

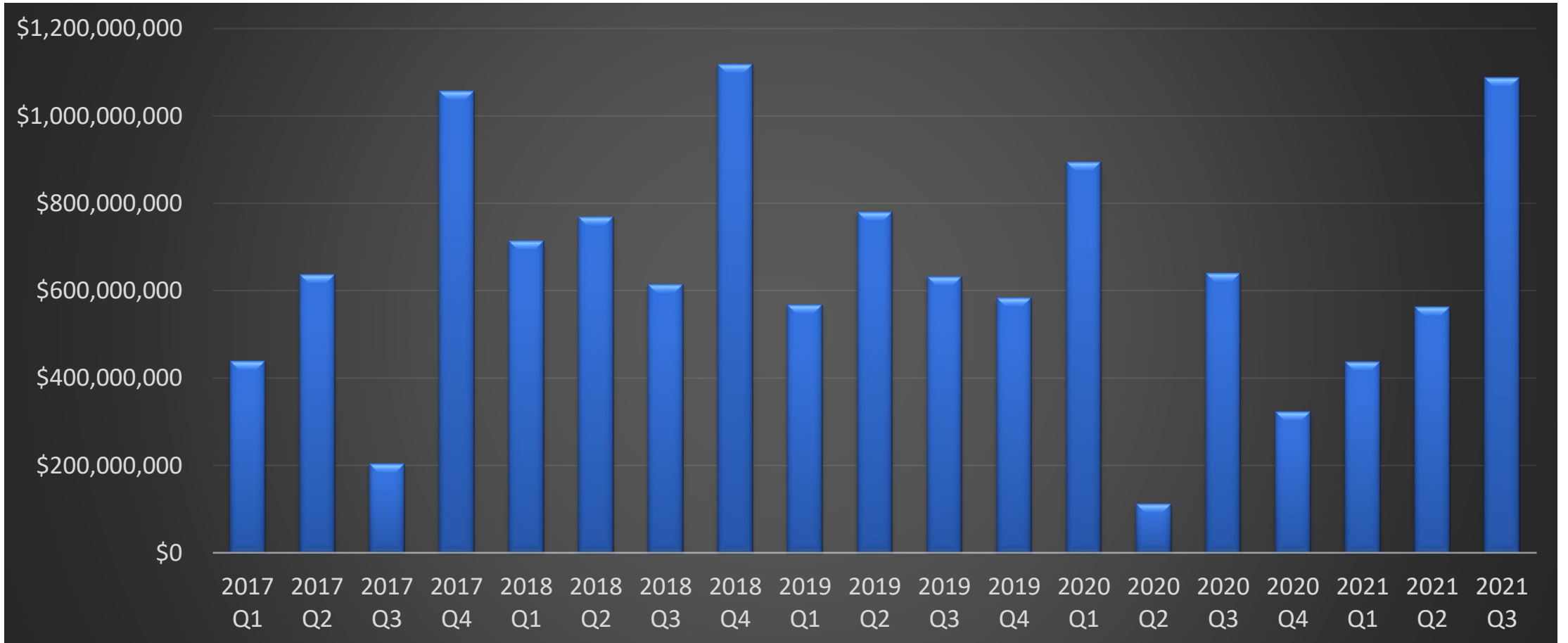


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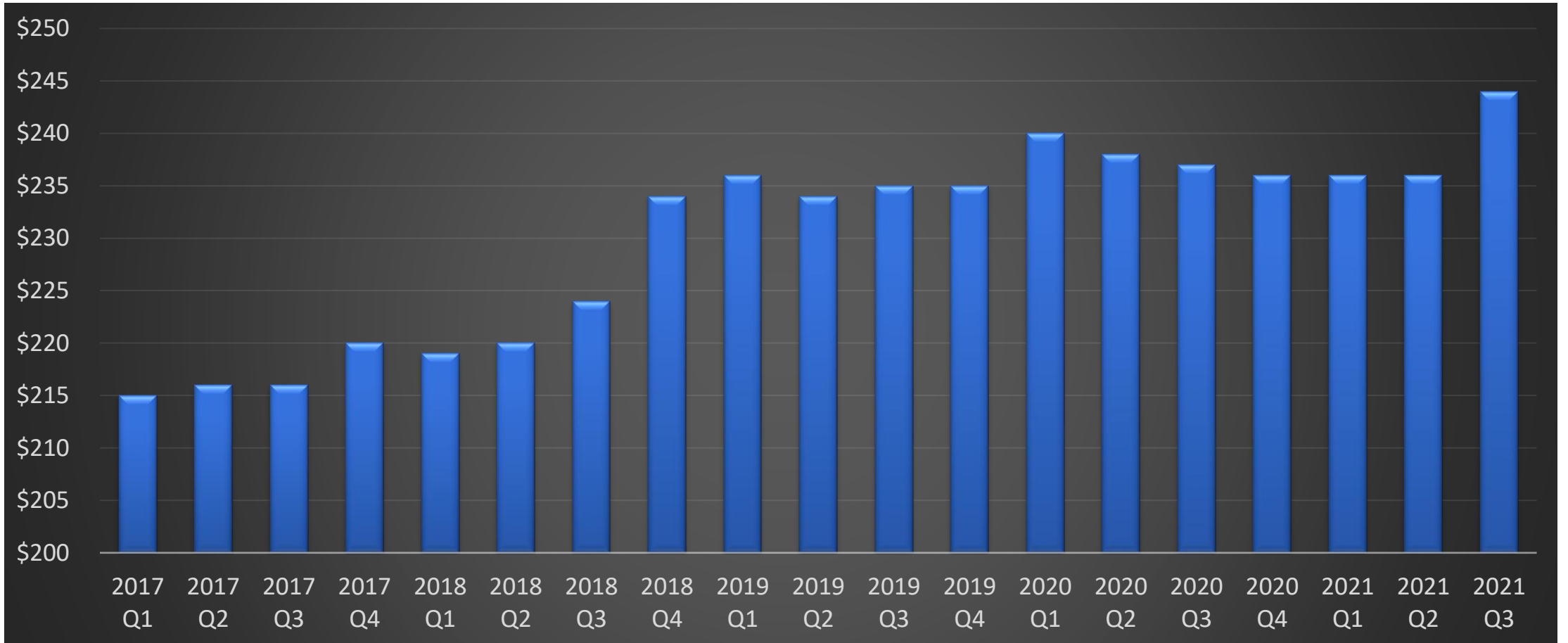
Denver Metro Market Update

Office Q3 2021

Sales Volume



Sales Price Per SF



Office Inventory Analysis

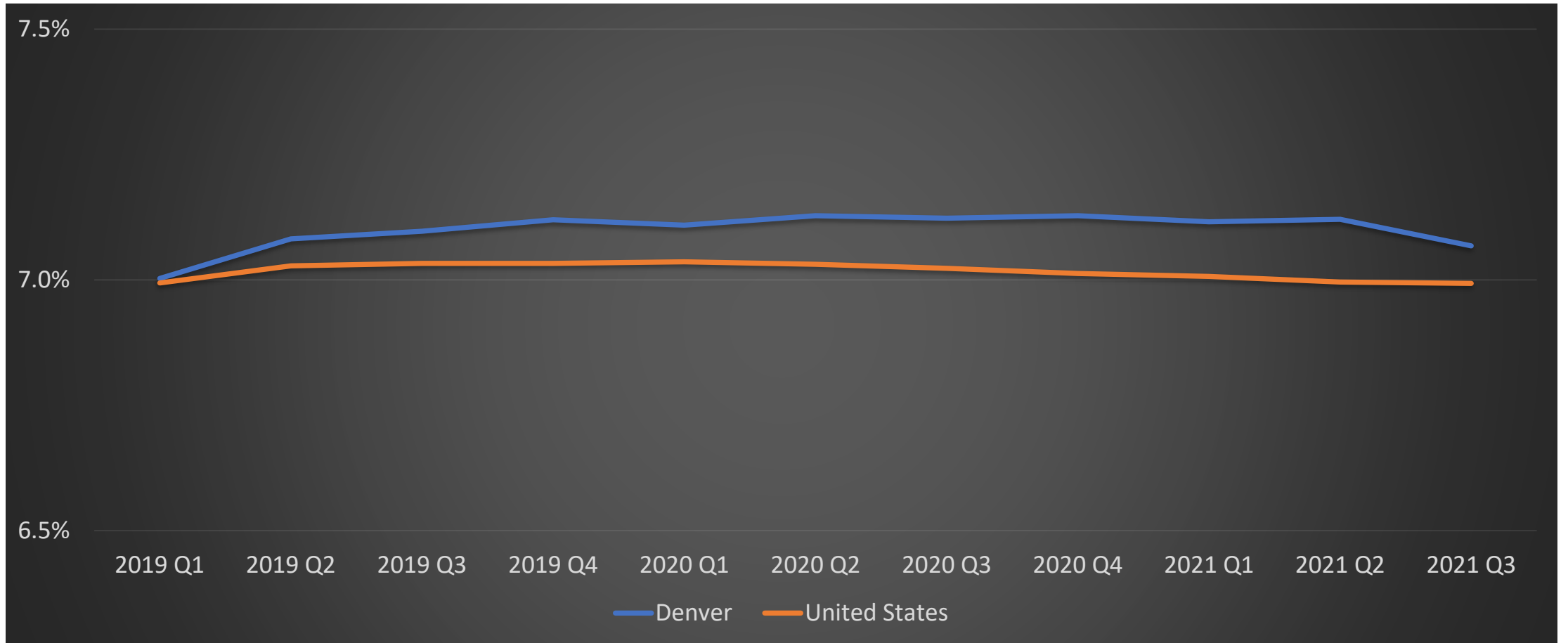
Total # of Comparable Sales (Settled) – 205

Absorption Rate (Total Sales/Months) – 68.3

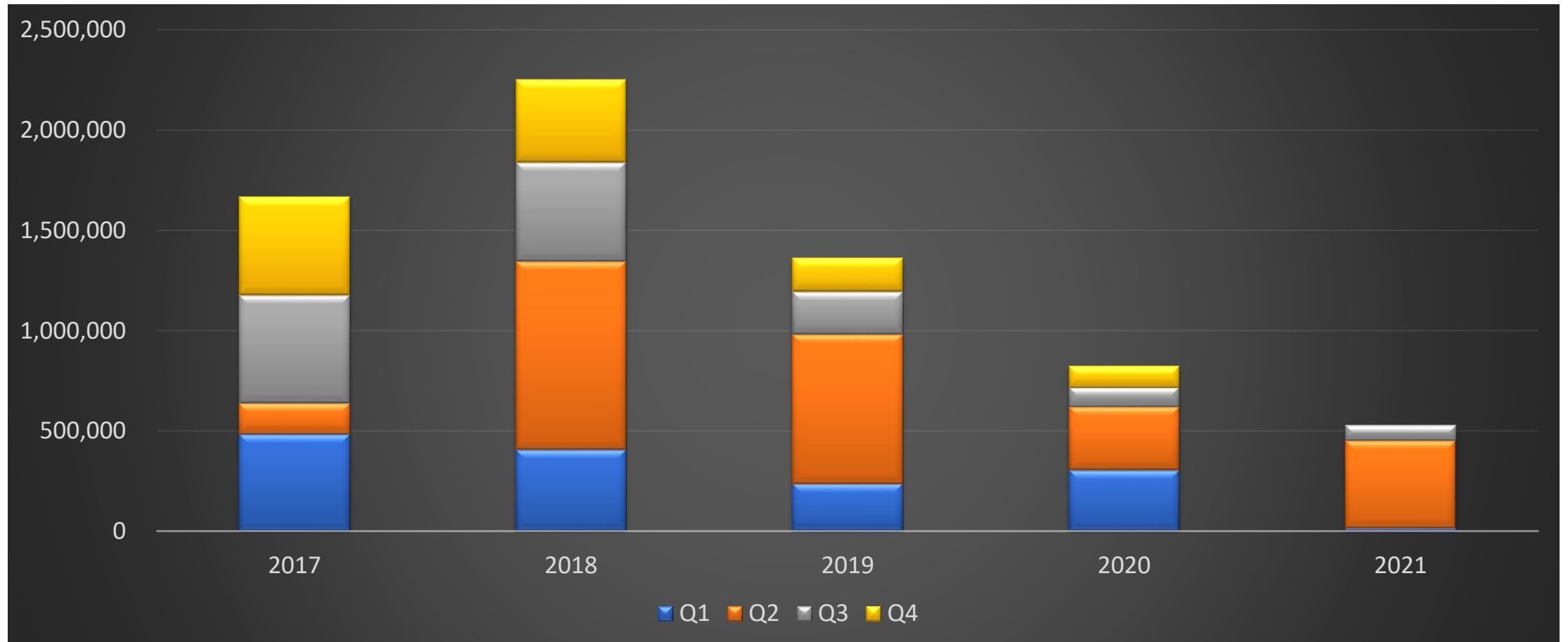
Total # of Comparable Active Listings – 313

Months of Office Supply (Lst/Ab. Rate) – 4.6 months

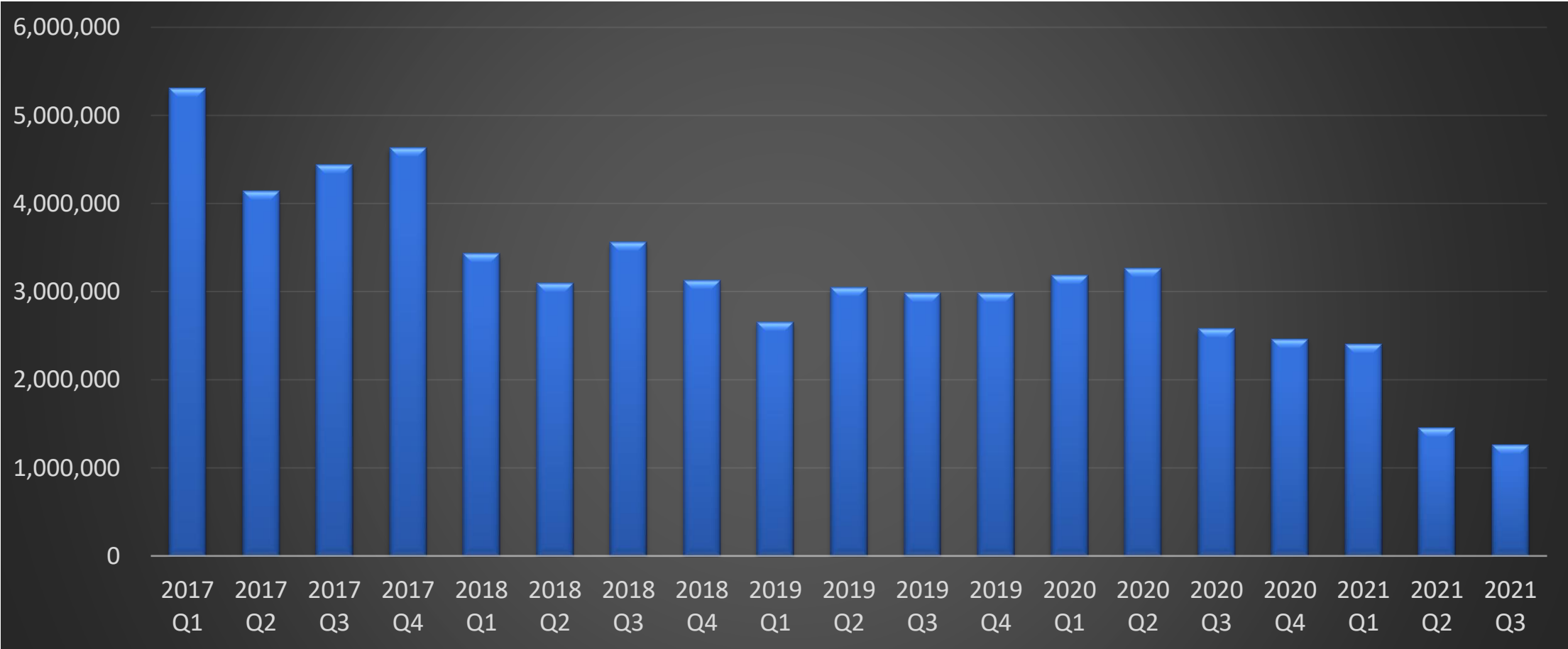
Capitalization Rates



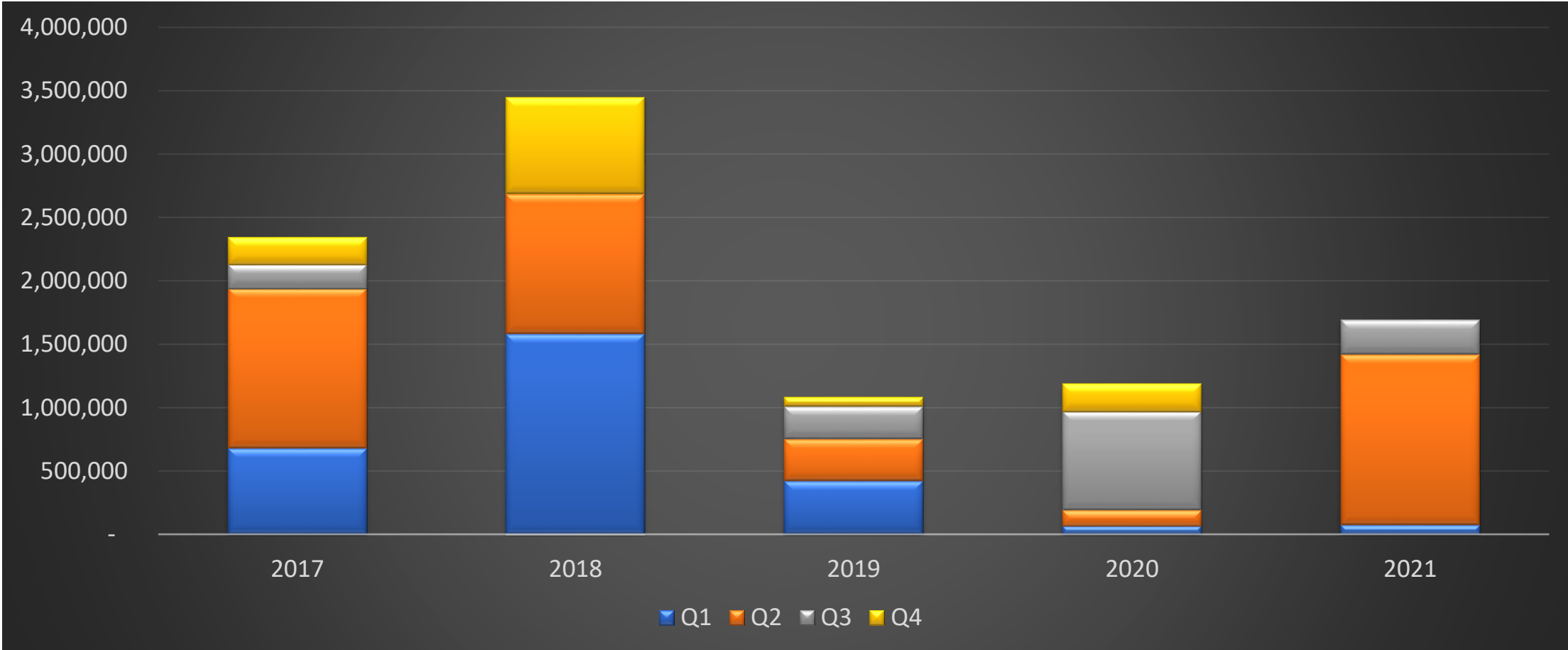
Construction Starts In SF



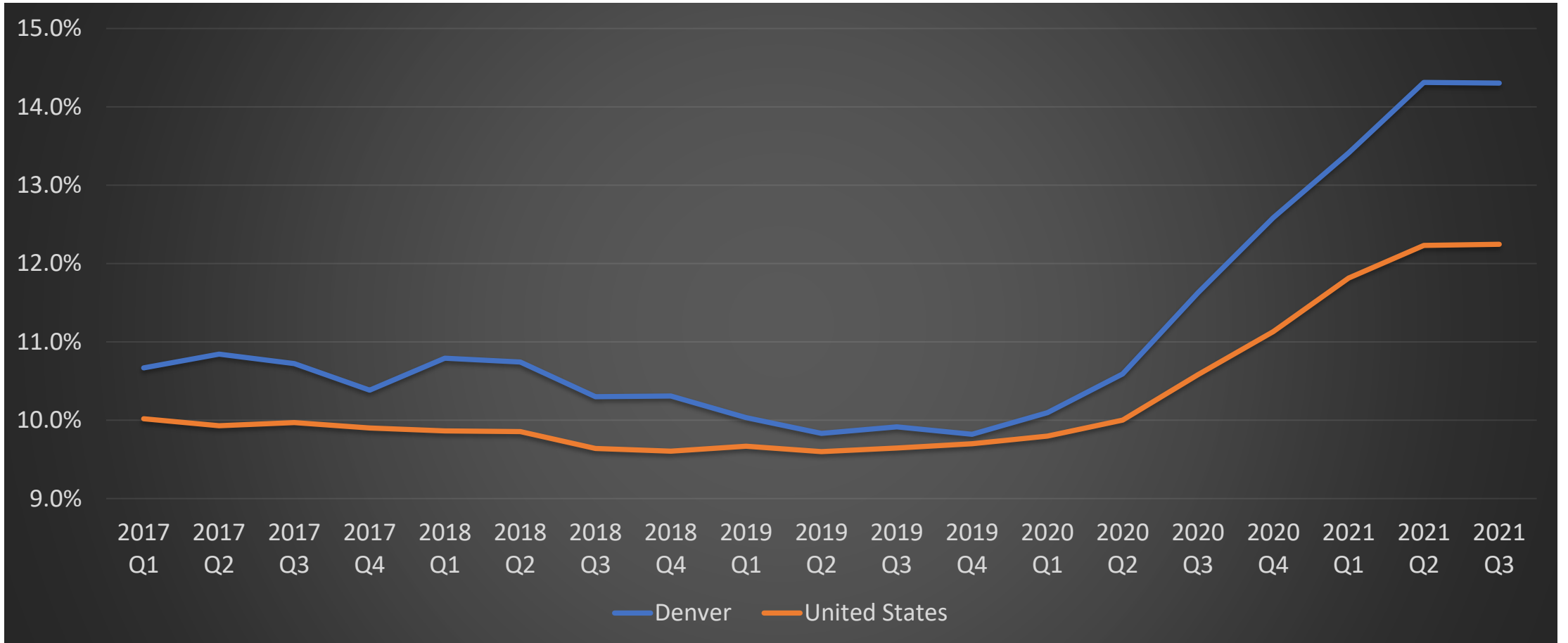
Under Construction In SF



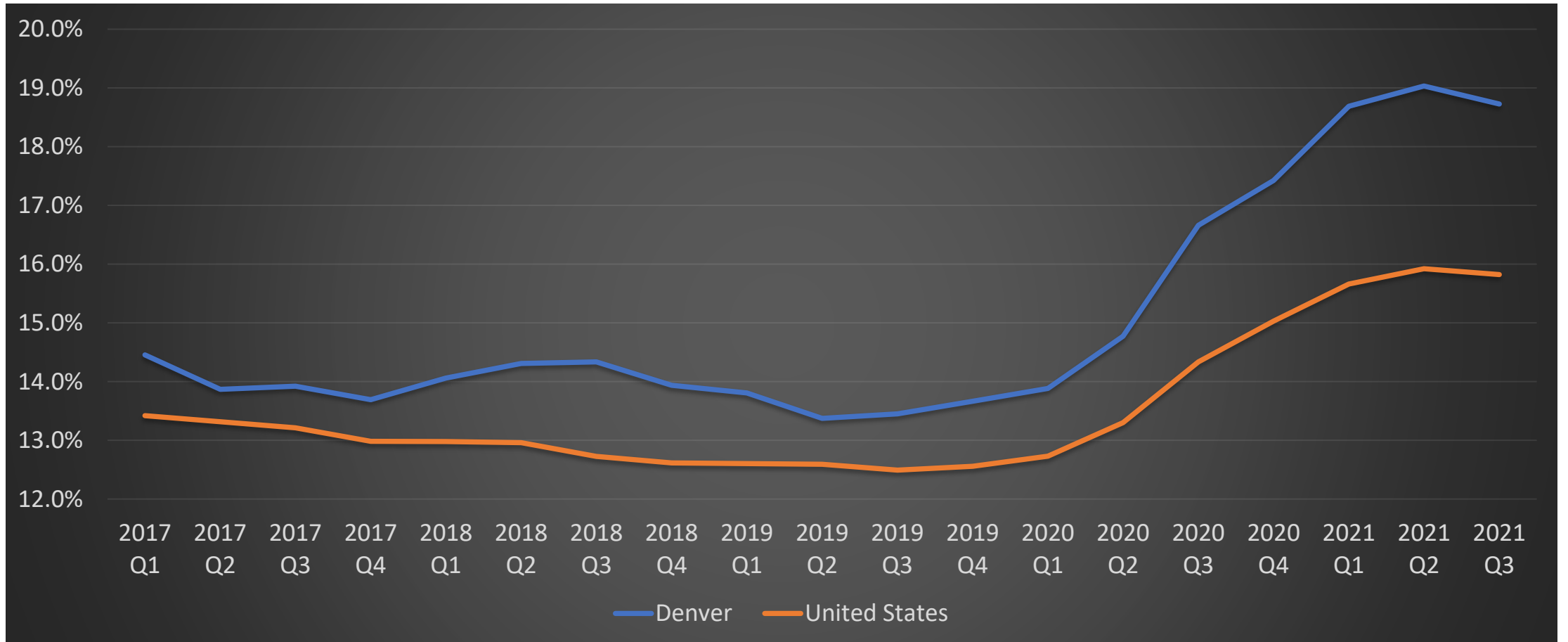
Net Deliveries



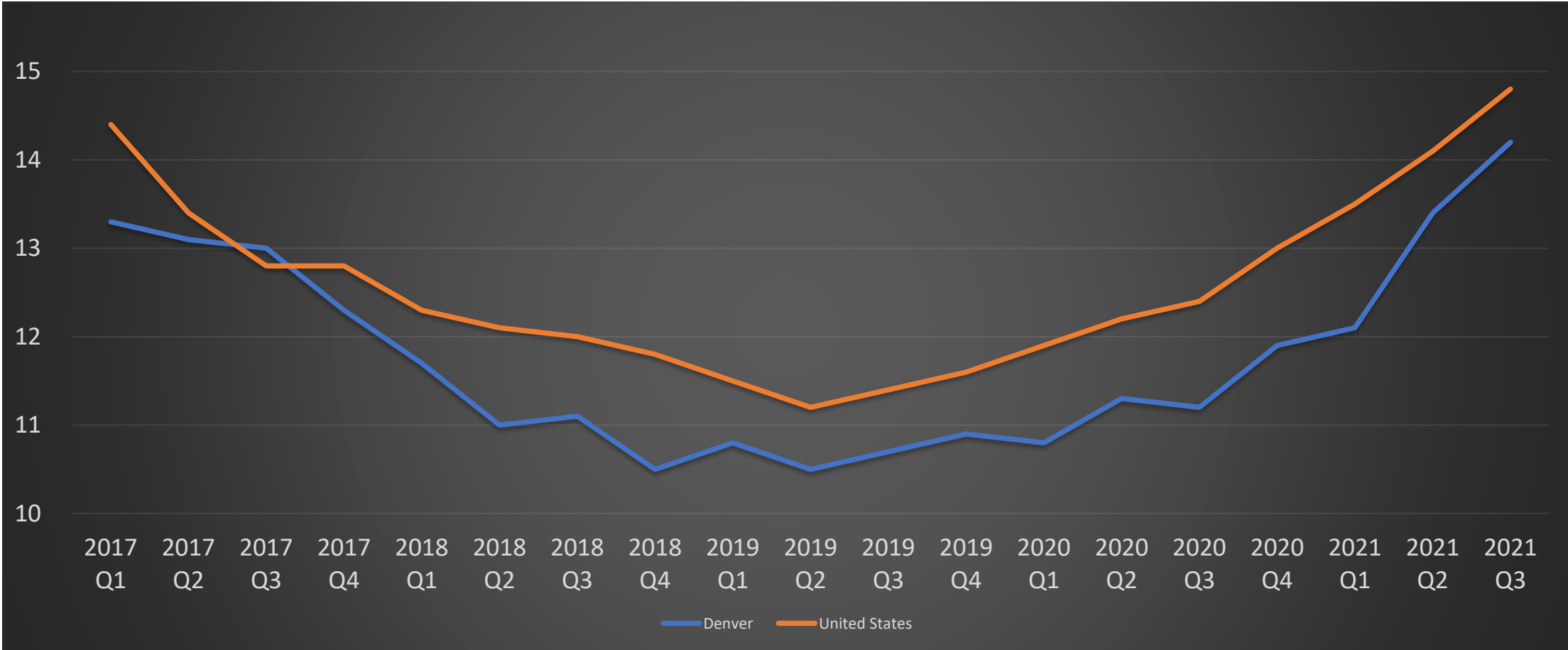
Vacancy Rate



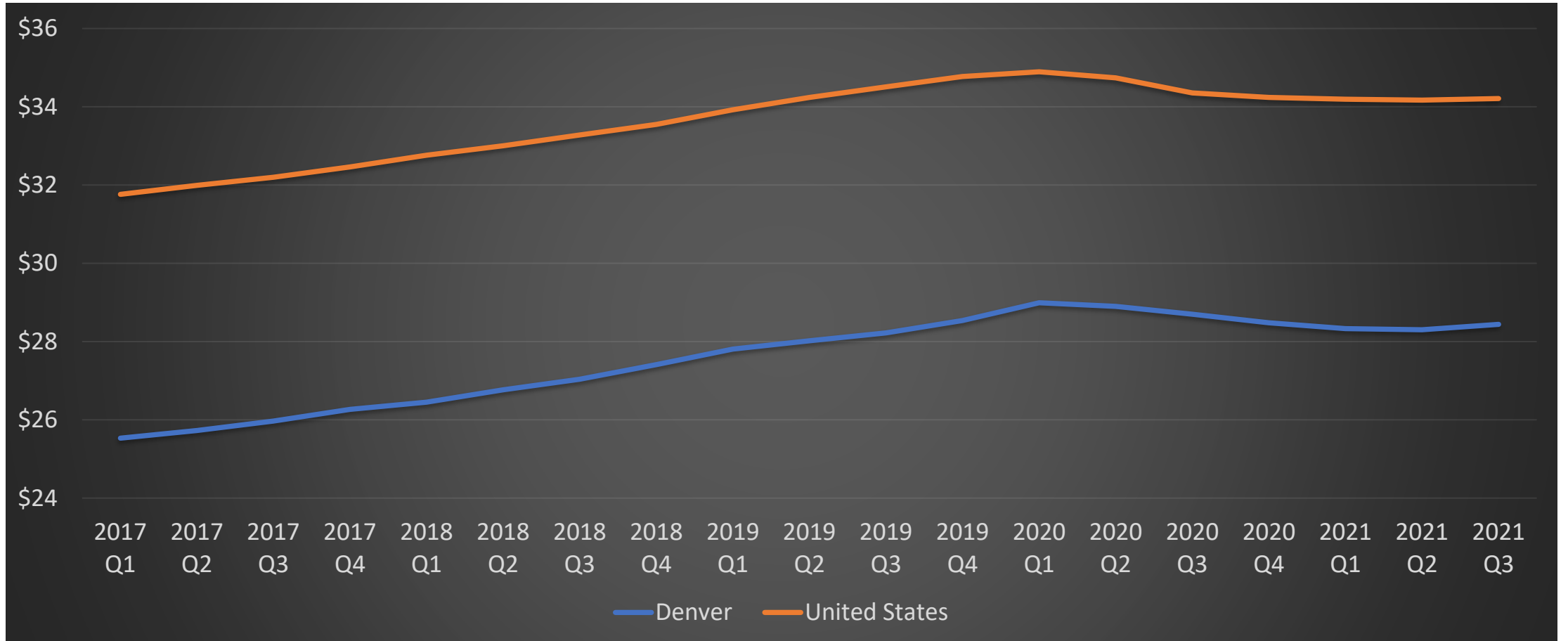
Availability Rate



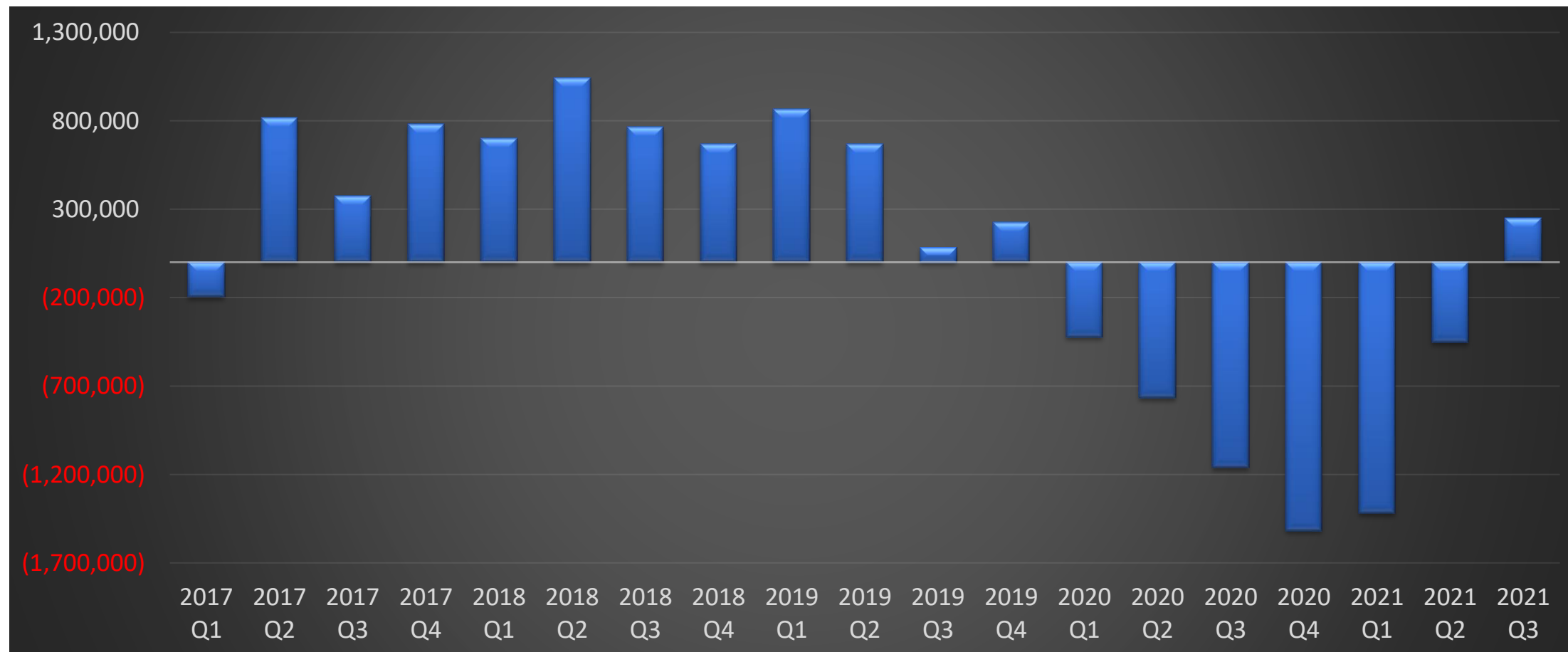
Months On Market (For Lease)



Market Rent Per SF (Gross)



Net Absorption (For Lease)



Conclusions

After six consecutive quarters of negative net absorption, we finally had a quarter with positive for lease absorption!

Vacancy rates were consistent with Q2 2021, but they have climbed to 370 basis points since Q2 2020. Vacancy rates are 2.2% higher than the long-term average indicating that office is in recession.

Downward pressure on rents is expected, and capitalization rates are expected to increase even though cap rates have been fairly flat over the last six quarters.

Data Analyzed By



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Data Source

www.CoStar.com