

MARKET FUNDAMENTALS

	YOY Chg	Outlook
18.5% Vacancy Rate	▲	▲
-695K YTD Net Absorption, SF	▲	▲
\$36.57 Asking Gross Rent, PSF <small>(Overall, All Property Classes)</small>	▬	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
2.4M Montreal Employment	▲	▲
5.9% Montreal Unemployment Rate	▼	▲
6.5% Canada Unemployment Rate <small>Source: Statistics Canada</small>	▼	▲

KEY TAKEAWAYS:

- Overall office vacancy in the Greater Montreal Area (GMA) remained stable in Q4 2025, with Class A space continuing to outperform Class B/C, particularly in the Central market.
- Net absorption was negative, driven by tenant consolidations in the Central market, while Suburban demand remained concentrated in Class B space.

EMPLOYMENT SHOWS SIGNS OF RESILIENCE

Employment in Montreal reached 2.4M in November 2025. The city’s employment rate remained near 62.5%, while the unemployment rate declined to 5.9% from 6.6% in November 2024, reflecting steady labor market conditions. Across Canada, employment rose by 54,000, marking the third consecutive monthly gain, with increases concentrated in Alberta, New Brunswick, and Manitoba and little change elsewhere.

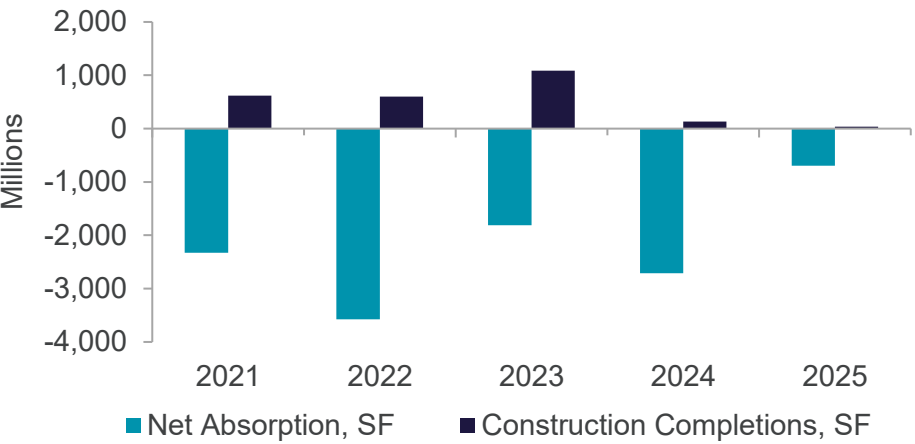
PREMIUM ASSETS OUTPERFORM AMID STABILIZATION

Overall office vacancy in the GMA held steady at 18.5% in Q4 2025, with the Central market showing early signs of stabilization at 20.1%. Class A space continued to outperform Class B/C, particularly within Downtown trophy assets, where availability tightened further to 8.6%. In the Suburban market, overall vacancy remained stable at 16.8%, with Class B/C space outperforming Class A, reflecting ongoing demand for cost-efficient, functional office space. Net absorption was negative this quarter, totaling approximately 311k square feet (sf), with the Central market responsible for 286k sf of that total due to tenant consolidations in Class B/C buildings. The Suburban market recorded lower negative absorption of roughly 25k sf, concentrated in Class B space. Notable activity this quarter included Richter’s 105,700-sf lease renewal at 1981 McGill College Avenue, as well as Hydro-Québec’s 100,233-sf sublease across multiple floors at 1001 Robert-Bourassa Boulevard, highlighting continued leasing momentum within prime Downtown assets.

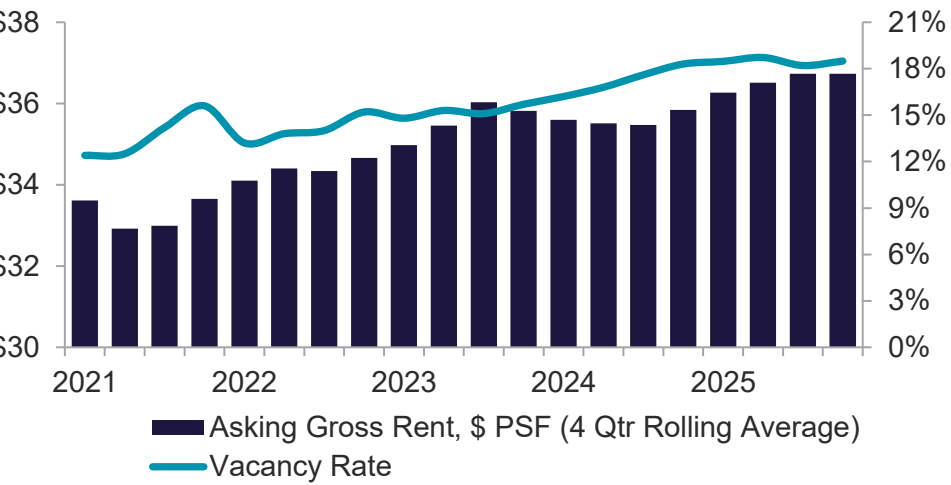
ASKING RENTAL RATES EDGE DOWN

The overall average gross asking rate declined slightly to \$36.57 per square foot (psf) in Q4 2025. In the Central market, Class A gross rents remained stable at \$47.78 psf, while Class B/C averaged \$35.74 psf, reflecting continued demand for quality office space. Suburban gross rents held largely steady at \$28.12 psf, underscoring sustained tenant interest in value-oriented space.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Financial Core	22,360,903	315,201	4,146,212	20.0%	13,259	-31,230	1,285,193	0	\$43.09	\$46.84
Downtown West	3,538,832	40,000	556,146	16.8%	-52,856	-56,912	128,046	0	\$38.94	\$46.25
Downtown East	9,012,509	344,393	1,117,015	16.2%	-103,195	-310,832	93,406	0	\$33.40	N/A
Downtown South	11,923,987	336,114	2,683,472	25.3%	-20,946	-74,024	669,071	0	\$48.18	\$54.12
Downtown Southwest	1,621,136	80,307	260,992	21.1%	-5,449	158,496	44,817	0	\$34.93	N/A
Old Montreal	4,547,778	78,904	745,535	18.1%	-22,621	-49,432	155,932	100,000	\$38.68	\$48.92
Westmount	2,158,078	29,342	359,538	18.0%	-94,226	-80,181	63,686	0	\$41.17	\$42.10
CENTRAL TOTAL	55,163,223	1,224,261	9,868,910	20.1%	-286,034	-444,115	2,440,151	100,000	\$41.58	\$47.78
Midtown East	3,529,915	115,990	970,199	30.8%	-15,196	-462,246	88,748	0	\$26.40	N/A
Midtown Central	6,853,365	202,011	1,135,786	19.5%	-22,616	-108,193	230,766	0	\$33.11	N/A
Midtown North	9,914,338	97,924	1,125,124	12.3%	28,738	206,950	143,398	0	\$19.53	\$32.13
Décarie CDN	3,269,035	0	412,270	12.6%	70,362	142,657	136,255	93,750	\$24.66	\$34.56
Midtown West	1,426,701	17,044	246,555	18.5%	36,792	-23,757	93,996	0	\$22.27	\$34.42
Midtown South	1,097,479	0	53,630	4.9%	-19	-15,807	9,272	0	\$25.47	N/A
Île-Des-Soeurs	1,392,679	142,635	41,837	13.2%	-15,808	-11,882	32,070	0	N/A	N/A
Saint-Laurent	7,352,839	316,947	1,192,312	20.5%	53,036	-92,157	329,009	0	\$28.94	\$28.82
MIDTOWN TOTAL	34,836,351	892,551	5,177,713	17.4%	135,289	-364,435	1,063,514	93,750	\$26.36	\$30.24
West Island	3,425,231	160,677	297,762	13.4%	-6,915	36,174	102,912	0	\$27.50	\$32.87
East End	3,510,463	81,032	600,566	19.4%	-63,815	27,215	129,725	0	\$34.13	\$35.34
Laval	4,790,569	46,937	818,762	18.1%	-142,417	86,185	214,223	0	\$29.95	\$31.62
South Shore	6,141,120	101,049	677,305	12.7%	52,834	-36,423	378,612	0	\$30.50	\$31.78
SUBURBAN TOTAL	17,867,383	389,695	2,394,395	15.6%	-160,313	113,151	825,472	0	\$31.24	\$33.18
MONTREAL TOTALS	107,866,957	2,506,507	17,441,018	18.5%	-311,058	-695,399	4,329,137	193,750	\$36.57	\$42.92

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
1981 McGill College Avenue	Financial Core	Richter	105,700	Renewal
1001 Robert-Bourassa Boulevard	Downtown South	Hydro-Québec	100,233	Sublease
1360 René-Lévesque Boulevard Ouest	Downtown West	DRW Canada Co.	76,152	Renewal

*Renewals not included in leasing statistics

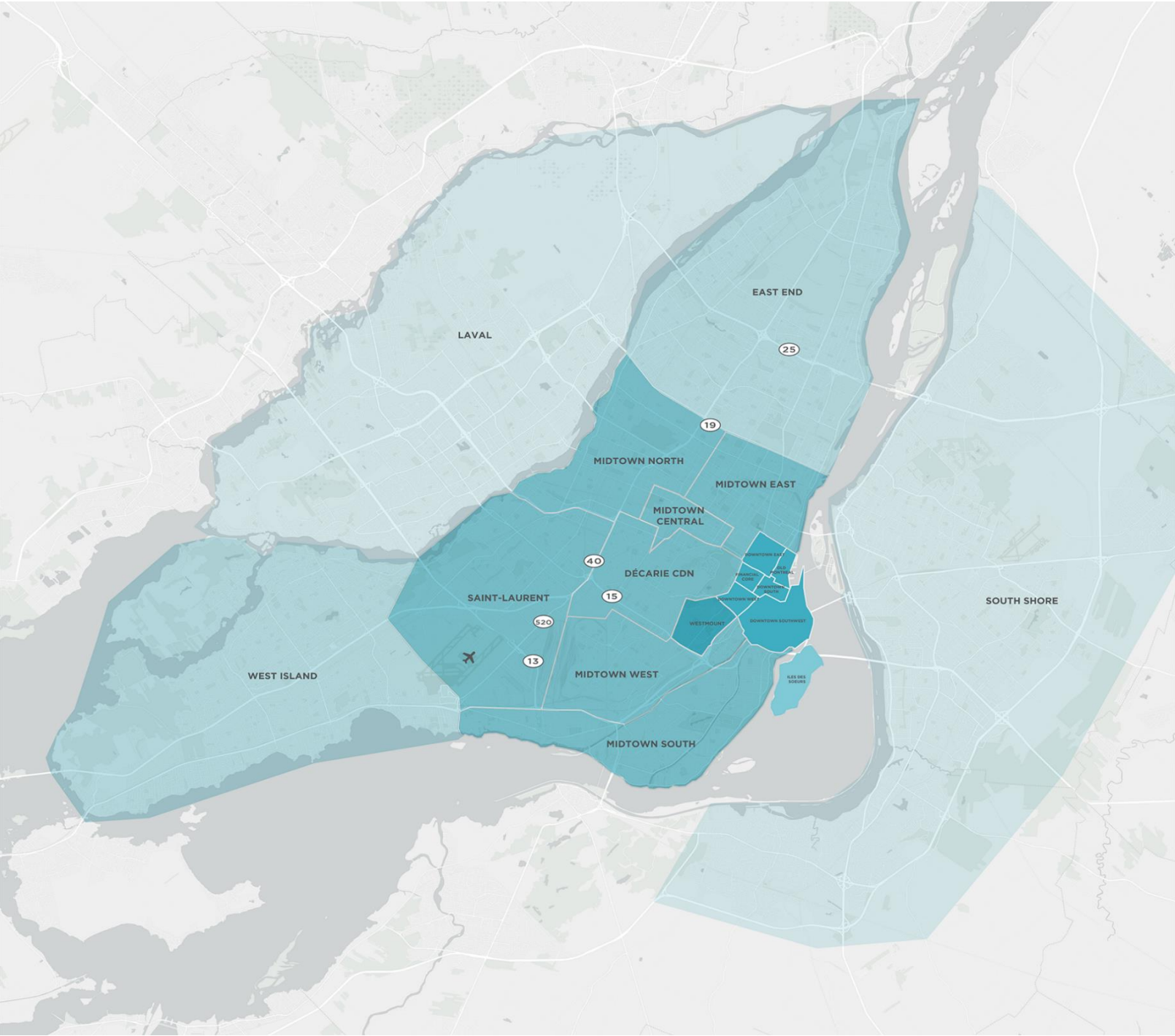
KEY SALE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
1-11 Place du Commerce Street	South Shore	Cominar REIT / IWP Groupe Immobilier	307,650	\$29M / \$94
3563-3595 Saint-Laurent Boulevard	Downtown East	Allied Properties REIT / YULiv Properties	184,317	\$30M / \$163
3510-3540 Saint-Laurent Boulevard	Downtown East	Allied Properties REIT / Attitude	160,000	\$33M / \$206
1538 Sherbrooke Street West	Downtown West	Broccolini / Prime Properties Inc.	90,994	\$10.67M / \$117

METHODOLOGY

Cushman & Wakefield’s quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The market statistics are calculated from a base building inventory made up of office properties deemed to be competitive in the local office markets. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. Sublet space still occupied by the tenant is not counted as available space. The figures provided for the current quarter are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.

OFFICE SUBMARKETS



EXPLANATION OF TERMS

Total Inventory: The total amount of office space (in buildings of a predetermined size by market) that can be rented by a third party.

Overall Vacancy Rate: The amount of unoccupied space (new, relet, and sublet) expressed as a percentage of total inventory.

Direct Vacancy Rate: The amount of unoccupied space available directly through the landlord, excludes sublease space.

Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

Leasing Activity: The sum of all leases over a period of time. This includes pre-leasing activity as well as expansions. It does not include renewals.

Overall Weighted Asking Rents: Net or gross average asking rents weighted by the amount of available direct space in office properties.

BRENT ROBINSON

Executive Managing Director & Managing Principal

Tel: +1 514 841 3800

Brent.robinson@cushwake.com

SARAH RUAH

Research Analyst

Tel: +1 514 841 3819

Sarah.Ruah@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.