

Montreal

Industrial - Q1 2026



Positive absorption as market continues to stabilize

The Greater Montreal Area (GMA) has experienced a second quarter of positive absorption over the last three years, as the market continues to show signs of recovery. Amazon's departure from Quebec exacerbated the trend of rising vacancy, as their facilities accounted for 0.7% of the GMA's inventory at the time of their announcement. This masked how market fundamentals were beginning to recover outside of this one-time market shock. Vacancy has risen 180 basis points (bps) from last year but the rate of increase shows signs of slowing. The back-to-back decision paralysis stemming from COVID and tariff shocks has worn off as disruption becomes the new normal and businesses can no longer postpone their next cycle of leasing activity.

Asking rates remain suppressed but finding a floor

The GMA's average asking rent has fallen 7.1% year over year to \$13.28. Current asking rates are often reflecting first-year teaser rates and tenants can expect larger rent escalations as landlords begin to price in the market recovery.

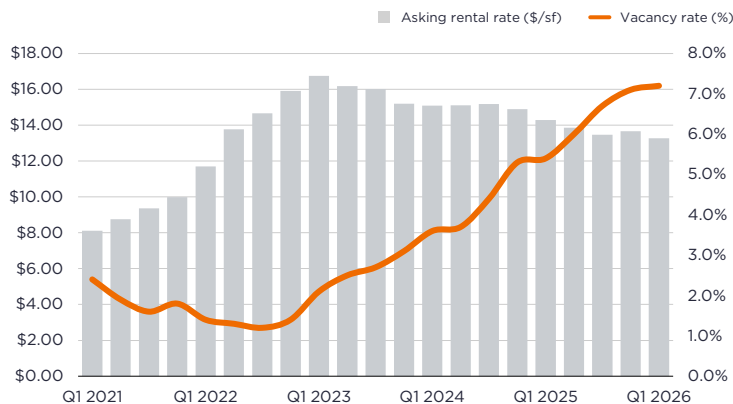
North Shore holds largest share of active construction

Construction activity has been stable in the GMA over the last year, increasing by 0.2 million square feet (msf) from Q1 2025 to a total of 1.6 msf in Q1 2026. The North Shore submarket accounts for 55.5% of current square footage under construction, driven largely by Rosefellow's Buildings A and C of its RF 18.0 complex as well as Plan A's St-Jerome industrial park. Several notable construction projects slated to begin this year are Loracon's 40NetZero Building C in Montreal's East End, Rosefellow's build-to-suit for Intelcom in Champlain and Montoni's Laval Ecopark 15 Building 2B in Laval, representing close to 0.7 msf of product that will enter the pipeline.

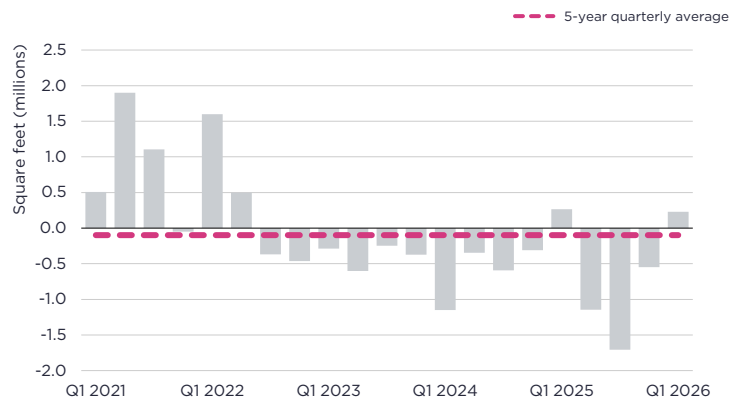
KEY STATISTICS

Greater Montreal Area (GMA)	Q1 2025	Q1 2026	Y-O-Y
Inventory	337.5 msf	348.1 msf	+10.6 msf
Vacancy rate	5.4%	7.2%	+180 bps
Asking rental rate	\$14.29	\$13.28	-7.1%
Net absorption YTD	0.8 msf	0.2 msf	-0.6 msf
Deliveries YTD	0.7 msf	0.6 msf	-0.1 msf
Under construction	1.4 msf	1.6 msf	+0.2 msf

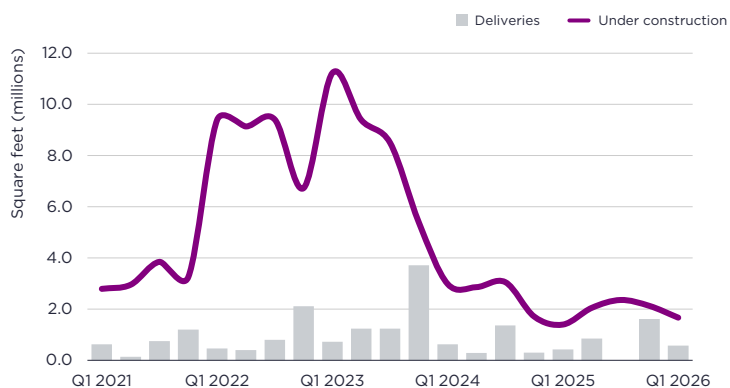
ASKING RENT AND VACANCY



NET ABSORPTION



DELIVERIES AND CONSTRUCTION



Outlook

01 Appetite for large-bay warehouses has returned and could continue as occupiers reassess their real estate strategies after years of pause.

02 Montreal's 39% hike on industrial tax assessments could make periphery markets more attractive to cost-conscious occupiers.

03 Landlords will remain competitive on inducements in the near term on long-standing vacancies despite the gradual market recovery.

NOTABLE LEASES

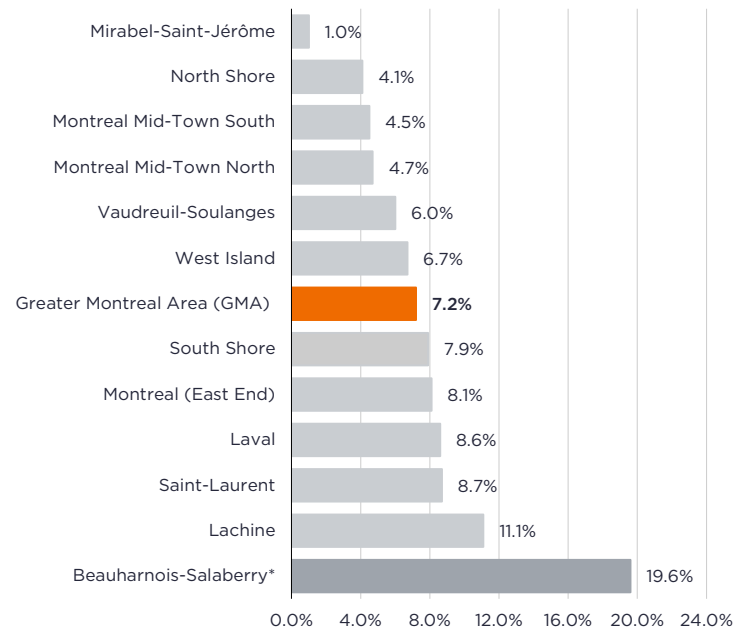
*Expansion Source: Savills Research

Tenant	Size (SF)	Submarket	Address	Transaction type	Industry
Maersk	237,173	Montreal (East End)	11281-11299 boulevard Albert-Hudon	Renewal	Logistics & Distribution/3PLs
Intelcom	188,618	South Shore	400 avenue Liberté	New Lease	Logistics & Distribution/3PLs
Guess Canada	142,245	Montreal (East End)	12225 boulevard Industriel	Renewal*	Consumer Goods
Kuehne+Nagel	136,830	Montreal (East End)	1750-1950 rue des Futailles	New Lease	Logistics & Distribution/3PLs
Agropur Cooperative	123,675	North Shore	500 rue Hector-Lanthier	New Lease	Food & Beverage

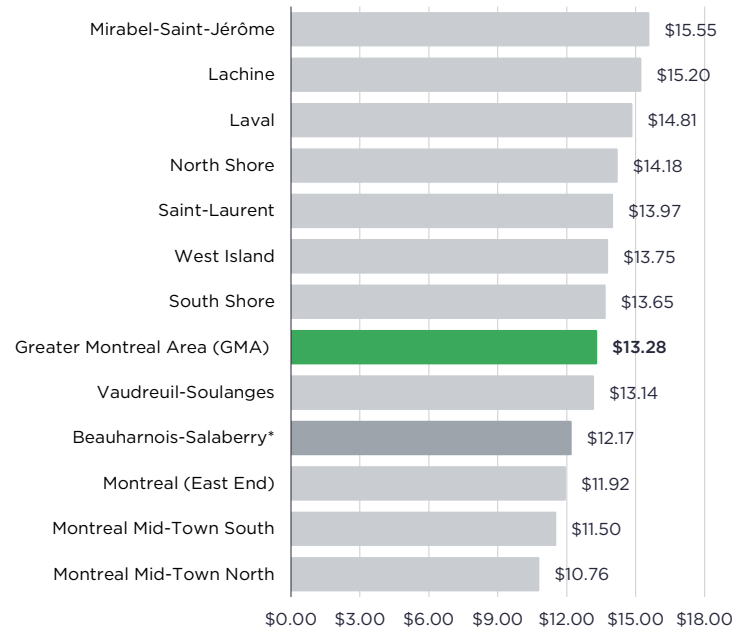
NEW DEVELOPMENTS

Developer / Tenant	Size (SF)	Submarket	Address	Development type	Status
Rosefellow	306,680	North Shore	500 Hector-Lanthier Rue	Speculative (available)	Under Construction
Montoni	257,339	Laval	Rue Jules-Brillant	Speculative (partially leased)	Under Construction
Rosefellow	241,000	North Shore	504 Hector-Lanthier Rue	Build-to-suit	Under Construction
Loracon	195,000	Montreal (East End)	9200 Boul Henri-Bourassa East	Speculative (available)	Under Construction
Montoni	192,299	North Shore	2055 Des Entreprises Boulevard (Expansion)	Speculative (available)	Delivered Q1 2026

VACANCY RATE COMPARISON (%) MONTREAL SUBMARKETS



RENTAL RATE COMPARISON (\$/SF) MONTREAL SUBMARKETS



*Not included in GMA

Savills Research

For more information, please contact us:

Savills Montreal
Real Estate Agency
3773, boulevard de la Côte-Vertu
Suite 160
Montreal H4R 2M3
+1 514 416 1270

Thom Slater
Research Manager
tslater@savills.ca

savills.ca



Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical vacancy and rent data are subject to change due to changes in inventory. The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research. Copyright © 2026 Savills