

# The CoStar Industrial Report

First Quarter 2016

## Denver Industrial Market



**CoStar**<sup>TM</sup>  
The knowledge market

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## Methodology

The CoStar Industrial Report calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex/research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's national database includes approximately 80.7 billion square feet of coverage in 3.5 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property. The quoted rental rate is exclusive of the expense pass through associated with the rent.

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**CoStar Group, Inc.**

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## Terms & Definitions

**Availability Rate:** The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

**Available Space:** The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

**Build-to-Suit:** A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

**Buyer:** The individual, group, company, or entity that has purchased a commercial real estate asset.

**Cap Rate:** Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

**CBD:** Abbreviation for Central Business District. (See also: Central Business District)

**Central Business District:** The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

**Class A:** A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

**Class B:** A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Class C:** A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Construction Starts:** Buildings that began construction during a specific period of time. (See also: Deliveries)

**Contiguous Blocks of Space:** Space within a building that is, or is able to be joined together into a single contiguous space.

**Deliveries:** Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

**Delivery Date:** The date a building completes construction and receives a certificate of occupancy.

**Developer:** The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

**Direct Space:** Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

**Existing Inventory:** The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

**Flex Building:** A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

**Full Service Rental Rate:** Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

**Gross Absorption:** The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

**Growth in Inventory:** The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

**Industrial Building:** A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

**Landlord Rep:** (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

**Leased Space:** All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

**Leasing Activity:** The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

**Market:** Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

**Multi-Tenant:** Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

**Net Absorption:** The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

**Net Rental Rate:** A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

**New Space:** Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

**Occupied Space:** Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

**Office Building:** A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

**Owner:** The company, entity, or individual that holds title on a given building or property.

**Planned/Proposed:** The status of a building that has been announced for future development but not yet started construction.

**Preleased Space:** The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

**Price/SF:** Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

**Property Manager:** The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

**Quoted Rental Rate:** The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

**RBA:** Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

**Region:** Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

**Relet Space:** Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

**Rentable Building Area:** (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

**Rental Rates:** The annual costs of occupancy for a particular space quoted on a per square foot basis.

**Sales Price:** The total dollar amount paid for a particular property at a particular point in time.

**Sales Volume:** The sum of sales prices for a given group of buildings in a given time period.

**Seller:** The individual, group, company, or entity that sells a particular commercial real estate asset.

**SF:** Abbreviation for Square Feet.

**Single-Tenant:** Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

**Sublease Space:** Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

**Submarkets:** Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

**Suburban:** The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

**Tenancy:** A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

**Tenant Rep:** Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

**Time On Market:** A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

**Under Construction:** Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

**Vacancy Rate:** A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

**Vacant Space:** Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

**Weighted Average Rental Rate:** Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

**Year Built:** The year in which a building completed construction and was issued a certificate of occupancy.

**YTD:** Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

## Denver's Vacancy Falls to 4.3% Net Absorption Positive 746,744 SF in the Quarter

The Denver Industrial market ended the first quarter 2016 with a vacancy rate of 4.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 746,744 square feet in the first quarter. Vacant sublease space decreased in the quarter, ending the quarter at 742,529 square feet. Rental rates ended the first quarter at \$8.16, an increase over the previous quarter. A total of eight buildings delivered to the market in the quarter totaling 462,675 square feet, with 4,812,543 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Denver Industrial market was positive 746,744 square feet in the first quarter 2016. That compares to negative (393,974) square feet in the fourth quarter 2015, positive 899,068 square feet in the third quarter 2015, and positive 712,289 square feet in the second quarter 2015.

Tenants moving out of large blocks of space in 2016 include: Daltile Natural Stone Showroom & Slab Yard moving out of (127,930) square feet at 852 S Jason St, Adams Data Management moving out of (56,232) square feet at 9911 E 47th Ave, and Thule moving out of (36,040) square feet at 16303 E 32nd Ave.

Tenants moving into large blocks of space in 2016 include: Universal Forest Products moving into 70,000 square feet at 14700 E 38th Ave, Bridgestone moving into 67,772 square feet at 24210 E 19th Ave, and Packers Plus Energy Services moving into 59,137 square feet at 1960 Cherry St.

The Flex building market recorded net absorption of positive 79,413 square feet in the first quarter 2016, compared to

positive 470,469 square feet in the fourth quarter 2015, positive 374,579 in the third quarter 2015, and positive 90,396 in the second quarter 2015.

The Warehouse building market recorded net absorption of positive 667,331 square feet in the first quarter 2016 compared to negative (864,443) square feet in the fourth quarter 2015, positive 524,489 in the third quarter 2015, and positive 621,893 in the second quarter 2015.

### Vacancy

The Industrial vacancy rate in the Denver market area decreased to 4.3% at the end of the first quarter 2016. The vacancy rate was 4.4% at the end of the fourth quarter 2015, 4.1% at the end of the third quarter 2015, and 4.4% at the end of the second quarter 2015.

Flex projects reported a vacancy rate of 9.4% at the end of the first quarter 2016, 9.5% at the end of the fourth quarter 2015, 10.1% at the end of the third quarter 2015, and 10.9% at the end of the second quarter 2015.

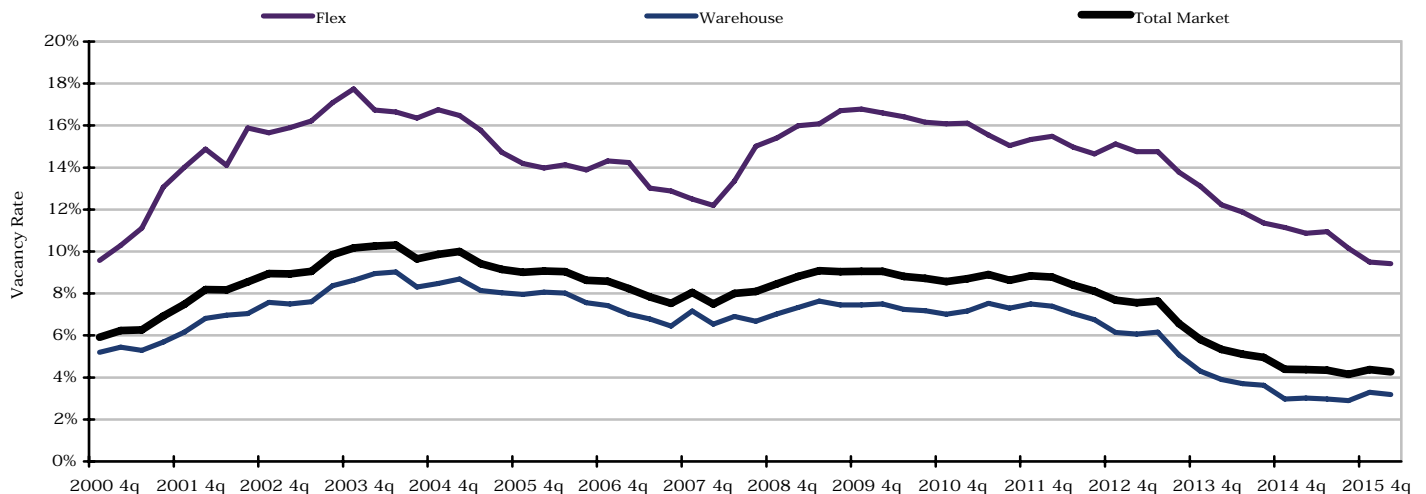
Warehouse projects reported a vacancy rate of 3.2% at the end of the first quarter 2016, 3.3% at the end of fourth quarter 2015, 2.9% at the end of the third quarter 2015, and 3.0% at the end of the second quarter 2015.

### Largest Lease Signings

The largest lease signings occurring in 2016 included: the 110,000-square-foot deal signed by Mattress Firm at 5333 N Bannock St in the Northwest Denver market; the 80,782-square-foot lease signed by Dealer Tire at 10000 E 40th Ave in the East I-70/Montbello market; the 80,674-square-foot lease

## Vacancy Rates by Building Type

1999-2016



Source: CoStar Property®

signed by Pental Granite & Marble at 10000 E 40th Ave in the East I-70/Montbello market.

## Sublease Vacancy

The amount of vacant sublease space in the Denver market decreased to 742,529 square feet by the end of the first quarter 2016, from 1,232,339 square feet at the end of the fourth quarter 2015. There was 1,094,751 square feet vacant at the end of the third quarter 2015 and 1,057,672 square feet at the end of the second quarter 2015.

Denver's Flex projects reported vacant sublease space of 77,032 square feet at the end of first quarter 2016, down from the 523,421 square feet reported at the end of the fourth quarter 2015. There were 500,933 square feet of sublease space vacant at the end of the third quarter 2015, and 498,241 square feet at the end of the second quarter 2015.

Warehouse projects reported decreased vacant sublease space from the fourth quarter 2015 to the first quarter 2016. Sublease vacancy went from 708,918 square feet to 665,497 square feet during that time. There was 593,818 square feet at the end of the third quarter 2015, and 559,431 square feet at the end of the second quarter 2015.

## Rental Rates

The average quoted asking rental rate for available Industrial space was \$8.16 per square foot per year at the end of the first quarter 2016 in the Denver market area. This represented a 2.3% increase in quoted rental rates from the end of the fourth quarter 2015, when rents were reported at \$7.98 per square foot.

The average quoted rate within the Flex sector was \$10.06 per square foot at the end of the first quarter 2016, while Warehouse rates stood at \$7.23. At the end of the fourth quarter 2015, Flex rates were \$10.18 per square foot, and Warehouse rates were \$6.99.

## Deliveries and Construction

During the first quarter 2016, eight buildings totaling 462,675 square feet were completed in the Denver market area. This compares to eight buildings totaling 308,517 square feet that were completed in the fourth quarter 2015, two buildings totaling 355,840 square feet completed in the third quarter 2015, and 683,691 square feet in seven buildings completed in the second quarter 2015.

There were 4,812,543 square feet of Industrial space under construction at the end of the first quarter 2016.

Some of the notable 2016 deliveries include: 1041 E Woodward Way, a 303,000-square-foot facility that delivered in first quarter 2016 and is now 100% occupied, and 200 E 55th Ave a 61,870-square-foot building that delivered in first quarter 2016 and is now 62% occupied.

The largest projects underway at the end of first quarter 2016 were 9410 E 40th Ave, a 647,000-square-foot building with 100% of its space pre-leased, and 19799 E 36th Ave, a 452,400-square-foot facility that is 0% pre-leased.

## Inventory

Total Industrial inventory in the Denver market area amounted to 290,808,423 square feet in 10,298 buildings as of the end of the first quarter 2016. The Flex sector consisted of 50,423,566 square feet in 1,757 projects. The Warehouse sector consisted of 240,384,857 square feet in 8,541 buildings. Within the Industrial market there were 1,606 owner-occupied buildings accounting for 71,478,961 square feet of Industrial space.

## Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Denver industrial sales figures fell during the fourth quarter 2015 in terms of dollar volume compared to the third quarter of 2015.

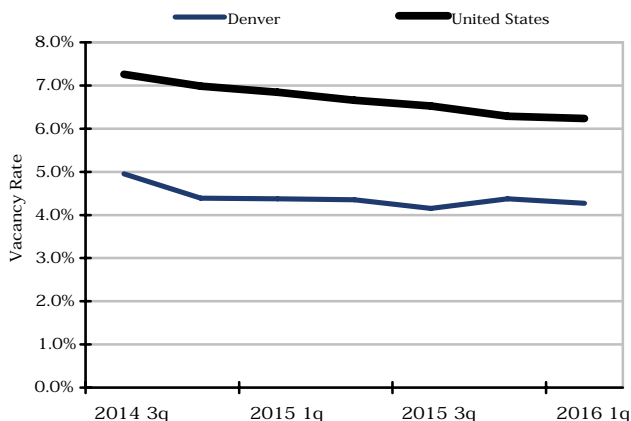
In the fourth quarter, 50 industrial transactions closed with a total volume of \$215,832,608. The 50 buildings totaled 2,301,813 square feet and the average price per square foot equated to \$93.77 per square foot. That compares to 53 transactions totaling \$228,334,716 in the third quarter. The total square footage was 3,148,836 for an average price per square foot of \$72.51.

Total year-to-date industrial building sales activity in 2015 is down compared to the previous year. In the twelve months of 2015, the market saw 192 industrial sales transactions with a total volume of \$802,420,043. The price per square foot has averaged \$78.13 this year. In the twelve months of 2014, the market posted 232 transactions with a total volume of \$902,688,838. The price per square foot averaged \$66.13.

Cap rates have been lower in 2015, averaging 7.68%, compared to the twelve months of last year when they averaged 8.01%.

## U.S. Vacancy Comparison

Past 7 Quarters



Source: CoStar Property®

# Denver Industrial Market



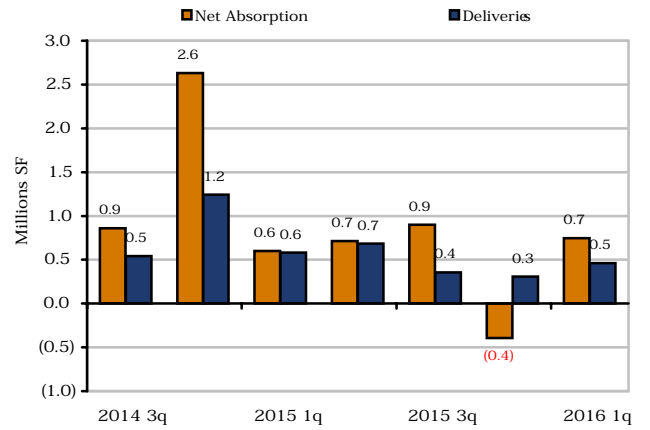
Overview

One of the largest transactions that has occurred within the last four quarters in the Denver market is the sale of Airport Distribution Ctr in Aurora. This 691,000-square-foot industrial building sold for \$46,600,000, or \$67.44 per square foot. The property sold on 3/3/2015.

Reports compiled by: Jeff Miles, CoStar Research Manager.

## Absorption & Deliveries

Past 7 Quarters



Source: CoStar Property®



## CoStar Submarket Clusters & Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters	Submarkets			
Aurora Ind	Aurora Ind			
Boulder Ind	Boulder County Ind	Boulder Ind		
Broomfield Ind	Broomfield County Ind			
Central Ind	Lower Central Ind	Mid Central Ind	Upper Central Ind	
Clear Creek County Ind	Clear Creek County Ind			
East I-70/Montbello Ind	Cent E I-70/Montbello Ind	East I-70/270 Ind	Quebec St Ind	SW DIA/Pena Blvd Ind
Elbert County Ind	Elbert County Ind			
Fort Collins/Loveland Ind	Fort Collins/Loveland Ind			
Gilpin County Ind	Gilpin County Ind			
Glendale Ind	Glendale Ind			
Longmont Ind	Longmont Ind			
North Central Ind	Lower North Central Ind	Upper North Central Ind		
North Denver Ind	North Denver Ind			
Northeast Denver Ind	Commerce City Ind	DIA Ind		
Northwest Denver Ind	Northwest Denver Ind			
Park County Ind	Park County Ind			
Parker/Castle Rock Ind	Parker/Castle Rock Ind			
South Central Ind	Lower South Central Ind	Mid South Central Ind	Upper South Central Ind	
Southeast Denver Ind	Arapahoe Rd Ind Greenwood Village Ind Southeast C-470 Ind	Centennial Ind Highlands Ranch Ind	Denver Tech Center Ind Inverness Ind	East Hampden Ind Meridian Ind
Southwest Denver Ind	Lakewood Ind	Southwest C-470 Ind		
Weld County Ind	Weld County Ind			
West Denver Ind	West Denver Ind			

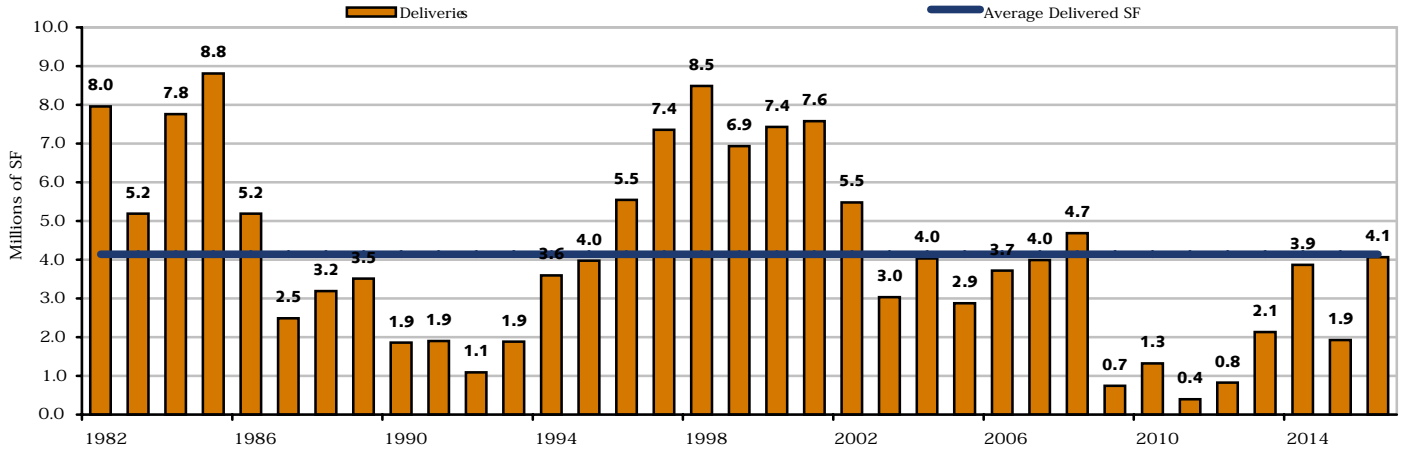
# Denver Industrial Market



Inventory & development

## Historical Deliveries

1982 - 2016



Source: CoStar Property® \* Future deliveries based on current under construction buildings.

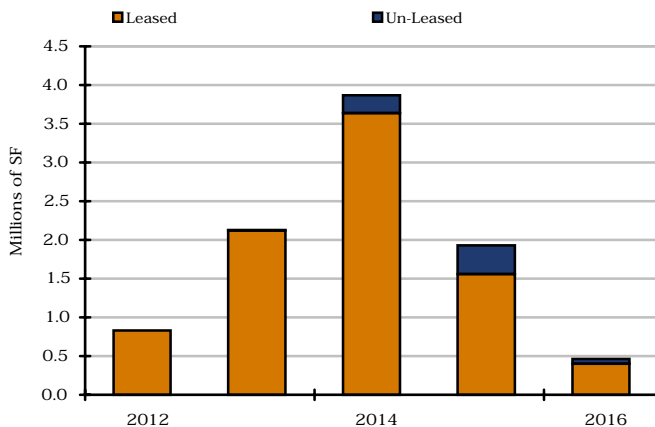
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
East I-70/Montbello Ind	12	2,774,300	905,964	32.7%	54,411	231,192
Northeast Denver Ind	5	896,128	227,480	25.4%	26,404	179,226
West Denver Ind	3	419,413	308,893	73.6%	38,099	139,804
Northwest Denver Ind	4	377,552	232,925	61.7%	26,979	94,388
Fort Collins/Loveland Ind	5	147,333	37,043	25.1%	22,479	29,467
Southeast Denver Ind	2	107,000	6,000	5.6%	32,673	53,500
North Denver Ind	2	43,025	43,025	100.0%	31,424	21,512
Boulder Ind	1	35,000	0	0.0%	31,417	35,000
Weld County Ind	1	12,792	0	0.0%	22,346	12,792
South Central Ind	0	0	0	0.0%	14,837	0
All Other	0	0	0	0.0%	21,246	0
<b>Totals</b>	<b>35</b>	<b>4,812,543</b>	<b>1,761,330</b>	<b>36.6%</b>	<b>28,239</b>	<b>137,501</b>

Source: CoStar Property®

## Recent Deliveries

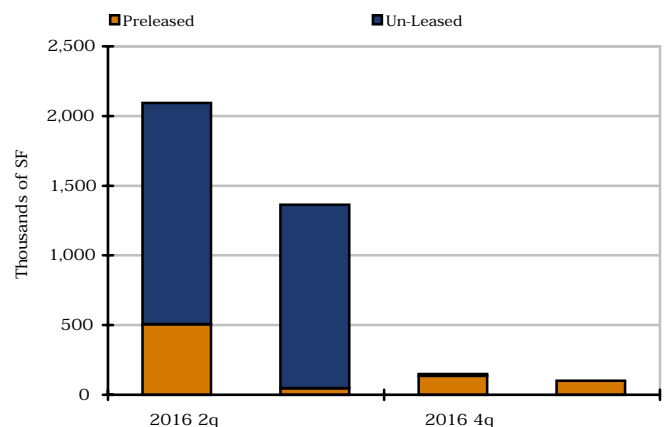
Leased & Un-Leased SF in Deliveries Since 2012



Source: CoStar Property®

## Future Deliveries

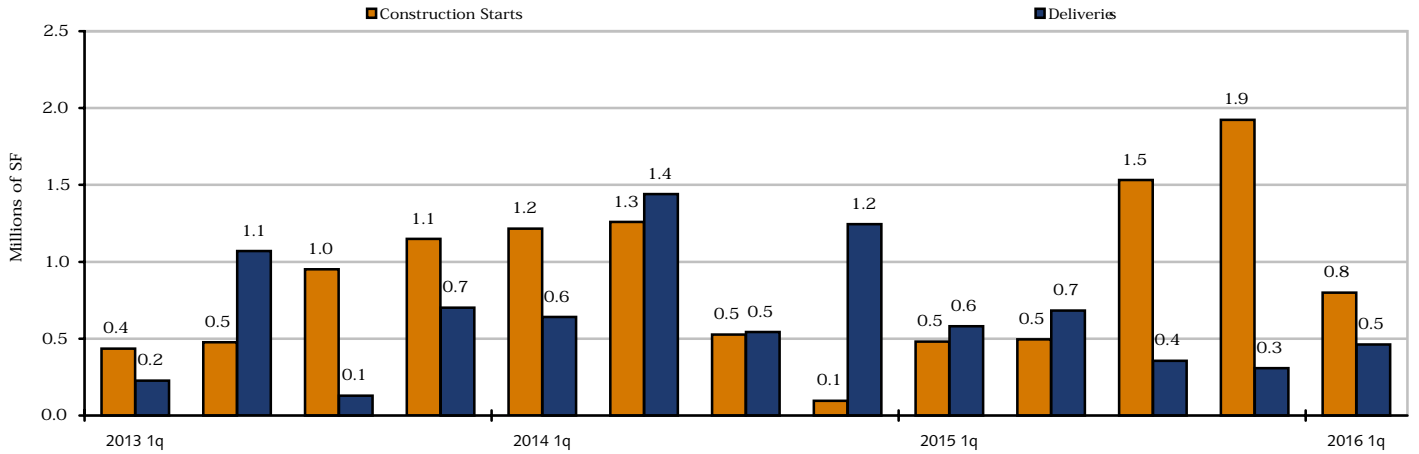
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

## RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	6	97,805	60,840	62.2%	\$13.90	87,615	10,190
50,000 SF - 99,999 SF	1	61,870	38,359	62.0%	\$0.00	0	61,870
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	1	303,000	303,000	100.0%	\$0.00	303,000	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

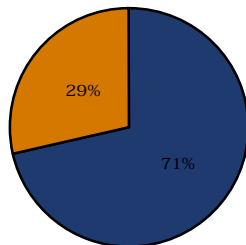
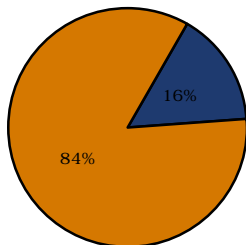
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2016 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

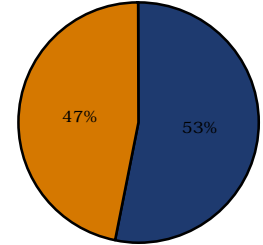
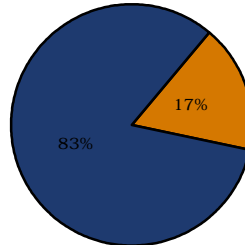
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

# Denver Industrial Market



Inventory &amp; development

## Select Year-to-Date Deliveries

Based on Project Square Footage

- |   |  |   |
|---|--|---|
| <p><b>1. 1041 E Woodward Way</b></p> <hr/> <p>Submarket: <b>Fort Collins/Loveland Industrial Market</b><br/>           RBA: <b>303,000</b><br/>           Occupied: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>Second Quarter 2014</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>Woodward, Inc.</b><br/>           Developer: <b>Next Level Development, Inc.</b></p> | <p><b>2. 200 E 55th Ave</b></p> <hr/> <p>Submarket: <b>Northeast Denver Industrial Market</b><br/>           RBA: <b>61,870</b><br/>           Occupied: <b>62%</b><br/>           Quoted Rate: <b>Negotiable</b><br/>           Grnd Brk Date: <b>Third Quarter 2015</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>Newmark Grubb Knight Frank</b><br/>           Developer: <b>Trammell Crow Company</b></p> | <p><b>3. 5365 Alkire Cir</b></p> <hr/> <p>Submarket: <b>Southwest Denver Industrial Market</b><br/>           RBA: <b>33,500</b><br/>           Occupied: <b>0%</b><br/>           Quoted Rate: <b>Negotiable</b><br/>           Grnd Brk Date: <b>First Quarter 2015</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>Ojala &amp; Company, LLC</b><br/>           Developer: <b>Ojala &amp; Company, LLC</b></p> |
| <p><b>4. 880 Pine Ridge Rd</b></p> <hr/> <p>Submarket: <b>West Denver Industrial Market</b><br/>           RBA: <b>30,415</b><br/>           Occupied: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>Second Quarter 2015</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>Full Throttle Holdings Conifer</b><br/>           Developer: <b>N/A</b></p>                       | <p><b>5. 3033 Sterling Cir</b></p> <hr/> <p>Submarket: <b>Boulder Industrial Market</b><br/>           RBA: <b>10,190</b><br/>           Occupied: <b>66%</b><br/>           Quoted Rate: <b>\$16.00</b><br/>           Grnd Brk Date: <b>Third Quarter 2015</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>Gibbons White, Inc.</b><br/>           Developer: <b>N/A</b></p>                                   | <p><b>6. 3753 Puritan Way</b></p> <hr/> <p>Submarket: <b>Weld County Industrial Market</b><br/>           RBA: <b>10,000</b><br/>           Occupied: <b>100%</b><br/>           Quoted Rate: <b>\$11.00</b><br/>           Grnd Brk Date: <b>Third Quarter 2015</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>Maxwell Realty Consulting Service</b><br/>           Developer: <b>N/A</b></p>                  |
| <p><b>7. 5978 Esther Cir</b></p> <hr/> <p>Submarket: <b>Weld County Industrial Market</b><br/>           RBA: <b>8,700</b><br/>           Occupied: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>Third Quarter 2015</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>Newmark Grubb Knight Frank</b><br/>           Developer: <b>N/A</b></p>                               | <p><b>8. 11961 US Highway 40</b></p> <hr/> <p>Submarket: <b>Clear Creek County Industrial Market</b><br/>           RBA: <b>5,000</b><br/>           Occupied: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>Third Quarter 2015</b><br/>           Deliv Date: <b>First Quarter 2016</b><br/>           Leasing Co: <b>SGS North America, Inc.</b><br/>           Developer: <b>N/A</b></p>                      |   |

## Select Top Under Construction Properties

Based on Project Square Footage

- |   |  |  |
|---|--|--|
| <p><b>1. 9410 E 40th Ave</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>647,000</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Fourth Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2017</b><br/> Leasing Co: <b>United Properties</b><br/> Developer: <b>United Properties</b></p>               | <p><b>2. 19799 E 36th Ave</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>452,400</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Third Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2016</b><br/> Leasing Co: <b>Majestic Realty Co.</b><br/> Developer: <b>Commerce Construction Co. L.P.</b></p>      | <p><b>3. 480 E 55th Ave</b></p> <hr/> <p>Submarket: <b>Northeast Denver Industrial Market</b><br/> RBA: <b>376,598</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Third Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2016</b><br/> Leasing Co: <b>Newmark Grubb Knight Frank</b><br/> Developer: <b>Trammell Crow Company</b></p>                         |
| <p><b>4. 19550 E 23rd Ave</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>356,833</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Fourth Quarter 2015</b><br/> Deliv Date: <b>Third Quarter 2016</b><br/> Leasing Co: <b>CBRE</b><br/> Developer: <b>Consolidated Investment Group, LLC</b></p>      | <p><b>5. Table Mountain Pky</b></p> <hr/> <p>Submarket: <b>West Denver Industrial Market</b><br/> RBA: <b>300,000</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>First Quarter 2016</b><br/> Deliv Date: <b>Second Quarter 2017</b><br/> Leasing Co: <b>CoorsTek, Inc.</b><br/> Developer: <b>N/A</b></p>   | <p><b>6. 12900 E Smith Rd</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>290,147</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Fourth Quarter 2015</b><br/> Deliv Date: <b>Third Quarter 2016</b><br/> Leasing Co: <b>Newmark Grubb Knight Frank</b><br/> Developer: <b>Brookwood Capital Partners</b></p>               |
| <p><b>7. 5503 Havana St</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>251,591</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Third Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2016</b><br/> Leasing Co: <b>CBRE</b><br/> Developer: <b>Prologis</b></p>                                  | <p><b>8. 12405 W 112th Ave</b></p> <hr/> <p>Submarket: <b>Northwest Denver Industrial Market</b><br/> RBA: <b>210,125</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>First Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2016</b><br/> Leasing Co: <b>SunCap Property Group</b><br/> Developer: <b>SunCap Property Group</b></p>                    | <p><b>9. 18401 E 40th Ave</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>204,000</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Second Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2016</b><br/> Leasing Co: <b>Murray &amp; Stafford, Inc.&gt;&gt;</b><br/> Developer: <b>Murray &amp; Stafford, Inc.&gt;&gt;</b></p> |
| <p><b>10. 610 E 55th Ave</b></p> <hr/> <p>Submarket: <b>Northeast Denver Industrial Market</b><br/> RBA: <b>168,050</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Fourth Quarter 2015</b><br/> Deliv Date: <b>Third Quarter 2016</b><br/> Leasing Co: <b>Newmark Grubb Knight Frank</b><br/> Developer: <b>Trammell Crow Company</b></p> | <p><b>11. 11198 E 45th Ave</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>163,000</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Third Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2016</b><br/> Leasing Co: <b>Colliers International</b><br/> Developer: <b>Panattoni Development Company</b></p>   | <p><b>12. 9420 E 40th Ave</b></p> <hr/> <p>Submarket: <b>East I-70/Montbello Industrial Market</b><br/> RBA: <b>156,823</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>First Quarter 2016</b><br/> Deliv Date: <b>Third Quarter 2016</b><br/> Leasing Co: <b>Newmark Grubb Knight Frank</b><br/> Developer: <b>United Properties</b></p>                         |
| <p><b>13. 390 E 55th Ave</b></p> <hr/> <p>Submarket: <b>Northeast Denver Industrial Market</b><br/> RBA: <b>127,480</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Fourth Quarter 2015</b><br/> Deliv Date: <b>Fourth Quarter 2016</b><br/> Leasing Co: <b>Newmark Grubb Knight Frank</b><br/> Developer: <b>Trammell Crow Company</b></p>     | <p><b>14. 435-495 E 62nd Ave</b></p> <hr/> <p>Submarket: <b>Northeast Denver Industrial Market</b><br/> RBA: <b>124,000</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Third Quarter 2015</b><br/> Deliv Date: <b>Second Quarter 2016</b><br/> Leasing Co: <b>Newmark Grubb Knight Frank</b><br/> Developer: <b>Corum Real Estate Group Inc.</b></p> | <p><b>15. 2000 Taylor Ave</b></p> <hr/> <p>Submarket: <b>Northeast Denver Industrial Market</b><br/> RBA: <b>120,877</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Fourth Quarter 2015</b><br/> Deliv Date: <b>Third Quarter 2016</b><br/> Leasing Co: <b>Etkin Johnson Real Estate Partners</b><br/> Developer: <b>Etkin Johnson Real Estate Partners</b></p>  |

## Denver Industrial Market



Figures at a Glance

## Flex Market Statistics

First Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aurora Ind	51	1,653,478	239,671	245,772	14.9%	(2,912)	0	0	\$7.85
Boulder Ind	183	7,041,776	382,342	411,184	5.8%	27,680	10,190	35,000	\$12.88
Broomfield Ind	34	926,044	57,872	57,872	6.2%	16,953	0	0	\$12.43
Central Ind	38	425,293	25,273	25,273	5.9%	(4,773)	0	0	\$11.09
Clear Creek County Ind	1	29,272	14,655	14,655	50.1%	0	0	0	\$10.67
East I-70/Montbello Ind	85	2,222,284	57,921	57,921	2.6%	(11,139)	0	211,787	\$9.01
Elbert County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Loveland Ind	188	6,015,864	994,158	994,158	16.5%	(16,951)	0	13,400	\$9.96
Gilpin County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	48	1,034,687	15,600	15,600	1.5%	24,987	0	0	\$8.50
Longmont Ind	65	2,946,314	783,252	783,252	26.6%	41,078	0	0	\$8.19
North Central Ind	50	889,524	37,869	37,869	4.3%	(30,038)	0	0	\$10.41
North Denver Ind	43	1,686,394	364,083	364,083	21.6%	11,762	0	0	\$11.64
Northeast Denver Ind	38	790,368	17,538	17,538	2.2%	(2,706)	0	0	\$11.26
Northwest Denver Ind	170	4,530,186	285,084	285,084	6.3%	(32,879)	0	23,750	\$9.91
Park County Ind	2	14,500	500	500	3.4%	0	0	0	\$15.00
Parker/Castle Rock Ind	16	250,967	51,348	51,348	20.5%	(29,272)	0	0	\$12.64
South Central Ind	66	759,567	14,200	14,200	1.9%	3,129	0	0	\$8.41
Southeast Denver Ind	283	8,703,851	648,907	686,071	7.9%	23,814	0	0	\$10.92
Southwest Denver Ind	151	4,054,170	173,314	173,314	4.3%	519	33,500	0	\$9.10
Weld County Ind	99	2,308,882	400,484	400,484	17.3%	(7,383)	0	0	\$7.25
West Denver Ind	146	4,140,145	108,620	113,545	2.7%	67,544	0	419,413	\$10.55
<b>Totals</b>	<b>1,757</b>	<b>50,423,566</b>	<b>4,672,691</b>	<b>4,749,723</b>	<b>9.4%</b>	<b>79,413</b>	<b>43,690</b>	<b>703,350</b>	<b>\$10.06</b>

Source: CoStar Property®

## Warehouse Market Statistics

First Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aurora Ind	49	721,264	21,147	21,147	2.9%	(7,200)	0	0	\$0.00
Boulder Ind	301	8,164,228	211,321	213,341	2.6%	52,772	0	0	\$11.16
Broomfield Ind	114	3,421,455	137,639	137,639	4.0%	30,276	0	0	\$5.97
Central Ind	640	12,370,454	237,579	287,504	2.3%	(30,304)	0	0	\$6.44
Clear Creek County Ind	8	95,961	0	0	0.0%	5,000	5,000	0	\$8.42
East I-70/Montbello Ind	1,313	73,844,793	2,104,989	2,527,615	3.4%	109,421	0	2,562,513	\$5.82
Elbert County Ind	13	112,688	4,000	4,000	3.5%	(4,000)	0	0	\$6.21
Fort Collins/Loveland Ind	665	13,158,396	384,987	404,987	3.1%	364,528	303,000	133,933	\$8.81
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	104	1,663,253	49,178	49,178	3.0%	(10,207)	0	0	\$6.26
Longmont Ind	166	3,592,341	223,027	223,027	6.2%	82,464	0	0	\$7.17
North Central Ind	850	19,186,746	442,698	469,238	2.4%	(33,757)	0	0	\$8.57
North Denver Ind	218	6,515,217	187,944	187,944	2.9%	(8,710)	0	43,025	\$8.11
Northeast Denver Ind	657	17,560,387	1,323,933	1,343,933	7.7%	46,394	61,870	896,128	\$7.44
Northwest Denver Ind	511	13,842,398	454,153	572,439	4.1%	10,987	0	353,802	\$6.11
Park County Ind	12	77,571	18,750	18,750	24.2%	17,496	0	0	\$0.00
Parker/Castle Rock Ind	92	1,013,837	10,180	10,180	1.0%	700	0	0	\$9.60
South Central Ind	914	13,780,805	240,552	242,002	1.8%	(96,526)	0	0	\$7.88
Southeast Denver Ind	234	8,187,934	247,318	247,318	3.0%	47,456	0	107,000	\$8.53
Southwest Denver Ind	378	6,797,613	59,337	63,337	0.9%	34,466	0	0	\$10.14
Weld County Ind	924	20,550,617	481,503	481,503	2.3%	(20,431)	18,700	12,792	\$8.15
West Denver Ind	375	15,709,593	153,570	154,220	1.0%	76,506	30,415	0	\$7.09
<b>Totals</b>	<b>8,541</b>	<b>240,384,857</b>	<b>6,993,805</b>	<b>7,659,302</b>	<b>3.2%</b>	<b>667,331</b>	<b>418,985</b>	<b>4,109,193</b>	<b>\$7.23</b>

Source: CoStar Property®



# Denver Industrial Market

Figures at a Glance

## Total Industrial Market Statistics

First Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aurora Ind	100	2,374,742	260,818	266,919	11.2%	(10,112)	0	0	\$7.85
Boulder Ind	484	15,206,004	593,663	624,525	4.1%	80,452	10,190	35,000	\$12.16
Broomfield Ind	148	4,347,499	195,511	195,511	4.5%	47,229	0	0	\$8.75
Central Ind	678	12,795,747	262,852	312,777	2.4%	(35,077)	0	0	\$6.74
Clear Creek County Ind	9	125,233	14,655	14,655	11.7%	5,000	5,000	0	\$10.24
East I-70/Montbello Ind	1,398	76,067,077	2,162,910	2,585,536	3.4%	98,282	0	2,774,300	\$5.89
Elbert County Ind	13	112,688	4,000	4,000	3.5%	(4,000)	0	0	\$6.21
Fort Collins/Loveland Ind	853	19,174,260	1,379,145	1,399,145	7.3%	347,577	303,000	147,333	\$9.02
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	152	2,697,940	64,778	64,778	2.4%	14,780	0	0	\$6.80
Longmont Ind	231	6,538,655	1,006,279	1,006,279	15.4%	123,542	0	0	\$7.92
North Central Ind	900	20,076,270	480,567	507,107	2.5%	(63,795)	0	0	\$8.74
North Denver Ind	261	8,201,611	552,027	552,027	6.7%	3,052	0	43,025	\$10.22
Northeast Denver Ind	695	18,350,755	1,341,471	1,361,471	7.4%	43,688	61,870	896,128	\$7.62
Northwest Denver Ind	681	18,372,584	739,237	857,523	4.7%	(21,892)	0	377,552	\$7.64
Park County Ind	14	92,071	19,250	19,250	20.9%	17,496	0	0	\$15.00
Parker/Castle Rock Ind	108	1,264,804	61,528	61,528	4.9%	(28,572)	0	0	\$11.09
South Central Ind	980	14,540,372	254,752	256,202	1.8%	(93,397)	0	0	\$7.91
Southeast Denver Ind	517	16,891,785	896,225	933,389	5.5%	71,270	0	107,000	\$10.12
Southwest Denver Ind	529	10,851,783	232,651	236,651	2.2%	34,985	33,500	0	\$9.51
Weld County Ind	1,023	22,859,499	881,987	881,987	3.9%	(27,814)	18,700	12,792	\$7.77
West Denver Ind	521	19,849,738	262,190	267,765	1.3%	144,050	30,415	419,413	\$8.73
<b>Totals</b>	<b>10,298</b>	<b>290,808,423</b>	<b>11,666,496</b>	<b>12,409,025</b>	<b>4.3%</b>	<b>746,744</b>	<b>462,675</b>	<b>4,812,543</b>	<b>\$8.16</b>

Source: CoStar Property®

## Denver Industrial Market



Figures at a Glance

## Flex Submarket Statistics

First Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arapahoe Rd Ind	1	18,000	0	0	0.0%	0	0	0	\$0.00
Aurora Ind	51	1,653,478	239,671	245,772	14.9%	(2,912)	0	0	\$7.85
Boulder County Ind	29	1,778,830	7,908	7,908	0.4%	(3,816)	0	0	\$11.17
Boulder Ind	154	5,262,946	374,434	403,276	7.7%	31,496	10,190	35,000	\$12.90
Broomfield County In.	34	926,044	57,872	57,872	6.2%	16,953	0	0	\$12.43
Cent E I-70/Montbell.	27	484,768	14,094	14,094	2.9%	1,361	0	0	\$9.89
Centennial Ind	130	4,368,564	310,824	334,482	7.7%	(9,121)	0	0	\$9.69
Clear Creek County I.	1	29,272	14,655	14,655	50.1%	0	0	0	\$10.67
Commerce City Ind	23	349,444	0	0	0.0%	0	0	0	\$7.00
Denver Tech Center I.	5	181,467	53,767	53,767	29.6%	0	0	0	\$17.32
DIA Ind	15	440,924	17,538	17,538	4.0%	(2,706)	0	0	\$11.64
East Hampden Ind	7	140,757	2,289	2,289	1.6%	(2,289)	0	0	\$7.89
East I-70/270 Ind	10	260,925	7,782	7,782	3.0%	0	0	0	\$6.00
Elbert County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Lovelan.	188	6,015,864	994,158	994,158	16.5%	(16,951)	0	13,400	\$9.96
Gilpin County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	48	1,034,687	15,600	15,600	1.5%	24,987	0	0	\$8.50
Greenwood Village In.	0	0	0	0	0.0%	0	0	0	\$0.00
Highlands Ranch Ind	27	1,059,921	60,277	60,277	5.7%	25,975	0	0	\$9.16
Inverness Ind	48	2,001,889	182,501	194,543	9.7%	549	0	0	\$11.98
Lakewood Ind	5	50,456	3,691	3,691	7.3%	(735)	0	0	\$9.00
Longmont Ind	65	2,946,314	783,252	783,252	26.6%	41,078	0	0	\$8.19
Lower Central Ind	13	141,358	9,273	9,273	6.6%	(9,273)	0	0	\$12.03
Lower North Central .	28	639,448	34,351	34,351	5.4%	(27,000)	0	0	\$10.74
Lower South Central .	32	406,865	2,200	2,200	0.5%	3,129	0	0	\$7.04
Meridian Ind	8	78,126	924	924	1.2%	0	0	0	\$13.18
Mid Central Ind	14	178,271	16,000	16,000	9.0%	4,500	0	0	\$10.00
Mid South Central In.	15	198,819	0	0	0.0%	0	0	0	\$11.23
North Denver Ind	43	1,686,394	364,083	364,083	21.6%	11,762	0	0	\$11.64
Northwest Denver Ind	170	4,530,186	285,084	285,084	6.3%	(32,879)	0	23,750	\$9.91
Park County Ind	2	14,500	500	500	3.4%	0	0	0	\$15.00
Parker/Castle Rock I.	16	250,967	51,348	51,348	20.5%	(29,272)	0	0	\$12.64
Quebec St Ind	19	780,206	0	0	0.0%	0	0	156,823	\$7.50
Southeast C-470 Ind	57	855,127	38,325	39,789	4.7%	8,700	0	0	\$12.17
Southwest C-470 Ind	146	4,003,714	169,623	169,623	4.2%	1,254	33,500	0	\$9.10
SW DIA/Pena Blvd Ind	29	696,385	36,045	36,045	5.2%	(12,500)	0	54,964	\$8.96
Upper Central Ind	11	105,664	0	0	0.0%	0	0	0	\$0.00
Upper North Central .	22	250,076	3,518	3,518	1.4%	(3,038)	0	0	\$10.08
Upper South Central .	19	153,883	12,000	12,000	7.8%	0	0	0	\$12.67
Weld County Ind	99	2,308,882	400,484	400,484	17.3%	(7,383)	0	0	\$7.25
West Denver Ind	146	4,140,145	108,620	113,545	2.7%	67,544	0	419,413	\$10.55
<b>Totals</b>	<b>1,757</b>	<b>50,423,566</b>	<b>4,672,691</b>	<b>4,749,723</b>	<b>9.4%</b>	<b>79,413</b>	<b>43,690</b>	<b>703,350</b>	<b>\$10.06</b>

Source: CoStar Property®





# Denver Industrial Market

Figures at a Glance

## Warehouse Submarket Statistics

First Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arapahoe Rd Ind	3	27,398	0	0	0.0%	0	0	0	\$0.00
Aurora Ind	49	721,264	21,147	21,147	2.9%	(7,200)	0	0	\$0.00
Boulder County Ind	70	1,892,943	10,892	10,892	0.6%	(1,250)	0	0	\$9.71
Boulder Ind	231	6,271,285	200,429	202,449	3.2%	54,022	0	0	\$11.19
Broomfield County In.	114	3,421,455	137,639	137,639	4.0%	30,276	0	0	\$5.97
Cent E I-70/Montbell.	303	17,476,825	398,282	452,906	2.6%	163,460	0	163,000	\$5.28
Centennial Ind	142	5,771,546	194,170	194,170	3.4%	(14,608)	0	107,000	\$8.45
Clear Creek County I.	8	95,961	0	0	0.0%	5,000	5,000	0	\$8.42
Commerce City Ind	461	10,178,263	140,653	160,653	1.6%	48,574	61,870	796,128	\$7.34
Denver Tech Center I.	0	0	0	0	0.0%	0	0	0	\$0.00
DIA Ind	196	7,382,124	1,183,280	1,183,280	16.0%	(2,180)	0	100,000	\$8.40
East Hampden Ind	1	4,800	0	0	0.0%	0	0	0	\$0.00
East I-70/270 Ind	419	18,444,837	309,694	365,926	2.0%	(46,656)	0	251,591	\$6.87
Elbert County Ind	13	112,688	4,000	4,000	3.5%	(4,000)	0	0	\$6.21
Fort Collins/Lovelan.	665	13,158,396	384,987	404,987	3.1%	364,528	303,000	133,933	\$8.81
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	104	1,663,253	49,178	49,178	3.0%	(10,207)	0	0	\$6.26
Greenwood Village In.	1	7,337	0	0	0.0%	0	0	0	\$0.00
Highlands Ranch Ind	21	363,694	5,000	5,000	1.4%	(5,000)	0	0	\$8.18
Inverness Ind	8	471,048	22,336	22,336	4.7%	0	0	0	\$7.95
Lakewood Ind	9	94,642	0	0	0.0%	0	0	0	\$0.00
Longmont Ind	166	3,592,341	223,027	223,027	6.2%	82,464	0	0	\$7.17
Lower Central Ind	342	7,841,130	124,537	137,209	1.7%	(5,030)	0	0	\$6.14
Lower North Central .	441	9,804,385	344,697	351,237	3.6%	(58,169)	0	0	\$8.48
Lower South Central .	498	8,111,382	160,893	162,343	2.0%	(86,535)	0	0	\$7.10
Meridian Ind	30	591,935	10,572	10,572	1.8%	(4,108)	0	0	\$11.85
Mid Central Ind	265	4,183,706	100,058	137,311	3.3%	(14,654)	0	0	\$6.73
Mid South Central In.	98	1,088,612	23,285	23,285	2.1%	280	0	0	\$14.79
North Denver Ind	218	6,515,217	187,944	187,944	2.9%	(8,710)	0	43,025	\$8.11
Northwest Denver Ind	511	13,842,398	454,153	572,439	4.1%	10,987	0	353,802	\$6.11
Park County Ind	12	77,571	18,750	18,750	24.2%	17,496	0	0	\$0.00
Parker/Castle Rock I.	92	1,013,837	10,180	10,180	1.0%	700	0	0	\$9.60
Quebec St Ind	255	9,736,691	413,224	413,224	4.2%	(50,696)	0	647,000	\$9.42
Southeast C-470 Ind	28	950,176	15,240	15,240	1.6%	71,172	0	0	\$8.26
Southwest C-470 Ind	369	6,702,971	59,337	63,337	0.9%	34,466	0	0	\$10.14
SW DIA/Pena Blvd Ind	336	28,186,440	983,789	1,295,559	4.6%	43,313	0	1,500,922	\$5.12
Upper Central Ind	33	345,618	12,984	12,984	3.8%	(10,620)	0	0	\$0.00
Upper North Central .	409	9,382,361	98,001	118,001	1.3%	24,412	0	0	\$8.78
Upper South Central .	318	4,580,811	56,374	56,374	1.2%	(10,271)	0	0	\$8.72
Weld County Ind	924	20,550,617	481,503	481,503	2.3%	(20,431)	18,700	12,792	\$8.15
West Denver Ind	375	15,709,593	153,570	154,220	1.0%	76,506	30,415	0	\$7.09
<b>Totals</b>	<b>8,541</b>	<b>240,384,857</b>	<b>6,993,805</b>	<b>7,659,302</b>	<b>3.2%</b>	<b>667,331</b>	<b>418,985</b>	<b>4,109,193</b>	<b>\$7.23</b>

Source: CoStar Property®

## Denver Industrial Market



Figures at a Glance

## Total Industrial Submarket Statistics

First Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arapahoe Rd Ind	4	45,398	0	0	0.0%	0	0	0	\$0.00
Aurora Ind	100	2,374,742	260,818	266,919	11.2%	(10,112)	0	0	\$7.85
Boulder County Ind	99	3,671,773	18,800	18,800	0.5%	(5,066)	0	0	\$10.34
Boulder Ind	385	11,534,231	574,863	605,725	5.3%	85,518	10,190	35,000	\$12.19
Broomfield County In.	148	4,347,499	195,511	195,511	4.5%	47,229	0	0	\$8.75
Cent E I-70/Montbell.	330	17,961,593	412,376	467,000	2.6%	164,821	0	163,000	\$5.44
Centennial Ind	272	10,140,110	504,994	528,652	5.2%	(23,729)	0	107,000	\$9.18
Clear Creek County I.	9	125,233	14,655	14,655	11.7%	5,000	5,000	0	\$10.24
Commerce City Ind	484	10,527,707	140,653	160,653	1.5%	48,574	61,870	796,128	\$7.33
Denver Tech Center I.	5	181,467	53,767	53,767	29.6%	0	0	0	\$17.32
DIA Ind	211	7,823,048	1,200,818	1,200,818	15.3%	(4,886)	0	100,000	\$9.46
East Hampden Ind	8	145,557	2,289	2,289	1.6%	(2,289)	0	0	\$7.89
East I-70/270 Ind	429	18,705,762	317,476	373,708	2.0%	(46,656)	0	251,591	\$6.86
Elbert County Ind	13	112,688	4,000	4,000	3.5%	(4,000)	0	0	\$6.21
Fort Collins/Lovelan.	853	19,174,260	1,379,145	1,399,145	7.3%	347,577	303,000	147,333	\$9.02
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	152	2,697,940	64,778	64,778	2.4%	14,780	0	0	\$6.80
Greenwood Village In.	1	7,337	0	0	0.0%	0	0	0	\$0.00
Highlands Ranch Ind	48	1,423,615	65,277	65,277	4.6%	20,975	0	0	\$9.04
Inverness Ind	56	2,472,937	204,837	216,879	8.8%	549	0	0	\$11.84
Lakewood Ind	14	145,098	3,691	3,691	2.5%	(735)	0	0	\$9.00
Longmont Ind	231	6,538,655	1,006,279	1,006,279	15.4%	123,542	0	0	\$7.92
Lower Central Ind	355	7,982,488	133,810	146,482	1.8%	(14,303)	0	0	\$6.56
Lower North Central .	469	10,443,833	379,048	385,588	3.7%	(85,169)	0	0	\$8.63
Lower South Central .	530	8,518,247	163,093	164,543	1.9%	(83,406)	0	0	\$7.09
Meridian Ind	38	670,061	11,496	11,496	1.7%	(4,108)	0	0	\$12.20
Mid Central Ind	279	4,361,977	116,058	153,311	3.5%	(10,154)	0	0	\$6.93
Mid South Central In.	113	1,287,431	23,285	23,285	1.8%	280	0	0	\$13.95
North Denver Ind	261	8,201,611	552,027	552,027	6.7%	3,052	0	43,025	\$10.22
Northwest Denver Ind	681	18,372,584	739,237	857,523	4.7%	(21,892)	0	377,552	\$7.64
Park County Ind	14	92,071	19,250	19,250	20.9%	17,496	0	0	\$15.00
Parker/Castle Rock I.	108	1,264,804	61,528	61,528	4.9%	(28,572)	0	0	\$11.09
Quebec St Ind	274	10,516,897	413,224	413,224	3.9%	(50,696)	0	803,823	\$9.37
Southeast C-470 Ind	85	1,805,303	53,565	55,029	3.0%	79,872	0	0	\$9.51
Southwest C-470 Ind	515	10,706,685	228,960	232,960	2.2%	35,720	33,500	0	\$9.52
SW DIA/Pena Blvd Ind	365	28,882,825	1,019,834	1,331,604	4.6%	30,813	0	1,555,886	\$5.19
Upper Central Ind	44	451,282	12,984	12,984	2.9%	(10,620)	0	0	\$0.00
Upper North Central .	431	9,632,437	101,519	121,519	1.3%	21,374	0	0	\$8.95
Upper South Central .	337	4,734,694	68,374	68,374	1.4%	(10,271)	0	0	\$8.81
Weld County Ind	1,023	22,859,499	881,987	881,987	3.9%	(27,814)	18,700	12,792	\$7.77
West Denver Ind	521	19,849,738	262,190	267,765	1.3%	144,050	30,415	419,413	\$8.73
<b>Totals</b>	<b>10,298</b>	<b>290,808,423</b>	<b>11,666,496</b>	<b>12,409,025</b>	<b>4.3%</b>	<b>746,744</b>	<b>462,675</b>	<b>4,812,543</b>	<b>\$8.16</b>

Source: CoStar Property®



# Denver Industrial Market

Figures at a Glance

## Flex Market Statistics

First Quarter 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 1q	1,757	50,423,566	4,672,691	4,749,723	9.4%	79,413	2	43,690	8	703,350	\$10.06
2015 4q	1,755	50,379,876	4,262,025	4,785,446	9.5%	470,469	3	159,377	8	290,217	\$10.18
2015 3q	1,752	50,220,499	4,595,605	5,096,538	10.1%	374,579	0	0	8	381,951	\$10.07
2015 2q	1,754	50,245,002	4,997,379	5,495,620	10.9%	90,396	1	136,701	6	358,361	\$10.03
2015 1q	1,753	50,108,301	4,929,738	5,449,315	10.9%	300,263	2	187,883	5	329,578	\$9.96
2014	1,751	49,920,418	5,018,188	5,561,695	11.1%	1,713,651	11	838,959	3	324,584	\$9.76
2013	1,740	49,081,459	5,816,398	6,436,387	13.1%	1,111,705	5	202,152	6	316,945	\$9.56
2012	1,737	48,935,070	6,820,455	7,401,703	15.1%	189,798	3	130,353	4	128,127	\$8.88
2011	1,735	48,830,474	6,978,772	7,486,905	15.3%	374,534	1	32,332	2	119,675	\$8.78
2010	1,736	48,818,010	7,321,717	7,848,975	16.1%	394,836	4	60,236	1	32,332	\$9.21
2009	1,733	48,760,839	7,501,807	8,186,640	16.8%	(373,974)	11	350,883	1	18,746	\$9.41
2008	1,722	48,409,956	6,741,451	7,461,783	15.4%	(446,362)	44	1,394,455	10	321,936	\$9.95
2007	1,682	47,307,700	5,691,173	5,913,165	12.5%	1,278,352	28	491,601	27	709,790	\$9.56
2006	1,654	46,816,099	6,497,824	6,699,916	14.3%	501,721	28	661,326	20	372,573	\$9.00
2005	1,627	46,164,195	6,329,485	6,549,733	14.2%	1,660,034	32	574,204	18	348,688	\$8.76
2004	1,595	45,589,991	7,165,110	7,635,563	16.7%	739,669	18	345,759	24	384,480	\$8.60

Source: CoStar Property®

## Warehouse Market Statistics

First Quarter 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 1q	8,541	240,384,857	6,993,805	7,659,302	3.2%	667,331	6	418,985	27	4,109,193	\$7.23
2015 4q	8,535	239,965,872	7,198,730	7,907,648	3.3%	(864,443)	5	149,140	26	4,185,294	\$6.99
2015 3q	8,531	239,866,732	6,350,247	6,944,065	2.9%	524,489	2	355,840	21	2,479,247	\$6.83
2015 2q	8,529	239,510,892	6,553,283	7,112,714	3.0%	621,893	6	546,990	11	1,326,610	\$6.63
2015 1q	8,524	238,978,329	6,680,017	7,202,044	3.0%	299,282	1	392,425	12	1,543,914	\$6.47
2014	8,523	238,585,904	6,626,994	7,108,901	3.0%	5,682,084	35	3,030,206	9	1,647,677	\$6.15
2013	8,502	235,926,604	9,496,084	10,131,685	4.3%	3,234,374	15	1,926,856	28	2,426,979	\$5.44
2012	8,505	237,129,200	13,515,131	14,568,655	6.1%	3,360,832	18	699,673	9	1,733,182	\$4.97
2011	8,497	236,967,627	17,030,359	17,767,914	7.5%	(927,266)	12	366,240	9	777,657	\$4.84
2010	8,488	236,738,087	15,471,666	16,611,108	7.0%	2,188,607	22	1,260,385	7	135,590	\$4.85
2009	8,466	235,477,702	16,382,320	17,539,330	7.4%	(660,656)	14	391,634	18	1,209,130	\$5.02
2008	8,455	235,113,268	15,893,855	16,514,240	7.0%	1,405,884	71	3,295,536	12	347,178	\$5.33
2007	8,391	233,937,377	16,198,257	16,744,233	7.2%	3,626,801	65	3,499,186	49	2,197,048	\$5.24
2006	8,330	230,701,928	16,241,873	17,135,585	7.4%	4,013,793	82	3,058,439	46	3,189,231	\$5.11
2005	8,251	227,683,142	17,432,307	18,130,592	8.0%	2,892,889	100	2,304,538	54	1,930,316	\$4.83
2004	8,156	225,794,095	17,853,538	19,134,434	8.5%	3,491,337	81	3,691,145	71	1,903,491	\$4.80

Source: CoStar Property®

## Total Industrial Market Statistics

First Quarter 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 1q	10,298	290,808,423	11,666,496	12,409,025	4.3%	746,744	8	462,675	35	4,812,543	\$8.16
2015 4q	10,290	290,345,748	11,460,755	12,693,094	4.4%	(393,974)	8	308,517	34	4,475,511	\$7.98
2015 3q	10,283	290,087,231	10,945,852	12,040,603	4.2%	899,068	2	355,840	29	2,861,198	\$7.82
2015 2q	10,283	289,755,894	11,550,662	12,608,334	4.4%	712,289	7	683,691	17	1,684,971	\$7.70
2015 1q	10,277	289,086,630	11,609,755	12,651,359	4.4%	599,545	3	580,308	17	1,873,492	\$7.57
2014	10,274	288,506,322	11,645,182	12,670,596	4.4%	7,395,735	46	3,869,165	12	1,972,261	\$7.27
2013	10,242	285,008,063	15,312,482	16,568,072	5.8%	4,346,079	20	2,129,008	34	2,743,924	\$6.70
2012	10,242	286,064,270	20,335,586	21,970,358	7.7%	3,550,630	21	830,026	13	1,861,309	\$5.98
2011	10,232	285,798,101	24,009,131	25,254,819	8.8%	(552,732)	13	398,572	11	897,332	\$5.89
2010	10,224	285,556,097	22,793,383	24,460,083	8.6%	2,583,443	26	1,320,621	8	167,922	\$5.98
2009	10,199	284,238,541	23,884,127	25,725,970	9.1%	(1,034,630)	25	742,517	19	1,227,876	\$6.14
2008	10,177	283,523,224	22,635,306	23,976,023	8.5%	959,522	115	4,689,991	22	669,114	\$6.44
2007	10,073	281,245,077	21,889,430	22,657,398	8.1%	4,905,153	93	3,990,787	76	2,906,838	\$6.21
2006	9,984	277,518,027	22,739,697	23,835,501	8.6%	4,515,514	110	3,719,765	66	3,561,804	\$6.04
2005	9,878	273,847,337	23,761,792	24,680,325	9.0%	4,552,923	132	2,878,742	72	2,279,004	\$5.88
2004	9,751	271,384,086	25,018,648	26,769,997	9.9%	4,231,006	99	4,036,904	95	2,287,971	\$5.97

Source: CoStar Property®

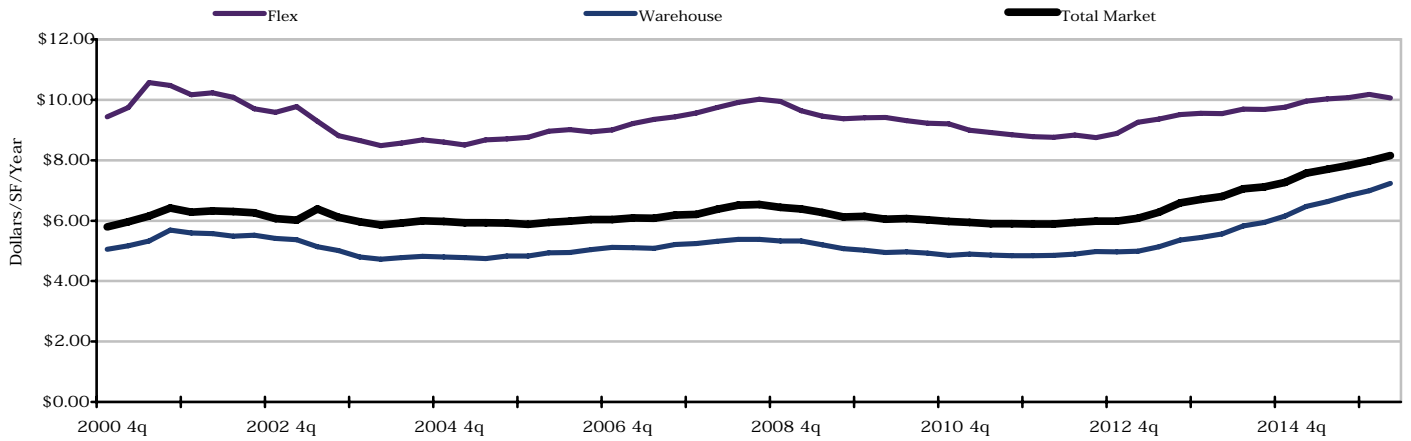
# Denver Industrial Market



Leasing Activity

## Historical Rental Rates

Based on Quoted Rental Rates

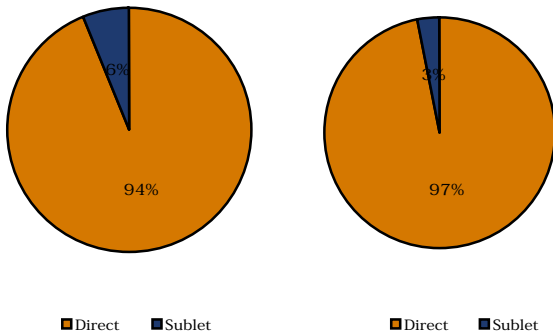


Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Denver United States

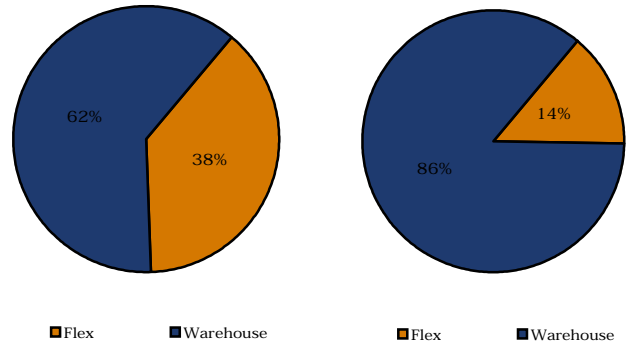


Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

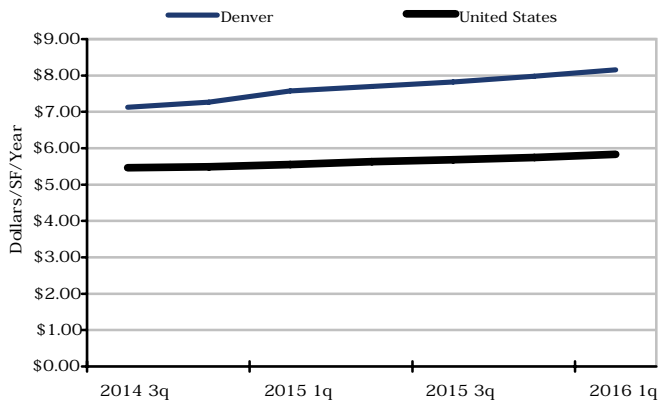
Denver United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

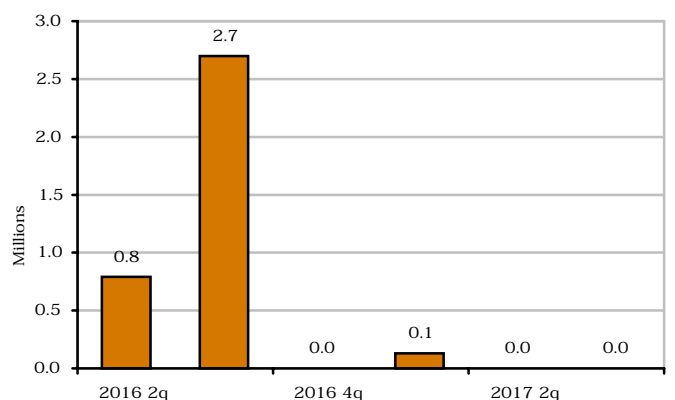
Based on Average Quoted Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space

## Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2016

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	5333 N Bannock St	Northwest Denver Ind	110,000	1st	Matress Firm	Stream Realty Partners, L.P	Direct Deal
2	10000-10300 E 40th Ave	Quebec St Ind	80,782	1st	Dealer Tire	Lee & Associates   Denver	Newmark Grubb Knight Frank
3	10000-10300 E 40th Ave	Quebec St Ind	80,674	1st	Pental Granite & Marble	NAI Shames Makovsky	Newmark Grubb Knight Frank
4	345 Inverness Dr S	Inverness Ind	55,250	1st	Comcast		Newmark Grubb Knight Frank
5	11575 E 40th Ave	Cent E I-70/Montbello Ind	50,000	1st	Certain Teed Corporation	N/A	Gillis Thomas Company
6	5055 Lima St	Cent E I-70/Montbello Ind	39,907	1st	N/A	N/A	Unique Properties, Inc
7	321 S Taylor Ave	Northwest Denver Ind	34,843	1st	Staq Energy	N/A	Etkin Johnson Real Estate Partners
8	70 S Santa Fe Dr	Lower Central Ind	33,831	1st	Party Time Rental, Inc.	Direct Deal	Direct Deal
9	4501 Wynkoop St	Lower North Central Ind	32,450	1st	Way To Grow	Direct Deal	Newmark Grubb Knight Frank
10	13801 E 33rd Pl	SW DIA/Pena Blvd Ind	24,904	1st	Thyssenkrupp	N/A	Cushman & Wakefield
11	2403-2407 Champa St	Lower North Central Ind	24,000	1st	Liberati Brewing	Direct Deal	Golden Bell Press
12	1777 Conestoga St*	Boulder Ind	23,747	1st	Ball Aerospace & Technologies	N/A	Cushman & Wakefield
13	16304 E 32nd Ave	SW DIA/Pena Blvd Ind	23,472	1st	Laser Galicia America	N/A	Pauls Real Estate Investments, LLC
14	4850-4870 Nome St	Cent E I-70/Montbello Ind	22,140	1st	Dalcart & Associates Inc.	NAI Shames Makovsky	Colliers International
15	900 Wyandot St*	Mid Central Ind	20,000	1st	Dey Distributing Co.	N/A	Falgers, Inc.
16	9109 Monaco St N	North Denver Ind	19,150	1st	Brown Brothers Asphalt	Keller Williams Realty DTC	Ringsby Realty
17	12600 E Arapahoe Rd	Centennial Ind	18,106	1st	SageInsights	N/A	Newmark Grubb Knight Frank
18	305 S Arthur Ave	Northwest Denver Ind	17,940	1st	Accurrence	Dean Callan & Company, Inc.	Etkin Johnson Real Estate Partners
19	609-639 14th St SW	Fort Collins/Loveland Ind	17,000	1st	N/A	N/A	N/A
20	17600 E Exposition Dr	Aurora Ind	14,480	1st	N/A	N/A	Avison Young
21	3820 Revere St	SW DIA/Pena Blvd Ind	14,022	1st	N/A	N/A	Fall River Investments
22	2028 SE Frontage Rd*	Fort Collins/Loveland Ind	13,500	1st	ABC Sign Products	CBRE	Commercial Real Estate Brokers, LLC
23	10731 E Easter Ave*	Centennial Ind	13,342	1st	Structural Integrity Associates	Cresa	Cushman & Wakefield
24	10550 E 54th Ave*	Cent E I-70/Montbello Ind	13,230	1st	Baroness Coffee	N/A	Colliers International
25	3888 E 45th Ave	Lower North Central Ind	12,913	1st	N/A	N/A	Altitude Real Estate Advisors LLC
26	2500 W 4th Ave	Lower Central Ind	12,672	1st	N/A	N/A	CBRE
27	1690 Chambers Rd	SW DIA/Pena Blvd Ind	12,500	1st	Architectural Finishes, Inc.	Direct Deal	Freund & Company
28	2830 Wilderness Pl*	Boulder Ind	12,415	1st	ChromaDex	N/A	N/A
29	13300 James E Casey Ave	Centennial Ind	12,304	1st	American Technologies	N/A	Newmark Grubb Knight Frank
30	555 W 48th Ave	Upper North Central Ind	12,182	1st	Presley Darlin Holdings Inc.	Cushman & Wakefield	CBRE
31	8257 Southpark Cir	Southwest C-470 Ind	12,116	1st	N/A	N/A	Genesee Commercial Group, LLC.
32	10000 E Geddes Ave	Southeast C-470 Ind	12,058	1st	Park Place Technologies	N/A	Newmark Grubb Knight Frank
33	6400 E Stapleton Dr S*	Quebec St Ind	12,000	1st	Cultivate Colorado	Direct Deal	Cushman & Wakefield
34	3555 Moline St	Cent E I-70/Montbello Ind	11,885	1st	Famous Buds, LLC	N/A	A Better Way Realty
35	1350 S Cherokee St	Upper South Central Ind	11,323	1st	J & E Moving and Storage	Newmark Grubb Knight Frank	Unique Properties, Inc
36	1130 W 124th Ave	North Denver Ind	10,660	1st	N/A	N/A	CBRE
37	14600 E 35th Pl	SW DIA/Pena Blvd Ind	10,504	1st	iCarpets	N/A	Cushman & Wakefield
38	6446 S Kenton St	Centennial Ind	10,390	1st	N/A	N/A	CBRE
39	96 Inverness Dr E	Inverness Ind	9,650	1st	Paragon 28	NavPoint Real Estate Group	Colliers International
40	700 W 48th Ave	Upper North Central Ind	9,470	1st	N/A	N/A	CBRE

Source: CoStar Property®

\* Renewal

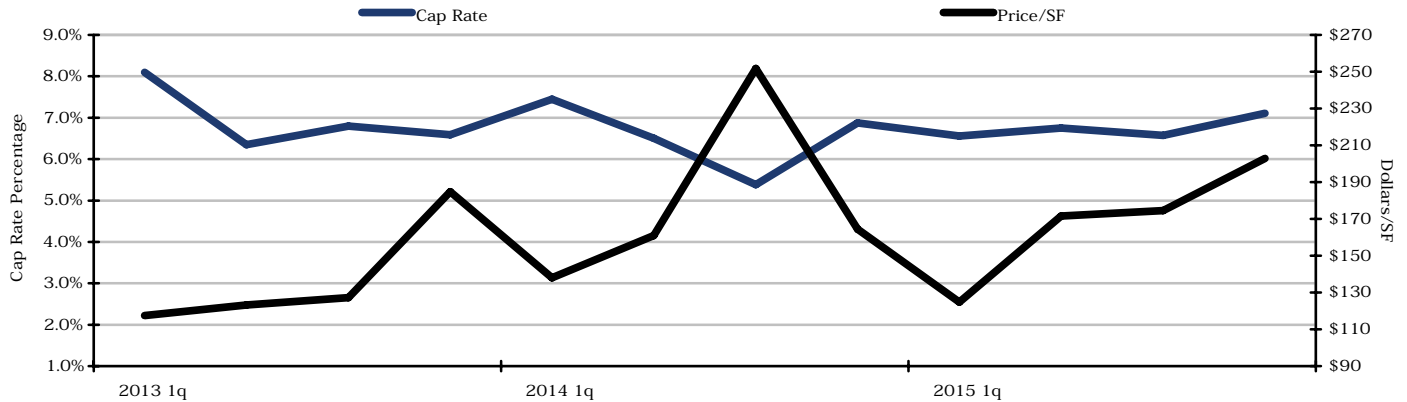
# Denver Industrial Market



Sales Activity

## The Optimist Sales Index

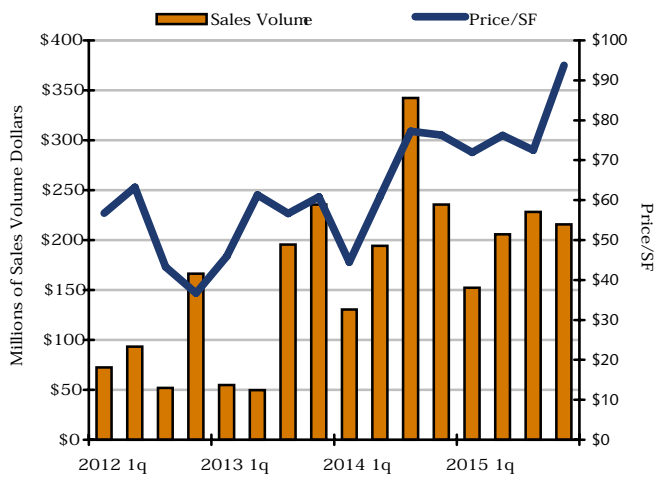
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## Sales Volume & Price

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## Sales Analysis by Building Size

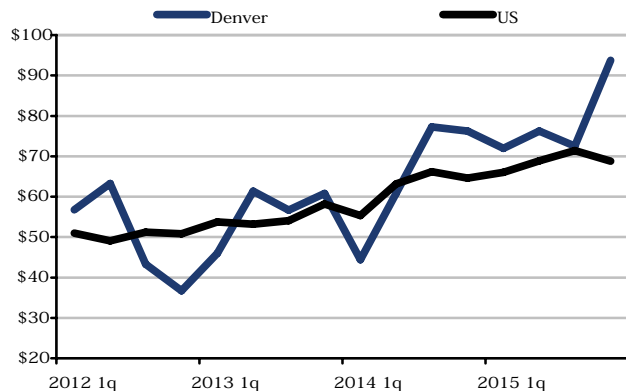
Based on Industrial Bldg Sales From Jan. 2015 - Dec. 2015

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	245	2,858,120	\$320,380,330	\$ 112.09	8.23%
25K-99K SF	99	4,828,315	\$394,806,377	\$ 81.77	7.67%
100K-249K SF	13	1,924,328	\$146,664,398	\$ 76.22	7.43%
>250K SF	4	2,067,216	\$120,129,000	\$ 58.11	6.75%

Source: CoStar COMPS®

## U.S. Price/SF Comparison

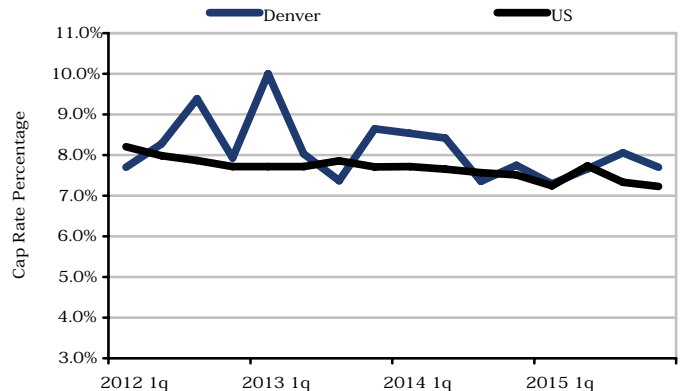
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. Cap Rate Comparison

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## Select Top Sales

Based on Sales from January 2015 Through March 2016

1. Airport Distribution Ctr



**Aurora**

Price: **\$46,600,000**  
 Price/SF: **\$67.44**  
 Cap Rate: **N/A**  
 RBA: **691,000**  
 Date: **3/3/2015**  
 Year Built: **1999**  
 Buyer: **DCT Industrial Trust**  
 Seller: **Pauls Real Estate Investments, LLC**

2. 5151 N Bannock St



**Denver**

Price: **\$42,895,000**  
 Price/SF: **\$60.77**  
 Cap Rate: **6.75%**  
 RBA: **705,839**  
 Date: **8/11/2015**  
 Year Built: **1952**  
 Buyer: **Conscience Bay Company**  
 Seller: **Equity Group**

3. Dry Creek Business Park



**Englewood**

Price: **\$27,750,000**  
 Price/SF: **\$113.72**  
 Cap Rate: **N/A**  
 RBA: **244,028**  
 Date: **11/10/2015**  
 Year Built: **1980**  
 Buyer: **MIG**  
 Seller: **Greenfield Partners**

4. 2395 W 4th Ave



**Denver**

Price: **\$24,000,000**  
 Price/SF: **\$73.65**  
 Cap Rate: **6.25%**  
 RBA: **325,858**  
 Date: **1/12/2016**  
 Year Built: **1964**  
 Buyer: **Stockbridge Capital Group, LLC**  
 Seller: **IBC Holdings LLC**

5. 11525 Main St



**Broomfield**

Price: **\$17,500,000**  
 Price/SF: **\$188.58**  
 Cap Rate: **N/A**  
 RBA: **92,800**  
 Date: **12/18/2015**  
 Year Built: **2001**  
 Buyer: **GI Partners**  
 Seller: **Lincoln Property Company**

6. 700 W Mississippi Ave



**Denver**

Price: **\$17,175,000**  
 Price/SF: **\$84.51**  
 Cap Rate: **7.3%**  
 RBA: **203,231**  
 Date: **9/23/2015**  
 Year Built: **1984**  
 Buyer: **Mountain West Industrial Properties**  
 Seller: **Invesco Advisors, Inc.**

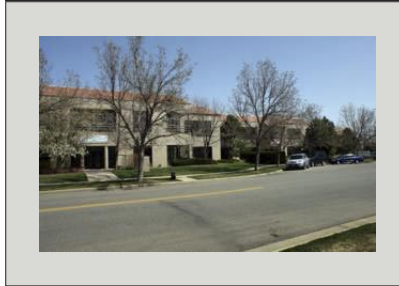
7. 321 W 84th Ave



**Thornton**

Price: **\$16,020,000**  
 Price/SF: **\$47.31**  
 Cap Rate: **N/A**  
 RBA: **338,651**  
 Date: **4/1/2015**  
 Year Built: **1996**  
 Buyer: **Appliance Factory Outlet**  
 Seller: **Franklin Bruce Giesbrecht**

8. 4775 E Walnut St



**Boulder**

Price: **\$16,000,000**  
 Price/SF: **\$158.22**  
 Cap Rate: **6.4%**  
 RBA: **101,127**  
 Date: **7/28/2015**  
 Year Built: **1986**  
 Buyer: **The W.W. Reynolds Companies, Inc.**  
 Seller: **Crestone Real Estate, LLC**

9. 6675 S Kenton St



**Centennial**

Price: **\$15,600,000**  
 Price/SF: **\$238.20**  
 Cap Rate: **N/A**  
 RBA: **65,491**  
 Date: **3/1/2016**  
 Year Built: **1985**  
 Buyer: **Kumar Trust**  
 Seller: **SVN Equities LLC**

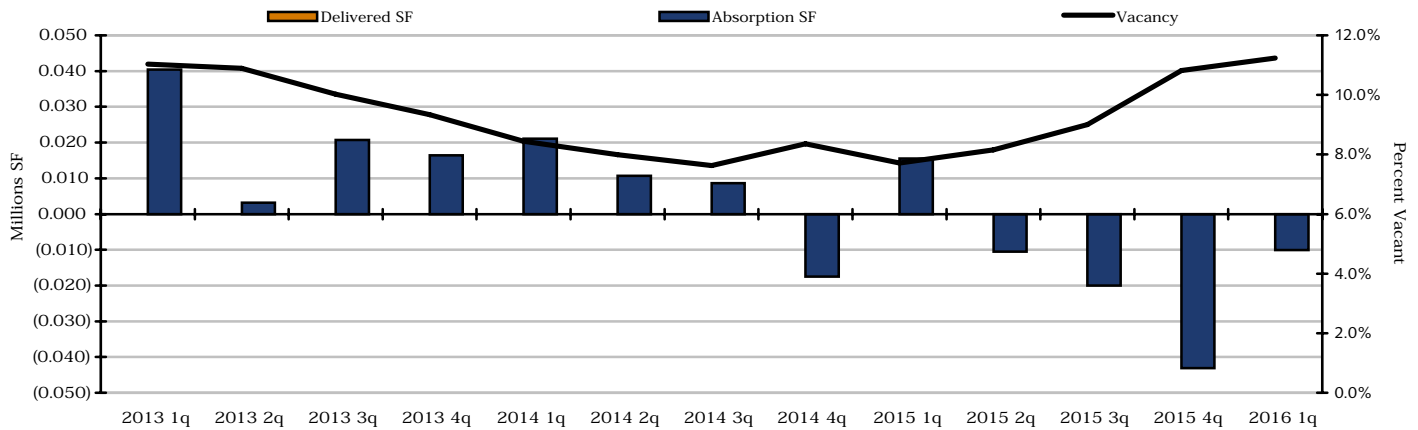
# Denver Industrial Market



## Aurora Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

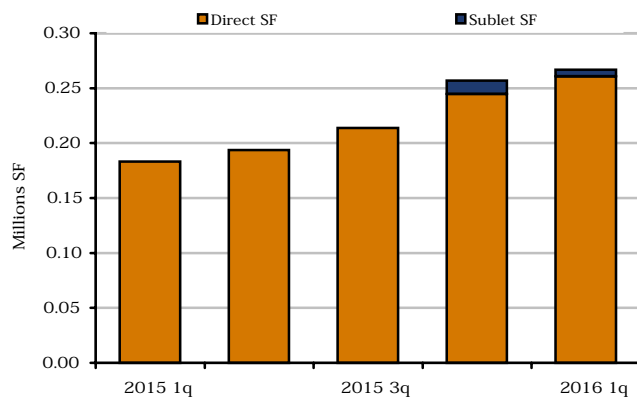
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

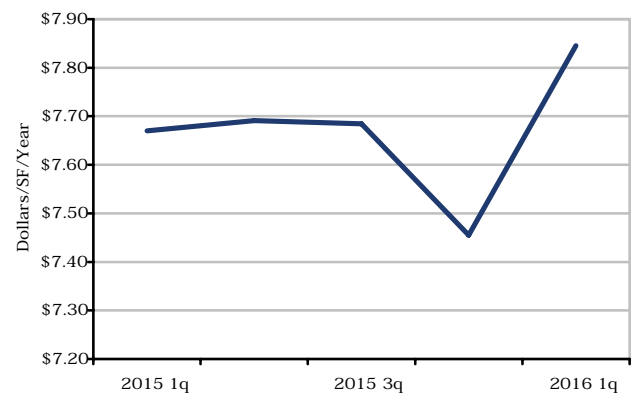
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	100	2,374,742	266,919	11.2%	(10,112)	0	0	0	0	\$7.85
2015 4q	100	2,374,742	256,807	10.8%	(43,132)	0	0	0	0	\$7.46
2015 3q	100	2,374,742	213,675	9.0%	(20,020)	0	0	0	0	\$7.68
2015 2q	100	2,374,742	193,655	8.2%	(10,558)	0	0	0	0	\$7.69
2015 1q	100	2,374,742	183,097	7.7%	15,511	0	0	0	0	\$7.67
2014 4q	100	2,374,742	198,608	8.4%	(17,467)	0	0	0	0	\$6.73
2014 3q	100	2,374,742	181,141	7.6%	8,634	0	0	0	0	\$6.77
2014 2q	100	2,374,742	189,775	8.0%	10,720	0	0	0	0	\$6.54
2014 1q	100	2,374,742	200,495	8.4%	21,105	0	0	0	0	\$6.56
2013 4q	100	2,374,742	221,600	9.3%	16,446	0	0	0	0	\$8.24
2013 3q	100	2,374,742	238,046	10.0%	20,720	0	0	0	0	\$8.21
2013 2q	100	2,374,742	258,766	10.9%	3,149	0	0	0	0	\$8.04
2013 1q	100	2,374,742	261,915	11.0%	40,407	0	0	0	0	\$8.10
2012 4q	100	2,374,742	302,322	12.7%	(14,370)	0	0	0	0	\$7.25
2012 3q	100	2,374,742	287,952	12.1%	(8,755)	0	0	0	0	\$8.33
2012 2q	100	2,374,742	279,197	11.8%	35,405	0	0	0	0	\$8.42

Source: CoStar Property®



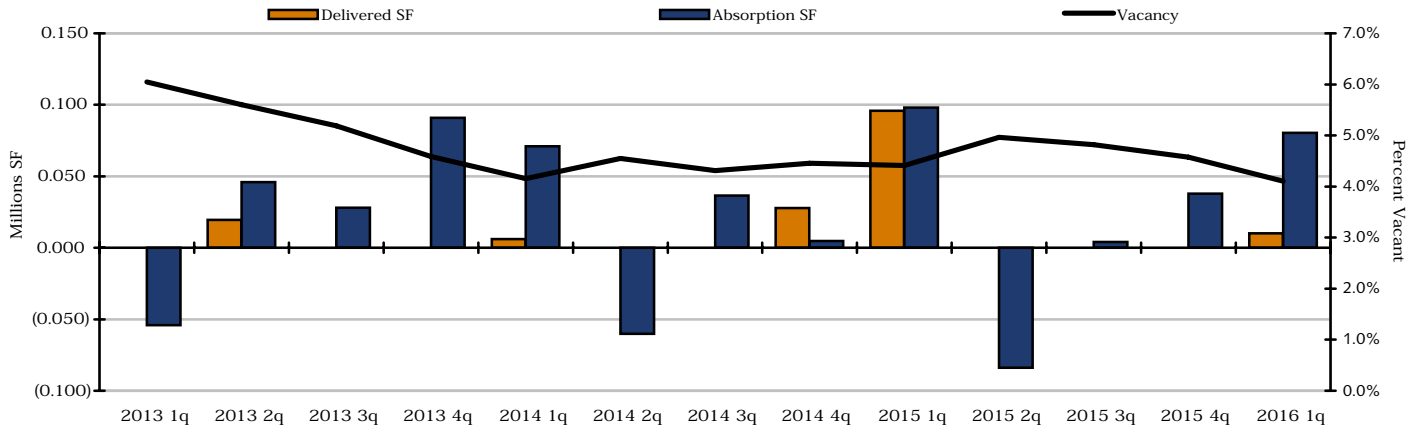


# Denver Industrial Market

## Boulder Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

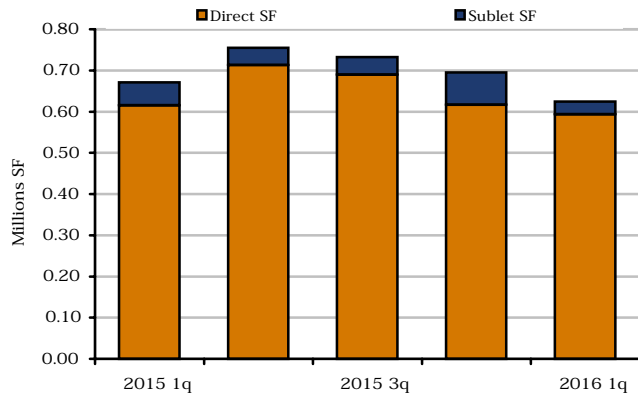
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

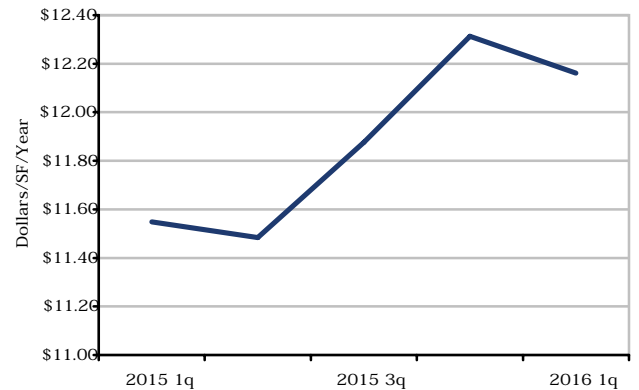
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	484	15,206,004	624,525	4.1%	80,452	1	10,190	1	35,000	\$12.16
2015 4q	483	15,195,814	694,787	4.6%	37,899	0	0	2	45,190	\$12.31
2015 3q	483	15,195,814	732,686	4.8%	4,050	0	0	1	10,190	\$11.88
2015 2q	484	15,214,215	755,137	5.0%	(83,893)	0	0	0	0	\$11.48
2015 1q	484	15,214,215	671,244	4.4%	98,028	1	95,922	0	0	\$11.55
2014 4q	483	15,118,293	673,350	4.5%	4,783	1	27,752	1	95,922	\$11.37
2014 3q	482	15,090,541	650,381	4.3%	36,619	0	0	2	123,674	\$10.91
2014 2q	482	15,090,541	687,000	4.6%	(60,070)	0	0	2	123,674	\$10.38
2014 1q	482	15,090,541	626,930	4.2%	70,889	1	6,130	2	123,674	\$10.00
2013 4q	481	15,084,411	691,689	4.6%	90,835	0	0	2	33,882	\$9.82
2013 3q	481	15,084,411	782,524	5.2%	27,969	0	0	1	6,130	\$9.72
2013 2q	482	15,121,411	847,493	5.6%	46,020	1	19,500	1	6,130	\$9.66
2013 1q	482	15,144,139	916,241	6.1%	(54,118)	0	0	2	25,630	\$9.07
2012 4q	483	15,162,902	880,886	5.8%	(119,385)	0	0	2	25,630	\$9.06
2012 3q	483	15,162,902	761,501	5.0%	155,838	0	0	2	25,630	\$8.77
2012 2q	483	15,162,902	917,339	6.0%	41,588	0	0	1	19,500	\$9.25

Source: CoStar Property®

# Denver Industrial Market

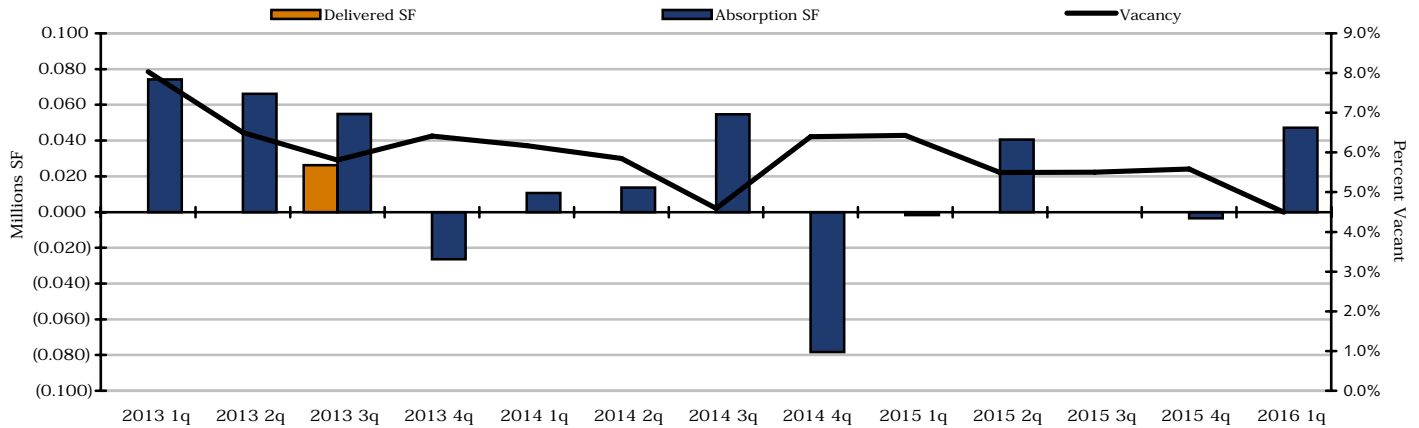


## Broomfield Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

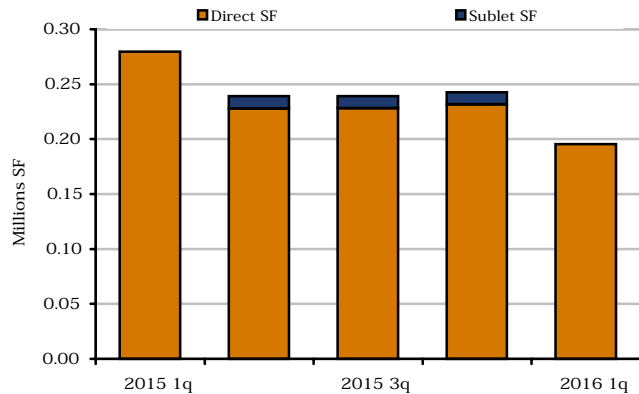
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

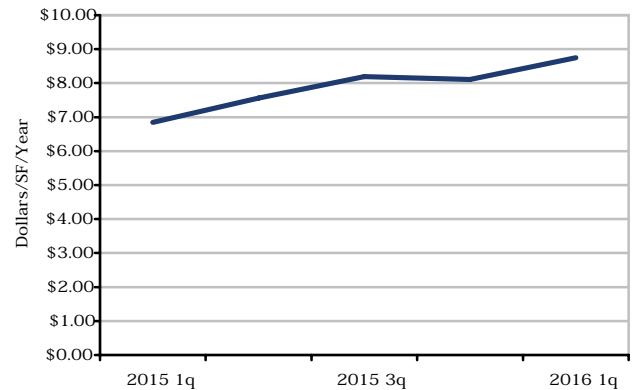
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	148	4,347,499	195,511	4.5%	47,229	0	0	0	0	\$8.75
2015 4q	148	4,347,499	242,740	5.6%	(3,575)	0	0	0	0	\$8.11
2015 3q	148	4,347,499	239,165	5.5%	(129)	0	0	0	0	\$8.19
2015 2q	148	4,347,499	239,036	5.5%	40,568	0	0	0	0	\$7.56
2015 1q	148	4,347,499	279,604	6.4%	(1,625)	0	0	0	0	\$6.85
2014 4q	148	4,347,499	277,979	6.4%	(78,310)	0	0	0	0	\$7.10
2014 3q	148	4,347,499	199,669	4.6%	54,753	0	0	0	0	\$7.69
2014 2q	148	4,347,499	254,422	5.9%	13,746	0	0	0	0	\$8.33
2014 1q	148	4,347,499	268,168	6.2%	10,699	0	0	0	0	\$8.35
2013 4q	148	4,347,499	278,867	6.4%	(26,439)	0	0	0	0	\$9.07
2013 3q	148	4,347,499	252,428	5.8%	54,860	1	26,292	0	0	\$8.26
2013 2q	147	4,321,207	280,996	6.5%	66,205	0	0	1	26,292	\$7.05
2013 1q	147	4,321,207	347,201	8.0%	74,160	0	0	1	26,292	\$7.04
2012 4q	147	4,321,207	421,361	9.8%	27,588	0	0	0	0	\$5.78
2012 3q	147	4,321,207	448,949	10.4%	3,822	0	0	0	0	\$5.75
2012 2q	147	4,321,207	452,771	10.5%	199,737	1	161,730	0	0	\$5.68

Source: CoStar Property®



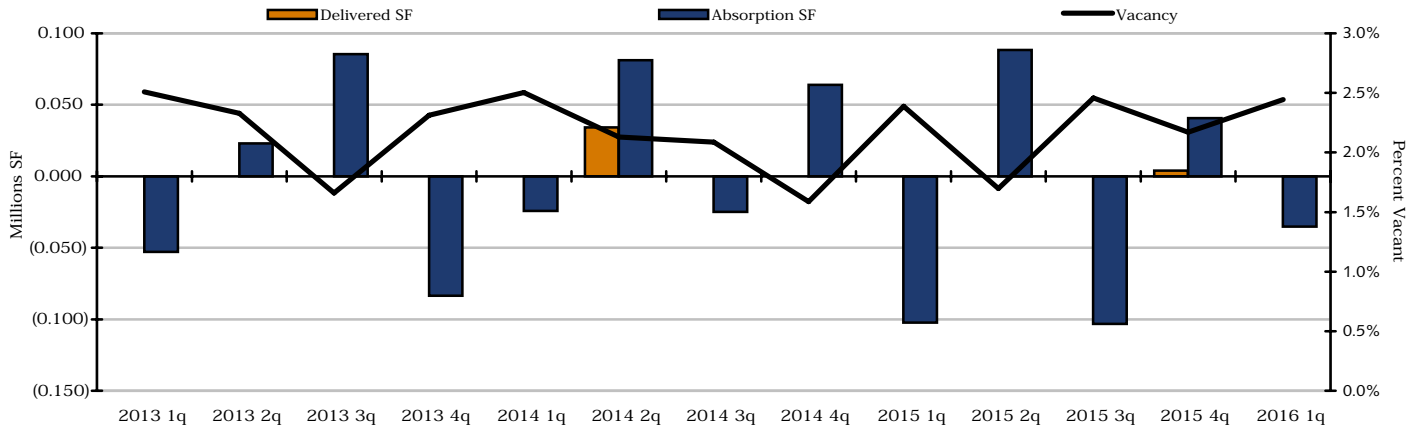
# Denver Industrial Market

Central Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

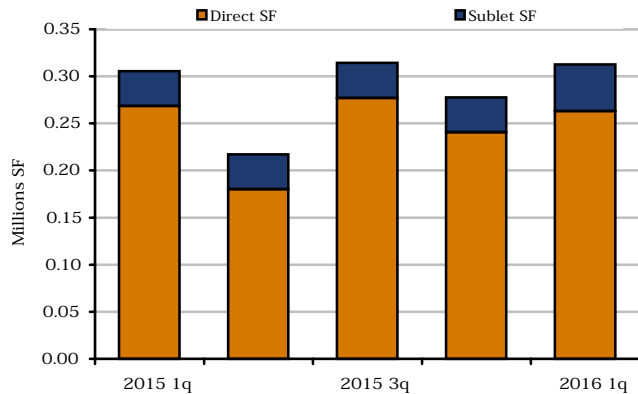
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

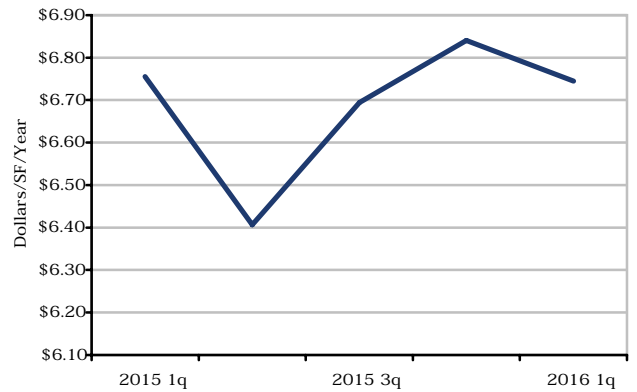
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	678	12,795,747	312,777	2.4%	(35,077)	0	0	0	0	\$6.74
2015 4q	678	12,795,747	277,700	2.2%	40,653	1	4,000	0	0	\$6.84
2015 3q	677	12,791,747	314,353	2.5%	(103,223)	0	0	1	4,000	\$6.69
2015 2q	678	12,797,849	217,232	1.7%	88,368	0	0	1	4,000	\$6.41
2015 1q	678	12,797,849	305,600	2.4%	(102,424)	0	0	0	0	\$6.76
2014 4q	678	12,797,849	203,176	1.6%	63,900	0	0	0	0	\$6.59
2014 3q	678	12,797,849	267,076	2.1%	(24,801)	0	0	0	0	\$6.74
2014 2q	679	12,828,653	273,079	2.1%	81,285	1	34,211	0	0	\$6.48
2014 1q	678	12,794,442	320,153	2.5%	(24,277)	0	0	1	34,211	\$6.31
2013 4q	678	12,794,442	295,876	2.3%	(83,491)	0	0	1	34,211	\$5.75
2013 3q	678	12,794,442	212,385	1.7%	85,522	0	0	0	0	\$5.78
2013 2q	678	12,794,442	297,907	2.3%	22,982	0	0	0	0	\$5.86
2013 1q	678	12,794,442	320,889	2.5%	(52,886)	0	0	0	0	\$5.91
2012 4q	678	12,794,442	268,003	2.1%	24,869	0	0	0	0	\$5.61
2012 3q	678	12,794,442	292,872	2.3%	76,696	0	0	0	0	\$5.19
2012 2q	681	12,805,710	380,836	3.0%	37,003	0	0	0	0	\$5.28

Source: CoStar Property®

# Denver Industrial Market

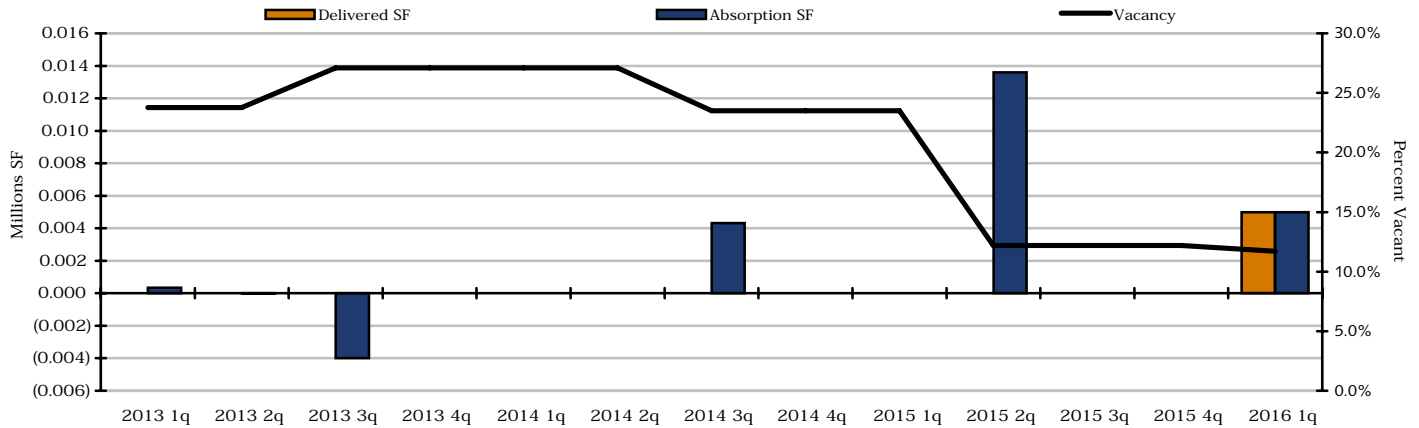


## Clear Creek County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

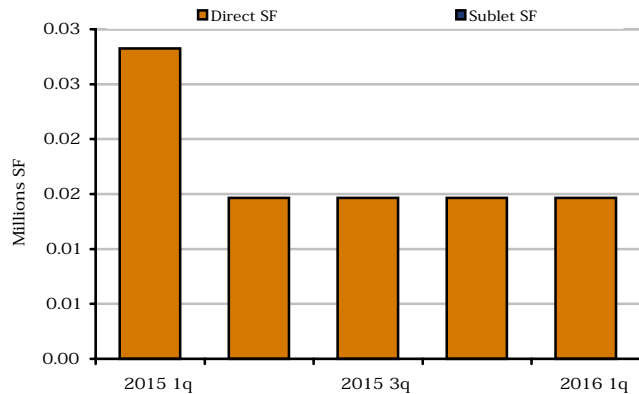
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

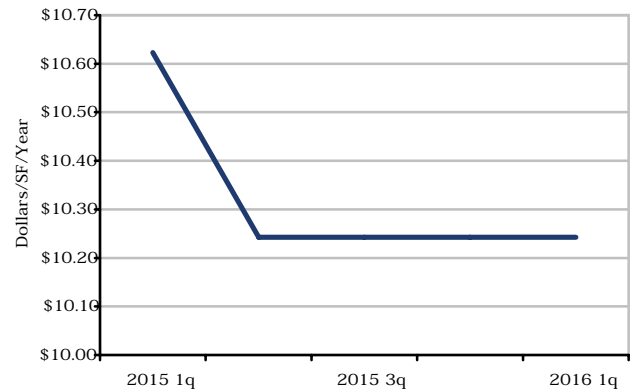
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	9	125,233	14,655	11.7%	5,000	1	5,000	0	0	\$10.24
2015 4q	8	120,233	14,655	12.2%	0	0	0	1	5,000	\$10.24
2015 3q	8	120,233	14,655	12.2%	0	0	0	1	5,000	\$10.24
2015 2q	8	120,233	14,655	12.2%	13,603	0	0	0	0	\$10.24
2015 1q	8	120,233	28,258	23.5%	0	0	0	0	0	\$10.62
2014 4q	8	120,233	28,258	23.5%	0	0	0	0	0	\$10.62
2014 3q	8	120,233	28,258	23.5%	4,320	0	0	0	0	\$10.79
2014 2q	8	120,233	32,578	27.1%	0	0	0	0	0	\$10.56
2014 1q	8	120,233	32,578	27.1%	0	0	0	0	0	\$10.56
2013 4q	8	120,233	32,578	27.1%	0	0	0	0	0	\$10.56
2013 3q	8	120,233	32,578	27.1%	(4,000)	0	0	0	0	\$10.56
2013 2q	8	120,233	28,578	23.8%	(4)	0	0	0	0	\$10.56
2013 1q	8	120,233	28,574	23.8%	350	0	0	0	0	\$10.85
2012 4q	8	120,233	28,924	24.1%	(2,270)	0	0	0	0	\$10.13
2012 3q	8	120,233	26,654	22.2%	(411)	0	0	0	0	\$10.32
2012 2q	8	120,233	26,243	21.8%	0	0	0	0	0	\$10.96

Source: CoStar Property®



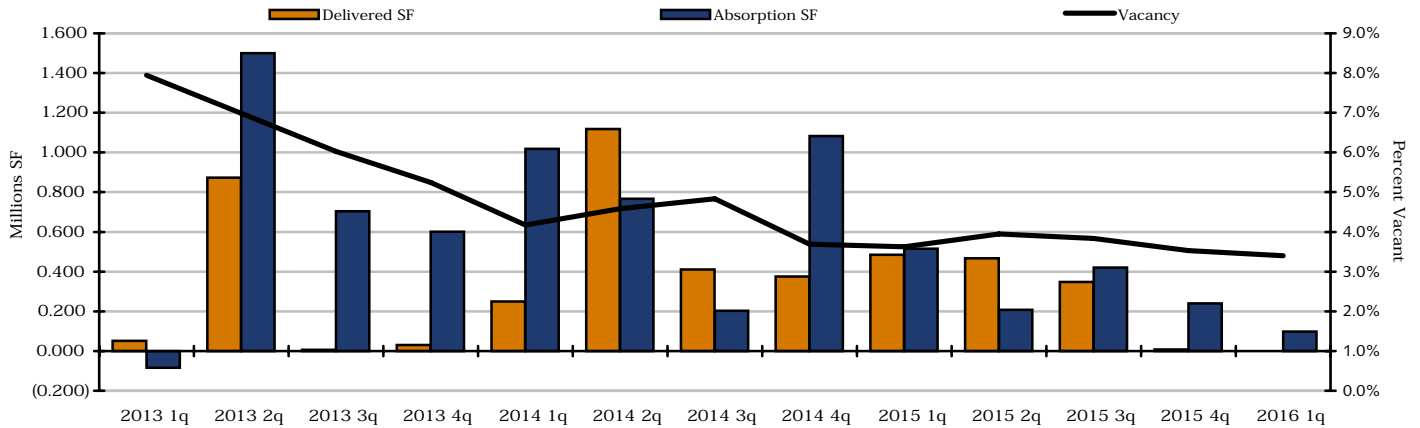
# Denver Industrial Market

## East I-70 / Montbello Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

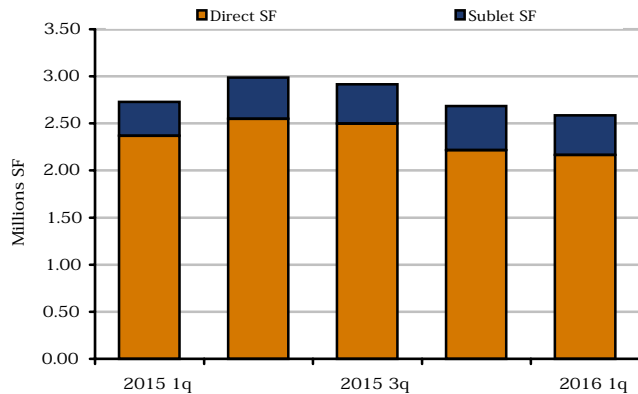
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

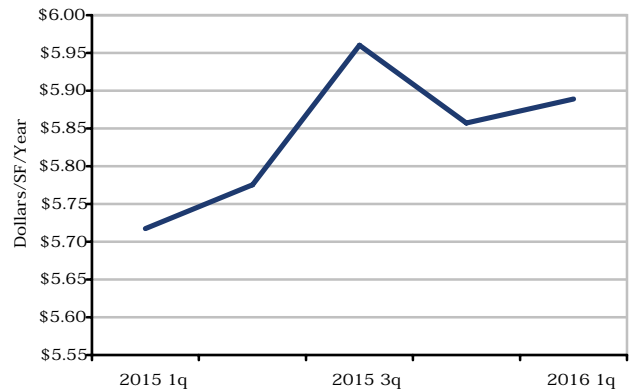
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	1,398	76,067,077	2,585,536	3.4%	98,282	0	0	12	2,774,300	\$5.89
2015 4q	1,398	76,067,077	2,683,818	3.5%	239,286	1	7,381	8	2,419,935	\$5.86
2015 3q	1,397	76,059,696	2,915,723	3.8%	419,798	1	347,840	6	1,133,336	\$5.96
2015 2q	1,396	75,711,856	2,987,681	3.9%	207,111	1	466,413	4	614,185	\$5.78
2015 1q	1,395	75,245,443	2,728,379	3.6%	514,761	2	484,386	2	814,253	\$5.72
2014 4q	1,393	74,761,057	2,758,754	3.7%	1,082,680	3	374,593	4	1,298,639	\$5.24
2014 3q	1,391	74,524,394	3,604,771	4.8%	202,607	2	410,573	7	1,673,232	\$4.76
2014 2q	1,389	74,113,821	3,396,805	4.6%	766,200	5	1,117,927	8	1,735,965	\$4.51
2014 1q	1,384	72,995,894	3,045,078	4.2%	1,018,746	1	250,000	10	1,982,814	\$4.42
2013 4q	1,383	72,745,894	3,813,824	5.2%	601,270	1	30,000	8	1,778,500	\$4.22
2013 3q	1,382	72,715,894	4,385,094	6.0%	703,539	1	6,825	6	904,806	\$4.18
2013 2q	1,381	72,709,069	5,081,808	7.0%	1,499,676	2	872,915	2	256,825	\$4.15
2013 1q	1,379	71,836,154	5,708,569	7.9%	(83,243)	1	50,797	3	879,740	\$3.95
2012 4q	1,378	71,785,357	5,574,529	7.8%	872,711	2	228,200	4	930,537	\$3.97
2012 3q	1,376	71,557,157	6,219,040	8.7%	114,446	0	0	5	1,107,940	\$3.93
2012 2q	1,376	71,557,157	6,333,486	8.9%	364,692	0	0	5	1,107,940	\$3.84

Source: CoStar Property®

# Denver Industrial Market

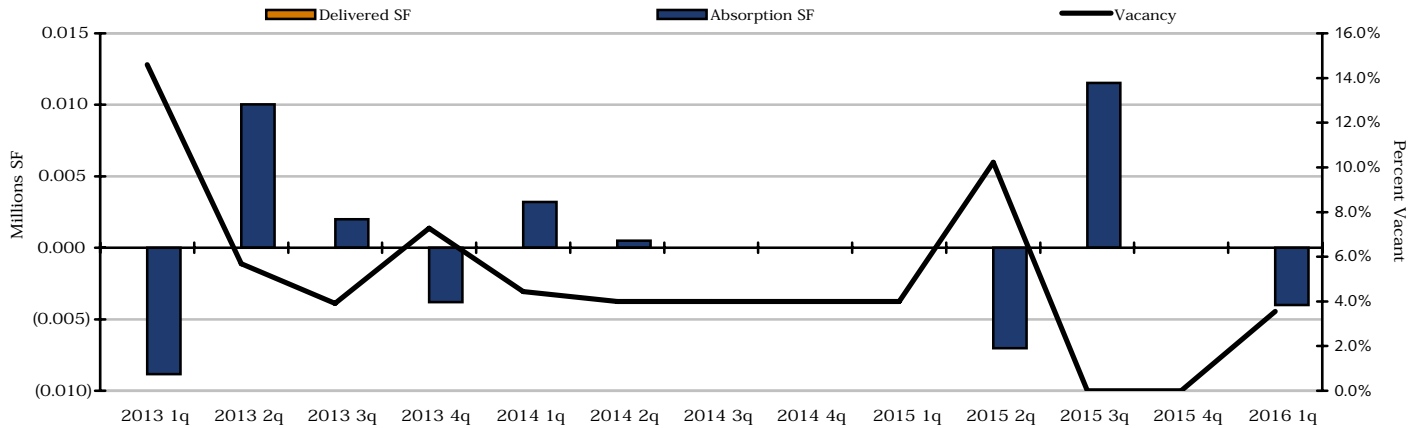


## Elbert County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

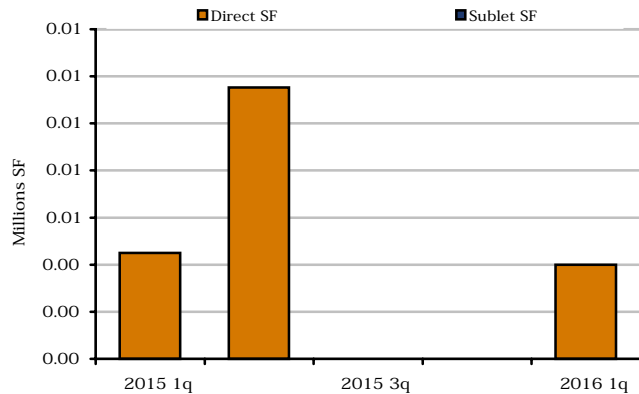
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

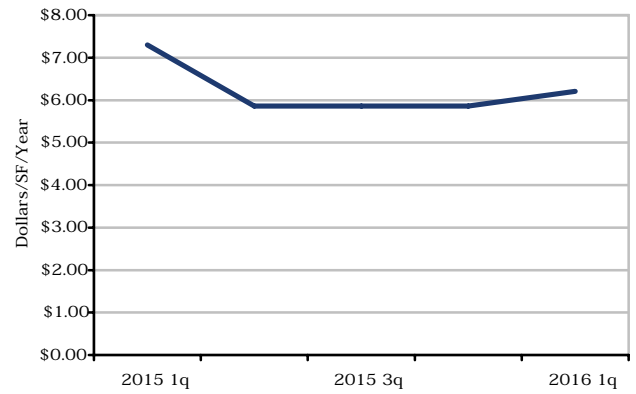
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	13	112,688	4,000	3.5%	(4,000)	0	0	0	0	\$6.21
2015 4q	13	112,688	0	0.0%	0	0	0	0	0	\$5.86
2015 3q	13	112,688	0	0.0%	11,525	0	0	0	0	\$5.86
2015 2q	13	112,688	11,525	10.2%	(7,025)	0	0	0	0	\$5.86
2015 1q	13	112,688	4,500	4.0%	0	0	0	0	0	\$7.30
2014 4q	13	112,688	4,500	4.0%	0	0	0	0	0	\$5.78
2014 3q	13	112,688	4,500	4.0%	0	0	0	0	0	\$5.78
2014 2q	13	112,688	4,500	4.0%	500	0	0	0	0	\$5.78
2014 1q	13	112,688	5,000	4.4%	3,207	0	0	0	0	\$5.78
2013 4q	13	112,688	8,207	7.3%	(3,800)	0	0	0	0	\$9.55
2013 3q	13	112,688	4,407	3.9%	2,000	0	0	0	0	\$9.55
2013 2q	13	112,688	6,407	5.7%	10,036	0	0	0	0	\$9.55
2013 1q	13	112,688	16,443	14.6%	(8,836)	0	0	0	0	\$9.55
2012 4q	13	112,688	7,607	6.8%	0	0	0	0	0	\$5.78
2012 3q	13	112,688	7,607	6.8%	0	0	0	0	0	\$5.78
2012 2q	13	112,688	7,607	6.8%	(7,607)	0	0	0	0	\$5.78

Source: CoStar Property®



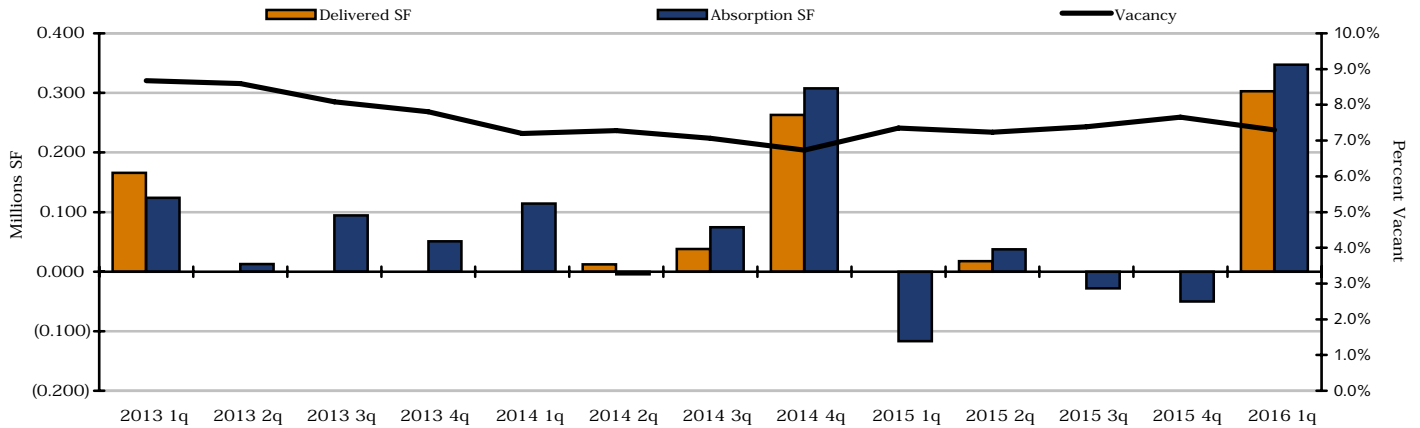
# Denver Industrial Market

Fort Collins / Loveland Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

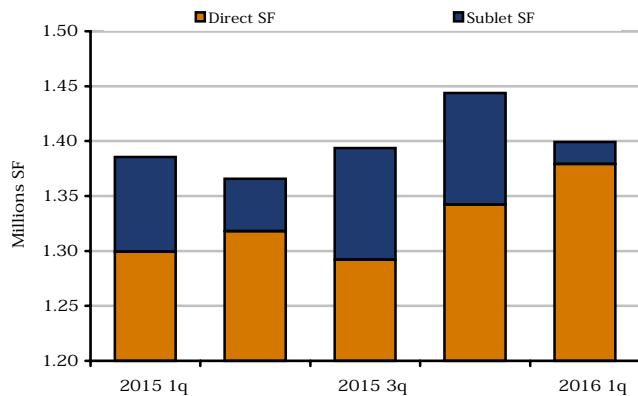
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

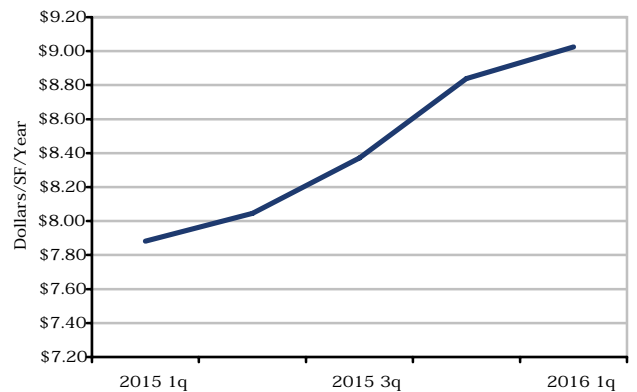
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	853	19,174,260	1,399,145	7.3%	347,577	1	303,000	5	147,333	\$9.02
2015 4q	852	18,871,260	1,443,722	7.7%	(50,048)	0	0	5	438,933	\$8.84
2015 3q	852	18,871,260	1,393,674	7.4%	(27,924)	0	0	4	423,933	\$8.37
2015 2q	852	18,871,260	1,365,750	7.2%	37,561	2	17,777	2	386,890	\$8.05
2015 1q	850	18,853,483	1,385,534	7.3%	(116,557)	0	0	3	320,777	\$7.88
2014 4q	850	18,853,483	1,268,977	6.7%	307,636	3	262,946	2	309,377	\$7.36
2014 3q	847	18,590,537	1,313,667	7.1%	74,677	1	38,078	5	572,323	\$7.36
2014 2q	846	18,552,459	1,350,266	7.3%	(4,501)	1	12,000	5	604,024	\$6.95
2014 1q	845	18,540,459	1,333,765	7.2%	114,035	0	0	4	312,524	\$6.91
2013 4q	845	18,540,459	1,447,800	7.8%	51,028	0	0	2	62,000	\$7.04
2013 3q	845	18,540,459	1,498,828	8.1%	94,208	0	0	0	0	\$6.87
2013 2q	845	18,540,459	1,593,036	8.6%	12,934	0	0	0	0	\$6.93
2013 1q	846	18,542,819	1,608,330	8.7%	123,787	1	165,625	0	0	\$6.96
2012 4q	845	18,377,194	1,566,492	8.5%	80,253	0	0	1	165,625	\$6.87
2012 3q	845	18,377,194	1,646,745	9.0%	94,367	0	0	1	165,625	\$7.00
2012 2q	845	18,377,194	1,741,112	9.5%	100,527	0	0	1	165,625	\$6.84

Source: CoStar Property®

# Denver Industrial Market

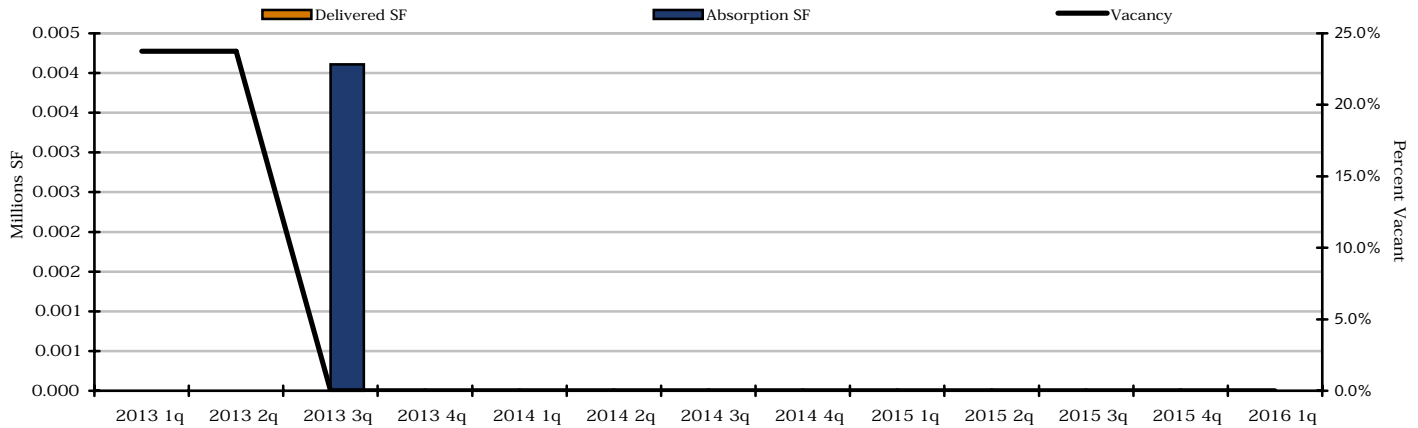


## Gilpin County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

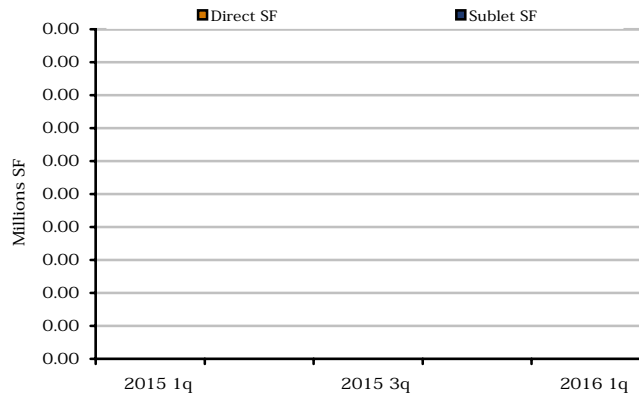
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

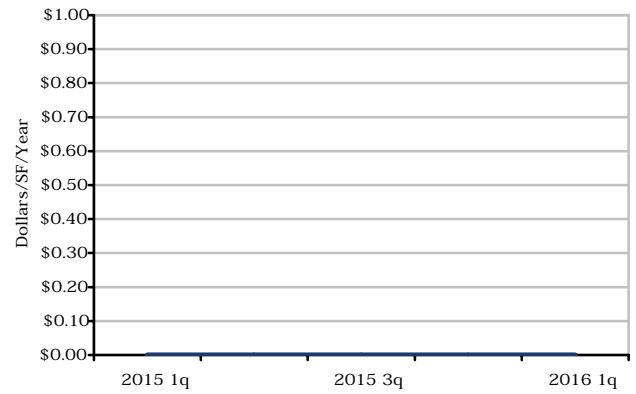
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2015 4q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2015 3q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2015 2q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2015 1q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2014 4q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2014 3q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2014 2q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2014 1q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2013 4q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00
2013 3q	3	17,306	0	0.0%	4,108	0	0	0	0	\$0.00
2013 2q	3	17,306	4,108	23.7%	0	0	0	0	0	\$0.00
2013 1q	3	17,306	4,108	23.7%	0	0	0	0	0	\$0.00
2012 4q	3	17,306	4,108	23.7%	0	0	0	0	0	\$0.00
2012 3q	3	17,306	4,108	23.7%	(4,108)	0	0	0	0	\$0.00
2012 2q	3	17,306	0	0.0%	0	0	0	0	0	\$0.00

Source: CoStar Property®



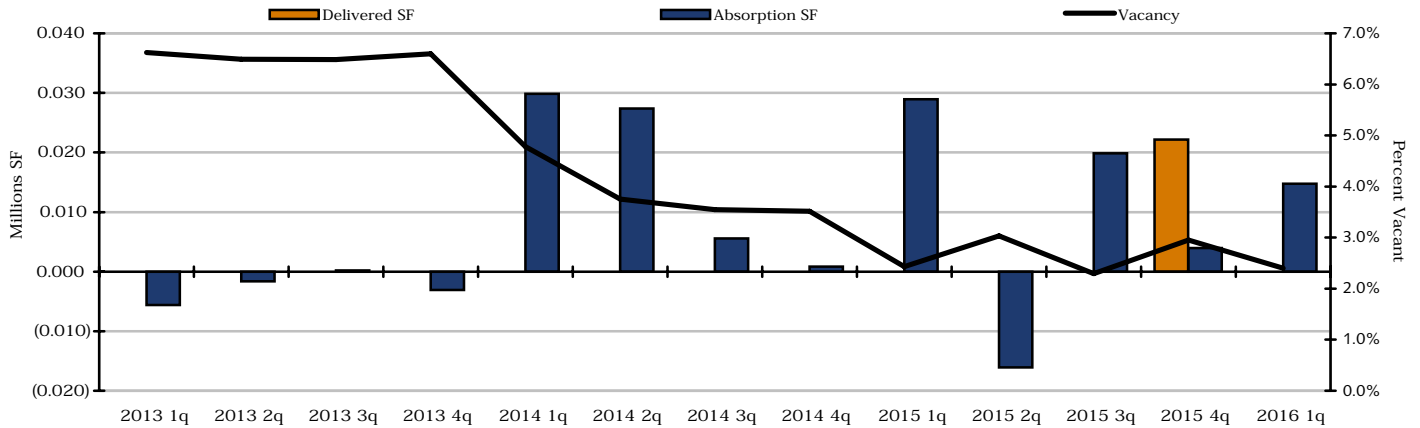


# Denver Industrial Market

Glendale Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

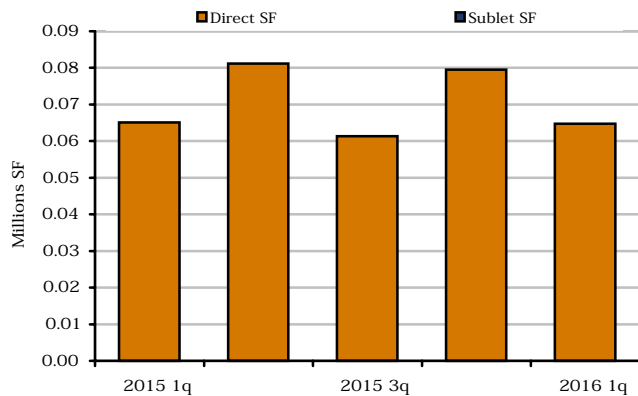
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

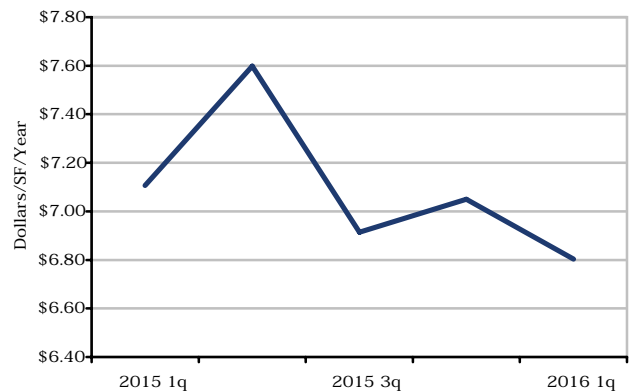
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	152	2,697,940	64,778	2.4%	14,780	0	0	0	0	\$6.80
2015 4q	152	2,697,940	79,558	2.9%	3,973	1	22,177	0	0	\$7.05
2015 3q	151	2,675,763	61,354	2.3%	19,847	0	0	1	22,177	\$6.91
2015 2q	151	2,675,763	81,201	3.0%	(16,065)	0	0	1	22,177	\$7.60
2015 1q	151	2,675,763	65,136	2.4%	28,941	0	0	1	22,177	\$7.11
2014 4q	151	2,675,763	94,077	3.5%	833	0	0	0	0	\$7.02
2014 3q	151	2,675,763	94,910	3.5%	5,581	0	0	0	0	\$7.09
2014 2q	151	2,675,763	100,491	3.8%	27,371	0	0	0	0	\$6.87
2014 1q	151	2,675,763	127,862	4.8%	29,838	0	0	0	0	\$6.86
2013 4q	152	2,695,980	177,917	6.6%	(3,098)	0	0	0	0	\$6.59
2013 3q	152	2,695,980	174,819	6.5%	192	0	0	0	0	\$6.77
2013 2q	152	2,695,980	175,011	6.5%	(1,627)	0	0	0	0	\$6.41
2013 1q	153	2,701,459	178,863	6.6%	(5,630)	0	0	0	0	\$7.03
2012 4q	153	2,701,459	173,233	6.4%	49,629	0	0	0	0	\$6.70
2012 3q	153	2,701,459	222,862	8.2%	26,992	0	0	0	0	\$6.69
2012 2q	153	2,701,459	249,854	9.2%	96,134	0	0	0	0	\$6.75

Source: CoStar Property®

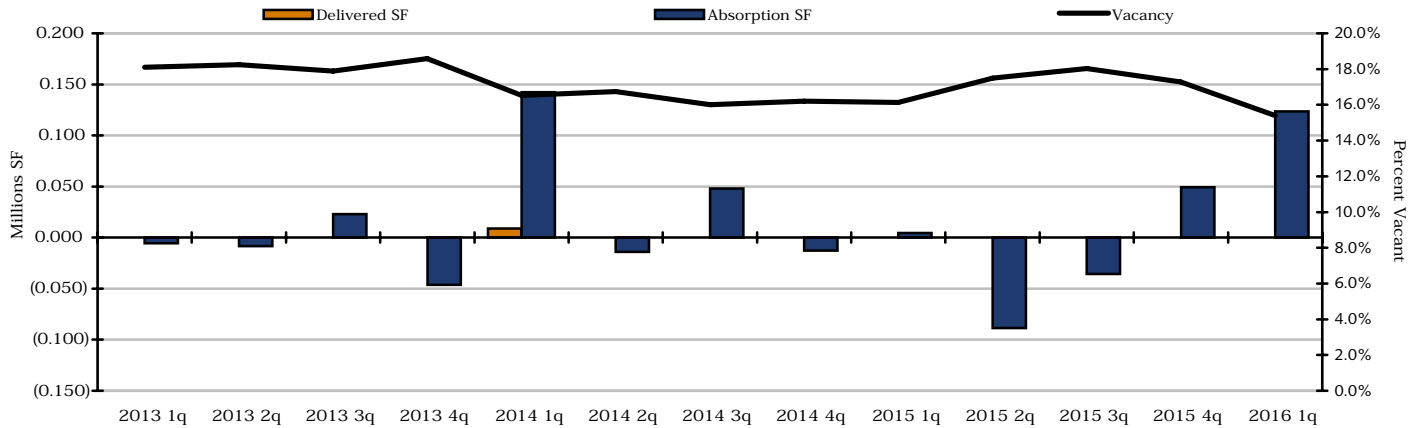
# Denver Industrial Market



## Longmont Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

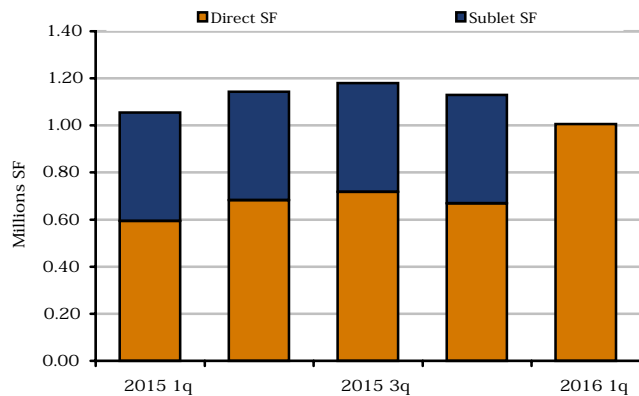
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

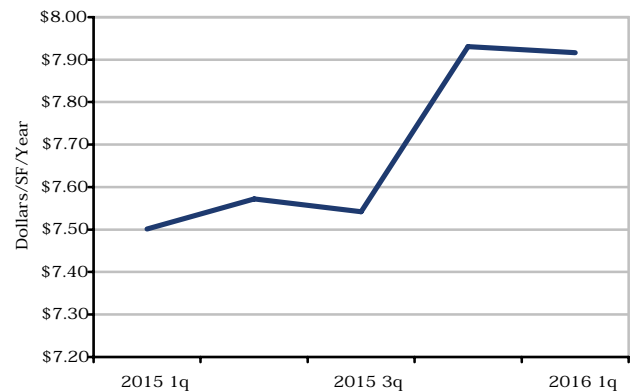
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	231	6,538,655	1,006,279	15.4%	123,542	0	0	0	0	\$7.92
2015 4q	231	6,538,655	1,129,821	17.3%	49,392	0	0	0	0	\$7.93
2015 3q	231	6,538,655	1,179,213	18.0%	(35,704)	0	0	0	0	\$7.54
2015 2q	231	6,538,655	1,143,509	17.5%	(88,643)	0	0	0	0	\$7.57
2015 1q	231	6,538,655	1,054,866	16.1%	4,497	0	0	0	0	\$7.50
2014 4q	231	6,538,655	1,059,363	16.2%	(12,665)	0	0	0	0	\$7.47
2014 3q	231	6,538,655	1,046,698	16.0%	48,136	0	0	0	0	\$7.38
2014 2q	231	6,538,655	1,094,834	16.7%	(14,130)	0	0	0	0	\$7.37
2014 1q	231	6,538,655	1,080,704	16.5%	142,379	1	9,000	0	0	\$7.31
2013 4q	230	6,529,655	1,214,083	18.6%	(46,279)	0	0	1	9,000	\$7.18
2013 3q	230	6,529,655	1,167,804	17.9%	23,045	0	0	1	9,000	\$7.13
2013 2q	230	6,529,655	1,190,849	18.2%	(8,337)	0	0	0	0	\$7.28
2013 1q	230	6,529,655	1,182,512	18.1%	(5,501)	0	0	0	0	\$7.33
2012 4q	230	6,529,655	1,177,011	18.0%	4,326	0	0	0	0	\$7.34
2012 3q	230	6,529,655	1,181,337	18.1%	55,127	0	0	0	0	\$7.44
2012 2q	230	6,529,655	1,236,464	18.9%	61,779	0	0	0	0	\$7.50

Source: CoStar Property®



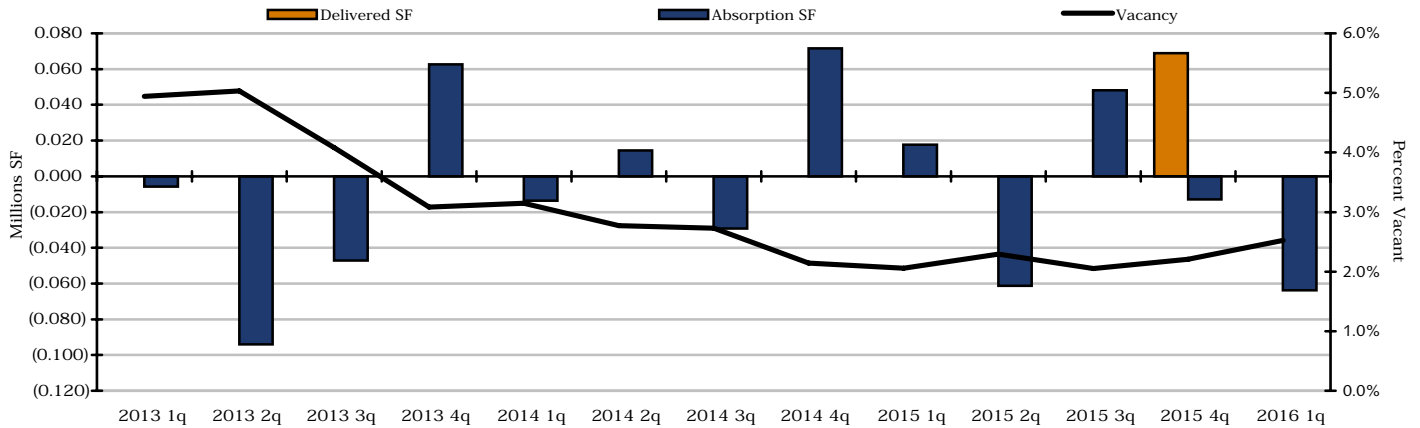
# Denver Industrial Market

## North Central Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

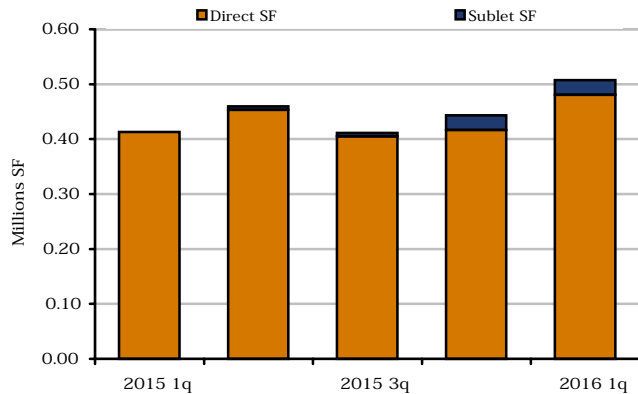
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

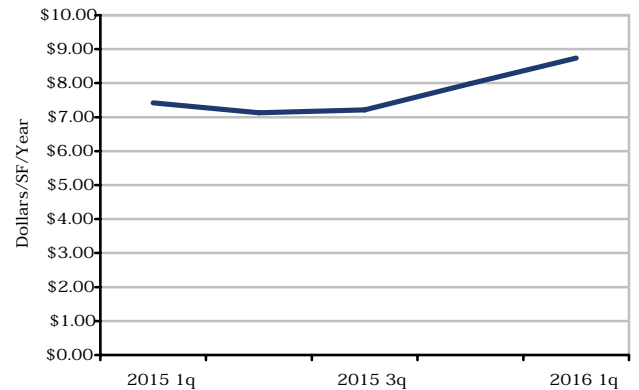
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	900	20,076,270	507,107	2.5%	(63,795)	0	0	0	0	\$8.74
2015 4q	900	20,076,270	443,312	2.2%	(12,957)	1	68,822	0	0	\$7.98
2015 3q	900	20,057,448	411,533	2.1%	48,056	0	0	1	68,822	\$7.21
2015 2q	900	20,057,448	459,589	2.3%	(61,230)	0	0	1	68,822	\$7.13
2015 1q	901	20,071,875	412,786	2.1%	17,778	0	0	1	68,822	\$7.42
2014 4q	901	20,071,875	430,564	2.1%	71,529	0	0	1	68,822	\$6.87
2014 3q	902	20,118,327	548,545	2.7%	(29,259)	0	0	0	0	\$6.92
2014 2q	904	20,158,113	559,072	2.8%	14,553	0	0	0	0	\$6.09
2014 1q	909	20,221,051	636,563	3.1%	(13,574)	0	0	0	0	\$5.61
2013 4q	909	20,221,051	622,989	3.1%	62,616	0	0	0	0	\$6.06
2013 3q	912	20,367,071	831,625	4.1%	(47,162)	0	0	0	0	\$6.11
2013 2q	913	20,620,071	1,037,463	5.0%	(94,008)	0	0	0	0	\$5.51
2013 1q	915	20,700,071	1,023,455	4.9%	(5,851)	0	0	0	0	\$5.41
2012 4q	918	20,874,793	1,192,326	5.7%	102,839	0	0	0	0	\$5.12
2012 3q	920	20,898,613	1,318,985	6.3%	(229,112)	0	0	0	0	\$4.78
2012 2q	920	20,898,613	1,089,873	5.2%	93,597	1	5,200	0	0	\$4.77

Source: CoStar Property®

# Denver Industrial Market

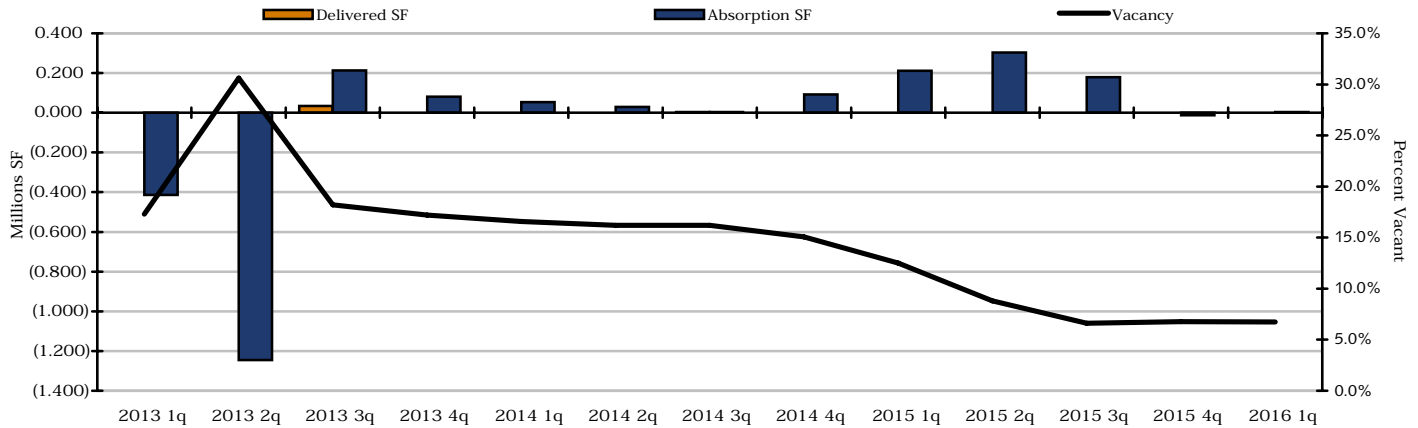


## North Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

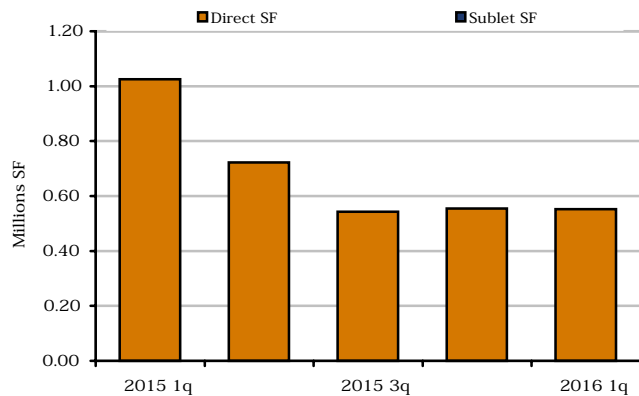
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

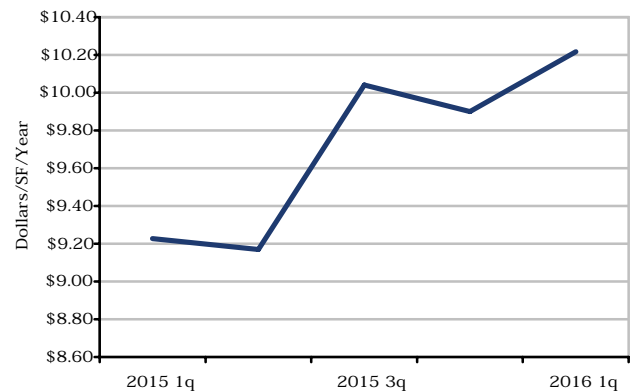
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	261	8,201,611	552,027	6.7%	3,052	0	0	2	43,025	\$10.22
2015 4q	261	8,201,611	555,079	6.8%	(12,570)	0	0	1	21,875	\$9.90
2015 3q	261	8,201,611	542,509	6.6%	179,402	0	0	1	21,875	\$10.04
2015 2q	261	8,201,611	721,911	8.8%	302,992	0	0	0	0	\$9.17
2015 1q	261	8,201,611	1,024,903	12.5%	210,931	0	0	0	0	\$9.23
2014 4q	261	8,201,611	1,235,834	15.1%	92,624	0	0	0	0	\$8.76
2014 3q	261	8,201,611	1,328,458	16.2%	3,329	1	4,309	0	0	\$8.87
2014 2q	260	8,197,302	1,327,478	16.2%	29,997	0	0	1	4,309	\$8.42
2014 1q	260	8,197,302	1,357,475	16.6%	53,594	0	0	1	4,309	\$8.48
2013 4q	260	8,197,302	1,411,069	17.2%	80,898	0	0	1	4,309	\$8.30
2013 3q	260	8,197,302	1,491,967	18.2%	212,861	1	34,245	1	4,309	\$7.72
2013 2q	260	9,356,128	2,863,654	30.6%	(1,245,754)	0	0	1	34,245	\$6.03
2013 1q	260	9,356,128	1,617,900	17.3%	(413,551)	0	0	1	34,245	\$5.99
2012 4q	260	9,356,128	1,204,349	12.9%	(55,864)	0	0	0	0	\$5.98
2012 3q	260	9,356,128	1,148,485	12.3%	(96,502)	0	0	0	0	\$7.76
2012 2q	260	9,356,128	1,051,983	11.2%	(12,168)	0	0	0	0	\$7.73

Source: CoStar Property®



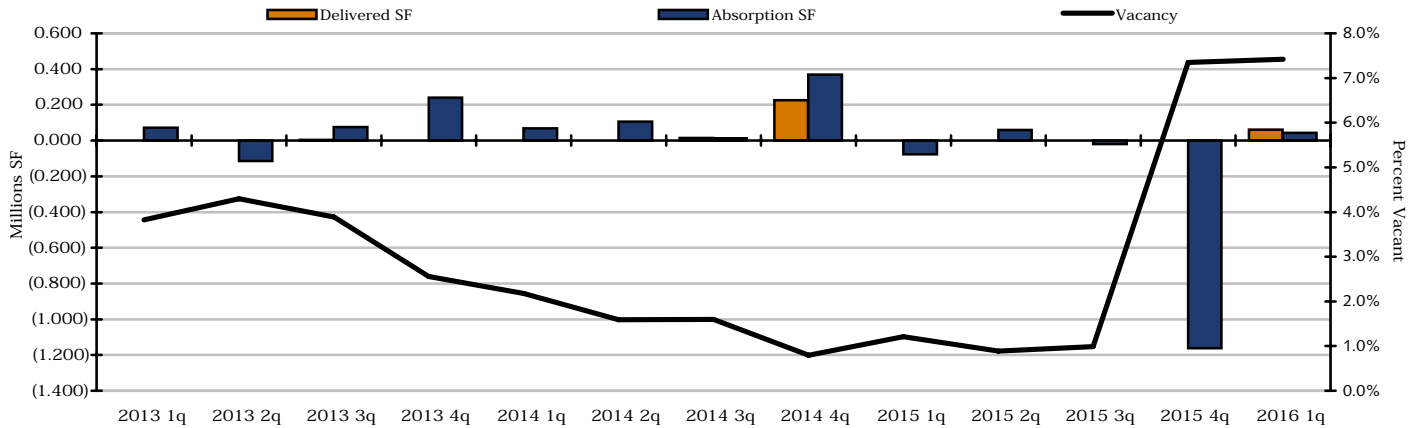
# Denver Industrial Market

## Northeast Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

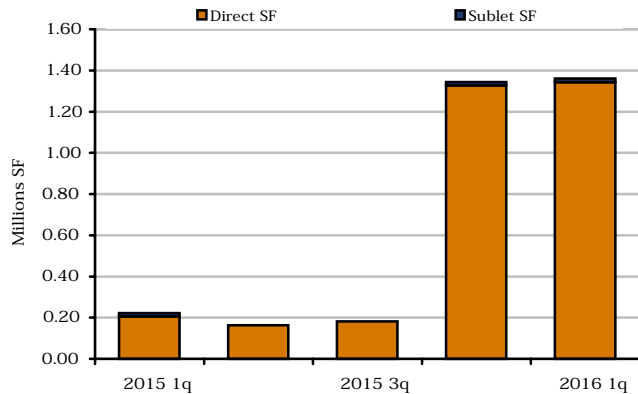
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

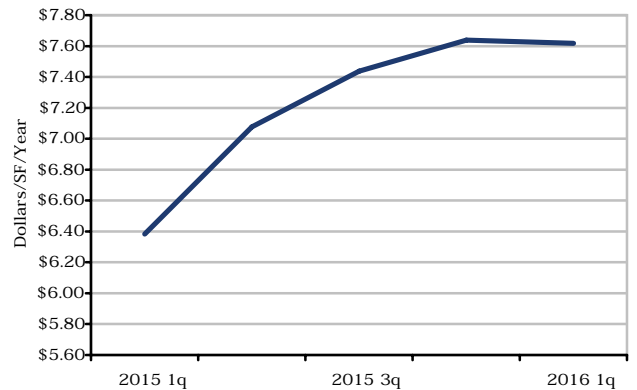
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	695	18,350,755	1,361,471	7.4%	43,688	1	61,870	5	896,128	\$7.62
2015 4q	694	18,288,885	1,343,289	7.3%	(1,161,922)	0	0	5	857,998	\$7.64
2015 3q	694	18,288,885	181,367	1.0%	(18,669)	0	0	3	562,468	\$7.44
2015 2q	694	18,288,885	162,698	0.9%	59,141	0	0	0	0	\$7.08
2015 1q	694	18,288,885	221,839	1.2%	(76,196)	0	0	0	0	\$6.38
2014 4q	694	18,288,885	145,643	0.8%	369,124	1	226,000	0	0	\$6.69
2014 3q	693	18,062,885	288,767	1.6%	12,671	1	15,000	1	226,000	\$6.50
2014 2q	692	18,047,885	286,438	1.6%	106,255	0	0	2	241,000	\$6.35
2014 1q	692	18,047,885	392,693	2.2%	68,582	0	0	2	241,000	\$6.27
2013 4q	692	18,047,885	461,275	2.6%	240,848	0	0	0	0	\$5.88
2013 3q	692	18,047,885	702,123	3.9%	75,694	1	3,000	0	0	\$5.83
2013 2q	691	18,044,885	774,817	4.3%	(113,836)	0	0	1	3,000	\$5.20
2013 1q	692	18,074,742	690,838	3.8%	71,362	0	0	1	3,000	\$5.31
2012 4q	692	18,074,742	762,200	4.2%	106,884	1	90,000	0	0	\$5.39
2012 3q	691	17,984,742	779,084	4.3%	(19,373)	1	7,500	1	90,000	\$5.31
2012 2q	690	17,977,242	752,211	4.2%	113,811	1	35,000	2	97,500	\$5.24

Source: CoStar Property®

# Denver Industrial Market

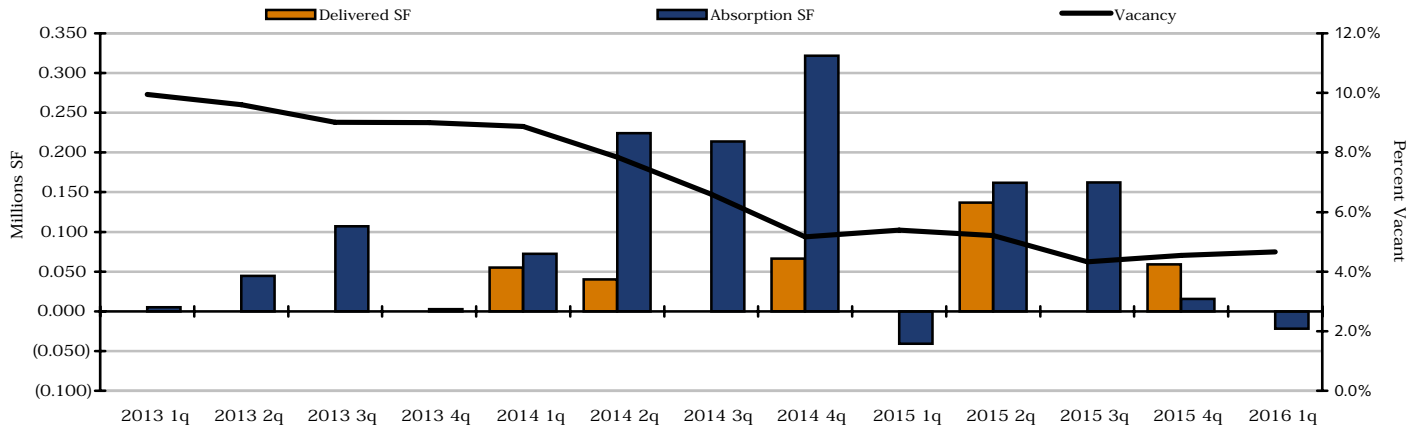


## Northwest Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

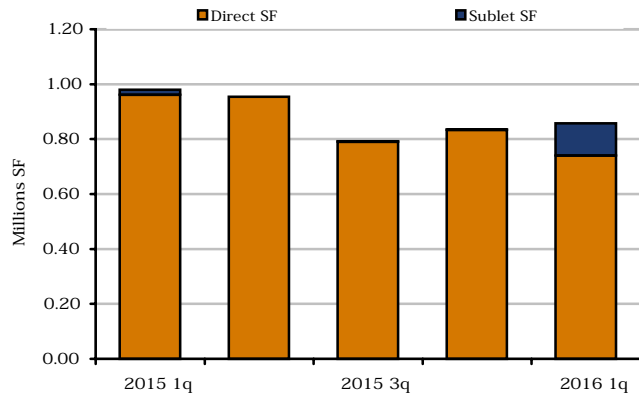
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

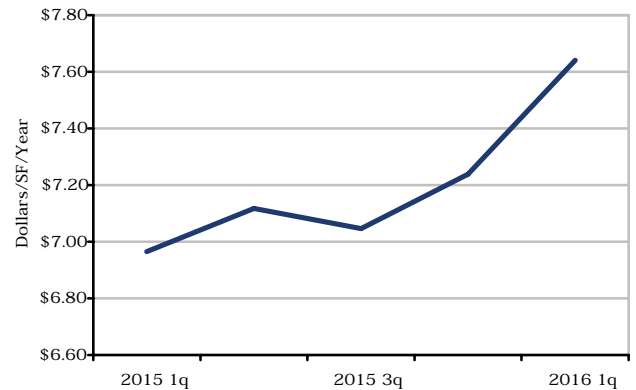
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	681	18,372,584	857,523	4.7%	(21,892)	0	0	4	377,552	\$7.64
2015 4q	681	18,372,584	835,631	4.5%	15,660	1	59,137	4	377,552	\$7.24
2015 3q	680	18,313,447	792,154	4.3%	162,343	0	0	2	269,262	\$7.05
2015 2q	680	18,313,447	954,497	5.2%	161,911	1	136,701	2	269,262	\$7.12
2015 1q	679	18,176,746	979,707	5.4%	(40,821)	0	0	3	405,963	\$6.96
2014 4q	679	18,176,746	938,886	5.2%	321,861	1	66,350	1	136,701	\$6.92
2014 3q	678	18,110,396	1,194,397	6.6%	213,734	0	0	2	203,051	\$7.32
2014 2q	679	18,122,796	1,420,531	7.8%	224,296	1	40,000	1	66,350	\$7.91
2014 1q	678	18,082,796	1,604,827	8.9%	72,551	1	55,000	2	106,350	\$7.83
2013 4q	677	18,027,796	1,622,378	9.0%	2,812	0	0	2	95,000	\$7.91
2013 3q	677	18,027,796	1,625,190	9.0%	106,951	0	0	1	55,000	\$7.79
2013 2q	677	18,027,796	1,732,141	9.6%	44,714	0	0	1	55,000	\$7.19
2013 1q	678	18,045,748	1,794,807	9.9%	5,326	0	0	1	55,000	\$7.08
2012 4q	679	18,077,988	1,832,373	10.1%	(87,703)	0	0	0	0	\$6.61
2012 3q	679	18,077,988	1,744,670	9.7%	195,360	0	0	0	0	\$6.64
2012 2q	679	18,077,988	1,940,030	10.7%	(133,480)	0	0	0	0	\$6.63

Source: CoStar Property®



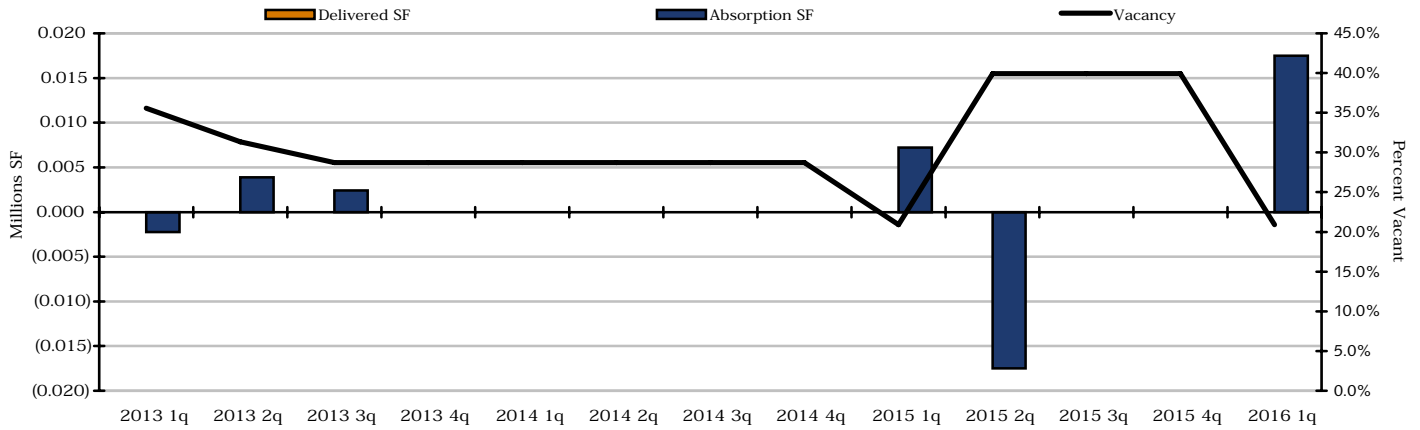
# Denver Industrial Market

## Park County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

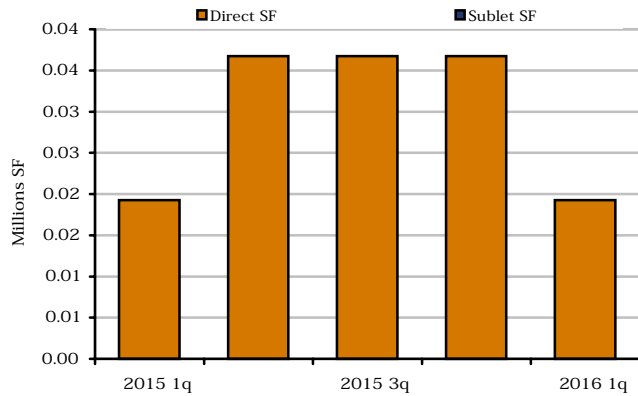
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

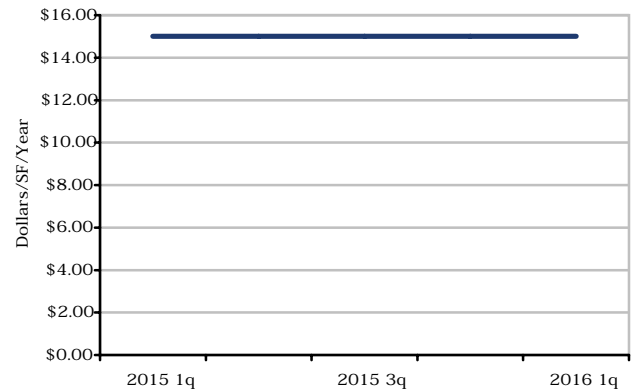
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	14	92,071	19,250	20.9%	17,496	0	0	0	0	\$15.00
2015 4q	14	92,071	36,746	39.9%	0	0	0	0	0	\$15.00
2015 3q	14	92,071	36,746	39.9%	0	0	0	0	0	\$15.00
2015 2q	14	92,071	36,746	39.9%	(17,496)	0	0	0	0	\$15.00
2015 1q	14	92,071	19,250	20.9%	7,200	0	0	0	0	\$15.00
2014 4q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2014 3q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2014 2q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2014 1q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2013 4q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2013 3q	14	92,071	26,450	28.7%	2,400	0	0	0	0	\$15.00
2013 2q	14	92,071	28,850	31.3%	3,900	0	0	0	0	\$0.00
2013 1q	14	92,071	32,750	35.6%	(2,250)	0	0	0	0	\$0.00
2012 4q	14	92,071	30,500	33.1%	0	0	0	0	0	\$0.00
2012 3q	14	92,071	30,500	33.1%	0	0	0	0	0	\$0.00
2012 2q	14	92,071	30,500	33.1%	(30,500)	0	0	0	0	\$0.00

Source: CoStar Property®

# Denver Industrial Market

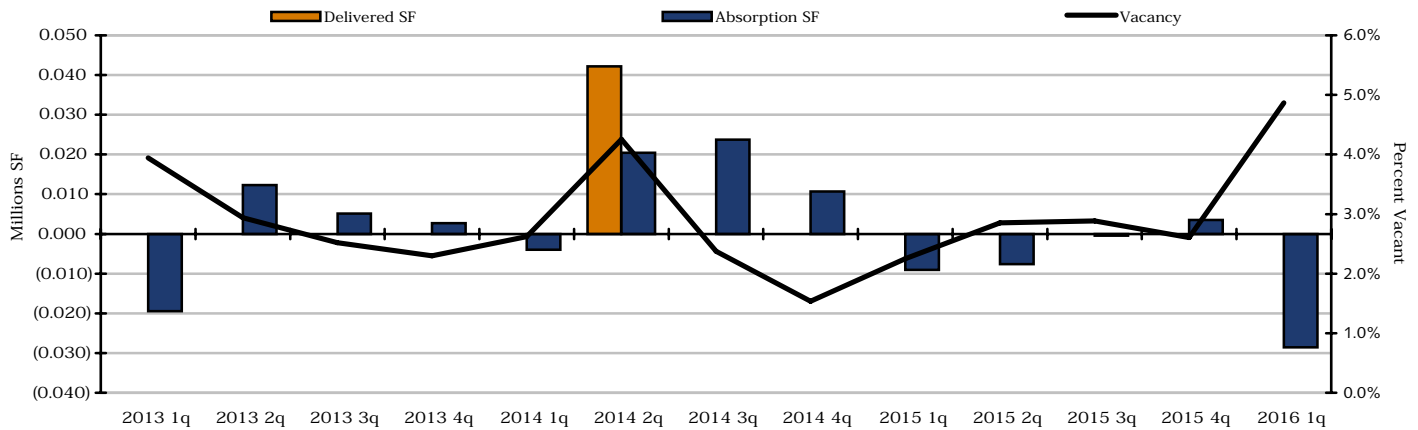


## Parker/Castle Rock Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

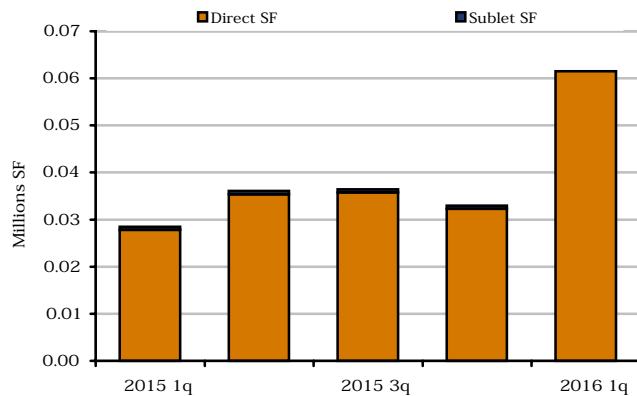
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

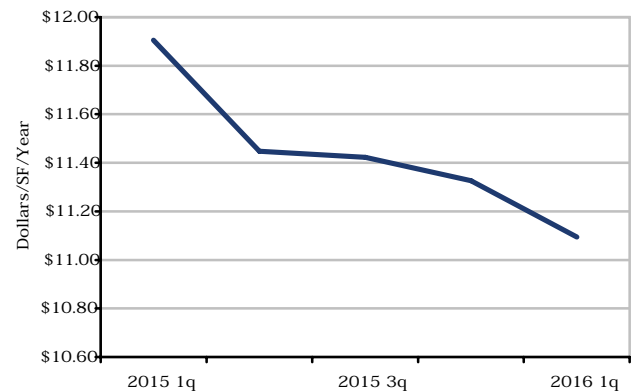
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	108	1,264,804	61,528	4.9%	(28,572)	0	0	0	0	\$11.09
2015 4q	108	1,264,804	32,956	2.6%	3,500	0	0	0	0	\$11.33
2015 3q	108	1,264,804	36,456	2.9%	(400)	0	0	0	0	\$11.42
2015 2q	108	1,264,804	36,056	2.9%	(7,576)	0	0	0	0	\$11.45
2015 1q	108	1,264,804	28,480	2.3%	(9,080)	0	0	0	0	\$11.90
2014 4q	108	1,264,804	19,400	1.5%	10,659	0	0	0	0	\$12.24
2014 3q	108	1,264,804	30,059	2.4%	23,754	0	0	0	0	\$11.77
2014 2q	108	1,264,804	53,813	4.3%	20,450	2	42,213	0	0	\$11.86
2014 1q	106	1,222,591	32,050	2.6%	(3,950)	0	0	2	42,213	\$12.12
2013 4q	106	1,222,591	28,100	2.3%	2,700	0	0	2	42,213	\$11.16
2013 3q	106	1,222,591	30,800	2.5%	5,120	0	0	0	0	\$10.69
2013 2q	106	1,222,591	35,920	2.9%	12,300	0	0	0	0	\$10.51
2013 1q	106	1,222,591	48,220	3.9%	(19,440)	0	0	0	0	\$10.72
2012 4q	106	1,222,591	28,780	2.4%	5,900	0	0	0	0	\$10.38
2012 3q	106	1,222,591	34,680	2.8%	3,300	0	0	0	0	\$10.01
2012 2q	106	1,222,591	37,980	3.1%	17,419	0	0	0	0	\$9.89

Source: CoStar Property®





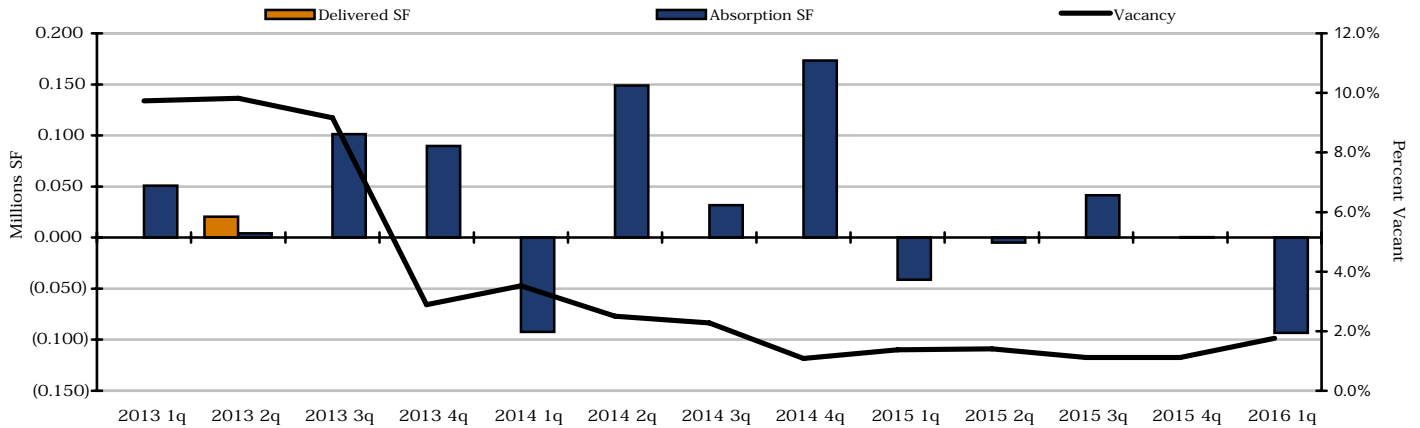
# Denver Industrial Market

## South Central Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

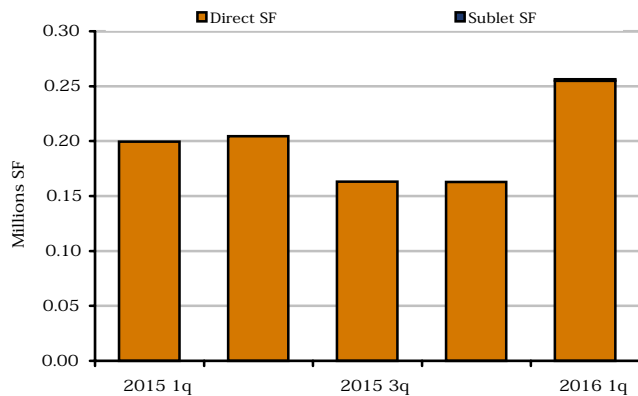
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

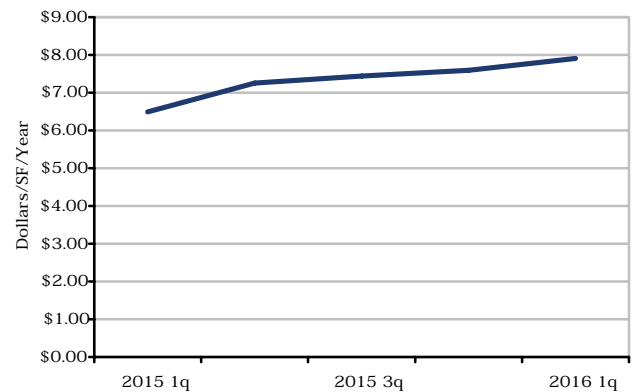
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	980	14,540,372	256,202	1.8%	(93,397)	0	0	0	0	\$7.91
2015 4q	980	14,540,372	162,805	1.1%	350	0	0	0	0	\$7.59
2015 3q	980	14,540,372	163,155	1.1%	41,345	0	0	0	0	\$7.44
2015 2q	980	14,540,372	204,500	1.4%	(5,021)	0	0	0	0	\$7.25
2015 1q	980	14,540,372	199,479	1.4%	(41,261)	0	0	0	0	\$6.49
2014 4q	980	14,540,372	158,218	1.1%	173,501	0	0	0	0	\$6.39
2014 3q	980	14,540,372	331,719	2.3%	31,841	0	0	0	0	\$6.31
2014 2q	980	14,540,372	363,560	2.5%	148,819	0	0	0	0	\$6.26
2014 1q	980	14,540,372	512,379	3.5%	(92,410)	0	0	0	0	\$6.06
2013 4q	980	14,540,372	419,969	2.9%	89,614	0	0	0	0	\$5.91
2013 3q	981	15,446,895	1,416,106	9.2%	101,328	0	0	0	0	\$5.85
2013 2q	981	15,446,895	1,517,434	9.8%	4,095	1	20,561	0	0	\$5.60
2013 1q	980	15,426,334	1,500,968	9.7%	51,007	0	0	1	20,561	\$5.58
2012 4q	980	15,426,334	1,551,975	10.1%	107,777	0	0	1	20,561	\$5.57
2012 3q	980	15,426,334	1,659,752	10.8%	4,807	0	0	1	20,561	\$5.52
2012 2q	980	15,426,334	1,664,559	10.8%	(68,316)	0	0	1	20,561	\$5.49

Source: CoStar Property®

# Denver Industrial Market

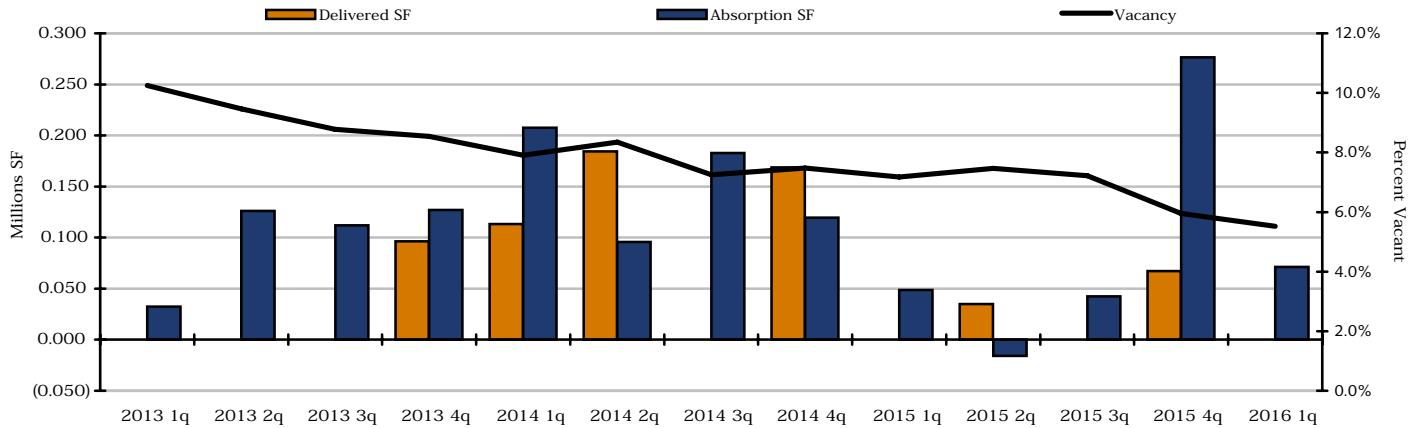


## Southeast Denver Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

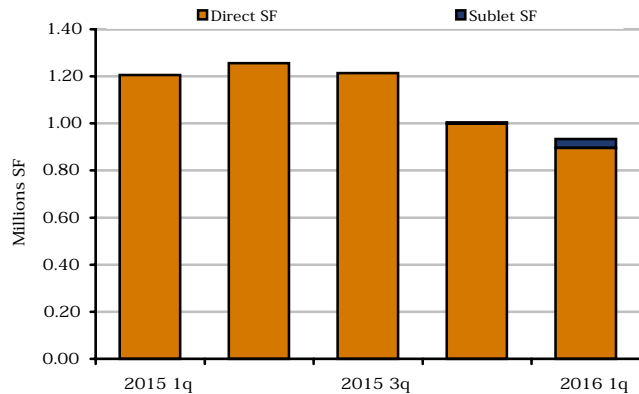
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

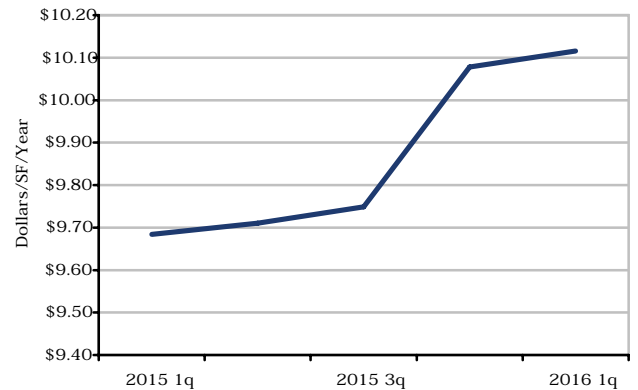
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	517	16,891,785	933,389	5.5%	71,270	0	0	2	107,000	\$10.12
2015 4q	517	16,891,785	1,004,659	5.9%	276,638	1	67,200	2	107,000	\$10.08
2015 3q	516	16,824,585	1,214,097	7.2%	42,477	0	0	1	67,200	\$9.75
2015 2q	516	16,824,585	1,256,574	7.5%	(15,875)	1	35,000	1	67,200	\$9.71
2015 1q	515	16,789,585	1,205,699	7.2%	48,814	0	0	2	102,200	\$9.68
2014 4q	515	16,789,585	1,254,513	7.5%	119,508	2	168,774	1	35,000	\$9.41
2014 3q	513	16,620,811	1,205,247	7.3%	182,813	0	0	3	203,774	\$9.23
2014 2q	513	16,620,811	1,388,060	8.4%	95,621	2	184,248	2	168,774	\$9.24
2014 1q	511	16,436,563	1,299,433	7.9%	207,662	4	113,336	3	269,248	\$9.08
2013 4q	507	16,323,227	1,393,759	8.5%	127,078	2	96,398	6	297,584	\$9.03
2013 3q	505	16,226,829	1,424,439	8.8%	111,924	0	0	8	393,982	\$9.03
2013 2q	505	16,226,829	1,536,363	9.5%	126,137	0	0	2	149,363	\$8.91
2013 1q	505	16,226,829	1,662,500	10.2%	32,395	0	0	1	50,488	\$8.76
2012 4q	505	16,226,829	1,694,895	10.4%	18,897	1	10,678	0	0	\$8.63
2012 3q	504	16,216,151	1,703,114	10.5%	185,826	2	158,072	1	10,678	\$8.50
2012 2q	502	16,058,079	1,730,868	10.8%	70,223	0	0	3	168,750	\$8.43

Source: CoStar Property®



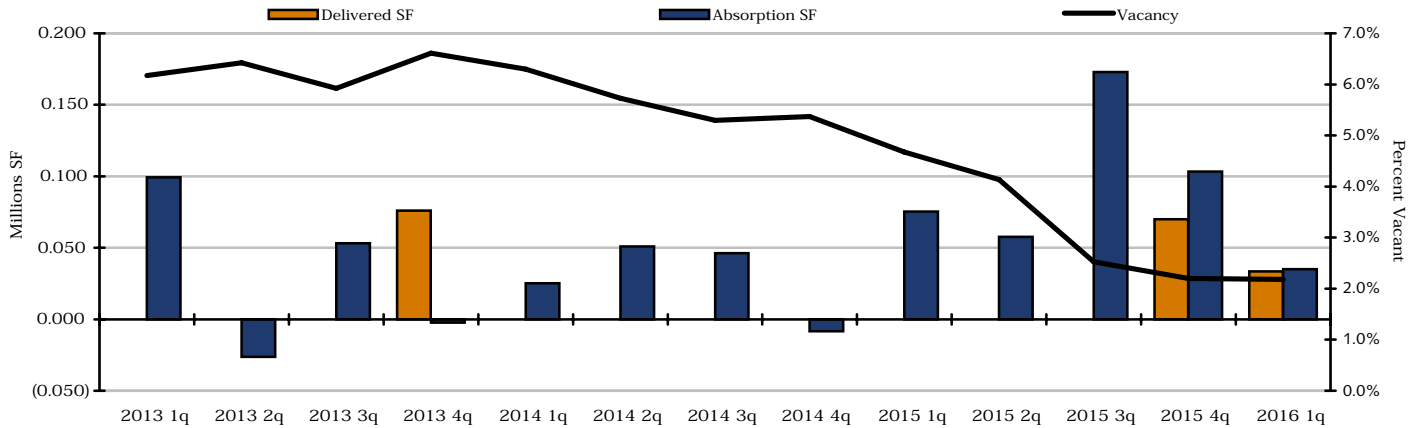
# Denver Industrial Market

## Southwest Denver Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

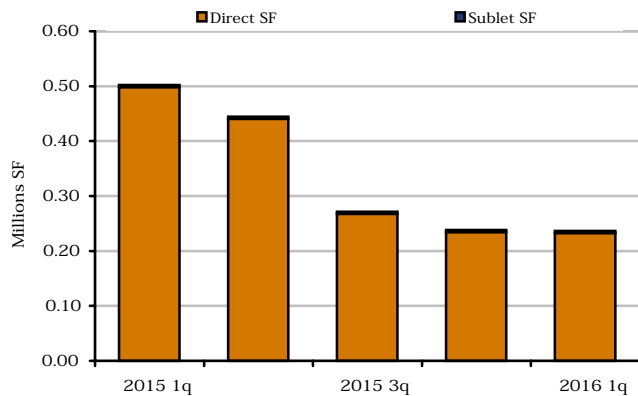
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

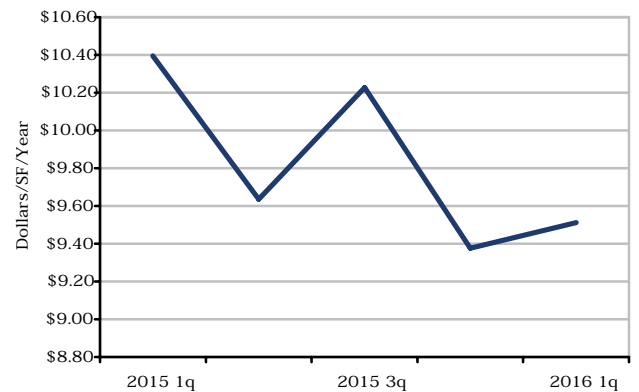
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	529	10,851,783	236,651	2.2%	34,985	1	33,500	0	0	\$9.51
2015 4q	528	10,818,283	238,136	2.2%	103,368	1	70,000	1	33,500	\$9.38
2015 3q	527	10,748,283	271,504	2.5%	173,011	0	0	2	103,500	\$10.23
2015 2q	527	10,748,283	444,515	4.1%	57,685	0	0	2	103,500	\$9.64
2015 1q	527	10,748,283	502,200	4.7%	75,299	0	0	2	103,500	\$10.40
2014 4q	527	10,748,283	577,499	5.4%	(8,394)	0	0	0	0	\$9.86
2014 3q	527	10,748,283	569,105	5.3%	46,266	0	0	0	0	\$9.56
2014 2q	527	10,748,283	615,371	5.7%	50,835	0	0	0	0	\$9.56
2014 1q	528	10,759,942	677,865	6.3%	25,234	0	0	0	0	\$8.89
2013 4q	529	10,768,662	711,819	6.6%	(2,359)	1	76,000	0	0	\$8.68
2013 3q	528	10,692,662	633,460	5.9%	53,071	0	0	1	76,000	\$8.73
2013 2q	528	10,692,662	686,531	6.4%	(26,342)	0	0	1	76,000	\$8.48
2013 1q	528	10,692,662	660,189	6.2%	99,372	0	0	1	76,000	\$8.31
2012 4q	528	10,692,662	759,561	7.1%	53,828	0	0	0	0	\$7.63
2012 3q	528	10,692,662	813,389	7.6%	(2,297)	0	0	0	0	\$7.76
2012 2q	528	10,692,662	811,092	7.6%	(117,624)	0	0	0	0	\$7.80

Source: CoStar Property®

# Denver Industrial Market

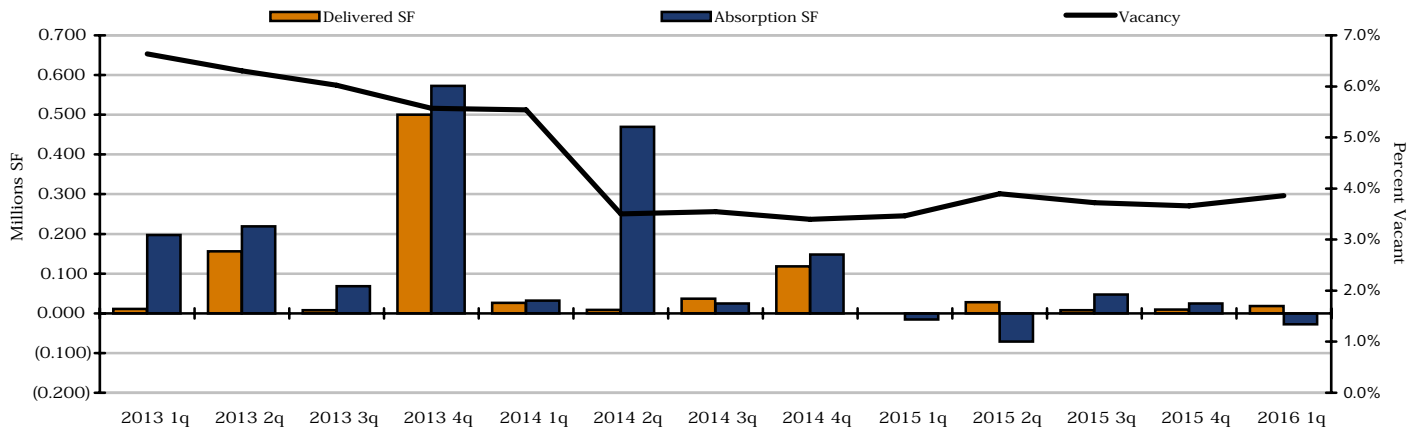


## Weld County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

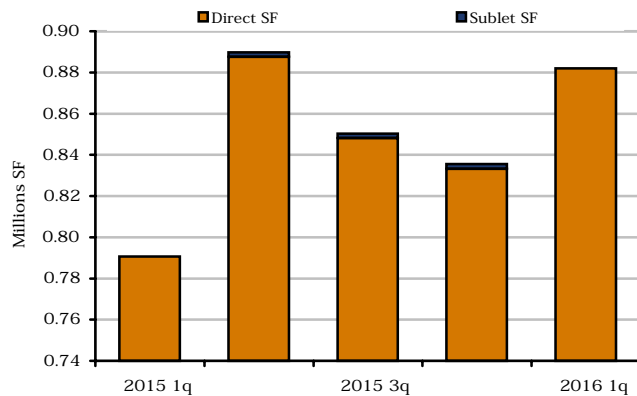
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

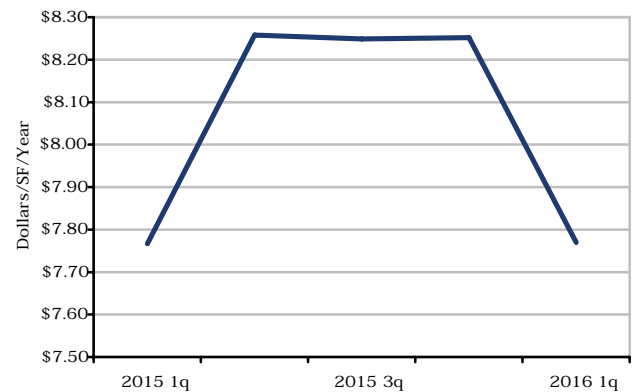
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	1,023	22,859,499	881,987	3.9%	(27,814)	2	18,700	1	12,792	\$7.77
2015 4q	1,021	22,840,799	835,473	3.7%	24,659	1	9,800	2	18,700	\$8.25
2015 3q	1,020	22,830,999	850,332	3.7%	47,464	1	8,000	3	28,500	\$8.25
2015 2q	1,019	22,822,999	889,796	3.9%	(71,341)	2	27,800	1	8,000	\$8.26
2015 1q	1,017	22,795,199	790,655	3.5%	(15,860)	0	0	3	35,800	\$7.77
2014 4q	1,017	22,795,199	774,795	3.4%	148,205	1	118,000	2	27,800	\$7.50
2014 3q	1,016	22,677,199	805,000	3.5%	24,873	3	36,777	1	118,000	\$7.37
2014 2q	1,013	22,640,422	793,096	3.5%	469,421	1	9,000	4	154,777	\$7.56
2014 1q	1,012	22,631,422	1,253,517	5.5%	31,862	2	26,133	5	163,777	\$7.46
2013 4q	1,010	22,605,289	1,259,246	5.6%	572,666	1	500,000	6	166,410	\$7.15
2013 3q	1,009	22,105,289	1,331,912	6.0%	68,618	1	7,894	7	666,410	\$7.06
2013 2q	1,008	22,097,395	1,392,636	6.3%	219,021	2	156,000	4	635,027	\$7.07
2013 1q	1,006	21,941,395	1,455,657	6.6%	197,373	1	11,256	4	663,894	\$6.41
2012 4q	1,006	22,176,139	1,887,774	8.5%	57,814	3	36,718	4	667,256	\$6.50
2012 3q	1,004	22,322,421	2,091,870	9.4%	44,247	0	0	6	697,974	\$6.51
2012 2q	1,005	22,598,421	2,412,117	10.7%	117,716	2	25,596	5	547,974	\$6.20

Source: CoStar Property®



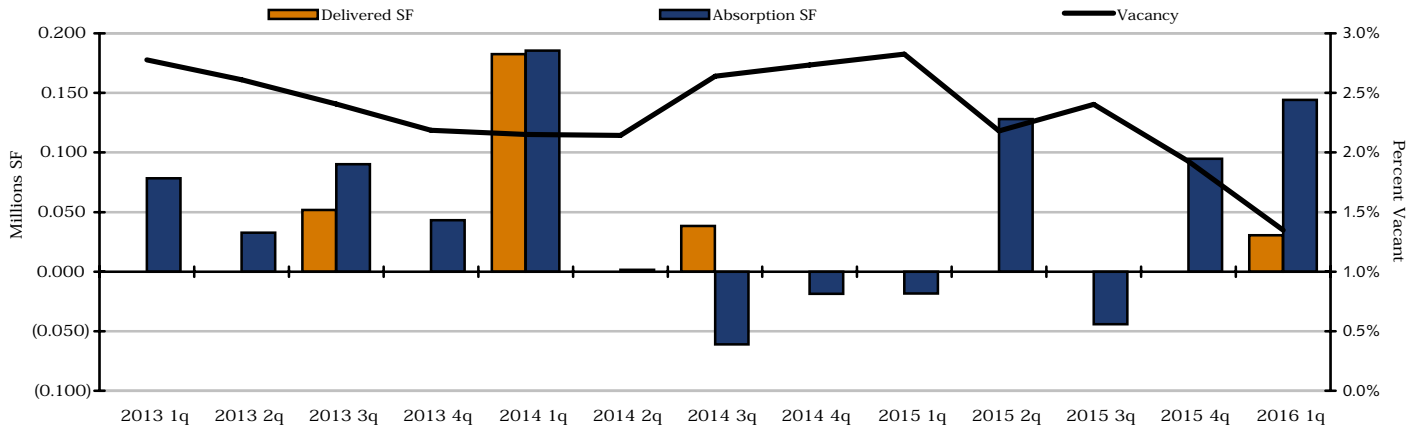
# Denver Industrial Market

## West Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

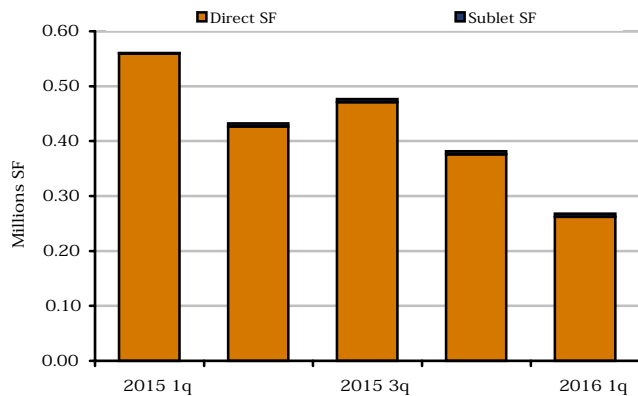
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

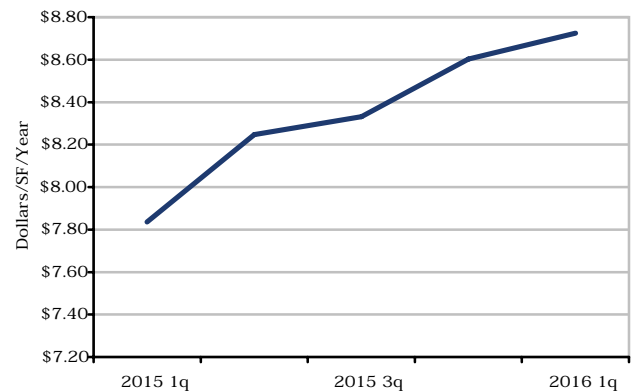
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 1q	521	19,849,738	267,765	1.3%	144,050	1	30,415	3	419,413	\$8.73
2015 4q	520	19,819,323	381,400	1.9%	94,852	0	0	3	149,828	\$8.60
2015 3q	520	19,819,323	476,252	2.4%	(44,181)	0	0	2	140,935	\$8.33
2015 2q	520	19,819,323	432,071	2.2%	128,072	0	0	2	140,935	\$8.25
2015 1q	520	19,819,323	560,143	2.8%	(18,391)	0	0	0	0	\$7.84
2014 4q	520	19,819,323	541,752	2.7%	(18,562)	0	0	0	0	\$7.83
2014 3q	520	19,819,323	523,190	2.6%	(61,067)	2	38,315	0	0	\$7.33
2014 2q	518	19,781,008	423,808	2.1%	1,649	0	0	2	38,315	\$7.18
2014 1q	518	19,781,008	425,457	2.2%	185,620	1	182,500	2	38,315	\$6.91
2013 4q	517	19,598,508	428,577	2.2%	43,100	0	0	3	220,815	\$7.21
2013 3q	517	19,598,508	471,677	2.4%	90,168	1	51,700	1	182,500	\$6.95
2013 2q	516	19,546,808	510,145	2.6%	32,704	0	0	2	234,200	\$6.80
2013 1q	516	19,546,808	542,849	2.8%	78,300	0	0	2	234,200	\$6.72
2012 4q	516	19,546,808	621,149	3.2%	130,189	0	0	1	51,700	\$6.78
2012 3q	516	19,546,808	751,338	3.8%	152,301	2	27,201	0	0	\$6.67
2012 2q	514	19,519,607	876,438	4.5%	317,818	0	0	2	27,201	\$6.53

Source: CoStar Property®