

MARKET FUNDAMENTALS

	YOY Chg	Outlook
18.7% Vacancy Rate	▲	▬
-5.8K YTD Net Absorption, SF	▼	▲
\$33.14 Gross Asking Rent, PSF <small>(Overall, All Property Classes)</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:

Canada’s economy continued to struggle in Q2 2025 as newly imposed U.S. tariffs dragged down exports and weakened manufacturing activity. GDP fell by 0.1% in both April and May, marking the first back-to-back monthly declines since 2022. Alberta is expected to feel the effects of the slowdown, though its energy sector remains a stabilizing force. In Edmonton, public-sector hiring and infrastructure investment have helped offset reduced consumer spending. While uncertainty remains, Alberta’s economic base continues to offer more resilience than many other parts of the country.

Source: Reuters, WSJ, Bank of Canada, City of Edmonton

DEMAND:

The Edmonton office market recorded positive absorption of 66,857 square feet (sf) in the second quarter of 2025, maintaining the overall city-wide vacancy rate at 18.7%, a year-over-year (YOY) change of 30 basis points. The Southside submarket saw the strongest leasing activity this quarter, while Windermere posted the most negative absorption among suburban areas due to additional sublease space entering the market.

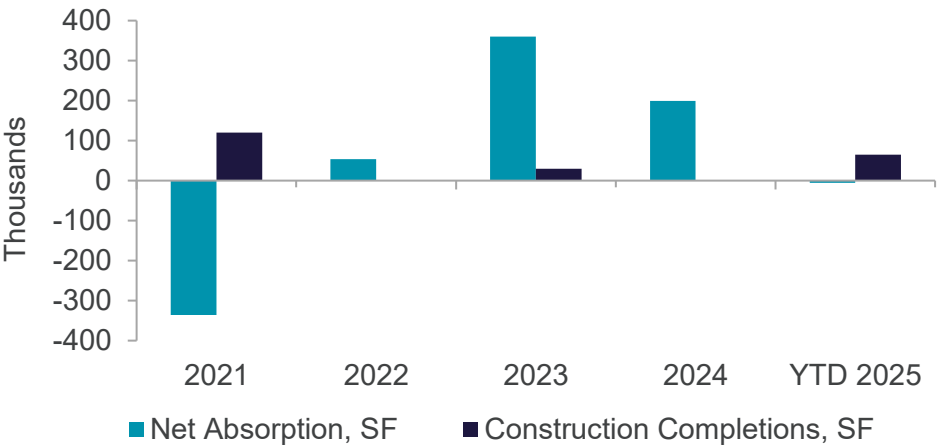
While office development and construction have lagged over the past few years, the city saw the addition of the Covenant Wellness Community building in South Edmonton. This medical-focused facility contributed 65k sf to the Southside submarket, with the majority of the space pre-leased. Also in the Southside, the Alliance Gateway Centre is nearing completion and is expected to add another 40k sf to the market, likely in the third quarter of 2025

Overall gross asking rents have increased YOY by \$0.18 per square foot (psf), with the Central Business District recording a YOY increase of \$0.35 psf and the Suburban market seeing an increase of \$0.55 psf. These rates continue to reflect the ongoing trend of rising operating costs.

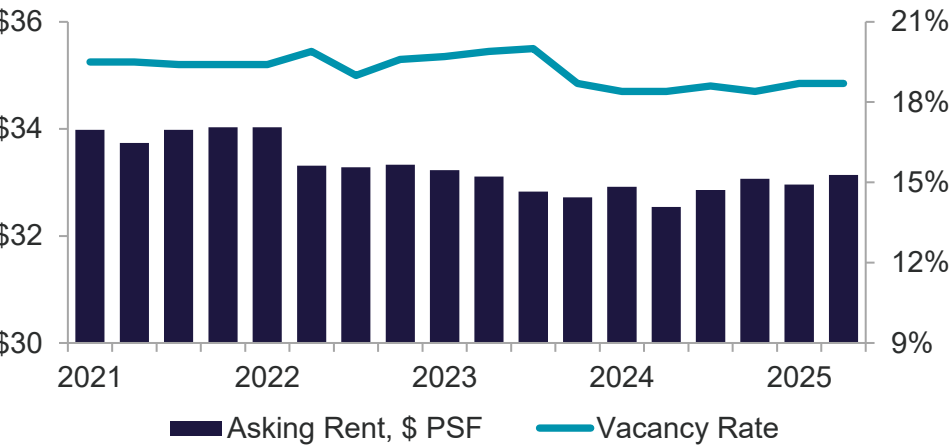
OUTLOOK:

Office leasing demand has likely weathered the most challenging period of 2025, and there is growing optimism that leasing activity will pick up and stabilize in the second half of the year.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	TOTAL BUILDINGS	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Financial Core	54	12,778,903	298,825	2,440,154	21.4%	-26,278	-107,594	0	\$36.56	\$40.52
Government	34	5,052,776	0	698,142	13.8%	7,371	1,137	0	\$30.00	\$31.10
CENTRAL TOTAL	88	17,831,679	298,825	3,138,296	19.3%	-18,907	-106,457	0	\$35.27	\$38.47
124 th Street	18	952,909	0	266,045	27.9%	-2,006	-13,954	0	\$30.45	\$37.92
149 th Street	26	1,306,141	0	179,204	13.7%	26,480	31,380	0	\$26.94	\$33.14
West End	38	2,142,716	51,589	282,034	15.6%	11,166	-13,379	0	\$29.40	\$34.56
118 th Avenue	17	822,639	0	160,118	19.5%	16,837	20,346	0	\$35.86	\$37.31
Whyte Avenue	13	537,893	0	110,279	20.5%	9,759	5,430	0	\$33.66	\$31.97
Southside	62	3,341,450	13,500	644,186	19.7%	45,695	59,777	40,000	\$30.19	\$34.06
Summerside	23	974,997	19,797	21,786	4.3%	-11,137	-5,289	0	\$35.34	\$35.34
Eastgate	16	1,393,618	6,752	302,048	22.2%	3,482	21,749	0	\$24.28	\$32.29
Windermere/Ambleside	11	325,234	14,512	26,276	12.5%	-14,512	-5,412	0	\$43.40	\$43.40
SUBURBAN TOTAL	224	11,797,597	106,150	1,991,976	17.8%	85,764	100,648	40,000	\$29.72	\$34.78
EDMONTON TOTALS	312	29,629,276	404,975	5,130,272	18.7%	66,857	-5,809	40,000	\$33.14	\$37.45

*Rental rates reflect full gross asking rents

SUMMARY BY CLASS	TOTAL BUILDINGS	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*
Class AA	8	4,419,060	129,796	490,858	14.0%	-42,958	-56,407	0	\$52.53
Class A	123	14,276,995	198,940	2,554,310	19.3%	90,723	38,469	40,000	\$34.36
Class B	141	9,323,581	74,374	1,854,252	20.7%	10,866	13,032	0	\$27.18
Class C	40	1,609,639	1,865	230,852	14.5%	8,226	-903	0	\$24.24

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
Centre 106	Financial Core	Canadian Mental Health Association	47,000	Headlease
Connect Tower	Financial Core	Berlin Communications	7,512	Headlease
South Trail Plaza	Southside	National Research Council of Canada	5,930	Headlease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
Broadmoor Place I, V & VI	Outlying	KS Broadmoor Place I / CJ Broadmoor Inc.	229,356	\$20.2M / \$88.07
Kimberly Centre	Summerside	1443336 Alberta Ltd. / 1469479 Alberta Ltd.	16,464	\$4.4M / \$270.29
Harcourt House	Government	His Majesty The King In Right of Alberta / Where Edmonton Community Artists Network Society	22,092	\$3.2M / \$146.61

JEROME RAMOS
Senior Market Analyst
Tel: +1 780 702 2951
jerome.amos@cwedm.com

OFFICE TEAM
Office Division
Tel: +1 780 420 1177
office@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 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

©2025 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.