



Non-Owner Occupied Market Report Six-Months Ending H1 2025

Saint John | Office

MARKET TRENDS

Vacancy Rate



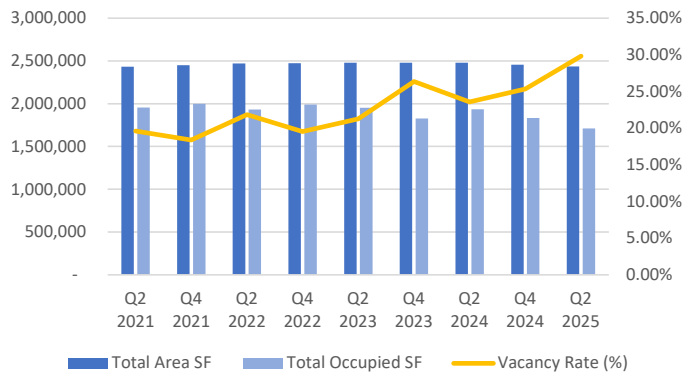
Avg. Net Rent



Absorption



Historical Overview
2021 - 2025



MARKET OVERVIEW

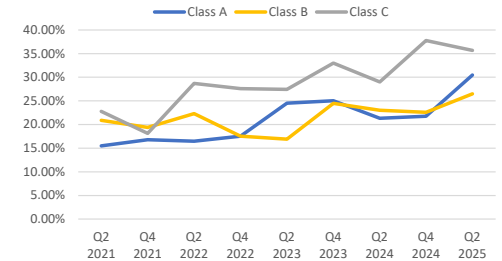
The Saint John office market continues to face headwinds, with overall vacancy rising by 448 basis points this period to reach 29.82%. This increase is primarily due to corrected vacancy reporting at Brunswick Square Office Tower and 400 Main Street. Previous vacancy figures at these properties have now been updated to reflect actual market conditions, resulting in a sharp period-over-period increase. Despite elevated vacancy, net rental rates remained relatively stable, increasing by \$0.21 to \$13.72 per square foot. This modest growth suggests landlords are maintaining pricing even as competition for tenants intensifies. The market recorded negative absorption of (105,294) square feet, which again can be attributable to corrected vacancy figures this period. Overall, the leasing environment remains difficult, with limited demand and persistent vacancy in key assets continuing to weigh on market fundamentals.

MARKET OUTLOOK

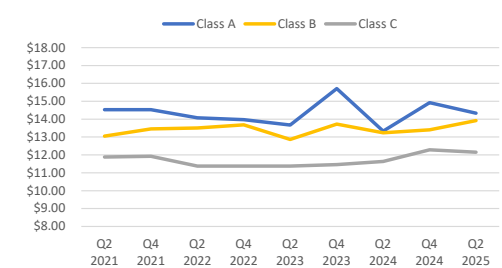
The Saint John office market remains under pressure, with high vacancy rates—especially in older, larger buildings—dragging down overall occupancy. Class A spaces in Uptown continue to see the most vacancies, that trend is likely to continue.

Tenant priorities are shifting. As companies navigate the return-to-office, demand is rising for practical features: pad parking, low-traffic access, and flexible layouts that support hybrid work. Employers are choosing spaces that simplify commutes and improve the day-to-day experience aiming to maintain the work life balance that was established as a result from remote work.

Overall Vacancy Rate



Average Net Rent



With little new development and slow leasing activity, tenants hold the advantage. Landlords are focusing on retention through incentives and adaptable lease terms rather than cutting rates. Staying competitive will require investment in upgrades, smarter space design, and a sharper focus on tenant experience.

Source: Turner Drake & Partners Ltd. supplemented by Brunswick Brokers Research. H1 represents the December 2024 - June 2025 reporting period.

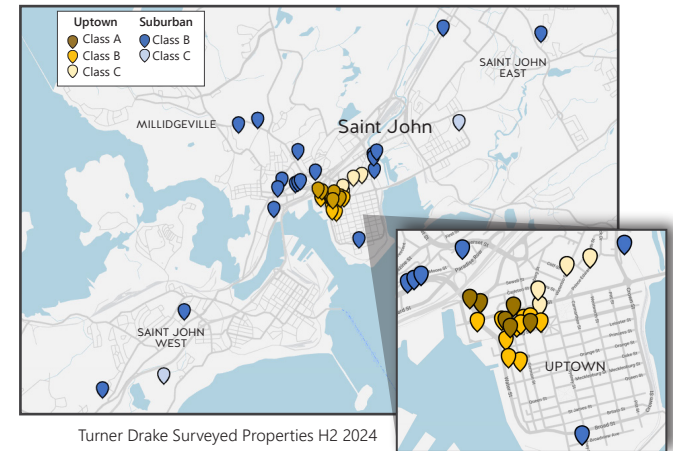
MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	VACANT SPACE (SF)	VACANCY RATE	6-MONTH NET ABSORPTION (SF)	WEIGHTED AVG. NET RENT	WEIGHTED AVG. ADD. RENT	WEIGHTED AVG. GROSS RENT
Uptown Class A	909,773 sf	277,195 sf	30.47%	(79,107) sf	\$14.33	\$13.21	\$31.01
Uptown Class B	296,340 sf	103,304 sf	34.86%	10,570 sf	\$13.24	\$9.02	\$22.26
Uptown Class C	65,535 sf	18,950 sf	28.92%	(3,128) sf	\$10.58	\$3.82	\$15.93
Suburban Class A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Suburban Class B	737,978 sf	170,457 sf	23.10%	(47,129) sf	\$14.35	\$8.70	\$22.57
Suburban Class C	427,387 sf	156,810 sf	36.69%	13,500 sf	\$14.50	\$4.91	\$21.21
TOTAL	2,437,013 sf	726,716 sf	29.82%	(105,294) sf	\$13.72	\$8.78	\$23.33

Quorum Information Technologies Inc. (Dealermine) has reduced it's space at 400 Main Street, vacating approximately 10,000 square feet in the city's suburban North End now occupying 30,000 square feet at the property. However, 400 Main Street has gained some traction in the market in recent past by offering discounted lease rates. The property is under new ownership and is taking an aggressive approach to filling vacancy in the building as the property was purchased at a deep discount to the original listed price in 2024. Connexion Works leased 10,891 SF and Viva Therapeutics leased 7,500 SF of space at the property the end of this reporting period and will be reflected market statistics next period.

On the investment side, 10 Sydney Street, locally recognized as The Golden Ball, has been listed for sale. The iconic, nearly 70,000 square foot office building has remained vacant since the Irving Home Office was built and now presents an opportunity for repositioning or redevelopment, should a buyer emerge.

The only submarket to post positive absorption was Class C, where Prince Edward Square (112 Prince Edward Street) saw cumulative 13,500 square feet leased to a new tenants Winner's Chapel and the Saint John Learning Exchange .



SIGNIFICANT TRANSACTIONS

PROPERTY	SUBMARKET	TENANT/OWNER	SF	Price/Rate	TYPE
400 Main Street	Suburban Class B	Connexion Works	10,891 SF	N/A	Lease
400 Main Street	Suburban Class B	Viva Therapeutics	7,500 SF	N/A	Lease
112 Prince Edward Street	Uptown Class C	Winner's Chapel, SJ Learning Exchange	13,500 SF	N/A	Lease

Source: Turner Drake & Partners Ltd. supplemented by Brunswick Brokers Research, All New Brunswick H1 represents the December 2024 - June 2025 reporting period.

ECONOMIC OVERVIEW

NB GDP Growth

2024 Rate
1.4%



2025 Forecast
1.4%

Unemployment Rate

Dec-24
6.8%



Jun-25
7.2%

Population Growth

2023
139,095



2024
142,433

Monetary Policy & Trade Relations

The Bank of Canada lowered its benchmark interest rate by 25 basis points to 2.5% on September 17, 2025, marking its first cut since March. This move aims to stimulate investment and consumer spending amid signs of economic softening. At the same time, Canada has removed retaliatory tariffs on U.S. goods covered under the CUSMA agreement, effective September 1, in response to recent U.S. tariff hikes. While key sectors like autos and metals remain protected, the rollback signals a strategic shift toward easing trade tensions and supporting cross-border business.

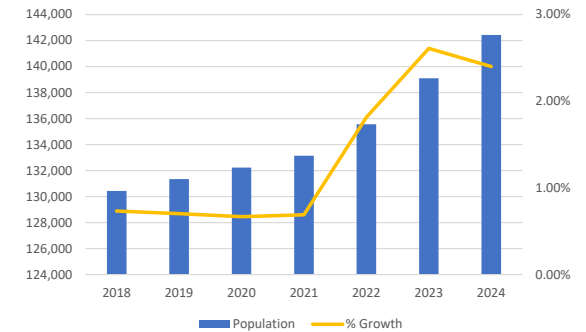
Port of Saint John Expansion

The Port of Saint John continues to be a major driver of regional growth. Recent infrastructure upgrades—including the addition of high-capacity cranes and expanded cold storage facilities—are positioning the port as a leading Atlantic gateway. These enhancements are expected to attract increased container traffic and logistics investment, reinforcing Saint John’s role in national and international trade networks.

Emerging Sectors: Critical Minerals & Modular Housing

New Brunswick is gaining momentum in critical minerals and modular home construction, both identified as strategic growth areas by provincial leadership. With national attention on Canada’s mineral assets and growing demand for scalable housing solutions, the province is well-positioned to benefit from federal partnerships and private sector investment. These sectors offer long-term potential to diversify the economy and address key infrastructure and housing challenges.

Population Growth (2019 - 2024)



Source: TD Economics, Statistics Canada, Bank of Canada, CBC, Port Saint John, bnnbloomberg, theglobeandmail

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