

INDUSTRIAL MARKET REPORT

Q4 2019



LIZOTTE
AND ASSOCIATES REAL ESTATE INC

MARKET SNAPSHOT - LEASING

Q4 2019	Central	Northeast - Fort Saskatchewan	Northwest	South Edmonton - Sherwood Park	Acheson - Spruce Grove - Stony Plain	Leduc - Nisku	Total
Total Inventory (SF)	3,750,444	5,922,856	66,668,841	73,011,809	12,150,825	22,332,865	183,837,640
Occupied Space (SF)	3,602,460	5,574,293	62,566,579	68,663,606	11,426,423	21,137,165	172,970,526
Vacant Space (SF)	147,984	348,563	4,102,262	4,348,203	724,402	1,195,700	10,867,114
Vacancy (%)	3.95%	5.89%	6.15%	5.96%	5.96%	5.35%	5.91%
Sublet (SF)	0	25,000	354,291	254,288	259,242	70,864	963,685
Under Construction (SF)	0	796,576	209,545	452,186	349,555	1,568,000	3,375,862
Base Rent \$/SF	\$10.00	\$10.50	\$9.00	\$9.75	\$13.50	\$12.50	

MARKET SUMMARY

Edmonton's Industrial market continues to be a Tenant's market and Landlords are under pressure with competing properties, subdued demand and new supply entering the market in some cases at under \$10.00 SF. Market Vacancy continues to hover around 6% and while there is currently a feeling of lethargy, there is optimism on the horizon with the commencement and approval of the TransMountain and Keystone pipelines respectively, and recent positive announcements in regional centers such as Grande Prairie and Fort McMurray. The full effects of these projects will not be felt until we are a couple of years into the new decade.

A number of stand-alone single tenant buildings were completed in Acheson over the summer/fall of 2019, as companies in northwest Edmonton continue to move a little further west for lower property taxes and more room to grow. Fountain Tire and Stihl warehouse/distribution centres are making progress and due to be completed in 2020.

Older distribution space in northwest Edmonton continues to be available in the \$6.00 - \$8.00 SF range in the west, 50c - \$1.00 more in south Edmonton. Tenants should be prepared to pay in the low teens (\$13.00 - 14.00 SF) for stand-alone buildings with low site coverage in both the west and south industrial areas of the city. In an effort to maintain face rates, tenant inducements such as free rent periods and tenant improvement allowances continue to be generous across all sizes and quality of product.

Vacancy and availability rose in Leduc-Nisku during 2019, but this trend has now stabilized at the end of the year and sits around the 5.5% mark. A number of longer term (5 year +) transactions in the 10,000 - 20,000 SF range have been completed in the second half of 2019. Demand continues to be solid for new multi-tenant speculative construction just south of the Edmonton/Nisku border, and construction is well under way on Amazon's well publicized distribution centre, Destiny BioScience 300,000 SF (Cannabis) facility and Conglom's 50,000 SF Warehouse and Distribution centre in Leduc.

OPPORTUNITIES



Freestanding Building on 5 Acres FOR SALE

1610 - 8 Street, Nisku

Size: 12,900 Sq.Ft. (+/-)

Price: \$3,200,000

[Download Brochure](#)

Property Highlights

- Low site coverage
- Fully fenced/gated yard
- 2 access points to site
- Built-out mezzanine with office, locker room, washroom, and shower
- Quick access to 20 Ave (Highway 625), QEII Highway North and South, Edmonton International Airport, and Remington's Discovery Business Park



Distribution & Storage Facility FOR LEASE

12150 - 160 Street, Edmonton

Size: 36,806 Sq.Ft. (+/-)

Lease: \$5.75/Sq.Ft.

[Download Brochure](#)

Property Highlights

- Up to 2.99 acres (+/-)
- Dock and grade loading
- Heavy power
- Paved and fenced, secure yard available
- Ideal for distribution and warehouse storage
- Excellent access to major arterials including Yellowhead Trail, 156 Street, 170 Street and Anthony Henday Drive



Multiple Industrial Bays FOR SALE

17308/17320 - 106A Avenue, Edmonton

Size: 2,158 Sq.Ft. (+/-)

Price: Starting at \$399,000

[Download Brochure](#)

Property Highlights

- Well managed condo association
- Recent upgrades to roof and parking lot
- Reserve fund established
- Ample parking at front and rear
- Easily accessible West Edmonton location



Warehouse/Office Building FOR SALE/LEASE

12607 - 72 Street, Edmonton

Size: 10,648 Sq.Ft. (+/-)

Price: \$1,341,648

[Download Brochure](#)

Property Highlights

- Freestanding building
- 3 demised bays
- Quick access to the Yellowhead
- Great for owner user with potential for additional income
- Ample parking



Leduc Business Park FOR LEASE

3311 - 74 Avenue, Leduc

Size: 13,600 Sq.Ft. (+/-)

Lease: \$13.50/Sq.Ft.

[Download Brochure](#)

Property Highlights

- Stand-alone building with yard
- Turn-key insulated concrete tilt up buildings
- Fenced and graveled
- Dock loading options available
- Flexible drive-thru wash bay options
- Food grade quality
- High efficiency



The Turbo Buildings FOR SALE

182 Turbo Drive, Sherwood Park

Size: 154,275 Sq.Ft. (+/-)

Price: \$19,699,000

[Download Brochure](#)

Property Highlights

- 154,275 Sq.Ft. Between Two Buildings On 8.43 acres
- Turbo West Fully Leased
- Multiple Jib And Bridge Cranes
- Multiple Grade And Dock Loading Doors
- Heavy Power - 800 Amp 600 Volt Tbc
- Easy Access To Highway 16 & Anthony Henday Drive

LIZOTTE AND ASSOCIATES

Warmest thoughts and best wishes for a wonderful holiday and a very happy new year!

Sincere thanks to our clients
from all of us at Lizotte and Associates Real Estate



— Happy —
HOLIDAYS

From our Team to Yours

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