



## 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 office vacancy rate settled at 12.3% in Q4 2025. Vacancy in the Central market slightly increased to 13.6%. Despite a significant decline in vacancy within the Lowertown/Sandy Hill Class C segment, from 47.4% to 29.0%, the overall Central Class C vacancy rate increased quarter-over-quarter (QOQ) to 15.6%. Meanwhile, the Suburban market recorded a 50-bps increase in vacancy from last quarter, reaching 11.0% in Q4 2025. Three high-vacancy buildings were removed from the Suburban inventory during the quarter: two were announced for residential conversion, while one was sold to an owner-user.

Leasing activity declined QOQ in Q4 2025, totaling 270k square feet (sf). Class A leasing fell notably from 241k sf in Q3 2025 to 158k sf, largely driven by reduced activity in the Central Class A market. Leasing activity in the CBD submarket declined by more than half to 57k sf, with only 14k sf recorded in the CBD Class A segment.

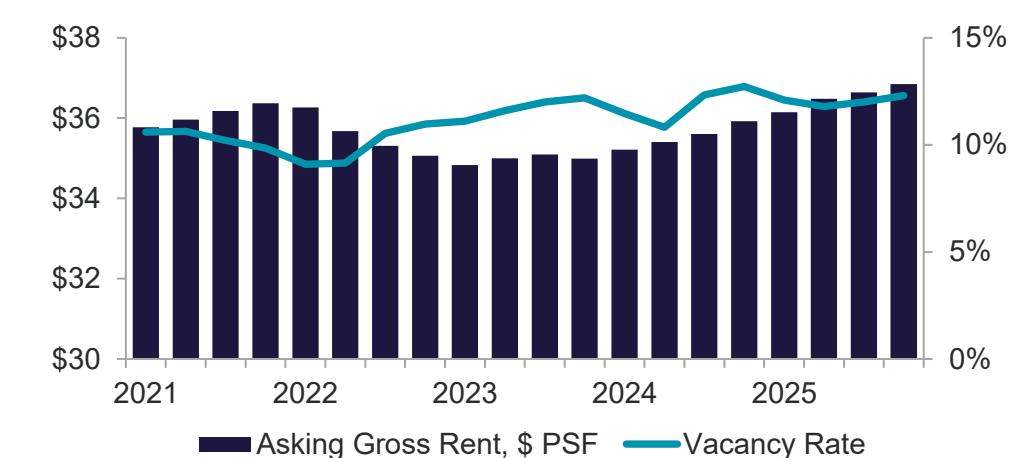
## PRICING

Ottawa's overall average direct net asking rent increased marginally to \$17.76 per square foot (psf) in Q4 2025. The overall average direct additional rent also edged up to \$18.99 psf. Minimal changes in net asking rents were observed across both the Central and Suburban markets, with Central rents increasing to \$19.38 psf and Suburban rents edging down to \$15.51 psf.

## 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	18,202,354	248,417	2,016,068	12.4%	-43,189	134,909	426,628	0	\$40.93	\$48.59
Centretown	1,098,090	12,110	213,578	20.6%	-1,790	-53,813	34,856	0	\$32.55	\$35.52
Lowertown/Sandy Hill	968,263	13,001	216,468	23.7%	24,974	9,988	47,076	0	\$35.65	\$43.58
Glebe/Main	255,845	3,381	24,140	10.8%	701	4,770	41,589	0	\$33.94	N/A
Central Dispersed	286,251	0	90,867	31.7%	0	0	0	0	N/A	N/A
<b>CENTRAL AREA TOTALS</b>	<b>20,810,803</b>	<b>276,909</b>	<b>2,561,121</b>	<b>13.6%</b>	<b>-19,304</b>	<b>95,854</b>	<b>550,149</b>	<b>0</b>	<b>\$39.87</b>	<b>\$48.18</b>
Ottawa West	9,381,170	58,573	857,575	9.8%	-108,088	-77,660	403,282	0	\$33.39	\$35.14
Ottawa Deep West	6,706,708	110,975	759,058	13.0%	47,119	-26,714	440,385	72,000	\$29.17	\$29.30
<b>SUBURBAN WEST TOTALS</b>	<b>16,087,878</b>	<b>169,548</b>	<b>1,616,633</b>	<b>11.1%</b>	<b>-60,969</b>	<b>-104,374</b>	<b>843,667</b>	<b>72,000</b>	<b>\$31.38</b>	<b>\$31.50</b>
Ottawa South	450,018	0	49,201	10.9%	-1,955	9,579	30,629	0	\$37.44	\$37.44
Ottawa East	5,777,854	74,821	555,594	10.9%	-52,705	-35,077	130,957	0	\$36.24	\$37.51
<b>TOTAL SUBURBAN TOTALS</b>	<b>22,315,750</b>	<b>244,369</b>	<b>2,221,428</b>	<b>11.0%</b>	<b>-115,629</b>	<b>-129,872</b>	<b>1,005,253</b>	<b>72,000</b>	<b>\$32.46</b>	<b>\$32.83</b>
<b>OTTAWA TOTALS</b>	<b>43,126,553</b>	<b>521,278</b>	<b>4,782,549</b>	<b>12.3%</b>	<b>-134,933</b>	<b>-34,018</b>	<b>1,555,402</b>	<b>72,000</b>	<b>\$36.75</b>	<b>\$40.14</b>

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

## KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SF	DEAL TYPE
343 Preston Street	Ottawa West Dispersed	Undisclosed	19,533	Sublease
2932 Baseline Road	Ottawa West Dispersed	Undisclosed	14,148	New Deal
1000 Innovation Drive	Kanata North	TCC Canada	12,840	New Deal
75 Albert Street	CBD	Undisclosed	11,344	New Deal

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## KEY SALES TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
250 Lanark Avenue	Ottawa West Dispersed	Her Majesty the Queen in right of Canada / Canada Lands Company CLC Ltd	49,100	\$14,333,172 / \$292
2555 St Joseph Boulevard	Orleans	2292912 Ontario Inc / AP (2555 St Joseph) GP Inc	45,781	\$6,250,000 / \$137
150 - 160 Laurier Avenue West	CBD	11922475 Canada Inc / 11847597 Canada Inc	36,146	\$13,780,000 / \$381

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