

Winnipeg, MB

Office Q2 2022

YoY Chg 12-Mo. Forecast

12.4%
Vacancy Rate



19,648
Net Absorption, SF



\$30.50
Asking Gross Rent, PSF



(Overall, All Property Classes)

ECONOMIC INDICATORS Q2 2022

YoY Chg 12-Mo. Forecast

457.8K
Winnipeg Employment



4.9%
Winnipeg Unemployment Rate



4.9%
Canadian Unemployment Rate



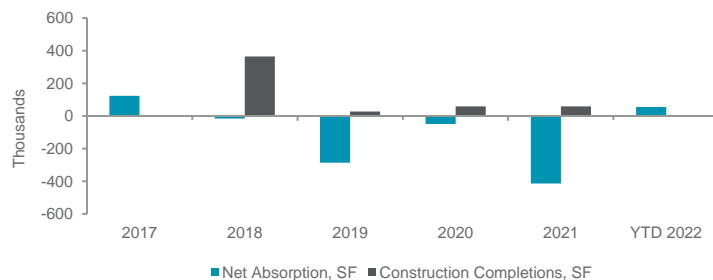
Source: Statistics Canada

Overall vacancy remained stable at 12.4% this quarter. The suburban market continued to perform well with positive absorption in all classes and now sits at a vacancy of 8.2%. The downtown market saw an increase in vacancy to 14.3% this quarter. The most notable lease transactions in the second quarter of 2022 took place in the suburban market with one notable downtown renewal taking place at 1 Lombard Place. There was one notable purchase transaction from a local investor at 175/185 Carlton Street with the intent to convert part of the building into residential. This will lower the overall office inventory in the downtown and will be a trend to follow in the downtown going forward.

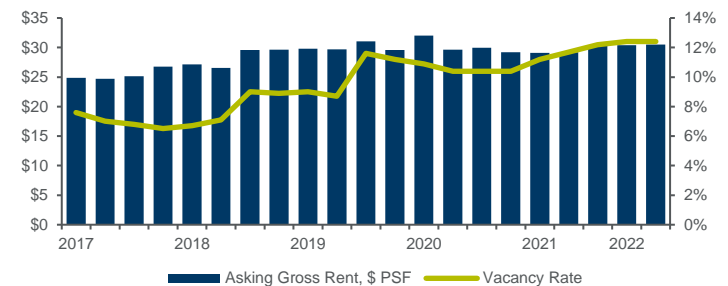
Touring activity from tenants is starting to increase in both downtown and suburban markets. With Covid-19 restrictions easing, occupancy levels are slowly increasing but are still below pre-pandemic levels. The hybrid workplace and work from home strategy seems to be largely dependent on the industry of work and demographic of the workforce.

Heading into the third quarter of 2022 it is expected both the downtown and suburban markets to be active as tenants are looking to right size with pandemic restrictions easing. Occupancy levels will continue to climb with hopes that the market will be back to pre-pandemic levels shortly. Construction of Wawanesa's new office tower continues and is expected to be completed in 2024. This will bring approximately 336,000 square feet of new office supply into the downtown market.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & GROSS ASKING RENT



Winnipeg, MB

Office Q2 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	3,237,672	19,796	404,090	13.1%	9,795	-1,990	\$19.79	\$38.65
Class B CBD	3,636,082	0	666,396	18.3%	-2,272	-51,480	\$16.16	\$30.62
Class C CBD	5,444,944	33,008	634,924	12.3%	2,132	18,074	\$13.56	\$25.96
CBD Totals	12,318,698	52,804	1,705,410	14.3%	9,655	-35,396	\$16.35	\$31.54
Class A Suburban	1,232,582	10,681	160,014	13.8%	-5,615	30,462	\$21.10	\$29.65
Class B Suburban	2,138,603	8,500	132,577	6.6%	0	30,826	\$14.46	\$28.68
Class C Suburban	2,079,993	9,810	122,993	6.4%	15,608	29,199	\$14.24	\$24.19
Suburban Totals	5,451,178	28,991	415,584	8.2%	9,993	90,487	\$16.46	\$26.63
WINNIPEG TOTALS	17,769,876	81,795	2,120,994	12.4%	19,648	55,091	\$16.37	\$30.50

KEY LEASE TRANSACTIONS Q2 2022

PROPERTY	SUBMARKET	SF (+/-)	TYPE
1 Lombard	CBD	11,500	Lease
1680 Ellice Avenue	N/W	6,500	Lease
1320 Taylor Avenue	S/W	6,000	Lease
72 Princess Street	CBD	4,000	Lease

KEY SALES TRANSACTIONS Q2 2022

PROPERTY	SUBMARKET	SF	PURCHASER
410 Portage Avenue	CBD	16,000	Investor
175-185 Carlton Street	CBD	84,000	Investor

KEY CONSTRUCTION PROJECTS

PROPERTY	SUBMARKET	CLASS	SF	OWNER/DEVELOPER
Wawanesa Tower	CBD	AA	336,000	True North Development

LOCAL MARKET RESEARCH CONTACTS

Ryan Munt

204 928 5015

Ryan.Munt@cwstevenson.ca

Brett Intrater

204 934 6229

Brett.Intrater@cwstevenson.ca

Lindsay Ridgley

204 934 6441

Lindsay.ridgley@cwstevenson.ca

www.cwstevenson.ca

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 50,000 employees in over 400 offices and 60 countries. In 2021, the firm had revenue of \$9.4 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance

©2022 All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.