CHARLOTTETOWN

OFFICE Q2 2025

CUSHMAN & WAKEFIELD Atlantic

MARKET FUNDAMENTALS

	YOY Chg	Outlook
3.6% Vacancy Rate	▼	▲
13K YTD Net Absorption, SF	▲	▲
$24.86 Asking Rent, PSF	▲	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	Outlook
92K Prince Edward Island Employment	▲	▲
8.2% Prince Edward Island Unemployment Rate	▲	▼
7.0% Canada Unemployment Rate	▲	▲

(Source: Statistics Canada)

ECONOMY OVERVIEW

In Q2 2025, PEI has shown growth in construction investments due to a solid capital spending plan in 2025 for both the public and private sectors and is projected to continue strengthening. PEI is also projected to experience an influx of tourism spending due to geopolitical tensions between Canada and the U.S., which is leading to a rise in domestic tourism. In 2024, the PEI economy led the nation in overall growth with a 3.6% gain but is projected to slow because of cooling population growth. In terms of trade with the U.S., PEI's most significant exports are potatoes and seafood, which aim to meet the high standards of CUSMA compliance to avoid the worst of the tariffs.

(Sources: Statistics Canada, RBC, TD Economics)

DEMAND

The Charlottetown office market posted an overall vacancy rate of 3.6% in the second quarter of 2025, a decrease of 110 basis points (bps) from last quarter. Central market vacancy decreased by 140 bps QOQ to 3.1%, while vacancy in the Suburban market remained stable from last quarter at 5.9%.

The total amount of vacant space available in Charlottetown this quarter was close to 44k square feet (sf), a 14k-sf decrease QOQ, and was comprised entirely of direct space. The Central market witnessed a decrease in vacant space of about 14k sf in the second quarter, while vacant space in the Suburban market remained unchanged at approximately 12k sf. The decrease in overall vacancy this quarter was the result of the Government of PEI leasing 8k sf at 176 Great George Street in the Charlottetown Central submarket, as well as positive absorption of close to 6k sf at 18 Queen Street also in the Central submarket from an undisclosed tenant.

PRICING

The average net rent in the Charlottetown office market slightly increased this quarter from $15.93 per square foot (psf) in Q1 2025 to $15.97 psf. The overall average additional rent remained stable at $8.89 psf, bringing the overall gross rent to $24.86 psf.

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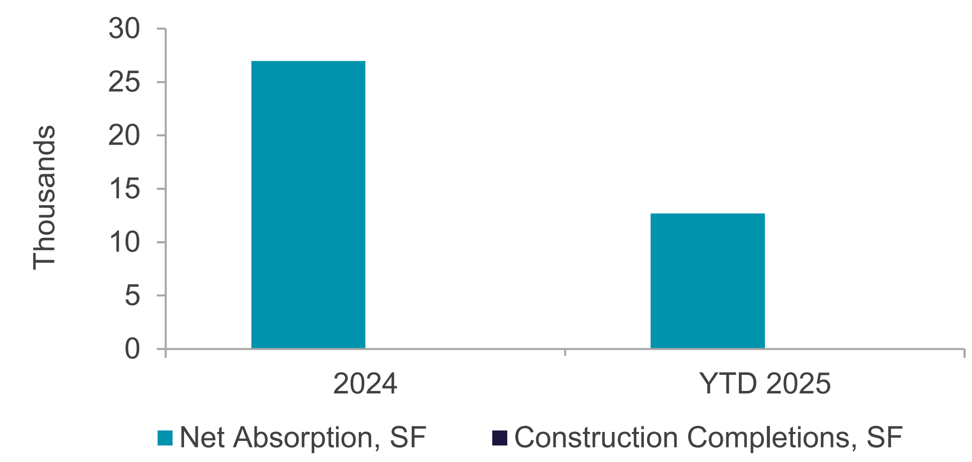
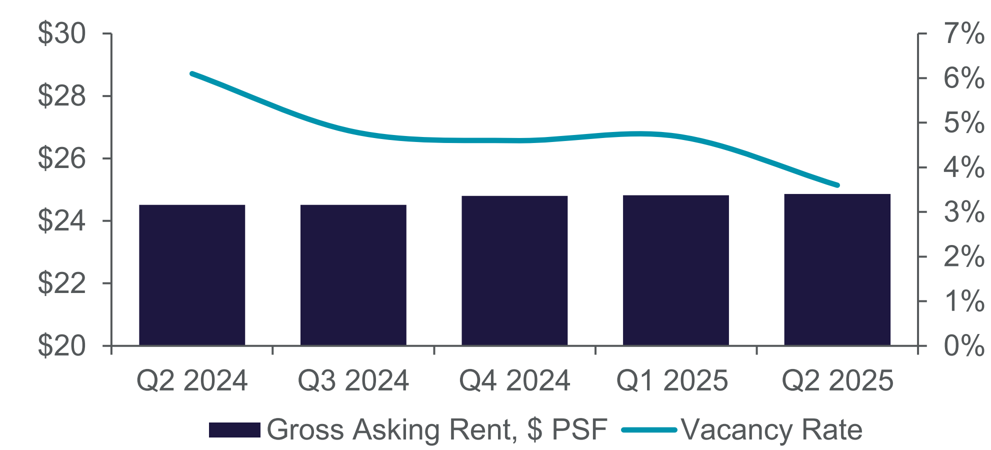
SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Charlottetown- Central	1,035,199	-	32,409	3.1%	13,800	12,685	0	$25.04	$25.66
Charlottetown- Suburban	197,704	-	11,708	5.9%	0	0	0	$23.91	$29.50
Charlottetown Totals	**1,232,903**		**44,117**	**3.6%**	**12,685**	**13,800**	**0**	**$24.86**	**$25.73**

Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
176 Great George Street	Charlottetown - Central	Government of PEI	8,000	Direct

Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
N/A				

BILL MACAVOY
Managing Director
Tel: +1 902 425 1872
bmacavoy@cwatlantic.com

JAKE MACMILLAN
Market Analyst
Tel: +1 902 334 2169
jmacmillan@cwatlantic.com

VINCENT BREEN
Market Analyst
Tel: +1 902 717 7314
vbreen@cwatlantic.com

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