

COLORADO SPRINGS OFFICE MARKET WATCH

FEBRUARY 2017



RATES
\$16.13/FS



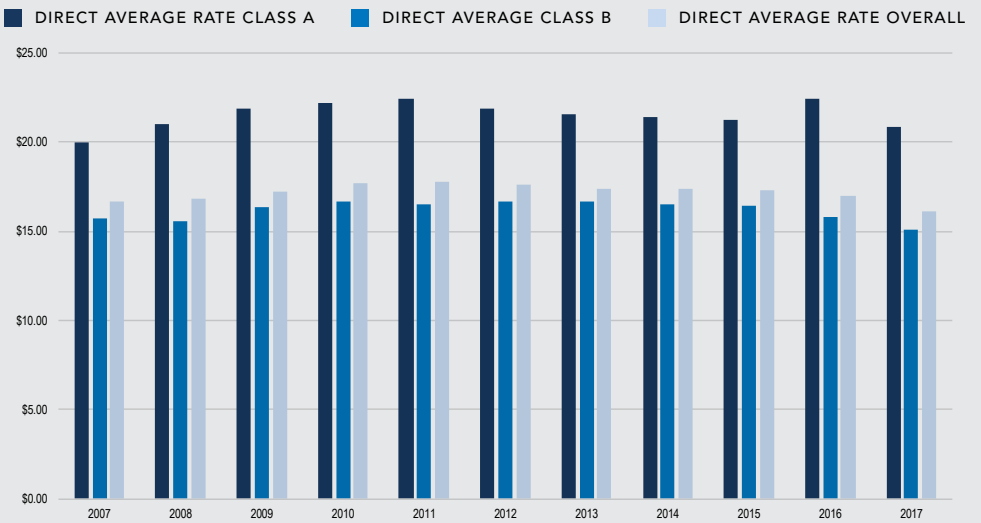
DIRECT VACANCY
12.19%



Y.T.D DIRECT ABSORPTION
23,016 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 - February 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	YTD UNDER CONSTRUCTION	ASKING DIRECT RATE PER COSTAR	TREND FROM PREVIOUS MONTH
CBD												
Class A	944,827	6	5.56%	5.84%	52,516	2,645	(1,799)	(1,799)	0	0	\$24.04/fs	↔
Class B	2,190,626	60	7.93%	7.93%	173,737	14,000	20,032	20,032	0	0	\$18.56/fs	▲
Totals	3,135,453	66	7.22%	7.30%	226,253	16,645	18,233	18,233	0	0	\$19.75/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	1,832,161	152	6.80%	6.80%	124,727	0	4,700	4,620	0	0	\$15.78/fs	↔
Totals	1,903,161	153	6.55%	6.55%	124,727	0	10,690	10,610	0	0	\$16.30/fs	↔
North												
Class A	252,890	4	13.48%	13.48%	34,101	0	0	1,470	0	0	\$25.66/fs	↔
Class B	1,879,328	117	16.15%	16.15%	303,428	0	10,990	10,990	0	0	\$12.54/fs	▼
Totals	2,132,218	121	15.83%	15.83%	337,529	0	10,990	12,460	0	0	\$14.52/fs	▼
Northeast												
Class A	2,395,802	20	5.62%	5.84%	134,760	43,990	(12,854)	(14,465)	0	0	\$20.27/fs	↔
Class B	5,323,140	229	10.77%	10.96%	573,473	26,971	21,855	12,540	0	112,440	\$16.51/fs	▼
Totals	7,718,942	249	9.18%	9.38%	708,233	70,961	9,001	(1,925)	0	112,440	\$17.35/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.

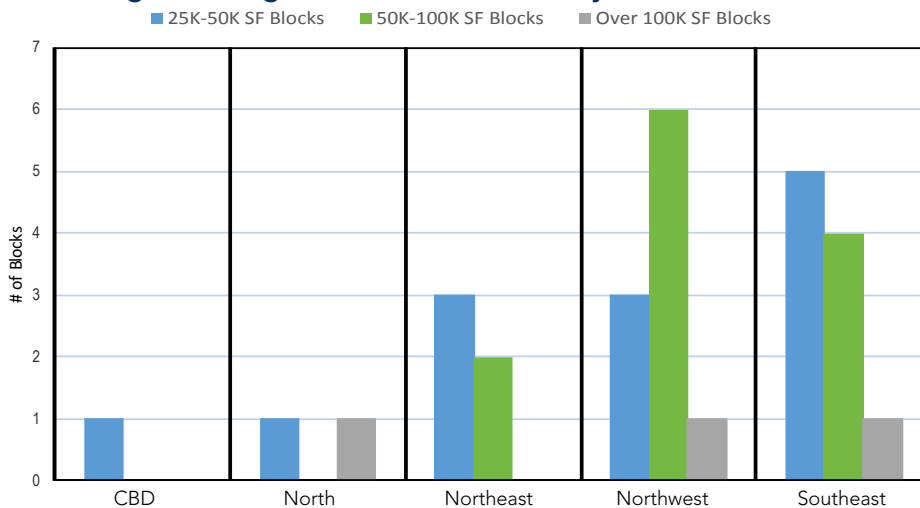
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SUBMARKET	INVENTORY	NO. OF BLDGS	DIRECT VACANCY RATE	OVERALL VACANCY RATE	DIRECT VACANT & AVAILABLE SF	SUBLEASE TOTAL AVAILABLE SF	YTD DIRECT ABSORPTION	YTD NET ABSORPTION	YTD COMPLETIONS	UNDER CONSTRUCTION	ASKING DIRECT RATE PER COSTAR	TREND FROM PREVIOUS MONTH
Northwest												
Class A	841,324	8	10.15%	10.15%	85,435	0	6,894	6,894	0	0	\$20.57/fs	▼
Class B	3,565,195	125	22.54%	22.54%	803,564	0	(49,000)	(48,837)	0	0	\$15.26/fs	↔
Totals	4,406,519	133	20.17%	20.17%	888,999	0	(42,106)	(41,943)	0	0	\$15.93/fs	▼
Southeast												
Class A	1,004,996	9	13.86%	13.86%	139,299	0	(14,660)	(14,660)	0	0	\$18.63/fs	↔
Class B	2,978,990	148	17.09%	17.09%	509,104	29,209	15,257	15,257	0	0	\$14.24/fs	▲
Totals	3,983,986	157	16.28%	16.28%	648,403	29,209	597	597	0	0	\$15.34/fs	▲
Southwest												
Class A	0	0	0.00%	-	0	0	0	0	0	0	NA	↔
Class B	976,985	82	3.45%	3.45%	33,723	0	15,528	15,528	0	0	\$12.76/fs	↔
Totals	976,985	82	3.45%	3.45%	33,723	0	15,528	15,528	0	0	\$12.76/fs	↔
Teller County												
Class A	0	0	0.00%	-	0	0	0	0	0	0	NA	↔
Class B	210,146	30	7.36%	7.36%	15,472	0	0	0	0	0	\$17.60/fs	↔
Totals	210,146	30	7.36%	7.36%	15,472	0	0	0	0	0	\$17.60/fs	↔
Colorado Springs All												
Class A	5,510,839	48	8.10%	8.24%	446,111	46,635	(16,429)	(16,570)	0	0	\$20.88/fs	▼
Class B	18,956,571	943	13.38%	13.44%	2,537,228	70,180	39,445	30,130	0	112,440	\$15.09/fs	▲
Totals	24,467,410	991	12.19%	12.27%	2,983,339	116,815	23,016	13,560	0	112,440	\$16.13/fs	▲

Contiguous Large Block Availabilities by Submarket Cluster



Top 10 Largest Contiguous Blocks

- 2424 Garden of the Gods Rd**
 - 139,000 SF Available
 - Northwest Market
- 1005 E. Woodmen Rd**
 - 128,484 SF Available
 - North Market
- 655 Space Center Dr**
 - 103,968 SF Available
 - Southeast Market
- 1050 N Newport Rd**
 - 91,088 SF Available
 - Southeast Market
- 1575 Garden of the Gods Rd**
 - 90,388 SF Available
 - Northwest Market
- 7899 Lexington Dr**
 - 75,272 SF Available
 - Northeast Market
- Garden of the Gods Rd**
 - 73,000 SF Available
 - Northwest Market
- 1795 Jet Wing Dr**
 - 68,932 SF Available
 - Southeast Market
- 2424 Garden of the Gods Rd**
 - 61,000 SF Available
 - Northwest Market
- 2862 S. Circle Dr**
 - 60,000 SF Available
 - Southeast Market

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About Transwestern

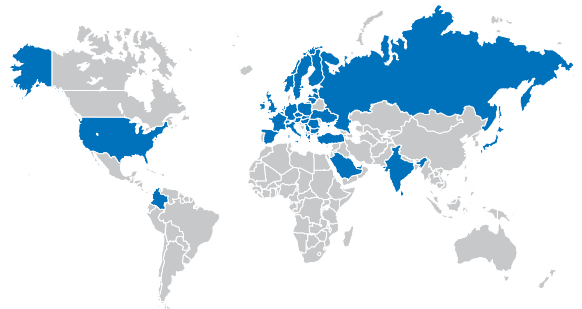
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*Source

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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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