

Market Facts

7.8% ↔

Vacancy
(Q4 2019: 7.8%)

8.4% ↔

Availability*
(Q4 2019: 8.4%)

-283,000 SF ↘

Absorption
(Q4 2019 - 719,000 SF)

995,000 SF ↗

Under Construction
(Q4 2019: 829,000 SF)

60,000 SF ↘

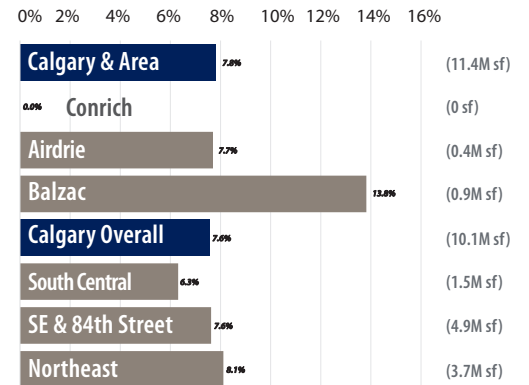
Completed New Supply
(Q4 2019: 456,000 SF)

*Includes properties under construction which are expected to be completed within 6 months

Market Highlights

- First-quarter 2020 saw the end of nearly three years of positive absorption in the Greater Calgary industrial market. Net absorption for the quarter was negative 283,000 sf.
- Industrial vacancy for Calgary and area held steady at 7.8% during the first quarter of 2020, but is up from 7.4% one year ago at the end of first-quarter 2019.
- 60,000 sf of new supply was delivered in first-quarter 2020. However, some new speculative construction commenced, increasing the amount of space under construction to 995,000 sf.
- The COVID-19 pandemic closure measures are having a much larger impact on retail and office. The industrial sector is expected to remain fairly stable. Online sales continue to climb, keeping 3pl's busy, with some expected to take short term "bulge" space. Whereas there has been an immediate impact to recreational uses operating in industrial districts as well as small business that cannot withstand the short term drop in revenue.
- While information in this report is current as of the date written, the views expressed herein are subject to change and may not reflect the most recent opinion of Avison Young. Like all of you, Avison Young relies on government and related sources for information on the COVID-19 outbreak. Avison Young's COVID-19 Resource Centre includes links to some of these sources, which provide regularly updated information on the COVID-19 outbreak. The content provided herein is not intended as investment, tax, financial or legal advice and should not be relied on as such.

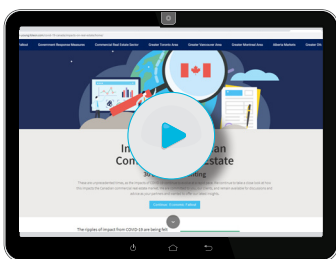
Calgary Average Industrial Vacancy Rates by Location



Calgary Average Industrial Rental Rates by Size



Keep up to date with the latest insights on the impact of COVID-19 on Canadian commercial real estate markets.



		INVENTORY (SF)	VACANCY	QUARTERLY ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	QUARTERLY NEW SUPPLY (SF)
Northeast	Q1 2020:	45,901,184	8.1%	-136,452	291,052	0
	Q4 2019:	50,078,813	8.0%	396,165	29,250	338,124
	Q1 2019:	49,254,053	6.9%	157,773	824,796	0
Southeast & East of 84th Street	Q1 2020:	63,689,797	7.6%	-286,133	205,075	59,500
	Q4 2019:	63,550,837	8.4%	-70,227	344,035	0
	Q1 2019:	62,507,563	8.3%	393,243	839,843	0
South Central	Q1 2020:	24,009,554	6.3%	-11,624	89,752	0
	Q4 2019:	30,007,953	4.5%	192,422	89,752	0
	Q1 2019:	30,007,953	5.9%	-163,292	0	0
Balzac	Q1 2020:	6,661,927	13.8%	136,898	409,360	0
	Q4 2019:	6,661,927	17.4%	62,613	409,360	0
	Q1 2019:	6,137,437	11.2%	421,046	524,490	0
Airdrie	Q1 2020:	4,832,934	7.7%	14,305	0	0
	Q3 2019:	4,894,795	8.5%	-39,278	38,139	0
	Q1 2019:	4,794,795	6.9%	-5,574	0	0
Conrich	Q1 2020:	680,802	0.0%	0	0	0
	Q3 2019:	680,802	0.0%	0	0	0
	Q1 2019:	680,802	0.0%	0	0	0
Overall	Q1 2020:	145,776,198	7.8%	-283,006	995,239	59,500
	Q4 2019:	155,813,266	7.8%	639,233	872,397	376,263
	Q1 2019:	153,382,603	7.4%	803,196	2,189,129	0

PLEASE NOTE: A data source change resulted in a change to the total inventory being tracked. Inventory numbers from previous quarters are not directly comparable to the current quarter.

<h3>WTI SPOT PRICE</h3> <p>\$ 20.51 March 31, 2020</p> <p>\$ 60.19 March 29, 2019</p> <p>\$ 64.87 March 29, 2018</p>	<h3>WCS SPOT PRICE</h3> <p>\$ 5.08 March 31, 2020</p> <p>\$ 49.84 March 29, 2019</p> <p>\$ 38.44 March 29, 2018</p>	<h3>DIFFERENTIAL</h3> <p>\$ 15.43 March 31, 2020</p> <p>\$ 10.35 March 29, 2019</p> <p>\$ 26.43 March 29, 2018</p>
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UNEMPLOYMENT RATE

