LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
DENVER, CO

OFFICE MARKET OVERVIEW

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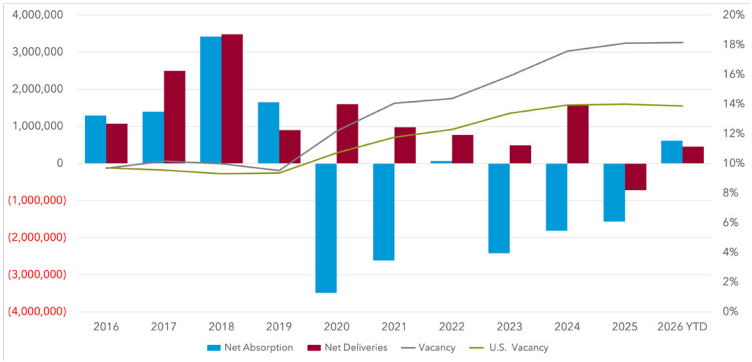
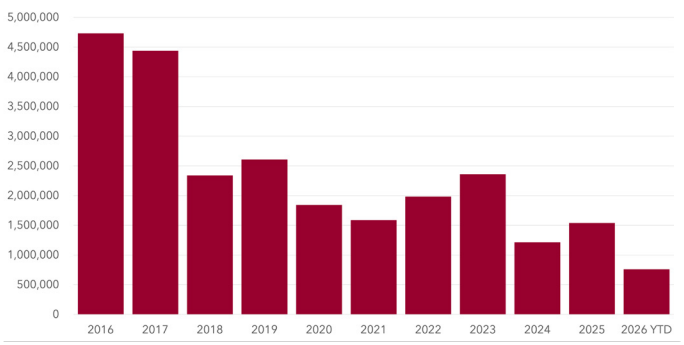
Denver's office market remained stable in Q2, with vacancy holding at 18.2%. Direct available space increased by more than 700,000 square feet to 36.6 million square feet, while asking rents rose 1.4% year-over-year. Absorption improved 91% from Q1, signaling strengthening tenant demand despite seasonally slower summer leasing. Investor acquisitions, redevelopment activity, and improving sentiment support a gradual recovery, while Cherry Creek continues to outperform as one of Metro Denver's strongest office submarkets.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ 12 Mo. Net Absorption SF	230,337	(1,205,558)	(1,568,232)	(2,139,516)	(2,383,152)
◄ ► Vacancy Rate	18.1%	18.1%	18.10%	17.7%	18.1%
▲ Avg Asking Rent PSF	$30.44	$30.10	$30.11	$30.45	$29.23
▲ Sale Price PSF	$217.86	$205.32	$206.00	$212.76	$201.24
▼ Cap Rate	9.0%	9.30%	9.20%	9.0%	9.1%
▼ Under Construction	761,235	1,416,391	1,539,743	1,169,743	1,241,383
▼ Inventory	185,230,084	185,670,702	185,868,819	187,999,477	187,843,165

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
165 S. Union Boulevard Lakewood, CO	205,817 SF	$17,250,000 $83.81 PSF	Dunton Commercial, LLC C-III Capital Partners, LLC	Class A
7800 E. Union Avenue Denver, CO	192,838 SF	$21,880,000 $113.46 PSF	Cress Capital, LLC TerraCap Management, LLC	Class A
255 Fillmore Street Denver, CO	98,274 SF	$92,500,000 $941.25 PSF	Tradition Senior Living, LP BMC Investments	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2375 E. 1st Avenue Denver, CO	55,000 SF	Invesco Ltd.,	UMB Bank	Banking & Finance
1700 Lincoln Street Denver, CO	50,456 SF	Brookfield Properties	Undisclosed	Undisclosed
8900 Liberty Circle Englewood, CO	47,824 SF	Mobile TV Group	Undisclosed	Undisclosed

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