

Calgary's First Quarter Suburban & Beltline Office Landscape

Market Analysis Q1 2025

Suburban

86.1% +3%	OVERALL OCCUPANCY RATE (Total leased space)
13.9% -3%	OVERALL VACANCY RATE (Space marketed for headlease only)
14.4% -3.7%	OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)
WITHIN-CLASS	
CLASS A	87.9% +4.4% OCCUPANCY 12.1% -4.4% VACANCY 12.4% -5.4% AVAILABILITY
CLASS B	80.1% +1.9% OCCUPANCY 19.9% -1.9% VACANCY 20.9% -1.7% AVAILABILITY
CLASS C	89.6% +0.1% OCCUPANCY 10.4% -0.1% VACANCY 11.0% -0.6% AVAILABILITY

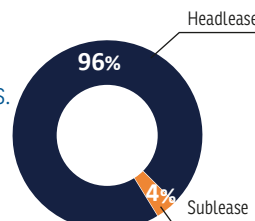
Beltline

84.7% +0.8%	OVERALL OCCUPANCY RATE (Total leased space)
15.4% -0.8%	OVERALL VACANCY RATE (Space marketed for headlease only)
19.8% -0.3%	OVERALL AVAILABILITY (Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)
WITHIN-CLASS	
CLASS A	92.1% -0.5% OCCUPANCY 7.9% +0.5% VACANCY 15.3% +0.5% AVAILABILITY
CLASS B	77% +1.7% OCCUPANCY 23% -1.7% VACANCY 23.7% -1.5% AVAILABILITY
CLASS C	88% +0.9% OCCUPANCY 12% -0.9% VACANCY 13.2% -0.4% AVAILABILITY
CHARACTER	68.3% +2.2% OCCUPANCY 31.7% -2.2% VACANCY 53.7% +1.3% AVAILABILITY

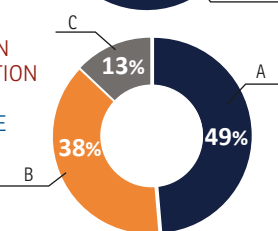
Q1 2025 saw leasing activity concentrated in the higher-class buildings of the suburban and Beltline markets. These deals have been moving forward, which is reflected by overall occupancy levels that are higher on a quarter-by-quarter comparison. We are seeing this trend in both suburban and Beltline spaces. Despite this, the election of President Trump and ensuing tariff motions has introduced uncertainty into the market with some tenants choosing a "hurry up and wait" approach to leasing.

Beltline areas continue to be revitalized with the expansion of the BMO center completed in 2024*. Looking forward, the anticipated Scotia Place will continue to enhance the vibrancy of Beltline

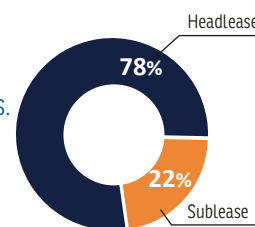
SUBURBAN HEADLEASE VS. SUBLEASE DISTRIBUTION



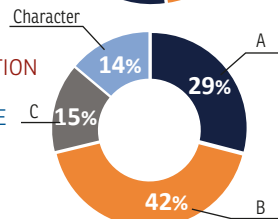
SUBURBAN DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS



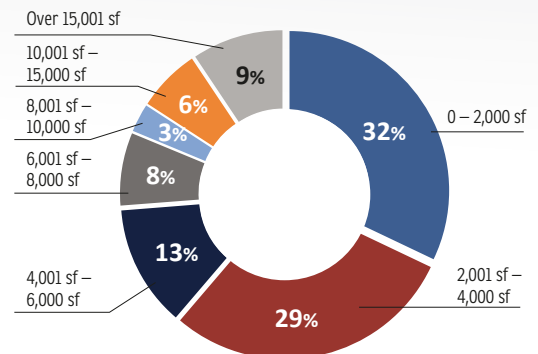
BELTLINE HEADLEASE VS. SUBLEASE DISTRIBUTION



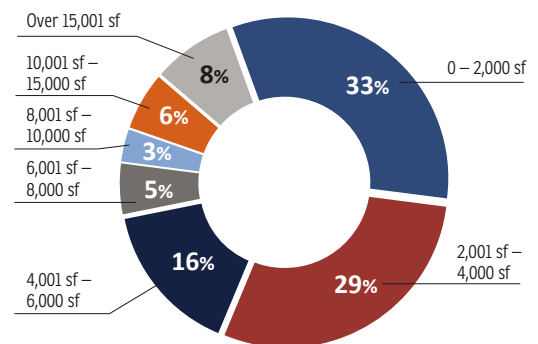
BELTLINE DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS



SUBURBAN DISTRIBUTION OF OPTIONS BY SIZE RANGE



BELTLINE DISTRIBUTION OF OPTIONS BY SIZE RANGE



and Downtown. With development permits now approved, the plans for Scotia Place boast a mixed use residential, commercial, office, and retail area to compliment Calgary's new "Heart of Entertainment". The prospects for Beltline offices are looking up.

Trends by Building Class

The quarter saw an increase in occupancy in suburban class A and B buildings. This was underscored by a tenant trend of choosing higher class buildings to lease. These buildings boast superior access to amenities and increased landlord supported improvements. As a result, we are seeing an escalation in leasing activities for class A and B buildings with this market segment leaning towards a landlord's market.

Meanwhile, lower B and C class buildings encounter challenges with deferred maintenance as rental rates

* City of Calgary Downtown Calgary Revitalization (<https://thecityofcalgary.maps.arcgis.com/apps/inspector/index.html?appid=58cdc8dfb888436da73866385a14544c>)

are not seeing the uptrends that would help defray these costs. This slowed leasing of lower-class buildings creates a price spread that allows clients to compare available options and choose the spaces that best suit their needs. The large presence of lower-class buildings on the market means that the true occupancy of desirable buildings is higher than what the overall numbers are reading.

Trends by Building Size

Spaces in the 1,000 – 3,000 sq. ft. range, especially in higher class buildings, are seeing the highest level of movement and activity this quarter. These spaces require less capital output for improvements when compared to the expenditures required to tailor large areas to tenant needs.

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.

SUBURBAN NW AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	41,590 sf	1,330,882 sf	3.1%
B	98,420 sf	739,264 sf	13.3%
C	60,254 sf	385,321 sf	15.6%
Overall NW	200,264 sf	2,455,467 sf	8.2%

SUBURBAN NE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	147,781 sf	2,334,123 sf	6.3%
B	482,605 sf	2,291,563 sf	21.1%
C	169,242 sf	1,857,839 sf	9.1%
Overall NE	799,628 sf	6,483,525 sf	12.3%

SUBURBAN SW AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	466,764 sf	2,603,539 sf	17.9%
B	85,648 sf	473,978 sf	18.1%
C	101,785 sf	792,591 sf	12.8%
Overall SW	654,197 sf	3,870,108 sf	16.9%

SUBURBAN SE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	835,876 sf	5,795,487 sf	14.4%
B	317,813 sf	2,122,364 sf	15.0%
C	66,356 sf	577,549 sf	11.5%
Overall SE	1,220,045 sf	8,495,400 sf	14.4%

BELTLINE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	418,804 sf	2,728,573 sf	7.9%
B	608,547 sf	2,564,284 sf	23.0%
C	214,846 sf	1,630,663 sf	12.0%
Character	200,149 sf	372,505 sf	31.7%
Overall Beltline	1,442,346 sf	7,296,025 sf	19.8%

Opportunities by Building Class and Size

SUBURBAN OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

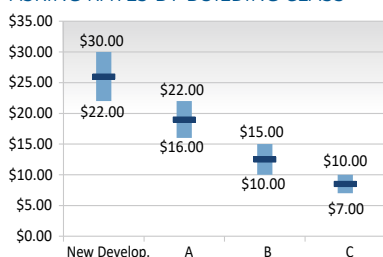
Size Range	HEADLEASE			SUBLEASE		
	A	B	C	A	B	C
0 – 2,000 sf	5	85	50	7	4	2
2,001 sf – 4,000 sf	27	68	39	3	2	1
4,001 sf – 6,000 sf	18	24	13	3	1	1
6,001 sf – 8,000 sf	15	9	9	0	3	0
8,001 sf – 10,000 sf	8	4	2	0	0	0
10,001 sf – 15,000 sf	13	15	1	1	0	1
15,001+	23	18	3	0	1	0
Overall	109	223	117	14	11	5

BELTLINE OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

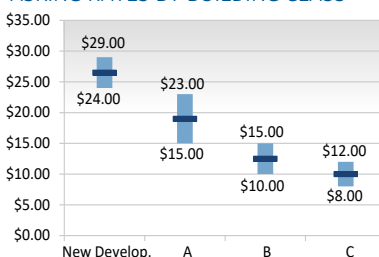
Size Range	HEADLEASE				SUBLEASE			
	A	B	C	Char	A	B	C	Char
0 – 2,000 sf	2	47	26	7	5	1	0	0
2,001 sf – 4,000 sf	3	50	10	11	3	0	1	1
4,001 sf – 6,000 sf	3	20	5	7	4	1	0	2
6,001 sf – 8,000 sf	1	8	1	1	1	2	0	0
8,001 sf – 10,000 sf	1	4	1	0	1	0	2	0
10,001 sf – 15,000 sf	3	9	0	0	3	0	0	1
15,001+	7	4	1	2	5	0	0	3
Overall	20	142	44	28	22	4	3	7

Average Asking Rates

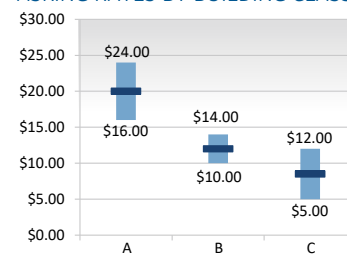
AVERAGE SUBURBAN NORTH ASKING RATES BY BUILDING CLASS



AVERAGE SUBURBAN SOUTH ASKING RATES BY BUILDING CLASS



AVERAGE BELTLINE ASKING RATES BY BUILDING CLASS



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