



MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.9% Overall Vacancy Rate	▲	▼
826K YTD Net Absorption, SF	▲	▲
\$11.55 Asking Rent, PSF <small>(Overall, Net Asking Rent)</small>	▲	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
845.7K Edmonton Employment	▲	▲
7.3% Edmonton Unemployment Rate	▲	▲
7.0% Canada Unemployment Rate	▲	▲

Source: Statistics Canada, The City of Edmonton

ECONOMY:

The Canadian economy has faced continued uncertainty in Q2 2025 as slowing consumer spending weighed on national growth. Alberta experienced modest job gains and saw its unemployment rate hold steady at 7.4% in May 2025, reflecting a cautious yet stable labour market. Year to date, Edmonton’s industrial permits are up 36.2% from 2024 levels, pointing to sustained private-sector confidence. While national economic conditions remain soft, Edmonton continues to outperform in key sectors tied to logistics, construction, and trade.

Source: Statistics Canada, Bank of Canada, Government of Alberta

SUPPLY AND DEMAND:

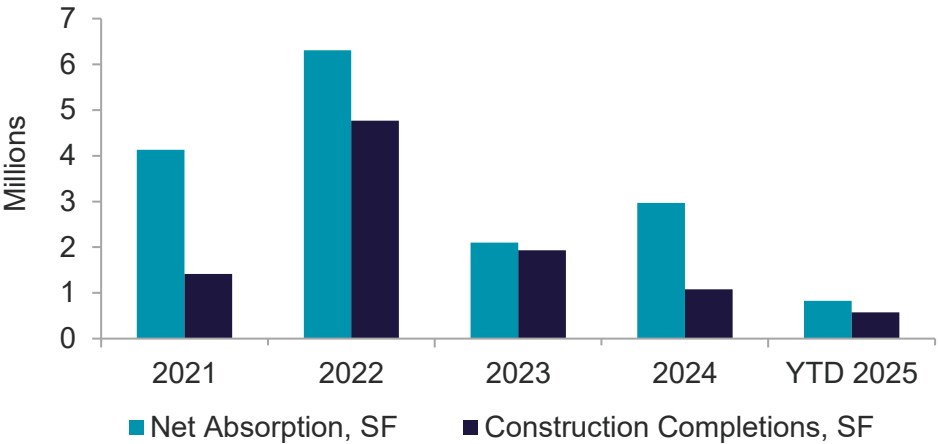
The Edmonton industrial market recorded 814,147 square feet (sf) of net absorption in Q2 2025, marking a strong rebound from just 11,467 sf in the previous quarter. This positive activity contributed to a 40-basis point (bps) decline in the overall vacancy rate, which fell from 6.3% to 5.9% quarter-over-quarter (QOQ). The Northwest/Central submarket led the way, accounting for more than 500,000 sf of net absorption, driven primarily by key transactions such as ChamClad leasing over 143,000 sf at Fourell Business Park and Alberta Health Services securing more than 87,000 sf at City West Business Park.

Overall industrial asking rents rose by \$0.43 per square foot (psf) QOQ, increasing from \$11.12 psf to \$11.55 psf in Q2 2025, representing a modest 3.8% gain. The Northeast submarket recorded the largest jump, with average net asking rents climbing 10.4% from \$10.00 psf in Q1 2025 to \$11.04 in Q2 2025. This increase is largely due to persistently low vacancy rates and a lack of new supply in the area. Overall, rental growth remains in line with current economic conditions.

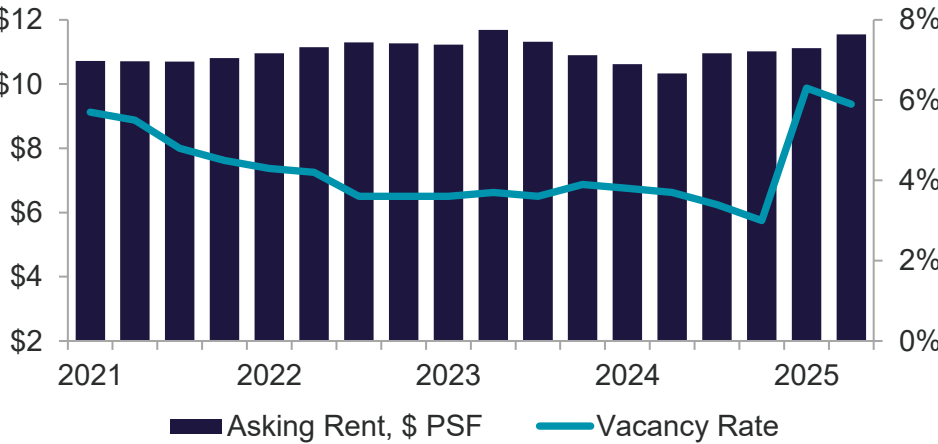
OUTLOOK:

The second quarter of 2025 marked a strong rebound for the region, and this positive momentum is expected to continue through the remainder of the year. More than 1 million square feet of new pre-leased product is projected to enter the market in the second half of 2025, underscoring the region’s appeal, especially for large-scale industrial projects.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY* & ASKING RENT



*The overall vacancy rate increase in Q1 2025 is due to the use of a new, more comprehensive database.

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (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 ADDITIONAL RATE	AVG GROSS RATE
Southeast	47,571,522	3,066,601	6.4%	308,978	578,413	644,521	0	\$9.81	\$5.38	\$15.19
Northeast	6,253,154	92,063	1.5%	85,808	112,058	0	0	\$11.04	\$4.78	\$15.82
Northwest/Central*	59,464,685	3,497,521	5.9%	508,974	564,106	391,054	0	\$9.34	\$5.16	\$14.50
Sherwood Park/Strathcona County	9,150,935	363,252	4.0%	-128,880	-129,160	331,181	0	\$10.34	\$4.74	\$15.08
Acheson**	14,899,840	491,457	3.3%	-25,741	-85,348	120,000	175,774	\$15.78	\$4.74	\$20.52
Leduc/Nisku	25,908,033	2,059,241	7.9%	65,008	-214,455	434,722	395,632	\$12.99	\$3.85	\$16.84
EDMONTON TOTALS	163,248,169	9,570,135	5.9%	814,147	825,614	1,921,478	571,406	\$11.55	\$4.78	\$16.33

Source: Cushman & Wakefield Edmonton Research, CoStar

*Sturgeon County and **Parkland County Included In Total

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
Fourell Business Park	Northwest	ChamClad	143,640	Headlease
902 9 Avenue	Leduc/Nisku	One Water Canada Ltd.	91,628	Headlease
City West Business Park	Northwest	Alberta Health Services	87,767	Headlease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
McIntyre Industrial (Portfolio)	Southeast	LC ESB Ltd. / KS Edmonton Industrial Holdings Inc..	236,837	\$33.5M / \$141.45
156 St Business Park	Northwest/Central	15403 115A Ave (AB) Properties Inc. / Narland Properties 156 Street Ltd.	243,109	\$28.1M / \$115.79
12959 156 Street	Northwest/Central	Pumm Developments Ltd. / TRI Investments Inc.	99,940	\$16.3M / \$163.69

KEY CONSTRUCTION PROJECTS

PROPERTY	SUBMARKET	OWNER / DEVELOPER	SF	COMPLETION DATE
Fancy Windows Manufacturing & Distribution Centre	Southeast	Fancy Windows / Pumm Developments	227,521	Q4 2025
Cornerstone Business Park Building E	Southeast	Triovest	202,000	Q4 2025
Kohltech Windows and Doors Manufacturing and Distribution Facility	Northwest/Central	Kohltech Windows and Doors	143,400	Q4 2025

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