

Feature Listings



Diverser Building

2020 - 84 Ave, Strathcona County
25,900 sf on 2.09 acres available for sale



Centre West Business Park

154 Street and 121 Ave
31,737 sf available for lease



Poundmaker Industrial Land

10610 - 184 Street
9.88 Acres available for sale or Build to Suit



Rampart Business Park

142 Street and 157 Ave
178,067 sf available for lease

CONSTRUCTION COSTS RISE IN ALBERTA

While the oil sector continues to lead the Alberta economy to outperform the rest of the country, the effect on the labour market has driven construction costs to exceed the national average as well.

For a large scale building in the Edmonton area, developers can expect to pay an average of \$78 per square foot (sf) in construction costs in 2013, excluding the cost of land. In Vancouver that same building would cost about \$75/sf while in Toronto the price would be roughly \$60/sf.

Two main factors are driving the increase in prices, first and foremost is the price of skilled labour, which is being driven up by high paying oilfield jobs. The second factor is the massive reconstruction after the Southern Alberta floods, which is consuming large

quantities of basic building materials such as drywall, concrete and steel.

While existing buildings are still less expensive, the inflationary pressures on the market mean that difference is shrinking. The price difference between a new build or re-purposing an existing space can be seen as the cost of customizing the space and the increased costs of maintenance inherent in older structures. Over the near future, labour prices (and construction costs) are expected to remain high, meaning re-purposing an older building can yield significant savings if extensive customization is not required, but reach near replacement levels if it is.

	Northwest		Southeast		Northeast		Central		Leduc/Nisku		Sherwood Park		Acheson		St. Albert	
Range SF	Net Rent		Net Rent		Net Rent		Net Rent		Net Rent		Net Rent		Net Rent		Net Rent	
0 - 5,000	\$10.50	■	\$11.25	▼	\$12.00	▲	\$10.25	■	\$11.25	▼	\$16.00	■	\$8.50	▼	\$11.00	■
5,001 - 10,000	\$9.00	▼	\$11.00	▲	\$10.00	■	\$10.00	▼	\$14.00	▼	\$13.00	▼	\$11.00	■	\$11.00	■
10,001 - 20,000	\$9.25	▼	\$9.75	▼	\$6.75	▼	\$13.00	▲	\$15.50	■	\$13.50	■	\$9.50	■	\$12.00	■
20,001 - 50,000	\$8.50	▼	\$9.50	▼	\$6.50	■	-	-	-	-	\$12.50	■	\$9.00	■	\$9.00	■
50,001 & up	\$9.75	▲	\$9.75	■	\$3.25	■	-	-	\$12.25	■	-	-	-	-	\$8.00	■

Note: These figures are an averaged representation of market prices.

Vacancy Report

District/Class	Inventory (sf)	Direct Lease (sf)	Sublease (sf)	Vacancy Overall	Vacancy Direct	Vacancy Sublease	Serviced Land Cost (\$ per acre)
City							
Southeast	45,307,813	1,057,464	116,978	2.6%	2.3%	0.3%	\$670,000
Northwest	46,585,285	1,380,876	78,610	3.1%	3.0%	0.2%	\$645,000
Northeast	6,253,360	83,542	-	1.3%	1.3%	0.0%	\$550,000
Central	3,742,143	137,350	10,345	3.9%	3.7%	0.3%	-
Edmonton Total	101,888,602	2,659,232	205,933	2.8%	2.6%	0.2%	
Surrounding Districts							
Acheson	1,630,109	9,650	-	0.6%	0.6%	0.0%	\$425,000
Spruce Grove	1,253,536	9,000	-	0.7%	0.7%	0.0%	\$350,000
Stony Plain	256,955	-	-	0.0%	0.0%	0.0%	\$350,000
Sherwood Park	4,002,500	28,842	-	0.7%	0.7%	0.0%	\$550,000
Nisku/Leduc	8,695,455	416,143	-	4.8%	4.8%	0.0%	\$500,000
Surrounding Total	15,838,555	463,635	-	2.9%	2.9%	0.0%	
Overall Total	117,727,157	3,122,867	205,933	2.8%	2.7%	0.2%	





Market Spotlight - Parkland County

Parkland County as well as Spruce Grove and Stony Plain present a lower cost opportunity for Edmonton companies looking to access the Capital region, while avoiding the inflated costs of land within the city limits. With an average price per acre between \$350,000 and \$400,000, the area can offer significant savings on land costs. This compares to the \$650,000 to \$750,000 average within city limits.

Aside from the multiple sites to purchase land in Acheson, one of the area's most interesting opportunities that is gaining momentum is **Spruce Grove Industrial Park**. Located just off Golden Spike Road and on either side of Saskatchewan Avenue, the park's first phase has a total of 48.5 acres of fully serviced land for sale in lots ranging from 2 to 11 acres. Lease and design build opportunities are also offered by the site's developer.

With vacancy in Spruce Grove reaching roughly 2%, remaining lots are not expected to last long, as the parkland region is experiencing an excess of demand, and serviced land supply is decreasing.

NOTABLE LEASE TRANSACTIONS

	Location	Type	Specialty	Size (sf)	Tenant
	53rd Ave Business Park	Existing Development	Multi-Tenant Building	112,008	Russel Metals
	Yellowhead Crossing Phase II, Building 3	New Development	Multi-Tenant Building	111,825	Alberta Infrastructure
	Cityview Business Park Building 5 6304 Roper Road	New Development	Multi-Tenant Building	48,741	Exel
	Cornerstone Business Park Whitemud & 34 th Street	New Development	Multi-Tenant Building	36,495	Pickford Group
	Cityview Business Park Building 14 6304 Roper Road	New Development	Multi-Tenant Building	26,510	Tridon Communications

NOTABLE BUILDING SALE TRANSACTIONS

	Location	Subdivision	Zoning	Property	Sale Price	Unit Price	Vendor	Purchaser
	15703 114 Ave	Sheffield Industrial	IM	111,500 sf on 4.63 Acres	\$9,350,000	\$83.85 psf	KS 15709-15735 114th Avenue NW Inc	PIRET (15709-114 Ave NW) Holdings Inc
	14605 128 Ave	Bonaventure Industrial	IM	97,804 sf on 4.75 Acres	\$7,620,000	\$77.91 psf	SREIT (West No. 3) Ltd	PIRET (14627-128 Ave NW) Holdings Inc
	6407 20 St	Southeast Industrial	IM	37,000 sf on 2.87 Acres	\$6,450,000	\$174.32 psf	E.C. Brace Holdings Ltd	1739065 Alberta Ltd
	7102 42 St	Leduc	M2	24,000 sf on 2.22 Acres	\$6,043,560	\$251.82 psf	Caledonia Enterprises Ltd	Castaway Holdings Ltd
	220/230 Diamond Ave	Spruce Grove	M1	15,600 sf on 15.01 Acres	\$5,205,000	\$333.65 psf	PTI Premium Camp Services Ltd	Contrac Real Estate Holdings Inc

NOTABLE LAND SALE TRANSACTIONS

Location and Subdivision	Sale Date	Land Size (acres)	Sale Price	Unit Price (Acre)	Purchaser
Hwy 60 & TR 525 Acheson	September 6 th 2013	12.81	\$5,499,270	\$451,500	Rocky Mountain Dealerships Inc
Hwy 60 & TR 525 Acheson	September 11 th 2013	12.30	\$4,612,500	\$375,000	1286258 Alberta Ltd
11950 17 St Clover Bar	September 9 th 2013	9.92	\$3,895,000	\$392,641	Gilead Alberta ULC
Hwy 60 & TR 525 Acheson	September 10 th 2013	8.03	\$2,800,000	\$348,692	Sissons Investment Corp
3907/09 68 Ave Leduc	September 26 th 2013	4.58	\$2,399,000	\$523,799	1768686 Alberta Ltd

MEET OUR INDUSTRIAL TEAM:

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