



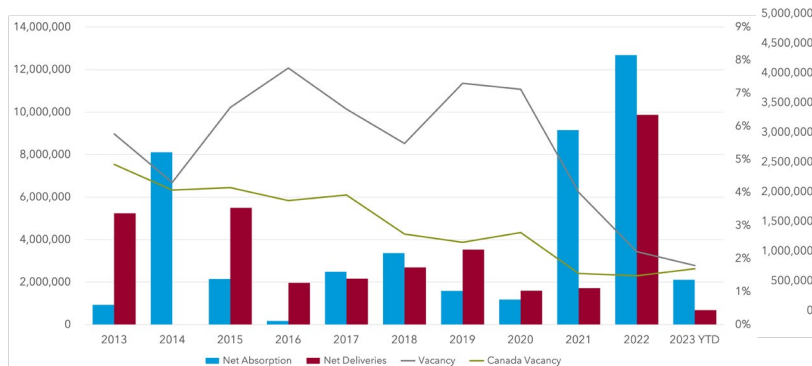
INDUSTRIAL MARKET OVERVIEW

JACK MAZURY, Research Coordinator

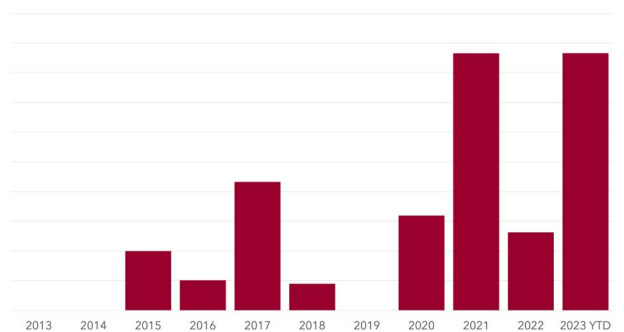
Vacancy continues to decrease toward an all-time low in Calgary's industrial market. Increasing interest rates and persistent inflation have slowed sales with owner-users impacted most. Leasing remains strong with a 1.87% vacancy rate. New speculative construction is leasing quickly and as a result, rents are continuing to increase. With heightened building costs, there is an expectation of increased demand for existing product for owner users as opposed to new construction as the cost delta between the two continues to rise. Much of the existing product available is concentrated in small bay B and C class buildings. Purchaser demand returning is dependent on the Bank of Canada decreasing rates, accompanied by slowing inflation.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ Qtrly Net Absorption SF	2,115,223	2,569,437	(230,369)	7,776,546	2,571,220
▼ Vacancy Rate	1.87%	2.21%	2.92%	2.85%	3.21%
◀ ▶ Avg NNN Asking Rate PSF	Not Tracked	Not Tracked	Not Tracked	Not Tracked	Not Tracked
▲ SF Under Construction	4,329,883	1,315,151	1,974,474	4,344,337	7,825,685
▲ Inventory SF	163,105,942	162,657,499	162,067,331	159,600,115	155,185,570

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4920 - 72nd Avenue SE* Calgary, AB	293,761 SF	\$90,300,000** \$128.62 PSF	Skyline Commercial Real Estate Holdings HOOP Realty, Inc.	Class B
261090 Wagon Wheel View* Rockyview County, AB	148,831 SF	\$19,000,000** \$127.66 PSF	BHJ Canada Meat Products Inc. Seaview Investments Ltd.	Class A
2760 45th Avenue SE* Calgary, AB	99,026 SF	\$57,200,000** \$163.97 PSF	Skyline Commercial Real Estate Holdings Hopewell Equities, Inc.	Class A

**All numbers shown are in Canadian dollars (CAD)

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
490 Carmek Drive SE Rockyview County, AB	253,049 SF	Emcor Developments	Confidential	Confidential
High Plains Industrial Park, Bldg 10 Rockyview County, AB	218,993 SF	Highfield Investment Group	DSV Solutions	Logistics
292031 Wagon Wheel Boulevard Rockyview County, AB	147,840 SF	Anthem Properties	Master Group	HVAC

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