CUSHMAN & WAKEFIELD

VANTAGE POINT

Canadian Cap Rate & Capital Markets Report

Q2 2026

Real Estate Investment Conditions & Cushman & Wakefield's Perspective on AI

- So far, there have been very few signs that the uptick in long-term rates has negatively impacted Commercial Real Estate (CRE) sales pricing. During the first three months of the war in the Gulf, MSCI/Real Capital Analytics' Commercial Property Price Index continued to rise for all major property types with the exception of apartments—arguably the most rate-sensitive property type given its current combination of relatively low cap rates and limited NOI growth—where pricing fell 1.1%. Meanwhile, implied cap rates for apartment, office, and mall REITs are all currently below late-February 2026 levels, while those of industrial REITs have held steady around 5%.
- Much of this resilience in CRE sales volume and pricing ties back to the fact that CRE debt markets have remained highly liquid in recent months and conviction that downside risks are limited has helped keep lending spreads tight. The key variable to watch, however, is longer-term inflation expectations
- Across the U.S. (CRE trends in the U.S. are relevant for Canada), industrial demand gained momentum, rising 21% quarter-over-quarter (QOQ), while multifamily absorption reached a near 25-year high and vacancy fell below 9%. Office continued its path toward recovery, and retail held firm amid tight supply and resilient consumer spending. Hotels and seniors housing continued to experience record occupancy numbers.
- Our refreshed AI Impact Barometer shows capital flows into AI accelerating sharply since our February 2026 update. Venture funding for AI and machine learning hit $269 billion in the first quarter alone, already exceeding the full-year total recorded in 2025. The CRE signal is sharpening too, with availability compressing across automation-ready distribution space, Class A office in tech hubs, and data centers. [Explore the Barometer].

	Q2 2026	Q1 2026	Q2 2025
INTEREST RATES			
Overnight Rate	2.25%	2.25%	2.75%
Benchmark Bond Yield 2-Year	2.73%	2.88%	2.59%
Benchmark Bond Yield 5-Year	3.01%	3.14%	2.83%
Benchmark Bond Yield 10-Year	3.38%	3.46%	3.28%
ECONOMIC INDICATORS			
CPI	2.8%	2.4%	1.9%
Core CPI	1.8%	1.9%	2.6%
Annual GDP Growth	2.8%*	2.1%	2.5%
Unemployment Rate	6.5%	6.7%	6.9%

Q1 Data Reflective of March 31st
Q2 Data Reflective of June 30th

* Reflective April 2026

VANTAGE POINT

Investment Sales Volume by Major Market & Asset Type

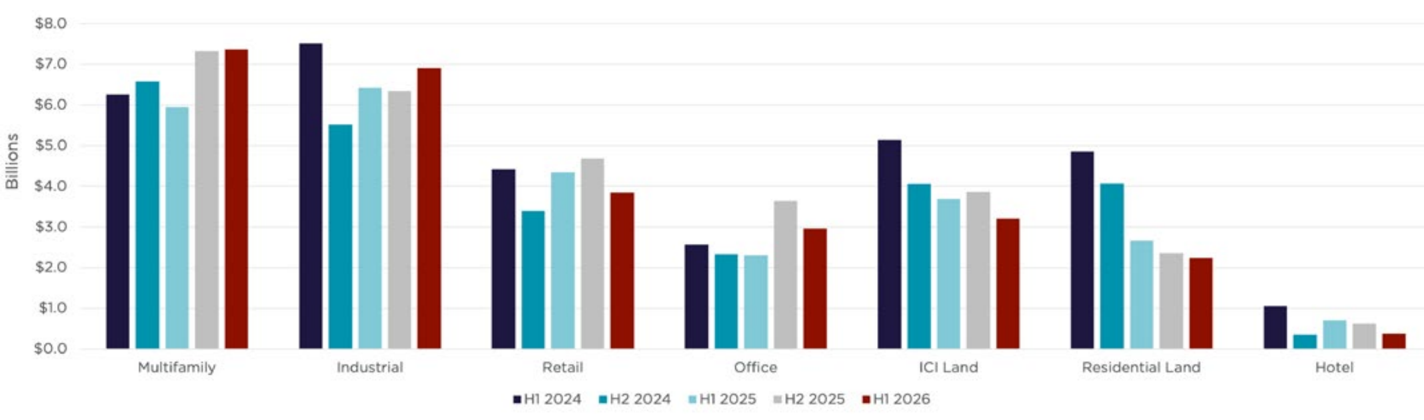
Q2 2026

Sales Volume by Asset Class

H1 2024 to H1 2026

Investment activity remained stable through the first half of 2026 with transaction volume across most major asset classes continuing to align with trends established since the start of 2024. Furthermore, QOQ investment volume increased across the board, with gains of more than 5% or $714 million in total dollar volume. Multifamily investment volume steadily increased since the start of the year, reaching its strongest first half performance since the start of 2024 with $7.4 billion in total investment volume. Industrial investment activity has rebounded significantly, nearly matching the activity recorded in the first half of 2024 with $6.9 billion in total investment activity. Retail investment has remained remarkably consistent over the past two and a half years, underscoring the sector's resilience and continued investor demand. Office investment has also continued to regain traction since the start of 2024 despite declining from it's strong second half of 2025, which was driven by the largest office transaction in more than a decade. Meanwhile, both ICI and residential land markets have stabilized and remain broadly in line with transaction volume recorded since the start of 2025, suggesting that pricing expectations between buyers and sellers have become increasingly aligned.

YEAR-OVER-YEAR H1 2024 – H1 2026

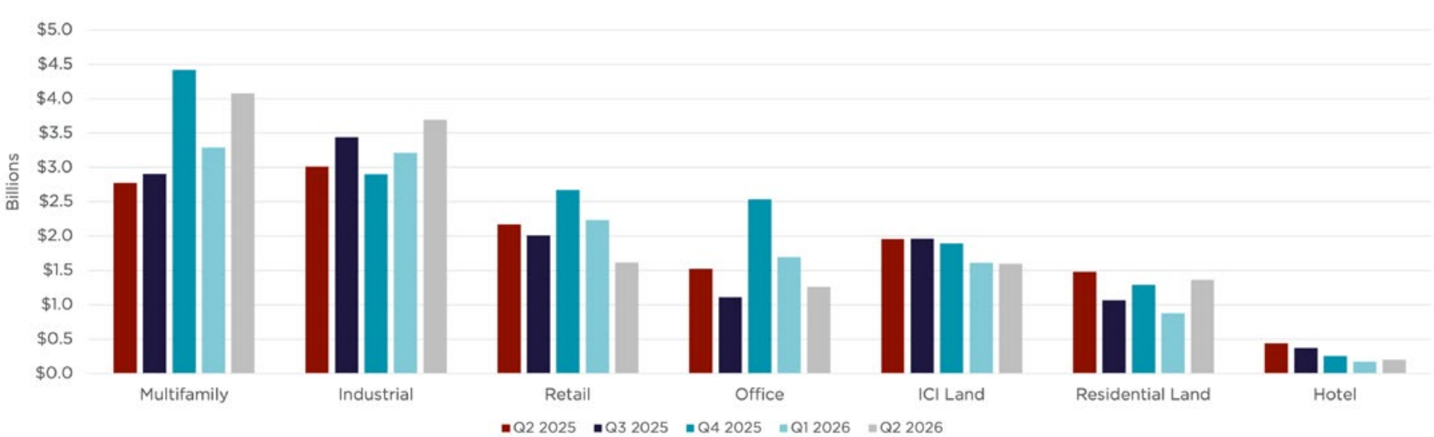


Source: Altus Group & Real Capital Analytics

Quarterly Sales Volume by Asset Class
Q2 2025 - Q2 2026

Multifamily maintained its position as Canada's leading investment asset class in Q2 2026, recording $4.1 billion in total investment volume and marking a 26.0% increase QOQ. Industrial followed closely with $3.7 billion in sales volume, representing a 27% increase from Q1 2026 and continuing to demonstrate stable investor demand. Retail investment activity moderated to $1.6 billion, down 28% from the previous quarter, although the decline was largely attributable to reporting delays in Alberta, where Calgary and Edmonton recorded significantly lower volumes than historical averages. Office investment totaled $1.3 billion in Q2 2026, declining from $1.7 billion in Q1 2026 but remaining broadly in line with the quarterly average since 2024 of approximately $1.4 billion. ICI land transactions remained relatively stable at $1.6 billion, reflecting continued demand for income-producing and development-oriented land opportunities, while residential land investment totaled $1.4 billion, an uptick over volumes seen in Q1 2026 and closer in line with the activity recorded from this time in 2025.

Q2 2025 – Q2 2026

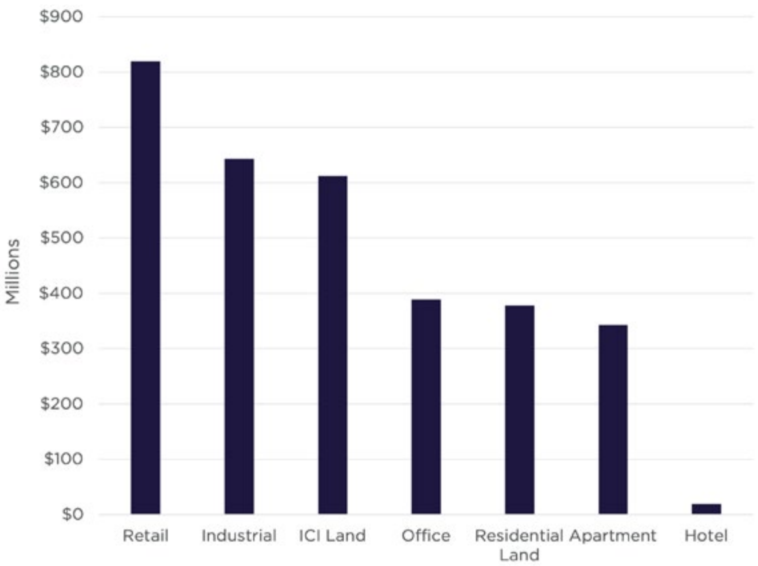


Source: Altus Group & Real Capital Analytics

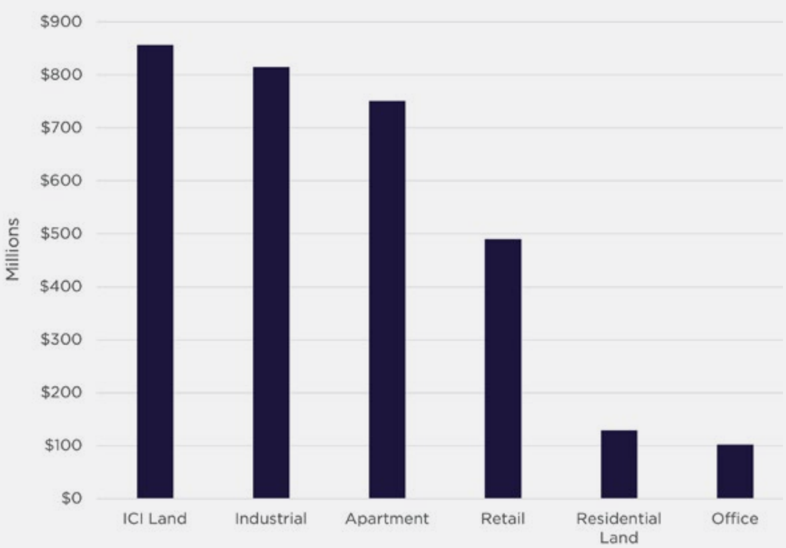
Major Canadian Markets Sales Volume by Asset Type

Q2 2026

VANCOUVER



GREATER GOLDEN HORSESHOE

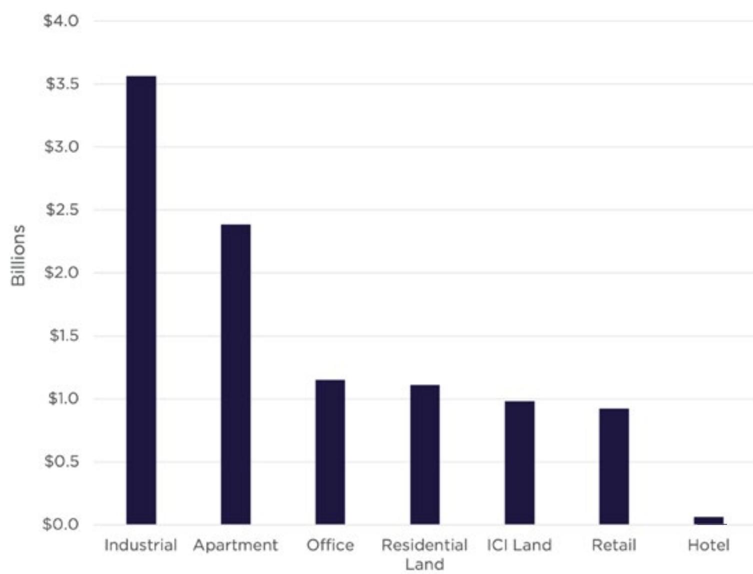


Source: Altus Group

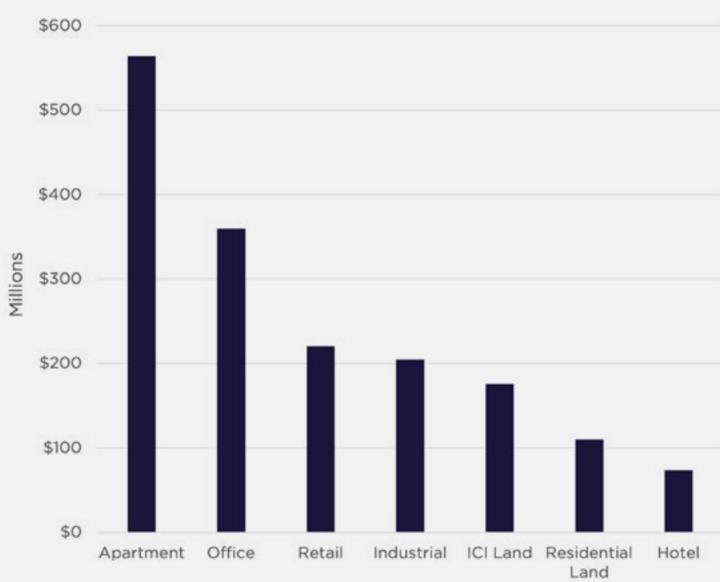
Major Canadian Markets Sales Volume by Asset Type

Q2 2026

TORONTO



OTTAWA

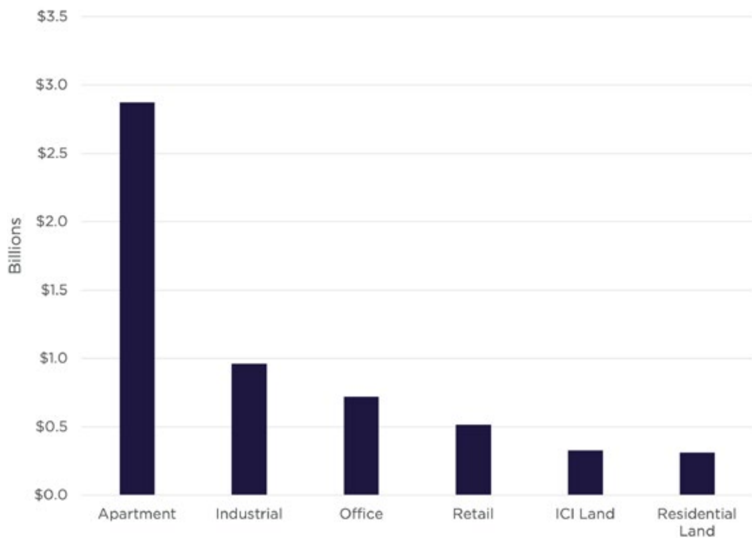


Source: Altus Group

Major Canadian Markets Sales Volume by Asset Type

Q2 2026

MONTREAL



Source: Altus Group

Jump to

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

VANTAGE POINT

Multifamily Cap Rates & Sales Volume

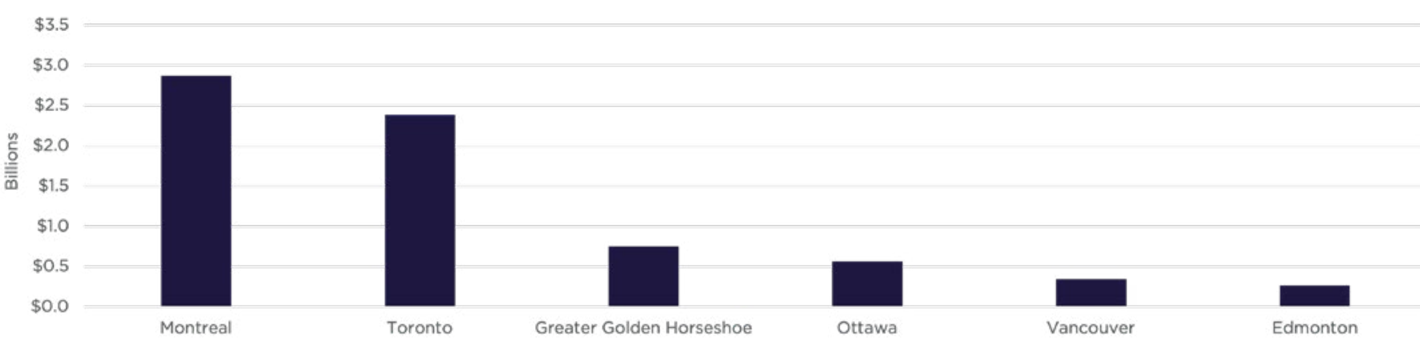
Q2 2026

Multifamily Sales Volume by Major Market

Q2 2026

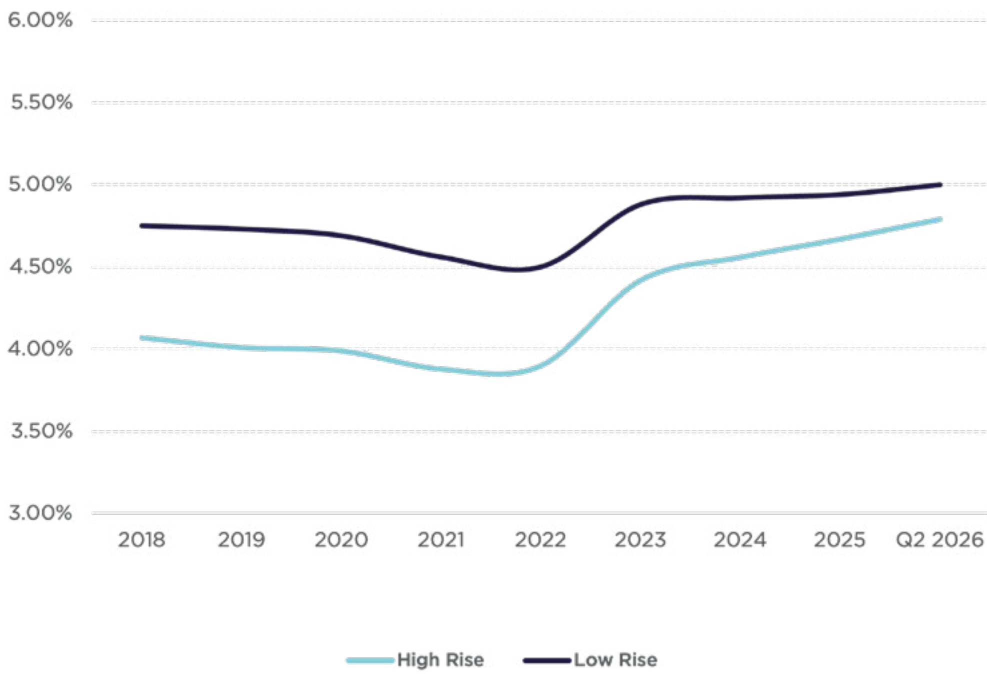
Multifamily remained the top asset class in Q2 2026 and through the first half of the year, recording $4.1 billion in total investment volume during the quarter and $7.4 billion through midyear. Investment activity increased 24% QOQ and remained above the historical quarterly average of $3.3 billion recorded between 2024 and 2025, highlighting the continued strength of the asset class.

Private buyers once again remained the most active participants in the market, accounting for 59% of total multifamily acquisitions in Q2 2026 and 72% through the first half of the year. Montreal continues to lead the country in multifamily investment, representing 39% of national investment volume through two quarters, or $2.9 billion. However, activity in Toronto surged in Q2 2026, recording $1.8 billion in quarterly investment volume and outpacing Montreal's $1.3 billion. The increase in activity brought Toronto's share of national multifamily investment volume to 32% through the first half of the year, up from 19% in Q1 2026. Contributing to the surge in activity was Woodbourne Capital Management's acquisition of a 50% interest in FourFifty The Well from RioCan REIT for $188.0 million, representing the largest multifamily transaction for the first half of the year. Located at 450 Front Street West and completed in 2023, the 592-unit asset reflects an adjusted price per unit of $635,135.



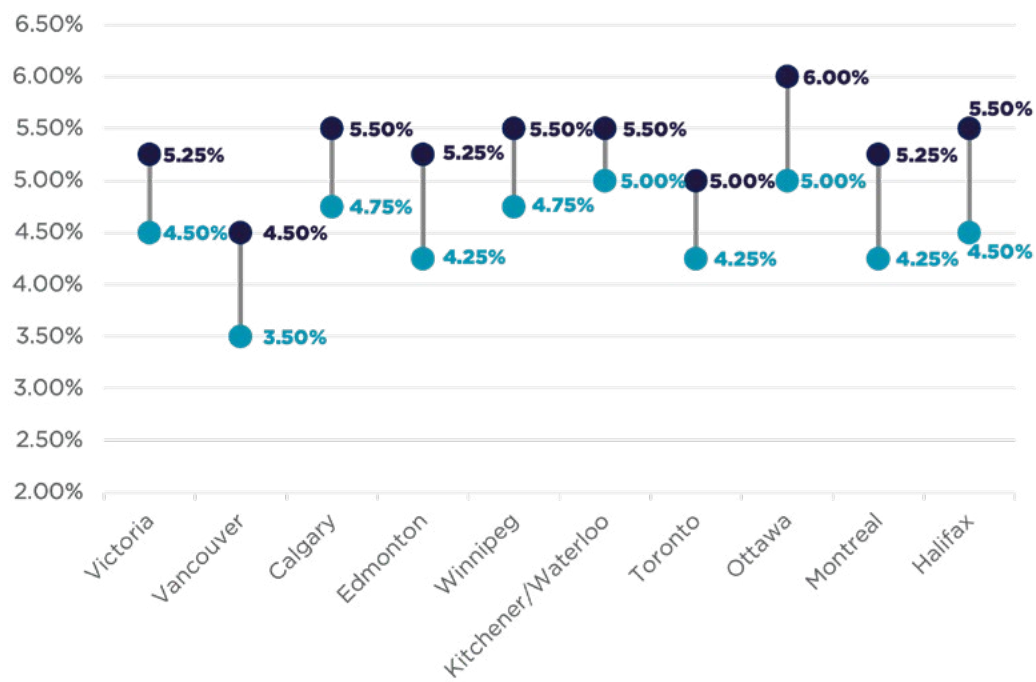
Source: Altus Group & Real Capital Analytics

Historical Multifamily Cap Rates

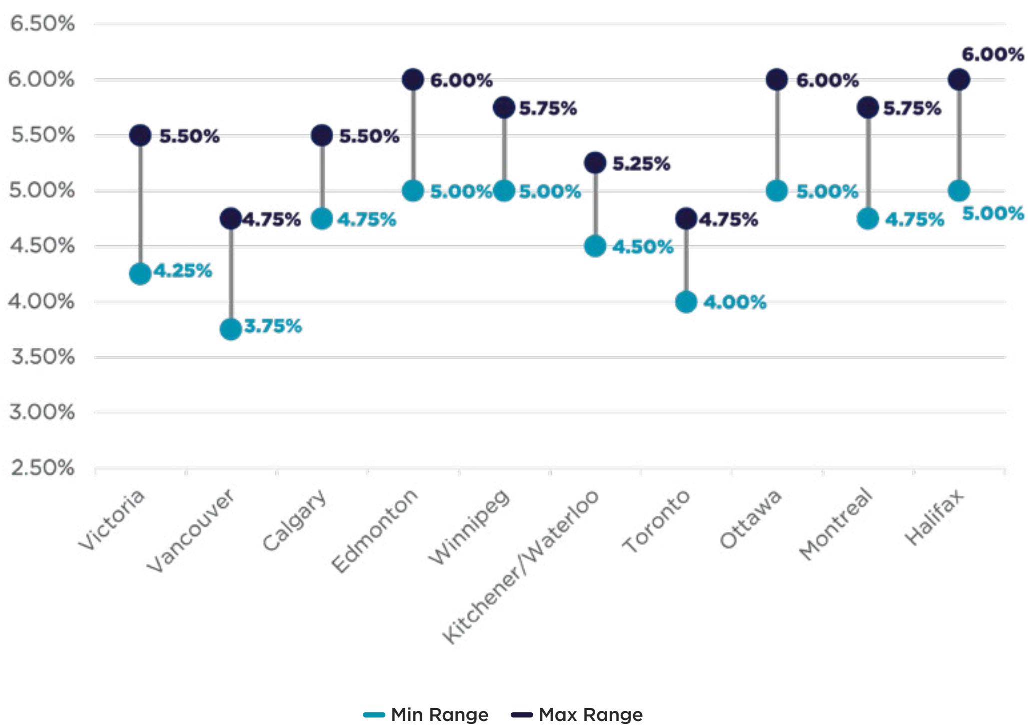


Multifamily Cap Rates

High Rise



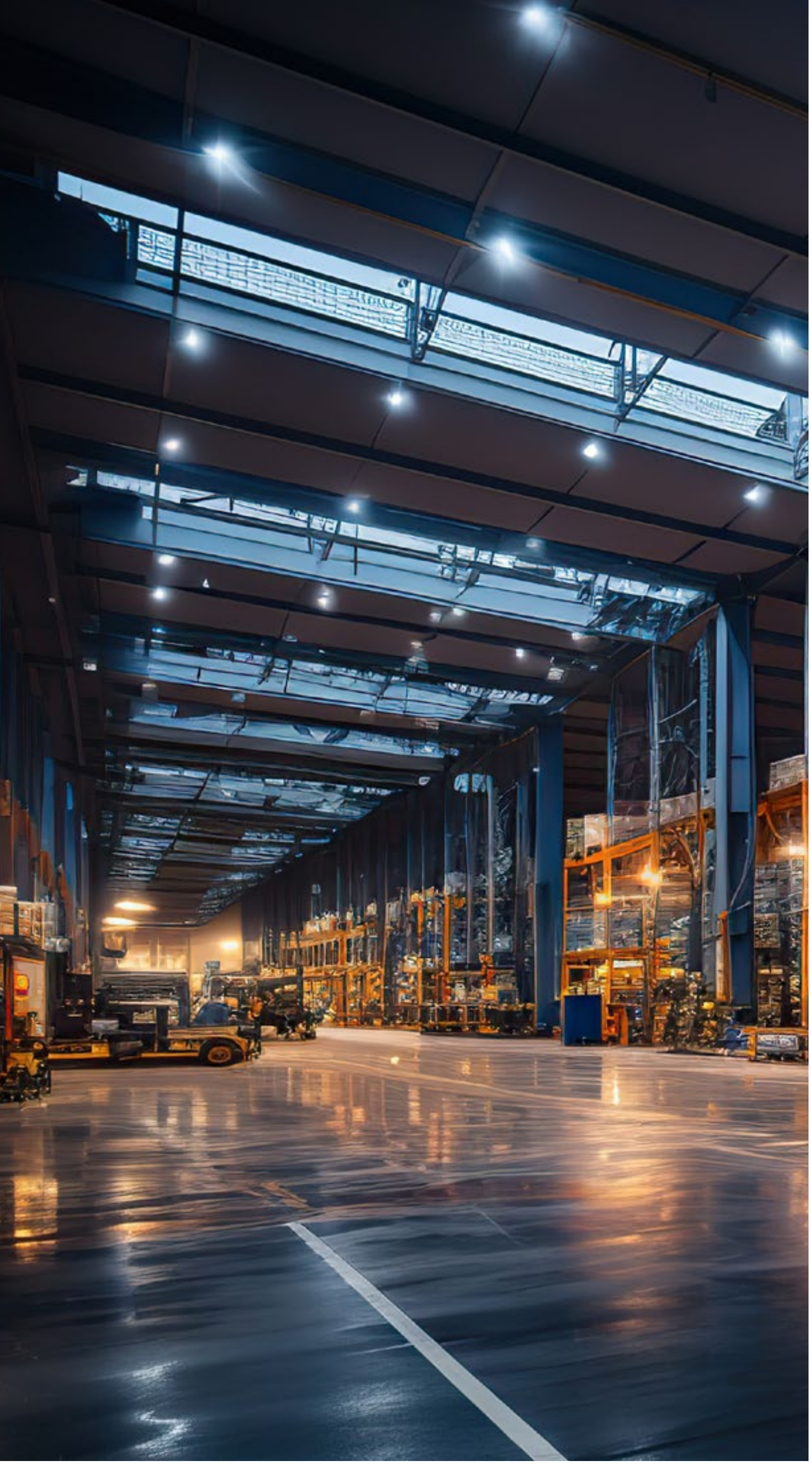
Low Rise



VANTAGE POINT

Industrial Cap Rates & Sales Volume

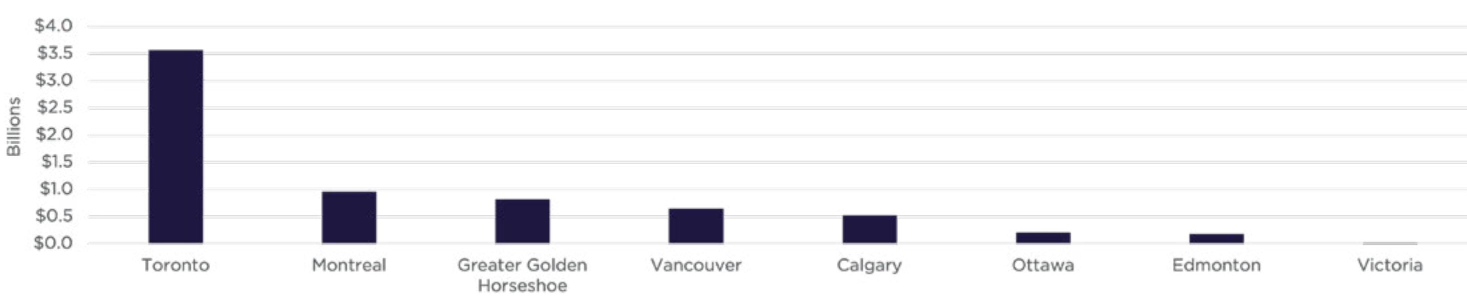
Q2 2026



Industrial Sales Volume by Major Market

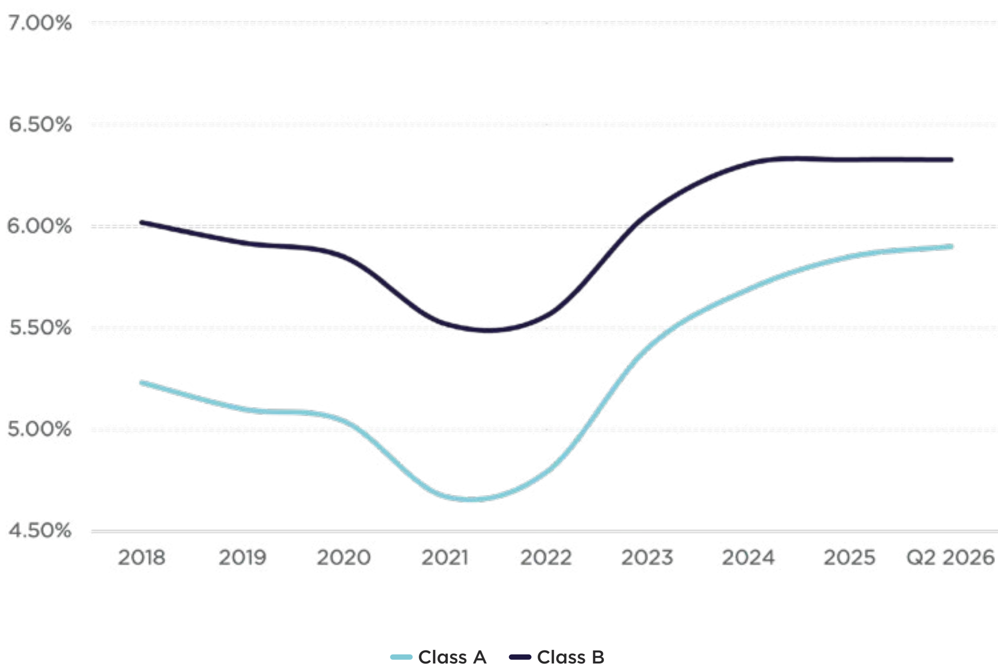
Q2 2026

Continuing to rank among the most active asset classes, the industrial sector remained a key contributor to overall market activity in Q2 2026, recording approximately $3.7 billion in total investment volume and accounting for 27% of total Canadian investment volume. Market fundamentals continued to stabilize through the quarter, with the national industrial vacancy rate reaching 5.4%, continuing the trend of minimal QOQ movement that began one year ago. Demand strengthened significantly, with net absorption totaling approximately 3.7 million square feet (msf), led by Toronto and supported by Western Canadian markets. Average net asking rents continued to ease, reflecting softer market conditions in select markets while in others a gradual shift in available inventory toward lower-priced space as premium industrial product was leased and removed from the market. Toronto remained the dominant investment market, accounting for 56% of national industrial investment volume in Q2 2026. On a rolling 12-month basis, Toronto represented 48% of total industrial volume, followed by the Greater Golden Horseshoe at 14%, Montreal at 13%, and Vancouver at 10%. As in prior periods, transaction volume continued to be driven primarily by private investors and user purchasers. However, foreign capital activity increased materially during the quarter, accounting for approximately $533 million, or 15% of total industrial investment volume nationally. This increase in foreign investment during the quarter was driven almost entirely by Pontegadea Group, whose acquisitions of 140 Old Mill Road in Cambridge, Ontario, and 1680 Thornton Road North in Oshawa, Ontario, ranked among the three largest industrial transactions completed so far this year.



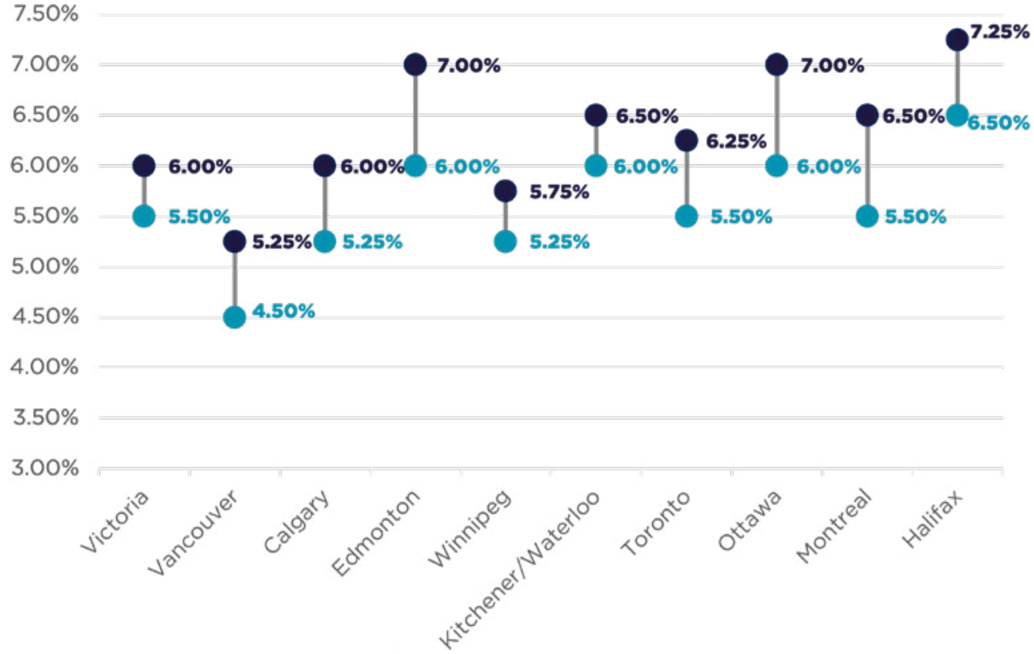
Source: Altus Group & Real Capital Analytics

Historical Industrial Cap Rates

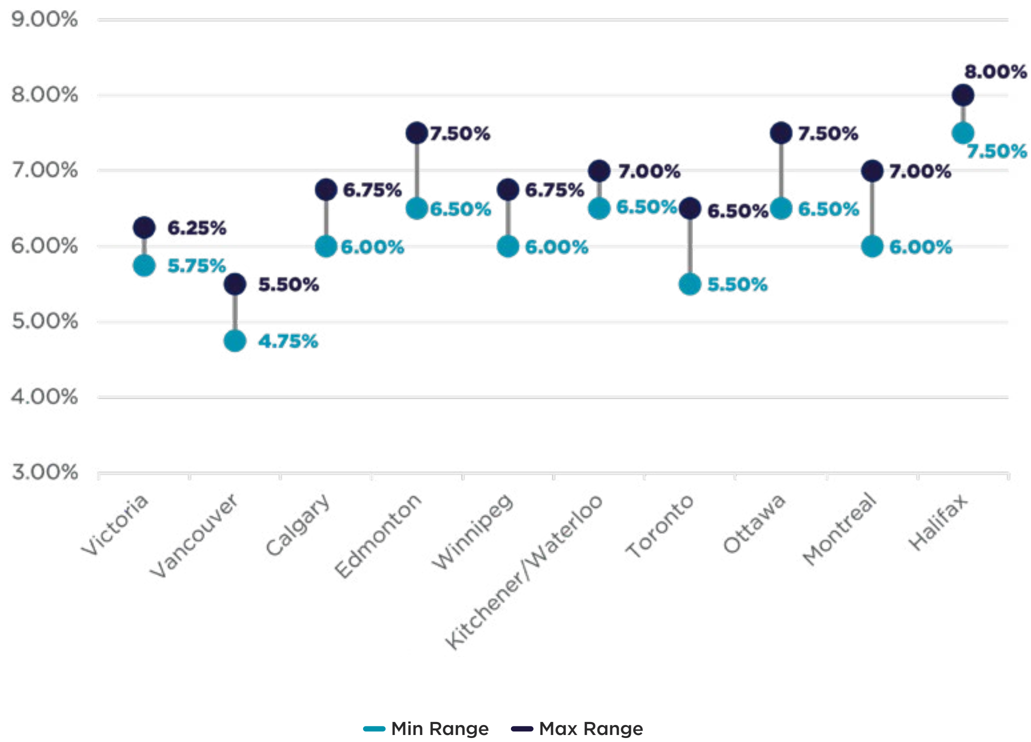


Industrial Cap Rates

Industrial Class A



Industrial Class B



VANTAGE POINT

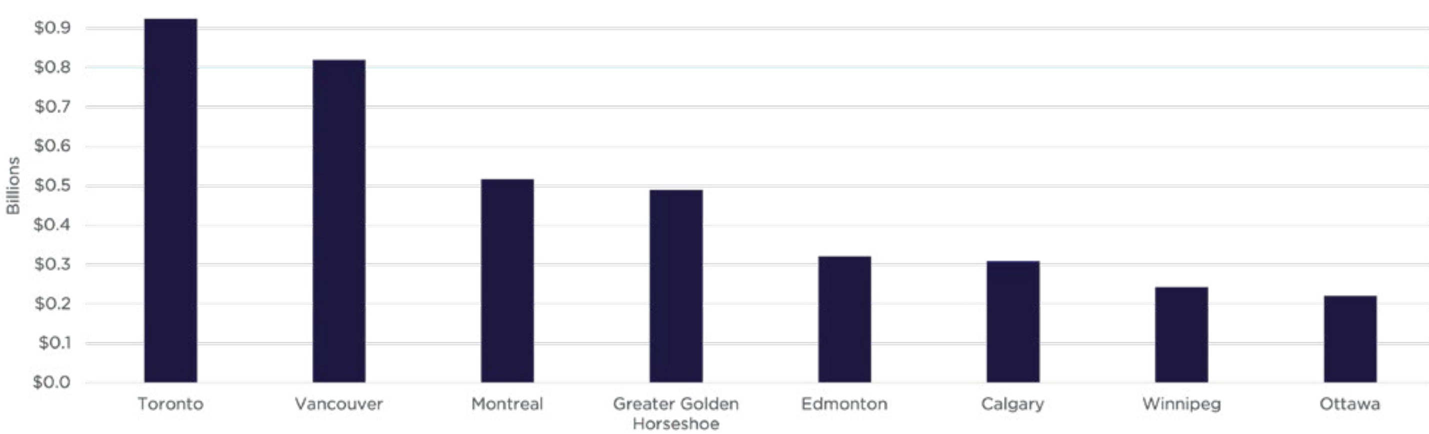
Retail Cap Rates & Sales Volume

Q2 2026

Retail Sales Volume by Major Market

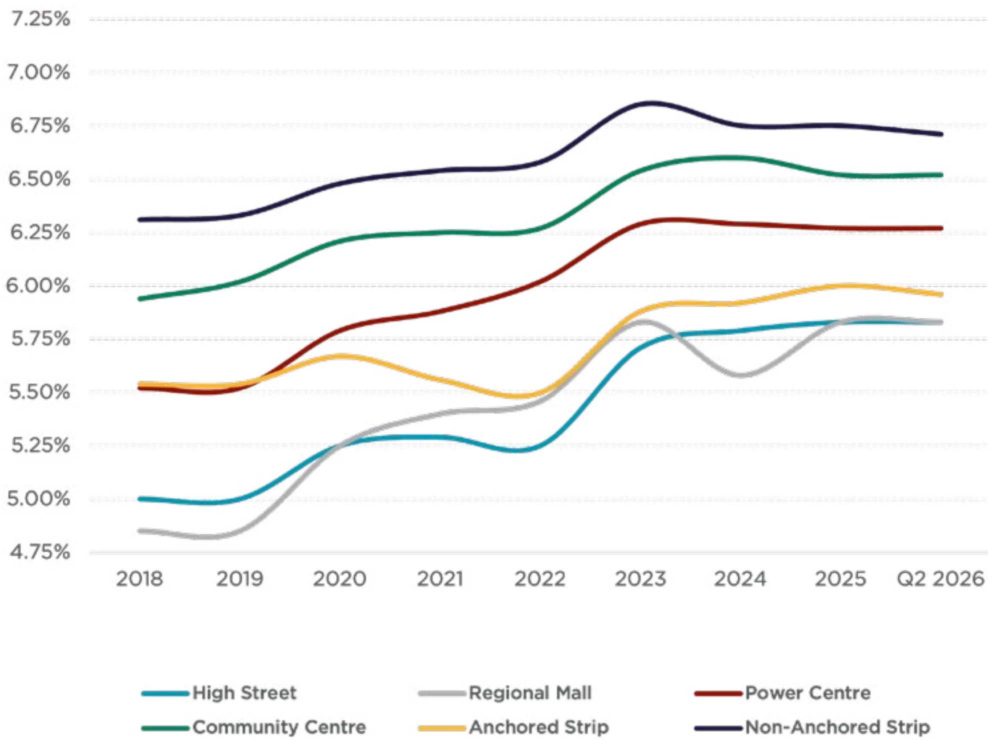
Q2 2026

Retail remained one of the most active asset classes in Q2 2026, ranking third overall with total investment volume reaching $1.6 billion. While activity declined 28% QOQ, the decrease appears to be largely attributed to reporting delays in Alberta. Retail investment activity in Calgary and Edmonton fell 88% and 98%, respectively, with the two markets reporting a combined $31.0 million in transaction volume during the quarter, well below their average quarterly volume of $379.1 million since 2024. Excluding Calgary and Edmonton from both the current quarter and the historical comparison period, retail investment activity was down just 3% QOQ and remained broadly in line with average quarterly volumes recorded since 2024, pointing to otherwise stable market fundamentals. Private investors continued to dominate the purchaser pool, accounting for 76% of all retail investment activity in Q2 2026, up from 63% in Q1 2026 and well above the 2025 average of 59%.



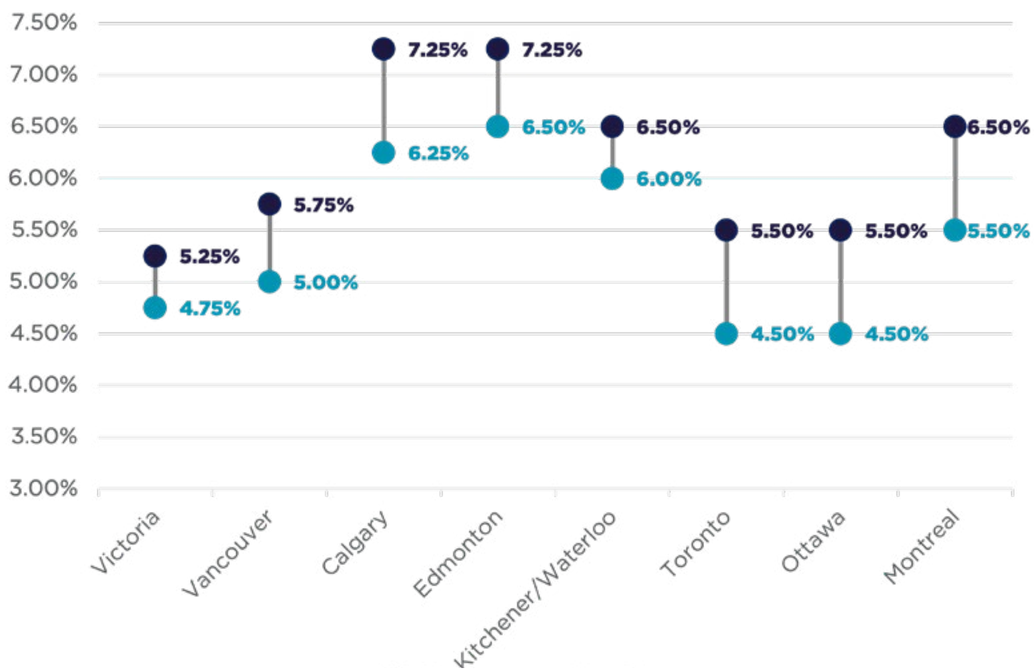
Source: Altus Group & Real Capital Analytics

Historical Retail Cap Rates

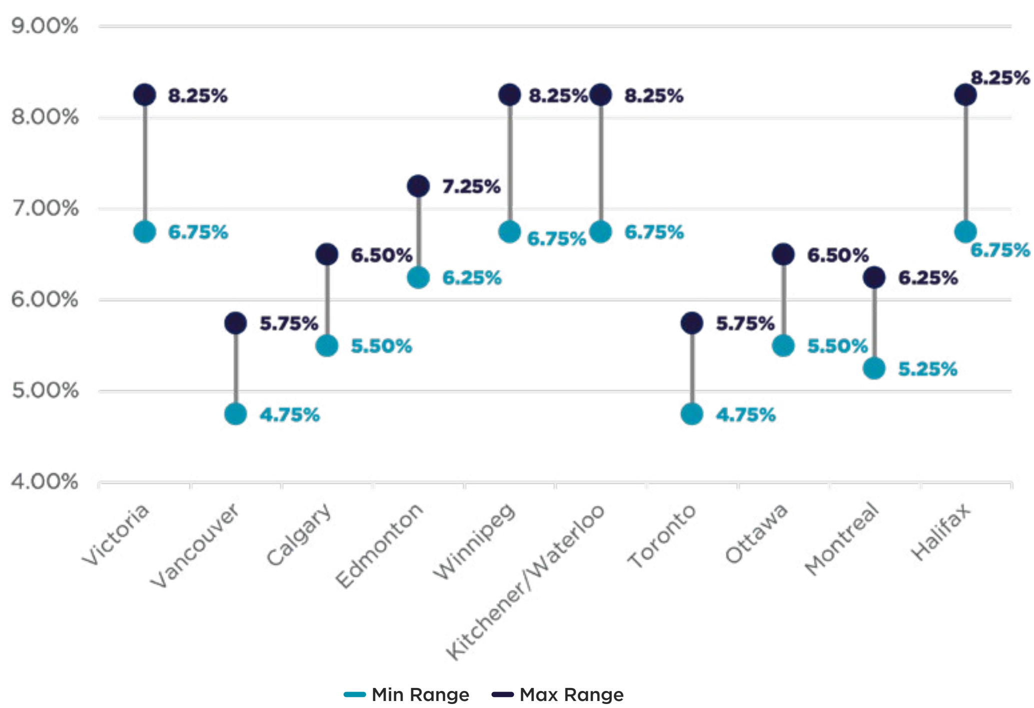


Retail Cap Rates

Street Front Top Performer

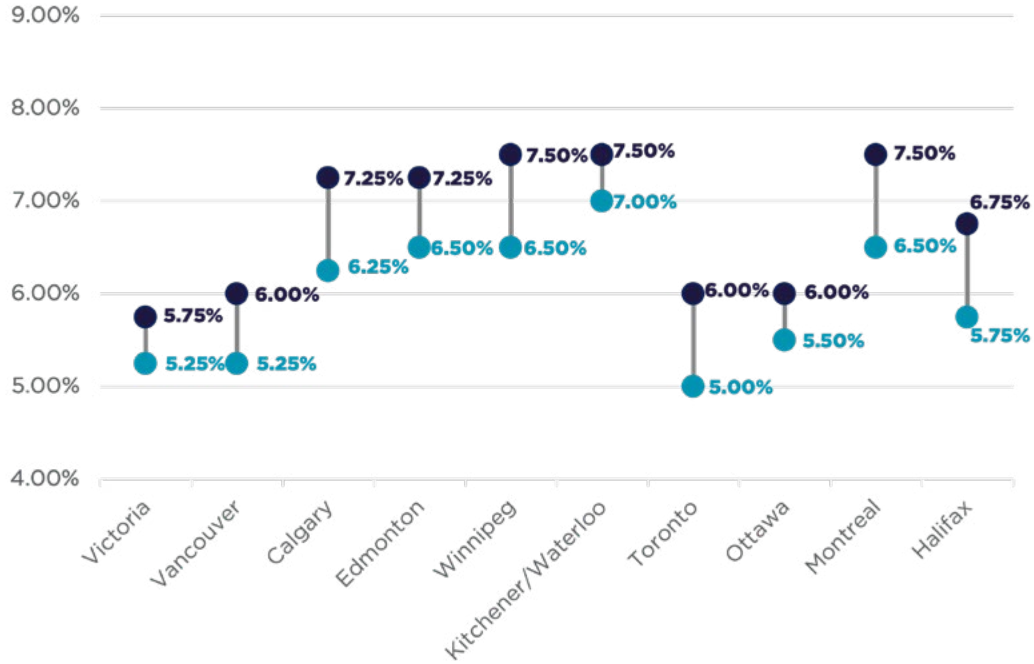


Regional Mall Top Performer

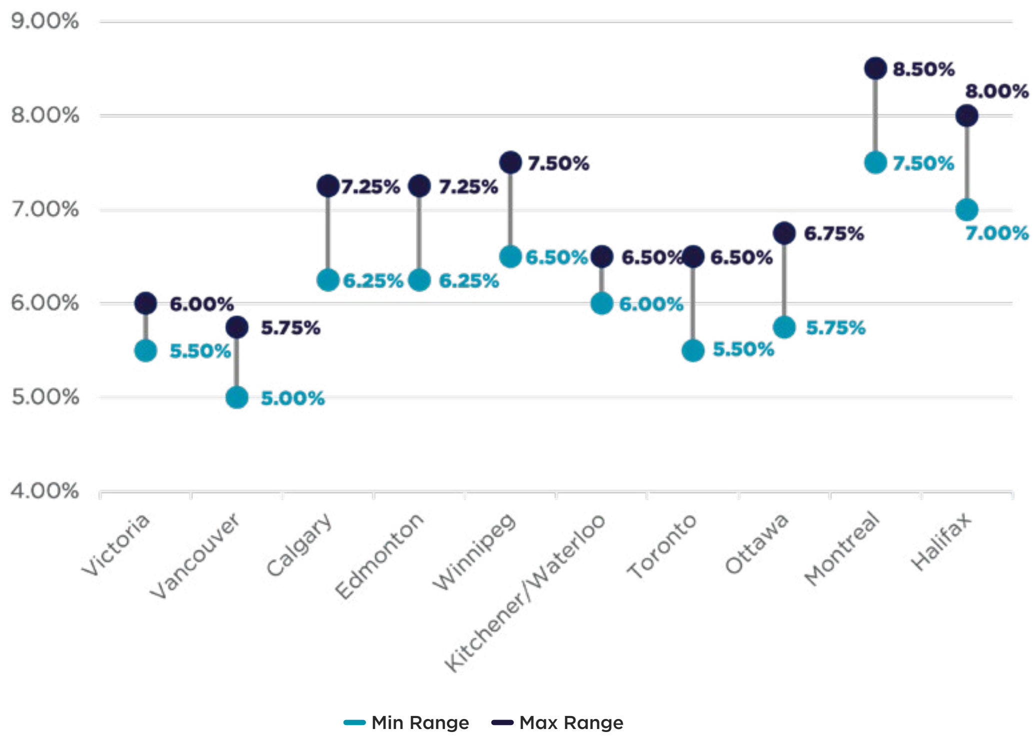


Retail Cap Rates

Power Centre

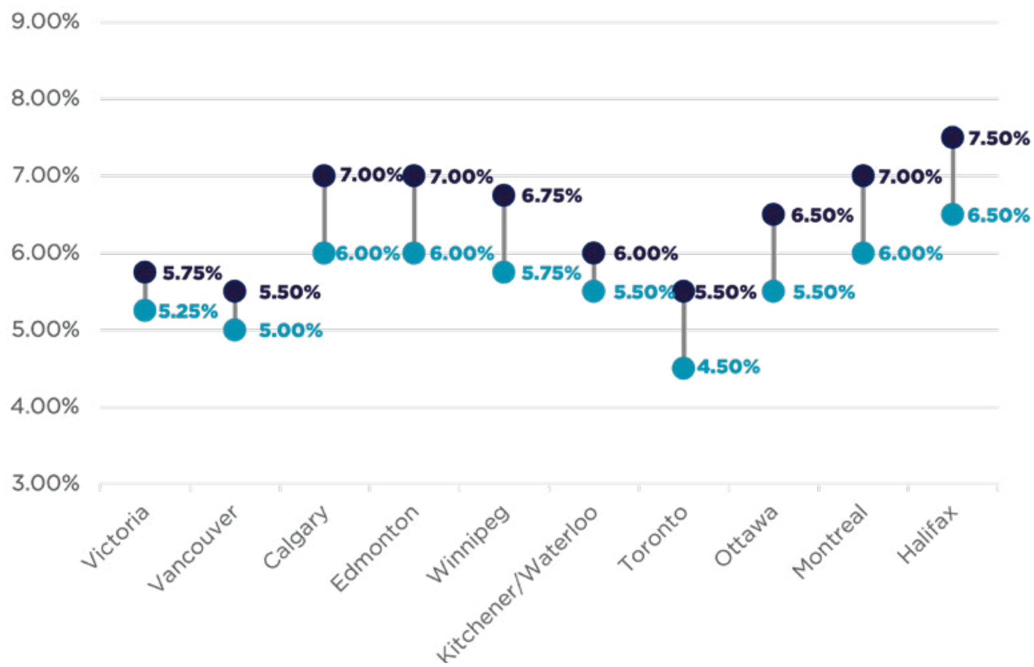


Community Commercial Centre

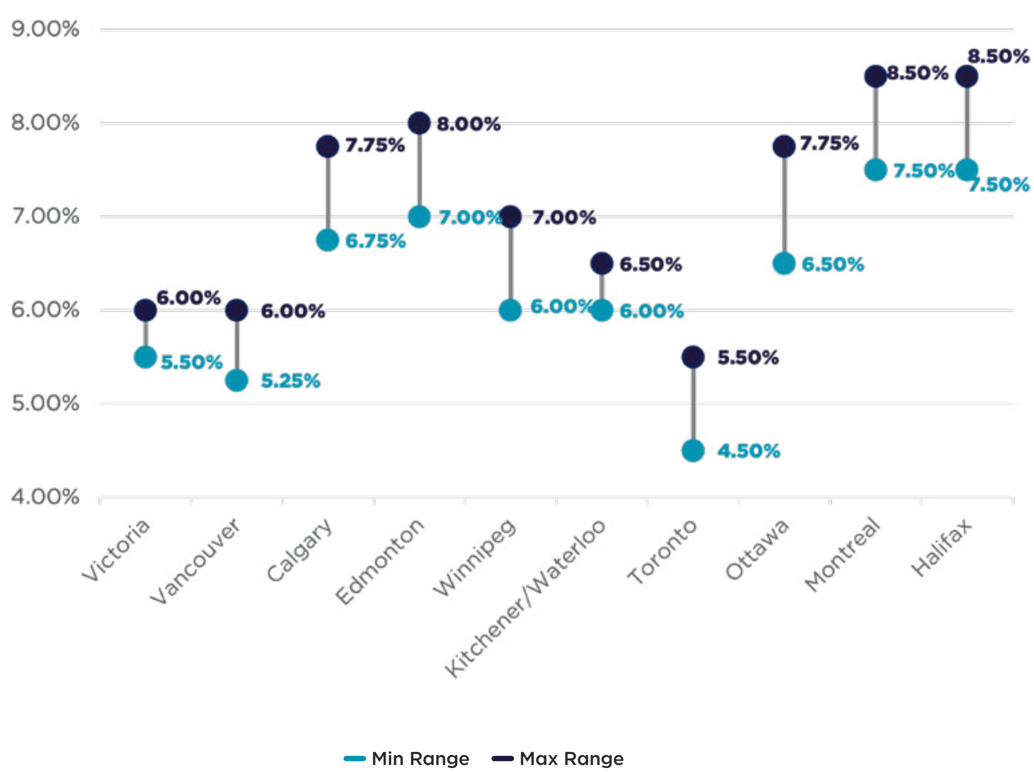


Retail Cap Rates

Strip Plaza Anchored



Strip Plaza Non-Anchored



VANTAGE POINT

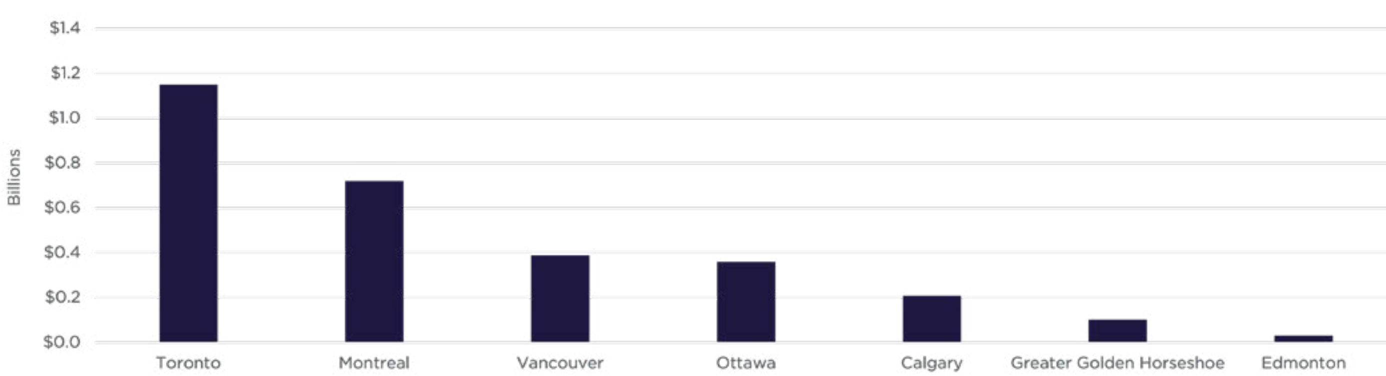
Office Cap Rates & Sales Volume

Q2 2026

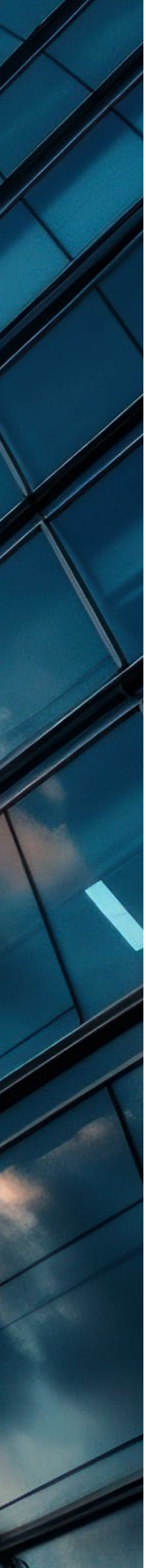
Office Sales Volume by Major Market

Q2 2026

The office sector recorded $1.3 billion in investment volume in Q2 2026. While activity declined from $1.7 billion in Q1 2026, investment volume remained broadly in line with the quarterly office average since 2024 of $1.4 billion. Office market fundamentals also remained relatively stable throughout the quarter. Overall office vacancy reached 16.1%, while slowing sublease availability and continued tenant preference for premium properties drove Central Class A vacancy down to 15.4%, its lowest level since late 2022.
Overall national absorption totaled negative 163,000 square feet (sf) in Q2 2026, though occupancy losses were largely concentrated within lower-quality Class B and C assets, reinforcing the ongoing flight-to-quality trend as occupiers continue to prioritize higher-quality space. Leasing activity remained relatively stable at approximately 5.9 msf in Q2 2026, in line with recent quarterly averages and supported by continued demand for premium office product. Development activity also remained highly concentrated, with Toronto accounting for nearly all of the 1.5 msf of new supply delivered during the quarter. From a geographic perspective, Toronto, Montreal, and Vancouver accounted for 76% of total office investment volume and continued to outperform many other Canadian markets from an occupancy standpoint. This concentration reflects sustained investor preference for core urban markets with deeper tenant pools and higher-quality inventory as the sector continues its gradual stabilization.

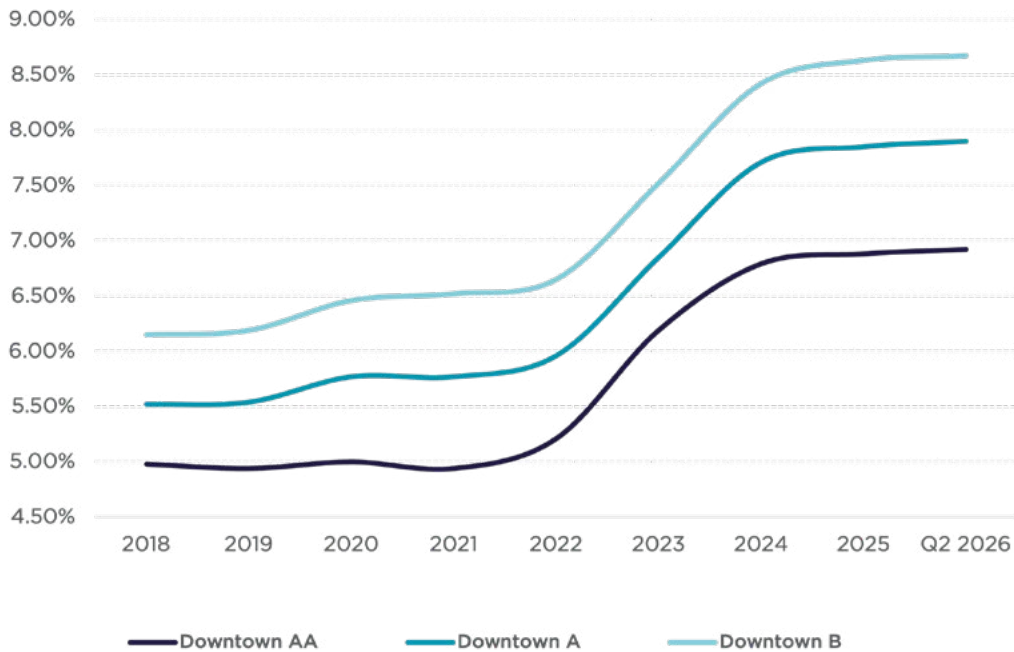


Source: Altus Group & Real Capital Analytics

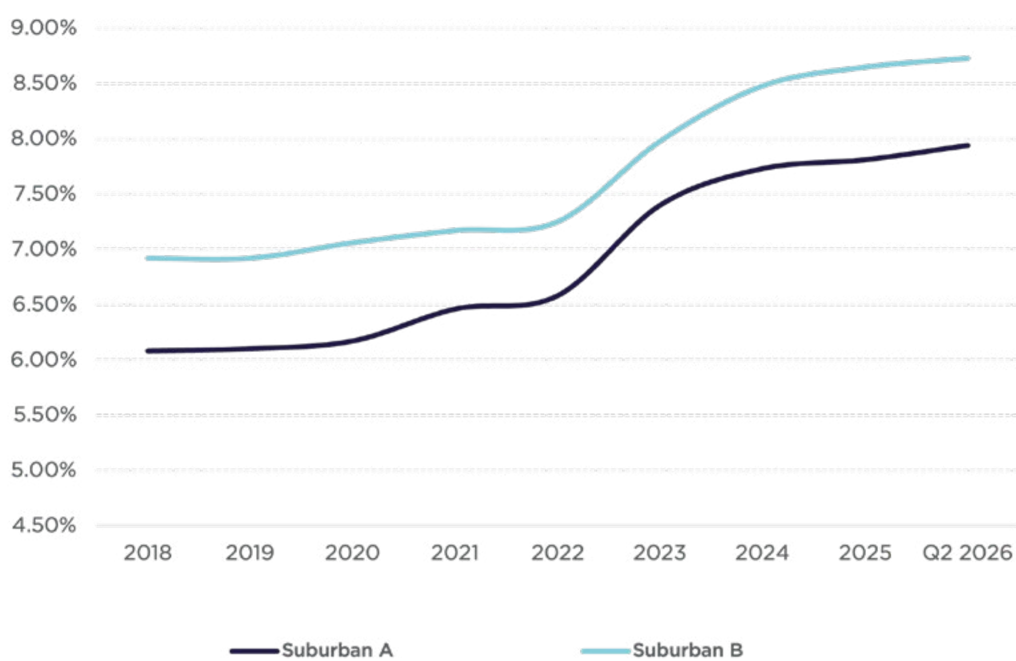


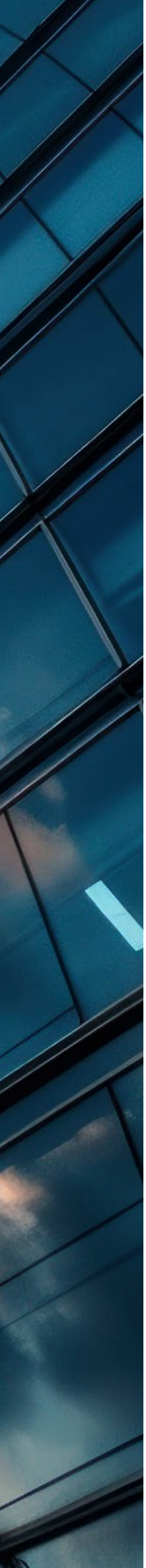
Historical Office Cap Rates

Downtown Office



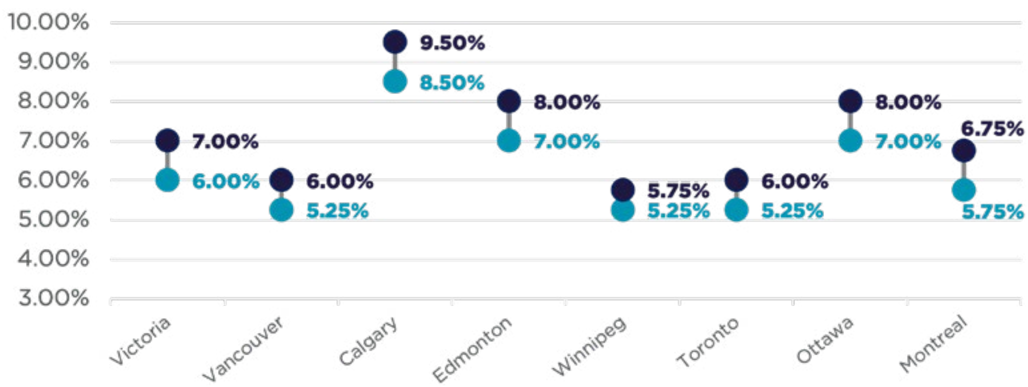
Suburban Office



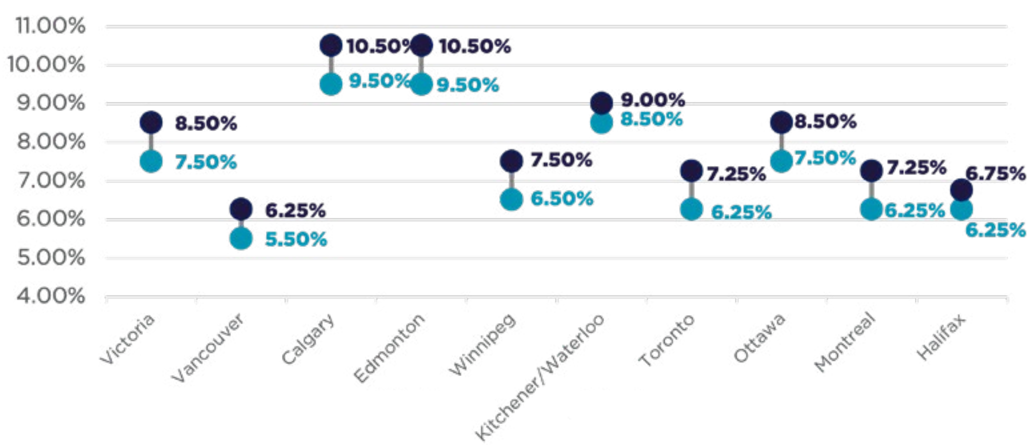


Downtown Office Cap Rates

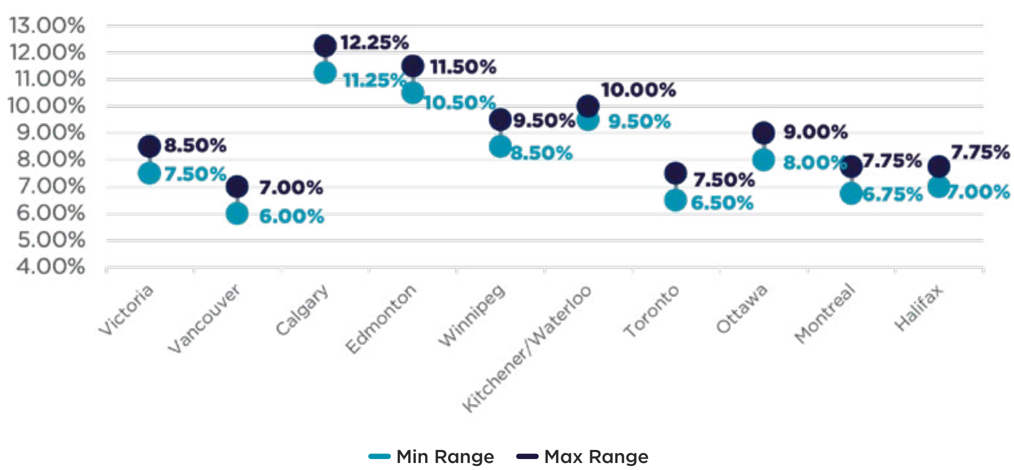
Downtown Office AA

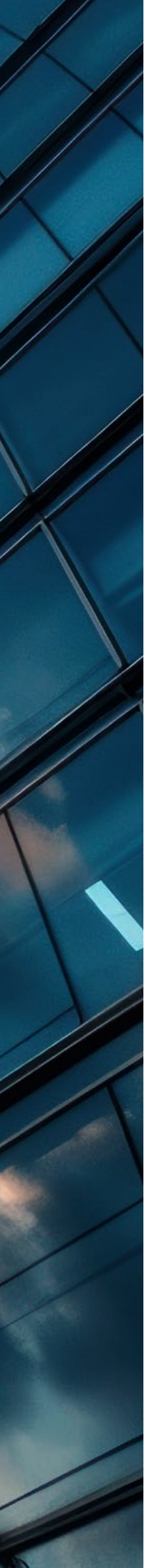


Downtown Office A



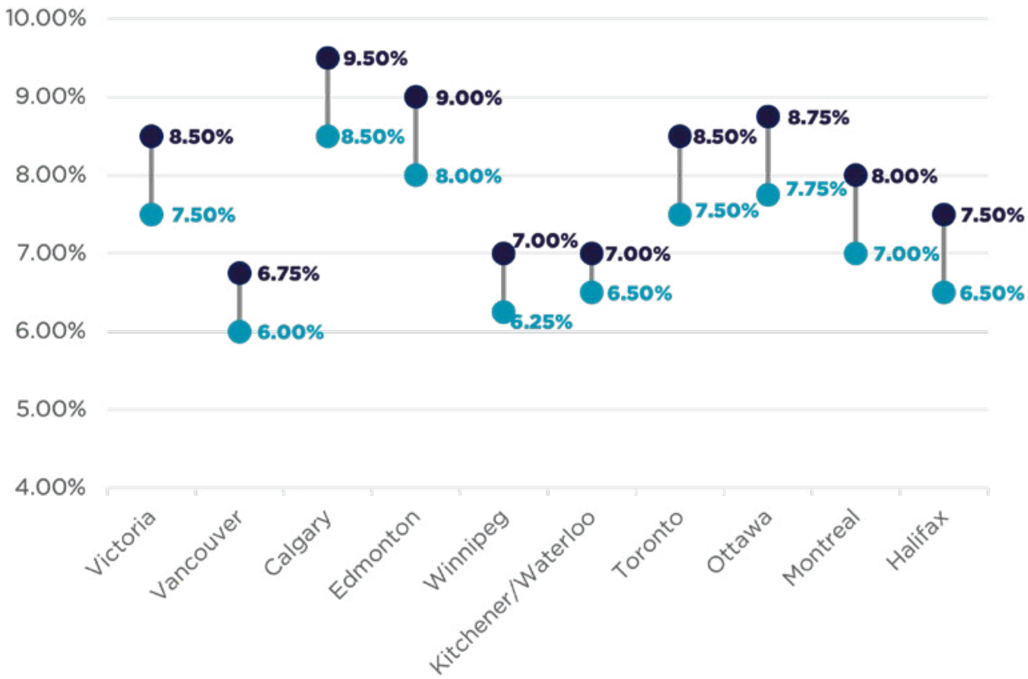
Downtown Office B



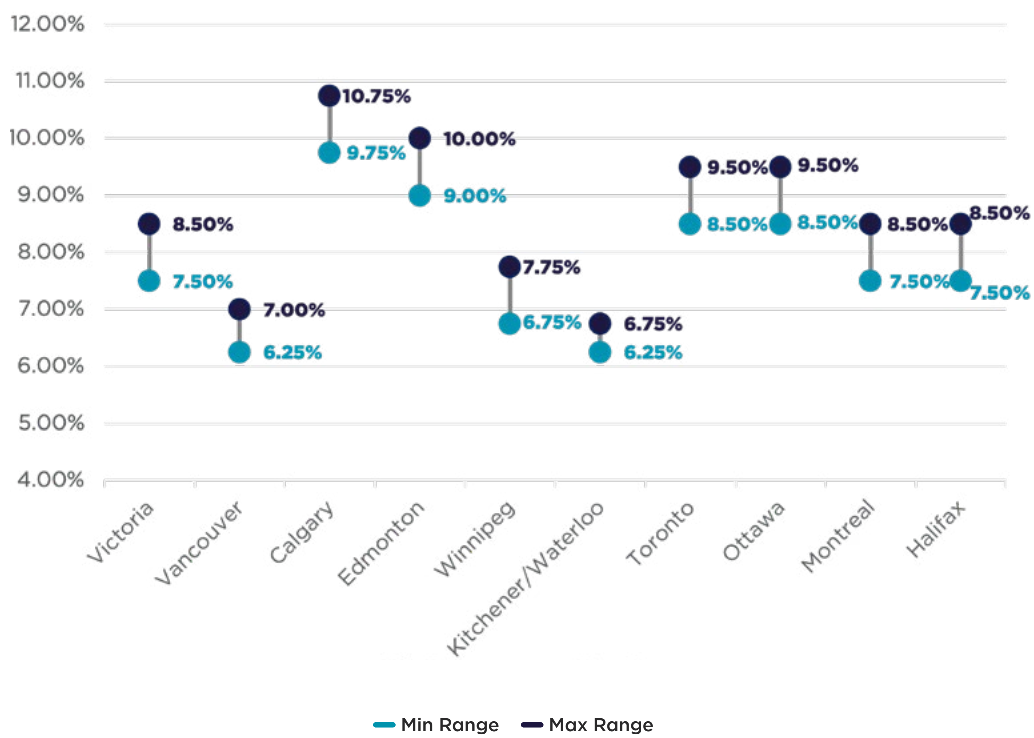


Suburban Office Cap Rates

Suburban Office A



Suburban Office B



VANTAGE POINT

Land Sales Volume

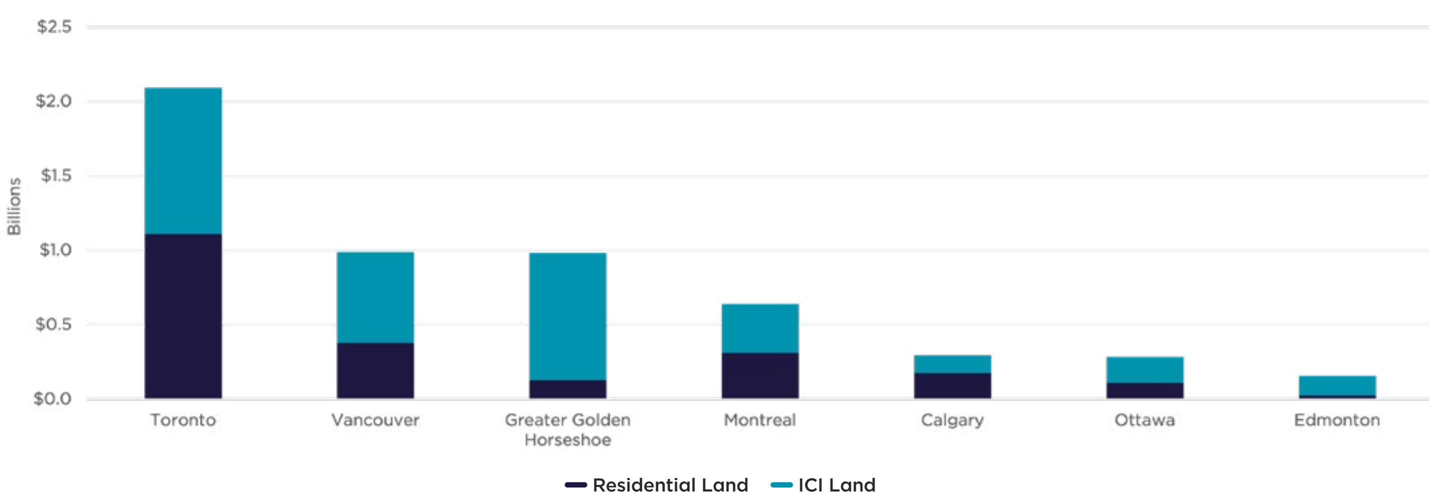
Q2 2026

Residential & ICI Land Sales Volume by Major Market

Q2 2026

Toronto, the Greater Golden Horseshoe and Vancouver led Canada's ICI land market in Q2 2026, accounting for 76% of national transactions. The industrial sector remains a key driver, with national net absorption reaching approximately 3.7 msf in Q2 2026. Toronto accounted for more than 60% of total absorption during the quarter, while Vancouver recorded more than 624,000 sf of net absorption and maintained a stable 4.4% vacancy rate, reinforcing confidence in the long-term fundamentals of Canada's two largest industrial markets.

Residential land sales remain lower overall as pricing adjusts and investors take a more selective approach. Toronto continues to anchor the market, representing 50% of national residential land volume. While new condominium launches have been limited, activity has been centered around purpose-built rental and smaller scale projects where fundamentals remain solid. Market participants are cautiously optimistic that easing interest rates and improving affordability will begin to support renewed demand through 2026, and fundamentals in purpose-built rental underpin the market.

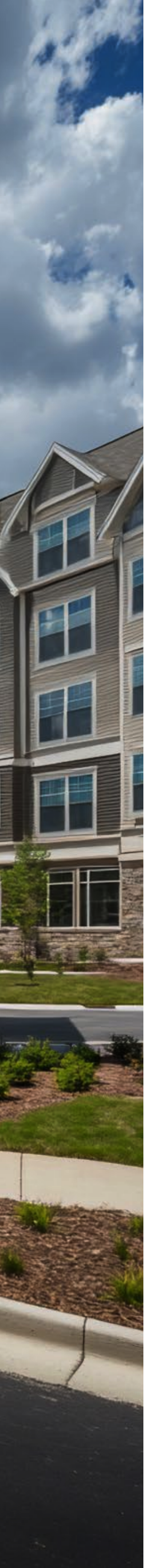


Source: Altus Group & Real Capital Analytics

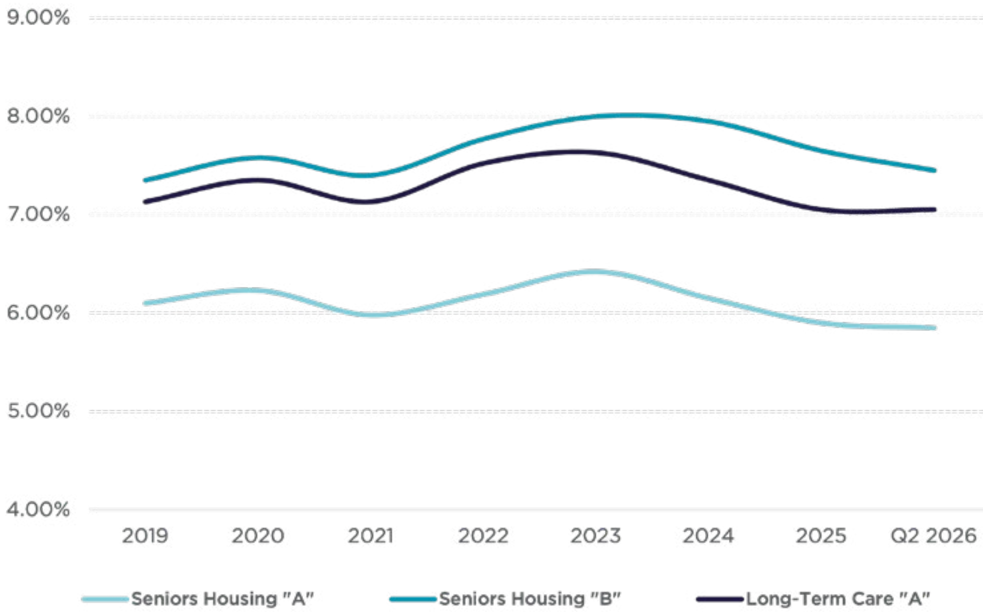
VANTAGE POINT

Seniors Housing & Health Care Cap Rates

Q2 2026

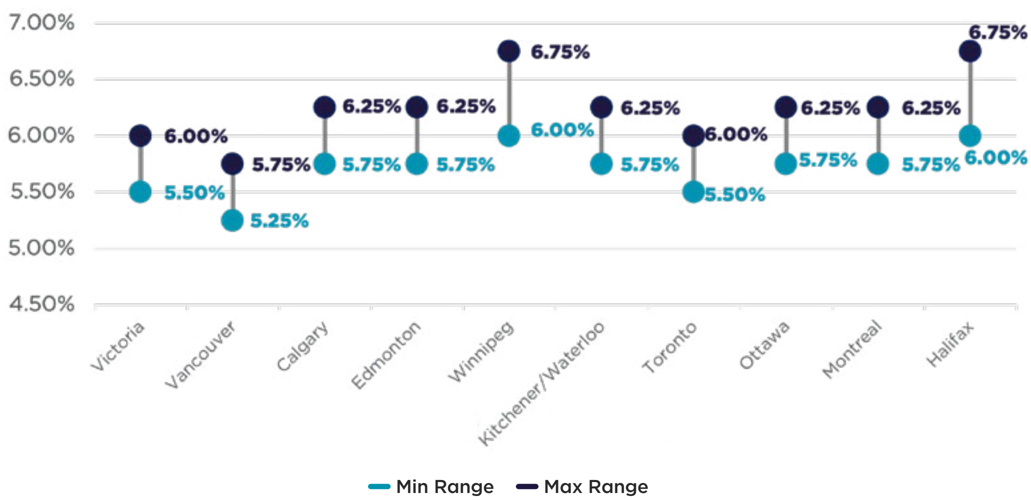


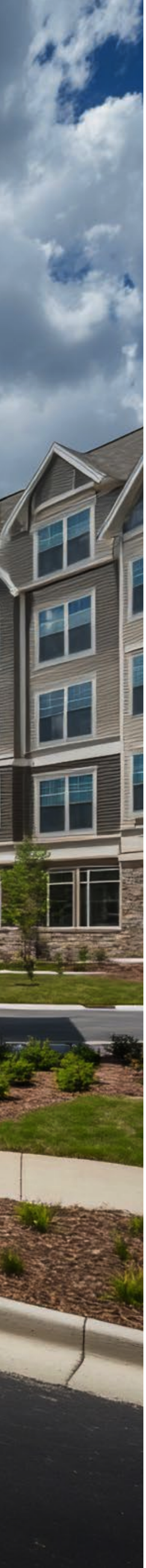
Historical Seniors Housing & Health Care Cap Rates



Seniors Housing Cap Rates

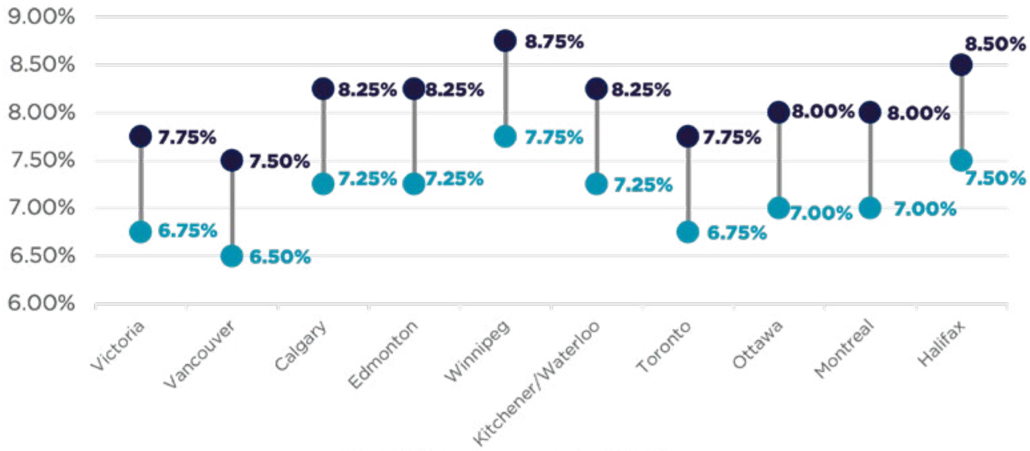
Seniors Housing “A”



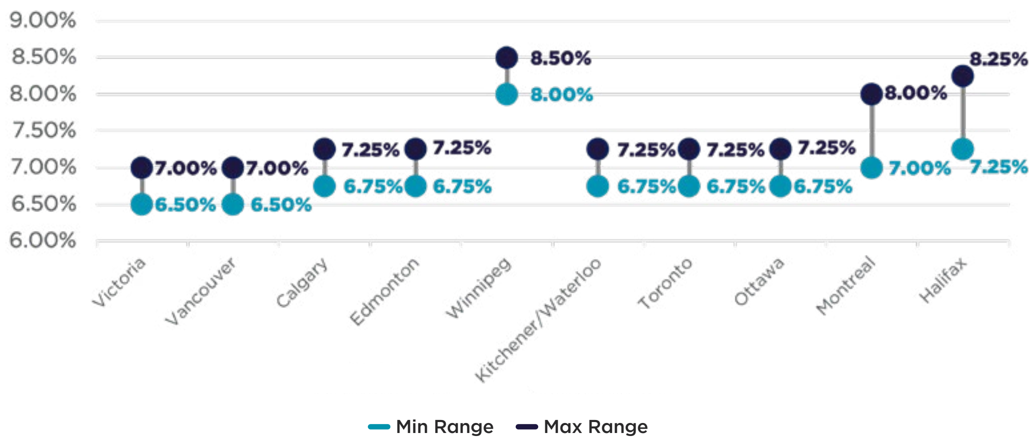


Seniors Housing Cap Rates

Seniors Housing “B”



Long-Term Care “A”

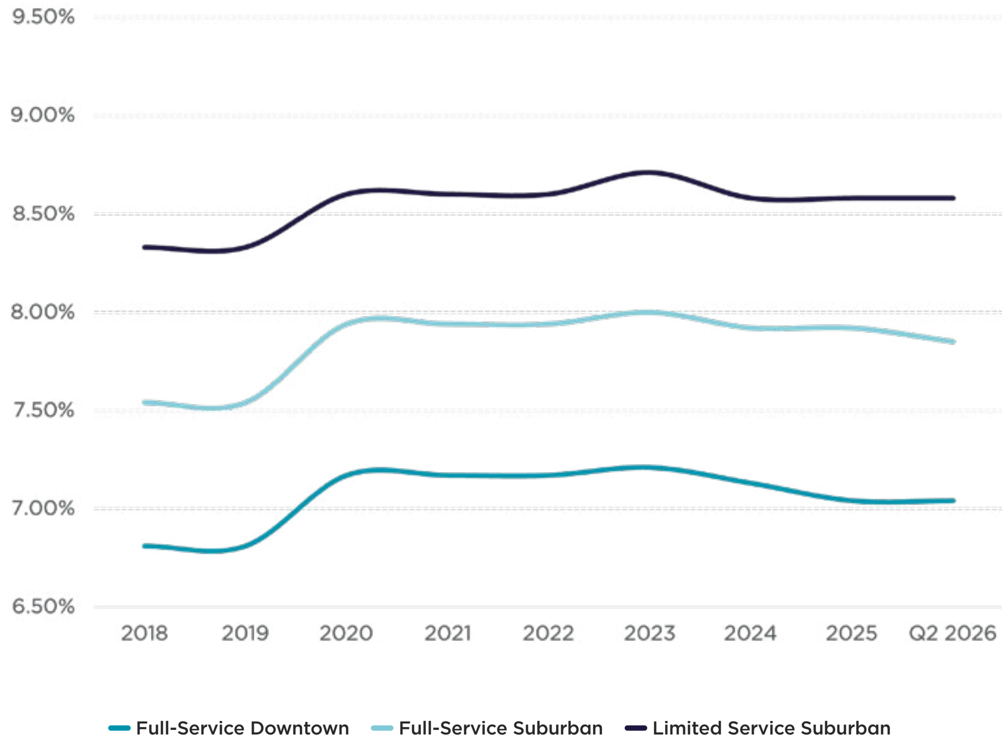


VANTAGE POINT

Hotel Cap Rates

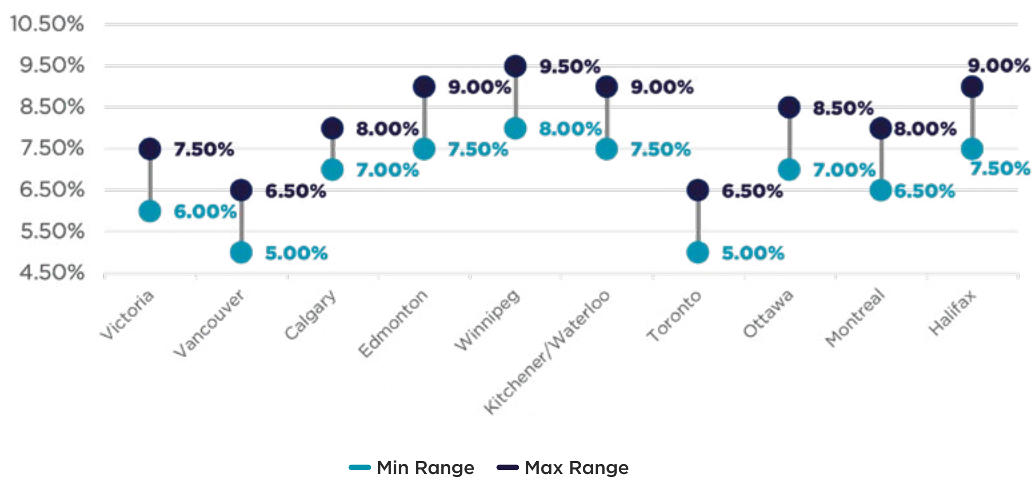
Q2 2026

Historical Hotel Cap Rates



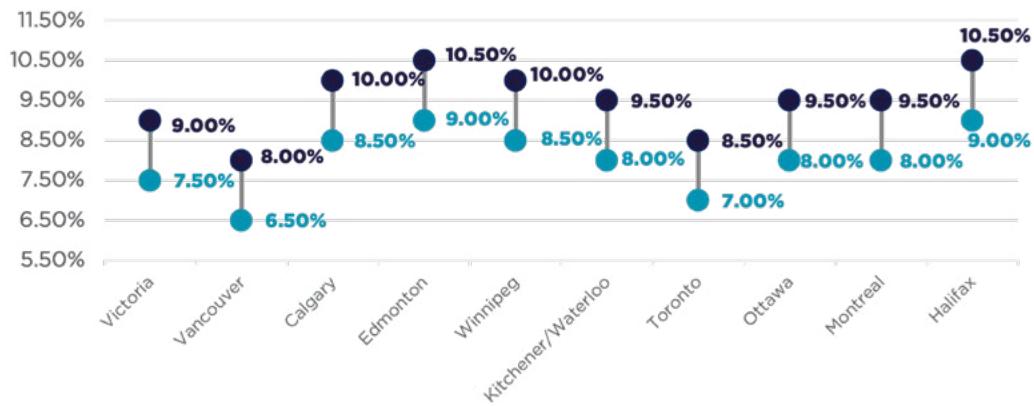
Hotel Cap Rates

Full-Service Downtown

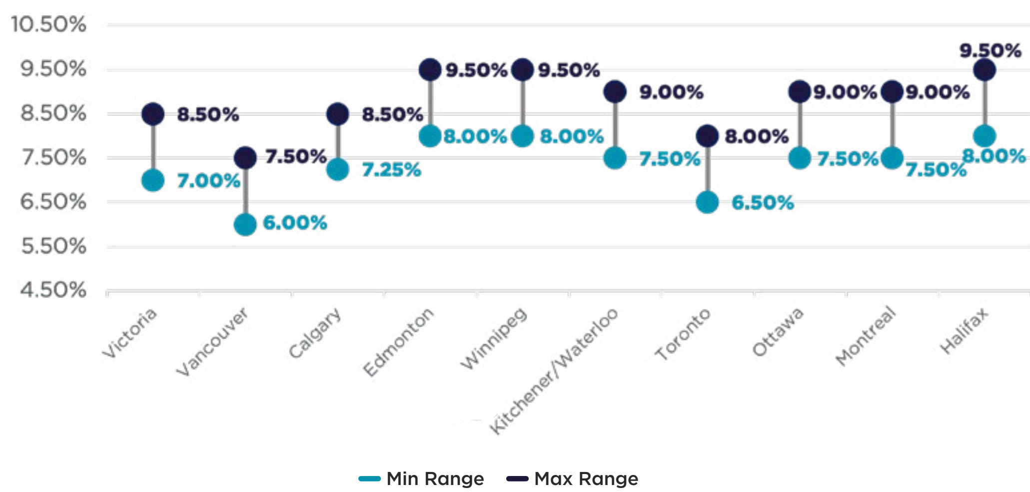


Hotel Cap Rates

Limited-Service Suburban



Select Service



VANTAGE POINT

Cap Rate Summary & Glossary

Q2 2026

National Cap Rate Historical Comparison by Asset Type

ASSET TYPE	Q2 2026	Q1 2026	Q2 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	7.94%	7.90%	7.81%
B	8.73%	8.73%	8.65%
INDUSTRIAL			
A	5.90%	5.90%	5.77%
B	6.33%	6.33%	6.33%
MULTIFAMILY			
High Rise	4.79%	4.71%	4.58%
Low Rise	5.00%	4.94%	4.90%
SENIORS HOUSING & HEALTHCARE			
Seniors Housing "A"	5.85%	5.90%	6.05%
Seniors Housing "B"	7.45%	7.65%	7.95%
Long-Term Care "A"	7.05%	7.05%	7.10%
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%	6.56%
Strip Plaza Anchored	5.96%	6.00%	6.00%
Strip Plaza Non-Anchored	6.71%	6.75%	6.75%

Q2 2026 Cap Rate Survey Report

ASSET TYPE	VICTORIA			VANCOUVER			CALGARY			EDMONTON			WINNIPEG		
RANGE	LOW	HIGH	Outlook	LOW	HIGH	Outlook	LOW	HIGH	Outlook	LOW	HIGH	Outlook	LOW	HIGH	Outlook
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.

Q2 2026 Cap Rate Survey Report

ASSET TYPE	KITCHENER/ WATERLOO			TORONTO			OTTAWA			MONTREAL			HALIFAX		
RANGE	LOW	HIGH	Outlook	LOW	HIGH	Outlook	LOW	HIGH	Outlook	LOW	HIGH	Outlook	LOW	HIGH	Outlook
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%	▲	7.50%	8.50%	▲	7.75%	8.75%	▲	7.00%	8.00%	◀▶	6.50%	7.50%	◀▶
B	6.25%	6.75%	▲	8.50%	9.50%	▲	8.50%	9.50%	▲	7.50%	8.50%	◀▶	7.50%	8.50%	◀▶
INDUSTRIAL															
A	6.00%	6.50%	◀▶	5.50%	6.25%	◀▶	6.00%	7.00%	▲	5.50%	6.50%	◀▶	6.50%	7.25%	◀▶
B	6.50%	7.00%	◀▶	5.50%	6.50%	◀▶	6.50%	7.50%	▲	6.00%	7.00%	◀▶	7.50%	8.00%	◀▶
MULTIFAMILY															
High Rise	5.00%	5.50%	▲	4.25%	5.00%	◀▶	5.00%	6.00%	▲	4.25%	5.25%	◀▶	4.50%	5.50%	◀▶
Low Rise	4.50%	5.25%	◀▶	4.00%	4.75%	◀▶	5.00%	6.00%	▲	4.75%	5.75%	◀▶	5.00%	6.00%	◀▶
SENIORS HOUSING & HEALTHCARE															
Seniors Housing "A"	5.75%	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	6.00%	6.50%	◀▶	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	7.00%	7.50%	◀▶	5.00%	6.00%	◀▶	5.50%	6.00%	◀▶	6.50%	7.50%	◀▶	5.75%	6.75%	◀▶
Community Commercial Centre	6.00%	6.50%	◀▶	5.50%	6.50%	▲	5.75%	6.75%	◀▶	7.50%	8.50%	◀▶	7.00%	8.00%	◀▶
Strip Plaza Anchored	5.50%	6.00%	◀▶	4.50%	5.50%	◀▶	5.50%	6.50%	◀▶	6.00%	7.00%	◀▶	6.50%	7.50%	◀▶
Strip Plaza Non-Anchored	5.75%	6.25%	◀▶	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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ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of $10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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