

# INDUSTRIAL NEED TO KNOWS

## The Must Know Facts About Greater Edmonton's Industrial Market

# 1

### INFLATION CONTINUES

Inflation continues to be the **province and world's biggest burden** as the price of oil, natural gas and supply chains continue to increase the cost of doing business. May's **year-to-date inflation** rate (2021 to 2022) was **7.01%**.



# 2

### OIL PRICES

Oil prices continue to fluctuate around **\$110 (US)** WTI accounting for **over half** of the inflation increase.



# 3

### UNEMPLOYMENT

Unemployment now sits at **5.3%**. This is the **lowest** employment rate the province has seen **since 2015**. **Qualified employees** are still **difficult to find** for senior positions. Entry-level positions are beginning to fill up.



# 4

### LEASE RATE

Rates are averaging **\$12-13 / SF** for free-standing buildings, but pushing into the mid-teens per SF for freestanding properties with sought-after amenities and low site coverage. Warehouse space is now at **\$10 / SF**.



# 5

### VACANCY

The current **Edmonton vacancy** rate is **4.56%**. Municipal submarkets **Leduc and Nisku** sit at **5.47%** and **Acheson** at **1.0%**. These rates are expected to increase in the fall at the end of Q3.

