

A modern office interior with large windows and potted plants. The space features a polished floor, several large potted plants, and a row of modern, rounded seating. The windows offer a view of a cityscape and greenery outside.

The Office Occupier

Q3 2025 Edmonton Office Market Report

An Insight into the Edmonton Office Market

cresa 

The Office Occupier Q3 2025

Table of Contents

1. Market Overview
2. Looking Ahead
3. Additional Graphs and Tables
 - Current Office Vacancy
 - Sublease Vacancy Index
 - Comparative Historical Vacancy
 - Historical Office Absorption
 - Average Asking Net Rental Rates
 - Average Historical Operating Costs
 - Vacancy Summary

Market Overview

At the end of the third quarter, the Greater Edmonton office vacancy rate was 17.99%, a 0.01% increase from the end of the second quarter. In other words, the office market was very flat for the third quarter.

The Downtown total vacancy rate closed out at 19.75%, up by 0.25%, and the overall suburban vacancy rate decreased slightly, to 15.55%, a 0.32% decrease from the second quarter.

Year over year, one main trend that emerged is the suburban market vacancy continued to shed vacancy from 17% down to 15.55%, while the downtown vacancy increased from 18.60% to 19.75%. In the suburbs, the decrease happened because of leasing activity in the Southside market and Sherwood Park, where the year over year vacancies decreased to 17.92% and 14.84% respectively, down from 20.58% and 18.68%.

The increase in the Downtown total occurred in Financial AA market where year over year vacancy increased to 13.64%, up from 11.36%, and to the

Financial C market, where year over year vacancy increased to 28.97%, up from 18.18%.

Outlook

We estimate the current vacancy rates trends to continue in the downtown and suburban markets. Inflation will continue to hamper decision making on construction of new office space, which will likely mean that most of the leasing activity will be lease renewals versus relocations.

It is quite clear that new tenants are not locating to the downtown core. Concerns with vagrancy, public safety and poor accessibility due to construction continue to deflate this market. As of right now, no discernible trend has been noted with downtown tenants vacating to the suburbs. Another point worth noting is that the Province of Alberta has ordered all government employees to return to the office by February 1, 2026. A large component of downtown tenancy is made up of provincial government tenancy, so this return-to-work mandate should add some life back into the core.

Notable Office Transactions

Tenant	Building	Area (sf)	Type
Alberta Motor Association	Jayman Building	14,512	Sublease
Provincial Government of Alberta	Peace Hills Trust Tower	12,770	Headlease
Links	Mira Health Centre	8,402	Renewal
Community Options	ParkWest Business Centre, Bldg 5	6,4998	Headlease
JLL	Manulife Place	5,580	Headlease

Edmonton Office Supply

30,632,116 sf



Edmonton Overall Vacancy

17.99%



Downtown Vacancy

19.75%

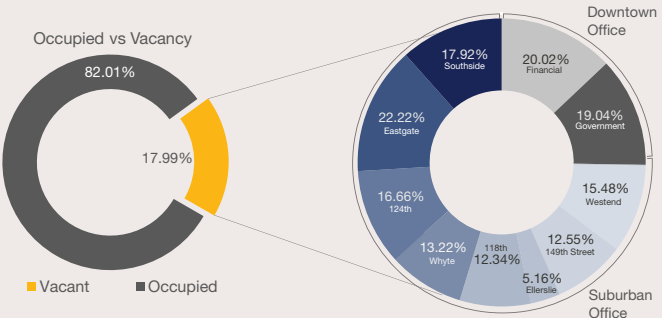


Suburban Vacancy

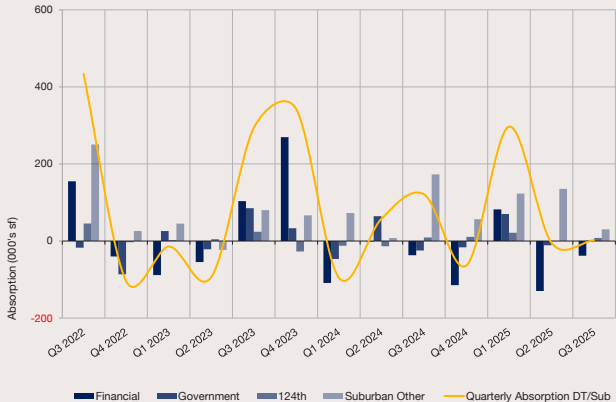
15.55%

Market Summary

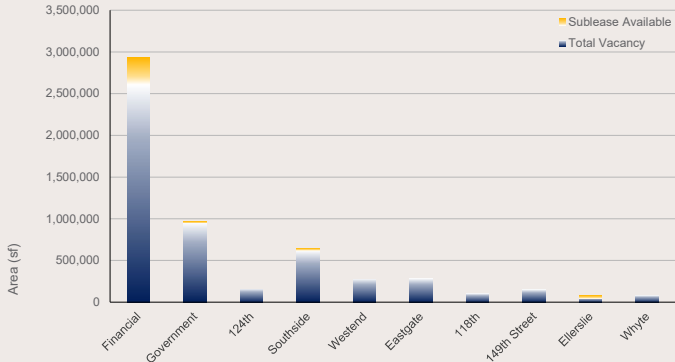
Current Office Vacancy



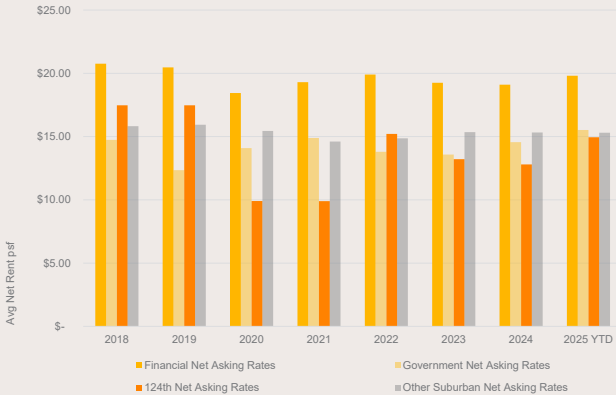
Historical Office Absorption



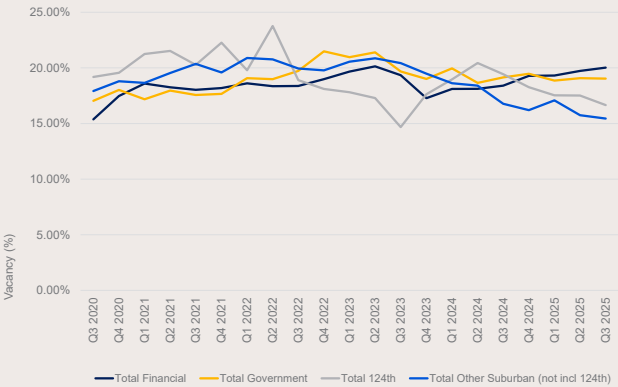
Sublease Vacancy Index



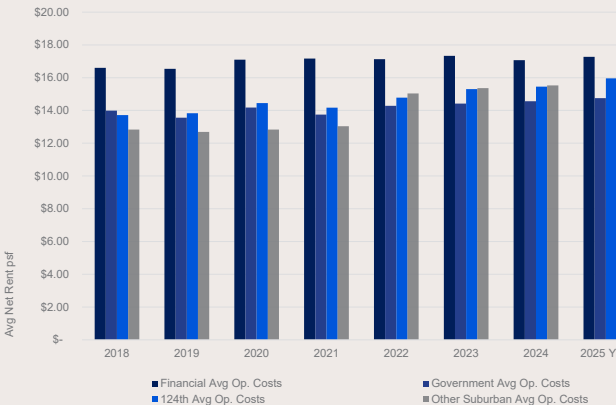
Average Asking Net Rental Rates



Comparative Historical Vacancy



Average Historical Operating Costs



Q3 2025 Vacancy Summary, Edmonton

SUBMARKET	TOTAL INVENTORY (sf)	LEASE (sf)	SUBLEASE (sf)	LEASE (%)	SUBLEASE (%)	TOTAL VACANCY
FINANCIAL						
FINANCIAL AA	4,264,649	449,488	132,046	10.54%	3.10%	13.64%
FINANCIAL A	6,556,573	1,320,976	180,066	20.15%	2.75%	22.89%
FINANCIAL B	1,853,560	419,605	2,533	22.64%	0.14%	22.77%
FINANCIAL C	366,499	102,386	3,802	27.94%	1.04%	28.97%
TOTAL FINANCIAL	13,041,281	2,292,455	318,447	17.58%	2.44%	20.02%
GOVERNMENT						
GOVERNMENT A	2,276,308	453,122	9,353	19.91%	0.41%	20.32%
GOVERNMENT B	2,355,266	432,166	0	18.35%	0.00%	18.35%
GOVERNMENT C	370,167	55,698	1,865	15.05%	0.50%	15.55%
TOTAL GOVERNMENT	5,001,741	940,986	11,218	18.81%	0.22%	19.04%
DOWNTOWN TOTAL	18,043,022	3,233,441	329,665	17.92%	1.83%	19.75%
SUBURBAN						
124th A	374,555	60,437	0	16.14%	0.00%	16.14%
124th B	444,968	82,932	0	18.64%	0.00%	18.64%
124th C	118,005	12,802	0	10.85%	0.00%	10.85%
Total 124th	937,528	156,171	0	16.66%	0.00%	16.66%
SOUTHSIDE	3,461,447	598,872	21,584	17.30%	0.62%	17.92%
WESTEND	1,792,631	277,547	0	15.48%	0.00%	15.48%
EASTGATE	1,267,512	281,605	0	22.22%	0.00%	22.22%
118TH	859,144	106,016	0	12.34%	0.00%	12.34%
149TH STREET	1,226,272	153,900	0	12.55%	0.00%	12.55%
ELLERSLIE	943,205	23,000	25,645	2.44%	2.72%	5.16%
WHYTE	589,562	77,961	0	13.22%	0.00%	13.22%
TOTAL SUBURBAN (INCL 124TH)	11,077,301	1,675,072	47,229	15.12%	0.43%	15.55%
EDMONTON TOTAL	29,120,323	4,875,586	412,135	16.74%	1.42%	18.16%
SHERWOOD PARK	1,511,793	217,976	5,926	14.42%	0.39%	14.81%
OVERALL EXISTING TOTAL	30,632,116	5,128,097	381,604	16.74%	1.25%	17.99%

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**Thinking
strategically.**
**Acting
objectively.**