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2023 Office Conversions Breakfast

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OXFORD TRIOVEST

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Brookfield

PATRON SPONSOR



PANELISTS



Shaun Jones
Altus Group



Sheryl McMullen
City of Calgary



Rob Blackwell
Aspen Properties



Travis Perry
EllisDon



Walsh Mannas
Avison Young

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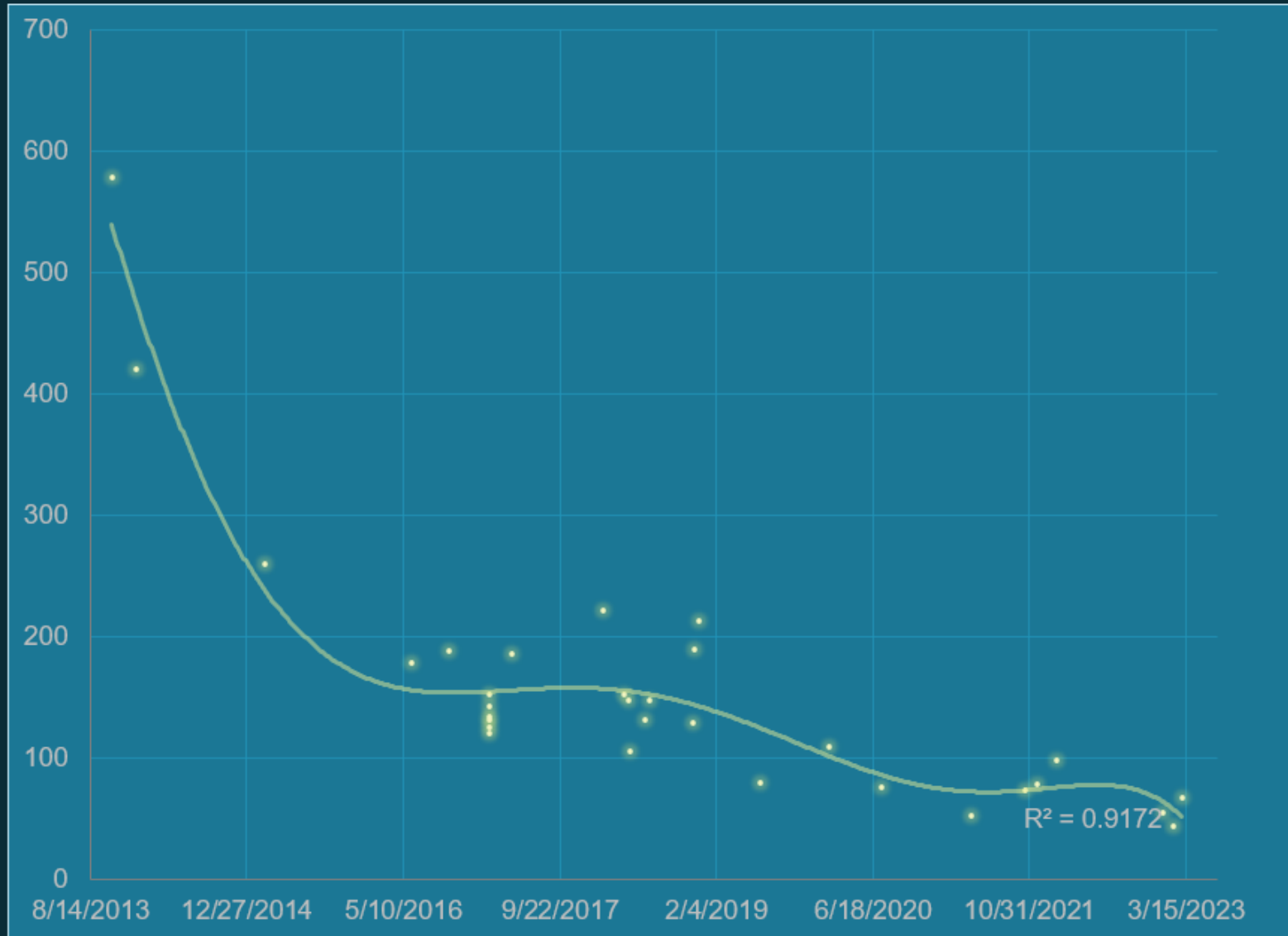
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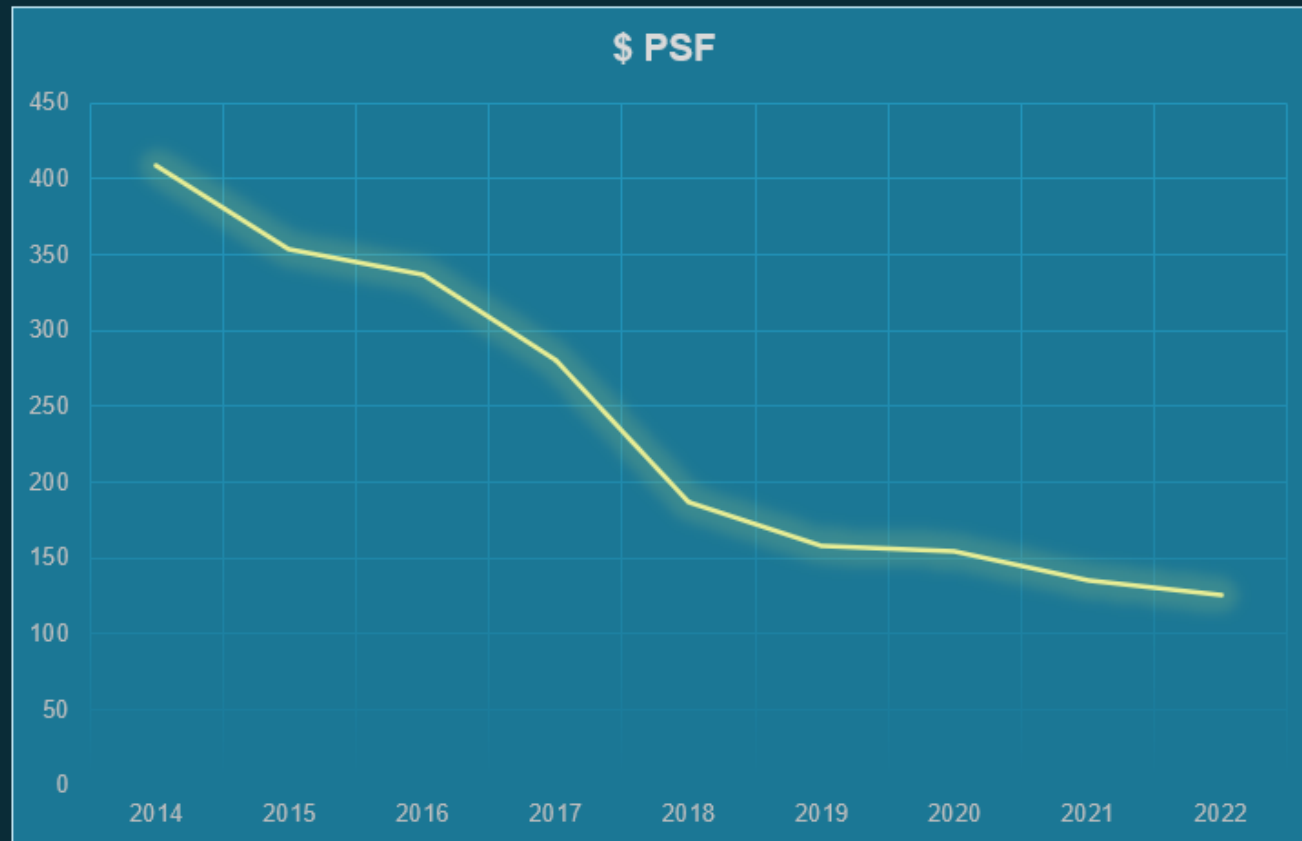


BACKGROUND

Downtown Office Sales over the last Decade



Altus Group Investor Trend Survey - Class B Office Valuation Parameters



What this means...

- Loss of \$14 Billion in assessed value
- Loss of \$250 Million in tax revenue for the City

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City of Calgary

An aerial photograph of a dense urban skyline, likely downtown Chicago, featuring numerous skyscrapers and a prominent red-topped tower in the background. The image is split diagonally, with the top-left corner being white and the rest showing the city.

DOWNTOWN DEVELOPMENT INCENTIVE PROGRAMS

MADE IN CALGARY SOLUTIONS

Revised Downtown Calgary Development Incentive Program

Supports office space conversions to residential units, hotels, schools and performing arts centres.

\$75 residential

\$60 hotels

\$50 schools/arts

Incentive Rate / Square Foot

Downtown Post-Secondary Institution Incentive Program

Provides incentives for Calgary's post-secondary institutions to establish a greater presence downtown.

\$50

Incentive Rate / Square Foot

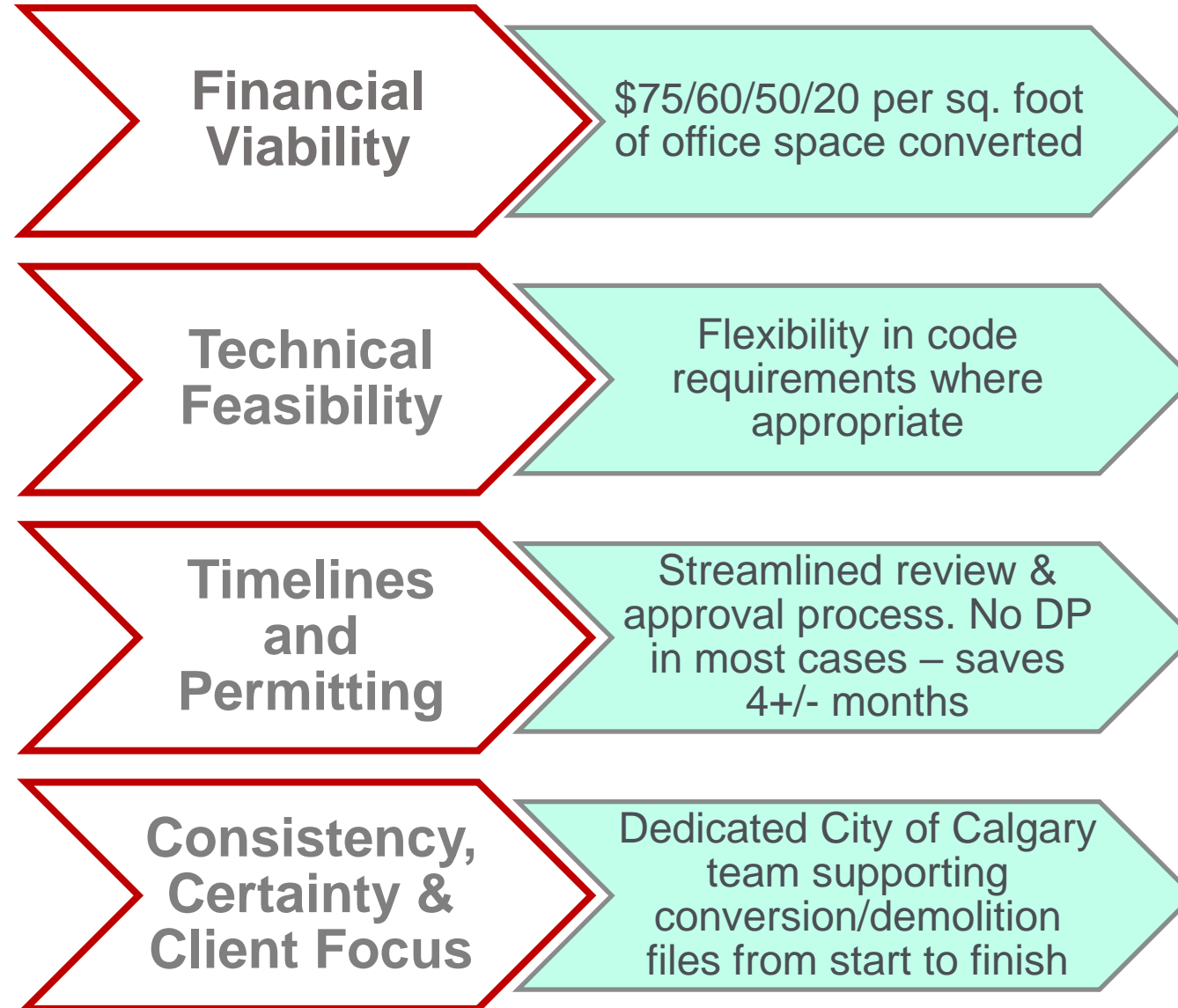
Downtown Office Demolition Incentive Program

Supports the demolition of office buildings that are unsuitable for office conversions.

Up to \$20

Incentive Rate / Square Foot

MADE IN CALGARY SOLUTIONS



CALGARY'S DOWNTOWN REVITALIZATION STRATEGY

The Problem: How to restore lost vibrancy to Calgary's previously active business district?

The Answer: More people, transformed spaces, and arts and culture everywhere

STEP 1

Be bold and become the North American leader in downtown office conversions

STEP 2

Transform public and private spaces

STEP 3

Activate downtown spaces with arts and culture 24/7/365

CALGARY'S DOWNTOWN REVITALIZATION STRATEGY

Revised Downtown Calgary Development Incentive Program

2022-2023 – Market tells City what units they will build

2023-onward – City focus on market, below market, affordable, student and senior housing

\$153M

Downtown Post-Secondary Institution Incentive Program

Downtown campuses encourage collaboration

Required to make downtown student housing a reality

Need to partner with GOA

\$9M

Investment in downtown public spaces

Great public spaces support the creation of thriving communities

Stephen Avenue, Olympic Plaza, Eau Claire Plaza, 8 Street, 1 Street SE

\$163M

DOWNTOWN DEVELOPMENT INCENTIVE PROGRAMS

PROGRESS TO DATE

12

Approved and publicly announced
projects*

\$162 Million

Total City Investment in programs
(Residential and Post-Secondary)

~1,420

Homes created for Calgarians

~1.35 Million

Square feet of office space
removed from market

*includes two other City supported projects

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MARKET RECEPTION

PROJECT READINESS

- Modernized exterior
- Lobby/plaza was updated in 2019-2020



FLOOR LAYOUT



All units will have operable full height windows in living areas, and operable window in bedroom, where applicable

Existing core washrooms replaced with on-floor storage for units

Disproportionate unit count with >1 bedroom (78% of units) will result in increased density potential for building/area

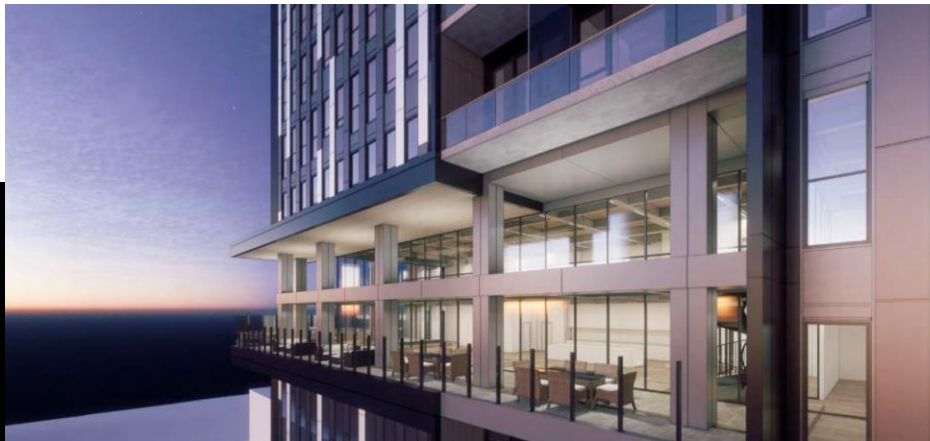
Unit Program Mix

LEVEL	Type 1a	Type 2a	Type 3a	Type 3b	Type 3c	Total
Basement	-	-	-	-	-	-
Main Level	-	-	-	-	-	-
Level 2 (+15)	-	-	-	-	-	-
Level 3 (+30)	2	1	3	2	3	11
Level 4	4	2	4	4	4	18
Level 5	4	2	4	4	4	18
Level 6	4	2	4	4	4	18
Level 7	4	2	4	4	4	18
Level 8	4	2	4	4	4	18
Level 9	4	2	4	4	4	18
Level 10	4	2	4	4	4	18
Level 11	4	2	4	4	4	18
Level 12	4	2	4	4	4	18
Level 14	4	2	4	4	4	18
Level 15	4	2	4	4	4	18
Level 16 (Mechanical)	-	-	-	-	-	-
Level 17 (Amenity)	4	2	2	2	2	12
Level 18 (Amenity)	4	2	2	2	2	12
Level 19	4	2	4	4	4	18
Level 20	4	2	4	4	4	18
Level 21	4	2	4	4	4	18
Level 22	4	2	4	4	4	18
Level 23	4	2	4	4	4	18
Level 24	4	2	4	4	4	18
Level 25	4	2	4	4	4	18
Level 26	4	2	4	4	4	18
Level 27	4	2	4	4	4	18
Roof Level	-	-	-	-	-	-
Total	90 (22%)	45 (12%)	87 (22%)	86 (22%)	87 (22%)	395

NOTE: This summary includes the total unit count for both

MID BUILDING AMENITY

This mid-stack amenity will provide an exceptional amenity for the 395 dwelling units and an interesting addition to Calgary's skyline that will demonstrate the potential for office conversions



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CONVERSION REALITIES



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ANTICIPATED FINANCIAL PERFORMANCE

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WHAT'S
NEXT?

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LESSONS LEARNED