

A large industrial warehouse with high ceilings, metal shelving units, and a pallet jack in the foreground. The warehouse is filled with various goods, including boxes and pallets. The floor is polished concrete, and the lighting is bright. A person is visible in the background, working near the shelving units.

Greater Winnipeg industrial market report

Q4 2023

**AVISON
YOUNG**

Industrial market trends

01

Industrial spaces remain in demand

Demand for industrial spaces in Winnipeg and surrounding RMs remained steady throughout 2023 and gains are anticipated to continue in 2024 as inflation and interest rate pressures moderate



02

Free-standing buildings

Demand from users in terms of the purchase of free-standing industrial buildings remains high, new offerings came to the market resulting in continued upward pressure on asking and sale prices. Despite higher interest rates, local industrial users continue to exhibit strong interest in acquiring assets in strategic locations

03

Industrial construction slowing down

Construction activity is expected to slow in the first half of 2024 as the market absorbs the deliveries of Q4; over 500,000 sf of new product has been delivered in the Northwest market in 2023. The consistent demand for high quality industrial space and improving market conditions are expected to drive future development in the market

Industrial market trends

04

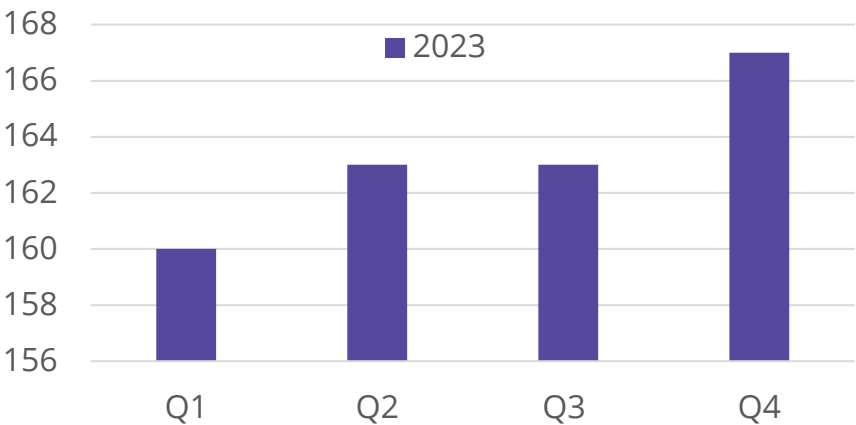
Large bay spaces

Balance is expected in the market for Landlords and Tenants specifically regarding larger bay spaces

05

Industrial sales are increasing

Despite higher servicing costs and interest rates, industrial property sales increased quarter over quarter in 2023 and rental rate increases for existing assets will continue into 2024



Winnipeg area market fundamentals

81,557,952

market
inventory (sf)



Up from 81,222,002 in Q3 2023

2.7

vacancy
rate (%)



Up from 2.2% in Q3 2023

390,000

under
construction (sf)



Down from 525,000 in Q3 2023

\$11.15

average asking
net rent (psf)



Up from \$11.00 in Q3 2023



\$177.00

sale
price (psf)



Up from \$163.00 in Q3 2023

For more market insights
and information visit
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Wes Schollenberg

Managing Director, Broker
204 560 1501
wes.schollenberg@avisonyoung.com

Nicole Abbott

Realty Marketing Manager
204 560 1514
nicole.abbott@avisonyoung.com

Tracy Bramwell Chubaty

Research Analyst / Social Media Coordinator
204 560 1515
tracybramwellchubaty@avisonyoung.com