

OFFICE NEED TO KNOWS

The Top Five Facts About Calgary's Office Market

1

ECONOMY ON THE RISE

Alberta's economy shows signs of **economic growth surpassing pre-Covid levels** and is well positioned to face potential economic challenges. Following 2 years of robust post-pandemic recovery, Alberta's real gross domestic product (GDP) is expected to **expand by 2.8%** this year and **lead the country**.



2

DOWNTOWN OFFICE

Downtown's **"flight to quality"** continues with **lower-class** offices seeing the **only vacancy increase**.

AA Vacancy: 15.89% ↓
A Vacancy: 33.67% ↓
B Vacancy: 45.26% ↓
C Vacancy: 43.79% ↑



3

UNEMPLOYMENT

Unemployment has increased to **5.7%** to end the winter quarter. Small decreases are expected as Alberta's economy **shows signs of growth since 2020** and seasonal employment starts.



4

DEVELOPMENT TRENDS

Phase 1 of the City of Calgary's Downtown Development Incentive Program is now **complete** and moving on to Phase 2. The second phase aims to **target funding** for **educational/performing arts** uses and the **demolition of buildings** deemed to be at the **end of their useful lives**.



5

VACANCY

The **suburban office** market continues to have the lowest vacancy at **25%** while **Beltline office** sits at **32%**. **Downtown office** vacancy did not see any movement during the first quarter and **continues to sit at 30%**.

