

# Occupier's Guide

Much like the majority of 2019, the Ottawa office market continues to experience strong activity throughout most of its sub-markets as things transition to Q4.

Limited inventory continues to present significant challenges for occupiers looking to secure pockets of space that are larger than 25,000SF. This has many wondering what kind of new construction projects may be on the horizon in the near future.

With public transit still a top priority for many employers looking to attract young talent, the arrival of the City of Ottawa's Confederation Line will provide added incentive to those situated in close proximity to transit stations. This should have an impact on availability rates most notably in the Central Business District.

## Rental and Vacancy Rates

Submarket/Building Class	Base Rental Rate	Vacancy Rate Percentage	Change from Previous Quarter
<b>Greater Ottawa</b>			
Overall	\$16.42	4.4%	-0.3%
Class A	\$19.56	8.0%	-0.6%
Class B	\$15.92	3.5%	-0.6%
<b>Downtown Core</b>			
Overall	\$19.30	5.4%	-0.2%
Class A	\$23.94	6.8%	+0.3%
Class B	\$18.27	3.9%	-0.3%
<b>Suburban West</b>			
Overall	\$15.04	4.4%	-0.3%
Class A	\$16.37	5.5%	+1.1%
Class B	\$15.19	4.6%	-1.5%
<b>Suburban East</b>			
Overall	\$15.02	5.7%	-1.5%
Class A	\$16.21	28.8%	-12.3%
Class B	\$14.53	4.5%	-1.1%



Vacancy  
4.4%



Average Rent  
\$16.42/SF



Net Absorption SF  
193,909 SF

## Notable Transactions

Transaction Type	Size	Submarket	Use
Lease	23,616 SF	Ottawa East	Office
Lease	22,537 SF	Ottawa West	Office/Flex
Lease	21,440 SF	CBD	Office
Lease	19,826 SF	Ottawa West	Office
Lease	16,240 SF	Ottawa South	Office

## Occupier's Perspective



Sub-markets like the CBD could experience significant change due to the outcome of the upcoming federal election.



With market activity increasing, occupier's should ensure they are allotting enough time to make calculated decisions.



Occupier's looking for more economical solutions may wish to entertain co-working or sublease opportunities.

## Market Trends



### Demand for large pockets of space

Large pockets of space remain limited with very little inventory available in most of the city's sub-markets. Tenant's are being forced to think outside the box to achieve viable solutions.

### Co-working in the Ottawa Market

The Downtown/Fringe Core sub-markets remain very active as a rise in co-working spaces have allowed many companies to locate themselves in space they otherwise may not have been able to secure through a traditional office lease.

### LRT Phase 1 Arrival

With the LRT now fully operational, a rise in activity in sub-markets as well as buildings located along the Confederation Line can be expected now that they have become more accessible.