



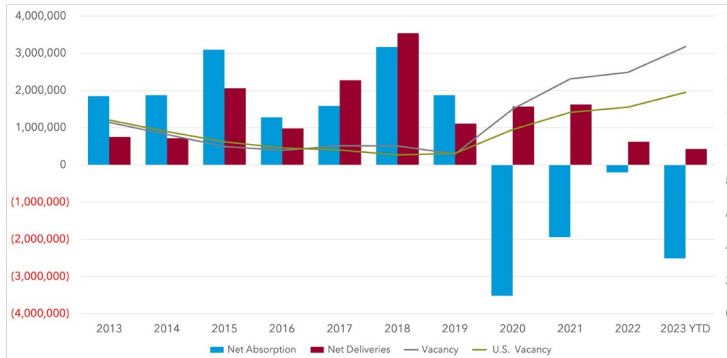
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

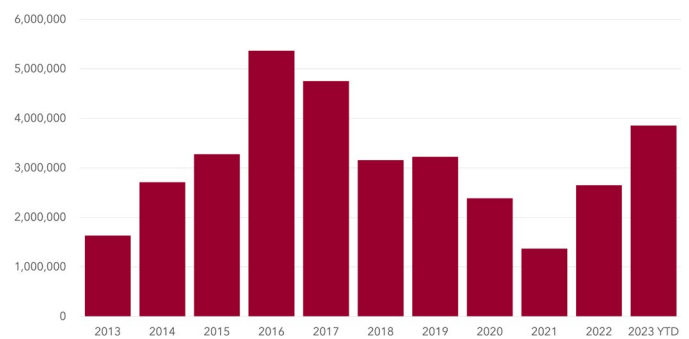
Unfortunately, it's more of the same for the Metro Denver Office Market. Even as office occupancy continues to rise, the market fundamentals are still moving in the wrong direction. Vacancy is up, absorption is negative, rates are flat and no new construction is planned for the foreseeable future. Market activity is relegated to a few small submarkets and mainly consists of small short-term leases. It's a weird dynamic as both the local and national economies continue to chug along, the future of the office space is still in flux and looking for its footing.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(2,157,339)	(1,597,896)	(1,837,371)	(202,780)	(642,668)
▲ Vacancy Rate	16.10%	15.40%	15.20%	14.60%	14.70%
▲ Avg NNN Asking Rate PSF	\$29.25	\$29.23	\$9.05	\$28.98	\$28.98
▼ SF Under Construction	3,855,215	3,890,450	3,944,827	2,650,591	2,410,824
▲ Inventory SF	184,900,348	184,823,633	184,499,485	184,472,691	184,346,894

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7100 E. Belleview Avenue Greenwood Village, CO	184,541 SF	Undisclosed	Voya Investment Management LLC Westport Capital Partners LLC	Class B
777 N. Grant Street Denver, CO	141,447 SF	\$8,341,000 \$58.97 PSF	Colorado Public Radio LCP Development	Class B
7400 S. Alton Court Englewood, CO	131,719 SF	Undisclosed	Undisclosed S&P Global	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
370 17th Street Denver, CO	73,924 SF	Brookfield Properties	City of Denver	Public Administration
1701 Platte Street Denver, CO	59,061 SF	Shorenstein Properties	Undisclosed	Undisclosed
1400 16th Street Denver, CO	34,509 SF	Lincoln Advisors	Undisclosed	Undisclosed

