

2025 Preliminary Assessment Roll

Background

The purpose of this attachment is to provide a preliminary update on the preparation of the 2025 assessment roll to support Council's Mid-Cycle Adjustments to the Service Plans and Budget deliberations. This update outlines market trends for residential and non-residential properties. The 2025 assessment roll will be finalized on 2024 November 15 and mailed on 2025 January 02.

What We're Seeing

Non-residential properties values retain their vigor, bolstered by Calgary's resilient and robust economy.

- Retail property values remain stable, demonstrating vitality and strength year-over-year. Continued investments and sales over the past year have attracted new businesses. Vacant spaces are filling quickly despite the departure of some major retailers from the Canadian marketplace.
- Office market values in Calgary's downtown are rising, showing resilience after years of declining assessments. There is notable demand for higher-quality spaces, driving down vacancy rates and increasing rental rates. Vacancy rates are decreasing due to ongoing office space conversions. The Downtown Development Incentive Program has stimulated sales activity and conversion projects, helping to address the office space oversupply and diversify property use.
- The industrial market continues to be strong, driven by sustained demand for large-format distribution warehouses, resulting in higher market value assessments. Availability remains tight, especially for large-format industrial spaces, which keeps the marketplace competitive. Medium to small warehouses and industrial condominiums are experiencing moderate gains, with sales activity expected to remain robust.

For residential properties, we are noting that:

- Single residential property values continue to rise due to population growth driving demand for homes. The relative affordability of housing in Calgary, compared to larger markets such as Vancouver or Toronto is a key factor attracting interprovincial migrants.
- Residential condominiums are continuing to perform well, with buyers favouring them over higher-priced single residential and townhouse properties. The demand for more affordable options is pushing up prices in the condominium market.
- Multi-residential property values continue to rise, with demand driven by higher net migration. The overall population increase in Calgary has led to rising rents and low vacancy rates. This has heightened the desirability of this property type within Calgary's marketplace.