

Industrial Market Snapshot

WINNIPEG, MANITOBA

Average asking net rents increased to \$12.10 per sq. ft. this quarter, up from \$11.86 per sq. ft. in Q2 2024, while vacancy remained unchanged at 4.2%.

Sublet space as a percentage of vacant space rose from 3.9% in Q2 2024 to 8.4% in Q3 as 1400 Inkster, 1450 Inkster and 100 Milner were made available by Yellow Freight, bringing an additional 124,453 sq. ft. to the market.

Two significant lease transactions occurred this quarter at Hopewell's Westcreek Industrial Park. Medline Canada took 46,460 sq. ft. at 179 West Creek Way, and Arctic Beverages took 36,699 sq. ft. at 55 Durum Drive.

The overall market remains strong for small bay space, specifically newer space in the northwest and southwest submarkets, while larger blocks over 30,000 sq. ft. are beginning to spend more time on the market.

Construction activity remains strong, with 379,100 sq. ft. of new industrial product currently being built and 297,025 sq. ft. already delivered in 2024.

Notable construction projects currently underway include Phase 3 of Plessis Business Park, which will bring an additional

84,000 sq. ft. to the southeast Winnipeg development, and Phase 2 of Rockall Park, bringing 33,600 sq. ft. of commercial condos to the west submarket.

FastFrate's new facility in CentrePort Canada RailPark is nearing completion and is now accompanied by a \$16M investment by Highway Motor Freight to expand their operations with a new 32,000 sq. ft. building in the RailPark which will bring over 150 new jobs to the area.

Waterside Development's 200-acre Plessis Business Centre continues to grow in southeast Winnipeg with infrastructure and several industrial buildings in various stages of development.

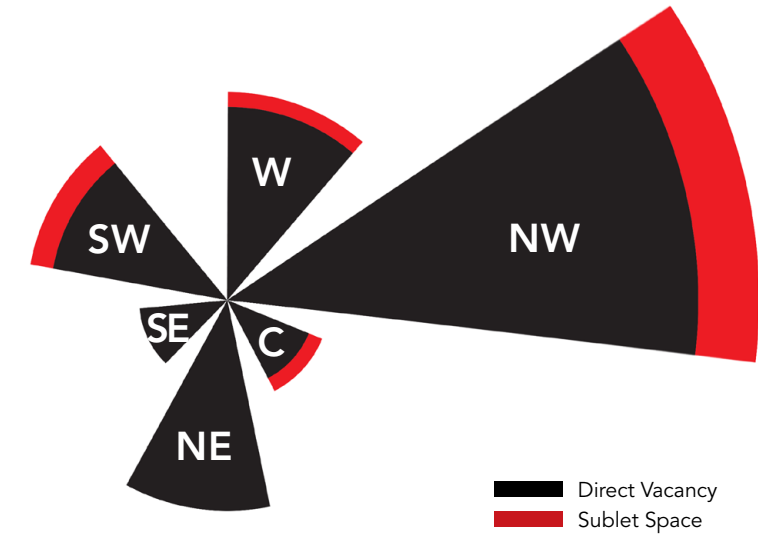
OUTLOOK

We continue to see strong demand throughout the market and expect further growth in net rents and stable vacancy levels. Construction activity will slow in early 2025 while the market absorbs the significant amount of spec space brought to the market in 2023/2024. By the end of 2024, new space will be delivered in five of Winnipeg's six submarkets, which we consider a strong indicator of a healthy and diversified industrial sector.

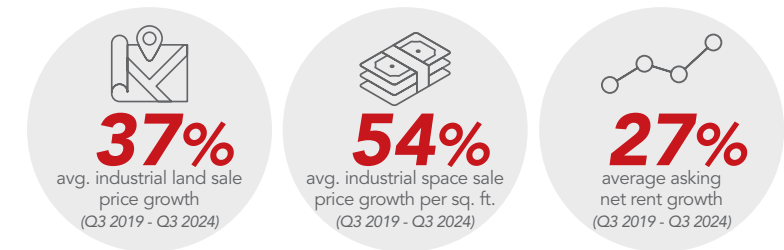
KEY MARKET INDICATORS

TOTAL INVENTORY 81.6M (sq. ft.)	MARKET VACANCY 4.2%
UNDER CONSTRUCTION 379,100 (sq. ft.)	AVG. ASKING PRICE \$214.38 (per sq. ft.)
AVG. ASKING NET RENT \$12.10 (per sq. ft.)	ABSORPTION IN THE QTR 265,758 (sq. ft.)

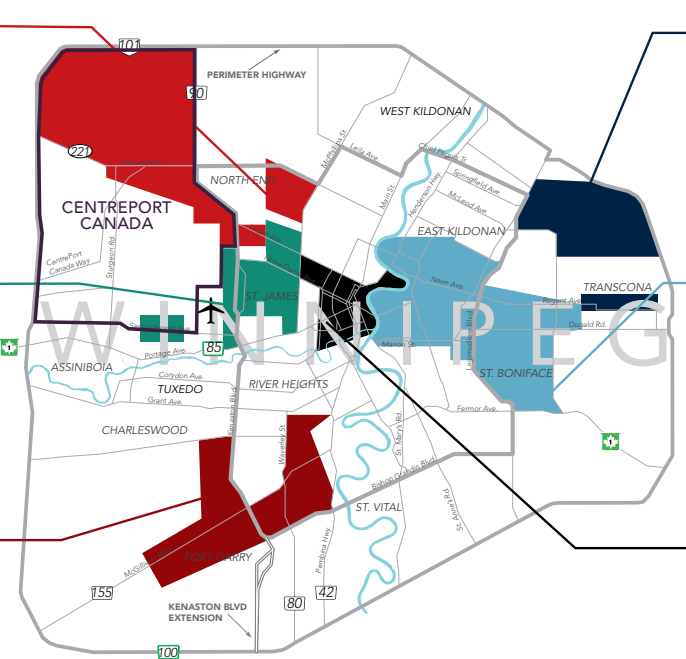
TOTAL VACANCY BY SUBMARKET



MARKET ACTIVITY



NORTHWEST		
9.1%	vacancy rate	↑
\$12.02	avg. net rent per sq. ft.	↑
\$4.40	avg. add'l rent per sq. ft.	↓
-141,580	sq. ft. of absorption	↓
WEST		
2.1%	vacancy rate	↓
\$11.67	avg. net rent per sq. ft.	↑
\$4.86	avg. add'l rent per sq. ft.	↓
105,875	sq. ft. of absorption	↑
SOUTHWEST		
4.8%	vacancy rate	↓
\$14.26	avg. net rent per sq. ft.	↓
\$5.62	avg. add'l rent per sq. ft.	↑
113,883	sq. ft. of absorption	↑



NORTHEAST		
5.1%	vacancy rate	↑
\$14.09	avg. net rent per sq. ft.	↑
\$4.06	avg. add'l rent per sq. ft.	↑
-70,192	sq. ft. of absorption	↓
SOUTHEAST		
2.3%	vacancy rate	↓
\$11.69	avg. net rent per sq. ft.	↓
\$5.18	avg. add'l rent per sq. ft.	↓
47,304	sq. ft. of absorption	↑
CENTRAL		
2.2%	vacancy rate	↓
\$8.47	avg. net rent per sq. ft.	↑
\$3.21	avg. add'l rent per sq. ft.	↓
210,468	sq. ft. of absorption	↑

HISTORICAL AVAILABILITY VS ABSORPTION & NEW SUPPLY

