

# DENVER OFFICE MARKET WATCH

NOVEMBER 2017



RATES  
**\$27.43/FS**



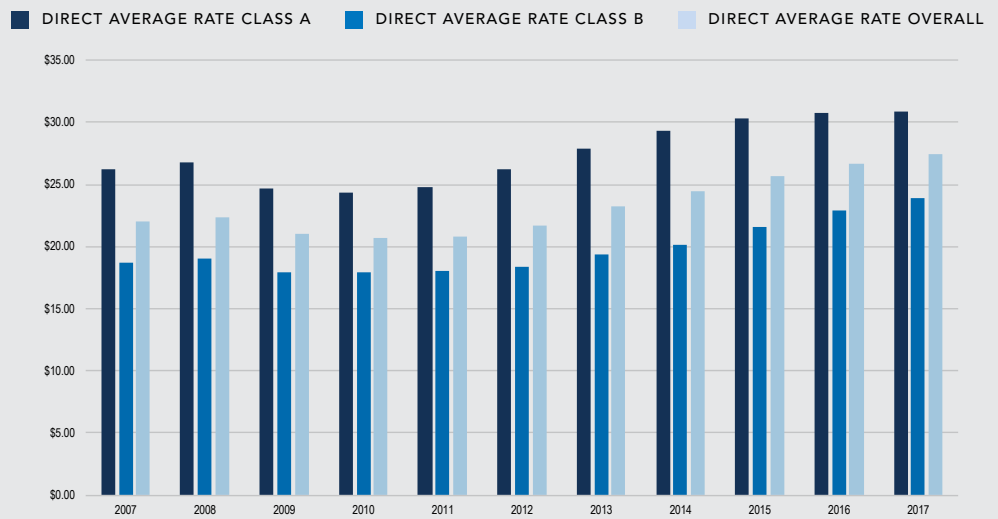
DIRECT VACANCY  
**10.43%**



Y.T.D DIRECT ABSORPTION  
**1,592,308 SF**

\* Arrow indicators represent change from previous month

## OFFICE LEASE STATISTICS :: DIRECT AVERAGE ASKING RATE



SOURCE: Transwestern, CoStar. Class A and B buildings over 25,000sf. Excludes government-owned buildings.

## Office Market Statistics By Submarket - November 2017

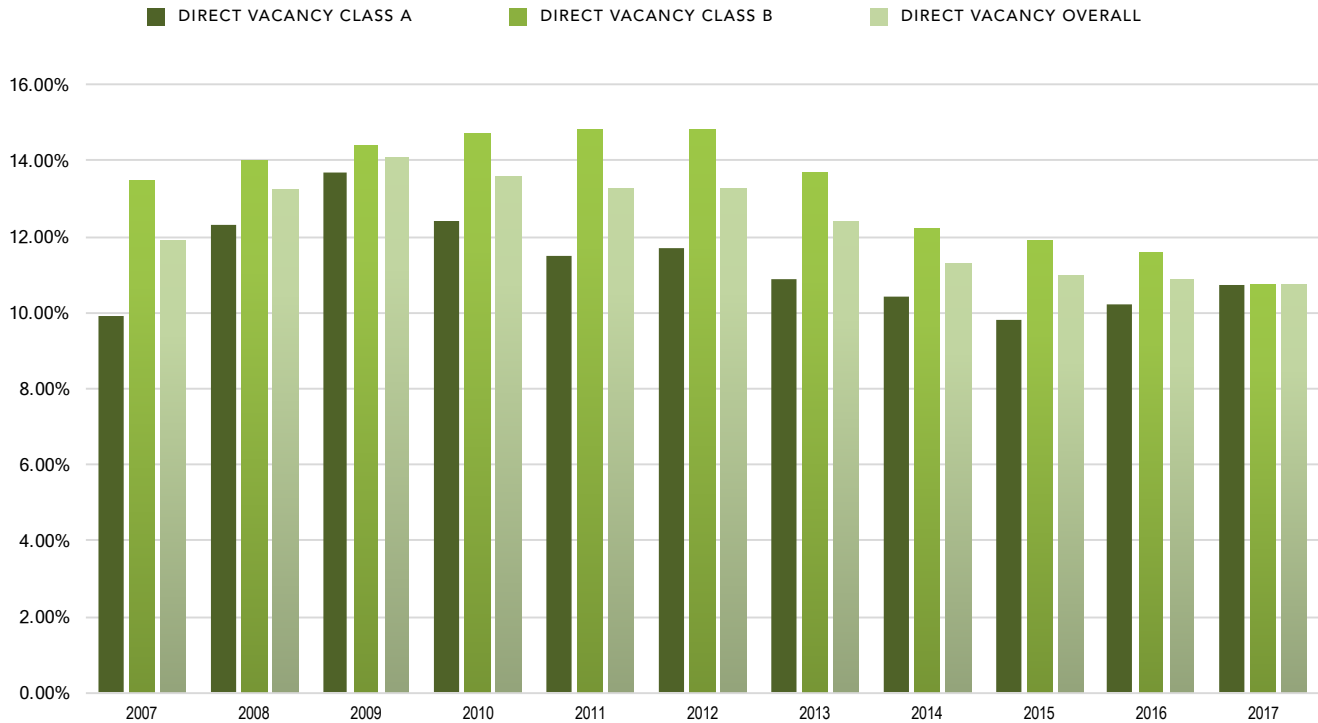
SUBMARKET	INVENTORY	NO. OF BLDGS	DIRECT VACANCY RATE	OVERALL VACANCY RATE	DIRECT VACANT & AVAILABLE SF	SUBLEASE TOTAL AVAILABLE SF	YTD DIRECT ABSORPTION	YTD NET ABSORPTION	YTD COMPLETIONS	UNDER CONSTRUCTION	ASKING DIRECT RATE PER COSTAR	\$/PSF TREND FROM PREVIOUS MONTH
<b>Downtown</b>												
Class A	22,432,898	57	13.16%	15.04%	2,960,894	753,855	165,877	220,416	457,653	2,285,749	\$35.44/fs	▲
Class B	10,594,335	118	10.58%	12.02%	1,127,446	277,096	(119,578)	(178,529)	53,478	447,000	\$29.94/fs	▼
<b>Totals</b>	<b>33,027,233</b>	<b>175</b>	<b>12.38%</b>	<b>14.12%</b>	<b>4,088,340</b>	<b>1,030,951</b>	<b>46,299</b>	<b>41,887</b>	<b>511,131</b>	<b>2,732,749</b>	<b>\$33.92/fs</b>	▼
<b>Southeast Suburban</b>												
Class A	23,904,914	150	9.01%	11.17%	2,165,326	774,368	885,100	550,447	1,156,377	949,174	\$27.24/fs	▼
Class B	18,205,852	268	11.18%	12.11%	2,045,454	344,003	369,021	319,934	0	0	\$22.82/fs	▲
<b>Totals</b>	<b>42,110,766</b>	<b>418</b>	<b>10.00%</b>	<b>11.63%</b>	<b>4,210,780</b>	<b>1,118,371</b>	<b>1,254,121</b>	<b>870,381</b>	<b>1,156,377</b>	<b>949,174</b>	<b>\$25.17/fs</b>	▲
<b>Suburban (Non S. East)</b>												
Class A	18,304,904	132	9.94%	11.26%	1,830,551	543,023	10,305	(78,233)	429,670	897,903	\$29.35/fs	▼
Class B	41,943,866	637	10.57%	10.97%	0	300,433	281,583	678,129	389,700	287,802	\$22.77/fs	▲
<b>Totals</b>	<b>60,248,770</b>	<b>769</b>	<b>9.67%</b>	<b>10.33%</b>	<b>1,830,551</b>	<b>843,456</b>	<b>291,888</b>	<b>599,896</b>	<b>819,370</b>	<b>1,185,705</b>	<b>\$25.06/fs</b>	▲
<b>Denver Metro</b>												
Class A	64,642,716	339	10.71%	12.54%	6,956,771	2,071,246	1,061,282	692,630	2,043,700	4,132,826	\$30.88/fs	▼
Class B	70,744,053	1,023	10.74%	11.45%	7,169,089	921,532	531,026	819,534	443,178	734,802	\$23.85/fs	▲
<b>Totals</b>	<b>135,386,769</b>	<b>1,362</b>	<b>10.43%</b>	<b>11.66%</b>	<b>14,125,860</b>	<b>2,992,778</b>	<b>1,592,308</b>	<b>1,512,164</b>	<b>2,486,878</b>	<b>4,867,628</b>	<b>\$27.43/fs</b>	▲
<b>Totals With Class C</b>	<b>142,706,028</b>	<b>1,513</b>	<b>10.36%</b>	<b>11.56%</b>	<b>14,413,512</b>	<b>2,996,032</b>	<b>1,612,901</b>	<b>1,512,164</b>	<b>2,486,878</b>	<b>4,867,628</b>	<b>\$27.30/fs</b>	▲

\*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 25,000 SF and larger excluding properties owned and occupied by a government agency.

# DENVER OFFICE MARKET WATCH

NOVEMBER 2017

## Direct Vacancy



## Office Market Statistics By Submarket

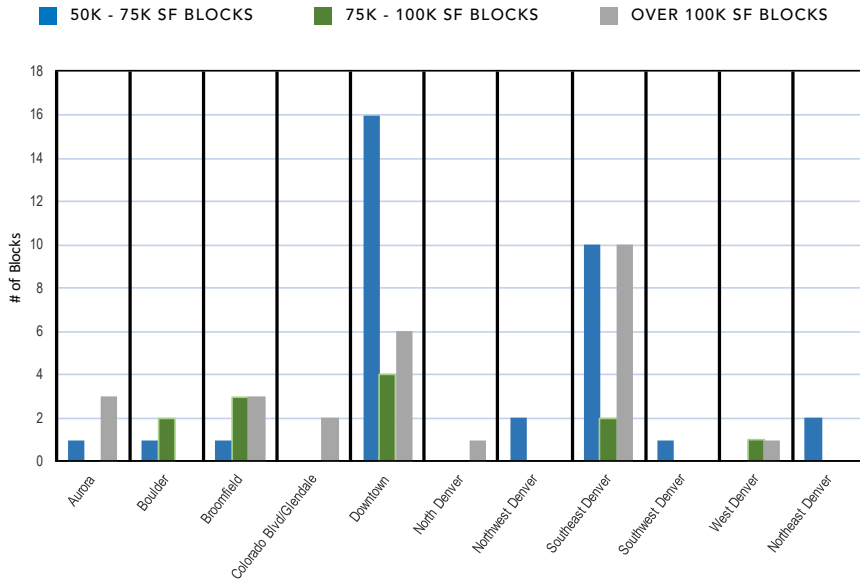
SUBMARKET	INVENTORY	NO. OF BLDGS	DIRECT VACANCY RATE	OVERALL VACANCY RATE	DIRECT VACANT & AVAILABLE SF	SUBLEASE TOTAL AVAILABLE SF	YTD DIRECT ABSORPTION	YTD NET ABSORPTION	YTD COMPLETIONS	UNDER CONSTRUCTION	ASKING DIRECT RATE PER COSTAR	\$/PSF TREND FROM PREVIOUS MONTH
<b>CBD</b>												
Class A	17,878,593	32	14.12%	16.21%	2,533,614	542,674	(177,385)	0	0	670,000	\$34.27/fs	▲
Class B	6,600,383	53	11.49%	13.42%	760,497	231,154	(97,943)	0	0	0	\$26.82/fs	▼
<b>Totals</b>	<b>24,478,976</b>	<b>85</b>	<b>13.46%</b>	<b>15.51%</b>	<b>3,294,111</b>	<b>773,828</b>	<b>(275,328)</b>	<b>0</b>	<b>0</b>	<b>670,000</b>	<b>\$32.56/fs</b>	<b>▼</b>
<b>LoDo (LoDo and Platte River)</b>												
Class A	4,554,305	25	9.37%	10.40%	427,280	211,181	343,262	0	457,653	1,615,749	\$41.85/fs	▼
Class B	3,993,952	65	9.07%	9.73%	366,949	45,942	(21,634)	0	53,478	447,000	\$36.04/fs	▲
<b>Totals</b>	<b>8,548,257</b>	<b>90</b>	<b>9.29%</b>	<b>10.15%</b>	<b>794,229</b>	<b>257,123</b>	<b>321,627</b>	<b>0</b>	<b>511,131</b>	<b>2,062,749</b>	<b>\$39.21/fs</b>	<b>▲</b>
<b>Midtown (Capital Hill and South Midtown)</b>												
Class A	912,819	5	6.37%	6.37%	57,998	15,901	(52,067)	0	0	65,805	\$29.48/fs	↔
Class B	3,183,200	42	3.20%	3.20%	100,814	4,073	300,432	0	300,000	0	\$25.10/fs	▼
<b>Totals</b>	<b>4,096,019</b>	<b>47</b>	<b>3.88%</b>	<b>3.88%</b>	<b>158,812</b>	<b>19,974</b>	<b>248,365</b>	<b>0</b>	<b>300,000</b>	<b>65,805</b>	<b>\$26.05/fs</b>	<b>▼</b>
<b>Cherry Creek</b>												
Class A	1,046,784	9	13.86%	13.99%	145,701	4,193	15,518	0	0	153,510	\$41.60/fs	▼
Class B	1,161,473	19	8.19%	9.13%	95,181	31,821	19,792	0	0	0	\$33.16/fs	▲
<b>Totals</b>	<b>2,208,257</b>	<b>28</b>	<b>10.91%</b>	<b>11.47%</b>	<b>240,882</b>	<b>36,014</b>	<b>35,310</b>	<b>0</b>	<b>0</b>	<b>153,510</b>	<b>\$38.97/fs</b>	<b>▼</b>
<b>Co Blvd/Glendale</b>												
Class A	3,040,707	16	17.34%	19.24%	527,369	66,353	(4,552)	0	229,670	0	\$29.47/fs	▲
Class B	5,060,459	64	8.93%	9.40%	456,910	37,582	(31,910)	(55,234)	0	0	\$24.67/fs	▲
<b>Totals</b>	<b>8,101,166</b>	<b>80</b>	<b>12.15%</b>	<b>13.16%</b>	<b>984,279</b>	<b>103,935</b>	<b>(36,462)</b>	<b>(55,234)</b>	<b>229,670</b>	<b>0</b>	<b>\$27.10/fs</b>	<b>▲</b>

SOURCE: Transwestern, CoStar. Class A and B buildings over 25,000 sf. Excludes government-owned buildings.

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NOVEMBER 2017

## Contiguous Large Block Availabilities by Submarket Cluster



## Contiguous Large Block Availabilities\*

9197 S Peoria St	271,678 SF	Southeast Denver
1144 15th St	226,037 SF	Downtown
2000 S Colorado Blvd	218,101 SF	Colorado Blvd/ Glendale
12510 E Belford Ave	198,461 SF	Southeast Denver
12500 E Belford Ave	192,779 SF	Southeast Denver
5050 S Syracuse St	184,508 SF	Southeast Denver
3601 Walnut St	180,906 SF	Downtown
13604 Via Varra	176,588 SF	Broomfield
730 Simms St	171,932 SF	West Denver
1700 Lincoln St	154,265 SF	Downtown
2375 15th St	149,745 SF	Downtown
10065 E Harvard Ave	147,804 SF	Aurora
188 Inverness Dr W	136,628 SF	Southeast Denver
6060 S Willow Dr	135,976 SF	Southeast Denver
8900 Liberty Cir	131,665 SF	Southeast Denver
12121 Grant St	130,803 SF	North Denver
10375 E Harvard Ave	129,862 SF	Aurora
4340 S Monaco St	118,267 SF	Southeast Denver
335 Interlocken Pky	117,211 SF	Broomfield
169 Inverness Dr W	115,859 SF	Southeast Denver

\*Top 20 Largest Blocks Available  
Red denotes properties under construction

## Office Market Statistics By Submarket

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	\$/PSF TREND FROM PREVIOUS MONTH
<b>Northwest (Northwest and Broomfield County)</b>												
Class A	5,022,762	36	7.05%	9.24%	353,907	274,595	88,438	0	0	355,588	\$27.60/fs	▼
Class B	4,591,869	68	8.30%	8.60%	369,190	27,964	117,003	121,271	0	30,212	\$22.96/fs	▼
<b>Totals</b>	<b>9,614,631</b>	<b>104</b>	<b>7.52%</b>	<b>8.80%</b>	<b>723,097</b>	<b>302,559</b>	<b>205,441</b>	<b>121,271</b>	<b>0</b>	<b>385,800</b>	<b>\$25.55/fs</b>	<b>▼</b>
<b>North</b>												
Class A	706,944	5	2.95%	2.95%	20,884	0	(4,294)	796	0	0	\$20.50/fs	↔
Class B	2,435,156	33	10.59%	10.75%	260,859	27,968	(30,115)	(37,151)	0	0	\$22.36/fs	▲
<b>Totals</b>	<b>3,142,100</b>	<b>38</b>	<b>8.97%</b>	<b>9.09%</b>	<b>281,743</b>	<b>27,968</b>	<b>(34,409)</b>	<b>(36,355)</b>	<b>0</b>	<b>0</b>	<b>\$22.16/fs</b>	<b>▲</b>
<b>Aurora/Northeast (Aurora, Northeast, and East I-70/Montbello)</b>												
Class A	2,433,175	19	11.88%	11.88%	301,617	104,846	(148,192)	(160,855)	0	0	\$24.83/fs	▼
Class B	6,682,589	92	10.08%	10.24%	670,829	10,913	(114,032)	(112,745)	0	43,586	\$18.31/fs	▲
<b>Totals</b>	<b>9,115,764</b>	<b>111</b>	<b>10.67%</b>	<b>10.79%</b>	<b>972,446</b>	<b>115,759</b>	<b>(262,224)</b>	<b>(273,600)</b>	<b>0</b>	<b>43,586</b>	<b>\$20.99/fs</b>	<b>▲</b>
<b>Southwest</b>												
Class A	1,241,467	5	7.64%	7.64%	94,897	0	(45,099)	(26,575)	0	0	\$26.15/fs	↔
Class B	4,336,443	75	11.96%	12.59%	515,543	37,808	246,460	239,326	0	0	\$18.79/fs	▼
<b>Totals</b>	<b>5,577,910</b>	<b>80</b>	<b>10.94%</b>	<b>11.43%</b>	<b>610,440</b>	<b>37,808</b>	<b>201,361</b>	<b>212,751</b>	<b>0</b>	<b>0</b>	<b>\$19.65/fs</b>	<b>▼</b>
<b>West</b>												
Class A	1,824,166	17	9.35%	11.49%	170,472	42,246	(540)	(38,691)	0	240,000	\$26.85/fs	▼
Class B	7,033,633	112	16.06%	16.21%	1,133,776	21,594	9,916	(71,535)	0	26,000	\$21.89/fs	▲
<b>Totals</b>	<b>8,857,799</b>	<b>129</b>	<b>14.72%</b>	<b>15.28%</b>	<b>1,304,248</b>	<b>63,840</b>	<b>9,376</b>	<b>(110,226)</b>	<b>0</b>	<b>266,000</b>	<b>\$22.68/fs</b>	<b>▲</b>

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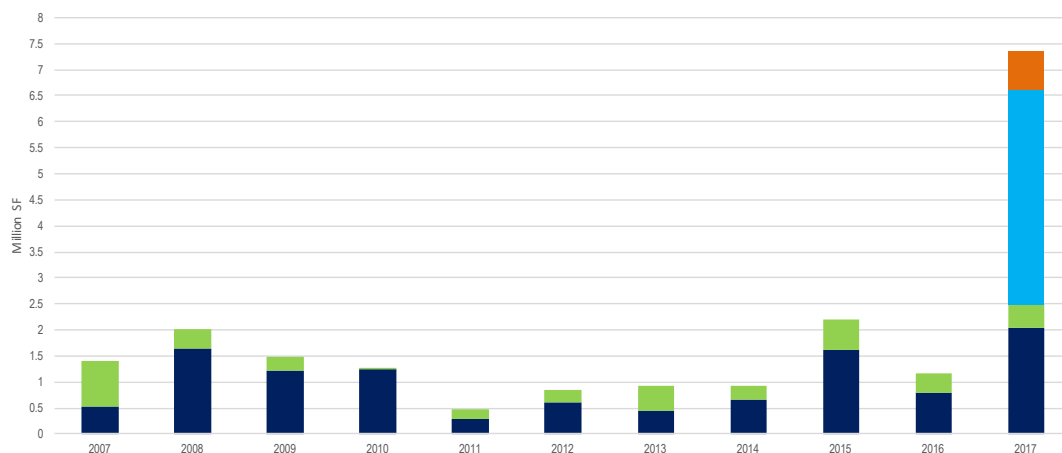
## Office Market Statistics By Submarket

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<b>Boulder (Boulder and Boulder County)</b>												
Class A	2,076,080	20	7.60%	9.28%	157,706	34,889	163,411	243,401	200,000	83,000	\$33.88/fs	▼
Class B	7,459,044	132	9.65%	10.49%	762,277	128,674	(64,481)	(103,318)	89,700	218,216	\$25.78/fs	▲
<b>Totals</b>	<b>9,535,124</b>	<b>152</b>	<b>9.65%</b>	<b>10.71%</b>	<b>919,983</b>	<b>163,563</b>	<b>98,930</b>	<b>140,083</b>	<b>289,700</b>	<b>301,216</b>	<b>\$27.52/fs</b>	<b>▲</b>
<b>Denver Tech Center</b>												
Class A	7,964,744	40	11.06%	11.91%	887,942	206,735	537,091	525,989	617,702	257,000	\$28.36/fs	▼
Class B	3,149,682	35	15.95%	16.10%	503,206	23,916	187,088	190,145	0	0	\$23.89/fs	▲
<b>Totals</b>	<b>11,114,426</b>	<b>75</b>	<b>12.52%</b>	<b>13.18%</b>	<b>1,391,148</b>	<b>230,651</b>	<b>724,179</b>	<b>716,134</b>	<b>617,702</b>	<b>257,000</b>	<b>\$27.02/fs</b>	<b>▲</b>
<b>Greenwood Village</b>												
Class A	3,845,022	18	8.27%	8.76%	317,830	74,887	(57,655)	(66,892)	0	306,000	\$28.14/fs	▼
Class B	4,373,322	54	15.82%	17.56%	683,339	75,139	46,318	46,142	0	0	\$23.30/fs	▲
<b>Totals</b>	<b>8,218,344</b>	<b>72</b>	<b>12.18%</b>	<b>13.33%</b>	<b>1,001,169</b>	<b>150,026</b>	<b>(11,337)</b>	<b>(20,750)</b>	<b>0</b>	<b>306,000</b>	<b>\$25.19/fs</b>	<b>▲</b>
<b>Inverness</b>												
Class A	2,311,254	18	17.48%	18.47%	403,446	25,860	208,749	250,036	251,675	337,929	\$26.79/fs	▼
Class B	2,900,220	44	12.30%	13.94%	356,789	152,782	57,895	41,550	0	0	\$22.57/fs	▼
<b>Totals</b>	<b>5,211,474</b>	<b>62</b>	<b>14.59%</b>	<b>15.94%</b>	<b>760,235</b>	<b>178,642</b>	<b>266,643</b>	<b>291,586</b>	<b>251,675</b>	<b>337,929</b>	<b>\$24.69/fs</b>	<b>▼</b>
<b>Meridian</b>												
Class A	2,649,217	20	4.65%	11.47%	126,298	196,705	(26,907)	(207,845)	0	0	\$24.21/fs	▲
Class B	503,570	5	6.82%	8.45%	34,350	8,222	(3,002)	(7,107)	0	0	\$23.34/fs	↔
<b>Totals</b>	<b>3,152,787</b>	<b>25</b>	<b>5.10%</b>	<b>11.24%</b>	<b>160,648</b>	<b>204,927</b>	<b>(29,909)</b>	<b>(214,952)</b>	<b>0</b>	<b>0</b>	<b>\$23.84/fs</b>	<b>▲</b>
<b>Lone Tree</b>												
Class A	2,238,279	17	4.24%	4.52%	95,011	6,111	54,913	54,913	0	0	\$30.97/fs	↔
Class B	493,560	11	2.70%	2.70%	13,339	0	63,298	63,298	0	0	\$32.52/fs	↔
<b>Totals</b>	<b>2,731,839</b>	<b>28</b>	<b>3.97%</b>	<b>4.19%</b>	<b>108,350</b>	<b>6,111</b>	<b>118,211</b>	<b>118,211</b>	<b>0</b>	<b>0</b>	<b>\$31.91/fs</b>	<b>↔</b>
<b>Balance Of Southeast (Arapahoe Rd, Centennial, Panorama/Highland Park East Hampden, Highlands Ranch and Parker/Castle Rock)</b>												
Class A	4,896,398	37	6.86%	11.27%	334,799	264,070	167,319	(5,754)	287,000	48,245	\$23.99/fs	▲
Class B	6,785,498	119	6.57%	7.07%	454,431	83,944	9,028	(14,094)	0	0	\$21.13/fs	▲
<b>Totals</b>	<b>11,681,896</b>	<b>156</b>	<b>6.76%</b>	<b>8.90%</b>	<b>789,230</b>	<b>348,014</b>	<b>176,347</b>	<b>(19,848)</b>	<b>287,000</b>	<b>48,245</b>	<b>\$22.32/fs</b>	<b>▲</b>

SOURCE: Transwestern, CoStar. Class A and B buildings over 25,000 sf. Excludes government-owned buildings.

## Denver/Boulder Office Delivered by Class

■ DELIVERED CLASS A ■ DELIVERED CLASS B ■ CLASS A UNDER CONSTRUCTION ■ CLASS B UNDER CONSTRUCTION



# DENVER OFFICE MARKET WATCH

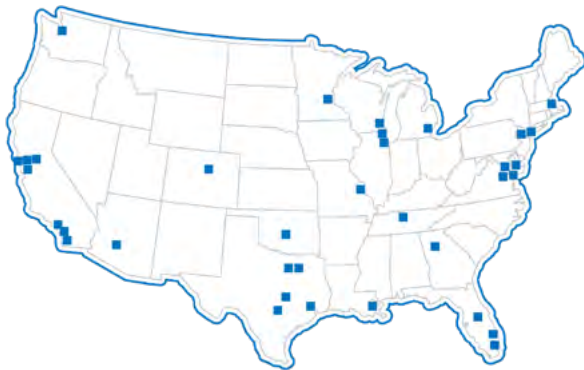
NOVEMBER 2017

## About Transwestern

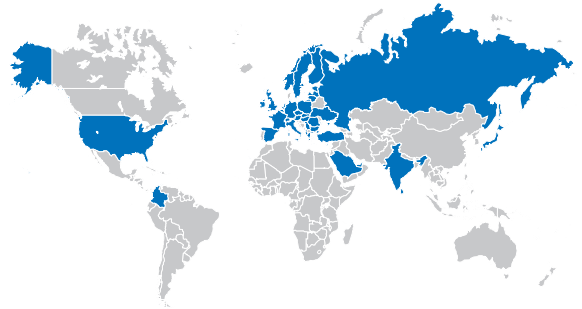
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### \*Source

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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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