CW SASKATOON RESEARCH

MARKETBEAT REPORT

RETAIL Q3 2024

	YoY CHANGE	12-MO. FORECAST
3.33% VACANCY RATE	▼	▲
-1,335 NET ABSORPTION, SF	▼	▲
$24.28 ASKING RENT, PSF *Overall, All Property*	▲	▲

ECONOMIC INDICATORS
JULY 2024

	YoY CHANGE	12-MO. FORECAST
1.9% GDP GROWTH SASKATOON, SK	▲	▼
5.3% UNEMPLOYMENT RATE SASKATOON, SK	▲	▲
3.4% RETAIL SALES GROWTH SASKATOON, SK	▲	▲

Source: SREDA

SUBMARKET STATISTICS ON PAGE TWO

OVERVIEW

Saskatoon's retail market continues to exhibit strong and steady results with little movement. The Saskatoon retail vacancy rate for Q4 2023 was 3.40% and has decreased to 3.33% Q3 2024. Over fifty percent (50%) of the present retail vacancy in Saskatoon is attributed to eleven (11) vacancies over 10,000 SF, and of those, nearly all are the result of large national chains making strategic shifts or bankruptcy.

DEMAND & VACANCY

The year-to-date absorption for 2024 totaled negative 1,335 square feet. The fall in occupied space is caused by non-typical retail units (large bay retail over 10,000 SF) such as the bankruptcy of Bed Bath and Beyond, the closure of Boston Pizza in Rosewood, Giant Tiger in Riversdale, and a few prolonged vacancies in Midtown and Confederation mall. The decline in occupied space has been slightly offset with new retail development in Evergreen/Aspen Ridge and Brighton neighbourhoods. The average Saskatoon retail tenant require less than 2,000 SF for their operational needs, so these units over 10,000 SF are slower to lease.

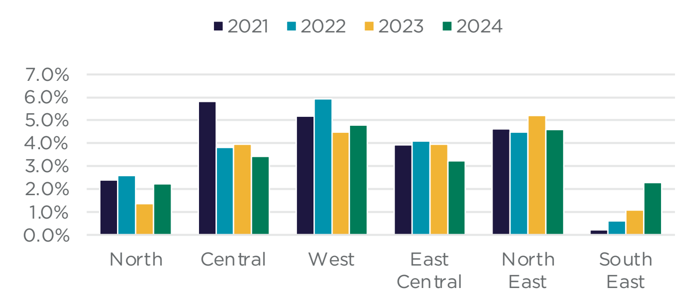
NET RENTAL RATES

Average net rental rates increased 3.5% in 2023 and through 2024 have increased an additional 1.6% to $24.28 Net PSF. Through 2024 net asking rates for new retail space rose above $30.00 Net PSF, with many new buildings requiring $32.00 - $39.00 Net PSF. The variation in net asking rates depends largely on the size, location, and type of building. The only areas consistently under $15.00 Net PSF are within older industrial areas of Saskatoon that allow for retail use.

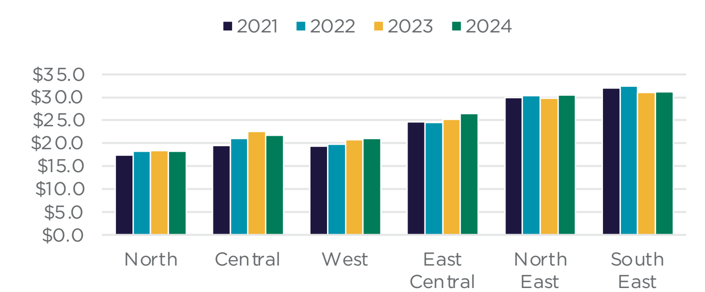
NEW DEVELOPMENT

New development in Saskatoon is primarily located in Saskatoon's North-East Sector where Loblaws/Shoppers opened a new location Q2 2024. Phase II of Evergreen Crossing commenced development in September 2024 and when complete will add an additional 23,049 square feet of retail space. Despite demand for retail developers are choosing to be strategic before commencing construction ensuring maximum efficiency in their build.

VACANCY RATE



NET ASKING RATES



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MARKETBEAT REPORT

RETAIL Q3 2024

CUSHMAN & WAKEFIELD
Saskatoon

SUBMARKET STATISTICS

NORTH	TOTAL	OCCUPIED	VACANT	VACANCY RATE	NET ASKING RATE	OCCUPANCY COST
51ST ST E / AVE C	485,057	485,057	26,414	5.45%	$12.88	$7.28
CIRCLE DR	740,532	732,671	7,861	1.06%	$16.67	$11.38
LAWSON HEIGHTS	471,638	468,021	3,617	0.77%	$25.00	$13.25
NORTH TOTAL	**1,697,227**	**1,659,335**	**37,892**	**2.23%**	**$18.18**	**$10.64**

CENTRAL	TOTAL	OCCUPIED	VACANT	VACANCY RATE	NET ASKING RATE	OCCUPANCY COST
CENTRAL BUSINESS DISTRICT	1,592,423	1,537,885	54,538	3.42%	$21.75	$14.38
CENTRAL TOTAL	**1,592,423**	**1,537,885**	**54,538**	**3.42%**	**$21.75**	**$14.38**

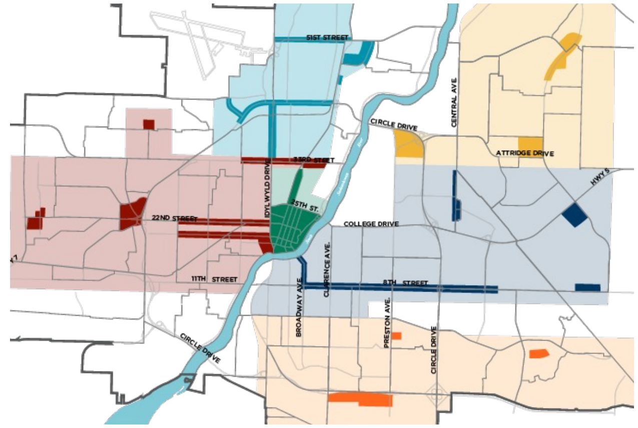
WEST	TOTAL	OCCUPIED	VACANT	VACANCY RATE	NET ASKING RATE	OCCUPANCY COST
BLAIRMORE SC	625,190	619,565	5,625	0.90%	$30.00	$11.45
CONFEDERATION SC	798,786	743,830	54,956	6.88%	$21.45	$14.31
22ND ST W	511,111	496,818	14,293	2.80%	$21.33	$10.27
RIVERSDALE	623,981	579,031	44,950	7.20%	$16.30	$5.98
33RD ST W	258,582	243,410	15,172	5.87%	$15.72	$7.50
WEST TOTAL	**2,817,650**	**2,682,654**	**134,996**	**4.79%**	**$20.96**	**$9.90**

EAST	TOTAL	OCCUPIED	VACANT	VACANCY RATE	NET ASKING RATE	OCCUPANCY COST
BROADWAY AVE	252,542	240,423	12,119	4.80%	$26.25	$13.68
8TH ST E	2,073,000	2,003,513	69,487	3.35%	$24.41	$12.12
SUTHERLAND	175,000	171,930	3,070	1.75%	$24.00	$11.00
BRIGHTON	380,000	371,493	8,507	2.24%	$31.00	$10.83
EAST TOTAL	**2,880,542**	**2,787,359**	**93,183**	**3.23%**	**$26.42**	**$11.91**

NORTHEAST	TOTAL	OCCUPIED	VACANT	VACANCY RATE	NET ASKING RATE	OCCUPANCY COST
UNIVERSITY HEIGHTS SC	424,487	409,896	14,591	3.44%	$30.00	$10.85
ASPEN RIDGE / EVERGREEN	148,647	136,910	11,737	7.90%	$31.14	$11.79
PRESTON CROSSING	821,34	795,421	25,913	3.15%	$25.00	$13.25
NORTHEAST TOTAL	**1,394,468**	**1,342,227**	**52,241**	**3.75%**	**$28.71**	**$11.96**

SOUTHEAST	TOTAL	OCCUPIED	VACANT	VACANCY RATE	NET ASKING RATE	OCCUPANCY COST
ROSEWOOD / LAKEWOOD	442,715	416,320	26,395	5.96%	$32.00	$12.67
STONEBRIDGE	879,000	875,395	3,605	0.41%	$30.50	$16.05
SOUTHEAST TOTAL	**1,321,715**	**1,291,715**	**30,000**	**2.27%**	**$31.25**	**$14.36**

RETAIL TOTAL	**11,704,025**	**11,301,175**	**402,850**	**3.33%**	**$24.28**	**$11.72**



Colours correspond with the table to the left.

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