METRO VANCOUVER
COMMERCIAL SNAPSHOT | Q3 2026

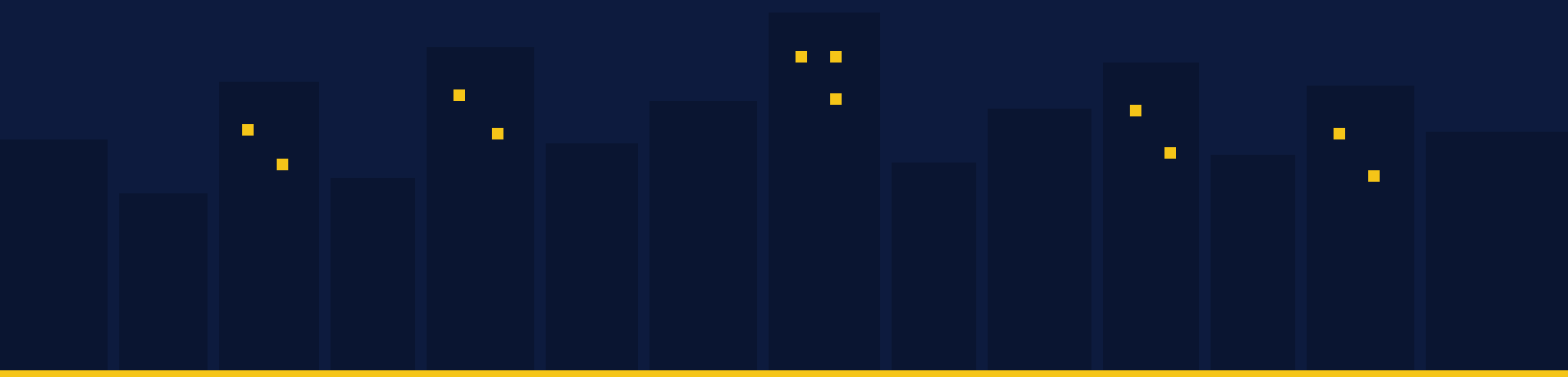
TRUSS
REAL ESTATE GROUP

Metro Vancouver Commercial Snapshot

Office | Industrial | Retail | Multifamily

What moved in Q3 2026, where the market split, and what to watch heading into year-end across the Lower Mainland's four core asset classes.

DT OFFICE VACANCY	INDUSTRIAL VAC.	HIGH-STREET RETAIL	AVG ASKING RENT
13.1%	**2.6%**	**$1,624**	**$2,741**
Highest in over 22 years	Down 50 bps QoQ	PSF, Kerrisdale, 3.8% cap	Vancouver, Sept, +1.4% MoM



EXECUTIVE SUMMARY

A Two-Speed Market

Q3 pulled the four asset classes further apart. Industrial tightened and retail held firm, while downtown office posted its highest vacancy in more than two decades and apartment rents began to find a floor. Capital stayed concentrated in income-secure product.

DT OFFICE VACANCY	INDUSTRIAL VACANCY	H1 INVESTMENT	BANK OF CANADA
13.1%	**2.6%**	**$3.5B**	**2.25%**
+90 bps QoQ, a 22-year high	Below 3% for the first time in 10 quarters	Vancouver, down 23% YoY	On hold since Dec 2025; next call Oct 28

THE TAKEAWAYS

Q3 was the quarter Vancouver broke from the national office recovery. Canada posted a fifth straight quarter of positive absorption, yet Metro Vancouver vacancy rose 50 bps to 12.2% as two large downtown blocks were vacated through tech-sector consolidation. CBRE called Vancouver an outlier: excluding that move, the market would have held stable.

Industrial moved the other way. Vacancy fell 50 bps to 2.6% and availability to 3.7%, with leasing concentrated in units under 30,000 SF. Pricing has not caught up: Vancouver asking rents are down 5.0% year-over-year and asking sale prices down 13.3%. Tight vacancy on soft pricing is a window for occupiers and buyers who move now.

Retail held as the most defensive asset class, with Oakridge Park drawing close to 1.5 million visitors in its opening month. Apartment asking rents posted the largest monthly gain among Canada's six largest markets in September. Capital stayed selective: Vancouver investment volume fell 23% year-over-year in the first half, while income-secure assets kept trading.

WHAT WE'RE WATCHING

Downtown backfill. Two large technology blocks are back on the market. CBRE's local leadership expects downtown vacancy to turn sometime in 2027.

Industrial rents. Vacancy is under 3% while asking rents are still falling. Watch for the first quarter of rent stabilization on small and mid-bay product.

Oakridge and Alberni. Watch whether luxury tenants now trading at Oakridge keep or close their Alberni Street stores.

Rent floor. Watch whether September's monthly rent gain holds through the slower winter leasing season.

Rates and CUSMA. The October 28 rate decision and the annual CUSMA review cycle, triggered when the U.S. declined renewal on July 1, remain the swing factors for 2027 volume.

> **"Q3 split the market. Industrial and retail rewarded owners, downtown office rewarded patient tenants, and the edge now belongs to whoever knows which side of the trade they are on."**
>
> TRUSS RESEARCH, OCTOBER 2026

ASSET CLASS | OFFICE

Office: Downtown Breaks From the National Recovery

Canada logged a fifth straight positive quarter while Metro Vancouver gave back space, driven by two large technology consolidations downtown and new suburban listings.

DOWNTOWN VACANCY
13.1%
+90 bps QoQ, highest in 22+ years

METRO VACANCY
12.2%
+50 bps QoQ

NATIONAL ABSORPTION
+2.0M
SF, fifth straight positive quarter

SUBURBAN VACANCY
+10 bps
QoQ, broadly stable

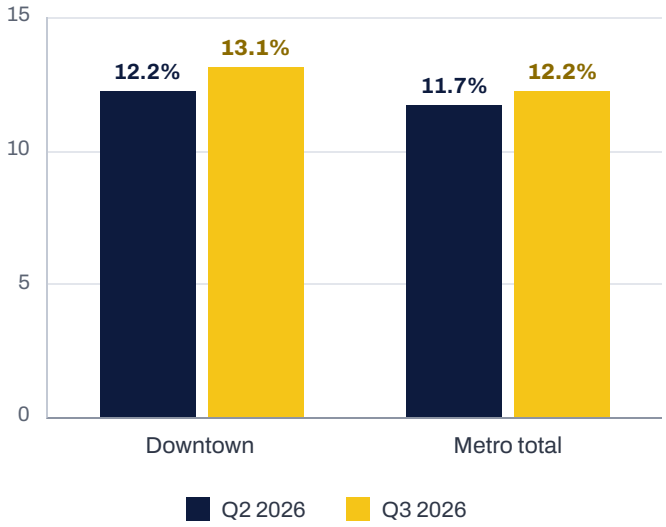
Metro Vancouver's office market softened in Q3 on one large event rather than broad weakness. Two downtown blocks were formally vacated as technology tenants consolidated, lifting downtown vacancy 90 bps to 13.1%, its highest level in more than 22 years. Suburban vacancy edged up just 10 bps. Colliers recorded roughly 350,000 SF of negative absorption, much of it new listings in Burnaby and Richmond.

Nationally the picture is the reverse. Sublease space fell 1.3 million SF, the largest single-quarter drop since 2005, Class A vacancy tightened 60 bps, and no new office projects completed. Vancouver's downtown vacancy has now exceeded suburban for six consecutive quarters.

Outlook. With no significant new office supply expected before 2030, the vacated blocks will be absorbed from existing demand. CBRE's local leadership expects downtown vacancy to turn sometime in 2027. Until then, tenants with requirements in the next 24 months hold more leverage than at any point this cycle.

Metro Vancouver office vacancy

Q2 2026 vs. Q3 2026, CBRE series



Q2 values derived from CBRE's reported quarter-over-quarter change. Colliers and Avison Young report different levels on their own inventories; all three show vacancy rising.

Notable Q3 activity

Amazon at The Post: Avison Young tied most of the quarter's negative absorption to Amazon leaving its former downtown premises after consolidating into The Post.

Investment: office investment fell 46% year-over-year to about $394M in H1 2026, reflecting a shortage of quality product for sale more than weak tenant demand.

ASSET CLASS | INDUSTRIAL

Industrial: Vacancy Tightens, Pricing Lags

Vacancy fell below 3% and availability below 4% for the first time in 10 quarters, while asking rents and sale prices continued to reset lower.

OVERALL VACANCY	AVAILABILITY	NET ABSORPTION	ASKING RENTS
2.6%	**3.7%**	**1.1M**	**-5.0%**
Down 50 bps QoQ	Down 70 bps QoQ	SF absorbed in Q3	YoY, steepest of major markets

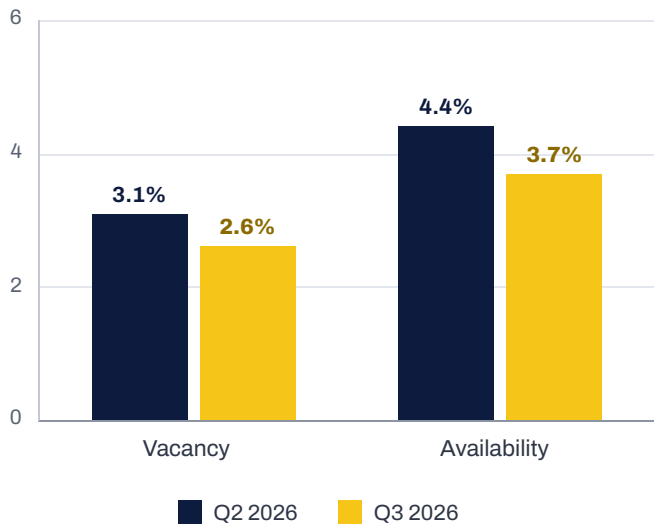
Metro Vancouver's industrial market tightened through Q3 on strong leasing and limited new availability. Colliers reported vacancy down 50 bps to 2.6% and availability down 70 bps to 3.7%, the first quarter in 10 with both below those thresholds. CBRE recorded 1.1 million SF of net absorption. Leasing concentrated in units under 30,000 SF, a reflection of how little larger space remains.

Pricing tells a different story. CBRE shows Vancouver net asking rents down 5.0% year-over-year and average asking sale prices down 13.3%, both the steepest declines among Canada's major markets, and local sublease space rose 256,000 SF, the largest quarterly increase in the country. Landlords are still meeting the market on rate even as vacancy falls.

Outlook. Vacancy has turned before pricing. For occupiers, the window combines tighter but still negotiable rents; for owner-users and investors, asking prices sit well off their peak. Expect that gap to narrow as limited supply works through the market.

The turn in industrial space

Metro Vancouver, Q2 2026 vs. Q3 2026, Colliers series



Q2 values derived from Colliers' reported quarter-over-quarter change. CBRE, measuring a different inventory, held vacancy flat at 5.0% with availability down 30 bps.

Leasing and investment signals

National turn: Canada's availability rate fell 30 bps to 5.2%, the largest quarterly decline in five years, on 10.3M SF of net absorption.

Small and mid-bay demand: Q3 leasing concentrated in units under 30,000 SF as larger options thinned.

Capital: H1 2026 industrial investment fell 19% to about $669M, while lower asking values open entry points for owner-users.

ASSET CLASS | RETAIL

Retail: Oakridge Delivers, High Street Holds

The region's largest retail delivery in a decade passed its first test, and street-front trades in Q3 confirmed deep buyer demand for well-located frontage.

OAKRIDGE PARK
~1.5M
Visitors in its opening month

KERRISDALE TRADE
$1,624
PSF on a 3.8% cap

H1 RETAIL VOLUME
$866M
Up 1% YoY, only class to grow

FORMER HBC FLAGSHIP
620k SF
Acquired by Onni in June

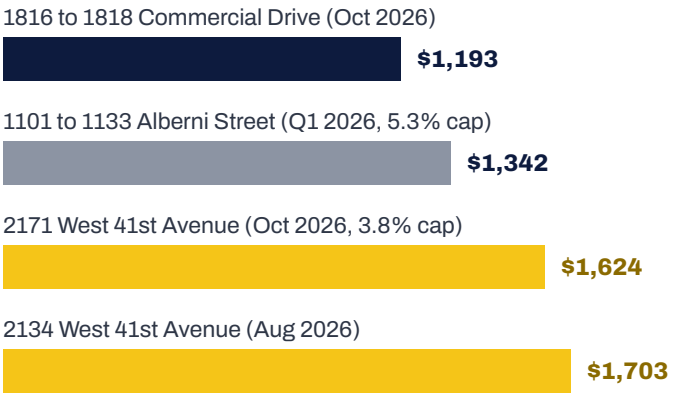
Retail remained the region's most defensive asset class. Altus reported Vancouver retail investment up 1% year-over-year to $866 million in the first half, the only major asset class to grow, led by grocery-anchored centres and prime street-front locations.

Oakridge Park. QuadReal reported about 155,000 visitors on opening day and close to 1.5 million in the first month, with sales ahead of expectations. A second phase would add roughly 200,000 SF, with no date set. The open question is Alberni Street, where several luxury tenants now trading at Oakridge also operate.

Downtown. Onni closed its court-approved purchase of the former Hudson's Bay flagship at 674 Granville Street on June 24, with plans undisclosed. With Oakridge, Senákw and Concord Metrotown complete or nearly so, Colliers expects the new-build pipeline to tighten, leaving expanding retailers fewer options.

Retail price-per-SF benchmarks

Recent Vancouver street-front trades



Alberni Street, the Q2 benchmark, shown in grey for reference. The 2171 West 41st sale closed about 19% below its original asking price, on a lease running to October 2028.

Retail signals to watch

Alberni Street: whether luxury brands keep both locations now that Oakridge is trading.

674 Granville: Onni's plans for the former HBC flagship will reset expectations for the downtown retail core.

Yield discipline: the Kerrisdale buyer accepted a 3.8% going-in yield on a two-year lease, a bet on location over in-place income.

ASSET CLASS | MULTIFAMILY

Multifamily: Rents Look for a Floor

Asking rents posted their strongest monthly gain among Canada's largest markets in September, while Q3 trades priced on income certainty and land value.

AVG ASKING RENT
$2,741
Vancouver, Sept, +1.4% MoM

ONE-BED ASKING
$2,373
Vancouver, Sept, +1.0% MoM

Q3 CAP RATES
4.0 to 5.9%
Cited Metro Vancouver trades

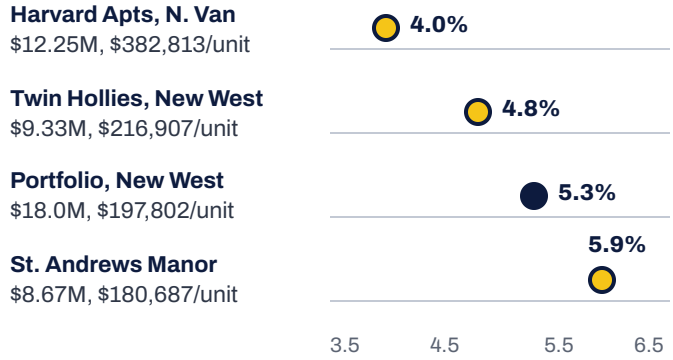
2026 RENT CAP
2.3%
BC allowable increase

Rents found some footing in Q3. Rentals.ca and Urbanation reported Vancouver's average asking rent up 1.4% in September to $2,741, the largest monthly gain among Canada's six largest markets, with the annual decline at its smallest since December 2023. Nationally, asking rents have fallen year-over-year for 24 straight months.

Volume remains the weak point: Altus put first-half Vancouver multifamily investment down 41% to $372 million. Trades that closed priced on income or land. The Harvard Apartments in Central Lonsdale sold at a 4.0% cap, Mainstreet bought a 91-suite New Westminster portfolio at a blended 5.3%, and a Fairview walk-up on a Broadway Plan site sold at about $71 per buildable SF.

Q3 2026 apartment cap rates

Cited trades, sale price and $/unit



Portfolio shown as the blended rate of its two buildings. Cap rates on marketing-stage NOI as reported.

Truss Perspective

Transaction volume remains below long-term averages, but the opportunity set has shifted. Downtown office tenants hold real negotiating leverage, industrial owner-users can buy below last year's asking levels, and well-located retail continues to draw competitive interest. Sellers who price to today's income are transacting; those anchored to peak valuations are not.

Q4 2026 OUTLOOK

Expect industrial vacancy to stay tight as rents stabilize, downtown office to stay elevated until the vacated technology blocks find tenants, retail to hold on limited new supply, and multifamily to trade on in-place income as rents test a floor. The Bank of Canada's October 28 decision sets the tone for year-end volume.

TALK TO TRUSS

Talk to Truss

Our commercial advisory team covers office, industrial, retail, and multifamily across Metro Vancouver and the Fraser Valley.

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Sources and methodology

Q3 2026 figures are drawn from primary-source quarterly reports and news coverage, including CBRE Canada Office Figures Q3 2026 and Canada Industrial Figures Q3 2026; the Colliers Canada Q3 2026 National Market Snapshot and Colliers Greater Vancouver Retail Report, Mid-Year 2026; the Avison Young Metro Vancouver Office Market Report, Q3 2026; the Altus Group Canadian Commercial Real Estate Market Update, Q2 2026; the Rentals.ca and Urbanation National Rent Report, September 2026; transaction records published through vancouvermarket.ca (David Taylor, SVP, Colliers International Canada); and news coverage from Business in Vancouver, Daily Hive, Retail Insider and Montecristo.

Each firm measures its own inventory, so levels differ across sources. Office figures follow CBRE and industrial vacancy and availability follow Colliers unless noted; prior-quarter values are derived from each firm's reported quarter-over-quarter change. Investment volumes reflect first-half 2026 data, the latest published at press time.

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