



Greater Edmonton

INDUSTRIAL | FOURTH QUARTER | 2007

MARKET INDICATORS

	Q3	Q4
VACANCY	↓	↓
NET ABSORPTION	↑	↑
CONSTRUCTION	↑	↑
RENTAL RATE	↑	↑

EDMONTON ECONOMIC UPDATE

ECONOMIC INDICATORS (Edmonton CMA)

Population (Edmonton CMA)	
2005	1,016,007
2006	1,034,945
2007f	1,041,940

Real GDP (\$1997 Millions)	
2005 - 39,875	4.6%
2006 - 42,508	6.6%
2007f - 44,110	3.6%

Labour Force	
2006	571,000
2007 (Sept.)	632,200
2007 (Nov.)	629,500

Unemployment Rate	
2006	3.8%
2007 (Sept.)	3.6%
2007 (Nov.)	4.0%

Average Residential Selling Price (Single Family Dwelling)	
2005	\$216,490
2006	\$322,077
2007 (Nov.)	\$376,267
2007 (Dec.)	\$382,022

Source: Conference Board of Canada, Statistics Canada

Edmonton - Alberta's Industrial Engine!

ECONOMIC OVERVIEW

- There are 187 major projects in the Greater Edmonton area with a value of over \$41 billion.
- By November 2007, Canada's fastest growing major airport, the Edmonton International, serviced more than 6.0 million passengers in 2007, representing a 17 per cent increase in passenger traffic over 2006.
- Edmonton's LRT continues to grow. Stations at the U of A South Campus and 76 Avenue are expected to open in 2009. Service to Southgate and Century Park should follow in 2010.
- In September 2007, the Canadian dollar, rising 62 per cent since 2002, closed above the U.S. dollar for the first time since November 1976.
- Labour shortages will undoubtedly intensify. Over the next eight years the Province of Alberta plans to create 400,000 new jobs. With a projection of only 300,000 new workers to enter the work force over the same time period, employers will be forced to find clever ways to attract employees, keep employees, and "do more with less."
- The oil and gas industry remains the catalyst behind Edmonton's booming economy.

MARKET HIGHLIGHTS

- Currently there is close to 94 million square feet of industrial space in Greater Edmonton. Greater Edmonton includes Edmonton Proper, Parkland County, Strathcona County, Sturgeon County, and Leduc County.
- In Greater Edmonton 2.9 million square feet of industrial space is under construction.
- Lease rates and land costs are hitting an all-time record high. Vacancy rates have plummeted to close to 1.5 per cent. Industrial serviced land is nearing an average selling pricing of \$500,000 per acre.

AVERAGE LAND SALE PRICES PER ACRE

REGION		PRICE / ACRE
Edmonton Proper	Fully Serviced (IM)	\$500,000 - 600,000
	Fully Serviced (IB)	\$600,000 - 750,000
	Unserviced (AGI)	\$175,000 - 200,000
Parkland County	Fully Serviced	\$295,000 - 380,000
Strathcona County	Fully Serviced	\$450,000 - 600,000
Leduc County	Fully Serviced	\$275,000 - \$350,000



VACANCY

REGION		UNIVERSE	VACANT (SQ.FT.)	VACANCY RATE (%)
			October 2007	October 2007
North East Edmonton		1,284,872	2,500	0.19%
North West Edmonton		36,465,576	703,911	1.93%
South East Edmonton		29,562,974	470,162	1.59%
Central Edmonton		5,929,376	38,347	0.65%
Sturgeon County / St. Albert		2,503,000	65,639	2.62%
Strathcona County / Sherwood Park		4,025,800	7,112	0.18%
Leduc County / Nisku		7,900,000	56,100	0.71%

FOR SALE

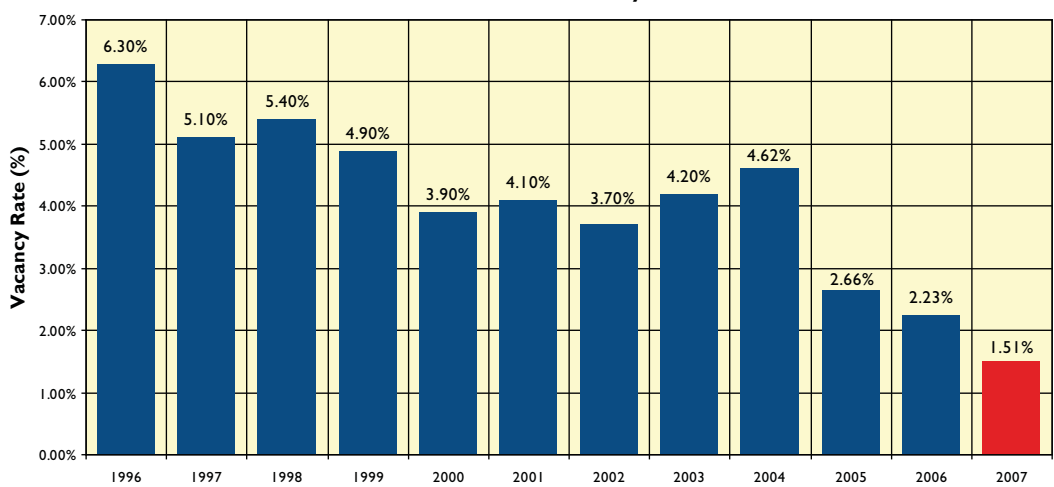
NEWALTA BUILDING
 6603 - 44 Avenue, Leduc
 Sale Price: \$3,500,000
 Building Area: 13,000 Square Feet
 Site Size: 4.72 Acres
 Contact: David Kraus or Darryl McGavigan



ANTHONY HENDAY RING ROAD

The Anthony Henday's southeast portion opened in October 2007, making the total project 63 per cent complete. Total construction of all four portions of Anthony Henday Drive should be completed by Fall 2011. Anthony Henday Drive will relieve congestion on several roadways within the region. A completed ring road will aid in connecting major industrial development areas including Industrial Heartland, Nisku, Edmonton International Airport, Acheson, Northwest Industrial Area, and the CN Intermodal Facility.

Greater Edmonton Vacancy Rate



AVERAGE ASKING NET RENTAL RATE AND OPERATING COSTS PER BAY SIZE

RANGE SQ.FT.	NORTH EAST		NORTH WEST		SOUTH EAST		CENTRAL	
	Net Rent	Op. Costs	Net Rent	Op. Costs	Net Rent	Op. Costs	Net Rent.	Op. Costs
0-5,000	N/A	N/A	\$10.00	\$2.50	\$7.00-12.00	\$1.80-2.70	\$10.00	\$2.50
5,001-10,000	\$9.00	\$1.50	\$8.00	\$2.50	\$7.00-12.00	\$1.80-2.70	\$10.00	\$2.50
10,001-20,000	N/A	N/A	\$8.00-10.00	\$2.75	\$6.00-11.00	\$1.80-2.70	\$7.00-10.00	\$2.50
20,001 & up	N/A	N/A	N/A	\$2.25	\$5.00-9.00	\$1.80-2.70	\$6.00-9.00	\$2.50

RANGE SQ.FT.	STURGEON COUNTY		PARKLAND COUNTY		STRATHCONA COUNTY		LEDUC COUNTY	
	Net Rent	Op. Costs	Net Rent	Op. Costs	Net Rent	Op. Costs	Net Rent.	Op. Costs
0-5,000	\$8.00	\$2.40	\$9.75	\$3.25	N/A	\$4.80-\$6.00	\$12.00	\$2.75
5,001-10,000	N/A	\$2.40	\$9.50	\$4.00	N/A	N/A	\$9.00-14.00	\$2.75
10,001-20,000	N/A	\$2.40	N/A	N/A	N/A	N/A	\$9.00-14.00	\$2.75
20,001 & up	\$7.00	\$2.40	\$10.00 +	\$1.50	N/A	N/A	\$9.00-14.00	\$2.75

2007 NOTABLE LEASE TRANSACTIONS

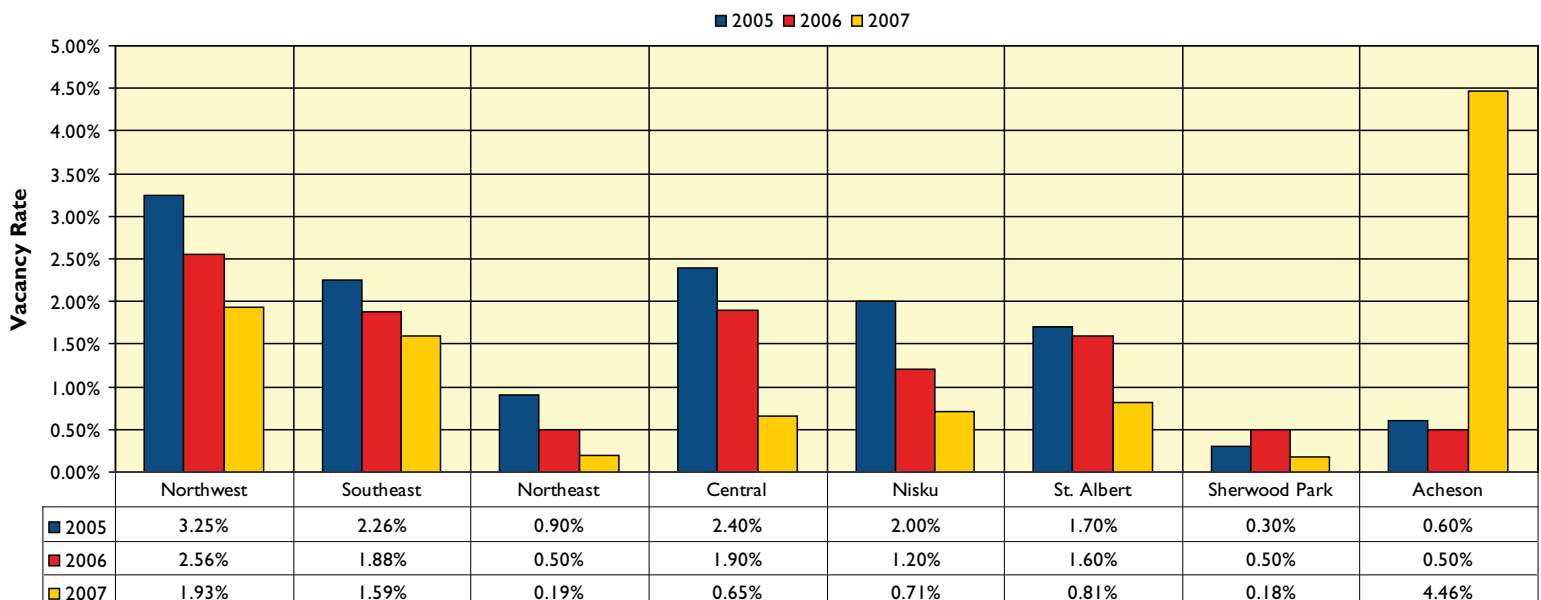
LEASE ACTIVITY

PROPERTY ADDRESS	PROPERTY NAME	SUBMARKET	TENANT	SIZE (SQ.FT.)	TYPE
11307 - 189 Street	City West	Edmonton	Logistics Company	106,065	New
17115 - 118 Avenue	Klingenburg Holdings	Edmonton	Logistics Company	97,075	New
4715 - 90A Avenue	AT Plastics	Edmonton	Hagemeyer Canada Inc.	51,035	Existing
15819 - 114 Avenue	Kuehne & Nagel	Edmonton	Landtran Logistics Inc.	29,016	Sublease
6736 - 59 Street, Bay #1	GPM Management Investments	Edmonton	John Brooks Company Limited	19,015	New
11435 - 156 Street	Standard Life	Edmonton	Electric Motor Service Limited	15,469	Existing
17612 - 101 Avenue	Globe West Building	Edmonton	Exocore Industries Inc.	8,298	Existing
12830 - 148 Street	Weitzel's Construction	Edmonton	Lonstar C.C. Inc.	8,000	Existing

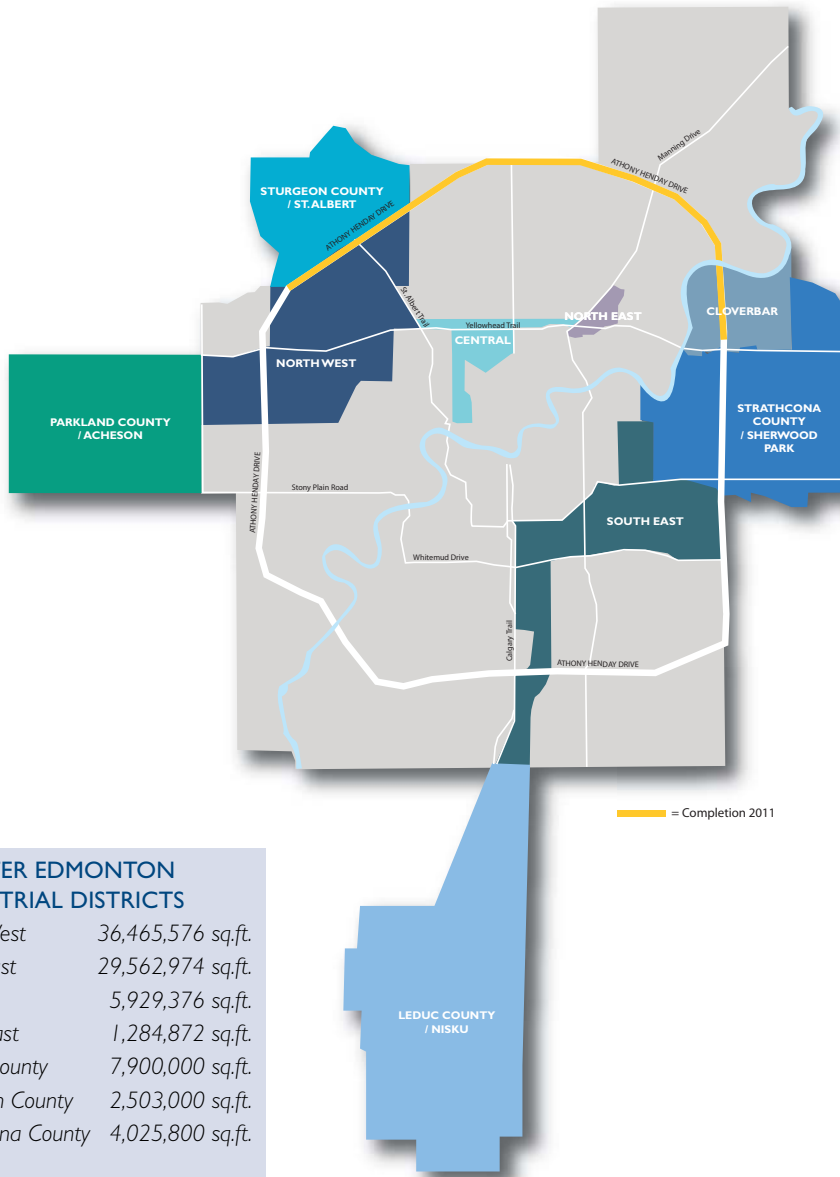
SALE ACTIVITY

PROPERTY ADDRESS	PROPERTY NAME	PURCHASER PROFILE	SIZE (ACRES / SQ.FT.)	SALE PRICE
Gauf Land	Edmonton	1026451 Alberta Ltd.	160.00 Acres	\$2,270,000.00
Vanderwell Property	Parkland County	Panattoni Development Company	120.38 Acres	\$28,000,000.00
Lamoureux Land	Sturgeon County	Canadian National Railway	151.31 Acres	\$2,450,000.00
Ness Land	Camrose	1272135 Alberta Ltd.	576.78 Acres	\$3,750,000.00
Lilydale	Edmonton	Sytec Manufacturing Ltd.	24,616 Sq.Ft.	\$1,350,000.00
Canada West Bakery	Edmonton	AccuChem Industrial Cleaning Chemicals	15,000 Sq.Ft.	\$1,850,000.00
Leduc Properties Inc.	Leduc County	Dan Developments Ltd.	79,715 Sq.Ft.	\$1,200,000.00
Direct Transport Warehouse	Edmonton	Alberta Window Manufacturing	70,000 Sq.Ft.	\$3,750,000.00
G45 Facility	Edmonton	Private Investor	16,145 Sq.Ft.	\$1,200,000.00

Vacancy Rate By Sector



The vacancy in Acheson is comprised of a Colliers listing of 107,000 square feet of warehouse space.



GREATER EDMONTON INDUSTRIAL DISTRICTS

NorthWest	36,465,576 sq.ft.
SouthEast	29,562,974 sq.ft.
Central	5,929,376 sq.ft.
NorthEast	1,284,872 sq.ft.
Leduc County	7,900,000 sq.ft.
Sturgeon County	2,503,000 sq.ft.
Strathcona County	4,025,800 sq.ft.

FOR SALE / LEASE

ACHESON DISTRIBUTION / MANUFACTURING FACILITY

26319 Twp. Rd. 531, Acheson
 Sale Price: \$18,000,000
 Building Area: 100,000 Sq.Ft.
 Site Size: 14.00 Acres +/-

Contact:
 Twyla Purschke or Gary Antoniuk



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267 OFFICES IN 57 COUNTRIES ON 6 CONTINENTS

USA 95
 Canada 17
 Latin America 17
 Asia Pacific 52
 EMEA 85

\$1.6 billion in annual revenue
 672.9 million square feet under management
 10,171 Professionals

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