



# Winnipeg office market report

Q3 2024

**AVISON  
YOUNG**

# New office activity

## 01

### Update on Portage Place Mall

The Province of Manitoba signed off on the sale of Portage Place, thus finalizing the deal with all three levels of government for True North Real Estate Development (TNRED) to purchase the mall and opening the door for the planned \$650M redevelopment project. The agreement will see TNRED purchase the land, parkade and air rights in a parallel purchase, the City of Winnipeg has approved approximately \$40M in subsidies, the federal government is investing \$10M. TNRED is partnering with the Southern Chiefs' Organization (SCO) for the project that will include a health-care tower, a residential tower offering 200 units – up to 80 designated as affordable. The redevelopment project is scheduled to begin in 2025, concluding in 2028.

## 02

### Housing Accelerator Fund

A former long-term care facility in downtown Winnipeg is among several recipients of the federal Housing Accelerator Fund which will create 1,135 housing units (597 affordable units) – 613 units will be located downtown. The projects include the redevelopment of the former Parkview Place long-term care facility – the vacant 13-storey building will be converted into 180 units of transitional, social and affordable housing. A sister project to another mixed-use development that is currently under construction on the southern portion of the property will provide 128 mixed-income housing units, including 48 rent-geared-to-income units.

## 03

### Full Return To Office?

A recent KPMG survey noted that 83% of polled CEOs expect a full return of staff to the office within the next three years however, 20% of small and medium-sized business leaders anticipate the same over the same period of time. 65% of small and medium-sized business leaders expect the hybrid model to continue, recognizing that offering flexibility is critical to attracting and maintaining talent



## 04

### Work Hybrid Model

The adoption of hybrid work continues to have many businesses to reassess their office requirements. The workplace continues to evolve.

## 05

### Big Business Return To Office

Federal government requires civil servants to be in the office at least three days per week, four days per week for executives. All Amazon staff is expected to return for the full five-day work week at the start of 2025

# Winnipeg area market fundamentals

**18,899,605**

total market inventory (sf)  
**(downtown / suburban)**

**19.0**

average vacancy rate (%)  
**(downtown)**

**14.0**

average vacancy rate (%)  
**(suburban)**

**\$16.00**

average net rent (psf)  
**(downtown)**

**\$15.00**

average net rent (psf)  
**(suburban)**

**951,338**

total sf  
**for sale**

For more market insights  
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