



FALL / WINTER 2024

CALGARY | ALBERTA

MARKET REPORT

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DOWNTOWN OFFICE TRENDS

Vacancy Rate	↔	27.9%
Asking Rental Rates (PSF)	↔	\$13.32

BELTLINE OFFICE TRENDS

Vacancy Rate	↓	24.5%
Asking Rental Rates (PSF)	↓	\$25.80

SUBURBAN OFFICE TRENDS

Vacancy Rate	↓	21.6%
Asking Rental Rates (PSF)	↔	\$15.82

MULTI-FAMILY TRENDS

Vacancy Rate (Q3)	↑	5.3%
Asking Rental Rates (PSF) (Q3)	↑	\$2.71

INDUSTRIAL TRENDS

SQ FT Net Absorption (Q3)		1,273,953
Vacancy Rate (Q3)	↔	3.60%
Asking Rental Rates (PSF) (Q3)	↑	\$12.93
SQ FT Delivered to Market (YTD) (Q3)		1,400,269
SQ FT Under Construction (Q3)		4,677,544

RETAIL TRENDS

SQ FT Net Absorption (Q3)		1,368,013
Vacancy Rate (Q3)	↓	2.10%
Asking Rental Rates (PSF) (Q3)	↑	\$29.22
SQ FT Delivered to Market (YTD) (Q3)		346,952
SQ FT Under Construction (Q3)		1,531,910



ALBERTA MACRO-ECONOMIC OVERVIEW

Alberta remains a key economic driver in Canada, with projected GDP growth of 1.9-2.3% by year-end, driven by a strong oil sector and the largest influx of international and interprovincial migrants in the country. Employment has risen by 3% to 63.7% in October, though the unemployment rate now stands at 6%. Now, new labor entrants surpass industry capacity, making Alberta and Calgary one of the fastest growing regions in the world because of this extraordinary migration. Consequently, multi-family construction has surged, with a 40% rise in starts to meet growing housing demand.

KEYSTONE XL PIPELINE AND OIL SECTOR MOMENTUM

Alberta's oil and gas sector continues to grow amid global volatility, supported by U.S. political changes. With Donald Trump's return to the White House, the Keystone XL pipeline revival has re-emerged as a priority, backed by both President Trump and Premier Danielle Smith. Keystone XL would boost Alberta's oil export capacity, reduce reliance on rail, and create jobs, further stimulating Alberta's economy. Despite the level of focus being placed on the wind and solar power sectors, oil and gas will remain as the key supply of energy for the foreseeable future. The expected economic and job growth from the pipeline would drive up demand for Alberta's commercial real estate, especially in warehousing, logistics, and multi-family housing.

PROPOSED FEDERAL PRODUCTION CAP AND ECONOMIC IMPLICATIONS

The Canadian federal government's proposed production cap on Alberta's oil and gas sector scheduled for 2030, aimed at reducing emissions, could have a substantial negative economic impact. The certainty of this cap coming to fruition remains low as it is a highly politically driven initiative that has been met with strong resistance from Premier Smith. Nevertheless, this will have some bearing on Alberta's ability to garner more significant investment in large scale capital projects.

BANK OF CANADA INTEREST RATE POLICY AND INFLATION OUTLOOK

In response to inflation, the Bank of Canada (BoC) had raised rates over the past two years, with BoC's rates peaking in the 5% range, however the more recent reductions now at 3.75% as of October 23, 2024, will help drive new investments of all types going forward.

IMPACT ON THE CANADIAN DOLLAR

These economic and policy shifts have already had an impact on the Canadian dollar – making it weaker than it already is against the USD and other major currencies. While there are many negatives to a weakened currency, from a commodities export point of view, Alberta in particular, will enjoy increased competitiveness and higher revenues from products like oil sold in US dollars.

CONCLUSION

Overall, Alberta's economic outlook remains positive, driven by resilience in the oil and gas sector, potential growth from renewed Keystone XL efforts, and robust interprovincial migration. While uncertainties exist, particularly around federal production caps, interest rate policy, and CAD volatility, Alberta's diversified growth in energy and real estate sectors, combined with potential rate cuts, could sustain momentum. As Alberta adapts to these evolving conditions, the province is well-positioned for stable growth, offering promising prospects for investors, businesses, and residents alike.

Sources: TD Economics, ATB Financial, Bank of Canada, Financial Post

INDUSTRIAL MARKET OVERVIEW: ANALYZING Q2 & Q3 2024 REPORT

Calgary's industrial real estate market in Q2 and Q3 of 2024 is marked by cautious optimism, tempered by slowing activity in leasing and sales. For the past 18 months, the pace of leasing activity has decelerated to below the ten-year average, and property sales have regressed to levels reminiscent of pre-pandemic years. This report will explore the latest trends in Calgary's industrial market, including vacancy, absorption, construction activity, notable lease and sale transactions, and economic factors affecting future growth.

ECONOMIC FACTORS INFLUENCING CALGARY'S INDUSTRIAL MARKET

Several economic forces are shaping Calgary's industrial market, notably inflation pressures, interest rate hikes, and a lower Canadian dollar. Yet Calgary's relatively affordable real estate prices, supported by population growth in Western Canada, have helped sustain demand in sectors such as energy, logistics, construction, and food storage, all of which are seeing active expansion.

Energy-related industries, a core component of Calgary's economy, remain a strong driver for industrial space demand. However, businesses are approaching leasing and purchasing decisions more carefully, weighing operating costs in light of inflationary pressures and future market volatility.

VACANCY AND ABSORPTION RATES

The vacancy rate in Calgary's industrial market stood at 3.6% in Q2 and Q3 of 2024, up slightly from previous years due to an increase in speculative developments that remain unleased. Absorption rates have slowed as well, following a strong but unsustainable expansion phase that saw new tenants filling recently completed distribution centers. This slowdown in absorption reflects a shift in the market, with fewer new tenants arriving at the pace witnessed in 2022 and early 2023.

Developers, recognizing the cooling demand, have responded by scaling back on new project starts. As a result, the amount of industrial space under construction in Calgary has reached a three-year low, which may help balance supply and demand in the coming quarters.

CONSTRUCTION ACTIVITY

Following a significant build-out phase, Calgary's industrial construction activity has decreased considerably. By Q3 2024, new projects have dwindled, with developers prioritizing filling existing vacancies before undertaking additional speculative builds. The construction activity slowdown aligns with a strategic pause by developers who, facing a market of rising vacancies and softened leasing demand, have opted for a more conservative approach.



MAJOR LEASE AND SALE DEALS

Despite the general slowdown, several high-profile lease and sale transactions have demonstrated Calgary's ongoing growth as a world class logistics and distribution hub. In Q3 2024, a large-scale logistics firm secured a significant warehouse facility in the northeast sector, adding essential distribution capabilities to Western Canada. Similarly, an energy-adjacent company acquired an industrial property in Calgary's southeast district, underscoring the sustained interest from energy-related industries in securing scalable operational space.

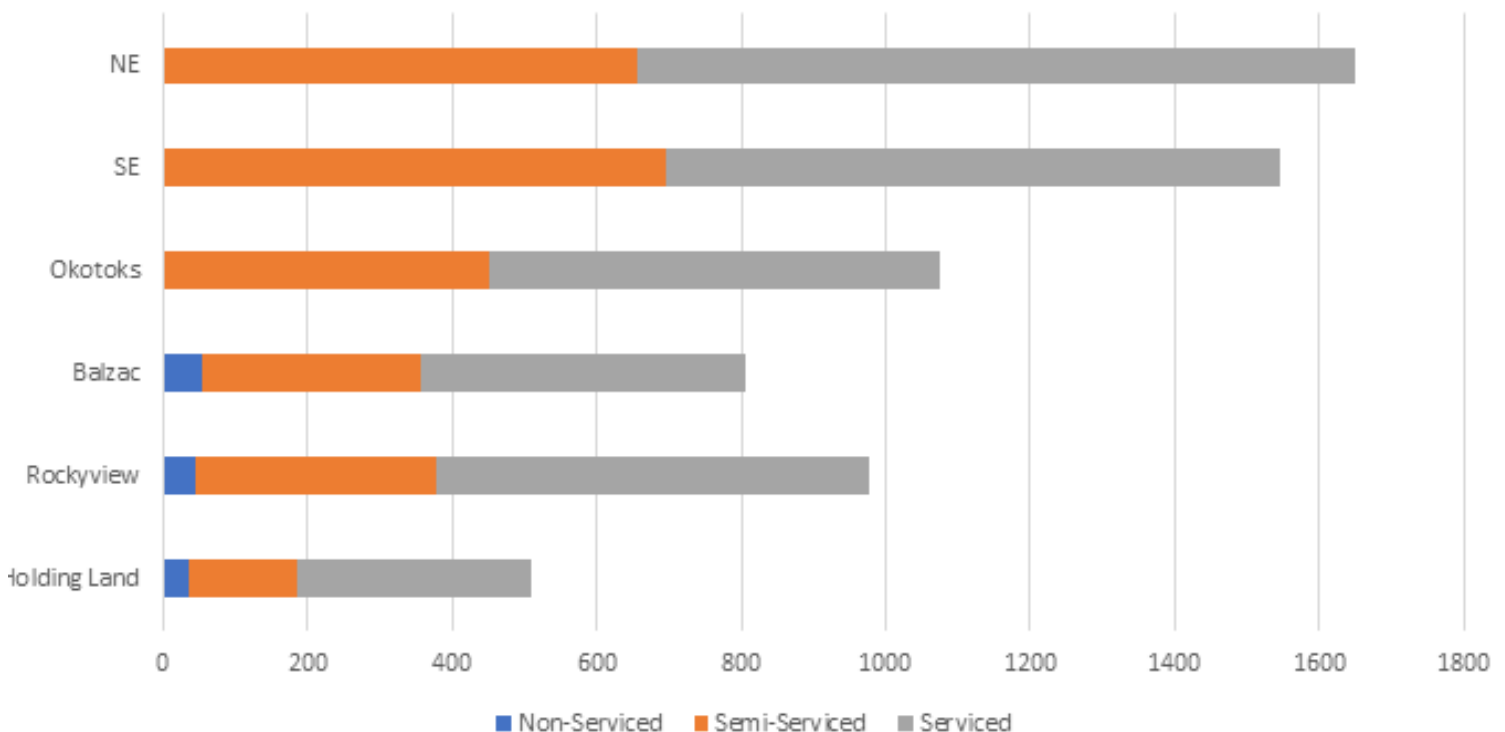
End-users, especially companies in the energy, food storage, and construction industries, were the most active buyers in the market. The increased demand from these end-users, illustrates a shift to a more long-term view towards owning rather than leasing in Calgary's industrial real estate landscape.

RENTAL RATES AND BUILDING VALUATIONS

Rental rates in Calgary's industrial market continue to rise, though growth has slowed compared to previous years. Average industrial rents in Calgary reached \$13.10 per square foot, still below the national average of \$17.60. This pricing advantage, along with Calgary's strategic location, makes the city an attractive alternative to more expensive markets such as Vancouver, where industrial rents have reached around \$21.50 per square foot. Rent growth is expected to slow to an annual rate of about 3% over the next year, then stabilize at a steady 5% rate as demand recalibrates.

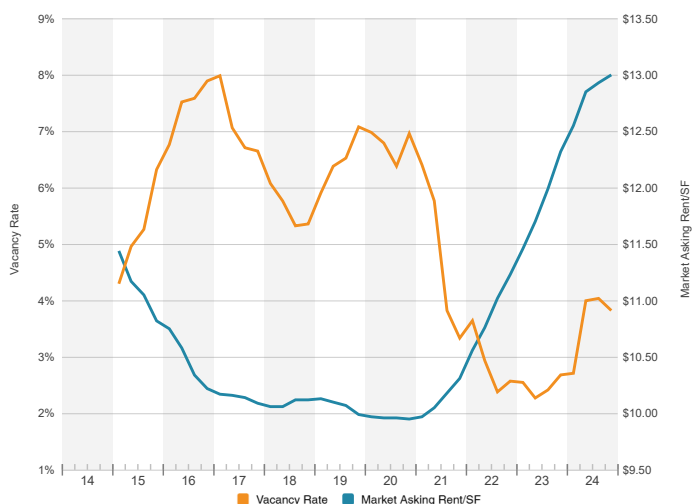
Building valuations in Calgary's industrial sector have appreciated moderately, led by high-quality properties with robust occupancy rates. With an average valuation now at \$176 per square foot, top-tier properties are driving much of this appreciation, which has risen by 5% to 10% over the past year. This steady growth is projected to continue, supported by Calgary's strong regional economic fundamentals and population growth in Western Canada.

AVERAGE INDUSTRIAL LAND PRICES



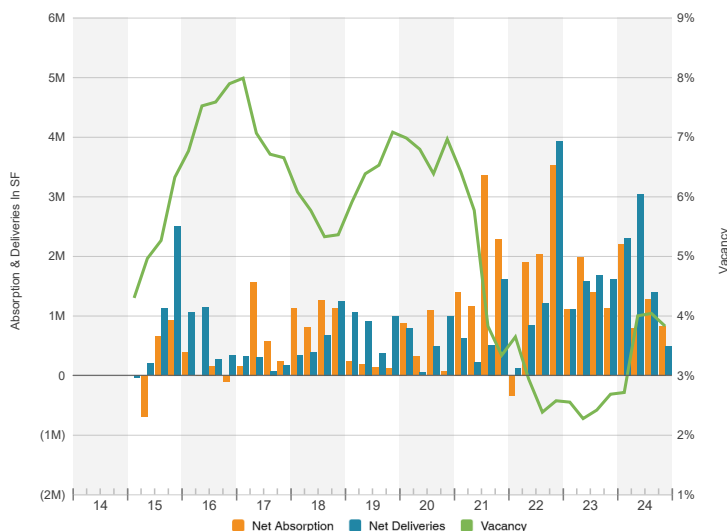
* Prices are per acre x 1,000

Vacancy & Asking Rent PSF



Source: CoStar

Net Absorption, Net Deliveries & Vacancy



FORECASTED TRENDS FOR VACANCY, ABSORPTION, AND LEASE RATES

Looking ahead, Calgary's industrial market is expected to see mixed trends. Vacancy rates may increase slightly as demand recalibrates and newly completed speculative builds await tenants. However, the dip in construction activity could mitigate an oversupply scenario and bring balance to the market by mid-2025.

Absorption rates will likely remain modest but stable, with most demand stemming from end-users in core industries. This stability should support continued but gradual growth in rents, with forecasts indicating an annual rent increase of around 3% in the short term and 5% over the longer term.

Building valuations are anticipated to see consistent but moderate appreciation, with growth projected around 5% annually. Investor interest remains focused on Calgary, particularly given its higher cap rate of 7.3%—a clear advantage over the national average of 5.5%. However, the challenge of finding investment-grade properties could constrain the pace of new acquisitions, particularly for yield-driven investors.

CONCLUSION

Calgary's industrial real estate market in Q2 and Q3 2024 presents a picture of steady growth tempered by cautious investment strategies and a recalibrating demand landscape. With Western Canada's population boom and Calgary's affordability advantage over other major Canadian cities, the city's industrial sector is well-positioned for sustainable, long-term growth. While challenges persist—such as a slower pace of leasing activity and a slight increase in vacancy rates—the market remains attractive for end-users and investors alike who are seeking opportunities in a resilient and strategic hub.

The overall outlook for Calgary's industrial real estate market is one of cautious optimism, with a stable trajectory anticipated through the end of 2024. As Calgary continues to attract end-users and companies from diverse industries, its industrial real estate sector is likely to continue adapting to both local and global economic shifts, maintaining its status as a pivotal market within Canada's industrial landscape.

Central Market Industrial Update

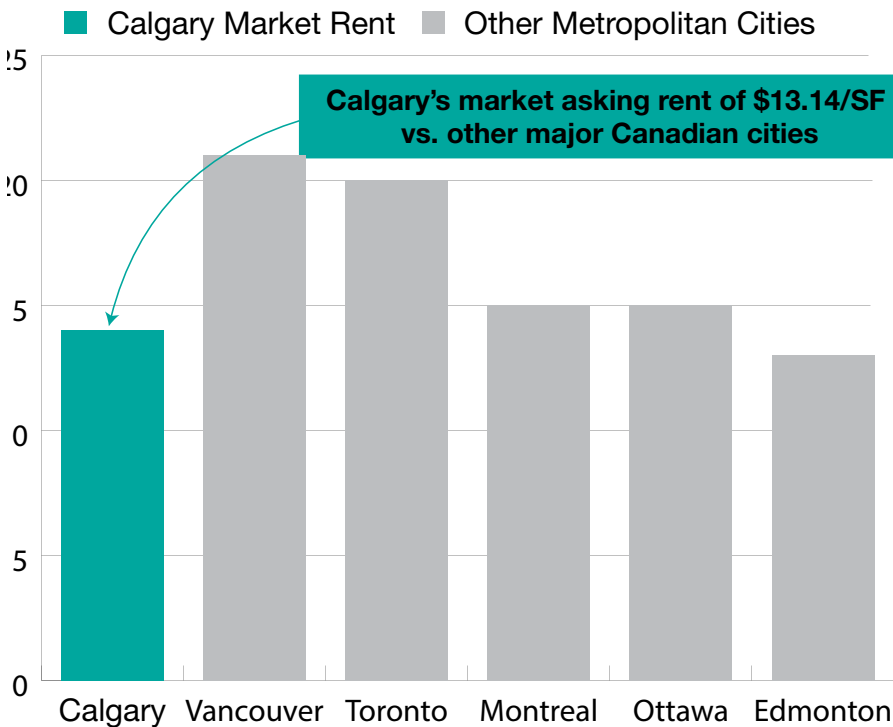
According to NAI Advent's Spring 2024 report, the industrial vacancy rate in Q1 was 2.00%. Using the same methodology, our current Q3 2024 vacancy rate now stands at 3.40%. So, what's driving this increase? The availability of large distribution spaces has significantly influenced the overall vacancy rate. When we exclude these big box vacancies, the true industrial vacancy rate in the Central Market is closer to 2.0-2.5%. Despite the higher overall vacancy, the market remains tight. Landlords with available spaces are increasingly pricing at a premium compared to previous years, and demand for spaces under 25,000 square feet remains robust across all markets. Tenants in the Central Market are encountering more competition, with fewer options available than in prior periods.

7.39%
CAP RATE

3.40%
VACANCY

\$14.16
RENTAL RATE

CALGARY'S COMPETITIVE ASKING RENTS



Area	Net Absorption SF (Q2 2024)	Net Absorption SF (Q3 2024)	Avg. Net Asking Rate (Q2 2024)	Avg. Net Asking Rate (Q3 2024)	Avg. Net Market Rate (Q2 2024)	Avg Net Market Rate (Q3 2024)	Market Cap Rate (Q2 2024)	Market Cap Rate (Q3 2024)	Vacancy (Q2 2024)	Vacancy (Q3 2024)	Availability (Q2 2024)	Availability (Q3 2024)
Inglewood	NA	-2,738	NA	NA	\$11.97	\$11.95	7.45%	7.46%	13.10%	13.50%	13.10%	13.50%
Ramsay	57,654	NA	\$13.66	\$13.66	\$11.49	\$11.65	7.50%	7.52%	1.70%	1.70%	5.30%	2.80%
Alyth/Bonnybrook	NA	-8,345	\$13.82	\$13.82	\$12.73	\$12.69	7.48%	7.49%	0.30%	0.50%	1.00%	1.20%
Highfield	22	5,625	\$11.75	\$11.30	\$12.34	\$12.43	7.34%	7.36%	2.90%	2.80%	3.70%	4.20%
Burns Industrial	-4,690	29,100	\$16.01	\$16.23	\$12.94	\$13.08	7.45%	7.47%	2.40%	1.70%	2.70%	2.10%
Manchester	42,640	-23,286	\$14.30	\$15.69	\$13.35	\$13.45	7.28%	7.30%	1.00%	1.30%	3.50%	4.20%
Fairview	-4,191	38,467	\$16.67	\$16.28	\$13.60	\$13.74	7.33%	7.35%	4.10%	0.90%	5.50%	3.30%
East Fairview	-13,928	-3,291	\$16.39	\$13.49	\$13.60	\$13.66	7.46%	7.48%	1.40%	1.60%	2.30%	3.40%
Total	77,507	35,532	\$14.32	\$14.60	\$12.91	\$13.00	7.39%	7.40%	2.00%	1.80%	3.30%	3.40%

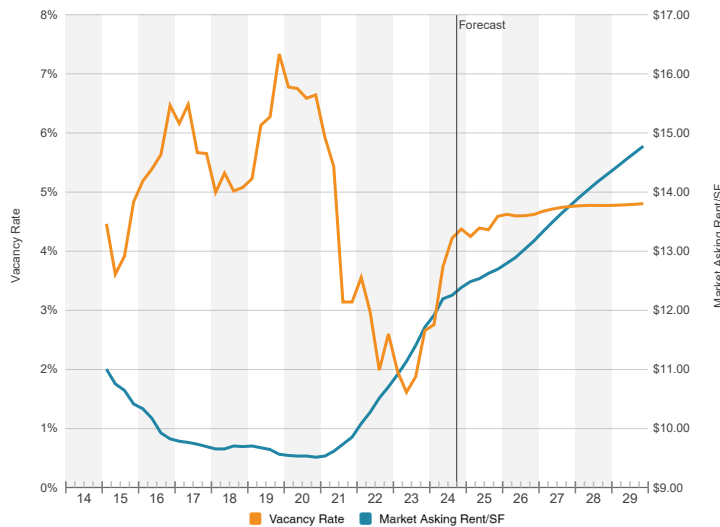
Source: CoStar

South East Industrial Market

Calgary's SE Industrial Market showed mixed results in Q3 2024. Total net absorption was 208,678 SF, slightly down from 213,387 SF in Q2. Submarkets such as East Shepard (+51,126 SF) and Frontier (+157,500 SF) drove positive absorption, while Foothills (-113,030 SF) and Shepard (-23,647 SF) struggled. Asking rates increased marginally from \$11.53/SF in Q2 to \$11.84/SF in Q3.

Market cap rates held steady at 7.29% overall, reflecting continued investor confidence. Golden Triangle and East Shepard maintained the lowest cap rates (~7.00%-7.20%), signaling strong interest in these areas for investors. However, rising vacancy in submarkets like Great Plains (8.50%) highlighted continued leasing challenges.

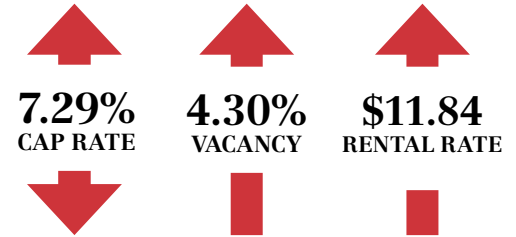
South East Vacancy and Asking Rent Per Square Foot



Source: CoStar

Area	Net Absorption SF (Q2 2024)	Net Absorption SF (Q3 2024)	Avg. Net Asking Rate (Q2 2024)	Avg. Net Asking Rate (Q3 2024)	Avg. Net Market Rate (Q2 2024)	Avg. Net Market Rate (Q3 2024)	Market Cap Rate (Q2 2024)	Market Cap Rate (Q3 2024)	Vacancy (Q2 2024)	Vacancy (Q3 2024)	Availability (Q2 2024)	Availability (Q3 2024)
Forest Lawn	-4,906	-14,824	\$14.00	\$14.00	\$12.30	\$12.41	7.33%	7.35%	1.70%	2.60%	1.80%	2.80%
Eastfield	NA	-2,985	\$14.59	\$14.59	\$12.97	\$13.08	7.51%	7.53%	1.10%	1.20%	1.60%	1.60%
Golden Triangle	-2,377	-4,362	\$14.09	\$14.10	\$14.66	\$14.76	6.99%	7.00%	1.20%	1.50%	4.70%	4.00%
Valleyfield	21,650	NA	\$10.81	\$13.00	\$12.01	\$12.15	7.47%	7.49%	1.70%	1.70%	1.70%	1.70%
Foothills	-45,418	-113,030	\$10.40	\$10.41	\$11.73	\$11.80	7.43%	7.44%	2.10%	2.60%	3.90%	3.50%
Starfield	13,760	32,091	\$4.73	\$4.73	\$10.78	\$10.86	7.36%	7.37%	6.30%	5.40%	14.10%	11.00%
Great Plains	-586,774	77,158	\$14.78	\$15.63	\$12.08	\$12.18	7.18%	7.20%	7.10%	8.50%	11.90%	10.10%
South Foothills	44,137	6,771	\$13.91	\$15.92	\$12.92	\$12.97	7.24%	7.26%	1.60%	1.40%	3.00%	1.10%
Shepard	107,082	-23,647	\$16.60	\$16.60	\$14.37	\$14.43	7.35%	7.36%	0.50%	1.80%	0.80%	2.30%
East Shepard	375,859	51,126	\$14.79	\$15.68	\$12.56	\$12.69	7.18%	7.20%	5.10%	5.10%	6.90%	6.40%
Shepard Industrial Park	30,512	NA	\$18.90	\$19.45	\$14.47	\$14.56	7.20%	7.22%	0.70%	0.70%	1.90%	2.50%
Wrangler	-44,500	42,880	\$18.33	\$19.85	\$14.26	\$14.28	7.34%	7.35%	2.30%	0.40%	9.80%	8.70%
Frontier	304,362	157,500	\$21.03	\$19.74	\$14.80	\$14.93	7.04%	7.06%	7.30%	11.00%	10.00%	13.80%
Total	213,387	208,678	\$11.53	\$11.84	\$12.54	\$12.63	7.28%	7.29%	3.70%	4.30%	6.20%	5.80%

Source: CoStar



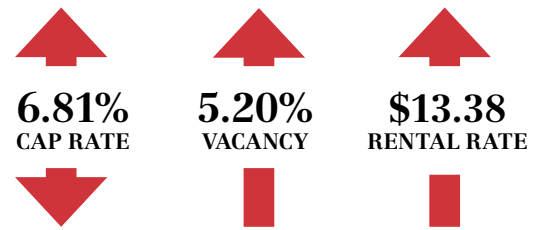
Availability also declined slightly to 5.80% overall, but high availability in Starfield (11.00%) and Frontier (13.80%) suggests tenant caution toward large or outdated spaces.

East Shepard and Frontier stood out as higher-demand submarkets, offering strong absorption and stable vacancies, appealing to tenants seeking modern facilities or lower operational costs. In contrast, submarkets like Great Plains and Foothills may need incentives or redevelopment to address leasing weaknesses. Landlords in underperforming areas could attract tenants by offering competitive rates or flexible lease terms.

Overall, Calgary's SE Industrial Market remains dynamic, with opportunities for both tenants and investors seeking growth or value.

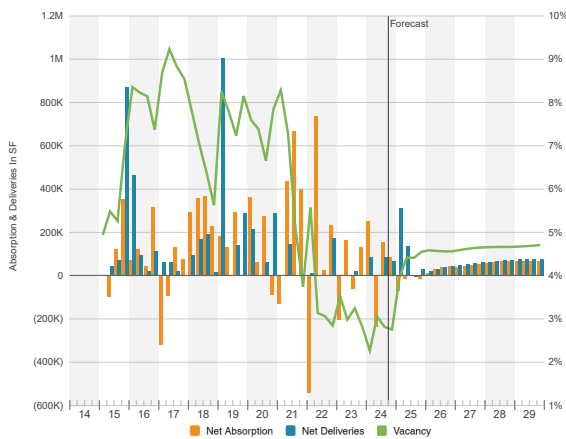
North East Industrial Market

The industrial real estate market in Northeast Calgary and the adjacent Rocky View County continues to experience strong growth and activity. However, with the completion of more development projects, vacancy rates have spiked. In markets like Balzac and Stonegate, vacancy rates have risen significantly to 9.10% and 22.50%, respectively. Overall, the vacancy rate in the Northeast Calgary and Rocky View County market has climbed to 5.2%, notably higher than in the Southeast and South-Central markets.



The completion of these projects provides relief in what has been a tightening industrial market over the past few years. Despite millions of square feet becoming available in the Northeast Calgary and Balzac areas, these spaces primarily cater to large-bay industrial tenants requiring over 30,000 square feet. Meanwhile, tenants seeking small to medium-sized bays continue to face challenges in finding suitable options in the Northeast. When such spaces are available, they often come with higher rental rates, as the average market rate has reached a record high of \$13.38 per square foot.

Net Absorption, Net Deliveries & Vacancy



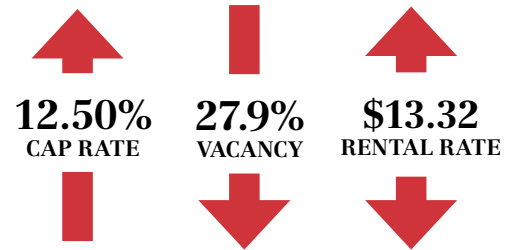
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Area	Net Absorption SF (Q2 2024)	Net Absorption SF (Q3 2024)	Avg. Net Asking Rate (Q2)	Avg. Net Asking Rate (Q3)	Avg. Net Market Rate (Q2)	Avg. Net Market Rate (Q3)	Market Cap Rate (Q2)	Market Cap Rate (Q3)	Vacancy (Q2 2024)	Vacancy (Q3 2024)	Availability (Q2 2024)	Availability (Q3 2024)
Balzac	640,541	743,746	\$12.12	\$12.06	\$13.90	\$14.08	6.72%	6.73%	10.50%	9.10%	18.00%	13.60%
Stoney 1	-800	40,823	\$11.50	\$11.50	\$12.36	\$12.53	7.23%	7.24%	1.30%	0.00%	1.60%	0.30%
Stonegate Landing	-3,370	-44,098	NA	NA	\$13.04	\$13.26	7.05%	7.07%	18.10%	22.50%	20.90%	22.50%
Stoney 2	-119,738	261,577	NA	\$20.00	\$13.12	\$13.27	7.24%	7.25%	7.80%	2.90%	14.20%	8.30%
Stoney 3	2,327	NA	\$27.94	\$26.45	\$18.36	\$18.35	7.18%	7.20%	0.30%	0.30%	1.00%	2.40%
Saddleridge Industrial	NA	500	\$20.00	NA	\$12.97	\$13.07	7.53%	7.54%	0.10%	0.00%	6.20%	6.10%
Deerfoot Business Centre	-50,266	-53,152	\$13.68	\$13.76	\$12.26	\$12.40	7.38%	7.40%	6.60%	8.40%	7.90%	8.40%
Skyline West	5,307	NA	\$11.00	\$11.00	\$13.32	\$13.44	7.39%	7.41%	0.00%	0.00%	1.20%	1.20%
Skyline East	NA	28,480	\$14.00	\$13.29	\$12.95	\$13.13	7.43%	7.45%	1.50%	0.10%	8.30%	8.00%
Westwinds	1,000	-3,000	\$13.37	\$13.37	\$15.13	\$15.33	7.45%	7.46%	0.00%	0.20%	0.50%	0.60%
Greenview Industrial Park	1,800	-7,680	\$11.31	\$10.65	\$13.37	\$13.42	7.16%	7.18%	0.10%	0.40%	1.90%	2.10%
McCall	17,351	-35,364	\$12.05	\$11.77	\$12.85	\$12.97	7.06%	7.07%	0.00%	1.10%	3.50%	4.40%
Pegasus	NA	-34,103	\$14.66	\$15.70	\$13.36	\$13.48	7.12%	7.13%	0.40%	7.10%	8.70%	10.80%
North Airways	14,251	-791	\$13.18	\$13.45	\$13.37	\$13.50	7.28%	7.29%	1.00%	1.10%	1.50%	1.20%
Horizon	-134,835	-27,362	\$11.59	\$10.92	\$12.23	\$12.39	7.59%	7.60%	4.70%	5.40%	5.20%	6.30%
South Airways	44,699	259	\$10.57	\$10.40	\$12.75	\$12.85	7.30%	7.32%	1.90%	1.90%	3.20%	4.30%
Sunridge	NA	19,532	NA	NA	\$13.02	\$13.21	7.50%	7.51%	2.10%	6.10%	8.10%	10.60%
Mayland	-14,391	NA	\$6.83	\$14.00	\$11.66	\$11.74	7.52%	7.53%	8.30%	8.30%	0.90%	1.10%
Meridian	6,662	25,882	\$11.27	\$11.19	\$13.19	\$13.28	7.28%	7.30%	3.40%	2.30%	5.70%	6.10%
Franklin	18,742	8,100	\$11.80	\$12.24	\$11.81	\$11.95	7.77%	7.78%	1.40%	1.10%	2.00%	1.30%
Total	429,280	923,349	\$12.28	\$12.16	\$13.23	\$13.38	7.16%	7.17%	5.50%	5.20%	9.30%	7.90%

Source: CoStar

DOWNTOWN OFFICE MARKET OVERVIEW

The Downtown office market has performed well over the past few quarters, with steady leasing activity and positive absorption. Most of the activity has occurred in AA and A Class buildings, contributing to a drop in the overall vacancy rate from 29.2% to 27.9%, representing approximately 11.9 million square feet of total vacant space. As tenants continue to gravitate toward higher-quality properties, B and C Class buildings remain relatively stagnant, with vacancy rates at 37.2% and 46.9%, respectively. Any decline in vacancy within B and C Class properties can be partially attributed to the recommencement of the Downtown Development Incentive Program.



Source: CoStar

Office building conversions to residential use have been a prominent trend and are expected to continue, driven by the City of Calgary's Downtown Development Incentive Program. An additional \$52.5 million is being allocated to the program, offering developers \$75 per square foot for eligible conversion projects.

Sublease vacancy across all classes remains low at 6.2%, signaling a trend toward lease renewals. Much of the available sublease space has already been absorbed, leaving tenants with limited options: relocate or renew in their current premises. Companies occupying high-quality spaces frequently opt to renew their leases, leveraging their position to avoid the higher costs and complexities associated with headlease rates, buildouts, and relocations. With construction costs remaining high, lease renewals and expansions

have become more favorable than negotiating new leases.

CLASS	TOTAL INVENTORY	VACANCY (SF)	%
AA	15,575,429	2,771,383	17.8%
A	18,152,679	5,778,956	30.9%
B	6,353,904	2,365,478	37.2%
C	2,094,715	984,535	46.9%
Total Downtown	42,723,693	11,900,352	27.9%

NOTABLE DOWNTOWN OFFICE LEASE TRANSACTIONS

TENANT	SF OCCUPIED	BUILDING NAME/ADDRESS	LEASE TYPE
ConocoPhillips	210,000	Gulf Canada Square	Headlease
Trans Mountain	140,000	Stock Exchange Tower	Headlease
Deloitte	103,000	Bankers Hall	Headlease
TAQA North	94,414	Jamieson Place	Headlease
TAQA North	640,068	Shell Centre	Headlease

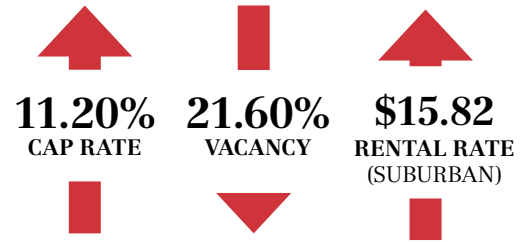
Source: CoStar

SUBURBAN OFFICE MARKET OVERVIEW

The Suburban market experienced another quarter of positive absorption. This trend is expected to continue into the last quarter of 2024. The Suburban Market has absorbed over 398,000 Square feet year to date of vacancy, with a decrease in vacancy of 1.9%. Show suites and office space that are already built out tend to lease first as tenants prefer to avoid the high cost and long wait times of construction to build out new space. Healthcare, and Education have been some of the leading drivers of the lower vacancy rates in the Suburban Market in 2024. There has also been strong demand from tenants under 7,500 square feet, allowing landlords that will demise their space more activity from this size group. Class A buildings remain in high demand.

The Beltline has also experienced a decrease in Vacancy. With increased construction of Multi Family and Office Residential Conversions, the Beltline is becoming a destination for some companies as a lifestyle location for their employees, with the increased number of restaurants, employees can live, walk, and bike the neighborhood.

Total Suburban Vacancy 21.6 % down 1.99% from 23.5% Average Rental rate \$15.82



NOTABLE SUBURBAN OFFICE LEASE TRANSACTIONS

TENANT	SF OCCUPIED	BUILDING NAME/ADDRESS	LEASE TYPE
Vista Projects	31,642 SF	Icon Business Park	Sublease
AME Group	10,983	1122 -4 Street S.E	Headlease
Vista Projects	47,100	Mountainview Business Campus	Headlease Renewal
Investors Group	16,900 SF	Lincoln Park.	Headlease
Total Cardiology -Intrinsic Place	16,556 SF	2891 Sunridge Way NE	Headlease
Orpyx Medical Technologies	31,549 SF	Locomotive Crossing 1240 20 Avenue S.E.	Headlease Extension

Source: CoStar



MULTI-FAMILY MARKET OVERVIEW

ALBERTA

Alberta continues to draw attention as a destination for growth and opportunity. In the second quarter, the province welcomed 31,877 immigrants from abroad. While this marks a minor decline of just 0.08% compared to last year, the numbers highlight Alberta's ongoing appeal on the international stage. Meanwhile, interprovincial migration surged, with 9,654 individuals relocating from other parts of Canada—an impressive 11% increase from the same period in 2023.

The housing market reflects this momentum. In the first quarter, multi-family housing starts in Alberta soared 69% compared to Q1 of 2023, outpacing the 38% rise in single-detached starts. Edmonton led the charge with a remarkable 67% increase in multi-family starts, while Calgary followed closely with a strong 51% uptick.

This surge is part of a broader trend. Over the past three years, Alberta's share of multi-family housing starts has climbed steadily, rising from 55% in 2021 to 64% in 2023. These figures underscore the province's adaptability and its growing focus on diverse housing solutions to meet rising demand.

AVERAGE LISTED RENT IN ALBERTA AND UNIT TYPE FOR APARTMENT AND CONDO LISTINGS: OCTOBER 2024

Average Rent		% Change Y/Y								
Province	Total	0B	1B	2B	3B	TOTAL	0B	1B	2B	3B
Alberta	\$1,786	\$1,252	\$1,583	\$1,942	\$2,159	6%	18%	5%	4%	9%

Source: Urbanation Inc., Rentals.ca Network data



Mission Flats | 320 19 Avenue SW

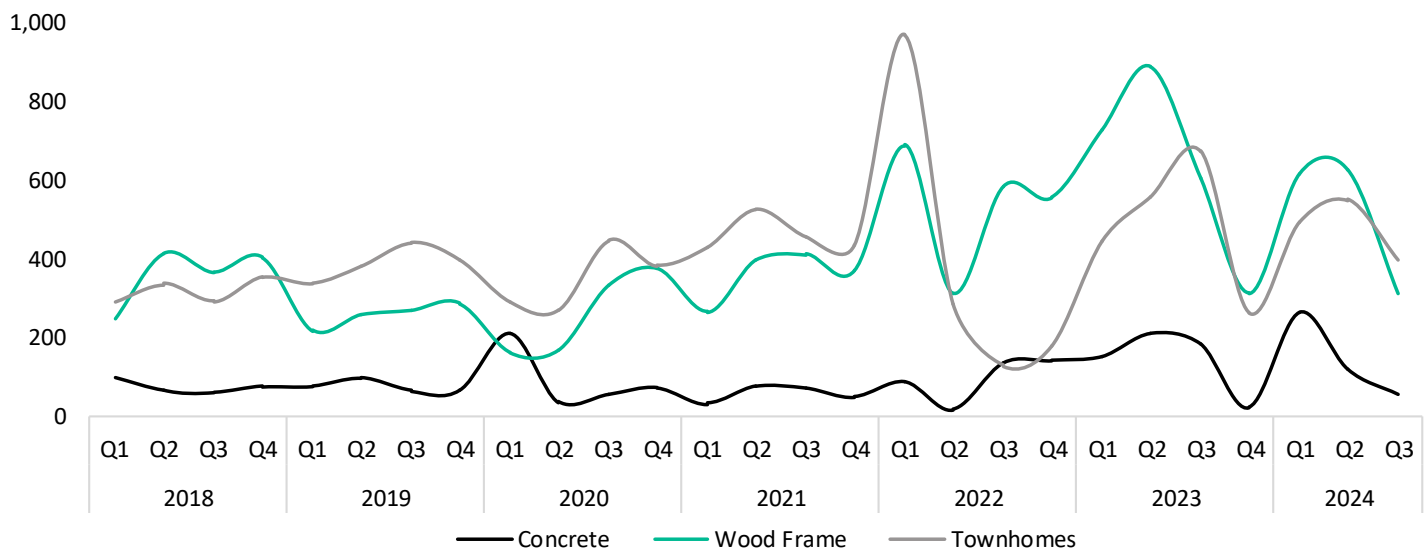
CALGARY

As of April 1, 2024, Calgary's population is estimated at 1,491,900, reflecting a robust 4.9% growth since April 2023. This increase of 69,000 residents represents one of the largest annual population surges in the city's history, highlighting Calgary's continued appeal as a thriving urban center.

The city's new home construction market is also booming, with a 38% increase in the first half of 2024. A total of 11,178 new units were started, largely driven by multi-unit housing developments. When adjusted for population, Calgary saw the construction of approximately 30 multi-family units per 10,000 residents during the first half of 2024, according to CMHC data.

However, the sales landscape tells a slightly different story. Zonda Urban reports that Q3 2024 saw a 13% decline in quarterly sales volume, falling short of the average of 887 units. Condominiums were particularly impacted, experiencing a sharp 50% decrease in sales, while townhomes saw a more moderate 28% drop. Meanwhile, unsold and released inventory surged by 20% year-over-year, signaling a shift in the market's dynamics.

QUARTERLY SALES BY PRODUCT TYPE



According to Yardi, Calgary's rental market remains strong with rents raising where rents rose \$41 to \$1,607 in Q3 2024 and are up 11.7% year-over-year. Despite strong demand that is pushing rents up, Calgary's 5.3% Q3 2024 vacancy rate is highest among CMAs and is up 1.3 percentage points from the previous quarter and 3.4 percentage points year-over-year.

AVERAGE RENT AND ANNUAL CHANGE IN AVERAGE RENT BY MUNICIPALITY FOR APARTMENT AND CONDO LISTINGS:

OCTOBER 2024

		Average Rent					% Change Y/Y				
RANK	CITY	TOTAL	0B	1B	2B	3B	TOTAL	0B	1B	2B	3B
	Calgary, AB	\$1,995	\$1,481	\$1,752	\$2,149	\$2,542	-5%	-3%	-4%	-6%	-4%

Source: Urbanation Inc., Rentals.ca Network data

Municipal policies and incentive programs significantly boosted office-to-residential conversions and secondary suites, which accounted for about 28% of rental apartment starts in the first half of 2024. 11 projects have been approved, with one complete and another 8 under construction. These conversions are expected to deliver 1,490 homes and 226 hotel rooms.

We are geared to handle all our clients' needs under one roof. We specialize in buying, selling and leasing of Commercial Real Estate as well as Property Management, Consulting and Group Investment.

Our goal is to provide a collaborative personalized approach with our clients in creating superior real estate solutions. We offer a unique project-driven approach to the industry which encourages a more long-term strategy than just simply buying, selling, or leasing a property. By doing so, we are able to offer more value to our clients.

OUR BROKERAGE

NAI Advent is a full service commercial real estate firm located in Calgary Alberta Canada

We are locally owned and operated yet we have the advantage of being part of one of the largest commercial real estate networks in the world: NAI Global. NAI Global offices are leaders in their local markets and work in unison to provide clients with exceptional solutions to their commercial real estate needs. NAI Global has more than 400 offices strategically located throughout North America, Latin America, Europe, Africa and Asia Pacific, with over 7,000 local market professionals, managing in excess of 425 million square feet of property. Annually, NAI Global completes in excess of \$20 billion in commercial real estate transactions throughout the world.

Our membership in NAI Global keeps our firm on the leading edge of the industry, while allowing us to maintain our local ownership and hometown loyalty. We benefit from the resources of a "corporate office" and hundreds of affiliated account executives worldwide without getting bogged down in bureaucracy. This arrangement makes it possible for us to take advantage of the best resources NAI has to offer and integrate them into a market-specific, and even client-specific approach.

NAI Advent is a progressive full service commercial real estate brokerage serving our five-county area, providing our brokers and their clients with a quality and quantity of services unmatched by our competitors. With our broad based list of specialists in house, we offer a unique project driven approach to real estate which encourages a more strategic and long term strategy than just simply buying, selling, or leasing a property. By doing so, we are able to offer more value-add to most types of commercial real estate.



NAI Advent

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OUR SALES TEAM

NAI Advent offers peace of mind that comes from knowing your real estate needs are in capable hands. We take a unique project-driven approach to commercial and industrial real estate which encourages a more strategic and comprehensive focus than just buying, selling or leasing. Our knowledgeable professionals offer extensive experience in their disciplines and a proven track record of successful commercial real estate projects.

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PROPERTY & ASSET MANAGEMENT

NAI Advent actively manages properties for both investors and owner occupiers to help enhance investment returns. Our wide range of property management capabilities extends to all types of properties, from office, to industrial, to retail facilities. In all instances, our day to day focus ensures properties are managed with quality care and attention to detail and in lock-step with our leasing team to ensure value is maximized whenever possible.

Our services include:

- Financial Management
 - Full accounts receivable and account payable accounting
 - Comprehensive monthly Property Management reports
 - Banking; Monthly financial statements and analysis
 - Annual Budgeting; Financial reporting
 - Annual Operations cost reconciliations
- Property Management Services
- Renewals and Leasing Service
- Owner/Client Liaison

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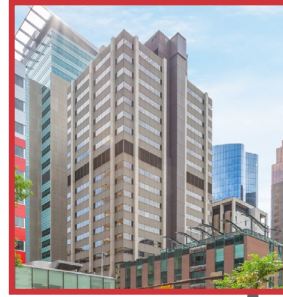
NAI Advent

FEATURED LISTINGS



4412 9 STREET SE E42 GARAGES

Element 42, a centrally located premium private garage & storage facility (quality man-caves) located less than 10 minutes from Downtown Calgary at 4412-9th Street SE (directly across from the former ACE Casino Blackfoot location). **Contact Kaile Landry or Jennifer Myles for more details.**



633 6 AVENUE SW FORD TOWER

Ford Tower is a 20 storey, high quality office building with approximately 150,000 square feet of office, located centrally in Calgary's downtown core and directly adjacent to the Court House. Surrounded by an abundance of amenities and easy access to the +15 system.

3 floors already leased
Contact Rick Wong for more details.



2023 2 AVENUE SE

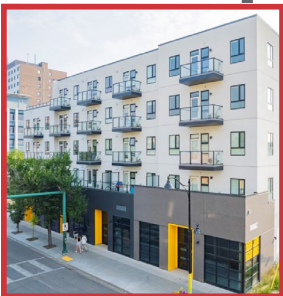
Centrally located with quick access to Downtown, Deerfoot Trail, Memorial Drive and Barlow Trail - as well as many other amenities. Recent renovations include: new T-5 lighting in warehouse, new paint throughout the entire unit, new LVP flooring throughout office showroom area.

Contact Connor West or Aaron Gunn for more details.



8716 48 STREET SE

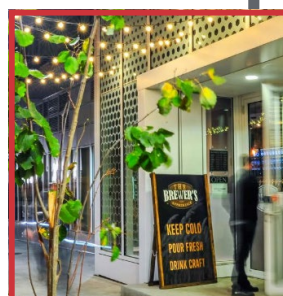
Large acreage with heavy compacted yard. Main building is equipped with LED lights, 5 office spaces, 1 lunchroom, 2 washrooms, 1 boardroom, data room and 1 shop office. Corner site with three access points in the bustling South Foothills industrial area. **Contact Aaron Gunn or Tyler Guluche for more details.**



1904 4 STREET SW

Mixed use apartment building 39 Apartment units & 3 Retail units. Situated in the trendy Mission district of Calgary. Facing 4th Street SW, 2 blocks to 17th Avenue Retail & Entertainment District. High-income tenant demographic.

Building 100% completed
Contact Harvey Russell for more details.



448 8 AVENUE SE

The N3 Building was the first condominium project in Calgary to be built without vehicle parking to allow walking, transit and cycling dominate pedestrian travel in the area. This mixed use building features retail on the main floor and 167 residential units above.

Aggressively Priced. Contact Blair Best for more details.

[DOWNLOAD DETAILED EXCLUSIVE LISTINGS](#)

[FIND MORE PROPERTIES ON OUR WEBSITE](#)

SOURCES

- Costar
- Zonda Urban
- Government of Alberta
- ATB Economics
- TD Economics
- Deloitte
- RBC Economics

Local Knowledge & Global Reach

5,800+

Professionals

65

Countries

\$20 Billion

Total Transaction Volume

325+

Offices

1.5 Billion

Total 2022 Gross Revenue

1.1 Billion

Square Feet Managed



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