



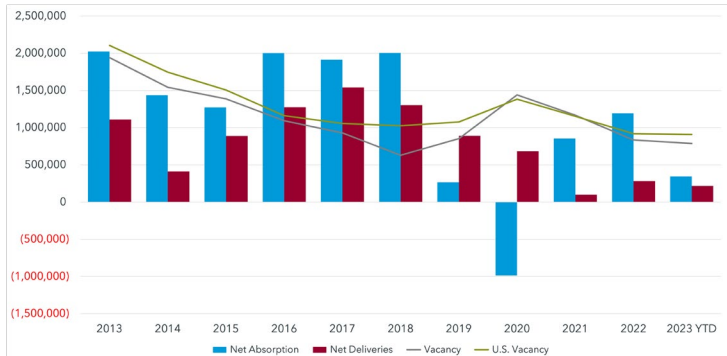
RETAIL MARKET OVERVIEW

JEFF HALLBERG, *Principal*

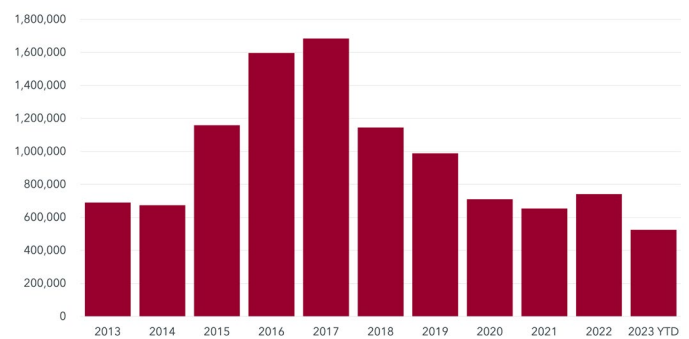
Consumer spending has been the main contributor to the Denver's retail sector's strong performance over the last few quarters. The leasing and investment markets could see a slowdown because of the rising interest rates, and high inflation that are all weighing on the market. Over the last seven quarters leasing activity has remained above average. Tenants moving in are outpacing those that are moving out. This has resulted in a year-over-year vacancy rate of 4%, which is nearing record lows. New construction projects are primarily freestanding build to suits. This lends itself to retail inventory growing at its slowest pace of the major assets classes in Denver helping to restore balance in the market.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	1,513,197	1,194,117	998,583	1,076,092	1,206,788
▼ Vacancy Rate	4.0%	4.1%	4.5%	4.6%	4.6%
▲ Avg NNN Asking Rate PSF	\$25.45	\$25.24	\$25.01	\$24.73	\$24.43
▼ SF Under Construction	525,173	741,176	840,097	865,534	810,248
▲ Inventory SF	159,277,252	159,053,715	158,926,614	158,825,596	158,696,040

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
8210-8385 Northfield Boulevard Denver, CO	175,000 SF	\$8,000,000 \$45.71 PSF	Stockdale Capital Partners Macy's	Single-Tenant
7590 S Broadway Littleton, CO	45,125 SF	\$8,000,000 \$177.79 PSF	Ron Boyer Benincasa Enterprises, LLC	Single-Tenant
8125 Sheridan Boulevard Arvada, CO	27,610 SF	\$1,951,000 \$70.66 PSF	Red Mountain Retail Group, Inc. Red Mountain Retail Group, Inc.	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2650 W Bellevue Avenue Littleton, CO	29,962 SF	Richard Hyde	Undisclosed	Undisclosed
24101 E Orchard Road Aurora, CO	29,790 SF	Utah Retirement Systems	Undisclosed	Undisclosed
9420-9440 N Sheridan Boulevard Westminster, CO	16,302 SF	Brixmor	Petco	Retailer

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