



MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.3% Vacancy Rate	▲	▼
-30K YTD Net Absorption SF	▼	▲
\$16.61 Asking Net Rent PSF <i>(Overall, Net Asking Rent)</i>	▲	▼

ECONOMIC INDICATORS

	YOY Chg	Outlook
713.5K Ottawa Employment	▲	▲
5.5% Ottawa Unemployment Rate	▲	▼
6.7% Canada Unemployment Rate <i>Source: Statistics Canada</i>	▲	▲

ECONOMY

In March 2025, Canada’s unemployment rate remained unchanged from the previous quarter at 6.7%. National employment declined by 33,000, with Ontario accounting for 28,000 job losses—the province’s first significant decline since December 2023. Despite this, Ottawa’s labour market strengthened, as the unemployment rate dropped 40 basis points (bps) to 5.5% in Q1 2025, accompanied by a gain of 40,500 jobs.

SUPPLY AND DEMAND

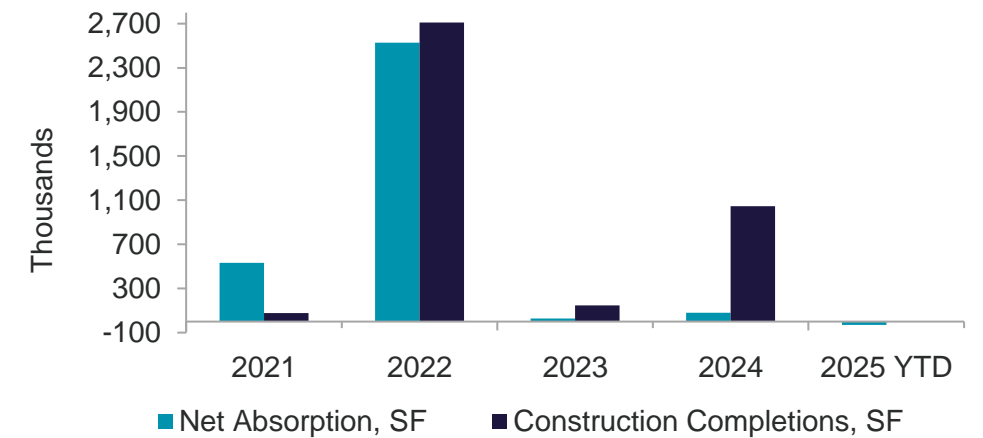
The upward trend in Ottawa’s industrial vacancy rate during 2024 came to a halt in Q1 2025, with a slight decrease in vacancy from 5.4% to 5.3% quarter-over-quarter (QOQ). The Suburban West market recorded a 20-bps increase, reaching 6.2%, driven by rising vacancy in the Ottawa West Dispersed and Kanata South markets, where vacancy rates increased by 40 bps and 100 bps, respectively. Conversely, the Suburban East market posted a 30-bps decline in vacancy from last quarter, settling at 4.2%. While vacancy rose in the Ottawa Business Park, the Hawthorne/Stevenage and Vanier/St. Laurent/Industrial submarkets recorded notable declines. Hawthorne/Stevenage recorded a 230-bps drop, reducing its vacancy rate to 4.5%.

Leasing activity in the Ottawa industrial market totaled 447k square feet (sf) in Q1 2025, marking a significant 324k-sf increase from last quarter. The Suburban West market recorded 71k sf of leasing activity, driven by an increase in transactions in the Kanata South and Stittsville markets. Meanwhile, the Suburban East market tripled its leasing activity from the previous quarter, reaching 376k sf. The Hawthorne/Stevenage and Sheffield/Michael markets accounted for the majority of the increase in Q1 2025, with 144k sf and 160k sf leased, respectively.

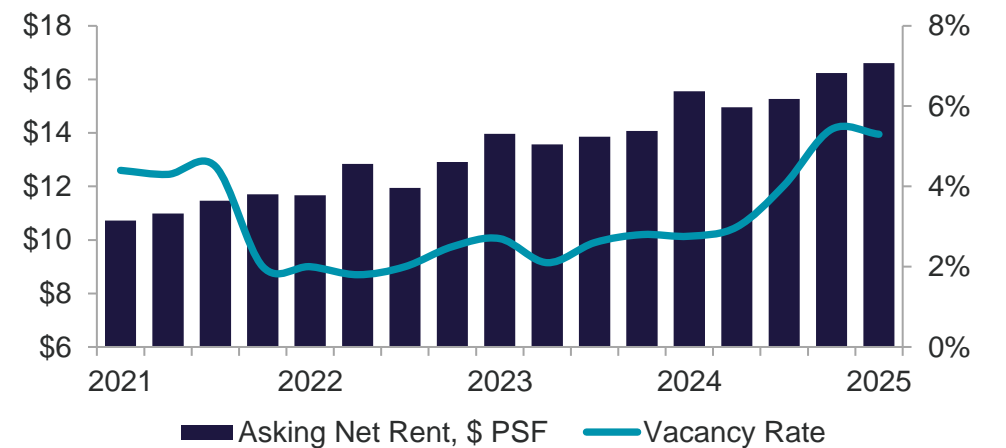
PRICING

The average direct net asking rent in the Ottawa industrial market continued its upward trajectory, reaching \$16.61 per square foot (psf) in Q1 2025. The Suburban East market posted a QOQ increase of \$0.87 psf, bringing its rate to \$16.12 psf, while the Suburban West market recorded a slight decline to \$17.14 psf.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING NET RENT



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	34,486	3.6%	-2,939	-2,939	0	0	\$16.35	\$8.26	\$24.62
Ottawa West Dispersed	4,708,779	106,483	2.3%	-19,074	-19,074	0	0	\$15.44	\$9.20	\$24.64
Barrhaven	2,778,232	39,500	1.4%	0	0	-	0	\$16.33	\$5.91	\$22.23
Kanata North	937,184	27,494	2.9%	-2,934	-2,934	0	0	\$14.00	\$11.59	\$25.59
Kanata South	678,000	16,686	2.5%	-6,262	-6,262	0	0	\$15.00	\$12.37	\$27.37
Stittsville	1,115,324	494,745	44.4%	0	0	0	0	\$17.95	\$4.75	\$22.70
Deep West Dispersed	409,354	3,080	0.8%	0	0	0	0	N/A	N/A	N/A
WEST OTTAWA TOTALS	11,593,435	722,474	6.2%	-31,209	-31,209	0	0	\$17.14	\$6.08	\$23.22
Hunt Club Corridor	277,280	24,735	8.9%	0	0	0	0	N/A	N/A	N/A
Ottawa South Dispersed	563,691	90,806	16.1%	0	0	0	0	\$16.82	\$4.64	\$21.46
SOUTH OTTAWA TOTALS	840,971	115,541	13.7%	0	0	0	0	\$16.82	\$4.64	\$21.46
Hawthorne/Stevenage	2,702,616	122,810	4.5%	61,318	61,318	201,963	0	\$17.54	\$6.00	\$23.53
Gloucester	1,029,818	22,885	2.2%	-4,684	-4,684	0	0	\$12.72	\$7.15	\$19.86
Orleans	521,475	41,796	8.0%	0	0	0	0	\$20.00	\$8.20	\$28.20
Ottawa Business Park	1,325,558	104,786	7.9%	-9,205	-9,205	-	0	\$14.32	\$7.25	\$21.57
Vanier / St. Laurent / Industrial	1,819,560	58,699	3.2%	4,405	4,405	0	0	\$16.93	\$7.51	\$24.43
Sheffield / Michael	7,096,546	265,425	3.7%	-48,625	-48,625	0	0	\$15.50	\$6.69	\$22.19
Ottawa East Dispersed	1,432,012	48,945	3.4%	-2,208	-2,208	0	0	\$14.28	\$5.44	\$19.71
EAST OTTAWA TOTALS	15,927,585	665,346	4.2%	1,001	1,001	201,963	0	\$16.12	\$6.53	\$22.65
OTTAWA TOTALS	28,361,991	1,503,361	5.3%	-30,208	-30,208	201,963	0	\$16.61	\$6.15	\$22.76

KEY LEASE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
4120 Russell Road	Hawthorne / Stevenage	Distribution Stox	127,039	New Deal
1199 Newmarket Street	Sheffield / Michael	Miller Waste Systems Inc	108,000	New Deal
2101 Bantree Street	Sheffield / Michael	AMJ	34,500	New Deal
1680 Vimont Court	Orleans	The Forge Pickleball Club	30,217	New Deal

KEY SALES TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
6431 Bank Street	Ottawa South Dispersed	Named Individual(s) / 6431 Bank Street Holdings Inc	*181,210	\$4,200,000
2600 Edinburgh Place	Sheffield / Michael	JD Brule Investments Holding Ltd / 1001055467 Ontario Inc	*135,036	\$8,900,000
1519 Star Top Road	Sheffield / Michael	7703643 Canada Inc / National Capital Commission	*23,958	\$4,300,000
300 Legget Drive	Kanata North	3769551 Canada Inc / DNA Medical Partners Inc	13,038	\$3,500,000 / \$268

*Land Area

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