



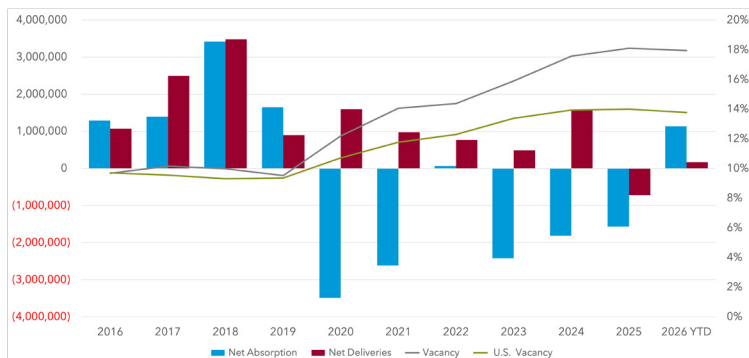
OFFICE MARKET OVERVIEW

KRISTOFF KERR, Associate

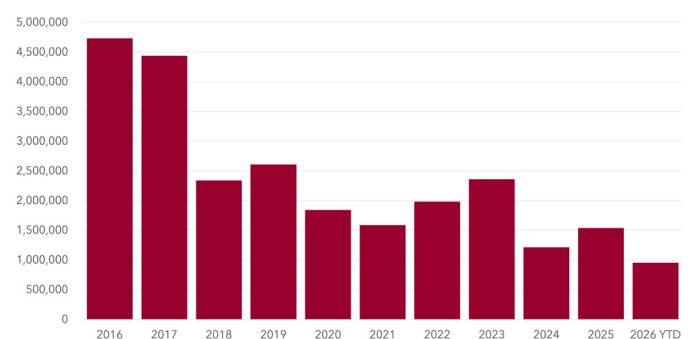
Denver's office market took another high-profile hit this quarter as Optiv Security, the anchor tenant at 1144 15th St. since 2018, vacated its remaining space and moved its headquarters to Leawood, Kansas, even though its lease runs through 2031. Optiv joins a growing list of office tenants making a major exodus, including TIAA, and Palantir. Q3 leasing peaked lifting four-quarter volume to its highest level since Q1 2020. The University of Colorado's acquisition of Independence Plaza, and a planned residential conversion, which is also shrinking inventory and adding to the owner-user demographic. Meanwhile, Cherry Creek continues to lead the state, with 3.5% vacancy and nearly all of the metro's construction pipeline.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	306,862	230,337	(1,205,558)	(1,568,232)	(2,139,516)
▼ Vacancy Rate	17.9%	18.1%	18.1%	18.10%	17.7%
▲ Avg Asking Rent PSF	\$30.78	\$30.44	\$30.10	\$30.11	\$30.45
▲ Sale Price PSF	\$225	\$218	\$205	\$206.00	\$213
▼ Cap Rate	8.8%	9.0%	9.30%	9.20%	9.0%
▲ Under Construction	954,384	761,235	1,416,391	1,539,743	1,169,743
▼ Inventory	184,174,720	185,230,084	185,670,702	185,868,819	187,999,477

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4643 S Ulster St Denver, CO	335,908 SF	\$57,250,000 \$170.43 PSF	Pauls Corporation Granite Properties, Inc.	Class A
1050 17th St Denver, CO	567,287 SF	\$27,950,000 \$49.27 PSF	Regents, University of CO Heitman	Class A
6550 & 6560 Greenwood Plaza Blvd Englewood, CO	198,560 SF	\$19,356,000 \$97.00 PSF	UC Health Franklin St Properties Corp	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8742 Kendrick Castillo Way Highlands Ranch, CO	190,504 SF	MetLife, Inc	Lockheed Martin Corporation	Aerospace
1201 17th St Denver, CO	52,360 SF	Beacon Capital Partners	Gusto	Software for HR
14143 Denver West Pky Lakewood, CO	32,435 SF	Vista Investment Group, LLC	ME Engineers	Engineering

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