

MARKET FUNDAMENTALS

	YOY Chg	Outlook
14.3% Vacancy Rate	▲	▼
52K Net Absorption, SF	▲	▲
\$32.71 Asking Rent, PSF (Overall, All Property Classes)	▲	▼

ECONOMIC INDICATORS

	YOY Chg	Outlook
513K Winnipeg Employment	▲	▲
6.2% Winnipeg Unemployment Rate	▲	▼
6.7% Canadian Unemployment Rate Source: Statistics Canada	▲	▲

ECONOMY

Winnipeg’s labour market remained relatively stable in Q1 2026. Total employment stood at approximately 513,500, slightly below November 2025 levels, while the unemployment rate improved to 6.2%, down from 6.4% in the previous quarter and remaining below the Canadian unemployment rate of 6.7%.

The Manitoba All items Consumer Price Index (CPI) increased 2.0% year-over-year in February 2026, decelerating from 2.6% in January and aligning more closely with national inflation trends. Canada’s annual inflation rate also moderated to 1.8%, reflecting softer price growth across several categories.

The Bank of Canada held its overnight policy rate at 2.25% on March 18, 2026, maintaining the same level established in late 2025. The Bank cited balanced inflation conditions, softer business investment, and labour market moderation as reasons for keeping rates steady, while signaling continued caution amid geopolitical and trade related risks.

SUPPLY & DEMAND

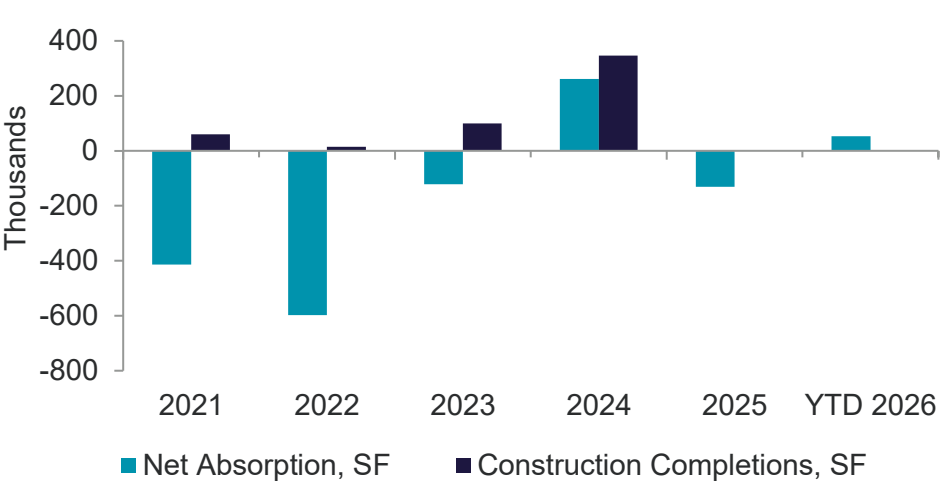
Winnipeg’s office market recorded higher vacancy in Q1 2026, with the overall vacancy rate increasing to 14.3%, up from 13.6% in Q4 2025. The CBD vacancy rate held at 15.7%, particularly Class B CBD, where vacancy increased to 21.6%. Suburban vacancy remained comparatively lower at 10.9%, supported by stronger occupancy in Class A suburban space where vacancy improved significantly to 9.0%. Sublet availability totaled 203,024 square feet (sf), representing a moderate share of total vacant inventory and indicating that secondary space remains present but controlled across the market.

Net absorption started 2026 on a positive note at 52,559 sf. The CBD recorded strong positive absorption of 97,849 sf, driven primarily by Class C CBD with 134,892 sf of positive absorption, which offset losses in Class B CBD at negative 40,841 sf. Suburban markets recorded negative 56,649 sf of absorption, with weakness concentrated in Class B suburban, with negative absorption of 63,462 sf. However, Class C suburban returned to positive absorption of 17,915 sf.

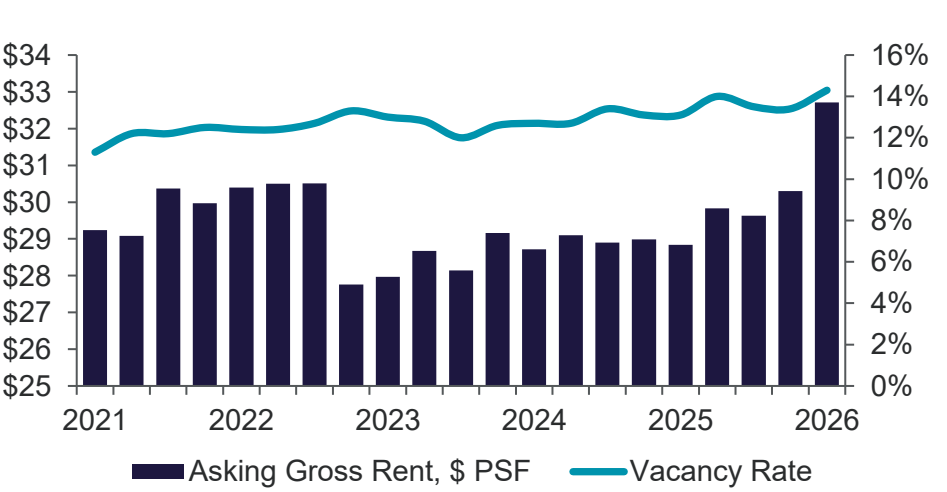
PRICING

Office asking rents remained stable in Q1 2026. The overall average net asking rent held at \$16.35 per square foot (psf), while the average gross rental rate remained elevated at \$32.71 psf. Premium pricing continued to be led by Class A CBD space at \$20.21 psf net, followed closely by Class A suburban product at \$19.89 psf net. Class C suburban space remained the most affordable option at \$14.06 psf, while Class C CBD pricing softened to \$15.21 psf, reflecting increased absorption in downtown inventory.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

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	3,369,135	47,222	226,701	8.1%	3,798	3,798	\$20.21	\$40.53
Class B CBD	3,767,834	32,354	782,268	21.6%	-40,841	-40,841	\$15.62	\$32.45
Class C CBD	4,122,812	84,879	594,627	16.5%	134,892	134,892	\$15.21	\$20.46
CBD TOTALS	11,259,781	164,455	1,603,596	15.7%	97,849	97,849	\$16.13	\$33.59
Class A Suburban	1,576,937	24,244	117,500	9.0%	257	257	\$19.89	\$34.00
Class B Suburban	1,509,282	9,660	150,882	10.6%	-63,462	-63,462	\$17.24	\$27.68
Class C Suburban	1,655,612	4,665	211,781	13.1%	17,915	17,915	\$14.06	\$26.14
SUBURBAN TOTALS	4,741,831	38,569	480,163	10.9%	-45,290	-45,290	\$16.74	\$28.15
WINNIPEG TOTALS	16,001,612	203,024	2,083,759	14.3%	52,559	52,559	\$16.35	\$32.71

KEY LEASE TRANSACTIONS Q1 2026

PROPERTY	SUBMARKET	+/-SF	TYPE
n/a			

KEY SALES TRANSACTIONS Q1 2026

PROPERTY	SUBMARKET	SF	PRICE / \$ PSF
n/a			

KEY CONSTRUCTION COMPLETIONS YTD 2026

PROPERTY	SUBMARKET	SF	OWNER/DEVELOPER
n/a			

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