MARKETBEAT
Ottawa
INDUSTRIAL Q2 2026

CUSHMAN & WAKEFIELD
Ottawa

MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.2% Vacancy Rate	▲	▲
125K YTD Net Absorption SF	▼	▼
$16.75 Asking Net Rent PSF *(Overall, Net Asking Rent)*	▼	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
700K Ottawa Employment	▼	▲
6.1% Ottawa Unemployment Rate	▲	▲
6.6% Canada Unemployment Rate	▼	▲

Source: Statistics Canada

ECONOMY

In May 2026, Canada's unemployment rate decreased by 10 basis points (bps) from February to 6.6%, while employment grew by 88,000, marking the first increase since November 2025. Ontario added 42,000 jobs in May, representing a second consecutive month of employment growth. The province's unemployment rate fell to 7.0%, its lowest level since September 2024. Ottawa also continued to see labour market improvement, with its unemployment rate declining to 6.1%, extending the downward trend observed since the beginning of 2026.

SUPPLY AND DEMAND

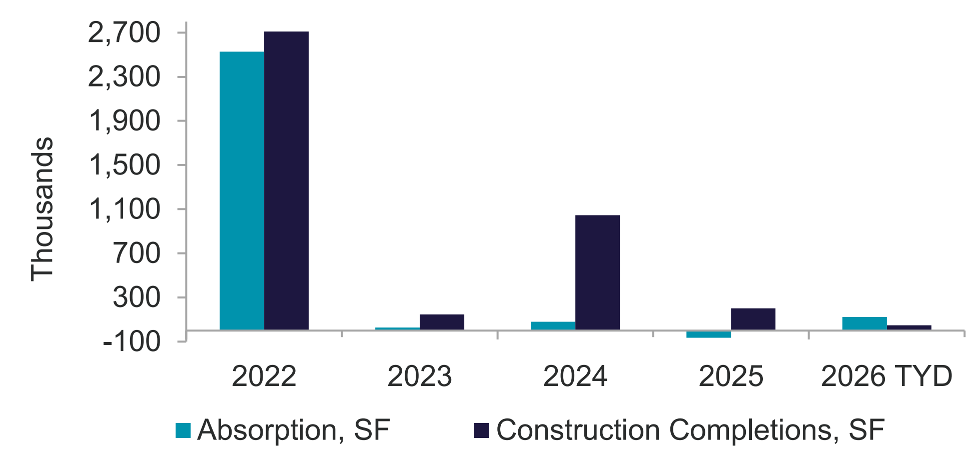
In Q2 2026, Ottawa's overall industrial vacancy rate stood at 5.2%. The Suburban West market posted a 20-bps decline in its vacancy rate quarter-over-quarter (QOQ), mainly driven by decreases in the Colonnade/Rideau Heights and Ottawa West Dispersed submarkets. The Suburban East market recorded a 60-bps increase in vacancy to 4.9%, mostly due to higher vacancy levels in Gloucester, Orléans, and Ottawa Business Park. The most significant decline in vacancy occurred in the Ottawa South market, where the vacancy rate dropped to 9.7% after the 116,000-square-foot (sf) sublease space at 400 Hunt Club Road was removed from the market.

Minimal changes in leasing activity of 156,269 sf was recorded in Q2 2026. In Suburban West, leasing activity declined by 22,938 sf to 65,654 sf this quarter, with Barrhaven accounting for more than half of the total leasing activity. In contrast, leasing activity in Suburban East increased from 68,446 sf to 90,615 sf QOQ, mainly driven by increased activity in the Sheffield/Michael and Ottawa East Dispersed submarkets.

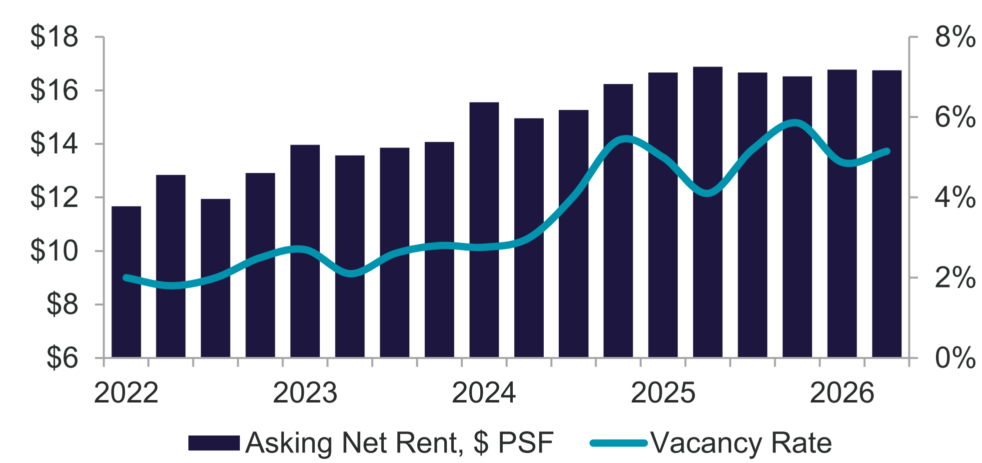
PRICING

Ottawa's overall average direct net asking rent remained stable at $16.75 per square foot (psf) in Q2 2026. The overall average additional rent increased to $6.19 psf. The Suburban West market posted a decrease in its net asking rent, falling to $17.15 psf, while the Suburban East market recorded an increase, reaching $16.54 psf.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING NET RENT



OTTAWA

INDUSTRIAL Q2 2026

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	29,363	3.0%	7,245	18,607	0	0	$16.52	$8.29	$24.81
Ottawa West Dispersed	4,720,683	106,346	2.3%	26,801	38,722	0	0	$13.89	$8.15	$22.04
Barrhaven	2,778,232	35,000	1.3%	0	2,250	3,100,000	0	N/A	N/A	N/A
Kanata North	985,423	63,069	6.4%	-1,307	46,823	0	48,239	N/A	N/A	N/A
Kanata South	678,000	9,996	1.5%	0	3,334	0	0	N/A	N/A	N/A
Stittsville	1,215,768	358,790	29.5%	6,814	-15,375	0	0	$17.66	$4.58	$22.23
Deep West Dispersed	425,354	17,260	4.1%	-14,180	-14,180	0	0	$18.00	$8.50	$26.50
WEST OTTAWA TOTALS	11,770,022	619,824	5.3%	25,373	80,181	3,100,000	48,239	$17.15	$5.16	$22.31
Hunt Club Corridor	279,956	0	0.0%	0	116,416	0	0	N/A	N/A	N/A
Ottawa South Dispersed	456,296	71,365	15.6%	0	0	0	0	$16.50	$4.75	$21.25
SOUTH OTTAWA TOTALS	736,252	71,365	9.7%	0	116,416	0	0	$16.50	$4.75	$21.25
Hawthorne/Stevenage	2,904,811	150,761	5.2%	9,381	366	0	0	$17.91	$6.17	$24.08
Gloucester	1,030,386	55,908	5.4%	-27,687	-21,245	0	0	$16.49	$7.52	$24.00
Orleans	521,475	21,550	4.1%	-21,550	-21,550	0	0	$25.00	$8.00	$33.00
Ottawa Business Park	1,325,558	141,441	10.7%	-20,645	-22,540	0	0	$16.36	$7.40	$23.76
Vanier / St. Laurent / Industrial	1,819,560	43,569	2.4%	-3,254	-4,281	0	0	$14.87	$8.87	$23.74
Sheffield / Michael	7,138,941	330,440	4.6%	-41,149	-21,984	84,000	0	$16.17	$7.05	$23.22
Ottawa East Dispersed	1,432,912	42,390	3.0%	0	19,631	0	0	$13.00	$4.92	$17.92
EAST OTTAWA TOTALS	16,173,643	786,059	4.9%	-104,904	-71,603	84,000	0	$16.54	$6.97	$23.51
OTTAWA TOTALS	**28,679,917**	**1,477,248**	**5.2%**	**-79,531**	**124,994**	**3,184,000**	**48,239**	**$16.75**	**$6.19**	**$22.94**

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
2480 Walkley Road	Hawthorne / Stevenage	The Co-operators Group Ltd	53,100	New Deal
2 Bill Leathem Drive	Barrhaven	Undisclosed	35,000	New Deal
1400 Ages Drive	Hawthorne / Stevenage	Undisclosed	20,900	New Deal
2477 Kaladar Avenue	Ottawa East Dispersed	Undisclosed	17,038	New Deal

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
5225 Boundary Road	Ottawa East Dispersed	5225 Boundary Road Ottawa Property Inc / 5225 Boundary Rd Holdings Inc	1,020,000	$64,215,000/ $63
71 Bongard Avenue	Ottawa West Dispersed	608505 Ontario Inc / 71 Bongard Inc	116,741*	$5,150,000/ N/A
1501 Sieveright Avenue	Barrhaven	1501 Sieveright Inc / Sieveright 1501 Holdings Inc	29,700	$7,500,000 / $253
75 Bongard Avenue	Ottawa West Dispersed	75 Bongard Inc / 3J's Holdings Inc	6,235	$3,695,000 / $593

*Land Area

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