

COLORADO SPRINGS OFFICE MARKET WATCH

OCTOBER 2017



RATES
\$15.70/FS



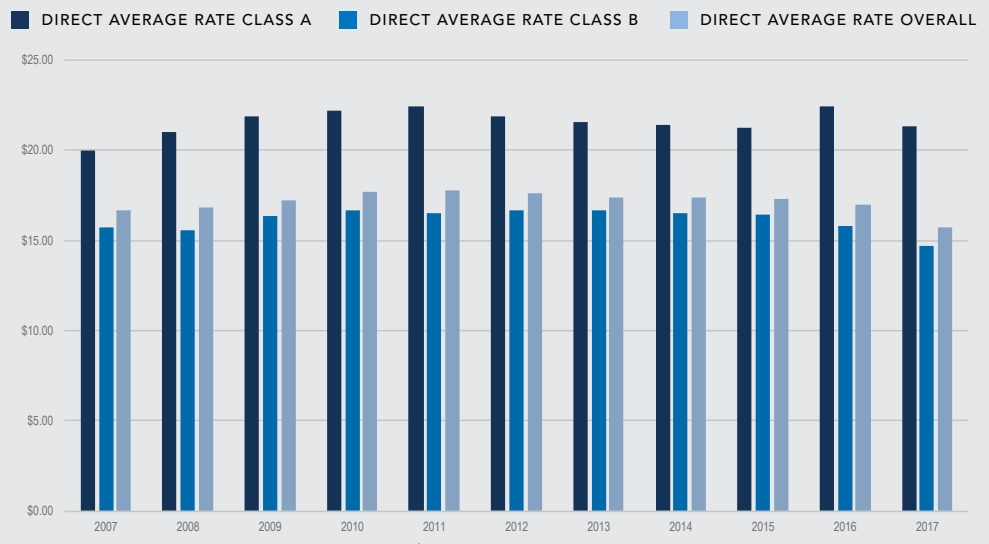
DIRECT VACANCY
11.24%



Y.T.D DIRECT ABSORPTION
318,469 SF

* Arrow indicators represent change from previous month

OFFICE LEASE STATISTICS :: DIRECT AVERAGE ASKING RATE



SOURCE: Transwestern, CoStar. Class A and B buildings over 15,000sf. Excludes government-owned buildings.

Office Market Statistics By Submarket - October 2017

SUBMARKET	INVENTORY	NO. OF BLDGS	DIRECT VACANCY RATE	OVERALL VACANCY RATE	DIRECT VACANT & AVAILABLE SF	SUBLEASE TOTAL AVAILABLE SF	YTD DIRECT ABSORPTION	YTD NET ABSORPTION	YTD COMPLETIONS	UNDER CONSTRUCTION	ASKING DIRECT RATE PER COSTAR	TREND FROM PREVIOUS MONTH
CBD												
Class A	944,827	6	7.13%	8.86%	61,436	14,871	(16,670)	(22,945)	0	0	\$15.95/fs	▼
Class B	2,190,626	60	9.07%	9.07%	198,541	0	(26,193)	(26,112)	0	0	\$14.49/fs	▼
Totals	3,135,453	66	8.29%	8.77%	259,977	14,871	(42,863)	(49,057)	0	0	\$18.95/fs	▼
Greater CBD												
Class A	71,000	1	0.00%	0.00%	0	0	5,990	5,990	0	0	\$30.84/fs	↔
Class B	1,829,527	153	6.04%	6.04%	108,038	0	33,905	36,378	3,824	0	\$16.66/fs	▲
Totals	1,900,527	154	5.68%	5.68%	108,038	0	39,895	42,368	3,824	0	\$17.19/fs	▲
North												
Class A	277,696	5	24.93%	24.93%	69,217	0	1,016	2,486	0	0	\$25.57/fs	▲
Class B	1,857,647	116	15.67%	15.67%	291,044	0	24,370	24,370	0	0	\$13.53/fs	▲
Totals	2,135,343	121	16.87%	16.87%	360,261	0	25,386	26,856	0	0	\$16.23/fs	▲
Northeast												
Class A	2,395,802	20	4.71%	4.88%	115,667	38,738	9,140	5,645	0	0	\$18.74/fs	▼
Class B	5,325,780	230	9.66%	9.78%	521,549	40,567	83,423	70,844	2,640	109,800	\$16.21/fs	▲
Totals	7,721,582	250	8.25%	8.39%	637,216	79,305	92,563	76,489	2,640	109,800	\$16.54/fs	▼

*Source: Transwestern, CoStar. The information in this report is the result of a compilation of information on the office properties located in the Denver metropolitan area. This report includes single tenant, multi-tenant, and owner-user office properties over 5,000 SF and larger excluding properties owned and occupied by a government agency.

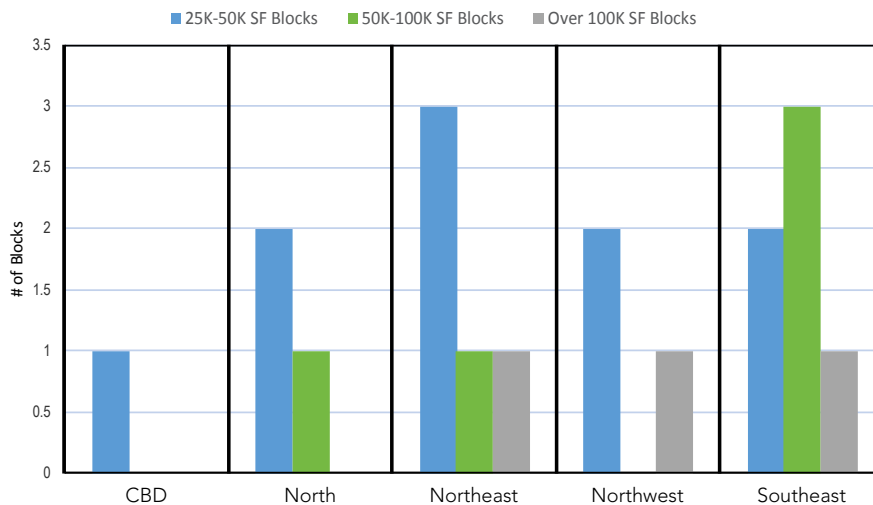
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Office Market Statistics By Submarket

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Northwest												
Class A	841,324	8	5.99%	6.39%	50,356	3,424	41,973	38,549	0	0	\$24.26/fs	▲
Class B	3,565,078	125	20.65%	20.65%	720,995	153	60,885	76,397	0	0	\$13.94/fs	▼
Totals	4,406,402	133	17.51%	17.58%	771,351	3,577	102,858	114,946	0	0	\$15.01/fs	▼
Southeast												
Class A	1,004,996	9	11.74%	11.74%	117,291	0	6,657	7,348	0	0	\$20.36/fs	▲
Class B	3,009,092	151	14.91%	14.91%	449,104	0	70,640	70,317	0	0	\$13.86/fs	▼
Totals	4,014,088	160	14.11%	14.11%	566,395	0	77,297	77,665	0	0	\$14.97/fs	▲
Southwest												
Class A	0	0	0.00%	-	0	0	0	0	0	0	NA	↔
Class B	976,985	82	3.03%	3.03%	29,896	0	19,616	19,355	0	0	\$12.94/fs	▼
Totals	976,985	82	3.06%	3.06%	29,896	0	19,616	19,355	0	0	\$12.94/fs	▼
Teller County												
Class A	0	0	0.00%	-	0	0	0	0	0	0	NA	↔
Class B	210,146	30	9.36%	9.36%	19,677	0	(4,205)	(4,205)	0	0	\$10.83/fs	▲
Totals	210,146	30	9.36%	9.36%	19,677	0	(4,205)	(4,205)	0	0	\$10.83/fs	▲
Colorado Springs All												
Class A	5,535,645	49	7.52%	7.92%	413,967	57,033	49,766	37,073	0	0	\$21.35/fs	▲
Class B	18,964,881	947	12.35%	12.39%	2,338,844	40,720	268,703	267,344	6,464	109,800	\$14.70/fs	▼
Totals	24,500,526	996	11.24%	11.35%	2,752,811	97,753	318,469	304,417	6,464	109,800	\$15.70/fs	▼

Contiguous Large Block Availabilities by Submarket Cluster



Top 10 Largest Contiguous Blocks

*under construction

- 2424 Garden of the Gods Rd
 - 414,341 SF Available
 - Northwest Market
- 1 Spring Water Point*
 - 109,800 SF Available
 - Northeast Market
- 655 Space Center Dr
 - 103,970 SF Available
 - Southeast Market
- 1050 N Newport Rd
 - 91,087 SF Available
 - Southeast Market
- 7899 Lexington Dr
 - 75,272 SF Available
 - Northeast Market
- 1005 E Woodmen Rd
 - 72,087 SF Available
 - North Market
- 2862 S Circle Dr
 - 60,000 SF Available
 - Southeast Market
- 1150 Academy Park Loop
 - 52,837 SF Available
 - Southeast Market
- 4050 Lee Vance Vw
 - 50,000 SF Available
 - Northeast Market
- 1915 Aerotech Dr
 - 38,000 SF Available
 - Southeast Market

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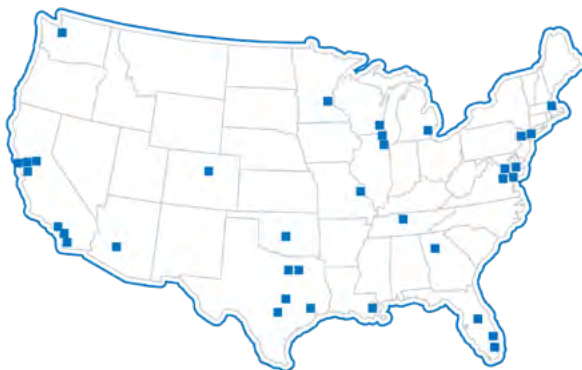
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About Transwestern

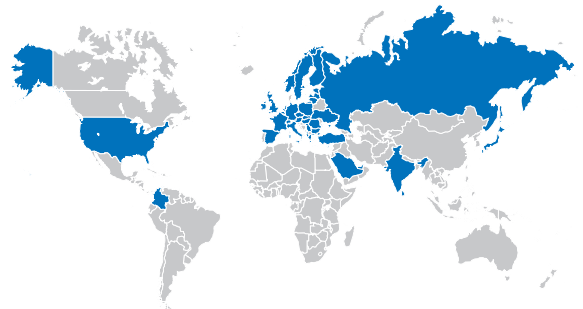
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*Source

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Net absorption occurs when a lease is signed, not when physically occupied, pre-leased space counts as net absorption when a building delivers. Vacant space that is not available for direct lease is excluded, sublease space is excluded.



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