



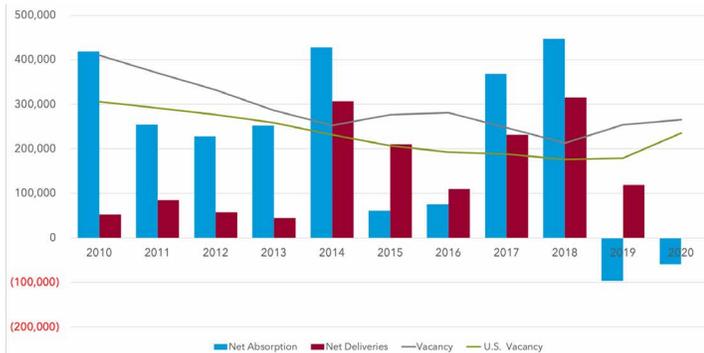
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

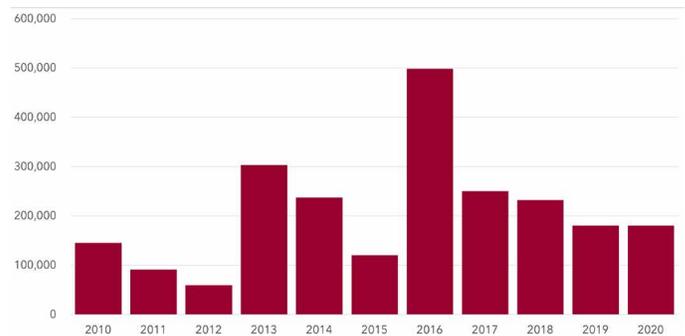
Like much of the country, the Metro Denver office market is experiencing record negative absorption and the highest overall vacancy rate since 2010. As sublease space continues to flood the market and rental rates stabilize, there is a glimmer of hope on the horizon. Tenants are beginning to test the waters as activity has increased with the belief that most companies hope to bring their employees back to the office during the second half of the year with the onset of the vaccination schedule. In the meantime, short-term renewals will dominate the market and the tech sector's exodus from the Bay Area to Denver and other tech savvy markets should cause a bit of optimism moving forward.

MARKET INDICATORS	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
▼ Net Absorption	(3,610,385) SF	(2,219,724) SF	(953,282) SF	456,143 SF	1,724,949 SF
▲ Vacancy Rate	12.60%	11.80%	10.70%	10.20%	9.90%
▼ Avg NNN Asking Rate	\$28.52 PSF	\$28.63 PSF	\$28.86 PSF	\$28.91 PSF	\$28.44 PSF
▼ Under Construction	2,573,049 SF	2,598,526 SF	3,340,433 SF	3,262,380 SF	3,066,191 SF
▲ Inventory	179,074,727 SF	178,919,205 SF	178,105,672 SF	177,887,760 SF	177,823,437 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Larimer Square LoDo, CO	237,384 SF	\$92,500,000 \$389.00 PSF	Asana Partners Hermanson Family	Class B
3060 Brighton Blvd RiNo, CO	68,661 SF	\$37,600,000 \$548.00 PSF	Walton Street Capital Mass Equities, Inc.	Class A
4949 S Syracuse & 5575 DTC Pkwy SES, CO	181,763 SF	\$28,700,000 \$158.00 PSF	TerraCap CapRidge Partners	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9780 S Meridian Blvd SES, CO	34,942 SF	Travelers	Richie May	Accounting
5050 S Syracuse SES, CO	32,106 SF	Galena Foundation	Healthpeak Properties	Real Estate
1595 Wynkoop LoDo, CO	20,263 SF	GPT Properties	Trade Desk	Software

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