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METRO VANCOUVER

Office Market Report

Q1
2026

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METRO VANCOUVER OFFICE REPORT

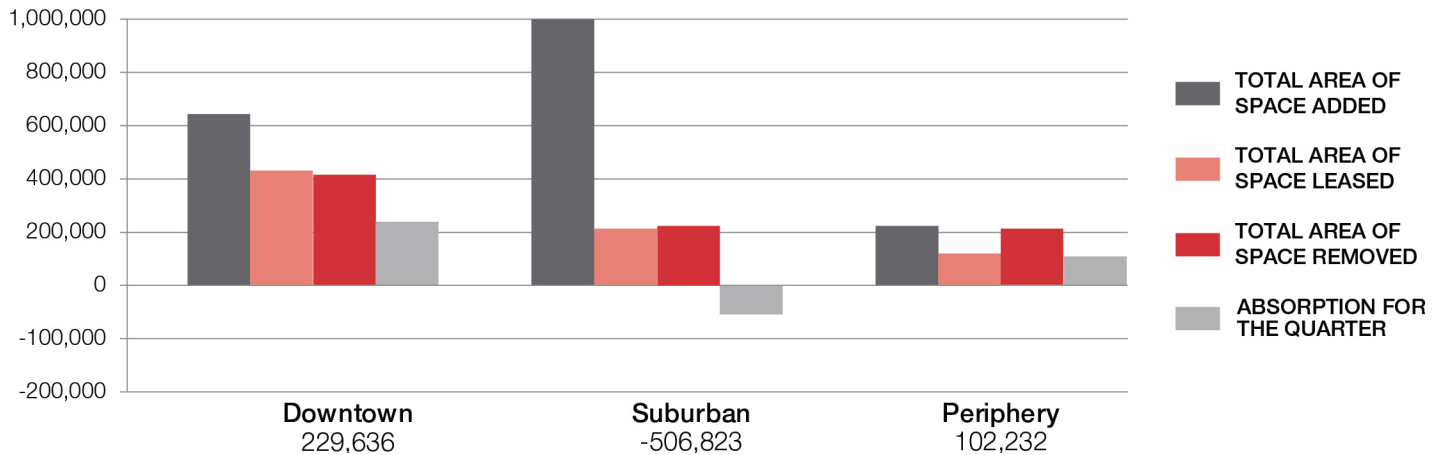
Welcome to the Q1 2026 Metro Vancouver Office Market Report. The first quarter of 2026 unfolded in an environment characterized by increased policy complexity, stable interest rates, and persistent cost pressures, reinforcing a market dynamic that is stabilizing but not yet recovering. While the Bank of Canada maintained its policy rate at 2.25% through the quarter, providing some consistency for underwriting and financing, broader economic signals remain mixed, with inflation moderating early before facing renewed pressure from energy-driven volatility.

At the provincial level, fiscal expansion and evolving regulatory frameworks are introducing additional layers of uncertainty into the commercial real estate landscape. The Province's projected deficit trajectory and the expansion of PST to professional services, including non-residential real estate activities, are expected to increase transaction and occupancy costs across the sector. At the same time, ongoing implications related to Indigenous land rights and development approvals continue to influence investor sentiment, contributing to extended timelines and more cautious capital deployment.

Against this backdrop, the Metro Vancouver office market continues to demonstrate resilience, though performance remains uneven across asset classes and submarkets. Leasing activity remains active but is increasingly driven by tenant relocation and upgrading rather than net new expansion. This sustained "flight to quality" dynamic continues to benefit well-located and amenitized assets, while placing ongoing pressure on lower-tier buildings.

At a market level, availability remains elevated, particularly in the Downtown core, where large-block vacancy and sublease space continue to define conditions. At the same time, rising operating costs and policy-driven expenses are reinforcing a shift in tenant decision-making toward total occupancy cost rather than face rent alone. As a result, transaction timelines remain extended, and the sentiment seems to reflect a balance between opportunistic upgrading and broader economic caution.

Q1 2026 In Quarter Absorption



Net Absorption for the Quarter: (174,959 SF)

Availability Rates

DOWNTOWN

Quarterly:

Q4 2025: 16.2%
Q1 2026: 15.7%

↓ 0.5%

Yearly:

Q1 2025: 14.9%
Q1 2026: 15.7%

↑ 0.8%

SUBURBAN

Quarterly:

Q4 2025: 8.4%
Q1 2026: 9.0%

↑ 0.6%

Yearly:

Q1 2025: 9.3%
Q1 2026: 9.0%

↓ 0.3%

PERIPHERY

Quarterly:

Q4 2025: 15.2%
Q1 2026: 14.2%

↓ 1.0%

Yearly:

Q1 2025: 13.4%
Q1 2026: 14.2%

↑ 0.8%

	Spaces Added Q4 2025	Spaces Added Q1 2026	% Change from Previous Quarter	Total Area of Space Added (SF)	# of Spaces Leased Q4 2025	# of Spaces Leased Q1 2026	Total Area of Space Leased (SF)	# of Spaces Removed Q4 2025	# of Spaces Removed Q1 2026	Total Area of Spaces Removed (SF)	Total # of Spaces Removed	Total Area Taken Off Q1 2026 (SF)
Downtown	171	249	45.6%	662,920	104	118	474,232	38	101	418,320	219	892,552
Suburban	90	199	121.1%	1,035,072	57	66	249,591	22	41	278,658	107	528,249
Periphery	78	58	-25.6%	269,631	35	36	147,363	11	26	224,500	62	371,863
Subtotal	339	506		1,967,623	196	220	871,186	71	168	921,478	388	1,792,664

Statistics provided by Altus Group

Office Class	Total Availability Rate		Change from Last Quarter	Inventory Size (SF)	
	Q4 2025	Q1 2026		Q4 2025	Q1 2026
All Classes	16.2%	15.7%	↓ 0.5%	31,288,540	30,606,481
A	15.0%	14.1%	↓ 0.9%	20,440,692	19,996,562
B	15.5%	15.8%	↑ 0.3%	7,328,699	7,188,489
C	24.9%	25.1%	↑ 0.2%	3,519,149	3,421,430

Statistics provided by Altus Group

Turning to the Downtown Vancouver office market, the first quarter of 2026 saw overall availability decrease to 15.7%, down from 16.2% in Q4 2025, and up from 14.9% a year ago.

A total of 249 spaces were added to the market, totaling 662,920 square feet of new availability. Leasing activity remained active, with 118 spaces leased totaling 474,232 square feet, while 101 spaces were removed, representing 418,320 square feet. In total, 892,552 square feet of space was taken off the market during the quarter.

As a result, the Downtown market recorded positive net absorption of 229,632 square feet, marking a notable improvement relative to recent quarters.

Class A availability fell to 14.1%, down from 15.0% last quarter but an increase from 13.3% last year, while Class B increased to 15.8% from 15.5% last quarter, and Class C also increased to 25.1% from 24.9% last quarter. Both Class B and Class C owners continue to face pressure to improve their offerings and amenities to attract tenants at their price point.

Sublease availability declined to 790,799 square feet, representing 16.4% of available space and down from 879,319 square feet last quarter and down from 1,010,585 square feet last year. This contributed to improved market balance during the quarter. While overall availability remains elevated, the Downtown market showed measurable improvement in Q1 2026, suggesting early signs of stabilization.

In addition to availability trends, operating costs remain a key consideration for tenants. Our Q1 report includes a compilation of additional rent data for Downtown Class A buildings, where 66 properties were reviewed, with an average additional rent of \$25.28 per square foot, compared to \$25.05 last year. Granville Square reported the highest at \$29.95, followed by Waterfront Centre at \$29.70 per square foot.

In the Class B segment, 48 buildings were surveyed with an average additional rent of \$22.11 per square foot. 777 Hornby led at \$28.60, followed by the Marine Building at \$28.21 per square foot.

In the Class C segment, 29 buildings were surveyed with an average of \$18.72 per square foot, with 1242 Robson Street highest at \$27.29, followed by 1455 West Georgia at \$25.17.

Leasing activity continues to be driven primarily by tenants upgrading into higher-quality space rather than expanding. Class A buildings continue to outperform, while older commodity space continues to face ongoing pressure and longer lease-up periods.

While early signs of stabilization are emerging in the Downtown market, continued tenant migration toward higher-quality space suggests that recovery will remain gradual for lower-quality buildings and unimproved space.

Downtown Significant Transactions

- ▶ *PBI Actuarial Consultants* leased 10,255 SF at 1188 West Georgia Street
- ▶ *Raymond James* leased 14,000 SF at 1045 Howe Street for back-office operations
- ▶ *City of Vancouver* leased 51,608 SF at 1125 Howe Street
- ▶ *Path Developments* leased 6,800 SF at 505 Burrard Street
- ▶ *Zimtu Capital Corp* leased 5,518 SF at 570 Granville Street
- ▶ *Wärtsilä Canada* also leased 5,518 SF at 570 Granville Street
- ▶ *LayerZero* leased 32,331 SF at 1021 West Hastings Street
- ▶ *Ciro* subleased 14,864 SF at Deloitte Summit, 410 West Georgia Street
- ▶ *Ascenda School of Management* leased 49,105 SF at Deloitte Summit, 410 West Georgia Street
- ▶ *Next Level Games* leased 36,000 SF at 1055 Dunsmuir Street
- ▶ *Brex* leased 28,000 SF at 545 Robson Street

SUBURBAN

The Suburban office market experienced increased pressure in Q1 2026, with availability rising to 9.0%, up from 8.4% in Q4 2025, but lower than 9.3% a year ago.

A total of 199 spaces were added to the market, totaling 1,035,072 square feet. Leasing activity remained modest, with 66 spaces leased totaling 249,591 square feet, while 41 spaces were removed, representing 278,658 square feet.

The Suburban market recorded negative net absorption of 506,823 square feet, reflecting the increase in supply relative to tenant demand.

Class A availability increased to 9.9% from 9.2% last quarter, while Class B also increased to 7.7% from 7.3% last quarter, but down from 10.4% a year ago, while Class C also increased to 5.3% from 3.9% last quarter.

The suburban sublease market continued to shrink, dropping to 378,046 square feet available, down from 476,891 square feet last quarter and representing only 15.6% of available space compared to 20.8% last quarter, and down from 24.4% a year ago.

At the submarket level, Burnaby's availability dropped to 9.7% from 11.0% last quarter, also dropping was the North Shore, now down to 2.5% from 3% last quarter, and the Tri-Cities falling slightly to 9.2% from 9.4%. Langley increased to 2.8% from 2.4%, Richmond increased to 8.9% from 8.7%, while Surrey rose more significantly from 7.2% to 12.5%.

Area	Total Availability Rate		Change from Last Quarter
	Q4 2025	Q1 2026	
Burnaby	11%	9.7%	↓ 1.3%
Langley	2.4%	2.8%	↑ 0.4%
New Westminster	6.8%	7.4%	↑ 0.6%
North Shore	3.0%	2.5%	↓ 0.5%
Richmond	8.7%	8.9%	↓ 0.2%
Surrey	7.2%	12.5%	↑ 5.3%
Tri-Cities	9.4%	9.2%	↓ 0.2%
Suburban	8.4%	9.0%	↑ 0.6%

Leasing activity continues to be driven by small to mid-sized transactions, with tenants seeking cost-effective alternatives to Downtown locations. However, rising operating costs are narrowing this advantage.

Overall, the Suburban market remains active but is experiencing near-term softening, with increased availability and negative absorption reflecting a more cautious leasing environment.

While the Suburban market continues to benefit from cost-driven demand, rising availability and negative absorption indicate near-term softening, with performance expected to remain uneven across submarkets and increasingly asset-specific.

Suburban Significant Transactions

- ▶ *E-Comm* 911 leased 28,497 SF at King George Hub Phase D, 13733 Fraser Highway
- ▶ *Infoblox* leased 10,978 SF at Metrotower I, 4710 Kingsway
- ▶ *EllisDon* expanded by 10,300 SF at Crestwood Corporate Centre, 13775 Commerce Parkway
- ▶ *Maple Reinders* leased 8,197 SF at 4601 Canada Way
- ▶ *TEKsystems* leased 11,463 SF at Central Park Place, 4555 Kingsway
- ▶ *Hitachi* leased 16,905 SF at Discovery Place III, 3577 Gilmore Way
- ▶ *Huawei* leased 5,090 SF at Station Square Phase 2, 6060 Silver Drive
- ▶ *Costco* leased 14,000 SF at Willingdon Park, 4370 Still Creek Drive

Office Class	Total Availability Rate		Change from Last Quarter	Inventory Size (SF)	
	Q4 2025	Q1 2026		Q4 2025	Q1 2026
All Classes	8.3%	9.0%	↑ 0.7%	27,442,565	27,019,618
A	9.2%	9.9%	↓ 0.7%	18,260,485	17,732,784
B	7.3%	7.7%	↑ 0.4%	7,221,730	7,240,969
C	3.9%	5.3%	↑ 1.4%	1,960,350	2,045,865

Statistics provided by Altus Group

VANCOUVER PERIPHERY

Office Class	# of Buildings	Total Availability Rate	Inventory Size (SF)	Inventory Size (SF)
	Q1 2026	Q1 2026	Q4 2025	Q1 2026
All Classes	192	14.2%	11,621,679	11,515,679
A	92	13.9%	7,285,104	7,195,577
B	61	13.5%	2,825,378	2,832,264
C	39	16.9%	1,511,197	1,487,837

Statistics provided by Altus Group

The Vancouver Periphery office markets demonstrated improved performance in Q1 2026, with availability declining to 14.2%, down from 15.2% in Q4 2025, but up from 13.4% a year ago. A total of 58 spaces were added to the market, bringing the total to 269,631 square feet. Leasing activity remained stable, with 36 spaces leased totaling 147,363 square feet, while 26 spaces were removed, representing 224,500 square feet.

The Periphery markets recorded positive net absorption of 102,232 square feet, reflecting improved balance between supply and demand.

As to the vacancy per class, the Class A market dropped from 16.3% last quarter to 13.9%, the same as a year ago; the Class B rate increased to 13.5% from 12.3%; and the Class C increased to 16.9%, up from 15.6%.

As to the Periphery sublease market, it increased to 316,122 square feet, up from 286,013 and now represents 19% of available space up from 16.2%

Overall, the Periphery markets showed improved balance in Q1 2026; however, given ongoing variability in both supply and demand, performance is expected to remain uneven and largely driven by project-specific leasing activity.

Vancouver Periphery Significant Transactions

- ▶ **Qualcomm** leased 10,011 SF at Broadway Tech Centre Building 5, 2930 Virtual Way
- ▶ **Infosys Limited** leased 49,700 SF at 2920 Virtual Way
- ▶ **JD Sports** subleased 11,541 SF at The Lightworks Building, 22 East 5th Avenue
- ▶ **Vancouver Coastal Health Authority** leased 11,743 SF at The Broadway, 1367 West Broadway
- ▶ **Acuitas Therapeutics** subleased 24,924 SF at Technology Enterprise Facility III, UBC, 6190 Agronomy Road
- ▶ **Versaterm Public Safety** subleased 7,200 SF at 2233 Columbia Street
- ▶ **Fraser Health Authority** leased 14,456 SF at Main Alley M4, 110 East 5th Avenue
- ▶ **CFH BC** leased 19,497 SF at Broadway Tech Centre Building 2, 2955 Virtual Way

Across all submarkets, the Metro Vancouver office market continues to be defined by tenant selectivity, cost sensitivity, and a sustained flight to quality, with stabilization underway but a full recovery remaining dependent on improved economic clarity and sustained demand.

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2026 ADDITIONAL RENT SURVEY

Downtown **Class A** Buildings

Building Name	Address	Total Additional Rent PSF
Granville Square	200 Granville Street	\$29.95
Waterfront Centre	200 Burrard Street	\$29.70
Vancouver Centre	650 West Georgia Street	\$29.60
TD Bank Tower	700 West Georgia Street	\$29.51
PricewaterhouseCoopers Place	250 Howe Street	\$29.25
BC Securities Commission Tower	701 West Georgia Street	\$29.01
320 Granville Street	320 Granville Street	\$28.97
The Grosvenor Building	1040 West Georgia Street	\$28.90
609 Granville Street	609 Granville Street	\$28.66
Manulife Place	1095 West Pender Street	\$28.57
One Bentall Centre	505 Burrard Street	\$28.50
Two Bentall Centre	555 Burrard Street	\$28.50
Three Bentall Centre	595 Burrard Street	\$28.50
Four Bentall Centre	1055 Dunsmuir Street	\$28.50
Offices at Hotel Georgia	669 Howe Street	\$28.40
Commerce Place (Burrard)	400 Burrard Street	\$28.27
Guinness Tower	1055 West Hastings Street	\$28.20
401 West Georgia Street	401 West Georgia Street	\$27.50
The Stack	1133 Melville Street	\$27.17
Deloitte Summit	400 - 410 West Georgia Street	\$26.93
Park Place	666 Burrard Street	\$26.72
Pacific Centre Tower IV	777 Dunsmuir Street	\$26.71
Royal Centre	1055 West Georgia Street	\$26.21
Rogers Tower	1067 West Cordova Street	\$25.84
Jameson House	838 West Hastings Street	\$25.28
333 Seymour Street	333 Seymour Street	\$25.20
550 Burrard (B5)	550 Burrard Street	\$25.19
745 Thurlow Street	745 Thurlow Street	\$25.17
FortisBC Centre	1111 West Georgia Street	\$25.06
Terminal City Club Tower	837 West Hastings Street	\$25.00
Telus Garden	510 West Georgia Street	\$24.87
1177 West Hastings Street	1177 West Hastings Street	\$24.81
980 Howe Street	980 Howe Street	\$24.78
Oceanic Plaza	1066 West Hastings Street	\$24.73
MNP Tower	1021 West Hastings Street	\$24.68
510 Burrard Street	510 Burrard Street	\$24.62
RBC Place	885 West Georgia Street	\$24.60
1500 West Georgia	1500 West Georgia Street	\$24.59
Pacific Centre	725 Granville Street	\$24.40
The Station	601 West Cordova Street	\$24.40
Vancouver Centre II	733 Seymour Street	\$23.96
The Pointe	999 Canada Place Way	\$23.88
World Trade Centre	999 Canada Place	\$23.88
601 West Hastings	601 West Hastings Street	\$23.86
1188 West Georgia Street	1188 West Georgia	\$23.79
840 Howe Street	Robson Court	\$23.78
1075 West Georgia Street	Arthur Erickson Place	\$23.69
888 Dunsmuir	888 Dunsmuir Street	\$23.64
The Post South Tower	349 West Georgia Street	\$23.59
1090 West Pender (B6)	1090 West Pender Street	\$23.50
900 Howe Street	900 Howe Street	\$23.48
Evergreen Building	1285 West Pender Street	\$23.38
720 Robson Street	720 Robson Street	\$23.11
Cathedral Place	925 West Georgia Street	\$23.05
111 Dunsmuir	111 Dunsmuir Street	\$22.82
Vancouver House	605 Robson Street	\$22.79
One Burrard Place	1280 Burrard Street	\$22.72
570 Granville Street	570 Granville Street	\$22.61
999 West Hastings	999 West Hastings Street	\$22.52
The Post North Tower	308 Dunsmuir Street	\$22.41
Harbour Centre	555 West Hastings Street	\$22.39
Bower Building	543 Granville Street	\$21.93
1185 West Georgia	1185 West Georgia Street	\$21.73
510 Seymour Street	510 Seymour Street	\$20.54
The Exchange	475 Howe Street	\$20.21
564 Beatty Street	564 Beatty Street	\$14.08

Average: \$25.19

2026 ADDITIONAL RENT SURVEY

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Downtown **Class B** Buildings

Building Name	Address	Rent*
Marine Building	355 Burrard Street	\$28.21
777 Hornby Street	777 Hornby Street	\$28.60
Pender Place II - Pacific Centre	750 West Pender Street	\$27.56
Pender Place I - Pacific Centre	700 West Pender Street	\$24.55
Royal Bank Building	675 West Hastings Street	\$26.43
1500 Howe Street	1500 Howe Street	\$25.00
BC Turf Building	475 West Georgia Street	\$26.16
Nelson Square	808 Nelson Street	\$25.77
969 Robson Street	969 Robson Street	\$23.43
The Electra	970 Burrard Street	\$27.00
1090 West Georgia Street	1090 West Georgia Street	\$25.48
1022-1028 Alberni Street	1022 - 1028 Alberni Street	\$23.05
The Burrard Building	1030 West Georgia Street	\$24.34
1130 West Pender Street	1130 West Pender Street	\$23.49
1200 Burrard Street	1200 Burrard Street	\$25.15
1166 Alberni Street	1166 Alberni Street	\$23.95
1050 West Pender Street	1050 West Pender Street	\$24.50
The Station	601 West Cordova Street	\$24.40
Golden Properties	1111 West Hastings Street	\$20.01
555 Robson Street	555 Robson Street	\$23.15
Sun Life Financial Centre	1140 West Pender Street	\$22.69
The Standard Life Building	625 Howe Street	\$22.05
800 West Pender Street	800 West Pender Street	\$20.49
900 West Hastings Street	900 West Hastings Street	\$21.52
789 West Pender Street	789 West Pender Street	\$22.05
Sun Life Plaza	1100 Melville Street	\$20.87
1080 Howe Street	1080 Howe Street	\$23.00
Bayview at Coal Harbour	1555 West Pender Street	\$21.17
United Kingdom Building	409 Granville Street	\$21.62
Pender Pacific Building	889 West Pender Street	\$21.20
580 Hornby Street	580 Hornby Street	\$20.38
549 Howe Street	549 Howe Street	\$20.75
Good Earth Building	595 Howe Street	\$21.05
Prime Capital Place	808 West Hastings Street	\$20.37
1111 Melville Street	1111 Melville Street	\$20.26
Kalen Capital Building	688 West Hastings Street	\$19.92
815 West Hastings Street	815 West Hastings Street	\$21.00
Princess Building	609 West Hastings Street	\$20.19
855 Homer Street	855 Homer Street	\$18.79
Hastings Building	1199 West Hastings Street	\$20.83
1199 West Pender Street	1199 West Pender Street	\$17.43
815 Hornby Street	815 Hornby Street	\$18.25
1125 Howe Street	1125 Howe Street	\$17.00
910 Richards Street	910 Richards Street	\$9.50
318 Homer Street	318 Homer Street	\$18.96
888 Cambie Street	888 Cambie Street	\$14.87
Pacific Place	938 Howe Street	\$22.69

Average: \$22.11

**Total Additional Rent PSF*

Downtown **Class C** Buildings

Building Name	Address	Rent*
1242 Robson Street	1242 Robson Street	\$27.29
Lea Building	1455 West Georgia Street	\$25.17
850 West Hastings Street	850 West Hastings Street	\$23.65
1112 West Pender Street	1112 West Pender Street	\$21.93
Eleven Fifty Five	1155 Robson Street	\$21.70
The Wyland Building	1190 Melville Street	\$21.16
402 West Pender Street	402 West Pender Street	\$19.00
The Randall Building	555 West Georgia Street	\$20.66
890 West Pender Street	890 West Pender Street	\$20.21
885 Dunsmuir Street	885 Dunsmuir Street	\$20.11
Spencer Building	515 West Hastings Street	\$22.39
830 West Pender Street	830 West Pender Street	\$20.87
East Asiatic House	1201-1205 West Pender Street	\$20.68
The Reliance Building	602 West Hastings Street	\$21.26
905 West Pender Street	905 West Pender Street	\$19.19
580 Granville Street	580 Granville Street	\$19.30
560 Beatty Street	560 Beatty Street	\$18.50
Vancouver Block	736 Granville Street	\$18.37
Pacific Coast Building	325 Howe Street	\$18.86
The Shorehill Building	1155 West Pender Street	\$17.80
1045 Howe Street	1045 Howe Street	\$17.30
Pemberton Building	744 West Hastings Street	\$16.58
The Seymour Building	698 Seymour Street	\$16.35
535 Thurlow Street	535 Thurlow Street	\$16.34
Rogers Building	470 Granville Street	\$15.89
900 Helmcken Street	900 Helmcken Street	\$13.10
1790 Alberni Street	1790 Alberni Street	\$12.00
555 Richards Street	555 Richards Street	\$9.24
390 West Hastings Street	390 West Hastings Street	\$8.00

Average: \$18.72

**Total Additional Rent PSF*