

MARKET FUNDAMENTALS

| | YOY Chg | Outlook |
|--|------------|---------|
| 12.3% Vacancy Rate | ▼ | ▼ |
| -34K YTD Net Absorption SF | ▲ | ▲ |
| \$36.75 Asking Gross Rent PSF <small>(Overall, All Property Classes)</small> | ▲ | ▲ |

ECONOMIC INDICATORS

| | YOY Chg | Outlook |
|-------------------------------------|------------|---------|
| 664K Ottawa Employment | ▼ | ▲ |
| 7.3% Ottawa Unemployment Rate | ▲ | ▲ |
| 6.5% 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

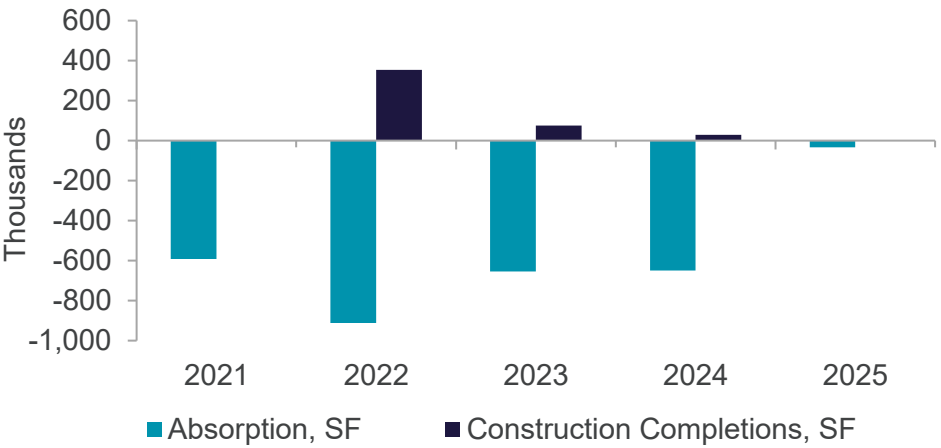
Ottawa’s overall office vacancy rate settled at 12.3% in Q4 2025. Vacancy in the Central market slightly increased to 13.6%. Despite a significant decline in vacancy within the Lowertown/Sandy Hill Class C segment, from 47.4% to 29.0%, the overall Central Class C vacancy rate increased quarter-over-quarter (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.

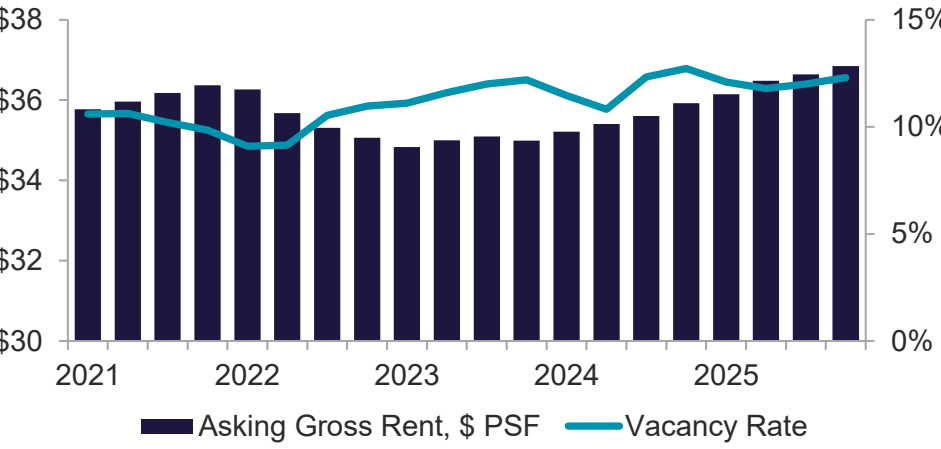
PRICING

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 |
| CENTRAL AREA TOTALS | 20,810,803 | 276,909 | 2,561,121 | 13.6% | -19,304 | 95,854 | 550,149 | 0 | \$39.87 | \$48.18 |
| 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 |
| SUBURBAN WEST TOTALS | 16,087,878 | 169,548 | 1,616,633 | 11.1% | -60,969 | -104,374 | 843,667 | 72,000 | \$31.38 | \$31.50 |
| 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 |
| TOTAL SUBURBAN TOTALS | 22,315,750 | 244,369 | 2,221,428 | 11.0% | -115,629 | -129,872 | 1,005,253 | 72,000 | \$32.46 | \$32.83 |
| OTTAWA TOTALS | 43,126,553 | 521,278 | 4,782,549 | 12.3% | -134,933 | -34,018 | 1,555,402 | 72,000 | \$36.75 | \$40.14 |

*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 Stree | 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 |

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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