



Office Market Report Denver - CO (USA)

PREPARED BY



Dustin Ferguson
Certified General Appraiser and Owner



OFFICE MARKET REPORT

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12 Mo Deliveries in SF

497K

12 Mo Net Absorption in SF

(2.4M)

Vacancy Rate

16.3%

12 Mo Asking Rent Growth

1.6%

At 16.3% as of 23Q4, Denver has one of the highest vacancy rates among major U.S. markets. While low office utilization has plagued nearly every market across the nation, Denver is more susceptible than most due to the market's high exposure to tech sector workers who continue to lead the way in adopting flexible workplace arrangements. A high interest rate environment has accelerated this trend as these companies, facing economic uncertainty and slower growth, look to reduce costs by laying off workers and shedding office space.

Much of this unwanted office space is ending up on the sublease market. Roughly 6.0 million SF is available for sublease. While this is down from the peak observed at the start of the year when sublease inventory reached 7.9 million SF, it still poses a significant challenge to landlords when leasing direct space. Some of the steepest discounts are found in the CBD where 5.8% of office space is available for sublease, well above the 3.2% average across the Denver market. Average asking rents for sublease listings in the CBD are 47% below direct listings. In late 2019, when office space downtown was in high demand, direct and sublease listings were priced the same.

Office availability is likely to remain elevated in Denver for some time, as current leasing trends suggest that companies are adjusting their footprints to lower space-per-worker requirements when their leases expire. Leases signed in the third quarter averaged about 3,400 SF. This is an improvement from the trough of 2,600 SF recorded in early 2021, but still represents about a 40% decrease in average lease size since its peak in 2015.

Even as demand has pulled back across the Denver office market, construction activity has picked up to levels not seen since 2017 as developers hope to capitalize on tenant demand for new, high-quality space. There are fewer tenants in the market relative to pre-pandemic averages, but those who are in the market are placing more scrutiny on the value that potential office space would bring to their businesses, and modern space has played a key role in driving demand. Recent-vintage properties, or those completed since 2015, have consistently recorded positive net absorption. These highly amenitized buildings have averaged 280,000 SF of positive net absorption per quarter since the beginning of 2020.

Comparatively, Denver has a high concentration of older buildings which have borne the brunt of softening demand. Buildings built prior to 2000 have recorded over 2.6 million SF of negative net absorption in the past year. This subset includes some of Denver's most iconic buildings in downtown that have struggled to maintain adequate cash flows as tenants vacate, leading to distressed or delinquent loans. The public sector has stepped in to help support downtown revitalization. At the request of Denver's newly elected mayor, the city of Denver doubled its office footprint at Denver's tallest building, Republic Plaza, a move that brought the building back from the brink of foreclosure. Republic Plaza was recently appraised for \$298 million, a 45% discount from the \$535 million valuation in 2012. CoStar's house view forecast calls for a market wide peak-to-trough value decline of roughly 20% by 2026.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	80,277,827	21.8%	\$33.95	28.5%	(140,104)	0	3,704,508
3 Star	73,514,268	14.1%	\$27.27	16.9%	(24,418)	0	285,229
1 & 2 Star	30,946,322	7.1%	\$21.99	11.0%	(48,355)	2,200	5,305
Market	184,738,417	16.3%	\$29.37	21.1%	(212,877)	2,200	3,995,042

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.5%	12.2%	19.7%	16.3%	2024 Q1	6.7%	2000 Q2
Net Absorption SF	(2.4M)	1,047,153	(1,118,361)	5,000,425	2000 Q4	(4,615,090)	2021 Q2
Deliveries SF	497K	2,143,313	984,152	7,312,267	2001 Q3	402,766	2012 Q1
Asking Rent Growth	1.6%	1.4%	-1.0%	12.3%	2007 Q1	-10.3%	2009 Q4
Sales Volume	\$960M	\$1.8B	N/A	\$4.2B	2007 Q3	\$341.3M	2009 Q4

Vacancy now registers 16.3%, exceeding the record set during the dot com bust when vacancy reached 15.5% in 2003. On one hand, leasing activity has made tremendous progress from the depths of the pandemic. Leasing has topped 2.3 million SF in six out of the last eight quarters, putting quarterly volume in line with long-term trends. Denver's urban submarkets, including the CBD, Platte River, and LoDo, have been particularly active in the last six months. On the other hand, leasing remains below the levels achieved in the years leading up to the pandemic, and the market has a significant deficit to overcome from when leasing reached historic lows in 2020.

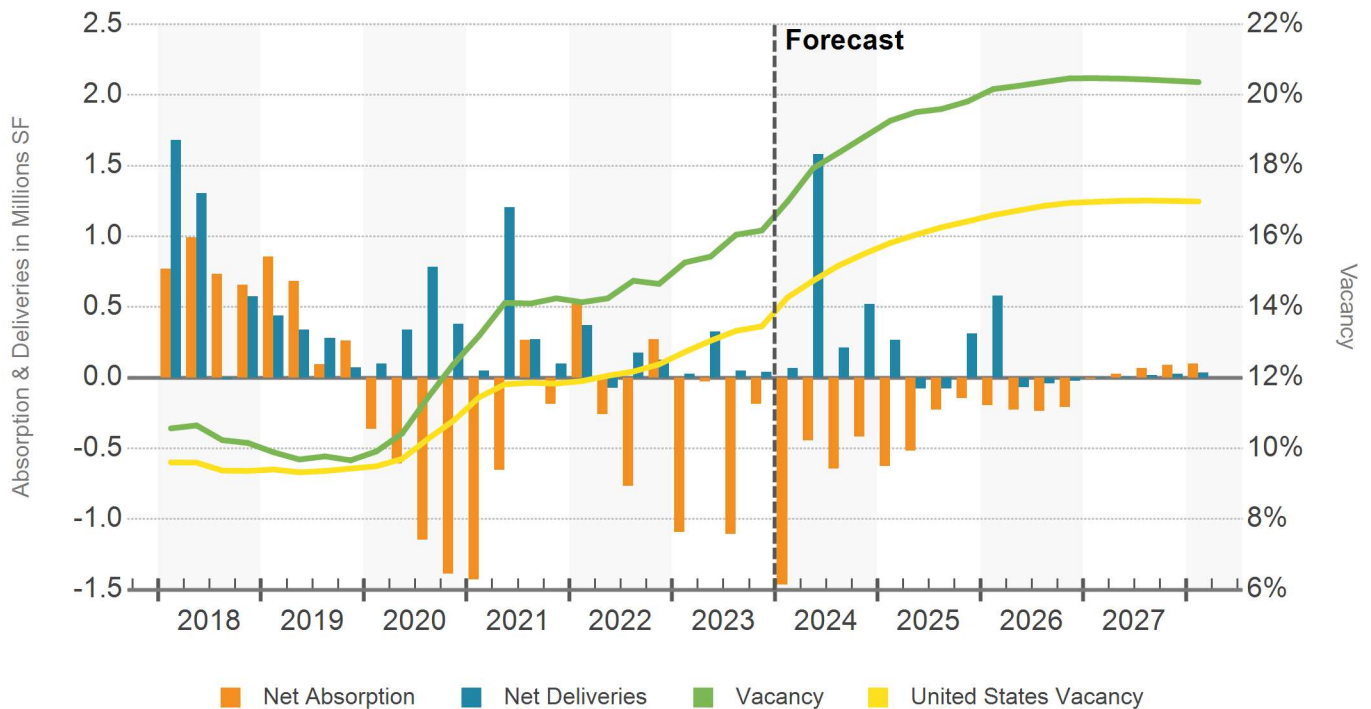
While leasing activity has improved, it has not been enough to outpace move-outs. Annual absorption has remained in the red for the last three years as companies reassess their office footprints, but performance is bifurcated by asset quality. Buildings built prior to 2000 have recorded over 2.6 million SF of negative net absorption and vacancies have steadily climbed to 16.6%. While vacancy has fluctuated significantly in newer buildings due to unleased speculative projects delivering to the market, vacancies in buildings built after 2015 have steadily declined in the last year as this vintage has recorded nearly 1 million SF of positive net

absorption.

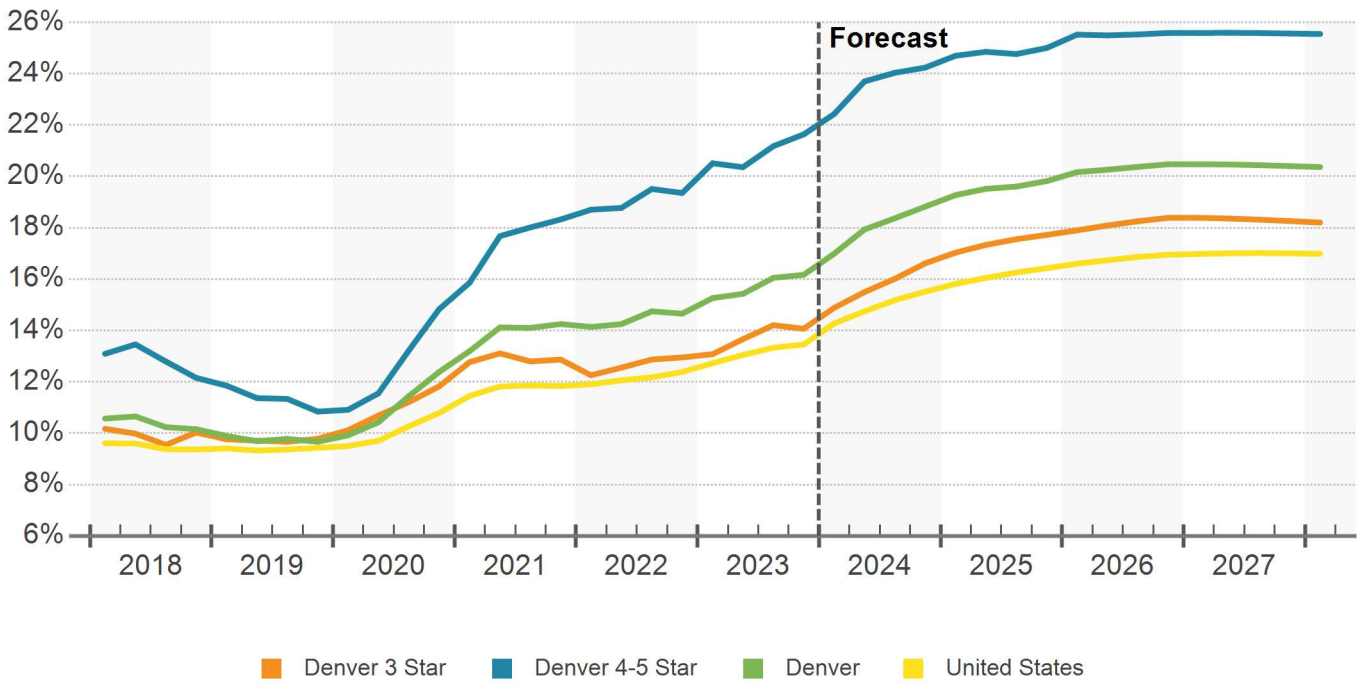
Available sublease space currently stands at 6.0 million SF. Denver's high concentration of tech, an industry that is reeling from a high interest rate environment and looking for ways to cut costs, is a driving force behind the market's high sublease inventory.

Tenants are downsizing their footprints, further complicating the market's long-term growth prospects. Densification and more efficient floor plates are enabling companies to take on less space in higher-quality assets. Leases signed in the third quarter averaged 3,400 SF. Although this is an improvement from the trough of 2,600 SF recorded in early 2021, it still represents about a 40% decrease in average lease size since its peak in 2015. Many of Denver's headline leases signed within the last year illustrate this trend. For example, after more than 20 years of occupying space in LoDo, law firm Davis Graham & Stubbs will anchor the new Paradigm River North building in RiNo. The new lease totals 80,000 SF, down from the 110,000 SF currently occupied. A new office building with high-tech capabilities and outdoor access attracted the law firm to the new location, which it hopes will help with recruiting and retaining top talent.

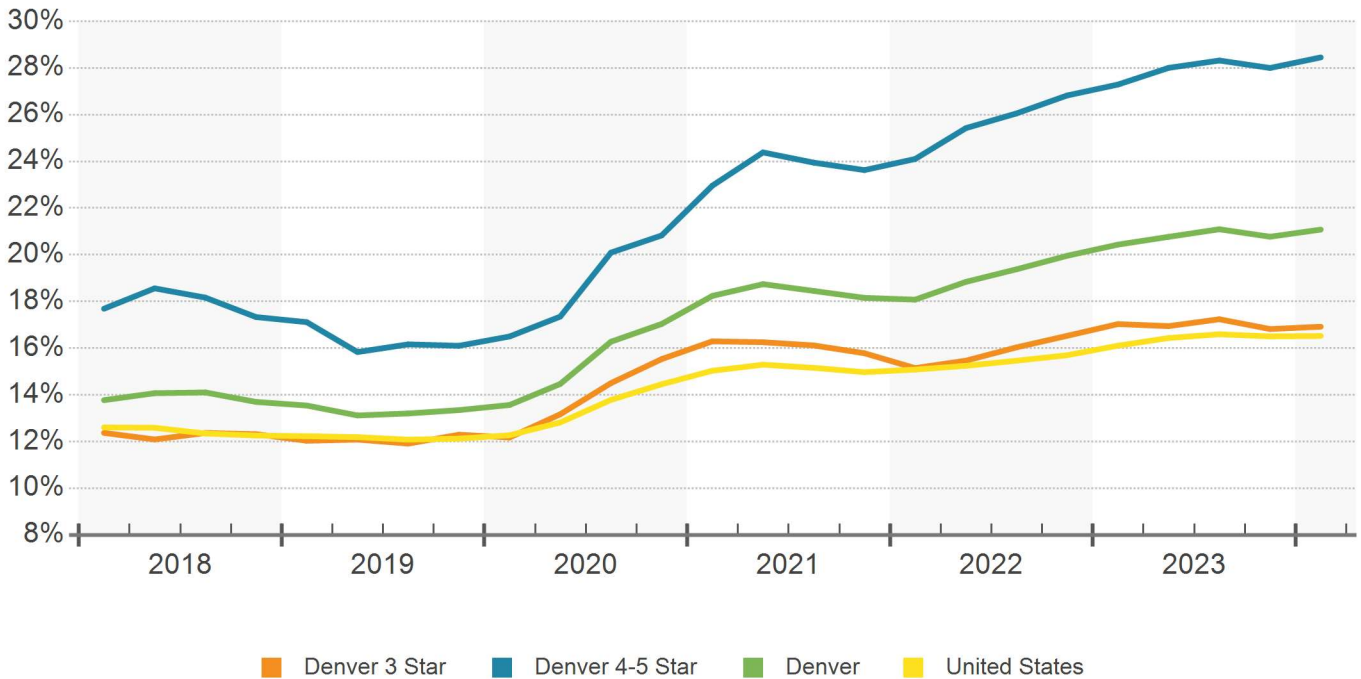
NET ABSORPTION, NET DELIVERIES & VACANCY



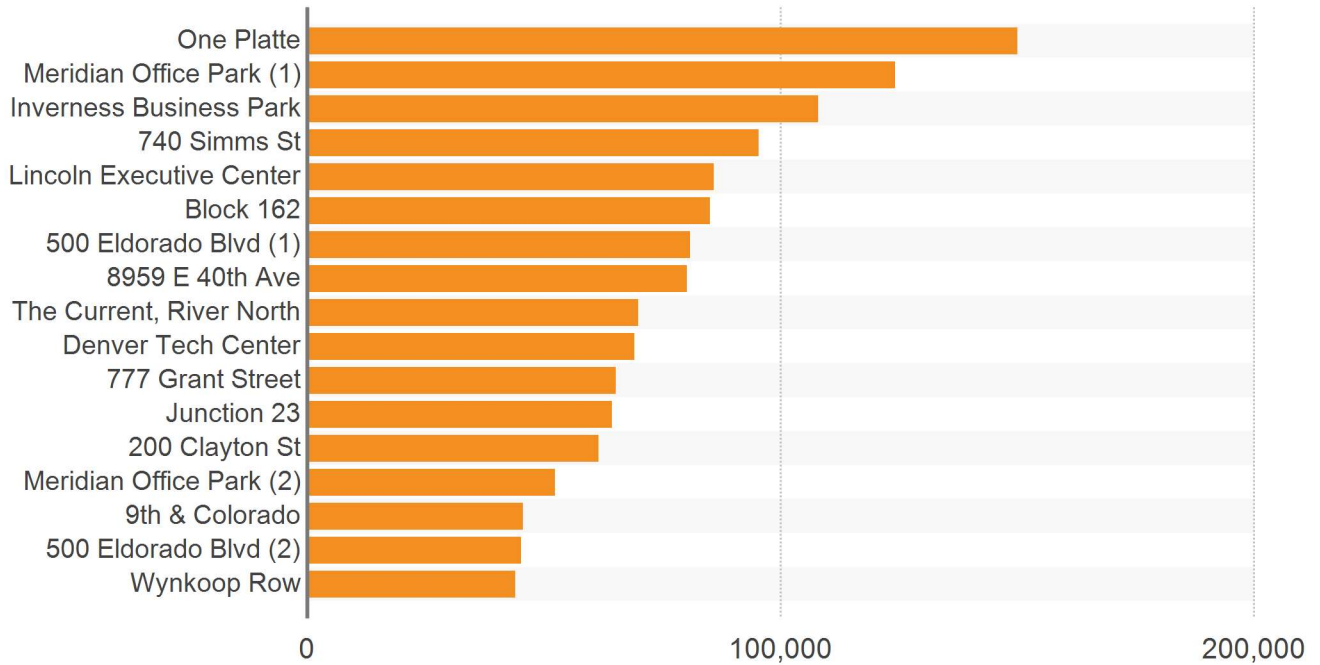
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
One Platte	Platte River	248,783	89,001	118,921	0	0	0	150,035
Meridian Office Park (1)	Meridian	155,209	0	0	0	0	0	124,167
Inverness Business Park	Inverness	144,438	0	0	0	0	0	107,932
740 Simms St	West Denver	98,779	0	0	0	0	0	95,394
Lincoln Executive Center	Centennial	85,935	0	85,935	0	0	0	85,935
Block 162	CBD	606,493	273,492	6,666	0	0	0	85,103
500 Eldorado Blvd (1)	Broomfield County	106,990	0	0	0	0	0	80,979
8959 E 40th Ave	East I-70/Montbello	106,527	26,229	0	0	0	0	80,298
The Current, River North	Platte River	238,000	168,041	0	0	0	0	69,959
Denver Tech Center	Denver Tech Center	186,762	0	0	0	0	0	69,192
777 Grant Street	Capitol Hill	75,224	0	0	0	0	0	65,228
Junction 23	Platte River	86,127	0	0	0	0	0	64,359
200 Clayton St	Cherry Creek	76,715	15,149	0	0	0	0	61,566
Meridian Office Park (2)	Meridian	107,640	0	0	0	0	0	52,406
9th & Colorado	Glendale	64,680	0	0	0	0	0	45,568
500 Eldorado Blvd (2)	Broomfield County	94,055	0	0	0	0	0	45,257
Wynkoop Row	LoDo	44,045	0	0	0	0	0	44,045
Subtotal Primary Competitors		2,526,402	571,912	211,522	0	0	0	1,327,423
Remaining Denver Market		182,212,015	29,507,547	(424,399)	0	0	0	(3,682,767)
Total Denver Market		184,738,417	30,079,459	(212,877)	0	0	0	(2,355,344)

TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
T3 Offices	Platte River	220,175	Q4 23	Xcel Energy	Savills	JLL;McCaffery Interest...
Fiddlers Green Center *	Greenwood Village	206,915	Q3 23	Charter Communications,...	CBRE	Cushman & Wakefield
Cherry Creek Building	South Midtown	154,500	Q1 23	Community College of De...	-	-
Greenwood Plaza *	Greenwood Village	120,979	Q2 23	Kaiser Permanente	JLL	Cushman & Wakefield
Flight *	Platte River	87,787	Q4 23	BOA Technology	Tributary Real Estate	Zeppelin Development
Greenwood Corporate Plaza	Greenwood Village	69,921	Q2 23	Merrick & Company	-	-
One Platte	Platte River	59,860	Q3 23	Bet365	-	Newmark
One Platte	Platte River	59,061	Q3 23	Bet365	-	Newmark
One Civic Center	CBD	43,251	Q4 23	-	-	JLL
Two Maroon Circle	Meridian	42,840	Q1 23	Zynex Medical	-	CBRE
Denver Tech Center	Denver Tech Center	40,374	Q1 23	Apartment Income REIT	-	-
Rampart Center	Inverness	37,166	Q2 23	The Village Workspace	NAI Shames Makov...	-
Fillmore Place *	Cherry Creek	36,224	Q1 23	-	-	NAI Shames Makovsky
The Views I & II	Broomfield County	36,119	Q1 24	-	-	The Colorado Group, Inc.
Lowry Business Park *	Glendale	35,796	Q2 23	University Of Colorado He...	-	Newmark
3050 Richard Allen Ct	Capitol Hill	35,733	Q4 23	Providence Bible Church	-	-
Campus 470 *	Highlands Ranch	35,642	Q1 23	Blue Origin, LLC	-	Cushman & Wakefield
1001 17th Street	CBD	35,088	Q4 23	Discovery National Resou...	CBRE	Colliers
16 Market Square	LoDo	34,509	Q3 23	INEOS	-	Newmark
Meridian Int'l Bus Center	Meridian	32,457	Q1 23	Kodiak Construction	-	Cushman & Wakefield
50 FIFTY DTC	Denver Tech Center	32,106	Q2 23	Oak View Group	CBRE	CBRE
169 Inverness Dr W	Inverness	31,004	Q1 23	Leidos	JLL	JLL
Block 162	CBD	29,867	Q4 23	Snell & Wilmer	CBRE;Savills	Cushman & Wakefield
Block 162	CBD	28,250	Q3 23	-	-	Cushman & Wakefield
Inverness Business Park	Inverness	27,176	Q4 23	-	-	Savills
1801 California *	CBD	26,769	Q4 23	-	-	Cushman & Wakefield
Wells Fargo Center	CBD	24,550	Q3 23	Booyah Advertising	Cresa	Cushman & Wakefield
Meridian Office Park	Meridian	24,409	Q2 23	S3 Shared Service Solutio...	CBRE	Cushman & Wakefield
Inverness Business Park	Inverness	24,284	Q1 23	-	-	Newmark
HUB South	Platte River	24,000	Q1 23	AgentSync	Raise Commercial R...	JLL
Gateway Park *	East I-70/Montbello	23,631	Q1 23	-	-	Cushman & Wakefield
Quebec Court	Greenwood Village	23,421	Q3 23	-	-	Colliers
Wells Fargo Center	CBD	23,340	Q2 23	Wells Fargo Advisors	-	-
280 W 62nd Ave	Northwest Denver	22,689	Q2 23	MTM Transit, LLC	Newmark	-
Palazzo Verdi and Fiddlers Green II	Greenwood Village	21,393	Q4 23	American Medical Respon...	Colliers	Cushman & Wakefield
Tabor Center	CBD	21,377	Q3 23	-	-	WeWork
Denver Tech Center	Denver Tech Center	21,341	Q4 23	Allium US Holdings	-	Savills
1700 Broadway at The Atrium	CBD	20,887	Q3 23	-	-	CBRE
Denver Place	CBD	20,838	Q4 23	-	-	CBRE
Westmoor Technology Park	Northwest Denver	20,603	Q4 23	-	-	Cushman & Wakefield

Renewal

Rent growth has stalled in recent quarters. Annual rent growth amounts to 1.6%, outperforming the national average, but when adjusting for inflation, annual rent growth in real terms is in negative territory.

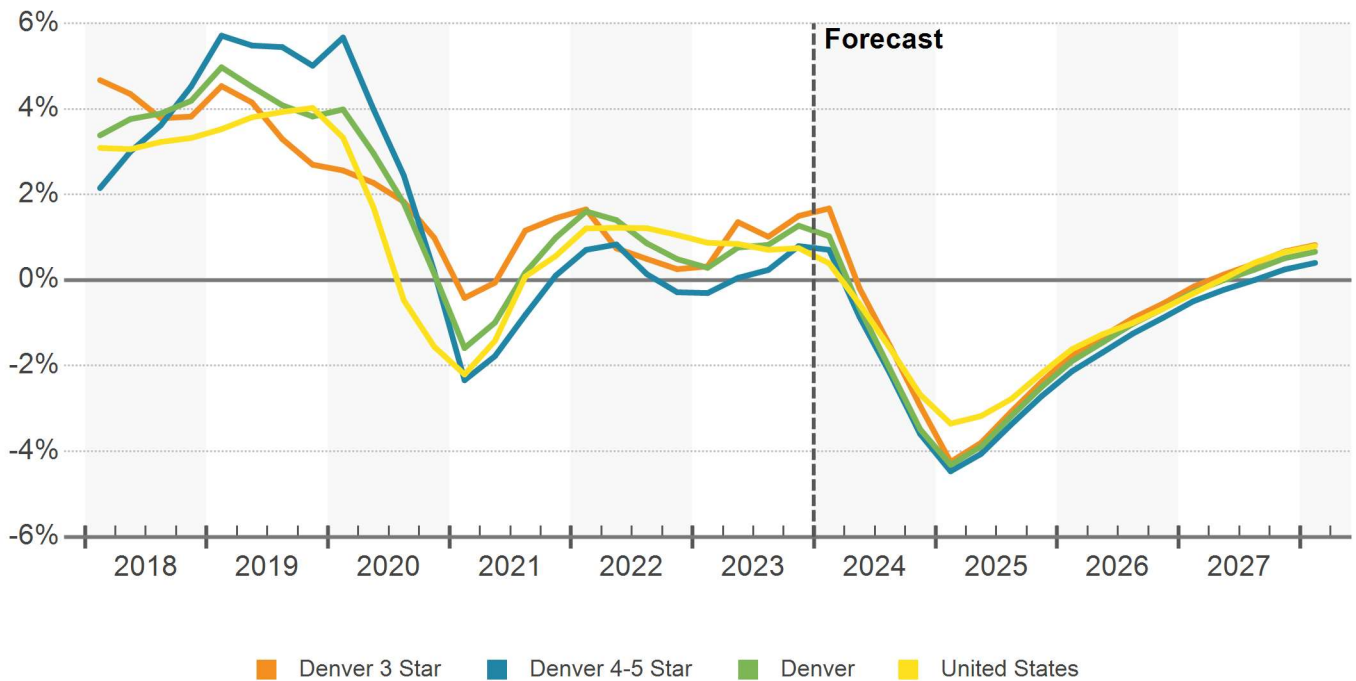
Office availabilities have reached an all-time high, giving tenants in the market plenty of options. Competition from developers has been ongoing amid Denver's building boom of the last decade, but landlords are now facing competition from existing space as well in the form of sublet listings. The difference between average asking rents for direct space vs. sublet space reached its widest delta on record in 23Q3 at roughly \$9/SF difference. Entering the pandemic, the difference was just over

\$2/SF. To remain competitive, landlords are offering concessions in tenant improvements and free rent instead of lowering base rates.

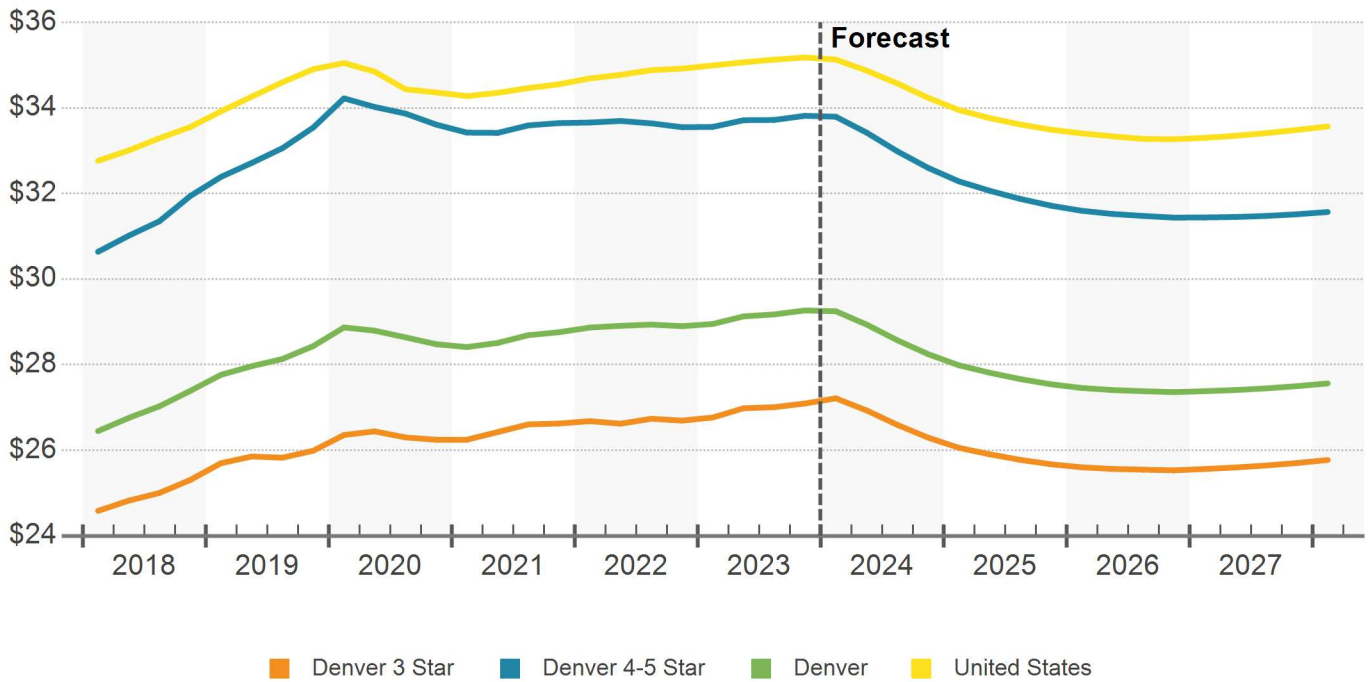
Cherry Creek remains a bright spot for office demand, and rents have outperformed here relative to the metro average. The submarket has a high concentration of 4 & 5 Star assets, allowing landlords in the area to capitalize on flight-to-quality trends.

Looking ahead, recovery is likely to be slow as the market digests available inventory amid tempered demand. However, at \$29.00/SF, Denver's office space comes at a discount relative to coastal markets.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Denver	\$0.67	\$1.27	\$0.24	\$6.19	\$6.11	\$14.48
Aurora	\$1.03	\$1.35	\$0.31	\$2.51	\$5.19	\$10.39
Broomfield	\$0.71	\$1.22	\$0.27	\$6.36	\$5.61	\$14.17
Clear Creek County	\$0.37	\$0.50	\$0.17	\$1.42	\$2.50	\$4.96
Colorado Blvd/Glendale	\$0.72	\$1.57	\$0.30	\$5.55	\$6.58	\$14.72
Downtown	\$0.63	\$1.23	\$0.23	\$7.81	\$6.88	\$16.78
Midtown	\$0.56	\$1.19	\$0.20	\$5.83	\$6.96	\$14.74
North Denver	\$0.55	\$1.16	\$0.19	\$5.13	\$5.30	\$12.33
Northeast Denver	\$0.76	\$1.33	\$0.25	\$5.30	\$5.83	\$13.47
Northwest Denver	\$0.72	\$1.27	\$0.27	\$5.12	\$5.66	\$13.04
Outlying Douglas County	\$0.80	\$1.07	\$0.35	\$5.41	\$4.22	\$11.85
Parker/Castle Rock	\$0.88	\$1.18	\$0.39	\$3.83	\$3.95	\$10.23
Southeast Denver	\$0.62	\$1.30	\$0.21	\$6.44	\$6.27	\$14.84
Southwest Denver	\$0.71	\$1.24	\$0.25	\$2.82	\$6.12	\$11.14
West Denver	\$0.73	\$1.04	\$0.30	\$5.48	\$4.31	\$11.86

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Denver	\$0.54	\$1.06	\$0.16	\$5.05	\$4.20	\$11.01
Aurora	\$0.90	\$1.18	\$0.13	\$4.04	\$3.62	\$9.87
Broomfield	\$0.55	\$1.08	\$0.15	\$6.12	\$3.90	\$11.80
Clear Creek County	\$0.48	\$1.06	\$0.15	\$2.57	\$4.27	\$8.53
Colorado Blvd/Glendale	\$0.66	\$1.41	\$0.25	\$6.09	\$5.04	\$13.45
Downtown	\$0.61	\$1.24	\$0.22	\$5.82	\$6.32	\$14.21
Elbert County	\$0.38	\$0.76	\$0.10	\$3	\$2.98	\$7.22
Midtown	\$0.51	\$1.06	\$0.20	\$4.02	\$4.94	\$10.73
North Denver	\$0.48	\$0.96	\$0.13	\$5.20	\$3.64	\$10.41
Northeast Denver	\$0.49	\$0.94	\$0.13	\$5.37	\$3.57	\$10.50
Northwest Denver	\$0.48	\$0.94	\$0.13	\$4.16	\$3.37	\$9.08
Outlying Arapahoe County	\$0.53	\$0.94	\$0.12	\$6.61	\$3.54	\$11.74
Outlying Douglas County	\$0.44	\$0.88	\$0.12	\$5.66	\$3.43	\$10.53
Park County	\$0.49	\$0.97	\$0.13	\$1.71	\$3.78	\$7.08
Parker/Castle Rock	\$0.48	\$0.95	\$0.13	\$7	\$3.14	\$11.70
Southeast Denver	\$0.51	\$1	\$0.14	\$5.25	\$4.30	\$11.20
Southwest Denver	\$0.49	\$0.96	\$0.13	\$5.07	\$3.76	\$10.41
West Denver	\$0.51	\$1	\$0.14	\$3.93	\$3.71	\$9.29

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Denver	\$0.48	\$0.70	\$0.15	\$4.71	\$2.81	\$8.85
Aurora	\$0.51	\$0.56	\$0.12	\$3.28	\$2.81	\$7.28
Broomfield	\$0.46	\$0.61	\$0.13	\$5.74	\$2.15	\$9.09
Clear Creek County	\$0.43	\$0.60	\$0.15	\$1.45	\$3.08	\$5.71
Colorado Blvd/Glendale	\$0.50	\$0.74	\$0.19	\$5.92	\$3.83	\$11.18
Downtown	\$0.55	\$1.04	\$0.20	\$5.85	\$4.03	\$11.67
Elbert County	\$0.40	\$0.55	\$0.11	\$2.14	\$2.23	\$5.43
Gilpin County	\$0.46	\$0.64	\$0.13	\$1.20	\$2.59	\$5.02
Midtown	\$0.52	\$0.89	\$0.21	\$5.08	\$2.56	\$9.26
North Denver	\$0.46	\$0.60	\$0.13	\$5.36	\$1.72	\$8.27
Northeast Denver	\$0.47	\$0.62	\$0.13	\$4.43	\$2.24	\$7.89
Northwest Denver	\$0.46	\$0.65	\$0.13	\$4.96	\$2.58	\$8.78
Outlying Adams County	\$0.46	\$0.64	\$0.13	\$4.07	\$2.59	\$7.89
Outlying Arapahoe County	\$0.45	\$0.60	\$0.11	\$3.55	\$3	\$7.71
Outlying Douglas County	\$0.45	\$0.62	\$0.12	\$4.36	\$2.48	\$8.03
Park County	\$0.46	\$0.64	\$0.13	\$1.86	\$2.61	\$5.70
Parker/Castle Rock	\$0.44	\$0.61	\$0.12	\$5.45	\$2.46	\$9.08
Southeast Denver	\$0.45	\$0.58	\$0.13	\$4.35	\$3.30	\$8.81
Southwest Denver	\$0.48	\$0.65	\$0.13	\$4.07	\$2.40	\$7.73
West Denver	\$0.46	\$0.63	\$0.13	\$4.14	\$2.67	\$8.03

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

Denver has one of the more active pipelines across the country. With 4.0 million SF under construction, the Denver market is on track to expand its inventory by 2.2%. Construction activity has picked up to levels not seen since 2017 as developers hope to capitalize on tenant demand for new, high-quality space. Only 40% of this space preleased, and new construction will contribute in driving up vacancies further across the Denver market as it delivers over the coming years.

Platte River has emerged as one of the most desirable areas for office tenants in Denver, and development accelerated to staggering levels in the submarket in recent years. In this area of Denver, the supply wave continues, and Platte River is on track to expand its inventory by over 15%. New groundbreakings have been concentrated in the fast-growing RiNo neighborhood near the 38th and Blake light rail station.

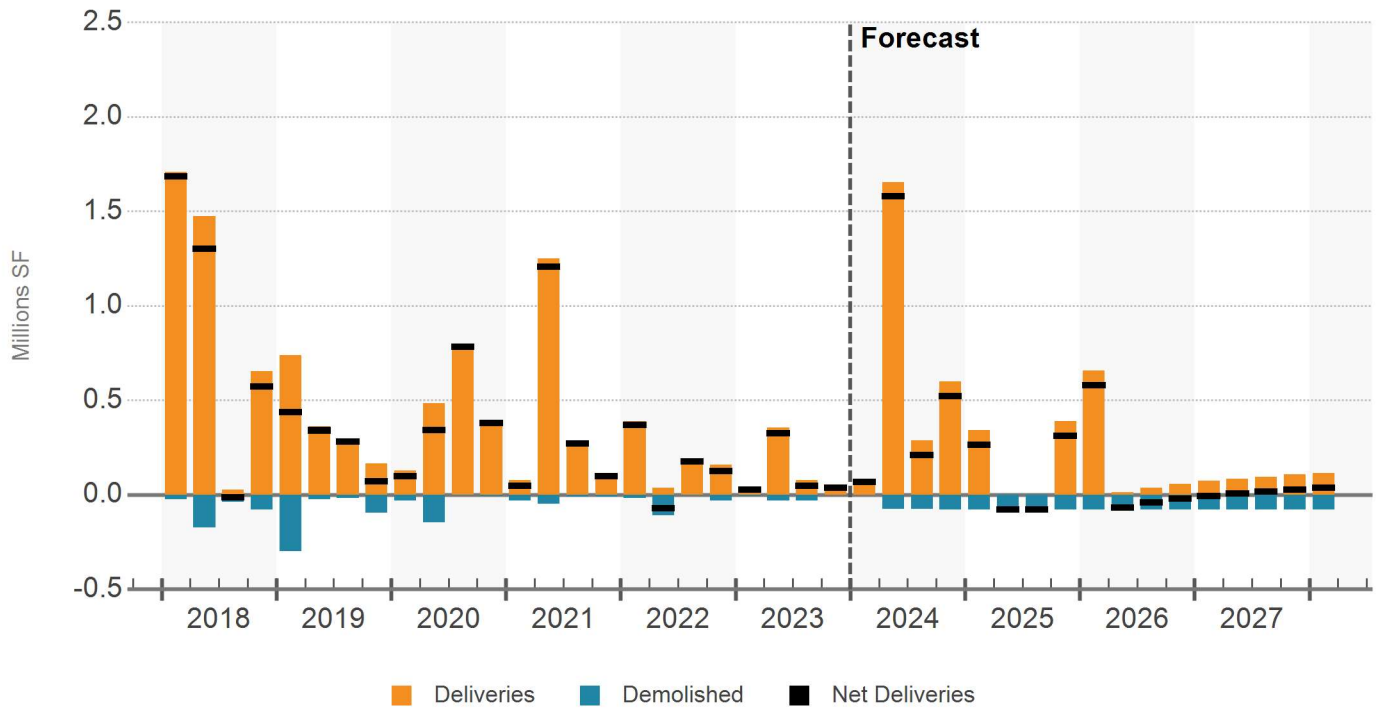
T3 RiNo broke ground in November 2021. Hines, McCaffery, and Ivanhoé Cambridge are developing the 250,000-SF mixed-use office project that will feature the innovative T3 (Timber, Transit and Technology) construction design, utilizing heavy timber and floor-to-ceiling glass that is meant to pay homage to both Denver's historic brick and timber buildings and to the city's vibrant and rapidly evolving art district. The building is located at 3500 Blake Street, across the street from the 35th Street pedestrian bridge and adjacent to the 38th & Blake Rail Station. Only a handful of T3 buildings exist in the U.S. Most notably, the first major multi-story

U.S. office building to be constructed of wood utilizing the T3 design in the last 100 years delivered in Minneapolis in 2016. Since then, a T3 building has also been constructed in Atlanta, with more planned in markets including Chicago, Austin, and Durham.

Another office building recently broke ground near the 38th & Blake Rail Station as developers take advantage of mass transit opportunities located along Denver's expanding light rail network. Schnitzer West, who has created space for companies such as Amazon, Microsoft, and Hulu, is developing the 280,000-SF office building at 3615 Delgany Street named The Current. The 2016 opening of the A-Line commuter rail only increased RiNo's rapid evolution and the area's viability moving forward. From 38th & Blake, riders are one stop away from Union Station, and 30 minutes from the Denver International Airport.

In the CBD, a new high rise will be joining the Denver skyline. Riverside Investment & Development Company, in partnership with Convexity Properties, broke ground on the 32-story 1900 Lawrence in 2022. The project was initially scheduled to break ground in 2020, but delays brought on by the pandemic pushed out the timeline by roughly 18 months. In light of the pandemic, the developer plans to incorporate new standards to prioritize health and safety, including better elevator performance, HVAC systems with better ventilation, and increased automation systems.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory				Average Building Size			
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Platte River	3	763	313	41.1%	5	49,196	254,195	3
2	CBD	1	720	38	5.3%	8	221,846	720,000	1
3	Northwest Denver	3	645	620	96.1%	2	14,593	215,002	4
4	Cherry Creek	4	360	358	99.2%	1	27,310	90,120	8
5	Greenwood Village	1	333	0	0%	9	71,199	332,775	2
6	Panorama/Highland Park	2	324	112	34.6%	7	62,928	161,992	5
7	Southwest Denver	2	290	109	37.4%	6	17,515	145,000	6
8	West Denver	2	218	209	95.7%	3	20,869	109,000	7
9	Broomfield County	2	143	0	0%	9	50,037	71,340	9
10	Aurora	2	89	72	80.9%	4	30,135	44,502	10
	All Other	5	111	75	68.2%		30,083	22,105	
Totals		27	3,995	1,906	47.7%		32,749	147,965	

Under Construction Properties

Denver Office

Properties

Square Feet

Percent of Inventory

Released

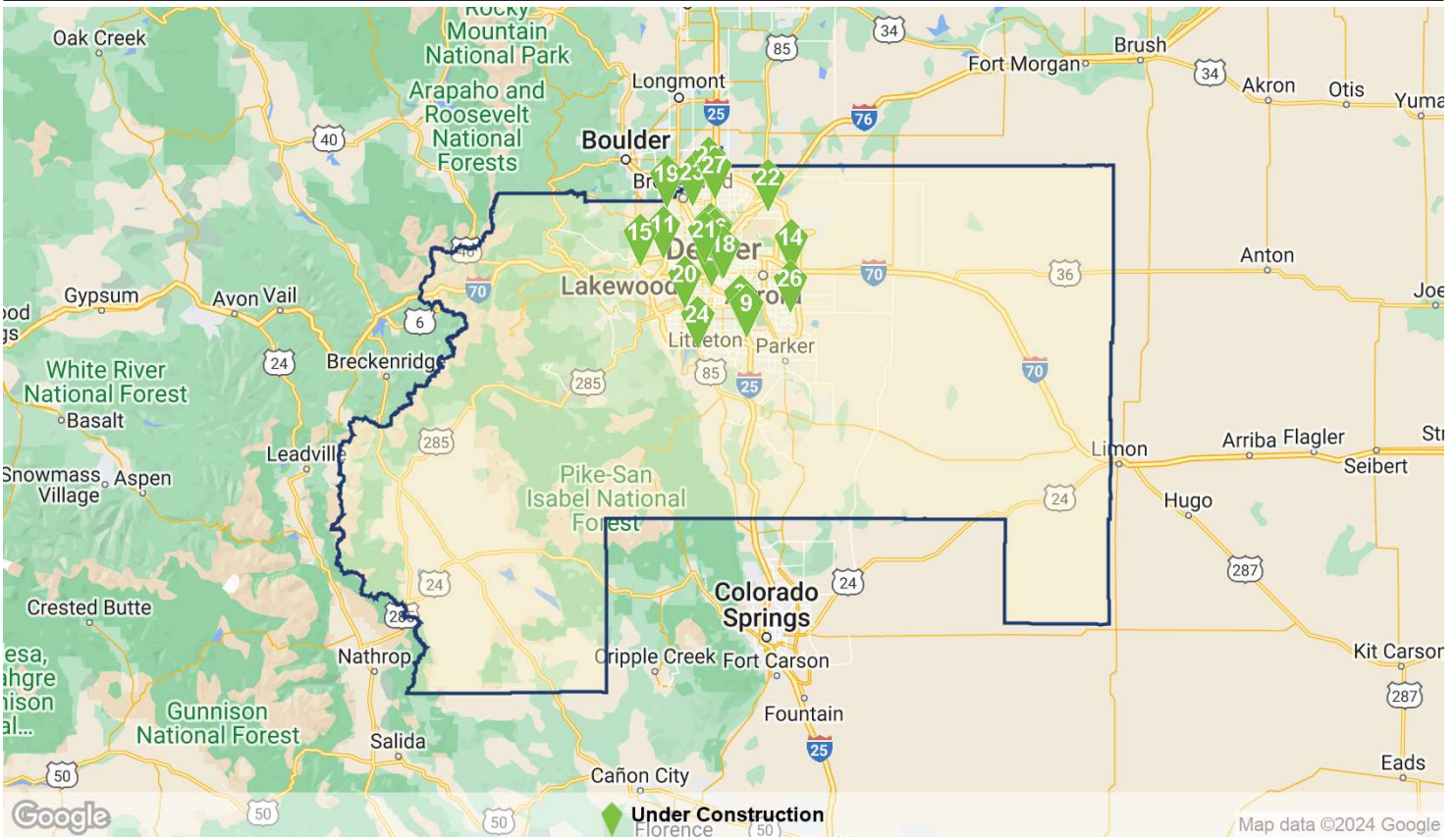
27

3,995,042

2.2%

47.7%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 1900 Lawrence	★★★★★	720,000	31	Apr 2022	Apr 2024	Riverside Investment & Develop... Riverside Investment & Develop...
2 World Trade Center Den... 4100 Fox St	★★★★☆	600,000	4	Mar 2023	Sep 2024	-
3 Westray Tower 1 6363 Greenwood Plaza Blvd	★★★★★	332,775	17	Nov 2022	Dec 2025	Schnitzer West Front Range Investment Holdings...
4 Steel House 3100 Brighton Blvd	★★★★★	322,860	12	Feb 2023	Dec 2024	Elevation Development Group Elevation Development Group
5 Santa Fe Yards - Buildin... E Mississippi Ave	★★★★☆	250,000	7	Feb 2023	Sep 2025	KDC Real Estate Development &... -
6 T3 Offices 3500 Blake St	★★★★☆	238,726	6	Nov 2021	Mar 2024	3500 Blake Street Owner LLC Hines: 1144 Fifteenth Street
7 Paradigm River North 3400 Walnut St	★★★★★	201,000	8	May 2022	Mar 2024	Jordon Perlmutter & Co. Rockefeller Group

Under Construction Properties

Denver Office

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 The District-Building Three Dry Creek Rd & I-25	★ ★ ★ ★ ★	164,312	4	Mar 2022	Jan 2026	Brue Baukol Capital Partners -
9 The District-Building Four Dry Creek Rd & I-25	★ ★ ★ ★ ★	159,672	4	Mar 2022	Jan 2026	Brue Baukol Capital Partners -
10 201 Fillmore St	★ ★ ★ ★ ★	140,500	8	Nov 2023	Oct 2025	Schnitzer West Schnitzer West
11 SCL Health 12905 W 40th Ave	★ ★ ★ ★ ★	138,000	5	May 2023	Aug 2024	- Intermountain Health Care
12 255 Fillmore St	★ ★ ★ ★ ★	101,214	7	Apr 2022	Mar 2024	- BMC Investments Co, LLC
13 11705 Quantum Pky	★ ★ ★ ★ ★	101,200	4	Jun 2023	May 2024	St. John Properties St. John Properties
14 SCL Health Crossroads... 23750 E 14th Ave	★ ★ ★ ★ ★	83,699	3	Mar 2023	Jun 2024	- -
15 The Beck Venture Center 1717 Washington Ave	★ ★ ★ ★ ★	80,000	4	Feb 2022	Mar 2024	- -
16 3083 Walnut St	★ ★ ★ ★ ★	65,000	4	Jun 2023	Jun 2024	M. A. Mortenson Company -
17 300 N University Blvd	★ ★ ★ ★ ★	59,713	1	Aug 2022	Feb 2024	Elevate Real Estate Services -
18 Fillmore @ Third 320 Fillmore St	★ ★ ★ ★ ★	59,054	4	Oct 2022	Mar 2024	- Midwest Property Group, Ltd.
19 12120 Quantum Pky	★ ★ ★ ★ ★	41,480	1	Sep 2023	May 2024	St. John Properties St. John Properties
20 7114 W Jefferson Ave	★ ★ ★ ★ ★	40,000	3	Jan 2023	May 2024	- -
21 2926 LoHi 2926 Umatilla St	★ ★ ★ ★ ★	25,005	5	Mar 2021	Mar 2024	Generation Development Generation Development
22 10550 Chambers Rd	★ ★ ★ ★ ★	20,000	2	Jan 2023	Apr 2024	- -
23 NEC 112th & Sheridan Bl...	★ ★ ★ ★ ★	20,000	2	Sep 2023	Dec 2024	- -
24 9145 Commerce Center Cir	★ ★ ★ ★ ★	12,471	1	Mar 2023	Mar 2024	- -
25 13557 Huron	★ ★ ★ ★ ★	8,056	1	Nov 2023	May 2024	- -
26 Quincy Dental 21400 E Quincy Ave	★ ★ ★ ★ ★	5,305	2	Nov 2022	Feb 2024	- -
27 12080 Pennsylvania St	★ ★ ★ ★ ★	5,000	1	Jan 2022	Mar 2024	- -

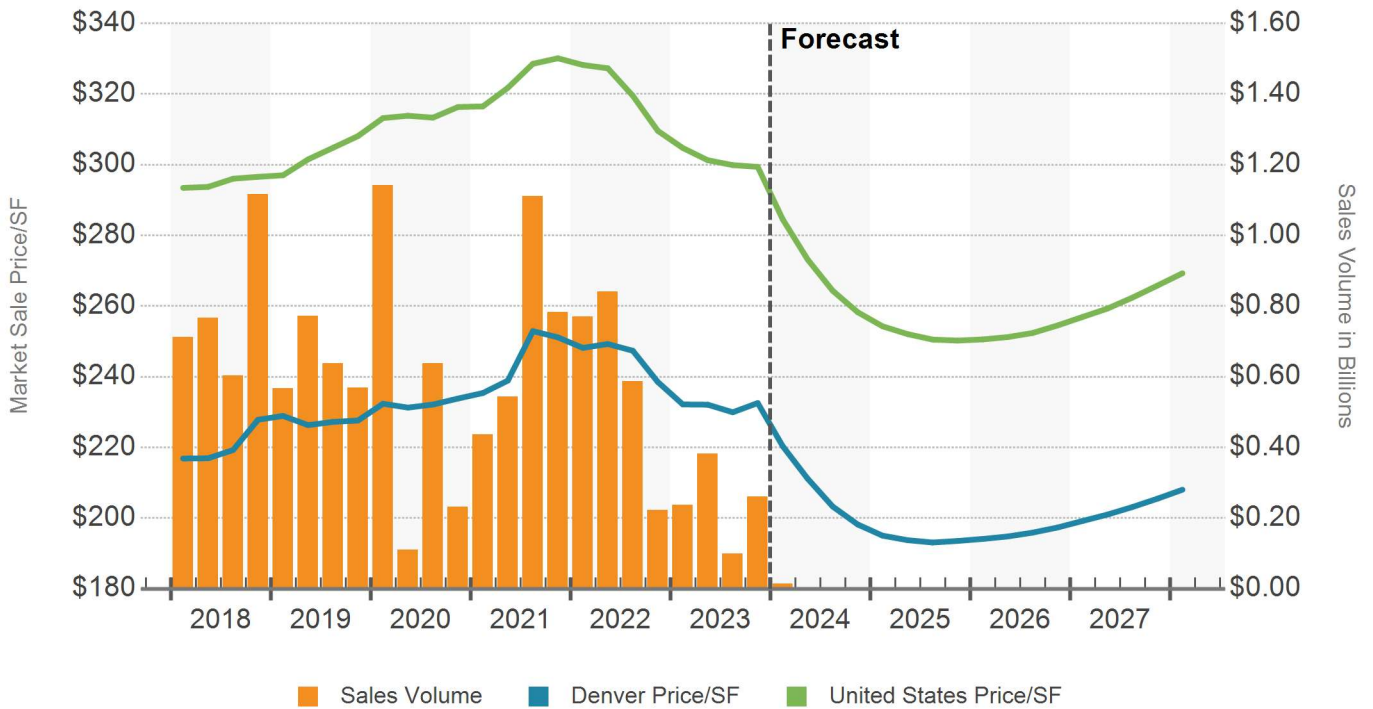
While leasing has improved in the last year, available space continues to climb to record levels as many companies reassess office utilization, which is impacting both investment volumes and asset values. In addition, with inflationary headwinds and an ongoing possibility of a recession, sales activity in Denver will likely remain modest in the near term.

Vacant, value-add assets, once a means for investors to enter the Denver office market without paying sky-high prices, have fallen out of favor as available space continues to climb to record levels and banks tighten

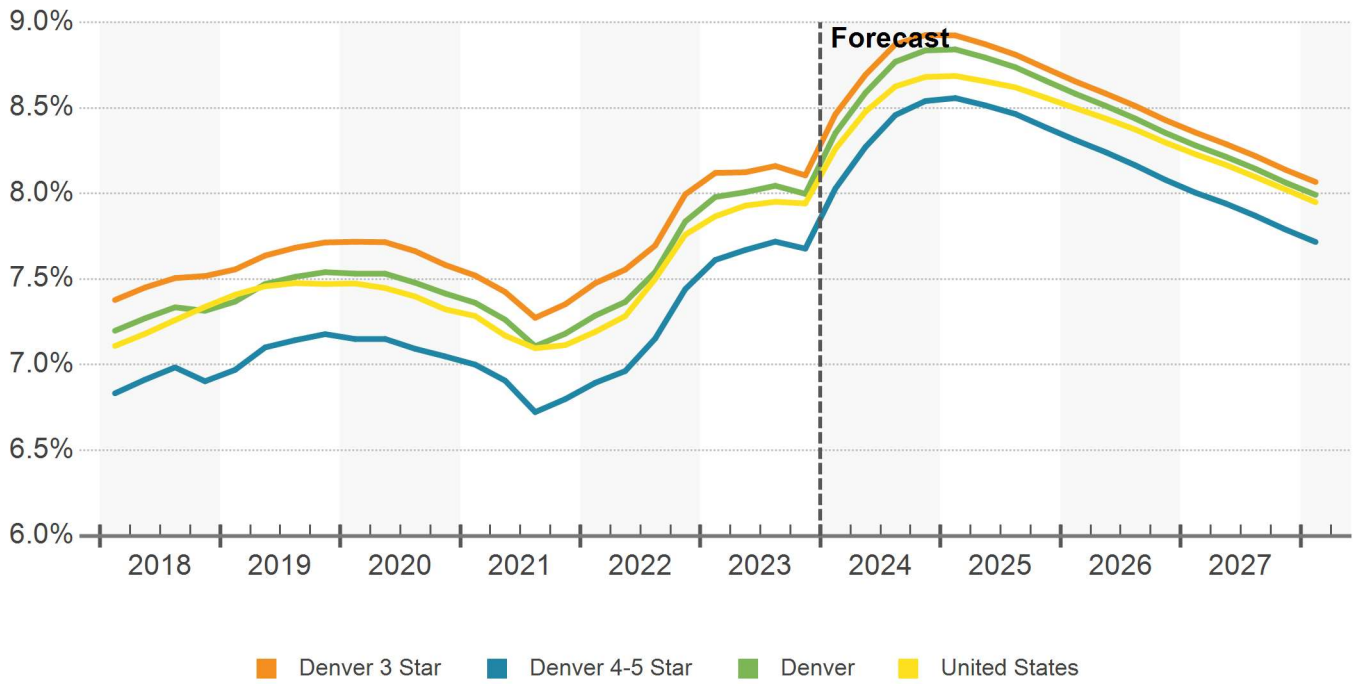
lending standards. Traded properties since the beginning of 2022 averaged a 92% occupancy rate, demonstrating investor appetite for cash-flowing assets.

Cherry Creek, an area that has been filled in with luxury office, apartment, and retail developments, continues to be a bright spot for investment activity. Average pricing in the submarket has reached \$400/SF, compared with the metro benchmark of \$220/SF. Record pricing has been achieved in two recent sales. In July, 240 Saint Paul traded for \$920/SF, and in September 2021, Civica Cherry Creek traded for \$921/SF.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Denver Office

Sale Comparables

259

Avg. Cap Rate

6.6%

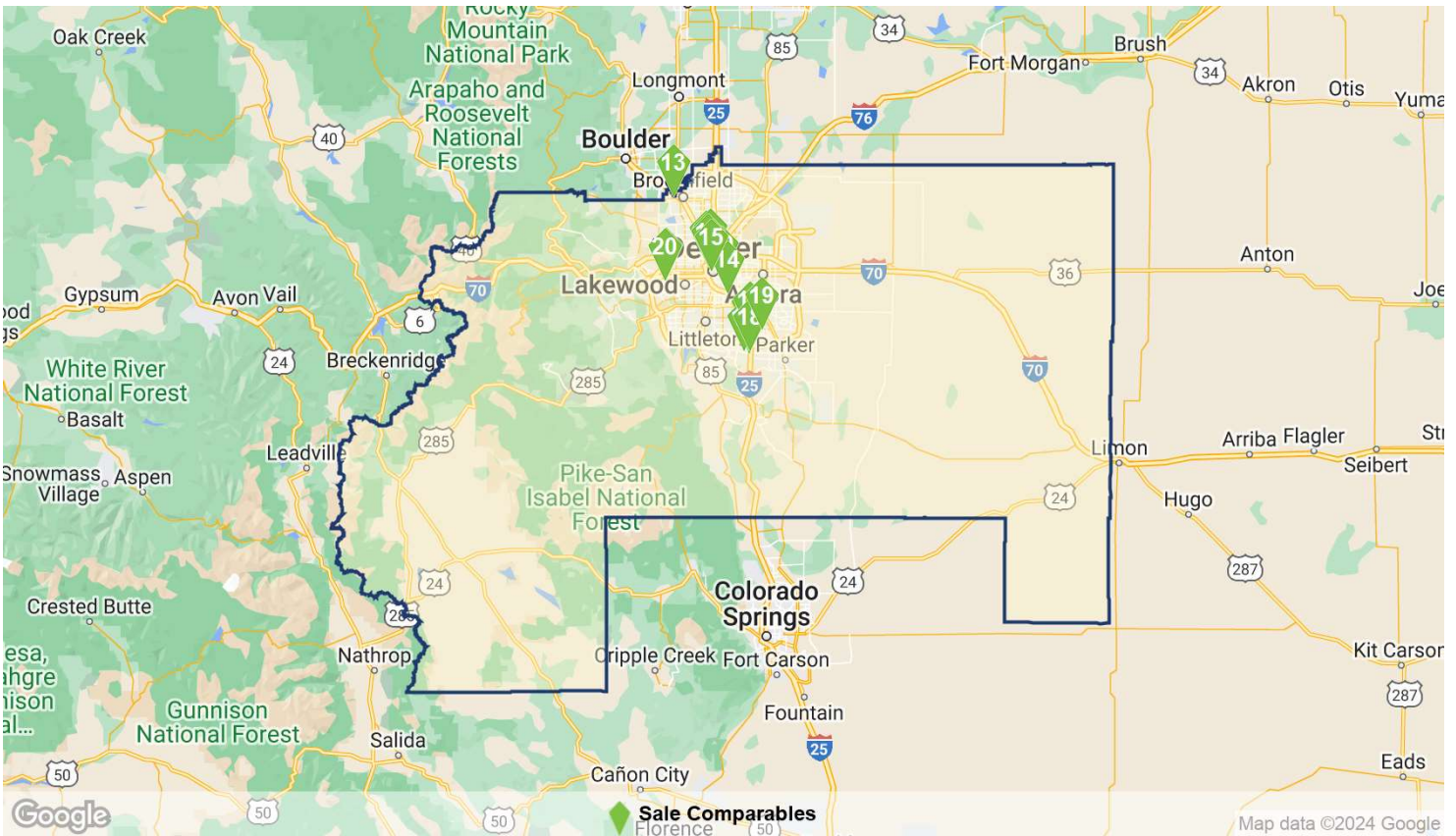
Avg. Price/SF

\$227

Avg. Vacancy At Sale

13.0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$4,130	\$6,476,153	\$1,598,000	\$129,100,000
Price/SF	\$0.08	\$227	\$235	\$4,005
Cap Rate	4.4%	6.6%	6.7%	8.5%
Time Since Sale in Months	0.1	6.3	6.2	12.0
Property Attributes	Low	Average	Median	High
Building SF	816	28,704	8,800	284,808
Stories	1	2	2	18
Typical Floor SF	412	9,521	4,635	63,308
Vacancy Rate At Sale	0%	13.0%	0%	100%
Year Built	1880	1967	1975	2024
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.4	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Denver Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Riverview at 1700 Platte 1700 Platte St	★★★★★	2018	202,536	0%	12/13/2023	\$129,100,000	\$637	-
2 Kiewit Regional HQ - Ph... 10055 Trainstation Cir	★★★★★	2021	260,121	0%	6/6/2023	\$121,380,741	\$467	-
3 Kiewit Regional HQ - Ph... 10055 Trainstation Cir	★★★★★	2022	181,687	0%	6/6/2023	\$83,823,659	\$461	-
4 Union Tower West 1801 Wewatta St	★★★★★	2015	284,808	0.6%	2/3/2023	\$54,000,000	\$190	-
5 2401 E 2nd Ave 2401 E 2nd Ave	★★★★★	1965	65,217	0%	3/16/2023	\$31,307,215	\$480	-
6 Junction 23 2323 Delgany St	★★★★★	1975	86,127	0%	7/7/2023	\$26,350,000	\$306	-
7 Dry Creek Medical Campus 145 Inverness Dr E	★★★★★	2019	54,000	0%	4/12/2023	\$25,000,000	\$463	-
8 143 Union 143 Union Blvd	★★★★★	1981	214,839	26.9%	2/24/2023	\$24,900,000	\$116	-
9 Park Ridge 6 10350 Park Meadows Dr	★★★★★	2001	161,218	21.8%	12/29/2023	\$23,000,000	\$143	-
10 201 Columbine St 201 Columbine St	★★★★★	2002	39,580	17.7%	3/16/2023	\$19,374,782	\$490	-
11 Wynkoop Row 1430 Wynkoop St	★★★★★	1900	44,045	0%	5/23/2023	\$18,100,000	\$411	-
12 161 Inverness Dr W	★★★★★	1997	255,132	100%	11/21/2023	\$16,500,000	\$65	-
13 335 Interlocken Pky	★★★★★	1997	72,861	100%	3/31/2023	\$14,200,000	\$195	-
14 Centerra @ Colorado Sta... 1873 S Bellaire St	★★★★★	1981	204,182	28.4%	12/28/2023	\$14,000,000	\$69	-
15 Bannock Center 1321 Bannock St	★★★★★	1952	8,528	100%	11/8/2023	\$13,400,000	\$1,571	-
16 Renewal Medical Center 9777 S Yosemite St	★★★★★	1987	38,560	0%	4/21/2023	\$13,035,000	\$338	-
17 Dry Creek Ambulatory S... 135 Inverness Dr E	★★★★★	2000	20,046	0%	4/12/2023	\$12,000,000	\$599	-
18 Pyramid Pointe 9777 Pyramid Ct	★★★★★	1996	120,449	22.1%	6/30/2023	\$9,997,300	\$83	-
19 6782 S Potomac St	★★★★★	2002	63,308	0%	12/15/2023	\$9,800,000	\$155	-
20 Union Terrace Building 12596 W Bayaud Ave	★★★★★	1982	84,145	13.1%	1/2/2024	\$8,675,000	\$103	8.0%

The metro Denver region encompasses seven counties along the Front Range of Colorado and has a population nearing 3 million. The region's population has grown by 11.5% over the past decade, compared to the national benchmark of 5.5%. The region is expected to grow at a slower but steady pace over the next 10 years.

Denver's highly educated workforce, a globally connected airport, and low-tax environment have made the metro a hub for job creation. The region is home to 10 Fortune 500 Companies, including Arrow Electronics, DISH Network, and DaVita.

The Denver market recovered all jobs lost due to the pandemic by July 2021. The most recent data shows that 7,200 jobs were added in the past year, a 0.4% increase in employment. The unemployment rate of 3.4%

continues to trend below the national average. The slowdown in job growth could be a symptom of worker shortage rather than softening demand for workers.

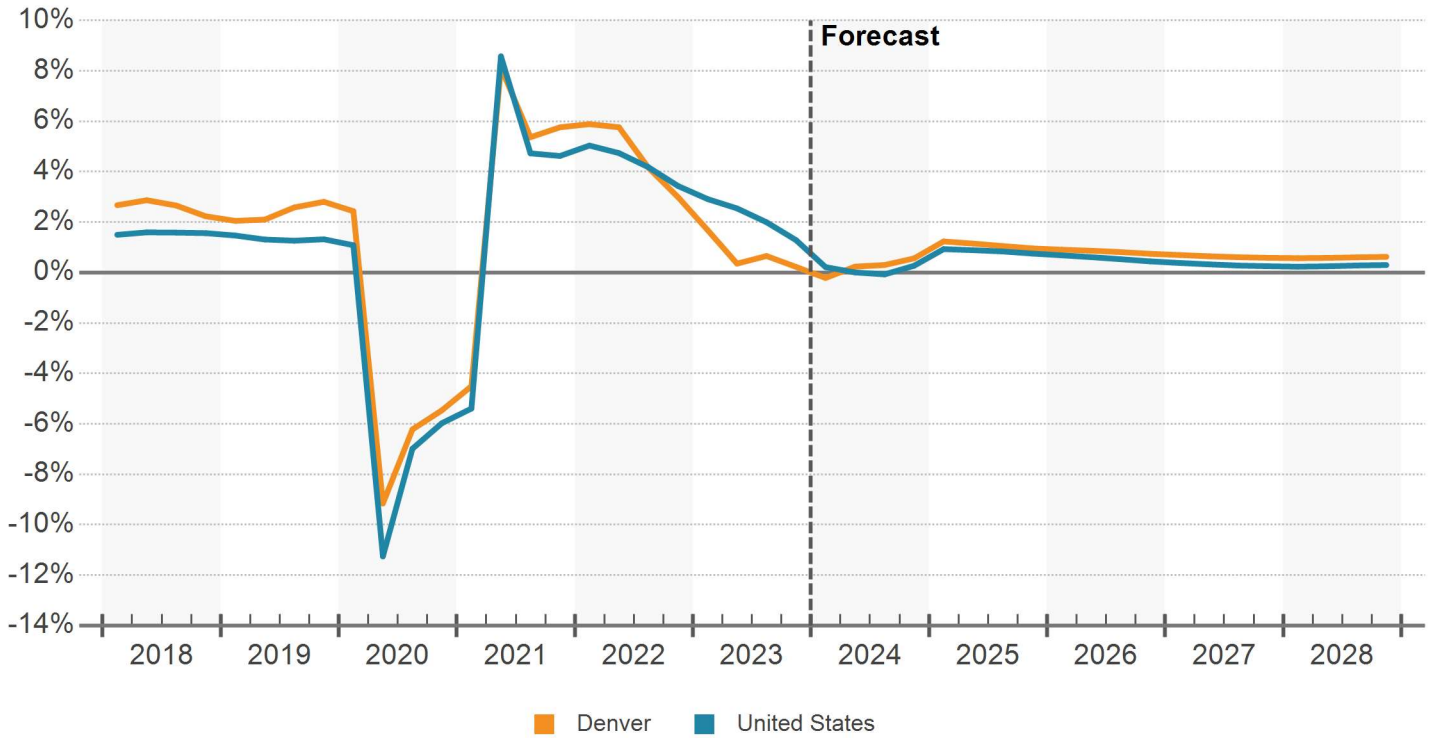
Denver has a high concentration of tech jobs, most of which are in the information sector which makes up 11% of Denver's total employment. According to Metro Denver Economic Development Corporation, the region has the fifth-highest employment concentration in the nation and was the fastest growing cluster in the region between 2016 and 2021, rising 49.2%. This sector also saw the greatest job losses over the past year as tech companies scaled back operations in the current high interest rate environment. The high concentration of tech in Denver has made the city one of the more flexible-friendly economies, which is further complicating the office market outlook.

DENVER EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	72	0.5	0.49%	-0.25%	1.24%	0.69%	0.42%	0.12%
Trade, Transportation and Utilities	283	1.0	-2.35%	-0.04%	1.42%	1.04%	0.19%	0.17%
Retail Trade	134	0.8	-1.64%	0.23%	0.33%	0.22%	0.16%	0.13%
Financial Activities	112	1.2	-3.60%	0.36%	1.53%	1.44%	0.35%	0.18%
Government	212	0.9	1.70%	1.24%	1.53%	0.36%	1.00%	0.43%
Natural Resources, Mining and Construction	113	1.3	0.73%	1.13%	2.88%	2.30%	0.70%	0.30%
Education and Health Services	195	0.7	0.05%	2.66%	1.86%	1.85%	0.91%	0.69%
Professional and Business Services	315	1.3	0.26%	0.52%	2.90%	1.98%	0.98%	0.54%
Information	52	1.7	-3.91%	-2.57%	1.54%	1.09%	0.38%	0.35%
Leisure and Hospitality	177	1.0	3.69%	2.57%	2.08%	1.47%	1.06%	0.83%
Other Services	69	1.2	4.56%	1.35%	2.96%	0.61%	0.75%	0.30%
Total Employment	1,601	1.0	0.11%	1.01%	2.01%	1.29%	0.72%	0.43%

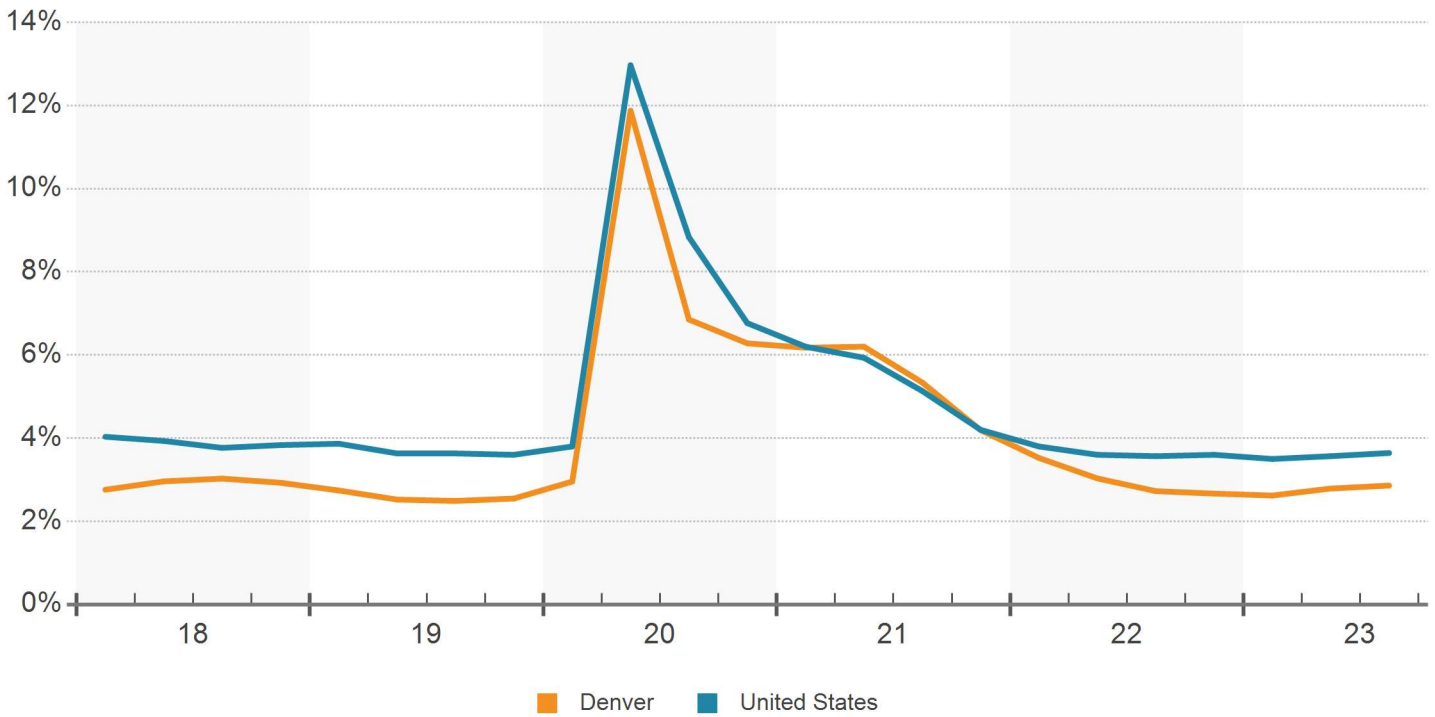
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

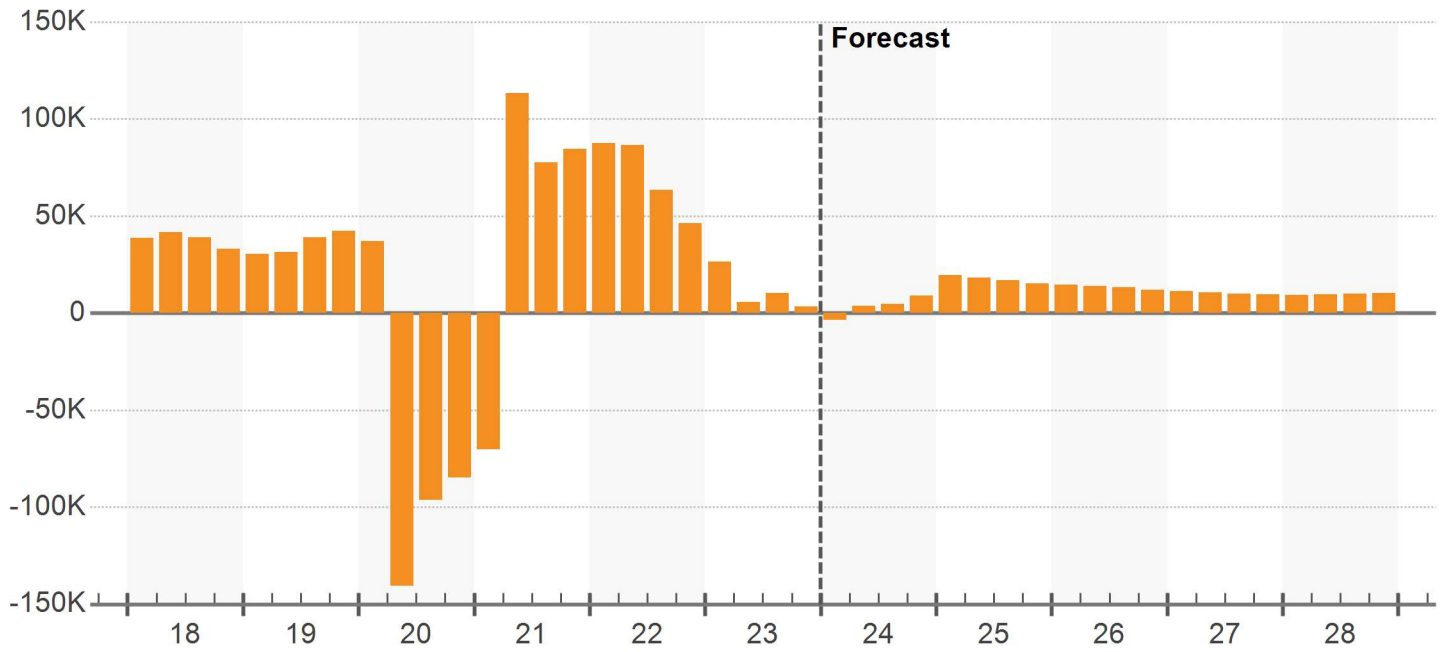


Source: Oxford Economics

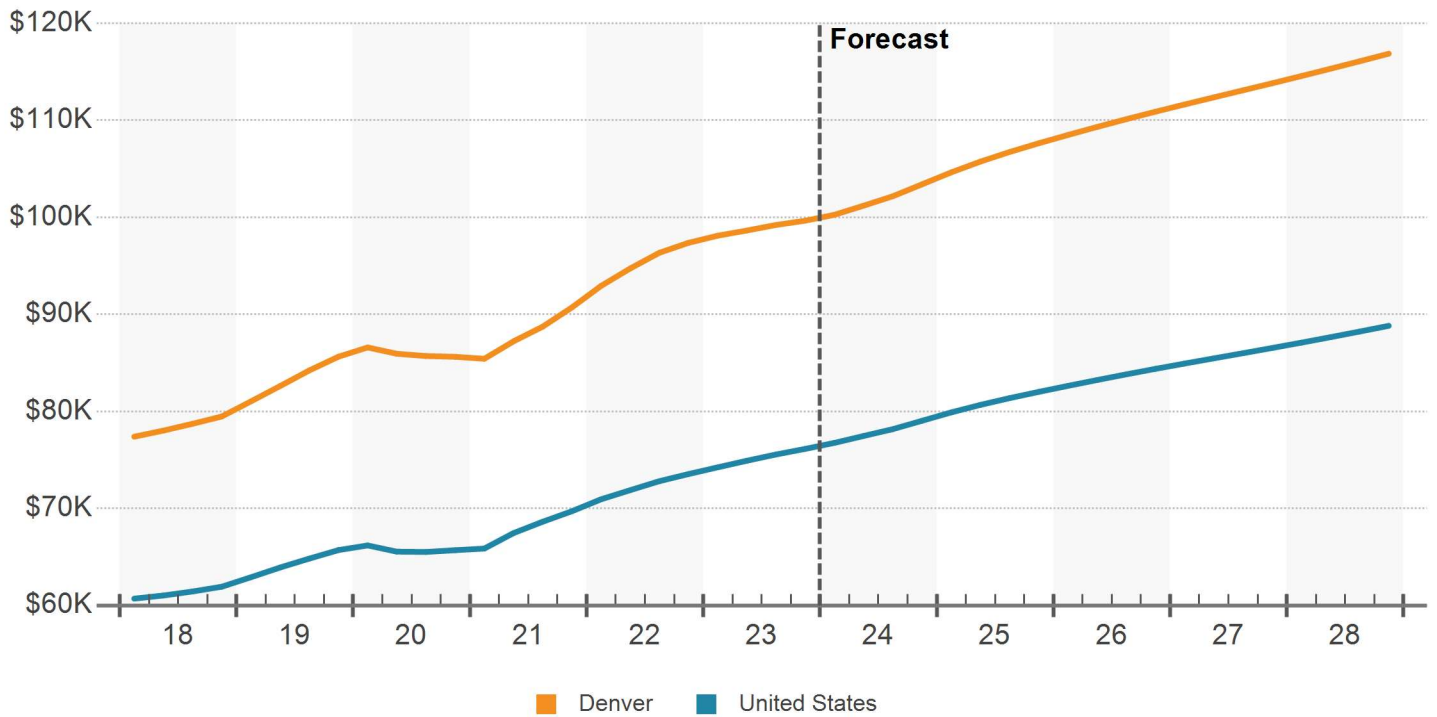
UNEMPLOYMENT RATE (%)



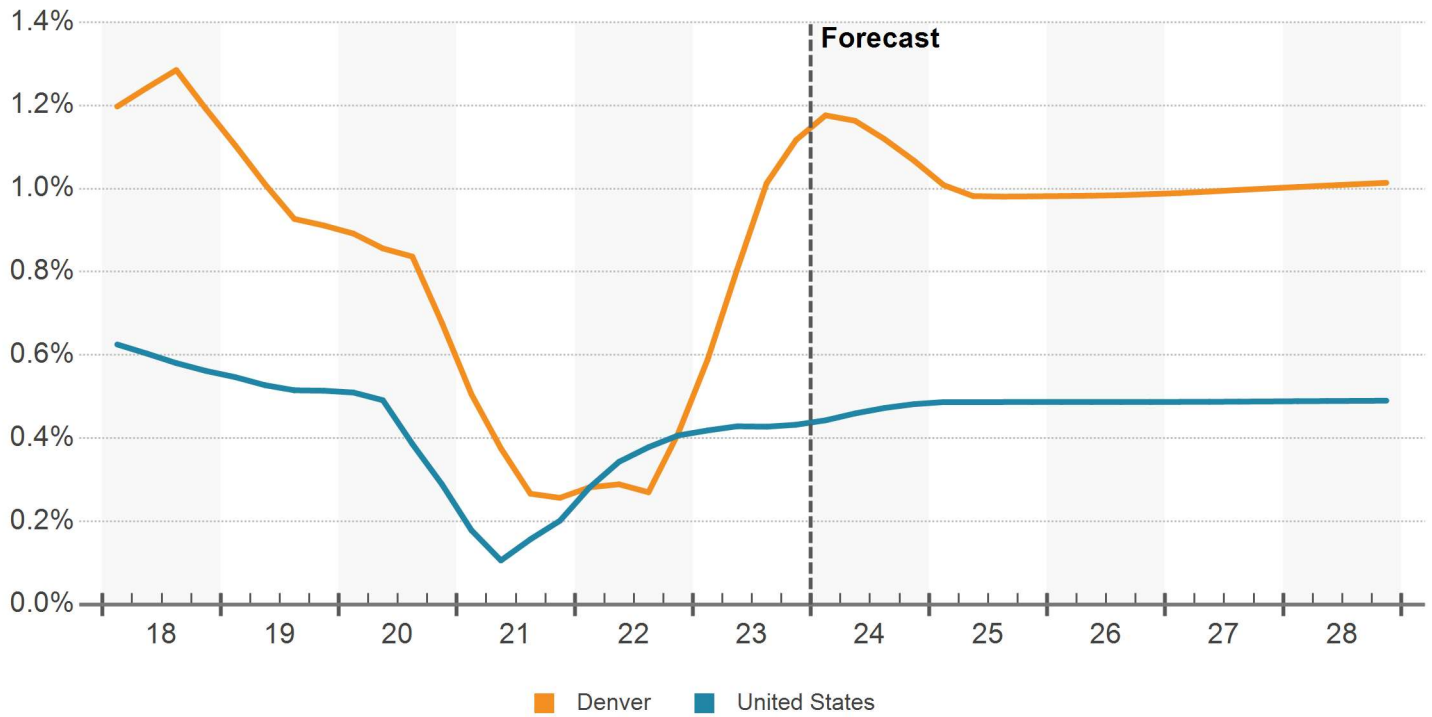
NET EMPLOYMENT CHANGE (YOY)



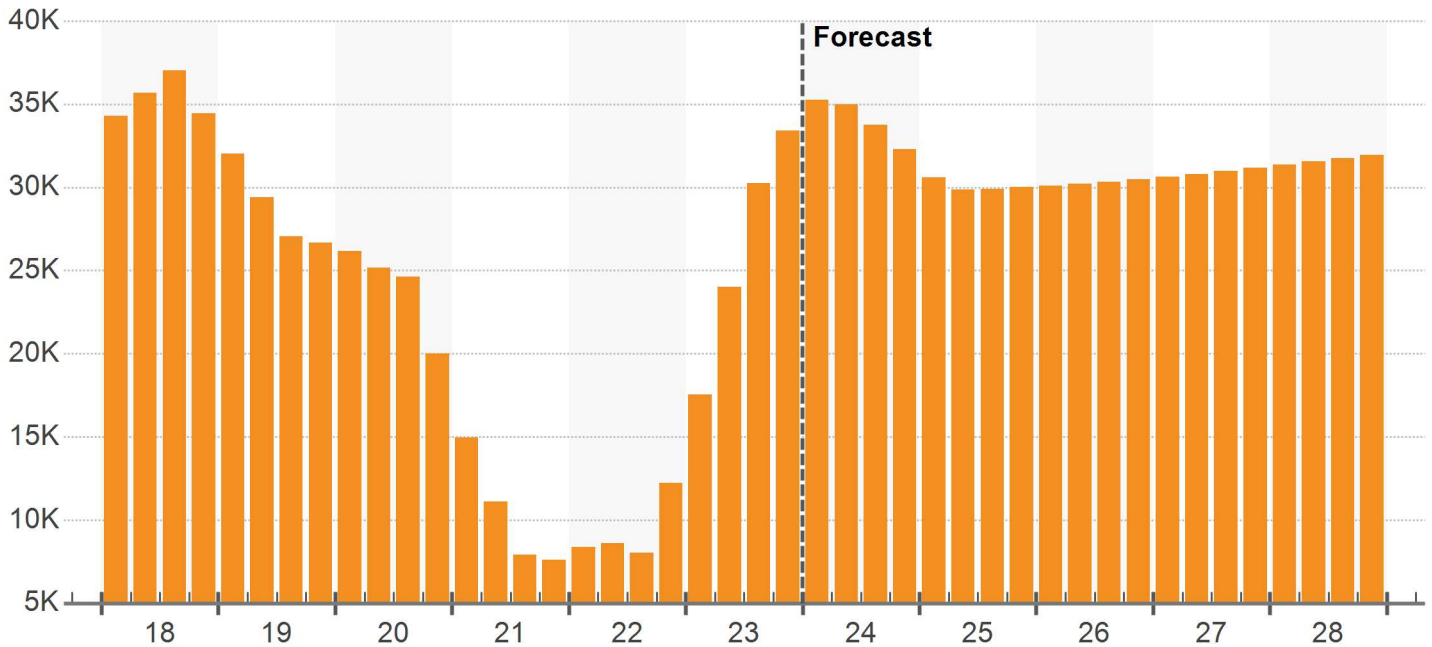
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

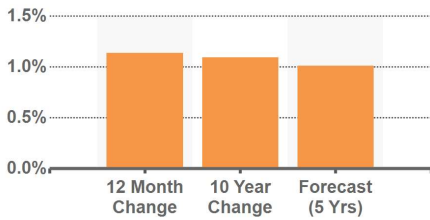


DEMOGRAPHIC TRENDS

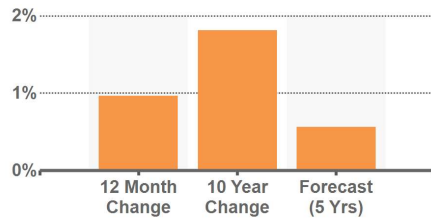
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	3,027,521	335,203,250	1.1%	0.4%	1.1%	0.5%	1.0%	0.5%
Households	1,248,528	130,881,828	1.3%	0.6%	1.7%	0.9%	1.1%	0.6%
Median Household Income	\$99,812	\$76,301	2.3%	3.5%	4.7%	3.8%	3.2%	3.1%
Labor Force	1,746,371	167,604,219	1.0%	1.5%	1.8%	0.8%	0.6%	0.2%
Unemployment	2.9%	3.6%	0.2%	0.1%	-0.3%	-0.3%	-	-

Source: Oxford Economics

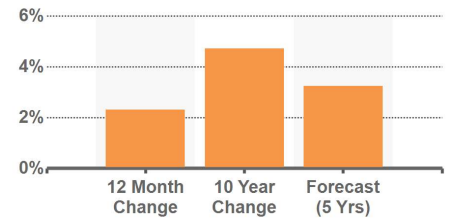
POPULATION GROWTH



LABOR FORCE GROWTH



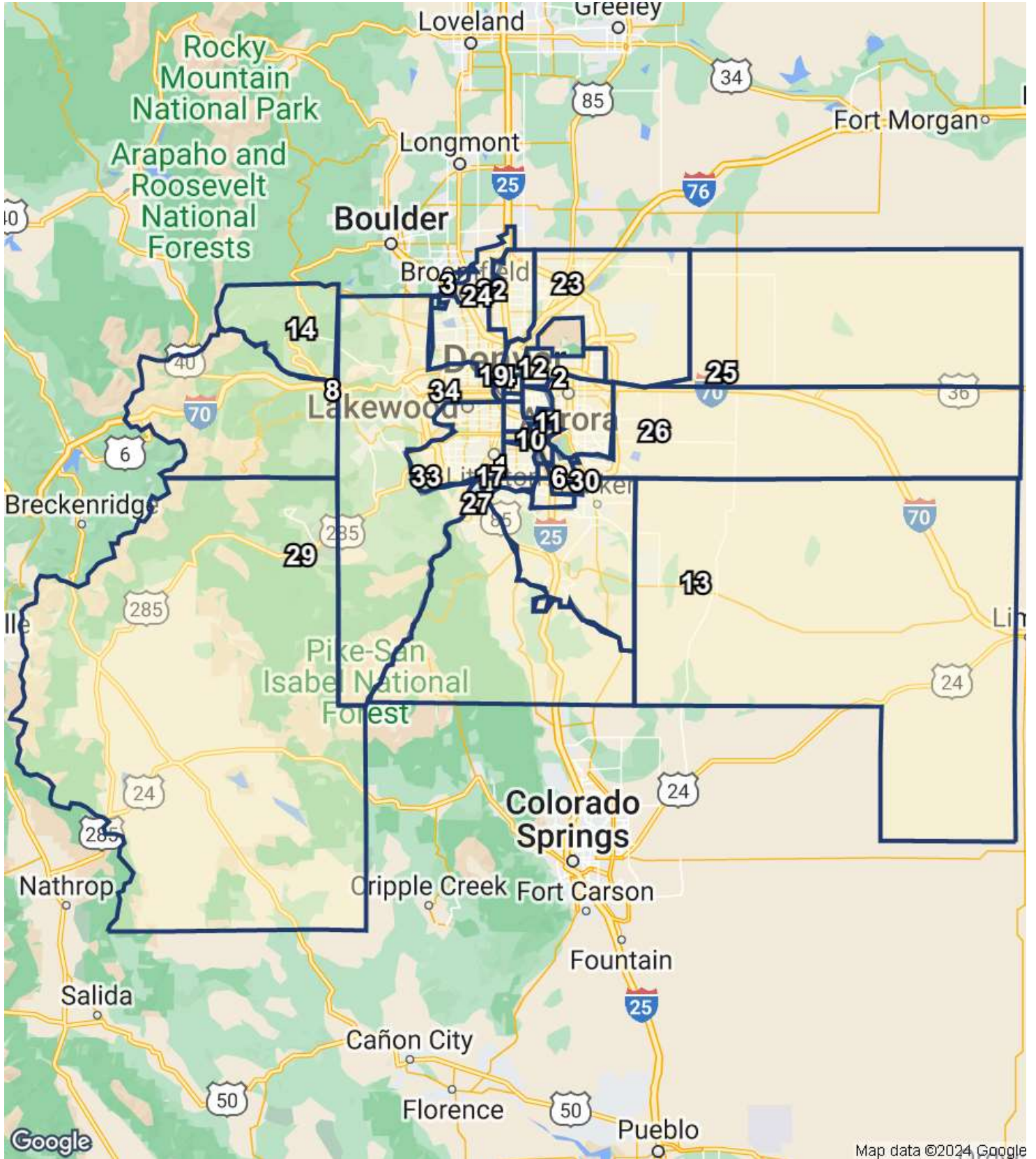
INCOME GROWTH



Source: Oxford Economics

Submarkets

DENVER SUBMARKETS



Submarkets

Denver Office

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Arapahoe Rd	80	1,832	1.0%	27	1	4	0.2%	8	0	-	-	-
2	Aurora	315	9,492	5.1%	6	2	15	0.2%	5	2	89	0.9%	10
3	Broomfield County	145	7,255	3.9%	9	0	0	0%	-	2	143	2.0%	9
4	Capitol Hill	454	6,326	3.4%	10	0	0	0%	-	0	-	-	-
5	CBD	130	28,840	15.6%	1	0	0	0%	-	1	720	2.5%	2
6	Centennial	87	3,395	1.8%	22	1	10	0.3%	6	0	-	-	-
7	Cherry Creek	134	3,660	2.0%	20	1	77	2.1%	3	4	360	9.9%	4
8	Clear Creek County	15	133	0.1%	29	0	0	0%	-	0	-	-	-
9	Colorado Blvd/I-25	256	5,560	3.0%	14	0	0	0%	-	0	-	-	-
10	Denver Tech Center	109	12,545	6.8%	3	0	0	0%	-	0	-	-	-
11	East Hampden	136	3,685	2.0%	19	0	0	0%	-	0	-	-	-
12	East I-70/Montbello	94	3,157	1.7%	23	2	114	3.6%	2	0	-	-	-
13	Elbert County	22	57	0%	32	0	0	0%	-	0	-	-	-
14	Gilpin County	5	25	0%	33	0	0	0%	-	0	-	-	-
15	Glendale	122	5,591	3.0%	13	1	2	0%	9	0	-	-	-
16	Greenwood Village	142	10,110	5.5%	5	0	0	0%	-	1	333	3.3%	5
17	Highlands Ranch	45	2,251	1.2%	25	1	9	0.4%	7	1	12	0.6%	14
18	Inverness	111	6,127	3.3%	11	0	0	0%	-	0	-	-	-
19	LoDo	173	9,257	5.0%	7	0	0	0%	-	1	65	0.7%	11
20	Lone Tree	71	3,766	2.0%	18	0	0	0%	-	0	-	-	-
21	Meridian	38	3,480	1.9%	21	0	0	0%	-	0	-	-	-
22	North Denver	185	5,102	2.8%	15	0	0	0%	-	2	13	0.3%	13
23	Northeast Denver	182	2,097	1.1%	26	0	0	0%	-	1	20	1.0%	12
24	Northwest Denver	510	7,442	4.0%	8	0	0	0%	-	3	645	8.7%	3
25	Outlying Adams County	6	17	0%	34	0	0	0%	-	0	-	-	-
26	Outlying Arapahoe County	14	262	0.1%	28	0	0	0%	-	0	-	-	-
27	Outlying Douglas County	23	132	0.1%	30	0	0	0%	-	0	-	-	-
28	Panorama/Highland Park	63	3,964	2.1%	16	0	0	0%	-	2	324	8.2%	6
29	Park County	19	60	0%	31	0	0	0%	-	0	-	-	-
30	Parker/Castle Rock	195	2,529	1.4%	24	0	0	0%	-	0	-	-	-
31	Platte River	121	5,953	3.2%	12	1	238	4.0%	1	3	763	12.8%	1
32	South Midtown	256	3,780	2.0%	17	0	0	0%	-	0	-	-	-
33	Southwest Denver	598	10,474	5.7%	4	3	28	0.3%	4	2	290	2.8%	7
34	West Denver	785	16,382	8.9%	2	0	0	0%	-	2	218	1.3%	8

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Arapahoe Rd	\$24.53	26	2.7%	1	5.1%	18
2	Aurora	\$23.37	27	1.8%	21	5.4%	16
3	Broomfield County	\$29.84	8	1.8%	22	7.5%	7
4	Capitol Hill	\$27.50	15	2.0%	13	3.5%	26
5	CBD	\$34.55	4	0.9%	34	6.0%	14
6	Centennial	\$24.81	25	2.5%	4	8.2%	5
7	Cherry Creek	\$40.34	3	2.5%	3	9.2%	2
8	Clear Creek County	\$25.11	23	2.0%	15	2.2%	28
9	Colorado Blvd/I-25	\$27.13	17	1.0%	32	3.2%	27
10	Denver Tech Center	\$29.90	7	1.5%	28	6.2%	13
11	East Hampden	\$21.12	34	1.3%	30	1.9%	29
12	East I-70/Montbello	\$25.92	20	1.7%	25	6.4%	12
13	Elbert County	\$21.38	33	2.0%	17	-7.2%	32
14	Gilpin County	\$22.74	31	2.0%	14	-9.7%	33
15	Glendale	\$27.15	16	1.6%	27	4.8%	21
16	Greenwood Village	\$28.57	11	1.9%	20	5.1%	19
17	Highlands Ranch	\$27.85	13	1.7%	24	9.5%	1
18	Inverness	\$25.98	19	2.2%	7	6.6%	11
19	LoDo	\$40.47	2	1.0%	31	5.1%	17
20	Lone Tree	\$30.52	6	2.0%	12	8.5%	3
21	Meridian	\$27.85	14	1.4%	29	6.9%	10
22	North Denver	\$25.64	21	2.0%	19	7.0%	9
23	Northeast Denver	\$23.25	29	2.2%	9	1.4%	30
24	Northwest Denver	\$25.24	22	2.2%	11	5.1%	20
25	Outlying Adams County	\$21.65	32	2.0%	18	-10.7%	34
26	Outlying Arapahoe County	\$29.15	10	2.2%	6	8.5%	4
27	Outlying Douglas County	\$26.58	18	2.0%	16	4.0%	25
28	Panorama/Highland Park	\$27.97	12	1.7%	23	5.9%	15
29	Park County	\$23.28	28	2.2%	10	-1.8%	31
30	Parker/Castle Rock	\$32.54	5	2.3%	5	7.9%	6
31	Platte River	\$42.98	1	0.9%	33	4.7%	22
32	South Midtown	\$29.58	9	2.2%	8	7.2%	8
33	Southwest Denver	\$22.85	30	2.6%	2	4.7%	23
34	West Denver	\$24.96	24	1.6%	26	4.5%	24

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Arapahoe Rd	174,937	9.5%	13	2,066	0.1%	10	-
2	Aurora	896,980	9.4%	11	92,220	1.0%	3	0.1
3	Broomfield County	1,071,991	14.8%	18	36,827	0.5%	6	-
4	Capitol Hill	641,945	10.1%	14	57,148	0.9%	4	-
5	CBD	8,378,645	29.1%	30	(1,108,795)	-3.8%	34	-
6	Centennial	736,997	21.7%	28	(126,741)	-3.7%	28	-
7	Cherry Creek	220,724	6.0%	4	92,884	2.5%	2	0.8
8	Clear Creek County	1,200	0.9%	1	0	0%	-	-
9	Colorado Blvd/I-25	912,067	16.4%	20	(213,939)	-3.8%	30	-
10	Denver Tech Center	2,216,716	17.7%	21	(314,765)	-2.5%	32	-
11	East Hampden	499,146	13.5%	17	(3,291)	-0.1%	17	-
12	East I-70/Montbello	295,525	9.4%	10	(30,607)	-1.0%	23	-
13	Elbert County	-	-	-	1,992	3.5%	11	-
14	Gilpin County	-	-	-	0	0%	-	-
15	Glendale	1,054,192	18.9%	24	(54,592)	-1.0%	24	-
16	Greenwood Village	2,173,738	21.5%	27	(98,738)	-1.0%	26	-
17	Highlands Ranch	475,807	21.1%	26	(102,557)	-4.6%	27	-
18	Inverness	1,221,084	19.9%	25	17,476	0.3%	8	-
19	LoDo	1,433,546	15.5%	19	(323,414)	-3.5%	33	-
20	Lone Tree	358,303	9.5%	12	(65,127)	-1.7%	25	-
21	Meridian	629,200	18.1%	22	33,401	1.0%	7	-
22	North Denver	470,163	9.2%	9	(19,710)	-0.4%	21	-
23	Northeast Denver	42,693	2.0%	2	1,856	0.1%	13	-
24	Northwest Denver	952,481	12.8%	16	(267,269)	-3.6%	31	-
25	Outlying Adams County	-	-	-	0	0%	-	-
26	Outlying Arapahoe County	95,389	36.5%	31	(23,970)	-9.2%	22	-
27	Outlying Douglas County	11,305	8.6%	8	(6,555)	-5.0%	19	-
28	Panorama/Highland Park	720,013	18.2%	23	56,488	1.4%	5	-
29	Park County	4,260	7.1%	6	(3,436)	-5.7%	18	-
30	Parker/Castle Rock	152,741	6.0%	5	1,968	0.1%	12	-
31	Platte River	1,371,003	23.0%	29	12,978	0.2%	9	18.3
32	South Midtown	223,844	5.9%	3	(11,509)	-0.3%	20	-
33	Southwest Denver	765,162	7.3%	7	155,962	1.5%	1	0.2
34	West Denver	1,877,662	11.5%	15	(143,592)	-0.9%	29	-

Supply & Demand Trends

Denver Office

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	188,204,733	181,653	0.1%	507,753	0.3%	0.4
2027	188,023,080	44,250	0%	174,698	0.1%	0.3
2026	187,978,830	445,931	0.2%	(870,538)	-0.5%	-
2025	187,532,899	418,962	0.2%	(1,516,710)	-0.8%	-
2024	187,113,937	2,377,720	1.3%	(2,973,312)	-1.6%	-
YTD	184,738,417	2,200	0%	(212,877)	-0.1%	-
2023	184,736,217	435,596	0.2%	(2,418,724)	-1.3%	-
2022	184,300,621	599,391	0.3%	(236,392)	-0.1%	-
2021	183,701,230	1,622,382	0.9%	(1,999,055)	-1.1%	-
2020	182,078,848	1,595,943	0.9%	(3,506,387)	-1.9%	-
2019	180,482,905	1,129,749	0.6%	1,895,038	1.0%	0.6
2018	179,353,156	3,608,402	2.1%	3,148,954	1.8%	1.1
2017	175,744,754	2,226,667	1.3%	1,547,536	0.9%	1.4
2016	173,518,087	1,046,718	0.6%	1,275,044	0.7%	0.8
2015	172,471,369	2,060,743	1.2%	3,086,416	1.8%	0.7
2014	170,410,626	717,355	0.4%	1,840,667	1.1%	0.4
2013	169,693,271	752,819	0.4%	1,849,052	1.1%	0.4
2012	168,940,452	544,160	0.3%	776,329	0.5%	0.7

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	84,944,046	497,579	0.6%	477,418	0.6%	1.0
2027	84,446,467	359,780	0.4%	284,829	0.3%	1.3
2026	84,086,687	761,111	0.9%	78,374	0.1%	9.7
2025	83,325,576	713,360	0.9%	(95,191)	-0.1%	-
2024	82,612,216	2,334,389	2.9%	(319,237)	-0.4%	-
YTD	80,277,827	0	0%	(140,104)	-0.2%	-
2023	80,277,827	435,036	0.5%	(1,481,324)	-1.8%	-
2022	79,842,791	659,671	0.8%	(284,854)	-0.4%	-
2021	79,183,120	1,626,317	2.1%	(1,379,965)	-1.7%	-
2020	77,556,803	1,542,332	2.0%	(1,717,548)	-2.2%	-
2019	76,014,471	1,031,061	1.4%	1,903,515	2.5%	0.5
2018	74,983,410	3,692,325	5.2%	3,436,844	4.6%	1.1
2017	71,291,085	1,998,843	2.9%	625,861	0.9%	3.2
2016	69,292,242	736,265	1.1%	390,410	0.6%	1.9
2015	68,555,977	1,726,142	2.6%	1,674,822	2.4%	1.0
2014	66,829,835	901,625	1.4%	1,069,669	1.6%	0.8
2013	65,928,210	927,169	1.4%	1,639,162	2.5%	0.6
2012	65,001,041	563,907	0.9%	291,732	0.4%	1.9

Supply & Demand Trends

Denver Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	73,799,497	0	0%	194,452	0.3%	0
2027	73,799,497	0	0%	92,856	0.1%	0
2026	73,799,497	0	0%	(490,050)	-0.7%	-
2025	73,799,497	20,000	0%	(800,749)	-1.1%	-
2024	73,779,497	265,229	0.4%	(1,650,951)	-2.2%	-
YTD	73,514,268	0	0%	(24,418)	0%	-
2023	73,514,268	38,989	0.1%	(787,806)	-1.1%	-
2022	73,475,279	78,370	0.1%	6,498	0%	12.1
2021	73,396,909	69,015	0.1%	(704,367)	-1.0%	-
2020	73,327,894	201,993	0.3%	(1,308,543)	-1.8%	-
2019	73,125,901	180,385	0.2%	336,575	0.5%	0.5
2018	72,945,516	39,042	0.1%	(234,242)	-0.3%	-
2017	72,906,474	333,220	0.5%	754,849	1.0%	0.4
2016	72,573,254	406,775	0.6%	818,740	1.1%	0.5
2015	72,166,479	649,102	0.9%	909,721	1.3%	0.7
2014	71,517,377	(48,479)	-0.1%	601,304	0.8%	-
2013	71,565,856	(19,546)	0%	391,528	0.5%	-
2012	71,585,402	117,056	0.2%	283,379	0.4%	0.4

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	29,461,190	(315,926)	-1.1%	(164,117)	-0.6%	-
2027	29,777,116	(315,530)	-1.0%	(202,987)	-0.7%	-
2026	30,092,646	(315,180)	-1.0%	(458,862)	-1.5%	-
2025	30,407,826	(314,398)	-1.0%	(620,770)	-2.0%	-
2024	30,722,224	(221,898)	-0.7%	(1,003,124)	-3.3%	-
YTD	30,946,322	2,200	0%	(48,355)	-0.2%	-
2023	30,944,122	(38,429)	-0.1%	(149,594)	-0.5%	-
2022	30,982,551	(138,650)	-0.4%	41,964	0.1%	-
2021	31,121,201	(72,950)	-0.2%	85,277	0.3%	-
2020	31,194,151	(148,382)	-0.5%	(480,296)	-1.5%	-
2019	31,342,533	(81,697)	-0.3%	(345,052)	-1.1%	-
2018	31,424,230	(122,965)	-0.4%	(53,648)	-0.2%	-
2017	31,547,195	(105,396)	-0.3%	166,826	0.5%	-
2016	31,652,591	(96,322)	-0.3%	65,894	0.2%	-
2015	31,748,913	(314,501)	-1.0%	501,873	1.6%	-
2014	32,063,414	(135,791)	-0.4%	169,694	0.5%	-
2013	32,199,205	(154,804)	-0.5%	(181,638)	-0.6%	-
2012	32,354,009	(136,803)	-0.4%	201,218	0.6%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$27.79	121	1.0%	-5.1%	38,037,375	20.2%	-0.2%
2027	\$27.50	120	0.5%	-6.0%	38,357,812	20.4%	-0.1%
2026	\$27.36	119	-0.7%	-6.5%	38,482,793	20.5%	0.7%
2025	\$27.54	120	-2.5%	-5.9%	37,160,997	19.8%	1.0%
2024	\$28.25	123	-3.5%	-3.5%	35,219,492	18.8%	2.7%
YTD	\$29.37	128	1.6%	0.4%	30,079,459	16.3%	0.1%
2023	\$29.27	128	1.3%	0%	29,864,082	16.2%	1.5%
2022	\$28.90	126	0.5%	-1.3%	27,009,762	14.7%	0.4%
2021	\$28.76	125	1.0%	-1.7%	26,173,979	14.2%	1.9%
2020	\$28.48	124	0.2%	-2.7%	22,552,542	12.4%	2.7%
2019	\$28.43	124	3.8%	-2.8%	17,444,212	9.7%	-0.5%
2018	\$27.39	119	4.2%	-6.4%	18,215,367	10.2%	0%
2017	\$26.29	115	3.8%	-10.2%	17,840,246	10.2%	0.3%
2016	\$25.33	110	1.3%	-13.5%	17,161,115	9.9%	-0.2%
2015	\$25.01	109	4.5%	-14.6%	17,454,070	10.1%	-0.7%
2014	\$23.93	104	5.8%	-18.2%	18,479,096	10.8%	-0.7%
2013	\$22.63	99	4.9%	-22.7%	19,604,590	11.6%	-0.7%
2012	\$21.58	94	4.8%	-26.3%	20,700,823	12.3%	-0.2%

4 & 5 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$31.76	114	0.8%	-6.1%	21,606,183	25.4%	-0.1%
2027	\$31.51	113	0.2%	-6.8%	21,586,883	25.6%	0%
2026	\$31.44	113	-0.9%	-7.0%	21,512,781	25.6%	0.6%
2025	\$31.72	114	-2.7%	-6.2%	20,830,670	25.0%	0.8%
2024	\$32.60	117	-3.6%	-3.6%	20,022,119	24.2%	2.6%
YTD	\$33.95	122	1.2%	0.4%	17,508,569	21.8%	0.2%
2023	\$33.82	121	0.8%	0%	17,368,465	21.6%	2.3%
2022	\$33.55	121	-0.3%	-0.8%	15,452,105	19.4%	1.0%
2021	\$33.64	121	0.1%	-0.5%	14,507,580	18.3%	3.5%
2020	\$33.61	121	0.2%	-0.6%	11,501,298	14.8%	4.0%
2019	\$33.54	121	5.0%	-0.8%	8,241,418	10.8%	-1.3%
2018	\$31.94	115	4.5%	-5.5%	9,113,738	12.2%	-0.4%
2017	\$30.56	110	2.9%	-9.6%	8,924,391	12.5%	1.6%
2016	\$29.69	107	-1.4%	-12.2%	7,551,409	10.9%	0.4%
2015	\$30.12	108	3.8%	-10.9%	7,205,554	10.5%	-0.2%
2014	\$29.03	104	6.2%	-14.2%	7,154,234	10.7%	-0.4%
2013	\$27.32	98	3.8%	-19.2%	7,324,460	11.1%	-1.3%
2012	\$26.33	95	6.2%	-22.1%	8,036,453	12.4%	0.3%

3 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$26.01	129	1.2%	-4.0%	13,280,809	18.0%	-0.3%
2027	\$25.70	127	0.7%	-5.1%	13,475,261	18.3%	-0.1%
2026	\$25.53	126	-0.5%	-5.8%	13,568,117	18.4%	0.7%
2025	\$25.67	127	-2.4%	-5.2%	13,078,067	17.7%	1.1%
2024	\$26.30	130	-2.9%	-2.9%	12,257,318	16.6%	2.5%
YTD	\$27.27	135	2.1%	0.6%	10,365,499	14.1%	0%
2023	\$27.09	134	1.5%	0%	10,341,081	14.1%	1.1%
2022	\$26.69	132	0.3%	-1.5%	9,514,286	12.9%	0.1%
2021	\$26.63	132	1.4%	-1.7%	9,442,414	12.9%	1.0%
2020	\$26.25	130	1.0%	-3.1%	8,669,032	11.8%	2.0%
2019	\$25.99	129	2.7%	-4.1%	7,152,496	9.8%	-0.2%
2018	\$25.31	125	3.8%	-6.6%	7,314,686	10.0%	0.3%
2017	\$24.38	121	4.6%	-10.0%	7,059,595	9.7%	-0.6%
2016	\$23.30	115	4.3%	-14.0%	7,481,224	10.3%	-0.7%
2015	\$22.35	111	5.5%	-17.5%	7,957,818	11.0%	-0.5%
2014	\$21.18	105	5.0%	-21.8%	8,218,437	11.5%	-0.9%
2013	\$20.16	100	6.0%	-25.6%	8,868,220	12.4%	-0.6%
2012	\$19.02	94	3.7%	-29.8%	9,279,294	13.0%	-0.3%

1 & 2 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$21.23	131	1.6%	-4.0%	3,150,383	10.7%	-0.4%
2027	\$20.88	129	1.1%	-5.6%	3,295,668	11.1%	-0.2%
2026	\$20.65	127	-0.1%	-6.6%	3,401,895	11.3%	0.6%
2025	\$20.68	128	-2.0%	-6.5%	3,252,260	10.7%	1.1%
2024	\$21.09	130	-4.6%	-4.6%	2,940,055	9.6%	2.6%
YTD	\$21.99	136	1.9%	-0.5%	2,205,391	7.1%	0.2%
2023	\$22.11	136	2.6%	0%	2,154,536	7.0%	0.4%
2022	\$21.55	133	4.7%	-2.5%	2,043,371	6.6%	-0.6%
2021	\$20.59	127	3.6%	-6.9%	2,223,985	7.1%	-0.5%
2020	\$19.87	123	-2.6%	-10.1%	2,382,212	7.6%	1.1%
2019	\$20.41	126	2.1%	-7.7%	2,050,298	6.5%	0.9%
2018	\$20	123	3.9%	-9.6%	1,786,943	5.7%	-0.2%
2017	\$19.25	119	5.0%	-12.9%	1,856,260	5.9%	-0.8%
2016	\$18.33	113	5.0%	-17.1%	2,128,482	6.7%	-0.5%
2015	\$17.47	108	4.7%	-21.0%	2,290,698	7.2%	-2.5%
2014	\$16.68	103	5.7%	-24.5%	3,106,425	9.7%	-0.9%
2013	\$15.78	97	6.5%	-28.6%	3,411,910	10.6%	0.1%
2012	\$14.81	91	1.9%	-33.0%	3,385,076	10.5%	-1.0%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$215.20	151	7.8%
2027	-	-	-	-	-	-	\$205.51	144	8.1%
2026	-	-	-	-	-	-	\$197.36	138	8.4%
2025	-	-	-	-	-	-	\$193.55	136	8.7%
2024	-	-	-	-	-	-	\$198.23	139	8.8%
YTD	9	\$14.5M	0.1%	\$1,815,563	\$139.94	8.0%	\$221.47	155	8.4%
2023	261	\$978.8M	2.7%	\$4,660,985	\$232.16	6.4%	\$232.58	163	8.0%
2022	450	\$2.4B	5.7%	\$6,650,482	\$267.14	6.2%	\$238.54	167	7.8%
2021	555	\$2.9B	7.5%	\$6,203,720	\$232.79	6.7%	\$251.16	176	7.2%
2020	364	\$2.1B	5.2%	\$7,576,813	\$252.56	6.6%	\$233.83	164	7.4%
2019	431	\$2.5B	7.9%	\$7,293,045	\$192.96	7.0%	\$227.63	159	7.5%
2018	428	\$3.2B	8.1%	\$9,487,995	\$246.97	6.7%	\$227.86	160	7.3%
2017	467	\$2.2B	7.2%	\$5,948,697	\$197.89	7.1%	\$216.15	151	7.2%
2016	466	\$2.1B	8.3%	\$5,250,113	\$160.47	7.1%	\$214.59	150	6.9%
2015	472	\$2.8B	9.7%	\$6,677,051	\$176.74	7.2%	\$214.02	150	6.8%
2014	514	\$2.7B	10.1%	\$6,232,187	\$161.74	7.7%	\$199.61	140	6.9%
2013	455	\$2.4B	9.2%	\$6,176,216	\$171	7.6%	\$182.98	128	7.2%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$257	146	7.5%
2027	-	-	-	-	-	-	\$245.84	139	7.8%
2026	-	-	-	-	-	-	\$236.42	134	8.1%
2025	-	-	-	-	-	-	\$231.99	132	8.4%
2024	-	-	-	-	-	-	\$238.32	135	8.5%
YTD	-	-	-	-	-	-	\$268.05	152	8.0%
2023	18	\$497.6M	2.6%	\$35,543,886	\$289.88	6.0%	\$281.18	159	7.7%
2022	29	\$1.3B	4.8%	\$51,532,114	\$362.89	6.2%	\$292.17	166	7.4%
2021	60	\$1.7B	8.1%	\$33,650,453	\$284.75	5.4%	\$310.07	176	6.8%
2020	30	\$1.5B	6.0%	\$65,818,931	\$331.16	6.5%	\$287.39	163	7.0%
2019	48	\$1.7B	9.8%	\$35,988,033	\$226.52	6.3%	\$278.59	158	7.2%
2018	43	\$2B	8.4%	\$61,920,113	\$321.17	5.9%	\$283.11	161	6.9%
2017	38	\$1.3B	7.3%	\$41,444,370	\$283.65	6.5%	\$265.71	151	6.8%
2016	41	\$1.1B	9.9%	\$34,675,861	\$179.18	6.7%	\$262.55	149	6.6%
2015	45	\$1.3B	8.9%	\$32,843,946	\$221.97	7.0%	\$264.88	150	6.4%
2014	57	\$1.8B	11.4%	\$35,406,589	\$234.15	6.6%	\$247.31	140	6.5%
2013	58	\$1.7B	12.8%	\$33,670,760	\$220.84	6.7%	\$227.06	129	6.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$190.51	155	7.9%
2027	-	-	-	-	-	-	\$181.73	148	8.1%
2026	-	-	-	-	-	-	\$174.38	142	8.4%
2025	-	-	-	-	-	-	\$171.03	139	8.7%
2024	-	-	-	-	-	-	\$174.73	142	8.9%
YTD	4	\$12.8M	0.1%	\$3,201,125	\$134.86	8.0%	\$193.13	157	8.5%
2023	108	\$297.3M	2.8%	\$3,625,274	\$180.92	6.7%	\$203.55	166	8.1%
2022	200	\$846.1M	6.9%	\$5,423,942	\$208.65	6.2%	\$206.47	168	8.0%
2021	207	\$848.6M	6.8%	\$4,740,585	\$193.08	6.7%	\$214.91	175	7.4%
2020	136	\$425.9M	4.6%	\$3,943,279	\$158.87	6.8%	\$200.31	163	7.6%
2019	165	\$650.1M	6.8%	\$4,710,513	\$154.09	6.9%	\$195.19	159	7.7%
2018	178	\$983.2M	8.3%	\$6,554,764	\$190.38	6.7%	\$192.68	157	7.5%
2017	183	\$668.3M	6.8%	\$4,546,191	\$143.74	7.2%	\$184.82	150	7.4%
2016	189	\$746.5M	7.4%	\$4,552,015	\$153.04	7.4%	\$184.55	150	7.1%
2015	197	\$1.1B	11.0%	\$6,310,941	\$152.30	7.5%	\$181.81	148	6.9%
2014	238	\$754.1M	10.3%	\$3,887,285	\$106.45	7.6%	\$170.04	138	7.0%
2013	172	\$554.4M	6.7%	\$3,876,867	\$123.03	7.9%	\$156.39	127	7.3%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$160.69	163	8.4%
2027	-	-	-	-	-	-	\$152.80	155	8.6%
2026	-	-	-	-	-	-	\$146.15	148	8.9%
2025	-	-	-	-	-	-	\$142.99	145	9.2%
2024	-	-	-	-	-	-	\$145.46	147	9.4%
YTD	5	\$1.7M	0.1%	\$430,000	\$194.48	-	\$162.66	165	9.0%
2023	135	\$183.9M	3.0%	\$1,613,334	\$214.79	6.0%	\$169.92	172	8.6%
2022	221	\$286.3M	5.3%	\$1,564,686	\$196.61	6.2%	\$169.47	171	8.5%
2021	288	\$341.2M	7.4%	\$1,458,269	\$167.67	7.1%	\$177.78	180	7.8%
2020	198	\$181.8M	4.4%	\$1,220,121	\$158.33	6.6%	\$168.46	170	8.0%
2019	218	\$239.8M	6.0%	\$1,453,165	\$144.11	7.3%	\$166.70	169	8.1%
2018	207	\$232.8M	6.9%	\$1,501,910	\$144.35	7.1%	\$161.84	164	7.9%
2017	246	\$277.7M	7.7%	\$1,409,623	\$132.60	7.3%	\$156.38	158	7.8%
2016	236	\$230.2M	6.9%	\$1,112,134	\$117.84	7.0%	\$156.08	158	7.5%
2015	230	\$373.6M	8.7%	\$1,840,233	\$142.90	7.0%	\$152.83	155	7.4%
2014	219	\$192.8M	7.0%	\$1,004,013	\$89.47	8.8%	\$140.72	142	7.5%
2013	225	\$201.7M	7.1%	\$998,394	\$94.38	8.1%	\$126.78	128	7.9%

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