



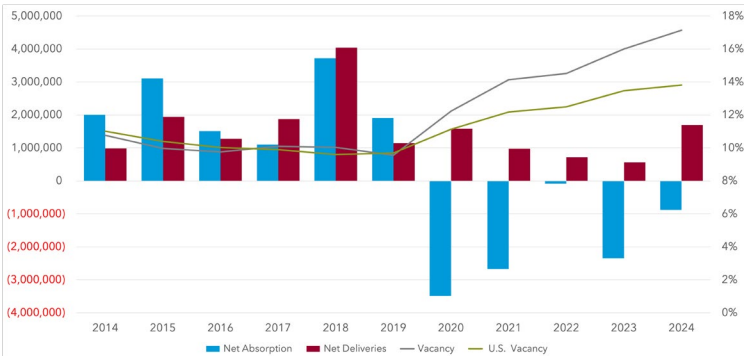
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

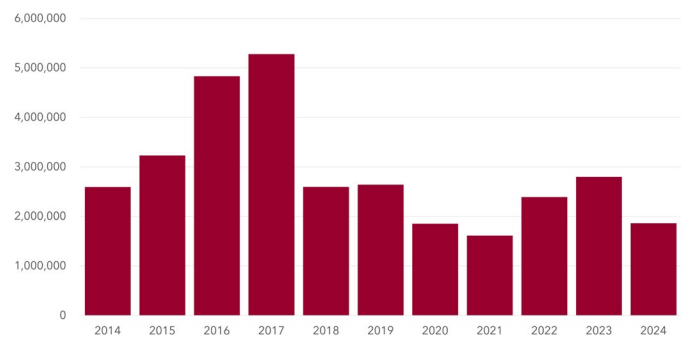
Metro Denver's office market continues to navigate the turbulent effects of a post Covid workforce, and the growing pains look to continue for the foreseeable future. Flight-to-quality remains supreme, especially for new construction. Tenants want an experiential workplace that fosters productivity and collaboration. Two key elements that have driven most back to the office. Denver's vast and aging 80's office stock that is not well located, continues to struggle with both vacancy and foreclosures. The most interesting story of 2024 was the emergence of local private capital snapping up suburban office buildings at major discounts. Expect more of the same as we enter 2025.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	(879,714)	(914,244)	1,435,996	(1,562,013)	(2,365,611)
◀▶ Vacancy Rate	17.1%	17.1%	17.1%	16.40%	16.10%
▲ Avg NNN Asking Rent PSF	\$29.96	\$29.58	\$29.37	\$29.49	\$29.41
▼ Sale Price PSF	\$207	\$211	\$211	\$214	\$220
▲ Cap Rate	9.1%	8.8%	8.8%	8.7%	8.6%
▼ Under Construction	1,863,824	1,961,723	2,559,574	3,784,511	3,980,516
▲ Inventory	189,036,754	187,742,817	186,324,434	185,515,050	185,260,045

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
700 W. Mineral Avenue Littleton, CO	680,079 SF	Undisclosed	Republic Investment Group US West Communications	Class C
8900 Liberty Circle Englewood, CO	316,500 SF	\$15,000,000 \$47.39 PSF	Mobile TV Group Liberty Broadband	Class A
9197 S. Peoria Street Englewood, CO	271,678 SF	\$45,500,000 \$167.48 PSF	Common Spirit Health TTEC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1400 16th Street Denver, CO	85,000 SF	Lincoln Advisors	ibotta	Computer Related Services
1630 Welton Street Denver, CO	62,095 SF	William Bennett	Strive	Real Estate Services
5670 Greenwood Plaza Boulevard Greenwood Village, CO	40,459 SF	Voya Investment Management	Stryker	Computer Related Services

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