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CANADA CAP RATE REPORT

Second Quarter 2018

TORONTO

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
3.75%	4.75%	4.50%	5.50%	↔	↔

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.00%	6.75%	6.50%	7.50%	↔	↔

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
4.75%	5.50%	5.50%	6.25%	↔	↔

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
4.25%	5.00%	5.25%	6.00%	4.75%	5.75%	↔	↔	↔

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
3.50%	4.50%	3.25%	4.25%	↔	↔

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
4.50%	5.50%	5.50%	6.75%	7.00%	8.00%	↔	↔	↔

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WHAT'S TRENDING

The first half of 2018 has seen even further improvement in both office and industrial fundamentals as vacancy rates continue to drop and rental rates continue to rise for quality buildings throughout the GTA. It is therefore no surprise this has put added pressure on both cap rates and overall pricing metrics for these assets classes. As a result total dollar volume of office sales within the first half of the year was up 15% year over year. In fact, total dollar volume sales for the combined five major asset classes – office, industrial, retail, multi-family, and ICI land – have increased by roughly 17% year to date compared to this time last year.

Most notable however, was the sale of Downsview Airport in early June which propelled ICI Land sales in the GTA to increase by 71% year over year. The $825 million asset is comprised of nearly 365 acres of land in the north end of Toronto, and was purchased by the Public Sector Pension Investment Board. While the land is designated as Employment Areas under the Official Plan, the potential redevelopment of the airport won't begin for at least at least another few years. According to reports, Bombardier will continue to operate at the facility for up to three years after the closing date with two additional one year options. The sale also represents the single largest commercial land transaction in Toronto in the last two decades.

MONTREAL

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.00%	5.75%	5.75%	6.25%	◄►	◄►

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.75%	7.75%	7.25%	8.25%	◄►	◄►

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.50%	7.00%	6.75%	7.50%	▼	▼

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
5.00%	6.75%	7.00%	7.75%	6.75%	7.75%	◄►	◄►	◄►

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
4.00%	5.00%	5.25%	6.00%	◄►	◄►

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
6.00%	8.00%	7.25%	8.50%	8.50%	9.75%	◄►	◄►	◄►

MICHEL COLGAN

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WHAT'S TRENDING

Stability is again the trend for Montréal's commercialr real estate market. But the future will maybe bring us surprise, specialy in the industrial market. Some recent transactions will show us that the market is still active for investors.

The office market remains in a holding pattern of sort with a vacancy rate of 11.1% versus 10.3% in the previous quarter. Limited leasing activity has the sector mirred in consistent average weighted asking rents which only increased minorly. Two major sales transactions occurred this past quarter that are of note: : 7250 Mile-End from Sunlife for $155,500,000 ($452/SF) and Crestpoint at 16750-16766 Transcanadienne for $35,500,000 ($130/SF).

The retail market continues to restructure itself with few recent transactions to point to; Apple Store at 1321 Ste-Catherine West for $25,000,000 ($2,612/SF), Sport Bar at Tour des Canadiens for $24,900,000 ($910/SF), Place Repentigny for $14,675,000 or $74/SF and some retail properties in the heart of Mont-Tremblant for $68,100,000.

The multi-residential market is the most active, with many small transactions. Recent major transactions are Student Residence EVO Montreal, 420 Sherbrooke Street West for $62,250,000 or $72,892/bed; Le Monfort Apartment Building, 1975 de Maisonneuve Boulevard West, 229 units for $48,000,000 ($209,607/unit); and the 3460 Peel, 268 residential building for $79,650,000 or $297,200 per unit.

The expected trend in the industrial market has vacancy and construction continuing to decrease. With a vacancy rate hovering around 3.0% and positive net absorption once again this past quarter, rents are expected to increase as tenants compete for space with limited new construction on the horizon. Three major lease transactions occurred , each of which was over 100,000 SF: Ideal Centre Logistic for 229,046 SF, Surplus R.D. for 159,046 SF and Socalis for 147,927 SF

CALGARY

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.00%	6.75%	7.00%	8.50%	↔	↔

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.00%	6.75%	7.00%	8.25%	↔	↔

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.25%	6.00%	5.75%	6.75%	↔	↔

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
5.25%	6.00%	5.25%	6.25%	5.50%	6.50%	↔	↔	↔

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
4.50%	5.00%	4.75%	5.25%	▼	↔

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
7.25%	9.25%	7.75%	9.25%	8.50%	10.50%	▼	▼	▼

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WHAT'S TRENDING

Industrial, retail, and multi-family markets continue to be the most sought-after asset classes.

Capitalization rates have remained relatively flat regardless of improving leasing fundamentals. Increasing commodity prices have renewed investor confidence and optimism.

Two notable downtown office assets, First Tower and Scotia Tower, transacted in Q2 with purchase prices well below replacement cost.

VANCOUVER

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
3.50%	4.25%	3.50%	4.50%	◄►	◄►

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
4.75%	5.75%	5.25%	6.50%	◄►	◄►

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
3.75%	4.75%	4.00%	5.00%	◄►	◄►

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
3.50%	5.25%	4.00%	5.25%	4.00%	5.00%	◄►	◄►	◄►

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
2.00%	3.00%	2.50%	3.50%	◄►	◄►

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
4.00%	5.50%	5.50%	7.00%	6.50%	8.00%	◄►	◄►	◄►

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WHAT'S TRENDING

The residential real estate market has seen some cooling in some segments and markets, however there is still demand for product outside of luxury markets. The big story is the rapid rise in construction costs and development levies, squeezing residual land values down. Many of the largest developers have amassed large land holdings over the years, and so are not immediately affected directly by softening absorption as their average land price is still reasonable.

Interest rates continue to remain low and so the appetite for commercial investment real estate, including apartment buildings, remains very strong in the Greater Vancouver area. An entire city block of strata retail and office units in Kitsilano were sold to a private investor for over $80 million and a cap rate in the low four percent range. A Downtown Vancouver Class C office building is about to be sold, for around $80 million and a cap rate in low two percent range, although this is a long-term land play. Mirroring the partial interest sales in retail and office properties sold by Cadillac Fairview and Ivanhoe Cambridge over the last 18 months, CPPIB and Manulife have offered 50%, non-managing interests in two Downtown office towers.

EDMONTON

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.00%	7.00%	6.50%	7.50%	◄►	◄►

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.25%	7.25%	6.75%	7.75%	◄►	◄►

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.75%	6.75%	6.25%	7.25%	◄►	◄►

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
5.25%	6.00%	5.50%	6.25%	5.75%	6.50%	◄►	◄►	◄►

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
4.75%	5.50%	5.25%	6.25%	◄►	◄►

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
7.50%	9.50%	8.25%	9.50%	8.75%	10.75%	▼	▼	▼

ANDREW MACLEOD

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WHAT'S TRENDING

Job gains in the Edmonton region continue to demonstrate that the region is recovering from thedownturn in 2016. With further month-over-month increases in June 2018, the Edmonton region's full-time employment gains suggest employer confidence is on the rise as they add to their workforce and increase hours worked.

In the second half of 2018, employment in Edmonton should see growth in the manufacturing, professional services and financial services sectors. However, the unemployment rate is unlikely to move much lower than the 6.6% seen in June as individuals, discouraged by less favourable employment conditions in in the first quarterof 2018, return to the active labour force.

Growth in the working-age population, up by 1.8% from June 2017 to June 2018, will be a key factor in addressing labour and skill shortages that may emerge in Edmonton as the local economy continues to recover and the labour market tightens. However, with Edmonton's unemployment rate still well above the national average, net migration to the region has slowed down (especially when compared to the volumes seen from 2010 to 2014), which will slow the growth in the working-age population over the remainder of 2018.

The quarter was marked by AIMCO's acquisition of Edmonton Tower in Ice District following the sale of 9888 Jasper. With rising interest rates expected in the near term, expect cap rates to become effected as rents appear to have reached stability. Multi-family assets continue to be sought after with competition growing fierce due to limited available supply.

OTTAWA

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
4.50%	6.00%	6.50%	7.50%	◀▶	▲

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.25%	7.00%	7.00%	8.00%	▲	▲

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.00%	7.00%	5.50%	7.00%	◀▶	◀▶

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
5.00%	5.50%	6.00%	6.50%	6.25%	7.00%	▲	▲	▲

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
4.50%	5.00%	4.75%	5.50%	◀▶	◀▶

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
6.00%	7.75%	7.50%	8.50%	8.50%	10.00%	◀▶	◀▶	◀▶

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WHAT'S TRENDING

The overall sentiment of the Ottawa market from investors appears to be improving with a significant number of lower cost assets trading as well as increased demand for product throughout the Ottawa area. As the LRT Confederation Line begins to approach its finals stages, demand around the LRT line continues to be noticed, as does new development.

The office market did not see any major activity this quarter though investor demand does remain strong. The most significant office trade of the quarter was the sale of the Medical Arts Building located at 180 Metcalfe Street for the reported consideration of $15,000,000.

The retail market is expected to see a bounce back in the coming years after several years of struggle with the loss of several big-box retailers. Though with the near completion of the Confederation Line along with new multi-family development, demand is expected to steadily increase through the remainder of the year while retail tenants will reap the benefits of new development throughout the city.

Ottawa's industrial market continues to be one of Canada's top performing industrial markets. This was further seen this quarter with Amazon's announcement that it would make a major investment in the Ottawa area with the construction of a 1,000,000+ SF warehouse containing 99 truck bays. In addition to this major announcement, the industrial market saw a major portfolio trade with the sale of four industrial malls from the Investors Group to Desjardins FSLAC for the reported consideration of $59,295,000 and totaling 481,541 SF.

There remains of number of apartment rental projects underway throughout the city as demand for rental units continues to increase. Although, purpose built apartment rentals have been the center of attention in recent years in the multi-family market, it appears that the condo market is finally making a resurgence.

Overall, the remainder of the year is expected to replicate the past six months with continued strong performance. Demand for product in all asset classes are expected to increase as we progress forward to completion with major projects.

WINNIPEG

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.50%	6.25%	6.25%	7.25%	◄►	◄►

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
N/A	N/A	6.50%	7.25%	◄►	◄►

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.50%	7.00%	6.50%	7.00%	◄►	◄►

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
6.00%	6.50%	6.00%	6.75%	6.00%	6.75%	◄►	◄►	◄►

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
5.00%	6.00%	5.00%	6.00%	◄►	◄►

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
7.75%	9.25%	8.50%	9.75%	9.50%	11.00%	◄►	◄►	◄►

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WHAT'S TRENDING

Halfway through 2018, demand for good quality investment properties in Winnipeg continues to be strong. Some investors are waiting to see the effects of rising interest rates on cap rates before entering the market. If cap rates do increase due to interest rate increases, it's expected that the multi-family market would be the first impacted due to this sector having the lowest spread (cap rate minus interest rate) relative to the retail, office and industrial sectors. In terms of recent trends in the multi-family market, more and more landlords have been opting to upgrade suites within their developments and apply for an above guidelines rental increase with the residential tenancies branch to increase the overall revenue for the property.

The industrial sector continues to see an increased demand for multi-tenant investment properties. The average rental rate within southwest Winnipeg is currently $13.37 per square foot on a net basis with the rest of Winnipeg being in the $6.75-$7.00 per square foot net range. Cap rates for most industrial transactions are currently in the 6.50% to 7.0% range but could see a decrease pending some transactions that have not yet closed.

The office sector is expected to see some changes as we move into 2018. Tower one of True North Square continues to lease up space during the construction process and is expected to complete construction in late 2018. The result of this additional office space will most likely be increased vacancy within downtown and downward pressure on rental rates for class A buildings located at Portage and Main. Cap rates are expected to remain steady during the coming quarter.

The demand for multi-tenant retail properties remained steady throughout 2017 and is expected to remain strong through 2018. The lack of good quality inventory in the retail sector has held cap rates steady over the past year. Cap rates for retail properties in Winnipeg are typically in the 6.0% to 6.5% range for most transactions.

HALIFAX

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.25%	7.25%	7.25%	8.25%	▲	◄►

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.50%	7.25%	7.25%	8.25%	◄►	◄►

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.25%	7.00%	7.25%	8.00%	◄►	◄►

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
5.50%	6.25%	7.00%	8.00%	6.25%	7.75%	▲	▲	◄►

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
4.75%	5.25%	4.85%%	6.25%	◄►	◄►

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
7.00%	8.50%	8.25%	9.75%	9.50%	11.00%	◄►	◄►	◄►

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WHAT'S TRENDING

Halifax is in a growth phase. The Conference Board of Canada Spring 2018 Metropolitan Outlook reports that the Halifax economy is expected to see marked improvement this year, as broad-based growth will drive real GDP gains of 1.9% in 2018 and 1.8% in 2019, up from 0.8% last year.

The CBD is emerging from a "construction zone" state and the fruits of labour are in full view. There has been investment in the hundreds of millions of dollars in new development – including the Convention Centre, hotels, office towers and luxury apartments – and the construction cranes continue to dot the sky. The Halifax skyline is undergoing transformational change that is very positive for the future of the City.

The investment market remains stable. Class B and C office are being challenged in some areas of the downtown as a result of the new Class A inventory. The industrial market in Halifax has been in growth phase; new construction has enabled movement to higher ceiling and larger yard offerings, creating vacancies in older product. Further, the low interest rate environment has prompted many tenants to buy or construct facilities in favor of renting, further contributing to elevated vacancy. Vacancy rates are now declining and rents rising. There has been substantial investment activity in the Burnside Industrial Park.

The multi residential market continues to see substantial development of new buildings in all areas of the City, with the downtown now being a focal point for high quality development. The new supply is being met with enthusiasm from the market as tenants are upgrading from older rental stock to modern buildings. The downtown is emerging as a new residential community – a virtuous circle by which the growing neighbourhood will support resident-oriented businesses (shops, services, restaurants, cafes, etc.) and the office market to an extent.

VICTORIA

Q2 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
4.75%	5.00%	5.25%	5.50%	◄►	◄►

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.25%	5.50%	5.50%	5.75%	◄►	◄►

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.00%	5.25%	5.00%	5.25%	◄►	◄►

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
5.00%	5.25%	5.25%	5.50%	5.25%	5.50%	◄►	◄►	◄►

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
3.50%	3.75%	4.00%	4.25%	◄►	◄►

HOTEL

URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
6.00%	7.00%	7.00%	9.00%	8.00%	10.00%	◄►	◄►	◄►

ANDREW BUHR

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WHAT'S TRENDING

The investment market in Victoria remained stable for Q2 2018. The absence of any real notable transactions was not due to a lack of demand, as that remains strong across all asset classes, but due to the lack of available and quality product.

The multifamily market recorded the $3.2M sale at 920 Hillside Avenue, a 1975 built, four storey mixed use development located in the lower west end of the Hillside/Quadra neighbourhood of Victoria. This mixed use property transaction represents the lower end of the typical trading range at a capitalization rate of approximately 4%.

There are four other significant transactions of which three were value add scenarios that closed this quarter and one notable downtown office investment sale that transacted at an undisclosed capitalization rate.

Several additional deals are currently pending and expected to close in the third quarter. Included are a mixed-use property and an industrial investment each within the capitalization rates ranges shown over the past two quarters. The outlook remains positive for the third quarter of 2018 across all asset classes for Victoria.

Canada Cap Rate Report

DOWNTOWN OFFICE						
MARKET	**A**		**B**		**TREND**	
CITY	**LOW**	**HIGH**	**LOW**	**HIGH**	**A**	**B**
Vancouver	3.50%	4.25%	3.50%	4.50%	◂▸	◂▸
Calgary	6.00%	6.75%	7.00%	8.50%	◂▸	◂▸
Edmonton	6.00%	7.00%	6.50%	7.50%	◂▸	◂▸
Toronto	3.75%	4.75%	4.50%	5.50%	▼	◂▸
Ottawa	6.00%	6.25%	6.75%	7.25%	◂▸	▲
Montreal	5.00%	5.75%	5.75%	6.25%	◂▸	◂▸
Winnipeg	5.50%	6.25%	6.25%	7.25%	◂▸	◂▸
Halifax	6.25%	7.25%	7.25%	8.25%	▲	◂▸
Victoria	4.75%	5.00%	5.25%	5.50%	◂▸	◂▸

SUBURBAN OFFICE						
MARKET	**A**		**B**		**TREND**	
CITY	**LOW**	**HIGH**	**LOW**	**HIGH**	**A**	**B**
Vancouver	4.75%	5.75%	5.25%	6.50%	◂▸	◂▸
Calgary	6.00%	6.75%	7.00%	8.25%	◂▸	◂▸
Edmonton	6.25%	7.25%	6.75%	7.75%	◂▸	◂▸
Toronto	6.00%	6.75%	6.50%	7.50%	◂▸	◂▸
Ottawa	6.50%	7.00%	7.50%	8.00%	▲	▲
Montreal	6.75%	7.75%	7.25%	8.25%	◂▸	◂▸
Winnipeg	N/A	N/A	6.50%	7.25%	◂▸	◂▸
Halifax	6.50%	7.25%	7.25%	8.25%	◂▸	◂▸
Victoria	5.25%	5.50%	5.50%	5.75%	◂▸	◂▸

Canada Cap Rate Report

INDUSTRIAL						
MARKET	**SINGLE-TENANT A**		**MULTI-TENANT B**		**TREND**	
CITY	**LOW**	**HIGH**	**LOW**	**HIGH**	**A**	**B**
Vancouver	3.75%	4.75%	4.00%	5.00%	◄►	◄►
Calgary	5.25%	6.00%	5.75%	6.75%	◄►	◄►
Edmonton	5.75%	6.75%	6.25%	7.25%	◄►	◄►
Toronto	4.75%	5.50%	5.50%	6.25%	◄►	▼
Ottawa	6.00%	6.50%	6.00%	6.50%	◄►	◄►
Montreal	6.50%	7.00%	6.75%	7.50%	▼	▼
Winnipeg	6.50%	7.00%	6.50%	7.00%	◄►	◄►
Halifax	6.25%	7.00%	7.25%	8.00%	◄►	◄►
Victoria	5.00%	5.25%	5.00%	5.25%	◄►	◄►

MULTIFAMILY						
MARKET	**HIGH-RISE**		**LOW-RISE**		**TREND**	
CITY	**LOW**	**HIGH**	**LOW**	**HIGH**	**H**	**L**
Vancouver	2.00%	3.00%	2.50%	3.50%	◄►	◄►
Calgary	4.50%	5.00%	4.75%	5.25%	▼	◄►
Edmonton	4.75%	5.50%	5.25%	6.25%	◄►	◄►
Toronto	3.50%	4.50%	3.25%	4.25%	◄►	◄►
Ottawa	4.50%	5.00%	4.75%	5.50%	◄►	◄►
Montreal	4.00%	5.00%	5.25%	6.00%	◄►	◄►
Winnipeg	5.00%	6.00%	5.00%	6.00%	◄►	◄►
Halifax	4.75%	5.25%	4.85%	6.25%	◄►	◄►
Victoria	3.50%	3.75%	4.00%	4.25%	◄►	◄►

Canada Cap Rate Report

HOTEL									
MARKET	URBAN FULL SERVICE		SELECT SERVICE		LIMITED SERVICE		TREND		
CITY	LOW	HIGH	LOW	HIGH	LOW	HIGH	U	S	L
Vancouver	4.00%	5.50%	5.50%	7.00%	6.50%	8.00%	◄►	◄►	◄►
Calgary	7.25%	9.25%	7.75%	9.25%	8.50%	10.50%	▼	▼	▼
Edmonton	7.50%	9.50%	8.25%	9.50%	8.75%	10.75	▼	▼	▼
Toronto	4.50%	5.50%	5.50%	6.75%	7.00%	8.00%	◄►	◄►	◄►
Ottawa	6.00%	7.75%	7.50%	8.50%	8.50%	10.00%	◄►	◄►	◄►
Montreal	6.00%	8.00%	7.25%	8.50%	8.50%	9.75%	◄►	◄►	◄►
Winnipeg	7.75%	9.25%	8.50%	9.75%	9.50%	11.00%	◄►	◄►	◄►
Halifax	7.00%	8.50%	8.25%	9.75%	9.50%	11.00%	◄►	◄►	◄►
Victoria	6.00%	7.00%	7.00%	9.00%	8.00%	10.00%	◄►	◄►	◄►

RETAIL									
MARKET	REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
CITY	LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
Vancouver	3.50%	5.25%	4.00%	5.25%	4.00%	5.00%	◄►	◄►	◄►
Calgary	5.25%	6.00%	5.25%	6.25%	5.50%	6.50%	◄►	◄►	◄►
Edmonton	5.25%	6.00%	5.50%	6.25%	5.75%	6.50%	◄►	◄►	◄►
Toronto	4.25%	5.00%	5.25%	6.00%	4.75%	5.75%	◄►	◄►	◄►
Ottawa	5.00%	5.50%	6.00%	6.50%	6.25%	7.00%	▲	▲	▲
Montreal	5.00%	6.75%	7.00%	7.75%	6.75%	7.75%	◄►	◄►	◄►
Winnipeg	6.00%	6.50%	6.00%	6.75%	6.00%	6.75%	◄►	◄►	◄►
Halifax	5.50%	6.25%	7.00%	8.00%	6.25%	7.50%	▲	▲	◄►
Victoria	5.00%	5.25%	5.25%	5.50%	5.25%	5.50%	◄►	◄►	◄►

11 offices
90 professionals

Across Canada

4,500

Appraisals
each year

1,250

Tax
Appeals

76

NPS Score

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