# Vacancy reaches a six-year low

▼ 12.4%
Vacancy Rate

▲ 20K
SF Net Absorption

▲ $16.15
PSF Net Asking Rental Rate

▼ 294K
SF Total Vacant

Note: Arrows indicate change from previous quarter.

## Executive Summary

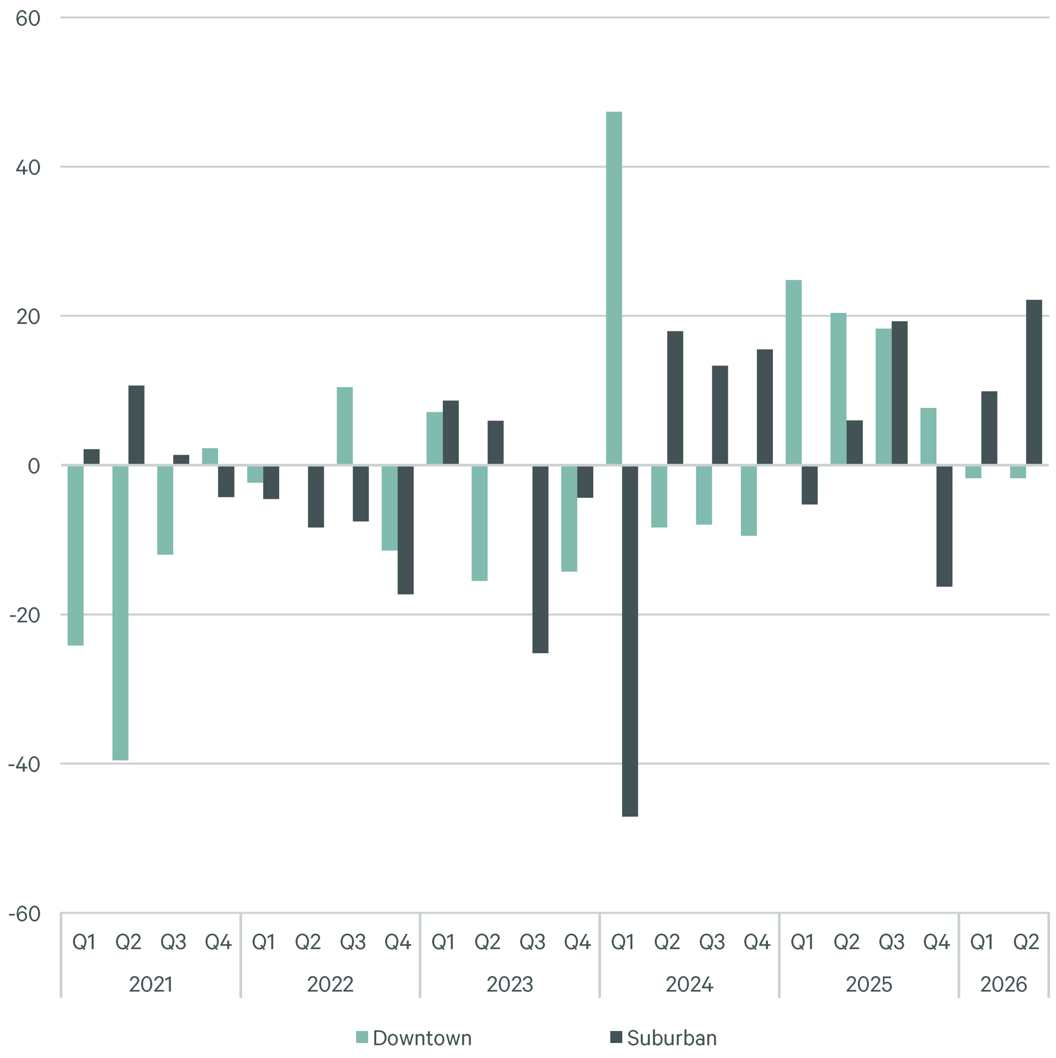
- Overall net asking rates increased across the market, rising $0.59 to $16.15 per sq. ft in the first half of 2026. The suburban submarket witnessed the highest level of growth, seeing a $0.97 increase to $16.32 per sq. ft. since year-end 2025.
- Class A and B assets continue to demand higher rents, reinforcing the flight to quality that can be seen across the country.
- Fredericton continues to see positive leasing momentum, recording 20,000 sq. ft. of positive net absorption across the market during Q2. The suburban submarket led the way in leasing activity over the quarter, reporting 22,000 sq. ft. of positive net absorption while the downtown submarket saw 1,800 sq. ft. of negative net absorption.
- The vacancy rate decreased 50 basis points (bps) quarter-over-quarter to 12.4% across the market, the lowest vacancy rate since Q3 2020. The downtown submarket saw vacancy increase slightly by 10 bps to 11.1% while the suburban submarket recorded a 120 bps reduction in vacancy to 13.9%.

FIGURE 1: Office Statistical Summary

| Submarket | Building Class | Total Inventory (SF) | Vacancy Rate | Net Absorption (SF) | Avg. Asking Rent (PSF) |
|---|---|---|---|---|---|
| Downtown | A | 554,418 | 9.6% | 701 | $16.48 |
| | B | 595,809 | 14.7% | -2,809 | $15.78 |
| | C | 143,795 | 2.2% | 338 | $13.09 |
| **Downtown Total** | | **1,294,022** | **11.1%** | **-1,771** | **$15.98** |
| Suburban | A | 475,299 | 15.1% | 17,114 | $18.20 |
| | B | 523,445 | 14.4% | -352 | $14.60 |
| | C | 78,739 | 3.1% | 5,404 | $13.96 |
| **Suburban Total** | | **1,077,483** | **13.9%** | **22,166** | **$16.32** |
| **Overall Total** | | **2,371,505** | **12.4%** | **20,395** | **$16.15** |

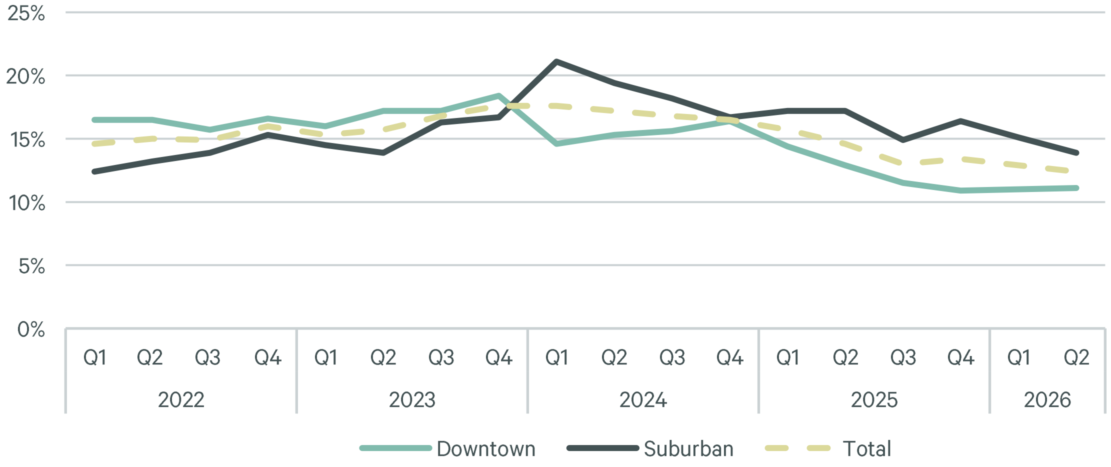
Source: CBRE Research, Q2 2026.

FIGURE 2: Quarterly Net Absorption by Submarket (000s SF)




Source: CBRE Research, Q2 2026.

FIGURE 3: Vacancy Rate (%)



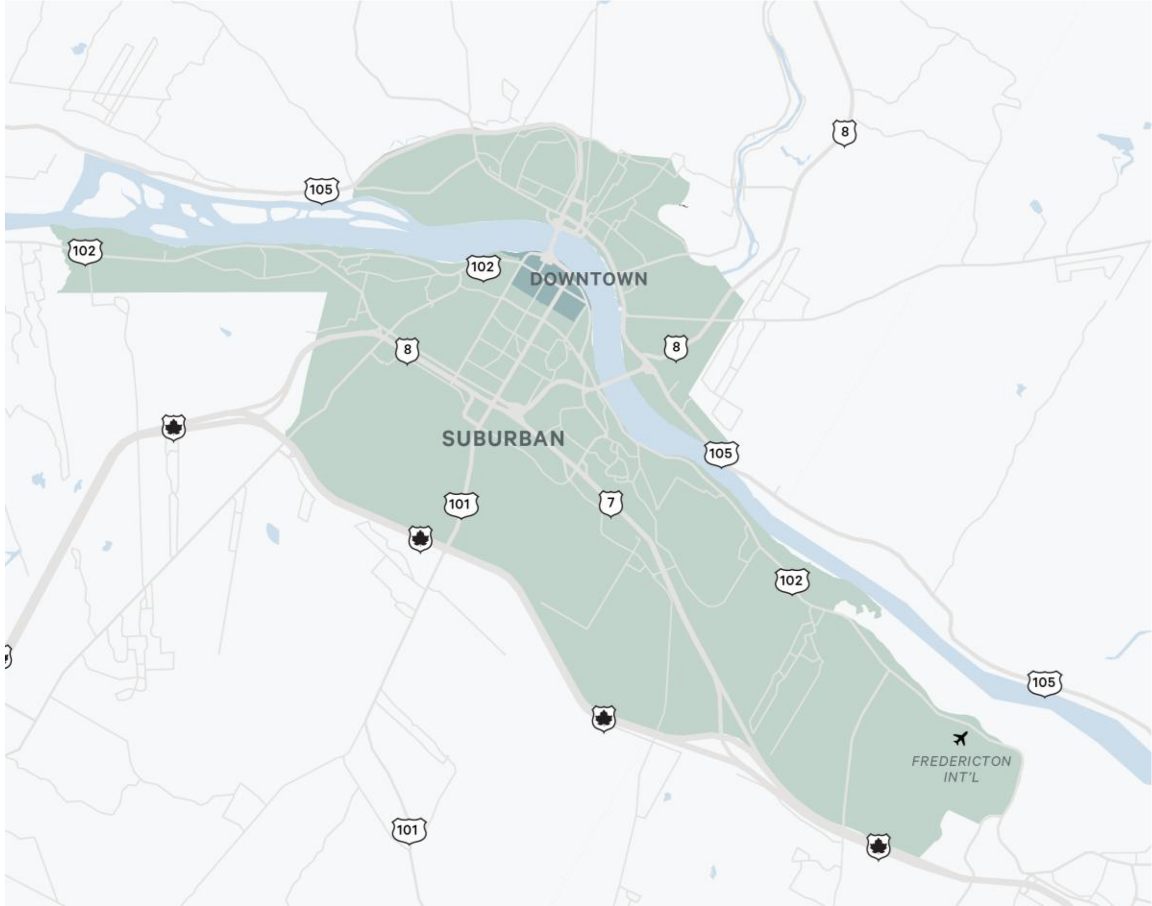

Source: CBRE Research, Q2 2026.

FIGURE 4: Weighted Average Net Asking Rental Rate (PSF)


Source: CBRE Research, Q2 2026.

## Market Area Overview




### Definitions

Net Absorption: The change in Occupied sq. ft. from one period to the next. 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. Vacancy Rate: Total Vacant sq. ft. divided by the total Building Area.

### Survey Criteria

Includes office buildings in Downtown and Suburban Fredericton. CBRE collects information through telephone conversations and listings received from members of the commercial real estate brokerage community.

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