

INDUSTRIAL NEED TO KNOWS

The Must Know Facts About Greater Edmonton's Industrial Market

1

INFLATION

Increasing inflation has created barriers to entry for smaller businesses and increased costs for the consumer/business owner. At the end of 2022, the Consumer Price Index (CPI) finished at 160.80 points, a 6% increase from December 2021 at 151.70 points. Smaller Interest rate increases are expected in 2023, finally showing signs of leveling out.



2

OIL PRICES

Oil prices have started to steadily increase since early December's drop and now sits around \$80.00 (US) WTI per barrel.



3

UNEMPLOYMENT

Unemployment has decreased to 5.6% to start 2023. Small decreases are expected as Alberta's economy shows signs of growth since 2020.



4

LEASE RATE

Rates are averaging \$13+ / SF for free-standing buildings and increase further into the mid-teens per SF for freestanding properties with sought-after amenities and low site coverage. Warehouse space continues to sit at \$10 / SF.



5

VACANCY

Edmonton's vacancy has continued to tighten and sits at 3.45% to start off 2023. Municipal submarkets are also continuously decreasing as Leduc and Nisku sit at 3.83% and Acheson at a record 0.43%.

