

Winnipeg, MB

Office Q1 2022

YoY Chg 12-Mo. Forecast

13.4%
Vacancy Rate



23,106
Net Absorption, SF



\$30.40
Asking Gross Rent, PSF



(Overall, All Property Classes)

ECONOMIC INDICATORS Q1 2022

YoY Chg 12-Mo. Forecast

456.0K
Winnipeg Employment



5.1%
Winnipeg
Unemployment Rate



5.3%
Canadian
Unemployment Rate



Source: Statistics Canada

ECONOMY

Employment in Manitoba decreased this quarter leading to the unemployment rate increasing to 5.3% for March 2022. As for Canada, employment rose by 0.4% in March and the unemployment rate fell to 5.3%, the lowest rate on record since 1976. Canada's economy and labour market have adapted and evolved in response to several challenges, including the gradual ease of public health measures, record-high job vacancies and supply chain disruptions.

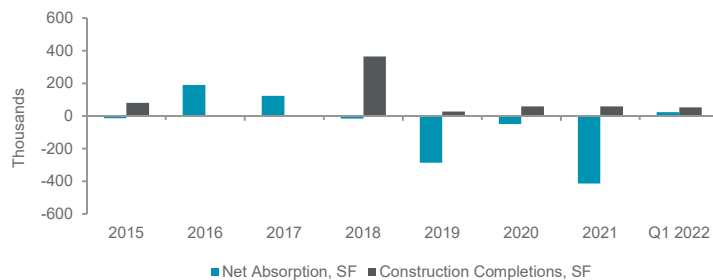
SUPPLY

Leasing activity has picked up in both downtown and suburban markets as more employees are coming back to the office with Covid-19 restrictions relaxing. Overall, vacancy decreased to 12.4%, a 60-bps decrease quarter-over-quarter.

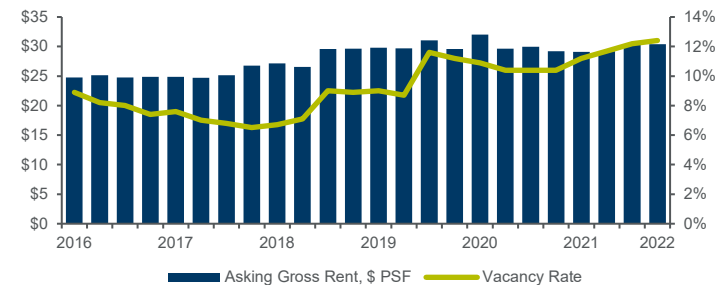
OUTLOOK

Even though the COVID-19 pandemic is not over, Downtown Winnipeg is seeing more employees returning to work. Touring activity significantly increased during Q1 and we expect that momentum to continue throughout 2022. Based on a recent survey run by the Downtown Winnipeg BIZ, about one-third of downtown's workplace is back in the office full time, 10,000 governmental employees from Canada Life and Manitoba Hydro are expected to gradually return to downtown this spring while organizations like Wawanesa Mutual Insurance Company have only 5 percent of their workforce operating within the building and have implemented a flexible work model for their staff. New construction in the suburbs continues to see a strong demand at 900 Lorimer, Tuxedo Business Park and the Refinery District.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & GROSS ASKING RENT



Winnipeg, MB

Office Q1 2022

SUBMARKET	INVENTORY	SUBLET VACANCY (SF)	DIRECT VACANCY (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	AVERAGE NET ASKING RENT	AVERAGE GROSS RENTAL RATE
Class A CBD	3,256,740	43,285	422,432	14.3%	-66,847	-66,847	\$19.10	\$37.82
Class B CBD	3,481,040	0	516,062	14.8%	2,292	2,292	\$16.16	\$30.61
Class C CBD	5,027,190	28,766	572,266	12.0%	15,942	15,942	\$13.54	\$25.77
CBD Totals	11,764,970	72,051	1,510,760	13.5%	-48,613	-48,613	\$16.24	\$31.45
Class A Suburban	1,227,890	17,278	158,432	14.3%	36,077	36,077	\$20.97	\$29.38
Class B Suburban	1,279,614	5,575	78,495	6.6%	22,051	22,051	\$14.91	\$29.31
Class C Suburban	1,637,271	11,674	110,634	7.5%	13,591	13,591	\$12.96	\$23.55
Suburban Totals	4,144,775	34,527	347,561	9.2%	71,719	71,719	\$16.35	\$26.81
WINNIPEG TOTALS	15,909,745	106,578	1,858,321	12.4%	23,106	23,106	\$16.26	\$30.40

KEY LEASE TRANSACTIONS Q3 2021

PROPERTY	SUBMARKET	SF	TYPE
10-30 Fort Garry Place	Downtown	14,000	Lease
1970 Main Street	Downtown	5,566	Lease
124 Nature Way	Suburban	14,905	Lease
315 Commerce Drive	Suburban	3,003	Lease
259 Portage Avenue	Downtown	8,700	Lease
1540 Taylor Avenue	Suburban	4,884	Lease
25 Forks Market Road	Downtown	5,502	Lease

KEY SALES TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	SF	PRICE
794 Ellice Avenue/548 Home Street	Suburban	5,543	600,000
730 Taylor Avenue	Suburban	10,024	2,550,000

KEY CONSTRUCTION PROJECTS 2022

PROPERTY	SUBMARKET	CLASS	SF	OWNER/DEVELOPER
True North/ Wawanesa Tower/ 236 Carlton Street	Central	AA	336,000	True North Development

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