

Calgary's Year-End Suburban & Beltline Office Landscape

Market Analysis Q4 2025

Suburban

88.7%	NO CHANGE	OVERALL OCCUPANCY RATE (Total leased space)
11.3%	NO CHANGE	OVERALL VACANCY RATE (Space marketed for headlease only)
12.4%	+0.2%	OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

WITHIN-CLASS

CLASS A	89.7%	NO CHANGE	OCCUPANCY
	10.3%	NO CHANGE	VACANCY
	11.3%	+0.2%	AVAILABILITY
CLASS B	86.1%	NO CHANGE	OCCUPANCY
	13.9%	+0.1%	VACANCY
	15.7%	+0.8%	AVAILABILITY
CLASS C	90.4%	NO CHANGE	OCCUPANCY
	9.7%	+0.1%	VACANCY
	9.9%	-0.5%	AVAILABILITY

Beltline

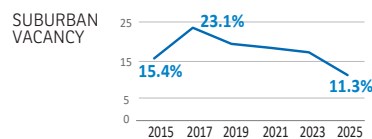
88.1%	+0.9%	OVERALL OCCUPANCY RATE (Total leased space)
11.9%	-0.9%	OVERALL VACANCY RATE (Space marketed for headlease only)
15.2%	-2.2%	OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

WITHIN-CLASS

CLASS A	92.9%	-0.3%	OCCUPANCY
	7.1%	+0.3%	VACANCY
	13.7%	-1.5%	AVAILABILITY
CLASS B	83.4%	+2.1%	OCCUPANCY
	16.6%	-2.1%	VACANCY
	17.7%	-2.4%	AVAILABILITY
CLASS C	93.3%	-0.5%	OCCUPANCY
	6.7%	+0.5%	VACANCY
	7.8%	+0.5%	AVAILABILITY
CHARACTER	63.0%	+8.5%	OCCUPANCY
	37.7%	-7.8%	VACANCY
	41.8%	-17.0%	AVAILABILITY

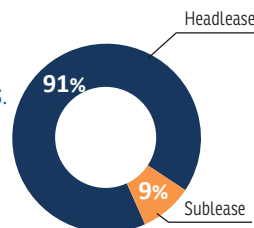
Market Performance

Entering Q4, Calgary's office market continued to adjust following a year of change. Suburban performance remained relatively stable quarter over

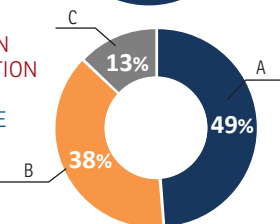


quarter, with overall occupancy holding at 88.7%. Sublease vacancy increased modestly by 17 basis points to 9.0%, while the suburban market recorded slight negative absorption of 55,000 square feet. Availability declined by 30 basis points to

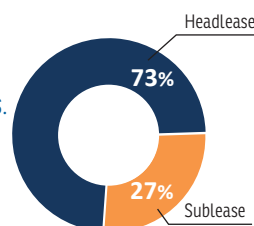
SUBURBAN HEADLEASE VS. SUBLEASE DISTRIBUTION



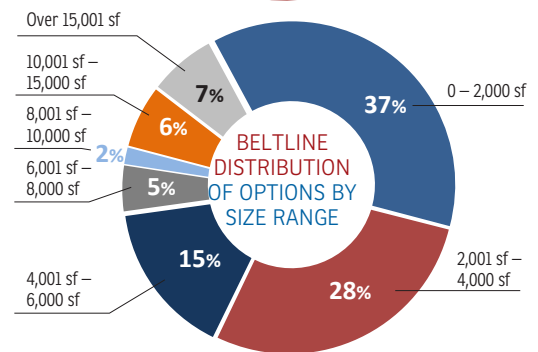
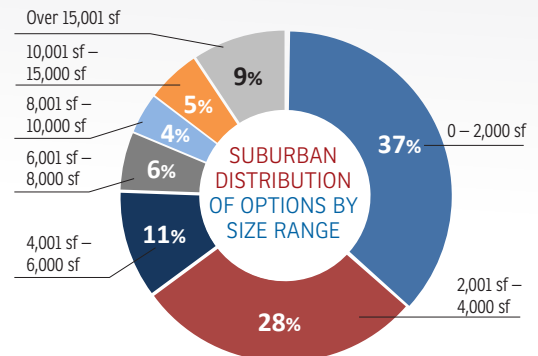
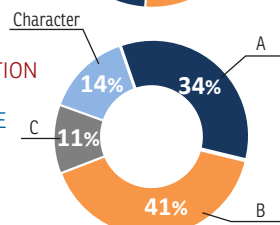
SUBURBAN DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS



BELTLINE HEADLEASE VS. SUBLEASE DISTRIBUTION

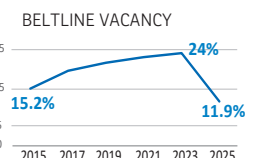


BELTLINE DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS



11.7% in the Southeast quadrant and posted modest increases in both the Northwest and Northeast. The Southwest experienced the most notable shift, with availability rising 120 basis points to 16.3%.

Beltline performance was more pronounced, reflecting the ongoing transformation in the submarket. Occupancy increased 90 basis points quarter over quarter to 88.1%, supported by positive absorption of 158,000 square feet. Gains were led by Class B and Character product, where occupancy rose to 83.4% and 63.0%, representing quarterly increases of 20 and 85 basis points, respectively. Beltline vacancy now sits at 11.9%, in line with year-end 2024 levels.



As noted in previous reports, several office-to-residential conversion projects – including TransAlta Place, Epique House, and Joffre Place – have already been removed from our inventory. The continued reduction of office stock remains a key factor supporting Beltline occupancy metrics.

Leasing Activity

Leasing activity in the suburban market remained steady, driven by sustained demand for mid-high quality product. The ongoing under-supply of Class A and B spaces particularly in mid-sized spaces, continues to shape tenant behaviour. Demand remains concentrated in the 4,000 to 6,000 square foot range as occupiers *right-size* space to support organizational functions.

This quarter, Imperial Oil Ltd. completed a sale-leaseback transaction of its approximately 800,000 square foot suburban office campus. Barclay Street's suburban and Beltline office leasing team delivered a strong year, fueled by significant leasing momentum at Megasyms and Temple Crossing buildings and the full lease-up of the Kingsway building. In total, the team completed approximately 167,000 square feet of office leases.

Mandates

Recent direction from the Alberta Public Service to return to full-time, in-office work is expected to have broader implications for Calgary's office market. While the mandate applies to public-sector employees, it could also influence attendance in the private-sector and encourage firms to move forward with leasing decisions.

Outlook

As hybrid work policies become more defined and less flexible, 2026 is shaping up as an operational reset rather than a period of continued experimentation. While challenges remain, increased policy clarity and stabilized tenant behavior should provide a more predictable leasing environment across both Suburban and Beltline submarkets. ■

Opportunities by Building Class and Size

SUBURBAN OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

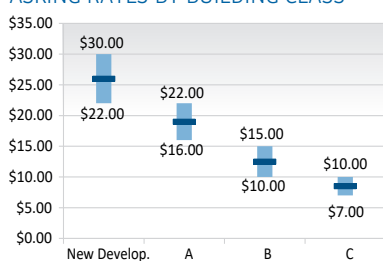
Size Range	HEADLEASE			SUBLEASE		
	A	B	C	A	B	C
0 – 2,000 sf	10	87	54	8	2	3
2,001 sf – 4,000 sf	19	62	40	2	3	2
4,001 sf – 6,000 sf	11	20	15	0	2	0
6,001 sf – 8,000 sf	11	5	6	1	3	0
8,001 sf – 10,000 sf	7	6	4	0	1	0
10,001 sf – 15,000 sf	6	17	1	0	0	0
15,001+	23	11	1	4	3	0
Overall	87	208	121	15	14	5

BELTLINE OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

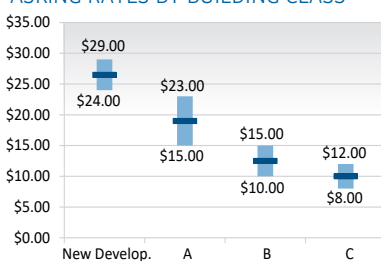
Size Range	HEADLEASE				SUBLEASE			
	A	B	C	Char	A	B	C	Char
0 – 2,000 sf	1	35	31	10	6	2	1	2
2,001 sf – 4,000 sf	4	36	14	7	3	0	0	3
4,001 sf – 6,000 sf	4	18	5	5	2	2	0	1
6,001 sf – 8,000 sf	0	8	1	1	0	1	0	0
8,001 sf – 10,000 sf	1	0	0	0	1	0	2	0
10,001 sf – 15,000 sf	1	7	0	2	4	1	0	0
15,001+	7	2	0	3	4	0	0	0
Overall	18	106	51	28	20	6	3	6

Average Asking Rates

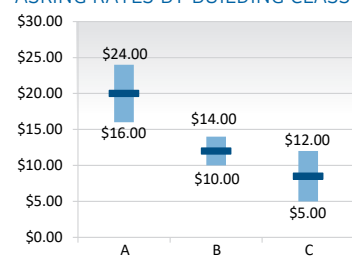
AVERAGE SUBURBAN NORTH ASKING RATES BY BUILDING CLASS



AVERAGE SUBURBAN SOUTH ASKING RATES BY BUILDING CLASS



AVERAGE BELTLINE ASKING RATES BY BUILDING CLASS



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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	88,613 sf	1,330,882 sf	6.7%
B	114,089 sf	739,264 sf	15.4%
C	120,382 sf	385,321 sf	31.2%
Overall NW	323,084 sf	2,455,467 sf	13.2%

NE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	195,105 sf	2,334,123 sf	8.4%
B	355,843 sf	2,291,563 sf	15.5%
C	95,355 sf	1,857,839 sf	5.1%
Overall NE	646,303 sf	6,483,525 sf	10.0%

SW AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	445,970 sf	2,603,539 sf	17.1%
B	273,858 sf	1,669,837 sf	16.4%
C	105,446 sf	792,591 sf	13.3%
Overall SW	825,274 sf	5,065,967 sf	16.3%

SE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	633,191 sf	5,795,487 sf	10.9%
B	326,382 sf	2,122,364 sf	15.4%
C	37,144 sf	577,549 sf	6.4%
Overall SE	996,717 sf	8,495,400 sf	11.7%

BELTLINE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	372,688 sf	2,728,573 sf	7.1%
B	442,330 sf	2,494,227 sf	16.6%
C	124,112 sf	1,595,277 sf	6.7%
Character	155,764 sf	372,505 sf	37.0%
Overall Beltline	1,094,894 sf	7,190,582 sf	15.2%

PREPARED BY BARCLAY STREET REAL ESTATE

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