Greater Calgary investment report

H2 2025

AVISON YOUNG

Industrial and multifamily dominate amid policy-driven shifts

Improving credit conditions and rate cuts position the market for renewed investment activity across core sectors, highlighted in both industrial and multifamily.

$3.12B

total commercial real estate investment volume in 2025 year to date (YTD)

356

total transactions across the Greater Calgary Area in 2025 YTD

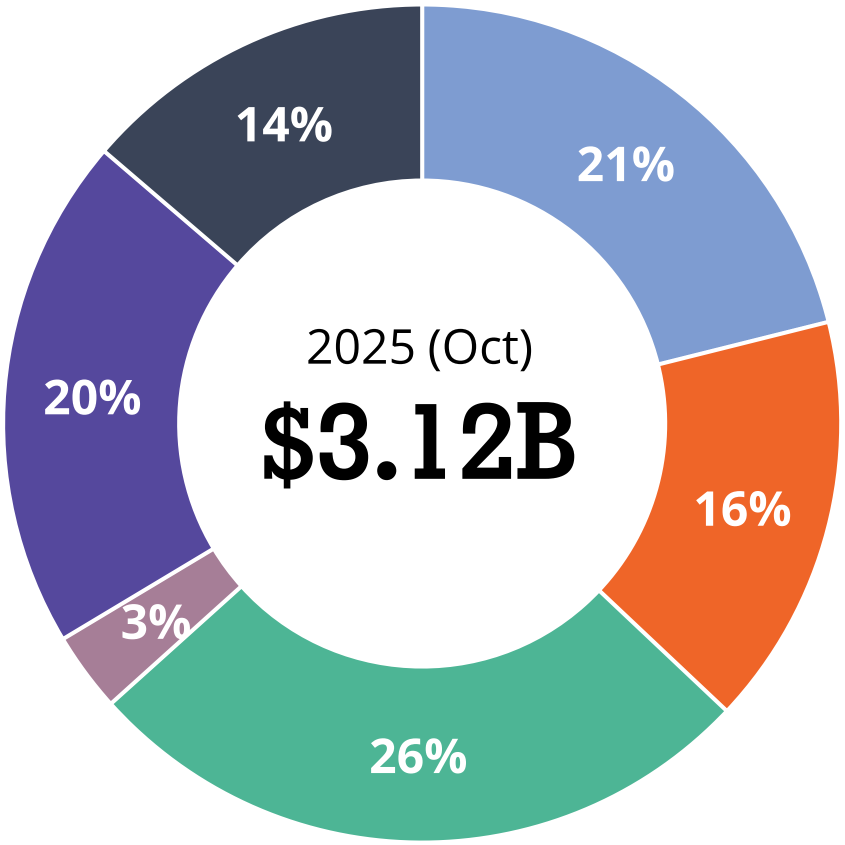
$3.98B

total commercial real estate investment volume in 2024

$981M

Industrial transaction volume, top asset class by volume in 2025 YTD

Greater Calgary investment activity



	2023	2024	2025 (YTD)
Office	$334.3M	$530.2M	$617.3M
Industrial	$787.2M	$751.1M	$816.8M
Retail	$526.8M	$902.7M	$495.1M
Multifamily	$627.1M	$1.14B	$655.4M
Industrial Land	$241.5M	$199.2M	$95.2M
Residential land	$567.9M	$453.6M	$426.3M
Total	**$2.95B**	**$3.98B**	**$3.12B**

Investment trends to watch

Debt markets move toward normalization

Canada's debt markets are gradually normalizing as the yield curve starts to correct from its prolonged inversion. Declining short-term rates paired with more stable long-term yields are restoring confidence in economic conditions and improving access to credit. This shift is narrowing the gap between borrowing costs and cap rates, creating a more supportive environment for capital deployment—particularly into stable, lower-risk assets.

Industrial demand strong amid limited supply

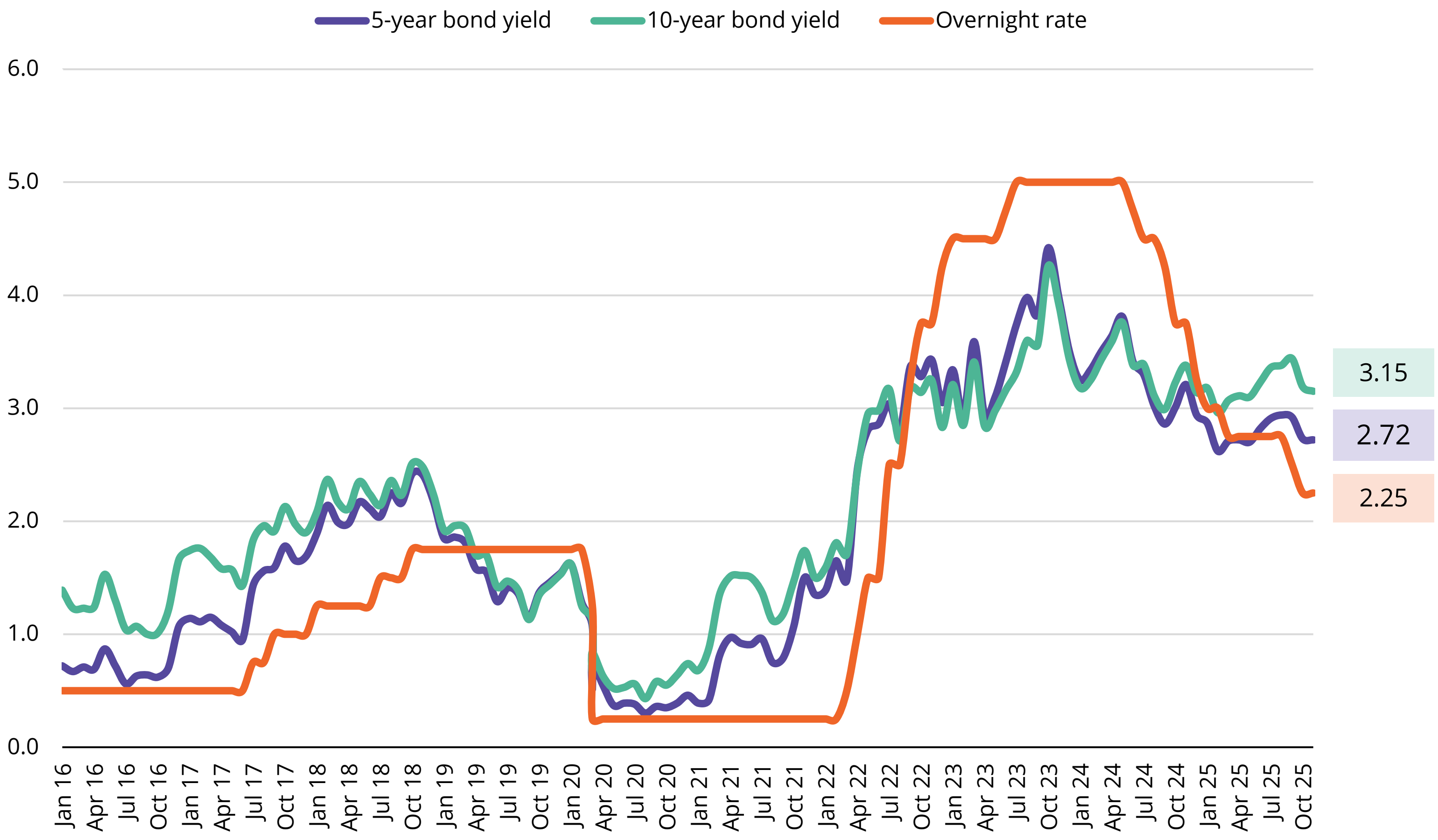
The new federal budget introduces the Productivity Super-Deduction (see Avison Young's federal budget analysis here), which will allow businesses to fully expense eligible assets in the first year. This incentive enhances upfront cash flow for industrial landlords and makes new construction and upgrades more feasible. As the market continues to face a shortage of available inventory, this new incentive will increase demand of newer builds within the coming months.

Alberta emerges as Canada's innovation hub

Alberta continues to outperform other provinces as an investment destination, supported by its high quality of life, affordability, and business-friendly environment. The local economy continues to diversify beyond oil and gas, leading to job opportunities. Moreover, with approximately $2.4 billion of venture capital being invested over the past 4 years, Calgary's tech sector is expanding and attracting new entrants. This momentum is expected to continue to boost investment demand heading into the new year.

Debt markets

Bond yields and interest rates overtime



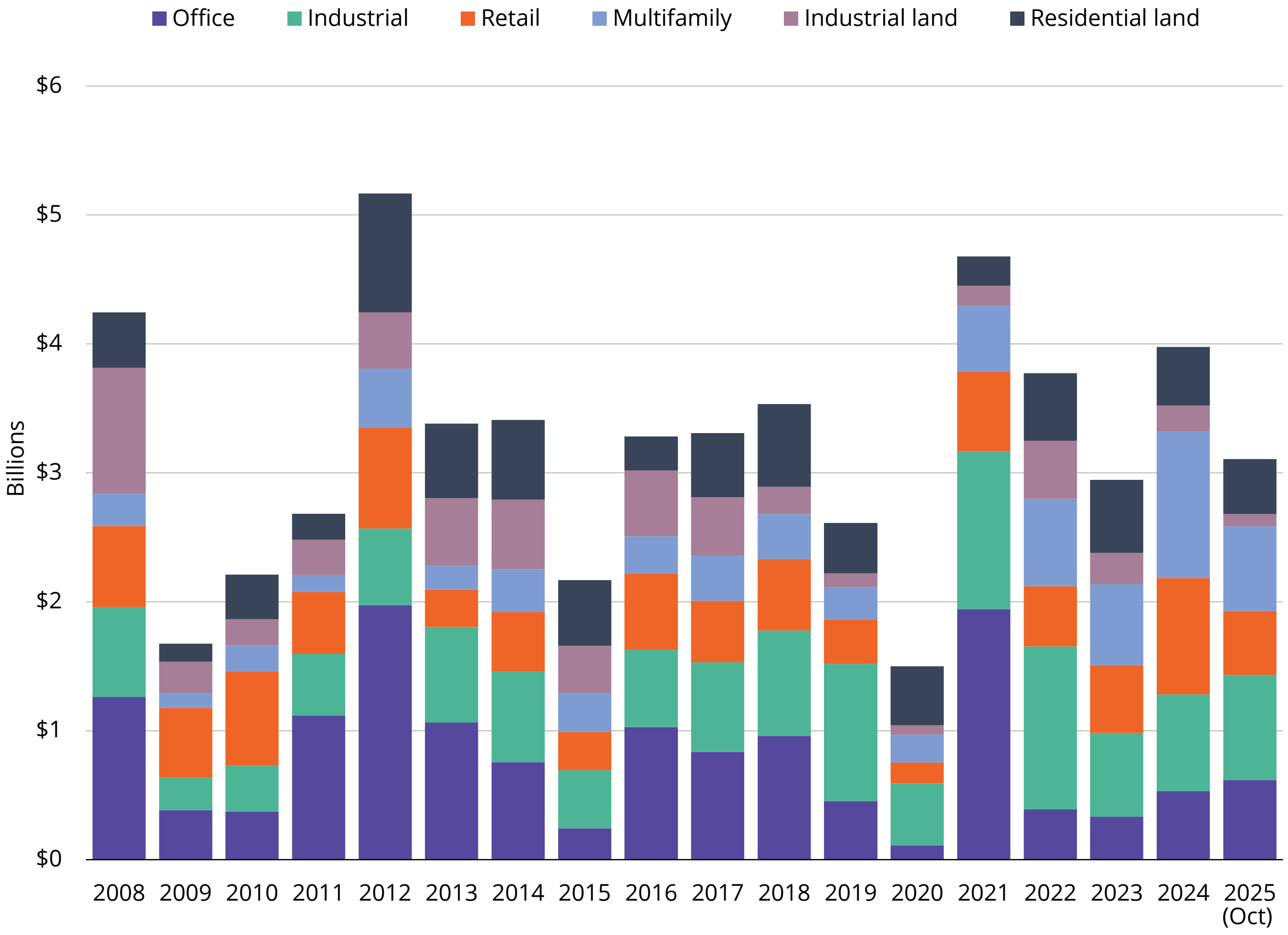
Source: Bank of Canada

"Bond yields and interest rates for commercial income-producing assets declined slightly throughout September and October. This trend, coupled with the Bank of Canada's October 29 decision to lower the overnight rate by another 25 bps, attributes to acquisition and term financing for investment sales continuing on an exceptional path for investors.

Retail investment properties have evolved as a preferred asset class for lenders looking to diversity their portfolio, while industrial and multi-residential properties are still underwritten and priced favourably. Calgary income-producing properties offer an excellent yield and levered return to investors at current interest rates, a trend that will continue into 2026."

Brennan Yadlowski
Principal &
Managing Director
Calgary, AB

Greater Calgary investment overview



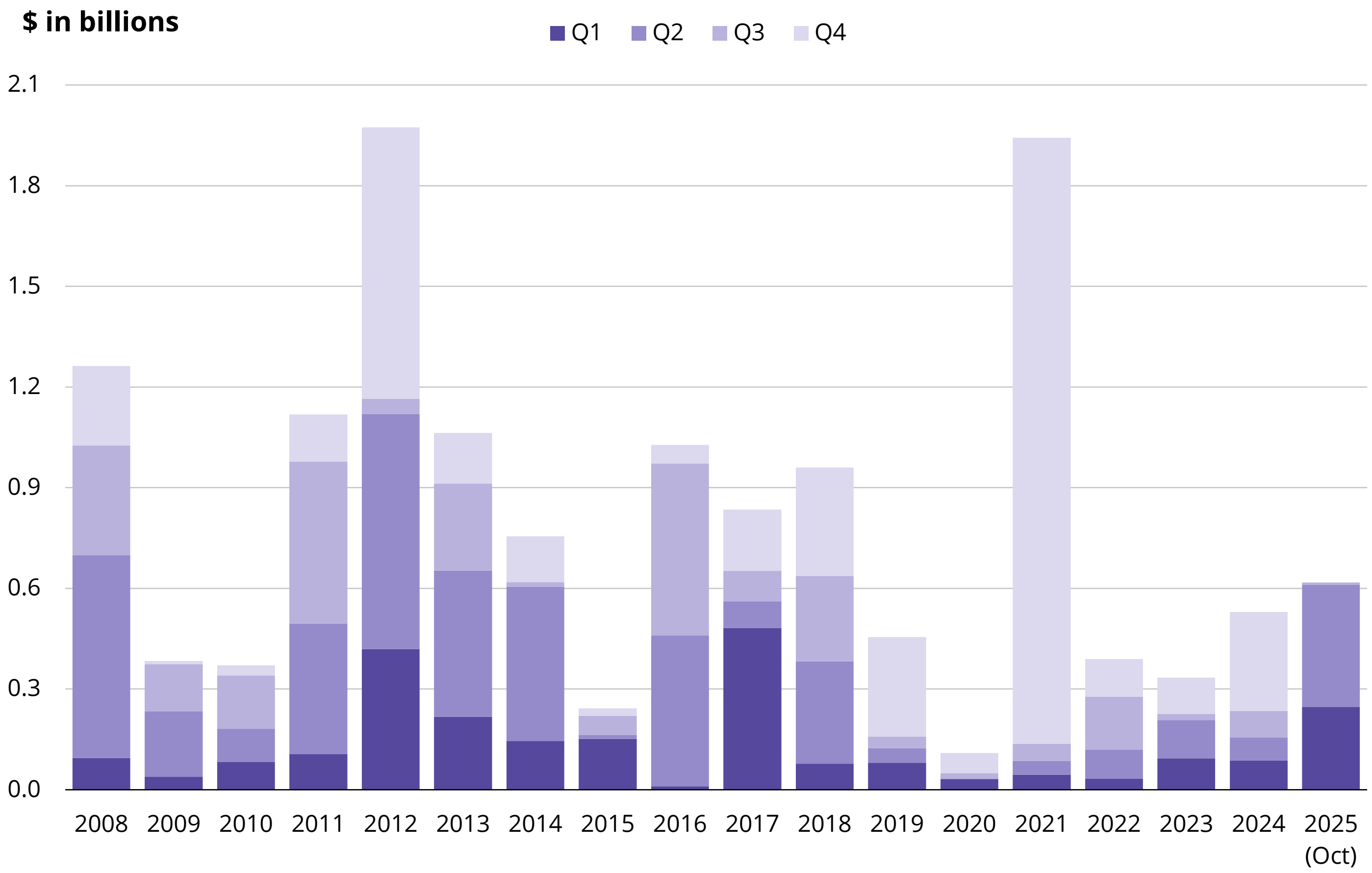
Source: The Network, CoStar, Altus Data Studio
(as of Sept 30, 2025, Transactions valued >= $1M CAD)

Investor sentiment shifted in 2025, with strengthening demand for industrial assets and sustained momentum in the multifamily sector.

Newly introduced municipal and federal initiatives are set to further stimulate activity across both asset classes, positioning them for increased investment as the market moves into 2026.

Office investment volume

Historic office market trends



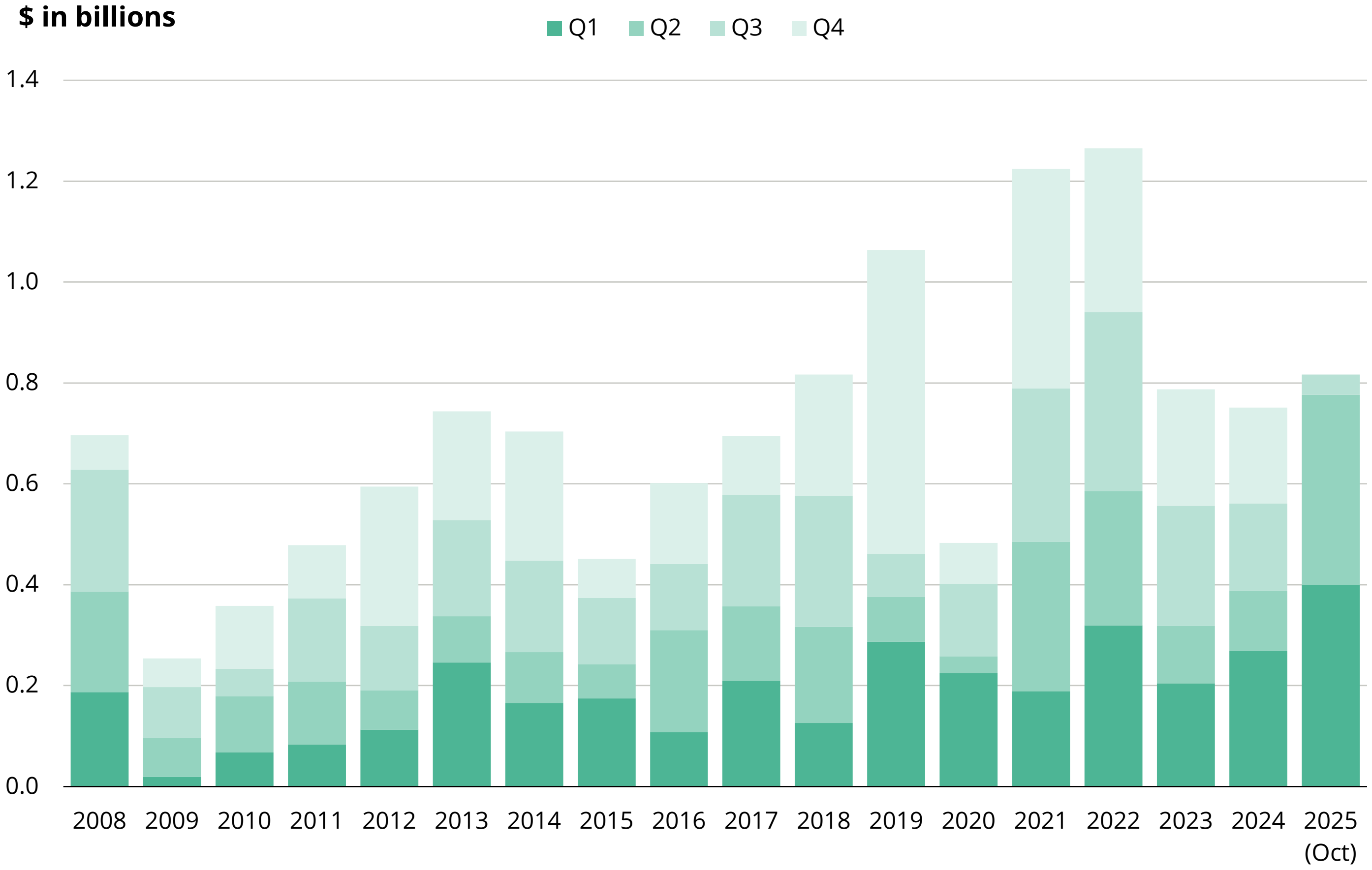
Source: The Network, CoStar, Altus Data Studio
(as of Sept 30, 2025, Transactions valued >= $1M CAD)

Sales have already surpassed 2024's total, extending the recovery trend observed over the past three years.

Investment activity remains driven primarily by the purchase of underutilized office buildings for conversion and repositioning projects, as investors continue targeting value-add opportunities.

Industrial investment volume

Historic market trends



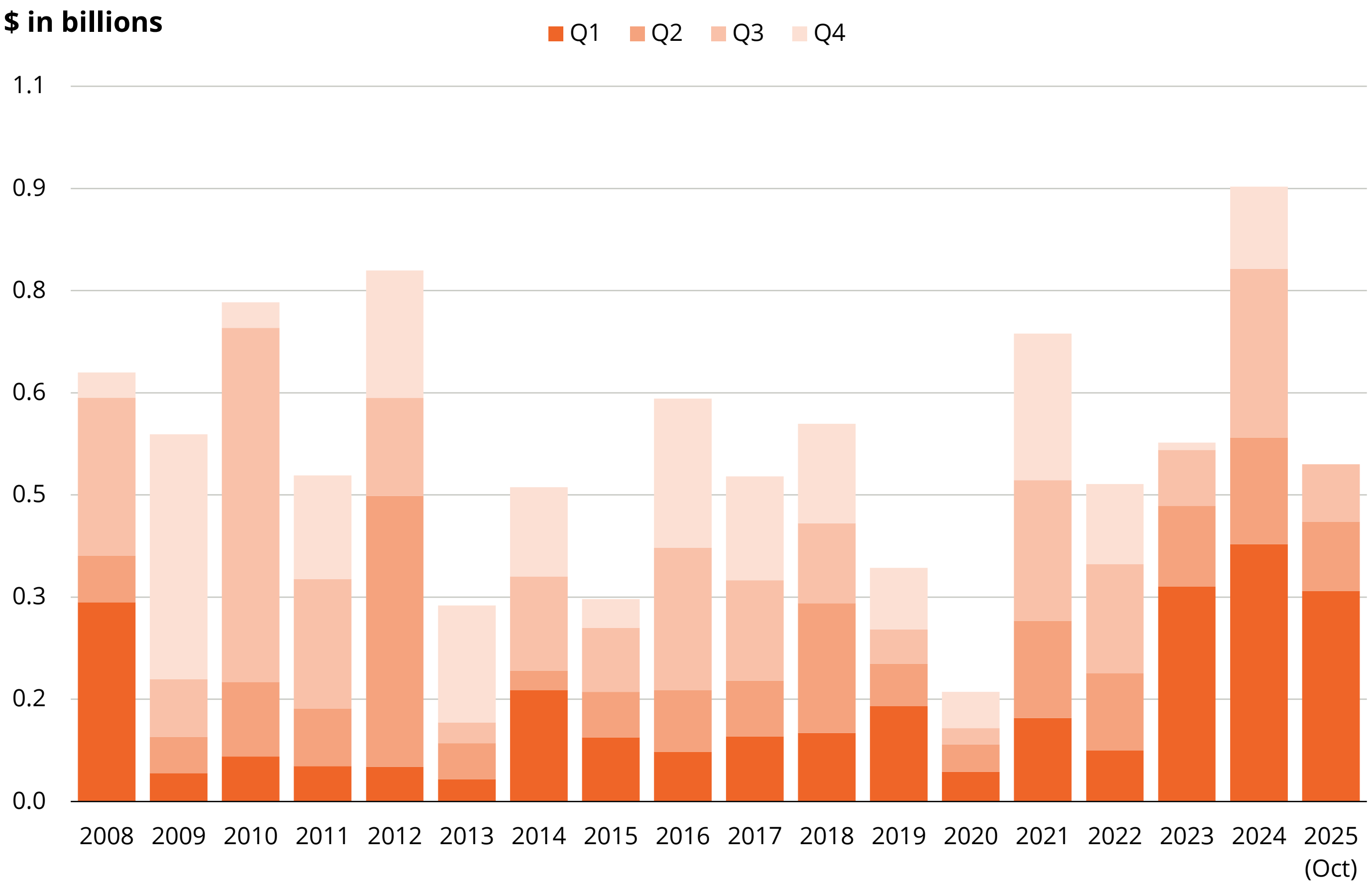
Source: The Network, CoStar, Altus Data Studio
(as of Sept 30, 2025, Transactions valued >= $1M CAD)

The sector's strong fundamentals and sustained appeal is prompting many landlords to hold their properties and not sell. However, investment transaction volume for industrial assets continues to outperform pre-pandemic levels.

Looking ahead to 2026, the government's super deduction program could prompt a surge in new construction and driving additional investment activity across the industrial landscape.

Retail investment volume

Historic market trends



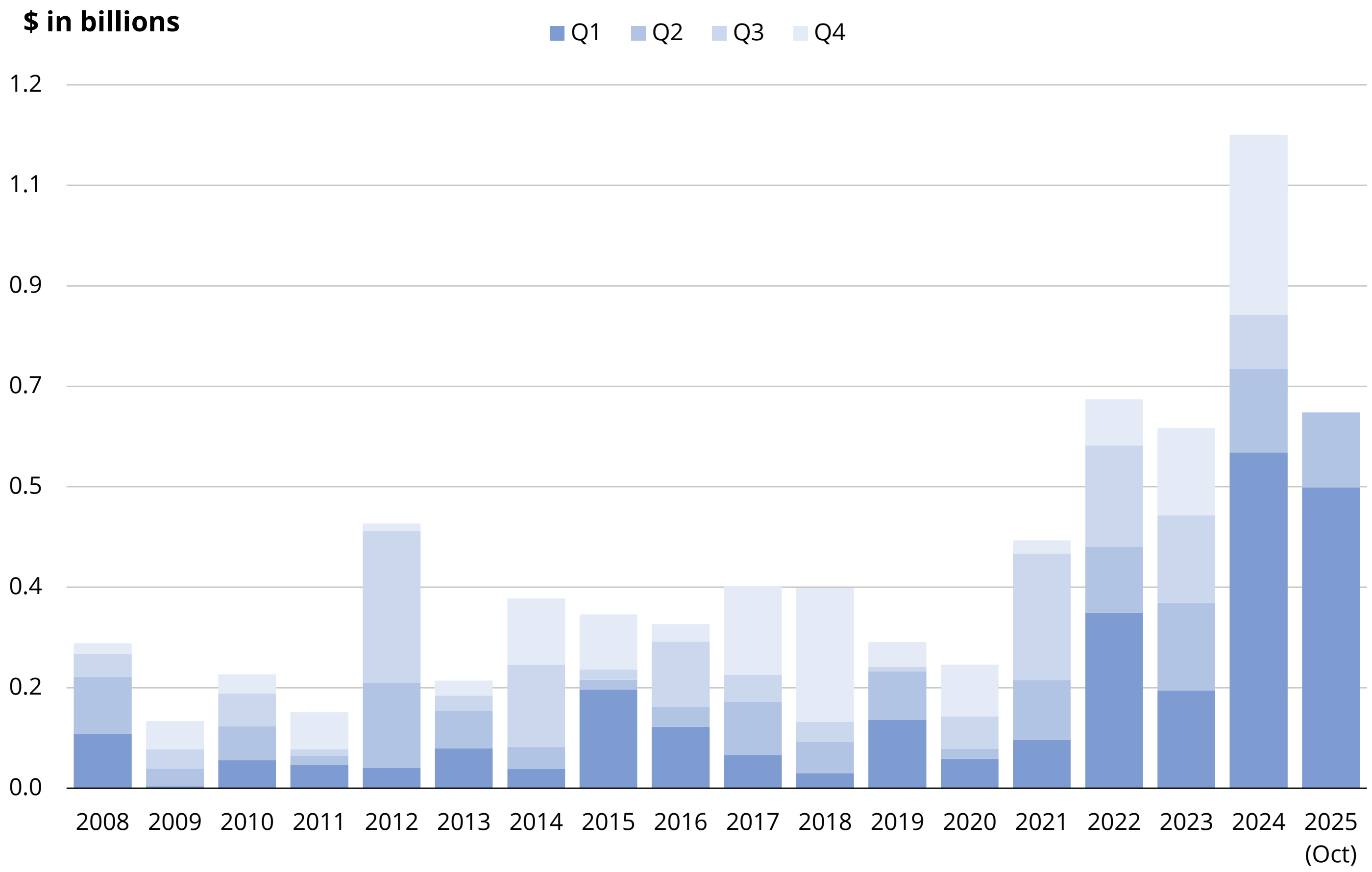
Source: The Network, CoStar, Altus Data Studio
(as of Sept 30, 2025, Transactions valued >= $1M CAD)

Retail sales have cooled following last year's exceptional surge, influenced largely by uncertainty around the impact of tariffs, which have tempered investor appetite in most sectors, including retail.

That said, the YTD total for retail investment has already reached $495B and is on track to surpass the total volumes for 2022 and 2023.

Multifamily investment volume

Historic market trends



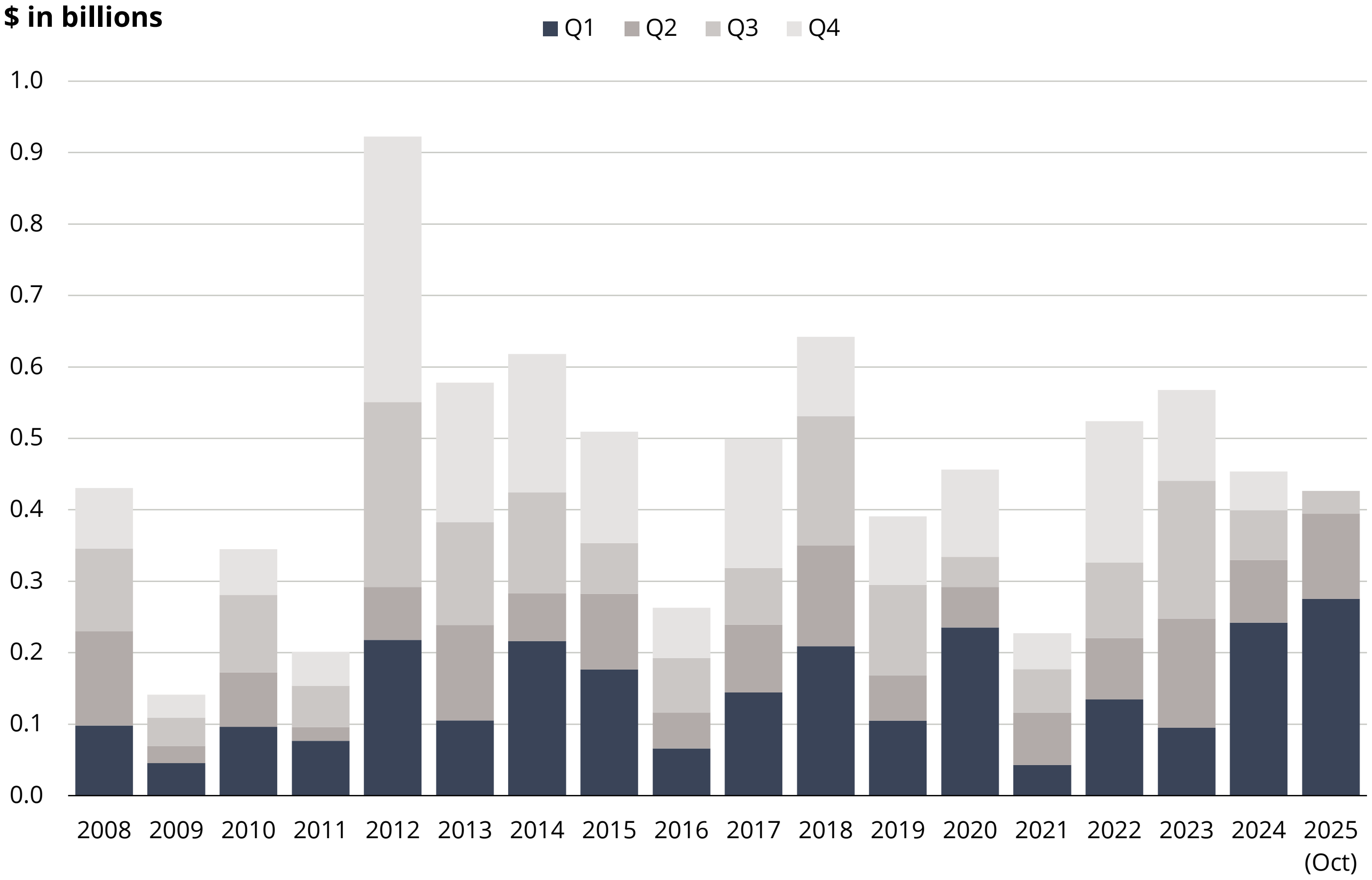
Source: The Network, CoStar, Altus Data Studio
(as of Sept 30, 2025, Transactions valued >= $1M CAD)

Investment activity in 2025 is expected to match 2024 levels. This year has shown more involvement from institutional investors, accounting for roughly one-third of total volume. Alberta's competitive advantage continues to draw increased attention from out-of-province investors, reinforcing Calgary's appeal in the multifamily.

The recent policy rate cuts could open the door to more favourable financing conditions for multifamily assets in 2026.

Residential land investment volume

Historic market trends



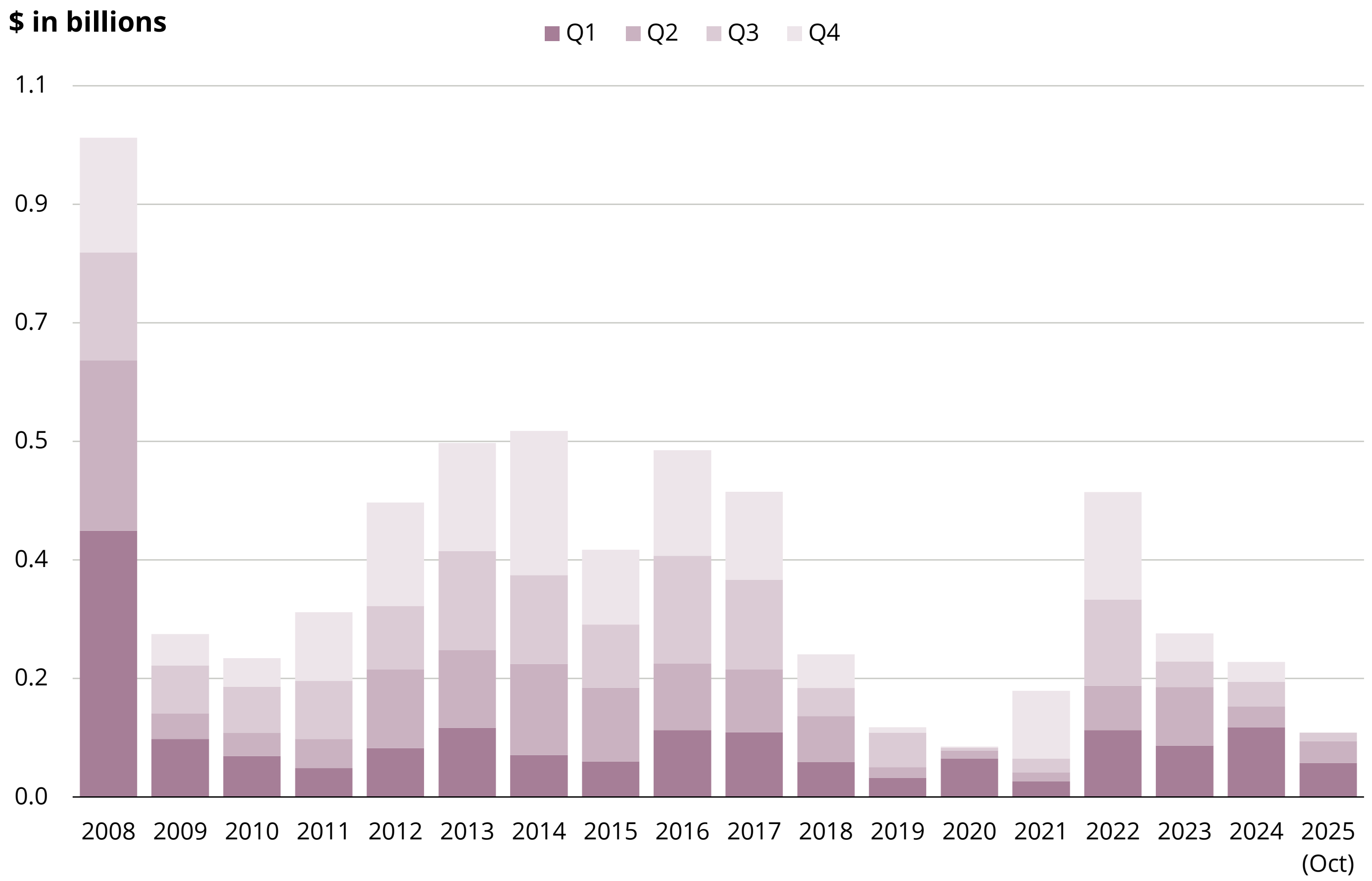
Source: The Network, CoStar, Altus Data Studio
(as of Sept 30, 2025, Transactions valued >= $1M CAD)

Public sector efforts to promote density, along with new and diverse housing types are underway, potentially bringing a new dynamic to the utility and value of residential land markets.

Residential land transactions in Calgary have been relatively stable since 2022. YTD transaction volume stands at $426M.

Industrial land investment volume

Historic market trends



Source: The Network, CoStar, Altus Data Studio
(as of Sept 30, 2025, Transactions valued >= $1M CAD)

Industrial land sales in 2025 total $127M YTD, well down from the high mark set in 2022 of $450 million. The market is facing a bottleneck of development-ready serviced land with much of the supply within the city limits being controlled by the City of Calgary, while institutional land holders have shown a preference to develop their holdings before selling.

Greater Calgary major transactions 2025 YTD

Name & Address	Type	District	Sale price	Purchaser	Vendor
Portfolio Sale (Centennial Place, Eau Claire Tower, 400 Third)	Office	Downtown	$311,250,000	Oxford Properties	CPP Investments
83 Quarry Park Road NE	Multifamily	Quarry Park	$119,900,000	Fiera Real Estate	Remington Development
Elbow 5-Eight 730 58 Avenue SW	Multifamily	Windsor Park	$93,000,000	Boardwalk REIT	Cove Properties
The Jovie Apartments 235 Carrington Plaza NW	Multifamily	Carrington	$62,000,000	Ferrovia Capital	Royop Development
388 Country Hills Boulevard NE	Retail	Country Hills	$54,500,000	Canadian Tire (CT) REIT	Primaris REIT
908 53 Avenue NE	Industrial	Airport Industrial	$52,000,000	Synergy Skyline GP	ONE Properties
292028 Crosspointe Road	Industrial	Balzac	$45,500,000	Dayhu Investments	MH Crosspointe III GP

Avison Young featured transactions

Name	5/5	Centre 555	Gasoline Alley Gateway
Address	550 11th Ave SW, Calgary, AB	547, 555 & 559 11th Ave SW, Calgary, AB	159 Leva Avenue, Red Deer County, AB
Price per sf	$86 per sf	$454 per sf	$390 per sf
Building size	96,164 sf	19,798 sf	25,945 sf
Sale price	**$8,300,000**	**$9,000,000**	**$10,125,000**

GCA investment market stats

	Q1 2025 volume	Q2 2025 volume	Q3 2025 volume	Q1 2025 sales	Q2 2025 sales	Q3 2025 sales
Office	$246,667,989	$364,757,500	$5,900,000	32	16	2
Industrial	$400,164,263	$376,323,615	$40,350,000	49	39	7
Retail	$309,022,263	$101,877,720	$84,224,050	26	17	4
Multifamily	$524,179,506	$129,980,140	$1,195,000	33	24	1
Industrial land	$50,321,400	$31,838,750	$13,018,680	9	11	6
Residential land	$275,600,360	$119,070,052	$31,668,640	45	32	3
Total	**$1,805,955,781**	**$1,123,847,777**	**$176,356,370**	**194**	**139**	**23**

	Q1 2025 total size	Q2 2025 total size	Q3 2025 total size YTD	Q1 2025 average price	Q2 2025 average price	Q3 2025 average price YTD
Office	1,991,764 sf	3,033,929 sf	47,010 sf	$124 per sf	$120 per sf	$126 per sf
Industrial	2,041,719 sf	2,279,073 sf	204,544 sf	$196 per sf	$165 per sf	$197 per sf
Retail	873,621 sf	299,079 sf	261,465 sf	$354 per sf	$341 per sf	$322 per sf
Multifamily	1,778 units	474 units	5 units	$294,814 per unit	$274,220 per unit	$239,000 per unit
Industrial Land	44 acres	223 acres	21 acres	$1,143,668 per acre	$142,774 per acre	$619,937 per acre
Residential land	593 acres	209 acres	146 acres	$464,714 per acre	$570,587 per acre	$216,360 per acre

For more market insights and information visit **avisonyoung.com**

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