

# MARKET MONTHLY



## EDMONTON INDUSTRIAL MARKET

Edmonton's vacancy rate continues to drop and is now under 3% for the first time in years with lease rates (\$/SF) remaining firm since last summer (2023). The sublease market saw a large decrease in available space for the first time since the end of 2023. The total amount of available sublease space in February was 1,021,056 SF, leasing activity brought a decrease of 329,282 SF leaving a total of 691,774 SF at the end of March 2024.

In the Leduc-Nisku market, multiple large vacant spaces make the vacancy rate a bit "distorted". Almost 2/3 of (1,250,000 SF+) are due to 6 buildings in the Leduc-Nisku submarket. All vacancies in the 6 buildings have a minimum of at least 100,000 SF (+/-). Whilst the large amount of spec construction in Nisku (and Leduc) keeps vacancy in the 6% range. It remains hard to find smaller freestanding buildings with low site coverage but there are plenty of large warehouse (distribution) spaces available. Finally, Acheson continues to hold the title of Edmonton's tightest Industrial sub-market (1% for 2+ years).

March 2024	Inventory (SF)	Occupied (SF)	Vacant (SF)	Vacancy (%)	MoM Vacancy Change	YoY Vacancy Change	Sublet (SF)	Base Rent \$ / SF	OP Cost \$ / SF	Gross Rent Range (\$/SF)
Central Edmonton	3,731,012	3,549,728	181,284	4.86%	0.80%	0.97%	0	\$11.00	\$5.40	\$14 - \$17
NW Edmonton	71,539,978	69,785,626	1,754,352	2.45%	-0.32%	-0.65%	367,360	\$10.00	\$4.85	\$12 - \$16
South Edmonton	62,420,489	60,226,311	2,194,178	3.52%	-0.30%	3.52%	324,414	\$10.00	\$4.95	\$12 - \$17
NE Edmonton	5,516,901	5,436,962	79,939	1.45%	-0.74%	-1.98%	0	\$10.00	\$4.85	\$12 - \$18
<b>Total - Edmonton</b>	<b>143,208,380</b>	<b>138,998,627</b>	<b>4,209,753</b>	<b>2.94%</b>	<b>-0.30%</b>	<b>2.94%</b>	<b>691,774</b>			
St. Albert	5,656,198	5,441,512	214,686	3.80%	0.01%	-0.08%	98,220	\$12.00	\$4.90	\$14 - \$19
Fort Saskatchewan	3,258,069	3,091,890	166,179	5.10%	0.22%	-0.51%	6,600	\$12.00	\$4.25	\$14 - \$18
Sherwood + Strathcona	12,278,600	11,816,687	461,913	3.76%	-0.32%	0.59%	8,732	\$12.50	\$4.45	\$14 - \$18
Acheson	12,681,814	12,616,642	47,020	0.51%	-0.29%	-3.74%	99,667	\$16.00	\$4.45	\$17 - \$20
Spruce + Stony Plain	4,047,499	3,988,902	58,597	1.45%	-0.18%	0.27%	7,360	\$13.50	\$4.90	\$14 - \$19
Leduc + Nisku	27,472,461	25,579,254	1,893,207	6.89%	-0.17%	3.26%	96,634	\$14.50	\$3.95	\$15 - \$20
<b>Total - Municipalities</b>	<b>65,394,641</b>	<b>62,534,887</b>	<b>2,841,602</b>	<b>4.35%</b>	<b>-0.21%</b>	<b>0.46%</b>	<b>317,213</b>			
<b>Total</b>	<b>208,603,021</b>	<b>201,533,514</b>	<b>7,051,355</b>	<b>3.38%</b>	<b>-0.27%</b>	<b>-2.60%</b>	<b>1,008,987</b>			

