

# AICRE INSIGHT

## Q4 2021 – QUARTERLY INDUSTRIAL SALES UPDATE

56

TOTAL  
SALES

49

OWNER-USER  
SALES

7

INVESTMENT  
SALES

4

LAND  
SALES

The Edmonton Industrial market powered to a solid finish in 2021 and is now balanced as opportunities for Tenants and Purchasers tighten. Owners have some leverage after a challenging 2020 due to COVID and commodity (energy) prices.

### BIG SALE:

BTB Real Estate Investment Trust based out of Montreal has purchased a ten-property portfolio (nine Industrial buildings) totaling approximately 420,000 square feet (6 buildings in Leduc, Acheson, and Edmonton and four in Saskatoon) for \$94 million. The portfolio has been acquired with an in-place cap rate of 6.90% or 6.46% on a stabilized basis.

### CONDOMINIUMS:

Condominium and warehouse sales in South and Northwest Edmonton are similar in the \$165 - \$170 SF range. Site coverage (or available yard) is a big driver of price. \$200 per SF is the going rate in municipalities, a little more with well-built office and yard space.

### LAND SALES:

Tapered off into Christmas, with only 4 recorded land sales (the lowest quarter for the year). Demand remains subdued for smaller land parcels with "traditional" small land parcel purchasers (owners or local developers looking to build) steering clear due to high construction costs and residual uncertainty in the market. There is still plenty of land available in all areas of the city in the 1 to 3-acre range.

Q3 2021 - BUILDING SALES	# SALES	\$ SF OWNER-USER		\$ / SF INVESTORS	CAP RATE (%)
		Condo	Warehouse		
Edmonton	37	\$145	\$134	\$106	6.28
St. Albert	1	\$200	-	-	-
Sherwood Park - Strathcona	4	\$262	\$220	\$198	6.75
Acheson / Spruce / Stony	5	\$169	\$191	\$195	-
Fort Saskatchewan	4	-	\$304	-	-
Leduc + Nisku	5	\$205	\$165	\$190	6.25

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