



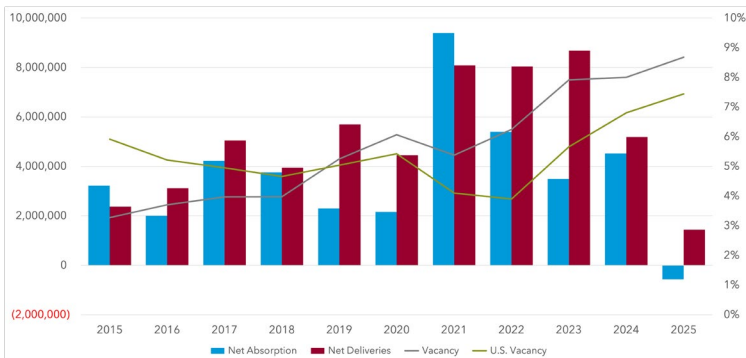
## INDUSTRIAL MARKET OVERVIEW

JEFF HEINE, *Principal*

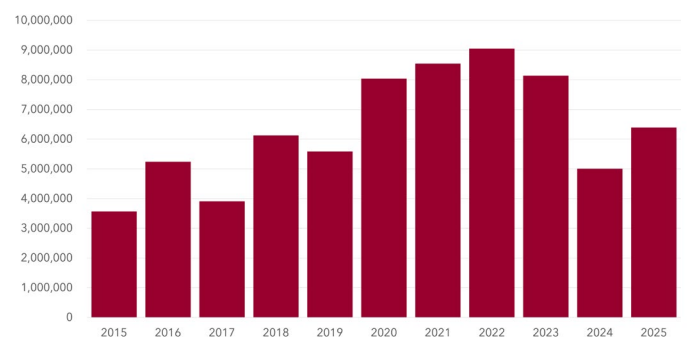
The Denver industrial market entered Q4 2025 showing continued signs of stabilization as tenant demand more closely aligned with a slowing pace of new supply. Vacancy remained elevated compared to long-term averages but appeared to be leveling off, supported by a declining construction pipeline. Landlords continued to demonstrate flexibility to subdivide spaces, with smaller-bay space outperforming larger-format offerings in terms of both rents and availability. Asking rents remained under modest pressure, though well-located flex, shallow-bay, and industrial outdoor storage properties showed greater resilience. Investment activity remained selective but steady, with institutional interest focused on high-quality assets, reinforcing expectations for gradual tightening as the market moves into 2026.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ Net Absorption SF	(562,323)	1,773,997	(1,735,711)	(305,020)	537,147
▲ Vacancy Rate	8.7%	8.5%	8.9%	8.3%	8.0%
▲ Avg NNN Asking Rate PSF	\$11.64	\$11.57	\$11.72	\$11.76	\$11.78
▼ Sale Price PSF	\$171	\$172	\$173	\$174	\$174
◀ ▶ Cap Rate	7.5%	7.5%	7.4%	7.4%	7.3%
▲ Under Construction SF	6,391,067	5,120,597	5,473,145	5,222,444	3,591,189
▲ Inventory SF	286,609,251	285,375,035	284,368,016	284,002,571	283,911,539

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Upland & Denver Business Center Denver, CO	1,626,233 SF (16 Properties)	\$195,000,000 \$119.00 PSF	Harrison Properties Link Logistics Real Estate	Class B/C
2535 E. 40th Avenue Denver, CO	234,250 SF	\$39,500,000 \$168.62 PSF	City and County of Denver Iselo Investment Partners LLC	Class C
6055 Longbow Drive Boulder, CO	157,489 SF	\$6,000,000 \$38.00 PSF	Tebo Properties Trumble Real Estate	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
19755 E. 35th Drive Aurora, CO	200,000SF	Majestic Realty	Anheuser-Busch	Food & Beverage
8125 E. 88th Avenue Henderson, CO	157,845 SF	Bridge Investment Group	Undisclosed	Undisclosed
1900 Taylor Avenue Louisville, CO	136,929 SF	Starwood REIT	Lockheed Martin	Professional/Scientific

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