



**MARKET FUNDAMENTALS**

	YOY Chg	Outlook
<b>5.9%</b> Vacancy Rate	▲	▲
<b>-66K</b> YTD Net Absorption SF	▼	▼
<b>\$16.53</b> Asking Net Rent PSF <i>(Overall, Net Asking Rent)</i>	▲	▲

**ECONOMIC INDICATORS**

	YOY Chg	Outlook
<b>664K</b> Ottawa Employment	▼	▲
<b>7.3%</b> Ottawa Unemployment Rate	▲	▲
<b>6.5%</b> Canada Unemployment Rate	▼	▲

Source: Statistics Canada

**ECONOMY**

In November 2025, Canada's unemployment rate declined to 6.5%, down 60 basis points (bps) from August. National employment increased for the third consecutive month, reaching 21.1 million in November 2025, with a net gain of 54,000 jobs. The largest employment increase was recorded in the health care and social assistance sector, which added 46,000 jobs during the month. Despite positive national momentum, Ontario lost 20,000 jobs in November, the largest decline among all provinces. Ottawa's unemployment rate rose to 7.3%, matching Ontario's rate and standing 80 bps above the national average.

**SUPPLY AND DEMAND**

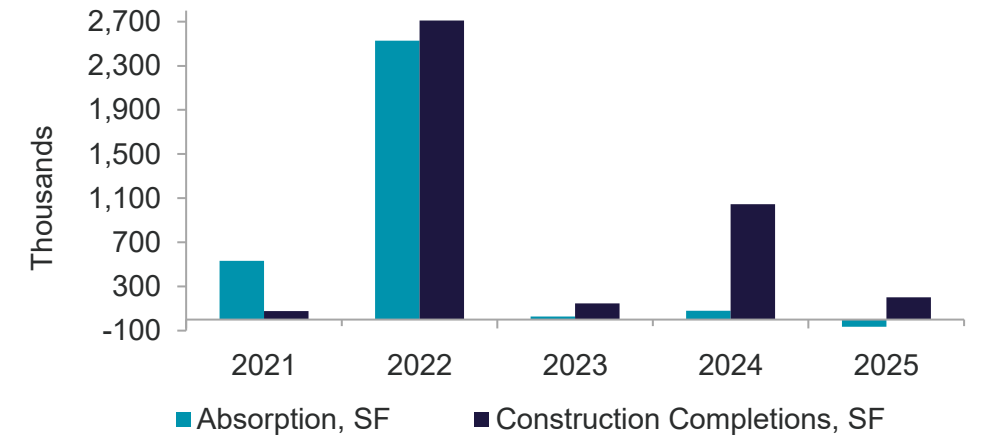
Ottawa's overall industrial vacancy rate rose to 5.9% in Q4 2025, continuing its upward trend from last quarter. The Suburban West market posted a 70-bps increase in vacancy, reaching 5.9%, primarily due to rising vacancy in the Colonnade/Rideau Heights, Ottawa West Dispersed, and Stittsville submarkets. Vacancy in the Suburban East market settled at 4.9% in Q4 2025, supported by 80k square feet (sf) of positive absorption. The Hawthorne/Stevenage submarket delivered 203k sf of new supply and recorded 161k sf of positive absorption, largely driven by 127k sf of pre-leased space in the newly delivered property.

Industrial leasing activity rebounded in Q4 2025, doubling quarter-over-quarter (QOQ) to 260k sf. Suburban South, the largest industrial market in Ottawa, accounted for the largest share of activity, with leasing increasing to 203k sf. The Sheffield/Michael submarket recorded 157k sf of leasing in Q4 2025, representing nearly half of the submarket's total leasing activity for the year.

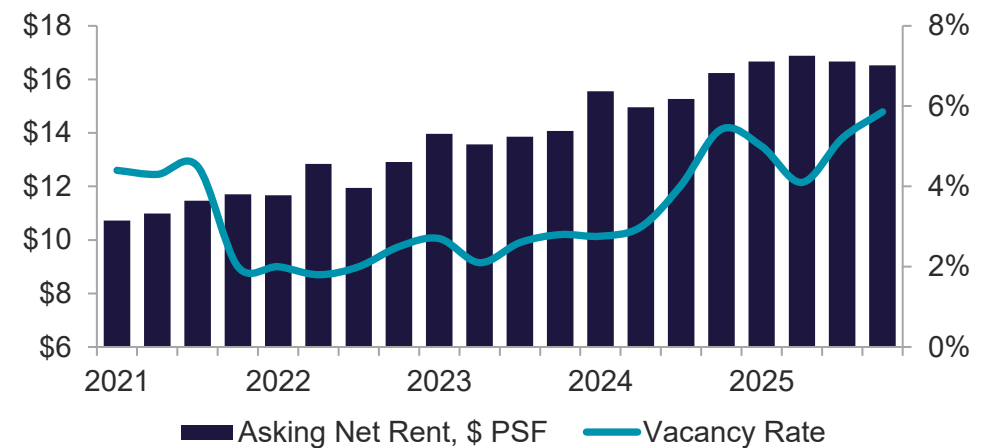
**PRICING**

Ottawa's overall average direct net asking rent edged down to \$16.53 per square foot (psf) in Q4 2025, alongside a decline in the average direct additional rent to \$6.18 psf. Both the Suburban West and Suburban East markets recorded decreases in net asking rents, falling to \$16.90 psf and \$16.20 psf, respectively.

**SPACE DEMAND / DELIVERIES**



**OVERALL VACANCY & ASKING NET RENT**



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	DIRECT WEIGHTED AVG NET RENT	DIRECT WEIGHTED AVG ADD. RENT	DIRECT WEIGHTED AVG GROSS RENT
Colonnade/Rideau Heights	966,562	47,970	5.0%	-29,410	-17,925	0	0	\$14.48	\$7.96	\$22.44
Ottawa West Dispersed	4,708,779	166,345	3.5%	-34,791	-82,197	0	0	\$14.00	\$8.40	\$22.40
Barrhaven	2,778,232	37,250	1.3%	0	2,250	3,100,000	0	\$17.00	\$6.00	\$23.00
Kanata North	937,184	61,653	6.6%	1,210	-37,093	48,239	0	N/A	N/A	N/A
Kanata South	678,000	13,330	2.0%	0	-2,906	0	0	\$15.00	\$12.37	\$27.37
Stittsville	1,215,678	365,604	30.1%	-18,782	129,141	0	0	\$17.99	\$4.63	\$22.62
Deep West Dispersed	409,354	3,080	0.8%	0	0	0	0	N/A	N/A	N/A
<b>WEST OTTAWA TOTALS</b>	<b>11,693,789</b>	<b>695,232</b>	<b>5.9%</b>	<b>-81,773</b>	<b>-8,730</b>	<b>3,148,239</b>	<b>0</b>	<b>\$16.90</b>	<b>\$5.79</b>	<b>\$22.69</b>
Hunt Club Corridor	279,956	116,416	41.6%	0	-91,681	0	0	N/A	N/A	N/A
Ottawa South Dispersed	455,691	71,365	15.7%	0	0	0	0	\$16.50	\$4.75	\$21.25
<b>SOUTH OTTAWA TOTALS</b>	<b>735,647</b>	<b>187,781</b>	<b>25.5%</b>	<b>0</b>	<b>-91,681</b>	<b>0</b>	<b>0</b>	<b>\$16.50</b>	<b>\$4.75</b>	<b>\$21.25</b>
Hawthorne/Stevenage	2,904,811	151,127	5.2%	161,424	220,468	0	202,642	\$17.83	\$5.79	\$23.62
Gloucester	1,030,386	72,411	7.0%	8,617	-54,210	0	0	\$13.52	\$8.52	\$22.04
Orleans	521,475	0	0.0%	0	41,796	0	0	N/A	N/A	N/A
Ottawa Business Park	1,325,558	118,901	9.0%	-95,793	-46,901	0	0	\$16.07	\$6.94	\$23.01
Vanier / St. Laurent / Industrial	1,819,560	43,365	2.4%	-1,537	16,315	0	0	\$15.93	\$8.06	\$23.99
Sheffield / Michael	7,138,163	329,956	4.6%	34,172	-113,156	0	0	\$16.04	\$7.23	\$23.26
Ottawa East Dispersed	1,432,012	76,754	5.4%	-26,571	-30,017	0	0	\$14.47	\$4.90	\$19.37
<b>EAST OTTAWA TOTALS</b>	<b>16,171,965</b>	<b>792,514</b>	<b>4.9%</b>	<b>80,312</b>	<b>34,295</b>	<b>0</b>	<b>202,642</b>	<b>\$16.20</b>	<b>\$6.71</b>	<b>\$22.91</b>
<b>OTTAWA TOTALS</b>	<b>28,601,401</b>	<b>1,675,527</b>	<b>5.9%</b>	<b>-1,461</b>	<b>-66,116</b>	<b>3,148,239</b>	<b>202,642</b>	<b>\$16.53</b>	<b>\$6.18</b>	<b>\$22.71</b>

KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
1250-1270 Humber Place	Sheffield / Michael	Ottawa Logistics Ltd.	119,991	Renewal*
101 Innes Park Way	Sheffield / Michael	Groupe Touchette Inc.	108,331	New Deal
201 Innes Park Way	Sheffield / Michael	City of Ottawa	26,918	New Deal
7 Enterprise Avenue	Ottawa West Dispersed	Undisclosed	8,941	New Deal

\*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
6799, 6805, 6811 Hiram Drive	Ottawa South Dispersed	2666805 Ontario Inc / Hiram Drive Inc	135,472*	\$5,150,000 / N/A
1475 Star Top Road	Sheffield / Michael	Ambassador Realty Inc / Mad Partners Inc	45,486	\$9,625,000 / \$212
2447 Kaladar Avenue	Ottawa East Dispersed	Ottawa Preston Holdings Ltd / 2447 Kaladar Inc	26,086	\$5,975,000 / \$229
3300 Rideau Road	Ottawa South Dispersed	1000641744 Ontario Inc / Rideau Road Holdings Inc	11,605	\$4,099,000 / \$353

\*Land Area

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