

Calgary retail vacancy rate spikes

By Mario Toneguzzi on March 27, 2018

Delivery of more than 1.7 million square feet of new retail inventory is anticipated this year: Barclay Street Real Estate



The vacancy rate for Calgary's retail market spiked in the first quarter of this year.

A report by **Barclay Street Real Estate** says vacancy jumped from 3.1 per cent in the fourth quarter of 2017 to 5.1 per cent in the first quarter of this year.

The report says a little more than 2.1 million square feet of inventory is now available for lease, with approximately 650,000 square feet stemming from Sears Canada's store closures. Total inventory in the market is 40.7 million square feet.

"Removing the above-noted event, Calgary's retail vacancy still rose to approximately 3.6 per cent," says Barclay Street. "Restaurant closures continue to be a

significant source of (central business district) retail vacancy, though the main source of newly-available space has shifted to the Beltline from the Downtown core."

It says delivery of more than 1.7 million square feet of new retail inventory is anticipated this year.

"Overall, pre-leasing activity remains strong. With clarity given to Alberta's retail cannabis strategy, retailers have stepped up their efforts to secure locations. Landlords, for their part, have become increasingly open to this type of use," adds Barclay Street.

Respected business writer Mario Toneguzzi is a veteran Calgary-based journalist who worked for 35 years for the Calgary Herald in various capacities, including 12 years as a senior business writer.