

Q2 2023

# Moncton

## Office Market Report

### Vacancy

Total Greater  
Moncton Area

11.8%

Previous Quarter

 190 bps

Moncton

12.5%

Dieppe

5.6%

### Asking Rent GMA

Average Net Rent

\$13.33 PSF

Previous Quarter Average  
Net Rent
 1.6%

Average Gross Rent

\$23.47 PSF

### Development

Under Construction

0 SF

New Supply

0 SF

*\*Weighted Average  
Colliers International (Colliers East) Inc.*

### Market Outlook

Colliers East surveyed over 3.1 million square feet across 67 office buildings of 5,000 square feet and above throughout the Greater Moncton Area (GMA). Owner-occupied premises are not included in our market statistics.

Within this later quarter, the Greater Moncton office vacant space has increased by 190 basis points (bps), bringing the vacancy rate to 11.8% for Q2 of 2023.

We have seen 6,316 square feet added to the Class A building supplies and 39,252 square feet added to the Class B buildings in the Moncton area. The vacancy rate for the Moncton office sector sits at 12.5%, with an overall available square footage of 348,875. The Dieppe office sector has increased by 100 bps bringing the new vacancy rate for Dieppe to 5.6%. The more significant changes are overall in Class B office buildings in both Moncton and Dieppe.

For Q2, the average asking net rent is \$13.33, which has decreased by 1.6% from Q1, and the average asking gross rent for this quarter is \$23.47.

In local news, the City of Moncton is actively pursuing a feasibility study for a new convention center in the vibrant Downtown Core, coupled with expert recommendations to facilitate the proper development of the surrounding area. This initiative was set into motion back in 2019 when Moncton's Ashford Group made significant investments, acquiring a substantial portion of downtown real estate with a forward-looking vision for future development. Their notable purchases include the Assumption Place tower, a prominent landmark within the city, and the neighboring former Paramount Theatre. A recent news

article quoted Jim Dixon from the Ashford Group, explaining that the comprehensive analysis of the convention center has become a key factor in finalizing the design process for the first phase of their Downtown development.

In addition, further downtown news revolves around the Codiak RCMP satellite office, which will be located at 795 Main Street in Moncton. Colliers was pleased to play a pivotal role in helping the Landlord at 795 Main Street secure the RCMP as a tenant. Originally slated to open its doors in June 2022, unforeseen circumstances have led to a slight delay in its launch. Nevertheless, eager anticipation now centers on its expected opening in either September or October 2023. Construction work on the office commenced around a month and a half ago, confirmed by the Chair of Codiak Regional Policing Authority.

Atlantic Wellness, a community organization that offers free mental health services to youth ages 12-21 will be moving into 50 King Street this September. The team at Colliers was happy to help this organization find a new home for its growing team.

29 Victoria Street will be fully leased in early August, as outlined in other notable transactions. The new client will take over 8,000 square feet of prime Class B downtown office space.

There's a lot of activity swirling around the future of Downtown Moncton, making it an area to watch for promising future developments which will undoubtedly impact the office space market.

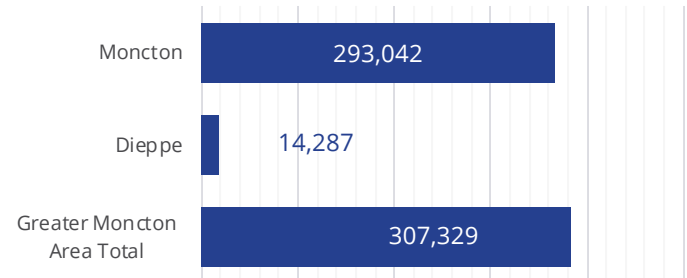
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# Market Overview

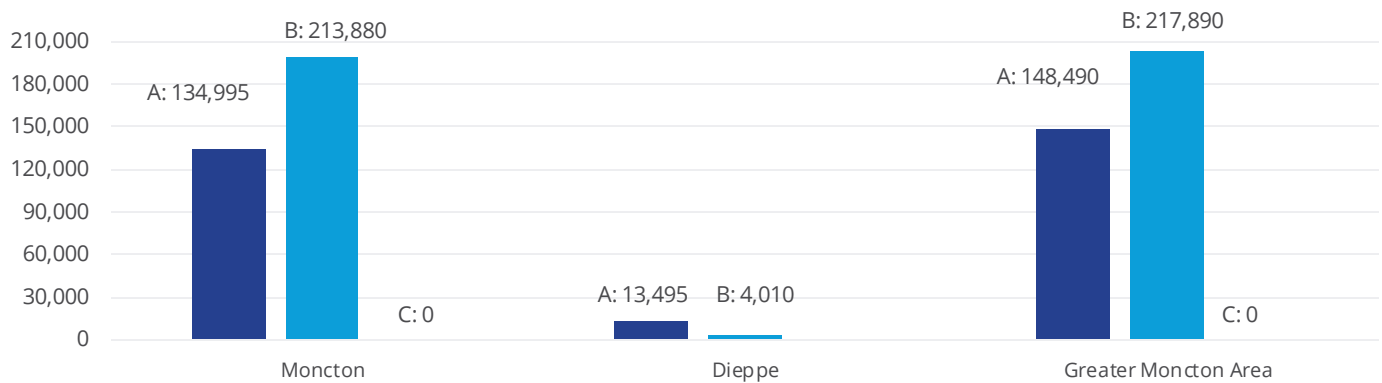
## 01 Vacancy Rate By Market | Q2 2023

Moncton	12.5%
Dieppe	5.6%
Greater Moncton Area	11.8%

## 02 SF Of Vacancy By Market By Market | Q2 2023



## 03 Vacant SF by Building Class



# Market Statistics & Transaction Highlights

	Class	# of Buildings	Total Inventory (SF)	Direct Vacancy (SF)	Sublease Vacancy (SF)	Total Vacant Space (SF)	Vacancy Rate (Current Q2)
Moncton	A	20	1,636,258	134,995	0	134,995	8.3%
	B	34	1,095,202	199,880	14,000	213,880	19.5%
	C	2	57,674	0	0	0	0%
	<b>All</b>	<b>56</b>	<b>2,789,134</b>	<b>334,875</b>	<b>14,000</b>	<b>348,875</b>	<b>12.5%</b>
Dieppe	A	4	176,830	13,495	0	13,495	7.6%
	B	7	135,740	4,010	0	4,010	2.9%
	<b>All</b>	<b>11</b>	<b>312,570</b>	<b>17,505</b>	<b>0</b>	<b>17,505</b>	<b>5.6%</b>
Greater Moncton Total	A	24	1,813,088	148,490	0	148,490	8.2%
	B	41	1,230,942	203,890	14,000	217,890	17.7%
	C	2	57,674	0	0	0	0%
	<b>All</b>	<b>67</b>	<b>3,101,704</b>	<b>352,380</b>	<b>14,000</b>	<b>366,380</b>	<b>11.8%</b>

## Notable Lease Transactions

Building Name / Address	Market	Size (SF)
29 Victoria Street	Moncton	8,364
1255 Main Street	Moncton	5,091





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