



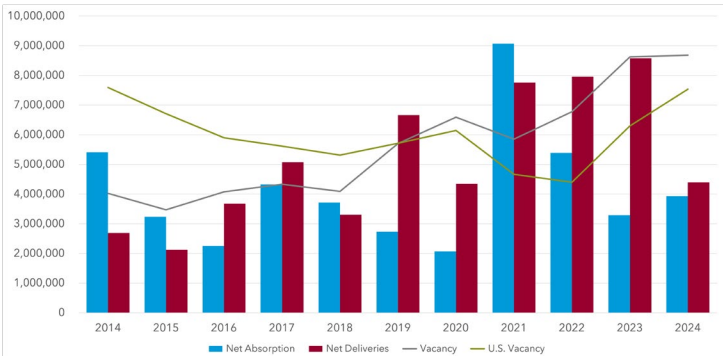
INDUSTRIAL MARKET OVERVIEW

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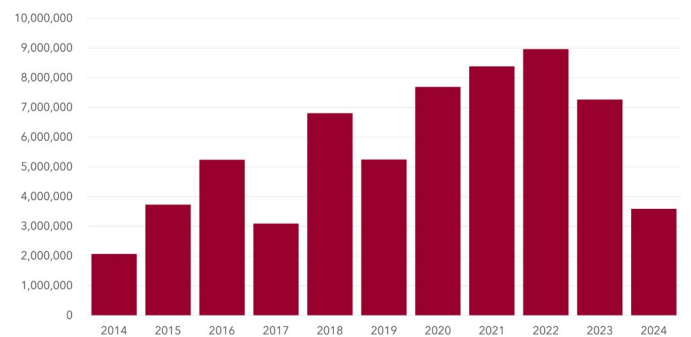
The Denver market ended the year with little fanfare; small absorption numbers, higher vacancy, and leasing activity lower than average. A bright spot was the sales activity in the quarter, \$500M, ending the year off with \$1.5B in sales, despite the high interest rates. This is higher than the previous two years. With limited construction deliveries anticipated in 2025, we predict the vacancy rate will stabilize, or lower slightly. With only 3 new buildings over 500,000 SF available, large tenants will be faced with limited options, and Landlords should benefit. While Colorado is still a highly desirable location, its population growth has slowed. This will have a lagging effect on Industrial, and we predict we won't feel the effects of this in the market for several years.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ Net Absorption SF	279,744	2,707,000	203,220	1,178,728	1,760,652
▲ Vacancy Rate	7.8%	7.5%	8.40%	7.50%	7.90%
▼ Avg NNN Asking Rate PSF	\$12.27	\$12.31	\$11.06	\$11.01	\$10.88
▼ Sale Price PSF	\$171	\$177	\$177	\$172	\$172
▲ Cap Rate	7.4%	7.2%	7.2%	7.2%	7.1%
▼ Under Construction SF	3,591,189	4,401,097	4,633,930	6,432,450	8,450,390
▲ Inventory SF	287,911,539	286,712,209	285,822,100	283,503,041	281,444,197

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9400 E. 46th Place, Bldgs. 1&2 Denver, CO	695,899 SF	\$100,100,000 \$143.84 PSF	Third Avenue Investments Brookfield Corp	Class A
17956 East 84th Avenue Commerce City, CO	594,976 SF	\$62,000,000 \$102.53 PSF	Ambrose PGIM	Class A
17190 E. 85th Avenue Denver, CO	329,940 SF	\$34,705,200 \$105.19 PSF	Chandler's Sand & Gravel Becknell Industrial	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
11075 W. 112th Broomfield, CO	133,638 SF	Suncap	Electrosteel	Construction Supply
4735 Florence Street, Bldg. D3 Denver, CO	112,464 SF	Prologis	KellySpicers	Paper Products
3250 Abilene Street Aurora, CO	80,819 SF	Blackstone REIT	Katzke Paper	Paper Products

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