



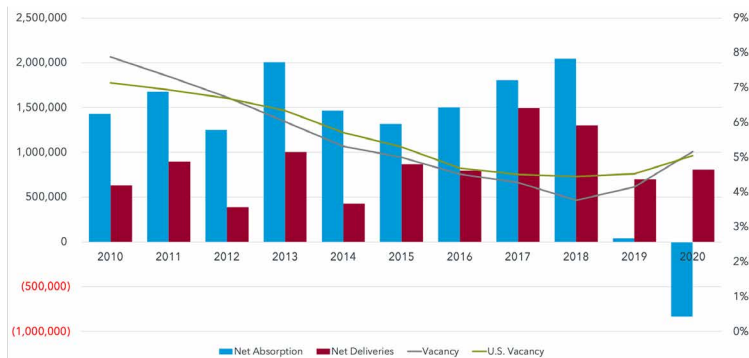
RETAIL MARKET OVERVIEW

JEFFREY HALLBERG, *Principal*

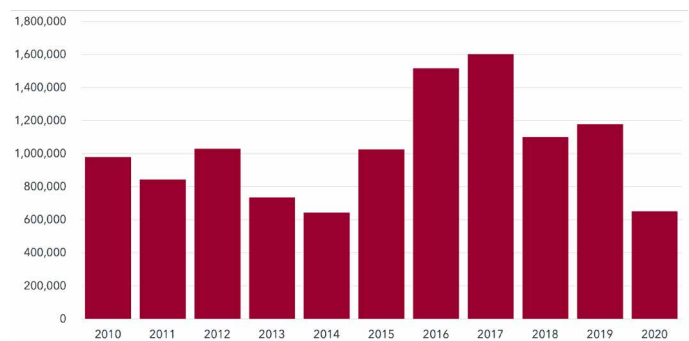
Through Q4, Denver's hardest hit asset class during the pandemic has been retail. Vacancy rates were up 50 basis points in 2020 and more of the same is expected as tenants deal with continued shutdowns and reduced capacities. Restaurants, bars, gyms and small business owners have been hardest hit although many large national tenants have been affected. 24 Hour Fitness is a prime example with closure of 10 locations metrowide. New development will be slowed as the market looks to absorb vacant space. Rents flattened through Q4 with softness likely continuing into 2021 as more businesses look to reduce or close their operations.

MARKET INDICATORS	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
▼ Net Absorption	(832,505) SF	(718,444) SF	(156,533) SF	95,042 SF	38,436 SF
▼ Vacancy Rate	5.2%	5.0%	4.6%	4.4%	4.2%
▼ Avg NNN Asking Rate	\$23.06 PSF	\$23.10 PSF	\$23.30 PSF	\$23.17 PSF	\$22.98 PSF
▲ Under Construction	652,329 SF	597,081 SF	736,026 SF	873,416 SF	1,179,077 SF
▲ Inventory	158,482,849 SF	158,408,097 SF	158,164,507 SF	158,048,792 SF	157,670,545 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
15200 E Colfax Avenue Aurora, CO	147,000 SF	Undisclosed	Capital Tree Properties Dou McMurrain	Multi-Tenant
1004-1114 Constitution Road Pueblo, CO	81,423 SF	\$4,700,000 \$57.68 PSF	Dunton Commercial ELKCO Properties	Multi-Tenant
1951-1997 S Federal Blvd Denver, CO	76,449 SF	\$8,490,000 \$111.11 PSF	Fadi Sawaged Weststar Management Corp.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
420-460 S College Avenue Fort Collins, CO	45,514 SF	Blaine Rappe	Target	Retailer
945 S Kipling Pkwy Lakewood, CO	36,386 SF	iStar Inc	Bowlero	Entertainment
9751 W 49th Avenue Wheat Ridge, CO	36,342 SF	iStar Inc	Bowlero	Entertainment

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