

# Greater Edmonton Area



## Quick Stats

**15.6%**

Overall Office Vacancy

**15.7%**

Total Downtown Vacancy Rate

**15.4%**

Total Suburban Vacancy Rate

**-104,057 SF**

Q2 2020 Absorption

**\$19.47 PSF**

Average Downtown Op Costs

**\$13.43 PSF**

Average Suburban Op Costs

## Market Overview

On June 12th, the Provincial Government of Alberta announced their plan to relaunch the economy by implementing Stage 2 of their recovery plan.<sup>1</sup> This stage allows for additional businesses and services to resume operations, while following public health guidelines. The 50% capacity limit on restaurants and bars were lifted, campgrounds were re-opened and numerous personal services were allowed to resume operations. The atmosphere in Edmonton has subsequently become more optimistic as friends are meeting after months apart, all while supporting local businesses.

On the business end, office towers have started filling up again as employees return to work. There has been a steady increase in requests for information, as well as for physical vacancy tours. While some may have speculated that typical office space

may become obsolete as methods such as video conferencing pervade daily business operations, early sentiments are showing that this isn't the case. Many returning to the office are relieved to be back and able to connect with colleagues in person. Rather than the office becoming obsolete due to technology, technology has given employees more flexibility in how they complete tasks, yet the desire to not work from home consistently persists.

While there is still a long ways to go, particularly when it comes to the slight uptick in COVID-19 cases as more people are getting out, it is clear that those who were on the fence about acting within the market are starting to get back into gear and pick up where they left off prior to March.

**COVID-19 CRE  
Impact Report**

[Click here](#) for insights into the impact COVID-19 is having on commercial real estate.

	Buildings	Total Inventory	Direct Vacancy	Sublease Vacancy	Absorption (YTD)*	Vacancy Rate	Vacancy Direct	Vacancy Sublease	2020 Weighted Additional Rent	Average Asking Rates
<b>Financial</b>										
AAA**	4	2,345,524	161,341	74,242	18,396	10.0% ▼ -0.8%	6.9% ▼ -1.8%	3.2% ▲ 1.0%	\$23.63	\$34.46
A	25	7,400,839	1,132,360	222,804	-31,331	18.3% ▲ 2.9%	15.3% ▲ 3.0%	3.0% ▼ -0.1%	\$19.60	\$20.70
B	15	1,822,009	196,388	0	6,998	10.8% ▼ -0.4%	10.8% ▼ -0.4%	0.0% - 0.0%	\$17.72	\$14.16
C	17	1,070,736	90,802	6,575	-23,589	9.1% ▲ 2.2%	8.5% ▲ 1.9%	0.6% ▲ 0.3%	\$17.23	\$13.00
SUBTOTAL :	61	12,639,108	1,580,891	303,621	-29,526	14.9% ▲ 1.7%	12.5% ▲ 1.5%	2.4% ▲ 0.2%	\$19.88	\$20.58
<b>Government</b>										
A	15	2,696,265	428,328	138,517	18,014	21.0% ▼ -0.7%	15.9% ▼ -0.7%	5.1% - 0.0%	\$19.60	\$16.85
B	16	1,618,690	279,424	0	-34,615	17.3% ▲ 2.1%	17.3% ▲ 2.1%	0.0% - 0.0%	\$17.72	\$13.04
C	23	1,203,648	53,814	15,000	-28,514	5.7% ▲ 2.4%	4.5% ▲ 1.1%	1.2% ▲ 1.2%	\$17.23	\$12.63
SUBTOTAL :	54	5,518,603	761,566	153,517	-45,115	16.6% ▲ 0.8%	13.8% ▲ 0.5%	2.8% ▲ 0.3%	\$18.53	\$14.18
<b>Suburban</b>										
118 Ave & Kingsway	26	886,844	118,405	0	-15,651	13.4% ▲ 1.8%	13.4% ▲ 1.8%	0.0% - 0.0%	\$14.97	\$15.76
124 Street	26	1,017,034	142,134	0	-24,990	14.0% ▲ 2.5%	14.0% ▲ 2.7%	0.0% ▼ -0.3%	\$16.00	\$15.29
149 Street	33	1,228,531	194,013	0	-43,427	15.8% ▲ 3.5%	15.8% ▲ 3.5%	0.0% - 0.0%	\$13.90	\$13.16
Eastgate	18	1,421,440	368,372	0	-33,509	25.9% ▲ 2.4%	25.9% ▲ 2.4%	0.0% - 0.0%	\$13.49	\$15.43
Southside	87	3,793,516	533,169	7,385	71,064	14.2% ▲ -0.6%	14.1% ▼ -0.8%	0.2% ▲ 0.2%	\$13.69	\$16.62
Summerside	49	1,433,415	59,544	32,803	-10,413	6.4% ▲ 0.7%	4.2% ▲ 0.5%	2.3% ▲ 0.2%	\$13.49	\$21.42
Windermere	16	401,967	43,282	0	-7,565	10.8% ▲ 1.9%	10.8% ▲ 1.9%	0.0% - 0.0%	\$15.04	\$28.00
West End	46	1,989,677	239,000	11,213	14,003	12.6% ▼ -0.7%	12.0% ▼ -0.7%	0.6% - 0.0%	\$12.39	\$16.46
Whyte Avenue	17	656,335	114,742	8,205	31,434	18.7% ▼ -6.2%	17.5% ▼ -7.5%	1.3% ▲ 1.3%	\$16.37	\$18.86
Sherwood Park	31	1,245,088	297,578	2,919	-10,362	24.1% ▲ 0.8%	23.9% ▲ 1.2%	0.2% ▼ -0.4%	\$8.50	\$15.50
<b>Totals</b>										
Downtown Total:	115	18,157,711	2,342,457	457,138	-74,641	15.7% ▲ 1.2%	13.2% ▲ 1.0%	2.6% ▲ 0.2%	\$19.47	\$17.38
Suburban Total:	349	14,073,847	2,110,239	62,525	-29,416	15.4% ▲ 0.5%	15.0% ▲ 0.4%	0.4% ▲ 0.1%	\$13.43	\$17.65
Overall:	464	32,231,558	4,452,696	519,663	-104,057	15.6% ▲ 0.9%	14.1% ▲ 0.7%	1.5% ▲ 0.1%	\$16.45	\$17.51

\*\*AAA Class office buildings include Stantec Tower, Edmonton Tower, EPCOR Tower and Enbridge Centre

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#### Sources

1: <https://www.alberta.ca/alberta-relaunch-strategy.aspx#toc-2>



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