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Press Release

A TALE OF THE TIMES: OFFICE VACANCY HITS MULTI-YEAR LOW AS WAREHOUSE SUPPLY BUILDS

The overall vacancy rate for Greater Halifax's office rental market finished December 2025 at 10.22%, down 3.27 pp from 13.59% in 2024. The 2025 figure was the lowest vacancy recorded by our market survey over the past ten years. The year-over-year fall in vacancy was accompanied by a 1.66% increase to the average net rental rate; the City's overall figure rose to \$15.96/ft.² in 2025, up from \$15.70/ft.² in 2024.

Office demand in the downtown core saw a major rebound year-over-year, with the vacancy rate, (14.84%) for Downtown Halifax falling substantially year-over-year. This was driven primary by a steep increase in demand for Class A spaces,

December 2025 saw Halifax's warehouse rental market saw its vacancy rate stay stubbornly high (12.27%) relative to the low-points of recent years; this figure was 6.03% just a year prior. This increase was driven by large additions to the inventory that have yet to be absorbed by the market.

Despite the higher vacancy rate, Halifax's warehouse sector finished 2025 on a high note. The overall average net rental rate saw a sharp increase year-over-year (8.65% rising to 11.55/ft.²), along with a 4.03% increase to the total mount of occupied warehouse space in HRM.

These are the conclusions from the latest rental market surveys recently completed by a team of Halifax real estate counsellors at 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 more than 320 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, Brokerage, 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.