

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
\$866.3M Total Volume (CAD)	▲	▲

148 Total Properties Sold	▲	▲
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1.60M Total SF (Excluding MF)	▼	▲
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Closed Transactions Over \$1 million, YTD Q3 2024 (All Property Classes) | MF = Multifamily
Source: The Gettel Network

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
852.6K Edmonton Employment	▲	▲

9.0% Edmonton Unemployment Rate	▲	▼
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6.5% Canada Unemployment Rate	▲	—
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Source: Statistics Canada, The City of Edmonton

ECONOMY: COOLING INFLATION, ROBUST MIGRATION TO ALBERTA

Interest rates in Canada have gradually declined since mid-2024, with the Bank of Canada lowering the policy rate from 5.00% to 4.25% between June and September. However, the 5-year and 10-year Government of Canada (GOC) bond yields have each seen an increase towards the end of the quarter compared to their late September lows. Should GOC bond yields continue to decrease throughout Q4, transaction volume is expected to parallel and pick up as lower borrowing costs would help bring activity to the market. From July 1, 2023, to July 1, 2024, Alberta's population grew by 204,209 people, resulting in a 4.4% annual growth rate – the highest since 1981.

Source: Bank of Canada, Statistics Canada

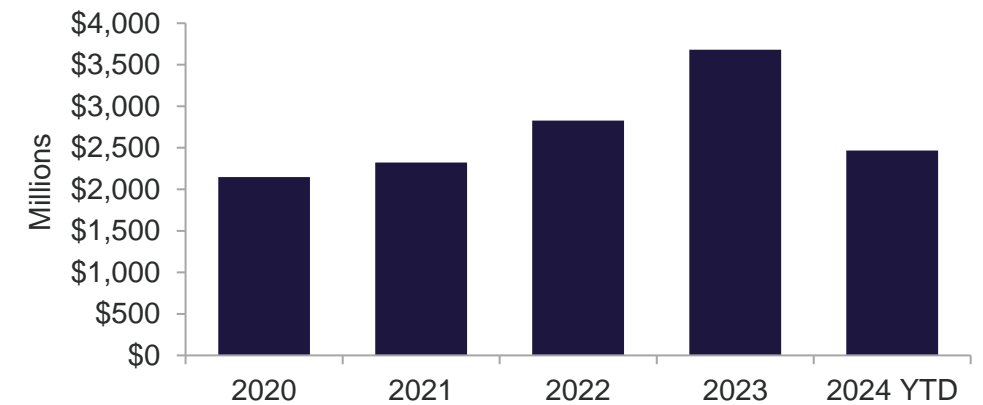
INVESTMENT OVERVIEW: STRONG YEAR-OVER-YEAR RECOVERY

Edmonton's commercial real estate investment market reported a total sales volume of \$866.3 million in Q3 2024, reflecting a year-over-year (YOY) increase of 9.5%. Investment activity rose by \$75.4 million compared to last year and increased by \$198.9 million from the previous quarter. There were 148 properties that sold this quarter, an increase of 24 properties compared to this time last year. Land sales volume dropped 29.7% YOY, or by \$58.9 million.

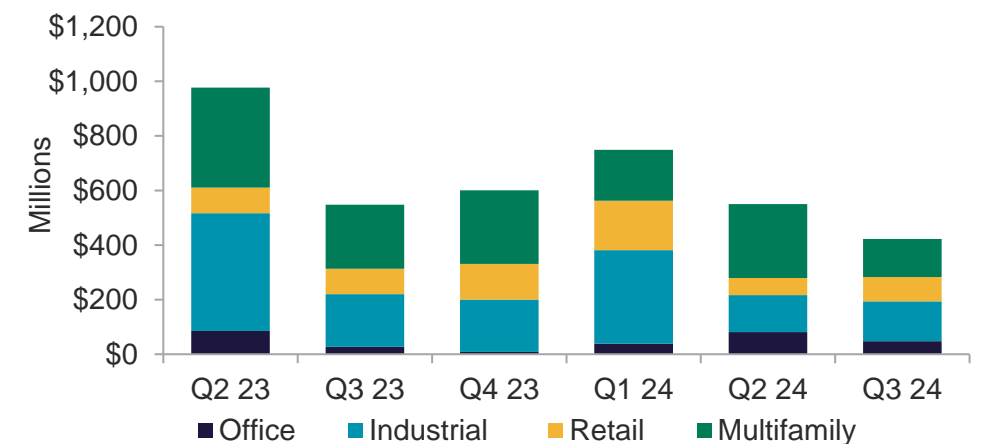
Multifamily asset sales totaled \$443.8 million and accounted for 51.2% of the total sales volume. Driven by significant migration, these assets continue to be the most sought-after class in Alberta. The largest transaction this quarter was the sale of Maple Crest Place, a newly constructed four-storey multifamily property featuring 362 units. The property sold for \$91.25 million, translating to a per-unit price of \$252,072 and a cap rate of 5.00%.

Cap rates have remained stable this quarter with office assets being the exception. While office assets are still considered riskier investments, there has been activity within the local investor market. These investors are acquiring office properties at significant discounts to replacement value either for conversion potential, or opportunistically as high yielding low investment cost income producing assets.

INVESTMENT SALES VOLUME



INVESTMENT SALES VOLUME BY SECTOR



Closed Transactions Over \$1 million, Excluding Land Sales Volume
Source: The Gettel Network

INVESTMENT ACTIVITY

PROPERTY TYPE	PROPERTIES SOLD	SALES VOLUME (CAD)	TOTAL SOLD
Office	7	\$47,800,000	370,844 SF
Industrial	43	\$145,959,500	886,787 SF
Retail	24	\$89,279,031	346,863 SF
Multifamily	28	\$443,806,528	2,196 Units
Land	46	\$139,467,336	1,918 AC
TOTAL	148	\$866,312,395	1,604,494 SF / 2,196 Units / 1,918 AC

SIGNIFICANT SALES

PROPERTY NAME	TYPE	Type	TOTAL SOLD	PURCHASE PRICE	PRICE / UNIT	CAP RATE
Maple Crest Place	Multifamily	Low-Rise Apartment	362 Units	\$91,250,000	\$252,072 (Unit)	5.00%
The View	Multifamily	High Rise Apartment	179 Units	\$79,333,333	\$443,203 (Unit)	4.30%
The Pointe at Cameron Heights	Multifamily	Low-Rise Apartment	277 Units	\$69,250,000	\$250,000 (Unit)	4.62%
MacEwan Greens	Multifamily	Low-Rise Apartment	262 Units	\$54,075,000	\$206,393 (Unit)	5.16%
Lakeland Village Mobile Park	Multifamily	Mobile Home Park	347 Units	\$41,000,000	\$118,156 (Unit)	5.08%
Sun Life Place	Office	Downtown High-Rise	289,076 SF	\$33,000,000	\$114.16 (PSF)	11.50%
6019 35 Street – Leduc	Industrial	Warehouse	53,584 SF	\$15,100,000	\$281.80 (PSF)	N/A

Source: The Gettel Network, Closed Transactions Over \$1 million

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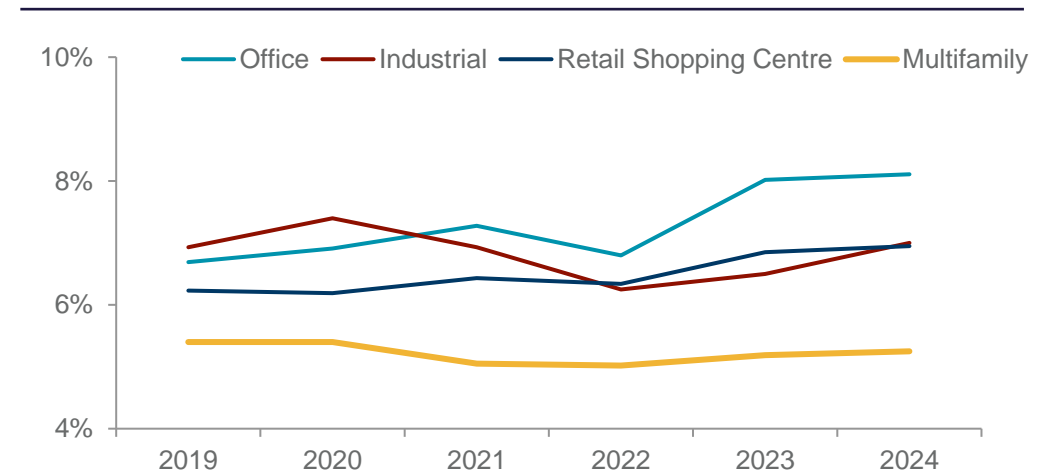
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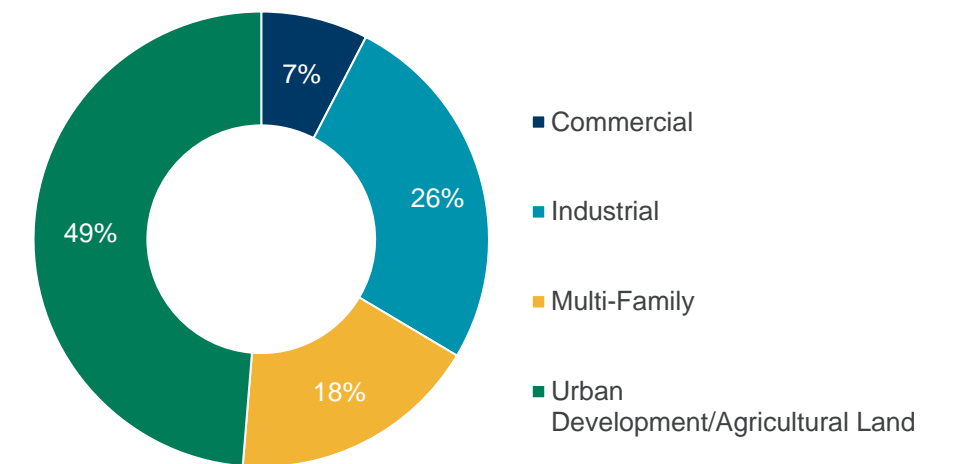
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CAP RATE TREND



TOTAL LAND SALES VOLUME ACQUISITIONS BY CAPITAL SECTOR



Source: The Gettel Network, Closed Transactions Over \$1 million