacNaughton Avenue in the Caledonia Industrial Park, which traded for \$5,000,000. This sale underscores the continued strength of the Caledonia submarket, where demand for well-located industrial assets remains high.

In the Moncton Industrial Park, 150 English Drive sold for \$4,950,000, representing one of the largest trades in that submarket this year. The property's location and functionality likely contributed to its strong valuation, reflecting investor confidence in Moncton's core industrial node.

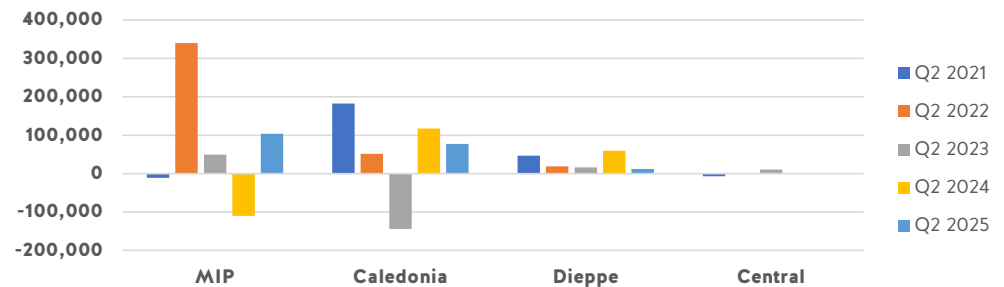
Also within the Moncton Industrial Park, 275 Baig Boulevard changed hands for \$3,600,000. This transaction further highlights the ongoing investor appetite for stabilized industrial assets in established submarkets.



Vacancy Rate by Submarket



Net Absorption by Submarket (SF)



Sources: Turner Drake & Partners Ltd. supplemented by Brunswick Brokers Research
 Note: Statistics in this report track non-owner occupied buildings only.

ECONOMIC OVERVIEW

NB GDP Growth

2024 Rate
1.4%



2025 Forecast
1.4%

Unemployment Rate

Jun-24
6.1%



Jun-25
6.6%

Population Growth

2023
178,599



2024
188,036

New Brunswick's Response to U.S. Tariffs

On August 1, 2025, the U.S. imposed a 35% tariff on Canadian exports outside CUSMA, prompting swift action from New Brunswick. Premier Susan Holt halted U.S. alcohol purchases at NB Liquor, reviewed procurement contracts, and expanded support for local businesses. Interprovincial trade deals and "NB Made" campaigns aim to soften the blow. Moncton's industrial sector remains cautiously optimistic, buoyed by strong infrastructure and proactive policy.

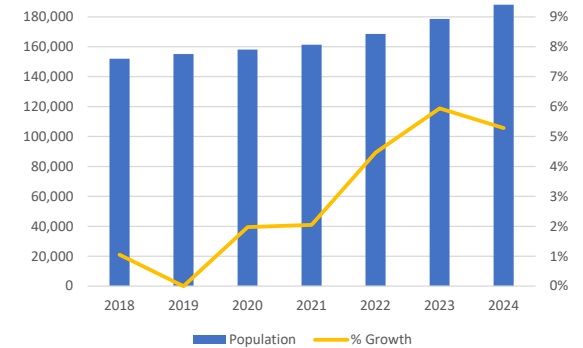
Moncton's Construction Momentum

In 2024, Moncton issued \$270 million in building permits, driven by major residential and industrial projects. Highlights include two large apartment complexes and new commercial builds like Kerr Controls' \$6.5-million warehouse. With 987 new residential units added, the city's construction surge reflects investor confidence and sustained economic momentum.

Population and GDP Growth Trends

Moncton was Canada's second-fastest growing metro area in 2024, with a 5.1% population increase—outpacing Toronto, Vancouver, and Edmonton. The metro area grew from 178,599 to 188,036, largely due to international migration. Meanwhile, New Brunswick's real GDP rose by 1.4% in 2024, slightly above the previous year's 1.7% growth but is only projected to grow by 1.4% again in 2025.

Population Growth (2019 - 2024)



Source: City of Moncton, StatsCan, TD Economics, GNB, Forest NB, CBC, Moncton Impact

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