

Edmonton, AB



Quick Stats

16.7%

Overall Office Vacancy

16.3%

Total Downtown Vacancy Rate

17.2%

Total Suburban Vacancy Rate

\$18.67 psf

Average Downtown Op Costs

\$13.42 psf

Average Suburban Op Costs

Market Overview

The Edmonton office market has continued to feel the pressure COVID-19, as tenants grapple with how best to utilize their spaces. For the most part, activity levels have been relatively stagnant as the “second wave” of COVID ramps up. However, the current climate is stable, allowing tenants to review their space requirements, ranging from taking advantage of low-cost subleases, to consolidating several pockets of space into one single location.

Suggestions around the abandonment of the office in favour of remote working have been sufficiently quelled as the conversation has shifted towards the future and how the physical office space fits into a flexible work environment. By redefining the purpose of office space, the market will become an even more exciting area to watch, with client requirements undoubtably becoming increasingly complex in order to maximize the

potential of their space.

The largest factor in quarter-over-quarter vacancy changes was due to large pockets of space becoming vacant this quarter, having already been on the market on an “available Q3 2020” basis. Most notably, 116k sf came online in the South Side’s Commerce South Office Park buildings and 85k sf downtown at the Boardwalk Building. By removing those types of availabilities from the equation, vacancy rates were notably stable.

Over the next several quarters, we expect activity in the office market to remain stable yet flat as groups continue to wait for general uncertainty to clear. Provided the rough timeline on a COVID-19 vaccine is maintained, late 2021 will likely be when leasing activity picks up and groups become comfortable executing their action plans, having had the time to develop a future-proof strategy that works for their business trajectory.

	Buildings	Total Inventory	Direct Vacancy	Sublease Vacancy	Absorption (YTD)	Vacancy Rate	Vacancy Direct	Vacancy Sublease	2020 Weighted Additional Rent	Average Asking Rates
Financial										
AAA**	4	2,345,524	165,218	74,242	-3,877	10.2% ▲ 0.2%	7.0% ▲ 0.2%	3.2% - 0.0%	\$23.50	\$32.86
A	25	7,400,839	1,105,804	243,978	-31,331	18.2% ▼ -0.1%	14.9% ▼ -0.4%	3.3% ▲ 0.3%	\$19.60	\$20.64
B	15	1,822,009	241,501	0	-45,113	13.3% ▲ 2.5%	13.3% ▲ 2.5%	0.0% - 0.0%	\$19.27	\$14.37
C	17	1,070,736	162,249	9,375	-74,247	16.0% ▲ 6.9%	15.2% ▲ 6.7%	0.9% ▲ 0.3%	\$16.26	\$12.24
SUBTOTAL :	61	12,639,108	1,674,772	327,595	-154,568	15.8% ▲ 0.9%	13.3% ▲ 0.7%	2.6% ▲ 0.2%	\$19.94	\$20.03
Government										
A	15	2,696,265	426,265	138,517	2,063	20.9% ▼ -0.1%	15.8% ▼ -0.1%	5.1% - 0.0%	\$16.28	\$16.60
B	16	1,618,690	285,956	0	-6,532	17.7% ▲ 0.4%	17.7% ▲ 0.4%	0.0% - 0.0%	\$15.00	\$13.18
C	23	1,203,648	55,904	15,000	-2,090	5.9% ▲ 0.2%	4.6% ▲ 0.2%	1.2% - 0.0%	\$14.86	\$12.68
SUBTOTAL :	54	5,518,603	768,125	153,517	-6,559	16.7% ▲ 0.1%	13.9% ▲ 0.1%	2.8% - 0.0%	\$15.66	\$14.15
Suburban										
118 Ave & Kingsway	25	863,580	114,130	0	-18,989	13.2% ▼ -0.1%	13.2% ▼ -0.1%	0.0% - 0.0%	\$15.10	\$15.39
124 Street	26	1,017,034	142,925	0	-791	14.1% ▲ 0.1%	14.1% ▲ 0.1%	0.0% - 0.0%	\$15.83	\$15.24
149 Street	33	1,228,531	194,224	0	-211	15.8% - 0.0%	15.8% - 0.0%	0.0% - 0.0%	\$13.71	\$13.54
Eastgate	18	1,421,440	371,790	29,832	-33,250	28.3% ▲ 2.3%	26.2% ▲ 0.2%	2.1% ▲ 2.1%	\$13.33	\$14.73
Southside	87	3,793,516	565,601	124,359	-149,406	18.2% ▲ 3.9%	14.9% ▲ 0.9%	3.3% ▲ 3.1%	\$13.50	\$23.05
Summerside	49	1,433,415	63,218	29,257	-128	6.5% - 0.0%	4.4% ▲ 0.3%	2.0% ▼ -0.2%	\$13.18	\$20.94
Windermere	16	401,967	42,308	0	974	10.5% ▼ -0.2%	10.5% ▼ -0.2%	0.0% - 0.0%	\$14.58	\$26.60
West End	46	1,989,677	252,452	5,160	-7,399	12.9% ▲ 0.4%	12.7% ▲ 0.7%	0.3% ▼ -0.3%	\$12.79	\$16.30
Whyte Avenue	17	656,335	122,820	8,205	-8,078	20.0% ▲ 1.2%	18.7% ▲ 1.2%	1.3% - 0.0%	\$16.99	\$19.12
Sherwood Park	31	1,245,088	344,607	2,919	-47,029	27.9% ▲ 3.8%	27.7% ▲ 3.8%	0.2% - 0.0%	\$8.94	\$15.66
Totals										
Downtown Total:	115	18,157,711	2,442,897	481,112	-161,127	16.3% ▲ 0.5%	13.6% ▲ 0.4%	2.7% ▲ 0.1%	\$18.67	\$17.09
Suburban Total:	348	14,050,583	2,214,075	199,732	-264,307	17.2% ▲ 1.7%	15.8% ▲ 0.8%	1.4% ▲ 1.0%	\$13.42	\$18.06
Overall:	463	32,208,294	4,656,972	680,844	-425,434	16.7% ▲ 1.1%	14.7% ▲ 0.6%	2.1% ▲ 0.5%	\$16.41	\$17.57

Get more market information

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