



BOURGEOIS & COMPANY LTD.
 REAL ESTATE
 CONSULTANTS & APPRAISERS

October 2008 Market Trends

General Economic Indicators

Bank Rate, Oct 29



2.5%

**CPI (Seas. Adj.)
 Sept. 2008**

Canada – 3.4%
Alberta – 2.8%
Edmonton 2.7%

Unemployment Rate – Sept. 2008

Canada – 6.1
Alberta – 3.8

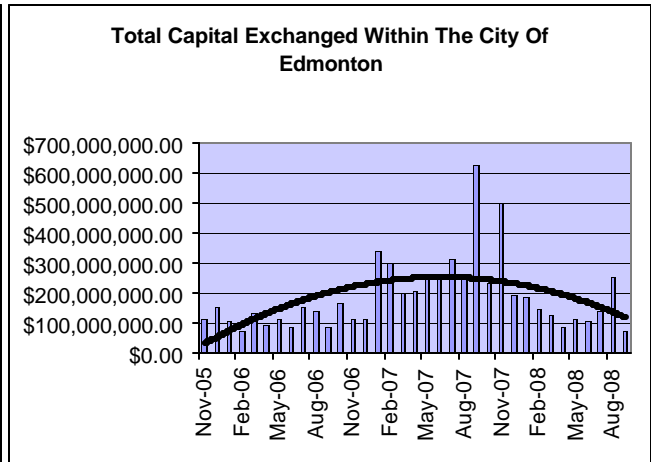
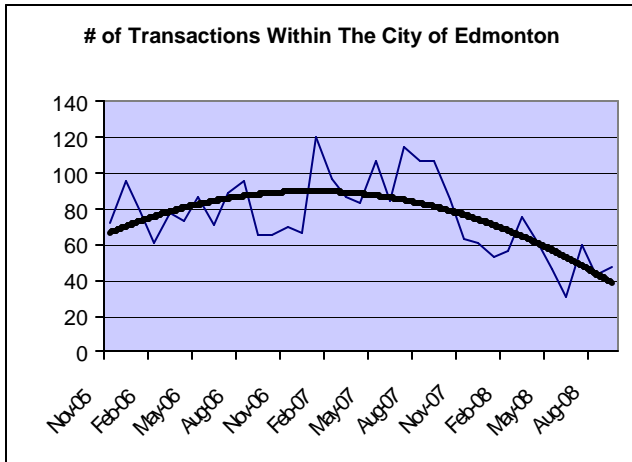
**Crude Oil Price (Oct
 31, Close)**

\$67.81

Information obtained from Statistics Canada, Bank of Canada and Bloomberg.com.

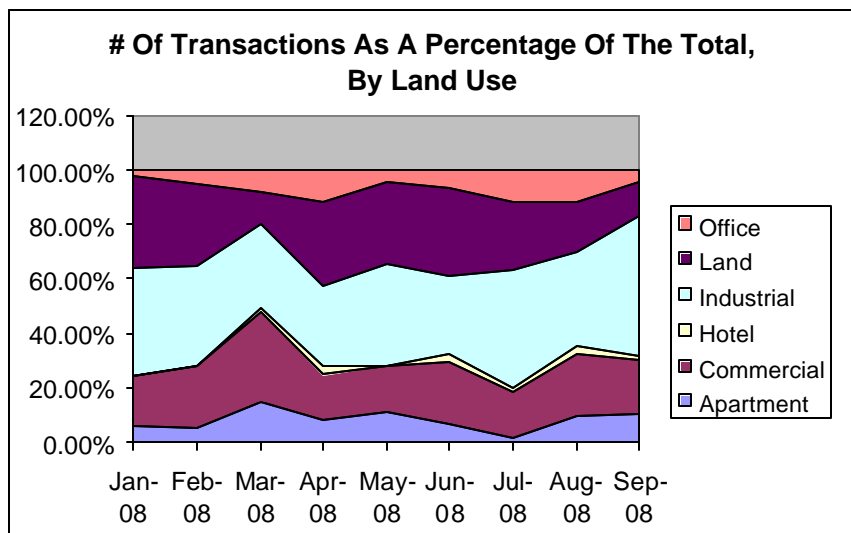
Market Trends

Market activity within the Capital region has been returning to 2006 levels since the start of 2008 due to an agglomeration of different market factors including unsustainable price levels, changes in investor risk level expectations and global market uncertainties.



Land Use Trends

Capital allocation within the City of Edmonton has seen a steady transference of investment in the third quarter, from land to industrial property, as a proportion of total expenditure. This is partially explained by the reduction in land speculators in recent months and a limited supply of higher end properties listed for sale.



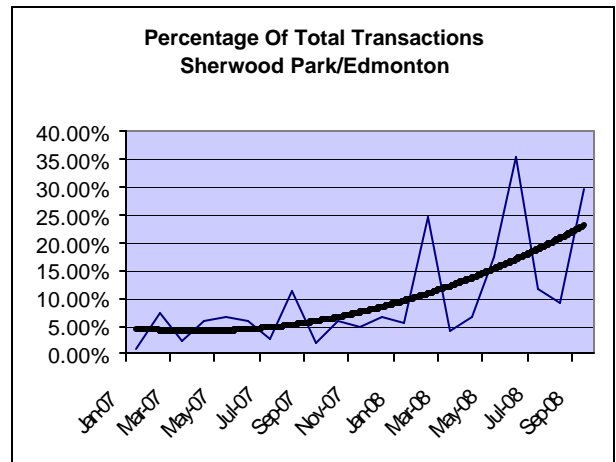
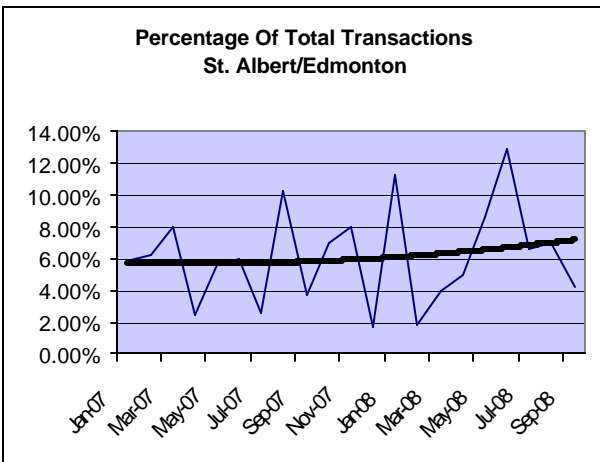
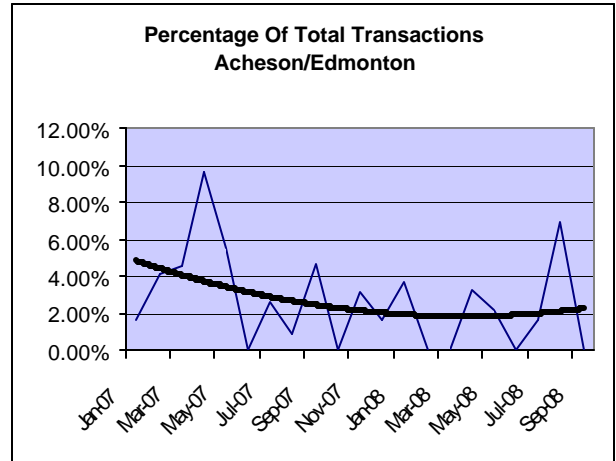
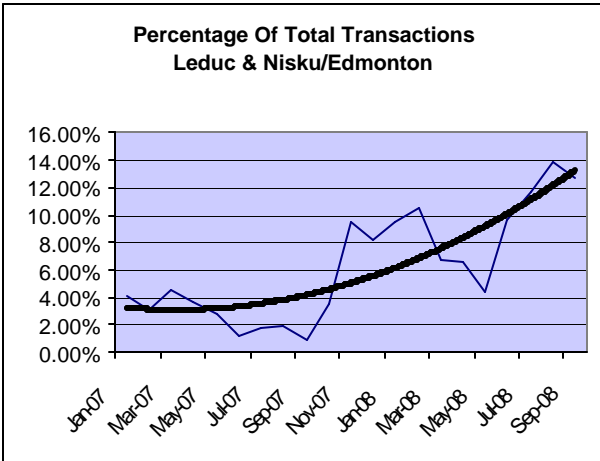
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General Market Trends

Direct investment within the capital region since Jan 2007, has been shifting from the City of Edmonton to surrounding municipalities. The primary beneficiaries of this shift have been Sherwood Park, Leduc and Nisku, while investment in St. Albert and Acheson have remained constant.



Summary

As Purchasers become increasingly selective, investment in differing geographic markets capable of delivering a more attractive return, will proliferate. As market pricing is reestablished based on investment fundamentals, market values supported by future measurable returns will prevail. We expect Q4 market activity to be a further fulfillment of 2008 market trends with reduced levels of market activity, stabilization or slight downward moderation in pricing, and an increase in surrounding municipalities' activity in relation to the City of Edmonton.

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