



Q1 2024

# Edmonton

## Industrial Market Report



Colliers

### Net Absorption

This Quarter	Previous Quarter
542K SF	845M SF
12-Month Absorption	5-Year Quarterly Avg.
2.2M SF	839K SF

### Vacancy

This Quarter	Year-over-Year
4.3%	↓ 20 bps

### Asking Net Rent

This Quarter*	Year-over-Year
\$10.54 PSF	↑ 0.70%

### Development

Under Construction	New Supply
2.2M SF	0.0M SF

\*Weighted Average  
Colliers Macaulay Nicolls Inc.

### Market Outlook

There has been a methodology change in the industrial stats to reflect a more accurate inventory. There might be minor fluctuations in vacancy and available space as a reflection of these new figures.

The Greater Edmonton Area (GEA) experienced a robust start to the year. Industrial leasing activity was strong as vacancy dropped by 20 basis points (bps). The Edmonton market also saw positive absorption for the 15<sup>th</sup> consecutive quarter.

The largest lease deal occurred in Acheson and was for 88,160 square feet at 28435 99 Avenue. The next sizeable lease transactions occurred at 12810 58 Street Buildings 1 and 2, 45,667 and 39,721 square feet respectively. In the Northwest market, Horizon Business Park Building D leased 45,667 square feet and Centre 118 Phase II leased 36,665 square feet.

Construction activity continues to flourish as both Koltech Windows & Doors and TFI International & Canpar Courier Distribution had their new distribution facilities start construction. There is currently

2.2 million square feet under construction in the GEA with 758,535 square feet slated for completion within the next six months. Some projects underway experienced a delay resulting in no new supply to start the year. Anthony Henday Business Park 2B and the Leon's Furniture building was among the projects pushed back however the delays were minor as both are still expected to be completed in 2024.

Asking net rental rates decreased by 4% from Q4 2023 with Acheson, Leduc/Nisku and Southeast Edmonton experiencing the largest decline in rental prices. Rental rates are forecasted to remain stable or even slightly increase going forward.

The Edmonton industrial market is in a healthy position looking towards the next six months of the year. Increased construction activity and new supply is expected over the next six months which will in turn increase the amount of available square footage and provide more opportunities for growth.

Accelerating success.

Market Outlook

Market Overview

Market Statistics

Transaction Highlights

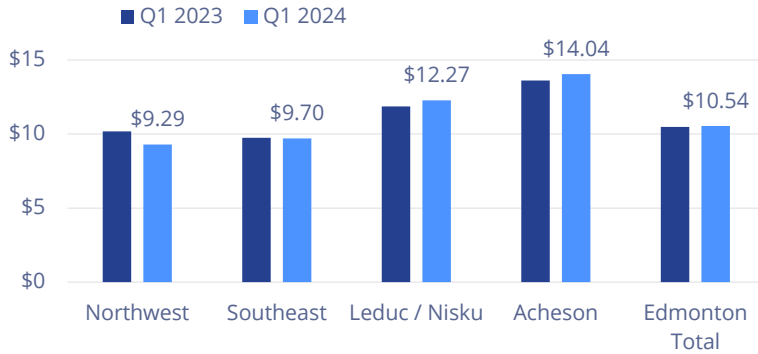
Contact

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# Market Overview

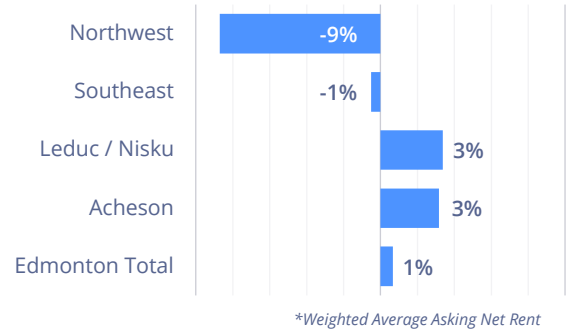
## 01 Rental Rates by Market

Weighted Average Asking Net Rent (PSF)



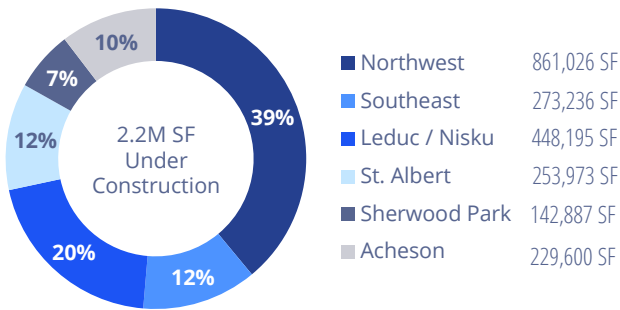
## 02 Rental Rate Growth\*

By Market | Q1 2023 – Q1 2024



## 03 Under Construction by Market

By Building Area (SF)



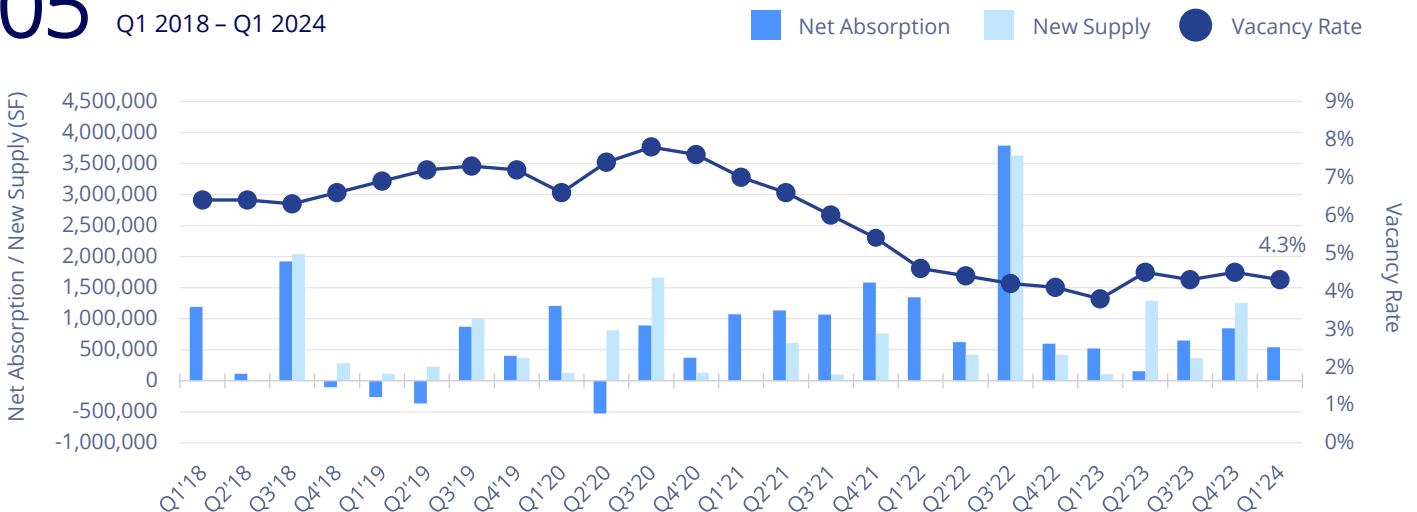
## 04 Vacancy Rate

By Market | Q1 2023 – Q1 2024

Northwest	2.8%	↓	from 3.6% Q1'23
Southeast	4.2%	↓	from 4.3% Q1'23
Leduc / Nisku	7.3%	↑	from 5.5% Q1'23
Acheson	1.3%	↑	from 0.7% Q1'23
<b>Edmonton Total</b>	<b>4.3%</b>	↑	from 3.8% Q1'23

## 05 Historical Overview

Q1 2018 – Q1 2024



# Market Statistics & Transaction Highlights

Market	Total Inventory (SF)	Total Vacant Space (SF)	Vacancy Rate	Direct Available Space (SF)	Sublease Available Space (SF)	Total Available Space (SF)	Availability Rate	Net Absorption (SF)	New Supply (SF)	Under Construction (SF)
Northwest	58,280,927	2,085,780	3.6%	3,098,175	865,010	3,963,185	6.8%	252,823	0	861,026
Southeast	53,128,171	2,218,883	4.2%	3,610,332	447,706	4,058,038	7.6%	67,121	0	273,236
Northeast	5,715,335	157,829	2.8%	350,994	0	350,994	6.1%	-15,751	0	0
Central	3,052,572	93,676	3.1%	148,585	0	148,585	4.9%	-25,522	0	0
<b>Edmonton Proper</b>	<b>120,177,005</b>	<b>4,556,168</b>	<b>3.8%</b>	<b>7,208,086</b>	<b>1,312,716</b>	<b>8,520,802</b>	<b>7.1%</b>	<b>278,671</b>	<b>0</b>	<b>1,134,262</b>
Leduc / Nisku	23,222,792	1,698,771	7.3%	2,935,794	82,814	3,018,608	13.0%	380,772	0	448,195
St. Albert	3,359,877	221,178	6.6%	505,692	98,220	603,912	18.0%	-7,763	0	253,973
Sherwood Park	5,758,740	362,075	6.3%	775,148	0	775,148	13.5%	-17,385	0	142,887
Acheson	10,683,110	133,600	1.3%	233,844	0	233,844	2.2%	-92,014	0	229,600
<b>Surrounding Markets</b>	<b>43,024,519</b>	<b>2,415,624</b>	<b>5.6%</b>	<b>4,450,478</b>	<b>181,034</b>	<b>4,631,512</b>	<b>10.8%</b>	<b>263,610</b>	<b>0</b>	<b>1,074,655</b>
<b>Edmonton Total</b>	<b>163,201,524</b>	<b>6,971,792</b>	<b>4.3%</b>	<b>11,658,564</b>	<b>1,493,750</b>	<b>13,152,314</b>	<b>8.1%</b>	<b>542,281</b>	<b>0</b>	<b>2,208,917</b>

## Notable Transactions

Building Name / Address	Market	Lease Type	Size (SF)
28435 99 Avenue	Acheson	Head Lease	88,160
12810 58 Street - Building 1	Northeast	Head Lease	45,667
Horizon Business Park Building D	Northwest	Head Lease	45,209
12810 58 Street - Building 2	Northeast	Head Lease	39,721
Centre 118 Phase II	Northwest	Head Lease	36,655

## Notable Developments

Building Name / Address	Market	Building Status	Size (SF)	Est. Completion	Owner / Developer
Anthony Henday Business Park 2B	St. Albert	Under Construction	253,973	Q2 2024	Quadreal
Home Depot Distribution	Acheson	Under Construction	129,600	Q3 2024	Home Depot
Convoy Supply Construction	Acheson	Under Construction	100,000	Q3 2024	Convoy Supply
Leon's Furniture Limited	Northwest	Under Construction	500,000	Q4 2024	Qualico
41 Business Park Building 1	Leduc/Nisku	Under Construction	366,932	Q4 2024	One Properties

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