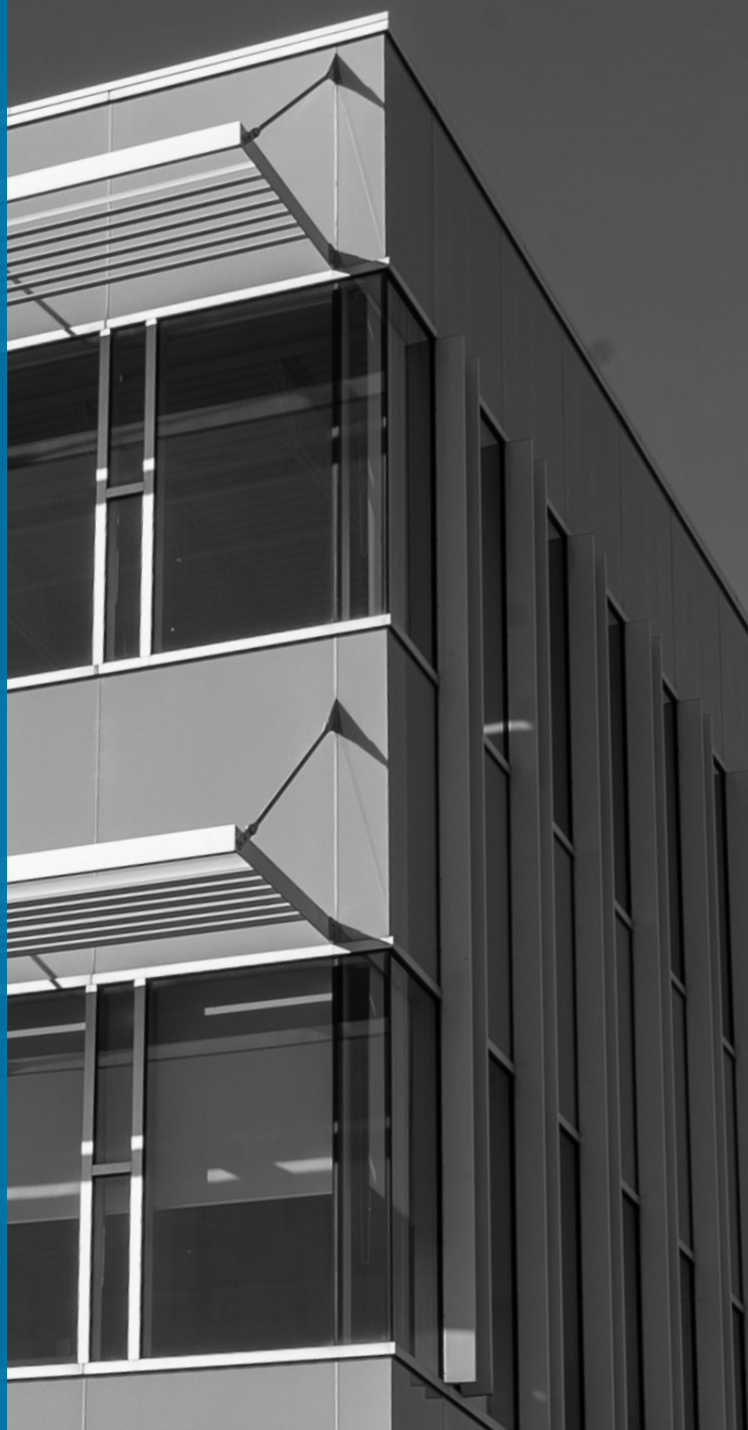


**OFFICE**  
MID YEAR REVIEW  
**2025**



# OFFICE MARKET OVERVIEW

### OFFICE BUILDING SALES:

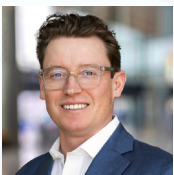
Office building sales remain driven by owner-occupiers, with another significant sale at 590 Riverbend Dr, Kitchener. The 104,750 SF building was purchased by a local group who will occupy approximately 50% of the space. This is the most common scene we see on the sales front. Investors of all kinds are still cautious when it comes to office-focused assets.

### LEASING MARKET:

The Leasing market continues to show more strength and promise. We see strong activity in square footage below 10,000 SF, with that still being the most active Tenant pool. Overall, there are fewer companies deciding not to work from home. The messaging and general sentiment from CEO's is that they desire in-person work, which is translating into action. In 2025, there have been new announcements from larger employers such as Scotiabank, increasing their work in the office from 2 to 3 days per week, Manulife Financial increasing from 2 to 3 days per week, and Amazon requiring 4 days per week. It's important to see the shift from the larger groups as it sends a message others will likely follow.

### VACANCY RATES:

Downtown Kitchener's office vacancy rate is at an all-time high, with some data pointing to 28%. It is important to separate this from the rest of the market as it has been driven by several older buildings that are not meeting the needs of Tenants today. As time passes, it is likely we will see some conversions of these buildings, such as the completed project at 30 Duke St W, Kitchener, which saw 161 new residential units brought online. If they are not suitable for conversions, there are serious questions around the future of these buildings or if their demolition will allow new life to be brought into the core.



*Michael Lambert*

MICHAEL LAMBERT\*, SIOR  
Managing Partner, President  
2x Olympian

#### NET ABSORPTION

Q2  
-276K SF

Q1  
-173K SF

#### VACANCY RATE

16.1%

#### TOTAL VACANT SF

2.82M SF

#### ASKING NET RENT

\$16.35 / SF





**PENDING  
LEASED**

**435**

**KING ST N  
WATERLOO**

**8,439 SF**

## OUR TRANSACTIONAL HIGHLIGHTS

**PENDING LEASED**



**#2, 319 Bridgeport Rd E, Waterloo**  
Office Unit  
8,155 SF

**PENDING LEASED**



**#100, 420 Wes Graham Way, Waterloo**  
Class "A" Office Space  
4,066 SF

**LEASED**



**#135, 4275 King St E, Kitchener**  
Office Unit  
2,227 SF

**SOLD**



**#101, 100 Garment St, Kitchener**  
Office / Retail Unit  
2,508 SF

**LEASED**



**211, 410 Conestogo Rd, Waterloo**  
Class "A" Office Unit  
4,044 SF

**LEASED**



**304B, 375 Hagey Blvd, Waterloo**  
Industrial Building + Land  
1,160 SF



## ON THE MARKET

**FOR LEASE**

**410**  
**ALBERT ST**  
WATERLOO

5,113 - 14,969 SF



**FOR LEASE**

**375**  
**HAGEY BLVD**  
WATERLOO

3,375 - 17,446 SF

**420**  
**WES GRAHAM WAY**  
WATERLOO

2,500 SF



**FOR LEASE**

**2415**  
**UNIVERSITY AVE E**  
WATERLOO

2,593 - 8,518 SF



**FOR LEASE**

**7**  
**DUKE ST W**  
KITCHENER

819 - 5,273 SF



**FOR LEASE**

**440**  
**PHILLIP ST**  
WATERLOO

12,000 - 51,836 SF

**451**  
**PHILLIP ST**  
WATERLOO

1,768 - 19,815 SF



**FOR LEASE**

**260**  
**KING ST W**  
KITCHENER

4,600 - 7,110 SF



**FOR SALE**

**240**  
**DUKE ST W**  
KITCHENER

5,650 SF







If you are interested in discussing current market conditions, obtaining an Opinion of Value, selling, purchasing or leasing excess space, don't hesitate to call us.

We have mandates with Tenants and Buyers across all size requirements.

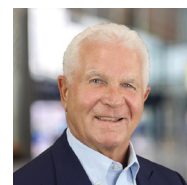
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We provide a client-centric approach to real estate services, ensuring our customers receive tailored solutions, helping them navigate the complexities of the commercial real estate market.

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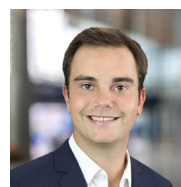
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\*\*Broker \*Sales Representative