MARKETBEAT
LONDON
INDUSTRIAL Q1 2026

CUSHMAN & WAKEFIELD
Southwestern Ontario

MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.3% Vacancy Rate	▲	—
-305,450 YTD Net Absorption, SF	▼	▲
$11.00 Asking Rent, PSF	▲	▼

(Overall, Net Asking Rent)

ECONOMIC INDICATORS

	YOY Chg	Outlook
323K London Employment	▼	—
8.8% London Unemployment Rate	▲	—
6.7% Canada Unemployment Rate	▲	▲

Source: Statistics Canada. Labour force characteristics, three month moving average, seasonally adjusted. February 2026.

ECONOMY

The local unemployment rate jumped by 180 basis points (bps) quarter-over-quarter (QOQ), rising to 8.8% in the first quarter of 2026. Despite some economic momentum and several notable planned investments including the ongoing development of the PowerCo battery plant in St. Thomas and the recent announcement of a new defense contract for expanded munitions production in Ingersoll, key economic indicators have taken a turn for the worse to begin 2026. Not only did the unemployment rate jump significantly and diverge from the national and provincial averages, total employment decreased in the first quarter of 2026, falling to 323,300 jobs, which also represents a year-over-year (YOY) decline. These key economic indicators align with the Conference Board of Canada outlook that forecasts sluggish economic growth over the next couple of years, before a return to greater stability towards the end of 2027.

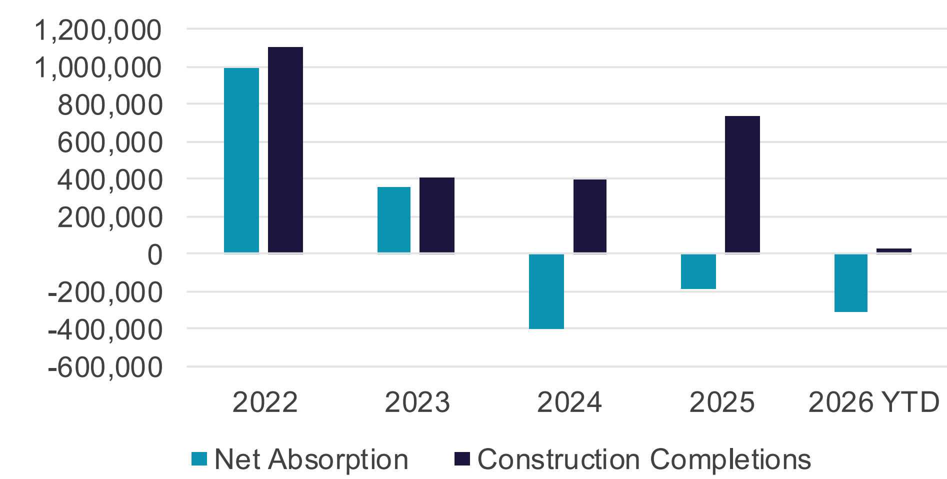
SUPPLY AND DEMAND

London's overall industrial vacancy rate continued to trend upwards, increasing by 70 bps from Q4 2025 to 5.3% in the first quarter of 2026. The city-wide industrial vacancy rate has now increased YOY in each of the past two years, as the local industrial market has become more balanced. In many cases, properties have more frequently remained on the market for longer periods of time before finding suitable tenants or purchasers in recent months. Despite more tempered demand, there are several ongoing construction projects underway that will help to boost absorption throughout 2026.

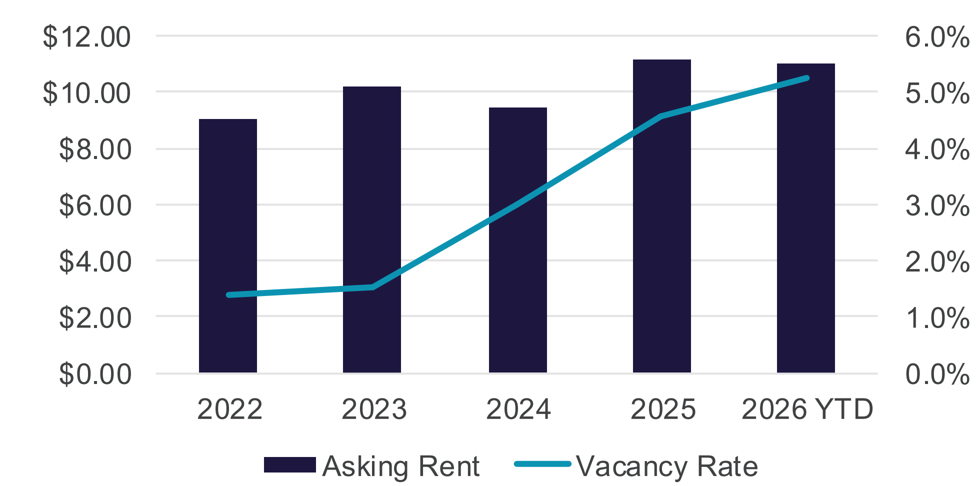
PRICING

The city-wide average net asking rate for industrial space declined slightly quarter-over-quarter, falling by 12 cents to $11.00 per square foot (psf) in the first quarter of 2026. There are a handful of larger properties listed at premium lease rates (e.g. $12+ psf), which continue to inflate the city-wide average net asking rate. With greater availability of space in the local market, many landlords are more amenable to offer incentives to attract high-quality long-term tenants. Overall, average net asking rates and sales prices are expected to remain relatively stable over the short-term.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



© 2026 Cushman & Wakefield

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)	CNSTR COMPLETIONS (SF)	WEIGHTED AVERAGE NET ASKING RENT*	WEIGHTED AVERAGE ADDITIONAL RENT	OVERALL WEIGHTED AVERAGE GROSS RENT
Airport	864,020	0	0.0%	0	0	0	0	n/a	n/a	n/a
Central	9,843,577	506,782	5.1%	-14,776	-14,776	39,041	0	$10.42	$3.86	$14.29
Hyde Park	988,789	33,041	3.3%	8,180	8,180	0	0	$12.47	$6.10	$18.57
Lambeth	291,222	5,320	1.8%	0	0	0	0	n/a	n/a	n/a
Northeast	8,968,363	465,638	5.2%	-62,208	-62,208	221,420	0	$10.48	$3.62	$14.10
Veteran's Memorial Parkway	5,236,492	132,239	2.5%	29,016	29,016	566,939	30,000	$11.47	$4.00	$15.47
Westminster	3,620,396	269,359	7.4%	-96,154	-96,154	0	0	$10.21	$3.84	$14.05
White Oak	4,398,427	135,473	3.1%	-40,328	-40,328	0	0	$11.42	$5.09	$16.51
Wilton Grove	8,462,046	696,790	8.2%	-129,180	-129,180	0	0	$11.79	$3.65	$15.44
LONDON	**42,673,332**	**2,244,642**	**5.3%**	**-305,450**	**-305,450**	**827,400**	**30,000**	**$11.00**	**$3.87**	**$14.86**

Rental rates reflect weighted net asking $psf/year; 5,320 sf of vacant space in Lambeth is listed for sale only

KEY LEASE TRANSACTIONS 2026 YTD

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
3 Buchanan Crt	Westminster	Confidential	18,879	Lease
980 Adelaide St S	Westminster	Confidential	15,284	Lease
1095 Wilton Grove Rd	Wilton Grove	Confidential	14,107	Lease
312 Sovereign Rd	Veteran’s Memorial Parkway	Confidential	11,655	Lease

Renewals not included in leasing statistics

KEY SALE TRANSACTIONS 2026 YTD

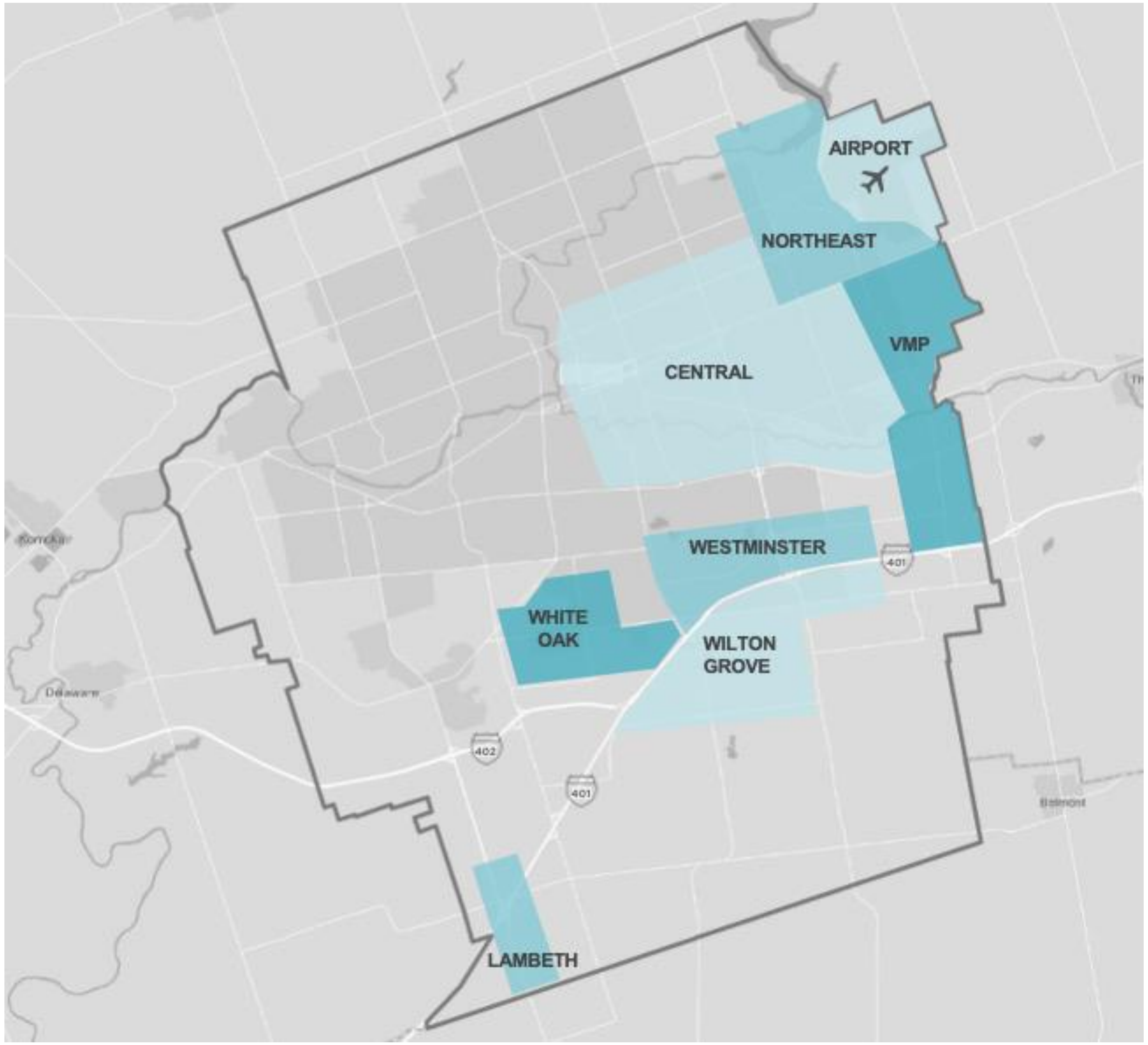
PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
944 Leathorne St	Central	Syvan Developments Limited/Bishop Street Property Corporation	36,505	$4,350,000 / $119.16
147 Stronach Cres	Northeast	KJ3 Ontario Limited/1001401829 Ontario Inc.	12,689	$2,100,000 / $165.50
1022 Hubrey Rd	Wilton Grove	Loti Holdings Inc./JTS Holdings (KW) Ltd.	4,394	$1,300,000 / $295.86
1085 Brydges St	Central	Named Individual/1001500185 Ontario Inc.	4,100	$430,000 / $104.88

KEY CONSTRUCTION COMPLETIONS 2026 YTD

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
2560 Boyd Crt	Veteran’s Memorial Parkway	J-Tech Design	30,000	1666042 Ontario Inc.

© 2026 Cushman & Wakefield

INDUSTRIAL SUBMARKETS



MICHAEL JOHNSON
Sales Representative
Tel: +1 519 438 7325
michael.johnson@cushwakeswo.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of $10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

Cushman & Wakefield Southwestern Ontario is Independently Owned And Operated / A Member of the Cushman & Wakefield Alliance.

©2026 Cushman & Wakefield Southwestern Ontario. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy. For information about our brokerage, please visit www.cushwakeswo.com.

© 2026 Cushman & Wakefield