

MARKET FUNDAMENTALS

	YOY Chg	Outlook
12.3% Vacancy Rate	▲	▼
22K YTD Net Absorption SF	▼	▲
\$36.96 Asking Gross Rent PSF <i>(Overall, All Property Classes)</i>	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
708K Ottawa Employment	▲	▲
5.6% Ottawa Unemployment Rate	▼	▲
7.0% Canada Unemployment Rate	▲	▲

Source: Statistics Canada

ECONOMY

In May 2025, Canada’s unemployment rate edged up to 7.0%. The wholesale and retail trade sector recorded the largest gain in employment, adding 42,000 jobs, while the public administration sector shed 32,000 jobs.

The Ontario unemployment rate stood at 7.9% in May. Despite the rise in unemployment rates across most of the largest census metropolitan areas, Ottawa’s unemployment rate posted a slight year-over-year decline, down to 5.6%, 140 basis points (bps) lower than the national average.

SUPPLY AND DEMAND

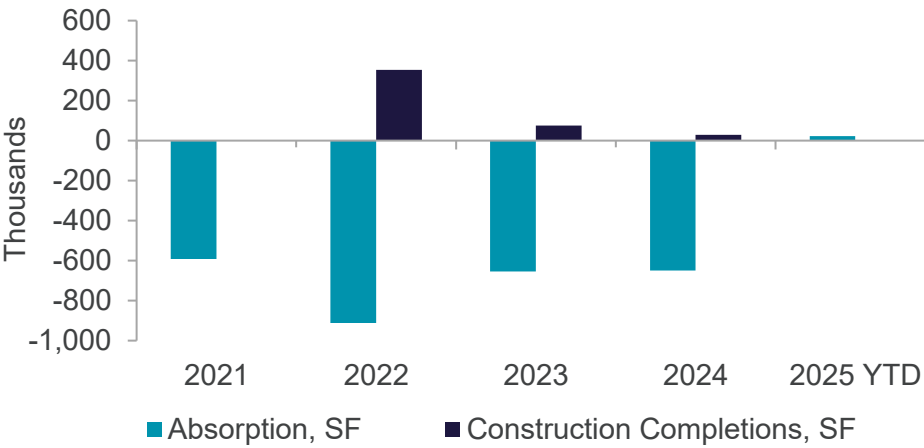
Ottawa’s overall office vacancy rate edged down to 12.3% in Q2 2025. In the Central market, vacancy rose across all classes, pushing the total vacancy rate to 14.2%. Within that, the CBD Class A segment had a modest 20-bps quarter-over-quarter (QOQ) increase, rising from 12.3% to 12.5%. In contrast, the Suburban market posted a notable decline in vacancy, falling to 10.5%. All suburban submarkets—except Ottawa East—recorded positive absorption, resulting in a total of 89k square feet (sf) of absorption, a sharp rebound from negative figures in the previous quarter.

Leasing activity totaled 499k sf in Q2 2025, continuing the upward trend that began in late 2024. The Suburban market contributed 341k sf, driven by strong gains in Class B leasing, which doubled from last quarter to 124k sf. Class C activity also rose significantly, from 9k sf last quarter to 54k sf. In the Central market, Class B leasing increased from 49k sf to 64k sf, offsetting slight declines in Class A and C segments and bringing total Central leasing activity to 158k sf.

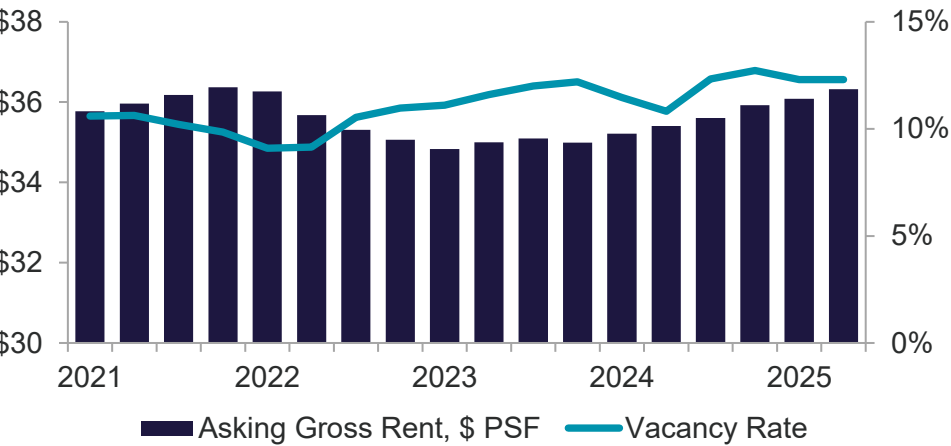
PRICING

The citywide average direct asking net rent in Q2 2025 increased slightly to \$17.75 per square foot (psf), with overall additional rent averaging \$19.21 psf. In the Central market, the direct asking net rent dipped slightly from \$19.44 psf to \$19.32 psf, while the additional rent increased to \$20.26 psf. Meanwhile, the Suburban market posted a moderate increase, with the asking net rent rising to \$15.19 psf in Q2 2025.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING GROSS 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)*
Downtown Core	18,328,354	268,438	2,074,426	12.8%	-50,956	60,026	257,922	0	\$40.96	\$49.47
Centretown	1,137,653	17,683	226,346	21.5%	-3,701	-66,581	20,864	0	\$31.82	\$34.26
Lowertown/Sandy Hill	968,263	13,001	249,417	27.1%	-24,911	-22,961	19,766	0	\$35.63	\$43.66
Glebe/Main	255,845	3,381	29,251	12.8%	-2,118	-341	10,145	0	\$34.02	N/A
Central Dispersed	286,251	0	90,867	31.7%	0	0	0	0	N/A	N/A
CENTRAL AREA TOTALS	20,976,366	302,503	2,670,307	14.2%	-81,686	-29,857	308,697	0	\$39.58	\$48.84
Ottawa West	9,563,675	48,415	812,395	9.0%	9,302	35,096	260,476	0	\$33.19	\$37.21
Ottawa Deep West	6,745,708	139,387	702,769	12.5%	70,040	23,181	208,361	72,000	\$29.26	\$29.20
SUBURBAN WEST TOTALS	16,309,383	187,802	1,515,164	10.4%	79,342	58,277	468,837	72,000	\$30.84	\$31.56
Ottawa South	450,018	0	56,972	12.7%	20,822	1,808	30,629	0	\$37.14	\$37.14
Ottawa East	5,757,644	74,821	532,803	10.6%	-10,710	-8,098	93,236	0	\$36.62	\$37.82
TOTAL SUBURBAN TOTALS	22,517,045	262,623	2,104,939	10.5%	89,454	51,987	592,702	72,000	\$32.69	\$33.93
OTTAWA TOTALS	43,493,411	565,126	4,775,246	12.3%	7,768	22,130	901,399	72,000	\$36.96	\$41.87

*Rental rates reflect full service asking. Gross rent including operating costs and taxes.

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	SF	DEAL TYPE
390 March Road	Kanata North	Undisclosed	38,870	New Deal
160 Elgin Street	CBD	Telesat LEO Inc.	28,169	Sublease
55 Metcalfe Street	CBD	Fasken	16,146	New Deal
84 Hines Road	Kanata North	Undisclosed	15,670	New Deal
2936 Baseline Road	Ottawa West Dispersed	Robinson Consultants Inc.	14,587	New Deal

KEY SALES TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
400 Coventry Road	Vanier / St. Laurent / Industrial	Enbridge Gas Inc / 8944989 Canada Inc	213,880*	\$20,000,000 / N/A
2 Bill Leathem Drive	Barrhaven	1850591 Ontario Ltd / 16536450 Canada Inc	130,244*	\$11,300,000 / N/A
30-34 Highbury Park Drive	Barrhaven	Highbury Park Property Ltd / Cristall Group Investments Inc	42,011	\$21,540,000 / \$513

*Land Area

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