

Edmonton, AB industrial market trends

First Quarter 2021

Quick Stats

6.9%

Overall Vacancy rate

+1.5%

Year-over-Year change in Vacancy Rate

52

Number of Industrial sale transactions in Q1 2021

3.89m

Total space under construction (sf)

9

Properties with 150k sf of space or more in the Greater Edmonton area

Despite challenges faced in 2020, the industrial market continues to see growing interest and stable levels of market activity.

It seems that each month has gotten busier than the last as we reach the end of the first quarter of 2021. Alberta recently reverted back to phase 1 of their relaunch strategy, with progress toward phase 3 halted due to an uptick in COVID cases. However, the industrial market is starting to regain the strength it had prior to the start of the pandemic, and has even surged in areas like distribution, transportation, and last-mile delivery. In addition to Amazon becoming the largest occupier in the Edmonton Industrial market, a number of other major deals have recently been inked for big box distribution users including Sobeys, MTE, Automann, Canada Cartage and Fresh Direct. The response from landlords is that we expect to see ground breaking on several larger distribution style buildings in the coming months. For a market that traditionally builds in 100,000 to 250,000 square foot increments, the news of developers

looking to build in the 400,000 square foot to 500,000 square foot range shows a marked increase in the bet on distribution continuing to be a market leader.

Aside from distribution, Alberta is still known for the development of natural resources. While the energy sector is still feeling the impact of 2020 and indeed has more hurdles to overcome moving forward, it seems some level of stability has returned. This has caused an increase in activity in areas such as Nisku and Leduc, where the number of available properties has decreased significantly to start the year.



	Total Inventory	Direct Vacancy	Sublease Vacancy	Absorption	Vacancy Rate	Vacancy Direct	Vacancy Sublease	Serviced Land Cost
City of Edmonton								
South/Southeast	53,630,457	4,136,148	340,411	95,415	8.3% ▼ (0.2%)	7.7% ▼ (0.3%)	0.6% ▲ 0.2%	\$650,000 - \$800,000
Northwest	61,399,639	3,252,674	192,613	357,056	5.6% ▼ (0.6%)	5.3% ▼ (0.5%)	0.3% ▼ (0.1%)	\$625,000 - \$725,000
Northeast	6,809,847	78,683	-	148,999	1.2% ▼ (2.2%)	1.2% ▼ (2.2%)	- - -	\$525,000 - \$650,000
Central	3,959,926	129,246	-	28,095	3.3% ▼ (0.7%)	3.3% ▼ (0.7%)	- - -	-
Surrounding Districts								
Acheson	8,477,036	296,455	58,860	(34,008)	4.2% ▲ 0.4%	3.5% ▲ 0.4%	0.7% - -	\$400,000 - \$575,000
Sherwood Park	6,365,000	203,731	33,000	103,555	3.7% ▼ (1.6%)	3.2% ▼ (1.6%)	0.5% - -	\$650,000 - \$750,000
Nisku/Leduc	19,700,883	2,305,511	22,365	66,650	11.8% ▼ (0.3%)	11.7% ▼ (0.3%)	0.1% ▼ (0.1%)	\$450,000 - \$650,000
Totals								
City	125,799,869	7,596,751	533,024	629,565	6.5% ▼ (0.5%)	6.0% ▼ (0.5%)	0.4% - -	-
Surrounding	34,542,919	2,805,697	114,225	136,197	8.5% ▼ (0.4%)	8.1% ▼ (0.4%)	0.3% - -	-
Overall	160,342,788	10,402,448	647,249	765,762	6.9% ▼ (0.5%)	6.5% ▼ (0.5%)	0.4% - -	-

	Southeast		Northwest		Northeast		Leduc/Nisku		Sherwood Park		Acheson	
Net Asking Rent By Bay Size:	Multi-Tenant	Free-standing	Multi-Tenant	Free-standing	Multi-Tenant	Free-standing	Multi-Tenant	Free-standing	Multi-Tenant	Free-standing	Multi-Tenant	Free-standing
0 - 5,000 sf	\$9.75	\$13.50	\$9.75	\$10.75	\$9.50	-	\$9.75	\$13.75	\$14.25	-	\$9.50	-
5,001 sf - 10,000 sf	\$9.25	\$13.00	\$9.50	\$9.75	-	\$17.00	\$9.25	\$12.50	\$14.00	\$11.00	\$10.00	\$15.00
10,001 sf - 20,000 sf	\$9.00	\$12.50	\$7.75	\$9.75	-	-	\$10.00	\$11.75	\$12.00	\$12.00	\$11.50	\$15.00
20,001 sf - 50,000 sf	\$8.75	\$12.00	\$7.50	\$9.25	\$6.50	-	\$9.75	\$9.50	\$11.50	-	-	\$14.75
50,001 sf - 100,000 sf	\$8.00	\$10.50	\$7.50	\$7.25	-	-	\$8.50	\$8.50	\$11.50	\$9.25	-	\$14.00
100,001 sf & Up	\$8.00	\$9.50	\$7.75	\$6.75	-	-	\$8.25	-	-	-	-	\$13.00

Recent Transactions

Land Sales	Location	Site Size	Sale Price	Zoning
3481 8 Street	Nisku	3.31 Acres	\$1,400,000	IND
20104 113 Avenue	Edmonton	5.36 Acres	\$950,000	IM
501 12 Avenue	Nisku	2.27 Acres	\$900,000	IND
Building Sales	Location	Building Size	Sale Price	Zoning
12908 170 Street	Edmonton	845,856 sf	\$116,000,000	IB
502 25 Avenue	Nisku	141,930 sf	\$15,427,261	IND
2130 121 Avenue NE	Edmonton	132,919 sf	\$12,500,000	IH
Leased	Building Size	Site Size	Type	Tenant
Border Business Park Bldg P - Edmonton	219,380 sf	n/a	Multi-Tenant	Canada Cartage
Apex Business Park Bldg 1- Edmonton	115,983 sf	n/a	Multi-Tenant	Automann
2820 84 Avenue Edmonton	37,384 sf	6.52 Acres	Single Tenant	CEDA

Feature Listings



18073 - 107 Ave
 31,730 sf on 1.57 acres
 Asking: \$10.00 psf
 Op Costs: \$4.04 psf
Price Reduced



15104 - 118 Ave
 17,000 – 22,000 sf
 Asking: \$5.00 psf
 Op Costs: \$5.08 psf
Rent Reduced | Tenant & Broker Incentives



5804 - 51 Ave & 5805 - 53 Ave
 18,487 - 73,948 sf
 Asking: \$12.95 psf
 Op Costs: \$5.58 psf
Price Reduced



902 - 9 Ave
 194,065 sf on 17.37 acres
 Asking: TBD
 Op Costs: TBD

Get more market information

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