

March 2025

Market Update

Calgary | Industrial

Current Market Metrics

Industrial

Vacancy Rate

3.9%

Market Asking
Rent Growth

6.0%

12 Mo
Deliveries in SF

7.4 M

12 Mo Net
Absorption in SF

4.6 M



How U.S. Tariffs Are Impacting Calgary's Commercial Real Estate Market

The recent implementation of 25% U.S. tariffs on Canadian goods and 10% on energy exports is set to create ripple effects across Calgary's commercial real estate landscape. From rising construction costs to potential shifts in demand across different property types, these changes present both challenges and opportunities for investors, landlords, and tenants alike.

KEY MARKET IMPACTS

Increased Construction Costs

Tariffs on materials like steel and aluminum will drive up construction expenses, potentially slowing new commercial developments and increasing property costs.

Economic Uncertainty

Trade tensions may dampen business investment and consumer confidence, affecting demand for industrial, office, and retail spaces in Calgary.

Potential Interest Rate Adjustments

The Bank of Canada may adjust interest rates in response to inflationary pressures caused by tariffs, impacting financing costs for commercial real estate investors.

Supply Chain Disruptions

Tariffs may lead to delays in construction and increased costs for developers, reducing the availability of new commercial spaces.

Sector-Specific Impacts

Industrial properties tied to imports and exports will see greater effects, while sectors less reliant on international trade—such as tech-focused office spaces and essential retail—may remain stable.

Despite these challenges, opportunities still exist in Calgary's commercial real estate market. The following section dives into what to watch in the months ahead.





TOP OPPORTUNITIES IN CALGARY

Industrial Real Estate *Warehousing & Logistics*

- Why: Businesses may increase local inventory storage to adapt to supply chain disruptions and e-commerce growth will continue to drive demand for fulfillment centers.
- Tip: Look for properties near Calgary International Airport or major highways for logistics advantages.

Multifamily Properties *Apartments*

- Why: Economic slowdowns can reduce homeownership rates, leading to increased demand for rental housing.
- Tip: Investors should focus on affordable housing and purpose-built rental units in high-growth areas.

Office Spaces *Tech & Professional Sectors*

- Why: Calgary's tech industry continues to expand, and remote-based businesses are less affected by tariffs.
- Tip: Consider investing in flexible office spaces and coworking hubs in downtown Calgary or the Beltline.

Retail Real Estate *Essential Services*

- Why: Grocery stores, pharmacies, and healthcare service spaces tend to perform well during economic uncertainty.

- Tip: Prioritize neighborhood shopping centers over large shopping malls for stronger tenant stability.

Land Investments

- Why: Land tends to appreciate during inflationary periods, making industrial-zoned and suburban land an attractive long-term investment.
- Tip: Target land near Calgary Ring Road or Calgary Logistics Park for future industrial growth.

Bonus Tip for Landlords & Buyers


- Highlight properties with long-term leases and stable tenants to attract risk-averse investors.
- Structure deals with inflation-adjusted lease clauses to protect income streams.

As Calgary's commercial real estate market navigates the effects of U.S. tariffs, staying informed and adapting investment strategies will be key. Our team is here to help you seize opportunities and mitigate risks in this evolving landscape!

Sources: CoStar, Real Estate Tax Tips, Real Estate Magazine, Colliers Canada, Can First, and Business Insider.

**Want insights on how
these trends affect you?**

Give Aaron a call:

 403 200 4026

Local Experts Global Reach

The Top Commercial Listings team offers expert guidance on all aspects of commercial real estate in Calgary, with a specialised focus on the industrial submarket. Operating as agents of NAI Advent, we deliver the personalised service of a boutique brokerage while leveraging the expansive resources and worldwide reach of NAI Global. Partner with us for a comprehensive experience that combines market insights, firsthand expertise, valuable opportunities, and professional advice—all designed to help grow your business and simplify your life!

Active Listings

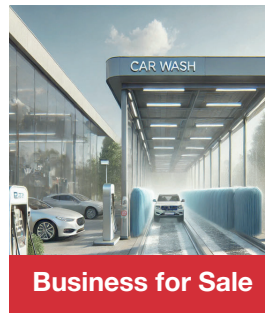


Turnkey Restaurant

RETAIL
1125 KENSINGTON RD NW

- ✓ 7,484 SF ± (4 stories)
- ✓ Prime location
- ✓ High car & foot traffic

For Sale



Car Wash Portfolio

INVESTMENT
THREE PROPERTIES

- ✓ Established & profitable
- ✓ Annual sales over \$2M
- ✓ Automated operations

Business for Sale



Foothills County Land

LAND
306220 17 STREET EAST

- ✓ 72.2 acres
- ✓ Potential for subdivision
- ✓ Agricultural zoning

For Sale

**Looking
to Buy
or Sell?**

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Recent Transactions



SOLD

BAY 26,5555 51 AVE SE
SELLER REP
6,000 SF END-UNIT BAY



SUBLEASED

3433 12 ST NE
TENANT REP
2,324 SF BAY



SUBLEASED

BAY 6,2824 58 AVE SE
SUBLANDLORD REP
1,500 SF BAY



LEASED

4207 OGDEN RD SE
LANDLORD REP
6,500 SF SPACE



LEASED

UNIT 1, 2828 18 ST NE
LANDLORD REP
6,500 SF SPACE



LEASED

UNIT 127, 4999 43 ST SE
TENANT REP
2,985 SF BAY



LEASED

UNIT 11, 5915 40 ST SE
TENANT REP
1,607 SF BAY



LEASED

32ND AVE BUSINESS CENTRE
LANDLORD REP
162K SF OF FLEX SPACE



SOLD

1228 9 AVE SE
BUILDING IN INGLEWOOD
6,190 SF PRIME RETAIL



SOLD

OVER ASKING!

235145 WRANGLER DR
SELLER REP - 14,244 SF
BUILDING ON 3.51 ACRE



SOLD

840 26 AVE SE
SELLER REP
13,304 SF BUILDING



SOLD

4380 104 AVE SE
BUYER REP
11,513 SF BUILDING