Economic Update

September 2019



STRATHCONA COUNTY

Presentation Overview

1. Demographic Overview
2. Building Permits and Housing Prices
3. Updates for commercial, residential, office and retail
4. Updates for projects in Strathcona Industrial Area and Alberta Industrial Heartland
5. Summary and Predictions for 2019

STRATHCONA COUNTY

DEMOGRAPHICS

STRATHCONA COUNTY

Population



98,381

71,332 urban

27,049 rural

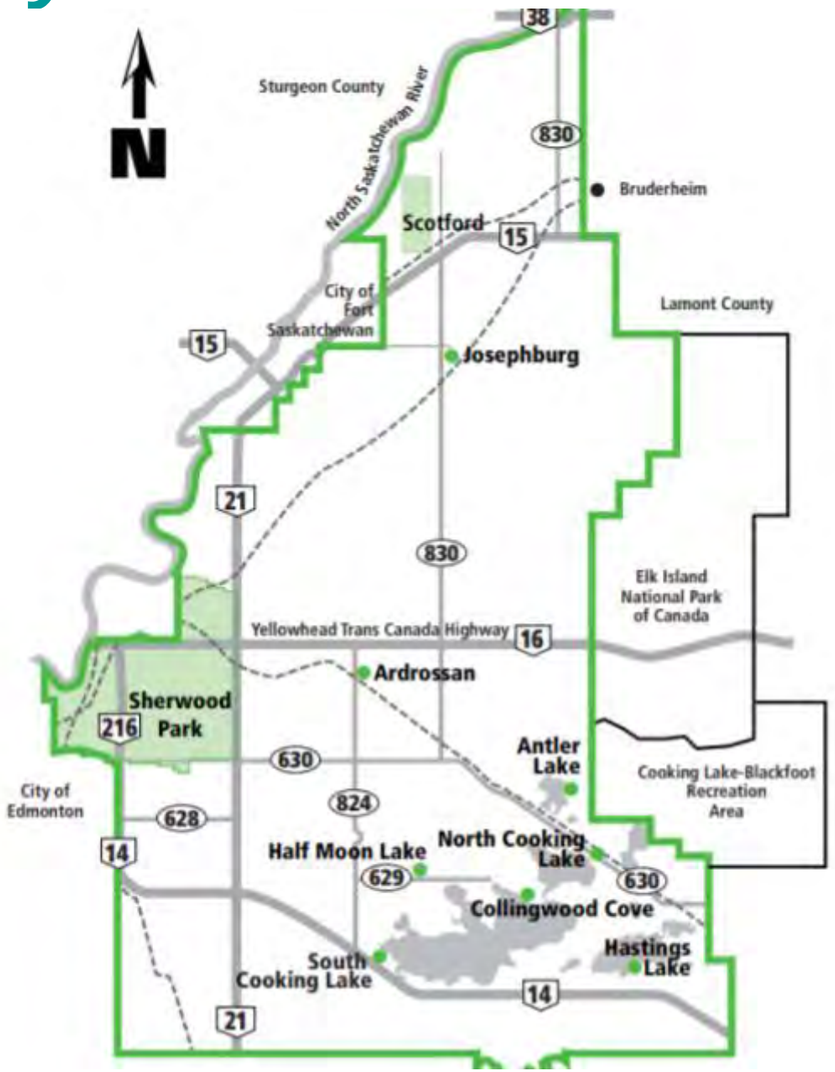
2.9% over three years

1% per year

Strathcona County Fast Facts

Urban and Rural Mix 71,332/27,049

- Sherwood Park
- Ardrossan
- South Cooking Lake
- Antler Lake
- North Cooking Lake
- Collingwood Cove
- Hastings Lake
- Josephburg



STRATHCONA COUNTY

Work Commute

65%

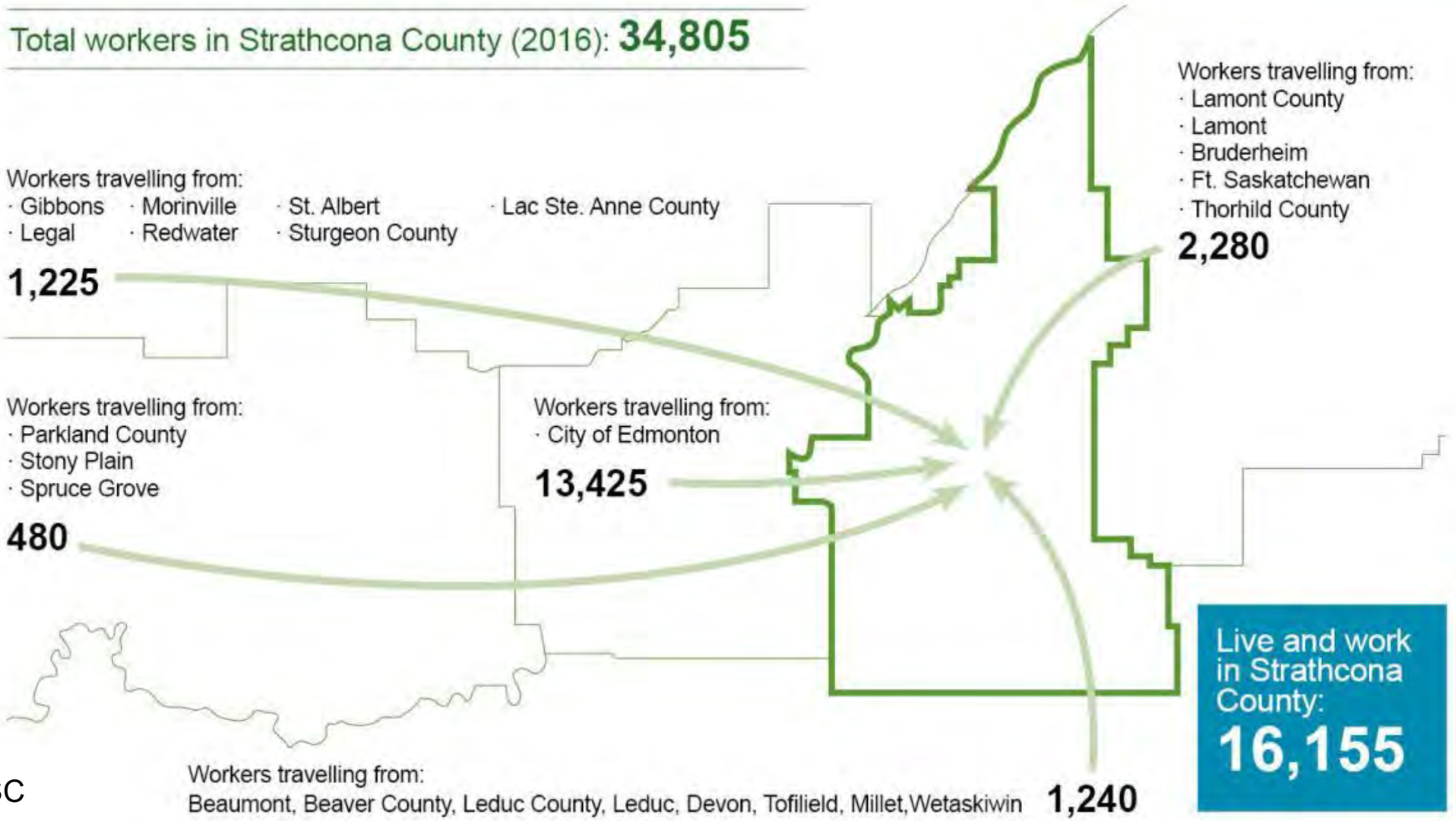
Residents



50%

Non-residents

INCOMING workers

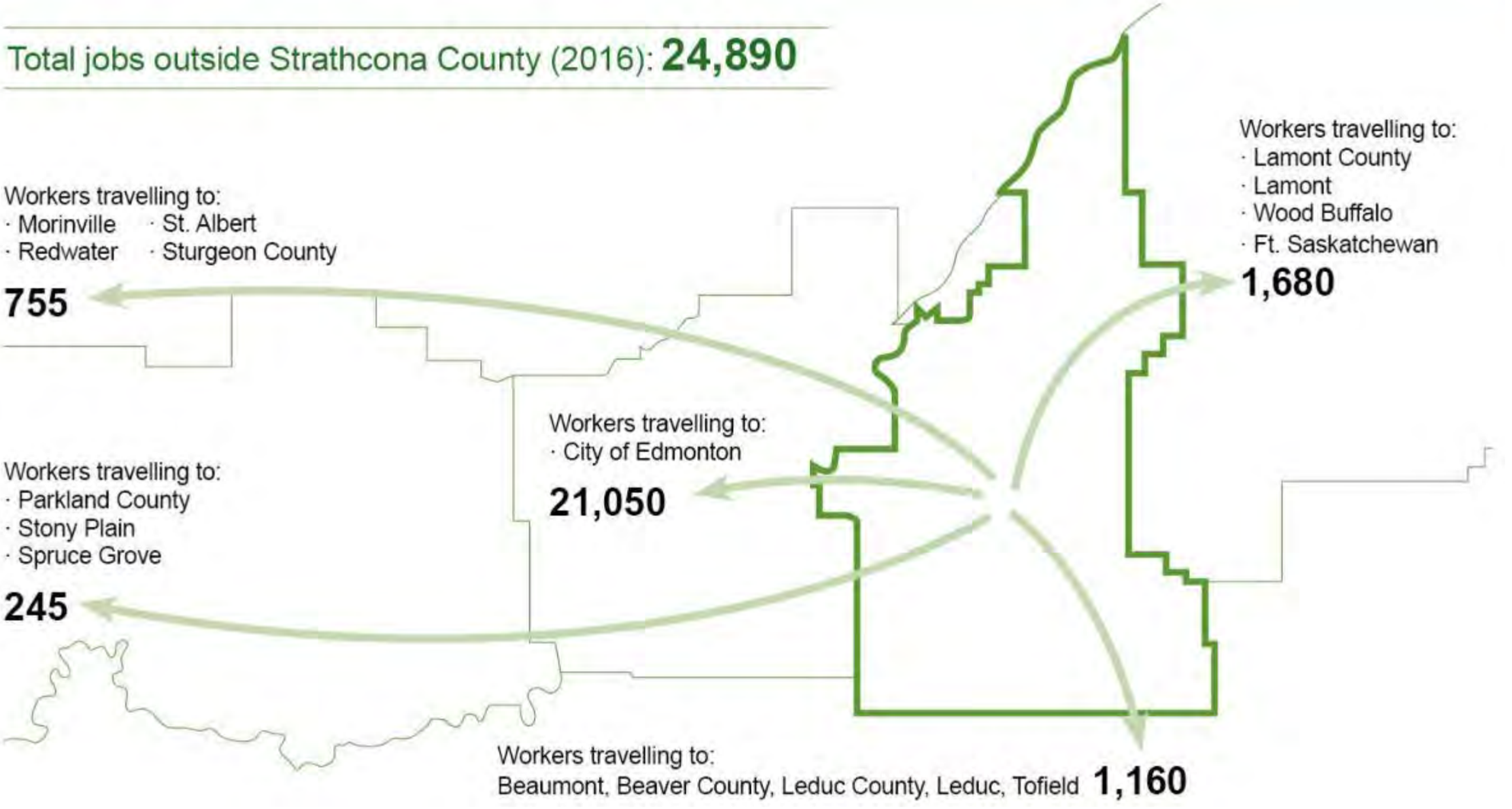


18,650 into SC

STRATHCONA COUNTY

OUTGOING workers

Total jobs outside Strathcona County (2016): **24,890**



STRATHCONA COUNTY

Average Household Income



$160,655

50.7% of total households in Strathcona County had income of $125,000 or higher

Average income of Economic Families $188,347

People per household



2.7

2.6 for Alberta
2.4 for Canada

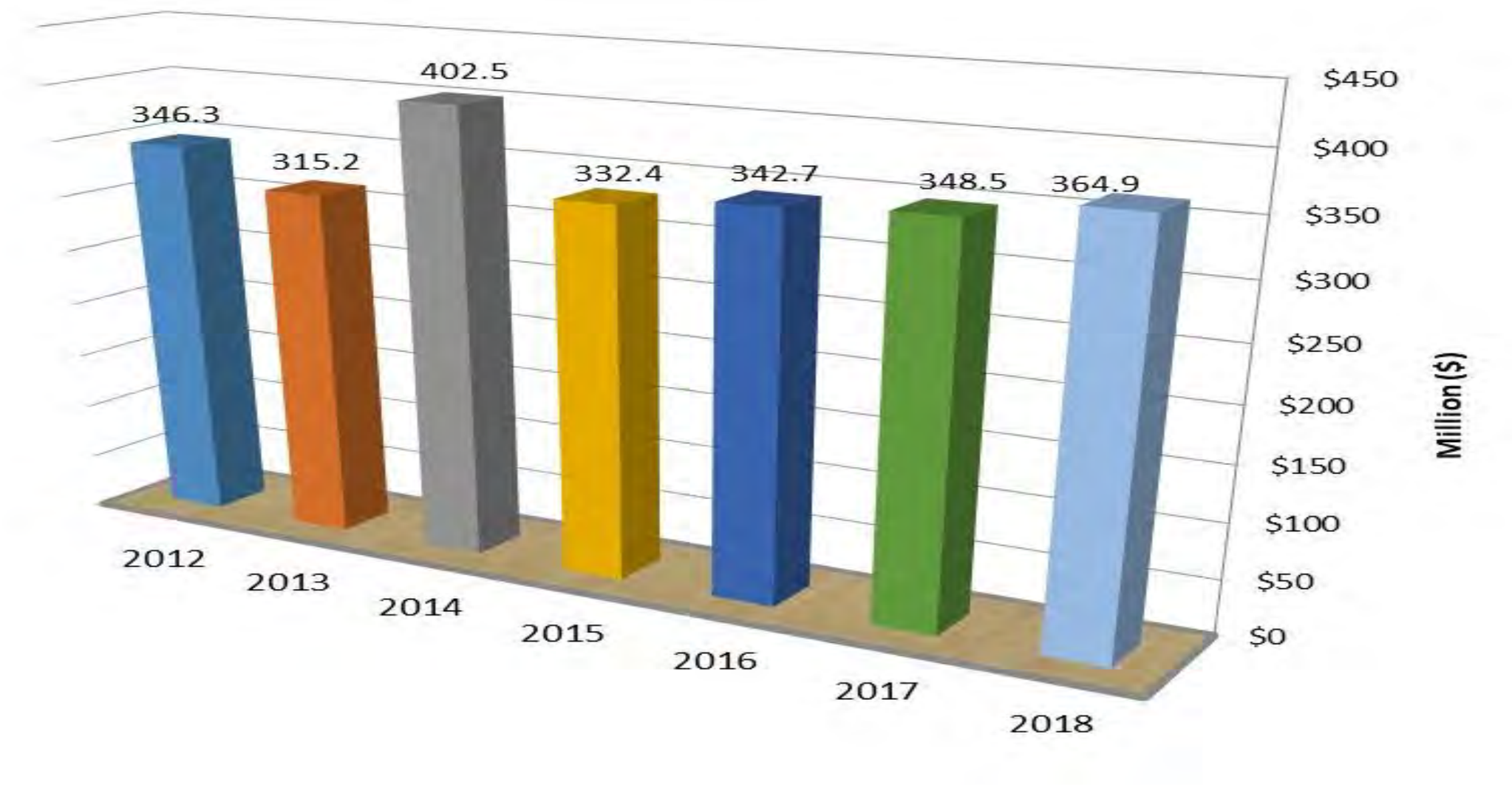
Age



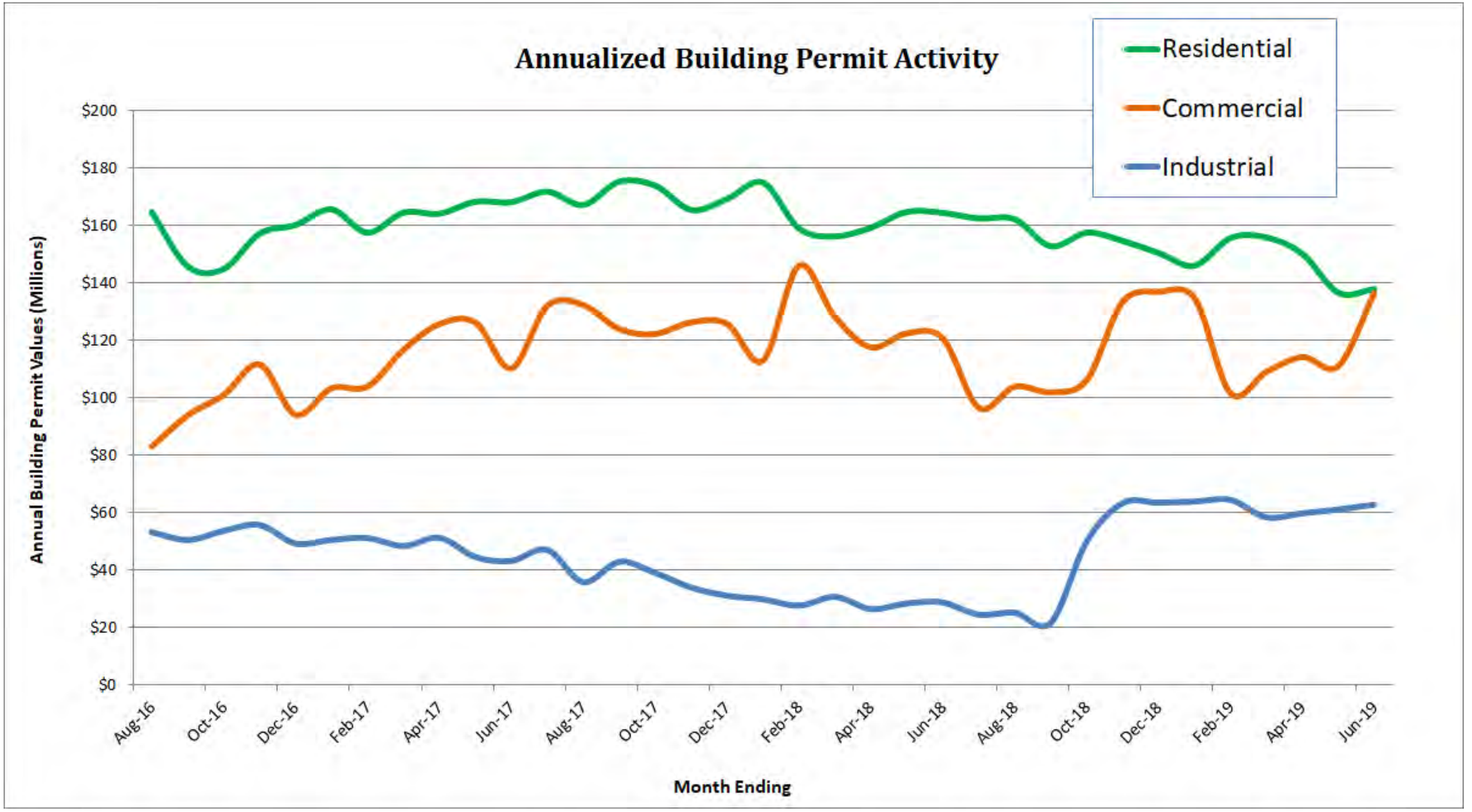
39.2

Average in Canada is 41

Building Permit Values



STRATHCONA COUNTY



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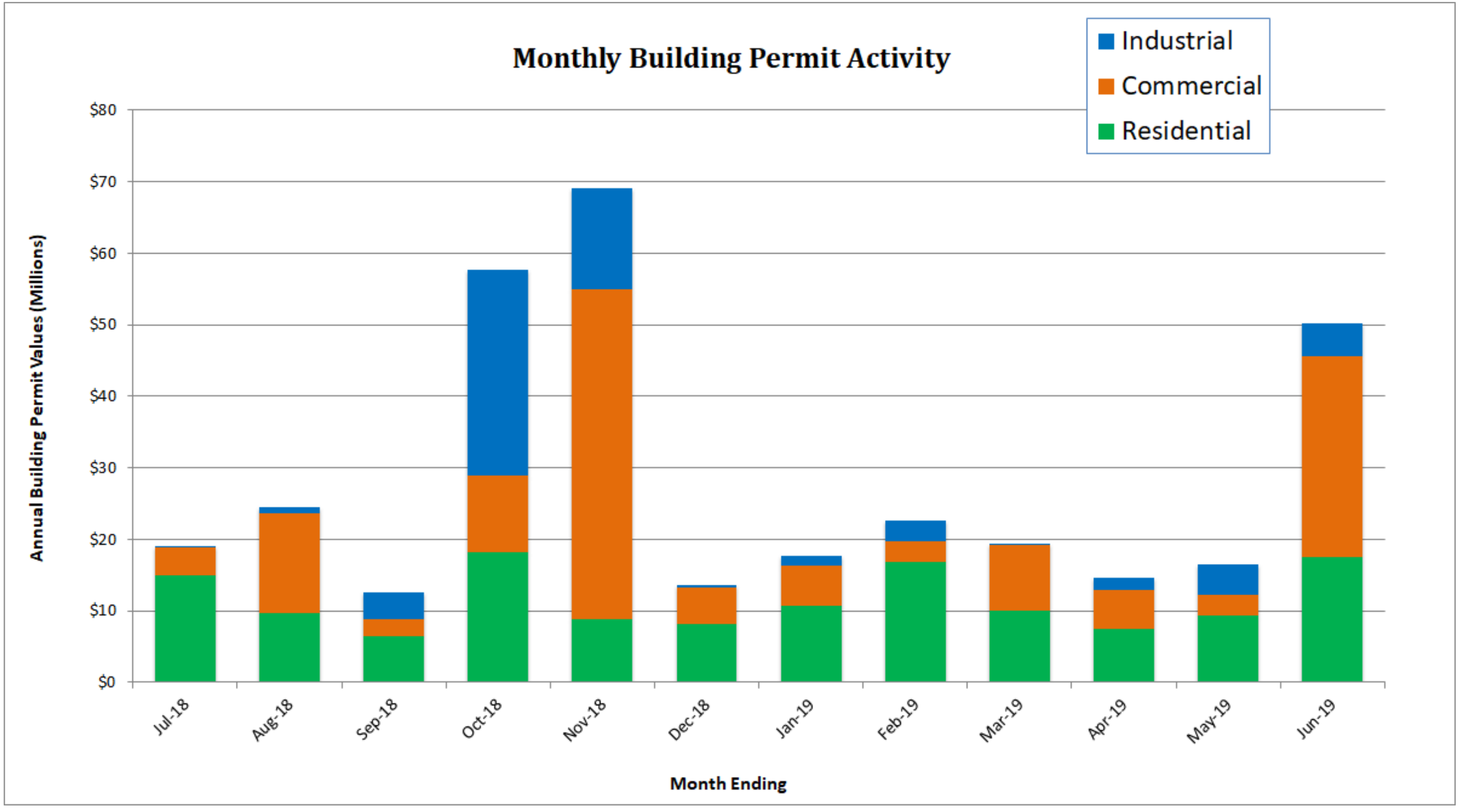
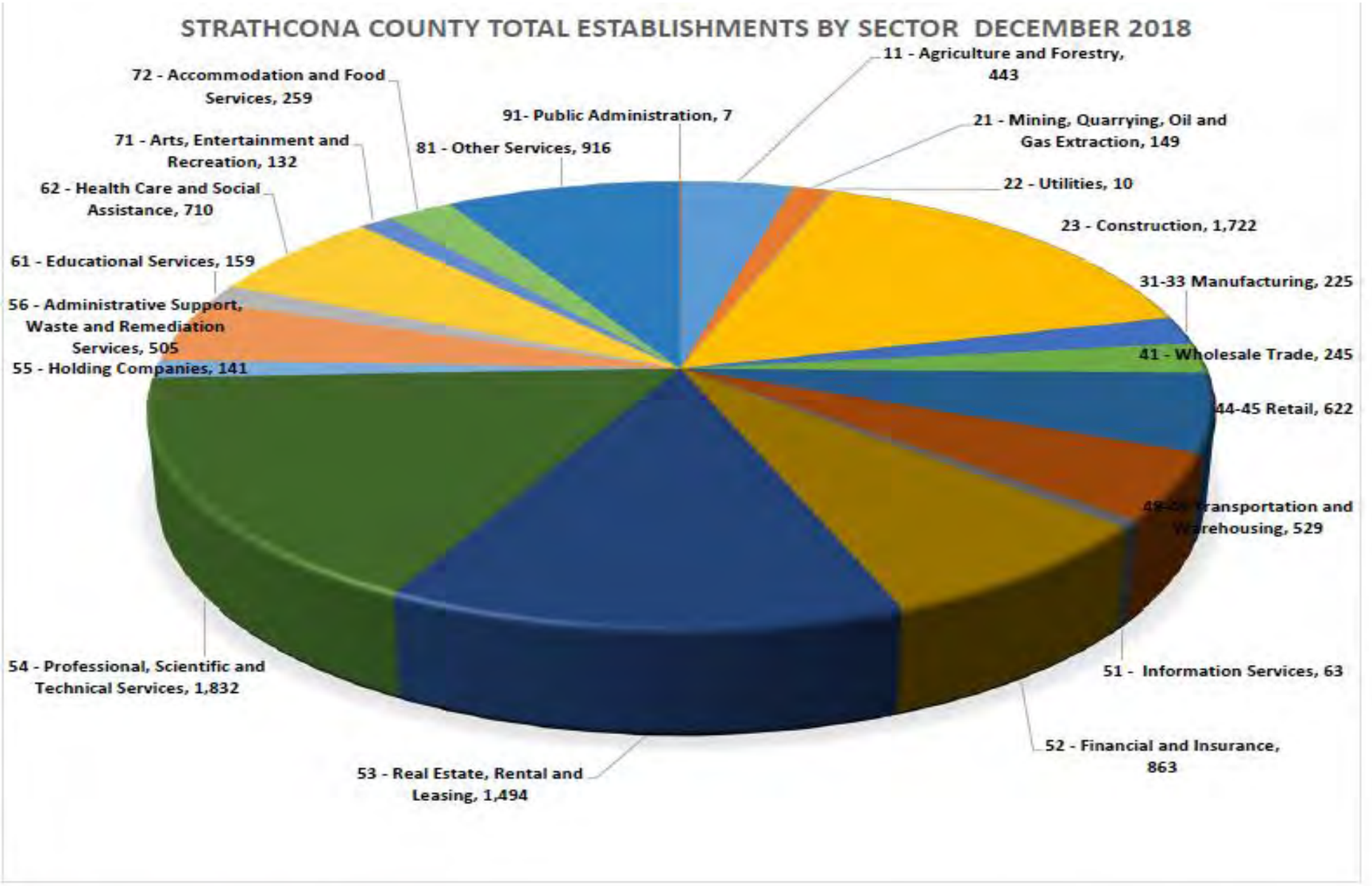


STRATHCONA COUNTY



Data Source: Statistics Canada Business Location Counts - December 2018.

Compiled for Strathcona County by RARE Analytics

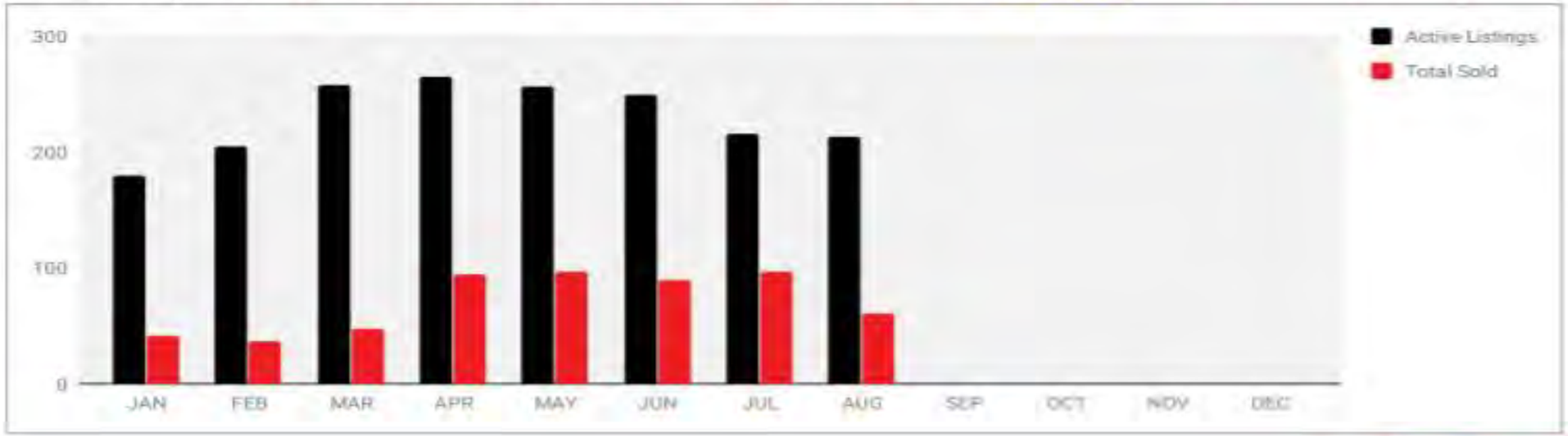
STRATHCONA COUNTY

Residential House Pricing 2019

Lorenz Team

Sherwood Park

Sherwood Park	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Active Listings	180	205	258	265	257	250	216	213				
Total Sold	41	37	48	95	97	90	97	61				
List/Sold Ratio	4.39	5.54	5.38	2.79	2.65	2.78	2.23	3.49				
Absorption Rate	22.78%	18.05%	18.60%	35.85%	37.74%	36.00%	44.91%	28.64%				
Median Price	$410,000	$418,500	$422,000	$426,400	$420,000	$416,500	$433,000	$425,000				
Average Price	$433,159	$458,494	$457,150	$460,718	$440,394	$445,515	$469,436	$454,377				



Your Home Team!

MaxWell

STRATHCONA COUNTY

Fast Facts and Stats

Tax Information:
Non Residential 64%
Residential 36%

Tax Increase 2019 0.83%

Projected tax rate increases:

1.13 – 2020
1.03 – 2021
0.42 – 2022

STRATHCONA COUNTY

COMMERCIAL

STRATHCONA COUNTY



HOUSEHOLD SPENDING POWER

$5.6 billion

STRATHCONA COUNTY

Retail Market Supply

TOTAL

4.1 million sf

VACANT

226,035 sf

VACANCY RATE

~6%

Source: Thomas Consulting Jan. 23 2018

STRATHCONA COUNTY

Centre in The Park

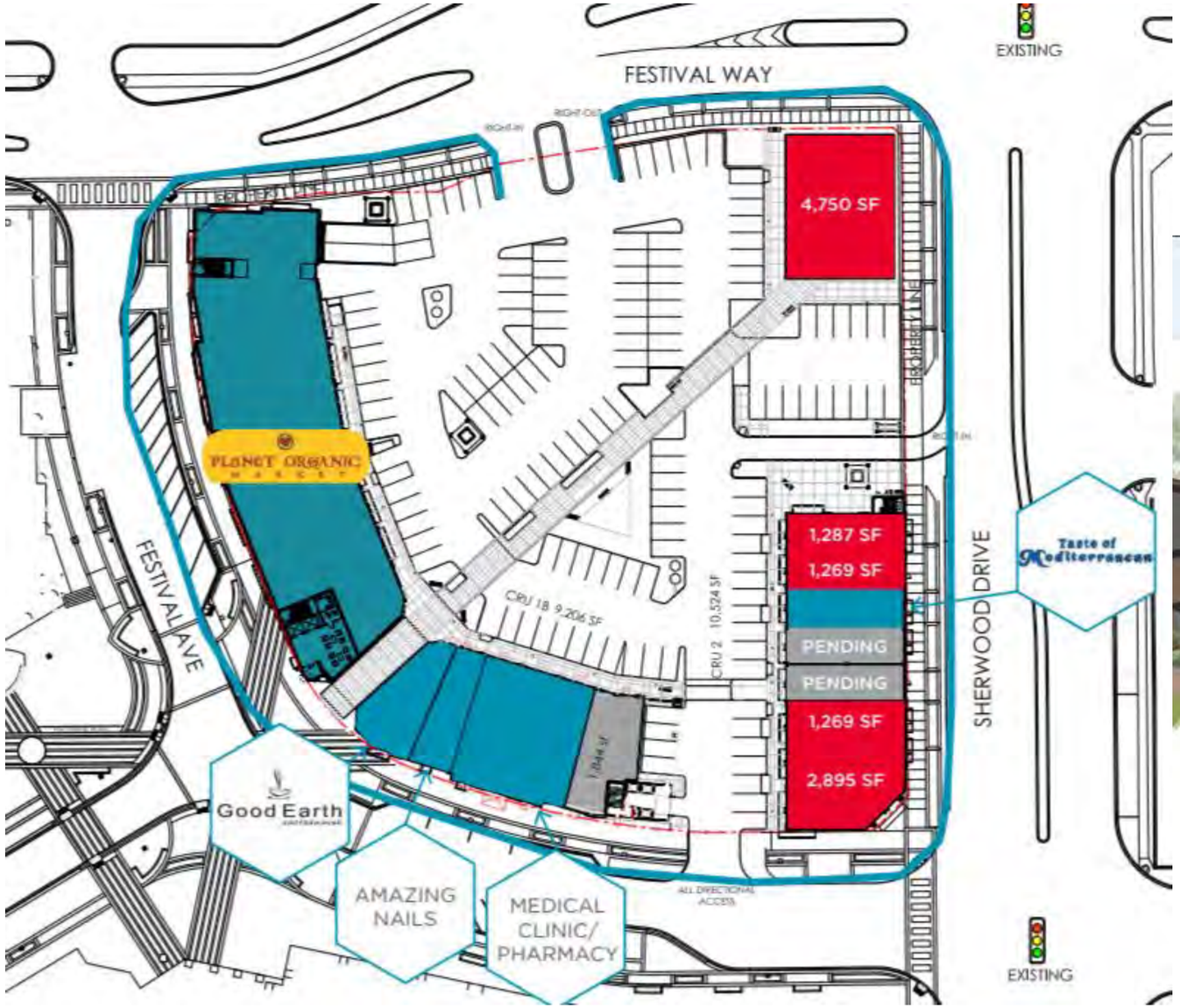


STRATHCONA COUNTY

The Market at Centre in the Park



Cameron Developments
The Market

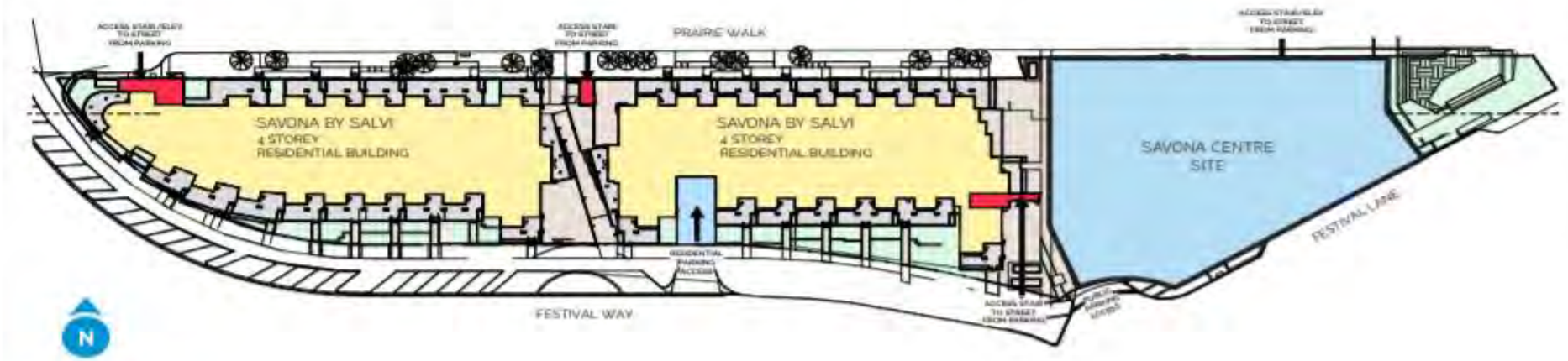




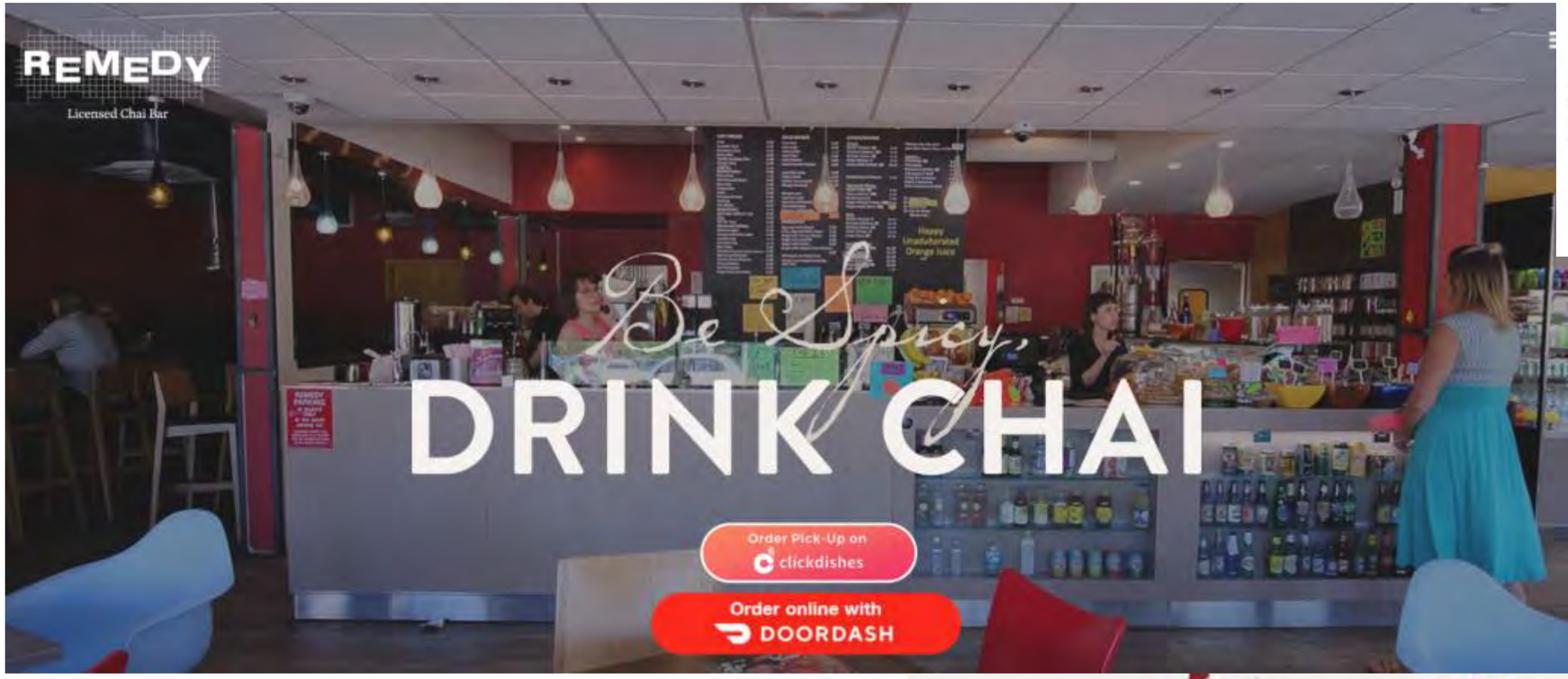
Savona






PRAIRIE WALK
SAVONA BY SALVI
4 STOREY
RESIDENTIAL BUILDING
SAVONA BY SALVI
4 STOREY
RESIDENTIAL BUILDING
SAVONA CENTRE
SITE
FESTIVAL WAY
FESTIVAL LANE
N

Remedy Café locating in Savona



REMEDY

Licensed Chai Bar

More to come...

Since then, we have opened four more locations around Edmonton and they're breaking just as many rules as the first one did. Each new location is delighting their neighbors and bringing healthy food and drink options to Edmontonians.

The chai recipe is making rounds of its own. After six years of serving the city, many restaurants throughout the province have knocked on Zee's doors to sell it in their establishments. Expect to see Remedy's chai at other cafes and restaurants throughout Alberta later this year. Thank you everyone for your continued support. Remember – Be Spicy – Drink Chai!

STRATHCONA COUNTY

My Savona

www.salvigroup.com

FLOOR PLAN - MAIN FLOOR



ICONA COUNTY

TAURUS PROPERTY GROUP

FOR LEASE
BASELINE VILLAGE

222 Baseline Road, Sherwood Park, AB

RETAIL

Unit 50 (6,364 sq ft)
Unit 55 (7,634 sq ft)
Unit 100 (24,718 sq ft)
Unit 120 (1,204 sq ft)
Unit 222 (1,526 sq ft)
Unit 238 (473 sq ft)
Unit 402 (1,415 sq ft)



STRATHCONA COUNTY

SITE LOCATION





LOCATION HIGHLIGHTS

- Situated in the most prominent retail corridor in Sherwood Park with exposure to over 33,000 vehicles per day along Baseline Road, and over 16,000 along Broadmoor Boulevard
- The site is located on a major artery used by people who travel between Edmonton and Sherwood Park daily

STRATHCONA COUNTY

Aspen Plaza: Corner of Sherwood Drive & Lakeland Drive



Aspen Plaza: Corner of Sherwood Drive & Lakeland Drive (97,112 Sq.ft)

www.aspenplaza.ca



PRICE REDUCED

Building No.	Unit No.	Size (SF)	Price
1	110	3,163	~~$1,265,200~~ $1,217,755
8	820	1,595	~~$646,800~~ $590,150
8	830	1,588	~~$646,600~~ $587,560
8	840	1,595	~~$646,800~~ $590,150
8	850	1,588	~~$646,600~~ $587,560
9	945	2,314	~~$926,000~~ $856,180

Emerald Hills Shopping Centre in front of Hampton Inn





STRATHCONA COUNTY

Future Emerald Hills Retail near Walmart





STRATHCONA COUNTY

Emerald Hills...in front of Lowe's





STRATHCONA COUNTY

Sandman Signature and Chop Steakhouse in Emerald Hills



SANDMAN SIGNATURE

chop STEAKHOUSE BAR

STRATHCONA COUNTY



STRATHCONA COUNTY



Buckingham Business Park



Buckingham Business Park

WEXFORD DEVELOPMENTS

AutoCanada

CANADIAN HYDROVAC

Ford

goAuto

Peavey Mart
Hardware & A Whole Lot More!

PEMBINA

MERVAL Since 1985

Volker Stevin

PRESS CAR WASH

CARRINGTON BUILDERS LTD.

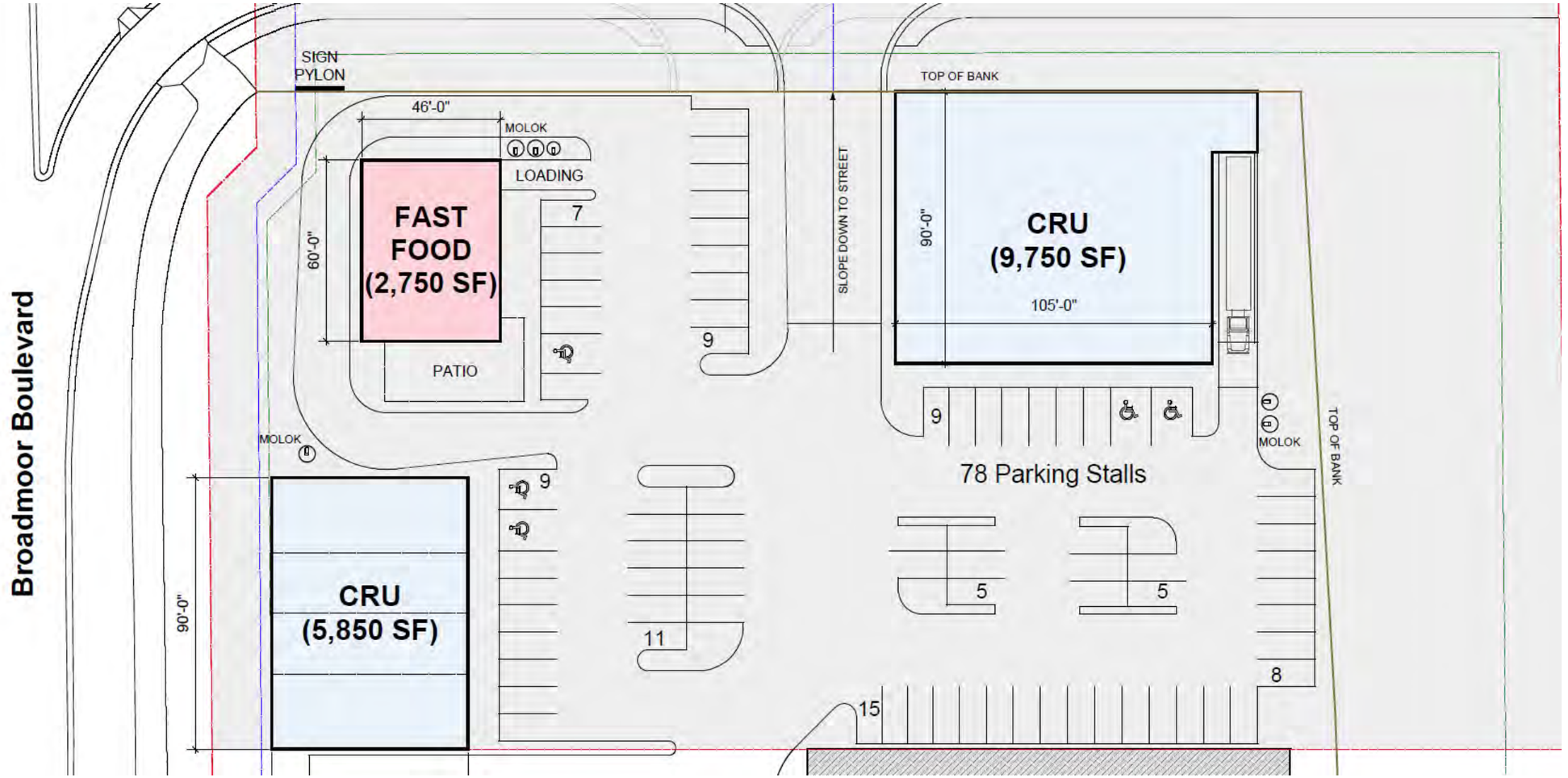
STRATHCONA COUNTY

Join Peavey Mart
Broadmoor Commercial



STRATHCONA COUNTY

Broadmoor Commercial Site Plan



STRATHCONA COUNTY

Millennium Ridge Q2 2020



CONCEPT DESIGN BUILDINGS 1 & 2
JANUARY 17, 2018

12

Millennium Ridge Phase 2

TAG DEVELOPMENTS DIALOG

Millennium Ridge is a natural extension from Millennium Place recreation centre.



STRATHCONA COUNTY

Salisbury Market - Wye Road



DETAILS

- Up to 63,000 SF Available
- Join area tenants Rexall Drug Store, Walmart, Save on Foods, Rona, etc.
- Future adjacent residential
- All-turns lit intersection
- Average household income $137,000
- Parking 5.5 stalls/1000 SF
- 30,000 vpd (2009)
- 1,150 residents onsite

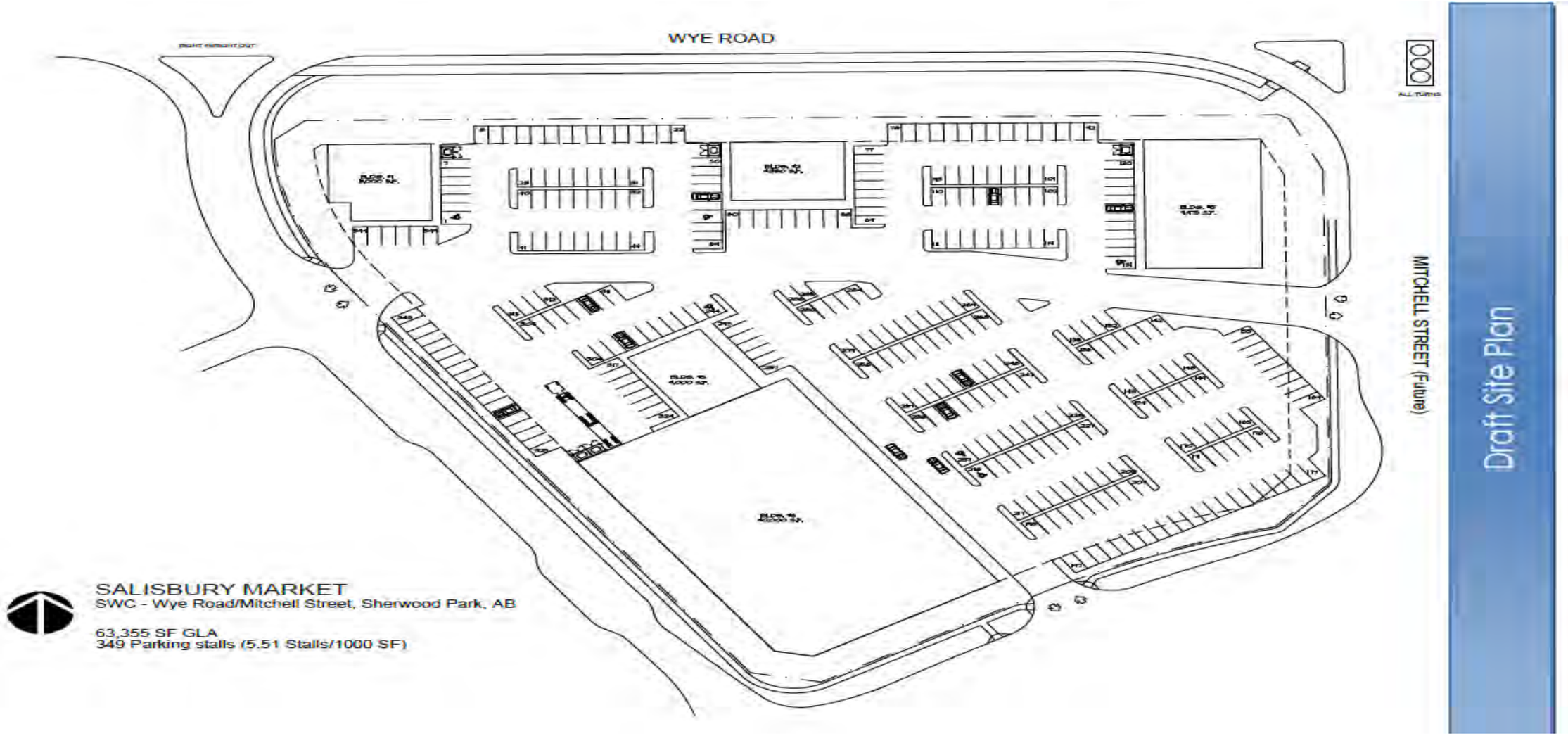
For more information please call:

Mike Podmoroff
Direct: 780-409-2582
mpodmoroff@chproperties.ca

Agents Protected

STRATHCONA COUNTY

Salisbury Market - Wye Road



STRATHCONA COUNTY

Salisbury Centre Plaza



STRATHCONA COUNTY

Ardrossan Commercial

- 19.71 Acres for sale
- South Corner with 4-5 acre parcel for commercial





welcome to

53109 RGE RD 222 ARDROSSAN

STRATHCONA COUNTY

Emerald Hills Retirement Residence by: Chartwell

CHARTwell | EMERALD HILLS retirement residence

PRESENTATION CENTRE

8005 Emerald Dr, Suite 814
Sherwood Park • **587-745-2068**

ChartwellEmeraldHills.com





STRATHCONA COUNTY

Aster Gardens by: Optima Living





STRATHCONA COUNTY

Office Leasing

TOTAL

1.43 million sf

VACANT

393,893 sf

VACANCY RATE

27.5%

Source: Colliers Q2 2019

STRATHCONA COUNTY

Emerald Hills Professional Building

CAMERON
DEVELOPMENT
CORPORATION





STRATHCONA
COUNTY

Wye Business Centre



ROYAL PARK REALTY



STRATHCONA COUNTY

Market Updates

- 250,000+ square feet or recent absorption (2018)
- Office and industrial space absorbed

Market Updates Continued…













STRATHCONA COUNTY

New and Upcoming

SANDMAN SIGNATURE

TOWNEPLACE SUITES® BY MARRIOTT

KOBACHI コバチ

SUZY SUZY SHIER

REMEDY Licensed Chai Bar

INNOVATIVE MORTGAGE SOLUTIONS

ATB Financial

chop STEAKHOUSE BAR





KONZ® pizza...in a cone

SUBWAY®

NITZA'S PIZZA

ROSEWOOD MEDICAL CLINIC

STRATHCONA COUNTY

Retail Sales Gap Recommendations

Grocery & Specialty Food

SUNTERRA

theWine Cellar

CityMarket

ACME MEAT MARKET

DUCHESS

Blush Lane ORGANIC MARKET

ITALIAN CENTRE

Services

AVEDA

FLOATHOUSE

Comparison Retailers

BEST BUY

GAP

MEC

LOLÉ

RW&CO.

F&B

transcend

REMEDY

CACTUS CLUB CAFE

CHIPOTLE MEXICAN GRILL

Nando's

credo

SPLASH POKE

the old spaghetti factory

THE CHEESECAKE

Fitness

KROCK SUNGLE FITNESS

YYOGA

BARRE BODY STUDIO

truride

Entertainment

Brewsters

GATEWAY ENTERTAINMENT

BREAKOUT ENTERTAINMENT

HUDSONS

Central SOCIAL HALL

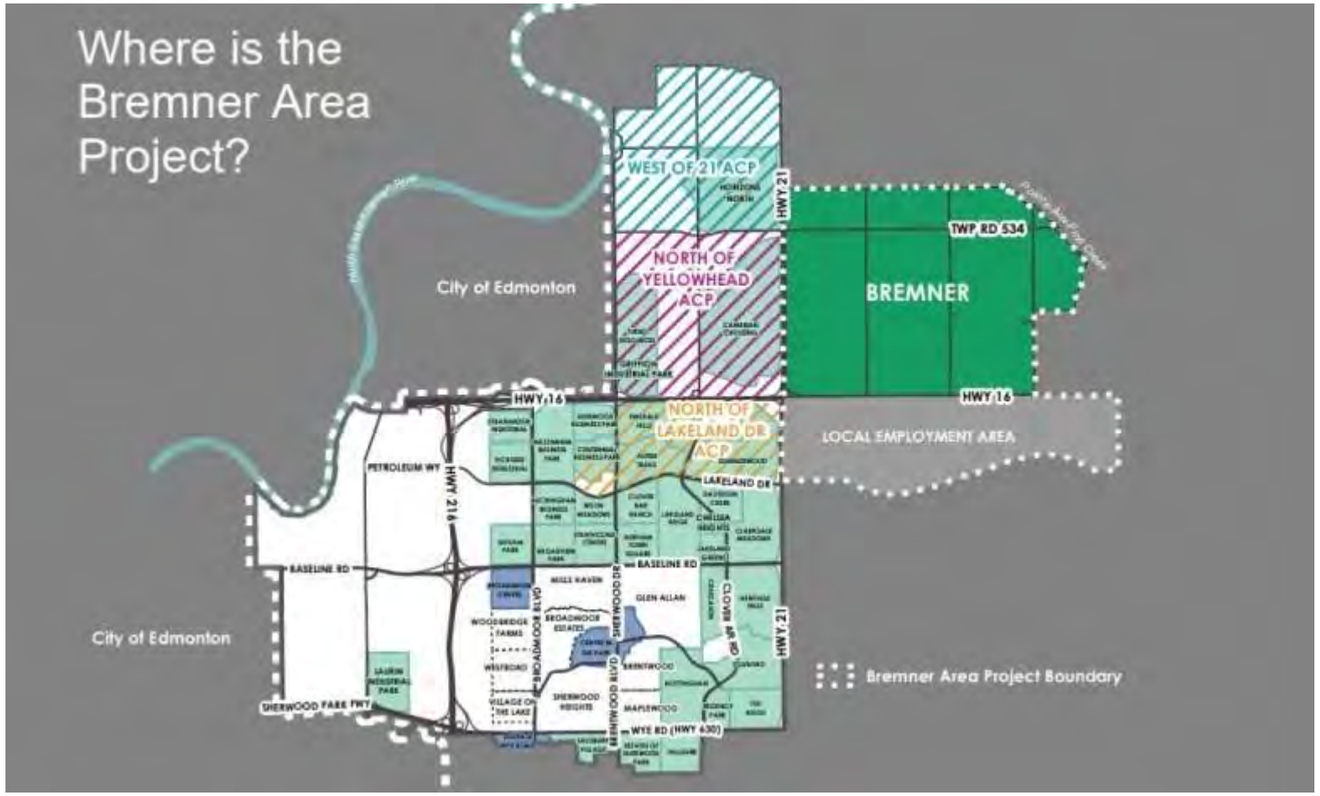
STRATHCONA COUNTY

Bremner & Local Employment Area

- On Sept 10, council passed 2nd and 3rd reading and voted to adopt the Bremner & LEA Area Concept Plan (ACP)

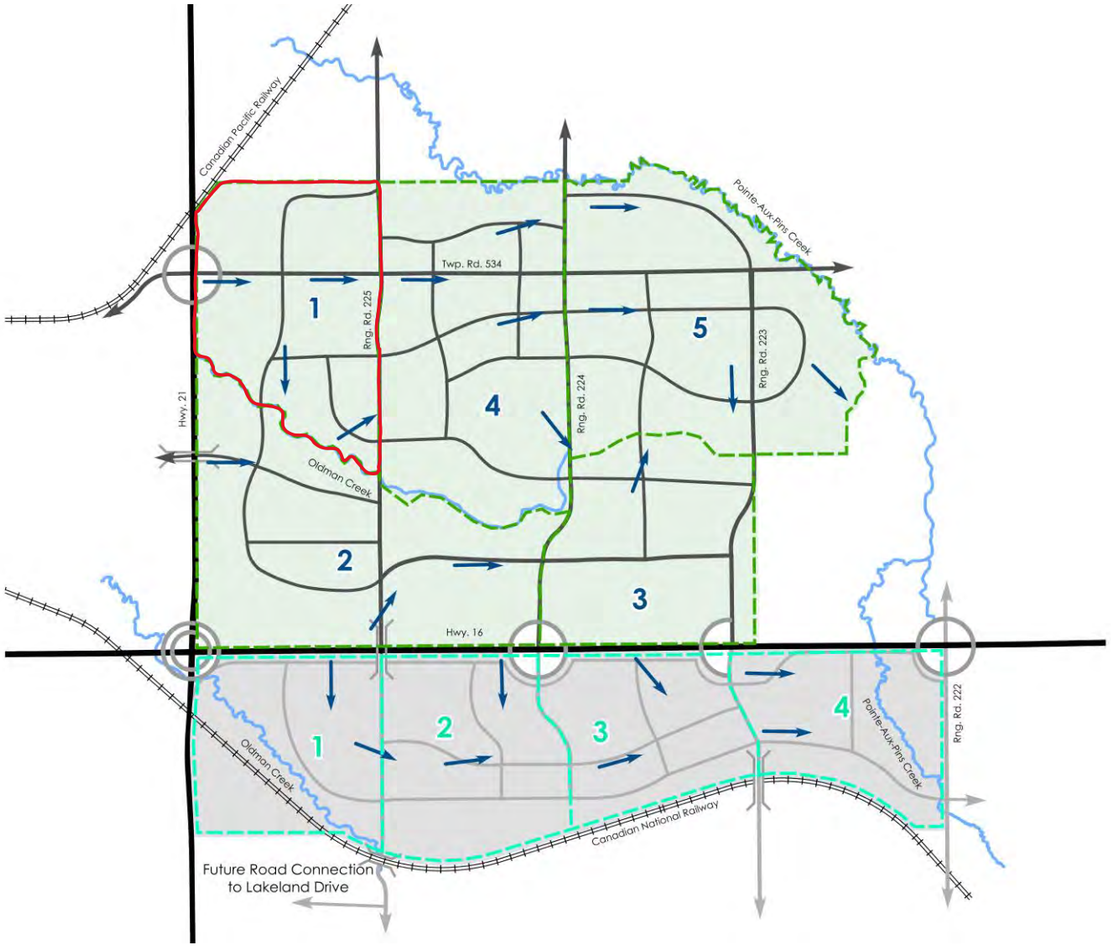
- 20km^2 area, 80,000 resident capacity, 40 year projected build-out

- Developers can now approach Strathcona County to develop Area Structure Plans (ASPs)



STRATHCONA COUNTY

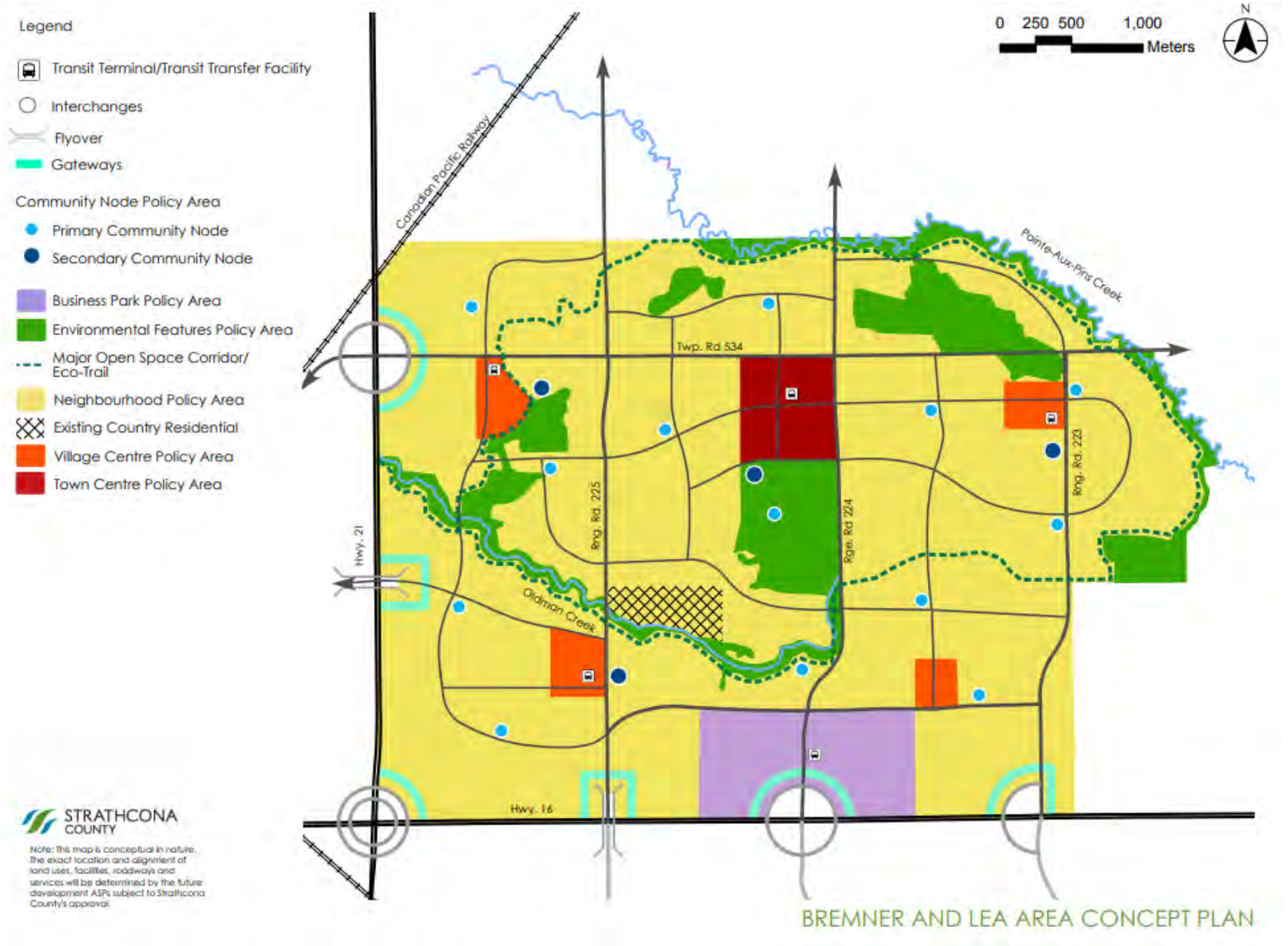
Bremner What Next



- The first Sub-Area Structure Plan is anticipated to be in the northwest near Township Road 534 and Highway 21.
- Infrastructure (roads and utilities) development costs and timing are yet to be determined
- ~15% of total infrastructure will be built in first 10 years

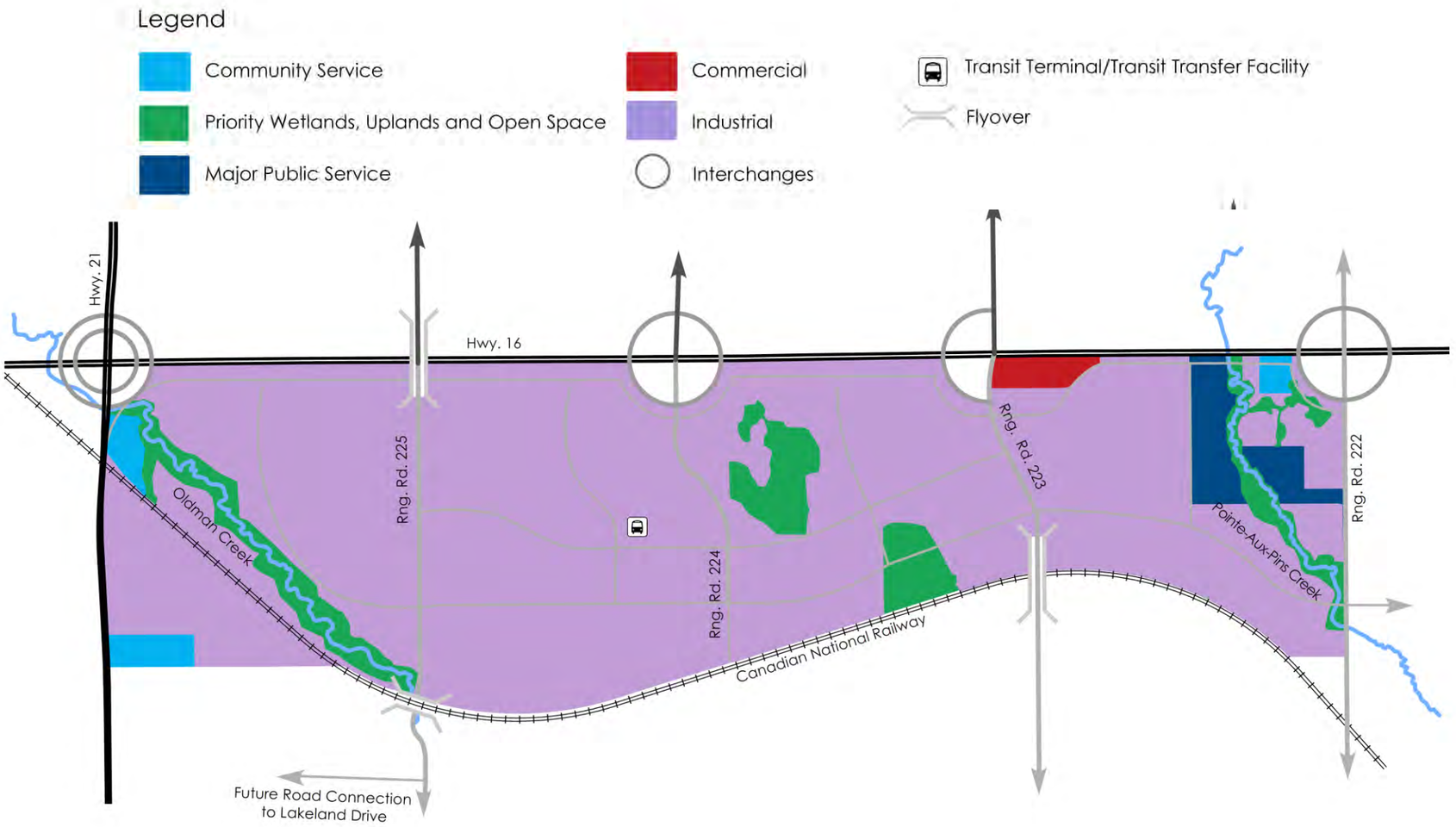
STRATHCONA COUNTY

Development Concept Bremner



STRATHCONA COUNTY

Development Concept LEA



STRATHCONA COUNTY

INDUSTRIAL

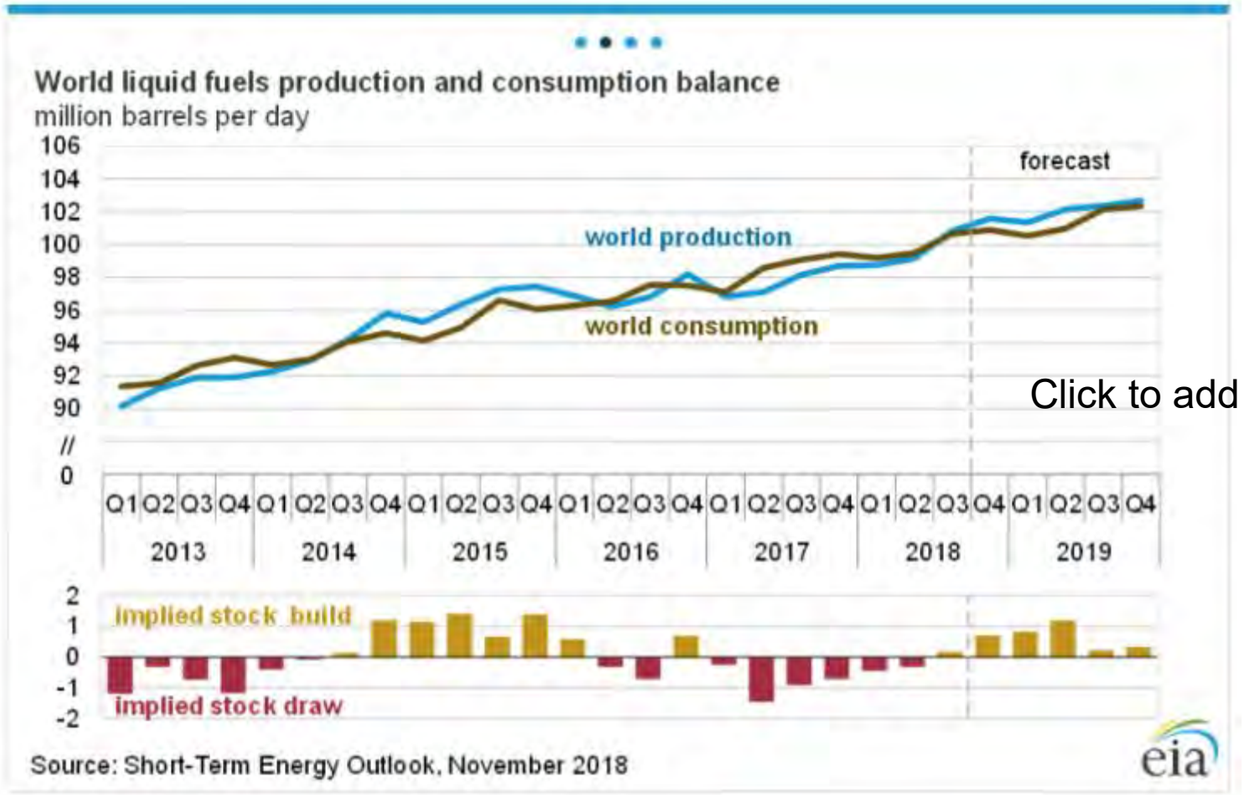
STRATHCONA COUNTY

Economic Outlook Consensus

- BMO 0.5%
- RBC 1.5%
- ATB 2.1%
- Conference Board of Canada 1.3%
- Government of Alberta 1.6%
- Scotia Bank 1.5%
- BDC 1.6%

STRATHCONA COUNTY

Price of Oil



Click to add text

Price Summary

	2016	2017	2018	2019
WTI Crude Oil[a] (dollars per barrel)	43.33	50.79	*66.79*	*64.85*
Brent Crude Oil (dollars per barrel)	43.74	54.15	*73.12*	*71.92*
Gasoline[b] (dollars per gallon)	2.15	2.42	*2.75*	*2.75*
Diesel[c] (dollars per gallon)	2.31	2.65	*3.19*	*3.21*
Heating Oil[d] (dollars per gallon)	2.10	2.51	*3.03*	*3.08*
Natural Gas[d] (dollars per thousand cubic feet)	10.04	10.86	*10.76*	*10.91*
Electricity[d] (cents per kilowatthour)	12.55	12.89	*12.93*	*13.32*

May 29th-2019 Price = $58.63 (-9.48$ Year over Year)

STRATHCONA COUNTY

Oil Pricing is Complicated

Crude Oil		7/29/19 Close	$ Change	7/29/18 Close	18/19 Change	Average Price YTD
– Daily Spot –						
Syn. Swt. SCO @Edmonton	(US$/bbl)	58.85	1.42	—	-7.34	57.35
Edmonton Mixed Sweet	(US$/bbl)	54.10	0.92	—	-8.09	52.76
WCS @Hardisty	(US$/bbl)	43.10	0.92	—	3.31	45.88
Conde @Edmonton	(US$/bbl)	54.00	1.07	—	-13.84	53.52
Differential (WTI-WCS)	(US$/bbl)	13.77	-0.25	—	-15.13	11.56
Differential (WTI-Syn.Swt SCO)	(US$/bbl)	-1.98	-0.75	—	-4.48	0.09
Daily Spot WTI @Cushing	(US$/bbl)	56.87	0.67	—	-11.82	57.44
WTI Front Month Sep-2019	(US$/bbl)	56.87	0.67	—	-11.82	57.47
WTI 12-month Avg. Futures	(US$/bbl)	56.35	0.45	—	-9.97	57.73
WTI 2020 Avg. Futures	(US$/bbl)	55.58	0.29	—	-9.48	56.90
Brent Front Month Sep-2019	(US$/bbl)	63.71	0.25	—	-10.58	65.89
Brent 12-month Avg. Futures	(US$/bbl)	62.27	0.17	—	—	64.54
Brent 2020 Avg. Futures	(US$/bbl)	61.31	0.06	—	—	63.40

This webpage updated:

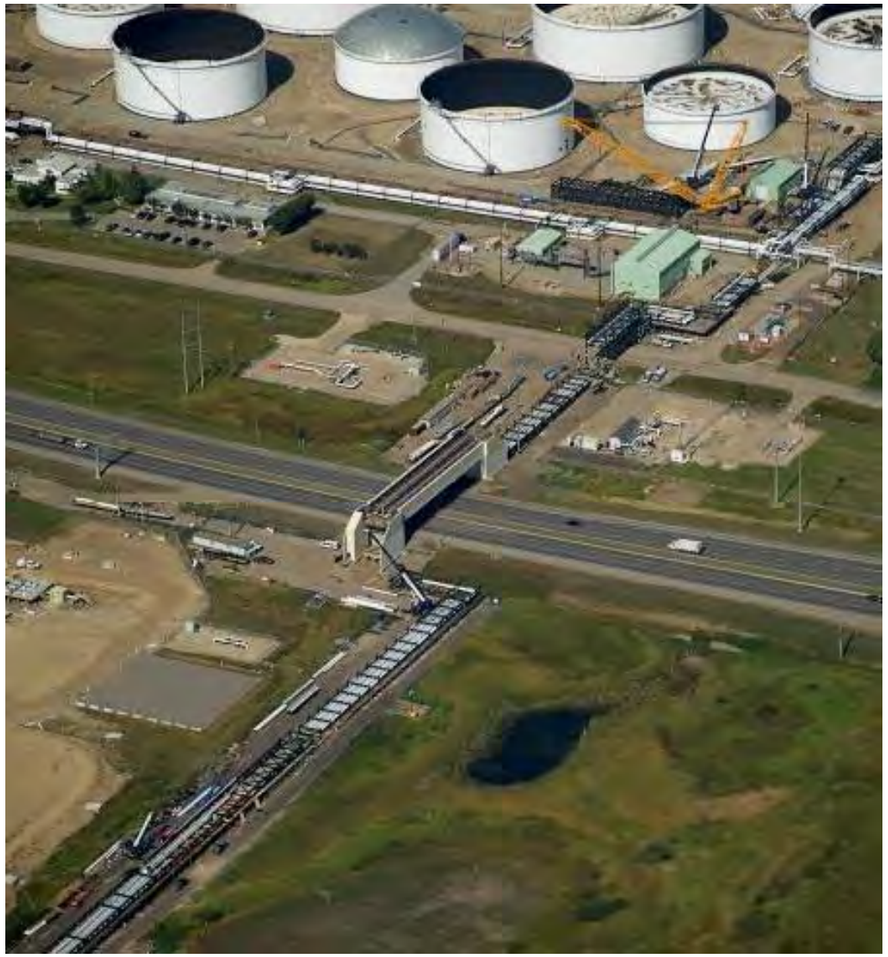
Jul 30 2019 7:41 AM UTC-6

US $1 = CDN $1.32
$77.42 CDN

STRATHCONA COUNTY

Summary of Projects - SIA

- Kinder Morgan and Keyera Tank Terminal Project
- Imperial Oil Co-generation plant
- Kinder Morgan Pipeline Bridge
- Gibson Tank Construction



STRATHCONA COUNTY



STRATHCONA COUNTY



STRATHCONA COUNTY

Shell Scotford- 2 Turnarounds 2019



STRATHCONA COUNTY

Refineries in Western Canada

Table 3.1 **Refineries in Western Canada by Province**

Owner	Location	Crude Oil Processing Capacity (b/d)
	Alberta	
Imperial	Strathcona	191,000
Husky (asphalt plant)	Lloydminster	29,000
Suncor	Edmonton	142,000
Shell	Scotford	92,000
North West Redwater Partnership	Sturgeon County	79,000 (dilbit)
Alberta Subtotal: (5 refineries)		**533,000**
	British Columbia	
Parkland Fuel	Burnaby	55,000
Husky	Prince George	12,000
British Columbia Subtotal: (2 refineries)		**67,000**
	Saskatchewan	
Federated Co-operatives	Regina	130,000
Gibson (asphalt plant)	Moose Jaw	19,000
Saskatchewan Subtotal: (2 refineries)		**149,000**
Total (9 refineries):		749,000

472,000 or 63%

Imperial Oil 210,000 bpd
Suncor 149,000 bpd
Shell 113,000 bpd

STRATHCONA COUNTY

Heartland Petrochemical Complex



STRATHCONA COUNTY

Inter Pipeline HPC – Spring 2019



*Note: YouTube video link embedded in image. For video access, click here: http://ow.ly/H6sa50vfENs

STRATHCONA COUNTY

Pembina Acquisition of Kinder Morgan

In August 2019, Pembina Pipeline Corporation announced the purchase of Kinder Morgan Canada and the Cochin Pipeline for $4.35B CAD.

This deal gives Pembina 10 million barrels of storage capacity in Strathcona County and surrounding area. It also provides Pembina with a key distribution system for providing condensate to majors.

This acquisition is a significant bet on Alberta's oilsands, which demonstrates significant confidence in the future of this sector.



*This acquisition is still subject to board approval by both companies and GOA approval

STRATHCONA COUNTY

Alberta's Industrial Heartland: Economic Impact

582 sq.km



We are Canada's **largest** hydrocarbon processing centre

$40 billion in existing **Investment**

Jobs

6,000+ direct

25,000+ indirect

Local Spending

$1.5 billion Annually

40+ Industrial Heartland companies

STRATHCONA COUNTY

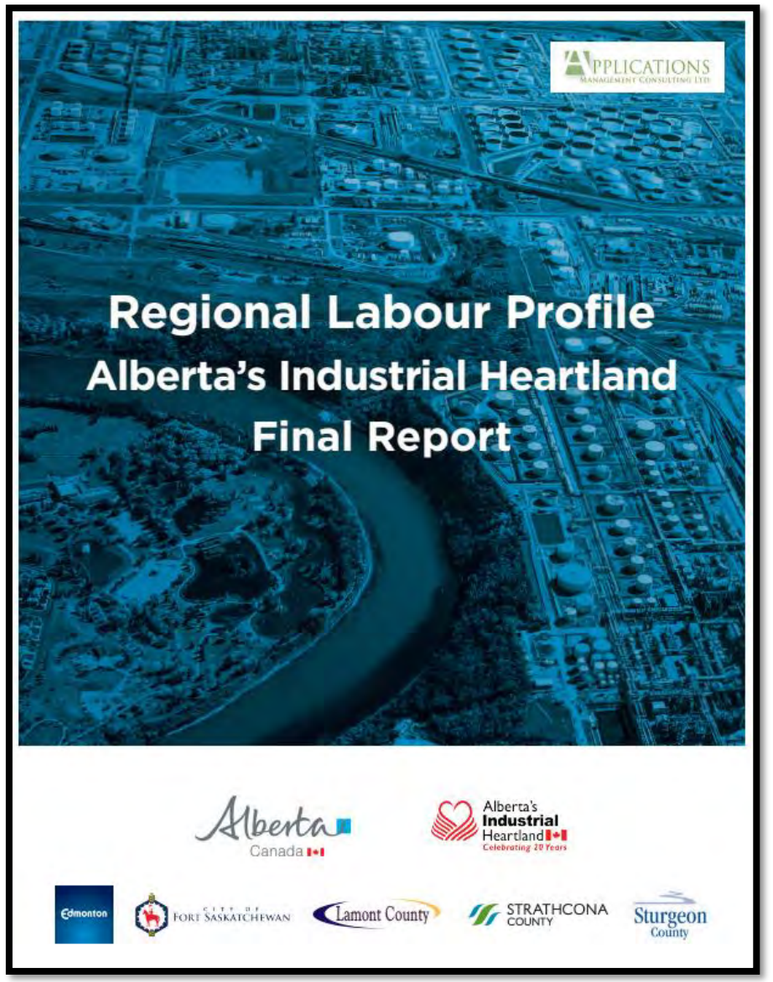
Vision for AIHA



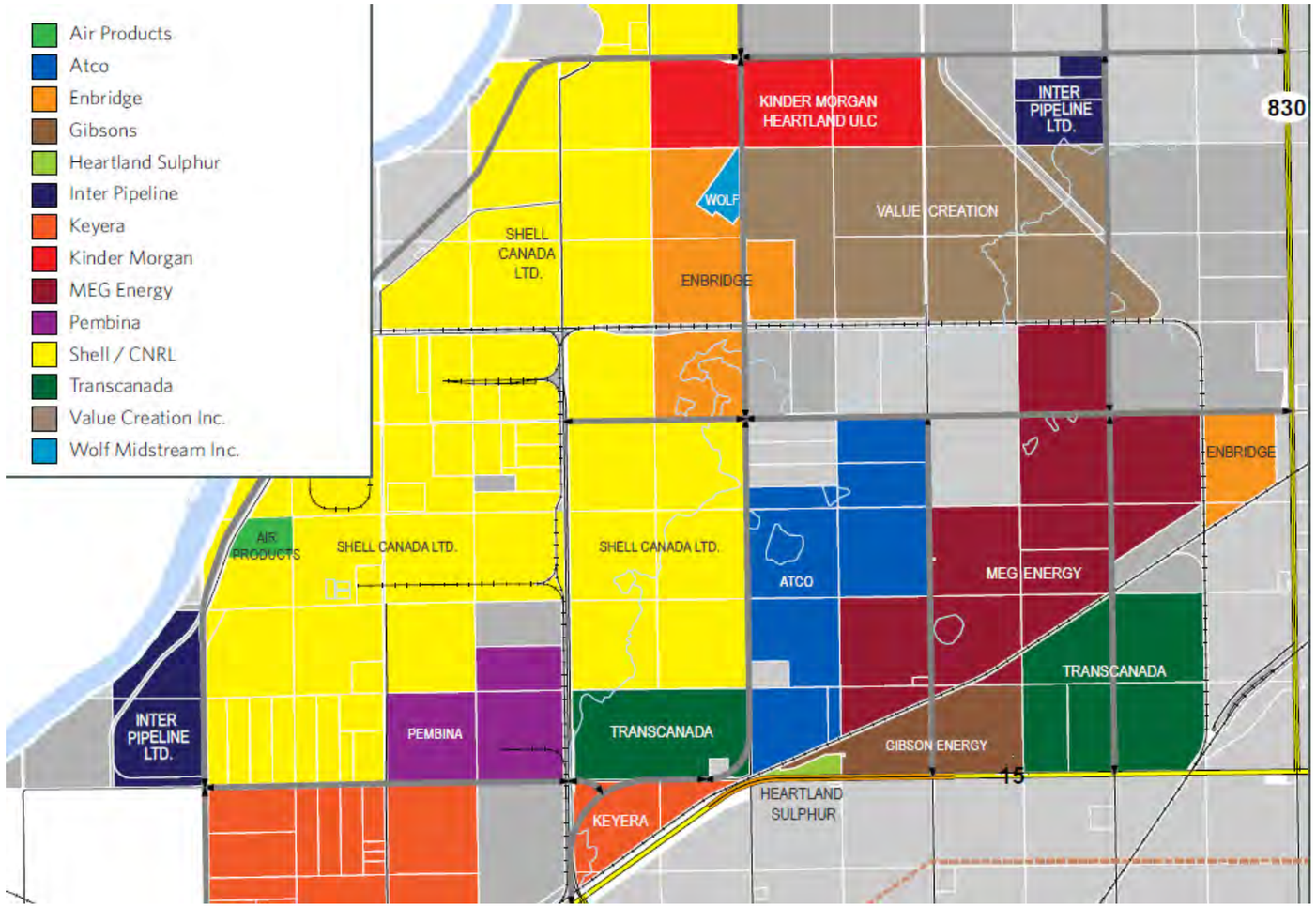
STRATHCONA COUNTY

Heartland Labour Profile

- 2019 study of aggregated labour and employment data in Heartland
- Almost half of the 12,000 jobs are in the chemical manufacturing industry
- Data includes employment, wages, recruitment, transportation, demographics, diversity and more
- Download the report here



AIHA Project Updates



Strathcona County maintains a report on all projects in our portion of Alberta's Industrial Heartland that are either proposed, under construction, or recently completed

Download the update here

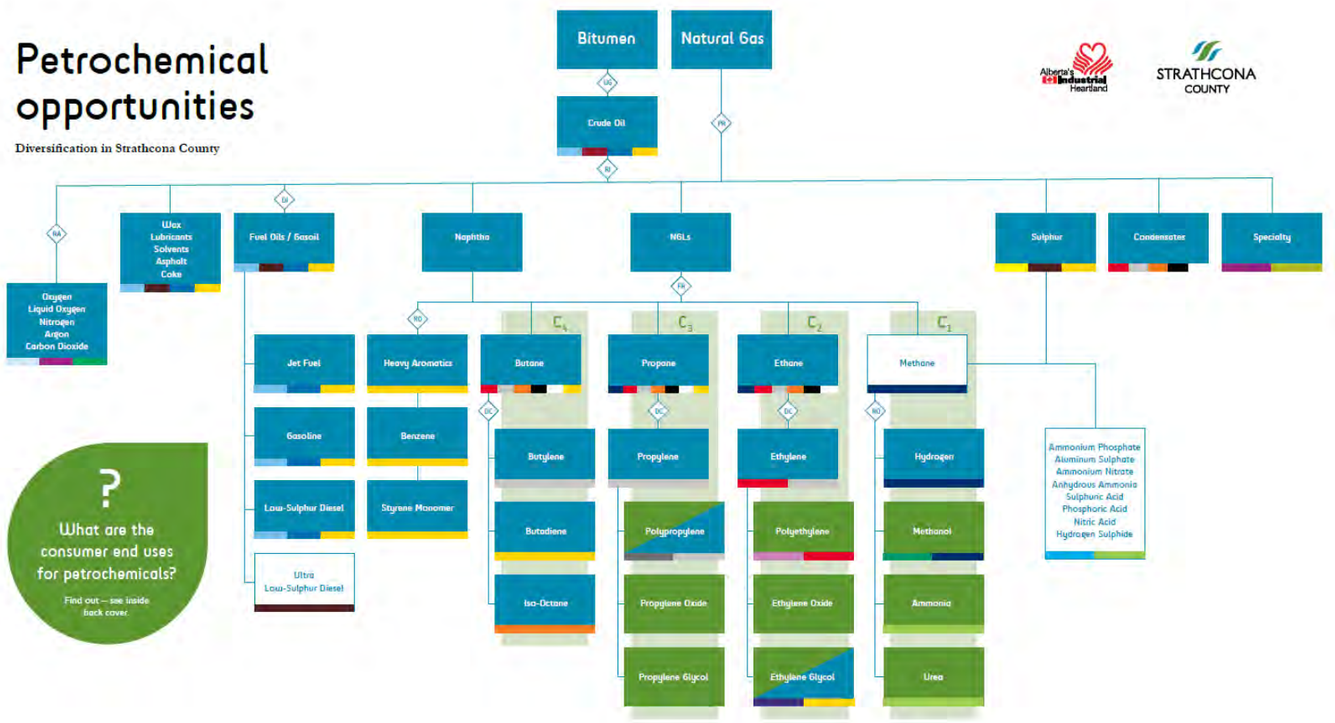
STRATHCONA COUNTY

Site Selector

- Our site selector provides a wide variety of information for investors considering development in Strathcona County

- Learn about land, taxes, permitting and zoning, market access, utilities, funding, research, existing industry, and more

- Download the site selector here



STRATHCONA COUNTY

New Alberta UCP Government

- In 2019, Albertans elected the United Conservative Party to majority power

- One of the first bills was to cut red tape by one-third to reduce the burden of doing business and make it easier to access government services.

- The UCP has also announced the creation of an "energy war room" to fight misinformation related to oil and gas
  - See Vivian Crouse's presentation to 2019 EDA conference regarding the origin and objectives of the "Tar Sands" smear campaign
  - https://strathconaoffice365.sharepoint.com/:b:/s/Public-BusinessDevelopment/EdrFNp-10XtDiW_Neg1F36kBnM6smFJYLQ13GsWzSAhjFA?e=9VTxiy



STRATHCONA COUNTY

2019 Year End Projections:

1. Housing prices will remain firm around $450,000 average
2. Our GDP growth around Strathcona County will be approximately 1.5%
3. Expecting several large project announcements in 2019
4. We will have at least four new restaurants in Sherwood Park
5. We will be helping host the 2019 EDAC conference Sept. 21-24 Edmonton with tours around Metro Edmonton

STRATHCONA COUNTY

For more information, please contact:

Strathcona County Economic Development and Tourism

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780-464-8259 shane.olson@strathcona.ca

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Stephen Rausch, Senior Business Development Specialist
780-464-8244 stephen.rausch@strathcona.ca

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