HUGHES COMMERCIAL REALTY GROUP

MID YEAR LEASING REPORT

EDMONTON REGION | JAN 1/26 TO JUNE 30/26

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 nwavigate the evolving commercial real estate market with confidence.

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MARKET HIGHLIGHTS

EDMONTON REGION OVERALL VACANCY TRENDS

The Edmonton region transitioned toward a balanced market, defined by easing residential rental availability and steady labor vacancy rates. Residential vacancies rose to 3.4%–3.8% as new multi-family completions in Downtown, Oliver, and suburban corridors outpaced immediate absorption, pushing average time-to-lease to 24 days and nudging average two-bedroom asking rents down 1.2% to roughly $1,550. In the labor market, the regional job vacancy rate stabilized at 2.8%, characterized by persistent hiring needs in food and accommodation services offset by cooling demand in construction, manufacturing, and public administration.

OFFICE MARKET

 # BUILDINGS: 1,376
EXISTING SF: 47.5M

MID | 2026 ↓10.4% **MID | 2025** 11.5%

Leasing activity in Edmonton's office market is gradually regaining traction after a prolonged slowdown that began in mid-2023. Volumes strengthened through 2025, with quarterly leasing increasing from roughly 250,000 SF to nearly 400,000 SF by year-end. Even with this improvement, annual totals still ranked as the lowest since 2021. Momentum carried into Q1 2026, highlighted by ATCO's significant 250,000 SF lease in the downtown core.

RETAIL MARKET

 # BUILDINGS: 5,048
EXISTING SF: 75.2M

MID | 2026 ↓4.0% **MID | 2025** 4.5%

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 in 2025 was tempered largely by the June 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. Now over a year removed from the HBC closures, absorption over the trailing 12 months sits at 1.1 million.

INDUSTRIAL MARKET

 # BUILDINGS: 6,187
EXISTING SF: 205M

MID | 2026 ↓3.7% **MID | 2025** 4.2%

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 4.7%, while vacancy remains at 3.7%, positioning Edmonton as the tightest industrial market in Canada, compared with a national average vacancy rate of 4.6%.

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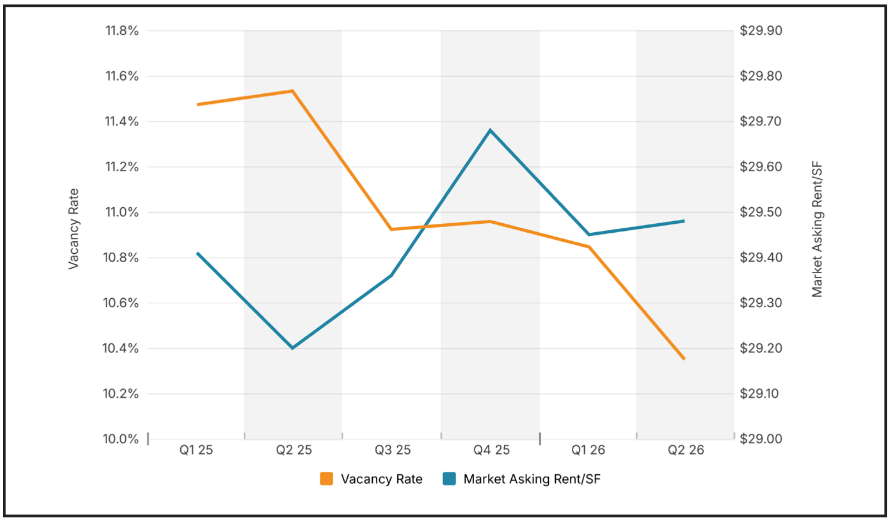
OFFICE MARKET

VACANCY TRENDS

		MID | 2026	MID | 2025	MID | 2024	MID | 2023
EDMONTON REGION BUILDINGS SURVEYED: 1,376 EXISTING SQUARE FEET: 47.5M	↓	10.4%	11.5%	10.2%	11.0%
DOWNTOWN BUILDINGS SURVEYED: 197 EXISTING SQUARE FEET: 21.5M	↓	15.1%	16.9%	14.2%	15.3%
NORTH BUILDINGS SURVEYED: 126 EXISTING SQUARE FEET: 1.8M	↓	1.3%	1.5%	1.1%	2.6%
SOUTH BUILDINGS SURVEYED: 293 EXISTING SQUARE FEET: 9.6M	↓	5.6%	6.3%	6.4%	5.4%
WEST BUILDINGS SURVEYED: 156 EXISTING SQUARE FEET: 4M	↓	6.3%	8.5%	7.8%	7.7%
SOUTH CENTRAL BUILDINGS SURVEYED: 113 EXISTING SQUARE FEET: 1.6M	↓	13.0%	14.0%	12.4%	13.0%
CENTRAL BUILDINGS SURVEYED: 211 EXISTING SQUARE FEET: 4.5M	↓	4.0%	6.2%	6.0%	5.9%
OUTLYING BUILDINGS SURVEYED: 281 EXISTING SQUARE FEET: 4.6M	↓	5.6%	6.3%	6.4%	5.4%

AVERAGE MARKET RENT VS VACANCY RATE

EDMONTON REGION | LAST 12 MONTHS



NOTABLE OFFICE LEASE TRANSACTIONS

Mid Year 2026

Stantec Tower
± 80,000 SF

National Bank Centre
± 12,000 SF

Connect Tower
± 7,000 SF

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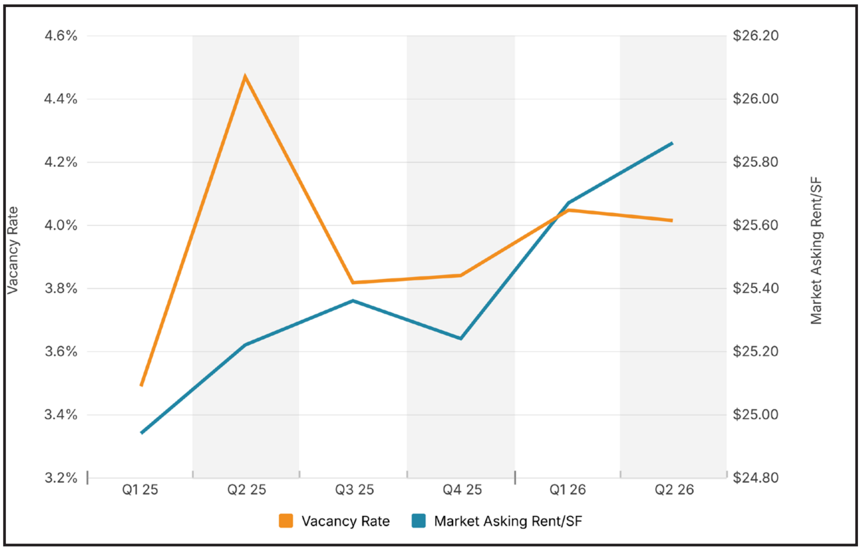
RETAIL MARKET

VACANCY TRENDS

		MID | 2026	MID | 2025	MID | 2024	MID | 2023
EDMONTON REGION BUILDINGS SURVEYED: 5,048 EXISTING SQUARE FEET: 75.2M	↓	4.0%	4.5%	3.4%	4.3%
WHYTE AVE/STRATH. BUILDINGS SURVEYED: 275 EXISTING SQUARE FEET: 2.3M	↓	5.4%	6.3%	8.4%	8.3%
NORTH BUILDINGS SURVEYED: 824 EXISTING SQUARE FEET: 11.8M	↓	3.5%	3.8%	2.9%	3.5%
SOUTH BUILDINGS SURVEYED: 1,137 EXISTING SQUARE FEET: 20.2M	↑	3.5%	3.1%	2.3%	4.2%
WEST BUILDINGS SURVEYED: 566 EXISTING SQUARE FEET: 12.4M	↓	2.8%	3.5%	2.0%	2.8%
SOUTH CENTRAL BUILDINGS SURVEYED: 150 EXISTING SQUARE FEET: 1.5M	↑	2.7%	1.5%	1.6%	2.3%
CENTRAL BUILDINGS SURVEYED: 715 EXISTING SQUARE FEET: 9.2M	↓	9.1%	13.2%	10.7%	10.4%
OUTLYING BUILDINGS SURVEYED: 1,367 EXISTING SQUARE FEET: 17.7M	↑	3.0%	2.7%	1.6%	2.3%

AVERAGE MARKET RENT VS VACANCY RATE

EDMONTON REGION | LAST 12 MONTHS



NOTABLE RETAIL LEASE TRANSACTIONS

Mid Year 2026

Londonderry Mall | Zellers
± 60,000 SF

Londonderry Mall | Grocery
± 25,000 SF

Commercial Daycare/Preschools
± 6,000 SF Bays

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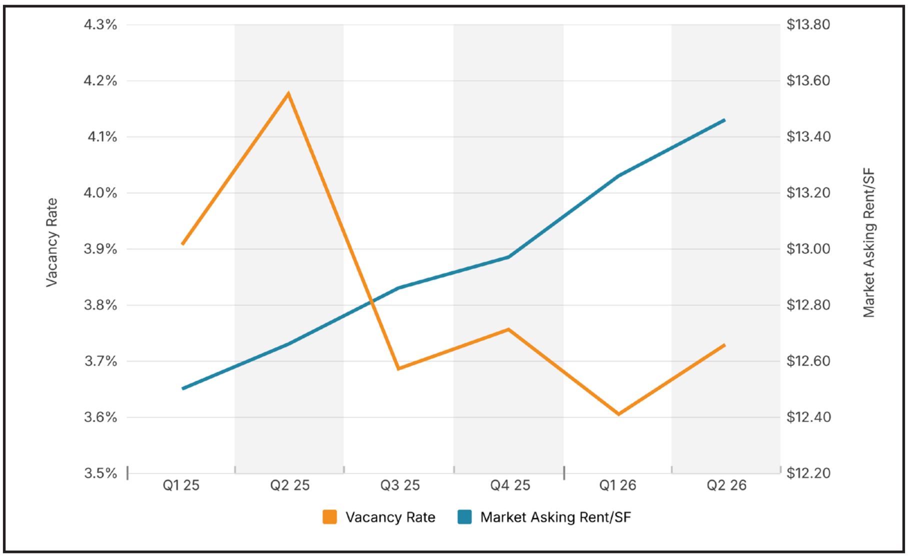
INDUSTRIAL MARKET

VACANCY TRENDS

	MID | 2026	MID | 2025	MID | 2024	MID | 2023
EDMONTON REGION BUILDINGS SURVEYED: 6,187 EXISTING SQUARE FEET: 205M	↓ 3.7%	4.2%	3.6%	3.8%
NORTHWEST/CENTRAL BUILDINGS SURVEYED: 1,833 EXISTING SQUARE FEET: 67.7M	↓ 4.4%	4.1%	2.4%	3.6%
NORTHEAST/STRATH. BUILDINGS SURVEYED: 413 EXISTING SQUARE FEET: 8.8M	↓ 1.3%	3.4%	2.2%	3.1%
SOUTHSIDE BUILDINGS SURVEYED: 1766 EXISTING SQUARE FEET: 62.8M	↓ 3.2%	4.0%	3.9%	3.9%
ACHESON BUILDINGS SURVEYED: 260 EXISTING SQUARE FEET: 12.7M	↑ 2.1%	0.2%	0.6%	0.6%
NISKU/LEDUC/COUNTY BUILDINGS SURVEYED: 910 EXISTING SQUARE FEET: 28.7	↓ 6.5%	7.6%	7.9%	6.4%
PARKLAND COUNTY BUILDINGS SURVEYED: 337 EXISTING SQUARE FEET: 4.7M	↑ 1.6%	1.1%	1.4%	0.6%
STURGEON COUNTY BUILDINGS SURVEYED: 271 EXISTING SQUARE FEET: 7.4M	↓ 2.3%	3.6%	2.7%	2.8%

AVERAGE MARKET RENT VS VACANCY RATE

EDMONTON REGION | LAST 12 MONTHS



NOTABLE INDUSTRIAL LEASE TRANSACTIONS

Mid Year 2026

Farm40 Business Park
± 217,100 SF

Yellowhead Crossing Phase II
± 108,971 SF

189 Street Direct Lease
± 106,065 SF

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HUGHES COMMERCIAL REALTY GROUP

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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