



MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.8% Overall Vacancy Rate	▲	▼
1.74M YTD Net Absorption, SF	▼	▲
\$11.61 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▲	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
872K Edmonton Employment	▲	▲
7.7% Edmonton Unemployment Rate	▼	▬
6.5% Canada Unemployment Rate	▼	▲

Source: Statistics Canada, The City of Edmonton

ECONOMY:

Alberta's energy sector stayed resilient in 2025; however, broader economic uncertainty continued to weigh on investment outside the energy industry. Following strong first-half gains, construction intentions softened, slowing industrial building investment to its weakest annual growth in over two years. While commercial construction remained subdued, the Edmonton market still saw robust industrial deliveries in 2025, largely driven by large-scale build-to-suit projects in the region. Manufacturing in the province gradually improved, though the recovery remained modest.

Source: Government of Alberta

SUPPLY AND DEMAND:

The Edmonton industrial market posted 341,578 square feet (sf) of net absorption in Q4 2025, bringing year-to-date net absorption to 1.74 million square feet (msf). The overall vacancy rate for the sector stood at 5.8% in Q4 2025.

Construction remained relatively strong in the Edmonton market despite the uncertainty throughout 2025. This quarter alone added over 500,000 sf of new inventory, including York Realty's Farm40 building (231,000 sf), the NAPA Distribution Centre expansion (74,754 sf), and Cornerstone Business Park Building E in the Southeast submarket (202,000 sf). Year-to-date new supply reached 1.39 msf, a 29.1% increase compared with 2024. Currently, 1.25 msf is under construction in the Edmonton Metropolitan Region.

There was strong sales activity in the Edmonton industrial market in Q4 2025. In Northwest Edmonton, Amazon purchased a 50-acre parcel for \$39.6 million, representing \$790,943 per acre. In the Southeast, a 58,950-sf warehouse at 2403 91 St sold for \$13.6 million, or \$231.55 psf. Another notable transaction was the 99,690-sf Norwester Building in Northwest Edmonton, which sold for \$10.7 million at \$107.83 psf. The property was fully leased at the time of sale, trading at a 6.7% cap rate, within the typical 6–7% range for this asset type.

OUTLOOK:

In 2026, new construction activity is expected to gain momentum as business investment stabilizes, with build-to-suit projects driving much of the growth. These deliveries will continue to support market absorption, while the overall vacancy rate is anticipated to stay within the 5–6% range.

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	47,773,522	2,809,526	5.9%	251,544	1,037,488	442,521	202,000	\$9.90	\$5.62	\$15.52
Northeast	6,253,154	92,711	1.5%	38,887	111,410	0	0	\$10.57	\$4.85	\$15.42
Northwest/Central*	59,855,739	3,945,083	6.6%	-334,034	507,598	120,000	391,054	\$9.71	\$5.05	\$14.76
Sherwood Park/Strathcona County	9,150,935	135,452	1.5%	171,826	98,640	210,000	0	\$10.63	\$4.87	\$15.50
Acheson**	14,899,840	316,802	2.1%	159,173	89,307	120,000	175,774	\$15.91	\$4.68	\$20.59
Leduc/Nisku	26,139,033	2,174,451	8.3%	54,182	-98,665	366,759	626,632	\$12.91	\$3.86	\$16.77
EDMONTON TOTALS	164,072,223	9,474,025	5.8%	341,578	1,745,778	1,259,280	1,395,460	\$11.61	\$4.82	\$16.43

Source: Cushman & Wakefield Edmonton Research, CoStar

*Sturgeon County and **Parkland County Included In Total

KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE*
2603 76 Ave	Southeast	Confidential	161,604	Headlease
Anthony Henday Business Park	Northwest/Central	Komatsu	135,450	Headlease
Northport Building E	Northwest/Central	Dragonfly Edmonton	96,329	Headlease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
16404 145 Ave (Land)	Northwest/Central	Apex North Industrial Park / Amazon Canada Fulfillment Services ULC	50 Acres	\$39.6M / \$790,943 (Acre)
2403 91 St	Southeast	Pierson Holdings Ltd. / PG3 Edmonton Owner Inc	58,950	\$13.6M / \$231.55
13625 159 St	Northwest/Central	J. Diamond Properties Ltd. / DWP Co. Ltd.	28,500	\$11.4M / \$400.00
Norwester Building	Northwest/Central	Fiera Real Estate Core Fund GP Inc. / Parkit Enterprises Inc	99,690	\$10.7M / \$107.83

KEY CONSTRUCTION PROJECTS

PROPERTY	SUBMARKET	OWNER / DEVELOPER	SF	COMPLETION DATE
Fancy Windows Manufacturing & Distribution Centre	Southeast	Fancy Windows / Pumm Developments	227,521	Q2 2026
UFA Building	Leduc/Nisku	UFA / Hopewell Development	200,000	Q4 2026
English Bay Food Manufacturing Facility	Acheson/Parkland County	English Bay Blending	120,000	Q1 2026

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