

Calgary



2023 Pre-Roll Consultation Period Retail Update

We are committed to property assessment transparency



Pre-Roll Consultation Period

Review

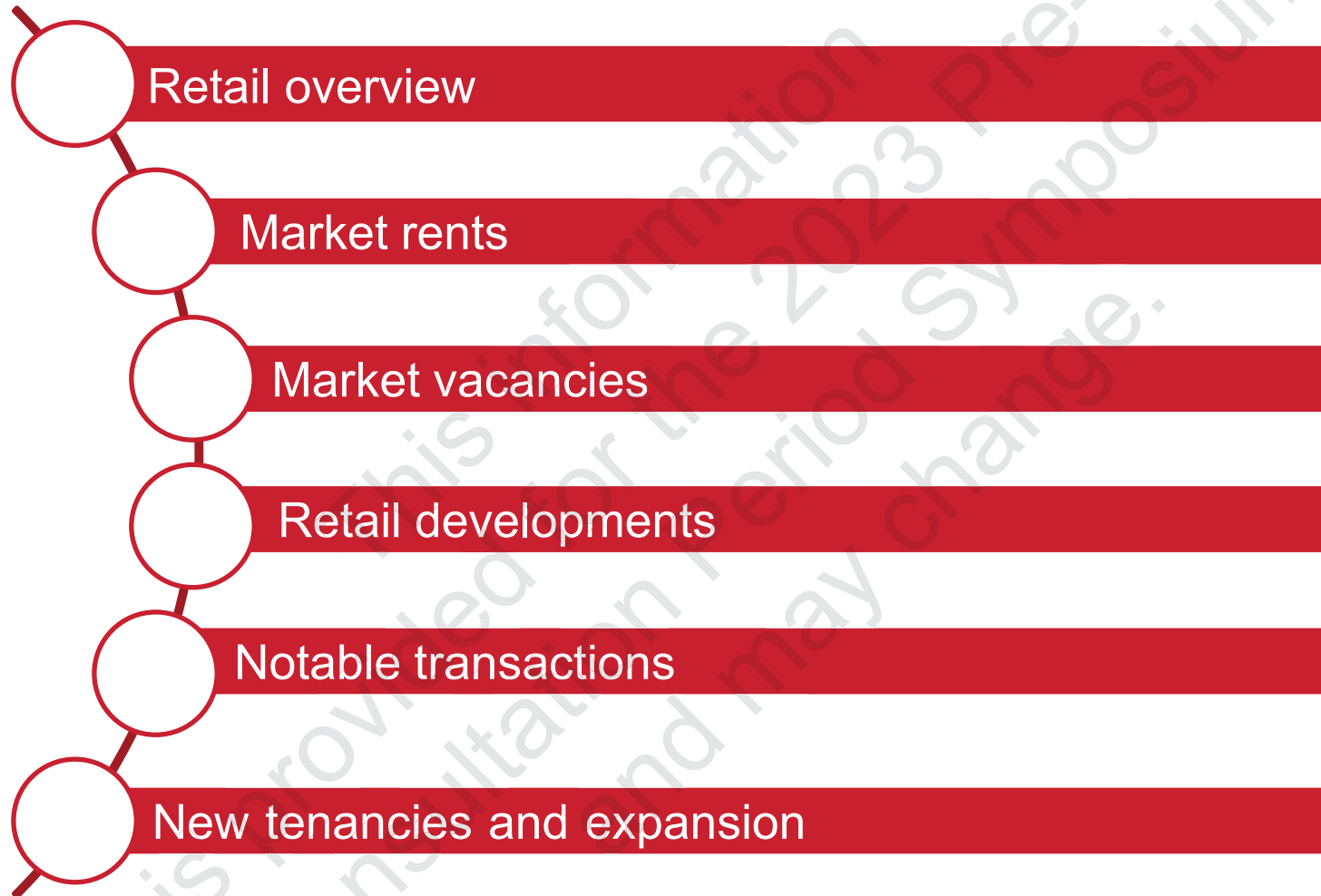
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Learn

October 3 to November 4, 2022



Agenda



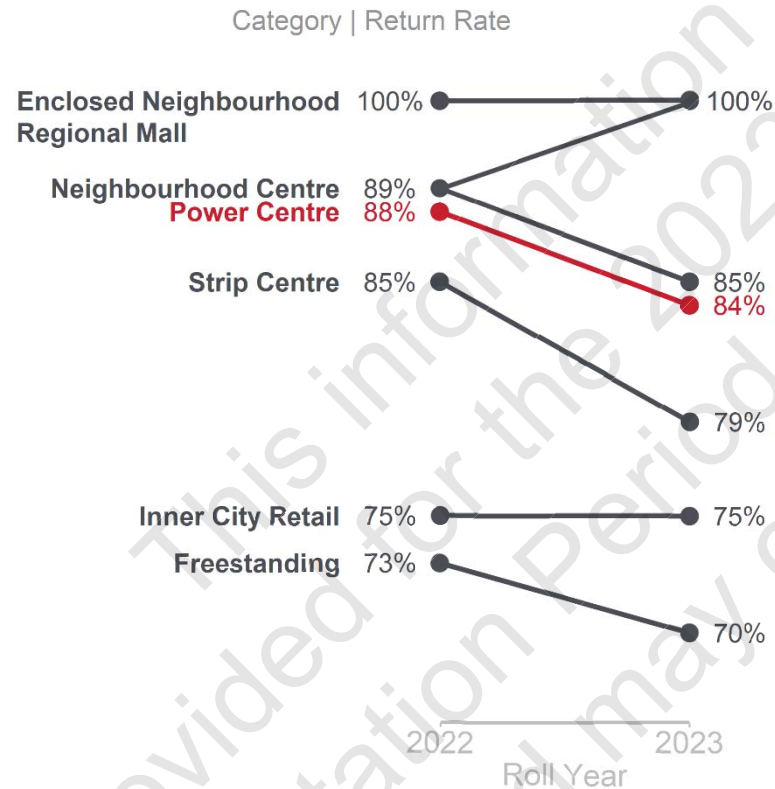


Retail valuation – Income approach



Assessment Request for Information

Return rate year over year

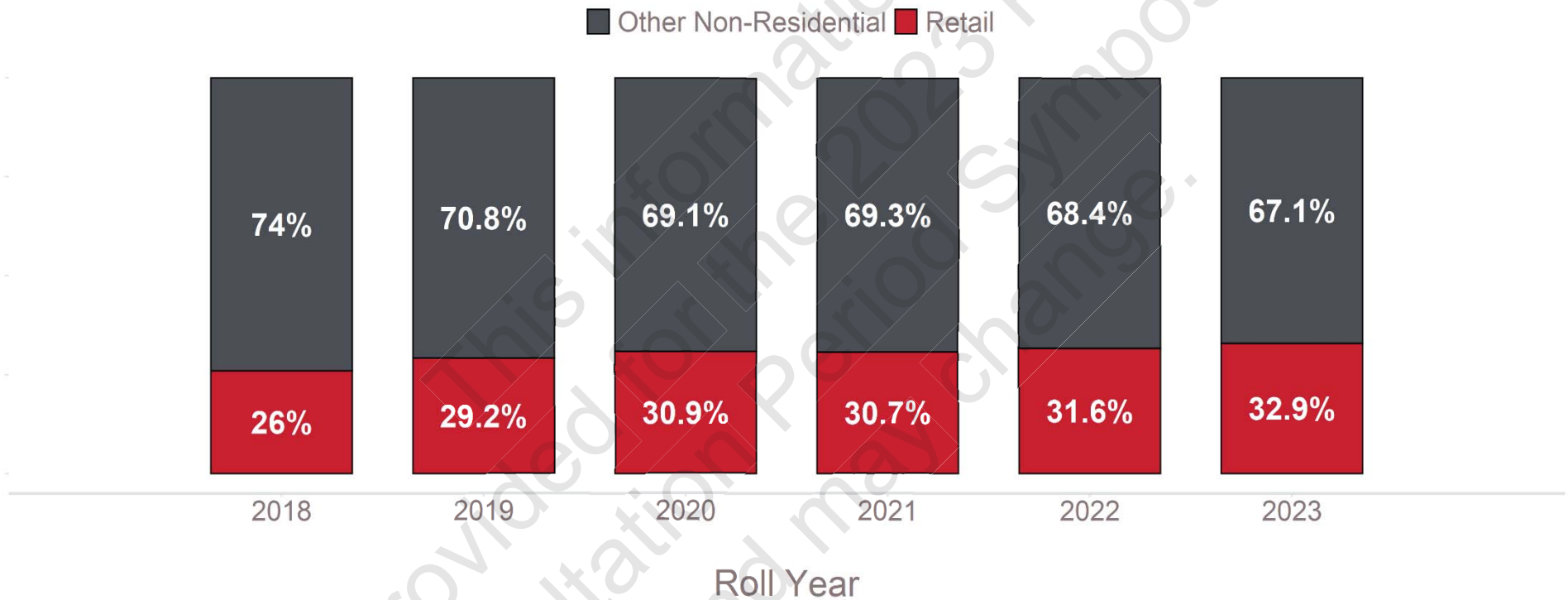


AssessmentARFI@Calgary.ca
403-268-2888

Source: City of Calgary Assessment



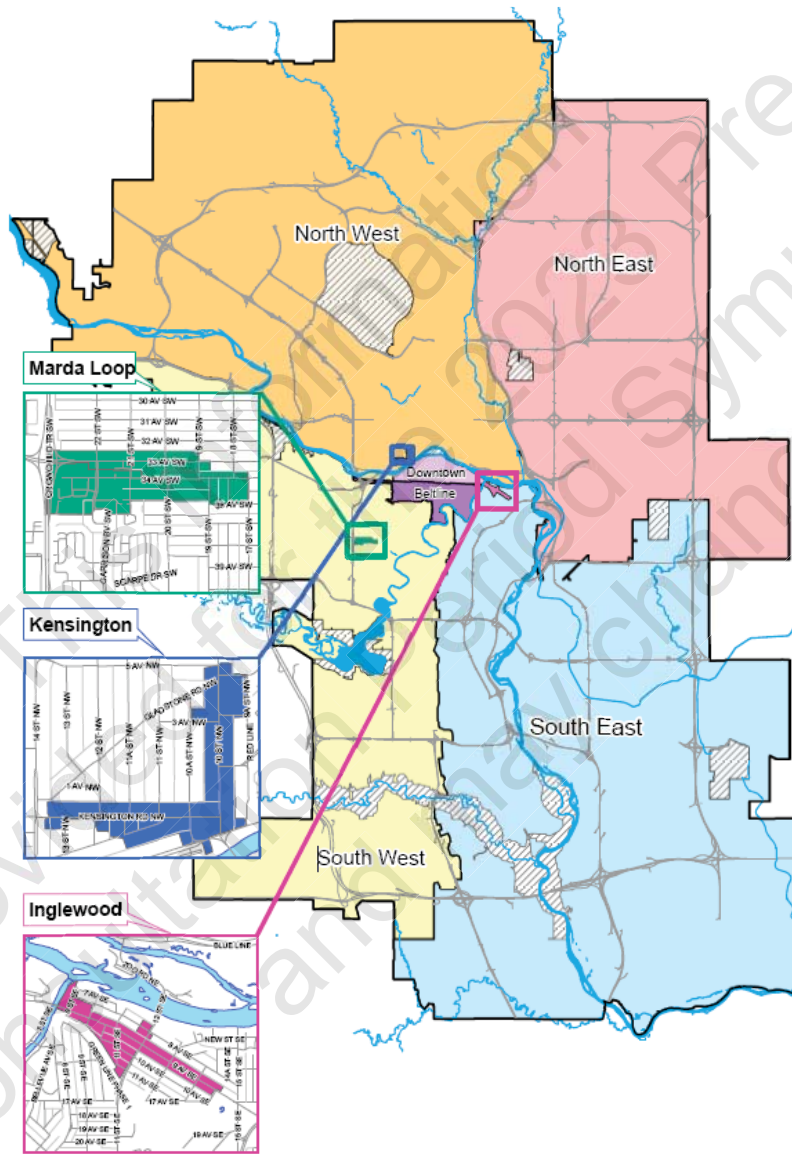
Percentage of non-residential taxable value Retail vs Other non-residential



Source: City of Calgary Assessment



Retail assessed quadrants



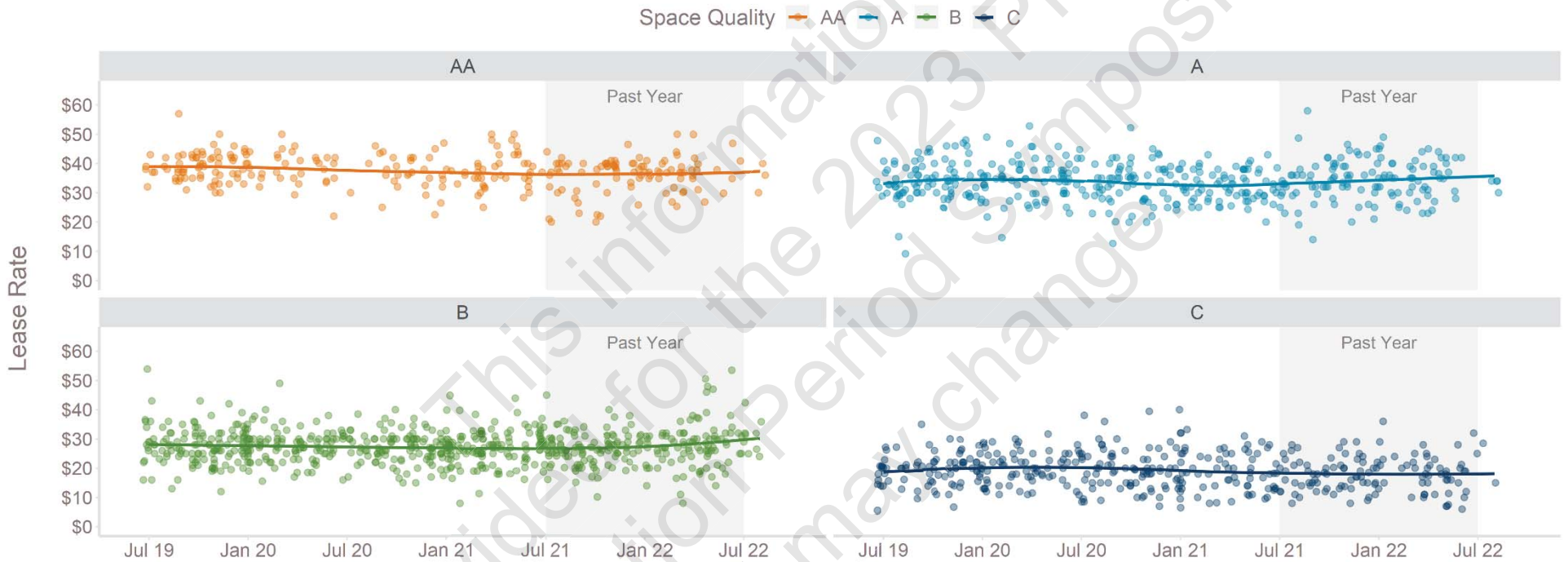


Rents and Vacancy



Retail leasing activity over time

Retail main floor units 0 – 6000 sq.ft.



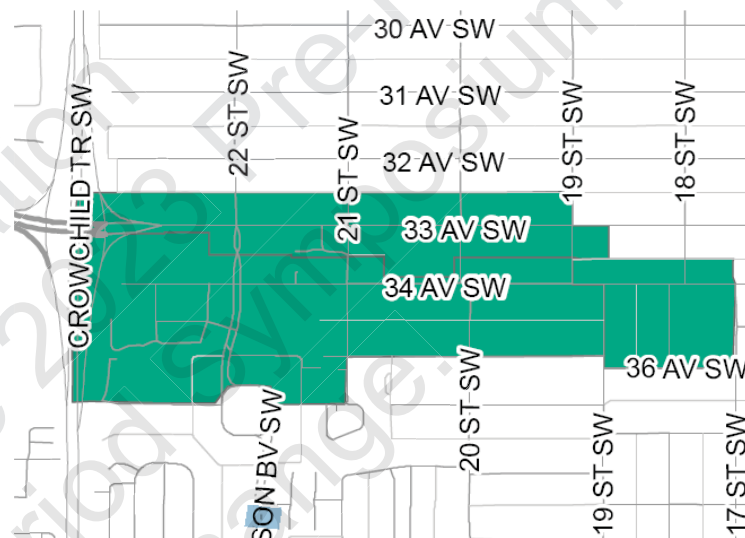
Source: City of Calgary Assessment

This is an overall trend for average retail net rental rates. Rates may differ for various asset types and locations. Excluded: Downtown, Beltline, Kensington, Inglewood, Marda Loop, Enclosed Malls, and Power Centres.



Rental rates

Marda Loop



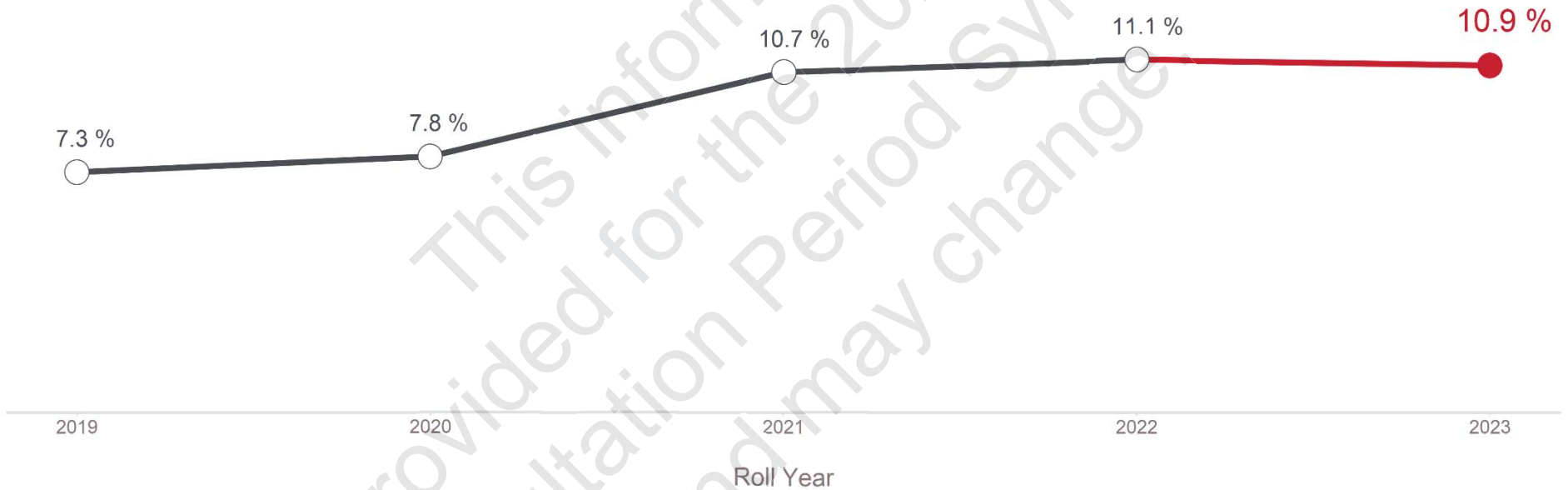
Marda Loop

| 2023 Rental rates | AA | A | B | C |
|-------------------|---------|---------|---------|---------|
| Main | \$40.00 | \$40.00 | \$35.00 | \$17.50 |
| Upper | \$24.00 | \$24.00 | \$15.00 | \$15.00 |
| Restaurant | \$40.00 | \$40.00 | \$35.00 | \$17.50 |
| Lower Finished | \$10.00 | | | |
| Lower Storage | \$5.00 | | | |



Vacancy rates over time

Retail main floor units 0 – 6000 sq.ft.



Source: City of Calgary Assessment

This is an overall trend for average retail vacancy. Rates may differ for various asset types and locations.
Excluded: Downtown, Beltline, Kensington, Inglewood, Marda Loop, Enclosed Malls, and Power Centres.



Vacancy rates over time

Stand alone restaurant and fast food



Source: City of Calgary Assessment

This is an overall trend for average retail vacancy. Rates may differ for various asset types and locations. Excluded: Downtown, Beltline, Kensington, Inglewood, Marda Loop and Power Centres.



Vacancy rates over time

Inner city retail



| Beltline | |
|-----------|--------|
| Year | 2022 |
| Vacancy % | 15.50% |

| Beltline | |
|-----------|--------|
| Year | 2023 |
| Vacancy % | 13.00% |

| Stephen Ave | |
|-------------|--------|
| Year | 2022 |
| Vacancy % | 14.00% |

| Stephen Ave | |
|-------------|--------|
| Year | 2023 |
| Vacancy % | 11.00% |

The Hudson Bay Company building is excluded from the Stephen Ave calculation.



Big box and supermarket rental rates

Big box 40,001 – 85,000 SF – AA, A, B

| | |
|-------------|-------------------|
| Year | 2023 |
| Rate | \$14.00 - \$16.50 |

Big box 85,001+ SF - AA, A

| | |
|-------------|---------|
| Year | 2023 |
| Rate | \$14.00 |

Big box 85,001+ SF - B

| | |
|-------------|---------|
| Year | 2023 |
| Rate | \$13.00 |

Supermarket

| 2023 Rental rates | AA | A | B | C |
|-------------------------|---------|---------|---------|---------|
| Grocery store | \$25.50 | \$23.50 | \$18.50 | \$10.50 |
| Supermarket | \$23.50 | \$18.00 | \$14.50 | \$12.00 |
| Core grocery | \$26.00 | \$24.00 | \$19.50 | \$15.00 |
| Core supermarket | \$26.00 | \$21.00 | \$15.50 | - |

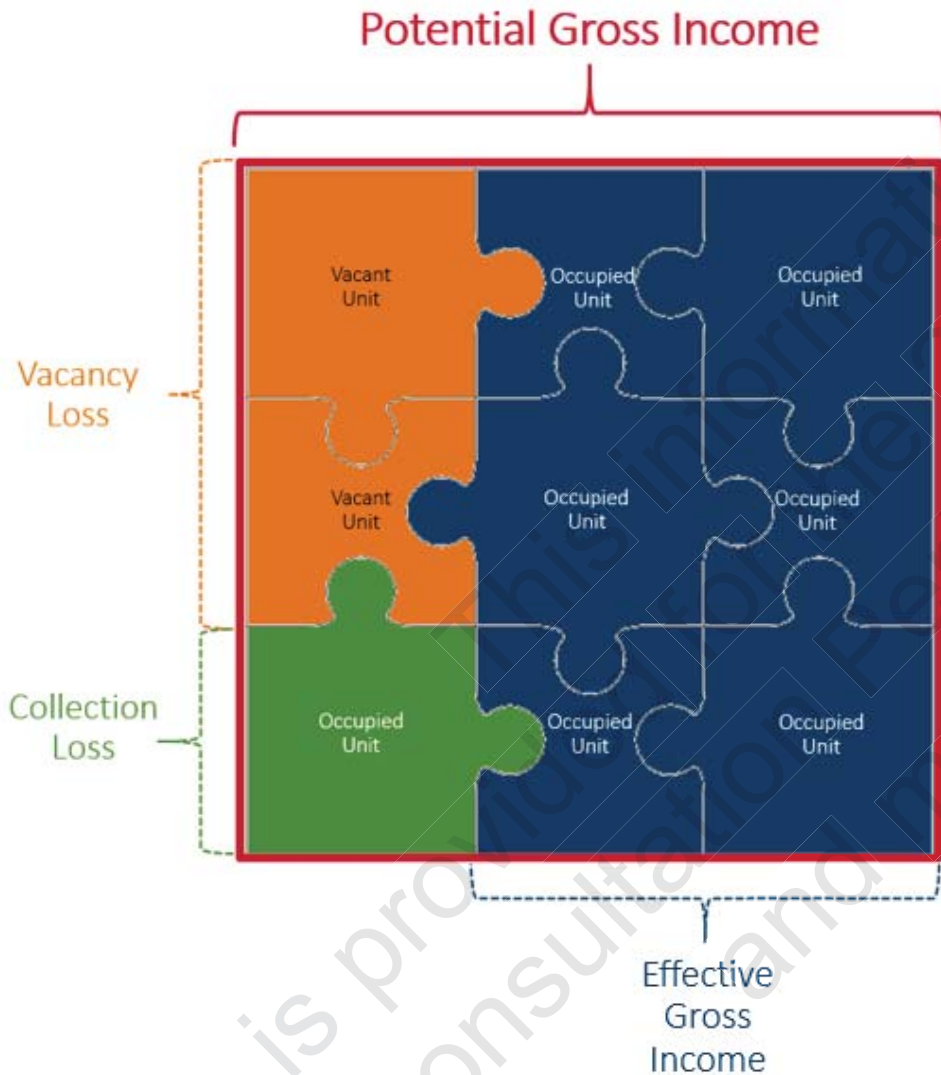


Regional and Enclosed Malls





Collection loss

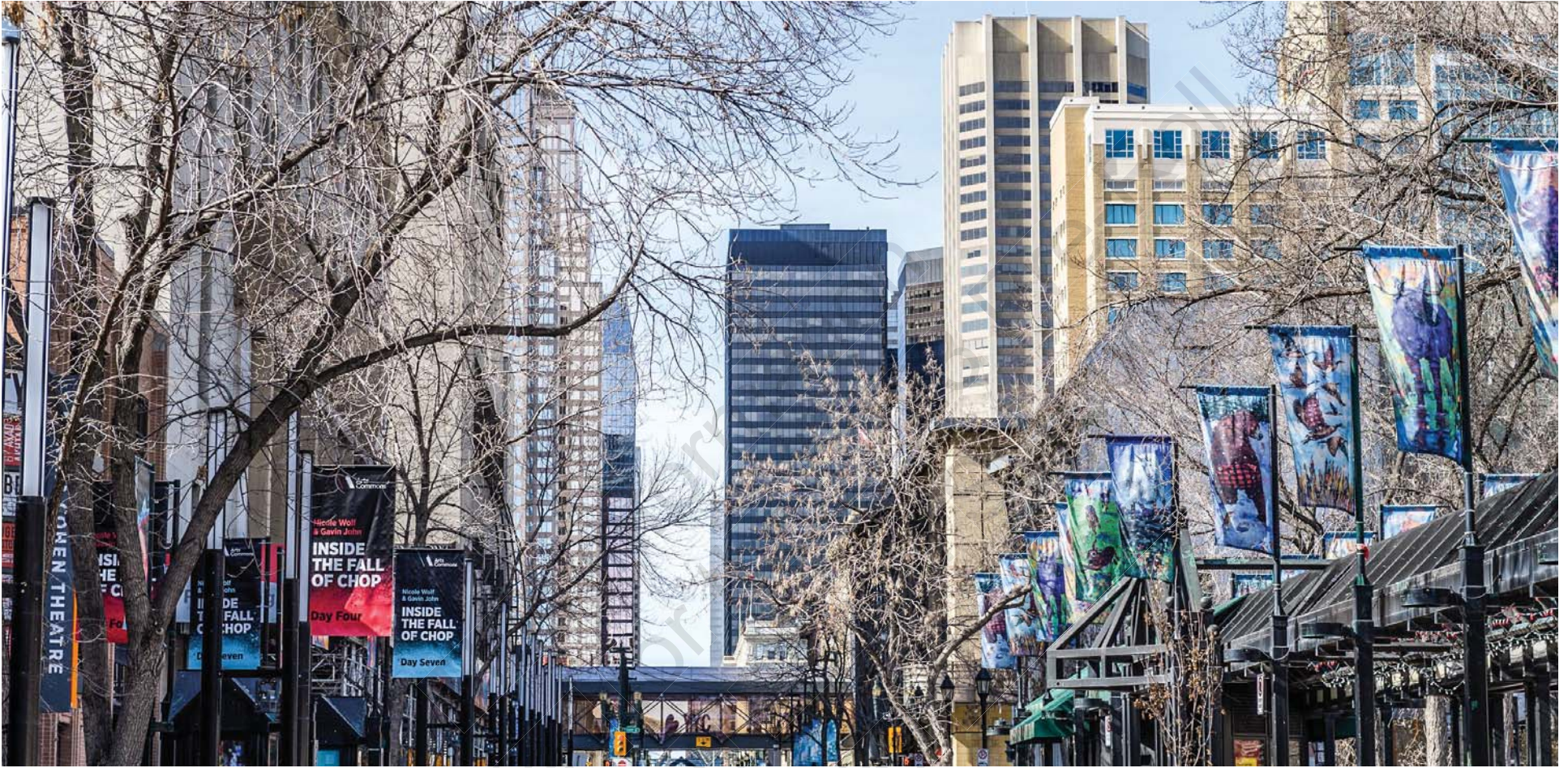


Vacancy Loss – refers to any units that are physically vacant

Collection Loss – attributed to units occupied by tenants but unable to pay rent

Collection Loss

| | |
|-------------------------------|-------|
| Year | 2023 |
| Enclosed and Regionals | 1.00% |
| Theatres | 1.00% |



Noteworthy Developments



Noteworthy developments

Oakridge

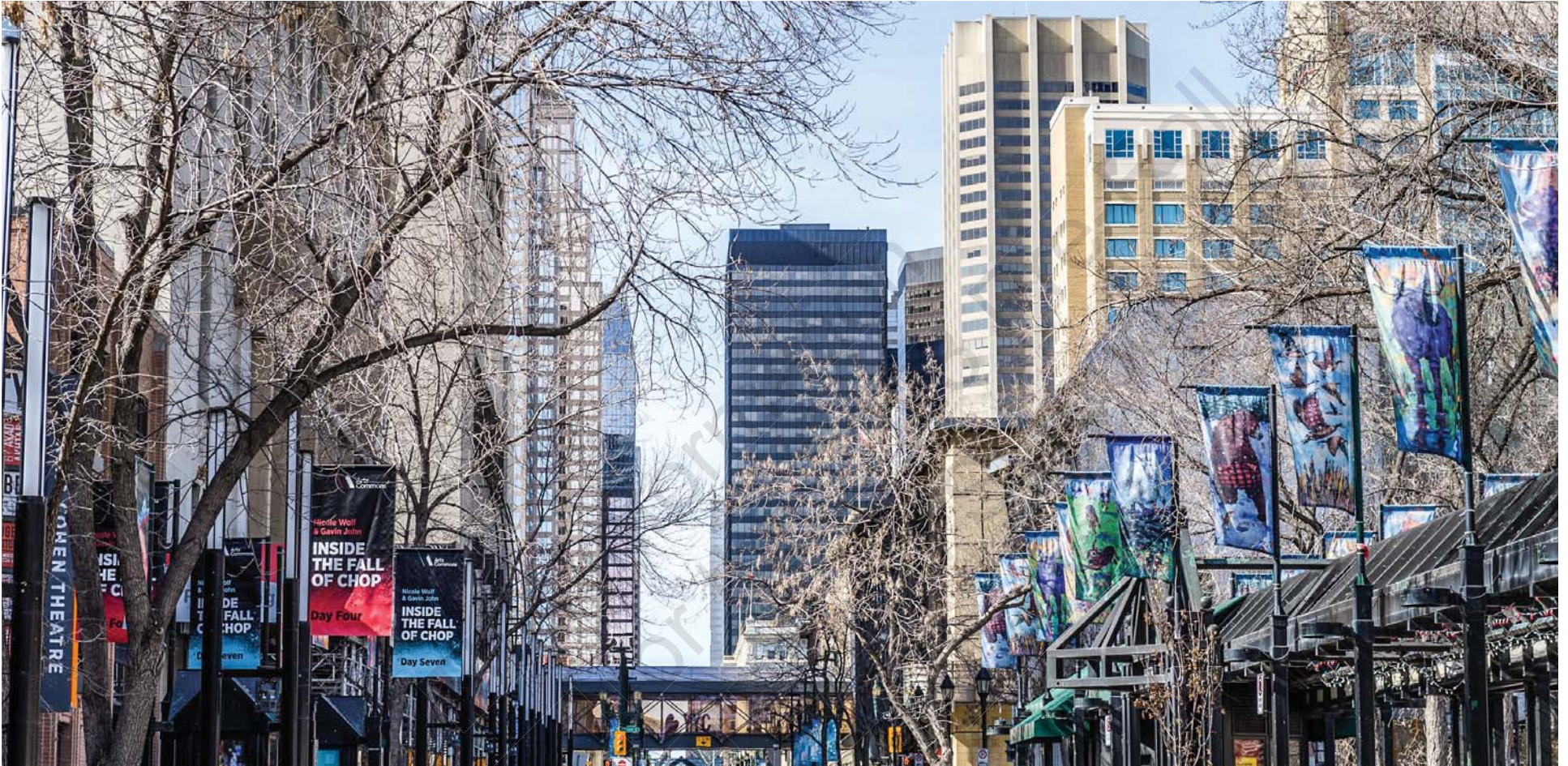




Noteworthy developments

Cityscape Square



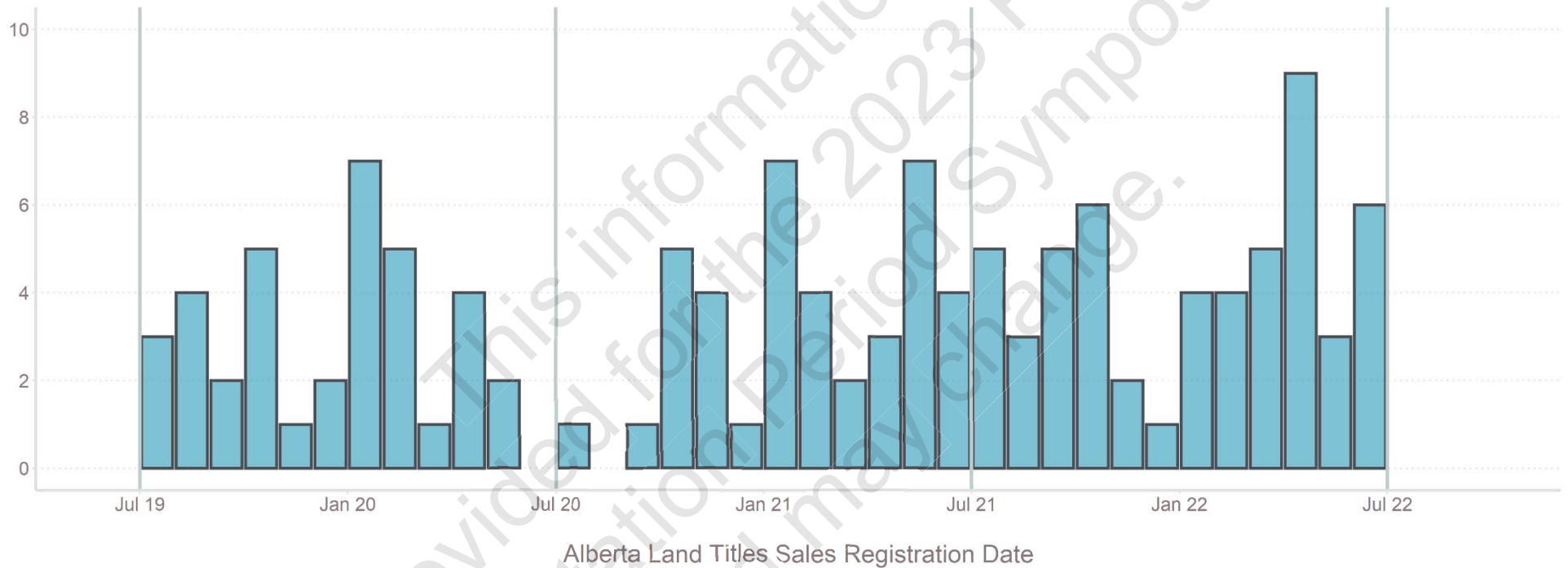


Sales Transactions/Notable Sales



Retail transactions

Arms-length, market value transactions



Source: City of Calgary Assessment

This is a snapshot of sales activity. Sales are continually being processed and investigated.
Excluded: Retail Condominiums



Notable sales

Bonavista Promenade and Douglas Square



| Address | Building SF | Parcel SF | Sale date | Sale price | Price / SF |
|--|-------------|-----------|------------|--------------|------------|
| 755 LAKE BONAVISTA DR SE AND 11520 24 ST SE | 233,932 | 932,117 | 10/26/2021 | \$68,300,000 | ~\$292 |



Notable sales

London Town Square



| Address | Building SF | Parcel SF | Sale date | Sale price | Price / SF |
|---------------|-------------|-----------|------------|--------------|------------|
| 3545 32 AV NE | 121,990 | 451,581 | 02/04/2022 | \$36,000,000 | ~\$295 |



Notable sales

Kensington



| Address | Building SF | Parcel SF | Sale date | Sale price | Price / SF |
|------------------------------|-------------|-----------|------------|--------------|------------|
| 306, 308 and 318 10 ST NW | 29,263 | 35,010 | 11/15/2021 | \$12,025,000 | ~\$411 |



Notable sales

Temple Crossing



| Address | Building SF | Parcel SF | Sale date | Sale price | Price / SF |
|-------------------|-------------|-----------|------------|--------------|------------|
| 5401 TEMPLE DR NE | 95,029 | 212,702 | 04/06/2022 | \$23,700,000 | ~\$249 |



Notable Tenancies



Notable tenancies

Beltline





Notable tenancies

Inglewood





Notable tenancies

Malls and Power Centres





Rental rates

Vacancy

Sales volume

Collection loss



Tools and Resources



Assessment Search

Logon to your secure account for your 2023 preliminary values



Preliminary Property Tax Calculator

Estimate your 2023 municipal property taxes at calgary.ca/assessment



Book an appointment

Contact us to discuss specific properties



Assessment Request for Information

Send your completed forms to assessmentARFI@calgary.ca



Symposium Videos

All Pre-Roll Symposium videos will be available on calgary.ca/preroll



Contact Us

403.268.2888

Calgary



Thank you

For more information visit calgary.ca/assessment

**Call us at (403) 268-2888 to book an appointment
to discuss specific properties**