Attracted by access to a railway spur line, the Ontario-based McClary Manufacturing Company relocated its Winnipeg branch in 1899 to this Bannatyne Avenue site in the eastern half of the warehouse district. The original building soon experienced a series of extensions as the firm found a ready market for its products in Western Canada.

McClary, a family business started in London in the early 1850s, developed into one of the largest wood stove and coal furnace manufacturers in the British Empire. Its Winnipeg branch was established by 1882.

To cope with expanding business, the company commissioned architect S. Frank Peters and contractor J.A. Girvin and Company to build a new, larger warehouse on the north side of Bannatyne between Main and Rorie streets. The site was adjacent to a spur line installed by the Winnipeg Transfer Railway in 1895 between Bannatyne and Market avenues.
Peters, a civil engineer, practiced in Ontario prior to moving to Winnipeg in 1892. He previously had been in the West during the 1885 North-West Rebellion, suffering the loss of an arm while in command of soldiers from London, Ontario. Among his projects were the original Ashdown warehouse (1895) near the McClary Building, the London and W.F. Alloway buildings (1898), and an addition to the Massey Building (1904). His brother, W.A. Peters, joined the practice in 1902.

Originally four storeys high, the McClary Building is in the Richardsonian Romanesque style. It consists of buff-coloured brick with a raised rubble stone foundation and ashlar stone ace to the second-storey sills. Wall thickness and ceiling height decrease at the upper levels for storage of lighter goods.

The façade features three large roughly-textured arches over the main-floor entrance and windows. The rhythm of the design is continued up to the fourth storey with three window bays separated by pilasters. Each bay on the second and third floors contains a trio of windows; each window is further divided into three. Rough stone lintels and sills provide highlights. On the fourth floor, small arched heads appear over a quartet of windows in each bay. Above is a series of brick crosses.

The interior has square wooden beams and posts for support, maple and fir flooring, and a fireproof staircase and elevator. The well-exposed main floor contains space for retail sales.

In 1903, Winnipeg architect John H.G. Russell designed a two-storey upper addition that complements the Peters concept. Russell opted to complete the sixth floor with rectangular-shaped windows topped by projecting keystones and a bracketed metal cornice. Construction by Saul and Irish cost $8,000.

A year later, Russell planned a one-storey brick annex for the rear west side of the building. It was erected by Hudson and Davidson for $5,000. Hooper and Hooper created a two-storey addition to this annex in 1909. Construction by Blow Brothers cost $3,200.
That same year, Peters oversaw extensive repairs to the main building after a serious fire damaged much of the upper framework. In 1910, he designed a one-storey open shed for the west side. The final addition came in 1912 when Peters planned a six-storey annex for the rear (north) side. It was built by J. McDiarmid Company for $20,000.

A second major fire occurred in 1944. Subsequent repairs and conversion of the second floor to office space further altered the original interior.

McClary Manufacturing merged with General Steel Wares Ltd. in 1928. The latter firm owned 185 Bannatyne until 1955 but left the premises in 1930. Dunlop Tire and Rubber Company and Canadian Industries became tenants in 1932. They remained until about 1945, then were followed by a succession of small business tenants. The structure was vacant in the early 1970s but subsequently regained a variety of occupants under the ownership of Fletcher Investment ltd.