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Press Release

HALIFAX OFFICE VACANCY FALLS, WAREHOUSE VACANCY SPIKES

Halifax's overall office vacancy rate finished June at 12.06%, down 2.55 pp from 14.61% in 2024. The average net rental rate for offices in Greater Halifax increased year-over-year, rising by 2.59% to \$15.87/ft.², up from \$15.47/ft.² in 2024.

Halifax's downtown saw a rebound in demand for office space year-over-year, with vacancy falling to 18.06% in June 2025, down 1.90 pp from 19.96% in 2024. Correspondingly, the average net rental rate for office space in Downtown Halifax saw a slight increase, rising to \$16.44/ft.² in 2025, up from \$16.22/ft.² in 2024. Despite the increased demand for rental space in the core, Halifax's downtown office vacancy rate continues to exceed that of many of its suburban counter-parts.

Greater Halifax's warehouse market saw a major spike in vacancy, as a substantial amount of new inventory came online in Bayers Lake; this brought the overall vacancy rate to 13.06% in June 2025, an increase of 8.45 pp from 4.61% in 2024. Despite the increase in vacancy, the average net rental rate for warehouse space in Greater Halifax rose sharply over the past year, climbing by 9.18% to \$11.18/ft.², up from \$10.24/ft.² in 2024.

Bayers Lake saw nearly 600,000/ft.² of new inventory come online over the past year, with the bulk of this currently unabsorbed. Bayers Lake's now has over 50% of its industrial inventory vacant. Across the region, Sackville and Woodside each saw their vacancy rates decline, while the Bedford, Central Halifax, Ragged Lake, and Burnside submarkets all saw their vacancy rates increase.

These are the conclusions from the latest rental market surveys recently completed by Halifax real estate counsellors Turner Drake & Partners Ltd. The surveys are thought to be the most comprehensive ever conducted in HRM: a team of trained researchers collected rental, operating expense and vacancy data for 327 office and industrial buildings, some as small as 5,000 ft.², with an aggregate rentable area of over 20 million ft.².

About Turner Drake & Partners Ltd.:

Turner Drake & Partners Ltd., a "*home-grown*" leader in real estate consulting, specialises in Valuation, Property Tax, Counseling, Planning, Economic Intelligence, and Space Measurement Services. From our offices in Halifax, St. John's, Charlottetown, Saint John, and Toronto, we service clients in the real estate industry across Canada.

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