



# VIEWPOINT GREEN

OTTAWA GREEN OFFICE MARKET REPORT 1Q13



**CUSHMAN &  
WAKEFIELD**®

OTTAWA  
Green Real Estate Practice Group

# GREEN VIEWPOINT

## GREEN MARKET OVERVIEW

Overall green inventory dropped for the second quarter in a row to 10.2 million square feet as several buildings came up for recertification under the BOMA BESt program. Green leasing activity hit highest first quarter level in two years, clocking in at 99,846 square feet. The first quarter also saw positive absorption in the green market of 244,859 square feet, boosted by the completion of Controlex's LEED-Gold targeted development at 395 Terminal Avenue for Public Works and Government Services Canada.

Overall green market occupancy rose this quarter by 20 basis points to 92.2%, while traditional market occupancy fell by 40 basis points to reach the same level. Direct green market occupancy held stable at 94.3% in the first quarter, while traditional market occupancy fell 70 basis points to 93.4%.

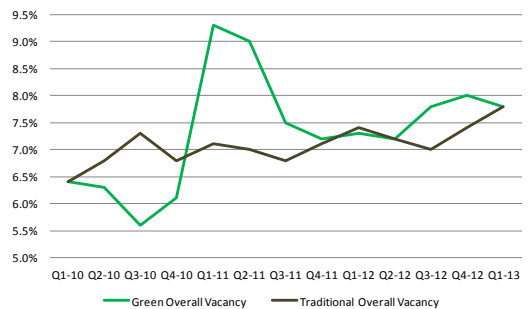
In other news, 150 Slater Street received LEED Gold – Core & Shell certification this quarter, making it Ottawa's newest LEED Gold building. "150 Slater Street is an outstanding building", said Scott Brooker of the Cushman & Wakefield Ottawa Green Real Estate Practice Group, "both from an efficiency and architectural perspective. This is the type of building that should serve as the new benchmark for downtown Ottawa." Export Development Canada has submitted their application for LEED for Commercial Interiors, also targeting Gold certification.

## GREEN VIEWPOINT

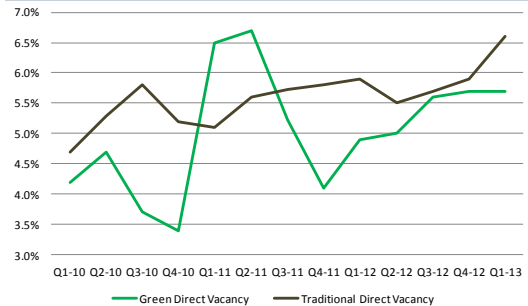
"The Green market continues to outperform the traditional market, providing tenants with more efficient, healthier workplaces and Landlords with fuller buildings. It's a win-win scenario."

-James McNeil, Green Real Estate Practice Lead  
C&W Ottawa Green Real Estate Practice Group

## OVERALL VACANCY



## DIRECT VACANCY



## GREEN MARKET OUTLOOK

We anticipate that the Green office market will continue to outperform the traditional market and maintain higher direct occupancy levels throughout 2013. Green inventory is likely to rise throughout the year, albeit modestly, as owners recertify their buildings under the BOMA BESt program. We also anticipate the certification of 1-2 new LEED buildings in 2013.

## GREEN MARKETPLACE



### 150 Slater Street

LEED Gold Core & Shell  
Available Space: up to 80,450 sf  
Can be subdivided

[Click Here to Watch the Video](#)

FOR LEASING INFORMATION

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### 2611 Queensview Drive

Target: LEED Silver  
Available Space: 38,000 sf,  
can be subdivided

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## GREEN HIGHLIGHTS

### SIGNIFICANT Q4-2012 GREEN LEASING TRANSACTIONS

Building	LEVEL	TENANT	sf
45 O'Connor Street	LEED Gold	Boeing	8,900
340 Albert Street	BOMA BEST 4	Blakes Services	7,000

### SIGNIFICANT GREEN BUILDING COMPLETIONS

Building	LEVEL TARGETED	MAJOR TENANT	sf
395 Terminal Avenue	LEED Gold	PWGSC	269,100

### SIGNIFICANT GREEN PROJECTS UNDER CONSTRUCTION

Building	LEVEL TARGETED	MAJOR TENANT	COMPLETION
150 Elgin Street	LEED Gold	Canada Council for the Arts	Q1 2014
90 Elgin Street	LEED Gold	PWGSC	Q4 2014

### SIGNIFICANT GREEN CERTIFICATIONS

Building	LEVEL	LANDLORD	CERTIFICATION DATE
150 Slater Street	LEED Gold – Core & Shell	Manulife	February 15, 2013

## OTTAWA GREEN MARKET STATISTICS – Q1 2013, by Certification Level

Certification Level	No. of Buildings	Inventory (sf)	Overall Vacancy Rate	Direct Vacancy Rate	Q1 Leasing Activity (sf)	Weighted Average Asking Net Rental Rate	Weighted Average Gross Rental Rate
LEED Platinum	1	355,000	0%	0%	0	-	-
LEED Gold†	7	2,294,653	11.1%	9.6%	30,340	\$28.00	\$52.55
LEED Silver	2	293,317	45.0%	33.2%	2,506	\$19.37	\$36.35
LEED Certified	1	150,000	25.7%	0%	0	-	-
BEST 4	3	776,000	1.4%	0.8%	15,841	\$28.00	\$53.18
BEST 3	16	4,295,430	2.5%	2.4%	36,551	\$27.83	\$54.59
BEST 2	22	3,032,822	11.5%	9.6%	21,705	\$19.60	\$39.50
<b>Total Green Market</b>	<b>48</b>	<b>10,208,849</b>	<b>7.8%</b>	<b>5.7%</b>	<b>99,846</b>	<b>\$25.59</b>	<b>\$47.33</b>

† 395 Terminal Ave certification pending

## OTTAWA GREEN MARKET STATISTICS – Q1 2013, by Market/Submarket

Market/Submarket	No. of Buildings	Inventory (sf)	Overall Vacancy Rate	Direct Vacancy Rate	Q1 Leasing Activity (sf)	YTD Absorption (sf)	Weighted Average Gross Rental Rate
Downtown Core	28	7,737,985	6.1%	4.5%	74,503	20,297	\$50.44
Byward Market	1	81,075	7.6%	7.6%	0	0	\$40.73
Gloucester	1	258,587	4.6%	0%	0	(12,000)	-
Ottawa East†	3	470,101	5.9%	5.9%	0	269,100	\$31.63
Kanata	11	1,268,501	16.1%	12.9%	25,343	(32,538)	-
Ottawa West	1	72,000	50.0%	50.0%	0	0	\$34.50
Nepean	3	320,600	12.0%	0%	0	0	-
<b>Total Green Market</b>	<b>48</b>	<b>10,208,849</b>	<b>7.8%</b>	<b>5.7%</b>	<b>99,846</b>	<b>244,859</b>	<b>\$47.33</b>

† 395 Terminal Ave certification pending

## TEAM PROFILE



James McNeil , RPA ,LEED AP  
Vice President\*  
Green Real Estate Practice Lead  
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With 25 years experience in commercial real estate James McNeil is one of the most experienced & competent commercial realtors in the Ottawa market. He is recognized internationally as a leading expert in green buildings and sustainable workplaces. James specializes in Tenant Representation for office, industrial and retail clients, office leasing, facilities dispositions and the marketing and leasing of LEED certified buildings. As a leading advocate of green buildings and their effects on climate change and the greater economy, James is a keynote speaker and regularly consulted and quoted by local and national media on green buildings and related issues. James is the Past President of the Ottawa Chapter Canada Green Building Council and a Director of the Ottawa Chamber of Commerce Environment Committee .



Scott Brooker  
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Scott has completed over \$58 million in commercial real estate transactions. As a founding member of the Cushman & Wakefield Ottawa Green Real Estate Practice Group he provides clients with sustainable real estate solutions that create value for their overall operations. He is an internationally recognized expert in the field of green commercial real estate. Scott has been quoted in various publications and is a regular speaker on the topic. He sits on the CaGBC-ORC Existing Buildings Committee and holds a Bachelor of Commerce Degree in International Business from Dalhousie University & the Copenhagen Business School. Scott is focused on driving sustainable value for his clients through their real estate accommodations.

LinkedIn Group:

[OTTAWA GREEN BUILDINGS AND SUSTAINABLE WORKPLACES](#)

Twitter: <http://www.twitter.com/CWOGreen>

<http://www.twitter.com/ottawagreen>



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## ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield was founded in 1917. Today the firm has 231 offices throughout the globe in 58 countries. C&W employs 13,000 talented professionals who create, optimize, and protect value for clients in every region of the world. We assist clients in every stage of the real estate process, representing them in buying, selling, financing, leasing, managing, valuing assets, providing strategic planning and research, portfolio analysis, site selection, and space location, among other advisory services.

## ABOUT THE OTTAWA GREEN REAL ESTATE PRACTICE GROUP

The Cushman & Wakefield Ottawa Green Real Estate Practice Group is the only brokerage that has evaluated the level of sustainability of all office buildings in the National Capital Region. We track all of Ottawa's green buildings, the availability of leased space in these buildings and the overall growth of the green market, providing clients with qualitative and quantitative metrics of features that reduce operating costs, reduce tenant's capital requirements for both initial and ongoing leasehold improvements, as well as design features that specifically increase employee productivity and reduce absenteeism. We integrate sustainability into the traditional commercial leasing process

## ABOUT THE BETTER BUILDINGS BREAKFAST SERIES

It's important to create a more sustainable Ottawa CWO GREPG along with RENX.ca host the Better Buildings Breakfast Series which is an opportunity for to learn about sustainable buildings and network with peers in the green real estate sector. The breakfasts serve an exciting line up of speakers, leaders in real estate, with informative presentations about how to create a sustainable built environment.

## CONTACTS

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Cushman & Wakefield Ottawa is a proud member of the Canada Green Building Council