



Stuart Gradon, Calgary Herald

Retail leasing specialists Jeff Robson and Ellisa Asaria, of Barclay Street Real Estate Ltd., say the retail market is doing well in the city.

Calgary to lead country in retail sales growth

Report predicts \$23.9B of spending in city

MARIO TONEGUZZI
CALGARY HERALD

The Calgary region will lead the country this year in the rate of annual growth for retail sales among Canada's major markets.

A retail sales outlook report by KubasPrimedia indicates the Calgary census metropolitan area will see sales climb by 6.4 per cent in 2011 to \$23.9 billion.

Ellisa Asaria, of **Barclay Street Real Estate Ltd.**, said Calgary has seen a dramatic turnaround in the commercial real estate market with the retail segment clearly leading the way.

"It's encouraging to see that the retail market is back on track and how it's driving the Calgary commercial real estate market today," she said. "The majority of our retail clients have expansion plans for 2011, whether they are restaurants, cafes, pubs or financial service providers, due to a stronger than expected 2010.

"It's a competitive marketplace for retailers right now and only the swift and agile will prevail during times of low vacancy."

The report shows Calgary retail sales grew by 6.0 per cent in 2010 to \$22.5 billion after declining by 8.1 per cent in 2009 to \$21.2 billion.

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**RETAIL LEASING SPECIALIST
ELLISA ASARIA**

"It is our belief that the continued pressures for quality retail space brought on by demand within the Calgary market and from the U.S., especially in the inner-city areas where the population is growing, will lead to underutilized sites reinventing themselves and the introduction of smaller-format big box retailers to the Beltline," said Asaria.

"For the first time in recent memory, we're getting a real sense of optimism from our clients about where the retail segment is headed."

Barclay Street, in a report on the investment market, said there were 44 retail property transactions over \$1 million in 2010. Total dollar volume for the year was just under \$258 million.

The KubasPrimedia retail sales outlook report said the Edmonton region would see a 6.2 per cent hike this year to \$19.9 billion while sales for the province would rise by 6.1 per cent overall to \$63.4 billion.

Across Canada, the report is predicting a 5.1 per cent increase in retail sales to \$458.6 billion.

Recently, the Conference Board of Canada said retail sales in the Calgary region are forecast to balloon by \$7.2 billion to \$28.678 billion a year in 2015, far outpacing the annual rate of growth at the national average. After seeing a 9.1 per cent annual decline in 2009, the Conference Board said retail sales rebounded in the Calgary census metropolitan area in 2010 with a 5.1 per cent hike to \$21.433 billion.

And from 2011 to 2015, the region is expected to see annual growth rates of five per cent, 6.4 per cent, 6.4 per cent, 6.1 per cent and 6.2 per cent.