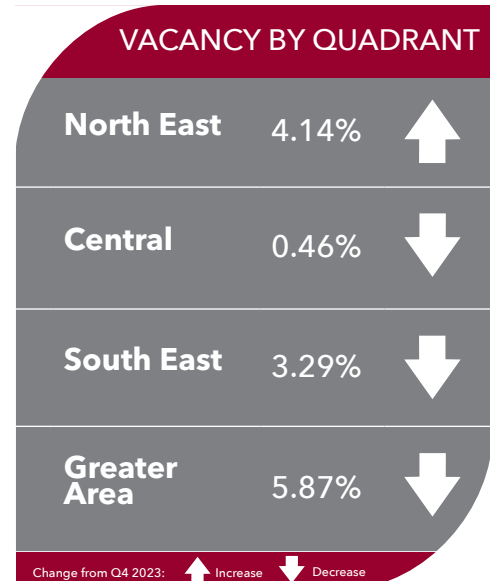
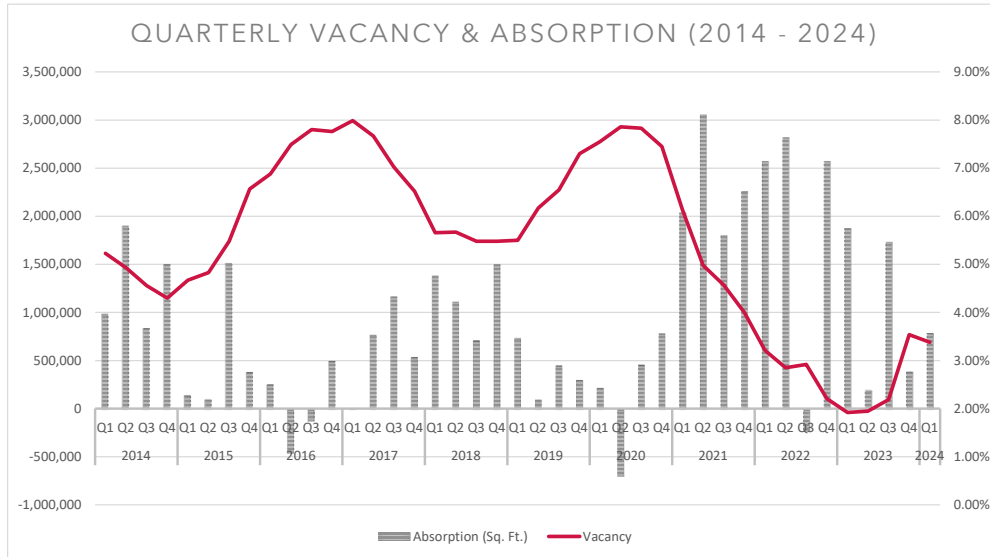


VACANCY & ABSORPTION



Q1 2024

Q4 2023

Q3 2023

Q2 2023

Q1 2023

VACANCY

QUARTERLY ABSORPTION

3.38%
+786,764 sq.ft.

3.54%
+390,214 sq.ft.

2.19%
+1,734,001 sq.ft.

1.95%
+196,940 sq.ft.

1.92%
+867,015 sq.ft.

Land Sales

Q1 2024

FULL SERVICE

LIMITED SERVICE

INSIDE CITY LIMITS

6

1

Total Acres Sold: 87.82 acres
Net Volume (\$): \$67,600,300.00
Avg. Price Per Acre (\$): \$769,759.74

Total Acres Sold: 4.11 acres
Net Volume (\$): \$3,100,000.00
Avg. Price Per Acre (\$): \$754,257.91

OUTSIDE CITY LIMITS

—

3

Total Acres Sold: —
Net Volume (\$): —
Avg. Price Per Acre (\$): —

Total Acres Sold: 23.86 acres
Net Volume (\$): \$12,731,600.00
Avg. Price Per Acre (\$): \$533,595.98

TOTAL

6

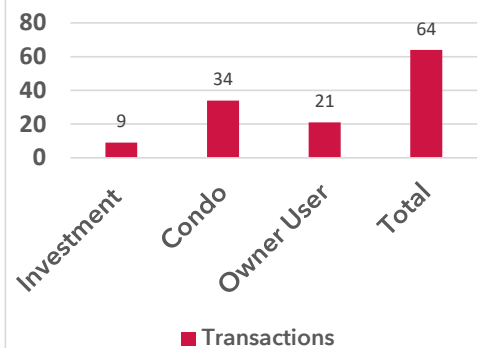
4

Total Acres Sold: 87.82 acres
Net Volume (\$): \$67,600,300.00
Avg. Price Per Acre (\$): \$769,759.74

Total Acres Sold: 27.97 acres
Net Volume (\$): \$15,831,600.00
Avg. Price Per Acre (\$): \$566,020.74.00

Building Sales

Q1 2024 Sale Transactions



Q1 2024 | INDUSTRIAL MARKET STABILIZING

In the first quarter of 2024, Calgary's industrial sector maintained steady performance, with vacancy hovering at approximately 3.38%, showing very little change from Q4 2023. Leasing demand remained strong in Q1 2024, as reflected by positive quarterly absorption of approximately 800,000 square feet, an impressive feat given the continued influx of new development in the Greater Calgary Area (GCA) combined with diminishing pre-leasing activity for product under construction.

The industrial construction pipeline in Calgary and the GCA remained relatively robust in Q1 2024, with ongoing projects totaling 3.3 million square feet. Notably, approximately 1 million square feet of product was delivered in the first quarter, predominately in Balzac and Rocky View County, where there is a notable tax advantage compared to developments within Calgary City limits. It is important to note that on a year-over-year basis, Calgary's overall industrial construction pipeline has reduced in size, down approximately 1.5 million square feet in comparison to Q1 2023. Although this trend is impacted by the large amount of completed developments at the end of 2023, Calgary's industrial construction pipeline is on the decline and that will continue for the next several quarters. This can be attributed to reduced demand along with the high cost of construction combined with the high cost of capital that is less available compared to a year ago. Until costs come down and capital is cheaper and more accessible, spec construction will continue to dry up.

Owner-user and industrial condo sales maintained consistent performance on both a price per square foot and transactional volume basis throughout the first quarter of 2024. Notably, sales volume in terms of transaction quantity increased in the aforementioned categories in Q1 2024, as there were 34 condo sales and 21 owner-user transactions compared to 26 condo and 17 owner-user trades in Q4 2023. Investment sales only accounted for nine of the 64 total sale transactions in the first quarter,

aligning with the prominent trend throughout the entirety of 2023. The high cost of capital combined with sustained upward pressure on cap rates has had a negative impact on investor confidence and the feasibility of certain acquisitions. With that said, it is important to note that investment activity is still persistent, as exemplified by Concert Income Properties' acquisition of a three building portfolio in Rocky View Business Park for \$62.2 million dollars.

Land Transactions



Q1 2024 witnessed the sale of ten industrial land parcels totaling 115.79 acres in Calgary and the GCA, a notable uptick when compared to the seven transactions in Q4 2023, which accounted for 21.19 acres sold. The sizable increase in total acres sold is largely attributed to a land transaction in Calgary's Eastlake Industrial Park between developers Enright Capital and York Realty Inc., accounting for approximately 76 acres of the 115.79 acres sold. Excluding the above-mentioned transaction, the average size of land parcels that traded within the GCA was approximately 3.1 acres, aligning with the prevailing trend displayed throughout 2023. Industrially zoned land located outside City limits continued to trade, which is reflected by the three land transactions in Q1 2024 totaling 23.86 acres. The average price per acre for these limited service parcels was \$533,595.

Industrial sales of fully serviced parcels within the City averaged \$767,759 per acre, down slightly from \$804,827 throughout Q4 2023. This decrease can partially be attributed to a 2.20 acre parcel that sold in the Skyline district well below market value due to an undesirable parcel configuration. With that being said, industrial land remains a scarce commodity within City limits and in the GCA. This limited supply, as well as highly sustained construction costs for new buildings, are major contributors to the recent demand influx seen on the sales side of the market for existing buildings, as purchasing both single-use facilities and industrial condos are often the only feasible option for owner-users in need of new space.

NEW CONSTRUCTION

- 1,035,663 sq. ft. completed in Q1 2024
- 3,278,067 sq. ft. under construction as of Q1 2024





LEASE TRANSACTIONS

- 157 Lease Transactions 
- 2,260,481 sq. ft. Leased 





INVESTMENT SALES

- 9 Investment Sales 
- \$70,733,817 Sales Volume 
- 544,087 sq. ft. Sold 
- \$130.00 per sq. ft. Avg. Price 

CONDO SALES

- 34 Condo Sales 
- \$27,766,418 Sales Volume 
- 120,810 sq. ft. Sold 
- \$229.84 per sq. ft. Avg. Price 

OWNER-USER SALES

- 21 Owner-User Sales 
- \$79,540,817 Sales Volume 
- 395,934 sq. ft. Sold 
- \$200.89 per sq. ft. Avg. Price 

 Increase  Decrease

TOTAL MARKET INVENTORY
169,395,938 SQ. FT.

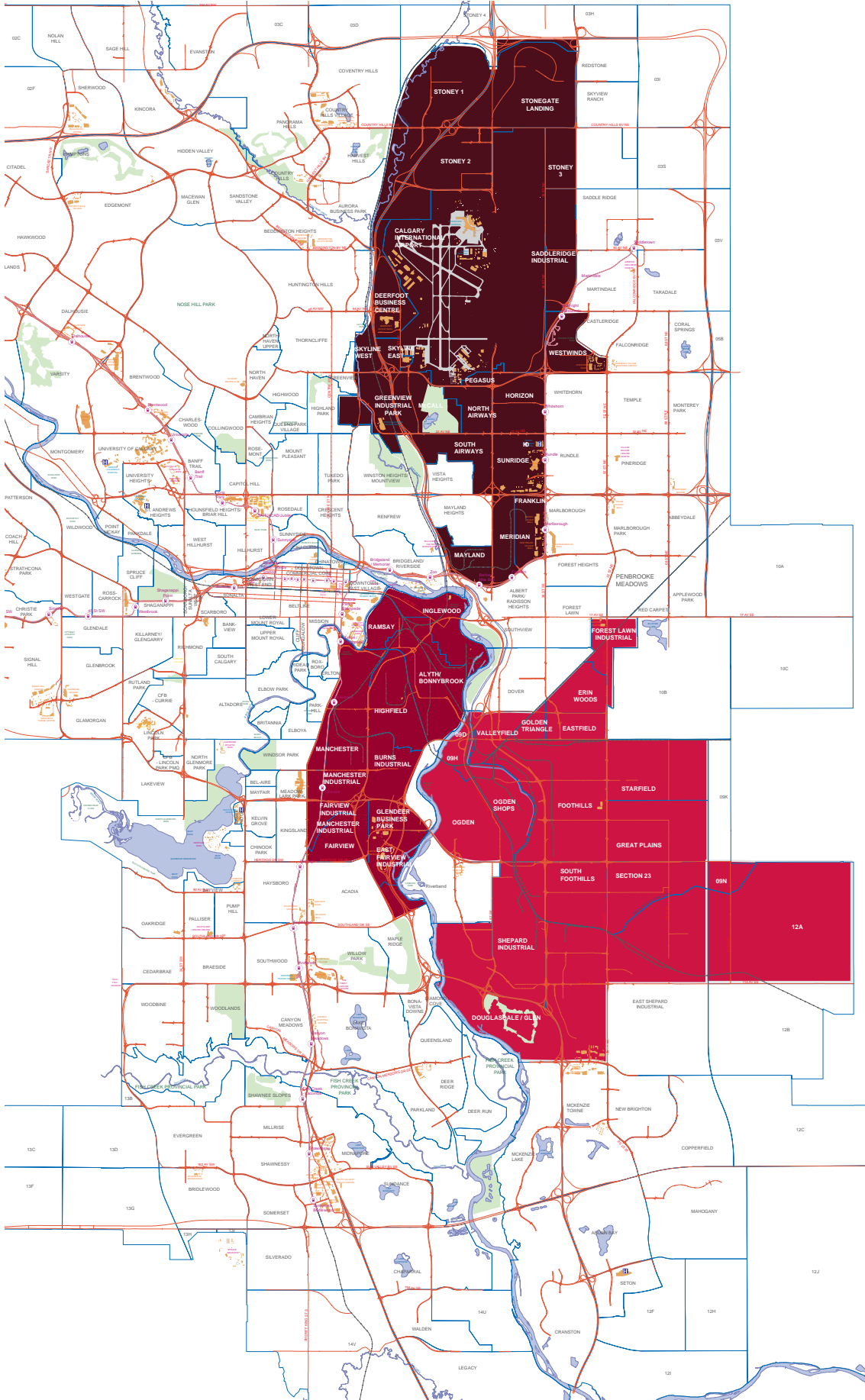
15,856,454
TOTAL SQ. FT. AVAILABLE

447
TOTAL LISTINGS
*As of March 31st, 2024




Availability includes vacant space, occupied space being marketed, and speculative space under construction. *Some listings are counted in multiple size ranges if they can be demised.

CALGARY INDUSTRIAL STATS BY AREA




NORTHEAST

4.14%
Vacancy 

1,975,293 sq. ft.
Vacancy sq. ft.

47,739,616
Total Inventory


CENTRAL

0.46%
Vacancy 

135,076 sq. ft.
Vacancy sq. ft.

29,578,303
Total Inventory


SOUTHEAST

3.29%
Vacancy 

2,275,069 sq. ft.
Vacancy sq. ft.

69,126,782
Total Inventory

OUTSIDE CITY LIMITS




5.87%
Vacancy 

1,346,218 sq. ft.
Vacancy sq. ft.





22,951,237
Total Inventory

 Increase  Decrease

NOTABLE SINGLE-USE LEASE TRANSACTIONS Q1 2024

	Address	Tenant	Market	Lease Type	Size
	7032 Farrell Road SE	Stock Transportation Company	Fairview	Head Lease	10,470 sf on 1 acre
	5472-56th Avenue SE	Undisclosed	Starfield	Head Lease	13,700 sf on 1.25 acres
	235100 Ryan Road SE	Ant Rentals Ltd.	MD of Rockyview	Head Lease	21,100 sf on 4.04 acres
	7910-51st Street SE	NCS International	Foothills	Head Lease	51,886 sf on 2.20 acres

NOTABLE SINGLE-USE OWNER USER SALE TRANSACTIONS Q1 2024

	Address	Purchaser	Market	Size	Sale Price
	4435-90th Avenue SE	Ming Cheng Development Ltd.	South Foothills	21,500 sf on 1.71 acres	\$4,900,000.00
	6404 Burbank Road SE	2560522 Alberta Ltd.	Burns	21,739 sf on 3.08 acres	\$6,300,000.00
	3131-57th Avenue SE	ABI Mouldings	Foothills	51,536 sf on 5.5 acres	\$6,000,000.00
	3111 Shepard Place SE	ATCO Gas & Pipelines LTD.	Shepard	90,601 sf on 11.77 acres	\$15,500,000.00

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