CUSHMAN & WAKEFIELD

VANTAGE POINT



Canadian Cap Rate & Capital Markets Report

Q3 2026



Real Estate Investment Conditions

- The aggressive outlook for rate hikes now priced into markets leaves ample room for expectations to turn more dovish and stem the recent runup in long-term rates. As was the case the last three times 5- and 10-year bond yields peaked in the current range, financial news flow currently centers on stronger-than-expected economic data (in the case of the U.S.), persistent inflation pressures, and more hawkish central banks. That stated, these signals do not typically point in the same direction for long. Moderating economic data or diplomatic/military breakthroughs that boost shipping through the Persian Gulf are both catalysts that could emerge in the coming weeks and reverse the recent interest rate rally, while reducing the number of rate hikes currently priced into markets.
- Trophy buildings across property types stand out as the clearest beneficiaries of recent upside surprises to interest rates. Construction starts for most property types were trending lower prior to the recent increase in interest rates. If higher financing costs persist, they will only put further downward pressure on new developments. On the demand side, tenants' flight to quality has been particularly pronounced across most property types this cycle. Overall, the case for long-term outperformance among the highest-end properties has only strengthened in recent months.
- Across the Americas, the common thread among property types posting strong performance is their ability to generate sustained tenant demand, driven by superior building quality, favourable demographics, AI-oriented uses, or some combination of the three.
- Overall, data from this past summer indicates rising interest rates have sharpened investors' focus on properties with the clearest path toward maintaining and growing NOI while minimizing capex spending along the way.

	Q3 2026	Q2 2026	Q3 2025
INTEREST RATES			
Overnight Rate	2.25%	2.25%	2.5%
Benchmark Bond Yield 2-Year	3.37%	2.74%	2.47%
Benchmark Bond Yield 5-Year	3.69%	3.01%	2.74%
Benchmark Bond Yield 10-Year	3.99%	3.38%	3.17%
ECONOMIC INDICATORS			
CPI	3.1%	2.8%	2.4%
Core CPI	2.1%	1.8%	2.4%
Annual GDP Growth	1.8%*	2.4%	2.9%
Unemployment Rate	6.5%	6.5%	7.1%

Q2 Data Reflective of June 30th
Q3 Data Reflective of September 30th

* Reflective July 2026



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Investment Sales Volume by Major Market & Asset Type

Q3 2026

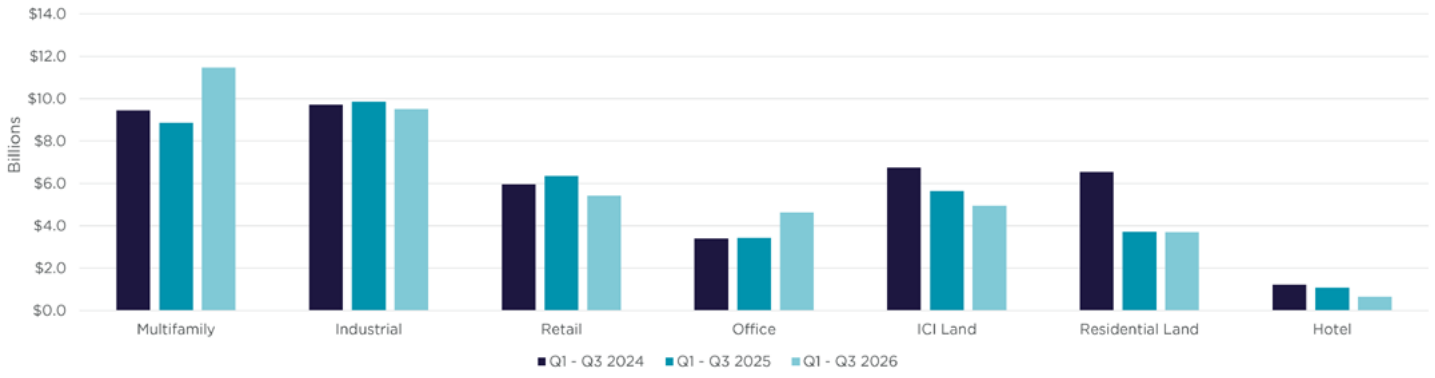


Sales Volume by Asset Class

YTD 2024 to YTD 2026

Investment activity remained stable through the first three quarters of 2026, with total transaction volume reaching $40.4 billion, up 4% from the same period in 2025 and 6% below 2024. Multifamily led all asset classes with $11.5 billion in investment volume, up 30% year-over-year (YOY) and well above the first three quarters of both 2024 and 2025, as Toronto overtook Montreal with $4.1 billion, or 36% of national activity, and private buyers accounted for 74% of acquisitions. Industrial investment remained in line with prior years at $9.5 billion, compared with $9.7 billion in 2024 and $9.9 billion in 2025, despite a 41% quarter-over-quarter (QOQ) decline in Q3 2026. Office investment continued to regain traction, reaching $4.6 billion, approximately $1.2 billion higher than the same period in both 2024 and 2025, with Toronto posting its highest quarterly activity level since the start of 2024. Retail investment totalled $5.4 billion, down 14% YOY, though the four-quarter rolling average remained stable at $2.0 billion. Meanwhile, ICI land volume eased to $4.9 billion, with Toronto, the Greater Golden Horseshoe, and Vancouver driving 73% of volume, while residential land held at $3.7 billion, nearly identical to 2025, with Toronto anchoring 50% of national volume.

YEAR-OVER-YEAR: Q1 TO Q3 2024 - Q1 TO Q3 2026



Source: Altus Group & Real Capital Analytics

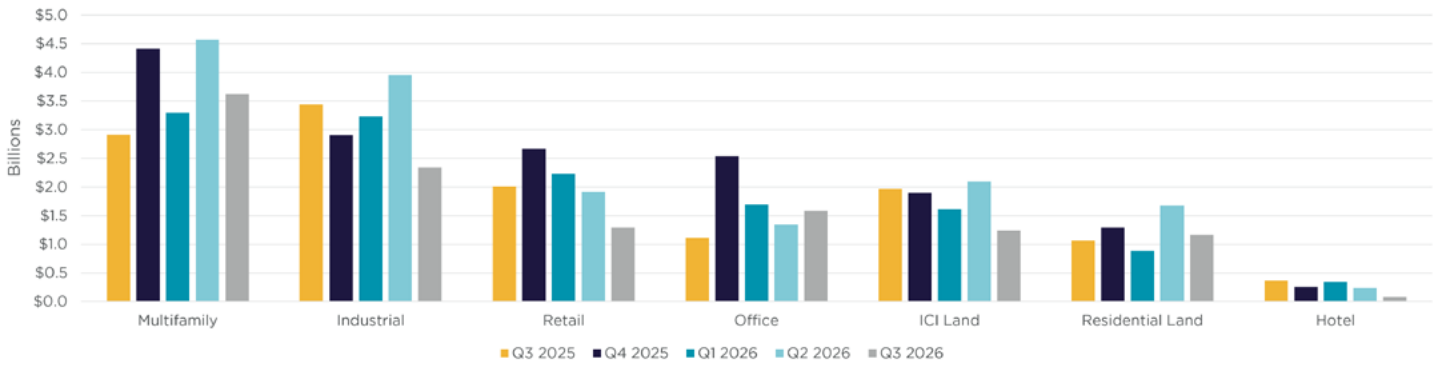


Quarterly Sales Volume by Asset Class

Q3 2025 – Q3 2026

Total investment volume declined from $15.8 billion in Q2 2026 to $11.3 billion in Q3 2026, a 28% drop QOQ. However, the majority of the decline is likely attributed to continued reporting delays in Alberta, where Calgary has recorded only $293 million in Q3 2026 against a quarterly average of $1.4 billion since 2024, and Edmonton has yet to record a transaction against an average of $1.0 billion. Combined, the two markets are approximately $2.1 billion below their average quarterly volumes since 2024. Multifamily maintained its position as Canada's leading investment asset class, recording $3.6 billion, down 21% QOQ but well above the $2.9 billion recorded in Q3 2025. Industrial followed with $2.3 billion, a 41% decrease from Q2 2026, though year-to-date (YTD) volume of $9.5 billion remains closely in line with the same period in 2024 and 2025. Retail investment activity moderated to $1.3 billion, down 33% from the previous quarter, although the four-quarter rolling average remained stable at $2.0 billion. Office investment totalled $1.6 billion, an 18% increase from Q2 2026 and above the quarterly average since 2024 of approximately $1.4 billion. ICI land transactions eased to $1.2 billion, while residential land investment totalled $1.2 billion, down from $1.7 billion in Q2 2026 but more in line with the activity recorded this time in 2025.

Q3 2025 – Q3 2026



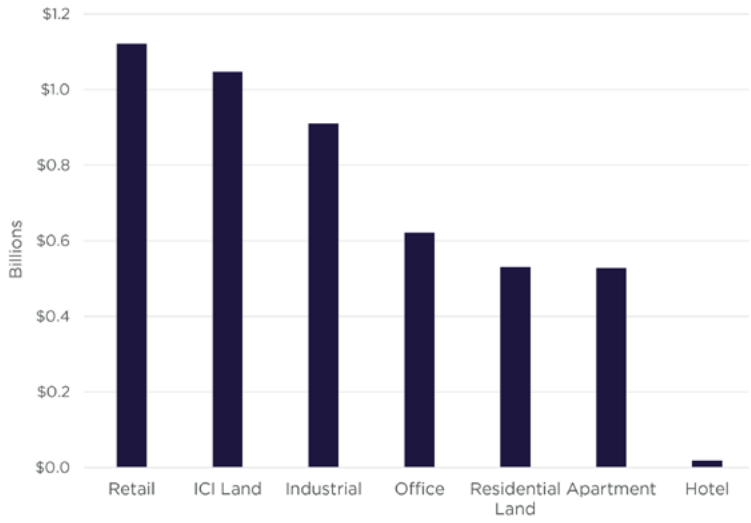
Source: Altus Group & Real Capital Analytics



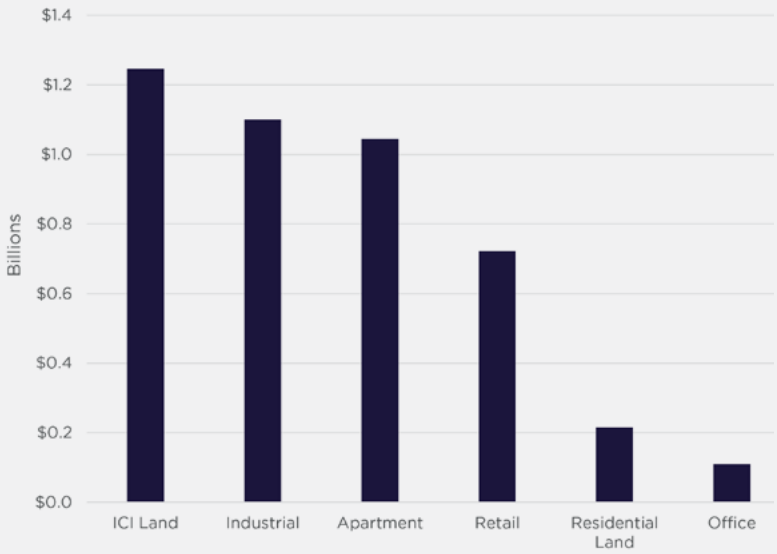
Major Canadian Markets Sales Volume by Asset Type

YTD 2026

VANCOUVER



GREATER GOLDEN HORSESHOE



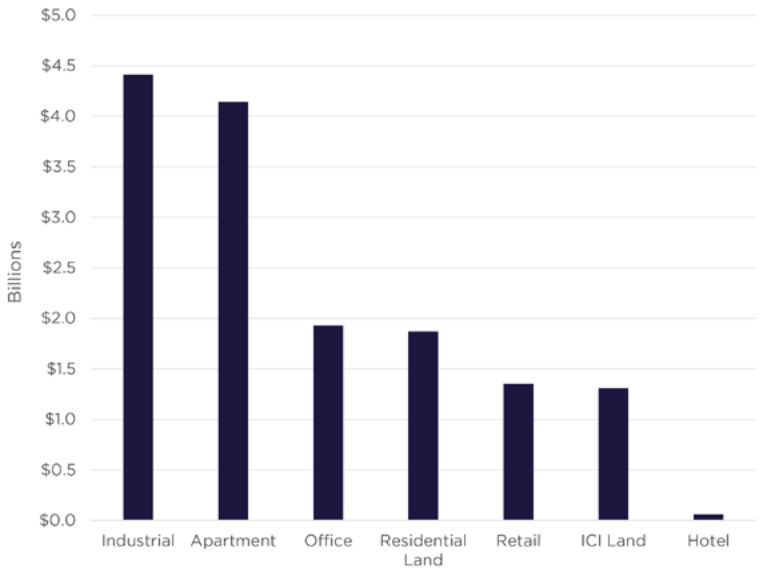
Source: Altus Group



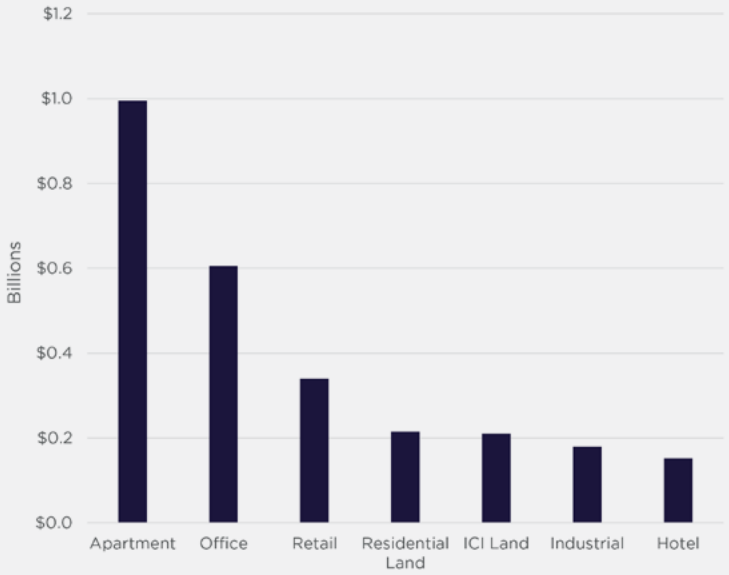
Major Canadian Markets Sales Volume by Asset Type

YTD 2026

TORONTO



OTTAWA



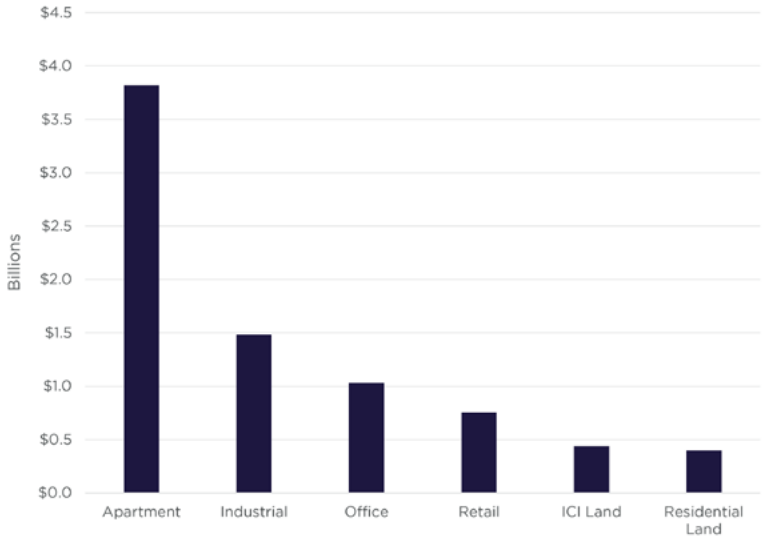
Source: Altus Group



Major Canadian Markets Sales Volume by Asset Type

YTD 2026

MONTREAL



Source: Altus Group

Jump to



- Multifamily
- Industrial
- Retail
- Office
- Land
- Seniors Housing & Health Care
- Hotel
- Cap Rate Summary



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Multifamily Cap Rates & Sales Volume

Q3 2026

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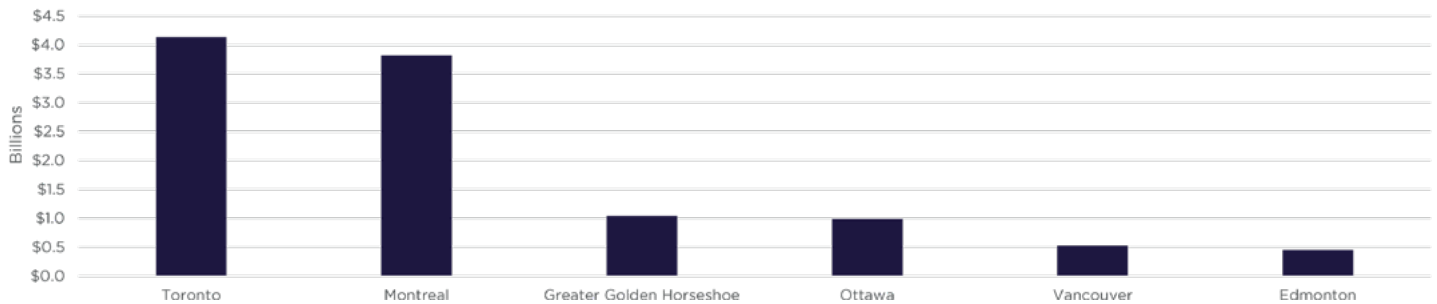


Multifamily Sales Volume by Major Market

Q3 2026

Multifamily remained the leading asset class in Q3 2026 and YTD, recording $3.6 billion in investment volume during the quarter and $11.5 so far this year. Despite a 21% QOQ decline, investment volume through Q3 2026 remained firmly above the totals recorded over the first three quarters of both 2024 and 2025, highlighting the continued strength of the asset class. Private buyers continued to drive activity, accounting for 76% of multifamily acquisitions in Q3 2026 and 74% YTD. Toronto overtook Montreal in investment volume through Q3 2026, recording $4.1 billion, or 36% of national activity, compared to Montreal's $3.8 billion, or 33% of national activity. Toronto's share of national multifamily investment also increased significantly YOY, rising from 14% in Q3 2025 to 48% in Q3 2026, accounting for nearly half of all multifamily investment activity across Canada during the quarter. This increase was reflected in the two largest multifamily transactions of Q3 2026, which were also the two largest single-asset transactions nationally this year. The largest was Groupe Dumont's $265 million acquisition of The Oaks on Green from Greenwin, representing the largest single-asset multifamily transaction in five years and the third largest on record. The second-largest multifamily transaction through three quarters was the sale of The Ivy, with Tricon selling the 234-unit property to Cadillac Fairview for $162 million. Completed in 2023, The Ivy further highlights Toronto's contribution to major multifamily investment activity during the quarter.

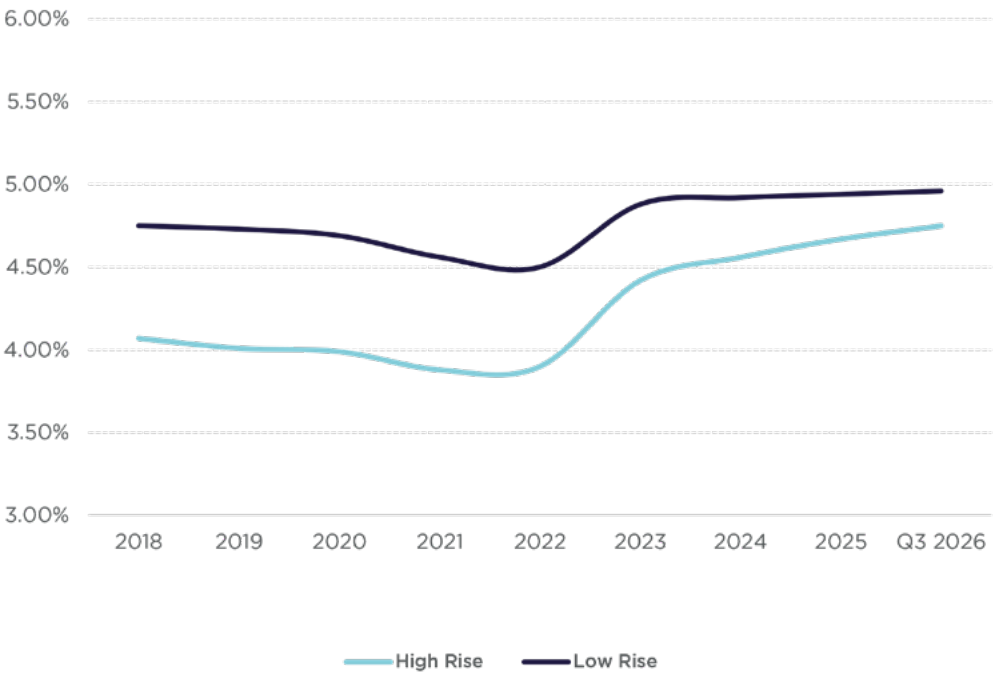
YTD 2026 SALES VOLUME



Source: Altus Group & Real Capital Analytics



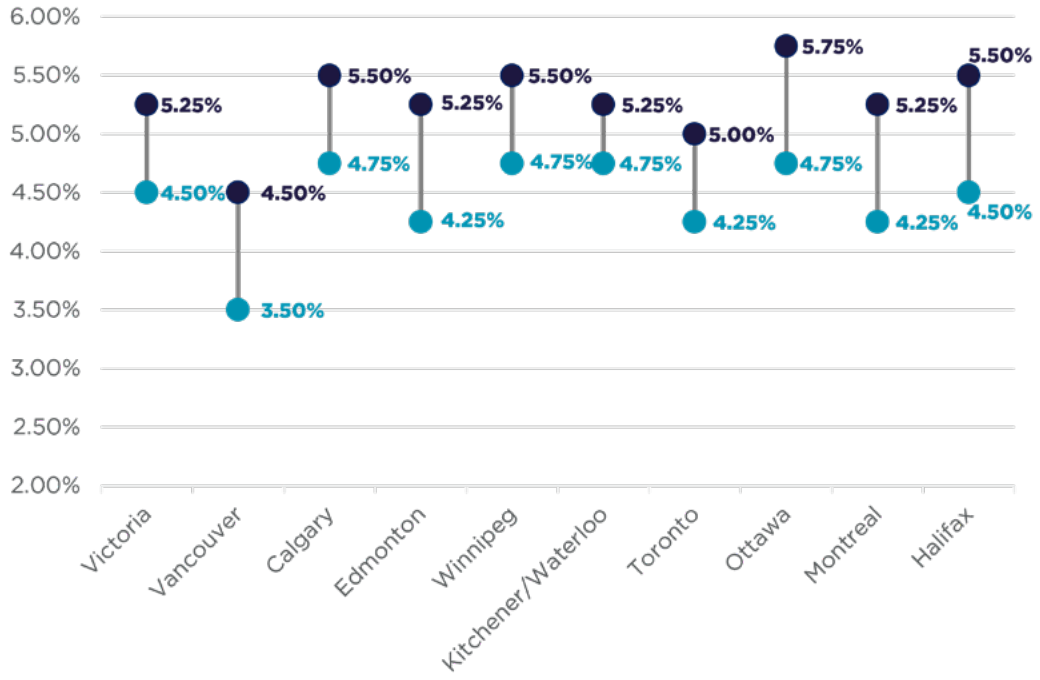
Historical Multifamily Cap Rates



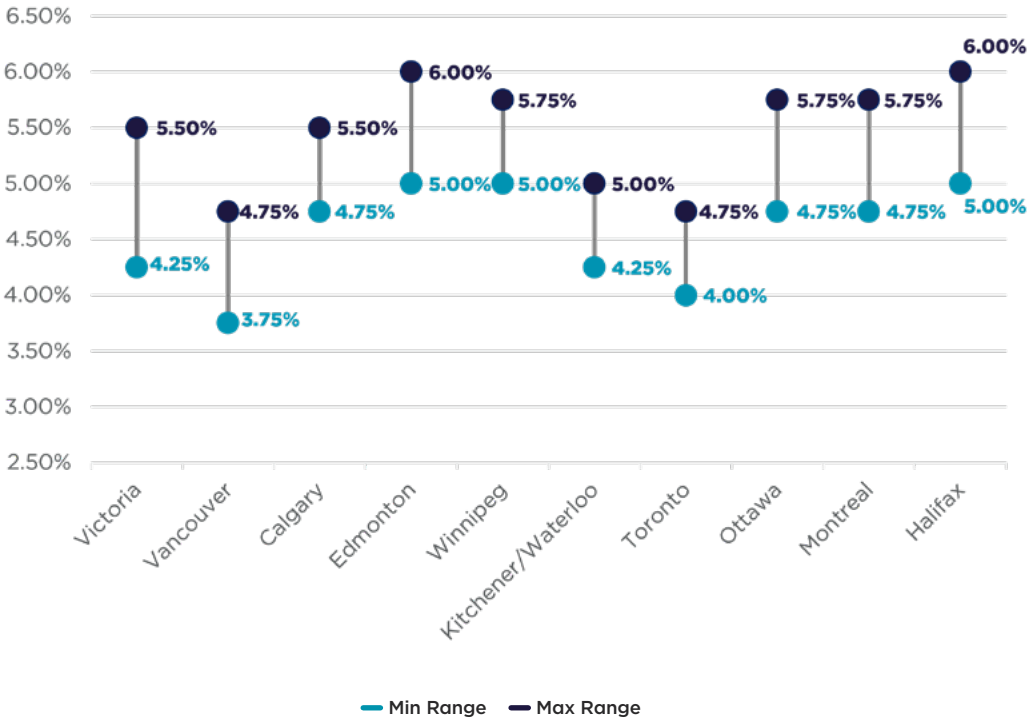


Multifamily Cap Rates

High Rise



Low Rise





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Industrial Cap Rates & Sales Volume

Q3 2026

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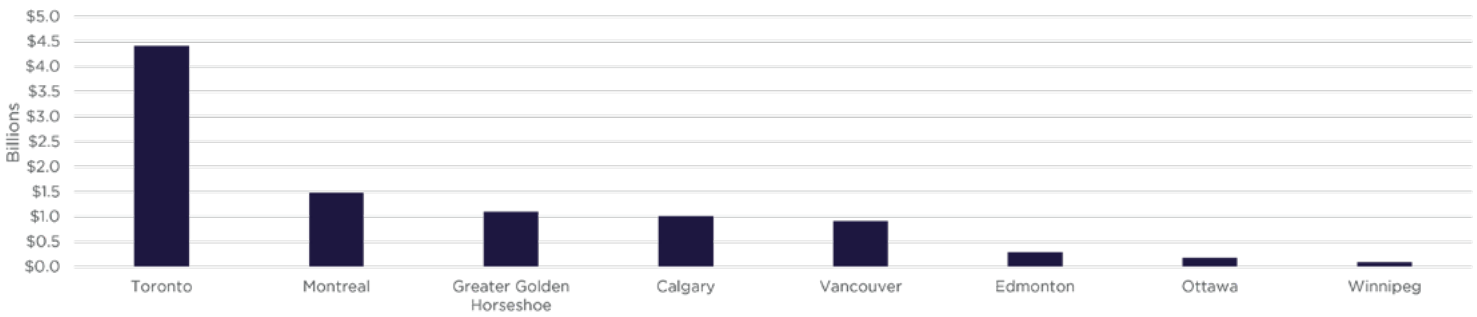


Industrial Sales Volume by Major Market

Q3 2026

Continuing to rank among the most active asset classes, the industrial sector remained a key contributor to overall market activity in Q3 2026, recording approximately $2.3 billion in total investment volume and accounting for 21% of total Canadian investment volume. Despite a 41% QOQ decline, industrial investment activity totalled $9.5 billion YTD, in line with the corresponding periods in 2024 and 2025, which recorded $9.7 billion and $9.9 billion, respectively. Market fundamentals remained stable, with the national industrial vacancy rate holding at 5.4%, while net absorption totalled 1.5 million square feet (msf) in Q3 2026, bringing the total this year to 8.9 msf. New leasing activity remained strong at 16.1 msf, bringing the total through the end of Q3 2026 to 48.8 msf, exceeding the volume recorded during the same period in 2025. The national average net asking rent remained virtually unchanged QOQ at $14.85 per square foot (psf), marking the first quarter in two years without a quarterly decline. Toronto remained the dominant investment market, accounting for 50% of national industrial investment volume in Q3 2026. On a rolling 12-month basis, Toronto represented 46% of total industrial investment volume, followed by Montreal at 16%, the Greater Golden Horseshoe at 12%, Calgary at 11% and Vancouver at 10%. Private Canadian investors remained the largest purchaser group, accounting for 47% of industrial investment activity through the first three quarters of 2026, followed by user purchasers at 29%. Institutions accounted for 10% of activity, while foreign private investors represented 7%.

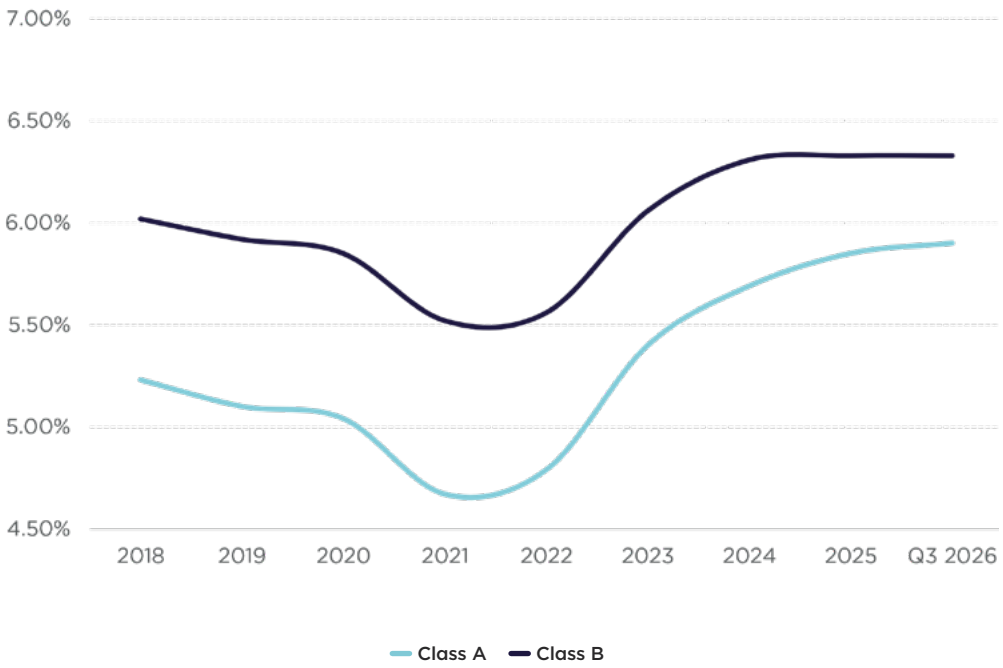
YTD 2026 SALES VOLUME



Source: Altus Group & Real Capital Analytics



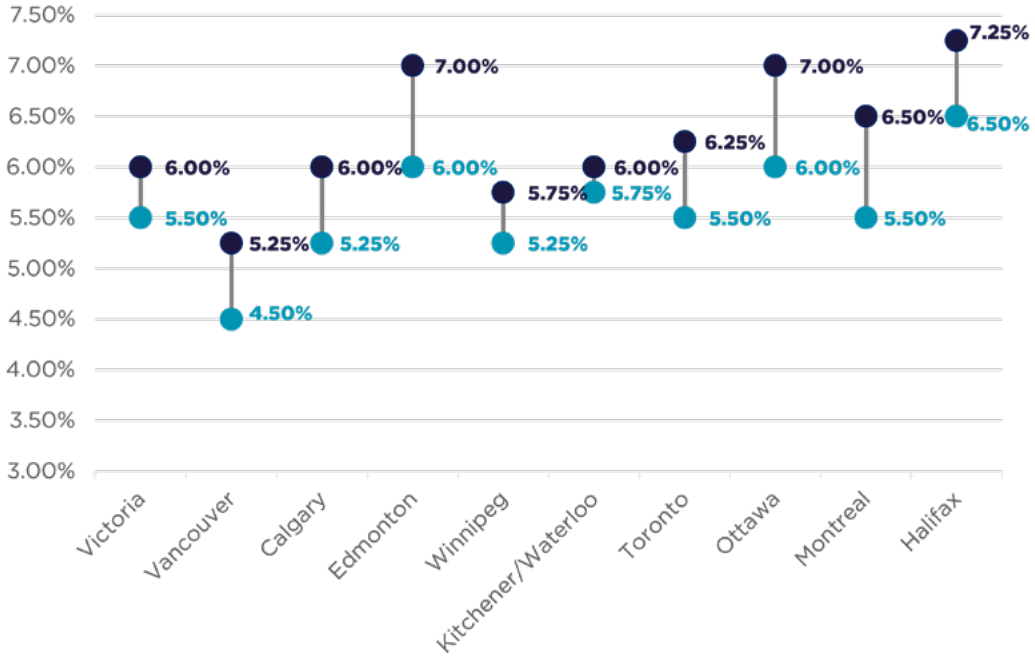
Historical Industrial Cap Rates



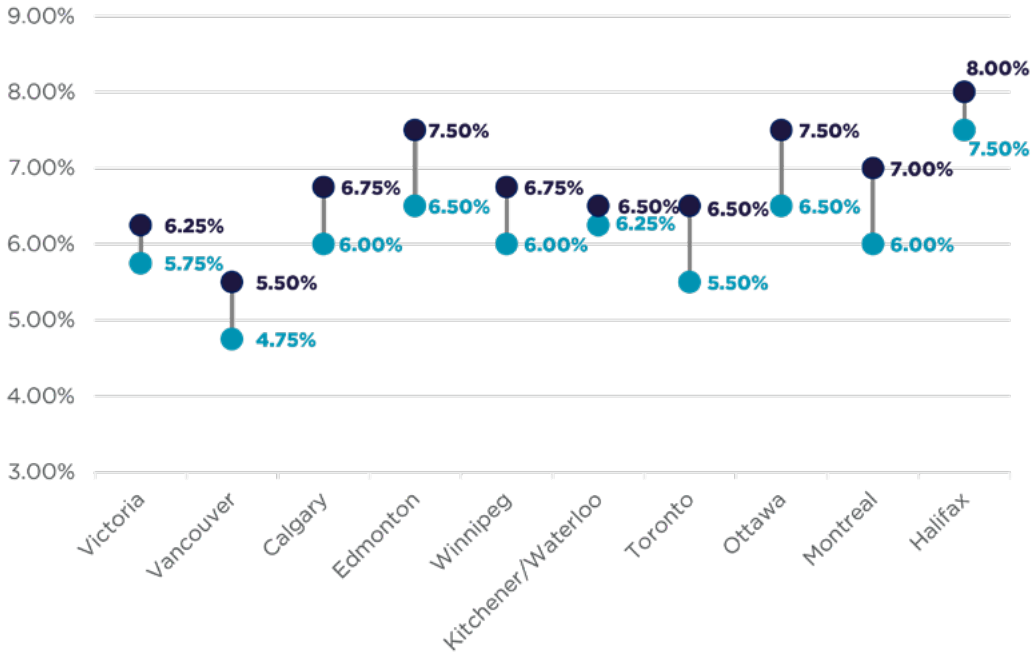


Industrial Cap Rates

Industrial Class A



Industrial Class B





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Retail Cap Rates & Sales Volume

Q3 2026

Back to Product Type Selection

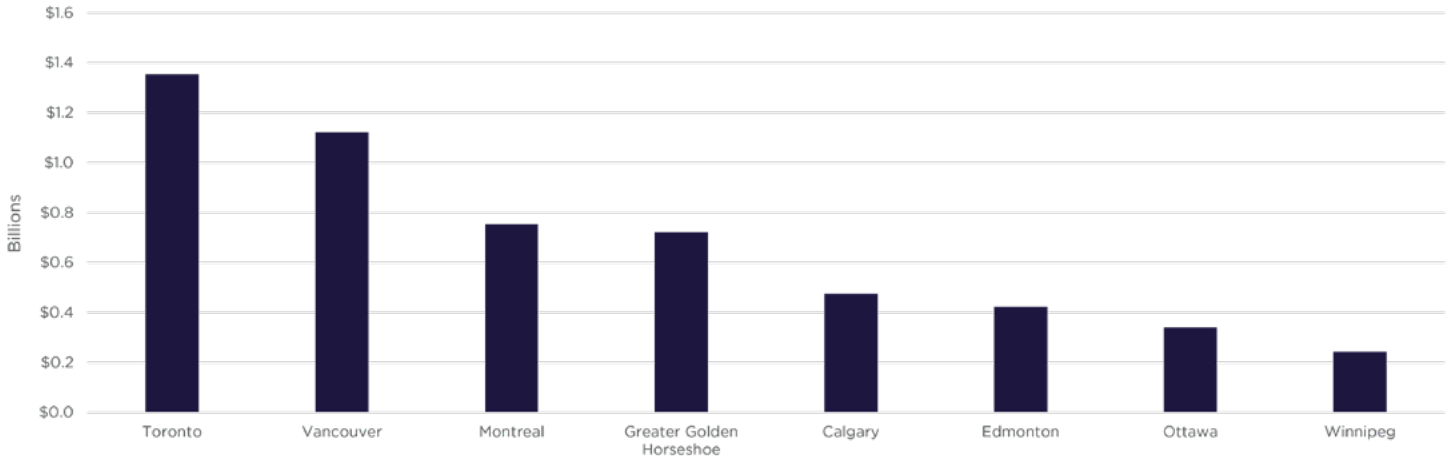


Retail Sales Volume by Major Market

Q3 2026

Retail ranked fourth overall in Q3 2026, with total investment volume reaching $1.3 billion. Activity declined 33% QOQ, with the majority of the decline attributed to continued reporting delays in Alberta, which will likely leave retail investment volumes understated for the quarter. Calgary retail investment fell 68% QOQ, while Edmonton has yet to record a retail transaction in Q3 2026. Despite the quarterly decline, national retail investment volumes remain stable on a rolling basis, with the four-quarter rolling average ranging between $1.9 billion and $2.3 billion over the last two years and standing at $2.0 billion in Q3 2026. Private investors continued to dominate the purchaser pool, accounting for 77% of all retail investment activity in Q3 2026 and 69% year-to-date. User purchasers also continued to be the second most active purchaser group, representing 18% of activity in Q3 2026 and 13% YTD.

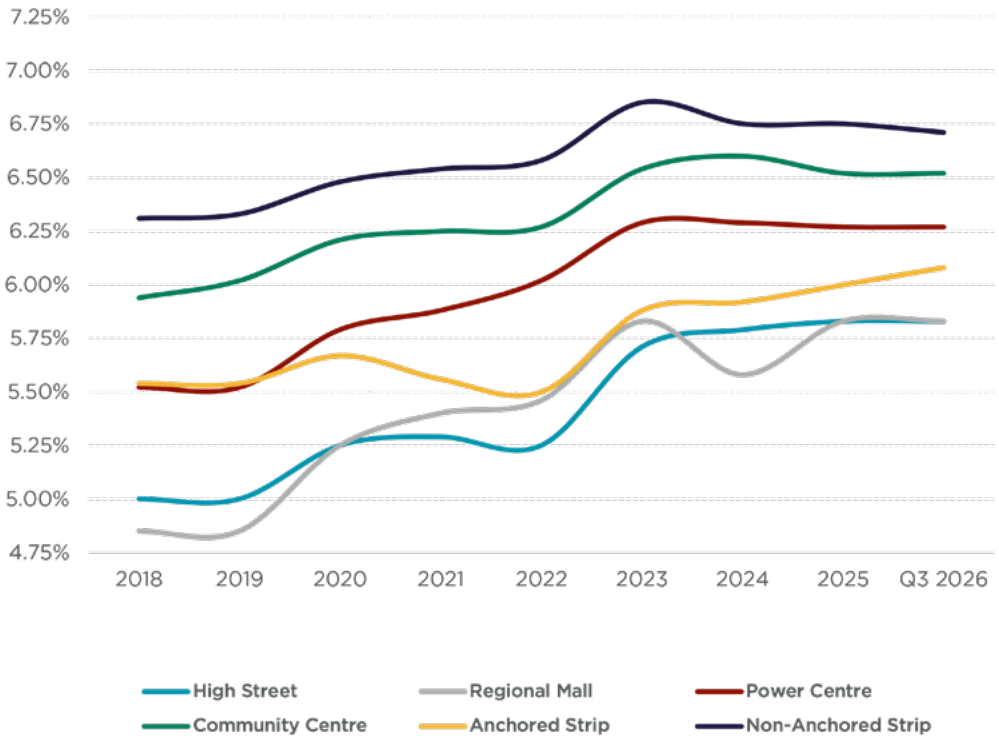
YTD 2026 SALES VOLUME



Source: Altus Group & Real Capital Analytics



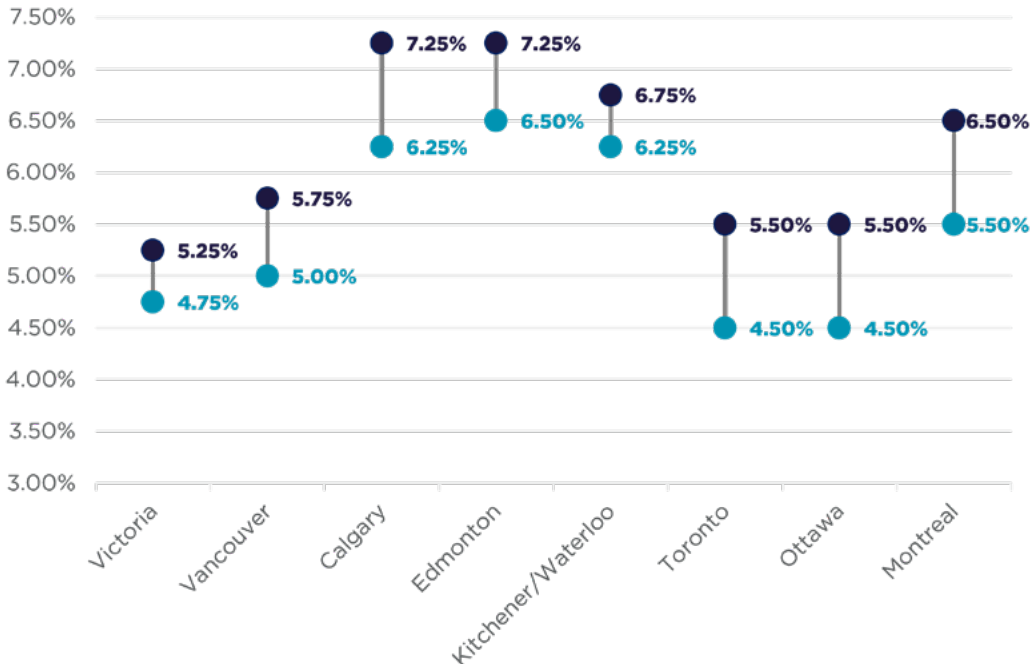
Historical Retail Cap Rates



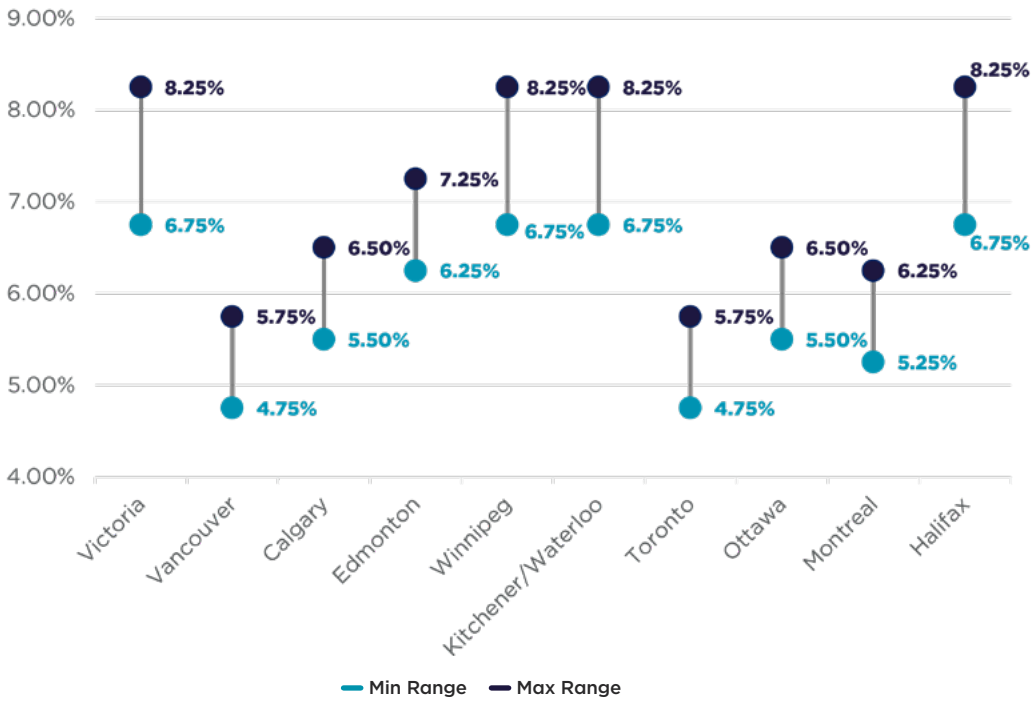


Retail Cap Rates

Street Front Top Performer



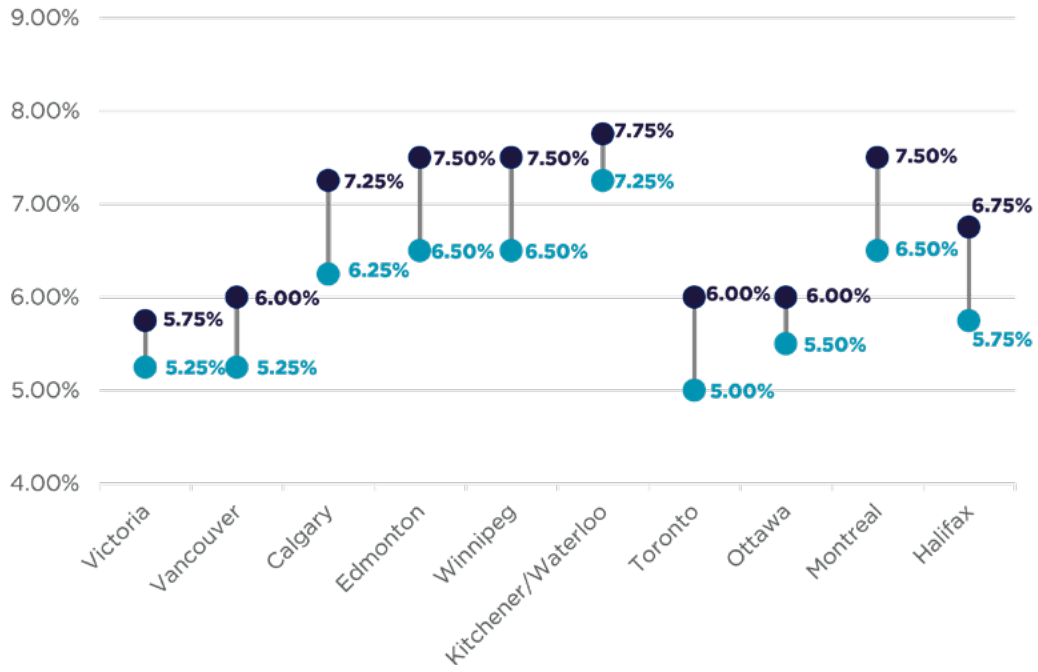
Regional Mall Top Performer



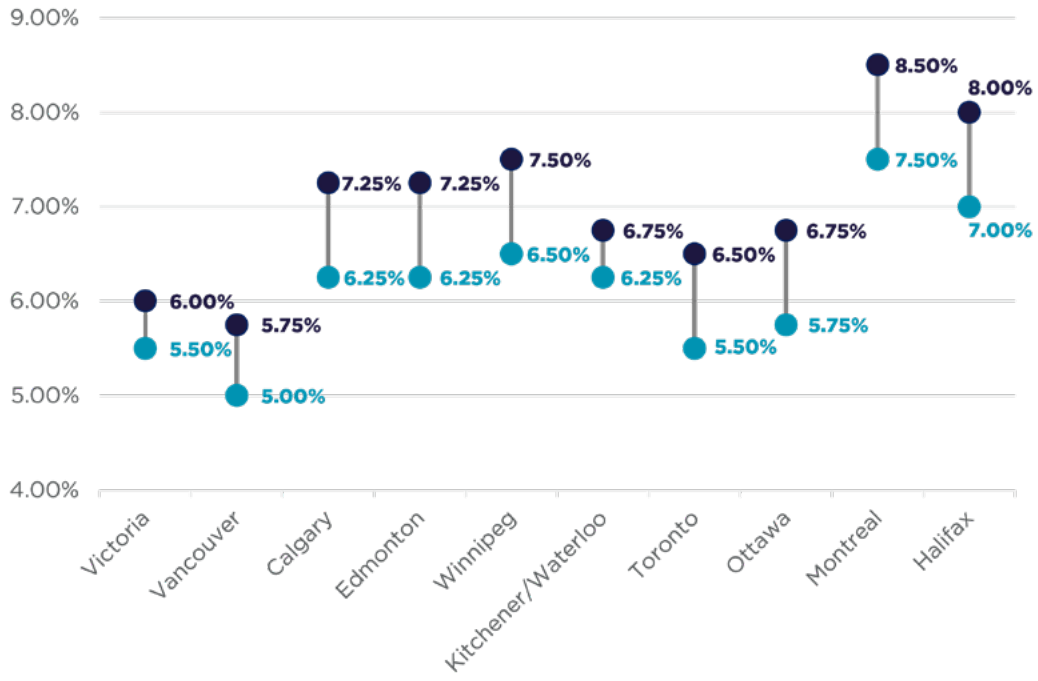


Retail Cap Rates

Power Centre



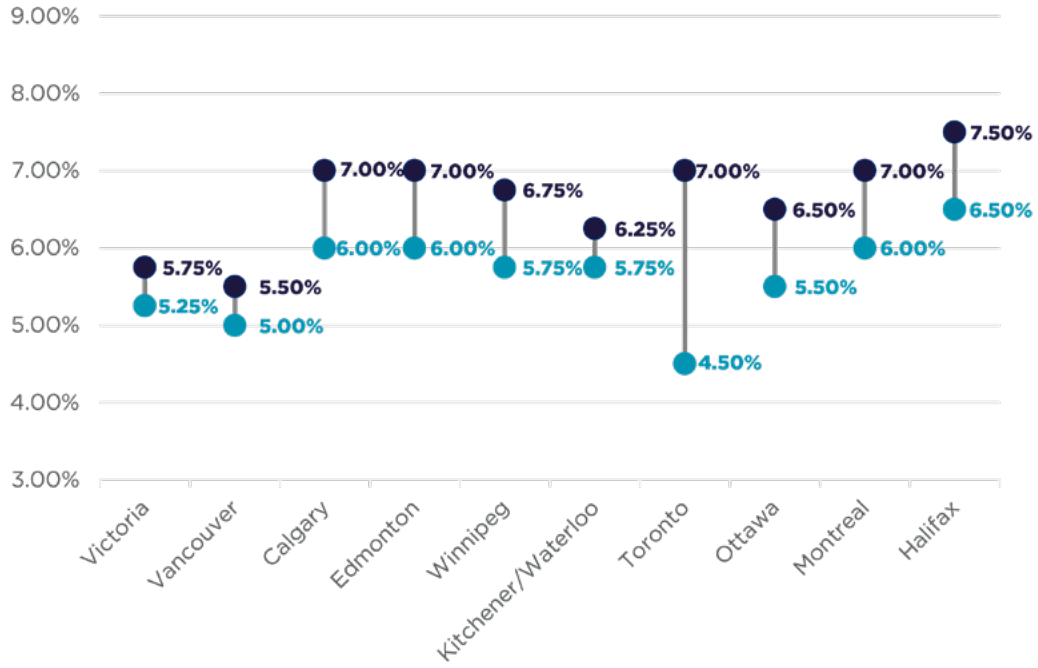
Community Commercial Centre



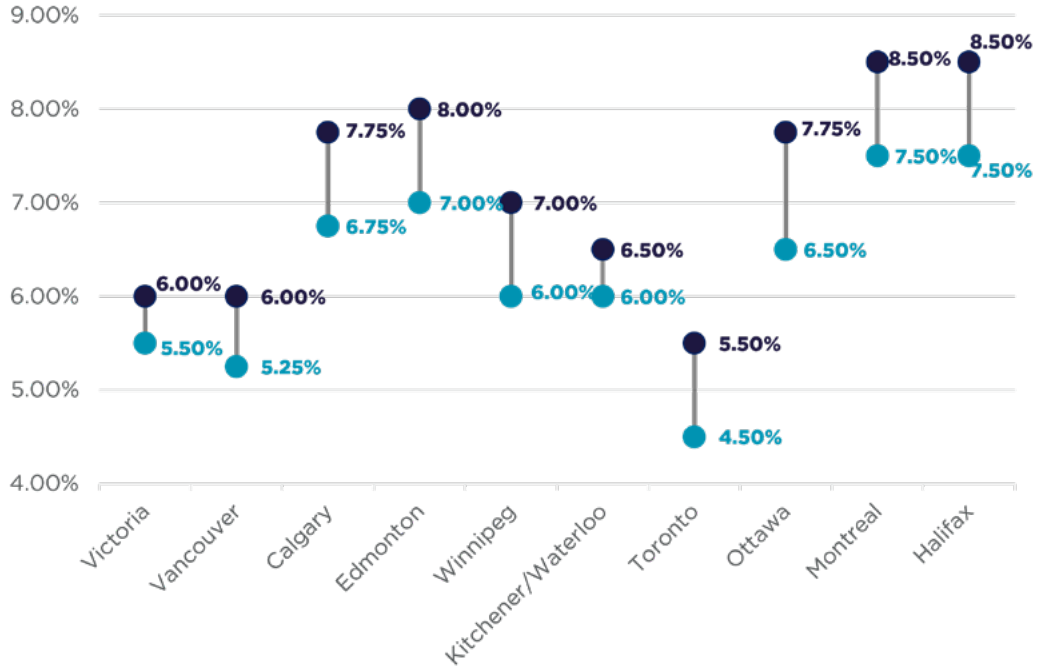


Retail Cap Rates

Strip Plaza Anchored



Strip Plaza Non-Anchored





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Office Cap Rates & Sales Volume

Q3 2026

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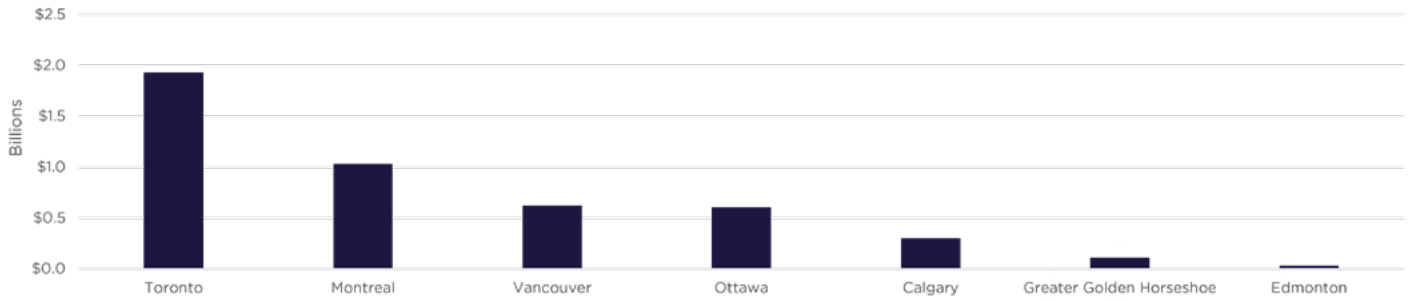


Office Sales Volume by Major Market

Q3 2026

The office sector recorded $1.6 billion in investment volume in Q3 2026, an 18% increase QOQ. Through the first three quarters of 2026, office investment volume was approximately $1.2 billion higher than the same period in both 2025 and 2024. Toronto recorded $777 million in quarterly investment activity, its highest level of quarterly activity since the start of 2024. Office market fundamentals continued to improve in Q3 2026, with overall vacancy declining to 15.6%, its lowest level of the year. Continued tightening in the Class A segment, particularly within trophy properties, reinforced the ongoing flight-to-quality trend. National absorption strengthened to approximately 1.5 msf, the highest quarterly total since Q4 2018, bringing absorption through the first three quarters of the year to 2.8 msf. Toronto led national performance, accounting for nearly 1.2 msf of positive absorption, while Class A properties continued to record stronger occupancy gains than lower-quality assets. Leasing activity remained stable at 5.9 msf, supported by continued demand for premium office product. Rental rates also strengthened, with average gross asking rents reaching $43.30 psf. Development activity remained limited, with just 138,000 square feet (sf) of new supply delivered during the quarter and approximately 1.8 msf remaining under construction. Through the first three quarters of 2026, Toronto, Montreal and Vancouver accounted for 77% of national office investment volume, led by Toronto at 42%, followed by Montreal at 22% and Vancouver at 13%. Notably, 123 Front Street West traded for $244 million in June 2026, marking the largest office transaction in the GTA in two years. The 344,393-sf asset was sold by Oxford Properties Group to GWL Realty Advisors. These trends reflect a gradual stabilization of the sector, supported by improving demand for high-quality space and a limited development pipeline.

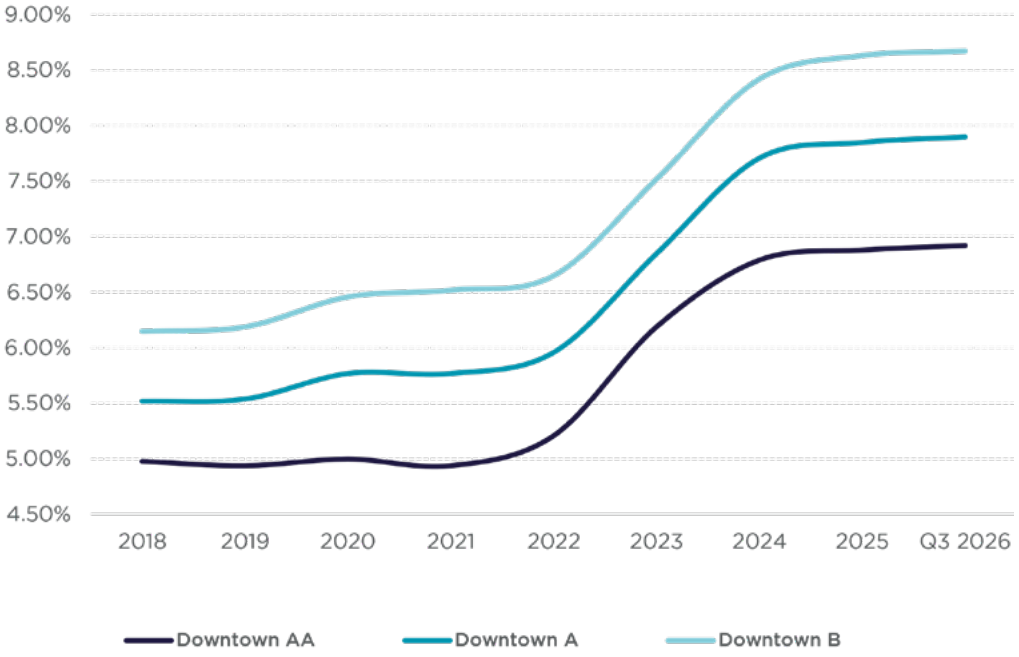
YTD 2026 SALES VOLUME



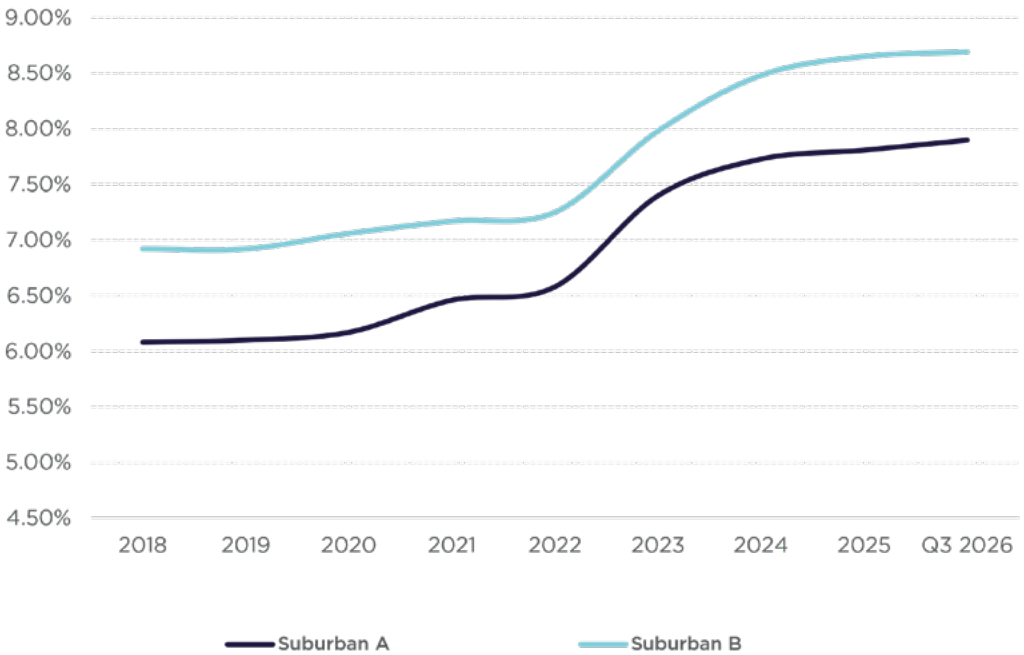
Source: Altus Group & Real Capital Analytics

Historical Office Cap Rates

Downtown Office

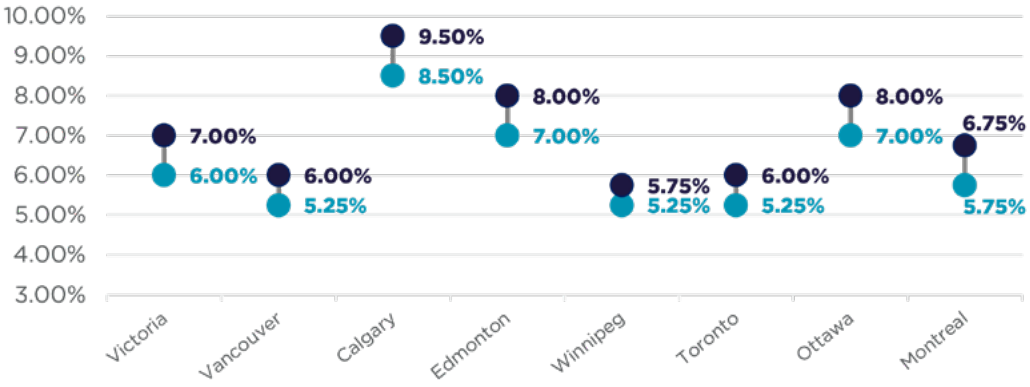


Suburban Office

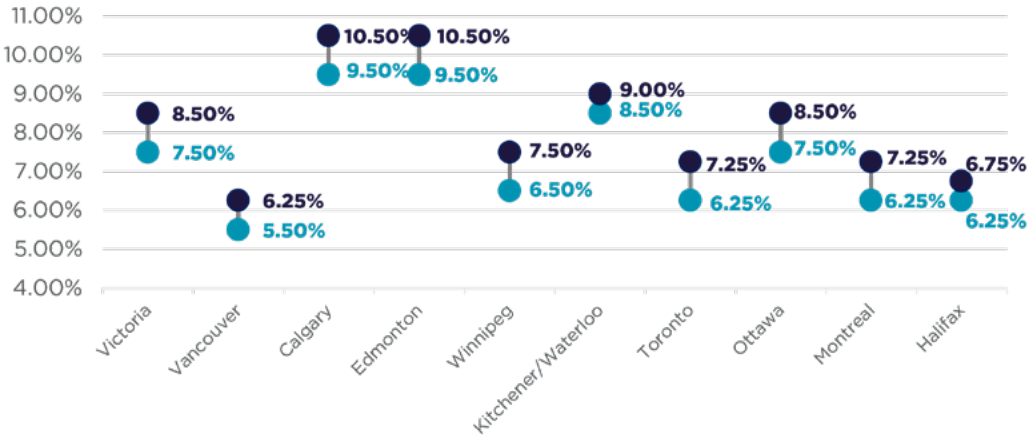


Downtown Office Cap Rates

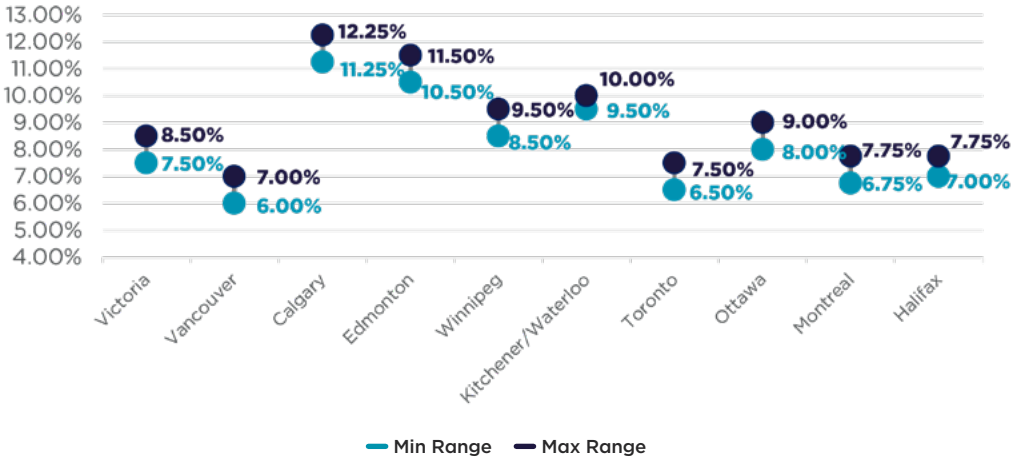
Downtown Office AA



Downtown Office A

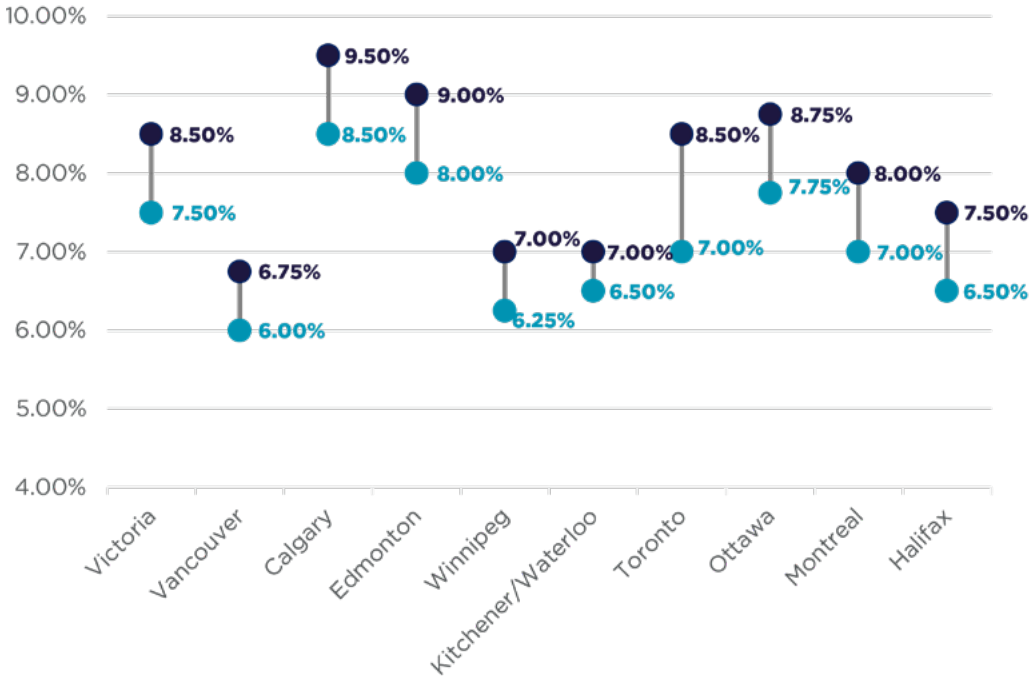


Downtown Office B



Suburban Office Cap Rates

Suburban Office A



Suburban Office B





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Land Sales Volume

Q3 2026

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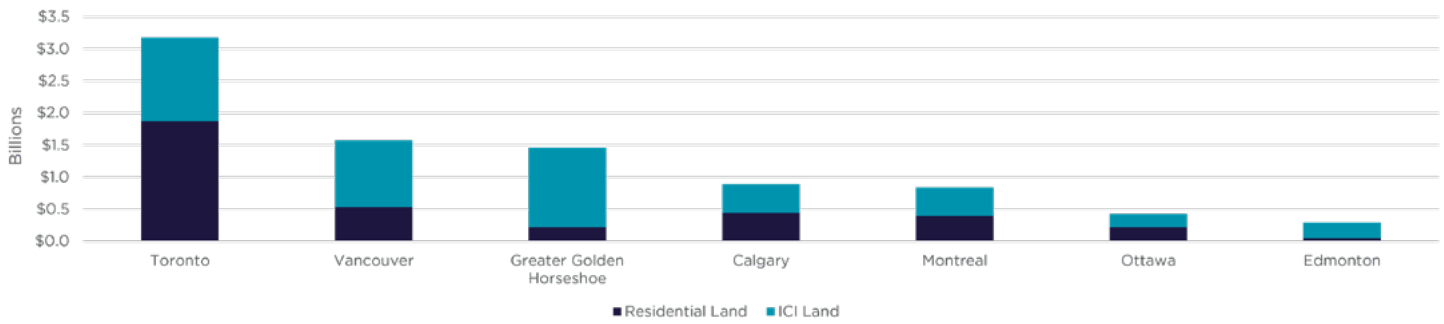
Residential & ICI Land Sales Volume by Major Market

Q3 2026

In Q3 2026 Toronto, the Greater Golden Horseshoe, and Vancouver led Canada's ICI land market, accounting for 73% of national transactions. The industrial sector continued to demonstrate resilient fundamentals in Q3 2026, with national net absorption reaching 1.5 msf and total absorption reaching 8.9 msf YTD. Toronto led major markets with 543,000 sf of quarterly absorption, while Vancouver recorded 371,000 sf and maintained a stable 4.4% vacancy rate. National vacancy remained steady at 5.4%, while leasing activity totaled 48.8 msf through Q3 2026, exceeding the volume recorded during the same period in 2025 and reinforcing the strength of demand across Canada's industrial markets.

Residential land investment activity remained stable, with sales volumes through Q3 2026 reaching $3.7 billion, nearly identical to the same period last year. Toronto continues to anchor the market, representing 50% of national residential land volume. While condominium development remains challenged, new condo sales doubled YOY to 760 units in Q3 2026, driven in large part by bulk condominium transactions. Completed unsold inventory also recorded its first quarterly decline in four years, while units under construction fell to their lowest level since early 2012. Market participants remain cautiously optimistic that improving affordability will support a gradual recovery in demand through the remainder of 2026 and into 2027, while strong fundamentals in the purpose-built rental sector continue to support residential land investment.

YTD 2026 SALES VOLUME



Source: Altus Group & Real Capital Analytics



VANTAGE POINT

Seniors Housing & Health Care Cap Rates

Q3 2026

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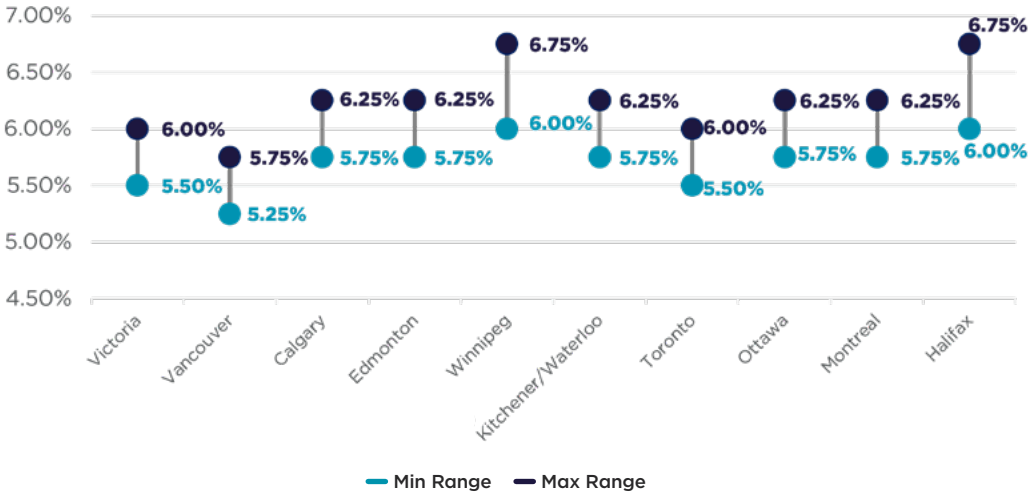


Historical Seniors Housing & Health Care Cap Rates



Seniors Housing Cap Rates

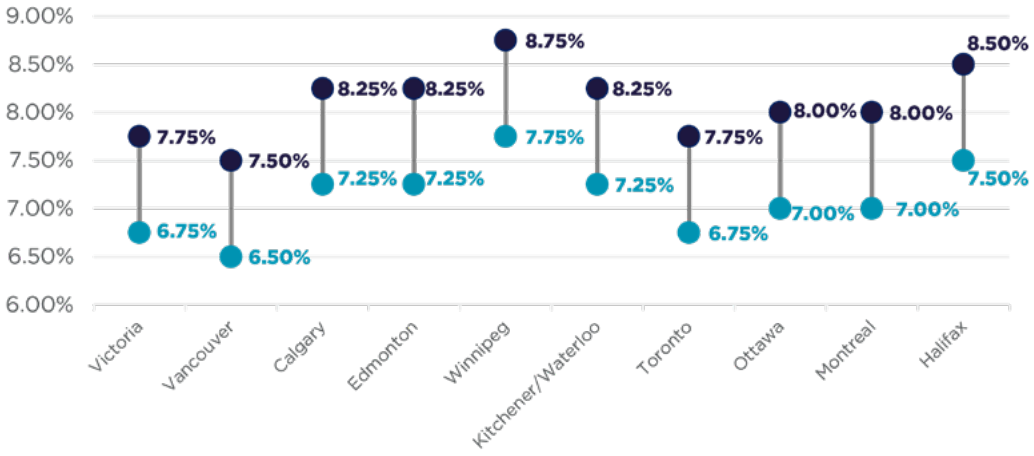
Seniors Housing “A”



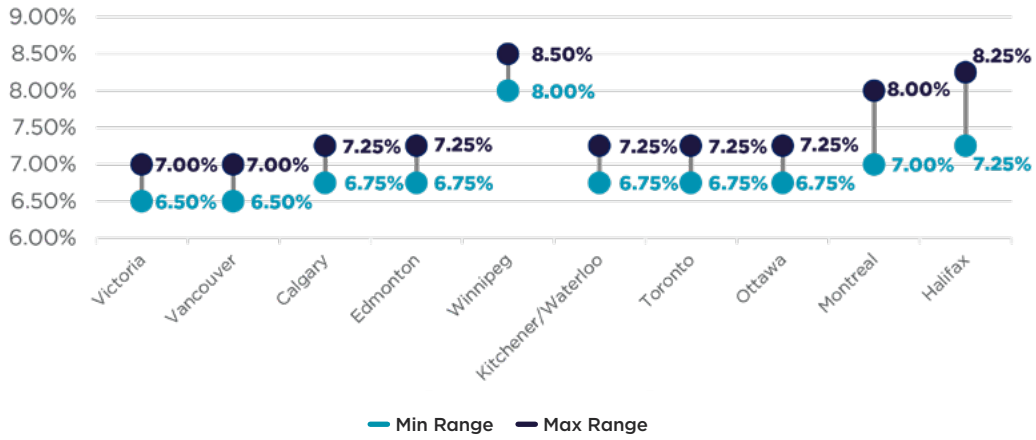


Seniors Housing Cap Rates

Seniors Housing "B"



Long-Term Care "A"



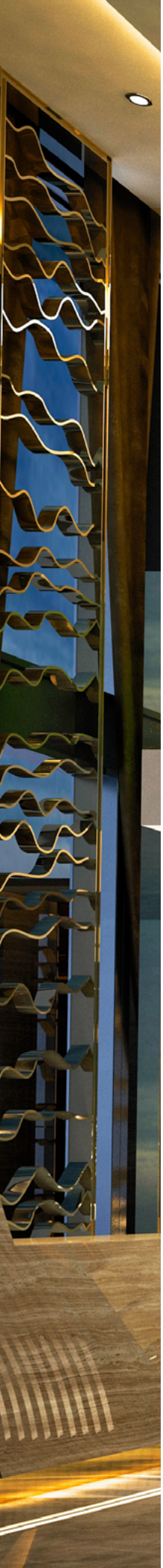


VANTAGE POINT

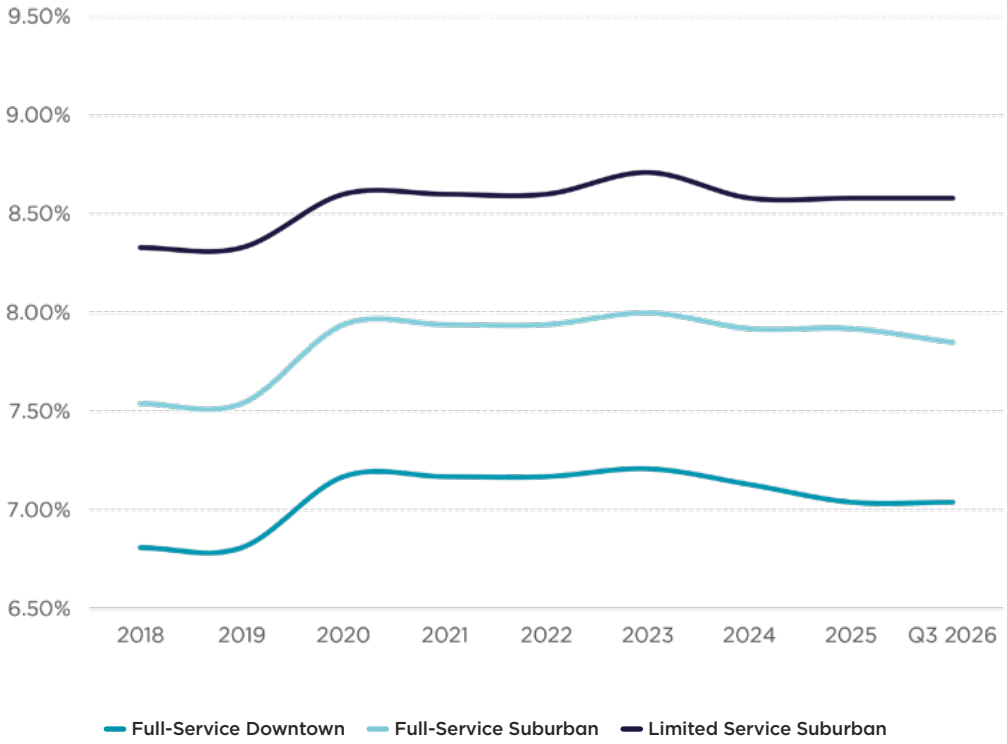
Hotel Cap Rates

Q3 2026

Back to Product Type Selection

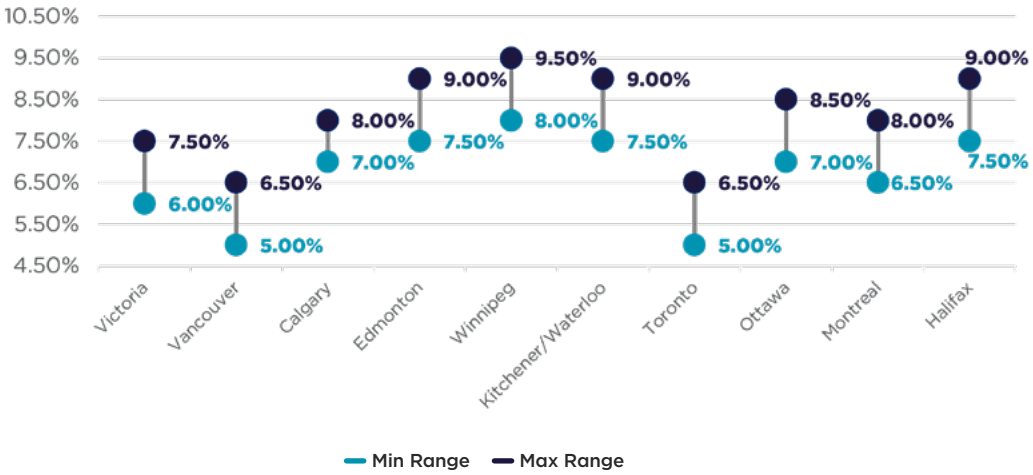


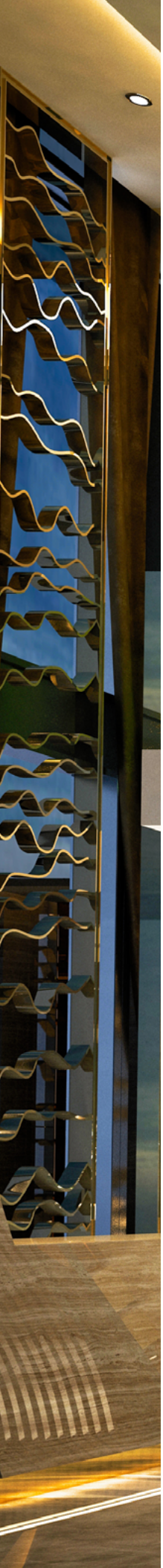
Historical Hotel Cap Rates



Hotel Cap Rates

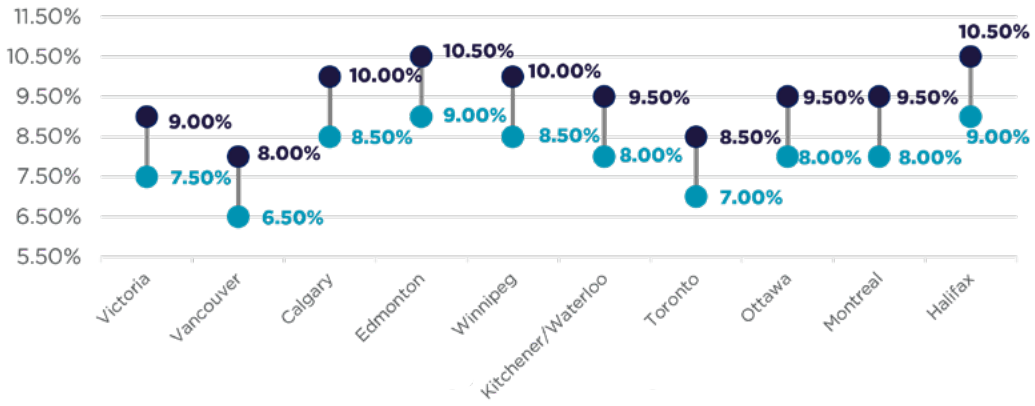
Full-Service Downtown



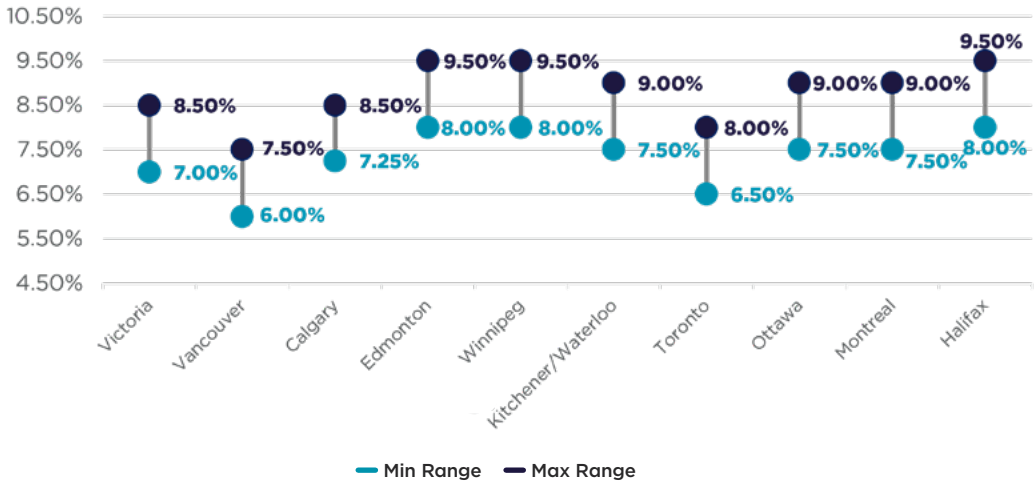


Hotel Cap Rates

Limited-Service Suburban



Select Service





VANTAGE POINT

Cap Rate Summary & Glossary

Q3 2026

Back to Product Type Selection

National Cap Rate Historical Comparison by Asset Type

ASSET TYPE	Q3 2026	Q2 2026	Q3 2025
DOWNTOWN OFFICE			
AA	6.92%	6.92%	6.88%
A	7.90%	7.90%	7.85%
B	8.67%	8.67%	8.63%
SUBURBAN OFFICE			
A	7.90%	7.94%	7.81%
B	8.69%	8.73%	8.65%
INDUSTRIAL			
A	5.90%	5.90%	5.85%
B	6.33%	6.33%	6.38%
MULTIFAMILY			
High Rise	4.75%	4.79%	4.63%
Low Rise	4.96%	5.00%	4.90%
SENIORS HOUSING & HEALTHCARE			
Seniors Housing “A”	5.85%	5.85%	5.90%
Seniors Housing “B”	7.45%	7.45%	7.65%
Long-Term Care “A”	7.05%	7.05%	7.05%
HOTEL			
Full-Service Downtown	7.04%	7.04%	7.04%
Select Service	7.85%	7.85%	7.92%
Limited-Service Suburban	8.58%	8.58%	8.58%
RETAIL			
Street Front – Top Performer	5.83%	5.83%	5.83%
Regional Mall – Top Performer	5.83%	5.83%	5.83%
Power Centre	6.27%	6.27%	6.27%
Community Commercial Centre	6.52%	6.52%	6.52%
Strip Plaza Anchored	6.08%	5.96%	6.00%
Strip Plaza Non-Anchored	6.71%	6.71%	6.75%

Q3 2026 Cap Rate Survey Report

ASSET TYPE	VICTORIA			VANCOUVER			CALGARY			EDMONTON			WINNIPEG		
RANGE	LOW	HIGH	👁	LOW	HIGH	👁	LOW	HIGH	👁	LOW	HIGH	👁	LOW	HIGH	👁
DOWNTOWN OFFICE															
AA	6.00%	7.00%	◆	5.25%	6.00%	◆	8.50%	9.50%	◆	7.00%	8.00%	◆	5.25%	5.75%	▲
A	7.50%	8.50%	◆	5.50%	6.25%	◆	9.50%	10.50%	◆	9.50%	10.50%	◆	6.50%	7.50%	▲
B	7.50%	8.50%	◆	6.00%	7.00%	◆	11.25%	12.25%	◆	10.50%	11.50%	◆	8.50%	9.50%	▲
SUBURBAN OFFICE															
A	7.50%	8.50%	◆	6.00%	6.75%	◆	8.50%	9.50%	◆	8.00%	9.00%	◆	6.25%	7.00%	◆
B	7.50%	8.50%	◆	6.25%	7.00%	◆	9.75%	10.75%	◆	9.00%	10.00%	◆	6.75%	7.75%	◆
INDUSTRIAL															
A	5.50%	6.00%	◆	4.50%	5.25%	◆	5.25%	6.00%	▼	6.00%	7.00%	◆	5.25%	5.75%	◆
B	5.75%	6.25%	◆	4.75%	5.50%	◆	6.00%	6.75%	◆	6.50%	7.50%	◆	6.00%	6.75%	◆
MULTIFAMILY															
High Rise	4.50%	5.25%	▲	3.50%	4.50%	◆	4.75%	5.50%	◆	4.25%	5.25%	◆	4.75%	5.50%	◆
Low Rise	4.25%	5.50%	▲	3.75%	4.75%	◆	4.75%	5.50%	◆	5.00%	6.00%	◆	5.00%	5.75%	◆
SENIORS HOUSING & HEALTHCARE															
Seniors Housing "A"	5.50%	6.00%	▼	5.25%	5.75%	▼	5.75%	6.25%	▼	5.75%	6.25%	▼	6.00%	6.75%	▼
Seniors Housing "B"	6.75%	7.75%	◆	6.50%	7.50%	◆	7.25%	8.25%	◆	7.25%	8.25%	◆	7.75%	8.75%	◆
Long-Term Care "A"	6.50%	7.00%	◆	6.50%	7.00%	◆	6.75%	7.25%	◆	6.75%	7.25%	◆	7.50%	8.50%	◆
HOTEL															
Full-Service Downtown	6.00%	7.50%	◆	5.00%	6.50%	▼	7.00%	8.00%	▼	7.50%	9.00%	◆	8.00%	9.50%	◆
Select Service	7.00%	8.50%	▼	6.00%	7.50%	▼	7.25%	8.50%	▼	8.00%	9.50%	◆	8.00%	9.50%	◆
Limited-Service Suburban	7.50%	9.00%	◆	6.50%	8.00%	◆	8.50%	10.00%	◆	9.00%	10.50%	◆	8.50%	10.00%	◆
RETAIL															
Street Front - Top Performer	4.75%	5.25%	◆	5.00%	5.75%	◆	6.25%	7.25%	◆	6.50%	7.25%	◆	N/A	N/A	N/A
Regional Mall - Top Performer	6.75%	8.25%	◆	4.75%	5.75%	◆	5.50%	6.50%	◆	6.25%	7.25%	◆	6.75%	8.25%	◆
Power Centre	5.25%	5.75%	◆	5.25%	6.00%	◆	6.25%	7.25%	◆	6.50%	7.50%	◆	6.50%	7.50%	◆
Community Commercial Centre	5.50%	6.00%	◆	5.00%	5.75%	◆	6.25%	7.25%	◆	6.25%	7.25%	◆	6.50%	7.50%	◆
Strip Plaza Anchored	5.25%	5.75%	◆	5.00%	5.50%	◆	6.00%	7.00%	◆	6.00%	7.00%	◆	5.75%	6.75%	▼
Strip Plaza Non-Anchored	5.50%	6.00%	◆	5.25%	6.00%	◆	6.75%	7.75%	◆	6.75%	7.75%	◆	6.00%	7.00%	▼

Legend

👁 **Outlook**	The arrow direction indicates if there was an outlook change &/or a cap rate ± bps change from the previous quarter
▲ **Up**	Outlook represents a forecast for the next 3-6 months
▼ **Down**	Green font indicates rising cap rate and/or range and/or outlook
◆ **Flat**	Red font indicates falling cap rate and/or range and/or outlook

Capitalization Rate

Cushman & Wakefield provides quarterly estimates of capitalization rates for the asset classes contained in this report based on our market expertise. The cap rate ranges are based on transaction data where possible, as well as demand and supply dynamics in the region. These estimates are meant to encompass the majority of assets within each class and may not represent outlier transactions or deals relating to assets with specific attributes that would significantly differentiate them. Particularly during periods of uncertainty transactions have been limited and best estimates of cap rates have been provided factoring in the expertise of local market participants.

Q3 2026 Cap Rate Survey Report

ASSET TYPE	KITCHENER/ WATERLOO			TORONTO			OTTAWA			MONTREAL			HALIFAX		
RANGE	LOW	HIGH	👁	LOW	HIGH	👁	LOW	HIGH	👁	LOW	HIGH	👁	LOW	HIGH	👁
DOWNTOWN OFFICE															
AA	N/A	N/A	N/A	5.25%	6.00%	▲	7.00%	8.00%	◆	5.75%	6.75%	◆	N/A	N/A	N/A
A	8.25%	8.75%	◆	6.25%	7.25%	▲	7.50%	8.50%	◆	6.25%	7.25%	◆	6.25%	6.75%	◆
B	9.25%	9.75%	◆	6.50%	7.50%	▲	8.00%	9.00%	◆	6.75%	7.75%	◆	7.00%	7.75%	◆
SUBURBAN OFFICE															
A	6.50%	7.00%	◆	7.00%	8.50%	▲	7.75%	8.75%	◆	7.00%	8.00%	◆	6.50%	7.50%	◆
B	6.25%	6.75%	◆	8.50%	9.50%	▲	8.25%	9.25%	▼	7.50%	8.50%	◆	7.50%	8.50%	◆
INDUSTRIAL															
A	5.75%	6.00%	◆	5.50%	6.25%	◆	6.00%	7.00%	◆	5.50%	6.50%	◆	6.50%	7.25%	◆
B	6.25%	6.50%	◆	5.50%	6.50%	◆	6.50%	7.50%	◆	6.00%	7.00%	◆	7.50%	8.00%	◆
MULTIFAMILY															
High Rise	4.75%	5.25%	▼	4.25%	5.00%	◆	4.75%	5.75%	◆	4.25%	5.25%	◆	4.50%	5.50%	◆
Low Rise	4.25%	5.00%	▼	4.00%	4.75%	◆	4.75%	5.75%	◆	4.75%	5.75%	◆	5.00%	6.00%	◆
SENIORS HOUSING & HEALTHCAI															
Seniors Housing "A"	5.55%	6.25%	▼	5.50%	6.00%	▼	5.75%	6.25%	▼	5.75%	6.25%	▼	6.00%	6.75%	▼
Seniors Housing "B"	7.25%	8.25%	◆	6.75%	7.75%	◆	7.00%	8.00%	◆	7.00%	8.00%	◆	7.50%	8.50%	◆
Long-Term Care "A"	6.75%	7.25%	◆	6.75%	7.25%	◆	6.75%	7.25%	◆	7.00%	8.00%	◆	7.25%	8.25%	◆
HOTEL															
Full-Service Downtown	7.50%	9.00%	◆	5.00%	6.50%	▼	7.00%	8.50%	◆	6.50%	8.00%	▼	7.50%	9.00%	◆
Select Service	7.50%	9.00%	▼	6.50%	8.00%	▼	7.50%	9.00%	▼	7.50%	9.00%	▼	8.00%	9.50%	▼
Limited-Service Suburban	8.00%	9.50%	◆	7.00%	8.50%	◆	8.00%	9.50%	◆	8.00%	9.50%	◆	9.00%	10.50%	◆
RETAIL															
Street Front - Top Performer	6.25%	6.75%	◆	4.50%	5.50%	◆	4.50%	5.50%	◆	5.50%	6.50%	◆	N/A	N/A	N/A
Regional Mall - Top Performer	6.75%	8.25%	◆	4.75%	5.75%	◆	5.50%	6.50%	◆	5.25%	6.25%	◆	6.75%	8.25%	◆
Power Centre	7.25%	7.75%	◆	5.00%	6.00%	◆	5.50%	6.00%	◆	6.50%	7.50%	◆	5.75%	6.75%	◆
Community Commercial Centre	6.25%	6.75%	◆	5.50%	6.50%	▲	5.75%	6.75%	◆	7.50%	8.50%	◆	7.00%	8.00%	◆
Strip Plaza Anchored	5.75%	6.25%	◆	4.50%	7.00%	◆	5.50%	6.50%	◆	6.00%	7.00%	◆	6.50%	7.50%	◆
Strip Plaza Non-Anchored	6.00%	6.50%	◆	4.50%	5.50%	◆	6.50%	7.75%	◆	7.50%	8.50%	◆	7.50%	8.50%	◆

Legend

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Investment Glossary

Downtown Office

Class AA

A best-in-class office product, with more elaborate common areas, modern construction and building efficiencies, that commands the highest rents and tends to attract stronger covenant tenants, such as banks, government, insurance companies, etc. These buildings tend to be situated close to the core within their respective markets and have excellent access to major public transit hubs. Buildings are typically larger than 750,000 SF, with 5 to 10-year tenancies and some 15-year leases for inbound tenants. Occupancy levels assumed to stabilize at close to 95% of comparable market net rates.

Class A

A strong-performing asset, typically between 400,000 and 700,000 SF, which is well located, and may have smaller floor plate sizes, solid amenities and less elaborate common areas. The majority of the tenants have 5 to 10-year lease commitments. Occupancy levels assumed to stabilize at close to 95% of comparable market net rates.

Class B

Older office product, typically in the range of 100,000 to 250,000 SF. Buildings tend to be occupied with a diversified tenant mix but lack a large anchor tenant. Shorter lease commitments occur in this asset class with the average term ranging between 5 and 10 years. Average floor plate size can be significantly smaller. Generally, not connected to the subway.

Suburban Office / Industrial

Class A

Newer high-quality suburban product, typically between 100,000 and 300,000 SF. Attracts good covenant tenants for 5 to 10-year lease terms.

Class B

Older suburban product that attracts a wider range of tenants and covenants for lease terms ranging between 3 and 10 years.

Multifamily

High Rise

An apartment building greater than 4 storeys in height or having more than 80 units.

Low Rise

Any apartment complex having fewer than 80 units.

Seniors Housing

A retirement residence that provides independent, assisted living and/or memory care services and accommodation. As part of the monthly fee, access to meals and other services, such as housekeeping, transportation, and social and recreational activities, may be provided to residents. Assisted living and memory care service levels include assistance with activities of daily living and personal care support. Typically, 100% of the cost of accommodation and related service is paid for privately by the resident.

Long-Term Care

Also referred to as nursing homes, long-term care homes provide accommodation and care services for adults requiring access to 24-hour nursing and personal care. This includes help with most or all daily activities. Typically, long-term care homes in Canada receive reimbursement via government subsidies for the care services provided to residents. Residents are most often responsible for a co-payment to offset the cost of 'room and board'.

Hotel

Full-Service

A hotel with extensive dining and meeting facilities. Quality ranges from upscale to luxury. Examples include Hilton, Westin, Hyatt, etc.

Select-Service

A hotel that offers the fundamentals of limited-service properties blended with a selection of features found in full-service properties. Typically, this involves a limited presence of food, beverage and meeting space.

Limited-Service

A room-focused hotel with minimal facilities. Quality ranges from economy to mid-scale. Examples include Comfort Inn and Super 8.

Retail

Street Front – Top Performer

Typically considered the street or section thereof where the greatest dollar value psf is generated from street front retail stores within each market.

Regional Mall – Top Performer

Top-performing fully enclosed mall. These buildings tend to be greater than 800,000 SF and have a wide product offering, featuring destination retailers and 2 to 3 anchor tenants. Often located near large transit hubs and serve a trade area between 10 and 30 kilometres.

Power Centre

Large format, category dominant retailers in an open-air configuration that may include "club" or discount department stores. Total GLA is typically between 100,000 and 1,000,000 SF.

Community Commercial Centre

An enclosed centre anchored by a smaller department store, servicing a local community. Tenants may include general merchandise and convenience offerings, including a grocery store. Total GLA is typically between 100,000 and 400,000 SF.

Strip Plaza – Anchored

An open-air configuration of attached retail stores that may include retail PAD sites. They are often anchored by a food or drug store tenant. Tenants are generally servicing residents in the neighbourhood. These would include dry cleaners, take-out food stores, convenience stores, etc.

Strip Plaza – Non-Anchored

An open-air configuration of attached retail stores, not anchored by a grocer or drug store, that may include retail PAD sites. Tenants are generally servicing local neighbourhood residents.

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