

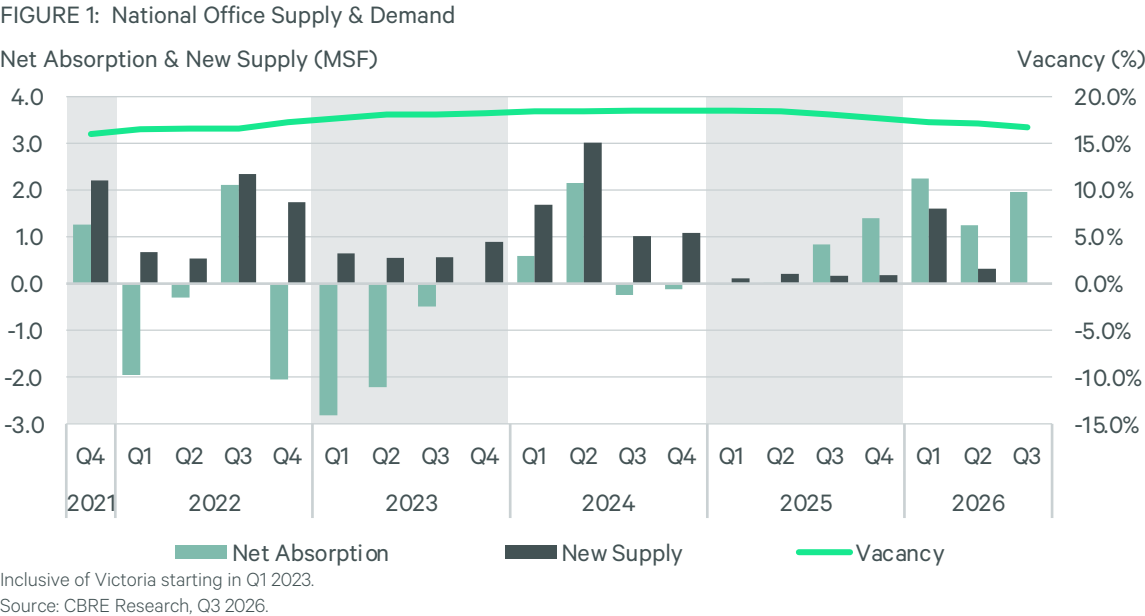
Canadian office market accelerates, as the spread between product tiers reaches new highs



Note: Arrows indicate change from previous quarter.

Executive Summary

- National office momentum remained positive in Q3 2026, totalling 2.0 million sq. ft. Nine of 11 markets posted gains, with an increasing number of cities reporting back-to-back quarters of positive net absorption.
- Vacancy spreads between premium and lower-tier properties have hit a historic high downtown amid the broader office market recovery. Suburban vacancy meanwhile reported its largest quarterly decline since Q1 2020.
- Sublease space fell by 1.3 million sq. ft. in Q3, the largest single-quarter drop since 2005, as sublets either expired or were leased/retained by existing tenants. Significant decreases were noted in Toronto, Calgary, and Montreal, a positive indicator of improved occupier sentiment.
- Construction activity has increased, a first in four years, thanks to two suburban starts. Despite this, the pipeline remains near historic lows with forecasted annual new supply on track to be outpaced by conversions/demolitions.
- Conversions/demolitions have remained active with a growing share of office-to-hotel projects. Improving leasing sentiment, however, has prompted some owners to reassess current market opportunities before redeveloping.



Momentum continues with a growing share of markets seeing net absorption build

- National office market momentum remained positive for a fifth consecutive quarter in Q3 2026 with 2.0 million sq. ft. of net absorption.
- Nine of 11 markets saw positive net absorption this quarter, with over 500,000 sq. ft. being recorded once again in each of Toronto, Calgary and Montreal.
- A growing share of markets are seeing consecutive quarters of positive absorption. Calgary’s momentum has continued to build over the last three quarters and was joined by Montreal, where the last large block of AAA space was leased this quarter alongside other healthy activity in the suburbs.
- Strong performance was also noted in Winnipeg this quarter; meanwhile, Ottawa and Edmonton have remained effectively neutral with new listings offsetting leasing activity.
- Vancouver’s performance in Q3 was largely considered to be an outlier for the market, which was heavily influenced by the long-planned consolidation of space by a technology tenant. Excluding this movement, the market would have otherwise held stable.

FIGURE 2: Historical National Net Absorption (MSF)

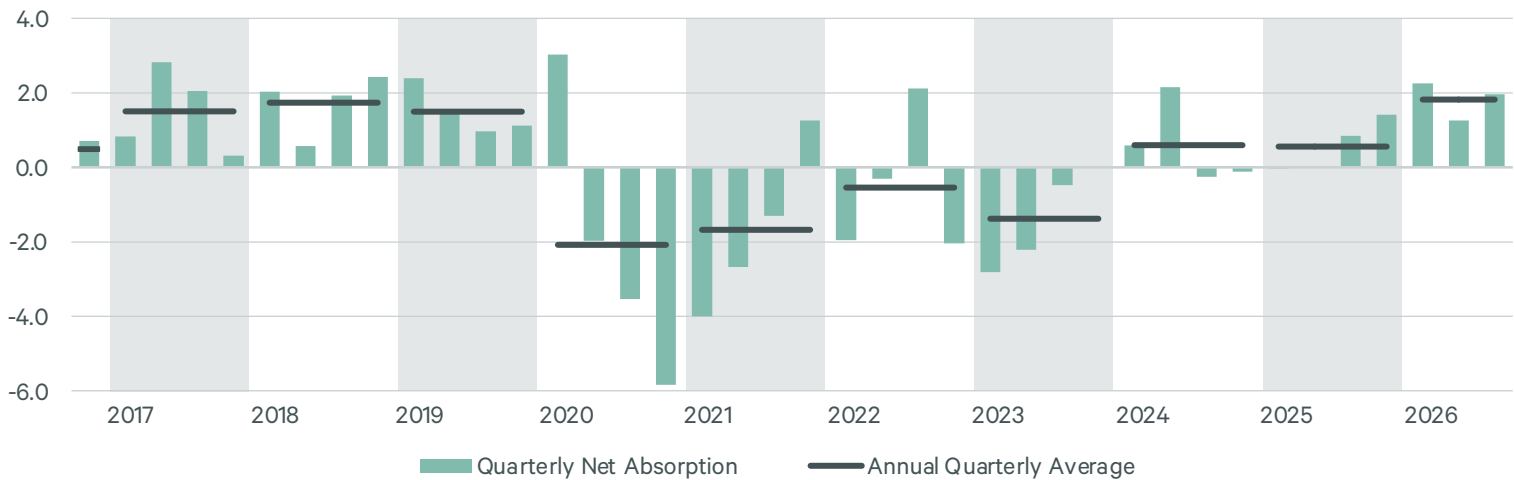
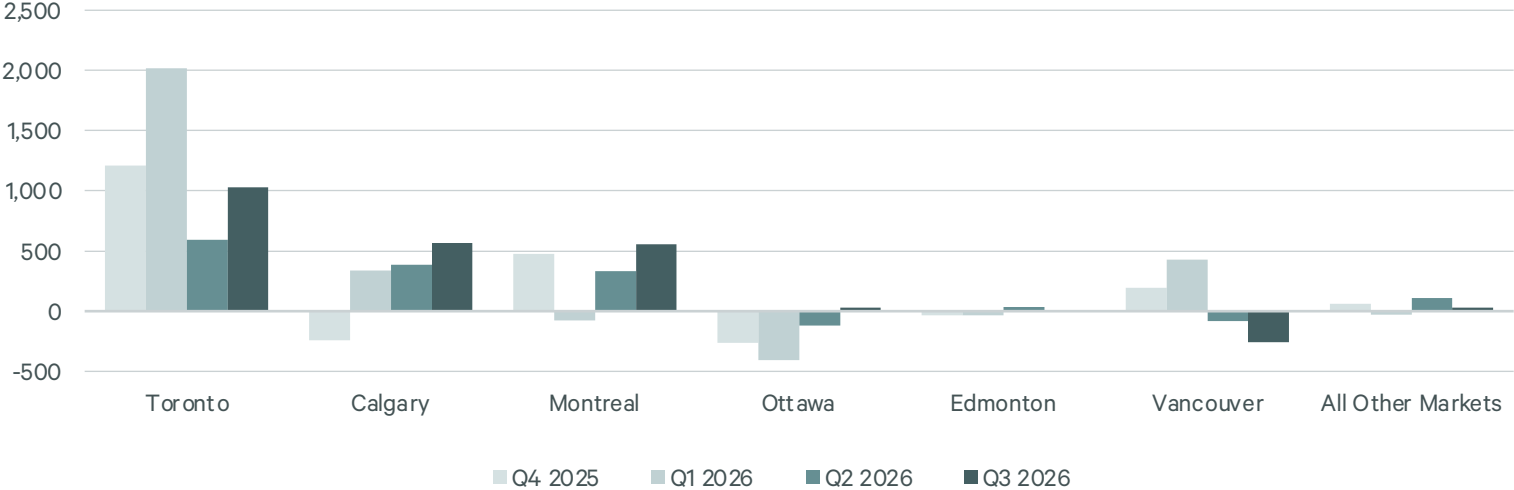


FIGURE 3: Quarterly Net Absorption, Major Markets (000's SF)

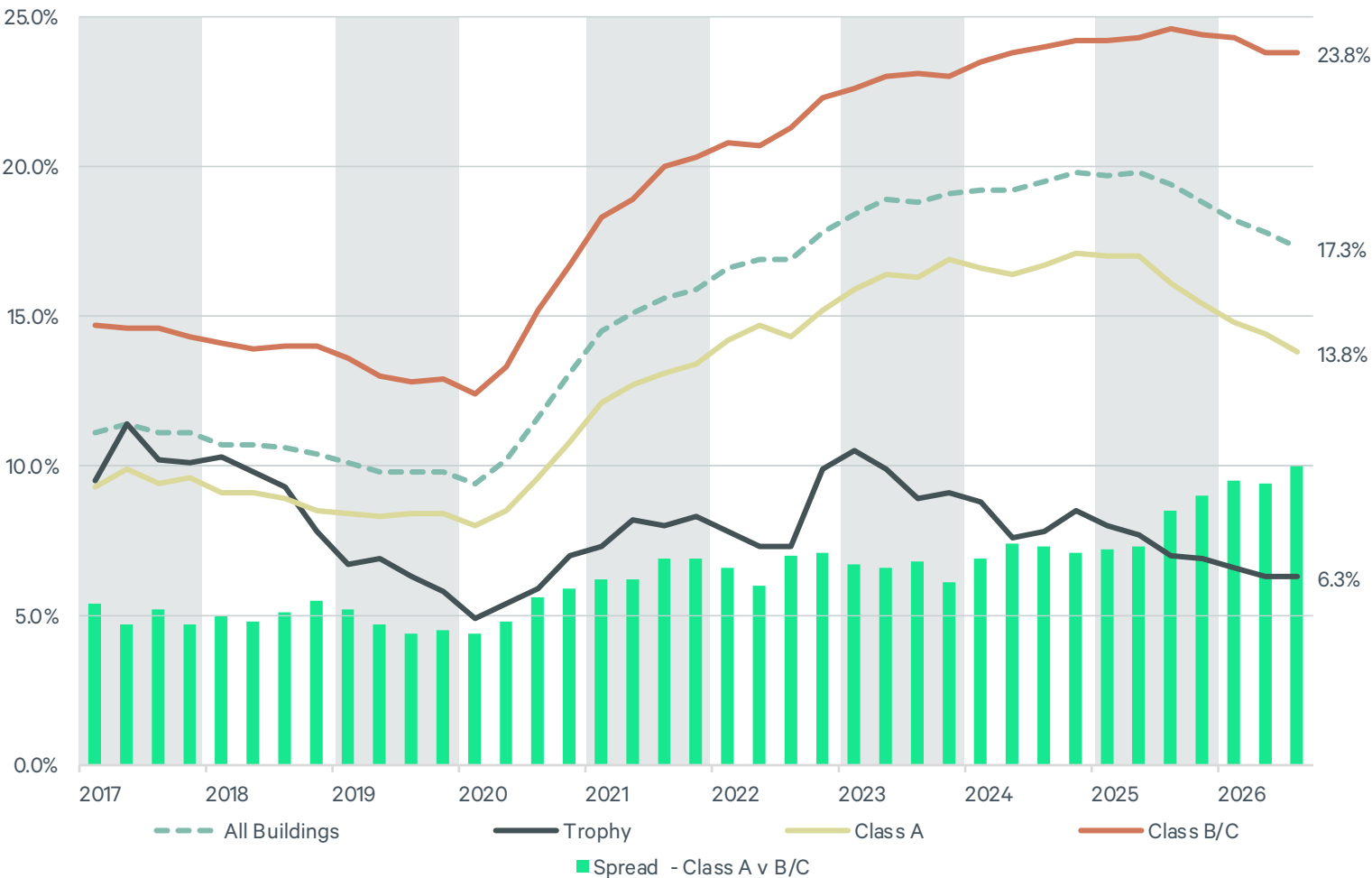


Source: CBRE Research, Q3 2026.

Spread between product tiers at historic high

- The recovery downtown is well underway, as illustrated by five quarters of declining vacancy. While improvement has been noted across product tiers in recent quarters, leasing activity was particularly elevated in Class A in Q3, which tightened vacancy by 60 bps.
- The spread in vacancy across product tiers, both Class A vs B/C and Trophy vs B/C, is currently at historic high levels, highlighting that tenant preferences for high-quality space have never been more prevalent than at any other point in time.
- The prioritization of best-in-class product has long been emphasised. Trophy vacancy is at a six-year low nationally, with Toronto and Montreal both reporting vacancy of 3.0% and below.
- While it is expected that the increasingly competitive environment for premium space will result in demand spilling over to the next-best spaces, to date that has largely placed a focus on the broader A market. Class B/C assets meanwhile have stalled, with vacancy instead largely improving due to removals of obsolete inventory.

FIGURE 4: National Downtown Vacancy by Segment



Trophy represents Class AAA properties in Vancouver, Calgary, Toronto and Montreal. Series has been refined as of Q3 2026 to better reflect current market standards in Calgary.
Class A is inclusive of trophy segment.
Source: CBRE Research, Q3 2026.

Vacancy improving by equal measure downtown and in the suburbs

- Positive momentum has continued downtown and in the suburbs as both declined by 50 bps this quarter. This represents the largest quarterly decline for the suburban market since Q1 2020, which has proven to be particularly stable over the last five years.
- Rising return-to-office expectations continue to fuel activity downtown and are resulting in a positive shift in leasing fundamentals as eight markets reported declining downtown vacancy in Q3 2026. Toronto (-90 bps) has continued to lead this trend, and was followed by Calgary (-80 bps), Ottawa (-80 bps) and Halifax (-70 bps).
- Suburban market performance remains slightly more mixed, with seven of 11 markets reporting decreased vacancy. The largest quarterly improvements were noted in Winnipeg (-200 bps), London (-140 bps) and Montreal (-130 bps).

FIGURE 5: National Downtown vs Suburban Vacancy Rate

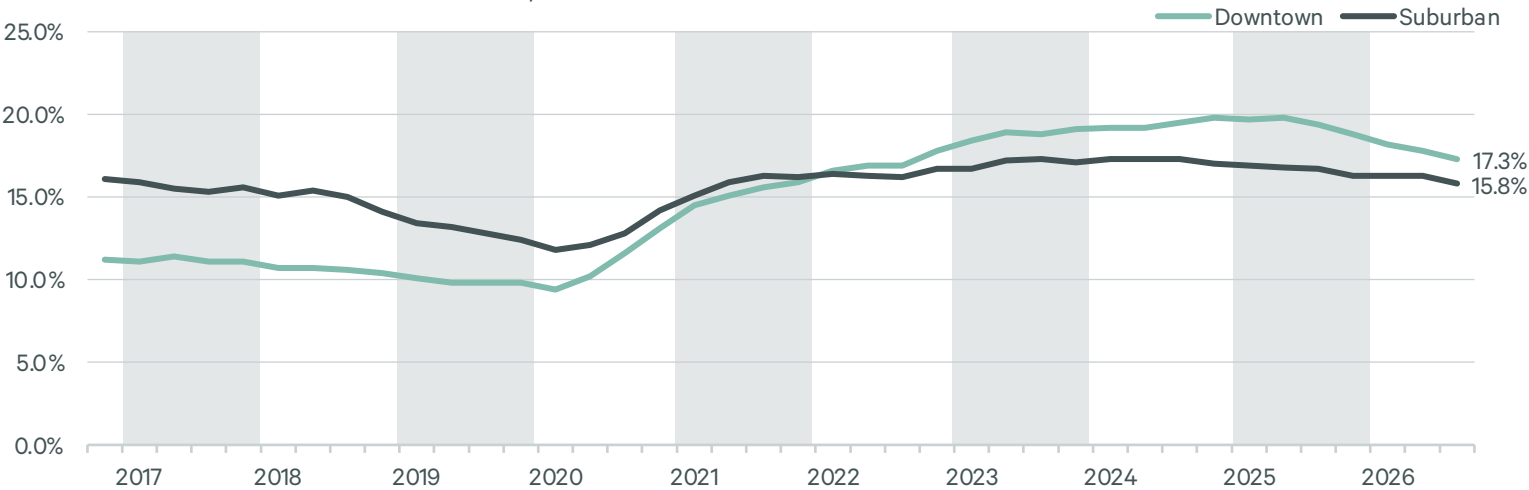
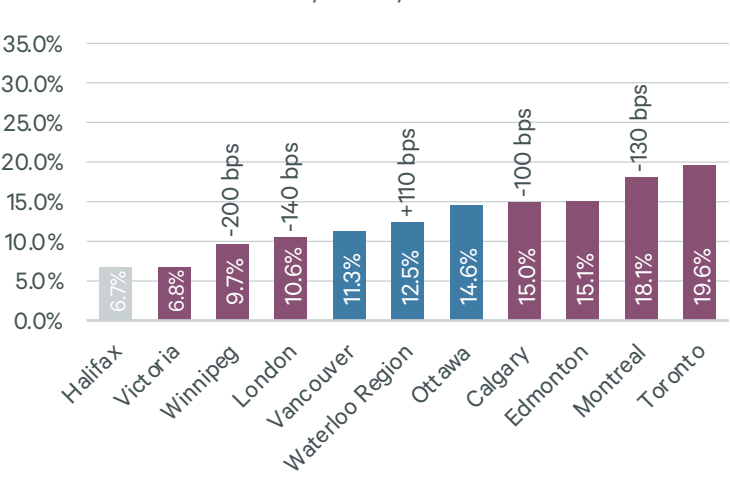


FIGURE 6a: Downtown Vacancy Rate by Market



FIGURE 6b: Suburban Vacancy Rate by Market



Source: CBRE Research, Q3 2026.

Sublease space declines by largest measure since 2005

- National sublease space fell by 1.3 million sq. ft. in Q3 2026, representing the single largest quarterly market decline since 2005. Sublet space has reduced by a cumulative 8.7 million sq. ft. or 50.2% from its peak over three years ago, highlighting improved occupier sentiment.
- National sublet space remains on par with 2018 levels and has now dropped below 9.0 million sq. ft. for the first time since Q2 2020.
- Sublet activity this quarter was mainly attributed to three markets - Calgary (-540,000 sq. ft.), Toronto (-500,000 sq. ft.), and Montreal (-348,000 sq. ft.) - and was driven by a combination of lease expiries, transactions, and tenants retaining some of the largest sublet blocks of space. The remainder of the markets noted more negligible quarterly movements, all under +/- 80,000 sq. ft.
- On a year-over-year basis, all markets but Ottawa are reporting lower sublease levels as a percent of inventory. A remarkable four of 11 markets, meanwhile, are down by over 100 bps including London (-140 bps), Toronto, Montreal (both -120 bps), and Waterloo Region (-110 bps).

FIGURE 7: National Vacant Sublet Space – Downtown & Suburban (MSF)

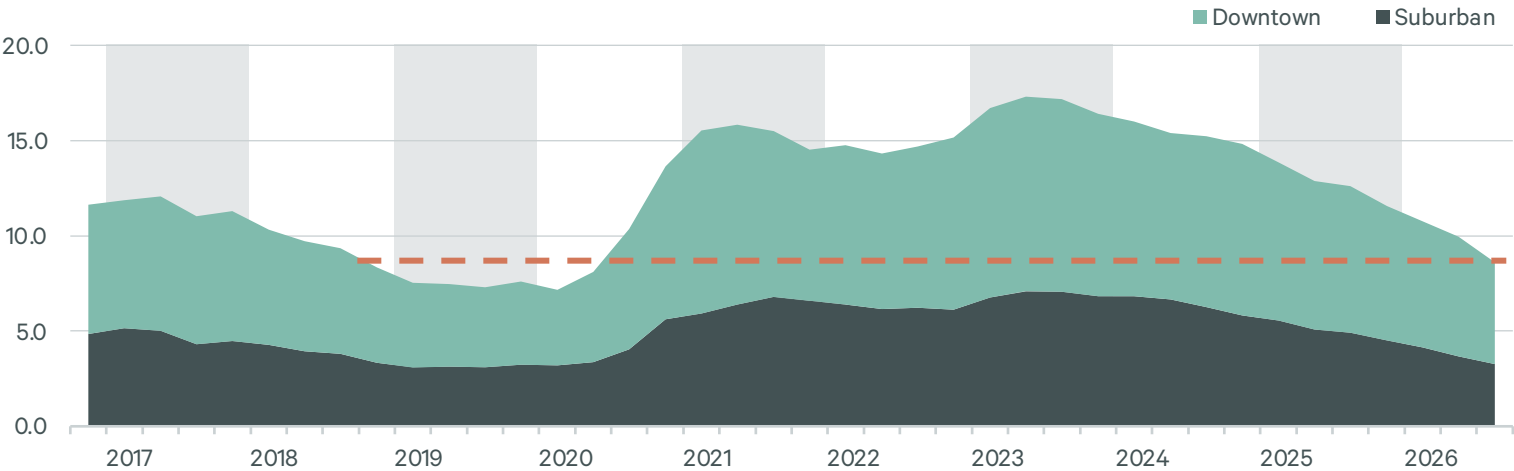
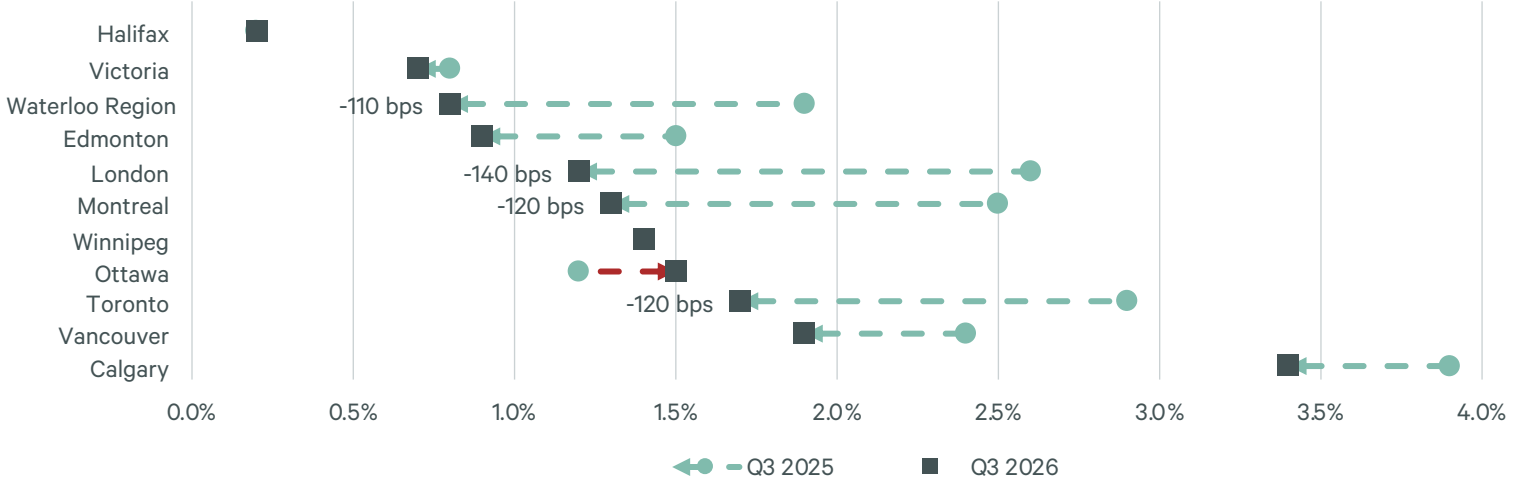


FIGURE 8: Year-over-Year Change in Sublet Space as a % of Inventory by Market



Source: CBRE Research, Q3 2026.

Suburban construction pipeline grows with two new office starts

- Two new suburban office projects commenced construction in Waterloo Region and Halifax this quarter. Amounting to 126,000 sq. ft., this is the first time in over two years in which more than one project has moved into active development in a given quarter.
- Starts this quarter included the 80,000 sq. ft. Park Place VI in Halifax, which is the largest single project start since Q1 2024, and the 46,000 sq. ft. Phase 1 of 35 Bett Court in Waterloo Region.
- No completions were noted in the third quarter; however, an additional 301,000 sq. ft. of new supply is anticipated for delivery across five markets in the final quarter of 2026. Full year new supply is forecast to reach just 2.3 million sq. ft., which is well below the recent five-year average.
- Due to the smaller-scale nature of recent starts, the thinning pipeline of new supply is expected to remain constrained with no significant deliveries on the horizon beyond 2027.

FIGURE 9: National Office Construction Starts (MSF)

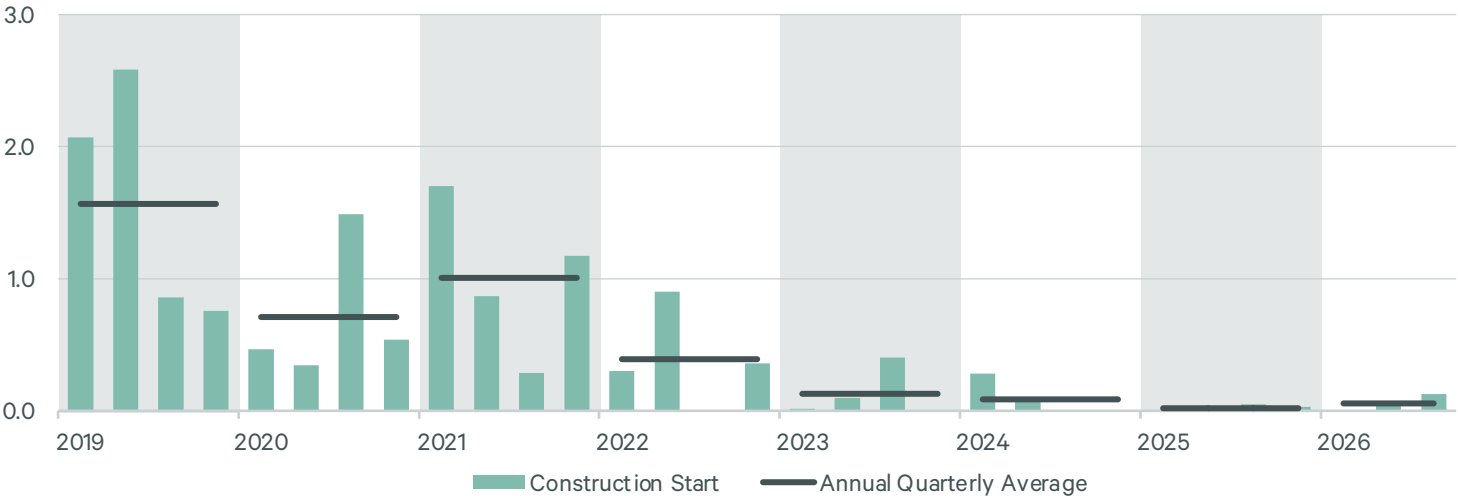
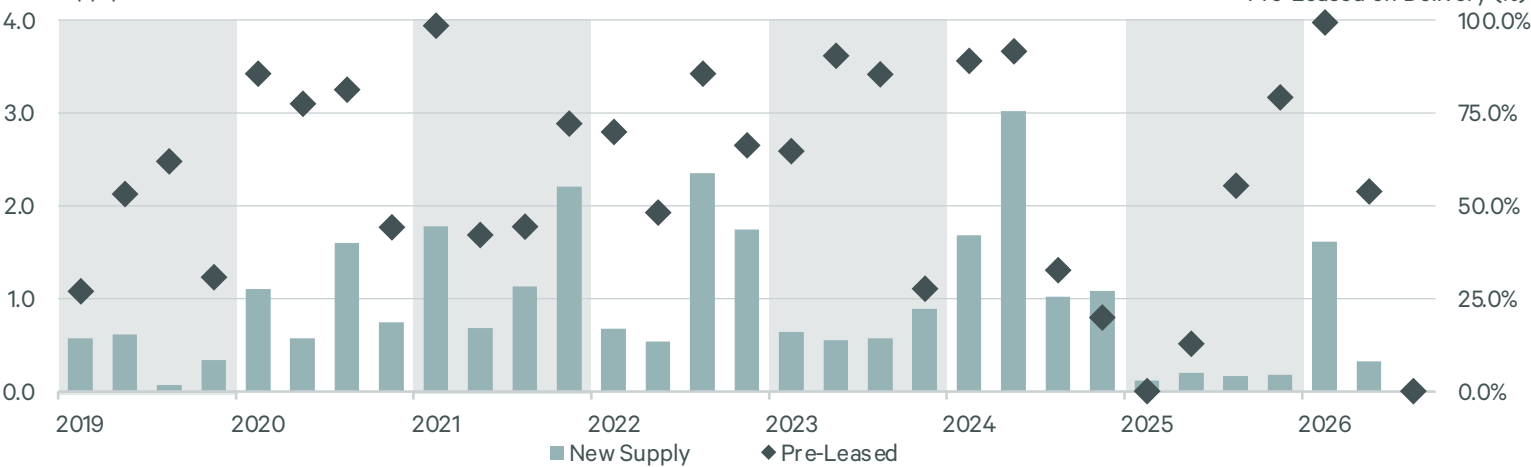


FIGURE 10: National Office New Supply Deliveries
New Supply (MSF)



Source: CBRE Research, Q3 2026.

Office construction total increases for the first time in four years

- The national office construction pipeline has increased, albeit marginally, for the first time in four years. Currently totalling 1.4 million sq. ft., the overall pipeline remains just below the previous 22-year low.
- Despite the lean level of construction, the total national office pipeline is presently only 23.2% pre-leased, with the market instead focused on existing product. Just one year ago, national pre-leasing amounted to over 60.0%.
- Development activity has remained primarily suburban over the course of 2026. Very conservative levels of suburban development are underway with no more than four active projects in a single city.
- Forecasted full year new supply is on track to be outpaced by conversion and demolition activity for a second consecutive year.

FIGURE 11: National Office Inventory Under Construction (MSF)

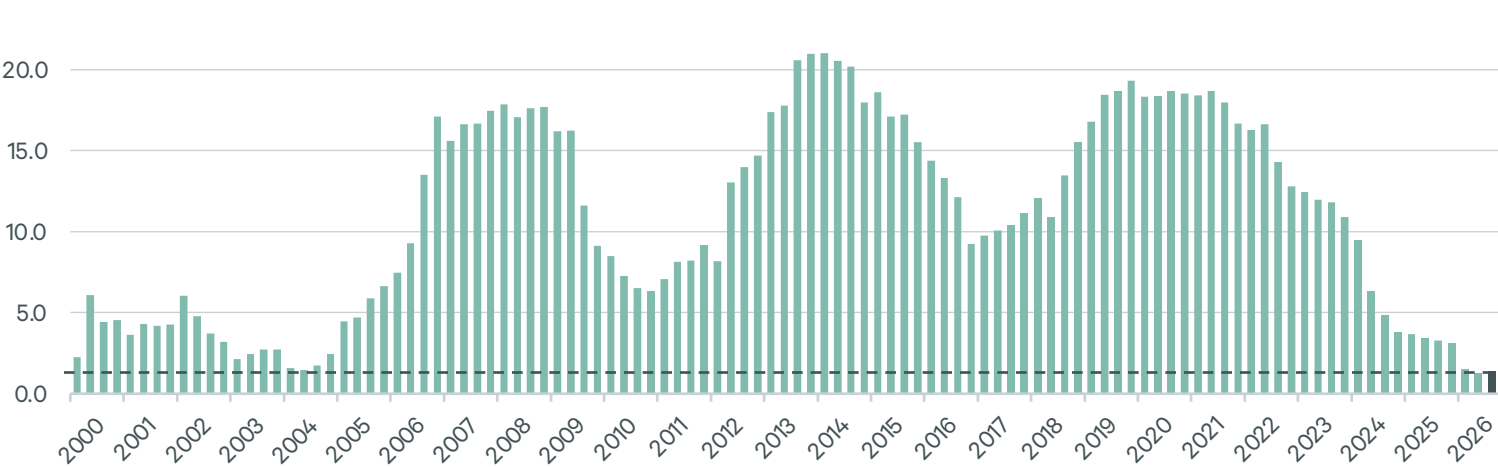
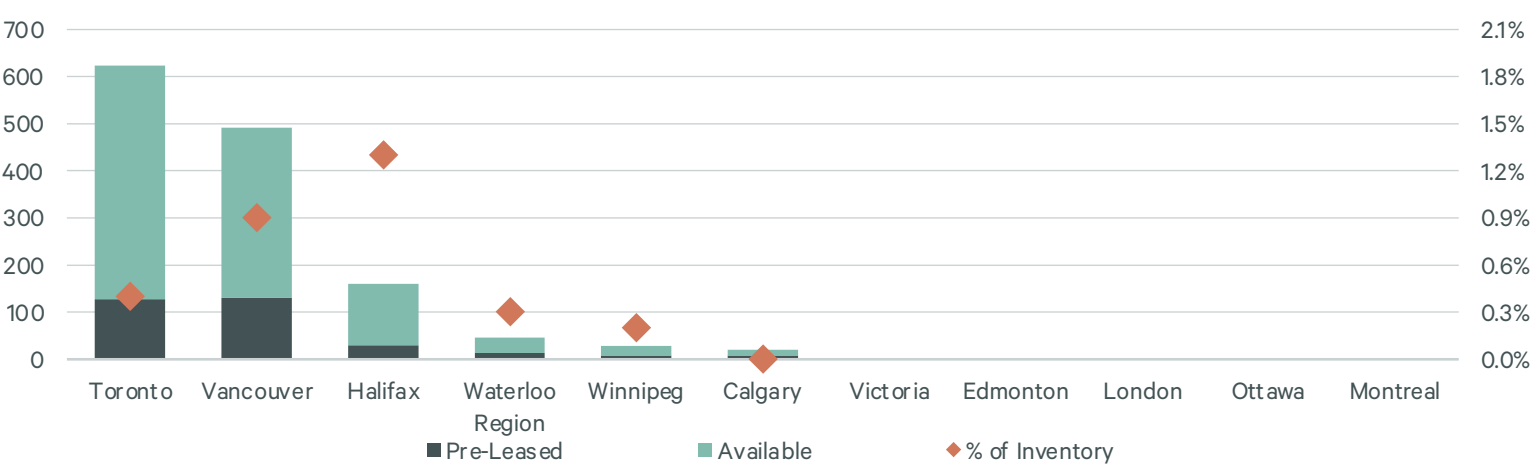


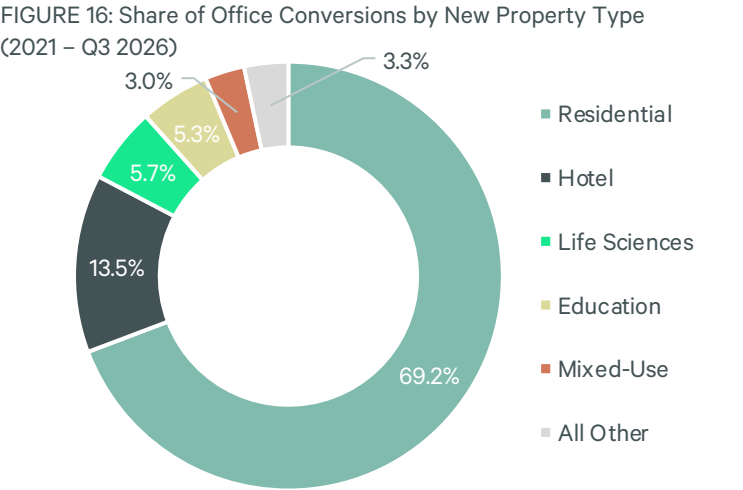
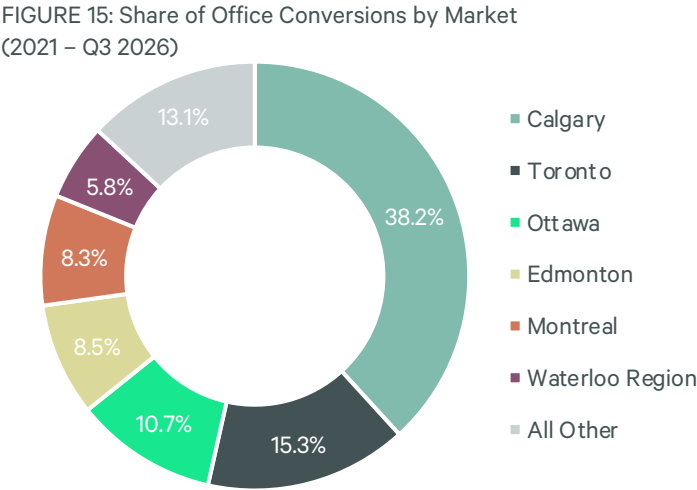
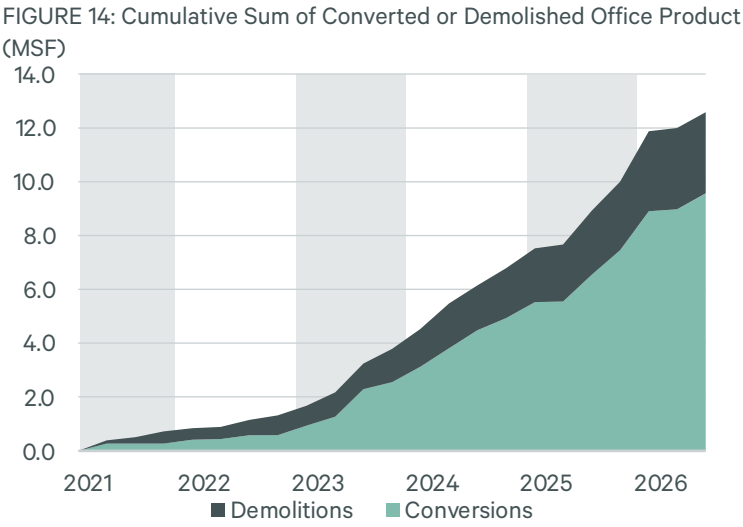
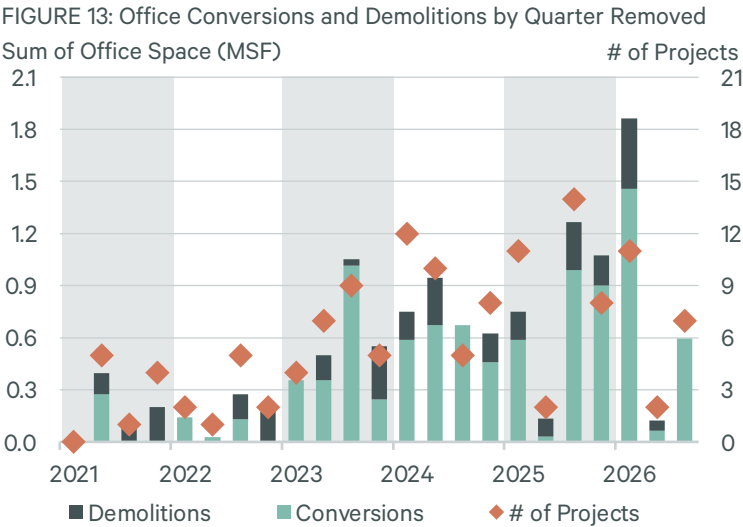
FIGURE 12: Under Construction by Market Under Construction (000's SF)



Source: CBRE Research, Q3 2026.

Share of office-to-hotel conversions grows

- Conversions and demolitions continue to chip away at inventory, with seven projects noted this quarter across Toronto, London, and Ottawa.
- Since 2021, conversions have removed a cumulative 9.6 million sq. ft. of office space from national inventory. An additional 3.0 million sq. ft. has been demolished over the same period. Together, they have reduced office inventory by 2.7%, rejuvenating properties and sites that otherwise faced potential obsolescence.
- The share of office-to-hotel conversions has continued to rise, highlighted by two projects in Toronto this quarter: 69 Yonge Street and 95 Moatfield Drive. The cooling condo market has shifted some conversion activity to the hotel sector where new supply levels have been low in recent years. Paired with consistently high occupancy levels, these conversions are increasingly attractive.
- Though conversions remain active, their inherent complexity, coupled with improving leasing sentiment, has prompted some owners to reassess current market opportunities before proceeding with redevelopment plans.

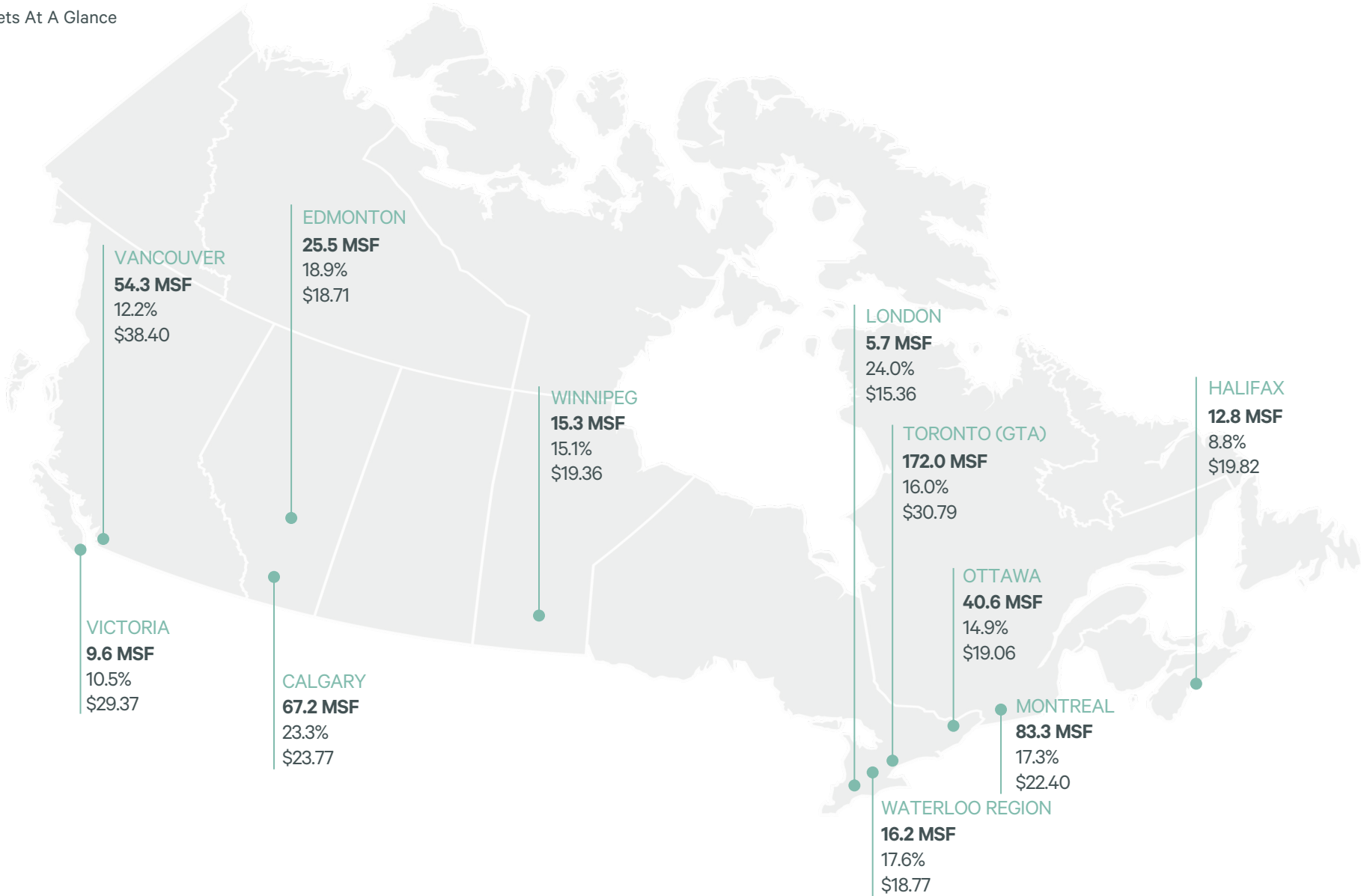


Figures 15 & 16 exclude demolitions.
Source: CBRE Research, Q3 2026.

FIGURE 17: Canadian Office Markets At A Glance

MARKET

Net Rentable Area
Overall Vacancy Rate
Average Class A Net Rent (PSF)



Source: CBRE Research, Q3 2026.

FIGURE 18: Canadian Office Markets Statistics, Q3 2026

DOWNTOWN	VICTORIA	VANCOUVER	CALGARY	EDMONTON	WINNIPEG	LONDON	WATERLOO	TORONTO	OTTAWA	MONTREAL	HALIFAX	NATIONAL
Net Rentable Area	4,286,581	27,774,086	41,468,423	15,749,962	10,911,231	4,110,326	4,717,364	95,366,008	17,854,102	47,402,377	5,135,618	274,776,078
Overall Vacancy Rate	15.2%	13.1%	28.4%	21.2%	17.3%	29.1%	30.0%	13.1%	15.3%	16.8%	11.9%	17.3%
Trophy Vacancy Rate	13.8%	10.5%	12.5%	14.3%	-	-	-	2.7%	-	3.0%	-	6.3%
Class A Vacancy Rate	13.1%	9.8%	23.9%	19.1%	12.6%	23.1%	18.0%	9.7%	13.5%	12.8%	10.2%	13.8%
Class B/C Vacancy Rate	15.8%	18.0%	40.7%	27.4%	19.6%	34.2%	36.5%	22.6%	18.1%	21.6%	13.1%	23.8%
Sublet % of Vacant Space	7.2%	16.4%	15.7%	6.0%	8.7%	5.4%	5.9%	11.0%	12.2%	8.3%	0.0%	11.2%
Avg. Class A Net Rent (PSF)	\$29.90	\$43.26	\$24.81	\$18.83	\$19.36	\$15.36	\$26.42	\$38.21	\$23.65	\$25.59	\$21.08	\$31.27
Quarter Net Absorption	6,049	-239,364	324,275	-86,681	21,513	-2,026	936	791,103	65,471	69,896	37,256	988,428
Year-to-Date Net Absorption	13,142	-136,302	355,887	-67,840	148,875	-26,400	51,123	3,012,820	24,605	474,412	13,800	3,864,122
Quarter New Supply	0	0	0	0	0	0	0	0	0	0	0	0
Year-to-Date New Supply	154,000	29,600	0	0	0	0	0	1,430,000	0	0	0	1,613,600
Under Construction	0	0	0	0	0	0	0	420,277	0	0	0	420,277
SUBURBAN												
Net Rentable Area	5,312,479	26,519,475	25,688,749	9,770,687	4,362,766	1,559,529	11,525,488	76,634,880	22,738,569	35,946,598	7,651,425	227,710,645
Overall Vacancy Rate	6.8%	11.3%	15.0%	15.1%	9.7%	10.6%	12.5%	19.6%	14.6%	18.1%	6.7%	15.8%
Class A Vacancy Rate	9.6%	9.8%	14.9%	13.8%	-	-	16.5%	21.9%	13.5%	13.8%	7.7%	16.4%
Class B/C Vacancy Rate	5.6%	13.6%	15.2%	16.1%	9.7%	10.6%	9.4%	16.2%	16.7%	21.5%	6.3%	15.2%
Sublet % of Vacant Space	6.2%	14.7%	11.4%	2.7%	10.3%	2.5%	3.7%	10.1%	7.8%	6.3%	4.2%	9.0%
Avg. Class A Net Rent (PSF)	\$29.00	\$33.89	\$20.32	\$18.32	-	-	\$16.76	\$19.56	\$16.08	\$17.96	\$18.11	\$20.91
Quarter Net Absorption	21,333	-19,907	240,663	93,010	85,174	22,379	-164,560	237,141	-37,558	488,105	4,069	969,849
Year-to-Date Net Absorption	-47,614	221,583	934,982	77,475	15,752	3,248	-117,752	629,865	-523,702	341,549	57,921	1,593,307
Quarter New Supply	0	0	0	0	0	0	0	0	0	0	0	0
Year-to-Date New Supply	0	303,255	0	0	0	0	17,000	0	0	0	0	320,255
Under Construction	0	491,617	20,688	0	28,320	0	46,000	202,662	0	0	160,000	949,287
TOTAL												
Net Rentable Area	9,599,060	54,293,561	67,157,172	25,520,649	15,273,997	5,669,855	16,242,852	172,000,888	40,592,671	83,348,975	12,787,043	502,486,723
Overall Vacancy Rate	10.5%	12.2%	23.3%	18.9%	15.1%	24.0%	17.6%	16.0%	14.9%	17.3%	8.8%	16.7%
Class A Vacancy Rate	11.0%	9.8%	21.1%	17.6%	12.6%	23.1%	16.8%	14.6%	13.5%	13.2%	9.0%	14.8%
Class B/C Vacancy Rate	10.4%	15.9%	27.4%	21.0%	15.9%	24.4%	17.6%	18.6%	17.3%	21.5%	8.6%	19.1%
Sublet % of Vacant Space	6.8%	15.6%	14.6%	5.0%	9.0%	5.0%	4.8%	10.5%	9.8%	7.4%	1.9%	10.3%
Avg. Class A Net Rent (PSF)	\$29.37	\$38.40	\$23.77	\$18.71	\$19.36	\$15.36	\$18.77	\$30.79	\$19.06	\$22.40	\$19.82	\$27.08
Quarter Net Absorption	27,382	-259,271	564,938	6,329	106,687	20,353	-163,624	1,028,244	27,913	558,001	41,325	1,958,277
Year-to-Date Net Absorption	-34,472	85,281	1,290,869	9,635	164,627	-23,152	-66,629	3,642,685	-499,097	815,961	71,721	5,457,429
Quarter New Supply	0	0	0	0	0	0	0	0	0	0	0	0
Year-to-Date New Supply	154,000	332,855	0	0	0	0	17,000	1,430,000	0	0	0	1,933,855
Under Construction	0	491,617	20,688	0	28,320	0	46,000	622,939	0	0	160,000	1,369,564

Source: CBRE Research, Q3 2026.

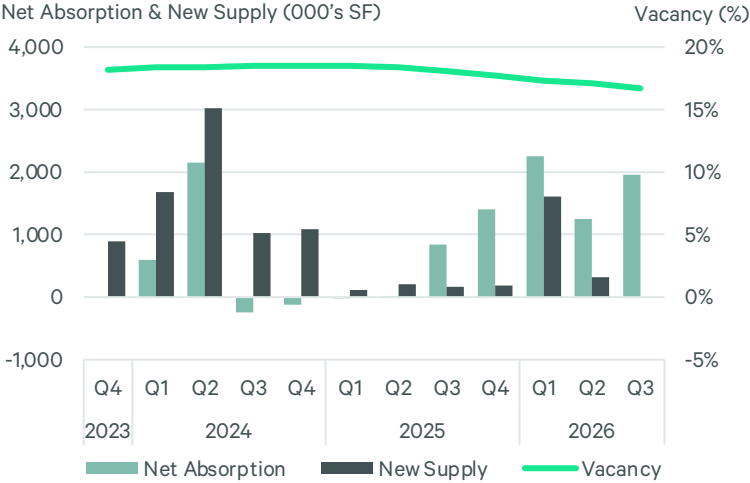
Canada

The Canadian office market accelerated in Q3 2026, highlighted by falling vacancies in both downtown and suburban segments alongside the largest quarterly sublease drop since 2005. This surge in demand is predominantly capturing premium space, driving the performance gap between top-tier assets and secondary properties to historic heights downtown.

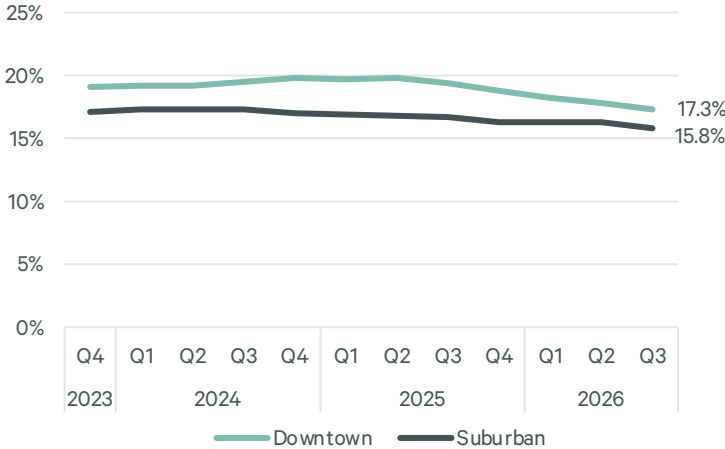
MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	274,776,078	227,710,645	502,486,723	▼
Overall Vacancy Rate	17.3%	15.8%	16.7%	▼
Trophy Vacancy Rate	6.3%	-	-	◀▶
Class A Vacancy Rate	13.8%	16.4%	14.8%	▼
Class B/C Vacancy Rate	23.8%	15.2%	19.1%	▼
Sublet % of Vacant	11.2%	9.0%	10.3%	▼
Avg. Class A Net Rent (PSF)	\$31.27	\$20.91	\$27.08	▲
Quarter Net Absorption	988,428	969,849	1,958,277	▲
Quarter New Supply	0	0	0	▼
Under Construction	420,277	949,287	1,369,564	▲

*National trophy series includes Vancouver, Calgary, Toronto, and Montreal only.

METRO SUPPLY & DEMAND



DOWNTOWN VS SUBURBAN VACANCY



UNDER CONSTRUCTION

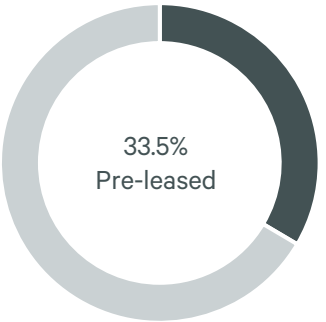
Downtown

0.4 MSF
0.2% of Inventory

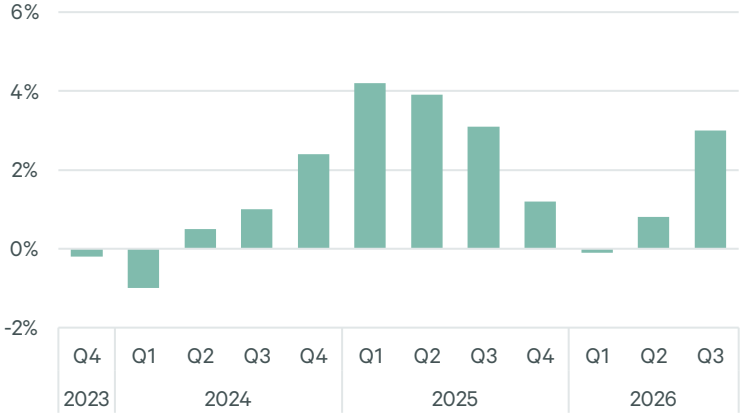


Suburban

0.9 MSF
0.4% of Inventory



METRO CLASS A RENT, Y-o-Y GROWTH



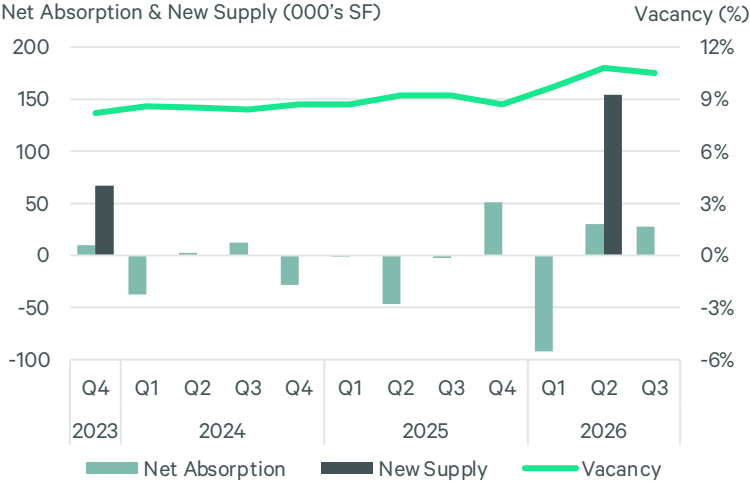
Victoria

Victoria’s office demand is highly localized, concentrating in suburban markets and within downtown’s Class AA and A buildings. In the downtown core, tenants continue to favour assets with ample parking and turnkey spaces. Conversely, suburban occupiers are navigating against a much tighter market, with a constrained pool of suitable options.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	4,286,581	5,312,479	9,599,060	◀▶
Overall Vacancy Rate	15.2%	6.8%	10.5%	▼
Trophy Vacancy Rate	13.8%	-	-	▲
Class A Vacancy Rate	13.1%	9.6%	11.0%	▼
Class B/C Vacancy Rate	15.8%	5.6%	10.4%	▲
Sublet % of Vacant	7.2%	6.2%	6.8%	◀▶
Avg. Class A Net Rent (PSF)	\$29.90	\$29.00	\$29.37	▲
Quarter Net Absorption	6,049	21,333	27,382	▼
Quarter New Supply	0	0	0	▼
Under Construction	0	0	0	◀▶

*Victoria added to national series starting in Q1 2023.

METRO SUPPLY & DEMAND

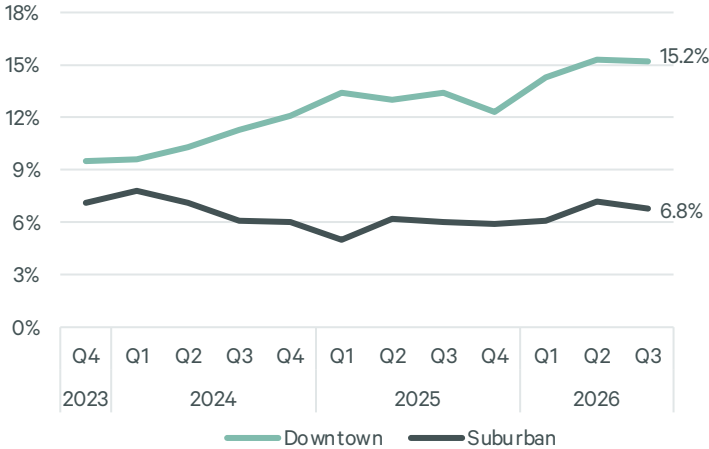


UNDER CONSTRUCTION

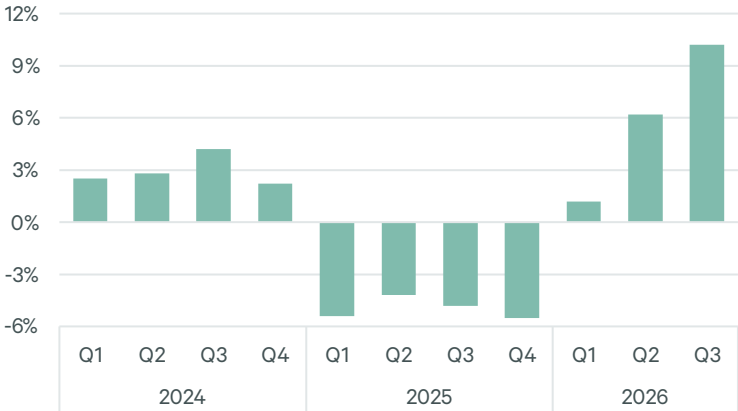
Downtown
0 SF
0% of Inventory

Suburban
0 SF
0% of Inventory

DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH

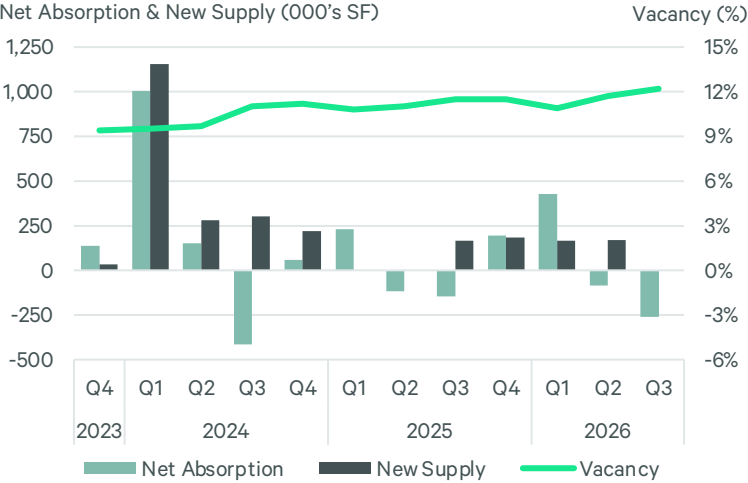


Vancouver

Two large downtown blocks of future available space were officially vacated this quarter due to consolidation within the technology sector, pushing downtown vacancy to its highest level in over 22 years. It is anticipated that these spaces will take time to absorb and hinges on reduced economic uncertainty, though recent infrastructure announcements may help spur demand more quickly.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	27,774,086	26,519,475	54,293,561	◀▶
Overall Vacancy Rate	13.1%	11.3%	12.2%	▲
Trophy Vacancy Rate	10.5%	-	-	▲
Class A Vacancy Rate	9.8%	9.8%	9.8%	▲
Class B/C Vacancy Rate	18.0%	13.6%	15.9%	▲
Sublet % of Vacant	16.4%	14.7%	15.6%	▼
Avg. Class A Net Rent (PSF)	\$43.26	\$33.89	\$38.40	▲
Quarter Net Absorption	-239,364	-19,907	-259,271	▼
Quarter New Supply	0	0	0	▼
Under Construction	0	491,617	491,617	◀▶

METRO SUPPLY & DEMAND



UNDER CONSTRUCTION

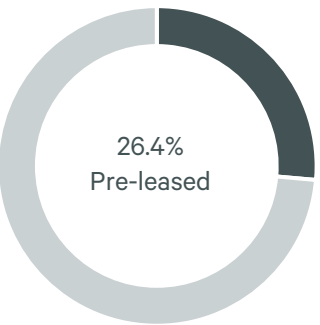
Downtown

0 SF
0% of Inventory

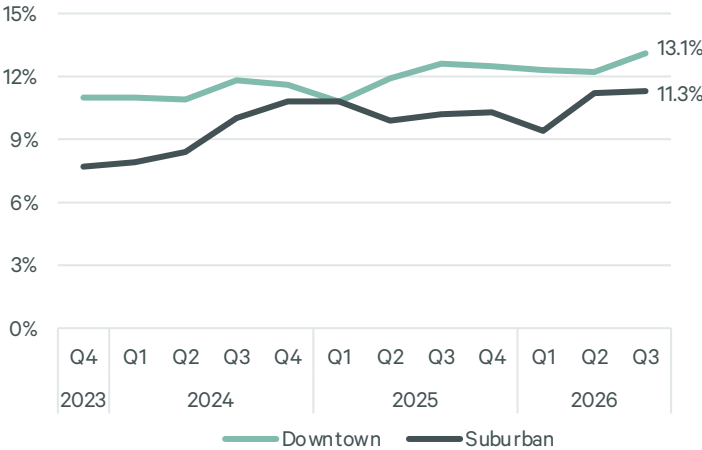


Suburban

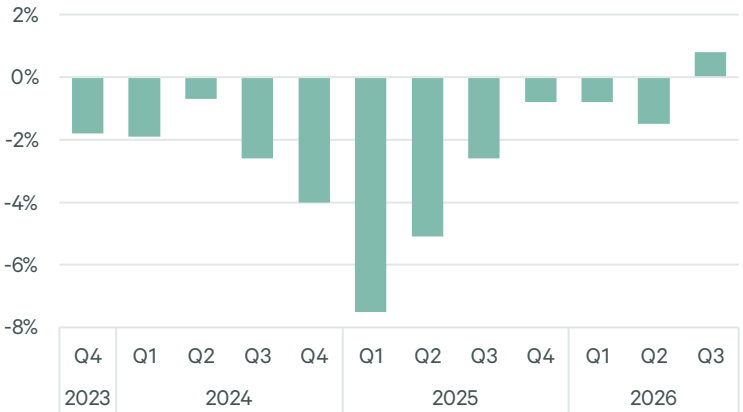
0.5 MSF
1.9% of Inventory



DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH



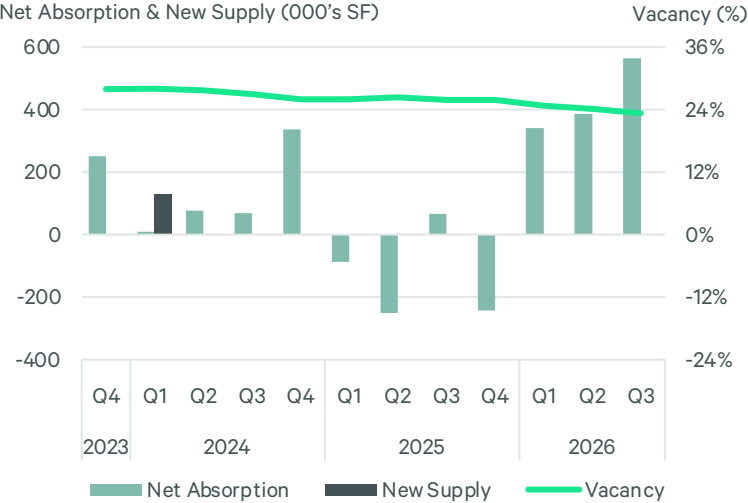
Calgary

The Calgary office market experienced its strongest quarter of net absorption since Q2 2014, with improvements noted both downtown and in the suburbs. Downtown reversed recent trends by avoiding large negative shocks and was supported by an uptick in activity from a variety of industries including energy, finance, and education.

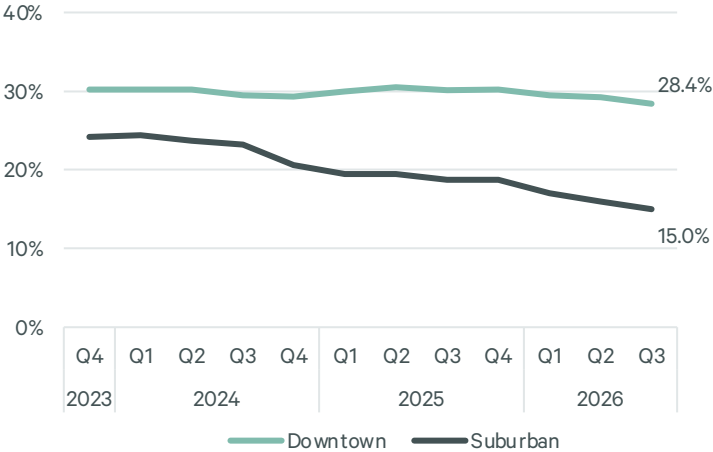
MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	41,468,423	25,688,749	67,157,172	◀▶
Overall Vacancy Rate	28.4%	15.0%	23.3%	▼
Trophy Vacancy Rate	12.5%	-	-	▼
Class A Vacancy Rate	23.9%	14.9%	21.1%	▼
Class B/C Vacancy Rate	40.7%	15.2%	27.4%	▼
Sublet % of Vacant	15.7%	11.4%	14.6%	▼
Avg. Class A Net Rent (PSF)	\$24.81	\$20.32	\$23.77	▲
Quarter Net Absorption	324,275	240,663	564,938	▲
Quarter New Supply	0	0	0	◀▶
Under Construction	0	20,688	20,688	◀▶

* Trophy series has been refined to better reflect current market standards; historical metrics have been updated where applicable as of Q3 2026.

METRO SUPPLY & DEMAND



DOWNTOWN VS SUBURBAN VACANCY



UNDER CONSTRUCTION

Downtown

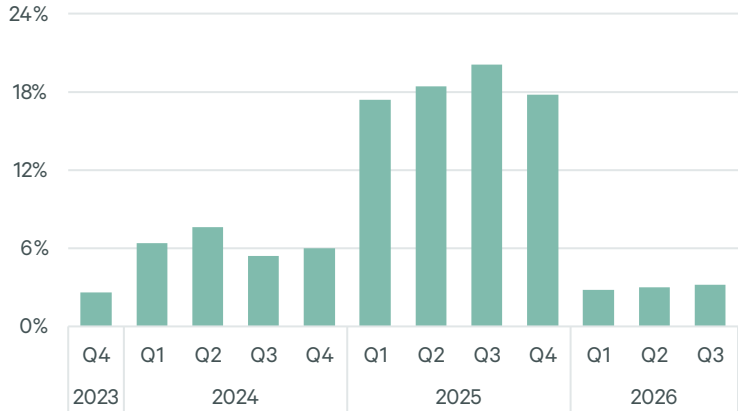
0 SF
0% of Inventory

Suburban

21,000 SF
0.1% of Inventory



METRO CLASS A RENT, Y-o-Y GROWTH

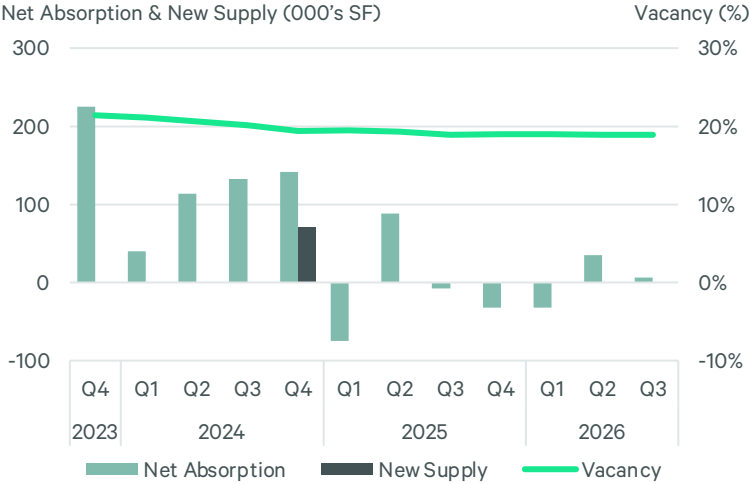


Edmonton

The suburban market posted its strongest quarter since Q3 2024 with more than 93,000 sq. ft. of positive net absorption as vacancy declined by 90 bps to its lowest level in more than a decade. Quality built-out opportunities requiring minimal improvements continue to attract significant interest, with many tenants looking to reduce upfront capital costs and accelerate occupancy timelines.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	15,749,962	9,770,687	25,520,649	◄►
Overall Vacancy Rate	21.2%	15.1%	18.9%	◄►
Trophy Vacancy Rate	14.3%	-	-	▲
Class A Vacancy Rate	19.1%	13.8%	17.6%	▲
Class B/C Vacancy Rate	27.4%	16.1%	21.0%	▼
Sublet % of Vacant	6.0%	2.7%	5.0%	▲
Avg. Class A Net Rent (PSF)	\$18.83	\$18.32	\$18.71	▼
Quarter Net Absorption	-86,681	93,010	6,329	▼
Quarter New Supply	0	0	0	◄►
Under Construction	0	0	0	◄►

METRO SUPPLY & DEMAND

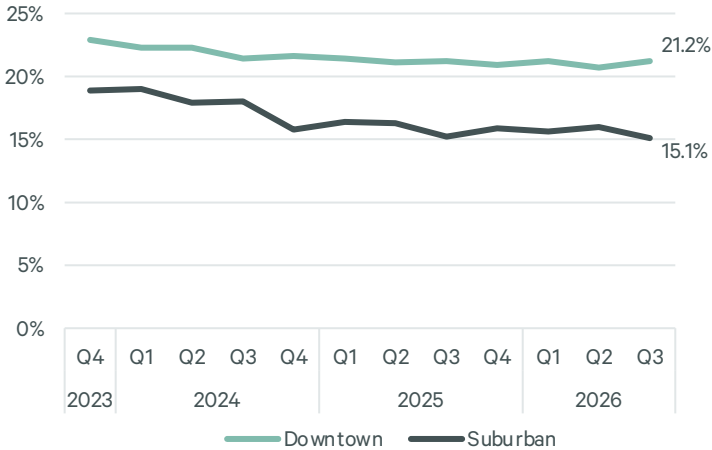


UNDER CONSTRUCTION

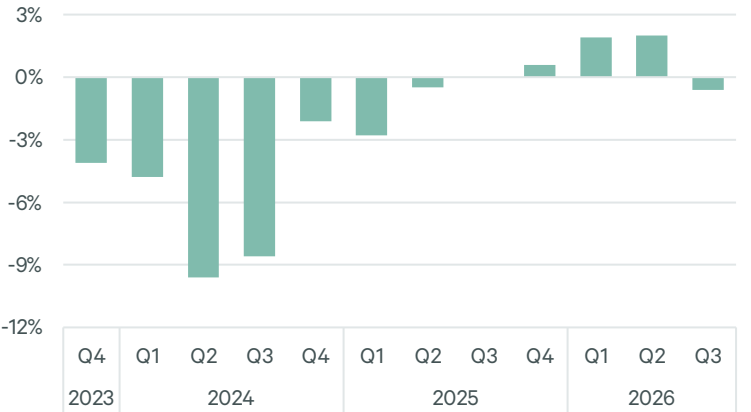
Downtown
0 SF
0% of Inventory

Suburban
0 SF
0% of Inventory

DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH

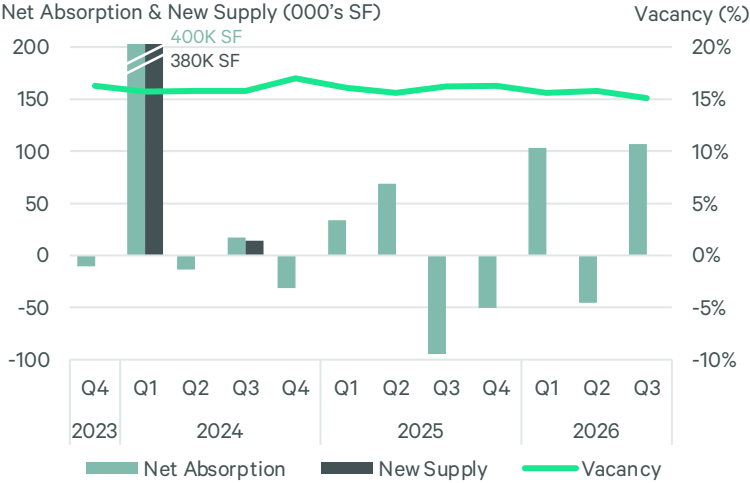


Winnipeg

Winnipeg’s office market continued its measured recovery, recording positive net absorption across all downtown classes once again this quarter. This steady demand, coupled with robust suburban performance, signals a broad-based improvement in market sentiment. While the road to full stabilization has been gradual, current activity points to continued progress.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	10,911,231	4,362,766	15,273,997	◀▶
Overall Vacancy Rate	17.3%	9.7%	15.1%	▼
Trophy Vacancy Rate	-	-	-	
Class A Vacancy Rate	12.6%	-	12.6%	▼
Class B/C Vacancy Rate	19.6%	9.7%	15.9%	▼
Sublet % of Vacant	8.7%	10.3%	9.0%	▲
Avg. Class A Net Rent (PSF)	\$19.36	N/A	\$19.36	▲
Quarter Net Absorption	21,513	85,174	106,687	▲
Quarter New Supply	0	0	0	◀▶
Under Construction	0	28,320	28,320	◀▶

METRO SUPPLY & DEMAND



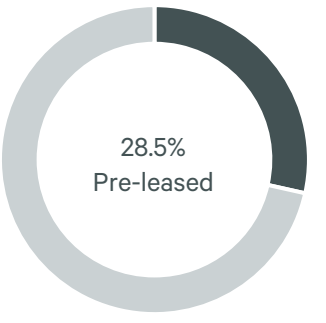
UNDER CONSTRUCTION

Downtown

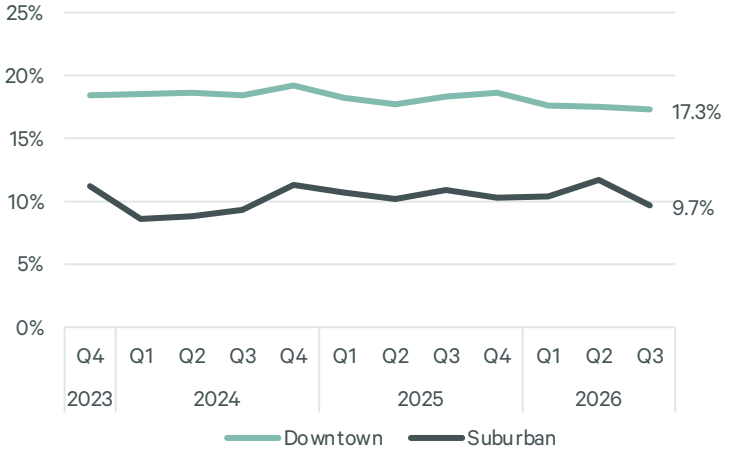
0 SF
0% of Inventory

Suburban

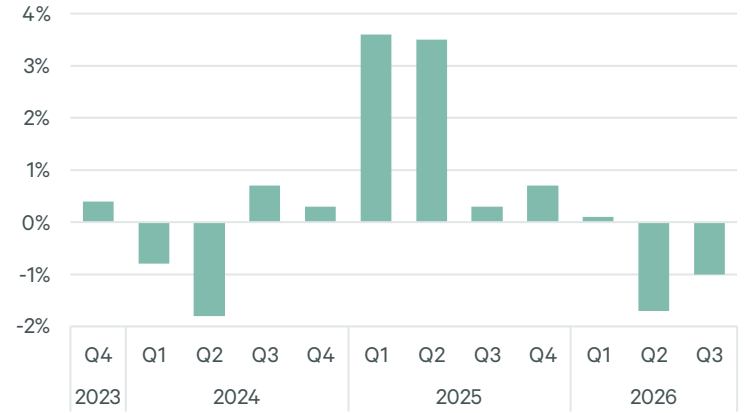
28,000 SF
0.6% of Inventory



DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH

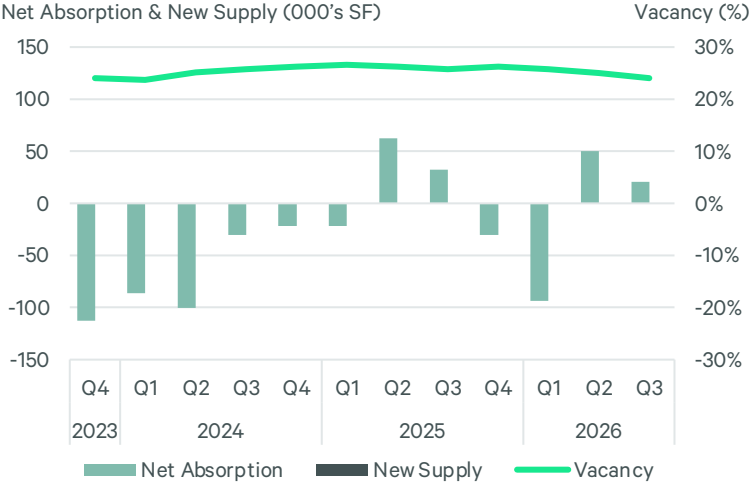


London

London's office market continued to see a steady, broad-based recovery across both the Core and Suburban areas. Class B/C properties led the improvement in vacancy this quarter, decreasing 210 bps, driven by a combination of leasing activity and the strategic removal of vacant inventory for potential redevelopment.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	4,110,326	1,559,529	5,669,855	▼
Overall Vacancy Rate	29.1%	10.6%	24.0%	▼
Trophy Vacancy Rate	-	-	-	
Class A Vacancy Rate	23.1%	-	23.1%	▲
Class B/C Vacancy Rate	34.2%	10.6%	24.4%	▼
Sublet % of Vacant	5.4%	2.5%	5.0%	▲
Avg. Class A Net Rent (PSF)	\$15.36	N/A	\$15.36	▼
Quarter Net Absorption	-2,026	22,379	20,353	▼
Quarter New Supply	0	0	0	◄►
Under Construction	0	0	0	◄►

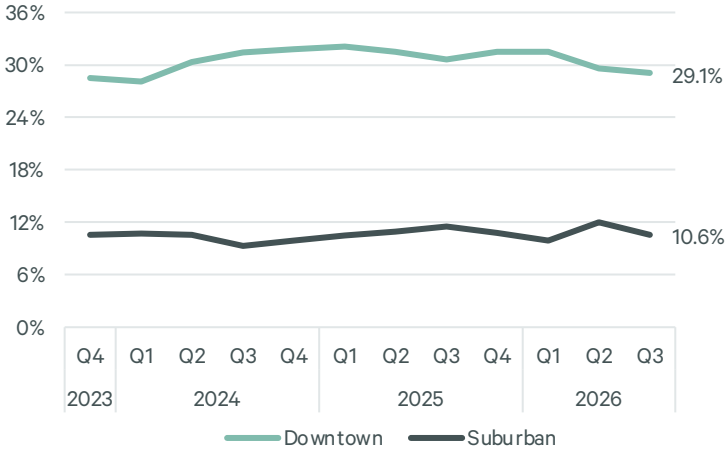
METRO SUPPLY & DEMAND



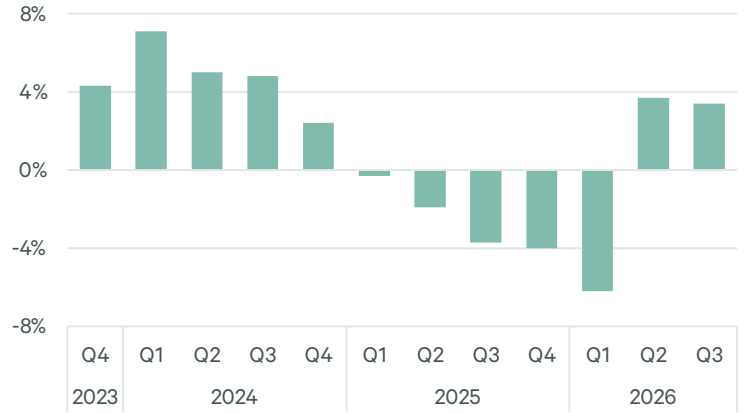
UNDER CONSTRUCTION



DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH

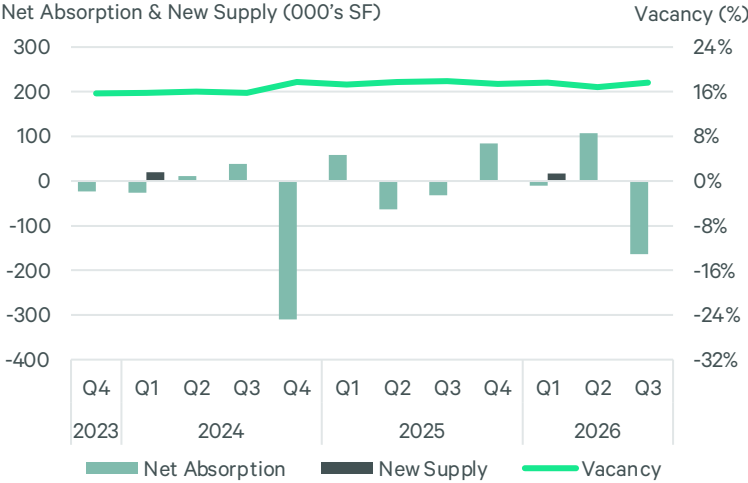


Waterloo Region

Downtown vacancy remained unchanged at 30.0%; however, performance is becoming increasingly bifurcated with demand focused on higher-quality space. Driven by a continued flight-to-quality, Class A vacancy trended downward by 240 bps this quarter to 18.0%, while Class B/C vacancy climbed to 36.5%.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	4,717,364	11,525,488	16,242,852	▼
Overall Vacancy Rate	30.0%	12.5%	17.6%	▲
Trophy Vacancy Rate	-	-	-	
Class A Vacancy Rate	18.0%	16.5%	16.8%	▲
Class B/C Vacancy Rate	36.5%	9.4%	17.6%	▲
Sublet % of Vacant	5.9%	3.7%	4.8%	▲
Avg. Class A Net Rent (PSF)	\$26.42	\$16.76	\$18.77	▼
Quarter Net Absorption	936	-164,560	-163,624	▼
Quarter New Supply	0	0	0	◄►
Under Construction	0	46,000	46,000	▲

METRO SUPPLY & DEMAND



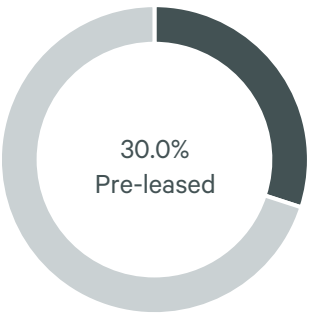
UNDER CONSTRUCTION

Downtown

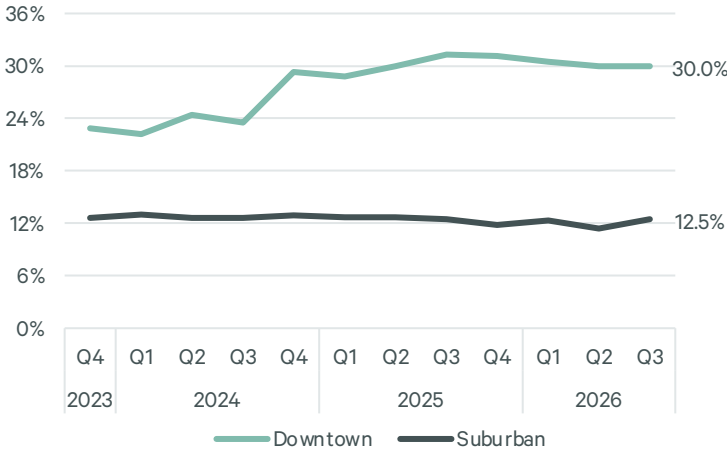
0 MSF
0% of Inventory

Suburban

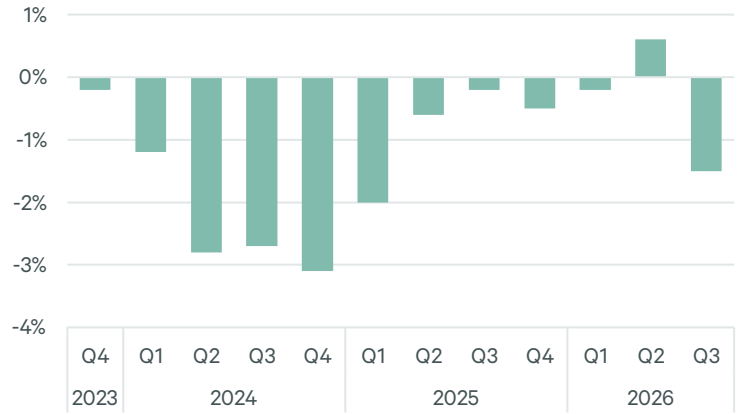
46,000 SF
0.4% of Inventory



DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH



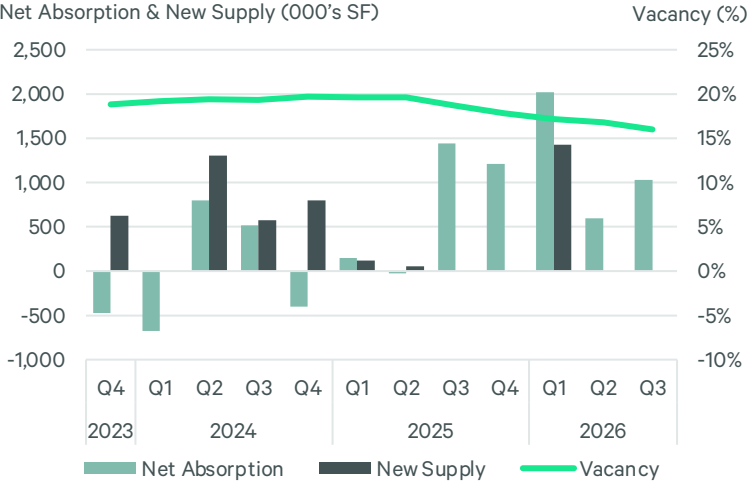
Toronto

Broader office market recovery persisted in Toronto in Q3 2026 as overall vacancy fell 80 bps to 16.0%. Healthy levels of activity were noted across both suburban and downtown markets, with limited large block vacancies downtown concentrating demand into the 50,000 sq. ft. range. Meanwhile, downtown sublease space fell to its lowest level since Q2 2020, a strong indicator of long-term occupier confidence.

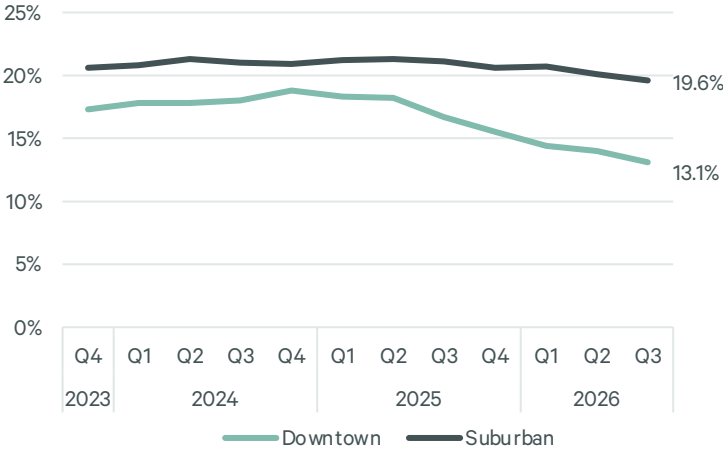
MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	95,366,008	76,634,880	172,000,888	▼
Overall Vacancy Rate	13.1%	19.6%	16.0%	▼
Trophy Vacancy Rate	2.7%	-	-	▲
Class A Vacancy Rate	9.7%	21.9%	14.6%	▼
Class B/C Vacancy Rate	22.6%	16.2%	18.6%	▼
Sublet % of Vacant	11.0%	10.1%	10.5%	▼
Avg. Class A Net Rent (PSF)	\$38.21	\$19.56	\$30.79	▲
Quarter Net Absorption	791,103	237,141	1,028,244	▲
Quarter New Supply	0	0	0	◄►
Under Construction	420,277	202,662	622,939	◄►

*Downtown is reflective of Central submarkets, inclusive of Midtown.

METRO SUPPLY & DEMAND



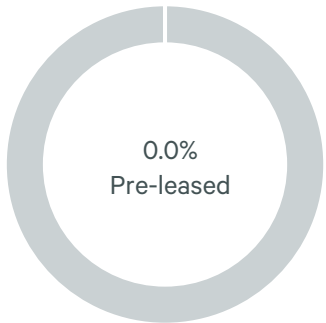
DOWNTOWN VS SUBURBAN VACANCY



UNDER CONSTRUCTION

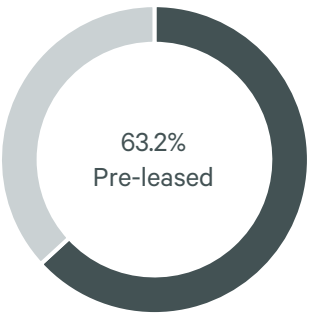
Downtown

0.4 MSF
0.4% of Inventory

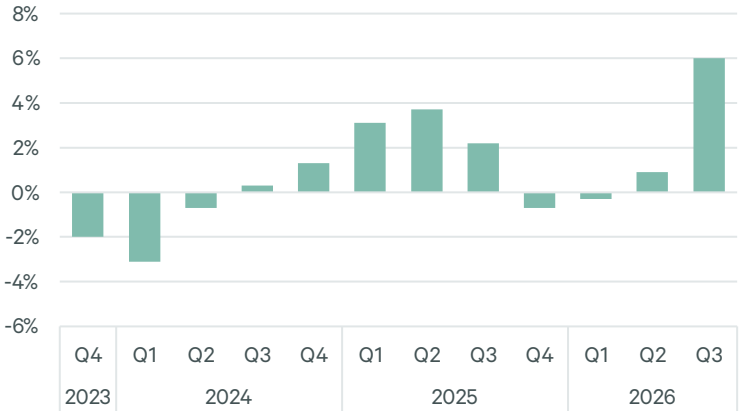


Suburban

0.2 MSF
0.3% of Inventory



METRO CLASS A RENT, Y-o-Y GROWTH



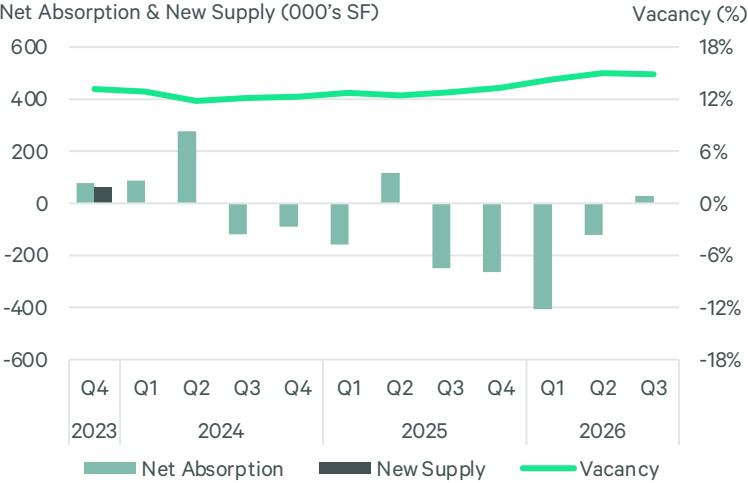
Ottawa

Market fundamentals continued to improve as Ottawa recorded its first quarter of positive net absorption since Q2 2025. Increased clarity surrounding the federal government's office portfolio and workplace strategy has helped bolster market confidence, supporting a more optimistic outlook for leasing activity in the short to medium term.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	17,854,102	22,738,569	40,592,671	▼
Overall Vacancy Rate	15.3%	14.6%	14.9%	▼
Trophy Vacancy Rate	-	-	-	
Class A Vacancy Rate	13.5%	13.5%	13.5%	◄►
Class B/C Vacancy Rate	18.1%	16.7%	17.3%	▼
Sublet % of Vacant	12.2%	7.8%	9.8%	▼
Avg. Class A Net Rent (PSF)	\$23.65	\$16.08	\$19.06	▲
Quarter Net Absorption	65,471	-37,558	27,913	▲
Quarter New Supply	0	0	0	◄►
Under Construction	0	0	0	◄►

*Downtown is reflective of Central submarkets, inclusive of CBD and surrounding region.

METRO SUPPLY & DEMAND

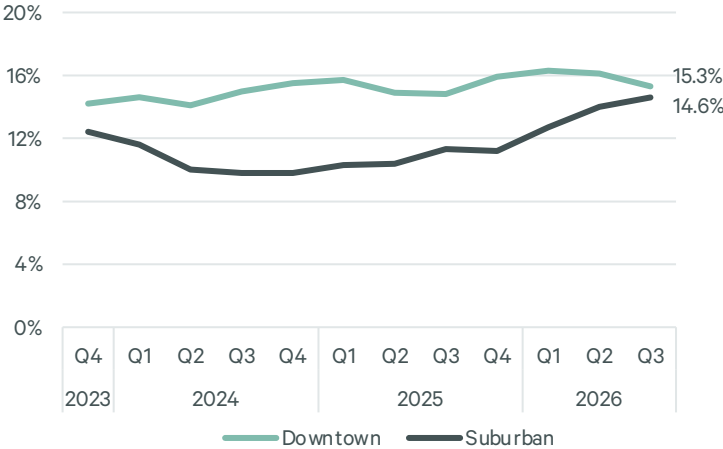


UNDER CONSTRUCTION

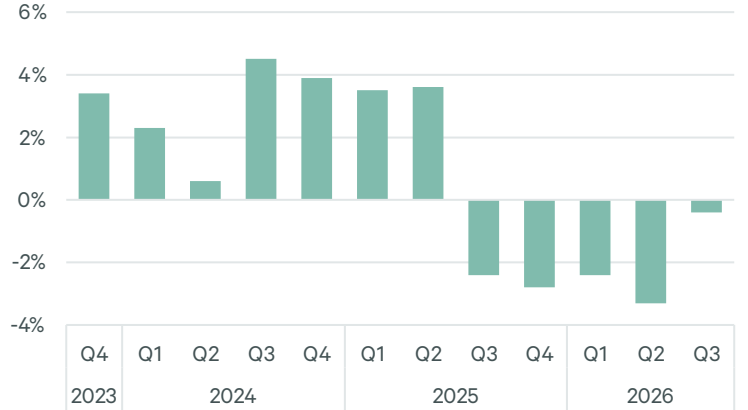
Downtown
0 SF
0% of Inventory

Suburban
0 SF
0% of Inventory

DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH

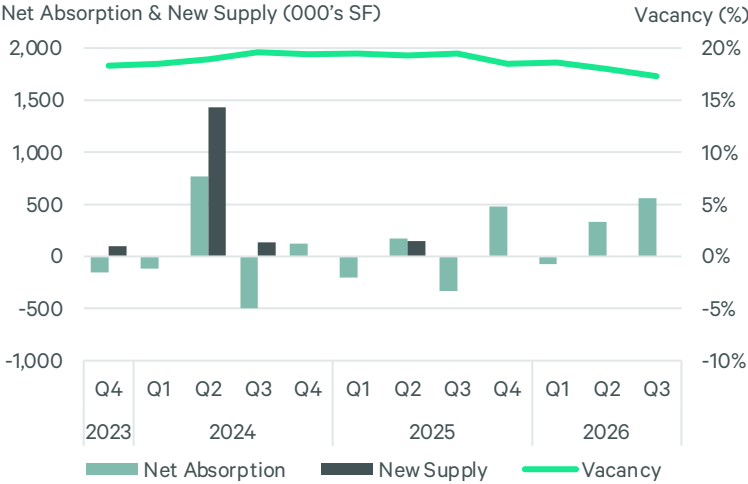


Montreal

Class AAA vacancy lowered to 3.0% as the last large block of space was leased this quarter. Subleases comprise nearly half of total vacancy across trophy assets, yielding a remarkably tight direct vacancy rate of 1.5%. Only pockets of space remain available in the competitive AAA product, leaving large occupiers with no meaningful contiguous options.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	47,402,377	35,946,598	83,348,975	◀▶
Overall Vacancy Rate	16.8%	18.1%	17.3%	▼
Trophy Vacancy Rate	3.0%	-	-	▼
Class A Vacancy Rate	12.8%	13.8%	13.2%	▼
Class B Vacancy Rate	21.6%	21.5%	21.5%	◀▶
Sublet % of Vacant	8.3%	6.3%	7.4%	▼
Avg. Class A Net Rent (PSF)	\$25.59	\$17.96	\$22.40	▼
Quarter Net Absorption	69,896	488,105	558,001	▲
Quarter New Supply	0	0	0	◀▶
Under Construction	0	0	0	◀▶

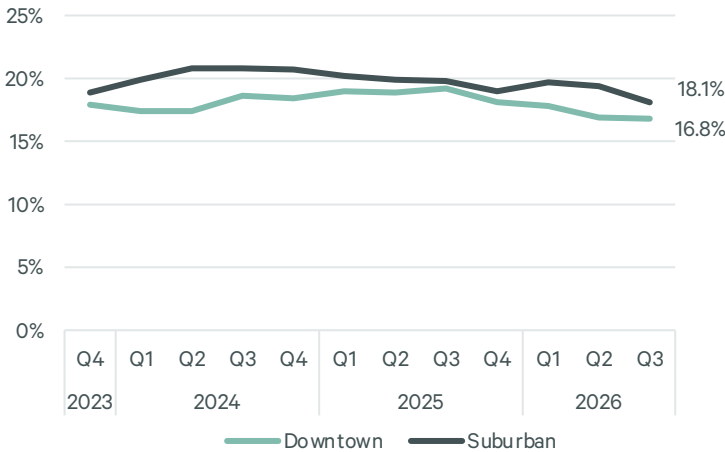
METRO SUPPLY & DEMAND



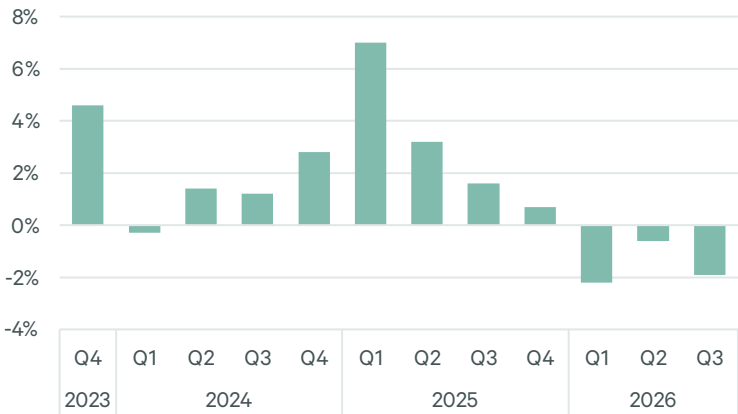
UNDER CONSTRUCTION



DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH

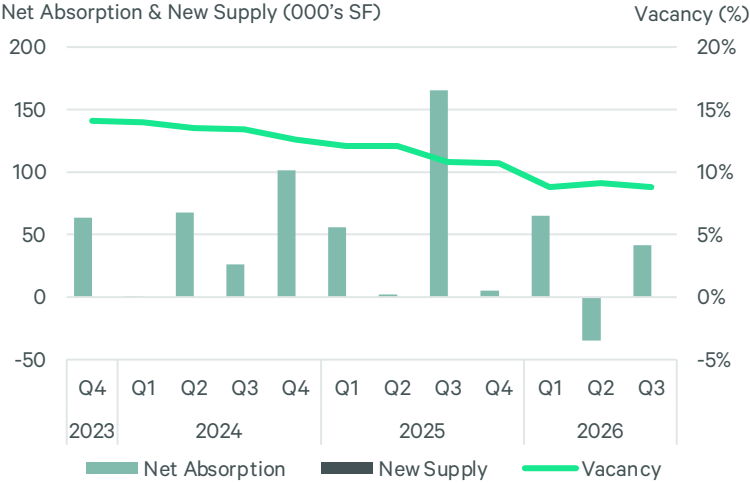


Halifax

Halifax's office market strengthened during the third quarter, recording 41,000 sq. ft. of positive net absorption as vacancy declined to 8.8%. Purdy's Wharf led the quarter's momentum, securing several major long-term lease commitments from government and financial sector occupiers. This activity highlights the continued demand for high-quality office space despite ongoing, wider economic uncertainty.

MARKET STATS	DOWNTOWN	SUBURBAN	TOTAL	Q/Q
Net Rentable Area	5,135,618	7,651,425	12,787,043	◀▶
Overall Vacancy Rate	11.9%	6.7%	8.8%	▼
Trophy Vacancy Rate	-	-	-	
Class A Vacancy Rate	10.2%	7.7%	9.0%	▼
Class B/C Vacancy Rate	13.1%	6.3%	8.6%	▼
Sublet % of Vacant	0.0%	4.2%	1.9%	▼
Avg. Class A Net Rent (PSF)	\$21.08	\$18.11	\$19.82	▲
Quarter Net Absorption	37,256	4,069	41,325	▲
Quarter New Supply	0	0	0	◀▶
Under Construction	0	160,000	160,000	▲

METRO SUPPLY & DEMAND



UNDER CONSTRUCTION

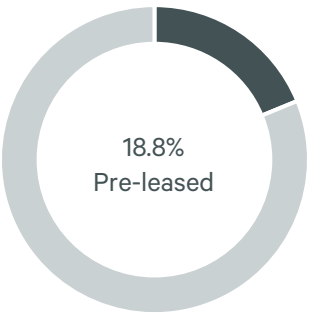
Downtown

0 SF
0% of Inventory

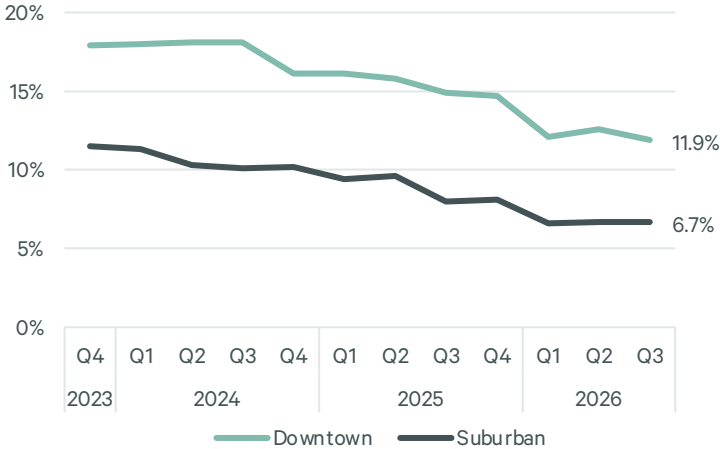


Suburban

0.2 MSF
2.1% of Inventory



DOWNTOWN VS SUBURBAN VACANCY



METRO CLASS A RENT, Y-o-Y GROWTH



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Definitions

Net Rentable Area (NRA): The total office area in sq. ft. of competitive buildings in the market.

Total Vacant Space: The sum of Direct and Sublet Space that can be immediately occupied, typically including up to 90 days following quarter close. Direct space is that which is offered for lease directly by the building owner or landlord, and Sublet which is offered for lease indirectly by a tenant.

Vacancy Rate: Total Vacant Space divided by the NRA, expressed as a percent. Vacancy is often reported by Class, which is a classification system that segments properties relative to the quality and characteristics found in each individual market.

- Trophy:** The top tier of office product, also referred to as Class AAA. These landmark, best-in-class properties occupy premier locations and offer the highest-quality finishes, amenities and building systems. Trophy assets command top-of-market rents and often are the most sought-after space in their markets. Not all markets contain properties of this tier.
- Class A:** High-quality properties that are well-located and competitive for a broad range of tenants and are distinguished by their finishes, amenities and rent levels. Class A is inclusive of Trophy for reporting purposes.
- Class B/C:** Composite of older vintage B and C properties with dated finishes and in secondary locations, offering the most affordable pricing.

Sublet % of Vacant Space: Total Sublet Space divided by the Total Vacant Space. Calculated as a percent.

Average Class A Net Asking Rent: A calculated average of marketed Class A rents that excludes additional costs (real estate taxes and other building operating costs), weighted by corresponding vacant space. National average is weighted by NRA.

Net Absorption: The change in Occupied Space from one quarter to the next as a measure of market activity. Includes Pre-leased space upon delivery as New Supply.

Occupied Space: Total inventory of the buildings not considered vacant.

New Supply: Space delivered to the market from the completion of newly constructed competitive building(s).

Under Construction: The expected total office area of new competitive building(s) actively undergoing development.

Pre-leased: Space that has been leased in a building that is Under Construction.

Conversion: A building that changes its primary use to another, i.e. office to residential. The overall building structure is retained while extensive renovation/retrofitting work is carried out on the interior in the process.

Demolition: A building that has reached the end of its lifecycle and is torn down to make way for other development opportunities.