# Calgary's Third Quarter Suburban & Beltline Office Landscape

Market Analysis Q3 2025

## Suburban

**88.7%** +3.2% OVERALL OCCUPANCY RATE (Total leased space)

**11.3%** –2.3% OVERALL VACANCY RATE (Space marketed for headlease only)

**12.2%** –2.3% OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

WITHIN-CLASS

| | | | |
|---|---|---|---|
| CLASS A | 89.7% | +1.5% | OCCUPANCY |
| | 10.3% | –0.8% | VACANCY |
| | 11.1% | –0.7% | AVAILABILITY |
| CLASS B | 86.2% | +7.9% | OCCUPANCY |
| | 13.8% | –6.8% | VACANCY |
| | 14.9% | –6.8% | AVAILABILITY |
| CLASS C | 90.4% | +2.5% | OCCUPANCY |
| | 9.6% | –1.5% | VACANCY |
| | 10.4% | –1.7% | AVAILABILITY |

## Beltline

**87.2%** +0.9% OVERALL OCCUPANCY RATE (Total leased space)

**12.8%** –0.9% OVERALL VACANCY RATE (Space marketed for headlease only)

**17.4%** –0.9% OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

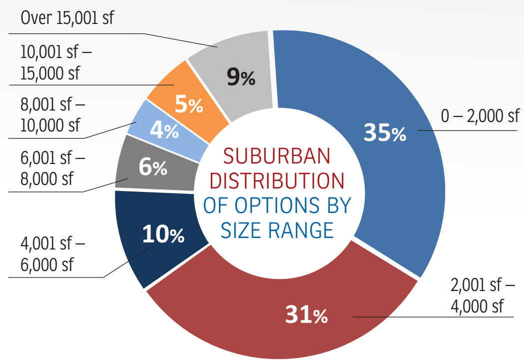
WITHIN-CLASS

| | | | |
|---|---|---|---|
| CLASS A | 93.2% | +0.5% | OCCUPANCY |
| | 6.8% | –0.5% | VACANCY |
| | 15.2% | +0.3% | AVAILABILITY |
| CLASS B | 81.3% | +1.4% | OCCUPANCY |
| | 18.7% | –1.4% | VACANCY |
| | 20.1% | –1.2% | AVAILABILITY |
| CLASS C | 93.8% | +4.7% | OCCUPANCY |
| | 6.2% | –4.7% | VACANCY |
| | 7.3% | –4.7% | AVAILABILITY |
| CHARACTER | 54.5% | –17.1% | OCCUPANCY |
| | 45.5% | + 17.1% | VACANCY |
| | 58.8% | –9.2% | AVAILABILITY |

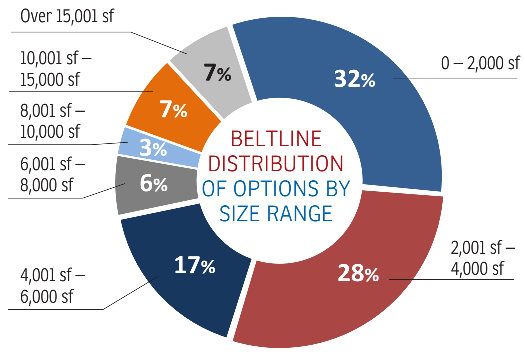
## Market Performance

The suburban and Beltline office markets continued to perform well through the Q3 of 2025, with occupancy rising in both submarkets to 88.1% and 87.2%, respectively. Vacancy and availability declined across most classes, except for Class A spaces in the Beltline, which recorded a modest 30-basis-point (bps) increase. Sublease activity in this segment also rose by 40 bps, indicating sustained demand for sublet space.

Both markets achieved positive absorption, with suburban nodes posting 352,000 sf and the Beltline approximately 80,000 sf. Overall vacancy declined to 11.3% and 12.8%, respectively, underscoring continued leasing momentum and steady tenant demand across Calgary's office landscape.

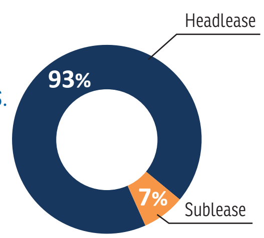



SUBURBAN DISTRIBUTION OF OPTIONS BY SIZE RANGE

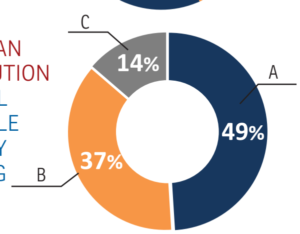



BELTLINE DISTRIBUTION OF OPTIONS BY SIZE RANGE

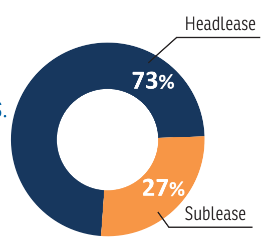
SUBURBAN HEADLEASE VS. SUBLEASE DISTRIBUTION




SUBURBAN DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS




BELTLINE HEADLEASE VS. SUBLEASE DISTRIBUTION

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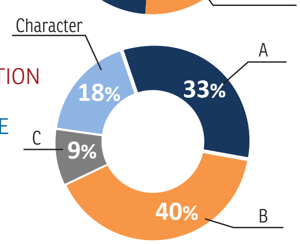
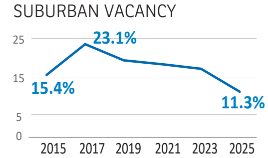
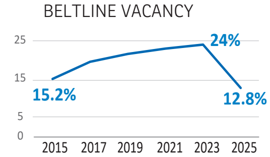



SUBURBAN VACANCY




BELTLINE VACANCY




## Office Trends

Leasing activity in the suburban market remained healthy this quarter, led by continued demand for mid- to higher-quality assets. Class B spaces recorded the most notable gains, with occupancy increasing by 79 bps quarter-over-quarter. This consistent upward trend highlights strong tenant interest in well-located, cost-efficient alternatives to downtown offerings. The suburban market has begun to feel the pinch of limited Class A building inventory, as Class A and B spaces continue to tighten with fewer quality options available for tenants seeking mid-sized footprints. Demand remains concentrated in the 4,000-6,000-sf range especially among professional services and healthcare – related tenants.

The Beltline mirrored suburban consistency this quarter, supported by stable leasing and a healthy absorption rate. Class C assets were the most active, with occupancy increasing by 4.7%, paired with equivalent declines in vacancy and availability. Character buildings, however, saw a notable rise in availability – increasing from 49.6% to 58.8%. Our records indicate roughly ten additional spaces were introduced to the market this quarter. This shift reflects owners bringing more boutique suites to market rather than a decline in tenant demand. Interest in heritage-style properties remains strong among creative and professional users seeking unique space configurations.

## Development & Conversions

The *Downtown Calgary Development Incentive Program (DCDIP)* continues to shape the Beltline landscape. As a result, two office buildings – the Class C Epique House and Class B Connaught House – were removed from inventory as they transition to residential use.

## Tenant & Highlights

In Calgary's northwest suburban node, R2 Capital acquired One and Two Executive Place at a 59% discount, representing a combined 119,000 sf of Class A office space. In another significant development, Imperial Oil announced plans to sell its five-building corporate campus, totaling approximately 800,000 sf.

## Outlook

Heading into Q4, leasing activity is expected to remain steady, driven by demand for well-located, mid-sized spaces. Overall, Calgary's Suburban and Beltline office markets remain on a path of gradual recovery – defined by consistent tenant demand, adaptive reuse momentum, and increasing investor engagement. ■

# Opportunities by Building Class and Size

### SUBURBAN OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

| | HEADLEASE | | | SUBLEASE | | |
|---|---|---|---|---|---|---|
| Size Range | A | B | C | A | B | C |
| 0 – 2,000 sf | 10 | 84 | 48 | 6 | 4 | 3 |
| 2,001 sf – 4,000 sf | 22 | 66 | 43 | 2 | 2 | 3 |
| 4,001 sf – 6,000 sf | 10 | 18 | 13 | 0 | 3 | 2 |
| 6,001 sf – 8,000 sf | 11 | 5 | 4 | 0 | 3 | 1 |
| 8,001 sf –10,000 sf | 6 | 6 | 4 | 0 | 1 | 0 |
| 10,001 sf – 15,000 sf | 6 | 16 | 2 | 0 | 0 | 0 |
| 15,001+ | 22 | 11 | 1 | 3 | 1 | 0 |
| Overall | 87 | 206 | 115 | 11 | 14 | 9 |

### BELTLINE OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

| | HEADLEASE | | | | SUBLEASE | | | |
|---|---|---|---|---|---|---|---|---|
| Size Range | A | B | C | Char | A | B | C | Char |
| 0 – 2,000 sf | 2 | 35 | 25 | 8 | 4 | 3 | 1 | 1 |
| 2,001 sf – 4,000 sf | 5 | 40 | 10 | 8 | 3 | 0 | 0 | 5 |
| 4,001 sf – 6,000 sf | 4 | 17 | 6 | 7 | 5 | 2 | 0 | 1 |
| 6,001 sf – 8,000 sf | 1 | 7 | 2 | 3 | 0 | 2 | 0 | 0 |
| 8,001 sf –10,000 sf | 1 | 2 | 0 | 1 | 1 | 0 | 2 | 0 |
| 10,001 sf – 15,000 sf | 1 | 8 | 0 | 2 | 5 | 1 | 0 | 2 |
| 15,001+ | 6 | 3 | 0 | 3 | 5 | 0 | 0 | 0 |
| Overall | 20 | 112 | 43 | 32 | 23 | 8 | 3 | 9 |

# Availability by Building Class and Location

The following charts provide more detailed performance insight into the availability rates among specific building classes and the impact on the individual suburban and Beltline submarkets.

### NW AVAILABILITY BY BUILDING CLASS

| Class | Available | Inventory | Availability |
|---|---|---|---|
| A | 82,447 sf | 1,330,882 sf | 6.2% |
| B | 108,028 sf | 739,264 sf | 14.6% |
| C | 119,943 sf | 385,321 sf | 31.1% |
| Overall NW | 310,418 sf | 2,455,467 sf | 12.6% |

### NE AVAILABILITY BY BUILDING CLASS

| Class | Available | Inventory | Availability |
|---|---|---|---|
| A | 180,428 sf | 2,334,123 sf | 7.7% |
| B | 349,248 sf | 2,291,563 sf | 15.2% |
| C | 109,020 sf | 1,857,839 sf | 5.9% |
| Overall NE | 638,696 sf | 6,483,525 sf | 9.9% |

### SW AVAILABILITY BY BUILDING CLASS

| Class | Available | Inventory | Availability |
|---|---|---|---|
| A | 423,255 sf | 2,603,539 sf | 16.3% |
| B | 238,177 sf | 1,669,837 sf | 14.3% |
| C | 102,180 sf | 792,591 sf | 12.9% |
| Overall SW | 763,612 sf | 5,065,967 sf | 15.1% |

### SE AVAILABILITY BY BUILDING CLASS

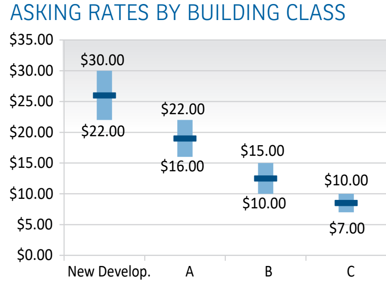
| Class | Available | Inventory | Availability |
|---|---|---|---|
| A | 653,505 sf | 5,795,487 sf | 11.3% |
| B | 323,968 sf | 2,122,364 sf | 15.3% |
| C | 43,458 sf | 577,549 sf | 7.5% |
| Overall SE | 1,020,931 sf | 8,495,400 sf | 12.0% |

### BELTLINE AVAILABILITY BY BUILDING CLASS

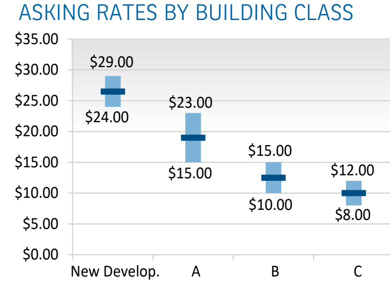
| Class | Available | Inventory | Availability |
|---|---|---|---|
| A | 414,703 sf | 2,728,573 sf | 6.8% |
| B | 502,582 sf | 2,494,227 sf | 18.7% |
| C | 116,691 sf | 1,595,277 sf | 6.2% |
| Character | 218,998 sf | 372,505 sf | 45.5% |
| Overall Beltline | 1,252,974 sf | 7,190,582 sf | 17.4% |

# Average Asking Rates

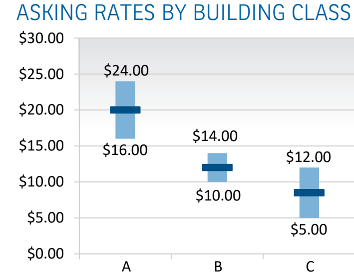
### AVERAGE SUBURBAN NORTH ASKING RATES BY BUILDING CLASS




### AVERAGE SUBURBAN SOUTH ASKING RATES BY BUILDING CLASS




### AVERAGE BELTLINE ASKING RATES BY BUILDING CLASS

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