LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
DENVER, CO

INDUSTRIAL MARKET OVERVIEW

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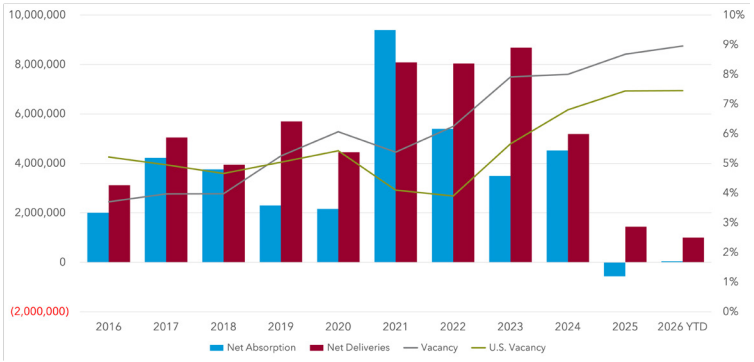
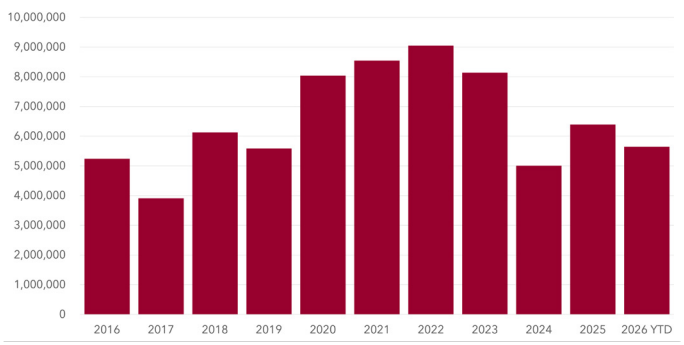
Denver industrial showed real stabilization in Q2 2026: net absorption posted its strongest quarterly gain in years, though vacancy stays above long-term averages. Construction held near 2019 levels, keeping new supply in balance with demand. Landlords lean on flexible terms and subdivided space, with smaller-bay product outperforming larger blocks. Asking rents remain pressured, but well- located flex and outdoor storage assets are holding up better. Investors stay selective yet steady, favoring quality assets as recovery takes shape.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ Net Absorption SF	2,227,740	(513,228)	(3,653)	1,773,997	(1,735,711)
◄ ► Vacancy Rate	9.2%	9.2%	8.7%	8.5%	8.9%
▲ Avg NNN Asking Rate PSF	$11.65	$11.64	$11.64	$11.57	$11.72
▲ Sale Price PSF	$169.00	$168.23	$170.68	$172.24	$173.00
◄ ► Cap Rate	7.7%	7.7%	7.5%	7.5%	7.4%
▼ Under Construction SF	5,646,761	6,217,880	6,391,067	5,120,597	5,473,145
▲ Inventory SF	289,688,346	287,513,738	286,609,251	285,375,035	284,368,016

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3601 N. Telluride Street Aurora, CO	512,720 SF	$75,075,000 $146.42 PSF	Kin Properties, Inc. Gateway 28, LLC	Class A
22100 E. 26th Avenue Aurora, CO	409,124 SF	$35,000,000 $85.55 PSF	Banner Industrial Properties ASB Capital Management	Class A
4185 Salazar Way Frederick, CO	200,420 SF	$24,133,700 $120.42 PSF	Kapuahelani Centennial Pacific Acquisitions	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Crossroads 25, Bldg 4, I-25 & E470 Thornton, CO	409,000 SF	Trammel Crow Co.	Undisclosed	Undisclosed
4353 E. Bromley Lane Brighton, CO	254,649 SF	Starboard Realty Services	Kuehne+Nagel	Global Freight
11551 E. 45th Avenue Denver, CO	169,168 SF	Principal Real Estate Investors	Western Paper	Wholesaler

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