



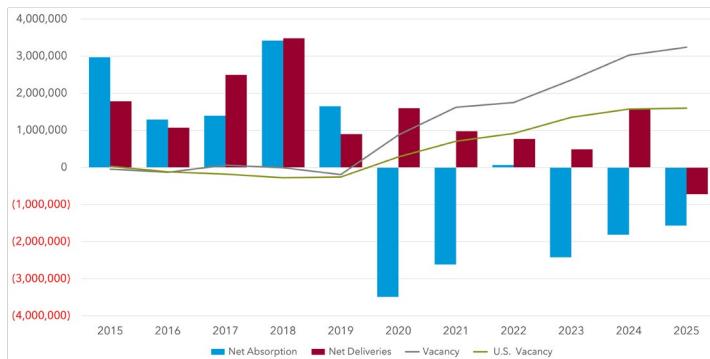
### OFFICE MARKET OVERVIEW

JR BITZER, Principal

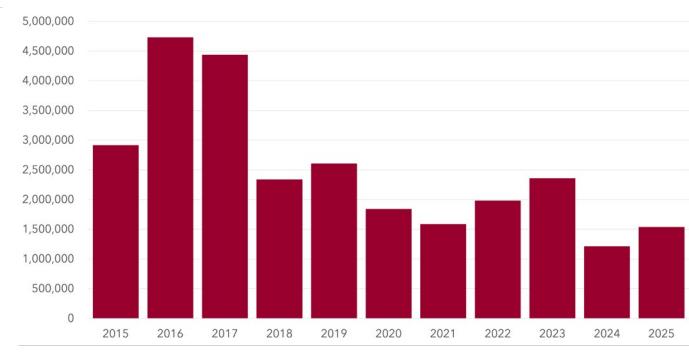
The Denver office market closed Q4 2025 in a period of adjustment, though some metrics showed modest stabilization. Net absorption remained negative over the past 12 months, but losses moderated compared to earlier in the year, signaling a gradual slowing in space give-backs. Vacancy edged higher quarter-over-quarter as leasing activity continued to trail historical norms, reinforcing tenant-favorable conditions. Average asking rents softened slightly, reflecting competitive pressure among landlords amid elevated availability. Flight-to-quality dynamics remain evident, with newer and well-capitalized assets outperforming older stock. Investment activity stayed limited, with pricing under pressure as higher interest rates and cautious underwriting continued to constrain transaction volume.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Net Absorption SF	(1,568,232)	(2,139,516)	(2,383,152)	(1,546,725)	(879,714)
▲ Vacancy Rate	18.10%	17.70%	18.10%	17.30%	17.10%
▼ Avg Asking Rent PSF	\$30.11	\$30.45	\$29.23	\$30.19	\$29.96
▼ Sale Price PSF	\$206.00	\$213.00	\$201.00	\$201.00	\$207.00
▲ Cap Rate	9.2%	9.0%	9.1%	9.2%	9.1%
▲ Under Construction	1,539,743	1,169,743	1,241,383	1,428,840	1,863,824
▲ Inventory	185,868,819	187,999,477	187,843,165	188,407,180	189,036,754

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Denver West Business Park Portfolio Lakewood, CO	1,3018,776 SF	\$65,000,000 \$49.29 PSF	Hall Equities Group Apollo Global Management	Class B
717 17th Street City Center Denver, CO	769,312 SF	\$31,786,396 \$41.32 PSF	Justin Friedeck Brookfield Property Group	Class A
3200 Cherry Creek S, The Citadel Denver, CO	131,000 SF	\$52,000,000 \$396.95 PSF	Zurich Alternative Asset Mgmt Matador Equity Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1550 17th Street Denver, CO	99,368 SF	LaSalle Investment Management	EOG Resources	Energy Company
242 Milwaukee Street Denver, CO	54,000 SF	BMC Investments	Crusoe Energy Systems	Technology
675 15th Street Block 162 Denver, CO	29,181 SF	Patrinely Group	Bank of America	Financial Services



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