



Edmonton Commercial Market Report

Quarter 3 2010

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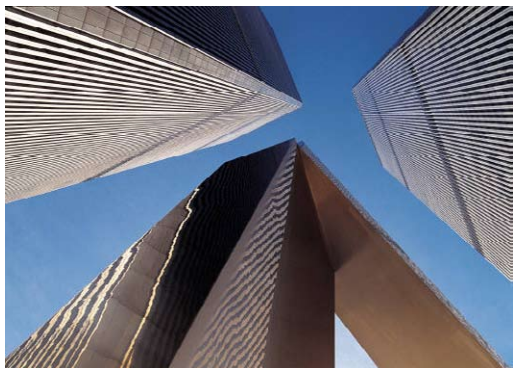
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CREA Ratifies Competition Consent Agreement



St. John's NL - October 24, 2010 - The President of the Canadian Real Estate Association (CREA), Georges Pahud, today welcomed the decision of delegates to its Special General Meeting to approve CREA's consent agreement with the Commissioner of Competition regarding the case before the Competition Tribunal.

"We are pleased that after careful consideration and reflection, real estate Boards and Associations from across Canada have endorsed the agreement," says Pahud.

The agreement was approved by CREA's Board of Directors and the Commissioner of Competition on September 30th and was in escrow pending today's vote. It confirms CREA's commitment to a competitive real estate services market.

The Commissioner and CREA have agreed that its rules as well as those of its members should not deny or discriminate against REALTORS® wishing to offer mere posting services. CREA does not believe that such rules exist today, but if they do, they must be repealed or Boards will lose their license to operate under the MLS® trademarks. Board MLS® Systems remain a member to member service designed to provide accurate and timely information critical to the delivery of professional real estate services to Canadians.

"This 10-year agreement brings a close to a long process of negotiation with the Competition Bureau and will allow CREA and REALTORS® to do what they do best – help people with the biggest financial decision of their lives, buying and selling a home in these challenging economic times," says Pahud.

CREA believes the agreement reflects both current practices and intent regarding posting to Board MLS® Systems. Buying and selling homes is an incredibly competitive business, with 100,000 REALTORS® working through thousands of brokerages. Business models are diverse and CREA members offer a variety of services.

MLS® Systems are co-operative marketing systems used only by Canada's real estate Boards to ensure maximum exposure of properties listed for sale.

The Canadian Real Estate Association (CREA) is one of Canada's largest single-industry trade Associations, representing more than 100,000 REALTORS® working through more than 100 real estate Boards and Associations.

Uncertainty Diminished As Market Stabilizes

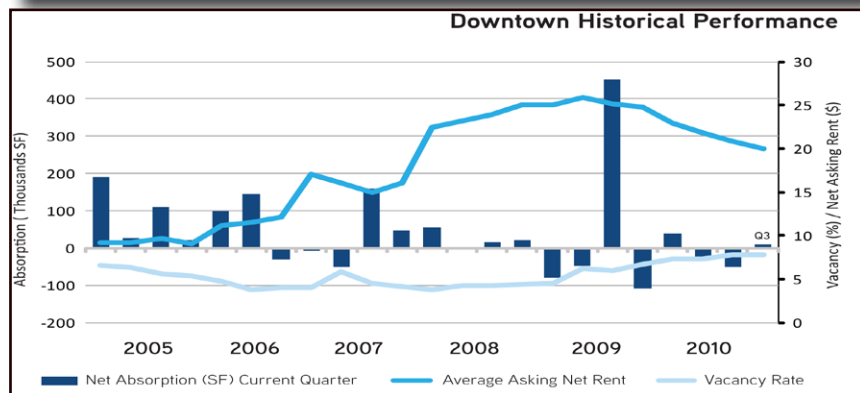
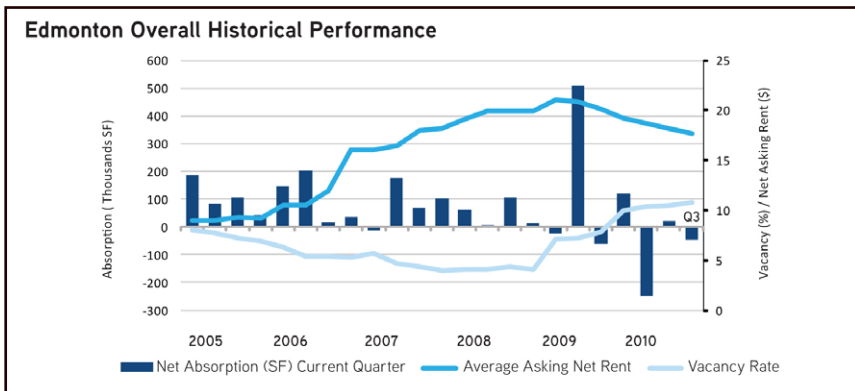
CANADIAN MARKET OVERVIEW

As the third quarter of 2010 ends, the economic climate remains cautiously optimistic with the recovery still fragile. Warren Buffett has stated he does not see signs the U.S. is headed for a double dip. This may not bring comfort to the unemployed as everyone waits to see if employment numbers improve. GDP growth in the first half of the year was surprising, with a strong showing at 5.8 percent. In the last part of 2010, GDP is expected to grow at a more subdued level of about two percent (annualized) due in part to a weak U.S. recovery, an increasingly fatigued consumer, and the easing of monetary and fiscal stimuli that were used to stave off a global recession.

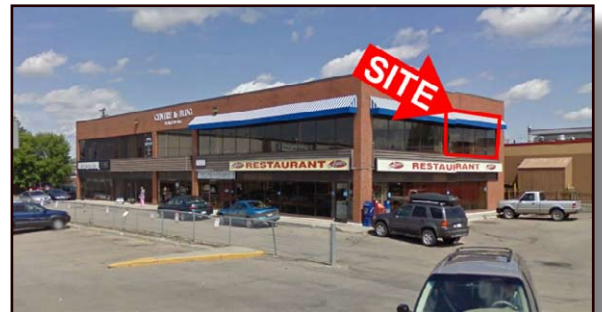
EDMONTON MARKET OVERVIEW

Stabilization is the key characteristic of the third quarter. Vacancy rates remained steady across all submarkets and building classes. The overall vacancy rate is recorded at 10.74 percent, and a negative absorption of 30,275 square feet was experienced this quarter, which brings the year to date total to negative 257,371 square feet. The effects that will be brought about by the 2011 completion of EPCOR Tower have been highly anticipated. There has been speculation that Downtown's office vacancy rate will rise significantly; however, it is probable that the bulk of the effect has already been accounted for and incorporated into the current market rates. Although there were a few large pockets of vacant space added to the market this quarter, the impact of this was counteracted by an increase in leasing activity. More large new deals, as opposed to renewals, were completed this quarter and it has been noted that several companies are once again in expansion mode.

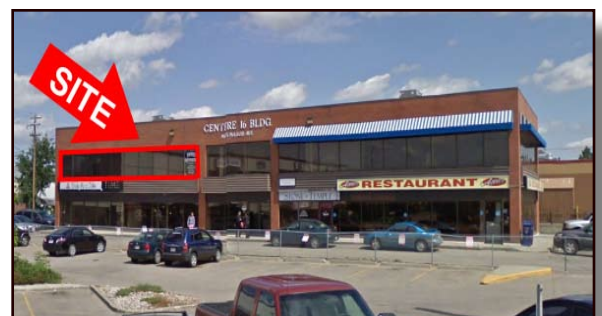
Source - Colliers Edmonton



DEVON STRIP MALL LEASE SPACE
4077 SF AVAILABLE - \$15.00/SF



SPRUCE GROVE LEASE SPACE
1261 SF - \$10.50 PER SQUARE FOOT



SPRUCE GROVE LEASE SPACE
2774 SF - \$12.00 PER SQUARE FOOT

7 Edmonton Neighbourhoods You Can (Re) Develop With Government Money

The City of Edmonton has currently identified seven areas in need of redevelopment, and provides financial incentive for building owners and real estate developers to do so.

Due to the number of building owners and developers that seem to be unaware of these programs, or confused about them, here's a quick run-down (run down – get it?), and reminder to check it out further. If your project is located in one of the seven BRZ's (Business Revitalization Zones), the City will give you cash to:

Improve the storefront/facade – up to 50% of the cost, up to \$60,000 for a corner building, \$30,000 for otherwise.

Develop a mixed-use market housing project (dwellings located above retail/commercial use) – reimbursement of up to \$12,000 per new dwelling.

Develop a multi-unit market housing project – reimbursement of up to \$7,000 per new dwelling

Improve the interior of your retail/commercial building – reimbursement of up to 50% of construction costs, to a maximum of \$15,000 per building.

Develop a new retail or commercial building – reimbursement of 5% of total construction costs, to a maximum of \$40,000.

Obviously, there are restrictions, and a firm procedure that needs to be followed before eligibility can be ensured, so read the fine print.

The program is in effect for these Edmonton neighborhoods: Alberta Avenue, Beverly, Chinatown / Little Italy, Inglewood, North Edge, Old Strathcona, Stony Plain Road & Area.

Is the program enough? The financial incentive is probably not substantial enough to actually spur new development, and going through the eligibility processes can be time consuming (time being money in the world of the developer). For those who were already considering a project like this in one of these areas, it may provide a helpful nudge to move forward.

Source - edmontonindustrial.wordpress.com



**STONY PLAIN ROAD PROFESSIONAL BLDG
OVER 9000 SF - \$1,450,000**



**RIVERFRONT 5.18 ACRES LAND
MINS FROM ST.ALBERT - \$329,000**

Energy And Technology Park Approved For NorthEast Edmonton

Edmonton City Council has approved a plan to allow land in north-east Edmonton to be developed for an eco-industrial park, which would include light to medium petrochemical and manufacturing plants as well as research and development facilities.

The future development, called the Horsehill Energy and Technology Park, is located in the northeast to take advantage of the proximity to existing and proposed oil sand upgrader sites in Fort Saskatchewan and Strathcona County.

“Comprehensive studies have shown there is huge economic potential for refining the by-products that are left over from oil sand production into consumer and industrial products,” says George Matteotti, Director, Project and Business Liaison Office, Planning & Development. Currently, much of the “feedstock” produced by existing upgraders is exported elsewhere for production into marketable goods.

“By creating an energy and technology park,” says Matteotti, “it will enable an integrated cluster of industries to work together to refine chemicals into consumer and industrial market products.”

“The use of an ‘eco-industrial development’ model,” adds Matteotti, “means companies in the park will share utilities, use cleaner alternative energy sources, reduce water use and waste, preserve natural areas, and implement sustainable building practices.” Eco-industrial development is being used as the basis for industrial projects worldwide and is gaining popularity in North America.

The Horsehill site covers 4,857 hectares of land on the northwest side of Manning Drive, which right now contains mixed-use agriculture, limited rural residential and some institutional uses. The area for the energy and technology park does not include the highly fertile agricultural land south of Manning Drive.

Extensive studies were done in 2008 and 2009 to explore the opportunities for a petrochemical cluster in this area. Public meetings and open houses were held as well to inform people living and working in the area about the proposed development.

The now approved Area Structure Plan for the Horsehill Energy and Technology Park will guide future land uses and identify the needed infrastructure, utilities, major roadways, transit, parks, natural areas, and trails. It is anticipated that development will occur over the next 40 years.

Source - Edmonton.ca



LEDUC COMM/IND CONDOS FOR SALE UP TO 31,000 +/- SF AVAILABLE



1.1 ACRES NISKU COMMERCIAL LAND PRIME LOCATION - \$479,000



2 LOTS AVAILABLE - NISKU LAND PRIME LOCATION ON MAJOR ROAD



CENTRAL ALBERTA GOLF COURSE OVER 136 ACRES - \$2,750,000

Working With RE/MAX Commercial



RE/MAX Commercial (RE/MAX Excellence) has Edmonton's only 100% Commercially focused RE/MAX Agents. Located in the City of Champions, we are fully connected to the pulse of the city and our professionals have the expertise to meet all your commercial real estate needs.

Our Agents specialize in Business and Investment Real Estate. Our services range from small business brokerage to mergers and acquisitions. Our client list ranges from private Edmonton (and area) firms to publicly-traded multi-nationals. Our key to success involves a customer-focused approach to everything we do, coupled with a Real Estate 'Brand' synonymous with respect, trust and integrity. When you work with us, you can rest assured that you will be dealing with highly qualified industry specialists who are well versed with the Edmonton-area real estate and business market.

For more information on the properties shown in this report, or any other properties please contact:

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