

# Calgary's Second Quarter Suburban & Beltline Office Landscape

Market Analysis Q2 2025

## Suburban

**85.5%** -0.6% OVERALL OCCUPANCY RATE  
(Total leased space)

**13.6%** -0.3% OVERALL VACANCY RATE  
(Space marketed for headlease only)

**14.5%** +0.1% OVERALL AVAILABILITY  
(Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

### WITHIN-CLASS

CLASS	OCCUPANCY	VACANCY	AVAILABILITY
CLASS A	88.2% <small>+0.3%</small>	11.1% <small>-1.0%</small>	11.8% <small>-0.6%</small>
CLASS B	78.3% <small>-1.8%</small>	20.6% <small>+0.7%</small>	21.7% <small>+0.8%</small>
CLASS C	87.6% <small>-1.7%</small>	11.1% <small>+0.7%</small>	12.1% <small>+1.1%</small>

## Beltline

**86.3%** +1.6% OVERALL OCCUPANCY RATE  
(Total leased space)

**13.7%** -1.7% OVERALL VACANCY RATE  
(Space marketed for headlease only)

**18.3%** -1.5% OVERALL AVAILABILITY  
(Total amount of space avail. for headlease/sublease/sub-sublease/office-share, etc.)

### WITHIN-CLASS

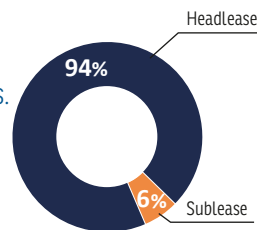
CLASS	OCCUPANCY	VACANCY	AVAILABILITY
CLASS A	92.7% <small>+0.6%</small>	7.3% <small>-0.6%</small>	14.9% <small>-0.4%</small>
CLASS B	79.9% <small>+2.9%</small>	20.1% <small>-2.9%</small>	21.3% <small>-2.4%</small>
CLASS C	89.1% <small>+1.1%</small>	10.9% <small>-1.1%</small>	12.0% <small>-1.2%</small>
CHARACTER	71.6% <small>+3.3%</small>	28.4% <small>-3.3%</small>	49.6% <small>-4.1%</small>

## Market Confidence Reignited

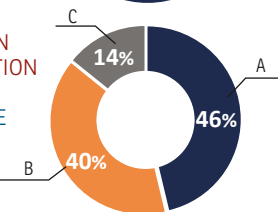
Calgary's suburban office market continued to demonstrate resilience and cautious optimism throughout Q2 2025, underscored by positive signals from the federal energy ministry and rising confidence within Alberta's core industries. Announcements around pipeline developments and carbon capture investments have sparked renewed confidence and hinted at economic stimulus that could further support office demand in the coming quarters.

Occupancy rates in the suburban market held steady at 85.5%, marking a 0.6% decline Quarter-on-Quarter (QoQ).

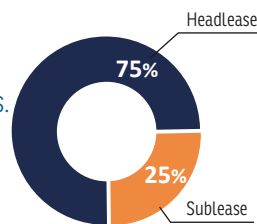
### SUBURBAN HEADLEASE VS. SUBLEASE DISTRIBUTION



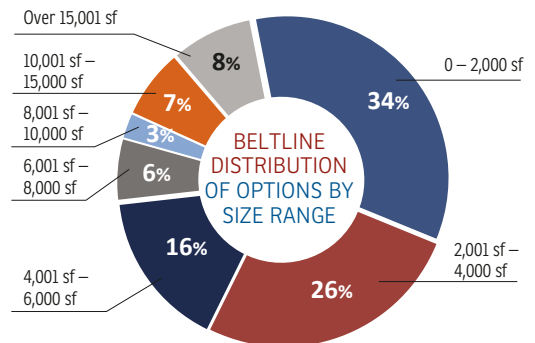
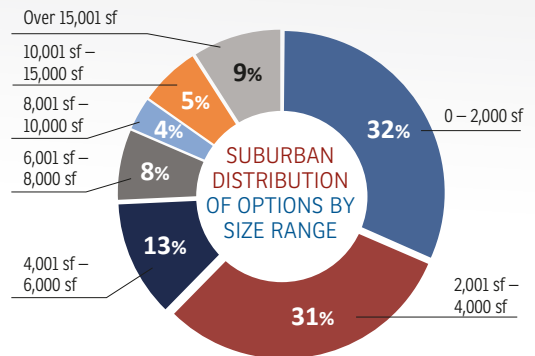
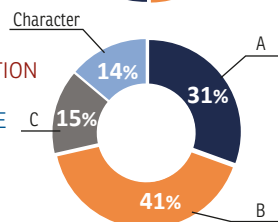
### SUBURBAN DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS



### BELTLINE HEADLEASE VS. SUBLEASE DISTRIBUTION

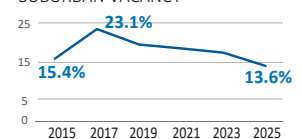


### BELTLINE DISTRIBUTION OF TOTAL AVAILABLE SPACE BY BUILDING CLASS

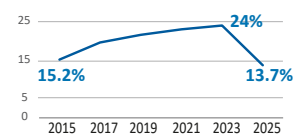


Vacancy levels decreased to 13.6%, representing a 30-basis point improvement this quarter and a notable drop of 690 basis points from the pre-COVID high of 23.1% in 2017. Overall availability increased to 14.5%, highlighting ongoing strategic adjustments by both landlords and tenants. In the Beltline, occupancy rose by 1.6%, while vacancy and headlease availability continued to decline. Compared to the 24% vacancy recorded in 2023, the combined suburban and Beltline office market has undergone a remarkable transformation over the past several years.

### SUBURBAN VACANCY



### BELTLINE VACANCY



## Tenant Priorities

Leasing activity this quarter was largely driven by smaller suites, which remain highly sought after. Tenants continue to prioritize high-quality spaces that support employee wellness and flexibility – critical factors in attracting and retaining talent in a competitive market. While touring

activity surged mid-quarter, translating to nearly tenfold growth in viewings, deal finalization has been gradual as tenants navigate broader economic uncertainties. Landlords have responded by introducing enhanced incentives, including broker bonuses, creative gift programs, and competitive leasing packages designed to stimulate deal closure and create urgency – underscoring the adaptability of landlords.

The NW and SW submarkets continue to outperform the broader suburban landscape, supported by strong tenant demand and limited supply of quality space. As a result, premium options have become increasingly scarce in these areas, pushing rates higher – even for Class C properties, emphasizing tenant's willingness to pay for high-quality environments.

## Poised for Steady Growth

Looking ahead, there is growing optimism that market activity will continue to strengthen. Energy, engineering and professional service firms are expected to lead future leasing activity driven by improving sector confidence and anticipated economic benefits tied to energy projects. The expectation is that Calgary has weathered the worst of the recent economic uncertainty and that tenant confidence will rise further in the coming months.

Overall, Calgary's suburban office market is positioning itself for a period of steady improvement. With strong touring activity, strategic landlord initiatives, and sector-specific opportunities on the horizon, the market is set to become increasingly dynamic in the second half of 2025. For tenants and brokers alike, now is an ideal time to monitor opportunities closely. ■

## Opportunities by Building Class and Size

### SUBURBAN OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

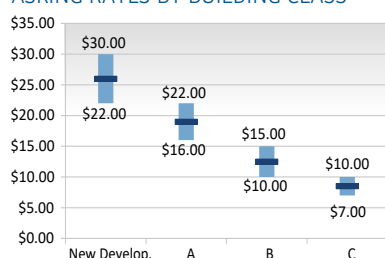
Size Range	HEADLEASE			SUBLEASE		
	A	B	C	A	B	C
0 – 2,000 sf	8	83	45	9	6	2
2,001 sf – 4,000 sf	26	71	42	4	4	3
4,001 sf – 6,000 sf	12	28	11	1	2	4
6,001 sf – 8,000 sf	16	7	9	0	2	1
8,001 sf – 10,000 sf	8	4	4	0	0	0
10,001 sf – 15,000 sf	9	18	2	1	0	0
15,001+	21	17	3	2	1	0
Overall	100	228	116	17	15	10

### BELTLINE OPPORTUNITIES BY BUILDING CLASS AND SIZE RANGE

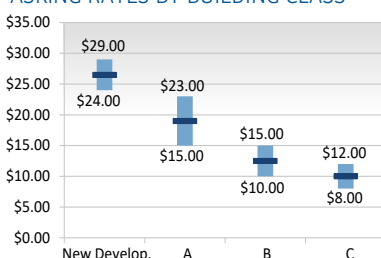
Size Range	HEADLEASE				SUBLEASE			
	A	B	C	Char	A	B	C	Char
0 – 2,000 sf	2	44	24	6	5	2	1	0
2,001 sf – 4,000 sf	2	40	6	11	5	0	0	0
4,001 sf – 6,000 sf	3	18	4	5	5	2	0	2
6,001 sf – 8,000 sf	1	8	2	1	0	3	0	0
8,001 sf – 10,000 sf	1	2	0	0	1	0	2	0
10,001 sf – 15,000 sf	3	10	0	0	3	0	0	1
15,001+	6	3	1	2	5	0	0	3
Overall	18	125	37	25	24	7	3	6

## Average Asking Rates

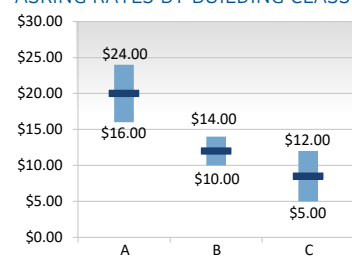
### AVERAGE SUBURBAN NORTH ASKING RATES BY BUILDING CLASS



### 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	34,320 sf	1,330,882 sf	2.6%
B	122,115 sf	739,264 sf	16.5%
C	100,055 sf	385,321 sf	26.0%
Overall NW	256,490 sf	2,455,467 sf	10.4%

### NE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	208,602 sf	2,334,123 sf	8.9%
B	476,228 sf	2,291,563 sf	20.8%
C	161,838 sf	1,857,839 sf	8.7%
Overall NE	846,668 sf	6,483,525 sf	13.1%

### SW AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	461,197 sf	2,603,339 sf	17.7%
B	85,885 sf	473,978 sf	18.1%
C	115,574 sf	792,591 sf	14.6%
Overall SW	662,656 sf	3,870,108 sf	17.1%

### SE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	724,770 sf	5,795,487 sf	12.5%
B	360,481 sf	2,122,364 sf	17.0%
C	60,892 sf	577,549 sf	10.5%
Overall SE	1,146,143 sf	8,495,400 sf	13.5%

### BELTLINE AVAILABILITY BY BUILDING CLASS

Class	Available	Inventory	Availability
A	406,986 sf	2,728,573 sf	7.3%
B	545,228 sf	2,564,284 sf	20.1%
C	195,680 sf	1,630,663 sf	10.9%
Character	184,744 sf	372,505 sf	28.4%
Overall Beltline	1,332,638 sf	7,296,025 sf	18.3%

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