



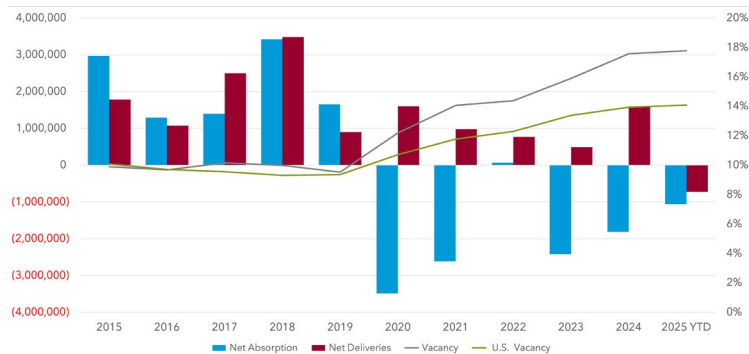
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

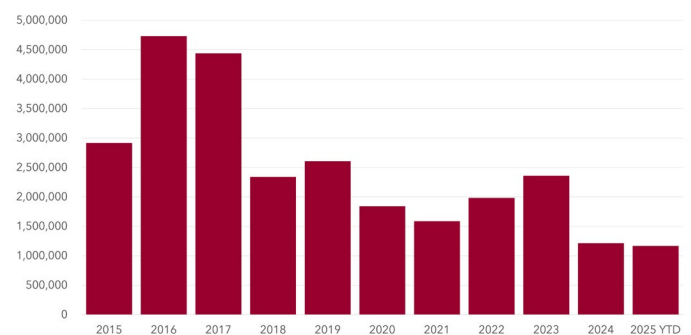
The Denver office market continues to navigate a period of structural adjustment as occupiers reassess space needs and hybrid work models persist. Overall, the market remains soft, with persistent vacancies and slow leasing activity. Leasing activity is expected to remain sluggish through the end of 2025, with flight-to-quality trends favoring new and renovated properties in urban core and mixed-use environments. While elevated vacancy will keep conditions tenant-favorable in the near term, steady rent growth and limited new deliveries point to improving fundamentals over the medium term. On the investment market, low transaction volume was highlighted by the recent \$5.25 Million sale of the Denver Energy Center for \$7 PSF.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▲ 12 Mo. Net Absorption SF	(2,139,516)	(2,383,152)	(1,546,725)	(879,714)	(914,244)
▼ Vacancy Rate	17.7%	18.1%	17.3%	17.1%	17.1%
▲ Avg Asking Rent PSF	\$30.45	\$29.23	\$30.19	\$29.96	\$29.58
▲ Sale Price PSF	\$213.00	\$201.00	\$201.00	\$207.00	\$211.00
▼ Cap Rate	9.0%	9.1%	9.2%	9.1%	8.8%
▼ Under Construction	1,169,743	1,241,383	1,428,840	1,863,824	1,961,723
▲ Inventory	187,999,477	187,843,165	188,407,180	189,036,754	187,742,817

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
621 17th Street Denver, CO	391,667 SF	Undisclosed	633 17th LLC E2M Ventures	Class B
1701 Platte Street Denver, CO	248,783 SF	\$135,000,000 \$542.64 PSF	Hillside (New Media Holdings) 1701 Platte Owner LLC	Class A
9110 E. Nichols Avenue Centennial, CO	154,586 SF	\$7,259,750 \$46.96 PSF	Bridal Dale LLC Centre Point Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1550 17th Street Denver, CO	99,420 SF	LaSalle Investment Management	Undisclosed	Undisclosed
1900 Lawrence Street Denver, CO	30,600 SF	Goettlich Partners	Reed Smith	Professional
1560 Broadway Denver, CO	28,625 SF	Heitman	Colorado Legal Services	Professional

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