



MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.7% Overall Vacancy Rate	▲	▼
1.4M YTD Net Absorption, SF	▼	▲
\$11.55 Asking Rent, PSF (Overall, Net Asking Rent)	▲	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
857K Edmonton Employment	▲	▲
8.5% Edmonton Unemployment Rate	▼	▬
7.1% Canada Unemployment Rate	▲	▬

Source: Statistics Canada, The City of Edmonton

ECONOMY:

Strong energy sector activity supported Alberta’s economy in the third quarter of 2025, helping to offset weakness in manufacturing and agriculture, even as non-energy exports, particularly to the U.S., fell sharply amid rising trade protectionism. This contributed to softer investment intentions, with commercial and industrial permits down 36% since February, though construction remained steady thanks to institutional and government projects. At the same time, machinery and equipment investment outside the oil and gas sector showed early signs of recovery, reinforcing cautious optimism. Overall, the market has remained challenged, reflecting ongoing headwinds in the current environment.

Source: Government of Alberta

SUPPLY AND DEMAND:

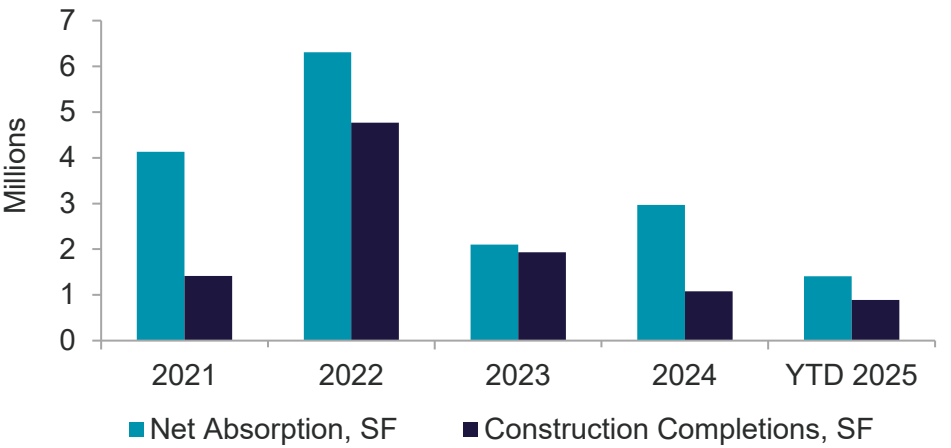
The Edmonton industrial market recorded 578,586 square feet (sf) of net absorption in Q3 2025, bringing total regional vacancy down 20 basis points to 5.7% from 5.9% in Q2. Year-to-date net absorption reached 1.4 million sf in Q3 2025, just 143,839 sf below the same period last year, reflecting strong market activity despite broader economic challenges.

The Northwest submarket saw strong absorption this quarter, led by Goodwill Industries taking 187,000 sf in the former Brick 170th building. Additional gains came from the Kohltech Windows and Doors manufacturing and distribution facility and the TFI International & Canpar courier distribution terminal, adding 143,400 sf and 102,900 sf of pre-leased space, respectively. In Edmonton and the surrounding municipalities, multi-bay industrial condo projects are gaining strong traction as new developments enter the market. Local businesses, particularly owner-users, are increasingly choosing modern, efficient spaces over older leased buildings. With updated layouts, higher building standards, and the long-term security of ownership, these developments continue to appeal to businesses across the region.

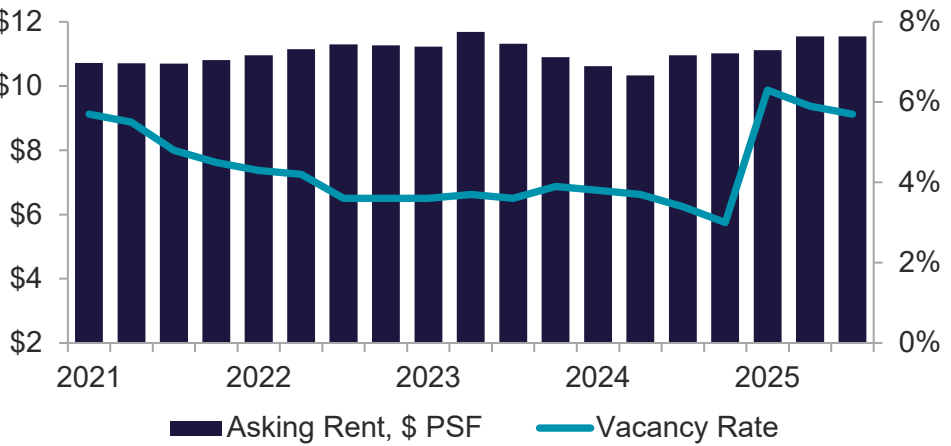
OUTLOOK:

Looking ahead, new construction projects are expected to come online, with deliveries supporting market absorption. Asking rental rates are likely to remain near \$11 to \$12 per square foot heading into the final quarter of the year, signaling some rental stabilization. Operating costs are still however, expected to remain elevated.

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	2,859,070	6.0%	207,531	785,944	644,521	0	\$9.88	\$5.71	\$15.59
Northeast	6,253,154	131,598	2.1%	-39,535	72,523	0	0	\$10.77	\$4.80	\$15.57
Northwest/Central*	59,781,985	3,537,295	5.9%	277,526	841,632	193,754	317,300	\$9.69	\$5.00	\$14.69
Sherwood Park/Strathcona County	9,150,935	307,278	3.4%	55,974	-73,186	210,000	0	\$10.39	\$4.86	\$15.25
Acheson**	14,899,840	475,975	3.2%	15,482	-69,866	120,000	175,774	\$15.81	\$4.62	\$20.43
Leduc/Nisku	25,908,033	1,997,633	7.7%	61,608	-152,847	397,759	395,632	\$12.78	\$3.82	\$16.60
EDMONTON TOTALS	163,565,469	9,308,849	5.7%	578,586	1,404,200	1,566,034	888,706	\$11.55	\$4.80	\$16.36

Source: Cushman & Wakefield Edmonton Research, CoStar

*Sturgeon County and **Parkland County Included In Total

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
Brick 170 th	Northwest	Goodwill Industries	187,769	Headlease
11204 186 St	Leduc/Nisku	Kane Veterinary Supplies Ltd.	84,327	Headlease
Southport Crossing	Southeast	Famous Toys	54,515	Headlease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
4130 99 St (Portfolio)	Various	York Realty Inc / KS AB Industrial Holdings Inc	615,711	\$105.3M / \$171.02
Letourneau Centre	Southeast	Dream Summit Industrial Inc / West Two Enterprises Ltd	97,154	\$18.7M / \$192.89
4810 92 Ave	Southeast	9318470 Canada Inc / Camrock Capital Partners Ltd	117,069	\$12.9M / \$110.29

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
English Bay Food Manufacturing Facility	Acheson/Parkland County	English Bay Blending	120,000	Q1 2026

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