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CANADA CAP RATE REPORT

Third Quarter 2018

TORONTO

Q3 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%	6.75%	8.00%	◄►	◄►	◄►

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WHAT'S TRENDING

As the third quarter of the year comes to a close, the GTA investment market remains on pace to set another high water mark for total dollar volume of sales in 2018 despite the overall number of sales declining year over year. The increase has been aided by strong rental growth and low cap rates for most of the major asset classes as well as a number of larger portfolio sales within the year.

One of the largest portfolio transactions of the year closed this quarter with the sale of The Wynn Group portfolio which was comprised of eighteen multi-family residential assets, seven retail assets, and two office properties. The total portfolio achieved an aggregate sale price of nearly $989 million between two buyers – Starlight Investments and Timbercreek. Eight of the residential properties were purchased by Starlight Investments, while the remaining assets were acquired by Timbercreek. The average price per unit for the residential transactions was roughly $286,000.

MONTREAL

Q3 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
6.00%	6.50%	6.25%	7.00%	▼	▼

RETAIL

REGIONAL / POWER		COMMUNITY		STRIP MALL		TREND		
LOW	HIGH	LOW	HIGH	LOW	HIGH	R	C	S
4.75%	6.50%	6.75%	7.50%	6.25%	7.25%	▼	▼	▼

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
3.75%	4.75%	5.00%	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%	◄►	◄►	◄►

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WHAT'S TRENDING

Montreal's commercial real estate market is marked by considerable optimism as the third quarter comes to a close. Cap Rates continue to be decrease and Montreal is one of Price Waterhouse Cooper's top Canadian markets to watch in 2019.

The office market remains fairly stable with leasing transactions slowing. Hydro-Quebec did take 72,765 square feet at 1500 Robert-Bourassa as a benchmark for leasing activity. With positive net absorption for the second straight quarter and a minor decrease in vacancy, transactions have been muted as well. 2 transactions worth noting are the $45,000,000 purchase of 1201-1215 Philips Square ($563/SF) and Sainte-Catherine East for $31,000,000 ($128/SF).

The multi-residential market remains active, with a decrease in cap rates from the previous quarter, one that was highlighted by many small transactions. Of note, are 2285 Saint-Mathieu for $34,750,000 or $250,000/unit; Le 2050 Claremont a Multi-Residential Property of 33 units for $7,725,000 ($234,091/unit); and the 5050 Roslyn, 34 residential building for $7,300,000 or $214,706 per unit.

Montreal's industrial market is seeing increased activity, vacancy and rental rates have remained consistent through the mid-quarters of this year providing a stable environment for both lease and sale transactions. Two major lease transactions, both over 100,000 SF occurred in the previous months (NouvelR for 178,000 SF and Socadis for 143,927); while four major sale transactions also closed. Blackstone/Ivanhoe Cambridge who acquired the Piret Portfolio in the GMA of Montréal (totaling 7 properties and 865,202 SF), 5650 Trans-Canada for $10,250,000 ($46/SF), 1500 de Boucherville for $16,750,000 ($95/SF), and the benchmark Laval transaction of GWL for the Laval Premier Industrial Portfolio for $49,250,000 ($126 /SF for 391,937 SF) at a Cap Rate lower than 5.0%.

CALGARY

Q3 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
6.25%	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%	6.00%	5.50%	6.50%	◀▶	◀▶	◀▶

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
4.00%	4.75%	4.50%	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

The oil pricing disconnect between West Texas Intermediate and Canadian Western Select continues to subdue demand for office space. Nonetheless, Q3 office absorption was positive.

Capitalization rates have remained relatively flat in Q3 regardless of increasing benchmark bond yields.

Industrial, multi-family, and retail markets continue to be the most sought-after asset classes with two notable transactions occurring in these asset classes this quarter (The Market in Quarry Park [Retail] and Barlow Centre [Industrial]).

VANCOUVER

Q3 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
3.50%	4.75%	3.75%	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

Residential real estate continues to cool off. It is not yet in a full tailspin, although a late October interest rate rise will further cast a shadow over the situation.

Two quarters prior there were the first hints of pricing push back in the residential market, and now we may be seeing some of this in certain areas of the commercial market. To be sure, there is still significant capital chasing limited quality product, but some vendors' pricing expectations have been unrealistic, particular low cap rate offerings with implied underlying redevelopment potential. Again, this is certainly not in all cases, but two words that haven't been seen in many quarters are starting to reappear: "Price Reduction".

Despite all of this, several significant deals have completed, including Telus Garden, reportedly over $1,000 per square foot, and a cap rate below 4.00%. 800 Burrard Street was acquired by Crestpoint at approximately $227 million and a cap rate in the 4.10% range. Referring back to underlying value, a private local buyer acquired the Dairyland site, an 18+ acre property adjacent to Sperling/Burnaby Lake Skytrain station for over $209 million. Cottonwood Shopping Centre in Chilliwack is also in the market, although with two vacant anchor space, this offering represents a value-add proposition. Relatively uncommon for Greater Vancouver market is the offering of two large industrial complexes, one in South Vancouver, and one in the Tilbury area of Delta. Both of these are anticipated to attract significant interest, and pricing due to their size.

EDMONTON

Q3 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%	6.00%	7.00%	◄►	◄►

RETAIL

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

MULTIFAMILY

HIGH-RISE		LOW-RISE		TREND	
LOW	HIGH	LOW	HIGH	H	L
3.75%	5.00%	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%	◄►	◄►	◄►

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WHAT'S TRENDING

Edmonton's investment market continued to be very active in Q3 with strong demand for retail and industrial assets as well as multi-family assets located in or near the City core. Capitalization rates for these asset classes are near all-time lows with primary interest coming from private, rather than institutional, investors.

With the excess supply of office space in the market office pricing has obviously be affected. However demand still exists for office assets at the right price. The majority of office buildings that have sold over the previous 24 months had significant vacancy and transacted on a price per pound basis. Only a few office buildings with stable occupancy have traded over recent years in Edmonton providing limited evidence to use as a benchmark for office capitalization rates.

With oil prices rebounding and local GDP, employment levels and population growth trending positively there is a relatively optimistic outlook in the Edmonton real estate market. However concerns over rising interest rates are likely to prevent capitalization rate compression in Q4.

OTTAWA

Q3 2018 CAP RATES

DOWNTOWN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.00%	6.00%	6.00%	7.00%	◀▶	▲

SUBURBAN OFFICE

A		B		TREND	
LOW	HIGH	LOW	HIGH	A	B
6.50%	7.00%	7.00%	8.00%	▲	▲

INDUSTRIAL

SINGLE-TENANT A		MULTI-TENANT B		TREND	
LOW	HIGH	LOW	HIGH	A	B
5.25%	6.50%	6.00%	6.75%	◀▶	◀▶

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
4.25%	4.75%	4.50%	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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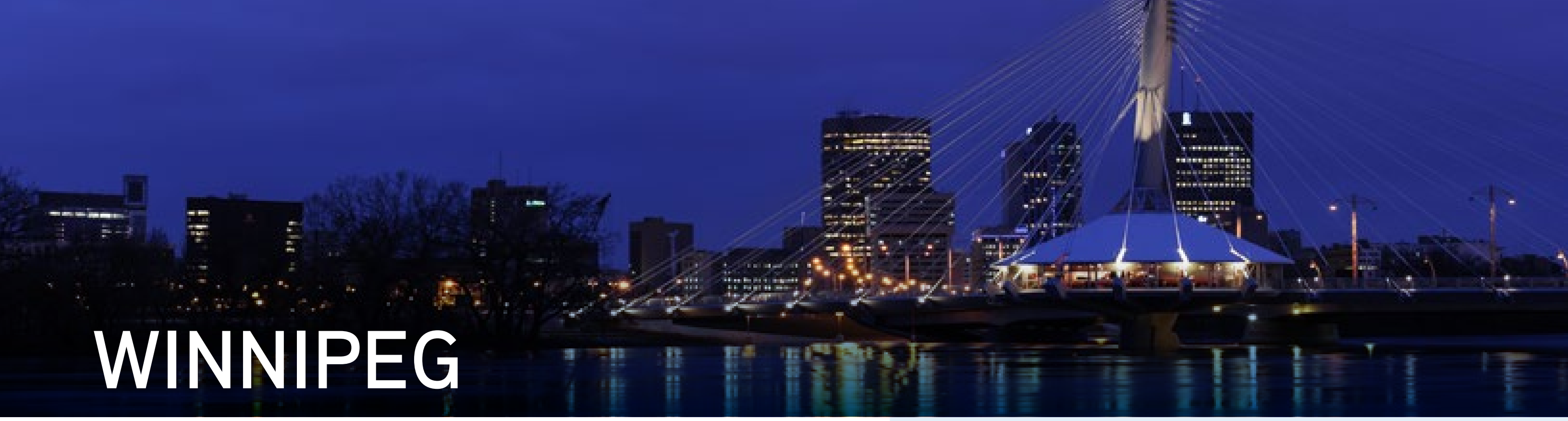
WHAT'S TRENDING

As the third quarter of the year comes to an end, we see continued strength and demand in the Ottawa commercial real estate market unlike in recent years. The highly anticipated Ottawa LRT Confederation Line project has once again been delayed and is now expected to be complete by Q1 2019. This delay should give Ottawa's commercial real estate market additional time to better prepare for the dynamic changes that the Confederation Line will bring. The LRT line is expected to bring core parts of the city closer together which in turn is expected to translate into increased demand for multifamily units, demand for office space in areas outside of Ottawa's core business district, and a stronger performing retail market, which has struggled in recent years.

Overall, we see that the momentum from the first three quarters of the year are pushing forward into Q4 with a number of large transactions expected to trade by years end. In addition to this, we are seeing very strong development throughout the city as a whole. In fact, the City of Ottawa's planning department is expected to have a significant increase in staffing as result of increased new construction throughout the city.

Downtown Ottawa and surrounding areas have also seen an increased in land prices. Developers are becoming increasingly competitive for well located land sites in and around Downtown Ottawa. Strong demand for apartment rentals is driving the demand for land sites from developers with most large lands sites that trade being proposed for high density multi-residential apartment rental developments.

Overall, the last quarter of the year is expected to close out with a number of major transactions similar to what has been witnessed so far in 2018. The soon to be complete Confederation Line will further push development in many parts of the city and help stabilize the retail market. The tech sector is expected to continue its growth, which will in turn benefit the office market. Overall, there is a lot of optimism and future anticipated growth for Ottawa's commercial real estate market.



WINNIPEG

Q3 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
6.25%	7.00%	6.25%	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

As we near the end of 2018, demand for good quality investment properties in Winnipeg continues to be strong. The industrial sector has seen an increased demand for multi-tenant investment properties. Industrial property in southwest Winnipeg continues to be the most desirable inventory compared with other areas of Winnipeg with vacancy being under 1% within this area and 2.8% for all of Winnipeg. Cap rates for most industrial transactions are currently in the 6.25% to 7.0% range with downward pressure on industrial cap rates becoming the norm. The recent QuadReal portfolio transaction set a new low for industrial cap rates and this appears to be a continuing trend in the industrial sector.

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. New build apartment developments have increased over the past year with the majority being small infill 4-8 suite developments. Cap rates for multi-family property are typically in the 5.0%-6.0% range.

The demand for multi-tenant retail properties has remained steady throughout 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 and the demand for good quality multi-tenant retail investment property continues to be high.

The office sector is expected to see some changes as we near the end of 2018. Tower one of True North Square recently opened with tenants beginning to move in. 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. Overall office vacancy is currently at 8.6%, which is expected to increase as more tenants leave their existing buildings for True North Square. Cap rates are expected to remain steady during the coming quarter.

HALIFAX

Q3 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

Market conditions in the primary Atlantic market – Halifax – remain stable. There has been considerable investment sales activity across most asset classes. Halifax is increasingly attracting the attention of national investors as cap rate spreads are sometimes seen as value opportunity to investors. Capitalization rate spreads (over other primary Canadian markets) in Halifax, and throughout Atlantic Canada, have traditionally been warranted from a technical perspective as rent growth, hence NOI growth, has been inferior to larger markets. With prospects of improved population growth and economic conditions, growth at the property level may also be expected to improve, although expanding supply of inventory in many asset classes can be seen as a red flag that could present a drag on future NOI growth in the near term.

Interest rates are moving up. The Bank of Canada has hiked several times and just recently indicated that rates will go up further from their current levels. To date, there is no evident upward pressure on cap rates from the interest rate hikes. In fact, it appears that the looming threat of future increases is providing somewhat of an impetus to complete acquisitions and lock into what is still, by historic standards, inexpensive debt. High quality assets continue to move across most all sectors, largely a result of capital recycling programs and disposition of assets acquired as part of large portfolios that aren't core to the investors asset mix going forward.

VICTORIA

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Q3 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%	◄►	◄►	◄►

WHAT'S TRENDING

The investment market in Victoria remained stable for Q3 2018. As in the previous quarter, the limited number of transactions during this quarter was due not to a lack of demand, as that remains high, but to a lack of supply of high value assets.

The suburban office market recorded the $5M sale of a +/-17K square foot two-storey office building at 2377 Bevan Avenue in Sidney, BC at a cap rate between 5.0% and 5.25%. In August, 2018, the $4M+ sale of the former VI Fitness building in the Westshore at 947 Langford Parkway was to an owner occupier. In the Victoria downtown core at 851 Broughton, although the sub-$22M transaction of the YMCA/YWCA property included a leaseback by the Y, it is essentially a redevelopment play.

A single significant industrial transaction at 2333 Government St. supports the lower capitalization rates in this asset class which are a result of record low vacancy levels. This $4.25M sale traded at close to a 5.0% cap rate and was essentially purchased as a holding property with possible redevelopment potential. There were no significant transactions in the retail market; however the sub-$3.0M sale of 4136 Interurban, a multi-tenant retail strip plaza purchased by an existing tenant in the complex, traded in the typical cap rate range of 5-5.25% for this asset class.

The multifamily market recorded the $5.7M sale at 69 & 85 Burnside Road, a circa 1974, three storey mixed-use complex with 24 residential suites and 11 commercial units located in the Burnside neighbourhood of Saanich. Due to the higher proportion of commercial tenancy, this mixed-use property transaction represents the higher end of the typical trading range at a cap rate of approximately 4.5-5.0%. At 467 Lampson, the sale of a circa 1964, three storey, 39 suite building traded at just over $7.2M with an undisclosed cap rate that is estimated at be close to 4%.

The outlook remains positive for the final 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	5.00%	6.00%	6.00%	7.00%	◂▸	▲
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	6.25%	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%	7.00%	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	3.50%	4.75%	3.75%	5.00%	▼	▼
Calgary	5.25%	6.00%	5.75%	6.75%	◀▶	◀▶
Edmonton	5.75%	6.75%	6.00%	7.00%	◀▶	◀▶
Toronto	4.75%	5.50%	5.50%	6.25%	◀▶	▼
Ottawa	5.50%	6.50%	6.00%	6.75%	◀▶	◀▶
Montreal	6.00%	6.50%	6.25%	7.00%	▼	▼
Winnipeg	6.25%	7.00%	6.25%	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	4.00%	4.75%	4.50%	5.25%	▼	▼
Edmonton	3.75%	5.00%	5.25%	6.25%	◀▶	◀▶
Toronto	3.50%	4.50%	3.25%	4.25%	◀▶	◀▶
Ottawa	4.25%	4.75%	4.50%	5.50%	◀▶	◀▶
Montreal	3.75%	4.75%	5.00%	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%	6.00%	5.50%	6.50%	↔	↔	↔
Edmonton	5.25%	6.00%	5.50%	6.25%	5.50%	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	4.75%	6.50%	6.75%	7.50%	6.25%	7.25%	▼	▼	▼
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

Colliers has certified NPS® professionals who ensure the right business processes and systems are in place to deliver real-time information to employees, so they can act on customer feedback and achieve results. Our current NPS score is 64. To put our score in context, the average score of a professional service company across North America is 10.

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