

Calgary office sector leads overall investment sales

27% of first quarter transactions

BY MARIO TONEGUZZI MAY 17, 2011 7:02 AM



Tanya Colasurdo, associate broker with Barclay Street Real Estate Ltd., says currently the Calgary downtown office vacancy rate is just below 10 per cent which is equivalent of about 3.7 million square feet of available inventory.

Photograph by: Stuart Gradon, Calgary Herald

CALGARY — The office sector registered the largest dollar volume component out of all asset classes during the first quarter of this year for Calgary commercial real estate investment sales.

A report by Barclay Street Real Estate Ltd. says the sector had 27.2 per cent of all sales, up from 23 per cent in the first quarter of 2010. Total dollar volume reached just over \$106 million, a 31 per cent increase from the just under \$82.2 million recorded the previous year.

There were eight office transactions over \$1 million in the quarter with the average price per square foot at \$193.

"While this is only 2.5 per cent below the 10-year average of \$198/sf, it remains well off the peak average of \$385/sf in 2008," said the report.

The industrial sector recorded the second highest dollar volume out of all asset classes with 22 per cent of the property transactions in the first quarter of this year, up seven per cent from the same period a year ago.

Total dollar volume in this sector reached just under \$87.9 million, an increase of 26 per cent year-over-year. There were 15 transactions with an average price per square foot of \$158, above the 10-year average of \$106.

Barclay Street says there were 16 retail transactions over \$1 million in the quarter with a total dollar volume of just under \$52.2 million, down 20.8 per cent from the first quarter of 2010. The average price per square foot was \$275, down from \$298 in the first quarter of last year but above the 10-year average of \$230.

The retail sector comprised 18.5 per cent of the total dollar volume for all commercial real estate investment.

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