



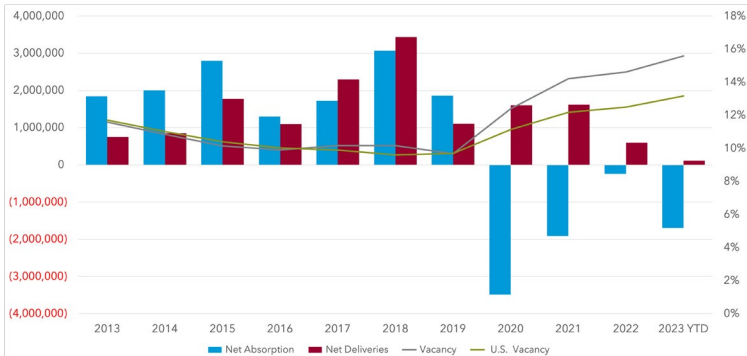
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

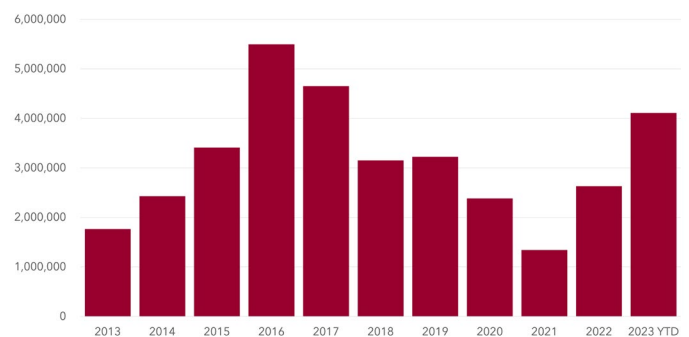
As we head into the summer months, Metro Denver's office market continues along the same trajectory. Net absorption continues to trend in the wrong direction. Vacancy and sublease space are still on the rise. On the flip side, activity is up and rental rates have stabilized. There was some good news in that Denver's iconic Republic Plaza has secured two new leases that will stave off a pending foreclosure as the existing loan has now been modified. Average daily occupancy downtown now hovers around 60% during mid-week, which is a positive sign that more employees are heading back to the office.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(1,647,014)	(1,860,361)	(240,206)	(648,093)	340,568
▲ Vacancy Rate	15.3%	15.2%	14.6%	14.7%	14.2%
▲ Avg NNN Asking Rate PSF	\$29.14	\$28.98	\$28.90	\$28.88	\$28.84
▲ SF Under Construction	4,111,388	3,927,765	2,631,329	2,391,556	2,507,530
▲ Inventory SF	184,284,773	184,198,625	184,174,031	184,048,234	183,872,281

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5800 S. Quebec Street Greenwood Village, CO	163,648 SF	\$5,112,500 \$31.24 PSF	Colorado Health & Tech Centers Peakstone Realty Trust	Class A
7400 S. Alton Court Englewood, CO	131,719 SF	Undisclosed	Undisclosed S&P Global	Class B
520 Zang Street Broomfield, CO	93,657 SF	Undisclosed	Undisclosed Scott S. Pudalov	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6560 Greenwood Plaza Boulevard Englewood, CO	120,979 SF	Franklin Street Properties Corporation	Kaiser Permanente	Health Care and Social Assistance
9555 S. Maroon Circle Englewood, CO	42,840 SF	D.H. Friedman Properties LLC	Zynex Medical	Wholesaler
7173 S. Havana Street Englewood, CO	37,166 SF	Libitzky Property Companies	Village Work & Wellness Center	Health Care and Social Assistance

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