



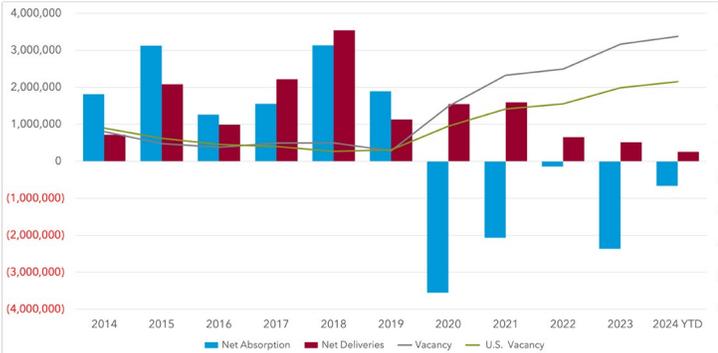
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

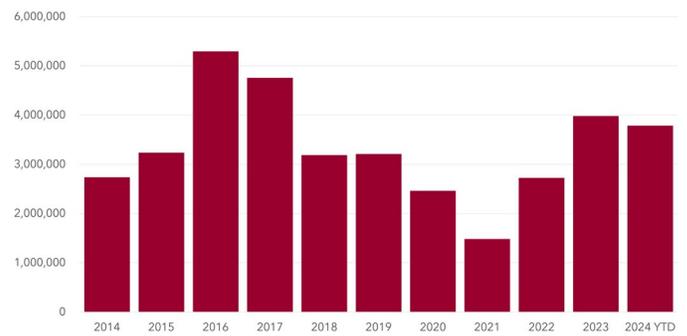
It's beginning to sound like a broken record, but Metro Denver's Office Market continues to post negative absorption as tenants downsize into smaller spaces. The flight-to-quality trend is not going away, and highly amenitized buildings will attract the few tenants who choose to move rather than stay put. The cost and time associated with building out new space still remains a major detriment to those facing upcoming lease expirations. Short-term renewals will remain the path of least resistance for the foreseeable future. Four years since the start of the pandemic, and there still is not a clear path forward as tenants navigate the choppy waters of a hybrid workplace.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▼ 12 Mo. Net Absorption SF	(1,562,013)	(2,365,611)	(1,898,091)	(1,478,353)	(1,756,465)
▲ Vacancy Rate	16.4%	16.1%	16.0%	15.4%	15.2%
▲ Avg NNN Asking Rate PSF	\$29.49	\$29.41	\$29.29	\$29.24	\$29.05
▼ SF Under Construction	3,784,511	3,980,516	3,873,304	3,888,539	4,001,255
◀ ▶ Inventory SF	185,515,050	185,260,045	185,218,701	185,171,699	184,772,741

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
12596 W. Bayaud Avenue Lakewood, CO	84,145 SF	\$8,675,000 \$103.10 PSF	Recentric Realty Capital Bancroft Capital	Class B
1765 & 1865 W. 121st Avenue Westminster, CO	124,945 SF	\$21,000,000 \$168.07 PSF	Albany Road Real Estate Partners Foundation Capital Partners	Class B
5808 S. Rapp Street Littleton, CO	30,678 SF	Undisclosed	South Metro Prop Corporation Rapport Holdings LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5701 S. Santa Fe Drive Littleton, CO	206,992 SF	EchoStar	DISH Network Corporation	Cable
8208 S. InterPort Boulevard Englewood, CO	80,598 SF	Undisclosed	OneFlight International	Transportation & Warehousing
1001 17th Street Denver, CO	35,088 SF	Franklin Street Properties Corporation	Invenergy	Power Generation Dev & Operations

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