

DENVER FLEX MARKET WATCH

THIRD QUARTER 2016



RATES
\$10.51/NNN

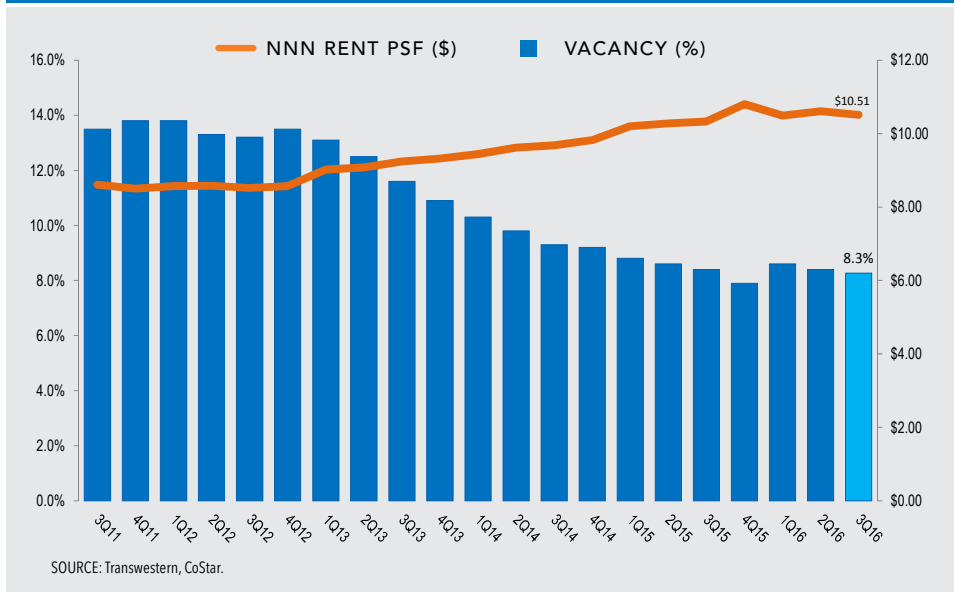


DIRECT VACANCY
8.27%



Y.T.D DIRECT ABSORPTION
(4,941 SF)

FLEX STATISTICS :: VACANCY & GROSS RENTAL RATE



* Arrow indicators represent change from previous quarter

Flex Market Statistics By Submarket - Third Quarter 2016

| SUBMARKET | INVENTORY | # OF BUILDINGS | DIRECT VACANCY RATE (AVAILABLE) | OVERALL VACANCY RATE | DIRECT VACANT AVAILABLE SQUARE FEET | YTD NET ABSORPTION | ASKING DIRECT RATE PER COSTAR | S/PSF TREND FROM PREVIOUS QUARTER |
|-----------------------|-------------------|----------------|---------------------------------|----------------------|-------------------------------------|--------------------|-------------------------------|-----------------------------------|
| Aurora | 1,610,245 | 51 | 15.05% | 15.43% | 242,356 | (26,178) | \$8.24/nnn | ↔ |
| Boulder | 7,018,362 | 183 | 5.34% | 5.36% | 374,879 | 28,327 | \$13.50/nnn | ↔ |
| Broomfield | 986,481 | 35 | 5.73% | 5.73% | 56,518 | (9,959) | \$10.49/nnn | ▲ |
| Central | 425,293 | 38 | 4.94% | 4.94% | 21,015 | (515) | \$10.35/nnn | ↔ |
| East I/70 Montbello | 2,123,101 | 85 | 2.28% | 2.28% | 48,340 | 42,711 | \$9.13/nnn | ▲ |
| Ft Collins & Loveland | 6,029,264 | 189 | 15.39% | 15.39% | 927,985 | 60,222 | \$9.63/nnn | ▼ |
| Glendale | 1,022,246 | 48 | 2.31% | 3.59% | 23,599 | 5,401 | \$9.10/nnn | ▲ |
| Longmont | 2,773,797 | 63 | 23.48% | 23.48% | 651,193 | (337,258) | \$9.06/nnn | ↔ |
| North Central | 889,524 | 50 | 0.34% | 0.34% | 3,005 | 4,826 | \$16.42/nnn | ▲ |
| North | 1,686,394 | 43 | 17.35% | 17.35% | 292,571 | 56,301 | \$12.25/nnn | ▲ |
| Northeast | 790,368 | 38 | 2.35% | 2.35% | 18,605 | (3,773) | \$11.32/nnn | ↔ |
| Northwest | 4,530,441 | 170 | 4.48% | 4.67% | 202,940 | 42,118 | \$10.84/nnn | ▼ |
| Parker/Castlerock | 238,726 | 15 | 8.97% | 8.97% | 21,406 | (1,780) | \$13.38/nnn | ▲ |
| South Central | 767,311 | 67 | 1.21% | 1.21% | 9,300 | 4,900 | \$10.51/nnn | ▲ |
| Southeast | 8,639,764 | 281 | 6.79% | 6.94% | 586,800 | 79,346 | \$11.60/nnn | ▲ |
| Southwest | 3,959,631 | 151 | 3.64% | 6.43% | 144,114 | 28,019 | \$10.84/nnn | ▲ |
| Weld County | 2,318,155 | 101 | 16.69% | 16.69% | 386,947 | 17,364 | \$6.98/nnn | ▼ |
| West | 4,140,154 | 146 | 2.81% | 2.81% | 116,421 | 4,989 | \$10.52/nnn | ▲ |
| Flex All | 49,949,257 | 1,754 | 8.27% | 8.57% | 4,127,996 | (4,941) | \$10.51/nnn | ▼ |

*Source: Transwestern, CoStar. The information in this report is the result of a compilation of information on the flex properties located in the Denver metropolitan area. This report includes single tenant, multi-tenant, and owner-user flex properties with no minimum size and excluding properties owned and occupied by a government agency.

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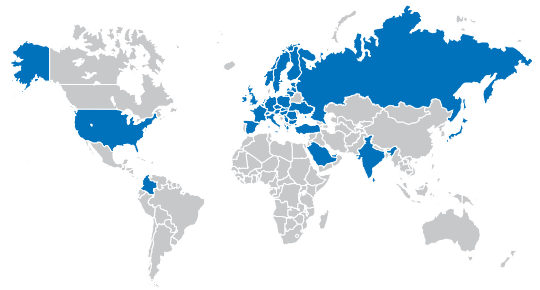
THIRD QUARTER 2016

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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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