

Calgary Commercial Real Estate Investment Insights

Market Analysis Mid-Year 2025

“We are confident that the strength of current fundamentals will drive a powerful second half for the investment market this year.”



David Wallach
CCIM, Owner/Broker
Barclay Street Real Estate

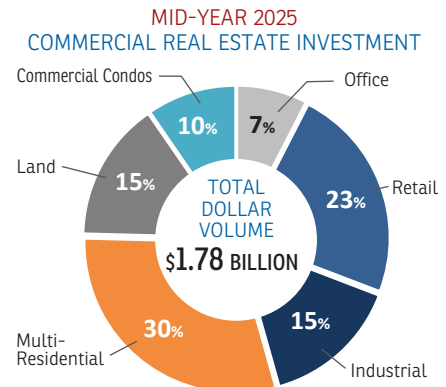
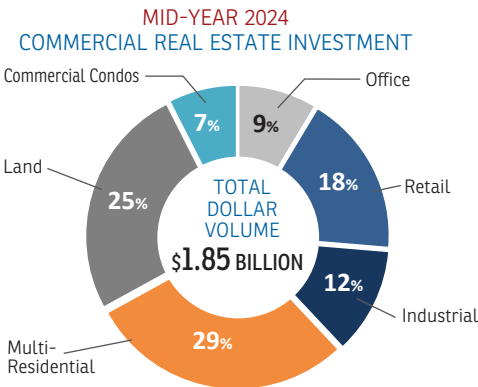
Calgary's commercial investment market through the first half of 2025 was shaped by broader economic conditions, including interest rate fluctuations, and global stability concerns. Despite these headwinds, investor activity held relatively firm. Locally, Calgary's population growth, continued demand for industrial and logistics space, and ongoing infrastructure projects are reinforcing the city's long-term fundamentals. Access to capital, both domestic and international, and the relative performance of key asset classes—particularly multi-residential and industrial—

remain the primary factors influencing investment activity moving forward.

Overall Investment Activity

A total of 315 transactions closed in the first six months of the year, amounting to approximately \$1.77 billion. The first quarter began with strong momentum, recording \$992 million in sales, before moderating slightly in the second quarter with \$783 million. Together, these figures represent about 96% of mid-year 2024 levels. While investment in office, land, and commercial condos fell short of last year's pace, demand for industrial, retail, and multi-residential assets strengthened. Multi-residential properties continued to attract sustained investor appetite, while industrial sales grew, partly due to new development activity in Balzac. Commercial condo investment declined 22% in dollar volume year-over-year, though the sector still represented 39% of completed number of transactions.

	Mid-Year 2024	Mid-Year 2025	Y-O-Y Change
Office	\$155,620,890	\$136,864,285	(\$18,756,605)
Retail	\$321,179,280	\$422,269,000	\$101,089,720
Industrial	\$211,164,000	\$269,088,918	\$57,924,918
Multi-Residential	\$525,420,499	\$540,148,596	\$14,728,097
Land	\$462,528,393	\$272,249,569	(\$190,278,824)
Commercial Condominiums	\$173,956,665	\$135,114,809	(\$38,841,856)
Total Dollar Volume	\$1,849,869,727	\$1,775,735,177	(\$74,134,550)



MID-YEAR 2025 MAJOR TRANSACTIONS

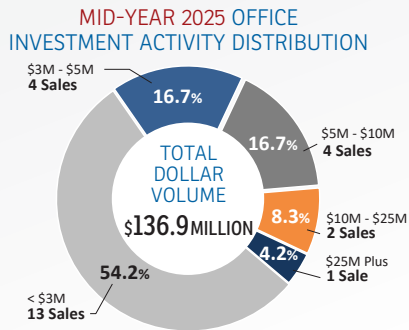
Office

Property	Subdivision	Size	Sale Price	Unit Price	Vendor	Purchaser
736 6 Ave SW	Downtown	191,582 sf	\$15,300,000	\$80/sf	Manulife Alberta	Primacorp Ventures Inc.
350 7 Ave SW (First Canadian Centre)	Downtown	540,000 sf	\$46,500,000	\$86/sf	The Canada Life Assurance Company	Armco Capital Inc.
1200, 163 Quarry Park Blvd SE	Douglasdale/Glen	91,348 sf	\$52,450,000	\$574/sf	LCPF Realty Inc.	Salthill Capital Corporation
700 Centre St SE (Hyatt Regency Calgary)	Downtown	-	\$125,500,000	\$353,521/Suite	Jowidana Hotels Ltd.	Fallsview Group
2728 Hopewell Place NE	Horizon	126,760 sf	\$19,000,000	\$150/sf	I.G. Investment Management Ltd.	2062895 Alberta Ltd.
908 53 Ave NE	Skyline East	348,947 sf	\$52,000,000	\$149/sf	ONE Properties Skyline Inc.	Synergy Skyline Ltd.
730 58 Ave SW (Elbow 58)	Windsor Park	255 Units	93,000,000	\$364,706/Suite	Cove Properties Inc.	Boardwalk REIT Properties
83 Quarry Park Rd SE (Deville Quarry Park)	Douglasdale/Glen	333 Units	119,900,000	\$360,060/Suite	Remington Development Corp.	Fiera Real Estate Core Fund Inc.
310 210 Ave SW	Belmont	79.14 Acres	\$24,000,000	\$303,260/Acre	Domain Apartments Ltd.	Balboa Investments Inc.
13311 15 St NE	Stoney 1	122.36 Acres	\$25,000,000	\$204,315/Acre	JEC Enterprises Inc.	WCRO Coventry Calgary Inc.
3111 27 St NE	Sunridge	169,013 sf	\$8,980,488	\$310/sf	Bucci Sunridge Development	2675562 Alberta Ltd
6004 Country Hills Blvd NE	Skyview Ranch	18,566 sf	\$10,500,000	\$1,152/sf	LaCaille Group	Kailash Land Holdings Inc

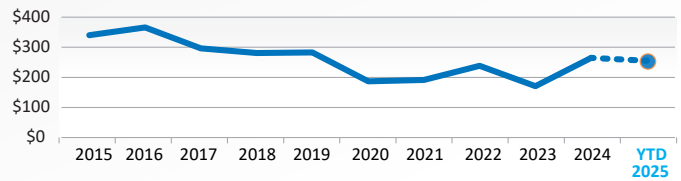
Office Investment

Office investment was subdued compared to recent years, with total dollar volume declining 12% from mid-2024 levels and 59% from mid-2023, despite a relatively consistent number of closed deals.

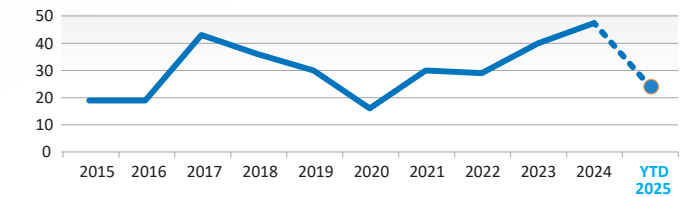
The absence of large-scale transactions over \$25 million weighed heavily on performance. Average deal size was approximately \$3.4 million, excluding two notable downtown transactions – 736 6th and First Canadian Centre – which together totaled \$61.8 million, a sharp increase from 2024s mid-year \$40.5 million across the largest office transactions. Activity was concentrated in suburban offices, which accounted for 20 of the 24 completed transactions and totaled \$70.4 million. These suburban properties also achieved considerably higher average pricing per square foot compared to downtown assets at \$257/sf and \$92/sf respectively – excluding the outlying sale of 553 Riverfront Ave SE at \$687/sf.



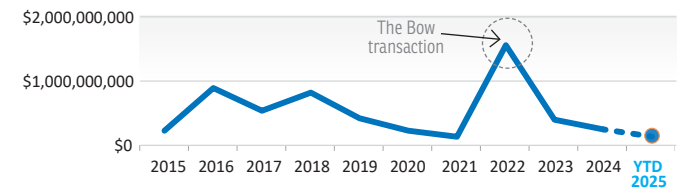
AVERAGE PRICE PER SQUARE FOOT



NUMBER OF TRANSACTIONS



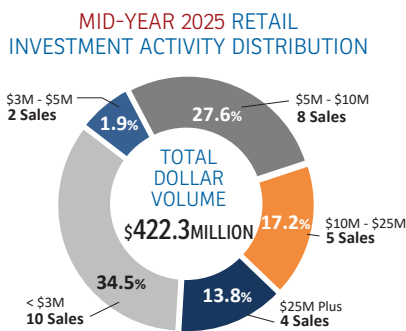
TOTAL \$ VOLUME



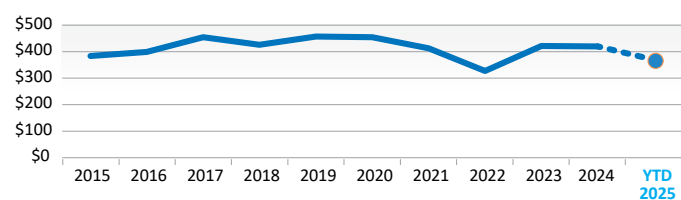
Retail Investment

Retail investment posted one of the stronger performances of the year, with total sales reaching \$422.3 million by mid-year, a 31% increase over mid-2024.

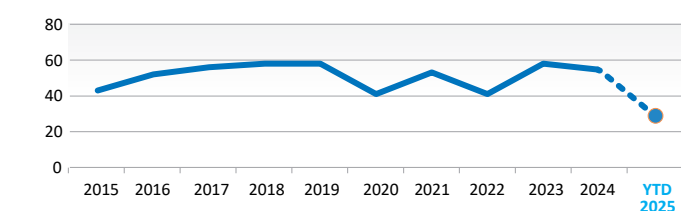
However, much of this growth was driven by one of the largest hotel sales in Calgary, the \$125.5 million sale of the Hyatt Regency hotel in Calgary's downtown core acquired by Fallsview Group. Without that transaction, the sector would have recorded an 8% decline. A total of 29 deals closed in the first six months, slightly ahead of the 27 completed by this point in 2024. Activity shifted away from the lower end of the market, with only 38% of transactions under \$5 million compared to mid-2024s 63%. Investors were more active in the mid-range price bracket between \$5 million and \$20 million, with several larger deals also contributing to overall volume. Average pricing rose modestly to just under \$370 per square foot, compared to \$358 at mid-year 2024.



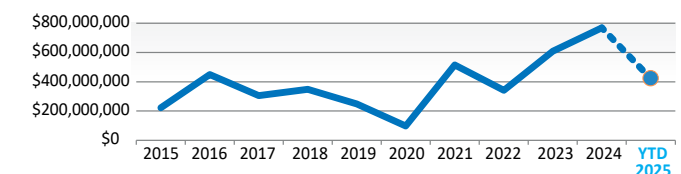
AVERAGE PRICE PER SQUARE FOOT



NUMBER OF TRANSACTIONS



TOTAL \$ VOLUME

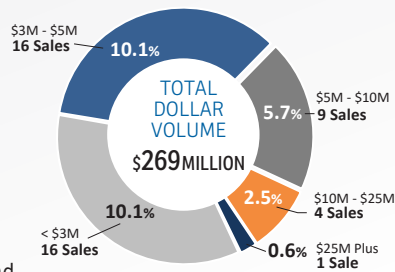


Industrial Investment

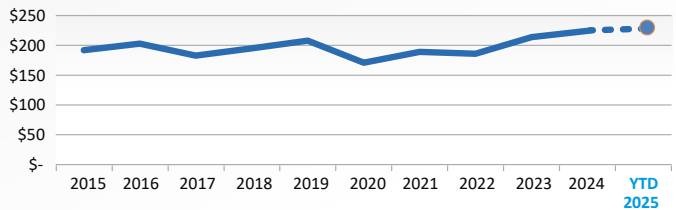
Industrial assets continued to demonstrate strong demand, with 46 transactions closed by June 30 compared to 39 at the same point last year.

As of June 30th, dollar volume rose 27%, increasing from \$211.2 million in 2024 and \$269.1 million in 2025. Much of this activity was driven by owner-users, who accounted for roughly 67% of acquisitions and were particularly active in the 9,000 to 32,000 square foot range. Notable transactions included the \$19 million purchase of a 126,000 square foot warehouse by 2062895 Alberta Ltd. and the \$52 million acquisition of a 348,000 square foot warehouse by Synergy Skyline Ltd. This steady demand reflects Calgary's broader economic diversification, with strength in logistics, manufacturing, and distribution underpinning activity. Vacancy across the city remained healthy at 4.7% with availability at 6.6% at mid-year.

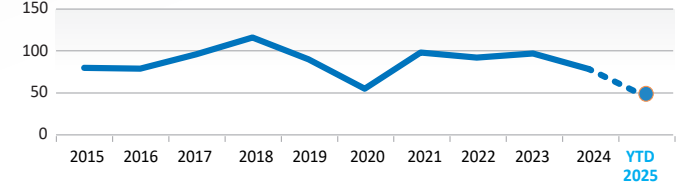
MID-YEAR 2025 INDUSTRIAL INVESTMENT ACTIVITY DISTRIBUTION



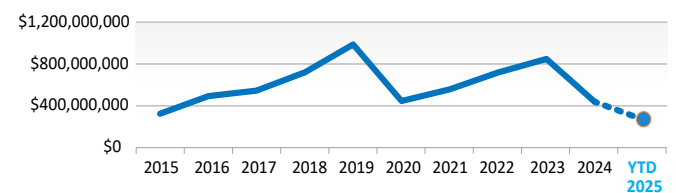
AVERAGE PRICE PER SQUARE FOOT



NUMBER OF TRANSACTIONS



TOTAL \$ VOLUME

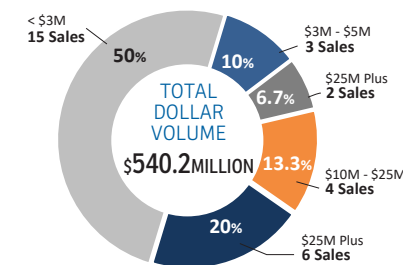


Multi-Residential Investment

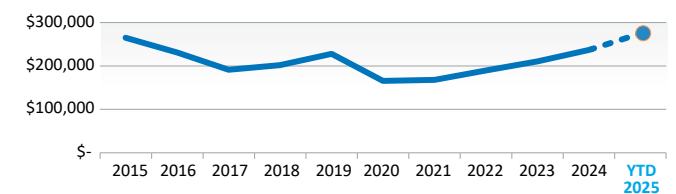
Multi-residential assets once again emerged as one of the city's most resilient investment categories, extending a five-year trend of mid-year growth and setting a record high in 2025.

Sales totaled \$540.2 million across 30 transactions, a 3% increase from mid-year 2024. Performance was driven less by the number of deals and more by higher pricing, with eight sales above \$25 million, including three above \$50 million. Noteworthy transactions included Fiera Real Estate's \$119.9 million purchase of Deville Quarry Park, equating to roughly \$360,000 per suite, and Boardwalk REIT's \$93 million acquisition of Elbow 58 at an average of \$365,000 per suite. Investor appetite remained particularly strong for larger multi-family properties, with seven purchases of buildings over 100 units, including three with more than 250 units. Although multi-residential remains one of the most attractive asset classes, new supply has tempered rent growth in early 2025. At the same time, land values have yet to adjust, leaving developers struggling to justify projects at today's softer rental rates. This disconnect is

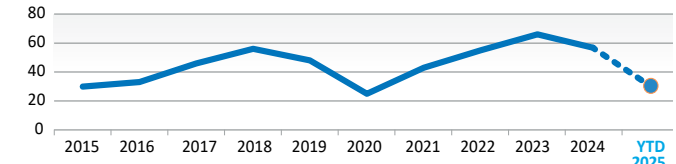
MID-YEAR 2025 MULTI-RESIDENTIAL INVESTMENT ACTIVITY DISTRIBUTION



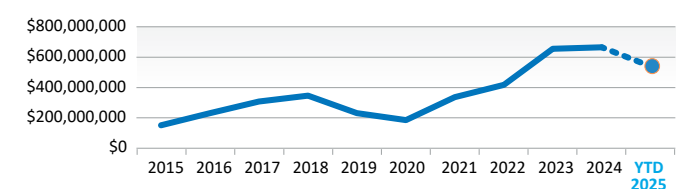
AVERAGE PRICE PER UNIT



NUMBER OF TRANSACTIONS



TOTAL \$ VOLUME



slowing land activity but underscores the resilience of well-located, quality multi-family assets.

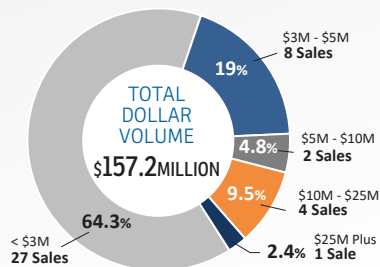
Land Investment

Land investment activity slowed considerably in the first half of the year, totaling \$272.3 million across 63 transactions – a 41% year-over-year decline from mid-2024.

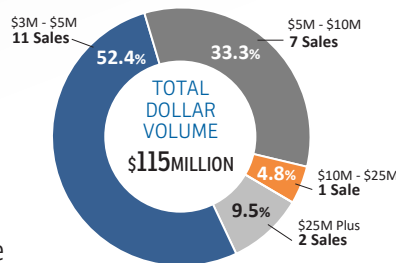
This downturn is not driven by a lack of interest but rather by a growing mismatch between seller and buyer expectations. Many landowners have raised asking prices, yet developers are unable to meet these higher valuations due to the softening of rental rates. As a result, properties priced at the upper end of the market are sitting longer without transacting, contributing significantly to the slowdown in activity.

Within the category, industrial, commercial, and investment (ICI) land experienced the steepest pullback. Transactions fell from 51 to 42, with dollar volume declining to \$157.2 million mid-2025 from \$319 million mid-2024. Average deal size also contracted to \$3.7 million, compared

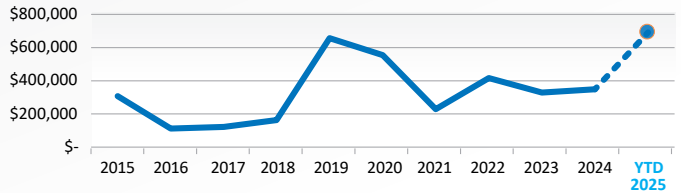
MID-YEAR 2025 ICI LAND INVESTMENT ACTIVITY DISTRIBUTION



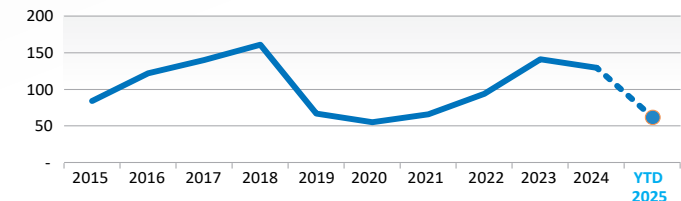
MID-YEAR 2025 RESIDENTIAL LAND INVESTMENT ACTIVITY DISTRIBUTION



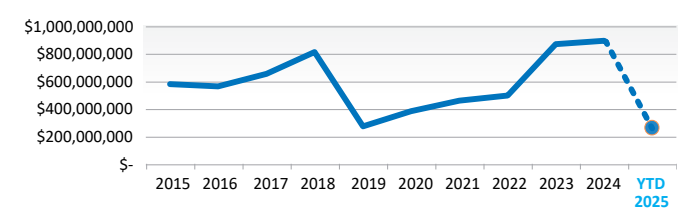
AVERAGE PRICE PER ACRE (ICI & RESIDENTIAL)



NUMBER OF TRANSACTIONS (ICI & RESIDENTIAL)



TOTAL \$ VOLUME (ICI & RESIDENTIAL)



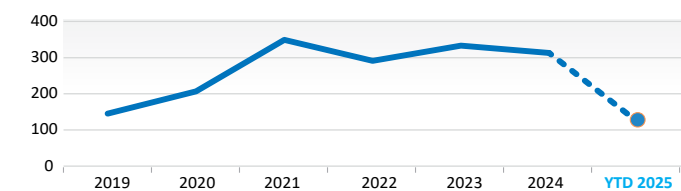
to \$6.2 million at mid-year 2024. Residential land recorded \$115 million in sales, consistent with mid-2024s transaction count, but at a \$29 million decrease. A notable deal in this segment was the \$12.5 million sale of multifamily land at 3720 Quesnay Wood Dr SW.

Commercial Condominium Investment

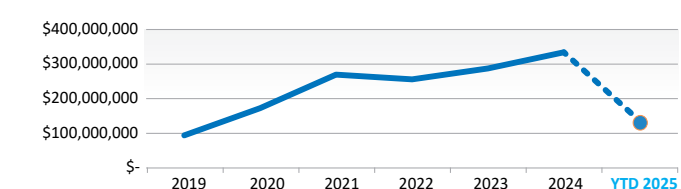
After five consecutive years of growth, commercial condo investment slowed in the first half of 2025.

Dollar volume fell 22% year-over-year to \$135 million, though activity remained high with 123 transactions, representing 39% of total deal count. Despite contributing the smallest dollar volume among major property types, this segment remains a meaningful driver of overall transaction activity, and its performance through the remainder of 2025 will hinge largely on financing conditions and occupier demand.

NUMBER OF TRANSACTIONS



TOTAL \$ VOLUME



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