

Calgary Market Report Sept. 30, 2011

Calgary is Canada's third largest city. It is positioned as Western Canada's business centre and Western Canada's distribution hub (Highway 1 and Canamex). There are 50 million people accessible by ground transportation within 24 hours.

Calgary is ranked as the fifth most livable city in the world by Economist Intelligence Unit's Livability Ranking Report of 140 world cities (Aug. 2011). Mercer ranked Calgary #28 in the world in 2010 in its quality of living survey (ranking of 221 cities). Mercer also released its first eco-city ranking in 2010 and Calgary was ranked #1 in the world. In 2009, Forbes Magazine listed Calgary as one of the "world capitals of the future"; one of the "emerging global cities". (Source: Calgary Economic Development)

Calgary has consistently had the highest wages and salaries per employee in Canada for the past 14 years - \$63,332 per employee in 2010. This is compared to Edmonton (\$57,492), Toronto (\$47,205), Ottawa (\$46,618), Vancouver (\$43,280), and Montreal (\$39,408). Calgary also has a better housing price-to-income ratio than many Canadian cities. (Source: Calgary Economic Development)

Calgary has the highest personal income per capita in Canada at \$54,364 in 2010. This is compared to Edmonton (\$46,617), Ottawa (\$42,715), Toronto (\$38,932), Vancouver (\$36,556), and Montreal (\$35,740). (Source: Calgary Economic Development)

Calgary has the highest concentration of head offices in Canada with 6.0 corporate head offices per 100,000 people (double that of Toronto). Of Canada's top 500 corporations 75 (15.0%) are headquartered in Calgary (Fraser Forum Sep/Oct 2011).

The top ten largest companies with head offices in Calgary are all in the energy industry, including Imperial Oil, Suncor, and EnCana, but other large companies include NOVA

Chemicals, Canada Safeway Limited (grocery stores), and Canadian Pacific Railway.

Calgary is Canada's energy capital, with Calgary based companies driving more than \$75 billion of the \$108 billion of major energy related projects in Alberta. More than 6,400 petroleum engineers work in Calgary and another 77,600 workers are employed in applied sciences-relation careers. In 2008 the oil and gas industry contributed approximately \$10.14 billion to the city of Calgary's GDP figure (14.5%).

Calgary Economic Indicators – May 2011

	City of Calgary
Population July 1, 2010 (CMA)	1,338,241
Unemployment Rate Apr. 2011	6.0%
Average Hourly Wage (Change over Year April – Alberta)	0.7%
Average Weekly Earnings Change over Year March – AB)	5.8%
Real GDP Growth (Change over Year Q4 2010)	4.5%
Retail Sales (Change over Year Q4 2010 – CMA)	7.3%

Source: Calgary Economic Development. Calgary Advantages Presentation May 2011.

Commercial Real Estate

Industrial Q2 11	
Inventory (SF)	115,790,243
Availability Rate Q2 11	4.4%
Availability Rate Q1 11	4.4%
Vacancy Rate Q2 11	3.5%
Vacancy Rate Q1 11	3.6%
Downtown Office Q2 11	
Inventory (SF)	36,742,958
Confirmed Construction (SF)	1,900,000
Vacancy Rate Q2 11	8.7%
Vacancy Rate Q4 10	13.0%
Net Absorption Q2 11 (SF)	1,022,432
Net Absorption YTD (SF)	1,585,363
Suburban Office Q2 11	
Inventory (SF)	20,076,406
Confirmed Construction (SF)	844,905
Vacancy Rate Q2 11	10.6%
Vacancy Rate Q4 10	13.6%
Net Absorption Q2 11 (SF)	474,921
Net Absorption YTD (SF)	596,274

Source: CBRE