



### MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
<b>3.4%</b> Vacancy Rate	▼	▬
<b>1.54M</b> YTD Net Absorption, SF	▼	▬
<b>\$10.96</b> Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	▬

### ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
<b>852.6K</b> Edmonton Employment	▲	▲
<b>9.0%</b> Edmonton Unemployment Rate	▲	▲
<b>6.5%</b> Canada Unemployment Rate	▲	▬

Source: Statistics Canada, The City of Edmonton

### ECONOMY: INTEREST RATES DROPPING & OIL EXPORTS

Interest rates in Canada have gradually declined since mid-2024, with the Bank of Canada lowering the policy rate from 5.00% to 4.25% between June and September. Further cuts are anticipated in 2025, offering the potential to stimulate market activity. Alberta's energy sector has remained strong, bolstered by expanded pipeline capacity despite fluctuations in oil prices. In July, oil production rose 5.4% year-over-year (YOY), with output consistently exceeding one million barrels per day, driving export growth and offsetting some of the broader economic slowdown. Industrial building construction spending also surged, reaching \$119 million in July—the highest level recorded since 2016.

Source: Bank of Canada, Statistics Canada

### SUPPLY AND DEMAND: ROBUST LEASING AND COOLING RENTS

The Edmonton industrial market recorded a quarterly net absorption of 842k square feet (sf), reflecting a 9% YOY decline but a significant quarter-over-quarter (QOQ) increase of 732k sf. The Northwest, Leduc/Nisku, and Southeast submarkets accounted for 97% of the total absorption, with the Northwest alone contributing 55%. The market's overall vacancy rate dropped 30 basis points QOQ to 3.4%.

Overall inventory has increased, with 329k sf of industrial space delivered in the third quarter of 2024. The Home Depot Distribution Centre has completed its initial phase adding 129,600 sf to the Acheson market. At full build-out, the facility is expected to exceed 206k sf. Currently, 2.2 million sf of industrial space is under construction in the Greater Edmonton Metropolitan Area.

Average asking rents have cooled compared to a year ago, with overall asking rents dropping by \$0.36 per sf. The Southeast submarket was the only region to experience an increase, with average gross rates rising 1.3% or \$0.18 per sf.

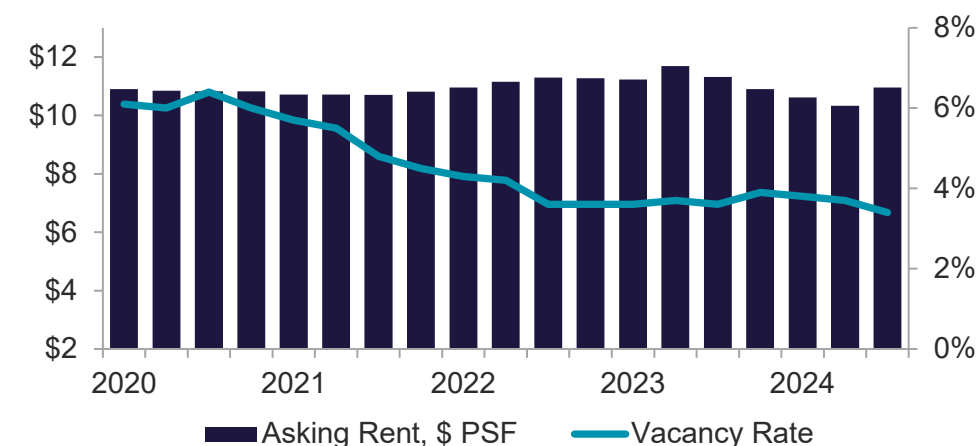
### OUTLOOK: DELIVERIES EXPECTED TO HIT THE MARKET

Inventory is anticipated to rise with over 800k sf expected to be added to the market by year-end. On the leasing side, activity is expected to cool but stay robust heading into the new year.

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	YTD CNSTR COMPLETIONS (SF)	AVG NET RENTAL RATE	AVG NET ADDITIONAL RATE	AVG GROSS RATE
Southeast	47,571,522	3.70%	112,831	182,053	469,521	103,300	\$9.20	\$4.68	\$13.88
Northeast	6,253,154	3.00%	-7,502	11,598	0	0	\$10.66	\$4.11	\$14.77
Northwest/Central*	58,967,405	2.70%	471,133	532,100	841,922	350,699	\$9.32	\$4.47	\$13.79
Sherwood Park/Strathcona County	9,150,935	4.20%	38,104	259,516	142,887	0	\$10.03	\$4.15	\$14.18
Acheson**	14,724,066	0.90%	-7,147	46,928	100,000	129,600	\$15.50	\$4.29	\$19.79
Leduc/Nisku	25,512,401	6.20%	234,765	515,844	697,789	0	\$11.06	\$3.73	\$14.79
<b>EDMONTON TOTALS</b>	<b>162,179,483</b>	<b>3.45%</b>	<b>842,184</b>	<b>1,548,039</b>	<b>2,252,119</b>	<b>583,599</b>	<b>\$10.96</b>	<b>\$4.24</b>	<b>\$15.20</b>

Source: CoStar, Cushman & Wakefield Edmonton Research

\*Sturgeon County and \*\*Parkland County included in total

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Anthony Henday Business Park Building 2A	Northwest/Central	Raise Athletics	170,000	Headlease
4810 92 Ave	Southeast	Curtiss-Wright Corporation	117,069	Headlease
53 Avenue Business Centre	Southeast	JLM Supply Ltd.	52,349	Headlease
114 Avenue Building	Northwest/Central	Points West Marketing Inc.	48,947	Headlease

\*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
6019 35 St	Leduc/Nisku	Saron N.V. / Ledcor O & S Limited	53,584	\$15.1M / \$281.80
12410 142 St	Northwest	Milltech Holdings Inc. / Generation 2 Holdings Ltd.	122,527	\$11.0M / \$90.31
7001-05 39 St	Leduc	Julen Capital Corp. / NW Investments and Real Estate Ltd.	17,900	\$6.5M / \$363.12

KEY CONSTRUCTION PROJECTS

PROPERTY	SUBMARKET	ONWER / DEVELOPER	SF	COMPLETION DATE
The Brick's/Leon's Distribution Centre	Northwest	Qualico	500,000	Q4 2024
41 Business Park – Building 1	Leduc/Nisku	ONE Properties & Vestcor	366,932	Q4 2024
Fancy Windows Manufacturing & Distribution Centre	Southeast	Pumm Developments	227,521	2025
Cornerstone Business Park E	Southeast	Triovest	202,316	2025

JEROME RAMOS

Market Analyst

Tel: +1 780 702 2951

[jerome.amos@cwedm.com](mailto:jerome.amos@cwedm.com)

INDUSTRIAL TEAM

Industrial Division

Tel: +1 780 420 1177

[industrial@cwedm.com](mailto:industrial@cwedm.com)

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com).

©2024 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.