



HUGHES COMMERCIAL REALTY GROUP

Q1 LEASING REPORT

EDMONTON REGION | JAN 1/26 TO MAR 31/26

Market intelligence, refined. Explore the latest leasing benchmarks and sector highlights in our comprehensive review of this quarter's commercial real estate activity.

This report provides the strategic data necessary to navigate the evolving commercial real estate market with confidence.

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MARKET HIGHLIGHTS

EDMONTON REGION OVERALL VACANCY TRENDS

In the first quarter of 2026, the Edmonton business market has demonstrated a resilient “slow and steady” growth trajectory, outperforming many other Canadian metros despite global economic cooling. The region’s economy is buoyed by a strong energy sector and a significant return-to-office shift, spearheaded by the provincial government’s mandate for employees to return to the core as of February 2026.

OFFICE MARKET



BUILDINGS: 1,376
EXISTING SF: 47.2M

Q1 | 2026 ↓ 10.8% Q1 | 2025 11.5%

Leasing momentum in Edmonton’s office market continues showing signs of recovery following a prolonged slowdown that began in mid-2023. Leasing volumes improved throughout 2025, with activity rising from approximately 250,000 SF to close to 400,000 SF by year-end. Despite this improvement, total leasing for the year ranked as the weakest since 2021. The first quarter of 2026 saw that momentum carried over, with a significant contribution of 250,000 SF lease to ATCO in the downtown core.

RETAIL MARKET

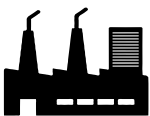


BUILDINGS: 5,018
EXISTING SF: 75M

Q1 | 2026 ↑ 4.0% Q1 | 2025 3.5%

Edmonton’s retail market has exhibited notable resilience over the past three years, with leasing activity and space absorption remaining among the most consistent periods on record. Absorption figures in 2025 were tempered largely by the closure of five Hudson’s Bay Company department stores across the region as part of the retailer’s nationwide exit. Absent these closures, absorption levels would have aligned with the 800,000 to 1.0 million SF recorded annually over the prior four years.

INDUSTRIAL MARKET



BUILDINGS: 6,174
EXISTING SF: 205M

Q1 | 2026 ↓ 3.5% Q1 | 2025 3.9%

After a particularly active second half of 2025, leasing activity in Edmonton’s industrial market moderated in early 2026 but remained broadly in line with levels recorded over the past three years. This continued performance reinforces the market’s resilience despite broader economic uncertainty linked to a slowing national economy and global trade tensions. Vacancy and availability remain near decade lows and continue to contrast sharply with softer conditions emerging in several major Canadian markets. Availability currently sits at 4.6%, while vacancy remains at 3.8%, positioning Edmonton as the tightest industrial market in Canada, compared with a national average vacancy rate of 4.6%.

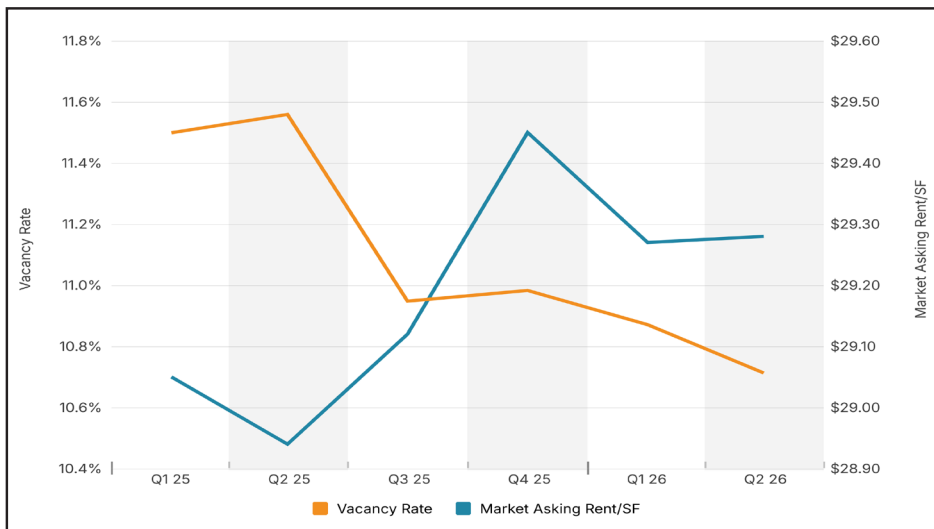
OFFICE MARKET

VACANCY TRENDS

	Q1 2026	Q1 2025	Q1 2024	Q1 2023
EDMONTON REGION BUILDINGS SURVEYED: 1,376 EXISTING SQUARE FEET: 47.2M	↓ 10.8%	11.5%	10.2%	11.3%
DOWNTOWN BUILDINGS SURVEYED: 197 EXISTING SQUARE FEET: 21.5M	↓ 15.7%	16.9%	14.8%	15.2%
NORTH BUILDINGS SURVEYED: 126 EXISTING SQUARE FEET: 1.8M	↓ 1.5%	1.6%	1.8%	4.0%
SOUTH BUILDINGS SURVEYED: 302 EXISTING SQUARE FEET: 9.8M	↑ 7.7%	6.6%	6.8%	8.5%
WEST BUILDINGS SURVEYED: 155 EXISTING SQUARE FEET: 4M	↓ 6.9%	9.3%	7.5%	7.9%
SOUTH CENTRAL BUILDINGS SURVEYED: 113 EXISTING SQUARE FEET: 1.5M	↓ 13.3%	15.7%	12.5%	16.6%
CENTRAL BUILDINGS SURVEYED: 211 EXISTING SQUARE FEET: 4.5M	↓ 5.9%	6.1%	5.5%	7.1%
OUTLYING BUILDINGS SURVEYED: 279 EXISTING SQUARE FEET: 4.4M	↔ 5.8%	5.8%	5.4%	6.1%

AVERAGE MARKET RENT VS VACANCY RATE

EDMONTON REGION | LAST 12 MONTHS



NOTABLE OFFICE LEASE TRANSACTIONS

Quarter 1, 2026

ATCO | ATCO Place
± 250,000 SF

Bredin College | First & Jasper
± 23,263 SF

Robertson College
± 14,711 SF

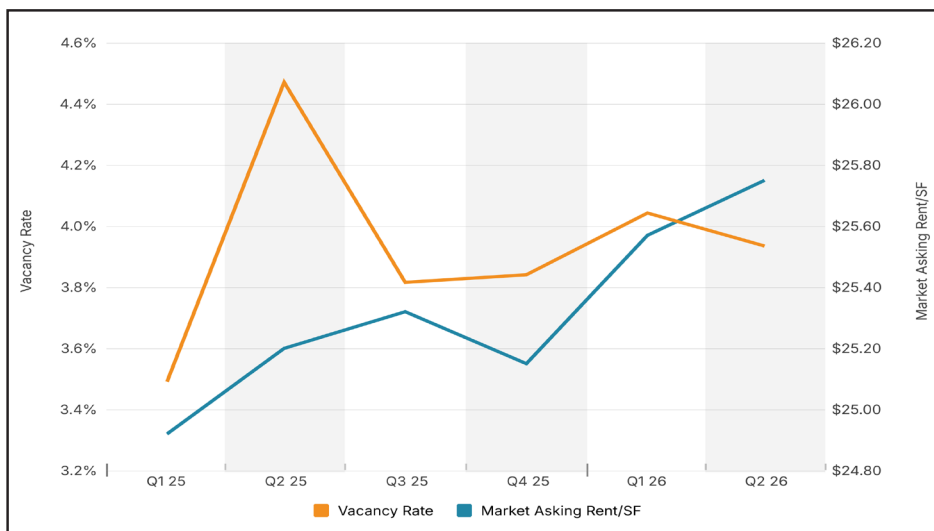
RETAIL MARKET

VACANCY TRENDS

	Q1 2026	Q1 2025	Q1 2024	Q1 2023
EDMONTON REGION BUILDINGS SURVEYED: 5,018 EXISTING SQUARE FEET: 75M	↑ 4.0%	3.5%	3.4%	4.1%
WHYTE AVE/STRATH. BUILDINGS SURVEYED: 275 EXISTING SQUARE FEET: 2.3M	↓ 5.4%	6.6%	9.0%	8.3%
NORTH BUILDINGS SURVEYED: 823 EXISTING SQUARE FEET: 11.8M	↑ 3.4%	2.6%	2.1%	4.8%
SOUTH BUILDINGS SURVEYED: 1,130 EXISTING SQUARE FEET: 20.1M	↑ 3.3%	2.5%	2.3%	3.7%
WEST BUILDINGS SURVEYED: 565 EXISTING SQUARE FEET: 12.6M	↑ 3.0%	2.0%	2.2%	3.6%
SOUTH CENTRAL BUILDINGS SURVEYED: 150 EXISTING SQUARE FEET: 1.5M	↑ 1.8%	1.0%	2.2%	1.9%
CENTRAL BUILDINGS SURVEYED: 711 EXISTING SQUARE FEET: 9.2M	↓ 9.5%	11.1%	10.7%	9.2%
OUTLYING BUILDINGS SURVEYED: 1,350 EXISTING SQUARE FEET: 17.6M	↑ 3.2%	2.0%	1.5%	2.5%

AVERAGE MARKET RENT VS VACANCY RATE

EDMONTON REGION | LAST 12 MONTHS



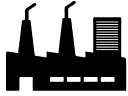
NOTABLE RETAIL LEASE TRANSACTIONS

Quarter 1, 2026

Walmart Supercentre
± 140,000 SF

Government Services
± 28,000 SF

Food & Beverage Whyte Ave
± 12,396 SF



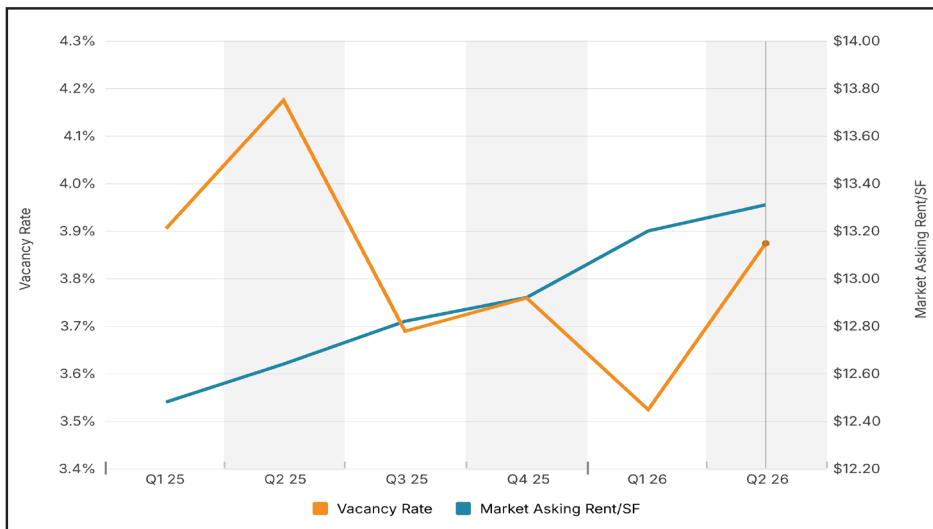
INDUSTRIAL MARKET

VACANCY TRENDS

	Q1 2026	Q1 2025	Q1 2024	Q1 2023
EDMONTON REGION BUILDINGS SURVEYED: 6,174 EXISTING SQUARE FEET: 205M	↓ 3.5%	3.9%	3.6%	3.5%
NORTHWEST/CENTRAL BUILDINGS SURVEYED: 1,835 EXISTING SQUARE FEET: 67.9M	↓ 3.9%	4.1%	2.4%	3.2%
NORTHEAST/STRATH. BUILDINGS SURVEYED: 123 EXISTING SQUARE FEET: 1.8M	↓ 1.2%	2.6%	3.6%	2.3%
SOUTHSIDE BUILDINGS SURVEYED: 302 EXISTING SQUARE FEET: 9.8M	↓ 3.0%	3.6%	3.5%	4.4%
ACHESON BUILDINGS SURVEYED: 156 EXISTING SQUARE FEET: 4.1M	↑ 1.7%	0.3%	0.5%	0.5%
NISKU/LEDUC/COUNTY BUILDINGS SURVEYED: 112 EXISTING SQUARE FEET: 1.5M	↓ 6.8%	7.1%	8.0%	3.8%
PARKLAND COUNTY BUILDINGS SURVEYED: 214 EXISTING SQUARE FEET: 4.9M	↑ 1.5%	0.9%	1.4%	0.6%
STURGEON COUNTY BUILDINGS SURVEYED: 270 EXISTING SQUARE FEET: 4.3M	↓ 2.5%	3.4%	3.2%	4.0%

AVERAGE MARKET RENT VS VACANCY RATE

EDMONTON REGION | LAST 12 MONTHS



NOTABLE INDUSTRIAL LEASE TRANSACTIONS

Quarter 1, 2026

Energy Services Nisku/Leduc
± 65,000 SF

Distribution/Logistics
± 45,000 SF

Merchant Square North
± 3,072 SF

THE HCR DIFFERENCE

BOUTIQUE ADVISORY EXPERIENCE

Hughes Commercial Realty Group is an independent commercial real estate advisory firm providing brokerage and strategic real estate services across Alberta.

Our professionals combine deep local market knowledge with strong industry relationships to help clients make informed real estate decisions.

DEEP MARKET KNOWLEDGE

Commercial real estate decisions require experience, market insight, and disciplined analysis.

Hughes Commercial Realty Group professionals provide expertise across multiple commercial real estate sectors and transaction types throughout the Greater Edmonton Area and Alberta markets.

- **Leasing Services**
 - Office, Industrial, Retail, Land
- **Investment & Asset Classes**
 - Investment, Multi-Family, Hospitality
- **Development & Land**
 - Development land acquisitions & dispositions
 - Strategic land assembly
 - Development site analysis

Our advisors combine deep knowledge of the Greater Edmonton market with broader provincial and national relationships to support complex real estate decisions.



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