



Year End 2023

Edmonton Investment Report

Accelerating success.

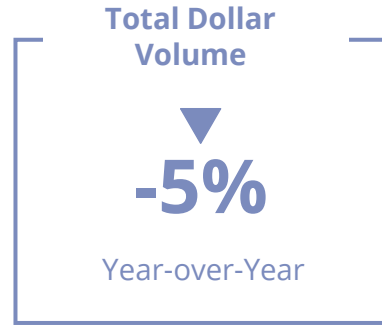


YEAR END 2023

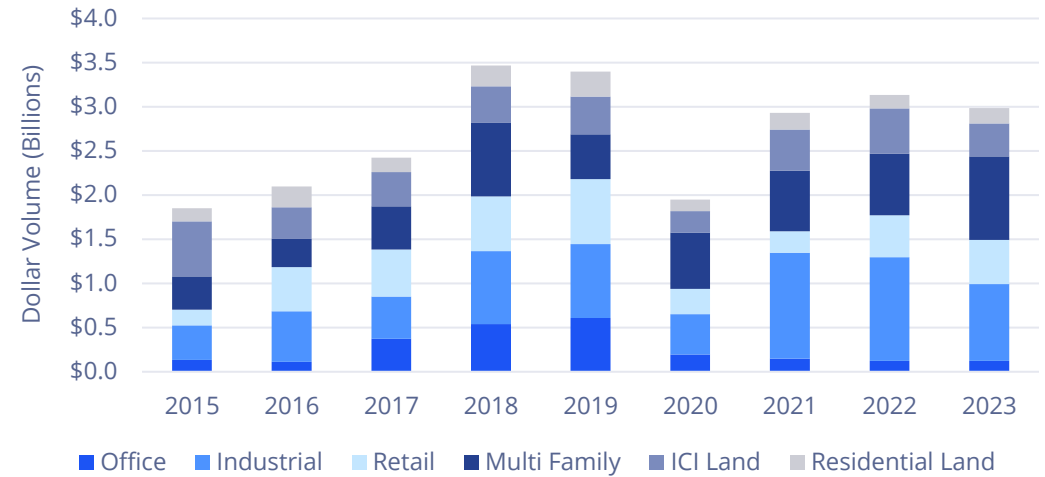
Edmonton Investment Market Report

Key Trends

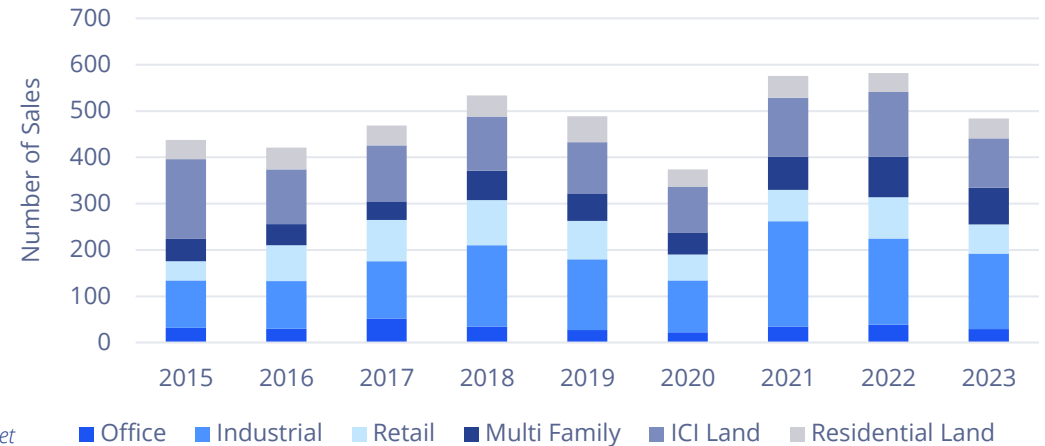
- Total dollar volume in Edmonton declined by 5% across all asset classes, down to \$2.9 Billion in 2023 from \$3.1 Billion in 2022. The number of sales has remained stable since the pandemic; however, the total dollar volume hasn't reached the same level as the pre-pandemic boom Edmonton experienced.
- The total dollar volume of improved assets only decreased by 1% in 2023. While there was a decrease in the total dollar volume overall, both the retail and multifamily classes experienced an increase of 6% and 36%, respectively. The industrial market experienced the sharpest decline in 2023, -26%, in total dollar volume year-over-year. Both Retail and Multifamily dollar volume increased despite having fewer total sales in 2023.
- The largest sales, by dollar volume, were split across multiple asset classes. The two largest sales were industrial buildings: 26615 92 Avenue in Acheson and Fourell Business Park in Edmonton. Casinos were the top three largest retail transactions in 2023 and shopping centres began to trade again after several down years during the pandemic. Multifamily sales, particularly walk-up apartments were a hot commodity in 2023.



Sales Dollar Volume by Asset Type (2015 - 2023)



Total Number of Sales (2015 - 2023)



Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

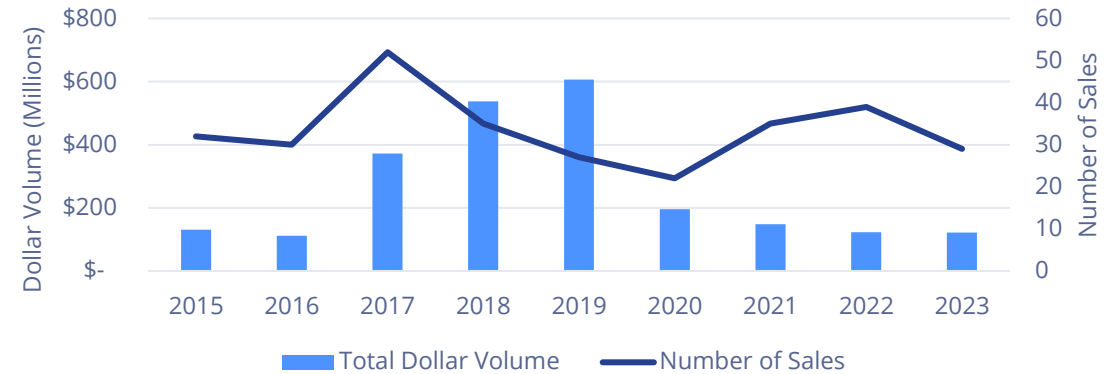
EDMONTON OVERVIEW

Office

Key Trends

- Total dollar volume decreased 0.8% Year-over-Year (YoY) from \$122.7 million in 2022 to \$121.7 million. The office investment market remained stable despite the economic uncertainty last year. Sales slowed down in the second half of the year to \$19.7 million from \$102 million in the first half of the year.
- With only two sales occurring in downtown Edmonton, the suburban market saw an influx in medical office building and flex office sales. The sale of Broadmoor Place VII and VIII in Sherwood Park, part of the Kingsett Capital – Rohit Group of Companies Office Portfolio sale, in the first half of 2023 are some of the largest office sales completed. Clark Builders Place and Centre 104 round out the top four sales in the first half of the year.
- The eight sales in Sherwood Park accounted for 33% of the total dollar volume. Suburban office sales are expected to make up the majority of sales in 2024.

Annual Sales Volume and Number of Sales (2015 – 2022)



Area Sold v. Price per Sq Ft (2015 – 2022)



Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

EDMONTON OVERVIEW

Office

Top 5 Notable Sales Transactions 2023

Transaction date	Address	Municipality	Price	Price/ sq.ft.	Vendor	Buyer
2023-03-01	5555 Calgary Trail NW	Edmonton	\$ 21,662,235	\$ 136	Simplex Investment Corporation	Edmonton Real Estate Partners Ltd.
2023-03-08	5241 Calgary Trail NW	Edmonton	\$ 11,937,765	\$ 143	Simplex Investment Corporation	Edmonton Real Estate Partners Ltd.
2023-04-10	2693 Broadmoor Boulevard	Sherwood Park	\$ 10,926,480	\$ 133	KS Broadmoor Place VII Inc	Broadmoor Place Commercial Ltd.
2023-02-15	206 Pembina Road	Sherwood Park	\$ 10,920,936	\$ 332	Intricate Group Inc	Brightwell Resource Management Inc.
2023-02-09	2055 Premier Way	Sherwood Park	\$ 10,273,520	\$ 117	KS Broadmoor Place VIII Inc	Broadmoor Place Commercial Ltd.

Investment Statistics

	2021	2022	2023	2022 v. 2023 % Change
Dollar Volume	\$147,784,750	\$122,709,510	\$121,735,855	-1%
Number of Sales	35	39	29	-25%
Price per Sq Ft	\$168	\$175	\$147	-16%
Average Deal Size	\$ 4,197,788	\$ 3,146,398	\$ 4,197,788	33%

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

Market Overview

Office

Retail

Industrial

Multifamily

ICI Land

Residential Land

EDMONTON OVERVIEW

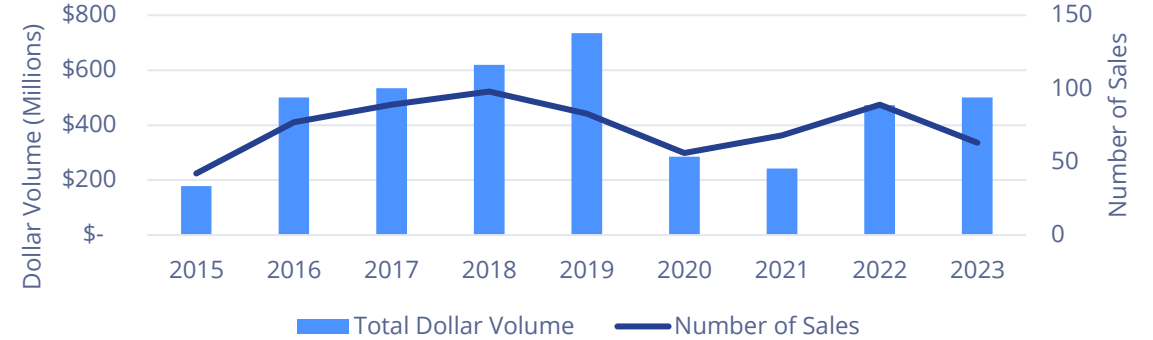
Retail

Key Trends

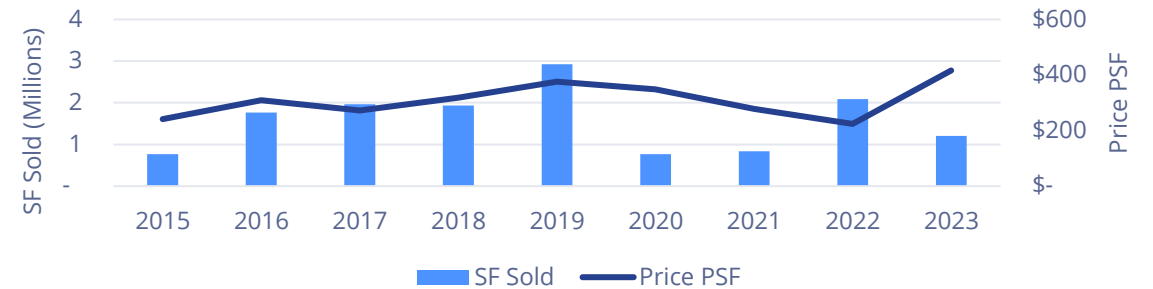
- Recovery from the pandemic started to occur in 2022 and Year-over-Year (YoY) retail sales increased in 2023. Even though the number of sales and dollar volume slowed slightly in the second half of 2023, the total market annual dollar volume increased by 6% as \$500.4 million was sold in 2023 whereas only \$473 million was sold in 2022. The largest transactions were the sales of various casinos followed by shopping centres.
- Four casino sales occurred in 2023, with a total purchase price of \$222.9 million, making up 39% of the retail dollar volume for the year. These sales were parts of the Pure Canadian Gaming and Century Casino portfolio sales which occurred in January and August of 2023.
- Both neighbourhood and community shopping centres worth a total of \$269 million saw a noticeable number of transactions, representing 47% of total retail sales in 2023. The popularity of shopping centres as an acquisition target trended up in 2023 and are expected to continue to sell into 2024.
- Total square footage (SF) sold in 2023 declined by 42% however, the price per square foot (PSF) outperformed 2022 by 87%. Pricing increased to an average of \$417 PSF from \$223 PSF in 2022.

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

Annual Sales Volume and Number of Sales (2015 - 2022)



Area Sold v. Price per Sq Ft (2015 - 2022)



EDMONTON OVERVIEW

Retail

Top 5 Notable Sales Transactions 2023

Transaction date	Address	Municipality	Price	Price/ sq.ft.	Vendor	Buyer
2023-01-04	7015 76 Avenue NW	Edmonton	\$ 93,215,619	\$ 1,332	Pure Canadian Gaming Corp.	Pure Can Holdings GP 2 ULC
2023-08-11	13103 Fort Road NW	Edmonton	\$ 64,026,000	\$ 274	Century Resorts Alberta Inc	VICI CAN GP 1 ULC
2023-01-04	12464 153 Street NW	Edmonton	\$ 53,714,509	\$ 716	Pure Canadian Gaming Corp.	Pure Can Holdings GP 3 ULC
2023-05-23	9615 160 Avenue NW	Edmonton	\$ 51,950,000	\$ 481	Artis Namao Ltd	SRF5 Namao South Inc
2023-09-18	2011 111 Street NW	Edmonton	\$ 30,700,000	\$ 361	Investors Group Trust Co. Ltd.	KSRO Heritage Edmonton Inc

Investment Statistics

	2021	2022	2023	2022 v. 2023 % Change
Dollar Volume	\$242,808,543	\$472,996,475	\$500,477,342	6%
	68	89	63	-29%
Price per Sq Ft	\$278	\$223	\$417	87%
Average Deal Size	\$ 7,944,085	\$ 5,314,567	\$ 7,944,085	49%

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

Market Overview

Office

Retail

Industrial

Multifamily

ICI Land

Residential Land

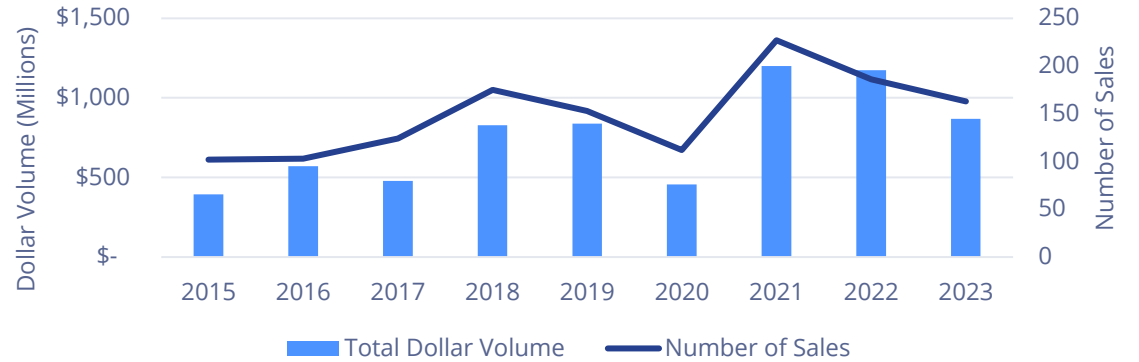
EDMONTON OVERVIEW

Industrial

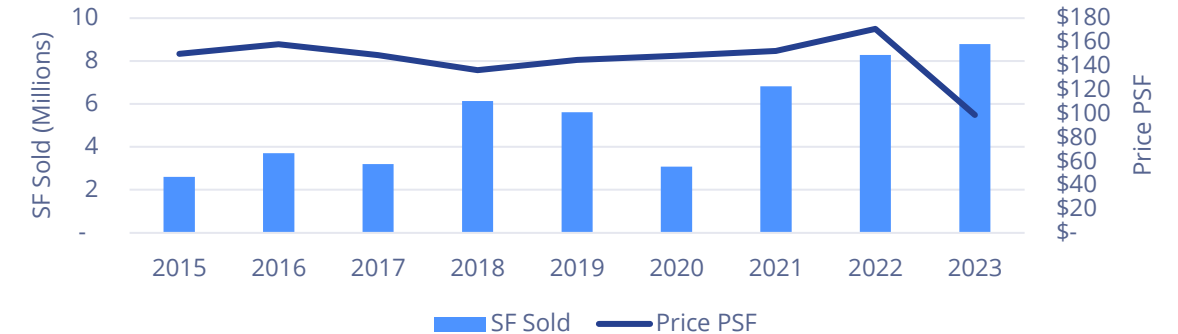
Key Trends

- Industrial has seen a strong performance during and after the pandemic. Even though total dollar volume decreased 26% year-over-year in 2023, it is still sold more in total dollar volume than it did in 2018 and 2019. While the dollar volume decreased from \$479 million in the first half of the year to \$389 million in the second half of 2023, industrial properties continue to be in high demand.
- The Champion Petfoods building in Acheson was the largest sale of the year. This property is in close proximity to the Acheson Amazon warehouse and was part of the Bedford Capital – Mars Incorporated portfolio sale. This sale is part of an up-and-coming business park with lots of room for expansion.
- The sharp decline in price per square foot (PSF) is mainly due to the decline in overall activity in the second half of the year. The average price PSF was \$163 at the beginning of the year, which is similar to the average pricing in 2022. Price PSF is expected to increase and level off in 2024.

Annual Sales Volume and Number of Sales (2015 – 2022)



Area Sold v. Price per Sq Ft (2015 – 2022)



Total Dollar Volume

▼

-26%

Year-over-Year

Price per Sq Ft

▼

-0.4%

Year-over-Year

Average Deal Size

▲

18%

Year-over-Year

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

EDMONTON OVERVIEW

Industrial

Top 5 Notable Sales Transactions 2023

Transaction date	Address	Municipality	Price	Price/ sq.ft.	Vendor	Buyer
2023-02-24	26615 92 nd Avenue	Acheson	\$ 154,310,000	\$ 416	Champion Petfoods (GP) Ltd.	Mars Champion Holdings Canada Inc.
2023-02-17	12810 170 Street NW	Edmonton	\$ 98,000,000	\$ 196	Summit (12810-170 Street NW) Ltd.	Dream Summit Industrial (West) Inc.
2023-02-17	14404 128 Avenue NW	Edmonton	\$ 69,000,000	\$ 223	Summit (14404 128 Avenue NW) Ltd.	Dream Summit Industrial (West) Inc.
2023-05-15	2710 51 Avenue NW	Edmonton	\$ 55,736,500	\$ 155	Hopewell (Whitemud) Developments Inc.	Optrust Industrial Inc.
2023-02-17	27650 108 Avenue	Acheson	\$ 45,000,000	\$ 285	Summit (27650-108 Avenue) Ltd.	Dream Summit Industrial (West) Inc.

Investment Statistics

	2021	2022	2023	2022 v. 2023 % Change
Dollar Volume	\$1,199,541,588	\$1,173,454,298	\$868,252,132	-26%
Number of Sales	227	186	163	-12%
Price per Sq Ft	\$153	\$171	\$99	-42%
Average Deal Size	\$ 5,326,700	\$ 6,308,894	\$ 5,326,700	-16%

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

Market Overview

Office

Retail

Industrial

Multifamily

ICI Land

Residential Land

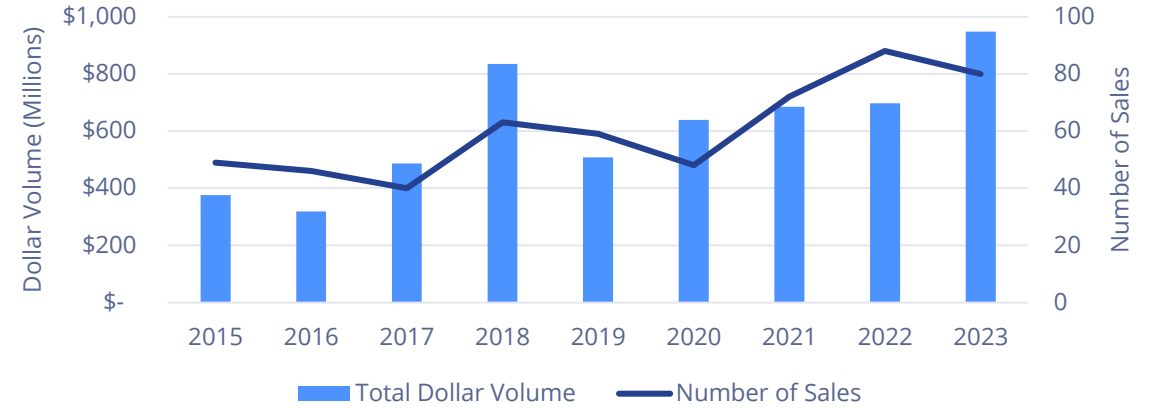
EDMONTON OVERVIEW

Multifamily

Key Trends

- Multifamily experienced a 35% increase in total dollar volume sold in 2023 to \$947.5 million over the previous year. Pre-pandemic sales hit a high of \$834.8 million in 2018 and sales and 2023 exceeded that amount by 13%. Overall total dollar volume dropped in 2019 and has been increasing year-over-year since. 2023 saw the largest annual increase in total dollar volume even though the number of sales decreased slightly. While the total number of sales in 2023 was down slightly from the previous year, the number of units sold overall increased by 37%.
- Walk-up and low-rise apartments were a hot commodity in 2023 with a total dollar volume of \$640 million and made up 80% of total multifamily sales.
- Multifamily is expected to continue to see strong performance in 2024 as demand for more affordable housing continues.

Annual Sales Volume and Number of Sales (2015 - 2022)



Area Sold v. Price per Unit (2015 - 2022)



Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

EDMONTON OVERVIEW

Multifamily

Top 5 Notable Sales Transactions 2023

Transaction date	Address	Municipality	Price	Price/ unit	Vendor	Buyer
2023-07-27	10506 121 Street NW	Edmonton	\$ 91,600,000	\$ 231,313	1812230 Alberta Ltd	1427003 B.C. Ltd
2023-04-12	10035 108 Street NW	Edmonton	\$ 64,000,000	\$ 299,065	TCG E11even Capital GP Inc.	Capital YEG Capital Corp.
2023-04-13	11804 Abbotsfield Road NW	Edmonton	\$ 59,500,000	\$ 239,919	Riverview Crossing Residences GP Ltd.	The City of Edmonton Non-Profit Housing Corp.
2023-03-23	125 Everitt Drive	St. Albert	\$ 55,890,000	\$ 305,410	ASC (SA) Facility Inc.	Yarrow II GP Inc.
2023-01-27	9825 103 Street NW	Edmonton	\$ 33,000,000	\$ 540,984	Gold Bar Properties II ULC	Valko Properties Inc.

Investment Statistics

	2021	2022	2023	2022 v. 2023 % Change
Dollar Volume	\$685,146,650	\$697,710,606	\$947,526,698	35%
Number of Sales	72	88	80	-9%
Price per Unit	\$168,506	\$193,309	\$201,302	0.4%
Average Deal Size	\$ 11,844,084	\$ 7,928,530	\$ 11,844,084	0.5%

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

Market Overview

Office

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Residential Land

EDMONTON OVERVIEW

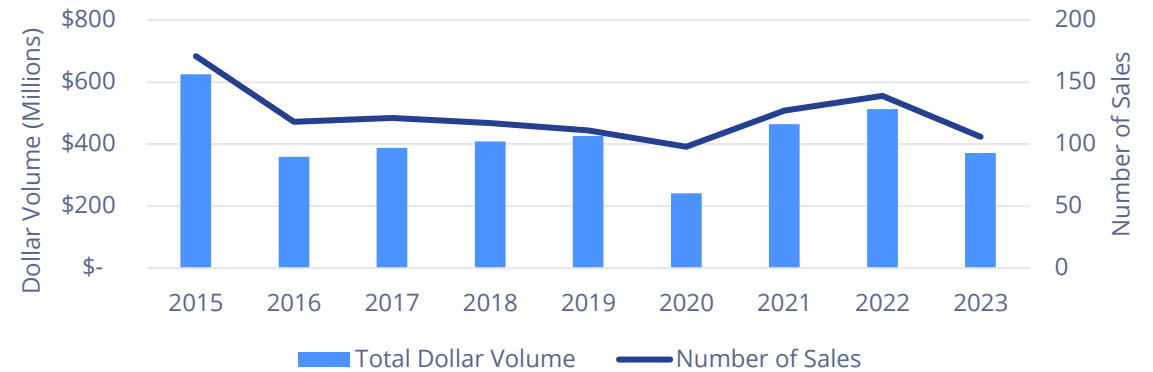
ICI Land

Key Trends

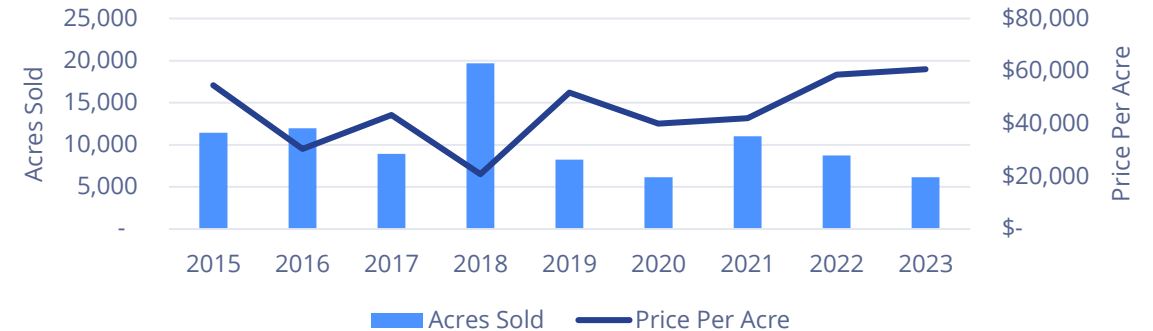
- ICI Land sales have followed a similar pattern to the industrial market. Sales dropped in 2020 only to quickly rise until 2022. Total dollar volume dropped 27% in 2023 down to \$371.8 million from \$512.8 million in 2022. This closely reflects total dollar volume sales pre-pandemic.
- In a similar vein to office, industrial and multifamily sales, total ICI land sales slowed down in the second half of 2023. Market uncertainty around interest rates caused investors to take a step back. As market conditions stabilize, we anticipate ICI land sales in 2024 will pick up.
- The majority of ICI land sales in 2023 were agricultural land and agricultural businesses, representing 42% of total dollar volume, followed very closely by industrial land, representing 35% of total dollar volume. Combined, these two land types represented 77% of total land sales in 2023. Acheson, Leduc, and Nisku have lots of agricultural and industrial land currently for sale for future build-to-suits. With the ongoing industrial construction boom in these markets, ICI land sales were strong in 2021 and 2022. With the abundance of both agricultural and industrial zoned land within the Edmonton area, these areas are both expected to continue to be strongly represented among ICI land sales in 2024.

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

Annual Sales Volume and Number of Sales (2015 - 2022)



Area Sold v. Price per Acre (2015 - 2022)



Total Dollar Volume

▼
-27%

Year-over-Year

Price per Acre

▲
4%

Year-over-Year

Average Deal Size

▼
-5%

Year-over-Year

Market Overview

Office

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ICI Land

Residential Land

EDMONTON OVERVIEW

ICI Land

Top 5 Notable Sales Transactions 2023

Transaction date	Address	Municipality	Price	Price/ Acre	Vendor	Buyer
2023-02-17	27048 96 Avenue	Acheson	\$ 71,000,000	\$ 1,378,373	Summit (27048-27286 96 Avenue) Ltd.	Dream Summit Industrial (West) Inc.
2023-06-05	11710 109 Street NW	Edmonton	\$ 50,768,000	\$ 1,899,289	The City of Edmonton	The Board of Governors of the Northern Alberta Institute of Technology
2023-05-04	903 153 Avenue NE	Edmonton	\$ 15,853,984	\$ 79,393	Our Lady of Peach Ranch (Northern Alberta) Ltd.	The City of Edmonton
2023-12-05	5204 84 Street NW	Edmonton	\$ 15,000,000		Corus Premium Corporation	Corus Radio Inc.
2023-02-24	15303 Meridian Street NE	Edmonton	\$ 14,792,600	\$ 184,908	Crest Developments Ltd.	Meridian Street JV Ltd.

Investment Statistics

	2021	2022	2023	2022 v. 2023 % Change
Dollar Volume	\$464,500,170	\$512,823,557	\$371,806,781	-27%
Number of Sales	127	139	106	-24%
Price per Acre	\$42,130	\$58,672	\$60,764	4%
Average Deal Size	\$ 3,507,611	\$ 3,689,378	\$ 3,507,611	-5%

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

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Residential Land

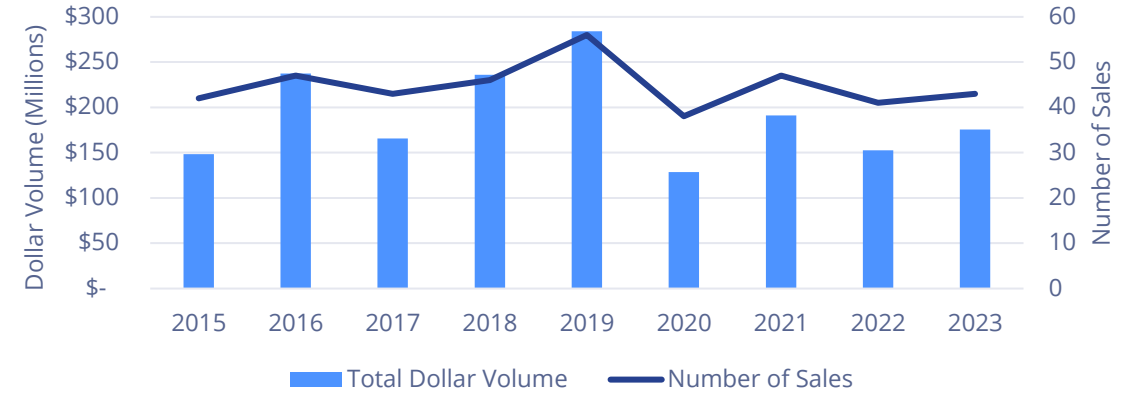
EDMONTON OVERVIEW

Residential Land

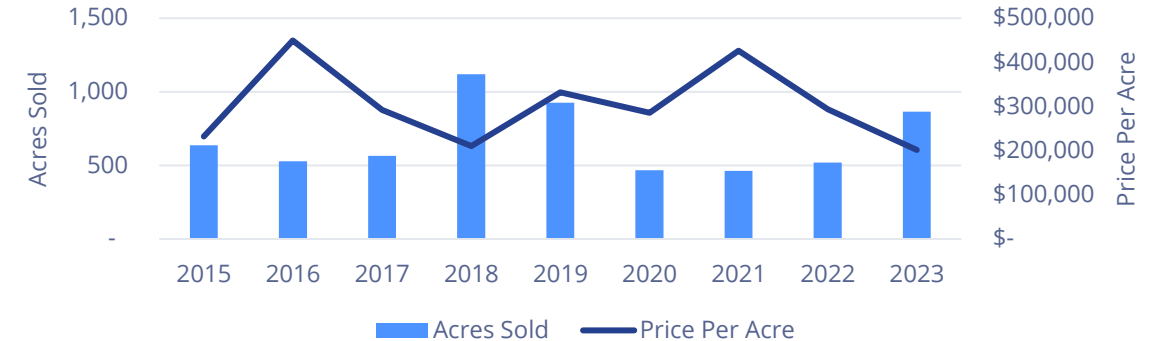
Key Trends

- Residential land sales saw an increase in total dollar volume by 15% year-over-year in 2023. Residential land has remained relatively stable since 2021 however, it hasn't returned to the peak level seen in 2019.
- The number of Residential land sales taking place increased in the second half of 2023, the opposite of all other asset classes. A strong ongoing demand for housing because of record-breaking population growth, according to Statistics Canada, is making residential development land a very strong asset class.
- The average price per acre has steadily decreased since the peak in 2021 at \$426,085 per acre. There was a 31% year-over-year decline in 2023 to \$201,650 per acre. Even though total dollar volume increased in the second half of 2023, the price per acre slightly declined in the same period. However, there was an influx in the number of acres sold year-over-year in 2023, which increased in the second half of the year. This increase in the number of acres sold reflects the demand for more housing the Edmonton area is facing.
- Moving forward, residential land is expected to continue to see an increase in the number of acres sold and the total dollar volume transacting as housing needs persist.

Annual Sales Volume and Number of Sales (2015 - 2022)



Area Sold v. Price per Acre (2015 - 2022)

Total Dollar
Volume▲
15%

Year-over-Year

Price per Acre

▼
-31%

Year-over-Year

Average Deal Size

▼
-9%

Year-over-Year

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

EDMONTON OVERVIEW

Residential Land

Top 5 Notable Sales Transactions 2023

Transaction date	Address	Municipality	Price	Price/ Acre	Vendor	Buyer
2023-05-10	20703 23 Avenue NW	Edmonton	\$ 22,000,000	\$ 163,654	Sunwapta Holdings Corp.	Qualico Stillwater Land Co. Ltd.
2023-08-28	3021 Winterburn Road NW	Edmonton	\$ 12,500,000	\$ 221,867	300326 Alberta Ltd.	Anthem Edgemont Developments GP Ltd.
2023-03-22	SW-19-49-24-4	Leduc	\$ 10,055,233	\$ 62,845	Cantiro Communities Leduc Ltd.	Amrik Robinson Ltd.
2023-08-03	303A 34 Street SW	Edmonton	\$ 8,539,800	\$ 1,442,534	Cantiro Communities Charlesworth Ltd.	Alces General Partner Ltd.
2023-09-28	9650 199 Street NW	Edmonton	\$ 8,450,700	\$ 455,957	Maxmore Developments Ltd.	Planet Earth Builders Corp.

Investment Statistics

	2021	2022	2023	2022 v. 2023 % Change
Dollar Volume	\$191,063,519	\$152,427,873	\$175,590,863	15%
Number of Sales	47	41	43	5%
Price per Acre	\$426,085	\$293,505	\$201,650	-31%
Average Deal Size	\$ 4,083,508	\$ 3,717,753	\$ 4,083,508	10%

Source: Colliers Research, Altus Group (Sales priced over \$1M CAD, Market Sales only), Data pulled as of Feb 20, 2023. Some figures may not yet be reflected for Q4 2023.

Market Overview

Office

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Residential Land



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