

MARKET MONTHLY



EDMONTON INDUSTRIAL MARKET

As we enter the third quarter, rising inflation and interest continue to be at the top of everyone's mind. The price of oil continues to be over the \$100 a barrel mark, and with the help of continued supply chain delays, inflation is seeing record high rates not seen since 2002. With no decline in sight, these factors continue to increase the cost of doing business across the province, though this has yet to reduce optimism for the provincial recovery

Alberta's economy continues to lead all Canadian provinces in the recovery from COVID-19, with the Industrial real estate market seeing consistent action. Vacancy rates in Edmonton and across the province continue to tighten on the back of high leasing volumes, which in turn is expected to increase lease rates during the third quarter for shop and warehouse spaces with low site coverage and amenities (cranes, high ceilings, high exposure, etc). Sales activity remains firm, although looming interest rate rises may cause some pause in the market. Anyone contemplating new or additional space should plan early and prepare for increased rates (both interest and lease rates) for the year's second half and into 2023.

June 2022	Total Inventory (SF)	Occupied (SF)	Vacant (SF)	Vacancy (%)	MoM Vacancy Change	Sublet (SF)	Base Rent \$ / SF	OP Cost \$ / SF	Gross Rent Range (\$/SF)
Central Edmonton	3,911,837	3,676,487	235,350	6.02%	2.48%	18,345	\$10.00	\$5.40	\$14 - \$16
NW Edmonton	71,048,805	67,965,009	3,083,796	4.34%	0.40%	327,408	\$9.50	\$4.85	\$11 - \$16
South Edmonton	62,328,606	59,454,130	2,874,476	4.61%	0.33%	271,666	\$9.50	\$4.95	\$11 - \$17
NE Edmonton	5,538,157	5,222,414	315,743	5.70%	2.50%	0	\$10.00	\$4.85	\$12 - \$16
Total - Edmonton	142,827,405	136,318,040	6,509,365	4.56%	0.51%	617,419			
St. Albert	5,656,198	5,210,434	445,764	7.88%	0.37%	17,304	\$11.00	\$4.90	\$13 - \$17
Fort Saskatchewan	1,784,341	1,664,091	120,250	6.74%	-0.15%	0	\$11.00	\$4.25	\$13 - \$16
Sherwood + Strathcona	11,859,294	11,356,556	502,738	4.24%	0.30%	80,115	\$12.00	\$4.45	\$14 - \$18
Acheson	9,720,470	9,618,462	102,008	1.05%	0.10%	0	\$14.00	\$4.45	\$14 - \$20
Spruce + Stony Plain	3,874,665	3,827,358	47,307	1.22%	-0.62%	0	\$12.00	\$4.90	\$14 - \$18
Leduc + Nisku	24,525,200	23,182,447	1,342,753	5.47%	0.21%	187,840	\$12.50	\$3.95	\$13 - \$19
Total - Municipalities	57,420,168	54,859,348	2,560,820	4.46%	0.16%	285,259			
Total	200,247,573	191,177,388	9,070,185	4.53%	0.41%	902,678			

4.53%

Vacancy Rate



+\$108(US)

Barrel WTI (\$US) June 2022



5.3% May 2022

Alberta Unemployment



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COMMERCIAL