

Coworking vs Leasing Office Space Cost in Montreal (2026)

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Executive Summary

Small businesses and startups weighing office space in Montreal in 2026 face a wide cost gap between coworking membership and a traditional commercial lease, and the data collected for this report make that gap explicit. Montreal's overall office vacancy rate stood at **18.0%** in the second quarter of 2026, the lowest level since Q2 2023, according to the commercial real estate firm CBRE (Source: [cbre.ca](https://www.cbre.ca)), while Cushman & Wakefield put the figure at **17.9%** for the same quarter with an overall average asking gross rent of **\$36.59** per square foot (Source: [cushmanwakefield.com](https://www.cushmanwakefield.com)) (Source: assets.cushmanwakefield.com). Downtown Class AAA (trophy-tower) space commands a premium, with net asking rents ranging from **\$33.00 to \$42.00** per square foot (Source: [cbre.ca](https://www.cbre.ca)) and gross rents there reaching **\$66.11** per square foot (Source: assets.cushmanwakefield.com).

Against that backdrop, [coworking operators in Montreal](https://www.2727coworking.com) sell space by the seat rather than the square foot, and their published prices are a fraction of what a traditional lease costs once rent, tenant improvements, furniture and a multi-year commitment are added up. **2727 Coworking**, a [Griffintown](https://www.griffintown.com) operator, lists a one-person hot desk at **\$300 per month** and a dedicated desk at **\$450 per month**, both bundled with utilities, high-speed internet and 24/7 access (Source: [2727coworking.com](https://www.2727coworking.com)) (Source: [2727coworking.com](https://www.2727coworking.com)). Competing operators price in a comparable band, detailed in the feature comparison later in this report: **Crew Collective & Café** in Old Montreal, and **Spaces** and **Regus**, both owned by International Workplace Group (IWG), all sell desks by the month or by the day, though IWG's brands require multi-year access-plan contracts to unlock their lowest published day rates. For businesses that only need a business address rather than a desk, [virtual office plans](https://www.davincivirtual.com) in Montreal run from about **\$50 to \$95 per month** at providers such as Crew Collective, Davinci Virtual and Alliance Virtual Offices (Source: [davincivirtual.com](https://www.davincivirtual.com)) (Source: [alliancevirtualoffices.com](https://www.alliancevirtualoffices.com)).

An illustrative total-cost scenario built from these sources shows why the gap is so large. A traditional lease of roughly 750 square feet for a five-person team at Downtown Montreal's average gross asking rent, combined with a one-time fit-out cost that Cushman & Wakefield pegs at **\$190.28 per square foot** in Montreal (Source: [cushmanwakefield.com](https://www.cushmanwakefield.com)) and amortized over a typical three-to-ten-year lease term (Source: [nbc.ca](https://www.nbc.ca)), works out to roughly **\$900 to \$1,000 per person per month** before furniture, IT and administrative overhead are added, well above coworking's **\$300 to \$675**

per-desk range. That capital-intensity gap, combined with structurally underused space (global office utilization averages just **54%** against a **79%** target, according to JLL (Source: [jll.com](https://www.jll.com)), explains why flexible space has become a default entry strategy for employers ranging from startups to Shopify and Royal Bank of Canada (Source: [jll.com](https://www.jll.com)), and why JLL projects that **30%** of office space will be consumed flexibly by 2030 (Source: [jll.com](https://www.jll.com)). This report walks through Montreal's traditional leasing market, its coworking and virtual-office alternatives, a side-by-side pricing matrix, an illustrative total-cost-of-occupancy model, and real-world Montreal cases, including the 2025 opening of the 100,000-square-foot Ax.c innovation hub (Source: betakit.com) and the 2024 forced sale of Notman House (Source: betakit.com), to give Montreal decision-makers a fully sourced basis for choosing between coworking and a lease.

Introduction and Background

Choosing where to put a team in Montreal has become a genuinely quantitative decision. On one side sits the traditional commercial office lease: a multi-year legal commitment, a build-out budget, and a landlord relationship. On the other sits **coworking**, a model in which an operator leases or owns a building, fits it out once, and resells access to desks, [private offices and meeting rooms](#) on flexible, often month-to-month terms. A third option, the **virtual office**, strips the physical desk away entirely and sells only a business address and mail handling. This report compares the real, sourced cost of each path in Montreal as of **July 2026**, and answers the practical questions a founder, office manager or finance lead is actually asking: what does a desk cost per month, what does a lease cost once fit-out and term length are included, what is the vacancy and rent backdrop in the market right now, and where does a virtual office fit for a business that does not need a physical seat at all. Readers who only need one number should note this: coworking desks in Montreal start under \$500 per month all-in, while the illustrative traditional-lease scenario modeled later in this report is about \$877 per person per month before furniture, IT and administrative costs are added.

The timing matters. Montreal's office market has been absorbing a structural shift since 2023, as [hybrid work](#) reduced the amount of space companies need per employee even as headline vacancy stayed elevated. CBRE's Q2 2026 figures put Greater Montreal Area (GMA) office vacancy at **18.0%**, though the firm notes that excluding long-marketed "stale" listings the adjusted rate falls to **12.4%** (Source: [cbre.ca](https://www.cbre.ca)), a sign that usable, competitive space is tighter than the headline number suggests. Avison Young's Q2 2026 tracking shows total GMA availability falling to **17.9%**, continuing a tightening trend from **18.4%** in Q1 2026 (Source: [avisonyoung.ca](https://www.avisonyoung.ca)), and Altus Group independently reports Montreal's availability rate contracting **50 basis points** to **16.9%** in the same quarter (Source: [altusgroup.com](https://www.altusgroup.com)). At the same time, [remote work](#) has been retreating: Statistics Canada found the share of Canadians mostly working from home fell to **17.4%** in May 2025, the fourth consecutive annual decline, while commuting to a physical workplace rose to **82.6%** (Source: www150.statcan.gc.ca) (Source: www150.statcan.gc.ca). More people need a desk again, but fewer companies want to sign the ten-year lease their predecessors did. This report is organized around three contenders: traditional leasing, coworking, and virtual offices, followed by a direct feature and pricing comparison, an illustrative total-cost model, a market data section covering vacancy and rents by submarket, named Montreal case studies, and forward-looking implications. Every figure carries a citation to the page it was verified against, so a reader can check the current number against the source directly. Among the coworking operators profiled is **2727 Coworking**, a Griffintown space on the Lachine Canal that this report treats the same way it treats every other operator: with its real, published pricing and no promotional framing.

Traditional Office Leasing in Montreal

Capabilities

A traditional commercial lease gives a tenant exclusive, long-term control of a defined space, typically structured in Quebec and the rest of Canada as a **net lease**, where the tenant pays a base or "net" rent plus **additional rent** covering its proportionate share of the landlord's operating costs, property taxes and common-area maintenance (Source: [nbc.ca](https://www.nbc.ca)). A Montreal real estate industry primer describes added rent as "the amounts payable by the tenant aimed at reimbursing the lessor" for these shared costs (Source: [rielmtl.ca](https://www.rielmtl.ca)), and additional rent is generally charged based on the tenant's proportionate share of a building's square footage (Source: [leaselawyer.ca](https://www.leaselawyer.ca)). Commercial leases can also be structured as gross, double net, or triple net, depending on how many of these cost categories the landlord bundles into one quoted rent versus passes through separately (Source: [nbc.ca](https://www.nbc.ca)). For a company that expects to occupy the same footprint for years, this structure buys predictability of address, full control over layout and branding, and the ability to build a permanent, secured, single-tenant environment. Landlords in a market with elevated vacancy also tend to offer tenant inducements, such as free rent periods or above-standard improvement allowances, though these vary by building and are rarely advertised publicly, which is one reason net effective rents can differ meaningfully from the headline asking rents referenced throughout this report.

Adoption

Larger and more established employers remain the core users of traditional leasing in Montreal, particularly in Class AAA and Class A towers where net asking rents ranged from **\$33.00 to \$42.00** per square foot in Q2 2026 (Source: [cbre.ca](https://www.cbre.ca)). Downtown Class A and B buildings posted three consecutive quarters of positive net absorption heading into Q2 2026, evidence that quality space is still actively being leased even as the overall market carries excess vacancy (Source: [cbre.ca](https://www.cbre.ca)). The GMA's overall net asking lease rate stood at **\$19.79** per square foot in Q2 2026 according to CBRE's published figures (Source: mktgdocs.cbre.com), while Avison Young's comparable Q2 2026 figure was **\$20.19** psf (Source: [avisonyoung.ca](https://www.avisonyoung.ca)), a modest discrepancy typical of how different brokerages weight their sample of tracked buildings. Adoption is also polarizing by quality tier: Avison Young describes a market "increasingly polarized" between premium and commodity space, with sublease contraction "most pronounced in Trophy and class A assets" (Source: [avisonyoung.ca](https://www.avisonyoung.ca)) (Source: [avisonyoung.ca](https://www.avisonyoung.ca)), meaning tenants who can afford top-tier space are competing for a shrinking pool of it, while lower-tier Class B and C stock in Midtown continues to sit vacant, with negative net absorption concentrated there (Source: assets.cushmanwakefield.com). The premium-versus-commodity divide has been widening for several years, not just this quarter: Avison Young's Q3 2025 data shows the average net asking rent gap between Trophy and Class A buildings expanding from **\$4.78 to \$11.32** per square foot since 2022 (Source: [avisonyoung.ca](https://www.avisonyoung.ca)), a sign that tenants are increasingly willing to pay up for the newest towers while starving older Class A stock of demand. That repricing has gone far enough that suburban Class A rents now exceed Downtown Class B rents by **\$0.55** per square foot (Source: [avisonyoung.ca](https://www.avisonyoung.ca)), meaning Downtown's older stock, once the default cost-conscious choice, is no longer automatically the cheapest option on the market.

Strengths and Limitations

The core strength of traditional leasing is control: a company gets a dedicated, brandable space with no shared amenities and no exposure to another tenant's growth or churn. The core limitation is cost structure and inflexibility. A commercial lease in Quebec typically commits a tenant for **three to five years, and sometimes up to ten** (Source: [centris.ca](https://www.centris.ca)), with a Canadian bank's small-business guide confirming initial terms "range from three to ten years" (Source: [nbc.ca](https://www.nbc.ca)). On top of the multi-year commitment, a tenant must fund its own build-out: Cushman & Wakefield's 2026 fit-out cost guide puts total Montreal office fit-out costs at **\$190.28 per square foot**, down from \$201.17 the year before (Source: [cushmanwakefield.com](https://www.cushmanwakefield.com)), while JLL's broader North American benchmark found average fit-out costs reaching **\$295 per square foot** for a medium-quality space across 50 cities, with Canadian costs up **3 to 4 percent** in 2026 alone (Source: [jll.com](https://www.jll.com)) (Source: [jll.com](https://www.jll.com)). A Montreal real estate primer bluntly notes that for many companies, "the lease is the largest expense after employees' salaries" (Source: [riemtl.ca](https://www.riemtl.ca)). That fixed, capital-intensive structure is precisely what coworking and virtual offices are designed to avoid, and it is also why underused leased space has become a visible market problem: JLL's Global Occupancy Planning Benchmark found companies are shrinking their space allocations to an average of **132 square feet per person**, down from **165 square feet per person** (Source: [cfodive.com](https://www.cfodive.com)), as tenants try to shrink the fixed cost they are locked into.

Coworking and Flexible Workspace in Montreal

Capabilities

Coworking operators sell the same underlying commodity, that is, a desk or an office, in a form that removes the lease commitment and the fit-out bill from the customer's side of the ledger. The operator absorbs the capital cost of the space once and resells access by the seat, month, or day. In Montreal, offerings span a spectrum from open hot desks to fully private, lockable offices for teams of ten or more. **2727 Coworking**, in Griffintown on the Lachine Canal, lists a one-person hot desk, a one-person dedicated desk, and closed private offices for teams of one to ten people, with full pricing shown in *Table 1* below; those memberships bundle utilities, internet and common amenities into the membership fee rather than billing them separately. The operator's virtual tour page describes fully furnished private offices for teams of one to ten people alongside hot desks, dedicated desks and conference rooms with audio-visual equipment (Source: [2727coworking.com](https://www.2727coworking.com)), with amenities including shower facilities and 24/7 access (Source: [2727coworking.com](https://www.2727coworking.com)).

Other Montreal operators price similarly by structure but differently by number. **Crew Collective & Café**, housed in a heritage Old Montreal bank building, lists a "Floating Desk" (unassigned hot-desk access) at **\$300 per month**, a Dedicated Desk with 24/7 access at **\$675 per month**, and private offices starting at **\$6,000 per month** (Source: [crewcollectivecafe.com](https://www.crewcollectivecafe.com)) (Source: [crewcollectivecafe.com](https://www.crewcollectivecafe.com)) (Source: [crewcollectivecafe.com](https://www.crewcollectivecafe.com)). **Spaces**, the IWG brand aimed at growing businesses, advertises a dedicated desk from **\$11 per person per day** and small team offices from **\$119 per person per day** at its Square Victoria location (Source: [spacesworks.com](https://www.spacesworks.com)) (Source: [spacesworks.com](https://www.spacesworks.com)), plus a "Cowork All Access Plan" offering 5, 10, or unlimited access days per month across Canada and IWG's wider global network (Source: [spacesworks.com](https://www.spacesworks.com)). **Regus**, IWG's other Montreal brand, prices a dedicated desk from **\$8 per person per day** and day coworking access from **\$49 per person per day** (Source: [regus.com](https://www.regus.com)) (Source: [regus.com](https://www.regus.com)).

[regus.com](#)), though its dedicated-desk and access-plan rates are explicitly based on **24-month contract lengths** (Source: [regus.com](#)), which narrows the flexibility advantage relative to month-to-month operators. **iQ Offices**, near Gare Centrale in Downtown Montreal, does not publish desk or private-office rates online but lists day-pass access starting at **\$99 per day** (Source: [iqoffices.com](#)).

Adoption

Flexible workspace has moved well beyond a niche freelancer product. JLL's Q2 2026 Canada office data show national leasing volume up **28.3%** year over year even as vacancy remained near 18%, and credits Montreal, alongside Vancouver and Edmonton, with helping push national vacancy down **30 basis points** to **17.7%** (Source: [www.jll.com](#)). By flexible-office square footage, Montreal ranks second among major Canadian markets at roughly **1.8 million square feet**, behind Toronto's 4.5 million but ahead of Vancouver, Calgary and Ottawa (Source: [jll.com](#)), and IWG, the parent of Regus and Spaces, is the largest flexible-space operator in Canada by location count (Source: [jll.com](#)). Adoption is not limited to small firms: JLL notes that large employers such as Shopify and Royal Bank of Canada give staff access to networks of premium coworking space instead of relying solely on a single headquarters (Source: [jll.com](#)), and that multinationals including Stripe and TikTok use flexible suites as their default market-entry strategy in new cities (Source: [jll.com](#)). Even so, JLL cautions that flexible space remains a minority allocation inside most large organizations: only **3%** of large enterprises use flexible space for more than 10% of their real estate portfolio, and **42%** of organizations allocate 1% or less of headcount to it (Source: [jll.com](#)) (Source: [jll.com](#)), meaning it is still primarily small businesses, startups and satellite teams, rather than corporate headquarters, driving day-to-day demand for a Montreal desk.

Strengths and Limitations

Coworking's central strength is that it converts a fixed, multi-year capital commitment into a variable, month-to-month operating expense, with fit-out, furniture, utilities, internet and reception absorbed into the operator's price. Industry press coverage of the shift describes the trade directly: "The rents and occupation fees are cheaper, but the new settings produce the benefits" of shared amenities and flexible terms (Source: [inc.com](#)), part of what the same report describes as **17%** footprint growth for the coworking sector across 2025 (Source: [inc.com](#)). The limitation is that a business shares a building, and sometimes a floor, with other tenants, has less control over long-term branding and layout, and can be exposed to an operator's own financial stability. That risk is not hypothetical in Montreal: WeWork closed **seven Canadian locations** in 2024 to exit unprofitable leases, according to JLL's flex-space research (Source: [jll.com](#)), while operators using asset-light partnership and management-agreement models, such as IWG and Industrious, continued expanding through the same period (Source: [jll.com](#)), a structural difference in resilience that a prospective member should weigh alongside price.

Virtual Offices: A Lower-Cost Third Path

Capabilities

A virtual office is a service that gives a business a professional mailing address, mail handling and sometimes call answering, without a desk of any kind. Wikipedia's definition frames it as a flexible-workspace service that lets a business obtain office functions "without those businesses bearing the capital expenses of owning or leasing a traditional office" (Source: [en.wikipedia.org](#)). It is typically aimed at "freelancers, and small businesses that do not need or cannot afford a traditional office space" (Source: [en.wikipedia.org](#)). In practice that means a business registers a real street address, rather than a home address, on public filings and correspondence, receives and forwards mail from that address, and in most plans gets a set number of hours of private office or meeting-room access per month.

Adoption

Montreal has several active providers. **Crew Collective & Café** sells a bare P.O. Box style address plan at **\$50 per month** and a "Full Service Plan" establishing a business domicile at **\$80 per month** (Source: [crewcollectivecafe.com](#)) (Source: [crewcollectivecafe.com](#)). **Davinci Virtual** lists a specific Montreal location, at 1200 McGill College Avenue, at a promotional **\$95 per month** (in US dollars) plus a **\$50** one-time setup fee (Source: [davincivirtual.com](#)), across a broader Quebec range of plans starting near \$95/mo USD plus a discounted setup fee (Source: [davincivirtual.com](#)); its Montreal plan includes mail and package receipt with an on-site locking mailbox (Source: [davincivirtual.com](#)), with mail-forwarding add-ons such as weekly forwarding priced separately at **\$50 per month** (Source: [davincivirtual.com](#)). **Alliance Virtual Offices** advertises Montreal plans "start at just **\$79 per month**" on its marketing page (Source: [alliancevirtualoffices.com](#)), though its specific Montreal location page lists that entry-level plan at **\$79 per month plus a \$200 one-time setup fee** (Source: [admin.alliancevirtualoffices.com](#)), a discrepancy worth flagging when comparing headline

marketing claims against the actual checkout price. Alliance's Montreal location also offers add-on live-receptionist service at higher tiers, including a "Platinum Plus Plan With Live Receptionist" (Source: admin.alliancevirtualoffices.com), illustrating that virtual office pricing scales well beyond the entry-level address-only tier once live call answering is added. **Regus** also sells a Montreal virtual office product, with pricing "ranging from \$3 per day" at the low end for a bare business address (Source: regus.com) up to its "Virtual Office Plus" tier, which adds a local phone number, call handling and forwarding services alongside the business address (Source: regus.com); Regus notes its most basic address-only tier explicitly excludes call-answering services (Source: regus.com) and offers ad-hoc, weekly or monthly mail-forwarding tiers at additional cost (Source: regus.com).

Strengths and Limitations

For a solo founder, consultant or e-commerce operator who does not need daily desk access, a virtual office can be a lower-cost option for mail handling and a professional mailing address, often for well under \$100 per month. It does not necessarily replace a home address or qualify as the registrable address for every entity or filing; confirm the provider's plan and applicable Québec registration and tax requirements first. Functionally, a virtual office provides no workspace, so a business that needs in-person meetings, team collaboration or a place to take calls away from home may need day passes or a coworking membership.

Feature Comparison

Table 1 below places the Montreal operators researched for this report side by side on published pricing and terms, with **2727 Coworking** included on the same basis as its competitors, using its real membership pricing rather than an hourly rate, since 2727 bundles utilities and access into a flat monthly fee instead of billing by the day.

PROVIDER	NEIGHBORHOOD	HOT DESK / DAY ACCESS	DEDICATED DESK	PRIVATE OFFICE (ENTRY TIER)	CONTRACT / TERM
2727 Coworking	Griffintown	\$300/month hot desk	\$450/month	\$600/month, 1 person (Source: 2727coworking.com)	Membership, bundled utilities and internet included, not billed hourly (Source: 2727coworking.com)
Crew Collective & Café	Old Montreal	\$300/month floating desk	\$675/month	\$6,000/month	Membership
Spaces	Square Victoria (Downtown)	From \$8/person/day (Source: spacesworks.com)	From \$11/person/day	From \$119/person/day, small team office	Access plans of 5, 10 or unlimited days/month
Regus	Multiple Downtown locations	From \$49/person/day	From \$8/person/day	Quoted on request	24-month contract for dedicated desk/access plans
iQ Offices	Metcalf St. (Downtown)	\$99/day day pass (Source: iqoffices.com)	Not publicly published	Not publicly published	Quoted on request
Virtual office (address only)	Various	N/A, no desk included	N/A	\$50 to \$95/month for address plus mail handling (Source: davincivirtual.com)	Confirm provider terms and whether the specific plan meets the entity's Québec registration and tax requirements

The pattern that emerges is that per-desk coworking pricing across Montreal operators clusters in a **\$300 to \$700 per month** band for hot desks and dedicated desks, with private offices scaling roughly linearly by headcount. IWG's brands (Regus and Spaces) undercut that range on a quoted daily-rate basis but require multi-month or multi-year access-plan commitments to unlock their lowest published rates, which narrows their flexibility advantage relative to month-to-month operators like 2727 Coworking and Crew Collective & Café. Private, fully enclosed offices vary the most by operator, from \$600/month for a single person at 2727 Coworking to a \$6,000/month entry point at Crew Collective's heritage Old Montreal building, reflecting differences in location prestige and building character rather than differences in the underlying desk.

Performance and Benchmarks

To make the cost gap concrete, this section builds an illustrative total-cost-of-occupancy scenario for a five-person team choosing between a traditional Downtown Montreal lease and a coworking membership, using only the sourced figures collected above. This is a modeled illustration, not a quote from any single source, and Montreal costs will vary by exact building and negotiated terms.

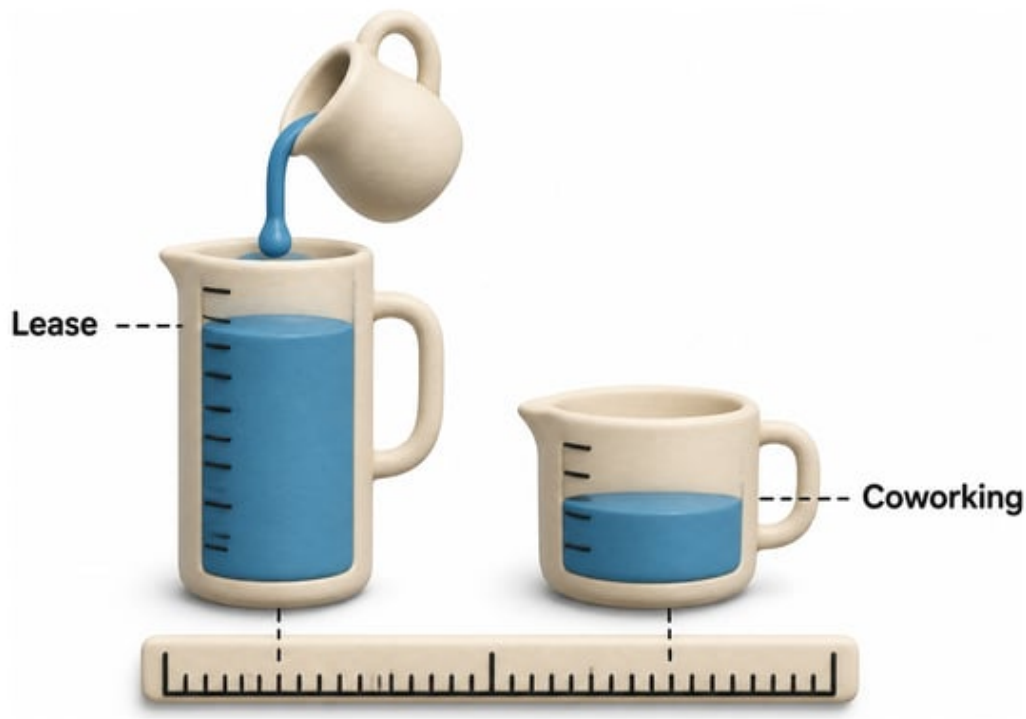


Table 2 compares the two paths on a per-person, per-month basis.

COST COMPONENT	TRADITIONAL LEASE (ILLUSTRATIVE, DOWNTOWN MONTREAL)	COWORKING (2727 COWORKING, DEDICATED DESK)
Base occupancy cost	Downtown Central average gross asking rent of \$41.62/sq ft/year (Source: assets.cushmanwakefield.com), at roughly 150 sq ft/person implied by JLL's shrinking density benchmark (Source: cfodive.com), works out to roughly \$520/person/month	\$450/person/month, all-inclusive (Source: 2727coworking.com)
One-time fit-out, amortized	Montreal fit-out cost of \$190.28/sq ft (Source: cushmanwakefield.com) amortized over a typical 5-year term implies roughly \$450 to \$480/person/month	\$0, borne by the operator
Utilities, internet, HVAC	Typically billed as part of additional rent, separate from base rent (Source: nbc.ca)	Included in membership price (see Table 1)
Minimum commitment	3 to 10 years (Source: nbc.ca)	Monthly membership
Approximate all-in monthly cost per person	\$950 to \$1,000+ , before furniture, IT and administrative overhead	\$450 , all-inclusive

Even allowing for the imprecision inherent in any illustrative model, the gap is structural rather than marginal: it comes from the fact that a coworking operator amortizes its own fit-out cost across many tenants and years, while a single leasing tenant amortizes the entire fit-out bill across only its own headcount and its own lease term. Retrofit costs for older Montreal buildings can run even higher for space that needs significant modernization, with Avison Young citing "premium fit out costs reaching \$150 per square foot" as a factor in current redevelopment economics (Source: avisonyoung.ca) on top of base rent. JLL's own fit-out guidance distinguishes a "structured (traditional) layout, focused on dedicated desks, private offices and enclosed meeting rooms" as the more capital-intensive build pattern relative to open, flexible layouts (Source: jll.com), which is effectively the layout a leasing tenant builds and a coworking operator sells piecemeal. The comparison also omits a cost traditional-lease tenants often carry that coworking members do not: parking. On-street parking in Ville-Marie, the downtown borough, costs **\$4.25 per hour** as of February 2026 (Source: agencemobilitedurable.ca), a monthly residents' parking sticker in Griffintown costs **\$120** including taxes (Source: montreal.ca), and a private downtown commercial garage such as Alexis Nihon charges **\$230 to \$320 per month** for reserved parking (Source: alexisnihon.com), costs that stack on top of whichever occupancy model a company chooses but are more likely to be negotiated into a coworking building's fixed fee.

A second, smaller-scale scenario illustrates the same dynamic for a solo operator. A freelancer who only needs mail handling can obtain a plan from as little as \$50 per month at Crew Collective & Café's P.O. Box plan, or about \$95 per month at Davinci Virtual, with no desk included. Before using any plan for registration or tax purposes, the freelancer should confirm that the specific service is permitted for their entity and filing. Stepping up to a hot desk with actual workspace access starts at \$300 per month at multiple Montreal operators, as shown in Table 1, a roughly \$250-per-month premium over a bare address for the ability to actually sit down and work in a shared space with amenities included. For a solo founder deciding between working from home, a virtual office, and a hot desk, the marginal cost of stepping up from a virtual address to genuine workspace access is small relative to the cost of any traditional lease, which realistically has no entry point below several hundred square feet and a multi-year term.

Data Analysis and Evidence

Montreal's underlying office market data explains both why leasing carries the price tag it does and why flexible space has grown. On vacancy, sources converge on a headline figure in the high teens as of mid-2026: CBRE reported **18.0%** for Q2 2026 (Source: cbre.ca), Cushman & Wakefield reported **17.9%** for the same quarter, attributing the small uptick to "several large occupiers vacating space, while premium Downtown assets continued to outperform" (Source: assets.cushmanwakefield.com), and Altus Group put contracted availability at **16.9%**, also noting "a meaningful reduction in active subleases" (Source: altusgroup.com) tied partly to conversion projects like the Du Canal building (Source: altusgroup.com). Sublease space, a leading indicator of distress, has been shrinking: CBRE recorded a **12.4%** quarterly drop in GMA sublet vacancy to **1.4 million square feet** (Source: cbre.ca), and Avison Young found sublease space fell to **10.9%** of total availability in Q1 2026, its lowest share since 2021 (Source: avisonyoung.ca). Part of that tightening is structural: more than **one million square feet** of obsolete Montreal office space has been converted or demolished since 2023 (Source: avisonyoung.ca), with a further **1.5 million square feet** of Class B and C space removed through office-to-residential conversions by Q2 2026 (Source: avisonyoung.ca).

Table 3 breaks the market down by submarket, drawing on the most granular figures independently verified from Cushman & Wakefield and Avison Young.

SUBMARKET	VACANCY / AVAILABILITY	AVERAGE ASKING GROSS RENT (PSF)
Downtown / Central	19.3% vacancy (C&W, Q2 2026) (Source: assets.cushmanwakefield.com)	\$41.62 (C&W, Q2 2026) (Source: assets.cushmanwakefield.com), rising to \$66.11 for Class AAA (Source: assets.cushmanwakefield.com)
Old Montreal	19.5% availability (Avison Young, Q3 2025) (Source: avisonyoung.ca)	Not separately broken out by C&W/Avison Young in the sources reviewed
Quartier International	10.2% availability, tightest in the core (Avison Young, Q3 2025) (Source: avisonyoung.ca)	Not separately broken out
Midtown	16.9% vacancy (C&W, Q2 2026) (Source: assets.cushmanwakefield.com)	\$27.32 (C&W, Q2 2026) (Source: assets.cushmanwakefield.com)
Suburban	15.5% vacancy (C&W, Q2 2026) (Source: assets.cushmanwakefield.com)	\$31.34 (C&W, Q2 2026) (Source: assets.cushmanwakefield.com)

The submarket table shows that Downtown and Old Montreal, where most coworking operators including 2727 Coworking, Crew Collective and iQ Offices cluster, are also where traditional leasing carries the highest rent and among the highest vacancy, a combination that signals plentiful supply at a high headline price. The Quartier International's much tighter 10.2% availability shows that not all Downtown micro-markets are equally soft, and a tenant's actual negotiating leverage depends heavily on the specific blocks being compared, not just the borough. Even within Downtown, the data show meaningful dispersion: Old Montreal's 19.5% availability sits close to the citywide average, while the Quartier International's 10.2% availability is less than half that figure, underscoring that a tenant's or coworking member's exact address within Downtown Montreal can matter as much as the borough-level averages cited throughout this report. On the demand side, hybrid work data help explain why flexible space keeps gaining share even as vacancy stays elevated: the Institut de la statistique du Québec found roughly **35%** of Quebec's labour force teleworked in some hybrid form, with the telework rate reaching **45%** in the Montreal and Outaouais regions specifically (Source: statistique.quebec.ca) (Source: statistique.quebec.ca). A separate Statistics Canada analysis of the 2021 Census found a quarter (**25.8%**) of the 2.1 million workers in the Montreal metropolitan area reported working from home, nearly quadruple the 2016 share, with the rate notably higher among English speakers (**35.3%**) than French speakers (**23.9%**) (Source: www150.statcan.gc.ca) (Source: www150.statcan.gc.ca). That combination, elevated but shrinking vacancy plus a large hybrid workforce that still wants a desk some days but not five, is the demand pattern coworking is built for, and it lines up with the office-utilization gap JLL documents globally: average utilization of **54%** against a target of **79%**, a gap that widens to **29 points** in North America specifically (Source: jll.com). Finally, the pool of businesses that could plausibly choose either path is large: Quebec had **281,230** active employer business locations and **732,881** non-employer (self-employed) business locations as of June 2025 (Source: www150.statcan.gc.ca) (Source: www150.statcan.gc.ca), the great majority of which are exactly the size of business for whom a multi-year Downtown lease is disproportionate to actual space needs.

Case Studies and Real-World Examples

Ax.c: A Government-Backed Coworking Hub Fills the Gap Left by Notman House

In June 2025, Montreal's tech ecosystem opened **Ax.c**, a **100,000-square-foot** innovation and coworking hub built on the former Montreal Exchange trading floor, occupying two floors overlooking Place Victoria near Downtown (Source: betakit.com). Within its opening period the space had booked **40 startups** for office leases, with dozens more on a waitlist (Source: betakit.com). Its construction was funded by **\$48 million** in combined federal, provincial and municipal government money (Source: betakit.com), an example of Montreal's public sector treating flexible, shared workspace as economic-development infrastructure rather than leaving the category purely to private operators.

Notman House: What Happens When a Coworking Anchor Defaults

Notman House, long Montreal's best-known startup coworking landmark, illustrates the operator-risk side of the flexible-space ledger. Its owner, the OSMO Foundation, defaulted on debts owed to the Business Development Bank of Canada and Investissement Québec (Source: betakit.com), forcing a court-supervised sale of the building at an asking price of roughly **\$5,495,000 CAD** in late 2023 (Source: betakit.com). A community-financed bid to buy the building back, led by real-estate startup Guiker, was outbid by another party in April 2024 (Source: betakit.com). Notman House's new owner, the Trottier Family Foundation, subsequently proposed converting the building into a philanthropy-focused hub rather than a commercial coworking operator (Source: trottierfoundation.com), stating that "Notman House could become a Philanthropy House focused on the community" and inviting existing startup tenants to inquire about remaining (Source: trottierfoundation.com). The episode is a reminder that even a beloved, decades-old coworking brand is only as durable as the balance sheet behind it, a risk a traditional owner-occupier does not carry in the same way.

A Montreal Advertising Agency Trades 85,000 Square Feet of Leased Space for a WeWork Floor

One of the clearest documented downsizing cases in the Montreal market involved an advertising agency that had been operating from roughly **85,000 square feet** of traditional office space under a long-term lease before shifting into **30,000 square feet**, an entire floor, at WeWork's 1010 Sainte-Catherine location (Source: renx.ca) (Source: renx.ca). At the time, WeWork's four Montreal locations totaled **294,983 square feet** of rentable space in the city (Source: renx.ca), illustrating the scale flexible operators had already reached in the market even before the post-pandemic hybrid-work era matured.

Plusgrade Uses Coworking as Bridge Space During Headquarters Construction

Montreal travel-technology company Plusgrade took temporary space at iQ Offices while its permanent headquarters was under construction, according to industry commentary on Montreal's coworking sector (Source: 2727coworking.com), a use case that does not require choosing coworking permanently: it shows flexible space filling a gap that a traditional lease structurally cannot, since a lease cannot be signed and terminated in the months it takes to fit out a permanent office. The same commentary characterizes the sector's core proposition as "change, flexibility and adaptability" (Source: 2727coworking.com), consistent with the bridge-space role Plusgrade used it for. The broader consolidation of the coworking industry around asset-light operators has continued globally as well: CBRE's 2025 acquisition of coworking operator Industrious closed at an **\$800 million** valuation (Source: 2727coworking.com), a sign that mainstream commercial real estate capital now treats flexible-space operation as a durable business line rather than a pandemic-era experiment.

Implications and Future Directions

The trajectory in Montreal points toward flexible space, coworking and virtual offices continuing to take share from traditional leasing at the margin, without displacing it for large, established occupiers. JLL's global research projects that **30%** of office space will be consumed flexibly by 2030 (Source: jll.com), a share that would represent a large expansion from today's roughly 1.8 million square feet of flexible stock in Montreal alone (Source: jll.com). Several forces point the same direction. First, macro conditions currently favor conserving capital rather than locking it into long leases: the Bank of Canada held its policy rate steady at **2.25%** through mid-2026, its sixth consecutive hold (Source: tradingeconomics.com), a backdrop in which a fixed multi-year lease and its associated fit-out financing carry real opportunity cost relative to a variable monthly membership. Second, ongoing office-to-residential conversion is structurally tightening the supply of older, cheaper Class B and C stock, the segment historically most available to price-sensitive small tenants, with roughly 1.5 million square feet already removed through conversion in Montreal by mid-2026 (Source: avisonyoung.ca); as that stock disappears, coworking operators that lease or acquire whole floors and resell them by the desk become a relatively more efficient way to access remaining supply. Third, the return-to-office trend that pushed Canadian commuting back up to 82.6% by May 2025 (Source: www150.statcan.gc.ca) is happening alongside, not instead of, continued high hybrid-work rates in Montreal specifically, meaning companies need physical space again but not necessarily five days a week of it for every employee, a pattern that favors flexible over fixed capacity. That momentum was already visible in late 2025: Avison Young's Q3 2025 tracking showed total GMA availability easing to **18.6%** from **18.8%** the prior quarter (Source: avisonyoung.ca), a gradual tightening that has continued into the first half of 2026 across every brokerage cited in this report, even as the underlying mix of who occupies that space keeps shifting from long-term leaseholders toward flexible operators and their members. Businesses evaluating the decision today should treat the traditional-versus-coworking choice less as permanent and more as a function of headcount stability: a team expecting to hold a stable size for five-plus years may capture more value from a lease's lower long-run per-square-foot cost, while a team expecting to grow, shrink, or remain uncertain may value coworking's capacity flexibility. Review the applicable membership agreement for notice and cancellation terms.

Frequently Asked Questions (FAQs)

Is coworking cheaper than leasing office space in Montreal? For the illustrative five-person model in this report, a \$450 dedicated desk is below the approximately \$877 per-person monthly lease cost once gross rent and five-year amortized fit-out are combined, before furniture, IT and administrative overhead (see *Table 2*). Actual comparisons vary with negotiated rent, layout, fit-out scope, term and team size. Leasing can become more cost-competitive at larger scale and longer time horizons, where lower per-square-foot rent may outweigh coworking's flexibility premium.

What is the average cost of office space in Montreal in 2026? Cushman & Wakefield's Q2 2026 data puts the overall average asking gross rent across all property classes at **\$36.59 per square foot** (Source: assets.cushmanwakefield.com), while Avison Young's average net asking rent for the same period was **\$20.19 per square foot** (Source: avisonyoung.ca); the two figures are not directly comparable since one is gross (all costs included) and the other is net (before additional rent).

What does it cost to fit out a private office in Montreal? Cushman & Wakefield's 2026 guide puts total Montreal office fit-out costs at **\$190.28 per square foot**, down from \$201.17 the year before (Source: cushmanwakefield.com), a capital cost a coworking or virtual office member never pays directly since the operator amortizes it across the whole membership base. For a small leased office of roughly 750 square feet, that works out to a one-time build-out bill in the neighborhood of \$140,000, before furniture, before any tenant even moves in.

How much does a virtual office cost in Montreal? Published Montreal virtual office plans range from about **\$50 per month** for a bare mailing address at Crew Collective & Café up to roughly **\$95 per month** at Davinci Virtual, with Alliance Virtual Offices and Regus in between at roughly \$79 to \$79-plus-fees per month (Source: alliancevirtualoffices.com).

What is Montreal's office vacancy rate in 2026? As of Q2 2026, headline GMA office vacancy ranged from **16.9%** (Altus Group) to **18.0%** (CBRE), depending on methodology and which buildings each firm tracks (Source: altusgroup.com) (Source: cbre.ca).

Can I get a business address in Montreal without renting an office? Yes. A virtual office plan, offered by providers including Crew Collective & Café, Davinci Virtual, Alliance Virtual Offices and Regus, provides a registered business address and mail handling without any physical desk, generally for well under \$100 per month (Source: en.wikipedia.org).

Does 2727 Coworking or another Montreal operator offer day access without a monthly commitment? Several operators sell single-day access separately from monthly memberships: iQ Offices prices day passes from **\$99 per day** (Source: iqoffices.com), while IWG's Regus and Spaces brands price day coworking access from **\$49** and **\$8 per person per day** respectively, depending on location and plan tier (Source: regus.com) (Source: spacesworks.com). Day-pass pricing is a useful way to trial a space before committing to a monthly membership.

Is a private office or coworking cheaper for a small team? It depends on team size and desired privacy. Across the Montreal operators surveyed in *Table 1*, a small private closed office typically costs somewhat more than the sum of individual dedicated desks at the same headcount, meaning the privacy premium is modest at small team sizes and grows only gradually as teams get larger.

What is the cheapest way to get a Montreal business presence without a traditional lease? For most small businesses, the cheapest tier is a virtual office or bare business address, running from about \$50 to \$95 per month, followed by a hot desk or floating desk membership at roughly \$300 per month, then a dedicated desk in the \$450 to \$675 range, then a small private office starting around \$600 per month for a single person. Each step up trades a lower price for more physical access, privacy, and permanence, and a business can typically move between these tiers with 30 days' notice or less rather than renegotiating a multi-year lease.

Conclusion

The evidence gathered for this report supports a more limited conclusion: in the illustrative five-person model, coworking is materially lower cost per seat than a traditional lease once gross rent and five-year amortized fit-out are included in a comparable monthly figure. Montreal's office market carries real vacancy, in the 16.9% to 18.0% range across the major brokerages tracked here, yet asking rents at quality Downtown buildings remain elevated, reflecting a market polarized between an oversupplied commodity tier and a tight, expensive premium tier. Coworking operators, including 2727 Coworking in Griffintown, Crew Collective & Café in Old Montreal, and IWG's Regus and Spaces brands across Downtown, price desks from roughly \$300 to \$700 per month with utilities, internet and amenities bundled in, a structure that converts a traditional lease's large fixed capital outlay into a small variable operating expense. Virtual offices push the entry cost even lower, to roughly \$50 to \$95 per month, for businesses that need only a professional address. None of this makes traditional leasing obsolete: it remains the more economical choice on a pure per-square-foot basis for organizations with stable, larger headcounts and a multi-year horizon, and it buys a level of control and permanence that no shared building can



match. But for the hundreds of thousands of small and self-employed businesses that make up the bulk of Quebec's business base, and for any team whose size or plans remain genuinely uncertain, the total-cost math in this report points toward coworking, or a virtual office where no desk is needed at all, as the financially rational starting point, with a traditional lease becoming the better economic decision only once growth and stability are proven.

Tags: coworking montreal, office leasing montreal, montreal office space, virtual office montreal, montreal coworking pricing, commercial real estate montreal, montreal office vacancy, 2727 coworking, flexible workspace montreal, montreal office rent per square foot



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