

Calgary

Office - Q2 2026

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Engineering firms in expansion mode may be a positive leading indicator

Overall office leasing activity during Q2 2026 remained positive at 0.9 million square feet (msf), marking the third consecutive quarter of solid activity. As foreshadowed in the Q1 report, Calgary experienced increases in engineering and other energy-sector support services jobs during the second quarter, which may prove to be a leading indicator of future office space uptake. These firms are benefiting from increased federal defense spending, as well as contracts for renewable energy projects, battery energy storage systems and grid integration design, along with renewed stability across the broader energy sector. Overall, office availability was flat quarter over quarter, remaining at 20.7%. Downtown availability is expected to increase over the medium term. This anticipated increase, however, may be partially offset by future adaptive reuse projects, more of which are reasonably expected as the concept continues to gain momentum.

Downtown is set for another round of adaptive reuse projects

The newly renamed Downtown Office Conversion Program began accepting applications for another round of adaptive reuse funding in mid-June. The program will accept applications until July 27, 2026. This third round of project financing was introduced because the program remained oversubscribed after the \$52.5 million in funds put toward the second round was fully allocated.

Mergers and acquisitions may counteract conversions

A notable development in Q2 was Shell plc's re-entry into the Canadian upstream energy sector through its \$22.0 billion acquisition bid for ARC Resources Ltd. The transaction marks a strategic shift for Shell, which exited Alberta's oilsands by early 2025 to focus on natural gas production and exports, refining and retail operations. While major mergers often generate operational efficiencies that result in office space consolidation, any associated reductions in occupancy could at least partially offset future decreases in availability expected from office conversion projects.

KEY STATISTICS

	Q2 2025	Q2 2026	Y-O-Y
Inventory	71.2 msf	68.8 msf	-6.4 msf
Availability rate	18.4%	20.7%	+230 bps
Asking rental rate	\$35.74	\$36.66	+2.6%
Class A asking rental rate	\$42.35	\$42.87	+1.2%
Quarterly leasing activity	1.4 msf	0.9 msf	-0.3 msf
Available sublease space	2.1 msf	2.7 msf	+0.6 msf

Outlook

01

Higher staffing levels among engineering and energy-sector support services firms are expected to reduce suburban office availability through the remainder of 2026.

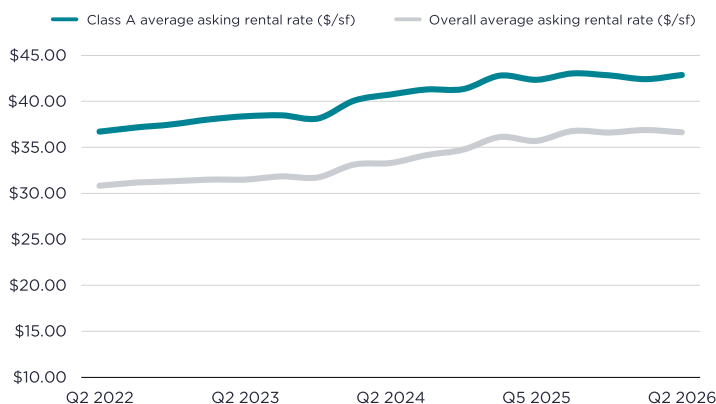
02

Renewed stability in Canada's energy sector is expected to support further expansion among energy companies and may foster additional merger and acquisition activity.

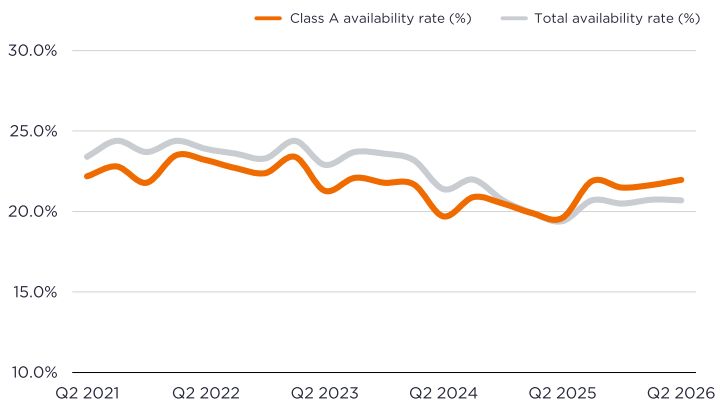
03

Office building transaction volume is expected to stabilize through the remainder of 2026 as the pool of desirable investment properties shrinks.

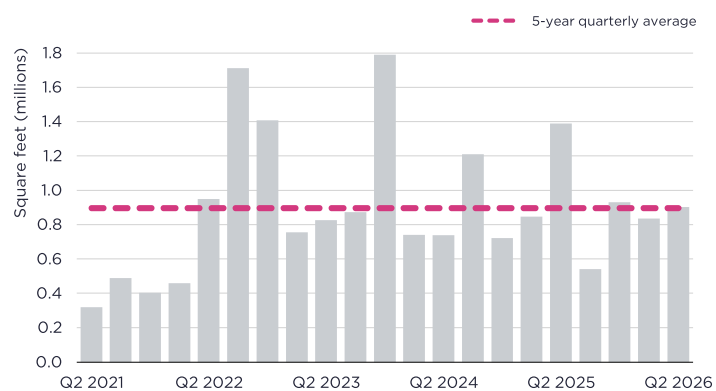
ASKING RENT



AVAILABILITY



LEASING ACTIVITY

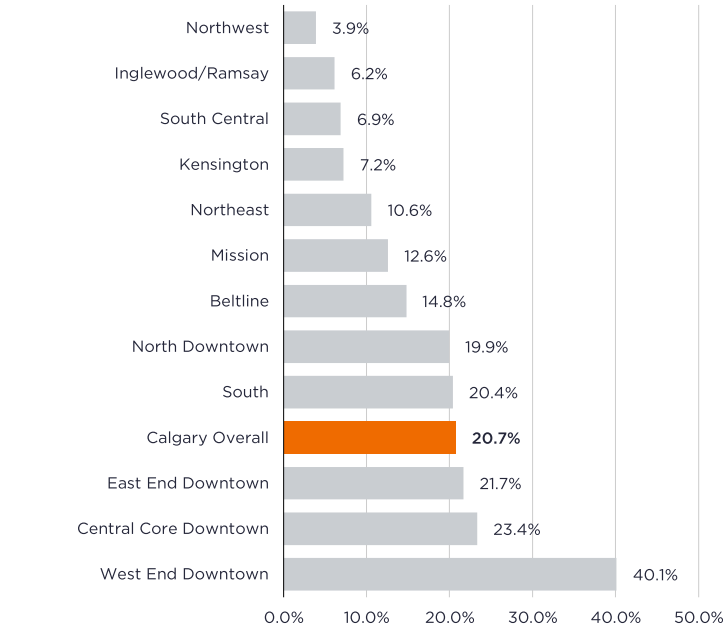


NOTABLE LEASES

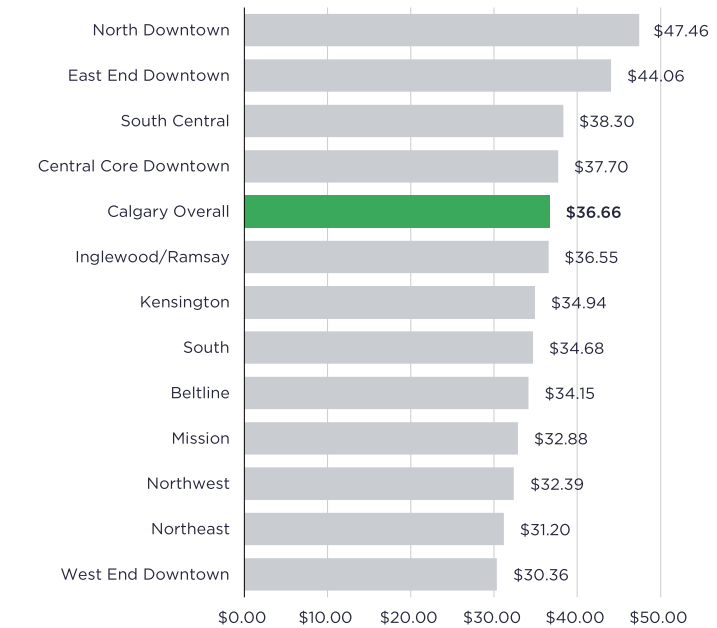
*Trophy building **Sublease

Tenant	Industry	Submarket	Address	Size (SF)	Transaction type
Kiewit Corp.	Architecture, Engineering & Construction Services	South	505 Quarry Park Boulevard SE	160,000	Relocation
Saturn Oil + Gas Inc.	Energy & Utilities	North Downtown	600 3 Avenue SW*	85,000	Relocation**
Whitecap Resources	Energy & Utilities	Central Core Downtown	525 8 Avenue SW*	75,000	Expansion
Bantrel	Architecture, Engineering & Construction Services	Central Core Downtown	700 2nd Avenue SW	61,000	Extension**
Alberta Utilites Commission	Government	North Downtown	600 3 Avenue SW*	56,000	Extension
Journey Energy	Energy & Utilities	Central Core Downtown	215 9 Avenue SW	22,000	Relocation
BNS	Financial Services & Insurance	Central Core Downtown	255 6 Avenue SW*	26,000	Expansion
Startec Compression & Process Ltd.	Architecture, Engineering & Construction Services	South Central	4000 Glenmore Court SE	16,000	Extension
Trans Mountain Corp.	Energy & Utilities	Central Core Downtown	300 5th Avenue SW	15,000	Expansion
Federation Engineering	Architecture, Engineering & Construction Services	Central Core Downtown	300 5th Avenue SW	15,000	Relocation

AVAILABILITY RATE COMPARISON (%)
CALGARY SUBMARKETS



RENTAL RATE COMPARISON (\$/SF)
CALGARY SUBMARKETS



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Unless otherwise noted, all rents quoted throughout this report are average asking gross (full service) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory. The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research. Copyright © 2026 Savills