

# Winnipeg, MB

Industrial Q1 2021

The Winnipeg Industrial market's run of strong performance has continued in Q1. This has been seen across the full cycle of industrial real estate from raw land to building sales with leasing being the shining star. Typical demand for leasing prospects ranges from 5,000 – 15,000 sq. ft. with significant activity now in the 15,000 – 30,000 sq. ft. range. The velocity for move-in ready space has helped keep pressure on vacancy and rental rates. We see this activity increasing as tenants have started to focus on post-pandemic realities and space requirements.

Winnipeg's demand for existing building sales remains insatiable due to attractive financing and minimal product available. Tailwinds for building sales have been the increasing cost of construction, in particular, the price of raw materials. This has bolstered pricing to record levels both in Winnipeg, and the surrounding area. Demand for industrial condo units or "strata title" is the strongest it has ever been, with notable projects such as [Sherwin Park Condos](#) achieving record sales. Expect more projects to come online as this sector within the industrial market matures.

Flight to quality continues to help activity for new industrial developments. Over 250,000 sq. ft. of new product is expected to come online in Q3 and will be highly sought after by strong regional, and national tenants looking for efficient space to showcase their head offices. Industrial lot sales remain very strong with the surrounding rural municipalities continuing to enjoy the benefits of having shovel-ready land.

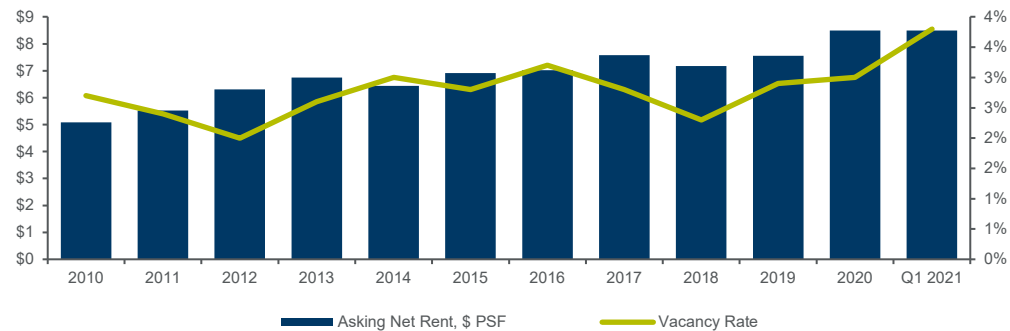
With vaccine distribution picking up steam and many groups planning for the future, expect strong performance to maintain throughout 2021.

## ECONOMIC INDICATORS Q1 2021

	YoY Chg	12-Mo. Forecast
<b>433.9K</b> Winnipeg Employment	▼	▲
<b>7.8%</b> Winnipeg Unemployment Rate	▲	▼
<b>7.5%</b> Canadian Unemployment Rate	▲	▼

Source: Statistics Canada

## OVERALL VACANCY & NET ASKING RENT



Source: Johnson Report

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## Industrial Q1 2021

### MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	AVERAGE NET RENT (PSF)	OVERALL VACANCY RATE
Central	10,000,000	\$6.68	2.0%
East	21,000,000	\$9.20	2.36%
Northwest	38,000,000	\$7.47	4.03%
Southwest	10,000,000	\$10.69	3.45%
<b>WINNIPEG TOTALS</b>	<b>79,000,000</b>	<b>\$8.50</b>	<b>3.8%</b>

Source: Johnson Report

### KEY LEASE TRANSACTIONS Q1 2021

PROPERTY	SUBMARKET	+/-SF
555 Camiel Sys Street	EAST	24,665
11 Fultz Boulevard	S/W	100,000
199 Omands Creek Boulevard	N/W	20,983
322 Saulteaux Crescent	N/W	8,106

### KEY SALES TRANSACTIONS Q1 2021

PROPERTY	SUBMARKET	SALE PRICE	+/-SF
2321 Logan Avenue	N/W	\$1,091,000	4,160
1681 Church Avenue	N/W	\$3,150,000	39,375
815 Dugald Road	EAST	\$550,000	6,880
992 Dugald Road	EAST	\$830,000	9,500

### KEY INDUSTRIAL DEVELOPMENTS 2021

PROPERTY	SUBMARKET	STATUS	(+/-) SF	OWNER/DEVELOPER
InksPort	N/W	Phase 1 Lots for Sale	Various	Whitelands Developments
Steele Business Park	N/W	Phase 1 Under Construction	80,000	MMI Asset Management
Northwest BP	N/W	Phase 1 Complete and Leased	175,000	Quadreal Property Group
Brookside Industrial Park	N/W	3 Buildings Complete (80% leased)	112,000	Canada West Developments
Plessis Business Park	EAST	Phase 1 Ready for Fixturing	40,000	Shindico Realty
Tuxedo Business Park	S/W	Ready for Fixturing	60,000	Terracon Developments

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