



# Q3 2025 Industrial Occupier

## Edmonton Industrial Market

An Insight into the Edmonton Industrial Market

cresa







# Market Overview

## Industrial Market

### Vacancy Trends Downward

#### Leasing

With two consecutive increases in headlease and sublease vacancy in Q1 and Q2 2025 (4.0% and 4.3% respectively), Q3 has seen a drop in vacancy to 3.6% for the greater Edmonton area. We have seen a decline in sublease vacancy from 0.5% to 0.3% and a sharp drop in headlease vacancy from 3.9% in Q2 to 3.3% in Q3. While we usually see an increase in vacancy in Q3 due to slower activity over the spring and summer, this summer has been particularly active with transactions showing signs of a strong local economy, as evidenced by a positive net absorption of 821,554 square feet. With strong activity in the market, we have seen continued increase in the average rate from \$10.90 in Q1, to \$11.33 in Q2, with a further increase to \$11.53 in Q3. In the next quarter of The Occupier, we will share the data that we have been tracking since Q3 of 2022 on

the absorption and overall progress of new spec buildings and industrial parks.

#### Mid-Year Sales

Building on a very strong start to the year, commercial real estate investors remained extremely optimistic in the Edmonton market through the second quarter of 2025. From April through June, 183 transactions closed, bringing an additional \$854.2 million in property and land sales. Compared to mid-year 2024, investment was up across all six asset classes we track, and this propelled year-to-date investment to an 80% year-over-year (y-o-y) increase in year-to-date investment from a little more than \$1.9 billion at June 30th, 2024 to approximately \$2.1 billion at the same time this year.

A post-pandemic investment recovery trend can be seen in building purchases beginning in 2022. This has led to steady year-over-year



Industrial Supply

199,710,204 sf



Industrial Vacancy

3.63%



Overall Industrial Vacancy

7,257,650 sf

## Industrial Sales Activity

	Mid-year 2021	Mid-year 2022	Mid-year 2023	Mid-year 2024	Mid-year 2025
<b>Owner/User Warehouse</b>					
Total \$ Value	\$118,271,000	\$170,832,990	\$158,865,605	\$115,843,000	\$158,376,919
No. of Transactions:	35	55	50	41	44
Avg. Price/sf	\$163/sf	\$185/sf	\$186/sf	\$199/sf	\$196/sf
<b>Multi-Bay Warehouse</b>					
Total \$ Value	\$165,535,000	\$145,415,000	\$270,666,500	\$62,475,000	\$242,182,500
No. of Transactions:	7	16	13	7	12
<b>Single-Tenant Warehouse</b>					
Total \$ Value	\$2,500,000	\$254,505,000	\$15,750,000	\$38,925,000	\$38,237,602
No. of Transactions:	1	8	1	4	5
<b>Totals</b>					
Total \$ Value	\$286,306,000	\$570,752,990	\$445,282,105	\$217,243,000	\$457,547,021
No. of Transactions:	43	79	64	52	62*

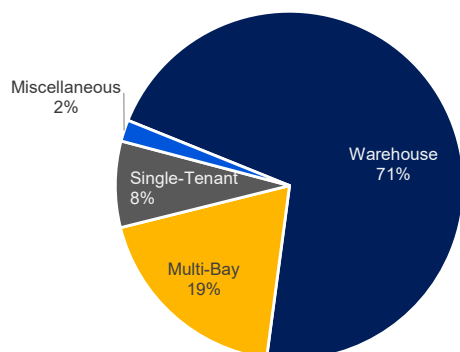
\*Total includes misc. self-storage property sale  
Source: The Network



Q3 2025 Industrial Absorption

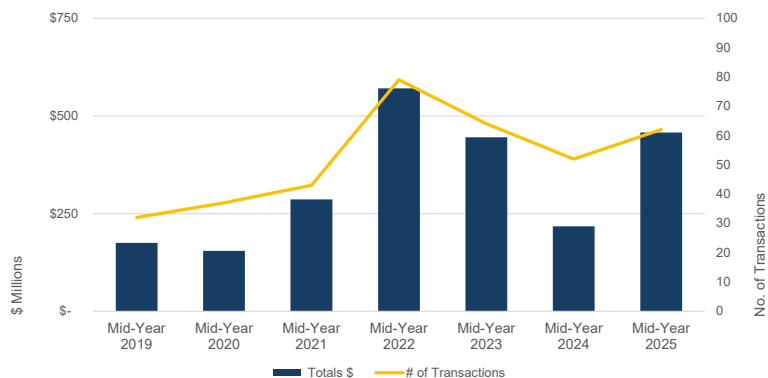
821,554 sf

## Industrial Sale Distribution\*



\*Source: The Network

## Industrial \$ Volume and No. of Transactions\*



increases in dollar volume among those hard assets and supported overall dollar volume in each successive year.

Investment in commercial condo properties increased by 58 sales, totaling approximately \$40 million during the second quarter of 2025. After a first quarter that was slightly stronger than Q1 2024, commercial condos continued to move quickly and in large volume. This established new mid-year records for this product type, coming in well above mid-year 2021 levels.

Industrial condos continued to comprise the majority of year-to-date sales, but a notable development at this stage was resurgent demand for office condos. Industrial condos have been in the highest demand of the three formats since 2019 – typically comprising half or more of total sales. Due to a variety of factors, they also tend to cost the least per square foot.

Investors' appetite for industrial properties ramped up during the second quarter of 2025, purchasing 31

additional properties totaling more than \$240 million from April through June. This put the mid-year total dollar volume well above the same point in 2024.

As is typically the case in this asset class, owner/users remained the major contributor to year-to-date sales and dollar volume. This group purchased 44 of the 62 total year-to-date properties, comprising just under \$158 million. Another notable change from 2024 was the resurgence in multi-bay warehouse activity, in which transactions nearly doubled mid-year 2024 levels and dollar volume nearly quadrupled.

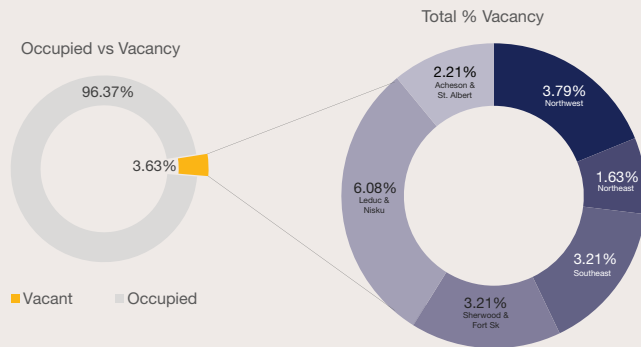
Owner/user industrial sales remain steady since mid-year 2022, with a small increase in the price per square foot per year from \$186 to \$199, with a slight drop to \$196 at mid-year 2025. The Owner/user market continues to be active and robust with consistent sales volume and values post-pandemic.

## Q3 2025 Vacancy Summary, Industrial

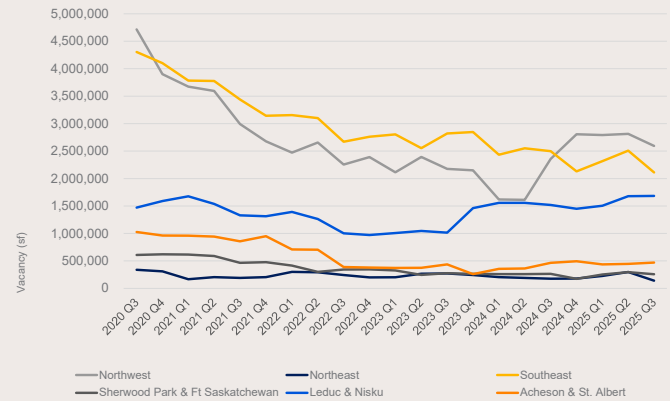
QUADRANT	TOTAL INVENTORY (sf)	HEADLEASE (sf)	HEADLEASE (%)	SUBLEASE (sf)	SUBLEASE (%)	TOTAL (sf)	TOTAL (%)
North West	68,377,080	2,443,328	3.57%	150,016	0.22%	2,593,344	3.79%
North East	8,615,338	129,300	1.50%	11,060	0.13%	140,360	1.63%
South East	65,679,640	1,811,716	2.76%	299,688	0.46%	2,111,404	3.21%
Sherwood & Fort Sask.	8,030,239	240,154	2.99%	17,863	0.22%	258,017	3.21%
Leduc & Nisku	27,710,234	1,537,224	5.55%	147,249	0.53%	1,684,473	6.08%
Acheson & St. Albert	21,297,673	445,188	2.09%	24,864	0.12%	470,052	2.21%
<b>Total Industrial</b>	<b>199,710,204</b>	<b>6,606,910</b>	<b>3.31%</b>	<b>650,740</b>	<b>0.33%</b>	<b>7,257,650</b>	<b>3.63%</b>

Source: CoStar Group

## Breakdown of Vacancy by Submarket

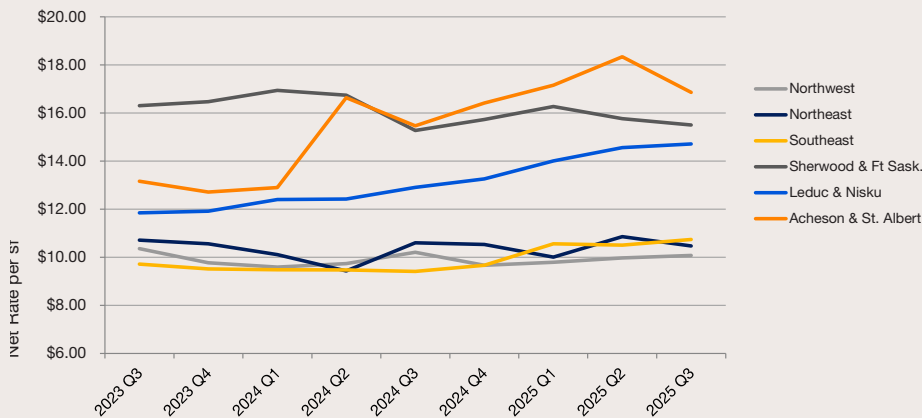


## Historical Industrial Vacancy



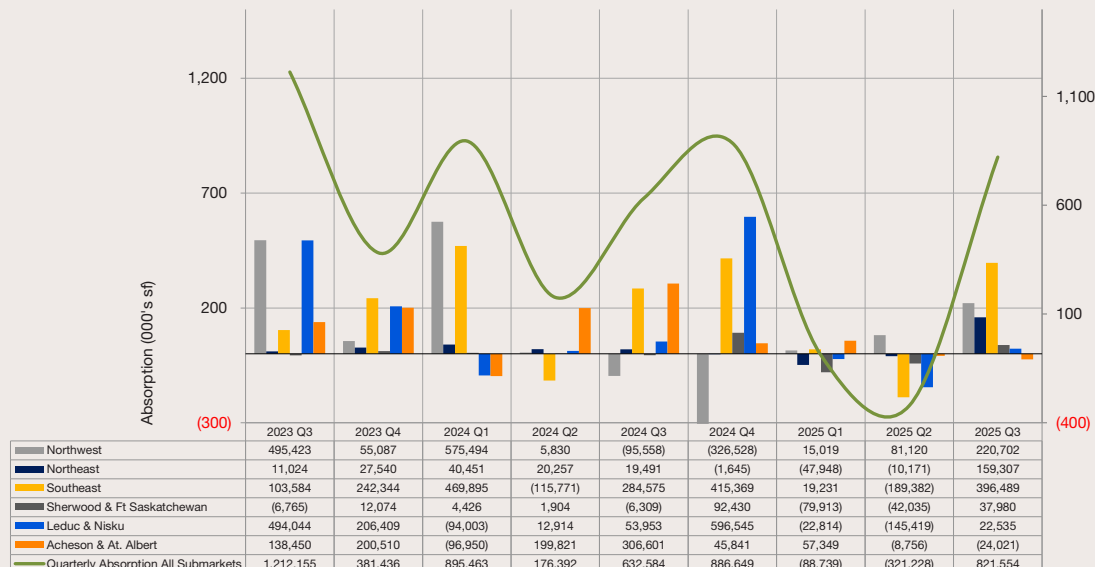
## Average Asking Net Rates

Reported Submarkets



## Historical Absorption

Reported Submarkets



## CONTACT INFORMATION

---

### TRANSACTION MANAGEMENT ADVISORY TEAM

**Nicholas Farnden**  
780.938.7343  
nfarnden@cresa.com

**Cameron Martin**  
780.660.3214  
cmartin@cresa.com

**Dan Budman**  
780.338.3338  
dbudman@cresa.com

**Byron Wakeling**  
780.993.2367  
bwakeling@cresa.com

**Todd Walker**  
780.952.8331  
twalker@cresa.com

**Shelby Krishka** (unlicensed assistant)  
825.777.3699  
skrishka@cresa.com

---

#### Cresa

10020 - 101A Avenue, Suite 1980 | Edmonton, AB T5J 3G2  
main 780.900.8781

324 - 8 Avenue SW, Suite 1550 | Calgary, AB T2P 2Z2  
main 403.571.8080

[cresa.com](http://cresa.com)

Cresa is an international corporate real estate advisory firm that exclusively represents tenants and specializes in the delivery of fully integrated real estate services, including: Workplace Intelligence, Transaction Management, Project Management, Consulting, Lease Administration, Location Strategy & Economic Incentives, Facilities Management, Global Portfolio Solutions and Investment Banking. For more information, visit [www.cresa.com](http://www.cresa.com).

Even though obtained from sources deemed reliable, no warranty or representation, express or implied, is made as to the accuracy of the information herein, and it is subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by our principals.

All material in this publication is, unless otherwise stated, the property of Cresa. Copyright and other intellectual property laws protect these materials. Reproduction or retransmission of the materials, in whole or in part, in any manner, without the prior written consent of Cresa is strictly prohibited.





Thinking  
strategically.

Acting  
objectively.