CBRE

Vacancy stabilizing from Q1 run-up

▼ 6.8%
Availability Rate

▲ 58K
SF Net Absorption

▶ 32K
SF Under Construction

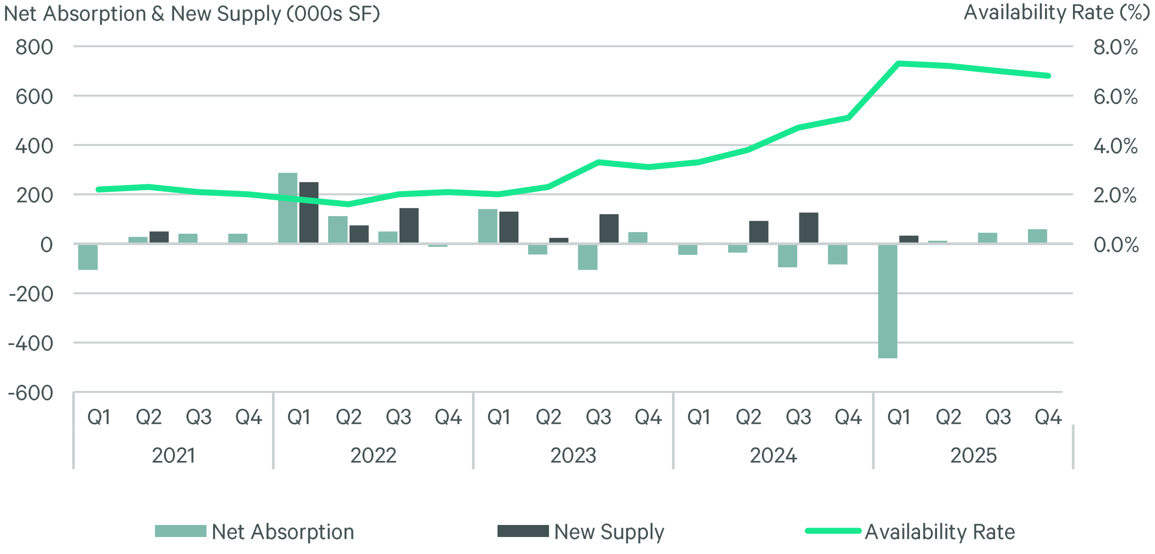
▲ $14.16
PSF Net Rental Rate

Note: Arrows indicate change from previous quarter.

Overview

- The availability rate recorded a decrease of 20 basis points (bps) quarter-over-quarter, reaching 6.8% in Q4 2025.
- Net asking rents remain stable in the low $14.00 per sq. ft. range for the sixth consecutive quarter.
- Properties in the <18' clear height range experienced the most significant rental rate change, climbing by 6.4% QoQ and returning to Q2 averages. The gap between these properties and spaces that offer a >26' clear height is still present.
- Q4 2025 recorded 58,370 sq. ft. of net absorption, a continuing step in the right direction towards reducing the run-up that occurred in Q1.

FIGURE 1: GQA Supply & Demand



Source: CBRE Research, Q4 2025.

Stable net asking rents despite high vacancy

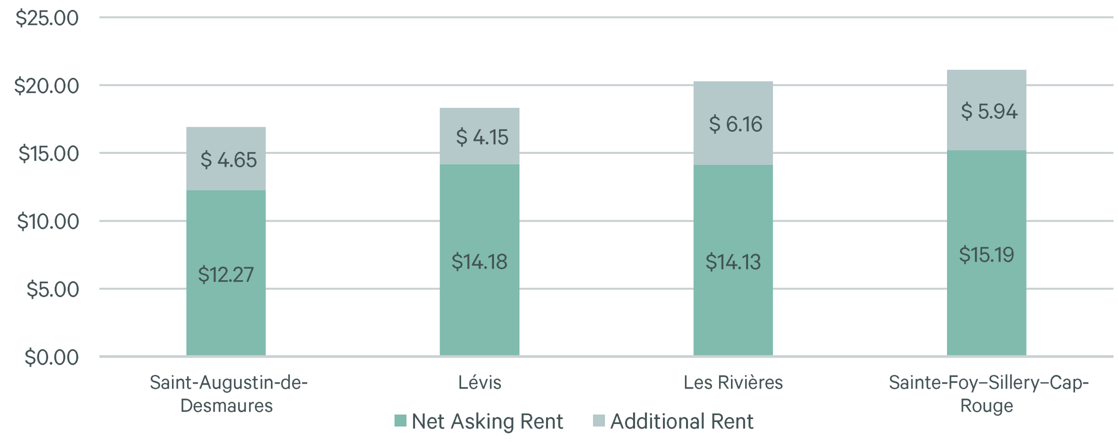
Net asking rents remained relatively stable as Q4 2025 marked the fifth consecutive quarter of values hovering above $14.00 per sq. ft.. Saint-Augustin-de-Desmaures had the lowest net asking rent at $12.27 per sq. ft., while the asking rent for Sainte-Foy–Sillery–Cap-Rouge was significantly higher at $15.19. There has been progress by landlords to reduce their additional rents. Downwards pressure in the last few quarters has pushed average asking additional rents to below the $6.00 mark, with some legacy properties in the low $4.00 per sq. ft.

From Q4 2024 to Q1 2025 vacancy climbed 217 bps to 7.3%. The Greater Quebec City Area (GQA) was following trends similar across the nation. Major Canadian markets have an oversupply of new construction and revisions on large bay prices put downward pressure on rents. Since Q1 2025, the GQA has been slowly absorbing the shock as vacancy currently sits at 6.8%. The lack of projects under construction will give the market time to adjust and absorb space, particularly in the 18'-26' range. Quality supply remains tight and has been a factor that has kept asking rent levels stable.

Large bay listings represent largest share of availabilities

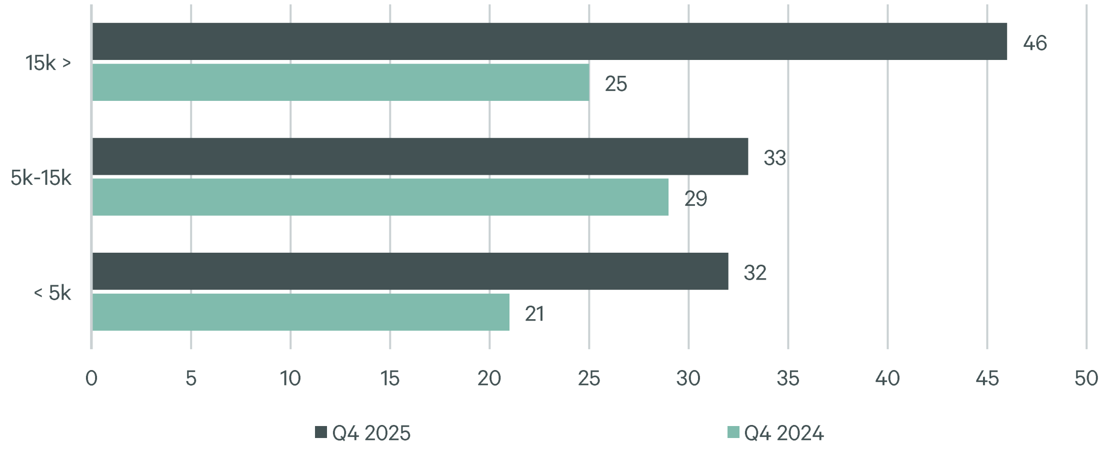
Despite Québec City being a regional market, listings are skewed towards the above 15,000 sq. ft. tranche. In Q4 2025, 46 listings are in the over 15,000 sq. ft. category, while the 5,000-15,000 sq. ft. and below 5,000 sq. ft. range are at 33 and 32 listings, respectively. This shows a shift from Q4 2024 where there were no clear size ranges from a large, medium, and small bay perspective that dominated the market. That said, prospective tenants continue to have a variety of options at various size ranges and clear heights.

FIGURE 2: Net Asking Rent by Node ($ PSF)



Source: CBRE Research, Q4 2025.

FIGURE 3: Availability Distribution by Size Range (sq. ft)



Sources: CBRE Research, Q4 2025.

Flight-to-quality evident as reflected by available space

The share of availability by class shifted in 2025 with Class A options dropping 981 bps to 37% market share. This supports the flight-to-quality narrative that has headlined the 2025 GQA industrial market.

In Q4, available space increased in the 26' clear height and above category by 150,000 sq. ft. In contrast, the below 18' range had the largest proportional decrease in available space as these properties saw high tenant demand. Despite this, the 18'-26' range still represents the lion's share of space, accounting for 81.4% of all available sq. ft. As construction has slowed down, the buildings delivered within the last five years have been absorbed swiftly. In turn, this decreases demand for outdated options.

The price gap in clear heights endures in the 26' and above segment. Although the gap is faded in lower clear height segments, rental rates in the higher clear heights continue to drive net asking rental rates.

FIGURE 4: Share of Available Space by Class

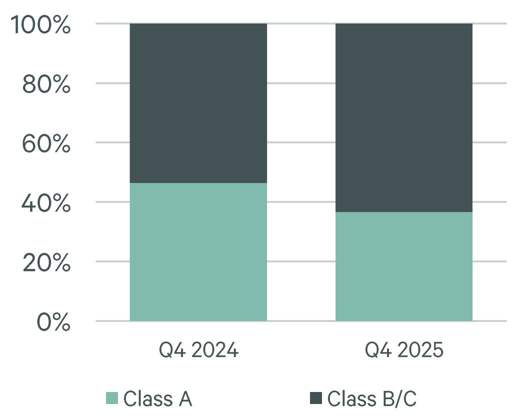
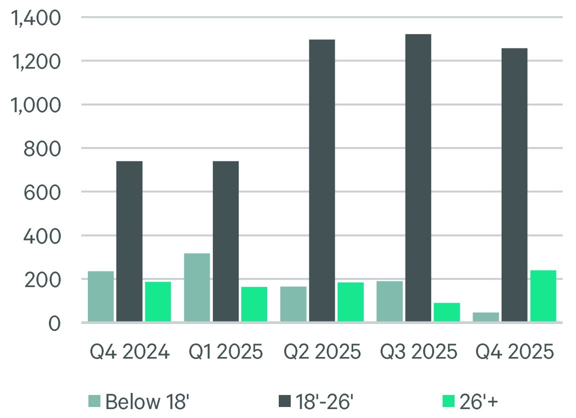


FIGURE 5: Available Space for Lease by Clear Height (000s SF)



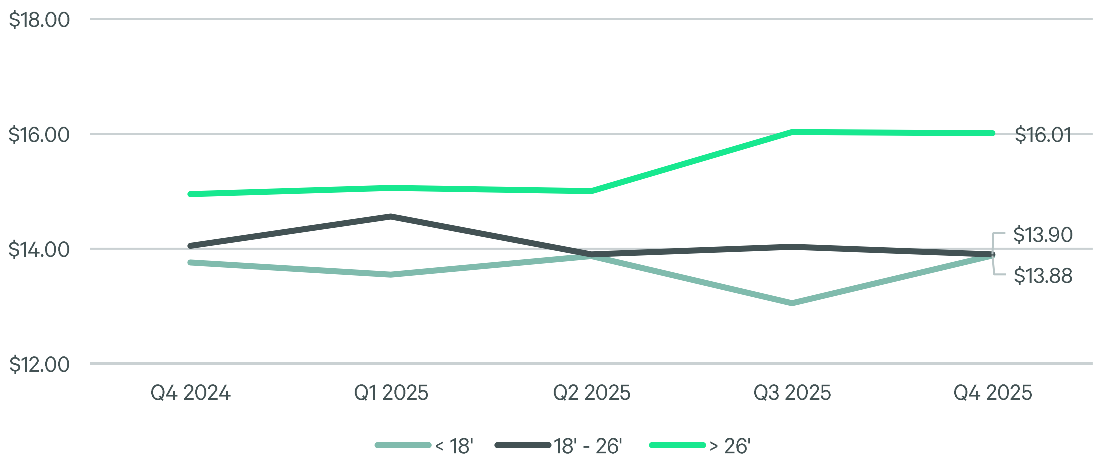
Source: CBRE Research, Q4 2025.

FIGURE 6: Industrial Statistical Summary

MARKET STATS	TOTAL	Q / Q	MARKET STATS	TOTAL	Q/Q
Inventory (SF)	22,766,701	◀▶	Quarter New Supply (SF)	0	◀▶
Availability Rate	6.8%	▼	Under Construction (SF)	31,915	◀▶
Vacancy Rate	6.7%	◀▶	Avg. Net Asking Rent (PSF)	$14.16	▲
% Availabile Space for Sublet	14.1%	▼	Avg. TMI (PSF)	$5.91	▼
Quarter Net Absorption (SF)	58,370	▲	Avg. Asking Sale Price (PSF)	$204.80	▼

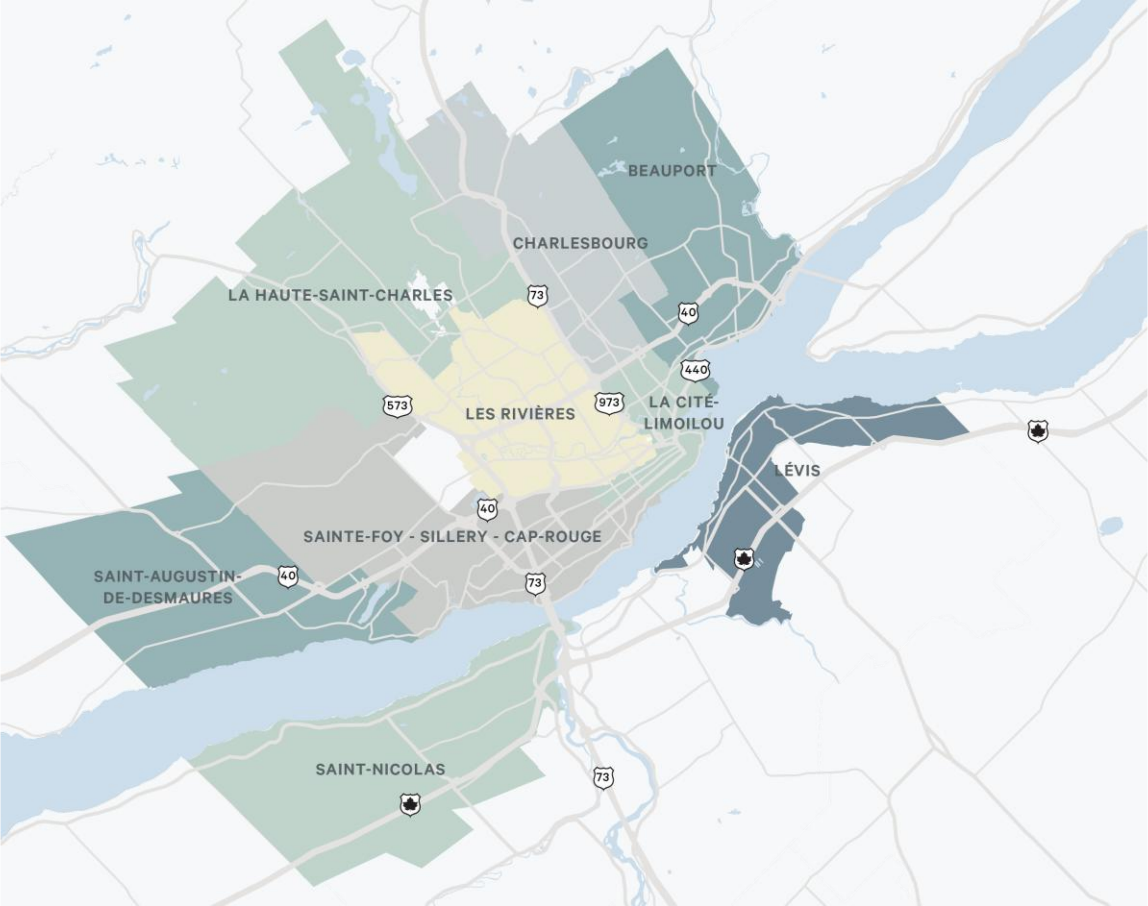
Source: CBRE Research, Q4 2025.

FIGURE 7: Net Asking Rent by Clear Height ($PSF)



Source: CBRE Research, Q4 2025.

Market Area Overview



Survey Criteria

CBRE's market report analyses fully modern industrial buildings of 20,000+ sq. ft. across the Greater Quebec Area. CBRE assembles all information through telephone conversations and listings received from owners and members of the commercial real estate brokerage community.

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