

Calgary



Update: **Office**

Information provided is preliminary information and is subject to change



Market overview

Downtown

Stable values and conversions

Beltline

Retail growth and moderate increases

Suburban

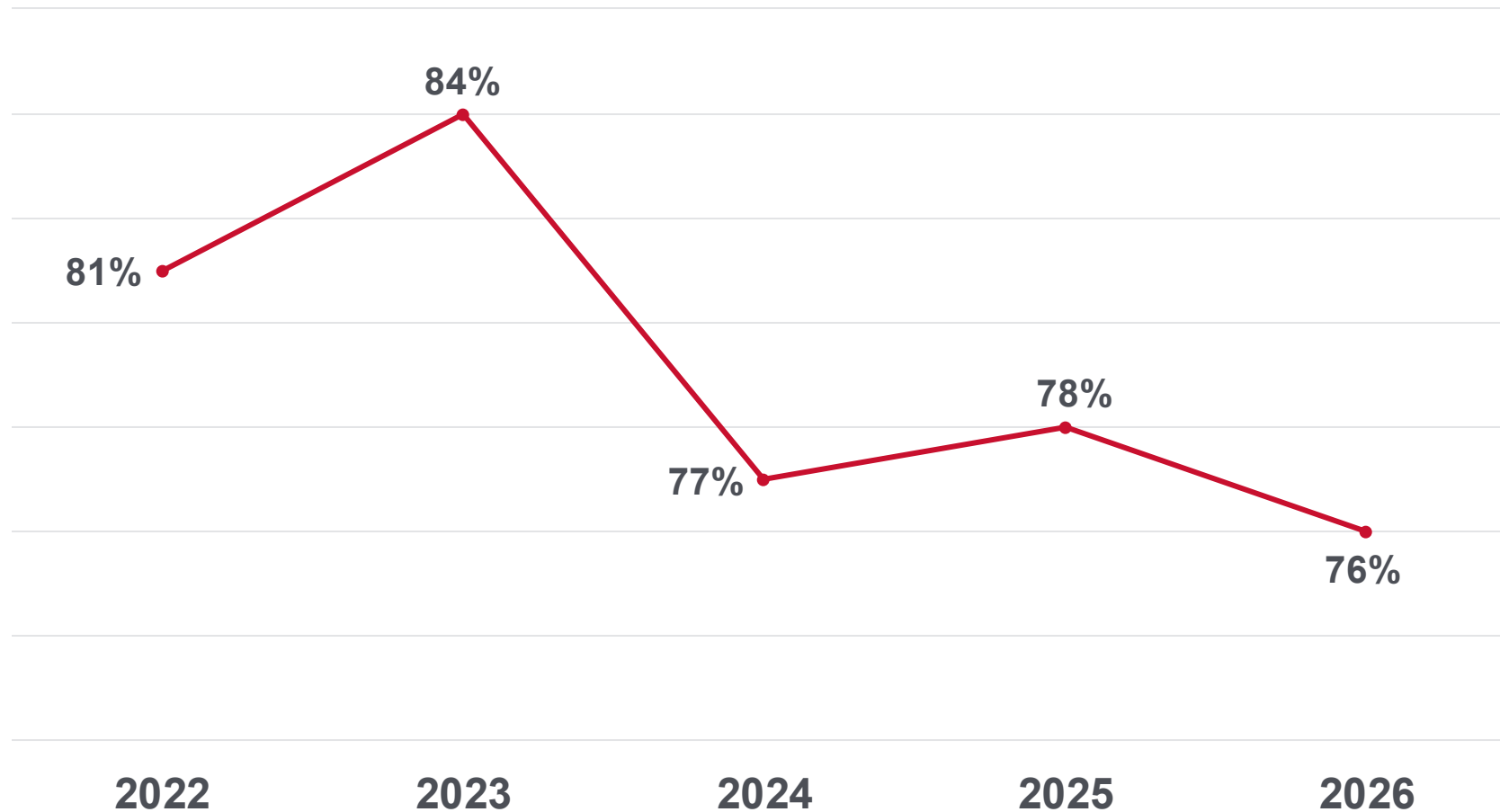
Positive absorption and sales activity

Inventory breakdown in 2027

Property type	Number of accounts	Total assessed value*	Preliminary assessment change
Downtown office	156	\$8B	2%
Beltline office	159	\$1B	6%
Suburban office	518	\$4B	7%
Citywide condos	767	\$500M	2%
Total	1,600	\$13.5B	4%

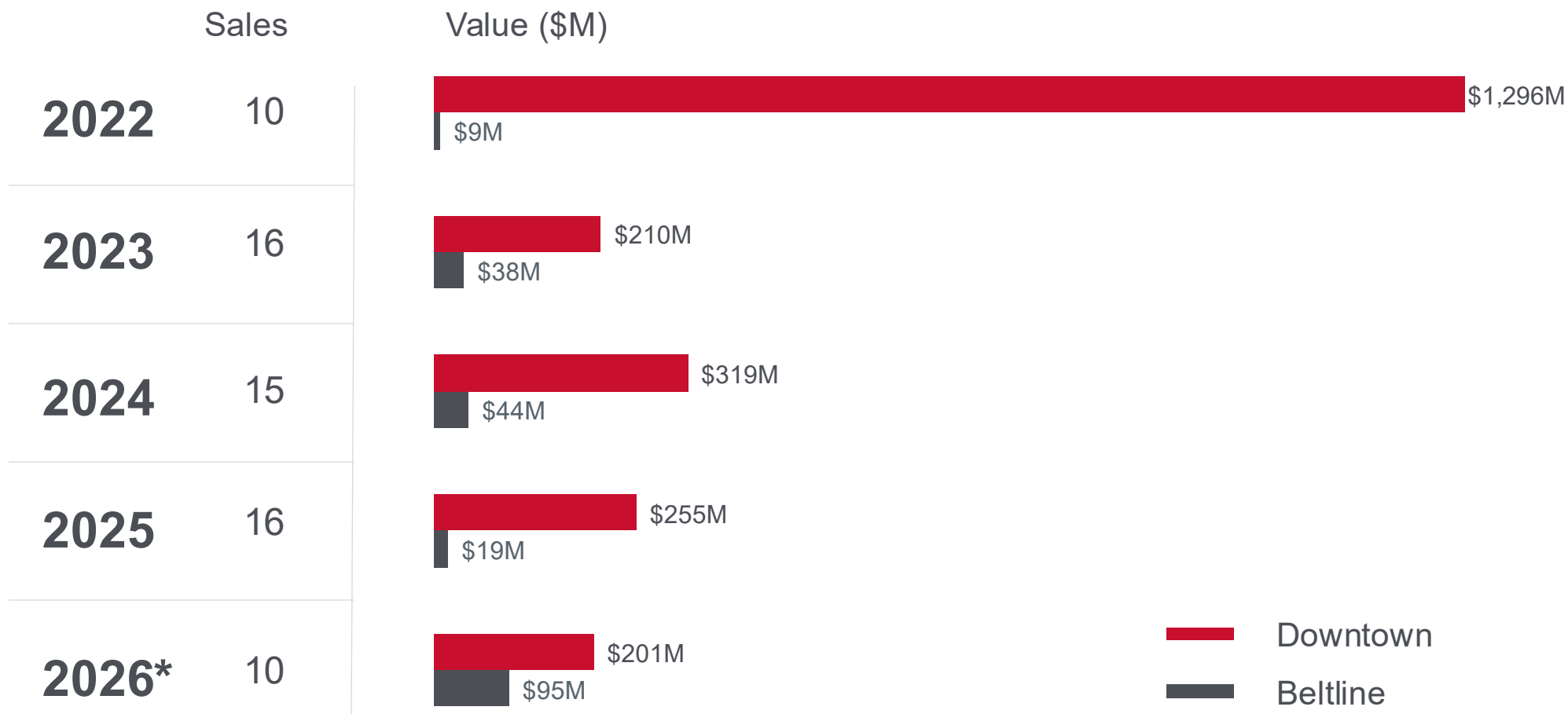
**Total assessed values are rounded to the nearest whole number*

Assessment Request for Information (ARFI) annual submission percentage



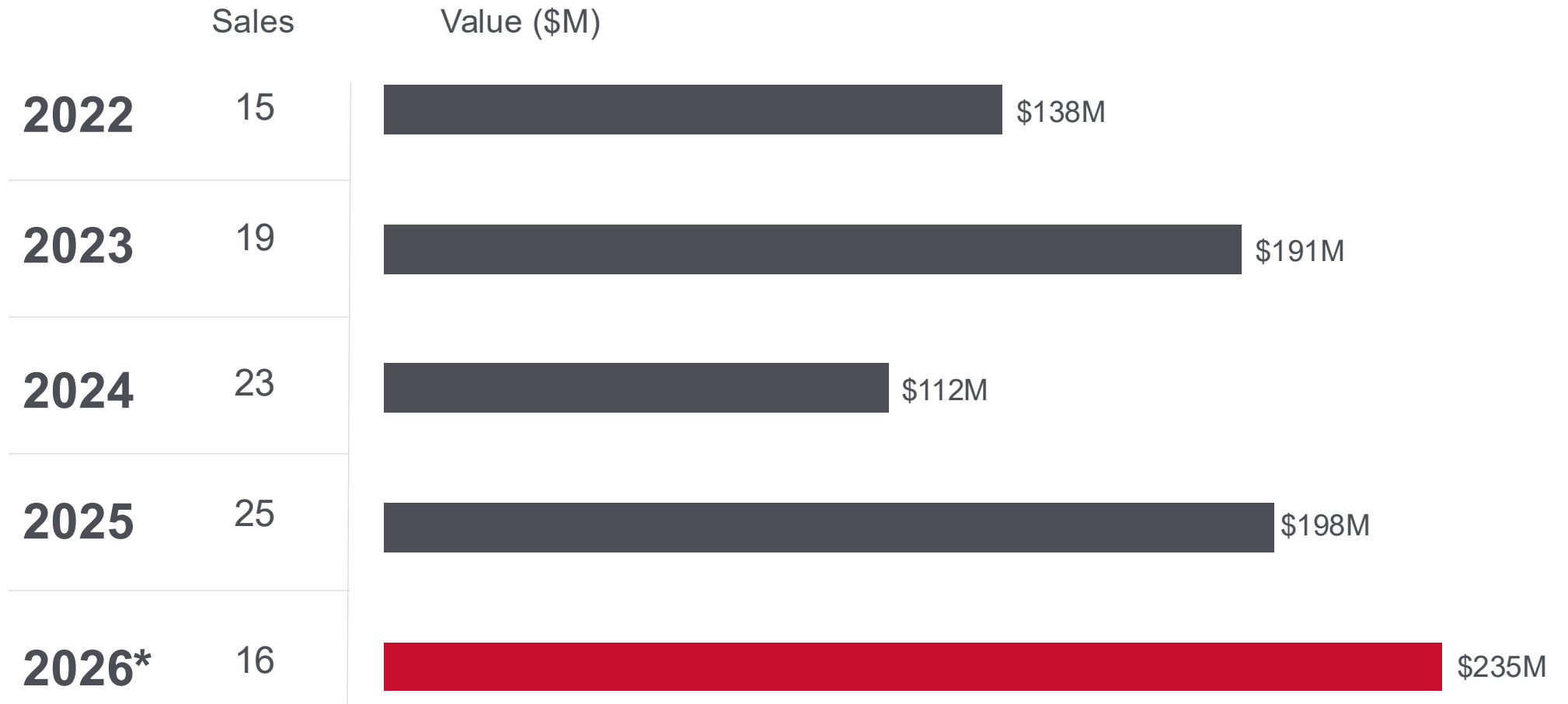
Y-axis abbreviated to highlight year-over-year variation.

Downtown and beltline sales activity



*Jan. 1 to July 1

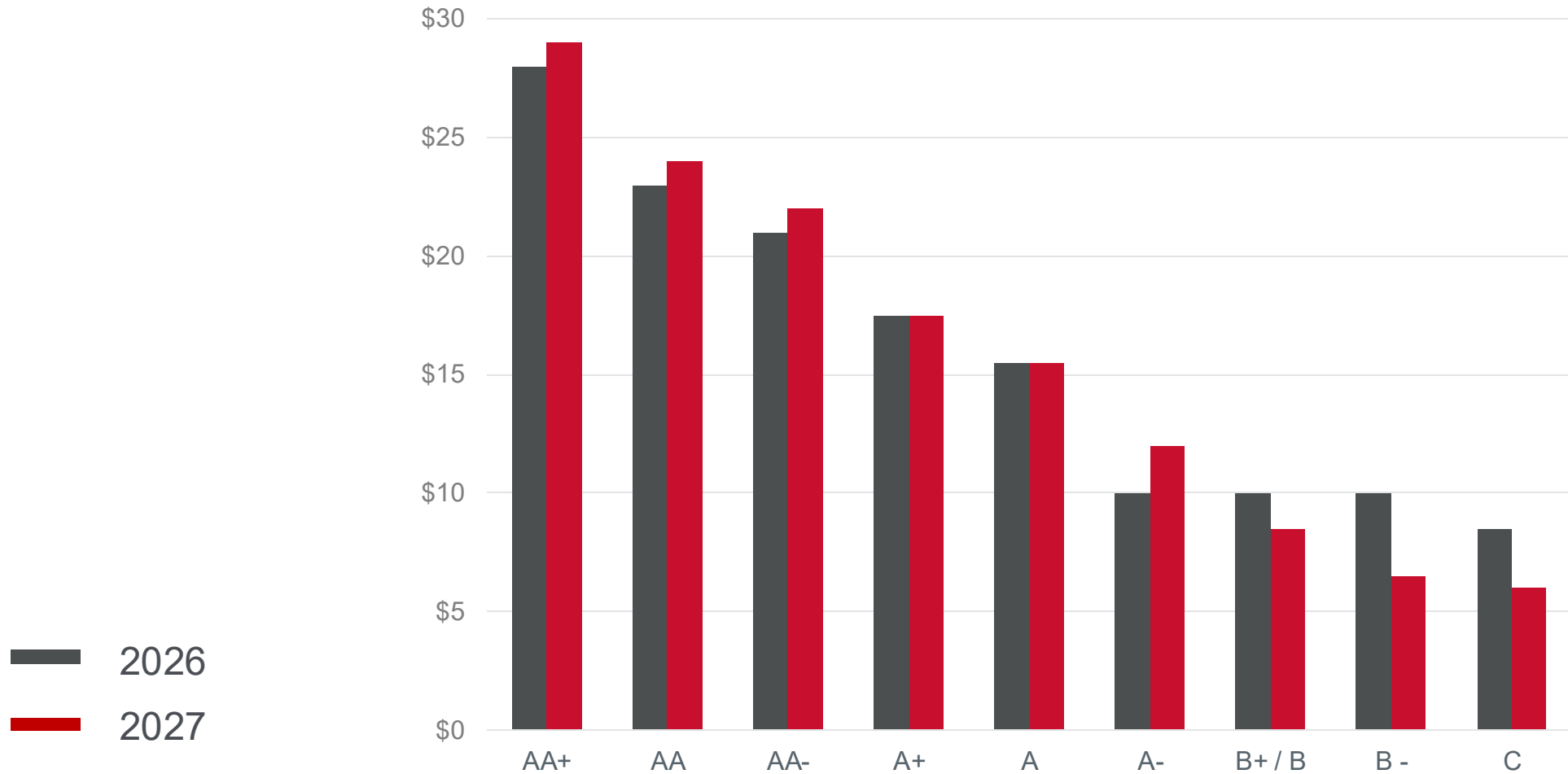
Suburban sales activity



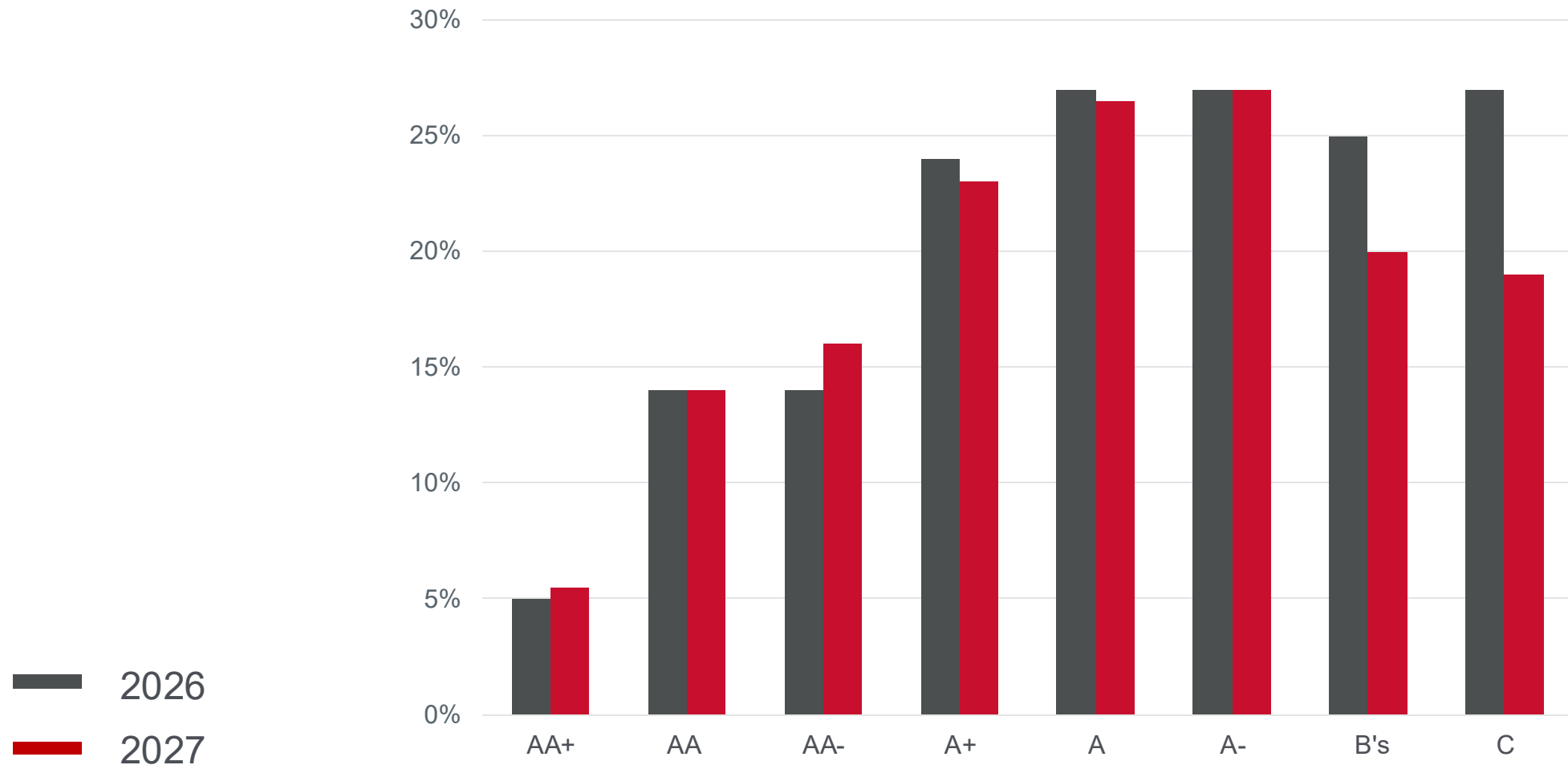
Capitalization rates: Downtown office

Class	2026	2027	Change
AA	6.75%	7.00%	▲
A	7.50%	7.75%	▲
B	7.50%	7.75%	▲
C	7.50%	7.75%	▲

Downtown office rental rates per square foot (sqft)



Downtown office vacancy percentage





Notable downtown sale:

Stephen Avenue Place

225 Seventh Ave. S.W.

Sale date:
2026 June 12

Price per sqft:
\$74

Sale price:
\$46M

Purchaser:
Armco Capital

Building size:
620,647 sqft

Property type:
Office

Retail space:
65,166 sqft

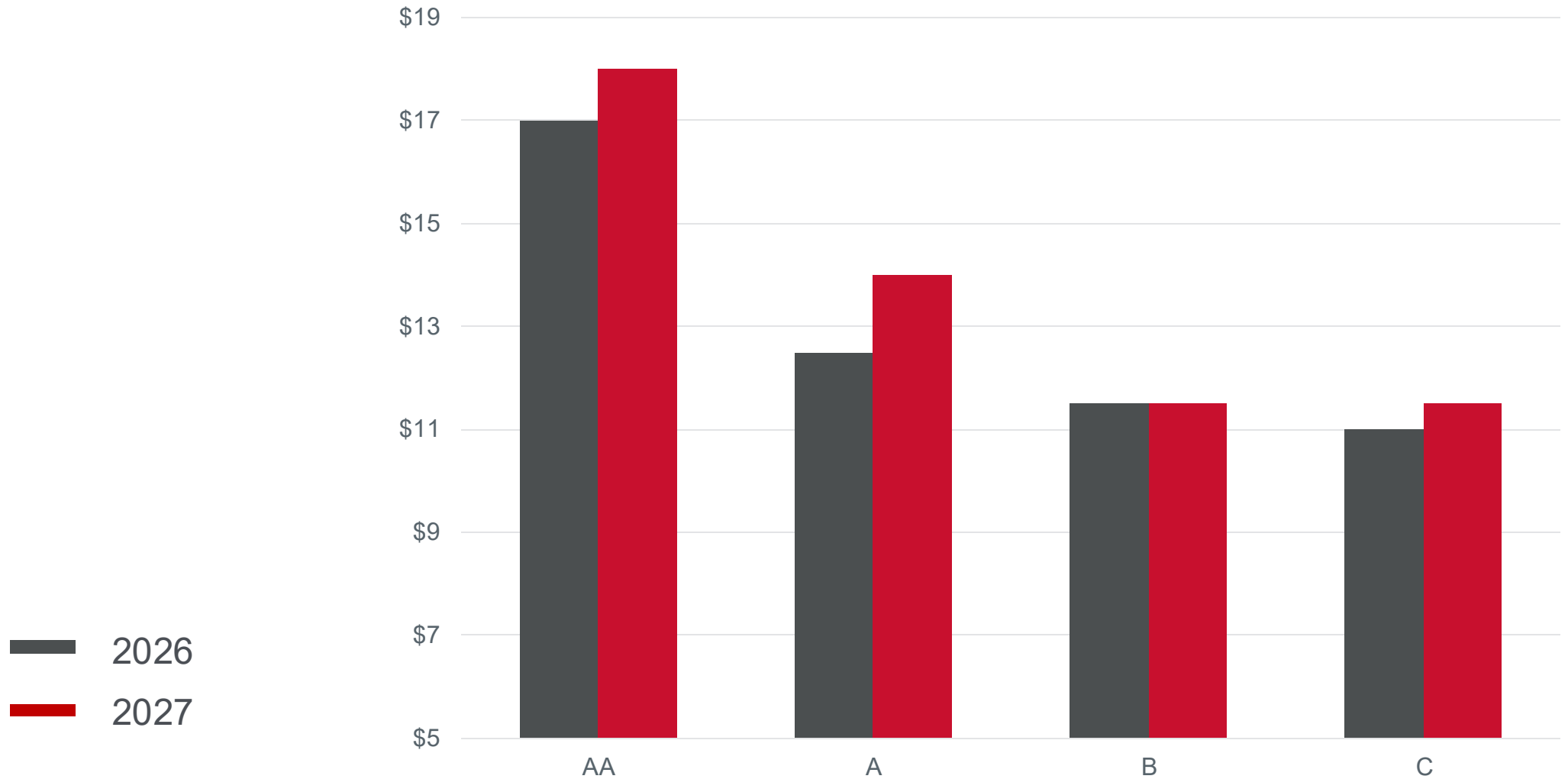
Quality:
A -

Photo source: Zeidler Architecture

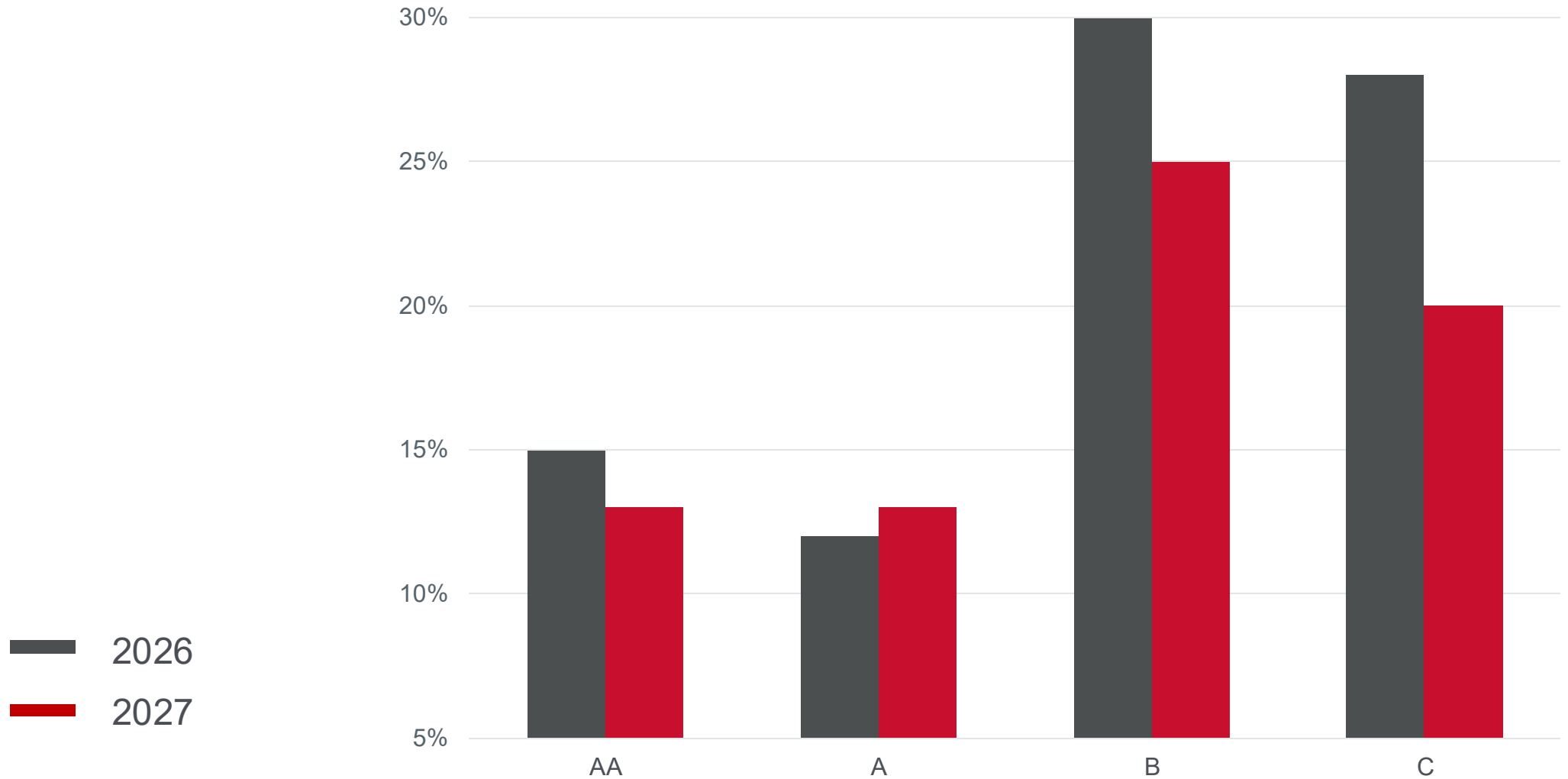
Capitalization rates: Beltline office

Class	2026	2027	Change
AA	7.50%	8.75%	▲
A	7.50%	7.75%	▲
B	8.25%	9.00%	▲
C	8.25%	9.00%	▲

Beltline office rental rates per square foot (sqft)



Beltline office vacancy percentage





Notable beltline sale:

Centre 10

517 10th Ave. S.W.

Sale date:
2026 March 4

Price per sqft:
\$193

Sale price
\$71M

Purchaser:
Crestpoint Real Estate

Building size:
367,899 sqft

Property type:
Office

Parking stalls:
736

Quality:
AA

Photo source: Epic Investments Leasing

Capitalization rates: Suburban office

Class	2026	2027	Change
AA	7.50%	7.75%	▲
A	7.50%	7.75%	▲
B	8.50%	9.00%	▲
C	8.50%	9.00%	▲
Very small office	3.75%	3.50%	▼
Small office	5.00%	5.00%	—

Notable suburban sale:

Imperial Oil Campus

505 Quarry Park Blvd. S.E.

Sale date:
2026 March 12

Price per sqft:
\$81

Sale price:
\$60M

Purchaser:
Dominion (Quarry) Corp

Total size:
739,755 sqft

Property type:
Office Campus

Year of construction:
2014

Quality:
AA

Photo source: CBRE Leasing Brochure



Notable methodology updates

Large office cap rate – Suburban office

- Buildings above 340k sqft
- Cap rate: 13.50 per cent

Parking vacancy – Downtown B/C

- **Threshold structure**
 - First 50 stalls at market vacancy rate
 - Remaining at 75 per cent vacancy rate

Example:

Class B Downtown - 87 total parking stalls

50	Base tier stalls Assessed at market 20% vacancy rate	37	Excess stalls Assessed at elevated 75% vacancy rate
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Weighted Parking Vacancy = 87 stalls at 43%

Downtown office conversions

Conversion activity in the core

[More information](#)

2.68M

square feet

2,655

Residential units

4,205

Residents

Suburban key takeaways

- New 'Large Office' category >340,000 sqft (cap rate only)
- Overall vacancy decrease due to positive absorption
- Slight increases in AA/A and B/C cap rates

Beltline key takeaways

- Increase in Cap rates across all qualities
- Retail rents and vacancy continue to strengthen
- B quality is increasing moderately

Downtown key takeaways

- Increase in Cap rates across all qualities
- Class AA space continues to be the most in-demand space
- Conversion program is reviewing applications

Questions?