

Calgary's Year-End Retail Landscape

Market Analysis Q4 2025

96.6% <small>+0.4%</small>	OVERALL OCCUPANCY RATE (Total leased space)
3.5% <small>-0.3%</small>	OVERALL VACANCY RATE (Space marketed for headlease)
3.4% <small>-0.3%</small>	OVERALL AVAILABILITY (Total amount of space available for headlease/sublease)

After trending downward through the first three quarters of the year, Calgary's overall retail vacancy declined further in Q4 2025 to 3.4%, representing a 90-basis-point improvement year over year. At year end, available retail space remained below what we consider a balanced market threshold of 2.0 million square feet citywide. As space scarcity increased, early upward pressure on rental rates began to emerge across several retail nodes.

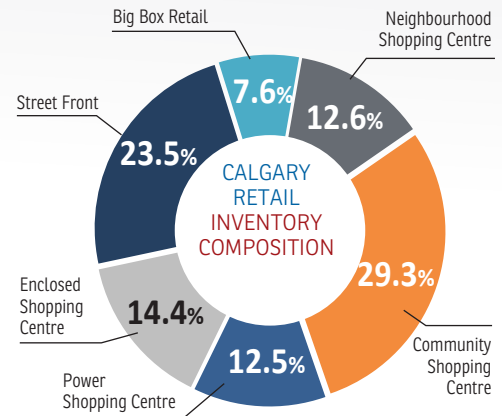
New Supply & Inventory Total retail inventory reached approximately 45.6 million square feet, reflecting an increase of nearly 700,000 square feet since the beginning of the year. New supply was delivered this year through the completion of multiple projects, including EV606, The Mondrian, Frontier, Junction 88 & Block C, Fourth Street Lofts, and The Podium. Additional retail inventory remains in the development pipeline, with many projects anticipated for completion in 2026 or early 2027. New supply continues to be dominated by smaller-format units ranging between 1,000 and 3,500 square feet, aligning with sustained demand from service-based and neighbourhood-oriented retailers.

Proposed earlier this year, Vesta Properties mixed-used project – Broadway on 17th – has started taking shape in Calgary's Beltline. The development will consist of condos, apartments and ~70,000 square feet of retail spaces: including a grocery store, shops and restaurants.

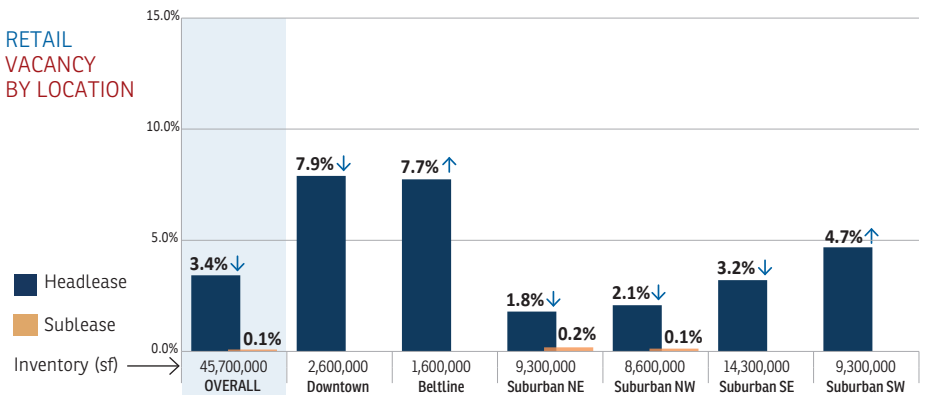
New development activity continued into year end. In December, the City of Calgary issued a building permit for nine commercial retail unit buildings at the Livingston Commercial Centre, totaling approximately 113,000 square feet, further contributing to the city's near-term retail pipeline.

Market Sentiment

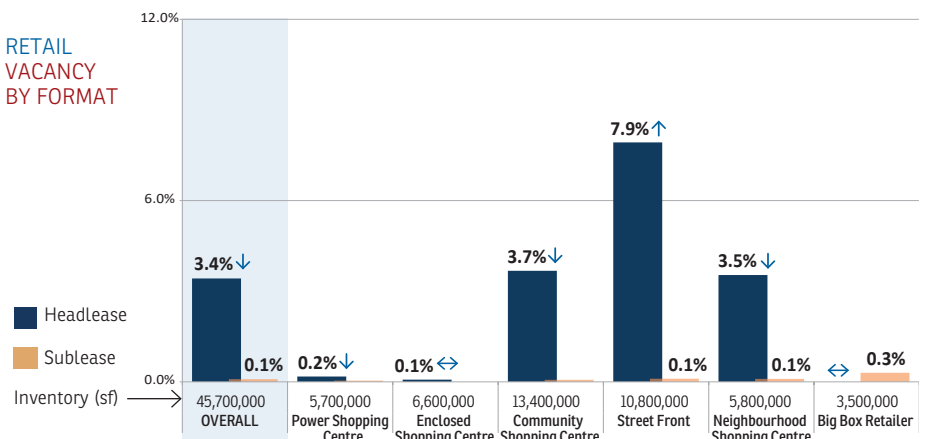
Alongside inventory growth, overall retail occupancy increased by 130 basis points year-over-year. Net decreases in vacancy were recorded across Northeast, Northwest, Southeast and downtown quadrants. The Southwest quadrant was the sole exception, with vacancy increasing by 50 basis points. Current expansion activity remains concentrated among service-based and value-oriented retailers, particularly across the eastern split of the city.



RETAIL VACANCY BY LOCATION



RETAIL VACANCY BY FORMAT



Retail development is increasingly being integrated into residential communities through mixed-use formats, extending a trend observed since year-end 2024.

This approach supports Calgary's 15-minute community planning framework and reinforces the long-term resilience of neighbourhood-serving retail by embedding daily-use services closer to population growth.

Tenant Activity Notable tenant activity during the quarter reflected both portfolio rationalization and continued confidence in well-located retail. Starbucks closed its Britannia Plaza location as part of a broader corporate downsizing initiative.

Subsequently, Good Earth Coffeehouse announced plans to acquire several recently closed Starbucks locations across Canada, highlighting continued demand for established neighbourhood retail sites. Mid-quarter, Walmart Canada confirmed its tenancy at Taza Park West, reinforcing the project's positioning as a major retail node within Calgary's southeast growth corridor.

Downtown retail remains in transition. Questions persist regarding the future of Calgary's historic Hudson's Bay building, which was added

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

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	Sage Hill	32,000	2026	Certus
	Plaza	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	

NOTABLE Q4 RETAIL COMPLETIONS

RETAIL FORMAT	PROPERTY	COMMUNITY	RETAIL AREA (SF)	DEVELOPER
Street Front	EV606	East Village	6,000	Alston Properties
	The Mondrian	West District	~ 20,000	Truman

to the National Trust for Canada's Endangered Places list during the quarter. As office and residential conversions progress downtown, retail is shifting away from traditional department store formats toward more community-driven environments. Construction around the revitalization of Stephen Avenue has begun, including the availability of the former Arnold Churgin shoe store space – marketed by Barclay Street Real Estate – underscoring this evolution.

Outlook

Overall, 2025 marked a strong year for Calgary's retail market. Citywide vacancy declined from 4.0% at the beginning of the year to 3.7% by year end, reflecting steady absorption despite continued inventory growth. ■

For more information please contact: ► Andrew Sherbut – Vice President, Partner • 403-607-1819 • asherbut@barclaystreet.com
 ► Joshua Gill – Sr. Associate • 587-500-7707 • jgill@barclaystreet.com
 ► Myles Scheske – Sr. Associate • 403-968-9859 • mscheske@barclaystreet.com

PREPARED BY BARCLAY STREET REAL ESTATE

Rusna Mahoon – Director of Research
 403-294-7164 • rmahoon@barclaystreet.com



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