MARKETBEAT

Ottawa

INDUSTRIAL Q3 2026

CUSHMAN & WAKEFIELD Ottawa

MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.9% Vacancy Rate	▲	▲
-114K YTD Net Absorption SF	▼	▲
$16.67 Asking Net Rent PSF (Overall, Net Asking Rent)	–	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
691K Ottawa Employment	▲	▲
7.4% Ottawa Unemployment Rate	▲	▼
6.4% Canada Unemployment Rate	▼	▲

Source: Statistics Canada

ECONOMY

In August 2026, Canada's unemployment rate declined to 6.4%, 20 basis points (bps) lower than the previous quarter and 50 bps below the level recorded in August 2025. Ontario's unemployment rate also edged down to 6.9%, representing a 90-bps year-over-year decline. In contrast, Ottawa's labour market softened, with the unemployment rate rising to 7.4%. Employment in Ottawa declined by 9,200 in August, contributing to a 100-bps decrease in the employment rate from July 2026 to 62.1%.

SUPPLY AND DEMAND

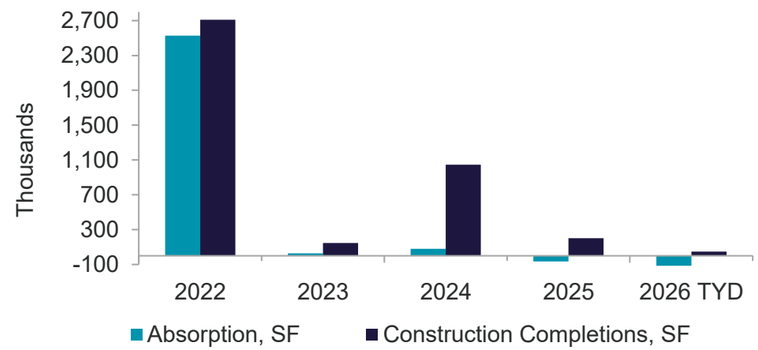
In Q3 2026, Ottawa's overall industrial vacancy rate increased to 5.9%, the same level recorded in Q4 2025. With future availabilities being marketed in the South and West markets, the overall vacancy rate is expected to continue its upward trend, reaching approximately 6.3% by year-end 2026. Vacancy increased across all markets, with Suburban West recording a 70-bps quarter-over-quarter (QOQ) increase and Suburban East posting a 30-bps QOQ increase. Meanwhile, the 116,000-square foot (sf) vacant building on Hunt Club Road pushed the vacancy rate in Ottawa South to 25.5%.

Leasing activity increased from 156,269 sf in Q2 2026 to 200,186 sf in Q3 2026, mainly driven by increased activity in the Suburban East market, which recorded 151,782 sf of leased space. The Sheffield / Michael, Ottawa Business Park, and Hawthorne/Stevenage submarkets were the top three contributors to leasing activity in Suburban East. While the Ottawa South market remained quiet during the quarter, leasing activity in Suburban West declined from 66,654 sf to 48,404 sf.

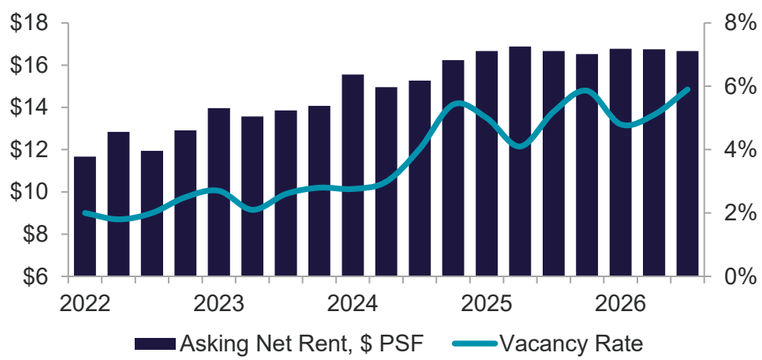
PRICING

Ottawa's overall average direct net asking rent decreased slightly in Q3 2026 by $0.08 per square foot (psf) from last quarter to $16.67 psf. In contrast, overall additional rent increased further to $6.29 psf. The Suburban South market recorded a decrease in its average net asking rent to $14.64 psf, while both Suburban West and Suburban East recorded increases, reaching $17.45 psf and $16.65 psf, respectively.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING NET RENT



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OTTAWA
INDUSTRIAL Q3 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	975,655	31,306	3.2%	-1,943	16,664	0	0	$16.81	$7.85	$24.66
Ottawa West Dispersed	4,772,242	182,050	3.8%	-75,704	-36,982	0	0	$17.02	$7.09	$24.11
Barrhaven	2,803,432	0	0.0%	35,000	37,250	3,100,000	0	N/A	N/A	N/A
Kanata North	985,423	66,003	6.7%	-2,934	43,889	0	48,239	$14.00	$11.81	$25.81
Kanata South	678,000	7,200	1.1%	2,796	6,130	0	0	N/A	N/A	N/A
Stittsville	1,215,768	358,790	29.5%	0	-15,375	0	0	$17.66	$4.57	$22.23
Deep West Dispersed	425,354	50,032	11.8%	-32,772	-46,952	0	0	$17.52	$5.85	$23.37
WEST OTTAWA TOTALS	11,855,874	695,381	5.9%	-75,557	4,624	3,100,000	48,239	$17.45	$5.39	$22.84
Hunt Club Corridor	279,956	116,416	41.6%	-116,416	0	0	0	$13.50	$7.95	$21.45
Ottawa South Dispersed	456,296	71,365	15.6%	0	0	0	0	$16.50	$4.75	$21.25
SOUTH OTTAWA TOTALS	736,252	187,781	25.5%	-116,416	0	0	0	$14.64	$6.73	$21.37
Hawthorne/Stevenage	2,949,481	172,415	5.8%	-22,999	-21,288	0	0	$18.18	$6.05	$24.23
Gloucester	1,042,622	59,445	5.7%	-3,537	-24,782	0	0	$16.72	$7.40	$24.12
Orleans	521,475	36,308	7.0%	-14,758	-36,308	0	0	$17.14	$7.21	$24.35
Ottawa Business Park	1,325,558	144,794	10.9%	-3,353	-25,893	0	0	$16.39	$7.68	$24.07
Vanier / St. Laurent / Industrial	1,819,560	39,202	2.2%	4,367	86	0	0	$14.65	$8.42	$23.07
Sheffield / Michael	7,138,941	347,884	4.9%	-21,244	-43,228	84,000	0	$16.40	$7.10	$23.50
Ottawa East Dispersed	1,432,912	29,645	2.1%	12,745	32,376	0	0	$11.92	$4.48	$16.40
EAST OTTAWA TOTALS	16,230,549	829,693	5.1%	-48,779	-119,037	84,000	0	$16.65	$6.85	$23.50
OTTAWA TOTALS	**28,822,675**	**1,712,855**	**5.9%**	**-240,752**	**-114,413**	**3,184,000**	**48,239**	**$16.67**	**$6.29**	**$22.96**

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
2092 Walkley Road	Ottawa Business Park	Marquee Pickleball Club	24,020	New Deal
2105 Bantree Street	Sheffield / Michael	Multi-Glass Insulation Ltd.	20,135	New Deal
3020 Hawthorne Road	Hawthorne / Stevenage	Undisclosed	16,324	New Deal
2855 Swansea Crescent	Hawthorne / Stevenage	Camfil Canada Inc.	10,770	New Deal

KEY SALES TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
2260-2300 Walkley Road	Ottawa Business Park	ECF REIT GP Inc / Eastbrook Properties Inc	220,414*	$7,000,000 / N/A
1101 Parisien Street	Sheffield / Michael	Messer Canada Inc / Parisien Estate Inc	128,936*	$4,500,000 / N/A
1765 Courtwood Crescent	Ottawa West Dispersed	Ottawa Preston Holdings Ltd / 2434894 Ontario Inc	18,731*	$4,000,000 / N/A
4084 Alboin Road	Ottwa South Dispersed	1550634 Ontario Inc / Life Long Property Holdings Inc	3,250	$3,400,000 / $1,046

**Land Area*

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