

Alberta selling \$28 million worth of land

Almost 1,000 acres to be available just south of Fort McMurray

BY DAVE COOPER, EDMONTONJOURNAL.COM NOVEMBER 10, 2010 3:34 PM



An aerial view of Fort McMurray, on September 28, 2010.

Photograph by: Ryan Jackson, edmontonjournal.com

EDMONTON — The province is selling almost 1,000 acres of raw land south of Fort McMurray for \$28 million to partially quench the hot demand from firms working in the oilsands.

It's one of the largest releases of land for industrial/commercial purposes in the region.

"It has been a long time between large parcels of land selling up there, and the area is very short of land for businesses," said Terry Kilburn of Avison Young, the real estate firm which has been given the job of seeking "offers to purchase" on behalf of the province.

The prime site is 980.5 acres of flat land in an area known as "Southlands" along the east side of Highway 63, the main link to the south. The entire site will be sold one developer, who will service and sell the lots.

"The site could have some mixed commercial, especially for the land adjacent to the highway. But I see a need for laydown yards and space for oilfield service firms," said Kilburn.

"I have had a number of calls from firms seeking five to 40 acre parcels. One fellow said 'I'm 15 miles north of town and it would be in a lot better to be down here'."

The land is just five kilometres south of the Fort McMurray city limits.

"I think in a couple of years you'll see another large piece of land go on the market, and then another and another. With plans to produce five million barrels of our up here in 20 to 25 years, they are going to need a lot of land for industrial uses," said Kilburn.

There has been a lot of interest from major developers in Canada and the U.S., "but they must be big

enough to buy the land and service it, to have the expertise to pull off a finished product,” he added.

“It’s an expensive proposition, and we aren’t going to count anyone out, but they all don’t have the know how to operate in Fort McMurray” with its harsh winters and muskeg bogs.

There are no deadlines yet for interested parties. Avison Young will be putting its marketing package out this month, and will later determine when to close the competition.

The land sale is part of Responsible Actions, Alberta’s 20-year strategic plan for the oilsands, which includes efforts to support further planning and development of vibrant communities.

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