February 2023

Calgary parking analysis

A comprehensive overview of Downtown Calgary parking

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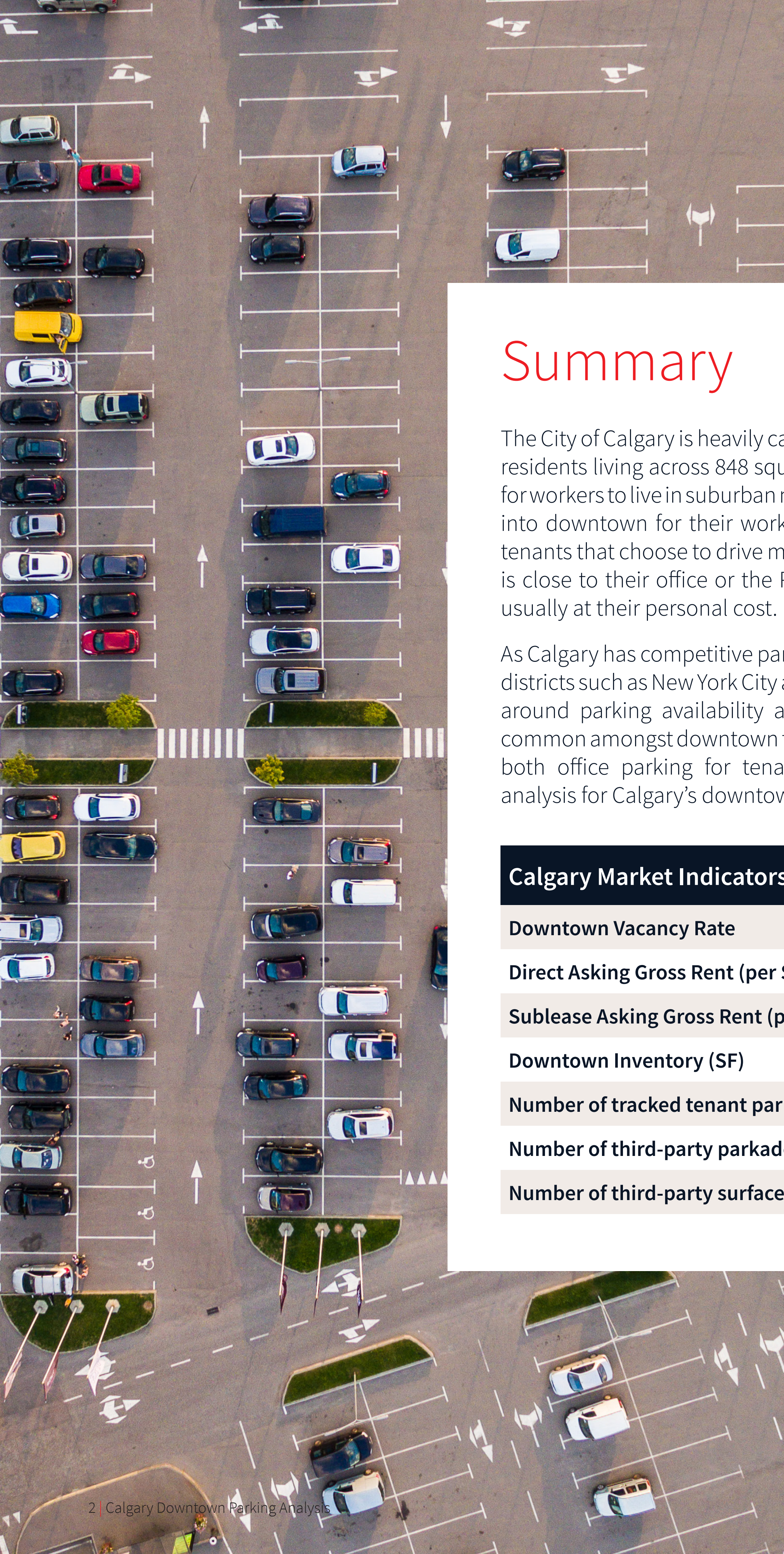


Summary

The City of Calgary is heavily car dependent. With 1.4 million residents living across 848 square kilometers, it is common for workers to live in suburban neighborhoods and commute into downtown for their work. The majority of downtown tenants that choose to drive must source a parking stall that is close to their office or the Plus 15 walkway system, and usually at their personal cost.

As Calgary has competitive parking rates to central business districts such as New York City and San Francisco, discussion around parking availability and price has become more common amongst downtown tenants. This report highlights both office parking for tenants and third-party parking analysis for Calgary's downtown core.

Calgary Market Indicators As Of Q4 2022	
Downtown Vacancy Rate	28.4%
Direct Asking Gross Rent (per SF)	$31.62
Sublease Asking Gross Rent (per SF)	$28.64
Downtown Inventory (SF)	43,675,597
Number of tracked tenant parking stalls	19,062
Number of third-party parkade stalls	23,165
Number of third-party surface stalls	8,427

Alternative transportation

For Calgarians that cannot or choose not to drive downtown, there are other modes of transit to get to work.

Calgary has North America's most extensive path system with over 1,000 kilometers of paved and maintained pathways. In 2022, a daily average of 21,763 pedestrians and cyclists entered downtown between 6am and 10pm (compared to a daily average of 44,475 in 2016).

The LRT system currently consists of two lines; the Red Line spanning from Tuscany to Somerset/Bridlewood and the Blue Line spanning from Saddletowne to 69th Street. There are currently 46 stations with 29 additional stations planned with the creation of the Green Line. Construction for stage one of the Green Line is expected to be completed in 2026. Current adult monthly pricing for the LRT is $112, but downtown visitors and residents can utilize the Free Fare Zone which allows for free use between Downtown West/Kerby and City Hall stations.

Average daily downtown inbound travel between 6am and 10pm

	2016	2021	2022
Cars/Motorcycles	161,613	114,319	143,204
LRT riders	109,777	34,074	69,379
Bus riders	4,736	549	1,856
Pedestrians	35,926	15,480	15,978
Cyclists	8,549	4,994	5,785

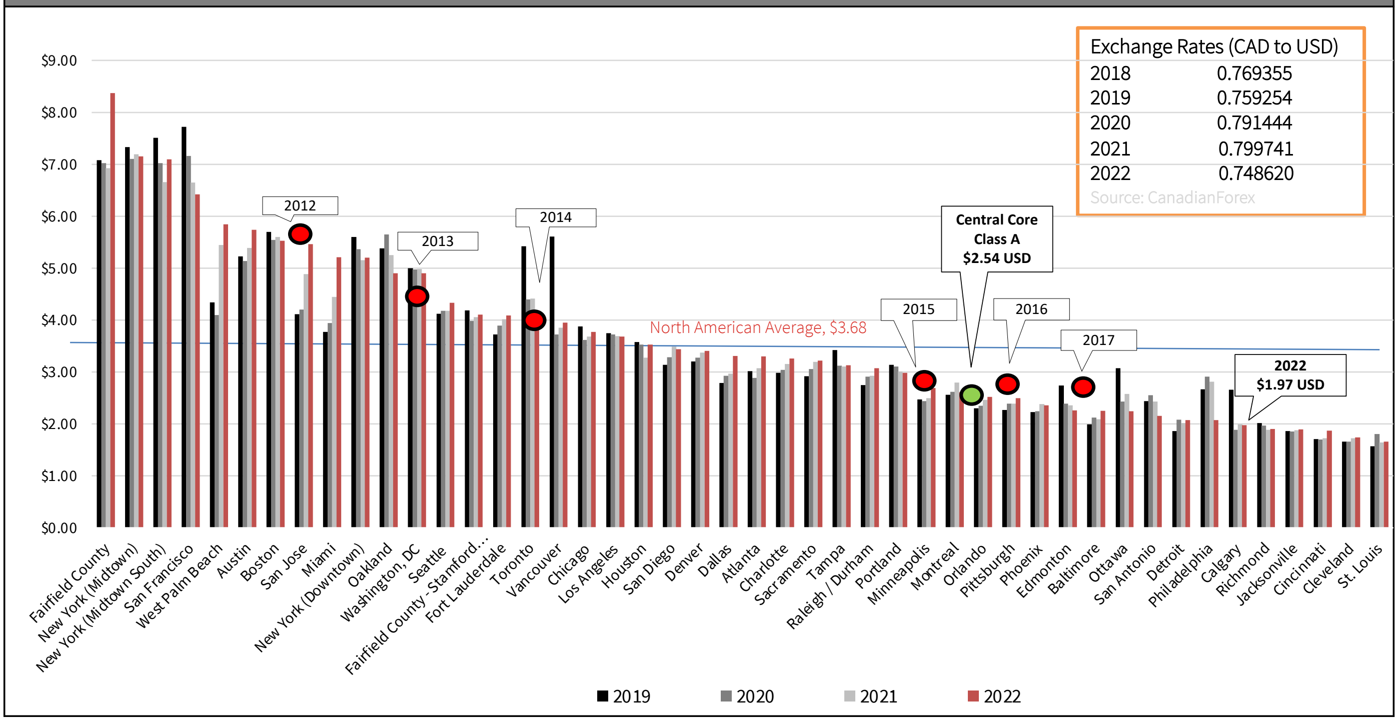
*No data was accumulated in 2020 due to the COVID-19 pandemic

Source: City of Calgary

Calgary parking overview

Calgary's downtown core has been the weakest of all large Canadian central business districts since the beginning of the COVID-19 pandemic. Ending Q4 2022, Calgary's annual average asking gross rent per square foot was $2.64 CAD or $1.97 USD.

Monthly PSF Cost of Real Estate – Calgary vs. North America, CBD, All Office Classes ($USD)



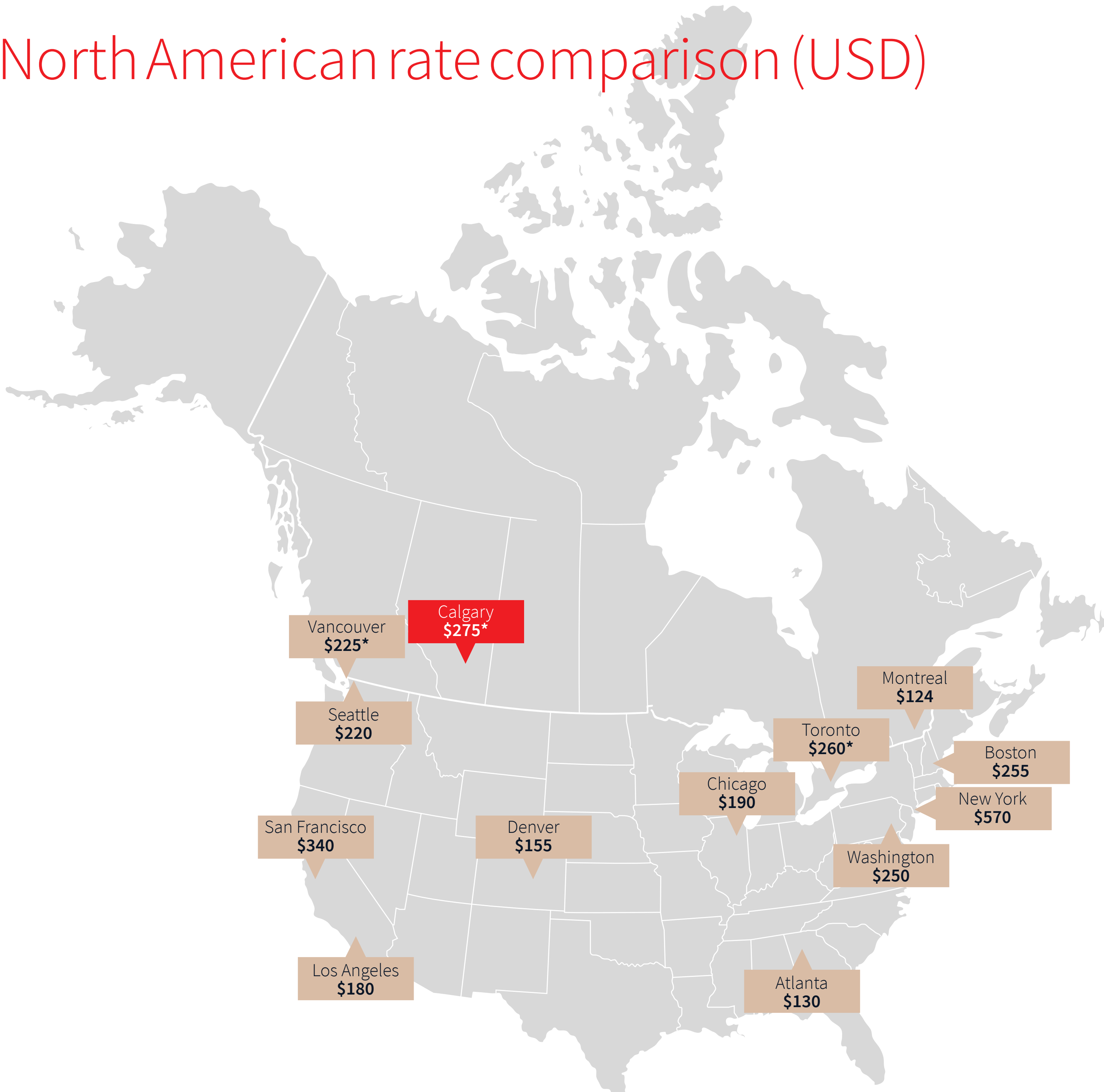
Source: JLL Research

Calgary's premium cost of parking compared to other major markets is due to the lack of supply available for Calgarians, especially in underground parkades. There are 31,592 third-party parking stalls north of 11th Avenue owned by Calgary Parking Authority, Impark, and Indigo. In 2016, there was an average of 161,613 vehicles entering downtown daily between 6am and 10pm.

The average reserved tenant parking stall as of January 2023 was $525 and the average unreserved tenant stall was $445.

The average reserved third-party parking stall in January 2023 was $398.71 and the average third-party unreserved stall was $336.30. The prices on the map on the following page are based on average monthly parking costs for third-party stalls in downtown cities.

North American rate comparison (USD)



Calgary*	$275 USD ($366 CAD)	**Washington**	$250 USD
Denver	$155 USD	**Atlanta**	$130 USD
Chicago	$190 USD	**Toronto***	$260 USD ($347 CAD)
Los Angeles	$180 USD	**Seattle**	$220 USD
Boston	$255 USD	**Montreal***	$124 USD ($165 CAD)
New York	$570 USD	**Vancouver***	$225 USD ($300 CAD)
San Francisco	$340 USD		

* Exchange rate taken as of February 1, 2023, at a rate of 1 CAD = 0.7507 USD Source: Bank of Canada
US parking rates source: www.spothero.com

Tenant parking downtown

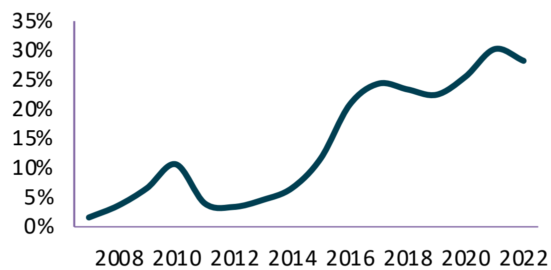
Few downtown tenants are given allocated parking stalls through their employer, leaving the majority of employees to source and pay for a parking stall elsewhere. Tenant parking rates are on a monthly basis and are reserved or unreserved stalls in underground parkades. In Calgary, JLL tracks 130 tenant parkades and their monthly asking rates. There are 73 buildings offering reserved stalls and 97 buildings offering unreserved stalls.

Tenant parking is on a per square foot basis – usually denoted as one (1) parking stall per the square footage of the entire building divided by the number pf parking stalls. For example, if a building has 100,000 square feet, and 100 parking stalls, the ratio would be 1 parking stall per 1,000 square feet (or 1:1,000 square feet).

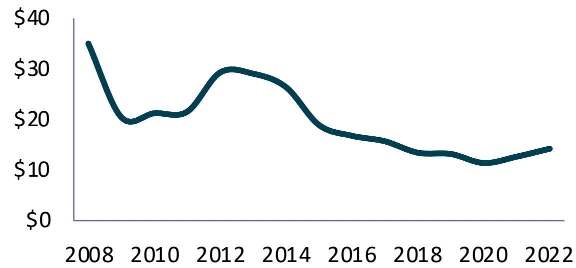
In the case of Downtown Calgary, the average parking ratio is 1:2,405 square feet. Therefore, a tenant leasing 2,405 square feet can expect one parking stall allocated to them on average. The minimum parking ratio is at HSBC Bank Building at 1:313 square feet and the maximum being at Shell Centre at 1:8,000 square feet.

The cost of parking isn't correlated to the parking ratio, but rather location and who the landlord is. Since 2018, as Calgary's downtown real estate market faced record vacancies and the lowest historical asking net rates, landlords relied on parking premiums to drive capital into the building. Landlords with parkades that have direct access to amenities and the Plus 15 walkway system can achieve these inflated rates compared to other Canadian cities, with underground reserved rates reaching maximums of $625 per month. Unlike asking rental rates or inducement packages, Calgary landlords aren't likely to negotiate the cost of parking but rather the ratio of number of stalls allotted for tenants based on their square footage.

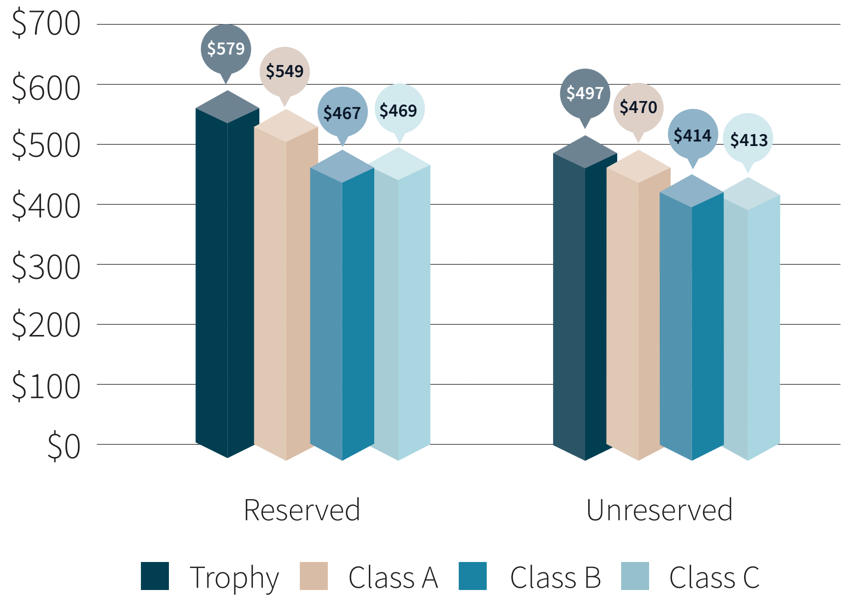
Total downtown office vacancy (%)



Average office direct asking net rent ($ p.s.f.)



Average Monthly Rates of Tenant Parking | Downtown Calgary



$525

Average Tenant Reserved Stall per Month

▲ Up from $504*

▲ Up from $502**

$445

Average Tenant Unreserved Stall per Month

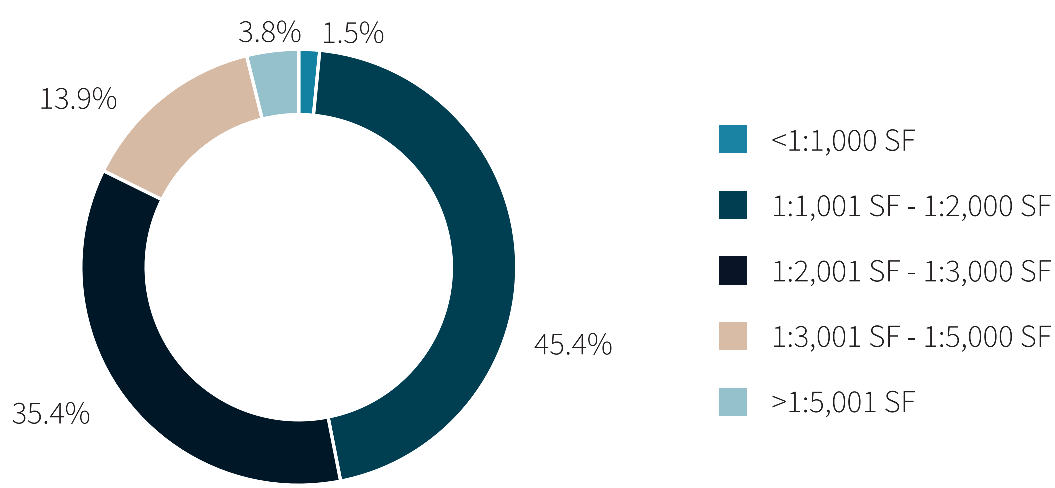
▼ Down from $459*

▼ Down from $453**

* Rates compared to the averages as of September 2020

** Rates compared to the averages as of September 2022

Parking Ratios Across Downtown Tenant Parkades



Third-party parking overview

Downtown Calgary has a total of 145 third-party parking options north of 10th Avenue. There are 60 parkades; 38 solely underground.

Compared to 2020, Calgary Parking Authority's (CPA) monthly reserved prices remained stable, but unreserved and daily maximums increased minimally. Compared to September 2022, CPA saw an increase of $32.50 for its only reserved parking option in the Centennial Parkade. Unreserved rates, daily maximums, and hourly rates also increased.

Impark's rates dropped the most of all third-party companies. Notably, Impark's average reserved monthly rates dropped $44.62 from 2020. Compared to September 2022, Impark's reserved and unreserved options dropped minimally, but saw an increase in early bird prices and hourly costs (an average of less than $1.00). Indigo followed the same trend.

Discrepancies in rates are correlated with access to amenities. Impark's Calgary Place lot remained the most expensive of all parkades, with monthly reserved stalls at $685 and unreserved at $615. Other higher priced lots include Indigo's Neff Apartments at a daily maximum of $49.35 and Indigo's Petroleum Club surface at a daily maximum of $45.15 and an hourly rate of $14.70. Lots located close to The CORE Shopping Centre, around hotels and next to retailers, had the highest daily maximums and hourly rates.

Since the return to office has become more readily adopted by occupiers, flexible parking has become more prevalent. Impark offers monthly flex parking for 2-3 days a week at a discount, ranging from $125/2 days a week to $295/3 days a week. CPA also offers flex parking for 10 days a month at notable lots including Arts Commons, Harmony Parkade, and City Centre Parkade ranging from $165 to $187.50.

$393.42

Average Third-Party Reserved Stall per Month

▼ Down from $427.84*
▼ Down from $398.71**

$337.98

Average Third-Party Unreserved Stall per Month

▼ Down from $353.83*
▲ Up from $336.30**

$23.26

Average Third-Party Daily Maximum

▼ Down from $24.84*
▲ Up from $23.19**

$6.83

Average Third-Party Hourly

▼ Down from $7.42*
▶ Remained stable from $6.83**

Third-Party parking companies include Calgary Parking Authority (CPA), Impark and Indigo

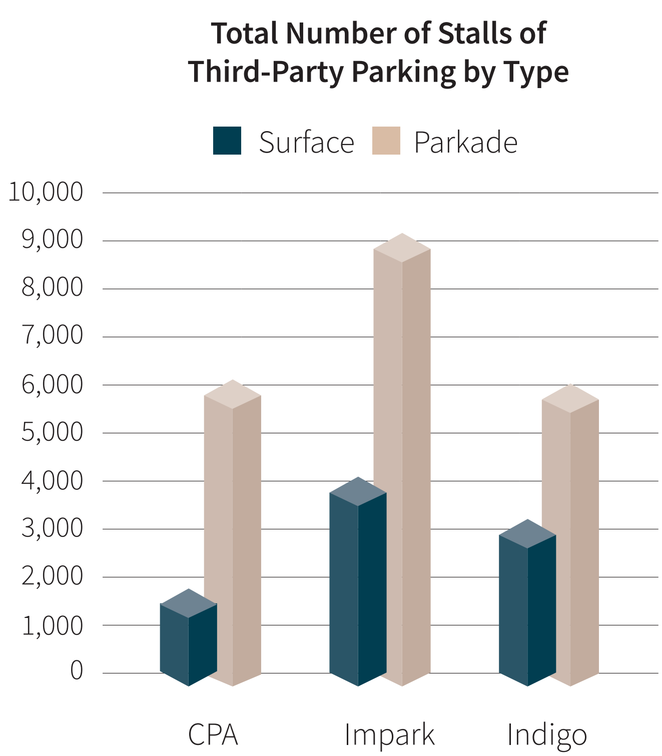
*Rates compared to the averages as of September 2020

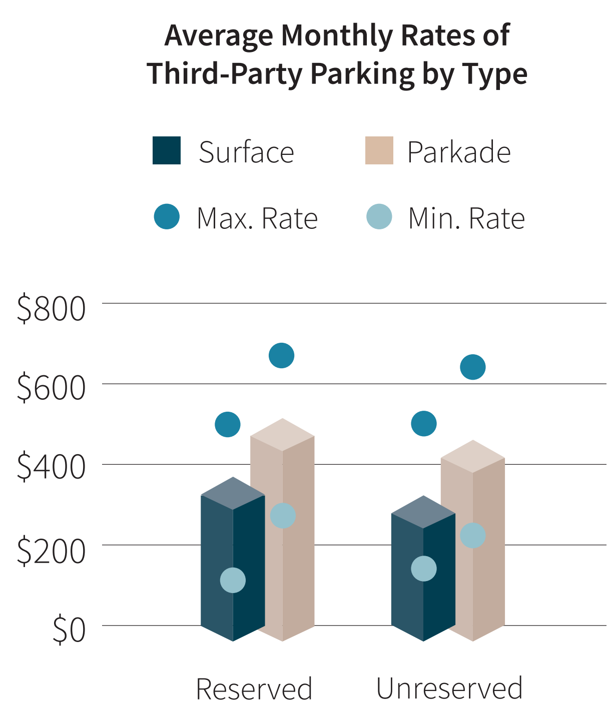
** Rates compared to the averages as of September 2022

Average third-party rates

	CPA	Impark	Indigo
Reserved Monthly	$582.50	$391.30	$330.75
Unreserved Monthly	$308.12	$349.82	$328.39
Early Bird Daily	$22.00	$18.41	$16.35
Maximum Daily	$19.79	$23.66	$24.02
Hourly	$5.99	$7.28	$6.93

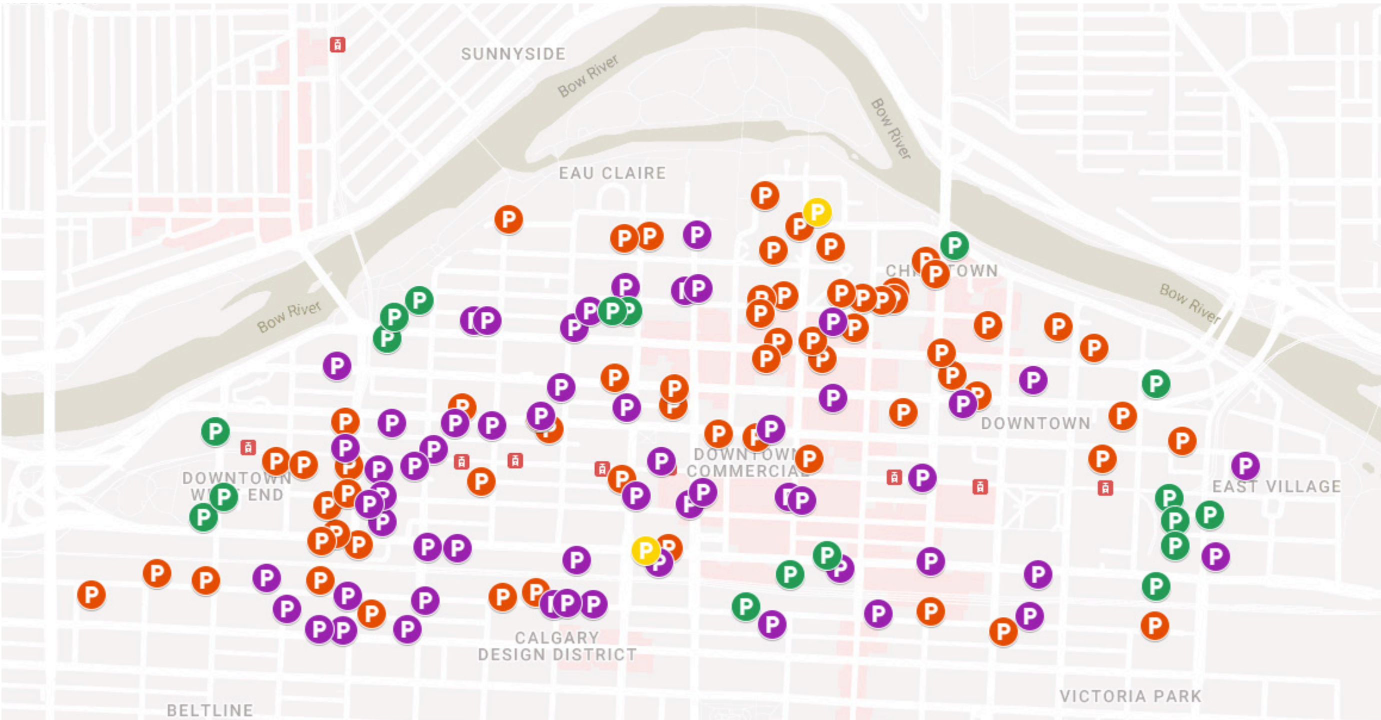
	Downtown Minimum	Downtown Maximum	Total Number of Stalls
Reserved Monthly	$135.00 (Impark)	$685.00 (Impark)	9,175
Unreserved Monthly	$115.00 (Impark)	$630.00 (Indigo)	28,296
Early Bird Daily	$7.00 (Impark)	$35.70 (Indigo)	17,414
Maximum Daily	$8.00 (Impark and CPA)	$49.35 (Indigo)	29,319
Hourly	$1.50 (CPA)	$16.00 (Indigo)	29,511





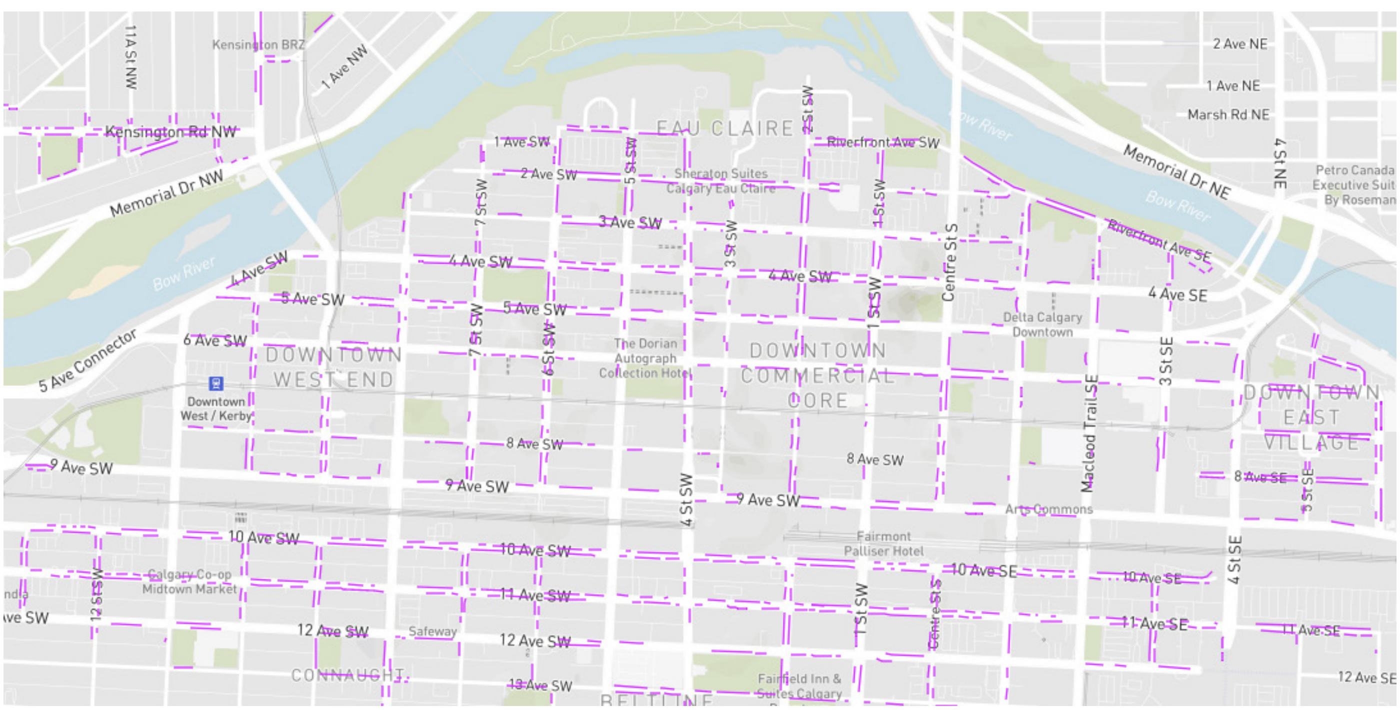
Map of third-party parking by provider

Impark | Indigo | Calgary Parking Authority | Public (Other)



Source: JLL Research

Map of street parking downtown



Source: The City of Calgary website

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