Calgary's Second Quarter 2026

Suburban & Beltline Office Leasing Landscape

Market Analysis

BARCLAY STREET REAL ESTATE

LOCAL EXPERTISE MATTERS

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Calgary's Second Quarter 2026 Suburban & Beltline Office Leasing Landscape

Suburban

89.5%	−1.1%	OVERALL OCCUPANCY RATE (Total leased space)
10.5%	+1.1%	OVERALL VACANCY RATE (Space marketed for headlease only)
11.5%	+0.8%	OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

WITHIN-CLASS

CLASS A	**88.8%**	−2.8%	OCCUPANCY
	11.2%	+2.8%	VACANCY
	12.9%	+3.2%	AVAILABILITY
CLASS B	**89.6%**	+0.7%	OCCUPANCY
	10.4%	−0.7%	VACANCY
	10.8%	−2.4%	AVAILABILITY
CLASS C	**91.8%**	+1.3%	OCCUPANCY
	8.2%	−1.3%	VACANCY
	8.3%	−1.4%	AVAILABILITY

Beltline

89.2%	+1.1%	OVERALL OCCUPANCY RATE (Total leased space)
10.8%	−1.1%	OVERALL VACANCY RATE (Space marketed for headlease only)
15.6%	+1.2%	OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

WITHIN-CLASS

CLASS A	**94%**	+1.4%	OCCUPANCY
	6%	−1.4%	VACANCY
	17.2%	+4.4%	AVAILABILITY
CLASS B	**82.6%**	−0.2%	OCCUPANCY
	17.4%	+0.2%	VACANCY
	18.3%	+0.4%	AVAILABILITY
CLASS C	**95.2%**	+0.1%	OCCUPANCY
	4.8%	−0.1%	VACANCY
	5.2%	−0.4%	AVAILABILITY
CHARACTER	**72.5%**	+10.9%	OCCUPANCY
	27.5%	−10.9%	VACANCY
	29.6%	−10.9%	AVAILABILITY

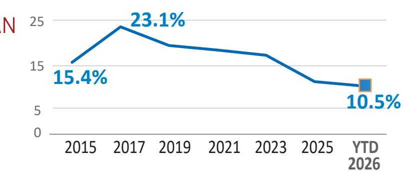
> *"This market is leaning toward landlord's market. Scarcity in certain segments is giving landlords real pricing power for the first time in a while, and we expect that to continue."*

Murray Ion
Vice President, Partner
Barclay Street Real Estate

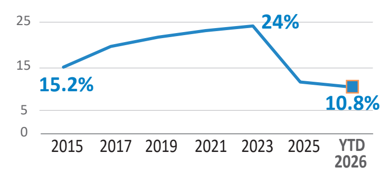
Market Performance

Both the suburban and beltline office markets continued their positive trajectory into Q2 2026, with occupancy gains recorded across both markets. The suburban market reached 89.5% occupancy and the Beltline climbed to 89.2%, a 1.1% gain quarter-over-quarter. Suburban vacancy sits at 10.5% and Beltline vacancy now sits at 10.8%, both down significantly from their respective peaks of 23.1% and 24.0% – a testament to the sustained recovery both markets have undergone.

SUBURBAN VACANCY



BELTLINE VACANCY



Absorption came in −179,315 square feet for suburban and −84,752 square feet for Beltline, largely attributable to new listings entering the market rather than tenant departures. The Imperial Oil sale-leaseback meaningfully influenced absorption figures though underlying leasing activity remains competitive, and landlord confidence continues to grow.

Office Trends

A clear flight to quality continues to define tenant behaviour across both markets. In the suburban market, Class B and C space led performance, with availability falling to 10.8% and 8.3% respectively, as tenants capitalize on the strong value proposition offered by well-located, high performing alternatives. Class A availability rose 320 basis points to 12.9%, largely reflecting the Imperial Oil transaction. Class A occupancy remains healthy at 88.8% and now accounts for 60% of total available suburban space. Underscoring that resilience, Kiewit's new 160,000-square-foot lease at the *Imperial Oil Campus* stands out as the biggest suburban lease has seen in nearly a decade, a strong early signal that the market is moving quickly to absorb that space. Spaces under 4,000 square feet represent 66% of suburban options and continue to lease fastest, with the Macleod Trail corridor showing the effects of limited small-format supply through faster lease-up and upward rate pressure. The suburban market's headlease-to-sublease ratio of 91% to 9% further underscores the health of the submarket.

In the Beltline, Class A tightened further to 94% occupancy while Class C held the highest occupancy of any segment at 95.2%. Available options remain concentrated in smaller formats, with 62% of Beltline opportunities falling under 4,000 square feet – consistent with the demand profile observed this quarter. Sublease now accounts for 31% of total Beltline options, up from 18% in Q1, though headlease remains dominant at 69%. Vacancies are more concentrated from 7th Street to 14th Street on 17th Avenue, where product quality and parking ratios tend to be more variable.

Availabilities

Current availability reflects a clear tenant preference for well-located, accessible nodes. In the suburban market, our listing at Sovereign Centre at *6700 Macleod Trail SE* offers a well-finished 2,540 square foot sublease suite with furniture available, ample parking, and the professional finishes characteristic of a quality Class A building – a strong move-in-ready option along one of Calgary's most active corridors.

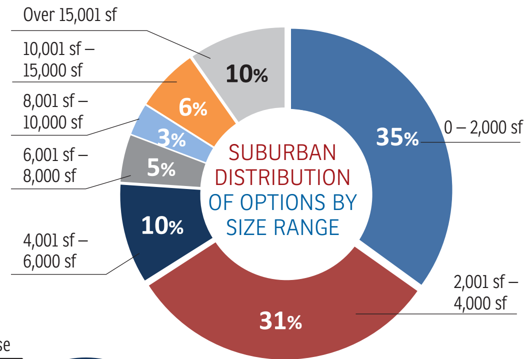
6700 Macleod Trail SE offers Class A office space for sublease through Barclay Street Real Estate

In the Beltline, our listing at Clennan Square at 110 11 Avenue SW offers suites ranging from 652 to 3,421 square feet along the active 1st Street SW corridor, with easy access to downtown, Macleod Trail, and 17th Avenue SW.

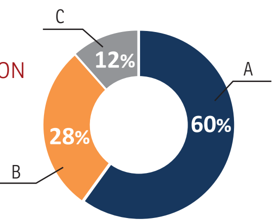
Suburban Availabilities by Size and Building Class

NUMBER OF SUBURBAN OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

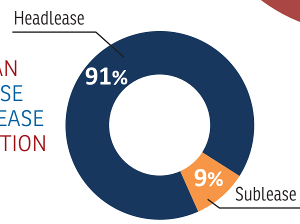
	HEADLEASE			SUBLEASE		
Size Range	A	B	C	A	B	C
0 – 2,000 sf	7	72	43	6	3	2
2,001 sf – 4,000 sf	18	53	43	1	2	1
4,001 sf – 6,000 sf	14	12	11	1	0	0
6,001 sf – 8,000 sf	9	5	3	1	0	0
8,001 sf –10,000 sf	4	4	4	0	0	0
10,001 sf – 15,000 sf	9	12	2	1	0	0
15,001+	21	8	0	7	1	0
Overall	82	166	106	17	6	3



SUBURBAN DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS



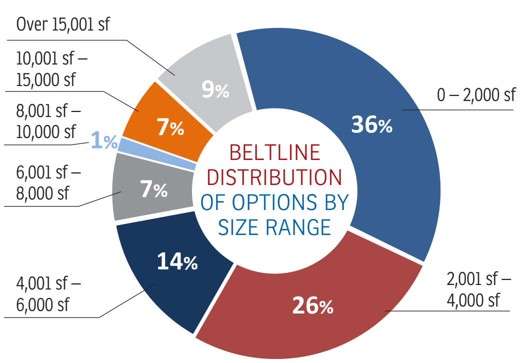
SUBURBAN HEADLEASE VS. SUBLEASE DISTRIBUTION



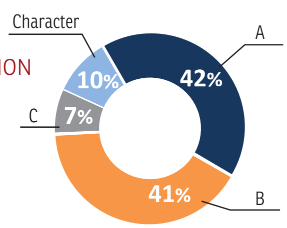
Beltline Availabilities by Size and Building Class

NUMBER OF BELTLINE OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

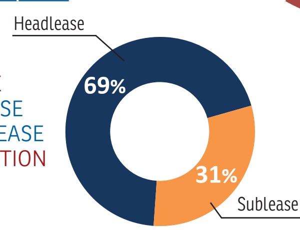
	HEADLEASE				SUBLEASE			
Size Range	A	B	C	Char	A	B	C	Char
0 – 2,000 sf	1	38	23	7	6	2	1	1
2,001 sf – 4,000 sf	5	28	12	6	2	0	2	2
4,001 sf – 6,000 sf	4	17	2	5	1	1	0	0
6,001 sf – 8,000 sf	1	9	1	2	1	1	0	0
8,001 sf –10,000 sf	1	1	0	1	0	0	0	0
10,001 sf – 15,000 sf	2	8	0	1	2	1	0	0
15,001+	4	3	0	1	11	0	0	0
Overall	18	104	38	23	23	5	3	3



BELTLINE DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS



BELTLINE HEADLEASE VS. SUBLEASE DISTRIBUTION



Availabilities by Location and Building Class:

Suburban

NW AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	61,555 sf	1,330,882 sf	4.6%
B	102,644 sf	739,264 sf	13.9%
C	91,701 sf	385,321 sf	23.8%
Overall NW	255,900 sf	2,455,467 sf	10.4%

NE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	256,638 sf	2,334,123 sf	11.0%
B	193,894 sf	2,291,563 sf	8.5%
C	76,475 sf	1,857,839 sf	4.1%
Overall NE	527,007 sf	6,483,525 sf	8.1%

SW AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	402,370 sf	2,603,539 sf	15.5%
B	220,184 sf	1,669,837 sf	13.2%
C	102,543 sf	792,591 sf	12.9%
Overall SW	725,097 sf	5,065,967 sf	14.3%

SE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	834,902 sf	5,795,487 sf	14.4%
B	223,076 sf	2,122,364 sf	10.5%
C	28,268 sf	577,549 sf	4.9%
Overall SE	1,086,246 sf	8,495,400 sf	12.8%

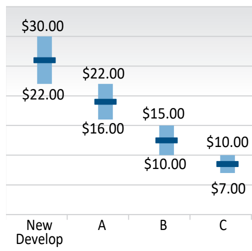
Beltline

AVAILABILITY BY BUILDING CLASS

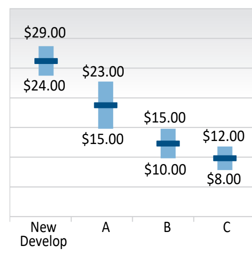
Class	Available	Inventory	Availability
A	468,306 sf	2,728,573 sf	6.0%
B	457,568 sf	2,494,227 sf	17.4%
C	83,596 sf	1,595,277 sf	4.8%
Character	110,298 sf	372,505 sf	27.5%
Overall Beltline	1,119,768 sf	7,190,582 sf	15.6%

Average Asking Rates

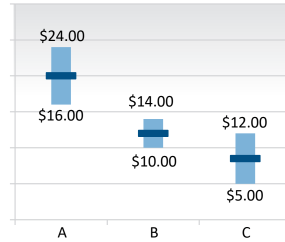
SUBURBAN NORTH
RATES BY BUILDING CLASS



SUBURBAN SOUTH
RATES BY BUILDING CLASS



BELTLINE
RATES BY BUILDING CLASS



Leasing Highlights

Leasing activity was strong along the Macleod Trail corridor, with spaces at *Centre 70* and *Centre 89* leasing quickly amid limited small-format supply. The *Megasys Building* reached full occupancy, as did the Kingsway Building at approximately 5,300 square feet. In the Beltline, activity remained strong at *Mount Royal Village*. Show suite activity – particularly from Enright across the Beltline and downtown – has generated strong inquiry volumes, with move-in-ready product and strong parking ratios attracting the highest volume of qualified inquiries.

Centre 89 on Macleod Trail continues to see strong leasing activity.

Outlook

Both markets are well-positioned heading into the second half of 2026. Scarcity of small-format space along the Macleod Trail corridor is expected to sustain rate appreciation and rapid absorption of quality listings, while the early re-absorption of Imperial Oil's vacated space – highlighted by Kiewit's lease at the campus – points to continued momentum ahead. In the Beltline, show suite momentum and continued Class A demand are encouraging, with parking availability and construction timelines the primary variables to monitor. Both markets support continued incremental tightening through year end. ■

For more information please contact our office brokers:

- Murray Ion – Vice President, Partner • 403-797-3103 • mion@ barclaystreet.com
- Allan Jones – Executive Vice President • 403-850-7621 • ajones@barclaystreet.com
- Ryan Boyne – Associate • 403-483-5599 • rboyne@barclaystreet.com
- Bill Falagaris – Executive Vice President • 403-650-2347 • bfalagaris@barclaystreet.com
- Kris Hong – Executive Vice President, Partner • 587-896-8858 • khong@ barclaystreet.com

PREPARED BY BARCLAY STREET REAL ESTATE
Akam Minhas – Director of Research
403-294-7164 • aminhas@barclaystreet.com

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