



Calgary's First Quarter 2026 **Retail Leasing** Landscape

Market Analysis



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Calgary's First Quarter 2026 Retail Leasing Landscape

“Calgary’s retail market is extremely tight, with sub 3% vacancy and strong demand. Today’s challenge isn’t demand, it’s a lack of available space.”



Andrew Sherbut
Vice President - Retail Services, Partner
Barclay Street Real Estate

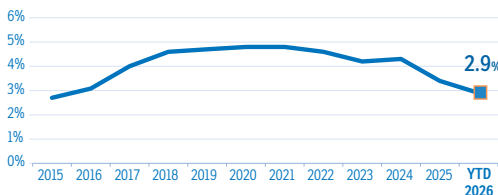
97.1% +0.5%
OVERALL OCCUPANCY RATE
(Total leased space)

2.9% -0.5%
OVERALL VACANCY RATE
(Space marketed for headlease)

3.1% -0.4%
OVERALL AVAILABILITY
(Total amount of space available for headlease/sublease)

Following a record-setting 2025, Calgary’s retail market has continued to build on its strong momentum into the first quarter of 2026. Since the beginning of last year, headlease vacancy has declined from 4.0% to 3.4% at year-end and now sits at 2.9%, a notable 110-basis-point reduction.

RETAIL VACANCY



At the end of Q1, market conditions remain firmly below equilibrium, underscoring sustained tenant demand. Total available space has tightened from approximately 2.3 million square feet to 2.1 million square feet, further constraining tenant options and placing continued upward pressure on rental rates.

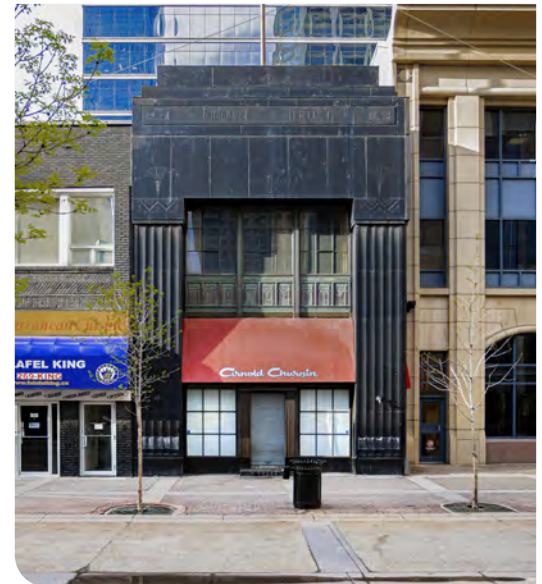
Evolving Retail Landscape

within global retail strategies. Calgary is increasingly viewed as a key market for national expansion.

Infrastructure improvements are also shaping the downtown retail landscape. Construction along Stephen Avenue, remains ongoing along the east side of the 100 SE block (between 1st Street SE and Centre Street). This revitalization effort is expected to enhance long-term vibrancy in the core. Notably, Barclay Street’s listing on 227 8th Avenue SW presents a 5,900-square-foot retail opportunity in the heart of this corridor.

Leasing trends indicate continued strength in demand for quick-service retailers (QSR) spaces, alongside growing interest in larger-format, big-box retail. However, limited availability of suitable product continues to challenge tenant requirements in this segment.

Emerging brands are actively entering the Calgary market. Cozey, an Eastern Canada-based homeware retailer, has opened its first Calgary storefront on 17th Avenue. Several prominent international retailers – including Shake Shack, Wingstop, and Abercrombie & Fitch – are also expected to open this spring, reinforcing Canada’s growing importance



227 8th Avenue SW – a historic building on Stephen Avenue, available for lease by Barclay Street



6127 Barlow Trail SE – leased by Barclay Street

Service-oriented uses remain active, particularly among daycare operators, as population growth and workforce participation drive demand for accessible child-care options. Notably, our brokers Andrew Sherbut and Myles Scheske successfully completed a 10,000-square-foot lease at 6127 Barlow Trail SE with a daycare operator in the southeast, highlighting continued demand for community-based retail uses.

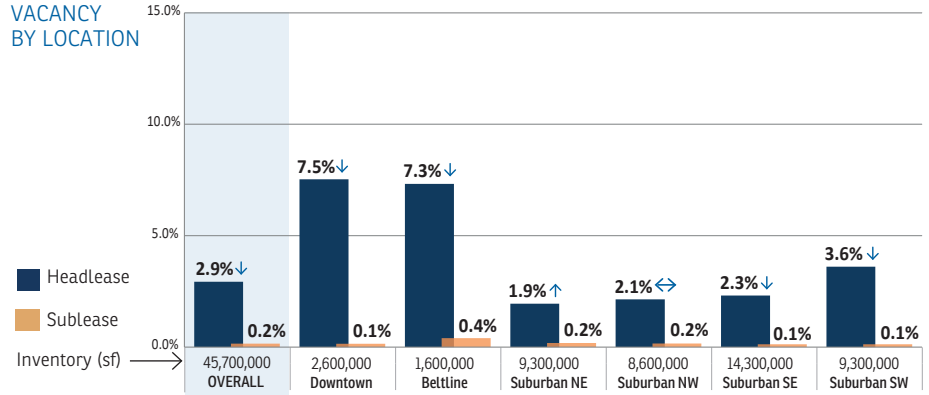
In terms of new construction, completions were limited this quarter with activity more heavily concentrated in new tenant openings within existing centres rather than new product. Purpose-built projects are still well under construction with the majority of new supply aiming to be completed in mid-to late 2026 or early 2027.

Submarket Performance

The central business district (CBD) continues to report the highest vacancy among all submarkets at 7.5%, though this represents a modest 0.4% decline since year-end. A similar trend is evident in the Beltline, where vacancy has decreased by 0.4% to 7.3%, reflecting gradual improvement. Sublease activity in the Beltline declined in Q1, increasing the sublease vacancy slightly by 0.4% following minimal activity at the end of 2025.

The most notable shift this quarter occurred in the southwest suburban market, where vacancy declined significantly from 4.7% at year-end to 3.6%. This 0.9% reduction was driven by ~120,000 square feet of net absorption, contributing meaningfully to the citywide tightening in vacancy.

Development activity remains noteworthy. *Sovereign on 17th Avenue SW* is currently under development, offering three units for lease by Barclay Street of modern retail space ranging from 1,400 to 3,000 square feet in a high-visibility, high-traffic location along one of Calgary's premier retail corridors.

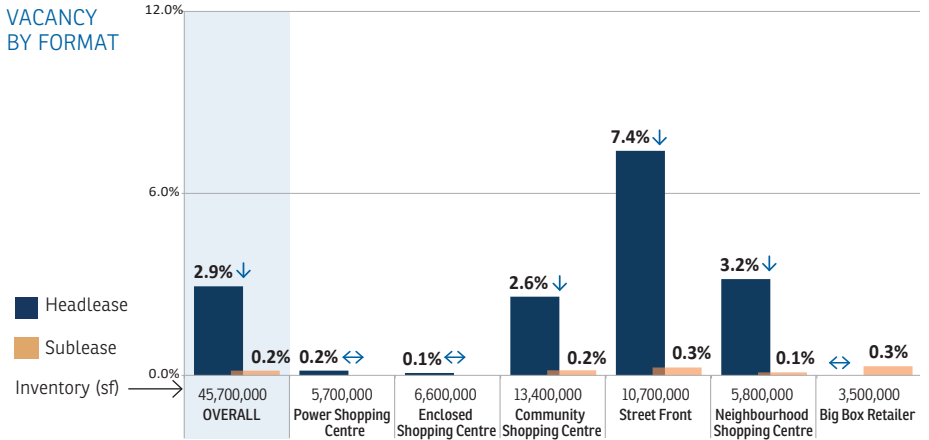
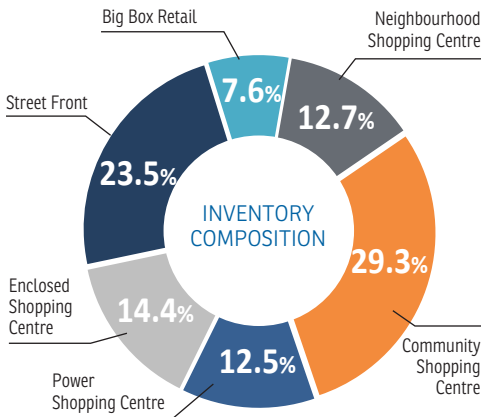


Sovereign on 17th – a brand-new development in the Beltline, available for lease by Barclay Street.

Retail Format Trends

Retail fundamentals improved across multiple formats in Q1. Street-front retail experienced increased leasing activity, with vacancy declining by 0.5%, while community shopping centres saw even stronger momentum, with vacancy decreasing by 0.9%.

Approximately 160,000 square feet of space was absorbed this quarter, largely concentrated within



community shopping centres in the southern half of the city. Demand within this segment remains healthy, supported by continued population growth and suburban expansion.

Leasing activity in smaller-format spaces also remains active. Our broker Joshua Gill successfully completed three street-front retail leases at *11281 38 Street NE* totaling approximately 3,500 square feet in the northeast quadrant, which is currently posting a high occupancy rate of 98%.



11281 38 Street NE – 3 units leased by Barclay Street.

Outlook

Calgary's retail market begins 2026 with strong fundamentals and sustained momentum carried from 2025; supported by tightening vacancy, steady absorption, and continued retailer demand.

Ongoing population growth, retailer expansion, and targeted infrastructure improvements position the market for continued stability and measured growth in the quarters ahead. ■

New Constructions / Completions

CBD RETAIL CONSTRUCTION SUMMARY

RETAIL FORMAT	PROPERTY	COMMUNITY	RETAIL AREA (SF)	EXPECTED COMPLETION	DEVELOPER
Street Front	Francesco	Cliff Bungalow	8,000	2026	Arlington Group
	Broadway on 17th	Beltline	70,000	2030	Vesta Properties
	Belvedere Shopping Centre (I&II)	East Village	70,000	2027	Waterfedy

SUBURBAN SOUTH RETAIL CONSTRUCTION SUMMARY

RETAIL FORMAT	PROPERTY	COMMUNITY	RETAIL AREA (SF)	EXPECTED COMPLETION	DEVELOPER
Street Front	Junction at Market & Main (21, Block B)	Seton	30,000	2026	Brookfield Residential
	Oak & Olive	West Springs	23,000	2027	Truman
	Belmont Village	Belmont	40,000	2026	Anthem Properties
	Township Phase 2	Legacy	85,000	2026	RoyOp
	Alpine Village	Fish Creek	60,000	2026	Dream Unlimited Corp.
Community Shopping Centre	Seton Market Street	Seton	175,000	2027	Brookfield Residential
	Belmont Retail Centre	Belmont	145,000	2027	Anthem Properties & Harbour Equity

SUBURBAN NORTH RETAIL CONSTRUCTION SUMMARY

RETAIL FORMAT	PROPERTY	COMMUNITY	RETAIL AREA (SF)	EXPECTED COMPLETION	DEVELOPER
Street Front	Shoppes at Sage Hill Plaza	Sage Hill	32,000	2026	Certus
		West District	15,000	2027	Truman
Community Shopping Centre	University District (remaining)	University Heights	~150,000	2026	Uni. of Cal. Properties Group
	Saddle Ridge Crossing	Saddle Ridge	~80,000	2026	Homes by Creation
	Westwinds Superstore	Westwinds	~50,000	2027	
	Livingston Commercial Centre	Livingston	~113,000	2027	Brookfield Properties

OTHER RETAIL PROJECTS IN THE PIPELINE

RETAIL FORMAT	PROPERTY	COMMUNITY	RETAIL AREA (SF)	EXPECTED COMPLETION	DEVELOPER
Street Front	Quarry Station Island	Quarry Park	24,000	Pre-leasing	Remington Development Corp.
	The District at North Deerfoot (Phase II)	-	39,000	Pre-leasing	Melcor
	FARM	Marda Loop	12,000	Pre-leasing	Rkays Development
	Aspen Village	Springbank Hill	60,000	Pre-leasing	Vesta Properties
Neighbourhood Shopping Centre	Redstone Market Square	Redstone	60,000	Pre-leasing	Qualico
	Southpoint Plaza	Mckenzie Towne	15,000	Pre-leasing	

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