

Calgary's Third Quarter Retail Landscape

Market Analysis Q3 2025

96.2% +0.2%	OVERALL OCCUPANCY RATE (Total leased space)
3.7% -0.1%	OVERALL VACANCY RATE (Space marketed for headlease)
3.8% -0.2%	OVERALL AVAILABILITY (Total amount of space available for headlease/sublease)

Calgary's retail market continues to demonstrate strength and resilience. Availability has steadily trended downward since the start of 2025, reaching 3.8% this quarter – a decrease of 20 basis points quarter-over-quarter and 90 basis points year-over-year. With less than 2 million square feet available citywide, Calgary remains below what is typically considered a balanced market. Limited supply is fueling upward pressure on rental rates, with occupancy climbing to 96.2%. The city's retail landscape remains stable, supported by strong tenant demand. The narrow gap between availability and vacancy reflects a stable market with little excess space set to return, underscoring the steady absorption of existing inventory. Retailer confidence is especially evident in suburban nodes, where service-oriented and food-based retailers remain highly active.

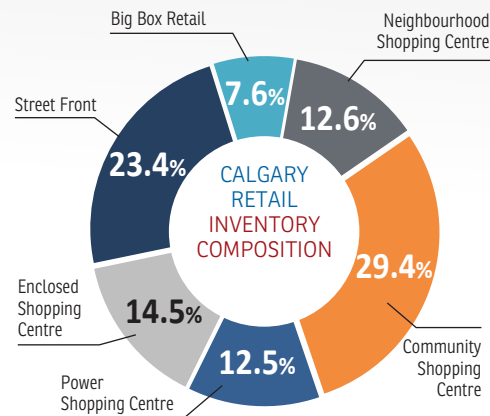
Calgary's retail inventory now totals 45.6 million square feet, representing an increase of approximately 300,000 square feet since the start of the year as new projects were delivered. This quarter saw the completion of Fourth Street Lofts in the Beltline, adding 3,500 square feet, along with the Junction at Market and Main (Blocks 88 and C) in Seton, bringing additional street front retail supply. Despite this growth in inventory, overall availability has decreased by 70 basis points since January, highlighting strong absorption across the market.

Suburban submarkets are leading performance, with vacancy in northern Calgary at 2.2%,

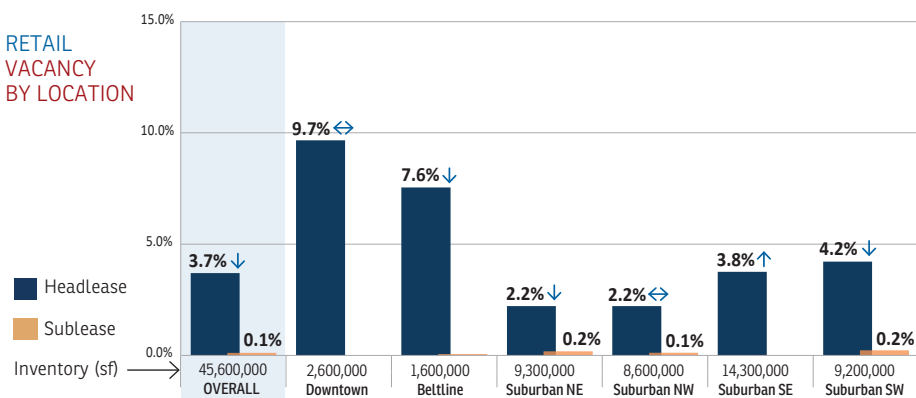
demonstrating particularly strong tenant demand. Downtown vacancy, by contrast, remains elevated, driven by higher operating costs, shifts in consumer patterns, and ongoing changes in the office market. By format, community shopping centres and street front retail continue to perform steadily while activity in the beltline has strengthened – dropping vacancy 60 basis points to 7.6%.

Development Highlights

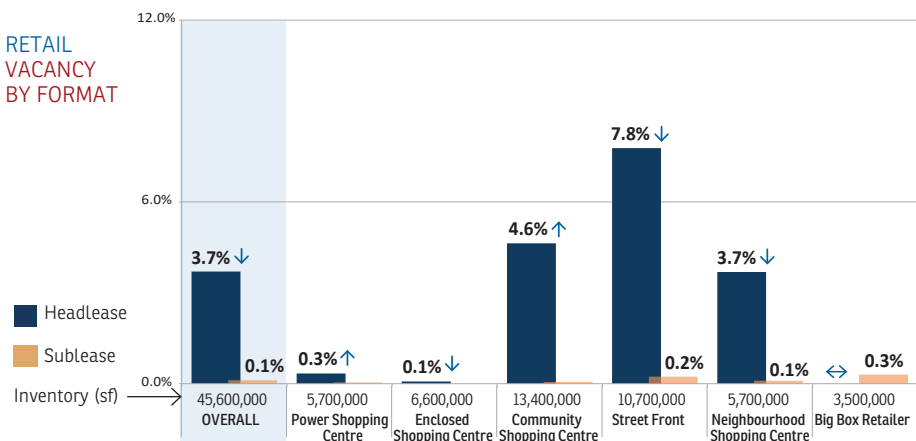
Southpoint Plaza in Calgary's southeast has entered the construction pipeline and is now actively pre-leasing. Once complete, it will add meaningful supply to an already thriving suburban hub. Anthem and Harbour Equity also broke ground on a new open-air retail centre in Belmont. The project will deliver 145,000 square feet across 14 buildings, anchored by grocery, drug, and liquor stores, alongside quick-service and full-service restaurants. Construction began in August 2025, with completion targeted for Summer 2027.



RETAIL VACANCY BY LOCATION



RETAIL VACANCY BY FORMAT



Vesta Properties has launched the pre-leasing for Aspen Village in Springbank Hill, offering approximately 60,000 square feet of street front retail with construction starting in 2026 and initial occupancies expected in 2027. This quarter also marked the emergence of Alpine Park's Village Centre as part of Calgary's expanding southwest retail corridor. The first phase, known as the Convenience District, began construction, with initial occupancies targeted for early 2026.

The Seton area continues to evolve as residential density grows. The completion of the Junction at Market and Main this quarter added to the area's retail spaces, supported by the influx of new housing in the community.

Market Momentum

The quarter was also notable for major urban projects, with 17th Avenue experiencing a retail resurgence. Established Calgary-based builders, Homes by AVI introduced Sovereign – a mixed-use new development offering modern retail spaces along Calgary's premier shopping and lifestyle corridors. Barclay Street Real Estate is pleased to lead the retail leasing for this project, which contributes to the ongoing revival of the Beltline's culture and entertainment district. Meanwhile, Lululemon opened a flagship location, underscoring confidence in the beltline despite broader

CBD RETAIL CONSTRUCTION SUMMARY

RETAIL FORMAT	PROPERTY	COMMUNITY	RETAIL AREA (SF)	EXPECTED COMPLETION	DEVELOPER
Street Front	Francesco	Cliff Bungalow	8,000	2026	Arlington Group

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
	EV606	East Village	6,000	2025	Alston Properties
	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	Sage Hill	32,000	2026	Certus
	The Mondrian	West District	~ 20,000	2026	Truman
	Plaza	West District	15,000	2027	Truman
	University District (remaining)	University Heights	~150,000	2025	Uni. of Cal. Properties Group
Community Shopping Centre	Saddle Ridge Crossing	Saddle Ridge	~80,000	2026	-
	Westwinds Superstore	Westwinds	~50,000	2027	-

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)	Country Hills	39,000	Pre-leasing	Melcor
	FARM	Marda Loop	12,000	Pre-leasing	Rkays Development
	Aspen Village	Springbank Hill	60,000	2027	Vesta Properties
	Redstone Market Square	Redstone	60,000	Pre-leasing	Qualico
Neighbourhood Shopping Centre	Southpoint Plaza	Mckenzie Towne	15,000	Pre-leasing	-

NOTABLE Q3 RETAIL COMPLETIONS

RETAIL FORMAT	PROPERTY	COMMUNITY	RETAIL AREA (SF)	DEVELOPER
Street Front	Fourth Street Lofts	Beltline	3,500	Western Securities
Street Front	Junction at Market & Main (88, Block C)	Seton	40,000	Brookfield Residential

urban headwinds. Community staple, Mona Lisa Artists' Materials also changed hands in a transaction facilitated by Barclay Street Real Estate.

Additionally, Calgary City Council approved redevelopment of a two-acre site in Marda Loop. The Marc and Mada project – a partnership between Calgary Co-op and Truman Homes – will feature two residential towers, a new Calgary Co-op grocery store, and additional retail and commercial space. On Stephen Avenue, a much-needed revitalization project is underway, designed to enhance safety, modernize infrastructure, and create a more attractive environment for both retailers and customers.

Tenant Activity

Service-based retail continues to lead leasing activity, extending the momentum seen earlier this year. Food and beverage operators remain especially active. Local favourite, Pie Junkie expanded with its fifth shop, while national brands like Dave's Hot Chicken and Wingstop continue to enter Calgary's strongest trade areas. These new openings reinforce confidence in the city's consumer base and its ability to attract both local entrepreneurs and international investment.

Outlook

As Calgary's retail market enters the final quarter of 2025, record-low availability fuels upward pressure on rents, while suburban nodes are capturing strong tenant demand. National brands are expanding, local concepts are scaling, and major redevelopment projects are re-shaping urban nodes. Together, these dynamics position Calgary for a strong finish to 2025 and sustained momentum into 2026. ■

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