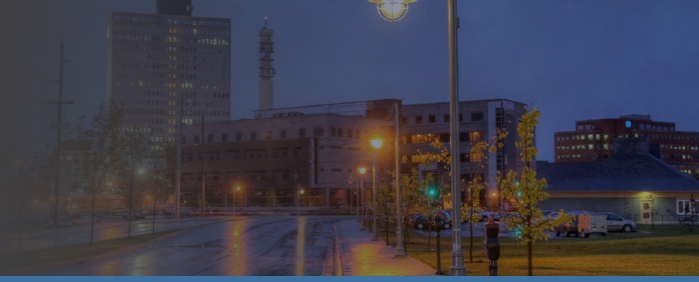
BRUNSWICK BROKERS



Non-Owner Occupied Market Report Six-Months Ending H1 2026 Moncton | Office

MARKET TRENDS

Vacancy Rate

6 Month Change
0.13%

Total Vacancy Rate
12.89%

Avg. Net Rent

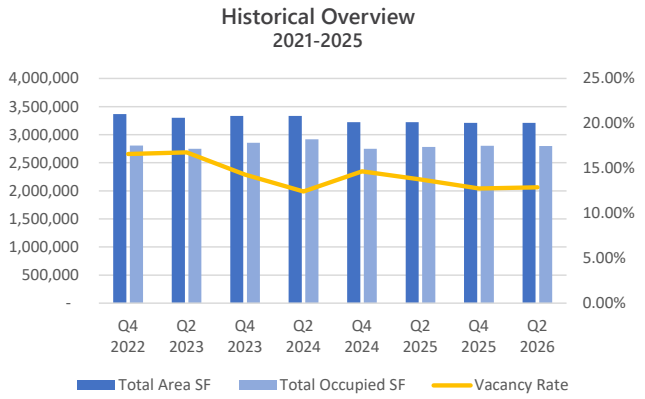
6 Month Change
$0.67

Total Avg. Net Rent
$15.50

Absorption

6 Month Net Absorption
25,237 sf

Total Inventory All Classes
3,210,758 sf



Source: Turner Drake & Partners Ltd. supplemented by Brunswick Brokers Research.
H1 represents the December 2025 - June 2026 reporting period.

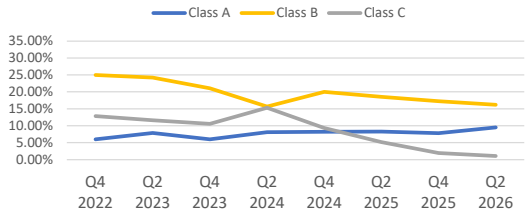
MARKET OVERVIEW

The Moncton office market remained relatively stable this period, with overall vacancy increasing marginally by 0.13% to 12.89%. Rental rates posted a notable increase over the past six months.

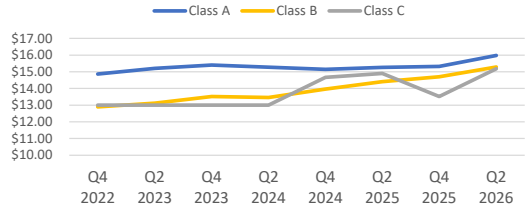
The average net rental rate climbed by $0.67 to reach $15.50 per square foot, surpassing the $15.00 psf threshold for the first time on record. Overall office inventory remained unchanged during the period, with no significant additions or removals from the market's overall inventory.

Leasing activity was modest with positive absorption of 25,237 square feet. Nearly all of this gain occurred within Downtown Class B properties, highlighting continued tenant demand for cost-conscious space options in the city's core.

Overall Vacancy Rate



Average Net Rent



MARKET OUTLOOK

Demand for cost-effective office space is expected to remain a defining trend in the Moncton market. Tenant preference for functional, value-oriented accommodations has been evident for several reporting periods, particularly within the Class B segment, and this pattern is expected to continue as occupiers remain focused on balancing workplace needs with occupancy costs.

Rental rate growth accelerated this period, driven by limited new supply and a vacancy rate that remains comparatively low relative to many office markets. With rental gains recorded across both Suburban Class A and Class B properties, upward pressure on asking rents is expected to persist into the next reporting period as landlords continue to benefit from favorable market conditions.

Moncton's strategic location as a transportation and logistics hub for Atlantic Canada continues to be a competitive advantage. As investment related to defence, infrastructure, and supply chain resiliency increases across the region, the city is well positioned to benefit from demand generated by logistics, transportation, engineering, and related professional service firms seeking a central operating base within Atlantic Canada.

MARKET STATISTICS

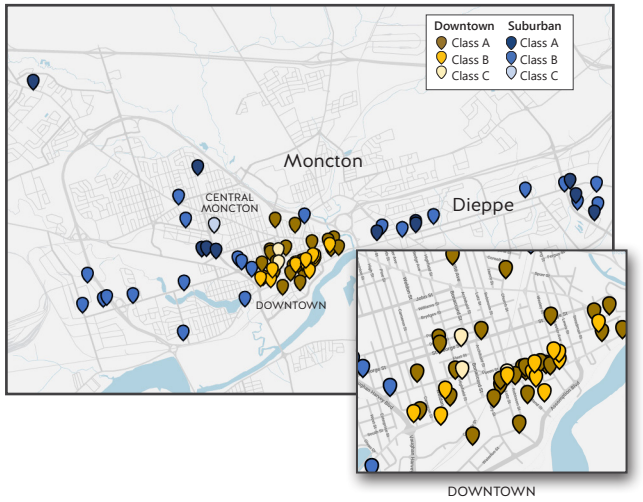
SUBMARKET	INVENTORY (SF)	VACANT SPACE (SF)	VACANCY RATE	6-MONTH NET ABSORPTION (SF)	WEIGHTED AVG. NET RENT	WEIGHTED AVG. ADD. RENT	WEIGHTED AVG. GROSS RENT
Downtown Class A	844,695 sf	59,440 sf	7.04%	(662) sf	$15.95	$15.67	$31.62
Downtown Class B	1,029,395 sf	152,457 sf	14.91%	31,637 sf	$14.55	$10.20	$25.81
Downtown Class C	54,485 sf	1,058 sf	1.94%	0 sf	$16.00	$5.24	$26.49
Suburban Class A	518,511 sf	70,441 sf	13.59%	0 sf	$16.01	$13.97	$30.48
Suburban Class B	718,316 sf	129,499 sf	18.03%	(5,738) sf	$15.83	$11.13	$27.44
Suburban Class C	45,356 sf	0 sf	0%	0 sf	14.78	$6.76	$21.54
TOTAL	3,210,758 sf	413,895 sf	12.89%	25,237 sf	$15.50	$11.41	$27.81

Notable leasing transactions were completed during the reporting period, primarily within Downtown Moncton. The largest transaction involved approximately 30,000 square feet leased at 1234 Main Street to an undisclosed tenant, reducing vacancy within the 124,162-square-foot building to 16%, with 19,618 square feet remaining available. While overall market vacancy remained relatively stable, this lease represents one of the most significant individual transactions recorded during the period.

Additional notable leasing activity included approximately 15,000 square feet leased at 95 Foundry Street and another 15,000 square feet leased at 232-238 St. George Street, both to undisclosed tenants. These transactions highlight continued demand for larger blocks of downtown office space and were the primary drivers of the market's positive absorption during the period.

Office sale activity was subdued during the reporting period, with relatively few transactions recorded across the market. One notable exception was the sale of 50 Foundry Street, where the New Brunswick College of Pharmacists purchased the approximately 12,000-square-foot, two-storey office building from Fabre Street Limited in June 2026 for $2,575,000. While overall transaction volume remained limited, the acquisition highlights continued owner-user demand for strategically located office properties.

Turner Drake Surveyed Properties H2 2024



SIGNIFICANT TRANSACTIONS

PROPERTY	SUBMARKET	TENANT/OWNER	SQUARE FEET (SF)	SF/PRICE	TYPE
1234 Main Street	Downtown	N/A	+/- 30,000 sf	N/A	Lease
232-238 St. George Street	Downtown	N/A	+/- 15,000 sf	N/A	Lease
50 Foundry Street	Downtown	NB College of Pharmacists	+/- 12,000 sf	$2,575,000	Sale

Source: Turner Drake & Partners Ltd. supplemented by Brunswick Brokers Research.
H1 represents the December 2025 - June 2026 reporting period.

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ECONOMIC OVERVIEW

NB GDP Growth

2025 Rate **2.0%**

2026 Forecast **0.9%**

Unemployment Rate

Jun-25 **7.1%**

2026 Forecast **7.1%**

Population Growth

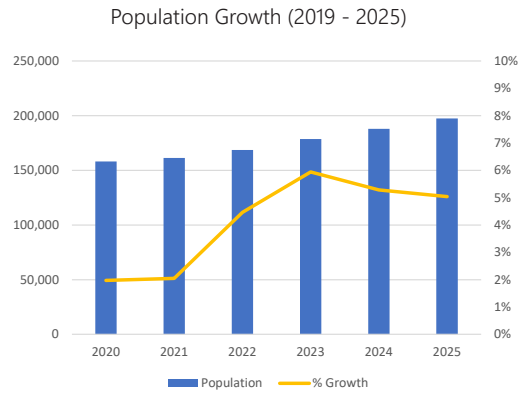
2024 **188,036**

2025 **197,506**

Source: City of Moncton, StatsCan, TD Economics, CBC, Moncton Impact, Site Selection Canada

National Recognition Fuels Investment Confidence

Moncton was recently recognized by Site Selection as one of Canada's Top 20 Best Locations, reflecting the city's growing reputation as a competitive destination for investment. Supported by population growth, development activity, efficient municipal approvals, and a strategic location within Atlantic Canada, Moncton continues to attract employers, developers, and investors. The recognition reinforces the city's position as a regional economic hub and supports commercial real estate demand across the market.



Development Momentum

Moncton's development pipeline remained active through the second quarter of 2026, with 422 building permits issued totaling $135.2 million in construction value. Downtown Moncton accounted for $58.1 million of this activity, while residential development added 404 new housing units since April. Year-to-date permit values reached $206.3 million, highlighting continued investment across both residential and commercial sectors.

Canada-U.S. Trade War & Global Geopolitical Uncertainty

Trade tensions between Canada and the United States escalated in 2026 following the collapse of a proposed trade agreement in August. In response, the United States imposed tariffs of up to 50% on a range of Canadian goods, prompting Prime Minister Mark Carney to introduce "dollar-for-dollar" retaliatory measures effective September 8, with tariffs ranging from 15% to 50% on selected U.S. imports including steel, aluminum, cheese, appliances, clothing, and farm equipment, according to CBC.

Brunswick Brokers Limited
32 Alma Street
Moncton, NB
E1C 4Y1

Troy Nesbitt
President
tnesbitt@bbrokers.ca
(506) 349-5670

Paul Moore
Senior Vice President
pmoore@bbrokers.ca
(506) 645-8488

John Johnston
Senior Advisor
jjohnston@bbrokers.ca
(506) 377-9331

Connor Carson
Marketing & Research Associate
ccarson@bbrokers.ca
(506) 647-5093

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