



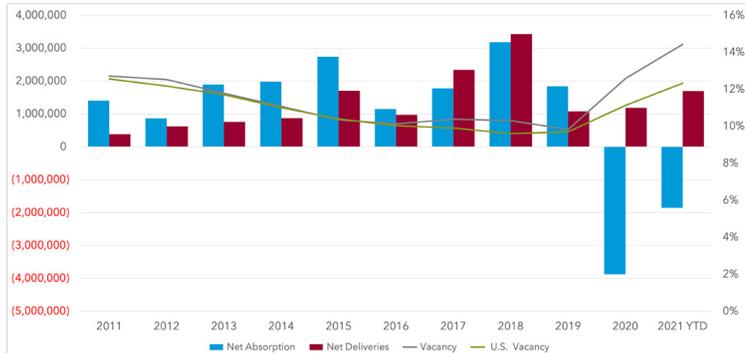
### OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

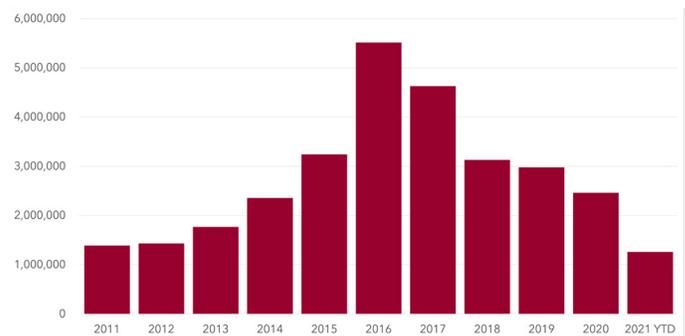
The Metro Denver Office Market is beginning to turn the corner back to normalcy. While tenant activity was strong to begin the quarter, it slowed somewhat as the Delta Variant spread but has picked up once again. With most tenants aiming to be back in the office come January, there is a new rush to secure what prime office space is left available. While Cherry Creek continues to attract the majority of tenants in the market, downtown is finally seeing an increase in activity, followed closely by the Southeast Suburban Submarket. A true sign that investors remain bullish on Denver, the investment sales market experienced the most sales since the start of Covid, with a record price set in Cherry Creek.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▲ 12 Mo. Net Absorption SF	(3,144,725)	(4,556,846)	(4,871,348)	(3,875,539)	(2,132,112)
◀▶ Vacancy Rate	14.30%	14.30%	13.40%	12.60%	11.60%
▲ Avg NNN Asking Rate PSF	\$28.44	\$28.30	\$28.33	\$28.49	\$28.70
▼ SF Under Construction	1,260,614	1,457,520	2,404,581	2,462,311	2,580,018
▲ Inventory SF	180,887,380	180,613,759	179,266,224	179,193,324	178,973,777

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1099 18th Street Denver, CO	593,527 SF	\$203,300,000 \$342.53 PSF	CP Group KBS REIT II, Inc.	Class A
1551 Wewatta Street Denver, CO	285,168 SF	\$228,000,000 \$799.53 PS	RFR Realty LLC BentallGreenOak	Class A
6465 Greenwood Plaza Blvd Greenwood Village, CO	264,149 SF	\$66,000,000 \$249.86 PSF	Vanderbilt Office Properties KBS	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1701 Platte Street Denver, CO	119,811 SF	Shorenstein Properties LLC	Undisclosed	Undisclosed
1001 17th Street Denver, CO	67,856 SF	Franklin Street Properties Corporation	Centennial Resource Development	Mining, Quarrying, Oil & Gas Extraction
1200 17th Street Denver, CO	67,633	Beacon Capital Partners	Ares Management	Finance & Insurance

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