

# Large-scale leasing leads to tightening vacancy

▼ 5.6%

Availability Rate

▲ 353K

SF Net Absorption

► 16K

SF Under Construction

▼ \$14.80

PSF Net Asking Rental Rate

Note: Arrows indicate change from previous quarter.

## Executive Summary

- Halifax’s overall industrial market recorded 353,000 sq. ft. of positive net absorption in Q3 2026, its strongest single-quarter result since Q4 2020, leading overall availability to decline 220 basis points (bps) to 5.6%.
- Growing defence and aerospace investment, including more than \$3 billion in planned federal spending across Atlantic Canada, is strengthening Halifax’s role as a hub for maritime, defence and industrial activity.
- Activity was concentrated in the Halifax submarket, where the lease-up of Bayers Lake Industrial Centre contributed to approximately 360,000 sq. ft. of positive net absorption and lowered availability to 6.0%.
- Average net asking rents declined to \$14.80 per sq. ft., reflecting a shift in the composition of available space as higher-quality industrial inventory was leased.
- While only 16,000 sq. ft. is officially under construction, site preparation and planned projects in Burnside Phase 13 point to a substantially larger wave of owner-occupied industrial development that may entering the pipeline in Q4.

FIGURE 1: Halifax Industrial Market Demand and Supply  
Net Absorption & New Supply (000s SF)



Source: CBRE Research, Q3 2026.

## Major lease-up drives availability lower

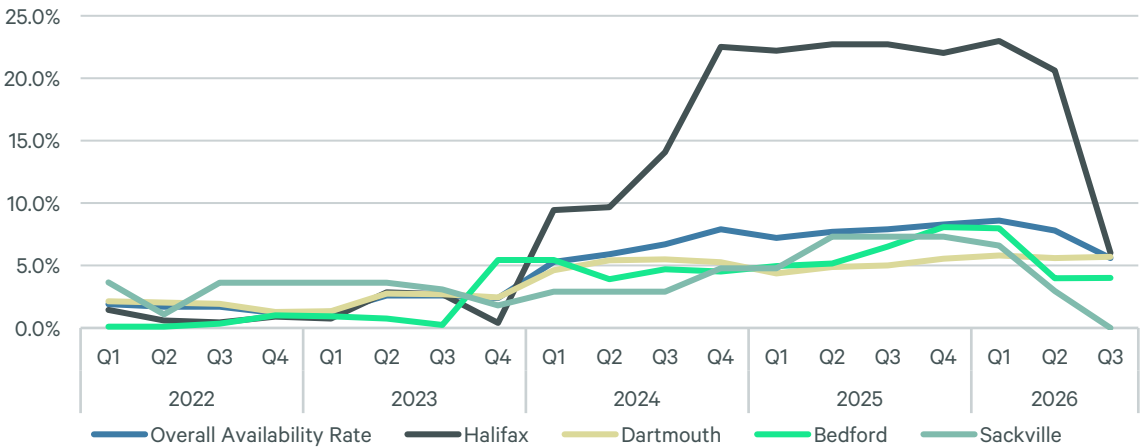
Halifax’s overall industrial market recorded its strongest quarter of positive net absorption since Q4 2020, with 353,000 sq. ft. absorbed during Q3 2026. The result was driven primarily by activity in the Halifax submarket, where the lease-up of Bayers Lake Industrial Centre contributed to approximately 360,000 sq. ft. of positive net absorption. Overall availability declined 220 bps to 5.6%, reversing much of the increase recorded as large-format space entered the market over the past year.

Conditions were comparatively stable across the remaining major submarkets. Dartmouth availability edged higher to 5.7% alongside modest negative net absorption, while Bedford remained tight at 4.0%. With several large-format opportunities absorbed over the past year, occupiers seeking functional, well-located industrial space are once again facing a more limited selection across the overall market.

## Site activity signals a larger development wave

Development activity is beginning to gain momentum across the Halifax industrial market, led by site preparation and planned projects within Burnside Phase 13. Notably, site work is progressing for Amazon’s proposed 1.2 million sq. ft. fulfillment centre on Lot 1, which would represent a significant addition to the region’s large-format logistics inventory. Other projects are also advancing toward construction, signaling that a much larger wave of owner-occupied industrial supply is on the horizon. While just 16,000 sq. ft. is currently under construction, activity in Phase 13 points to renewed development momentum across the Dartmouth submarket, along with other pockets of activity which might be captured as early as Q4.

FIGURE 2: Availability Rate Trends by Submarket



Source: CBRE Research, Q3 2026.

FIGURE 3: Halifax Industrial Construction Pipeline (000's SF)



Source: CBRE Research, Q3 2026

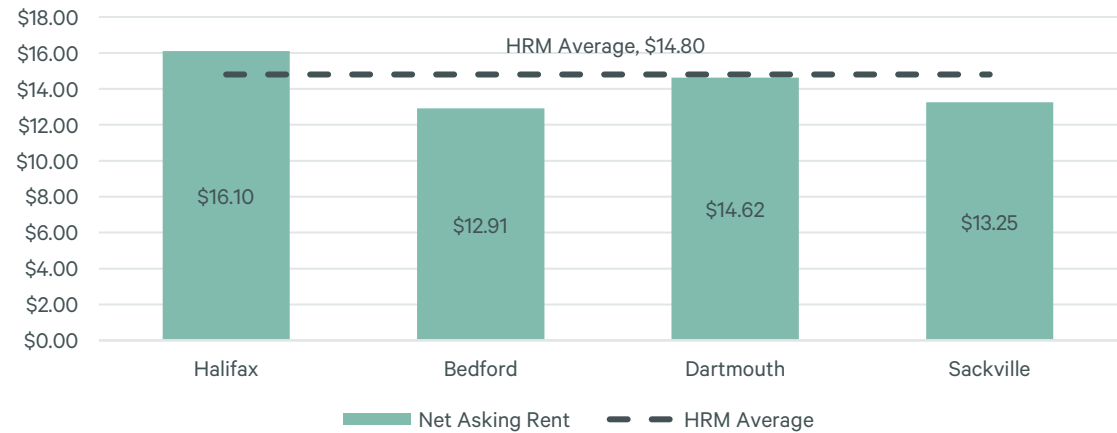
## Lease-up of higher-quality space shifts asking rents lower

Average net asking rents declined \$0.35 quarter-over-quarter to \$14.80 per sq. ft., despite the significant tightening in availability. The decrease reflected a shift in the composition of available inventory rather than a broad softening in demand, as a substantial share of newer, higher-priced industrial space was absorbed during the quarter. This activity reinforces continued tenant demand for high-quality, well-located and contiguous industrial space, while leaving a greater proportion of lower-priced options among remaining availability. Halifax remained the highest-priced submarket at \$16.10 per sq. ft., while Dartmouth and Bedford recorded rates of \$14.62 and \$12.91 per sq. ft., respectively. With dwindling availability, Halifax’s overall average net asking rent remained \$0.03 higher at \$14.80 per sq. ft. than the national average of \$14.77 per sq. ft.

## Regional investment reinforces long-term industrial demand

Halifax’s established strengths in logistics, shipbuilding and maritime industries are being reinforced by a growing wave of defence and aerospace investment. In March, the federal government announced more than \$3 billion in defence and infrastructure investment across Atlantic Canada, including significant investment at CFB Halifax and the 475-acre Halifax Gate industrial site. Major activity is also advancing at Spaceport Nova Scotia as Canada expands its sovereign space-launch capabilities. Together, these investments strengthen Nova Scotia’s position within Canada’s defence and aerospace sectors and support the region’s long-term industrial outlook.

FIGURE 4: Asking Net Rental Rate by Submarket (PSF)



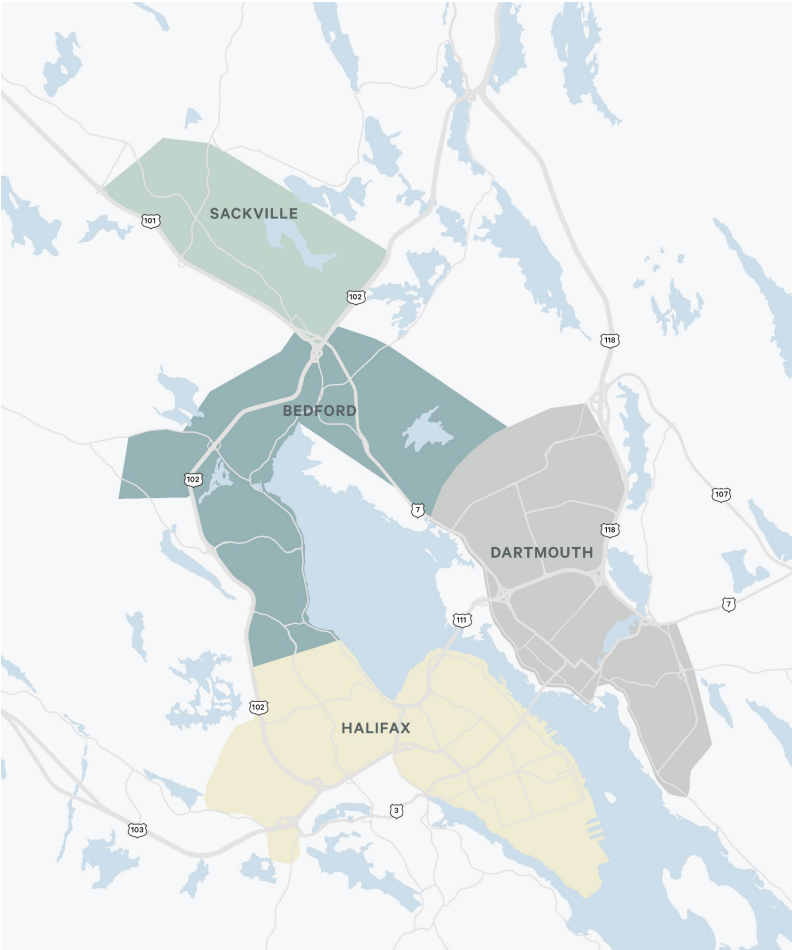
Source: CBRE Research, Q3 2026

FIGURE 5: Halifax Industrial Market Statistics Summary

| Submarket     | Inventory (SF) | Availability Rate (%) | Net Absorption (SF) | Net Asking Rent (PSF) |
|---------------|----------------|-----------------------|---------------------|-----------------------|
| Halifax       | 2,472,430      | 6.0%                  | 360,320             | \$16.10               |
| Dartmouth     | 12,146,118     | 5.7%                  | -9,548              | \$14.62               |
| Bedford       | 968,227        | 4.0%                  | -457                | \$12.91               |
| Sackville     | 138,079        | 0.0%                  | 2,900               | \$13.25               |
| Overall Total | 15,734,904     | 5.6%                  | 353,215             | \$14.80               |

Source: CBRE Research, Q3 2026

Market Area Overview



Definitions

Availability Rate: Total Available sq. ft. (sublease included) divided by the total building Area.  
Net Rental Rate: Rent excludes one or more of the "net" costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate.  
Net Absorption: The change in occupied sq. ft. from one period to the next.  
One basis point (bps) is equal to 0.01%.

Survey Criteria

Includes industrial buildings in the four submarkets. Comprising of Halifax, Dartmouth, Bedford and Sackville with 15.7 million sq. ft. of total inventory. CBRE collects information through telephone conversations and listings received from members of the commercial real estate brokerage community.

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