



Contact Ashley Urquhart  
Tel: (902) 429-1811 Ext. 340  
Email: [aurquhart@turnerdrake.com](mailto:aurquhart@turnerdrake.com)

FOR IMMEDIATE RELEASE

## **CHARLOTTETOWN VACANCY RATES HIGHEST THEY'VE BEEN IN LAST SIX YEARS**

### **Despite construction and renovation permit values highest since 2005**

Construction and renovation permit values in Charlottetown are the highest they have been since 2005, yet office and industrial vacancy rates are among the highest in Atlantic Canada. Is Charlottetown prepared to absorb the new supply, or will the new supply drive the vacancy rate up even higher? It depends: office vacancy will be down; industrial vacancy will increase. That is the conclusion from the latest of twelve rental surveys recently conducted by Atlantic Canada real estate counsellors, Turner Drake & Partners Ltd.

The surveys are thought to be the most comprehensive ever conducted in Greater Charlottetown: a team of trained researchers collected rental, operating expense and vacancy data for 33 office and industrial buildings, some as small as 5,000 square feet, with an aggregate rentable area of over 1.0 million square feet.

Charlottetown is currently experiencing the highest overall office and industrial vacancy rates seen in over five years. The office market is faring a bit better than the industrial market, with overall office vacancy of 12.95% and overall industrial vacancy of 22.09%. Overall office net rents are amongst the highest in Atlantic Canada, sitting at \$13.99/ft.<sup>2</sup>. We anticipate that the overall vacancy rate will decrease slightly to 12.12% in the next year, driven by increased demand for rental space outpacing stagnant supply. We anticipate that the slight decrease in vacancy will result in a modest increase in net absolute rent/ft.<sup>2</sup>.

The industrial market is seeing overall net rents of \$6.11/ft.<sup>2</sup>, which is on the lower end of the range for Atlantic Canada. We anticipate that the overall vacancy rate will increase to 26.65% from the current 22.10% as the supply of rental warehouse space increases in Charlottetown and demand decreases. The net rental rate will remain unchanged.

Turner Drake & Partners Ltd. is a multi-disciplinary firm of real estate consultants offering valuation, property tax, counselling, economic intelligence, and Lasercad™ space measurement advice, throughout Atlantic Canada; together with brokerage (sales and leasing) services in Nova Scotia.

XXX

If you would like more information about this topic, or wish to schedule an interview with Ashley Urquhart, please call her at (902) 429-1811 ext. 340 or email [aurquhart@turnerdrake.com](mailto:aurquhart@turnerdrake.com).