



**CUSHMAN &
WAKEFIELD**

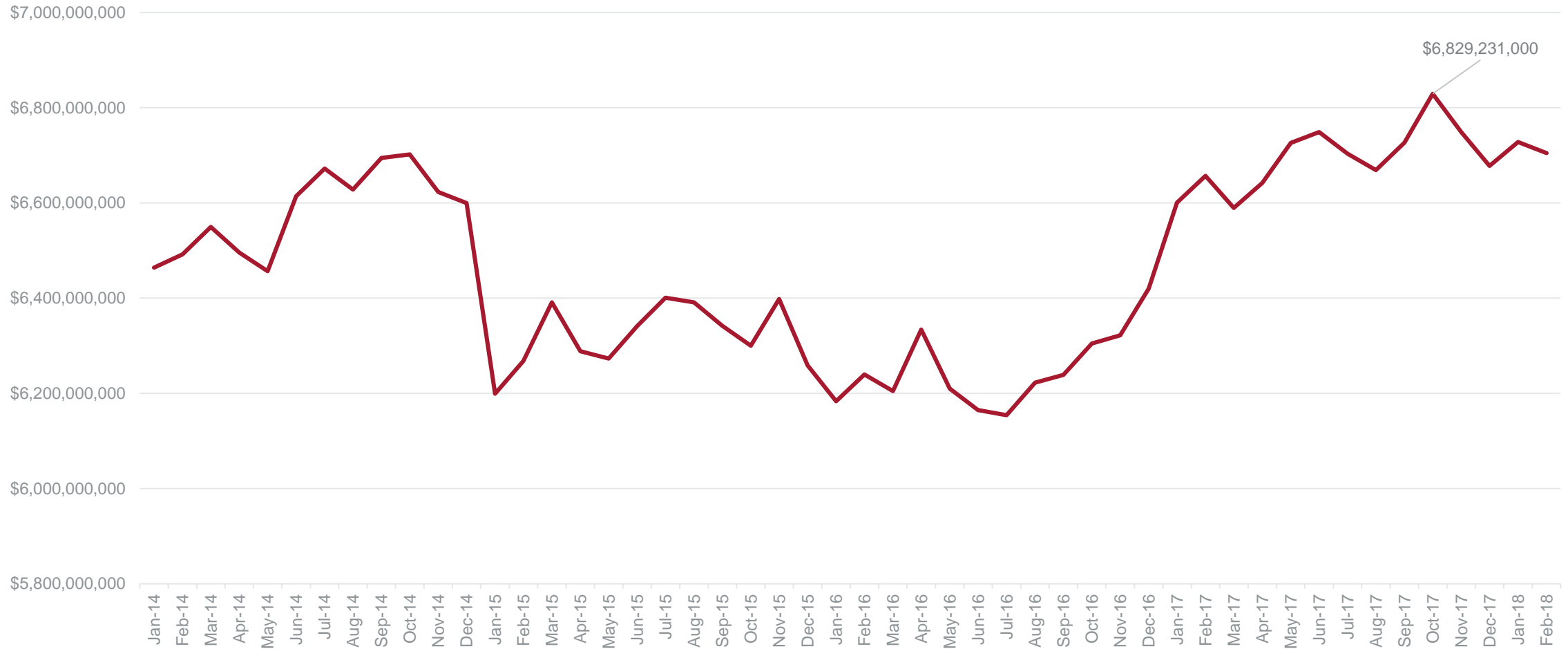
Edmonton

Edmonton Retail Panel



Retail Sales: Alberta

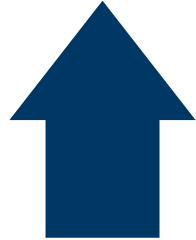
Overall Retail Sales have surpassed pre-downturn levels



The Retail Marketplace

VACANCY

- 5.3% (*est.)
- Former Sears vacancy has driven the estimate higher



SUPPLY

- Numerous projects are under development or nearing completion, expanding the Edmonton retail universe.

RENTS

- Most asset classes still performing well.
- Expect retail rents to trend slightly upwards.

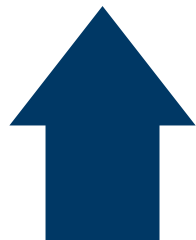


ACTIVITY

- February retail sales were close to record highs at \$6.7 B
- Several record setting months occurred in 2017.

LABOUR COST

- An increase to this input cost may have a significant impact to retailers' bottom line



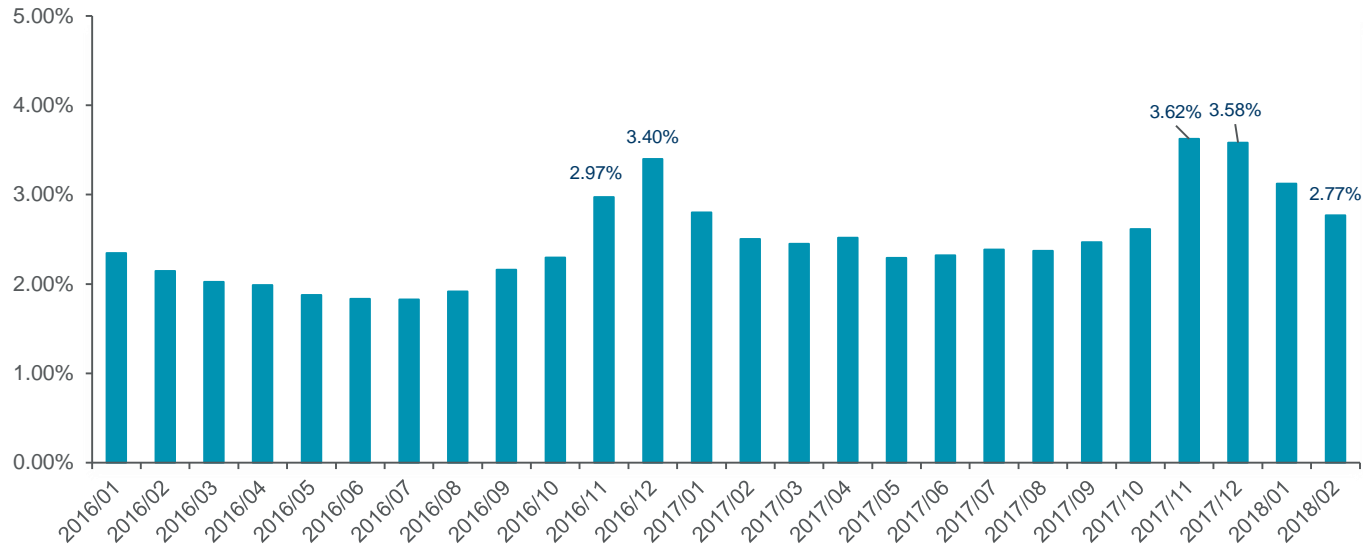
OTHER INPUT COSTS

- Rising cost base for retailers (including taxes, import costs for some inputs, etc).



Canadian E-Commerce Sales

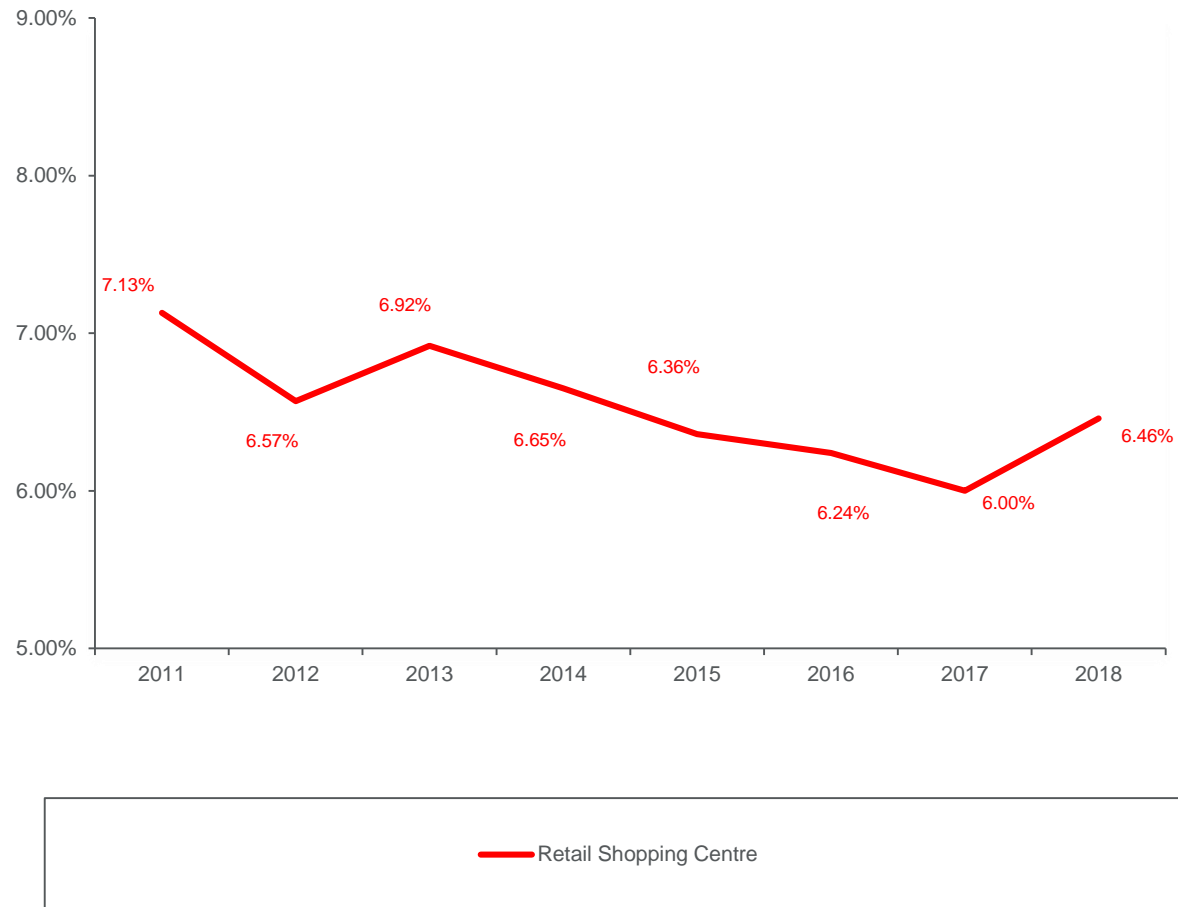
E-Commerce Sales vs. Total Retail Sales



- E-commerce sales have grown in Canada almost 20% year over year
- E-commerce sales in the USA have, by comparison, significantly increased to 13% of all retail sales (by value) occurring online in 2017.

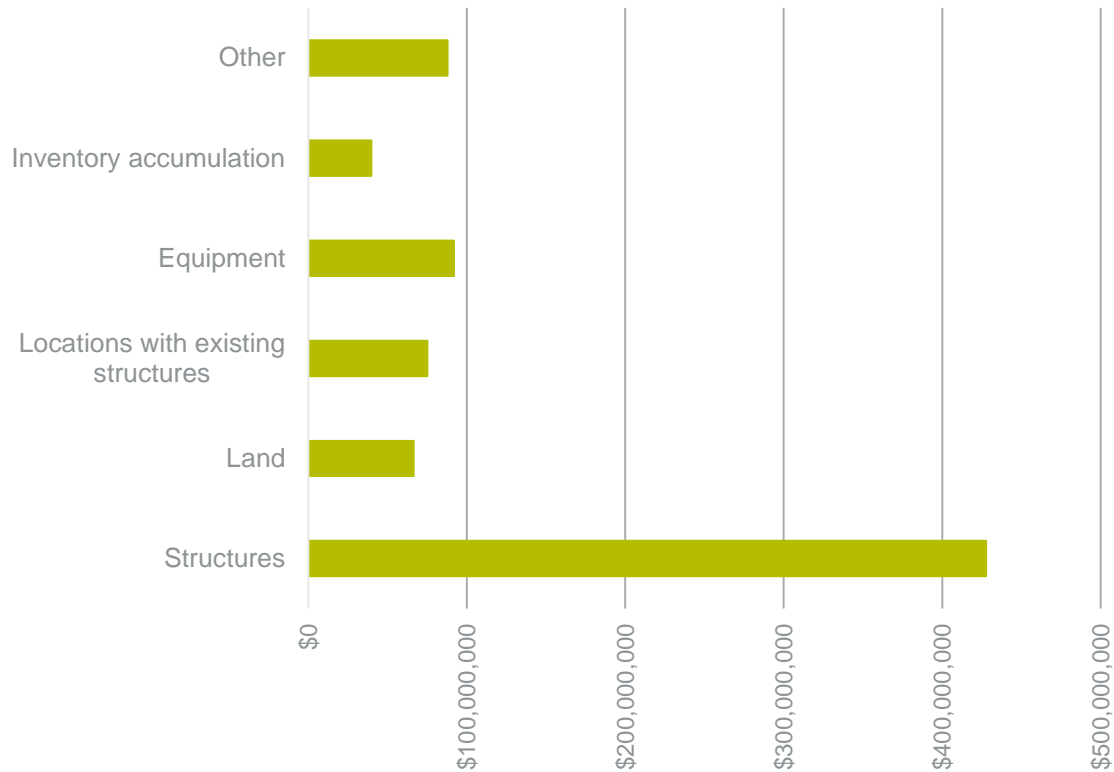
Capitalization Rates

Retail assets remain in strong demand



Cannabis and Real Estate

Input Costs





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