

## Investment Q1 2024

**\$934.2M**  
Total Volume



**148**  
Total Properties Sold



**3.3M**  
Total SF (Excluding MF)



**\$185.6M**  
Land Sales Volume



Closed transactions over \$1 million, YTD Q1 2024  
(All Property Classes) | MF = Multifamily  
Source: The Gettel Network

### ECONOMIC INDICATORS Q1 2024

**853.0K**  
Edmonton Employment



**6.4%**  
Edmonton Unemployment Rate



**6.1%**  
Canada Unemployment Rate



Source: Statistics Canada, The City of Edmonton

### ECONOMIC OVERVIEW

Although the Bank of Canada maintained a steady overnight rate of 5% through the early months of 2024, the lending market has been very dynamic with bond yields rising steadily over the first quarter of 2024 while remaining below the peak of 4.23% in 2023. As the debt market continues to evolve, the capital markets sector will likely continue to see slightly muted activity in anticipation of the possibility of a more attractive debt market in the second half of 2024. Moreover, the recent announcement of an increase in the capital gains tax has heightened investor caution, leading to a widespread reassessment of financial strategies. While this tax implementation may initially stimulate investor activity in the short term, it could have long-term implications such as exacerbating brain drain and dampening investor sentiment. Despite these obstacles, Alberta, though not immune to the broader economic challenges facing the nation, has demonstrated notable resilience. Economic forecasts suggest a moderate growth trajectory for Alberta's GDP, with a projected expansion of 2.1% in 2024, stabilizing to 1.9% in 2025. Migration in Alberta is expected to moderate but remain robust, further bolstering the province's strong job market.

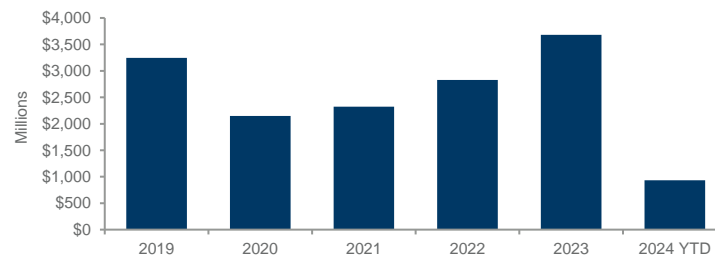
Source: Statistics Canada, Bank of Canada, Government of Alberta, TD Economic Outlook, ATB Economic Outlook

### INVESTMENT OVERVIEW

Investment activity in the Edmonton region significantly outperformed expectations in the first quarter of 2024. Industrial and multi-family assets both experienced a high number of sales along with strong sales volumes. Several of the largest transactions in the quarter followed a similar theme of institutional or publicly traded vendors selling to private buyers. One example of this is Minto REIT selling two multi-family properties, York House and Lancaster House, for \$32.5 million to local & privately owned Leston Holdings. In the retail market, private local Elite Real Estate Group acquired Crossroads Shopping Centre from Choice REIT for \$13.4 million and also acquired Bluequill Shopping Centre for \$8.6 million in a private-to-private sale. Moreover, Vancouver-based Anthem Properties expanded its Alberta presence by acquiring a five-building institutionally owned industrial portfolio totaling 544,000 square feet for approximately \$64 million. That noted, larger institutional investors are spearheading the bulk of activity, with smaller local investors mainly sitting on the sidelines.

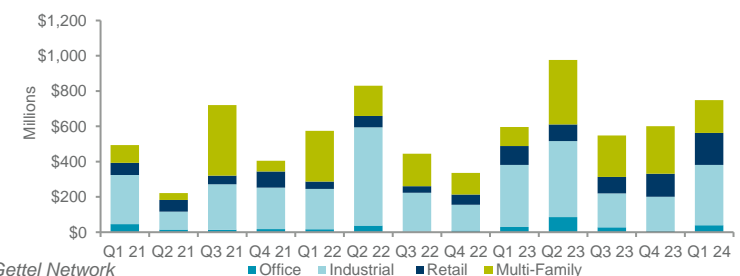
Sales volume for all asset classes in the first quarter totaled \$934.2 million, a significant uptick compared to the \$751.7 million recorded one-year-ago, reflecting a considerable 24% year-over-year (YOY) increase. The first quarter witnessed the sale of 18 more properties compared to the first quarter of 2023 with industrial assets amounting to 36% of the total sales volume. Land sales reached \$185.6 million – an impressive YOY increase of \$45.4 million. There were 24 Multi-family properties sold in the first quarter amounting to \$180.6 million - a 67% YOY increase. Office properties experienced a resurgence with nine properties sold totaling \$38.9 million, signifying an impressive 31.8% YOY increase. A notable trend emerging in the Edmonton market is of office properties trading within the range of \$60 to \$90 per square foot – a trend expected to persist through the rest of the year. Edmonton's retail sales market saw an uptick in sales volume reaching \$180.8 million, up \$74 million from one-year-ago – a YOY increase of 69%. Finally, industrial assets continued to see significant investor interest with a sales volume of approximately \$342.4 million this quarter; amounting to 2.47 million square feet sold. Cap rates for Industrial Class A lows have risen 75 basis points (bps) to a range of 5.75%-7.00%, with Class B asset range lows rising 50 bps to a new range of 6.50%-8.00%.

### INVESTMENT SALES VOLUME



Source: The Gettel Network

### INVESTMENT SALES VOLUME BY SECTOR



## Investment Q1 2024

### INVESTMENT ACTIVITY Q1 2024

PROPERTY TYPE	PROPERTIES SOLD	SALES VOLUME	TOTAL SOLD
Office	9	\$38,951,890	474,645 SF
Industrial	56	\$342,494,750	2,487,001 SF
Retail	19	\$180,830,239	338,882 SF
Multi-family	24	\$186,395,464	1,259 Units
Land	40	\$185,616,360	1,670 Acres
<b>TOTAL</b>	<b>148</b>	<b>\$934,288,703</b>	<b>3,300,528 SF / 1,259 Units / 1,670 Acres</b>

Sources: The Gettel Network, Cushman & Wakefield Research  
Closed transactions over \$1 million, including condo sales, YTD Q1 2024

### SIGNIFICANT SALES Q1 2024

PROPERTY NAME	TYPE	TOTAL SOLD	PURCHASE PRICE	PRICE / UNIT	CAP RATE
The View At Secord	Mid-Rise Apartment	199 Units	\$45,250,000	\$227,387 (Unit)	4.81%
16104 121A Ave	Warehouse: Single Tenant	364,912 SF	\$39,000,000	\$106.88 (PSF)	7.00%
Nevada Place	Low-Rise Apartment	173 Units	\$35,000,000	\$202,312 (Unit)	5.46%
York House & Lancaster House	High-Rise Apartment	194 Units	\$32,250,000	\$166,237 (Unit)	5.08%
Crossroads Business Park	Warehouse: Multi-Bay	215,909 SF	\$24,800,000	\$114.86 (Unit)	6.85%
10930 184 St	Warehouse: Single Tenant	163,596 SF	\$17,800,000	\$108.80 (Unit)	6.05%

Source: The Gettel Network  
Closed transactions over \$1 million

### INVESTMENT TEAM

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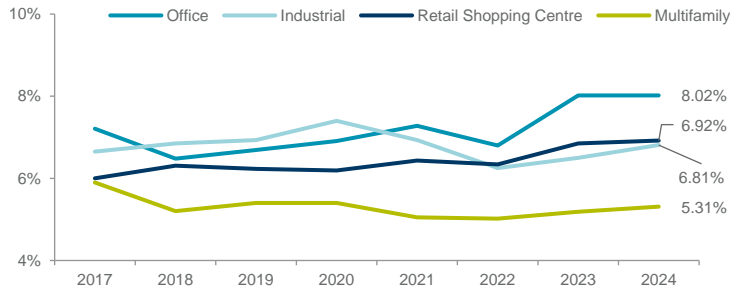
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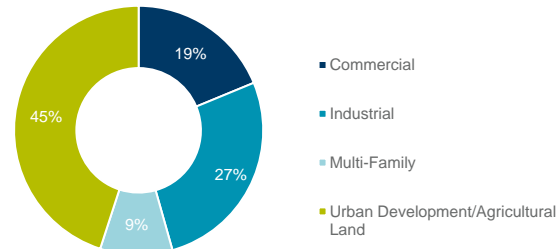
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### CAP RATE TREND



### TOTAL LAND SALES VOLUME ACQUISITIONS BY CAPITAL SECTOR



Source: The Gettel Network  
Closed transactions over \$1 million