

# The CoStar Office Report

First Quarter 2016

## Denver Office Market



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

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## Methodology

The CoStar Office Report, unless specifically stated otherwise, calculates office statistics using CoStar Group's entire database of existing and under construction office buildings in each metropolitan area. Included are office, office condominium, office loft, office medical, all classes and all sizes, and both multi-tenant and single-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 Office Report have been converted to a Full Service equivalent rental rate.

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**CoStar Group, Inc.**

1331 L ST NW • Washington, DC 20005 • (800) 204-5960 • [www.costar.com](http://www.costar.com) • NASDAQ: CSGP

## 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 certifi-

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 Office Market



Overview

## Denver's Vacancy Falls to 9.6% Net Absorption Positive 641,679 SF in the Quarter

The Denver Office market ended the first quarter 2016 with a vacancy rate of 9.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 641,679 square feet in the first quarter. Vacant sublease space decreased in the quarter, ending the quarter at 1,047,290 square feet. Rental rates ended the first quarter at \$24.84, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 146,717 square feet, with 4,307,660 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Denver office market was positive 641,679 square feet in the first quarter 2016. That compares to positive 1,011,955 square feet in the fourth quarter 2015, positive 812,498 square feet in the third quarter 2015, and positive 962,295 square feet in the second quarter 2015.

Tenants moving out of large blocks of space in 2016 include: AECOM moving out of 136,954 square feet at 6901 S Havana St; Comcast Corporation moving out of 134,790 square feet at 6061 S Willow St; and AECOM moving out of 48,874 square feet at 717 17th St.

Tenants moving into large blocks of space in 2016 include: AECOM moving into 282,800 square feet at 6200 S Quebec St; Comcast Corporation moving into 280,946 square feet at 9401 & 9601 E Panorama Cir; and OnDeck Capital moving into 91,854 square feet at 101 W Colfax Ave.

The Class-A office market recorded net absorption of positive 337,413 square feet in the first quarter 2016, compared to positive 937,569 square feet in the fourth quarter 2015, posi-

tive 391,969 in the third quarter 2015, and positive 177,308 in the second quarter 2015.

The Class-B office market recorded net absorption of positive 242,831 square feet in the first quarter 2016, compared to positive 900 square feet in the fourth quarter 2015, positive 359,234 in the third quarter 2015, and positive 767,898 in the second quarter 2015.

The Class-C office market recorded net absorption of positive 61,435 square feet in the first quarter 2016 compared to positive 73,486 square feet in the fourth quarter 2015, positive 61,295 in the third quarter 2015, and positive 17,089 in the second quarter 2015.

Net absorption for Denver's central business district was negative (93,883) square feet in the first quarter 2016. That compares to positive 397,516 square feet in the fourth quarter 2015, positive 18,262 in the third quarter 2015, and positive 42,706 in the second quarter 2015.

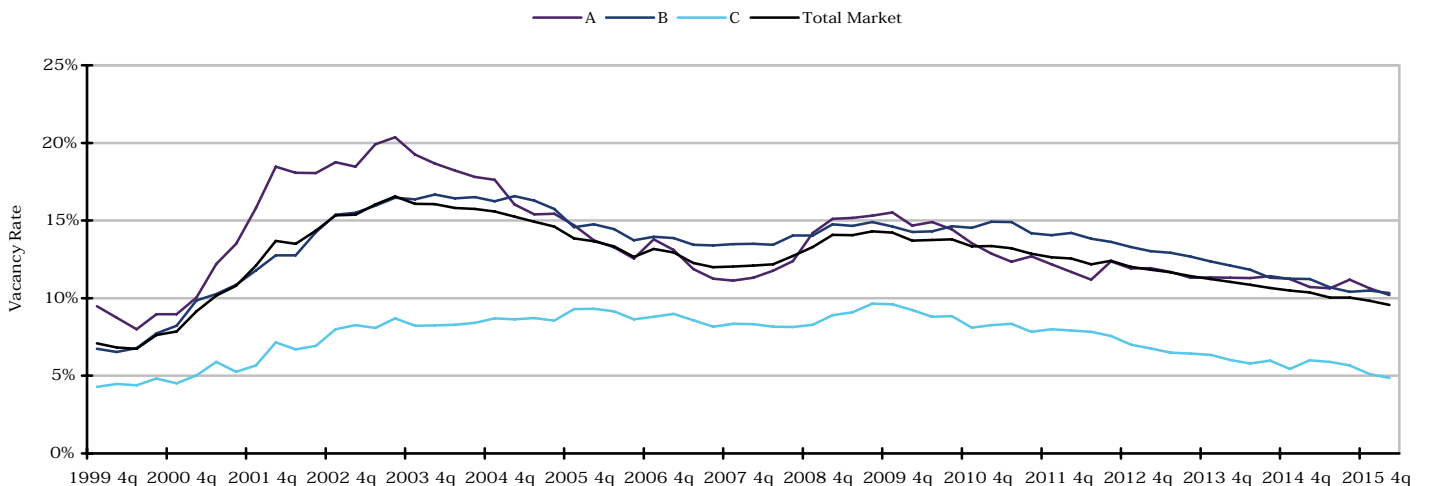
Net absorption for the suburban markets was positive 735,562 square feet in the first quarter 2016. That compares to positive 614,439 square feet in fourth quarter 2015, positive 794,236 in the third quarter 2015, and positive 919,589 in the second quarter 2015.

### Vacancy

The office vacancy rate in the Denver market area decreased to 9.6% at the end of the first quarter 2016. The vacancy rate was 9.8% at the end of the fourth quarter 2015, 10.0% at the end of the third quarter 2015, and 10.0% at the end of the second quarter 2015.

Class-A projects reported a vacancy rate of 10.2% at the

## Vacancy Rates by Class 1999-2016



Source: CoStar Property®

end of the first quarter 2016, 10.6% at the end of the fourth quarter 2015, 11.2% at the end of the third quarter 2015, and 10.6% at the end of the second quarter 2015.

Class-B projects reported a vacancy rate of 10.3% at the end of the first quarter 2016, 10.5% at the end of the fourth quarter 2015, 10.4% at the end of the third quarter 2015, and 10.7% at the end of the second quarter 2015.

Class-C projects reported a vacancy rate of 4.9% at the end of the first quarter 2016, 5.1% at the end of fourth quarter 2015, 5.7% at the end of the third quarter 2015, and 5.9% at the end of the second quarter 2015.

The overall vacancy rate in Denver’s central business district at the end of the first quarter 2016 increased to 10.6%. The vacancy rate was 10.3% at the end of the fourth quarter 2015, 11.4% at the end of the third quarter 2015, and 10.8% at the end of the second quarter 2015.

The vacancy rate in the suburban markets decreased to 9.3% in the first quarter 2016. The vacancy rate was 9.7% at the end of the fourth quarter 2015, 9.8% at the end of the third quarter 2015, and 9.9% at the end of the second quarter 2015.

## Largest Lease Signings

The largest lease signings occurring in 2016 included: the 104,000-square-foot lease signed by Biomet, Inc. at 10225 Westmoor Dr in the Northwest Denver market; the 66,667-square-foot deal signed by MadWire Web Design at 3420 E Harmony Rd in the Fort Collins/Loveland market; and the 44,010-square-foot lease signed by CoBiz Financial, Inc. at 1401 Lawrence St in the Downtown market.

## Sublease Vacancy

The amount of vacant sublease space in the Denver market decreased to 1,047,290 square feet by the end of the first quarter 2016, from 1,128,291 square feet at the end of the fourth quarter 2015. There was 1,049,955 square feet vacant at

the end of the third quarter 2015 and 1,033,322 square feet at the end of the second quarter 2015.

Denver’s Class-A projects reported vacant sublease space of 695,472 square feet at the end of first quarter 2016, down from the 751,896 square feet reported at the end of the fourth quarter 2015. There were 652,045 square feet of sublease space vacant at the end of the third quarter 2015, and 612,918 square feet at the end of the second quarter 2015.

Class-B projects reported vacant sublease space of 349,367 square feet at the end of the first quarter 2016, down from the 355,374 square feet reported at the end of the fourth quarter 2015. At the end of the third quarter 2015 there were 378,314 square feet, and at the end of the second quarter 2015 there were 385,033 square feet vacant.

Class-C projects reported decreased vacant sublease space from the fourth quarter 2015 to the first quarter 2016. Sublease vacancy went from 21,021 square feet to 2,451 square feet during that time. There was 19,596 square feet at the end of the third quarter 2015, and 35,371 square feet at the end of the second quarter 2015.

Sublease vacancy in Denver’s central business district stood at 466,447 square feet at the end of the first quarter 2016. It was 436,558 square feet at the end of the fourth quarter 2015, 432,640 square feet at the end of the third quarter 2015, and 373,741 square feet at the end of the second quarter 2015.

Sublease vacancy in the suburban markets ended the first quarter 2016 at 580,843 square feet. At the end of the fourth quarter 2015 sublease vacancy was 691,733 square feet, was 617,315 square feet at the end of the third quarter 2015, and was 659,581 square feet at the end of the second quarter 2015.

## Rental Rates

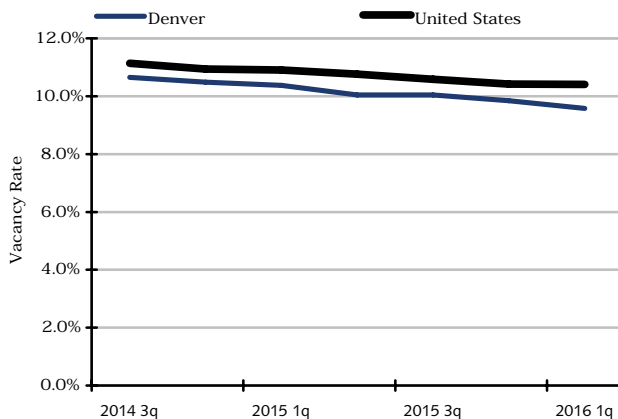
The average quoted asking rental rate for available office space, all classes, was \$24.84 per square foot per year at the end of the first quarter 2016 in the Denver market area. This represented a 1.6% increase in quoted rental rates from the end of the fourth quarter 2015, when rents were reported at \$24.45 per square foot.

The average quoted rate within the Class-A sector was \$29.81 at the end of the first quarter 2016, while Class-B rates stood at \$21.79, and Class-C rates at \$16.84. At the end of the fourth quarter 2015, Class-A rates were \$29.71 per square foot, Class-B rates were \$21.37, and Class-C rates were \$16.69.

The average quoted asking rental rate in Denver’s CBD was \$32.46 at the end of the first quarter 2016, and \$23.01 in the suburban markets. In the fourth quarter 2015, quoted rates were \$32.29 in the CBD and \$22.52 in the suburbs.

## U.S. Vacancy Comparison

Past 7 Quarters



Source: CoStar Property®



# Denver Office Market



Overview

## Deliveries and Construction

During the first quarter 2016, three buildings totaling 146,717 square feet were completed in the Denver market area. This compares to 12 buildings totaling 799,481 square feet that were completed in the fourth quarter 2015, eight buildings totaling 903,285 square feet completed in the third quarter 2015, and 468,186 square feet in 11 buildings completed in the second quarter 2015.

There were 4,307,660 square feet of office space under construction at the end of the first quarter 2016.

Some of the notable 2016 deliveries include: 4700 Pearl St, a 61,717-square-foot facility that delivered in first quarter 2016 and is now 98% occupied, and 855 W 122nd Ave, a 53,000-square-foot building that delivered in first quarter 2016 and is now 100% occupied.

The largest projects underway at the end of first quarter 2016 were 1144 15th St, a 670,000-square-foot building with 6% of its space pre-leased, and 7001 E Bellevue Ave, a 318,000-square-foot facility that is 7% pre-leased.

## Inventory

Total office inventory in the Denver market area amounted to 192,752,395 square feet in 7,468 buildings as of the end of the first quarter 2016. The Class-A office sector consisted of 63,831,572 square feet in 340 projects. There were 3,886 Class-B buildings totaling 103,970,375 square feet, and the Class-C sector consisted of 24,950,448 square feet in 3,242 buildings. Within the Office market there were 621 owner-occupied buildings accounting for 23,076,281 square feet of office space.

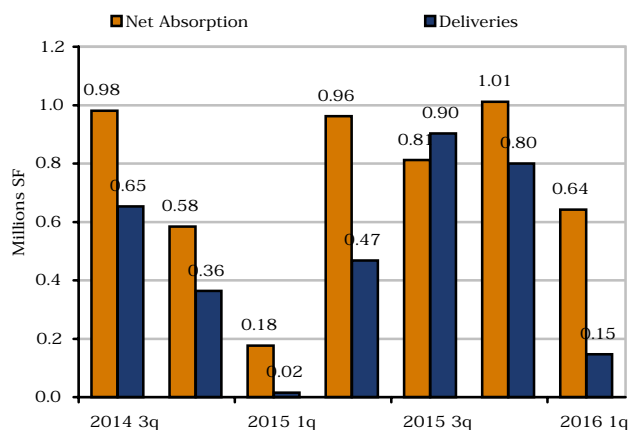
## Sales Activity

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

In the fourth quarter, 41 office transactions closed with a total volume of \$678,408,990. The 41 buildings totaled 3,743,805 square feet and the average price per square foot equated to \$181.21 per square foot. That compares to 38 trans-

## Absorption & Deliveries

Past 7 Quarters



Source: CoStar Property®

actions totaling \$389,851,545 in the third quarter 2015. The total square footage in the third quarter was 2,638,078 square feet for an average price per square foot of \$147.78.

Total office building sales activity in 2015 was down compared to 2014. In the twelve months of 2015, the market saw 150 office sales transactions with a total volume of \$2,056,295,856. The price per square foot averaged \$169.12. In the same twelve months of 2014, the market posted 128 transactions with a total volume of \$2,212,840,378. The price per square foot averaged \$171.92.

Cap rates have been lower in 2015, averaging 6.97% compared to the same period in 2014 when they averaged 7.41%.

One of the largest transactions that has occurred within the last four quarters in the Denver market is the sale of Panorama Corporate Center in Centennial. This 780,649-square-foot office building sold for \$189,120,000, or \$242.26 per square foot. The property sold on 1/15/2016, at a 7.00% cap rate."

Reports compiled by: Jeff Miles, CoStar Research Manager.



## 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	Aurora			
Boulder	Boulder	Boulder County		
Broomfield	Broomfield County			
Clear Creek County	Clear Creek County			
Colorado Blvd/Glendale	Cherry Creek	Colorado Blvd/I-25	Glendale	
Downtown	CBD*	LoDo*	Platte River	
Elbert County	Elbert County			
Fort Collins/Loveland	Fort Collins/Loveland			
Gilpin County	Gilpin County			
Longmont	Longmont			
Midtown	Capitol Hill	South Midtown		
North Denver	North Denver			
Northeast Denver	East I-70/Montbello	Northeast Denver		
Northwest Denver	Northwest Denver			
Park County	Park County			
Parker/Castle Rock	Parker/Castle Rock			
Southeast Denver	Arapahoe Rd Greenwood Village Meridian	Centennial Highlands Ranch Panorama/Highland Park	Denver Tech Center Inverness	East Hampden Lone Tree
Southwest Denver	Southwest Denver			
Weld County	Weld County			
West Denver	West Denver			

\* Submarkets comprising the CBD. For statistics reference the CBD vs Suburban Figures at a Glance Page.

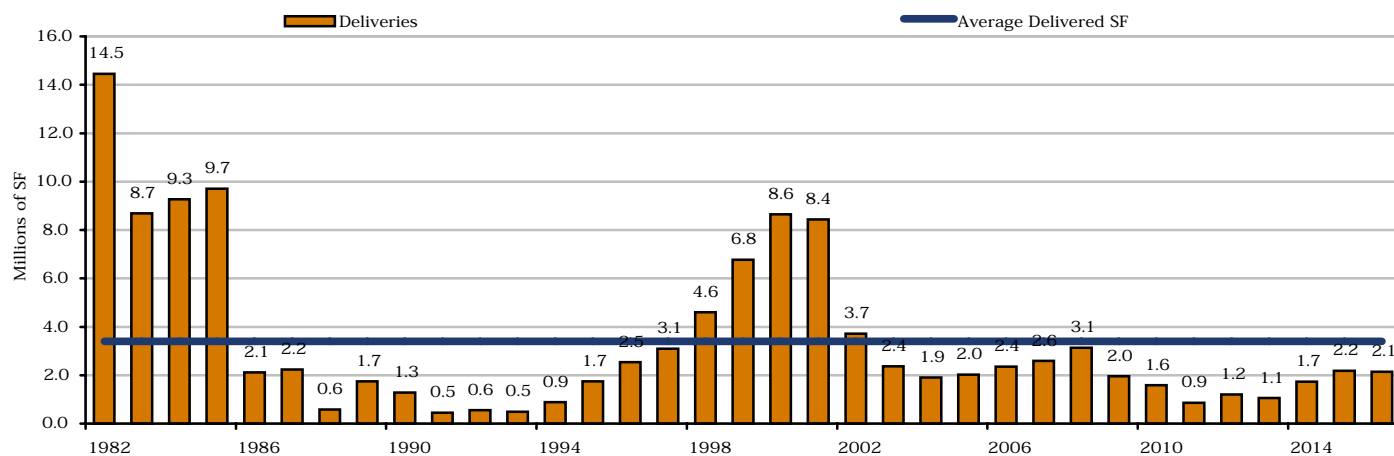
# Denver Office Market



Inventory & development

## Historical Deliveries

1982 - 2016



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

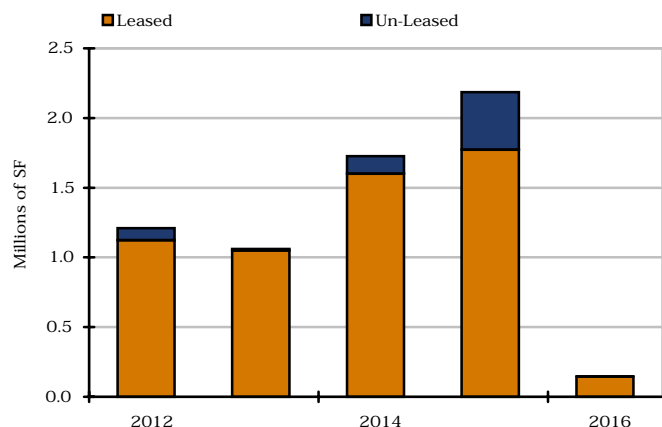
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Downtown	6	1,507,146	426,378	28.3%	101,040	251,191
Southeast Denver	4	851,879	44,596	5.2%	54,473	212,970
Boulder	5	544,989	427,443	78.4%	17,786	108,998
Midtown	1	300,000	294,000	98.0%	13,326	300,000
Fort Collins/Loveland	7	287,558	200,706	69.8%	11,359	41,080
Colorado Blvd/Glendale	2	260,446	12,880	4.9%	28,675	130,223
West Denver	4	184,258	172,184	93.4%	19,151	46,064
Broomfield	2	109,989	2,532	2.3%	50,352	54,994
Parker/Castle Rock	4	91,168	50,267	55.1%	11,130	22,792
North Denver	3	49,243	0	0.0%	27,269	16,414
All Other	7	120,984	100,566	83.1%	16,496	17,283
<b>Totals</b>	<b>45</b>	<b>4,307,660</b>	<b>1,731,552</b>	<b>40.2%</b>	<b>25,810</b>	<b>95,726</b>

Source: CoStar Property®

## Recent Deliveries

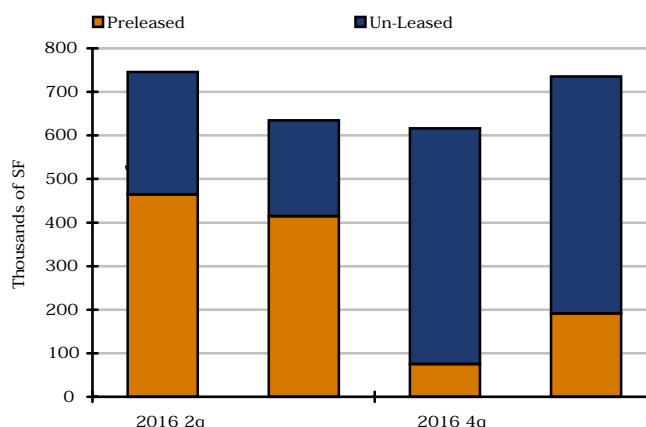
Leased & Un-Leased SF in Deliveries Since 2012



Source: CoStar Property®

## Future Deliveries

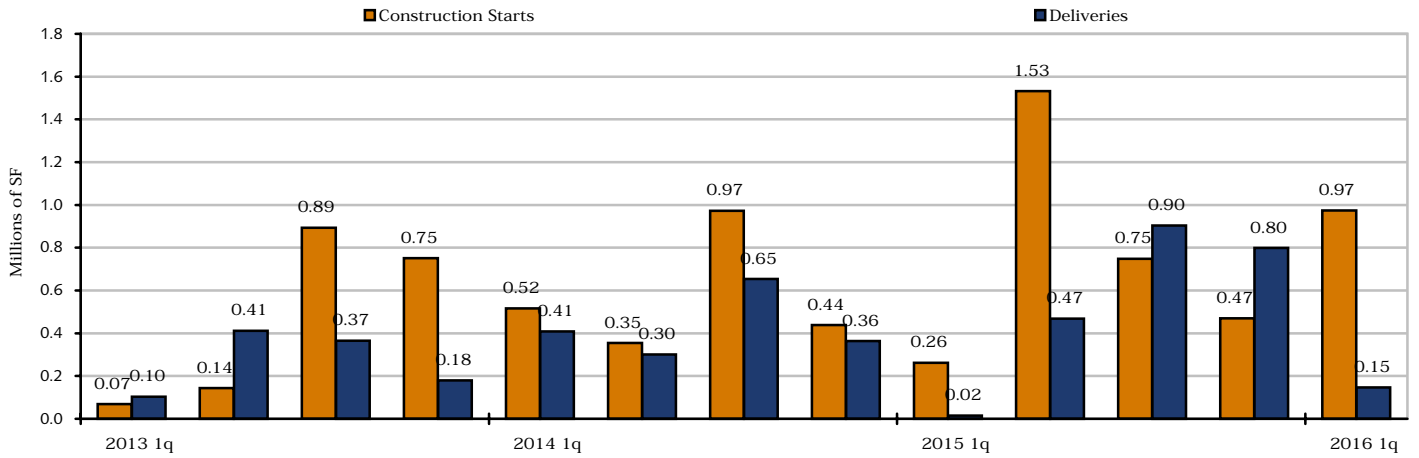
Preleased & Un-Leased SF in Properties Scheduled to Deliver



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	1	32,000	32,000	100.0%	\$0.00	0	32,000
50,000 SF - 99,999 SF	2	114,717	113,483	98.9%	\$32.94	53,000	61,717
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

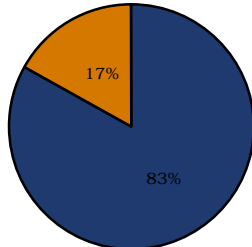
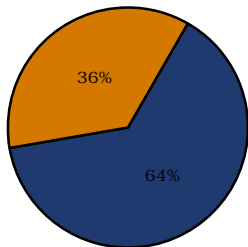
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi Tenant Use

2016 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

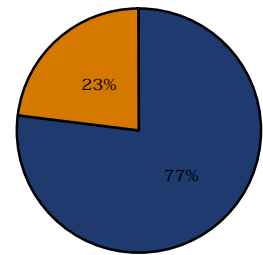
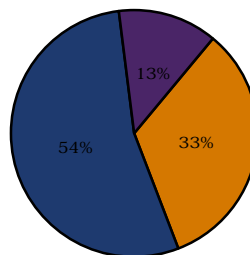
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Class

By Space Type



■ Class A ■ Class B ■ Class C

■ Multi ■ Single

Source: CoStar Property®

# Denver Office Market



Inventory & development

## Select Year-to-Date Deliveries

Based on Project Square Footage

### 1. 4700 Pearl St

Submarket: **Boulder**  
 RBA: **61,717**  
 # Floors: **3**  
 Class: **A**  
 Occupied: **98%**  
 Quoted Rate: **\$32.94**  
 Grnd Brk Date: **Second Quarter 2015**  
 Deliv Date: **First Quarter 2016**  
 Leasing Co: **The W.W. Reynolds Companies, Inc.**  
 Developer: **The W.W. Reynolds Companies, Inc.**  
 Architect: **Peh Architects**

### 2. 855 W 122nd Ave

Submarket: **North Denver**  
 RBA: **53,000**  
 # Floors: **1**  
 Class: **B**  
 Occupied: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **Third Quarter 2015**  
 Deliv Date: **First Quarter 2016**  
 Leasing Co: **Litchfield Advisors, Inc.**  
 Developer: **N/A**  
 Architect: **N/A**

### 3. 708 13th St

Submarket: **West Denver**  
 RBA: **32,000**  
 # Floors: **4**  
 Class: **B**  
 Occupied: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **First Quarter 2015**  
 Deliv Date: **First Quarter 2016**  
 Leasing Co: **Aardex LLC**  
 Developer: **Aardex LLC**  
 Architect: **N/A**



# Denver Office Market

Inventory &amp; development

## Select Top Under Construction Properties

Based on Project Square Footage

<p><b>1. 1144 15th St</b></p> <p>Submarket: <b>Downtown</b>            RBA: <b>670,000</b>            # Floors: <b>42</b>            Class: <b>A</b>            Preleased: <b>6%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Second Quarter 2015</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>JLL</b>            Developer: <b>Hines - Helios</b>            Architect: <b>Pickard Chilton Architects</b></p>	<p><b>2. 7001 E Belleview Ave</b></p> <p>Submarket: <b>Southeast Denver</b>            RBA: <b>318,000</b>            # Floors: <b>15</b>            Class: <b>A</b>            Preleased: <b>7%</b>            Quoted Rate: <b>\$31.27</b>            Grnd Brk Date: <b>Second Quarter 2015</b>            Deliv Date: <b>Fourth Quarter 2016</b>            Leasing Co: <b>Cushman &amp; Wakefield</b>            Developer: <b>Prime West Companies</b>            Architect: <b>Gensler</b></p>	<p><b>3. 1401 Lawrence St</b></p> <p>Submarket: <b>Downtown</b>            RBA: <b>311,015</b>            # Floors: <b>21</b>            Class: <b>A</b>            Preleased: <b>47%</b>            Quoted Rate: <b>\$40.00</b>            Grnd Brk Date: <b>Fourth Quarter 2014</b>            Deliv Date: <b>Second Quarter 2016</b>            Leasing Co: <b>Newmark Grubb Knight Frank</b>            Developer: <b>First Gulf Corporation</b>            Architect: <b>The Beck Group</b></p>
<p><b>4. 601 Broadway</b></p> <p>Submarket: <b>Midtown</b>            RBA: <b>300,000</b>            # Floors: <b>9</b>            Class: <b>B</b>            Preleased: <b>98%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>NAI Shames Makovsky</b>            Developer: <b>Trammell Crow Company</b>            Architect: <b>David Partnership Architects</b></p>	<p><b>5. 6165 S Willow Dr</b></p> <p>Submarket: <b>Southeast Denver</b>            RBA: <b>300,000</b>            # Floors: <b>10</b>            Class: <b>A</b>            Preleased: <b>1%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>Granite Properties, Inc.</b>            Architect: <b>Open Studio Architecture</b></p>	<p><b>6. 1800 Wazee St</b></p> <p>Submarket: <b>Downtown</b>            RBA: <b>235,002</b>            # Floors: <b>6</b>            Class: <b>A</b>            Preleased: <b>28%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Second Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Newmark Grubb Knight Frank</b>            Developer: <b>McWhinney Real Estate Services</b>            Architect: <b>Shears Adkins Rockmore</b></p>
<p><b>7. 2000 S Colorado Blvd</b></p> <p>Submarket: <b>Colorado Blvd/Glendale</b>            RBA: <b>232,446</b>            # Floors: <b>15</b>            Class: <b>A</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$36.01</b>            Grnd Brk Date: <b>Third Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Lincoln Property Company</b>            Developer: <b>Lincoln Property Company</b>            Architect: <b>Tryba Architects</b></p>	<p><b>8. 7250 S Havana St</b></p> <p>Submarket: <b>Southeast Denver</b>            RBA: <b>211,879</b>            # Floors: <b>5</b>            Class: <b>A</b>            Preleased: <b>3%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Fourth Quarter 2015</b>            Deliv Date: <b>Fourth Quarter 2016</b>            Leasing Co: <b>Newmark Grubb Knight Frank</b>            Developer: <b>United Properties</b>            Architect: <b>Powers Brown Architecture</b></p>	<p><b>9. 2930 Pearl St</b></p> <p>Submarket: <b>Boulder</b>            RBA: <b>200,000</b>            # Floors: <b>4</b>            Class: <b>A</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Google, Inc.</b>            Developer: <b>Forum Real Estate Group</b>            Architect: <b>Tryba Architects</b></p>
<p><b>10. 1048 Pearl St</b></p> <p>Submarket: <b>Boulder</b>            RBA: <b>175,755</b>            # Floors: <b>5</b>            Class: <b>A</b>            Preleased: <b>81%</b>            Quoted Rate: <b>\$58.01</b>            Grnd Brk Date: <b>Third Quarter 2014</b>            Deliv Date: <b>Third Quarter 2016</b>            Leasing Co: <b>Keys Commercial</b>            Developer: <b>The Nichols Partnership, Inc.</b>            Architect: <b>Shears Adkins Rockmore</b></p>	<p><b>11. 12345 W Colfax Ave</b></p> <p>Submarket: <b>West Denver</b>            RBA: <b>127,000</b>            # Floors: <b>4</b>            Class: <b>B</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>First Quarter 2015</b>            Deliv Date: <b>Second Quarter 2016</b>            Leasing Co: <b>FirstBank Holding Company</b>            Developer: <b>Hyder Construction</b>            Architect: <b>N/A</b></p>	<p><b>12. 3825 Lafayette St</b></p> <p>Submarket: <b>Downtown</b>            RBA: <b>125,000</b>            # Floors: <b>3</b>            Class: <b>B</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Industry Denver</b>            Developer: <b>Industry Denver</b>            Architect: <b>N/A</b></p>
<p><b>13. 1801 Wewatta St</b></p> <p>Submarket: <b>Downtown</b>            RBA: <b>112,651</b>            # Floors: <b>12</b>            Class: <b>A</b>            Preleased: <b>0%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Third Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>Hensel Phelps</b>            Architect: <b>John Portman &amp; Associates, Inc.</b></p>	<p><b>14. 8181 Arista Pl</b></p> <p>Submarket: <b>Broomfield</b>            RBA: <b>98,980</b>            # Floors: <b>5</b>            Class: <b>A</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$29.94</b>            Grnd Brk Date: <b>Second Quarter 2015</b>            Deliv Date: <b>Third Quarter 2016</b>            Leasing Co: <b>JLL</b>            Developer: <b>Wiens Real Estate Ventures, LLC</b>            Architect: <b>Klipp Colussy Jenks DuBois Architect</b></p>	<p><b>15. 4380 Ziegler Rd</b></p> <p>Submarket: <b>Fort Collins/Loveland</b>            RBA: <b>98,000</b>            # Floors: <b>3</b>            Class: <b>B</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2015</b>            Deliv Date: <b>Third Quarter 2016</b>            Leasing Co: <b>Avago Technologies US, Inc.</b>            Developer: <b>CPI Group</b>            Architect: <b>N/A</b></p>

## Denver Office Market



Figures at a Glance

## Class A 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	13	1,921,923	103,376	103,376	5.4%	(1,178)	0	0	\$24.74
Boulder	14	1,345,802	116,125	212,229	15.8%	(33,387)	61,717	438,755	\$35.10
Broomfield	19	3,068,913	288,083	316,178	10.3%	(50,057)	0	98,980	\$28.88
Clear Creek County	0	0	0	0	0.0%	0	0	0	\$0.00
Colorado Blvd/Glendale	24	3,857,821	402,107	402,107	10.4%	(30,356)	0	232,446	\$29.11
Downtown	53	22,268,868	2,450,488	2,857,637	12.8%	26,773	0	1,328,668	\$34.61
Elbert County	0	0	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Loveland	10	746,600	33,725	33,725	4.5%	0	0	60,000	\$26.56
Gilpin County	0	0	0	0	0.0%	0	0	0	\$0.00
Longmont	1	106,336	22,470	22,470	21.1%	0	0	0	\$24.75
Midtown	6	1,111,860	6,064	6,064	0.5%	(6,064)	0	0	\$24.39
<b>North Denver</b>	<b>4</b>	<b>665,544</b>	<b>16,590</b>	<b>21,680</b>	<b>3.3%</b>	<b>(502)</b>	<b>0</b>	<b>0</b>	<b>\$21.36</b>
Northeast Denver	6	555,811	31,080	31,080	5.6%	4,598	0	0	\$25.00
Northwest Denver	20	2,040,366	258,547	273,547	13.4%	(9,990)	0	0	\$24.38
Park County	0	0	0	0	0.0%	0	0	0	\$0.00
Parker/Castle Rock	2	134,600	0	0	0.0%	0	0	0	\$22.31
Southeast Denver	140	22,205,599	1,904,711	2,030,221	9.1%	460,506	0	851,879	\$26.25
Southwest Denver	5	1,215,568	49,798	68,322	5.6%	0	0	0	\$26.06
Weld County	6	667,828	12,000	12,000	1.8%	0	0	0	\$26.70
West Denver	17	1,918,133	119,259	119,259	6.2%	(22,930)	0	28,258	\$25.55
<b>Totals</b>	<b>340</b>	<b>63,831,572</b>	<b>5,814,423</b>	<b>6,509,895</b>	<b>10.2%</b>	<b>337,413</b>	<b>61,717</b>	<b>3,038,986</b>	<b>\$29.81</b>

Source: CoStar Property®

## Class B 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	160	5,865,290	664,170	673,922	11.5%	(15,175)	0	0	\$18.10
Boulder	449	9,016,895	453,511	494,902	5.5%	24,223	0	106,234	\$25.67
Broomfield	68	3,083,305	237,714	261,875	8.5%	(17,373)	0	11,009	\$23.76
Clear Creek County	4	41,050	0	0	0.0%	0	0	0	\$0.00
Colorado Blvd/Glendale	214	7,680,372	826,185	828,431	10.8%	36,584	0	28,000	\$22.29
Downtown	207	12,053,218	990,769	1,050,067	8.7%	(54,528)	0	178,478	\$28.60
Elbert County	3	7,491	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Loveland	499	6,911,230	267,444	280,154	4.1%	36,800	0	227,558	\$21.94
Gilpin County	1	7,400	0	0	0.0%	0	0	0	\$0.00
Longmont	84	1,182,504	90,988	95,721	8.1%	(1,831)	0	47,100	\$19.23
Midtown	208	4,154,253	168,299	168,299	4.1%	(15,381)	0	300,000	\$23.39
<b>North Denver</b>	<b>101</b>	<b>3,329,124</b>	<b>250,306</b>	<b>262,205</b>	<b>7.9%</b>	<b>44,522</b>	<b>53,000</b>	<b>49,243</b>	<b>\$20.17</b>
Northeast Denver	86	2,737,093	177,518	177,518	6.5%	21,333	0	13,702	\$19.16
Northwest Denver	275	5,604,904	598,455	628,347	11.2%	(9,409)	0	13,292	\$19.98
Park County	3	5,594	775	775	13.9%	0	0	0	\$27.05
Parker/Castle Rock	99	1,391,220	142,996	148,087	10.6%	622	0	91,168	\$24.99
Southeast Denver	531	21,771,429	2,997,534	3,119,786	14.3%	82,038	0	0	\$21.34
Southwest Denver	271	6,499,049	980,690	988,984	15.2%	64,301	0	25,000	\$18.00
Weld County	280	3,241,165	184,353	184,353	5.7%	(5,057)	0	21,890	\$17.46
West Denver	343	9,387,789	1,349,154	1,366,802	14.6%	51,162	32,000	156,000	\$20.11
<b>Totals</b>	<b>3,886</b>	<b>103,970,375</b>	<b>10,380,861</b>	<b>10,730,228</b>	<b>10.3%</b>	<b>242,831</b>	<b>85,000</b>	<b>1,268,674</b>	<b>\$21.79</b>

Source: CoStar Property®



# Denver Office Market

Figures at a Glance

## Class C 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	125	1,234,382	97,651	97,651	7.9%	(513)	0	0	\$11.59
Boulder	206	1,535,889	18,539	18,539	1.2%	28,560	0	0	\$24.12
Broomfield	39	192,146	5,240	5,240	2.7%	700	0	0	\$17.72
Clear Creek County	4	31,852	0	0	0.0%	0	0	0	\$7.35
Colorado Blvd/Glendale	228	1,824,533	37,272	37,452	2.1%	4,291	0	0	\$15.84
Downtown	99	1,951,151	29,907	29,907	1.5%	(12,496)	0	0	\$30.49
Elbert County	14	33,227	600	600	1.8%	0	0	0	\$16.72
Fort Collins/Loveland	356	2,167,982	167,011	167,011	7.7%	(9,716)	0	0	\$17.68
Gilpin County	2	2,628	0	0	0.0%	0	0	0	\$0.00
Longmont	96	613,520	26,121	26,121	4.3%	2,669	0	0	\$17.15
Midtown	454	3,635,958	113,305	113,305	3.1%	14,401	0	0	\$21.83
<b>North Denver</b>	<b>54</b>	<b>341,067</b>	<b>12,635</b>	<b>12,635</b>	<b>3.7%</b>	<b>2,393</b>	<b>0</b>	<b>0</b>	<b>\$17.48</b>
Northeast Denver	141	1,129,143	113,338	113,338	10.0%	14,223	0	0	\$17.72
Northwest Denver	282	1,817,257	130,030	131,700	7.2%	12,041	0	0	\$15.31
Park County	9	28,958	5,720	5,720	19.8%	0	0	0	\$9.79
Parker/Castle Rock	66	332,909	22,061	22,061	6.6%	(3,563)	0	0	\$18.66
Southeast Denver	178	2,270,219	94,982	94,982	4.2%	(4,922)	0	0	\$15.29
Southwest Denver	267	2,029,615	151,221	151,221	7.5%	4,896	0	0	\$15.00
Weld County	264	1,333,695	36,746	36,746	2.8%	4,258	0	0	\$13.02
West Denver	358	2,444,317	147,251	147,852	6.0%	4,213	0	0	\$14.69
<b>Totals</b>	<b>3,242</b>	<b>24,950,448</b>	<b>1,209,630</b>	<b>1,212,081</b>	<b>4.9%</b>	<b>61,435</b>	<b>0</b>	<b>0</b>	<b>\$16.84</b>

Source: CoStar Property®

## Total Office 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	298	9,021,595	865,197	874,949	9.7%	(16,866)	0	0	\$17.83
Boulder	669	11,898,586	588,175	725,670	6.1%	19,396	61,717	544,989	\$27.49
Broomfield	126	6,344,364	531,037	583,293	9.2%	(66,730)	0	109,989	\$27.14
Clear Creek County	8	72,902	0	0	0.0%	0	0	0	\$7.35
Colorado Blvd/Glendale	466	13,362,726	1,265,564	1,267,990	9.5%	10,519	0	260,446	\$24.92
Downtown	359	36,273,237	3,471,164	3,937,611	10.9%	(40,251)	0	1,507,146	\$33.06
Elbert County	17	40,718	600	600	1.5%	0	0	0	\$16.72
Fort Collins/Loveland	865	9,825,812	468,180	480,890	4.9%	27,084	0	287,558	\$21.58
Gilpin County	3	10,028	0	0	0.0%	0	0	0	\$0.00
Longmont	181	1,902,360	139,579	144,312	7.6%	838	0	47,100	\$20.79
Midtown	668	8,902,071	287,668	287,668	3.2%	(7,044)	0	300,000	\$22.94
<b>North Denver</b>	<b>159</b>	<b>4,335,735</b>	<b>279,531</b>	<b>296,520</b>	<b>6.8%</b>	<b>46,413</b>	<b>53,000</b>	<b>49,243</b>	<b>\$20.02</b>
Northeast Denver	233	4,422,047	321,936	321,936	7.3%	40,154	0	13,702	\$19.22
Northwest Denver	577	9,462,527	987,032	1,033,594	10.9%	(7,358)	0	13,292	\$21.01
Park County	12	34,552	6,495	6,495	18.8%	0	0	0	\$10.60
Parker/Castle Rock	167	1,858,729	165,057	170,148	9.2%	(2,941)	0	91,168	\$24.43
Southeast Denver	849	46,247,247	4,997,227	5,244,989	11.3%	537,622	0	851,879	\$23.80
Southwest Denver	543	9,744,232	1,181,709	1,208,527	12.4%	69,197	0	25,000	\$17.90
Weld County	550	5,242,688	233,099	233,099	4.4%	(799)	0	21,890	\$16.99
West Denver	718	13,750,239	1,615,664	1,633,913	11.9%	32,445	32,000	184,258	\$20.17
<b>Totals</b>	<b>7,468</b>	<b>192,752,395</b>	<b>17,404,914</b>	<b>18,452,204</b>	<b>9.6%</b>	<b>641,679</b>	<b>146,717</b>	<b>4,307,660</b>	<b>\$24.84</b>

Source: CoStar Property®



## Denver Office Market



Figures at a Glance

## Class A 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	1	175,000	7,665	7,665	4.4%	(4,586)	0	0	\$0.00
Aurora	13	1,921,923	103,376	103,376	5.4%	(1,178)	0	0	\$24.74
Boulder	11	1,066,796	104,249	196,932	18.5%	(33,387)	61,717	438,755	\$38.47
Boulder County	3	279,006	11,876	15,297	5.5%	0	0	0	\$24.11
Broomfield County	19	3,068,913	288,083	316,178	10.3%	(50,057)	0	98,980	\$28.88
Capitol Hill	4	858,723	6,064	6,064	0.7%	(6,064)	0	0	\$24.39
CBD	32	18,214,517	2,052,299	2,435,871	13.4%	(78,856)	0	981,015	\$33.58
Centennial	3	565,000	0	0	0.0%	0	0	0	\$0.00
Cherry Creek	9	1,046,784	110,392	110,392	10.5%	954	0	0	\$35.21
Clear Creek County	0	0	0	0	0.0%	0	0	0	\$0.00
Colorado Blvd/I-25	6	1,228,873	74,881	74,881	6.1%	(4,678)	0	232,446	\$32.27
Denver Tech Center	37	7,317,136	808,016	836,325	11.4%	31,887	0	618,000	\$26.78
East Hampden	5	662,135	212,021	212,021	32.0%	35,512	0	0	\$19.30
East I-70/Montbello	5	499,811	31,080	31,080	6.2%	4,598	0	0	\$25.00
Elbert County	0	0	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Lovelan.	10	746,600	33,725	33,725	4.5%	0	0	60,000	\$26.56
Gilpin County	0	0	0	0	0.0%	0	0	0	\$0.00
Glendale	9	1,582,164	216,834	216,834	13.7%	(26,632)	0	0	\$22.33
Greenwood Village	17	3,667,855	356,611	396,884	10.8%	(49,529)	0	0	\$28.50
Highlands Ranch	10	1,330,137	19,728	62,259	4.7%	12,737	0	0	\$20.47
Inverness	16	2,051,357	231,186	235,945	11.5%	(14,969)	0	233,879	\$24.89
LoDo	16	3,006,690	153,545	177,122	5.9%	36,045	0	235,002	\$39.59
Lone Tree	18	2,261,280	147,809	157,447	7.0%	17,284	0	0	\$26.58
Longmont	1	106,336	22,470	22,470	21.1%	0	0	0	\$24.75
Meridian	19	2,419,613	80,567	80,567	3.3%	(6,064)	0	0	\$26.95
North Denver	4	665,544	16,590	21,680	3.3%	(502)	0	0	\$21.36
Northeast Denver	1	56,000	0	0	0.0%	0	0	0	\$0.00
Northwest Denver	20	2,040,366	258,547	273,547	13.4%	(9,990)	0	0	\$24.38
Panorama/Highland Pa	14	1,756,086	41,108	41,108	2.3%	438,234	0	0	\$26.35
Park County	0	0	0	0	0.0%	0	0	0	\$0.00
Parker/Castle Rock	2	134,600	0	0	0.0%	0	0	0	\$22.31
Platte River	5	1,047,661	244,644	244,644	23.4%	69,584	0	112,651	\$47.99
South Midtown	2	253,137	0	0	0.0%	0	0	0	\$0.00
Southwest Denver	5	1,215,568	49,798	68,322	5.6%	0	0	0	\$26.06
Weld County	6	667,828	12,000	12,000	1.8%	0	0	0	\$26.70
West Denver	17	1,918,133	119,259	119,259	6.2%	(22,930)	0	28,258	\$25.55
<b>Totals</b>	<b>340</b>	<b>63,831,572</b>	<b>5,814,423</b>	<b>6,509,895</b>	<b>10.2%</b>	<b>337,413</b>	<b>61,717</b>	<b>3,038,986</b>	<b>\$29.81</b>

Source: CoStar Property®



# Denver Office Market

Figures at a Glance

## Class B 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	39	1,073,785	62,704	62,704	5.8%	2,728	0	0	\$21.00
Aurora	160	5,865,290	664,170	673,922	11.5%	(15,175)	0	0	\$18.10
Boulder	379	8,016,657	331,395	372,786	4.7%	32,830	0	106,234	\$26.66
Boulder County	70	1,000,238	122,116	122,116	12.2%	(8,607)	0	0	\$19.07
Broomfield County	68	3,083,305	237,714	261,875	8.5%	(17,373)	0	11,009	\$23.76
Capitol Hill	139	2,835,019	82,086	82,086	2.9%	(2,427)	0	0	\$19.38
CBD	72	7,389,550	641,883	681,142	9.2%	(20,111)	0	0	\$25.27
Centennial	66	2,443,678	173,164	176,638	7.2%	(38,873)	0	0	\$16.44
Cherry Creek	61	1,576,731	146,595	148,841	9.4%	30,872	0	0	\$32.16
Clear Creek County	4	41,050	0	0	0.0%	0	0	0	\$0.00
Colorado Blvd/I-25	100	3,153,345	435,407	435,407	13.8%	11,964	0	28,000	\$20.05
Denver Tech Center	58	3,527,502	643,143	679,793	19.3%	12,925	0	0	\$23.48
East Hampden	74	2,264,765	325,034	325,734	14.4%	(19,156)	0	0	\$14.13
East I-70/Montbello	42	1,976,579	115,541	115,541	5.8%	8,138	0	0	\$18.33
Elbert County	3	7,491	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Lovelan.	499	6,911,230	267,444	280,154	4.1%	36,800	0	227,558	\$21.94
Gilpin County	1	7,400	0	0	0.0%	0	0	0	\$0.00
Glendale	53	2,950,296	244,183	244,183	8.3%	(6,252)	0	0	\$21.44
Greenwood Village	99	5,106,253	969,285	1,017,143	19.9%	263,324	0	0	\$22.17
Highlands Ranch	26	870,286	54,056	54,056	6.2%	19,974	0	0	\$20.44
Inverness	81	3,146,706	501,976	533,176	16.9%	(154,433)	0	0	\$21.19
LoDo	104	3,673,691	263,063	283,102	7.7%	(32,361)	0	53,478	\$33.07
Lone Tree	41	830,205	131,012	131,012	15.8%	(14,405)	0	0	\$28.27
Longmont	84	1,182,504	90,988	95,721	8.1%	(1,831)	0	47,100	\$19.23
Meridian	14	873,650	53,838	53,838	6.2%	20,814	0	0	\$23.67
North Denver	101	3,329,124	250,306	262,205	7.9%	44,522	53,000	49,243	\$20.17
Northeast Denver	44	760,514	61,977	61,977	8.1%	13,195	0	13,702	\$21.05
Northwest Denver	275	5,604,904	598,455	628,347	11.2%	(9,409)	0	13,292	\$19.98
Panorama/Highland Pa	33	1,634,599	83,322	85,692	5.2%	(10,860)	0	0	\$21.98
Park County	3	5,594	775	775	13.9%	0	0	0	\$27.05
Parker/Castle Rock	99	1,391,220	142,996	148,087	10.6%	622	0	91,168	\$24.99
Platte River	31	989,977	85,823	85,823	8.7%	(2,056)	0	125,000	\$31.95
South Midtown	69	1,319,234	86,213	86,213	6.5%	(12,954)	0	300,000	\$25.87
Southwest Denver	271	6,499,049	980,690	988,984	15.2%	64,301	0	25,000	\$18.00
Weld County	280	3,241,165	184,353	184,353	5.7%	(5,057)	0	21,890	\$17.46
West Denver	343	9,387,789	1,349,154	1,366,802	14.6%	51,162	32,000	156,000	\$20.11
<b>Totals</b>	<b>3,886</b>	<b>103,970,375</b>	<b>10,380,861</b>	<b>10,730,228</b>	<b>10.3%</b>	<b>242,831</b>	<b>85,000</b>	<b>1,268,674</b>	<b>\$21.79</b>

Source: CoStar Property®

## Denver Office Market



Figures at a Glance

## Class C 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	39	449,313	37,994	37,994	8.5%	132	0	0	\$15.21
Aurora	125	1,234,382	97,651	97,651	7.9%	(513)	0	0	\$11.59
Boulder	179	1,368,669	14,574	14,574	1.1%	28,835	0	0	\$24.63
Boulder County	27	167,220	3,965	3,965	2.4%	(275)	0	0	\$20.86
Broomfield County	39	192,146	5,240	5,240	2.7%	700	0	0	\$17.72
Capitol Hill	281	2,226,136	65,823	65,823	3.0%	14,674	0	0	\$19.05
CBD	28	1,076,686	9,270	9,270	0.9%	0	0	0	\$31.55
Centennial	15	377,635	0	0	0.0%	0	0	0	\$0.00
Cherry Creek	51	429,727	4,393	4,393	1.0%	0	0	0	\$21.62
Clear Creek County	4	31,852	0	0	0.0%	0	0	0	\$7.35
Colorado Blvd/I-25	131	944,997	17,121	17,301	1.8%	1,601	0	0	\$15.75
Denver Tech Center	12	183,388	2,089	2,089	1.1%	0	0	0	\$19.10
East Hampden	64	620,613	42,156	42,156	6.8%	(2,965)	0	0	\$13.00
East I-70/Montbello	33	471,952	86,097	86,097	18.2%	(1,033)	0	0	\$17.96
Elbert County	14	33,227	600	600	1.8%	0	0	0	\$16.72
Fort Collins/Lovelan.	356	2,167,982	167,011	167,011	7.7%	(9,716)	0	0	\$17.68
Gilpin County	2	2,628	0	0	0.0%	0	0	0	\$0.00
Glendale	46	449,809	15,758	15,758	3.5%	2,690	0	0	\$13.74
Greenwood Village	21	228,745	3,824	3,824	1.7%	2,013	0	0	\$18.05
Highlands Ranch	2	16,633	0	0	0.0%	0	0	0	\$0.00
Inverness	5	79,735	0	0	0.0%	0	0	0	\$0.00
LoDo	30	451,503	5,533	5,533	1.2%	1,400	0	0	\$25.88
Lone Tree	3	10,707	0	0	0.0%	0	0	0	\$0.00
Longmont	96	613,520	26,121	26,121	4.3%	2,669	0	0	\$17.15
Meridian	2	91,117	0	0	0.0%	0	0	0	\$0.00
North Denver	54	341,067	12,635	12,635	3.7%	2,393	0	0	\$17.48
Northeast Denver	108	657,191	27,241	27,241	4.1%	15,256	0	0	\$16.82
Northwest Denver	282	1,817,257	130,030	131,700	7.2%	12,041	0	0	\$15.31
Panorama/Highland Pa	15	212,333	8,919	8,919	4.2%	(4,102)	0	0	\$15.50
Park County	9	28,958	5,720	5,720	19.8%	0	0	0	\$9.79
Parker/Castle Rock	66	332,909	22,061	22,061	6.6%	(3,563)	0	0	\$18.66
Platte River	41	422,962	15,104	15,104	3.6%	(13,896)	0	0	\$31.27
South Midtown	173	1,409,822	47,482	47,482	3.4%	(273)	0	0	\$26.64
Southwest Denver	267	2,029,615	151,221	151,221	7.5%	4,896	0	0	\$15.00
Weld County	264	1,333,695	36,746	36,746	2.8%	4,258	0	0	\$13.02
West Denver	358	2,444,317	147,251	147,852	6.0%	4,213	0	0	\$14.69
<b>Totals</b>	<b>3,242</b>	<b>24,950,448</b>	<b>1,209,630</b>	<b>1,212,081</b>	<b>4.9%</b>	<b>61,435</b>	<b>0</b>	<b>0</b>	<b>\$16.84</b>

Source: CoStar Property®



# Denver Office Market

Figures at a Glance

## Total Office 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	79	1,698,098	108,363	108,363	6.4%	(1,726)	0	0	\$18.92
Aurora	298	9,021,595	865,197	874,949	9.7%	(16,866)	0	0	\$17.83
Boulder	569	10,452,122	450,218	584,292	5.6%	28,278	61,717	544,989	\$28.70
Boulder County	100	1,446,464	137,957	141,378	9.8%	(8,882)	0	0	\$20.74
Broomfield County	126	6,344,364	531,037	583,293	9.2%	(66,730)	0	109,989	\$27.14
Capitol Hill	424	5,919,878	153,973	153,973	2.6%	6,183	0	0	\$19.87
CBD	132	26,680,753	2,703,452	3,126,283	11.7%	(98,967)	0	981,015	\$32.13
Centennial	84	3,386,313	173,164	176,638	5.2%	(38,873)	0	0	\$16.44
Cherry Creek	121	3,053,242	261,380	263,626	8.6%	31,826	0	0	\$33.25
Clear Creek County	8	72,902	0	0	0.0%	0	0	0	\$7.35
Colorado Blvd/I-25	237	5,327,215	527,409	527,589	9.9%	8,887	0	260,446	\$24.48
Denver Tech Center	107	11,028,026	1,453,248	1,518,207	13.8%	44,812	0	618,000	\$25.83
East Hampden	143	3,547,513	579,211	579,911	16.3%	13,391	0	0	\$16.18
East I-70/Montbello	80	2,948,342	232,718	232,718	7.9%	11,703	0	0	\$19.04
Elbert County	17	40,718	600	600	1.5%	0	0	0	\$16.72
Fort Collins/Lovelan.	865	9,825,812	468,180	480,890	4.9%	27,084	0	287,558	\$21.58
Gilpin County	3	10,028	0	0	0.0%	0	0	0	\$0.00
Glendale	108	4,982,269	476,775	476,775	9.6%	(30,194)	0	0	\$21.47
Greenwood Village	137	9,002,853	1,329,720	1,417,851	15.7%	215,808	0	0	\$24.32
Highlands Ranch	38	2,217,056	73,784	116,315	5.2%	32,711	0	0	\$20.45
Inverness	102	5,277,798	733,162	769,121	14.6%	(169,402)	0	233,879	\$22.48
LoDo	150	7,131,884	422,141	465,757	6.5%	5,084	0	288,480	\$34.65
Lone Tree	62	3,102,192	278,821	288,459	9.3%	2,879	0	0	\$27.32
Longmont	181	1,902,360	139,579	144,312	7.6%	838	0	47,100	\$20.79
Meridian	35	3,384,380	134,405	134,405	4.0%	14,750	0	0	\$26.04
North Denver	159	4,335,735	279,531	296,520	6.8%	46,413	53,000	49,243	\$20.02
Northeast Denver	153	1,473,705	89,218	89,218	6.1%	28,451	0	13,702	\$19.78
Northwest Denver	577	9,462,527	987,032	1,033,594	10.9%	(7,358)	0	13,292	\$21.01
Panorama/Highland Pa	62	3,603,018	133,349	135,719	3.8%	423,272	0	0	\$25.36
Park County	12	34,552	6,495	6,495	18.8%	0	0	0	\$10.60
Parker/Castle Rock	167	1,858,729	165,057	170,148	9.2%	(2,941)	0	91,168	\$24.43
Platte River	77	2,460,600	345,571	345,571	14.0%	53,632	0	237,651	\$41.88
South Midtown	244	2,982,193	133,695	133,695	4.5%	(13,227)	0	300,000	\$26.05
Southwest Denver	543	9,744,232	1,181,709	1,208,527	12.4%	69,197	0	25,000	\$17.90
Weld County	550	5,242,688	233,099	233,099	4.4%	(799)	0	21,890	\$16.99
West Denver	718	13,750,239	1,615,664	1,633,913	11.9%	32,445	32,000	184,258	\$20.17
<b>Totals</b>	<b>7,468</b>	<b>192,752,395</b>	<b>17,404,914</b>	<b>18,452,204</b>	<b>9.6%</b>	<b>641,679</b>	<b>146,717</b>	<b>4,307,660</b>	<b>\$24.84</b>

Source: CoStar Property®

## Denver Office Market



Figures at a Glance

## Class A 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 %				
CBD	48	21,221,207	2,205,844	2,612,993	12.3%	(42,811)	0	1,216,017	\$33.85
Suburban	292	42,610,365	3,608,579	3,896,902	9.1%	380,224	61,717	1,822,969	\$27.64
<b>Totals</b>	<b>340</b>	<b>63,831,572</b>	<b>5,814,423</b>	<b>6,509,895</b>	<b>10.2%</b>	<b>337,413</b>	<b>61,717</b>	<b>3,038,986</b>	<b>\$29.81</b>

Source: CoStar Property®

## Class B 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 %				
CBD	176	11,063,241	904,946	964,244	8.7%	(52,472)	0	53,478	\$28.32
Suburban	3,710	92,907,134	9,475,915	9,765,984	10.5%	295,303	85,000	1,215,196	\$21.13
<b>Totals</b>	<b>3,886</b>	<b>103,970,375</b>	<b>10,380,861</b>	<b>10,730,228</b>	<b>10.3%</b>	<b>242,831</b>	<b>85,000</b>	<b>1,268,674</b>	<b>\$21.79</b>

Source: CoStar Property®

## Class C 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 %				
CBD	58	1,528,189	14,803	14,803	1.0%	1,400	0	0	\$29.59
Suburban	3,184	23,422,259	1,194,827	1,197,278	5.1%	60,035	0	0	\$16.67
<b>Totals</b>	<b>3,242</b>	<b>24,950,448</b>	<b>1,209,630</b>	<b>1,212,081</b>	<b>4.9%</b>	<b>61,435</b>	<b>0</b>	<b>0</b>	<b>\$16.84</b>

Source: CoStar Property®

## Class A &amp; B 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 %				
CBD	224	32,284,448	3,110,790	3,577,237	11.1%	(95,283)	0	1,269,495	\$32.47
Suburban	4,002	135,517,499	13,084,494	13,662,886	10.1%	675,527	146,717	3,038,165	\$23.49
<b>Totals</b>	<b>4,226</b>	<b>167,801,947</b>	<b>16,195,284</b>	<b>17,240,123</b>	<b>10.3%</b>	<b>580,244</b>	<b>146,717</b>	<b>4,307,660</b>	<b>\$25.34</b>

Source: CoStar Property®

## Total Office 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 %				
CBD	282	33,812,637	3,125,593	3,592,040	10.6%	(93,883)	0	1,269,495	\$32.46
Suburban	7,186	158,939,758	14,279,321	14,860,164	9.3%	735,562	146,717	3,038,165	\$23.01
<b>Totals</b>	<b>7,468</b>	<b>192,752,395</b>	<b>17,404,914</b>	<b>18,452,204</b>	<b>9.6%</b>	<b>641,679</b>	<b>146,717</b>	<b>4,307,660</b>	<b>\$24.84</b>

Source: CoStar Property®



# Denver Office Market

Figures at a Glance

## Class A 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	340	63,831,572	5,814,423	6,509,895	10.2%	337,413	1	61,717	15	3,038,986	\$29.81
2015 4q	339	63,769,855	6,033,695	6,785,591	10.6%	937,569	4	657,889	14	2,600,703	\$29.71
2015 3q	335	63,111,966	6,413,226	7,065,271	11.2%	391,969	5	832,980	16	2,983,713	\$29.48
2015 2q	330	62,278,986	6,011,342	6,624,260	10.6%	177,308	1	149,000	19	3,471,596	\$29.38
2015 1q	329	62,129,986	5,919,170	6,652,568	10.7%	325,186	0	0	13	2,186,639	\$29.17
2014	329	62,129,986	6,319,425	6,977,754	11.2%	756,857	7	774,455	13	2,186,639	\$28.86
2013	322	61,355,531	6,520,577	6,960,156	11.3%	773,609	4	480,078	10	1,249,091	\$27.36
2012	318	60,875,453	6,957,070	7,253,687	11.9%	688,798	4	604,181	6	724,630	\$25.78
2011	314	60,271,272	6,864,417	7,338,304	12.2%	1,117,634	3	336,678	5	879,181	\$24.18
2010	311	59,934,594	7,334,473	8,119,260	13.5%	2,341,546	8	1,367,102	3	336,678	\$23.82
2009	303	58,567,492	8,004,796	9,093,704	15.5%	267,285	5	1,211,552	6	1,352,694	\$23.94
2008	298	57,355,940	7,080,724	8,149,437	14.2%	(102,960)	18	1,874,849	7	1,882,225	\$26.04
2007	280	55,481,091	5,459,264	6,171,628	11.1%	2,043,776	6	660,272	22	2,991,136	\$25.17
2006	274	54,820,819	6,743,242	7,555,132	13.8%	1,269,092	5	902,389	9	940,478	\$21.82
2005	269	53,918,430	7,026,505	7,921,835	14.7%	1,574,288	0	0	6	1,136,387	\$19.74
2004	269	53,918,430	7,923,964	9,496,123	17.6%	1,028,338	5	591,160	2	448,176	\$19.19

Source: CoStar Property®

## Class B 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	3,886	103,970,375	10,380,861	10,730,228	10.3%	242,831	2	85,000	30	1,268,674	\$21.79
2015 4q	3,885	103,892,855	10,540,165	10,895,539	10.5%	900	8	141,592	25	879,223	\$21.37
2015 3q	3,880	103,796,698	10,421,968	10,800,282	10.4%	359,234	3	70,305	21	826,275	\$20.99
2015 2q	3,877	103,726,393	10,704,178	11,089,211	10.7%	767,898	10	319,186	17	493,877	\$20.55
2015 1q	3,868	103,500,227	11,235,593	11,630,943	11.2%	(9,460)	2	15,533	23	714,516	\$20.27
2014	3,867	103,500,582	11,307,637	11,651,838	11.3%	1,890,028	28	952,242	18	468,189	\$20.16
2013	3,842	102,696,172	12,493,785	12,707,456	12.4%	1,354,669	15	579,786	23	850,647	\$19.27
2012	3,832	102,221,539	13,359,411	13,587,492	13.3%	1,150,896	16	605,264	14	578,633	\$18.37
2011	3,820	101,798,713	13,992,907	14,315,562	14.1%	902,606	22	520,843	13	617,950	\$17.94
2010	3,800	101,287,870	14,246,955	14,707,325	14.5%	215,605	12	190,620	20	626,719	\$17.99
2009	3,792	101,133,657	14,220,253	14,768,717	14.6%	36,930	37	745,458	11	196,676	\$17.96
2008	3,757	100,432,920	13,605,693	14,104,910	14.0%	319,149	85	1,196,778	34	669,106	\$19.14
2007	3,673	99,398,311	13,006,252	13,389,450	13.5%	2,018,970	98	1,854,091	75	1,191,369	\$18.71
2006	3,576	97,601,734	13,032,086	13,611,843	13.9%	1,743,538	93	1,326,517	79	1,672,314	\$17.17
2005	3,484	96,276,673	13,081,214	14,030,320	14.6%	3,095,080	128	1,992,237	80	1,296,636	\$16.00
2004	3,359	94,495,785	14,334,746	15,344,512	16.2%	1,102,819	91	1,282,733	102	1,711,208	\$15.35

Source: CoStar Property®

## Total Office 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	7,468	192,752,395	17,404,914	18,452,204	9.6%	641,679	3	146,717	45	4,307,660	\$24.84
2015 4q	7,466	192,613,158	17,826,355	18,954,646	9.8%	1,011,955	12	799,481	39	3,479,926	\$24.45
2015 3q	7,462	191,927,721	18,231,209	19,281,164	10.0%	812,498	8	903,285	37	3,809,988	\$24.10
2015 2q	7,454	191,024,436	18,157,055	19,190,377	10.0%	962,295	11	468,186	36	3,965,473	\$23.77
2015 1q	7,445	190,654,670	18,622,512	19,782,906	10.4%	176,021	2	15,533	36	2,901,155	\$23.44
2014	7,446	190,689,536	18,959,607	19,993,793	10.5%	2,802,531	35	1,726,697	31	2,654,828	\$23.24
2013	7,418	189,154,076	20,558,554	21,260,864	11.2%	2,277,727	19	1,059,864	33	2,099,738	\$22.03
2012	7,407	188,219,007	22,038,067	22,603,522	12.0%	2,069,715	20	1,209,445	20	1,303,263	\$20.66
2011	7,393	187,209,468	22,838,874	23,663,698	12.6%	1,997,640	26	859,516	18	1,497,131	\$19.77
2010	7,373	186,417,609	23,601,299	24,869,479	13.3%	2,964,599	21	1,589,594	24	965,392	\$19.81
2009	7,356	184,864,422	24,609,449	26,280,891	14.2%	(32,356)	42	1,957,010	18	1,581,242	\$19.93
2008	7,317	182,955,046	22,753,878	24,339,159	13.3%	179,058	110	3,128,077	41	2,551,331	\$21.33
2007	7,214	180,101,970	20,552,497	21,665,141	12.0%	4,231,129	111	2,588,675	104	4,238,955	\$20.88
2006	7,105	177,585,666	21,916,176	23,379,966	13.2%	3,150,715	104	2,359,001	95	2,687,104	\$18.53
2005	7,009	175,342,353	22,410,704	24,287,368	13.9%	4,532,676	132	2,019,768	92	2,563,118	\$17.13
2004	6,881	173,550,554	24,419,197	27,028,245	15.6%	2,030,127	101	1,900,319	107	2,184,529	\$16.61

Source: CoStar Property®

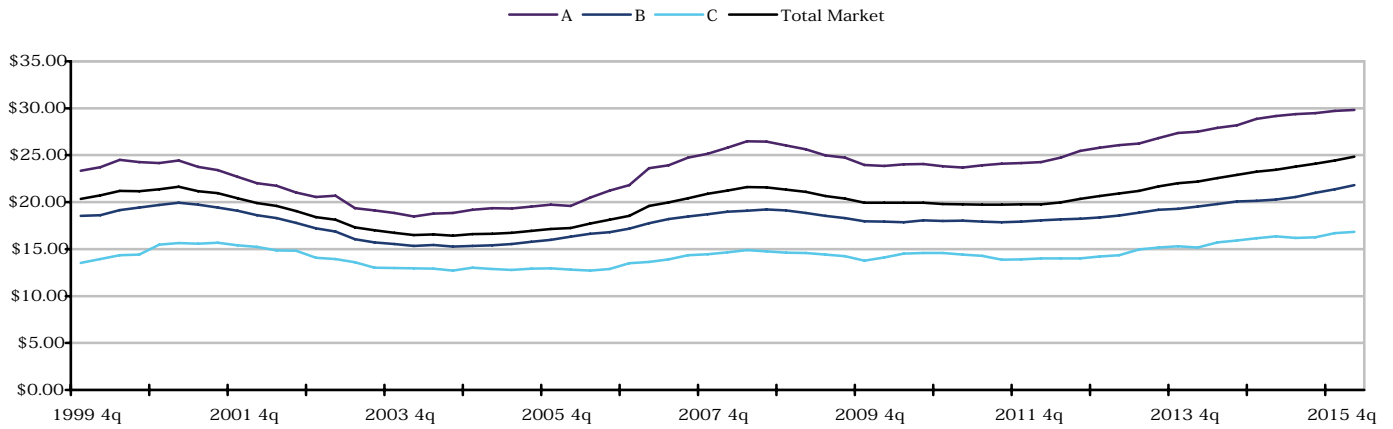
# Denver Office Market



Leasing Activity

## Historical Rental Rates

Based on Full-Service Equivalent Rental Rates



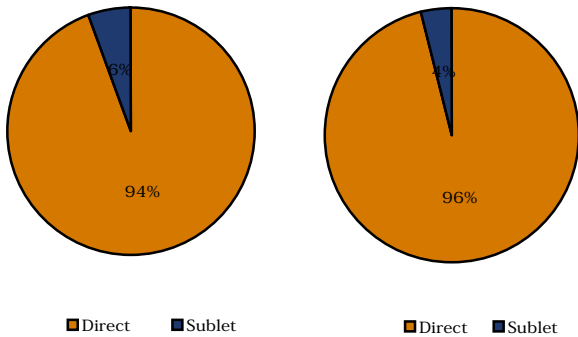
Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Denver

United States



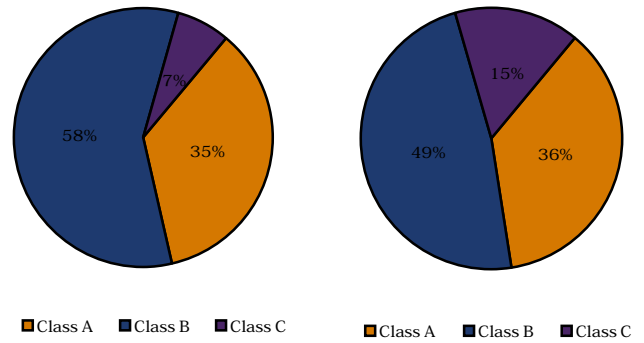
Source: CoStar Property®

## Vacancy by Class

Percent of All Vacant Space by Class

Denver

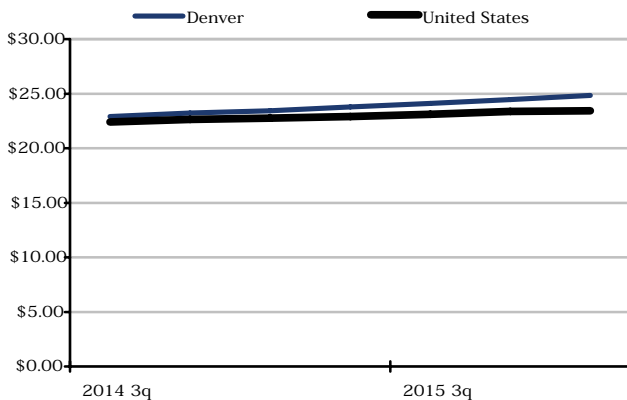
United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

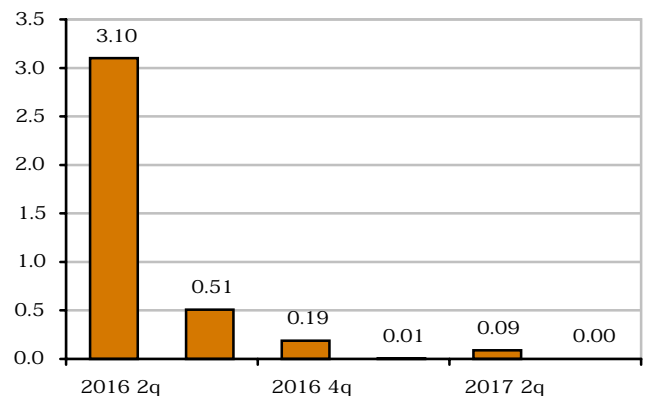
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



\* Includes Under Construction Spaces

Source: CoStar Property®





# Denver Office Market

Leasing Activity

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

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	10225 Westmoor Dr	Northwest Denver	104,000	1st	Biomet, Inc.	N/A	CBRE
2	1617 Cole Blvd	West Denver	76,505	1st	N/A	N/A	CBRE
3	3420 E Harmony Rd	Fort Collins/Loveland	66,667	1st	MadWire Web Design	Rare Space Inc.	CBRE
4	9193 S Jamaica St	Meridian	53,818	1st	N/A	N/A	Savills Studley
5	1401 Lawrence St	CBD	44,010	1st	CoBiz Financial, Inc.	CBRE	Newmark Grubb Knight Frank
6	1391 N Speer Blvd	South Midtown	39,829	1st	N/A	N/A	JLL
7	833 W South Boulder Rd	Boulder County	37,743	1st	Gaiam Americas, Inc.	Direct Deal	Direct Deal
8	2301 Blake St	LoDo	34,036	1st	Regus	JLL	Newmark Grubb Knight Frank
9	7926 S Platte Canyon Rd	Southwest Denver	31,200	1st	Chatham Financial	N/A	JLL
10	14143 Denver West Pky	West Denver	29,079	1st	N/A	N/A	Cushman & Wakefield
11	1301 Walnut St	Boulder	28,750	1st	GNIP	N/A	N/A
12	11080 Circle Point Rd	Northwest Denver	24,049	1st	N/A	N/A	Cushman & Wakefield
13	390 Interlocken Cres	Broomfield County	20,667	1st	N/A	N/A	CBRE
14	140117th St	LoDo	20,039	1st	Laramie Energy	N/A	Vector Property Services LLC
15	5630 Ward Rd*	Northwest Denver	20,000	1st	Sonsio Inc.	N/A	Ojala & Company, LLC
16	3325 S Timberline Rd	Fort Collins/Loveland	19,368	1st	N/A	N/A	CBRE
17	56 Inverness Dr E*	Inverness	19,076	1st	GSA Public Buildings Service	N/A	Inverness Properties, LLC
18	1515 Arapahoe St	CBD	18,289	1st	N/A	N/A	CBRE
19	1550 Wewatta	LoDo	17,428	1st	Autodesk, Inc	N/A	Cushman & Wakefield
20	4400 Kittredge St	East I-70/Montbello	16,132	1st	Lockheed Martin	N/A	JLL
21	4880 Havana St*	East I-70/Montbello	16,078	1st	Scott's Liquid Gold, Inc.	Direct Deal	Direct Deal
22	14707 E 2nd Ave	Aurora	14,587	1st	N/A	N/A	API Sheldon-Gold Realty, Inc.
23	7807 E Peakview Ave	Greenwood Village	14,486	1st	Berkley Insurance	N/A	JLL
24	12303 Airport Way	Broomfield County	14,356	1st	Alteryx	N/A	Newmark Grubb Knight Frank
25	6400 S Fiddlers Green Cir	Greenwood Village	13,898	1st	N/A	N/A	CBRE
26	5619 DTC Pky	Denver Tech Center	13,831	1st	Aerotek	N/A	Cushman & Wakefield
27	1900 16th St	Platte River	13,826	1st	N/A	N/A	JLL
28	9780 S Meridian Blvd	Meridian	12,985	1st	Lerch Bates	Inverness Properties, LLC	Cushman & Wakefield
29	2655 Crescent Dr	Northwest Denver	12,758	1st	USA Rugby	N/A	Etkin Johnson Real Estate Partners
30	999 18th St	CBD	12,607	1st	N/A	N/A	CBRE
31	1010 Johnson Rd	West Denver	12,549	1st	Hagerty Insurance	N/A	Hanover Commercial
32	633 17th St	CBD	12,324	1st	Colorado Dept of State Controller	N/A	Toma West
33	1010 Johnson Rd	West Denver	12,000	1st	Credit Union of the Rockies	N/A	Hanover Commercial
34	105 Edgeview Dr	Broomfield County	11,883	1st	Blue Spruce Capital	N/A	Newmark Grubb Knight Frank
35	5613 DTC Pky	Denver Tech Center	11,608	1st	N/A	N/A	Colliers International
36	1401 Lawrence St	CBD	10,760	1st	N/A	N/A	Newmark Grubb Knight Frank
37	7555 E Hampden Ave	East Hampden	10,251	1st	N/A	N/A	CBRE
38	4600 S Syracuse St	Denver Tech Center	10,228	1st	N/A	N/A	CBRE
39	5613 DTC Pky*	Denver Tech Center	10,070	1st	Bank of America	N/A	Colliers International
40	62117th St	CBD	9,817	1st	90 Octane, LLC	N/A	Colliers International

Source: CoStar Property®

\* Renewal

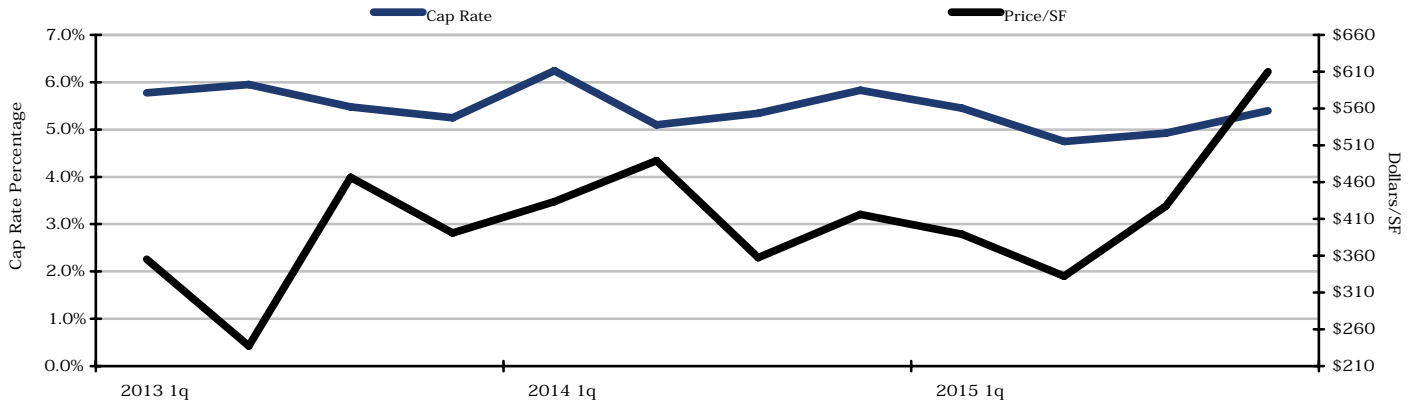
# Denver Office Market



Sales Activity

## The Optimist Sales Index

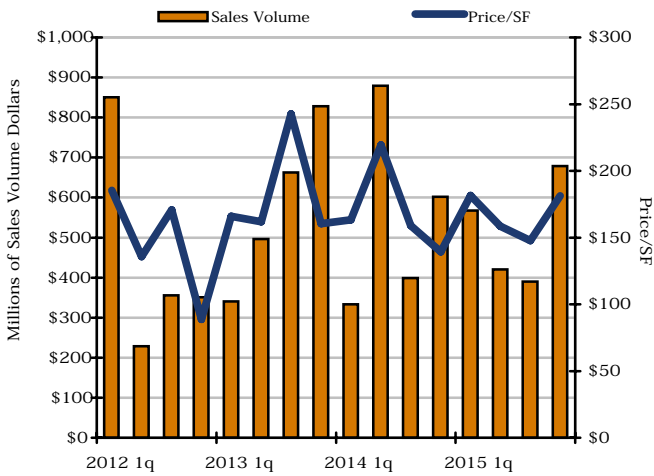
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## Sales Volume & Price

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



Source: CoStar COMPS®

## Sales Analysis by Building Size

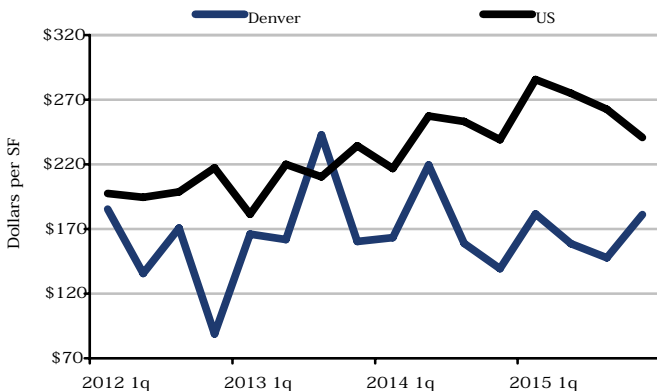
Based on Office Building Sales From Jan. 2015 - Dec. 2015

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	286	3,466,856	\$553,336,675	\$ 159.61	7.19%
50K-249K SF	64	7,408,787	\$1,154,738,507	\$ 155.86	6.96%
250K-499K SF	6	2,029,665	\$516,300,900	\$ 254.38	7.50%
>500K SF	1	620,797	\$91,500,000	\$ 147.39	-

Source: CoStar COMPS®

## U.S. Price/SF Comparison

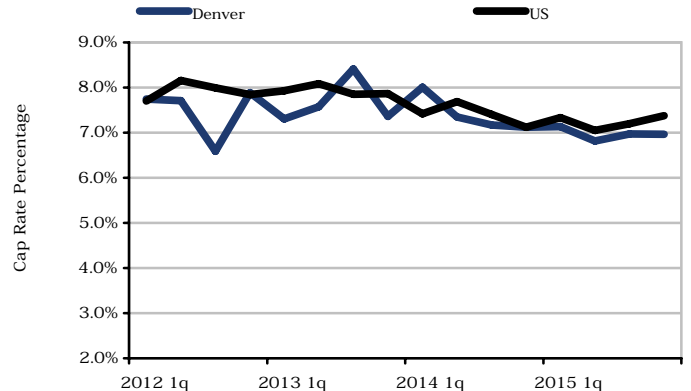
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. Cap Rate Comparison

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



Source: CoStar COMPS®

## Select Top Sales

Based on Sales from January 2015 Through March 2016

### 1. Panorama Corporate Center



#### Centennial

Price: **\$189,120,000**  
 Price/SF: **\$242.26**  
 Cap Rate: **7%**  
 RBA: **780,649**  
 Date: **1/15/2016**  
 Year Built: **1997**  
 Buyer: **EverWest Real Estate Partners LLC**  
 Seller: **Miller Global Properties, LLC**

### 2. 1515 Wynkoop



#### Denver

Price: **\$171,937,500**  
 Price/SF: **\$560.44**  
 Cap Rate: **N/A**  
 RBA: **306,791**  
 Date: **3/5/2015**  
 Year Built: **2009**  
 Buyer: **Invesco Advisors, Inc.**  
 Seller: **American Realty Advisors**

### 3. 6340 S Fiddlers Green Cir



#### Greenwood Village

Price: **\$113,463,400**  
 Price/SF: **\$413.67**  
 Cap Rate: **N/A**  
 RBA: **274,287**  
 Date: **12/15/2015**  
 Year Built: **2015**  
 Buyer: **GLL Real Estate Partners GmbH**  
 Seller: **Shea Properties Management Company, Inc.**

### 4. Greenwood Corporate Plaza



#### Greenwood Village

Price: **\$91,500,000**  
 Price/SF: **\$147.39**  
 Cap Rate: **N/A**  
 RBA: **620,797**  
 Date: **1/20/2015**  
 Year Built: **1981**  
 Buyer: **ScanlanKemperBard Companies**  
 Seller: **Broadreach Capital Partners**

### 5. 385 Interlocken Crescent



#### Broomfield

Price: **\$83,500,000**  
 Price/SF: **\$280.51**  
 Cap Rate: **6%**  
 RBA: **297,672**  
 Date: **1/19/2016**  
 Year Built: **2010**  
 Buyer: **GEM Realty Capital, Inc.**  
 Seller: **Franklin Street Properties Corporation**

### 6. 6380 S Fiddlers Green Cir



#### Greenwood Village

Price: **\$76,700,000**  
 Price/SF: **\$327.84**  
 Cap Rate: **N/A**  
 RBA: **233,958**  
 Date: **5/8/2015**  
 Year Built: **2009**  
 Buyer: **KBS REIT III, Inc.**  
 Seller: **Principal Real Estate Investors LLC**

### 7. 303 E 17th Ave



#### Denver

Price: **\$65,500,000**  
 Price/SF: **\$221.82**  
 Cap Rate: **N/A**  
 RBA: **295,282**  
 Date: **11/13/2015**  
 Year Built: **1982**  
 Buyer: **Kennedy-Wilson Properties, Ltd.**  
 Seller: **Equity West Investment Partners**

### 8. 400 Inverness Pky



#### Englewood

Price: **\$61,750,000**  
 Price/SF: **\$147.78**  
 Cap Rate: **7.5%**  
 RBA: **417,863**  
 Date: **2/10/2015**  
 Year Built: **1998**  
 Buyer: **Legacy Partners**  
 Seller: **Westcore Properties**

### 9. 11001 W 120th Ave



#### Broomfield

Price: **\$57,000,000**  
 Price/SF: **\$175.75**  
 Cap Rate: **N/A**  
 RBA: **324,319**  
 Date: **9/28/2015**  
 Year Built: **1999**  
 Buyer: **Mark IV Capital, Inc.**  
 Seller: **Starwood Capital Operations, LLC**

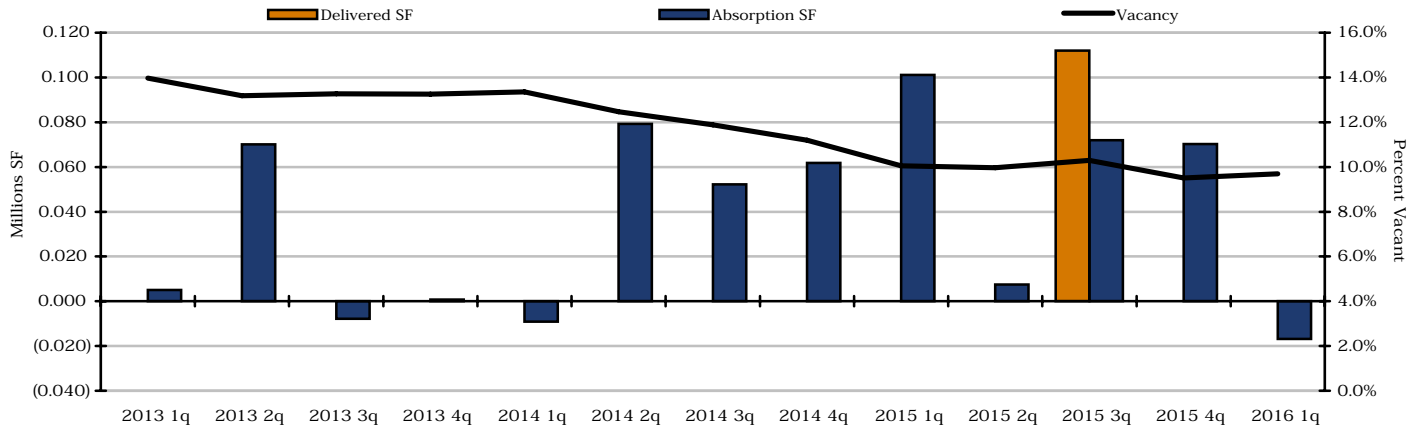
# Denver Office Market



## Aurora Market Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

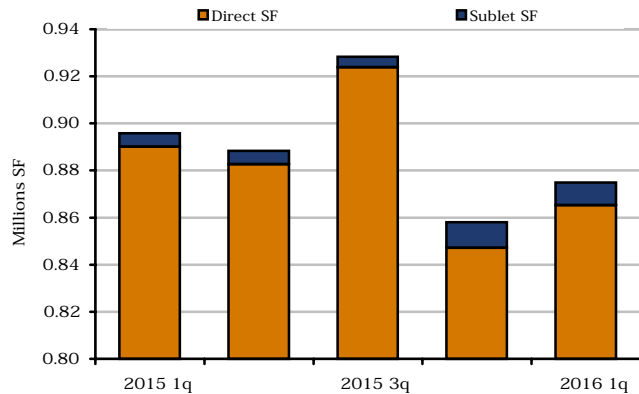
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

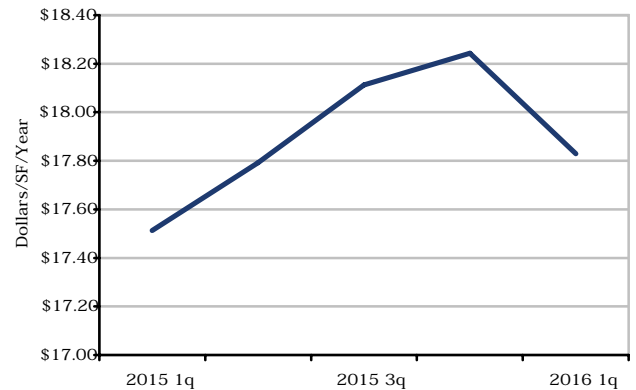
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	298	9,021,595	874,949	9.7%	(16,866)	0	0	0	0	\$17.83
2015 4q	298	9,021,595	858,083	9.5%	70,269	0	0	0	0	\$18.24
2015 3q	298	9,021,595	928,352	10.3%	71,952	1	112,000	0	0	\$18.11
2015 2q	297	8,909,595	888,304	10.0%	7,469	0	0	1	112,000	\$17.79
2015 1q	297	8,909,595	895,773	10.1%	101,185	0	0	1	112,000	\$17.51
2014 4q	297	8,909,595	996,958	11.2%	61,800	0	0	1	112,000	\$17.55
2014 3q	297	8,909,595	1,058,758	11.9%	52,182	0	0	1	112,000	\$17.75
2014 2q	297	8,909,595	1,110,940	12.5%	79,258	0	0	1	112,000	\$16.84
2014 1q	297	8,909,595	1,190,198	13.4%	(9,063)	0	0	0	0	\$16.33
2013 4q	297	8,909,595	1,181,135	13.3%	721	0	0	0	0	\$16.68
2013 3q	297	8,909,595	1,181,856	13.3%	(7,771)	0	0	0	0	\$16.46
2013 2q	297	8,909,595	1,174,085	13.2%	70,116	0	0	0	0	\$16.08
2013 1q	297	8,909,595	1,244,201	14.0%	5,108	0	0	0	0	\$14.86
2012 4q	297	8,909,595	1,249,309	14.0%	43,807	0	0	0	0	\$14.81
2012 3q	297	8,909,595	1,293,116	14.5%	(9,952)	0	0	0	0	\$15.26
2012 2q	298	9,000,367	1,373,936	15.3%	48,187	0	0	0	0	\$15.16

Source: CoStar Property®

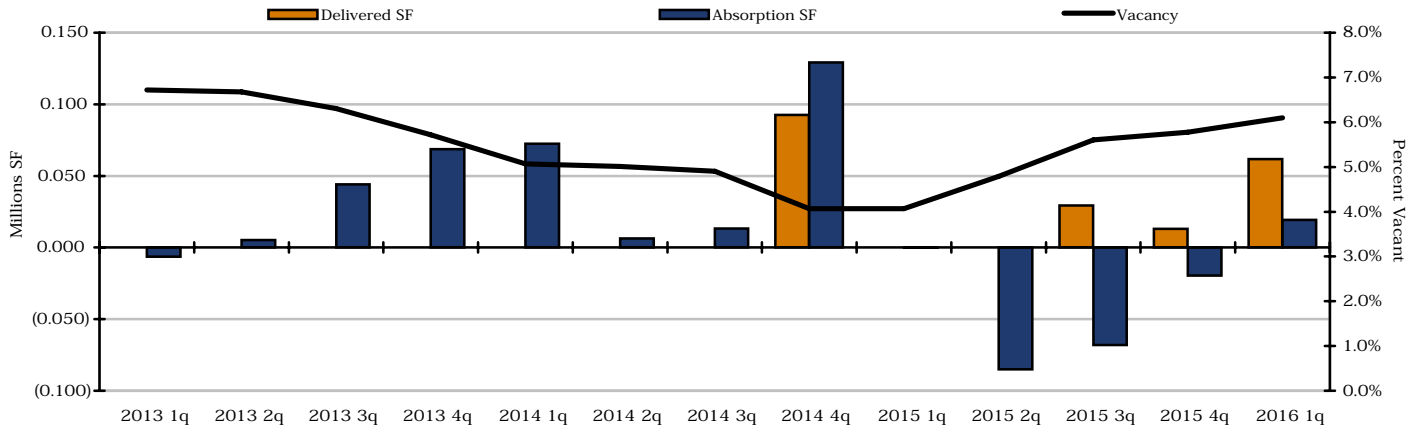


# Denver Office Market

**Boulder Market**  
Market Highlights – Class “A, B & C”

## Deliveries, Absorption & Vacancy

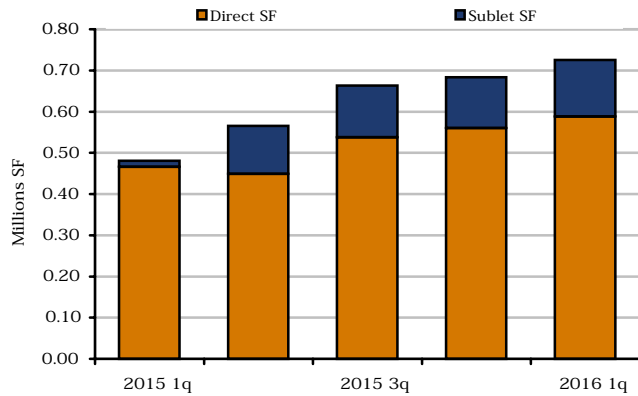
Historical Analysis, All Classes



Source: CoStar Property®

## Vacant Space

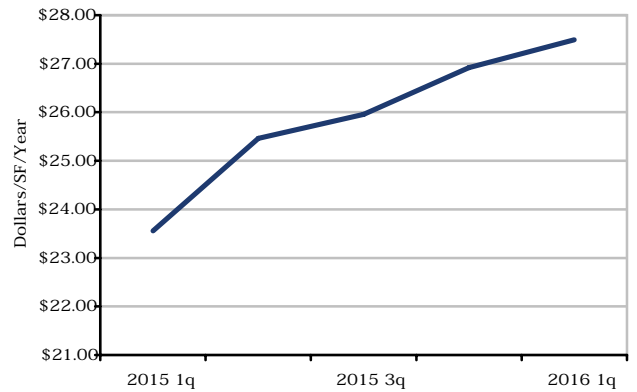
Historical Analysis, All Classes



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, All Classes



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	669	11,898,586	725,670	6.1%	19,396	1	61,717	5	544,989	\$27.49
2015 4q	668	11,836,869	683,349	5.8%	(19,529)	1	13,065	3	300,472	\$26.92
2015 3q	669	11,836,327	663,278	5.6%	(68,150)	1	29,451	3	250,537	\$25.95
2015 2q	668	11,806,876	565,677	4.8%	(84,984)	0	0	4	279,988	\$25.46
2015 1q	668	11,806,876	480,693	4.1%	(126)	0	0	3	218,271	\$23.56
2014 4q	668	11,806,876	480,567	4.1%	129,173	1	92,683	3	218,271	\$23.10
2014 3q	668	11,774,193	577,057	4.9%	13,335	0	0	4	310,954	\$22.75
2014 2q	668	11,774,193	590,392	5.0%	6,374	0	0	1	92,683	\$22.28
2014 1q	668	11,774,193	596,766	5.1%	72,416	0	0	1	92,683	\$21.75
2013 4q	669	11,778,723	673,712	5.7%	68,674	0	0	1	92,683	\$21.43
2013 3q	669	11,778,723	742,386	6.3%	44,156	0	0	0	0	\$21.36
2013 2q	669	11,778,723	786,542	6.7%	5,254	0	0	0	0	\$20.78
2013 1q	669	11,778,723	791,796	6.7%	(6,498)	0	0	0	0	\$20.43
2012 4q	669	11,778,723	785,298	6.7%	211,709	0	0	0	0	\$20.13
2012 3q	669	11,778,723	997,007	8.5%	33,955	0	0	0	0	\$20.12
2012 2q	669	11,778,723	1,030,962	8.8%	7,338	0	0	0	0	\$19.52

Source: CoStar Property®

# Denver Office Market

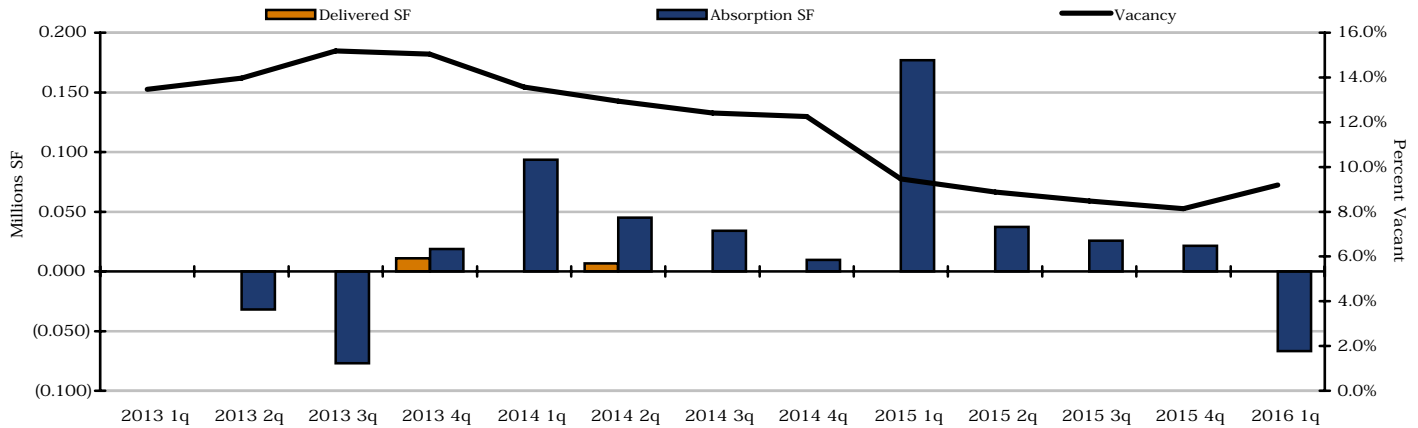


## Broomfield Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

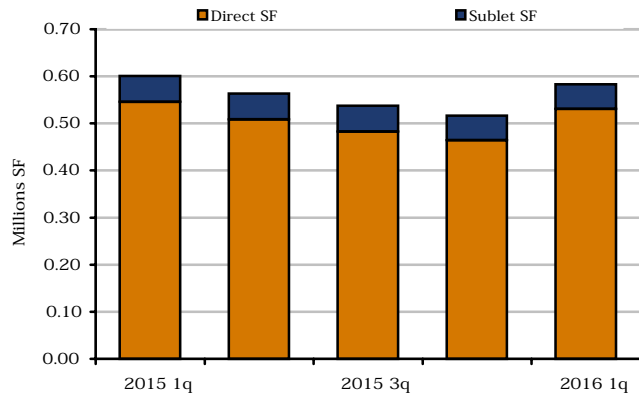
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

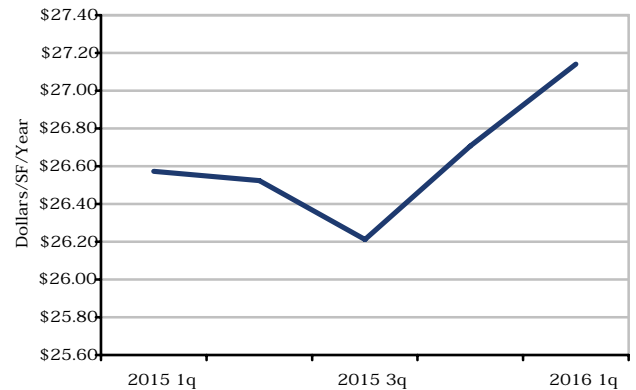
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	126	6,344,364	583,293	9.2%	(66,730)	0	0	2	109,989	\$27.14
2015 4q	126	6,344,364	516,563	8.1%	21,335	0	0	2	109,989	\$26.71
2015 3q	126	6,344,364	537,898	8.5%	25,615	0	0	2	109,989	\$26.21
2015 2q	126	6,344,364	563,513	8.9%	37,169	0	0	2	109,989	\$26.52
2015 1q	126	6,344,364	600,682	9.5%	176,955	0	0	1	11,009	\$26.57
2014 4q	126	6,344,364	777,637	12.3%	9,766	0	0	0	0	\$26.64
2014 3q	126	6,344,364	787,403	12.4%	33,974	0	0	0	0	\$26.30
2014 2q	126	6,344,364	821,377	12.9%	45,105	1	6,639	0	0	\$26.01
2014 1q	125	6,337,725	859,843	13.6%	93,548	0	0	1	6,639	\$26.93
2013 4q	125	6,337,725	953,391	15.0%	18,839	1	11,114	1	6,639	\$26.96
2013 3q	124	6,326,611	961,116	15.2%	(76,983)	0	0	2	17,753	\$26.99
2013 2q	124	6,326,611	884,133	14.0%	(31,967)	0	0	1	11,114	\$27.09
2013 1q	124	6,326,611	852,166	13.5%	(66)	0	0	1	11,114	\$27.22
2012 4q	124	6,326,611	852,100	13.5%	42,353	0	0	0	0	\$27.32
2012 3q	124	6,326,611	894,453	14.1%	(27,078)	1	186,231	0	0	\$26.80
2012 2q	123	6,140,380	681,144	11.1%	73,337	0	0	1	186,231	\$26.45

Source: CoStar Property®



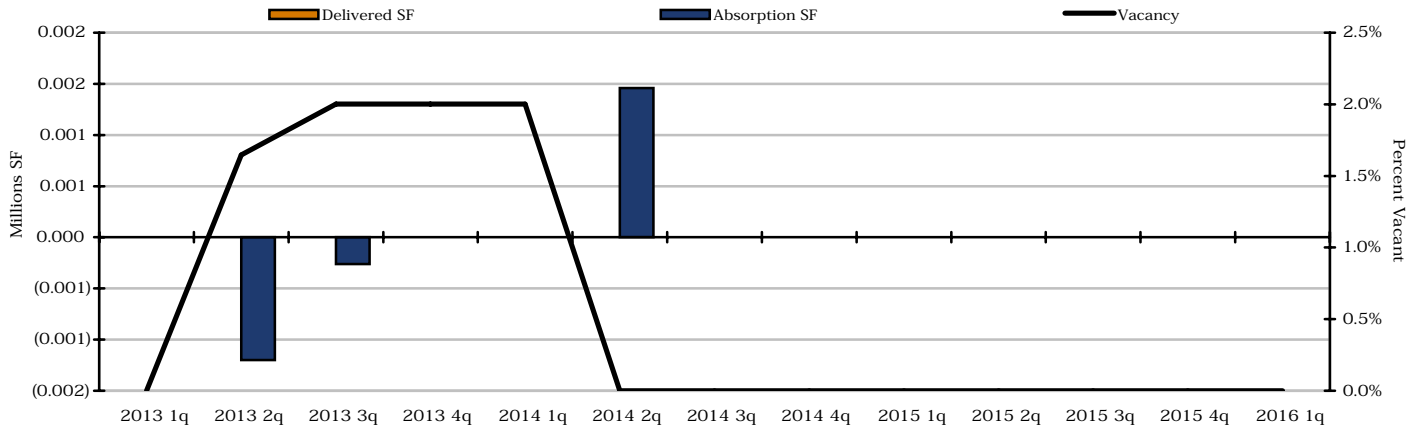
# Denver Office Market

## Clear Creek County Market

Market Highlights – Class "A, B & C"

### Deliveries, Absorption & Vacancy

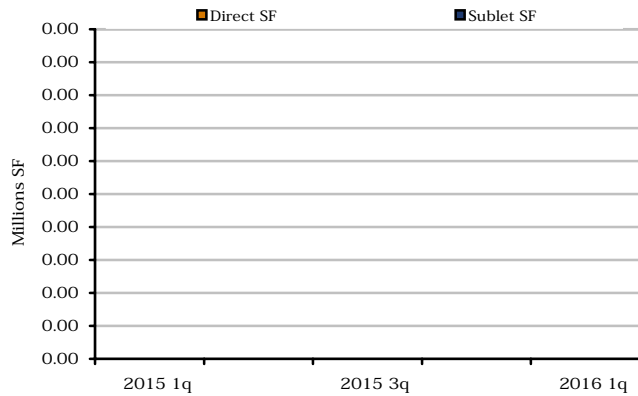
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

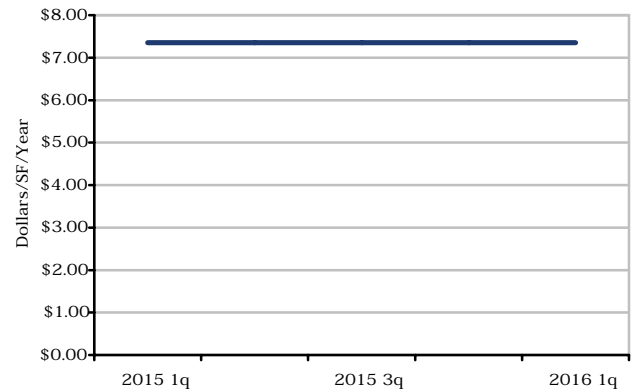
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	8	72,902	0	0.0%	0	0	0	0	0	\$7.35
2015 4q	8	72,902	0	0.0%	0	0	0	0	0	\$7.35
2015 3q	8	72,902	0	0.0%	0	0	0	0	0	\$7.35
2015 2q	8	72,902	0	0.0%	0	0	0	0	0	\$7.35
2015 1q	8	72,902	0	0.0%	0	0	0	0	0	\$7.35
2014 4q	8	72,902	0	0.0%	0	0	0	0	0	\$7.35
2014 3q	8	72,902	0	0.0%	0	0	0	0	0	\$7.35
2014 2q	8	72,902	0	0.0%	1,460	0	0	0	0	\$7.35
2014 1q	8	72,902	1,460	2.0%	0	0	0	0	0	\$7.35
2013 4q	8	72,902	1,460	2.0%	0	0	0	0	0	\$7.35
2013 3q	8	72,902	1,460	2.0%	(260)	0	0	0	0	\$7.35
2013 2q	8	72,902	1,200	1.6%	(1,200)	0	0	0	0	\$9.20
2013 1q	8	72,902	0	0.0%	0	0	0	0	0	\$0.00
2012 4q	8	72,902	0	0.0%	0	0	0	0	0	\$0.00
2012 3q	8	72,902	0	0.0%	0	0	0	0	0	\$0.00
2012 2q	8	72,902	0	0.0%	1,800	0	0	0	0	\$0.00

Source: CoStar Property®



# Denver Office Market

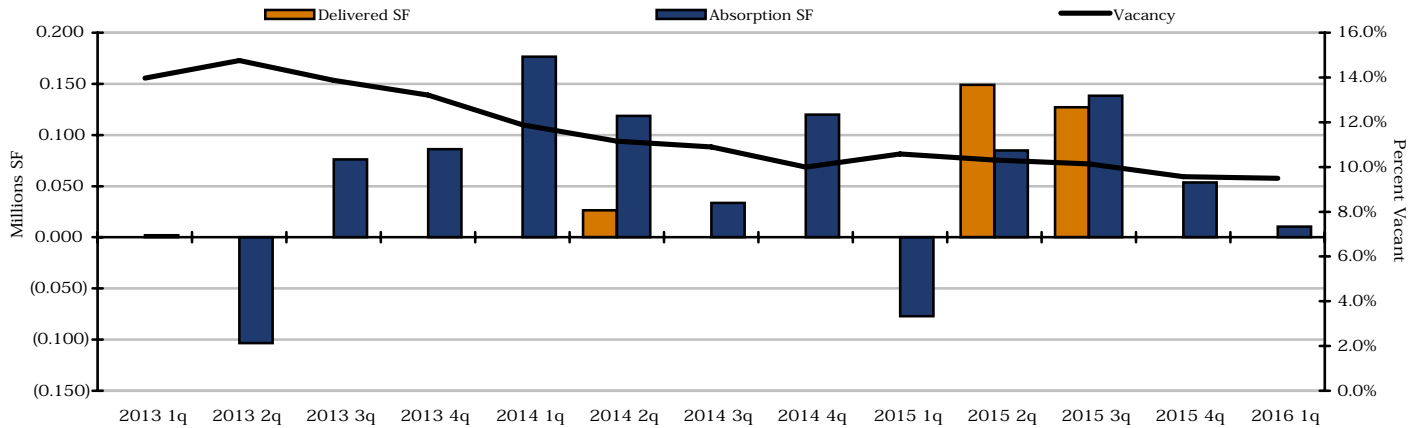


## Colorado Blvd / Glendale Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

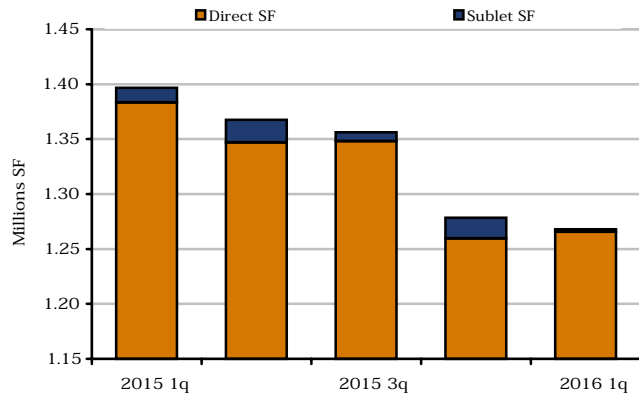
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

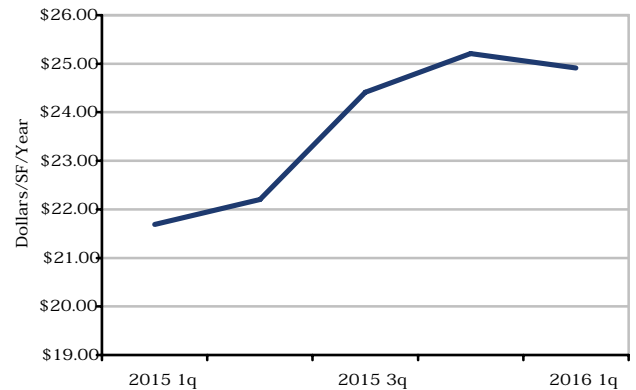
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	466	13,362,726	1,267,990	9.5%	10,519	0	0	2	260,446	\$24.92
2015 4q	466	13,362,726	1,278,509	9.6%	53,568	0	0	2	260,446	\$25.21
2015 3q	467	13,386,976	1,356,327	10.1%	138,471	2	127,090	2	260,446	\$24.41
2015 2q	465	13,259,886	1,367,708	10.3%	85,031	1	149,000	2	127,090	\$22.21
2015 1q	465	13,203,906	1,396,759	10.6%	(77,233)	0	0	3	276,090	\$21.69
2014 4q	465	13,203,906	1,319,526	10.0%	119,801	0	0	3	276,090	\$22.96
2014 3q	465	13,203,906	1,439,327	10.9%	33,742	0	0	3	276,090	\$22.46
2014 2q	465	13,203,906	1,473,069	11.2%	118,603	1	26,252	3	276,090	\$21.72
2014 1q	464	13,177,654	1,565,420	11.9%	176,433	0	0	3	275,252	\$20.23
2013 4q	464	13,177,654	1,741,853	13.2%	86,184	0	0	2	126,252	\$19.84
2013 3q	464	13,177,654	1,828,037	13.9%	76,037	0	0	1	26,252	\$20.00
2013 2q	468	13,224,062	1,950,482	14.7%	(103,273)	0	0	0	0	\$19.83
2013 1q	468	13,224,062	1,847,209	14.0%	1,940	0	0	0	0	\$18.86
2012 4q	468	13,224,062	1,849,149	14.0%	26,154	0	0	0	0	\$18.57
2012 3q	468	13,224,062	1,875,303	14.2%	97,578	0	0	0	0	\$18.27
2012 2q	468	13,224,062	1,972,881	14.9%	(68,062)	0	0	0	0	\$18.14

Source: CoStar Property®



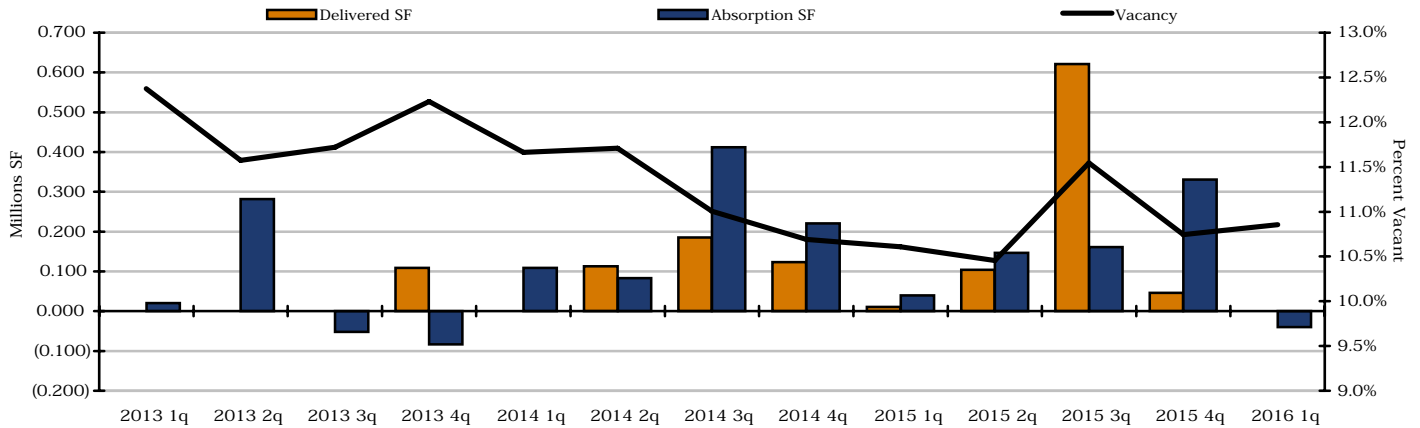
# Denver Office Market

## Downtown Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

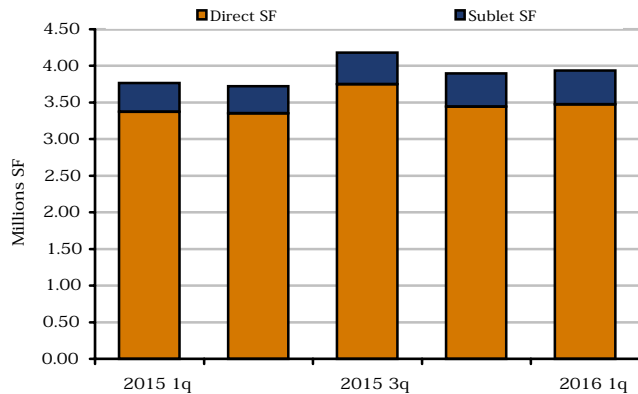
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

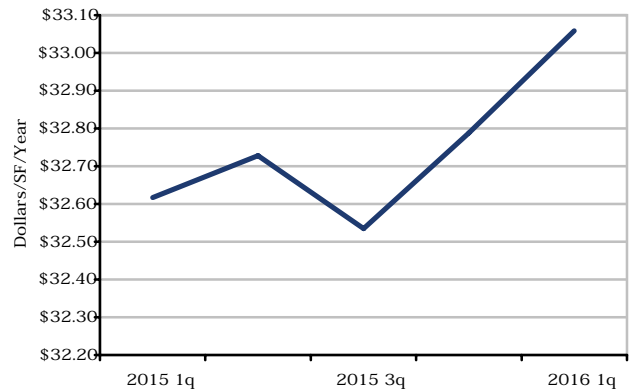
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



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	359	36,273,237	3,937,611	10.9%	(40,251)	0	0	6	1,507,146	\$33.06
2015 4q	359	36,273,237	3,897,360	10.7%	330,846	1	46,000	6	1,507,146	\$32.79
2015 3q	358	36,227,237	4,182,206	11.5%	161,387	3	620,980	7	1,553,146	\$32.53
2015 2q	355	35,606,257	3,722,613	10.5%	147,019	3	103,641	8	1,936,475	\$32.73
2015 1q	352	35,502,616	3,765,991	10.6%	39,531	1	10,651	8	1,081,636	\$32.62
2014 4q	351	35,491,965	3,794,871	10.7%	220,756	1	123,000	9	1,092,287	\$31.93
2014 3q	350	35,368,965	3,892,627	11.0%	411,998	2	185,000	8	895,759	\$31.10
2014 2q	348	35,183,965	4,119,625	11.7%	82,876	1	112,552	7	942,376	\$30.31
2014 1q	347	35,071,413	4,089,949	11.7%	108,667	0	0	7	973,544	\$29.74
2013 4q	348	35,175,253	4,302,456	12.2%	(83,143)	1	109,078	5	720,086	\$29.41
2013 3q	347	35,066,175	4,110,235	11.7%	(52,028)	0	0	5	706,164	\$28.74
2013 2q	347	35,066,175	4,058,207	11.6%	281,411	0	0	3	346,630	\$28.01
2013 1q	347	35,066,175	4,339,618	12.4%	20,609	0	0	3	346,630	\$27.75
2012 4q	347	35,066,175	4,360,227	12.4%	66,201	1	39,656	3	346,630	\$27.38
2012 3q	346	35,026,519	4,386,772	12.5%	(507,708)	1	217,950	2	148,734	\$26.98
2012 2q	345	34,808,569	3,661,114	10.5%	192,506	0	0	3	366,684	\$25.92

Source: CoStar Property®

# Denver Office Market

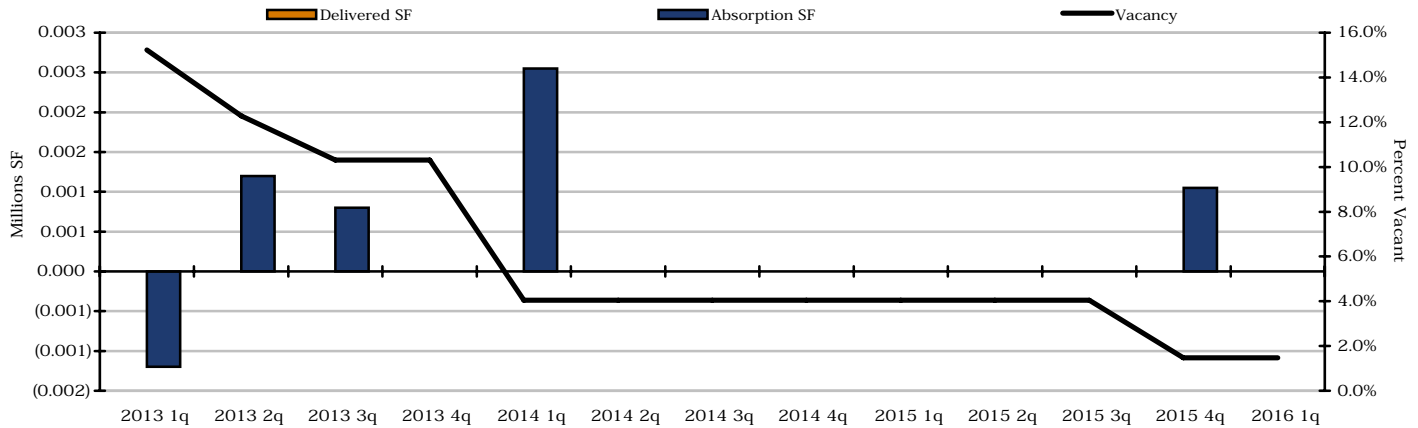


## Elbert County Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

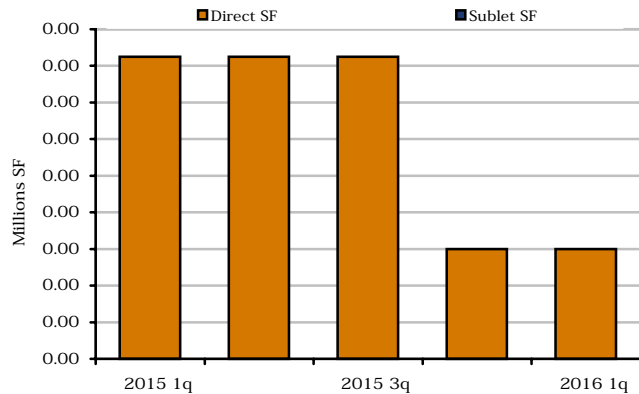
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

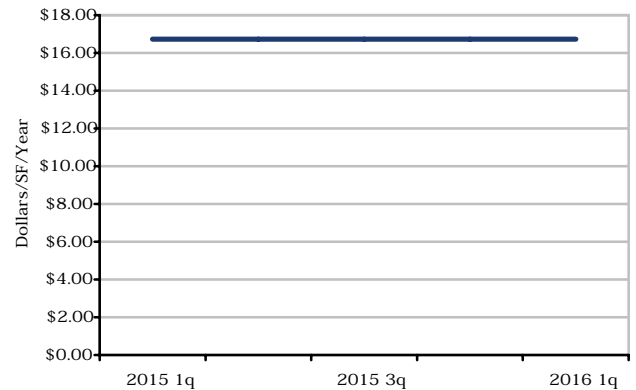
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	17	40,718	600	1.5%	0	0	0	0	0	\$16.72
2015 4q	17	40,718	600	1.5%	1,050	0	0	0	0	\$16.72
2015 3q	17	40,718	1,650	4.1%	0	0	0	0	0	\$16.72
2015 2q	17	40,718	1,650	4.1%	0	0	0	0	0	\$16.72
2015 1q	17	40,718	1,650	4.1%	0	0	0	0	0	\$16.72
2014 4q	17	40,718	1,650	4.1%	0	0	0	0	0	\$15.54
2014 3q	17	40,718	1,650	4.1%	0	0	0	0	0	\$15.54
2014 2q	17	40,718	1,650	4.1%	0	0	0	0	0	\$13.50
2014 1q	17	40,718	1,650	4.1%	2,550	0	0	0	0	\$14.83
2013 4q	17	40,718	4,200	10.3%	0	0	0	0	0	\$14.62
2013 3q	17	40,718	4,200	10.3%	800	0	0	0	0	\$12.27
2013 2q	17	40,718	5,000	12.3%	1,200	0	0	0	0	\$10.93
2013 1q	17	40,718	6,200	15.2%	(1,200)	0	0	0	0	\$11.31
2012 4q	17	40,718	5,000	12.3%	0	0	0	0	0	\$10.11
2012 3q	17	40,718	5,000	12.3%	1,600	0	0	0	0	\$9.77
2012 2q	17	40,718	6,600	16.2%	800	0	0	0	0	\$11.05

Source: CoStar Property®



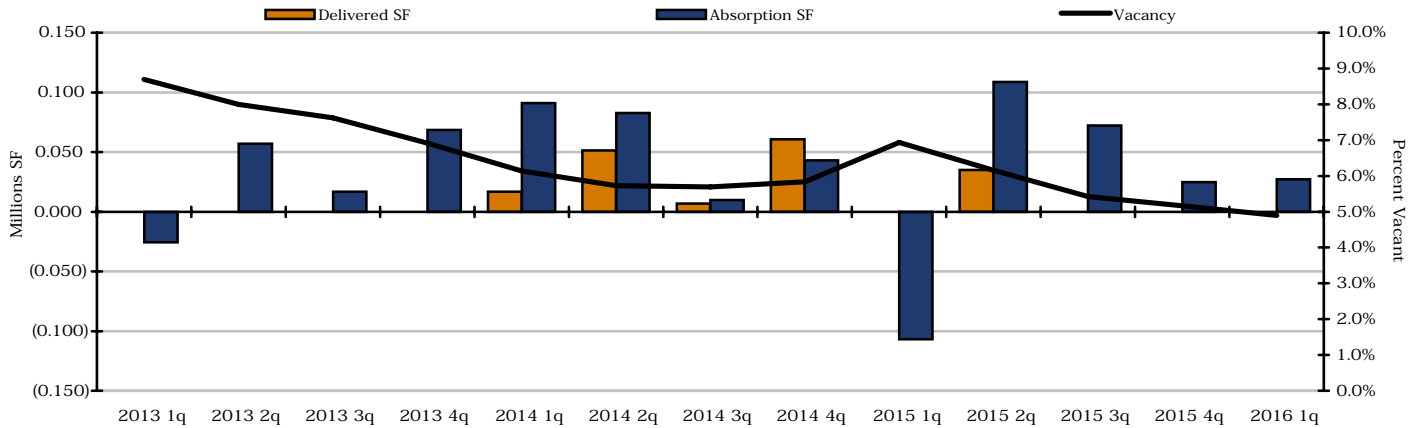
# Denver Office Market

Fort Collins / Loveland Market

Market Highlights – Class “A, B & C”

## Deliveries, Absorption & Vacancy

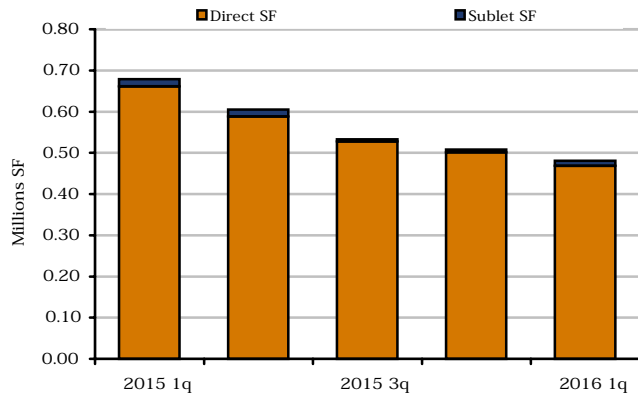
### Historical Analysis, All Classes



Source: CoStar Property®

## Vacant Space

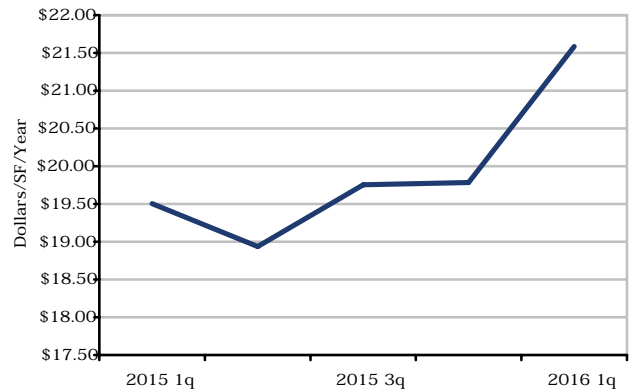
### Historical Analysis, All Classes



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, All Classes



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	865	9,825,812	480,890	4.9%	27,084	0	0	7	287,558	\$21.58
2015 4q	865	9,825,812	507,974	5.2%	24,701	0	0	6	276,411	\$19.78
2015 3q	865	9,825,812	532,675	5.4%	72,171	0	0	4	243,411	\$19.76
2015 2q	865	9,825,812	604,846	6.2%	108,742	2	35,041	1	60,000	\$18.94
2015 1q	863	9,790,771	678,547	6.9%	(106,950)	0	0	3	95,041	\$19.50
2014 4q	863	9,790,771	571,597	5.8%	42,918	3	60,595	3	95,041	\$19.95
2014 3q	860	9,730,176	553,920	5.7%	9,878	1	6,832	5	95,636	\$20.21
2014 2q	859	9,723,344	556,966	5.7%	82,611	1	51,448	4	75,287	\$19.93
2014 1q	859	9,677,896	594,129	6.1%	90,991	1	16,779	5	126,735	\$19.69
2013 4q	858	9,661,117	668,341	6.9%	68,473	0	0	3	75,059	\$19.13
2013 3q	858	9,661,117	736,814	7.6%	16,823	0	0	2	68,227	\$19.35
2013 2q	859	9,681,740	774,260	8.0%	56,895	0	0	2	68,227	\$19.04
2013 1q	860	9,693,240	842,655	8.7%	(25,497)	0	0	0	0	\$18.79
2012 4q	860	9,693,240	817,158	8.4%	113,089	0	0	0	0	\$18.60
2012 3q	860	9,693,240	930,247	9.6%	(19,180)	0	0	0	0	\$18.81
2012 2q	860	9,693,240	911,067	9.4%	11,267	0	0	0	0	\$18.96

Source: CoStar Property®

# Denver Office Market

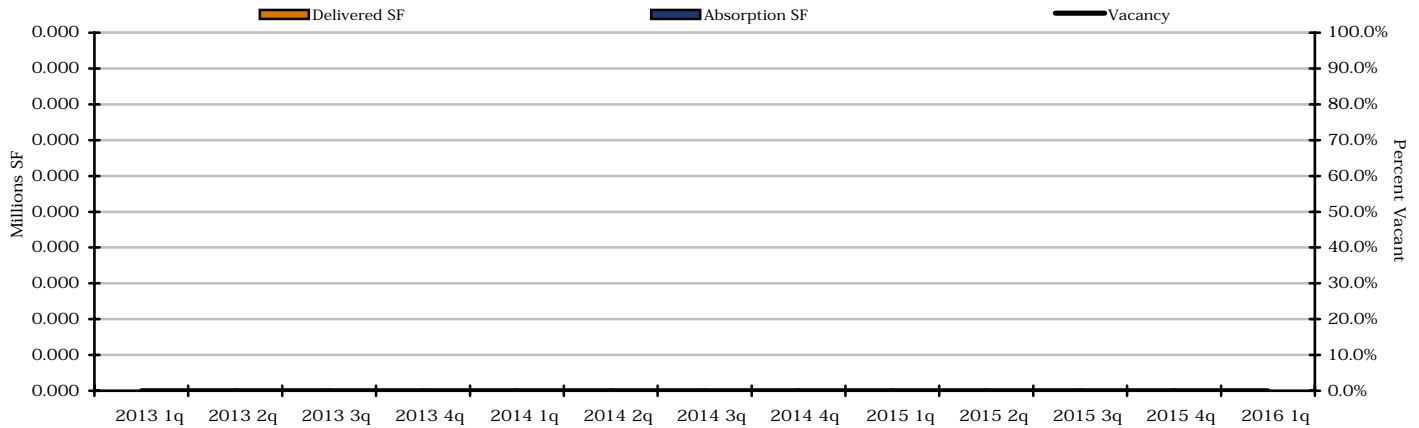


## Gilpin County Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

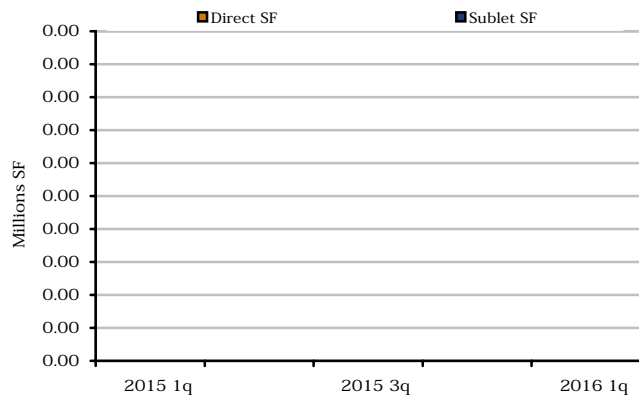
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

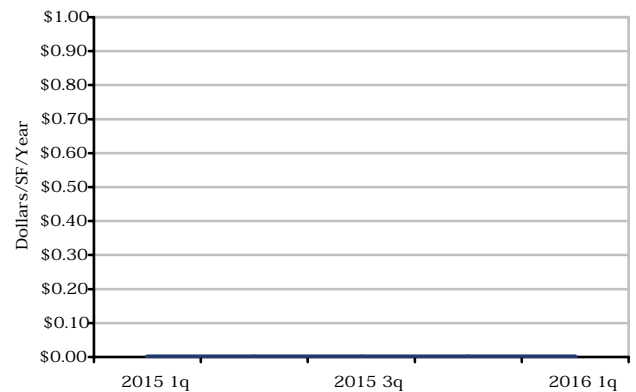
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	10,028	0	0.0%	0	0	0	0	0	\$0.00
2015 4q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2015 3q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2015 2q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2015 1q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2014 4q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2014 3q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2014 2q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2014 1q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2013 4q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2013 3q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2013 2q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2013 1q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2012 4q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2012 3q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00
2012 2q	3	10,028	0	0.0%	0	0	0	0	0	\$0.00

Source: CoStar Property®

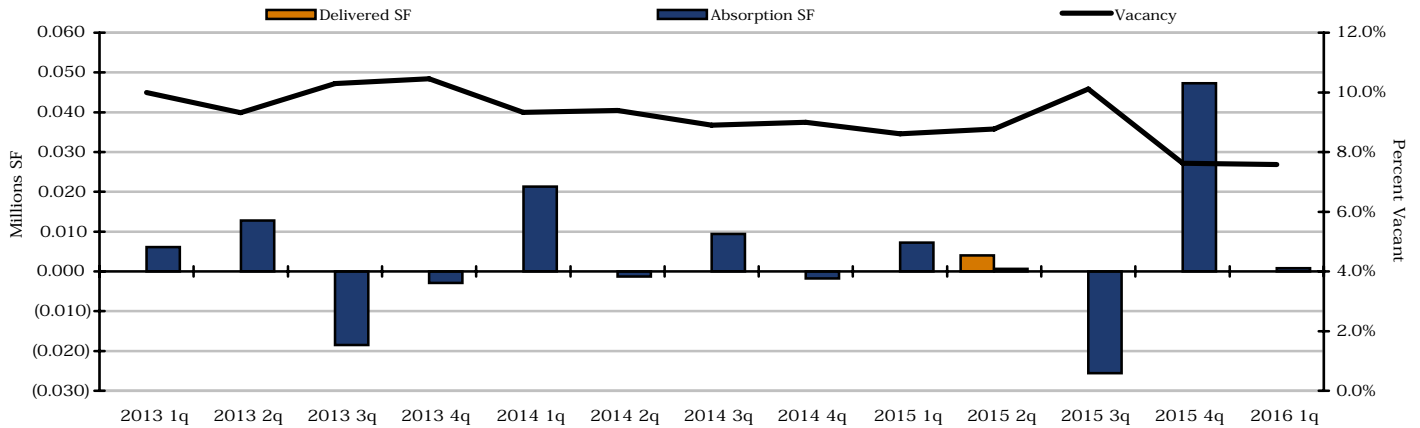


# Denver Office Market

## Longmont Market Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

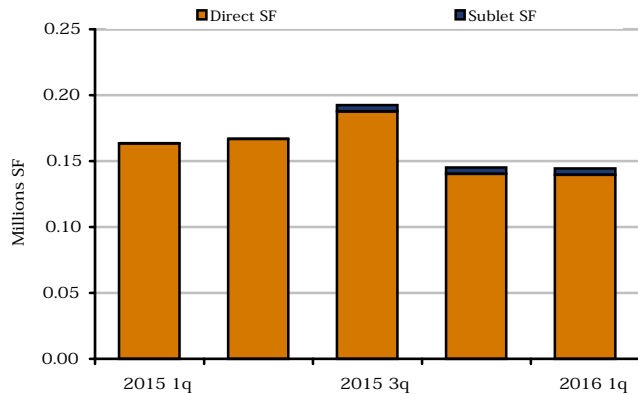
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

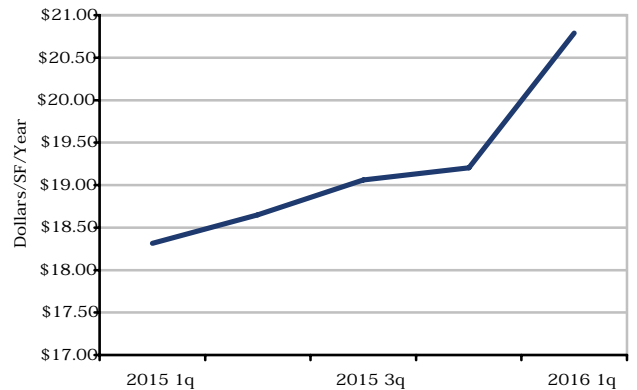
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



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	181	1,902,360	144,312	7.6%	838	0	0	2	47,100	\$20.79
2015 4q	181	1,902,360	145,150	7.6%	47,326	0	0	2	47,100	\$19.20
2015 3q	181	1,902,360	192,476	10.1%	(25,568)	0	0	0	0	\$19.06
2015 2q	181	1,902,360	166,908	8.8%	645	1	4,000	0	0	\$18.65
2015 1q	180	1,898,360	163,553	8.6%	7,235	0	0	1	4,000	\$18.31
2014 4q	180	1,898,360	170,788	9.0%	(1,797)	0	0	1	4,000	\$17.99
2014 3q	180	1,898,360	168,991	8.9%	9,383	0	0	1	4,000	\$17.87
2014 2q	180	1,898,360	178,374	9.4%	(1,309)	0	0	1	4,000	\$17.47
2014 1q	180	1,898,360	177,065	9.3%	21,345	0	0	0	0	\$17.25
2013 4q	180	1,898,360	198,410	10.5%	(2,934)	0	0	0	0	\$17.68
2013 3q	180	1,898,360	195,476	10.3%	(18,496)	0	0	0	0	\$17.71
2013 2q	180	1,898,360	176,980	9.3%	12,783	0	0	0	0	\$17.65
2013 1q	180	1,898,360	189,763	10.0%	6,103	0	0	0	0	\$17.25
2012 4q	180	1,898,360	195,866	10.3%	22,869	0	0	0	0	\$17.24
2012 3q	180	1,898,360	218,735	11.5%	20,731	0	0	0	0	\$16.93
2012 2q	180	1,898,360	239,466	12.6%	7,081	0	0	0	0	\$17.19

Source: CoStar Property®

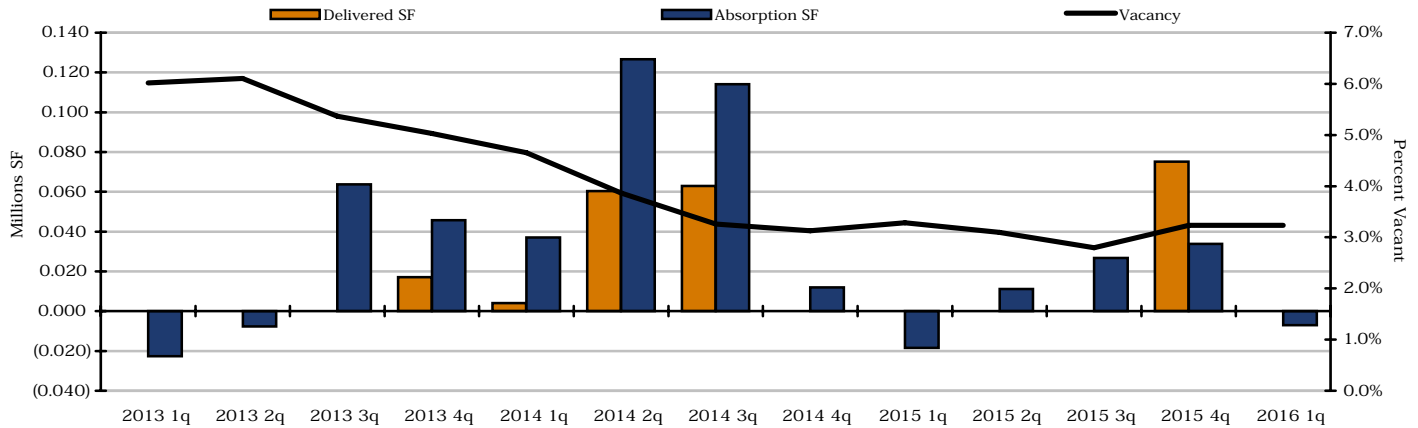
# Denver Office Market



## Midtown Market Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

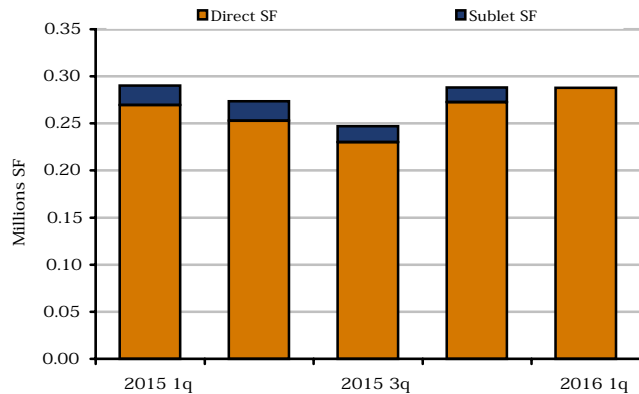
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

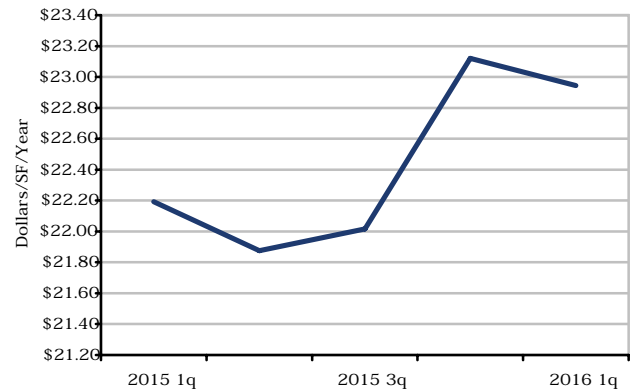
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	668	8,902,071	287,668	3.2%	(7,044)	0	0	1	300,000	\$22.94
2015 4q	669	8,909,551	288,104	3.2%	33,893	1	75,102	0	0	\$23.12
2015 3q	668	8,834,449	246,895	2.8%	26,812	0	0	1	75,102	\$22.02
2015 2q	668	8,834,449	273,707	3.1%	11,168	0	0	1	75,102	\$21.87
2015 1q	669	8,839,849	290,275	3.3%	(18,406)	0	0	1	75,102	\$22.19
2014 4q	671	8,844,360	276,380	3.1%	11,973	0	0	1	75,102	\$21.57
2014 3q	671	8,844,360	288,353	3.3%	114,092	1	63,000	1	75,102	\$20.85
2014 2q	670	8,781,360	339,445	3.9%	126,644	2	60,438	2	138,102	\$20.85
2014 1q	668	8,720,922	405,651	4.7%	37,050	1	4,050	4	198,540	\$20.46
2013 4q	667	8,716,872	438,651	5.0%	45,682	1	17,166	5	202,590	\$20.49
2013 3q	666	8,699,706	467,167	5.4%	63,833	0	0	5	144,654	\$20.27
2013 2q	666	8,699,706	531,000	6.1%	(7,631)	0	0	4	81,654	\$19.54
2013 1q	666	8,699,706	523,369	6.0%	(22,615)	0	0	2	21,216	\$18.73
2012 4q	666	8,699,706	500,754	5.8%	47,094	0	0	0	0	\$19.22
2012 3q	666	8,699,706	547,848	6.3%	(63,083)	0	0	0	0	\$18.58
2012 2q	667	8,715,958	501,017	5.7%	60,829	1	60,000	0	0	\$18.31

Source: CoStar Property®





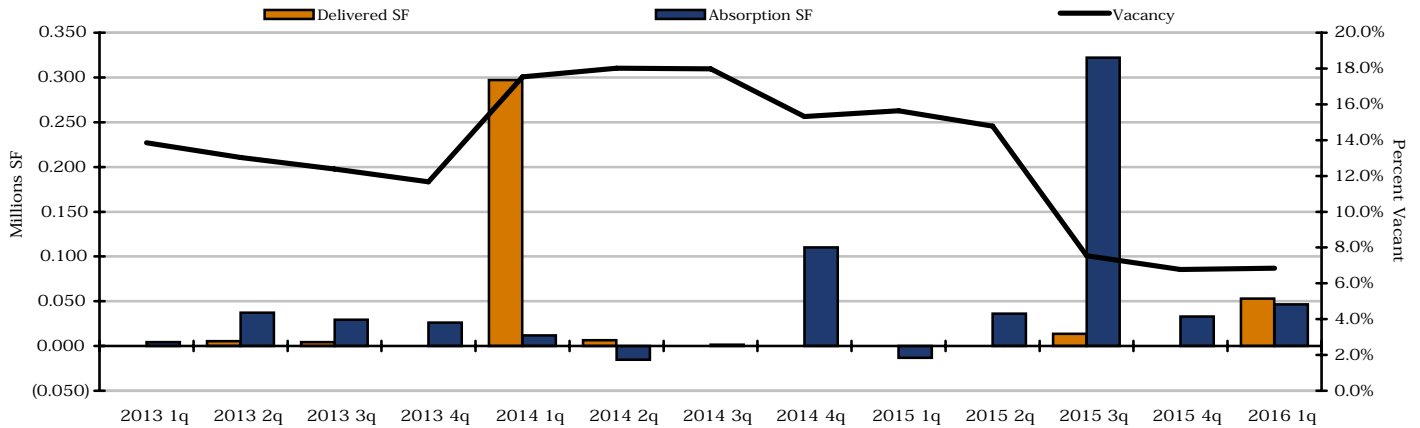
# Denver Office Market

## North Denver Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

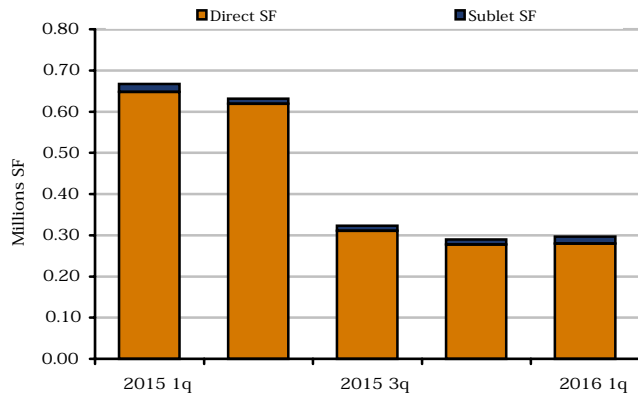
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

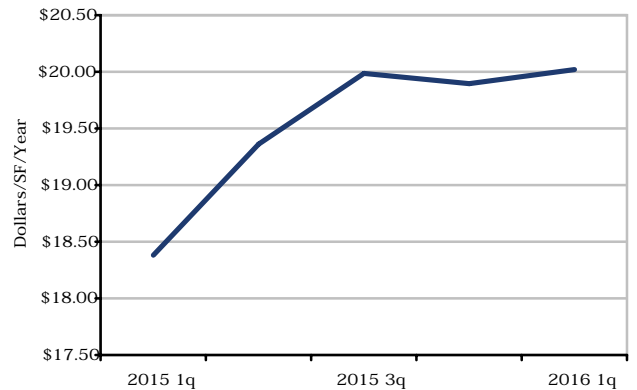
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



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	159	4,335,735	296,520	6.8%	46,413	1	53,000	3	49,243	\$20.02
2015 4q	158	4,282,735	289,933	6.8%	33,069	0	0	3	72,243	\$19.90
2015 3q	158	4,282,735	323,002	7.5%	322,097	1	13,764	1	53,000	\$19.99
2015 2q	157	4,268,971	631,335	14.8%	36,054	0	0	1	13,764	\$19.36
2015 1q	157	4,268,971	667,389	15.6%	(13,150)	0	0	1	13,764	\$18.38
2014 4q	157	4,268,971	654,239	15.3%	110,179	0	0	1	13,764	\$18.25
2014 3q	158	4,272,921	768,368	18.0%	1,474	0	0	0	0	\$18.44
2014 2q	158	4,272,921	769,842	18.0%	(15,404)	1	6,340	0	0	\$18.00
2014 1q	157	4,266,581	748,098	17.5%	12,011	1	297,172	1	6,340	\$17.90
2013 4q	156	3,969,409	462,937	11.7%	26,218	0	0	2	303,512	\$17.34
2013 3q	157	3,972,009	491,755	12.4%	29,461	1	4,400	1	6,340	\$17.30
2013 2q	156	3,967,609	516,816	13.0%	37,088	1	5,301	1	4,400	\$16.98
2013 1q	155	3,962,308	548,603	13.8%	4,241	0	0	2	9,701	\$17.06
2012 4q	155	3,962,308	552,844	14.0%	36,069	1	19,106	2	9,701	\$17.09
2012 3q	154	3,943,202	569,807	14.5%	23,875	1	45,092	1	19,106	\$17.05
2012 2q	153	3,898,110	548,590	14.1%	15,163	0	0	2	64,198	\$17.52

Source: CoStar Property®

# Denver Office Market

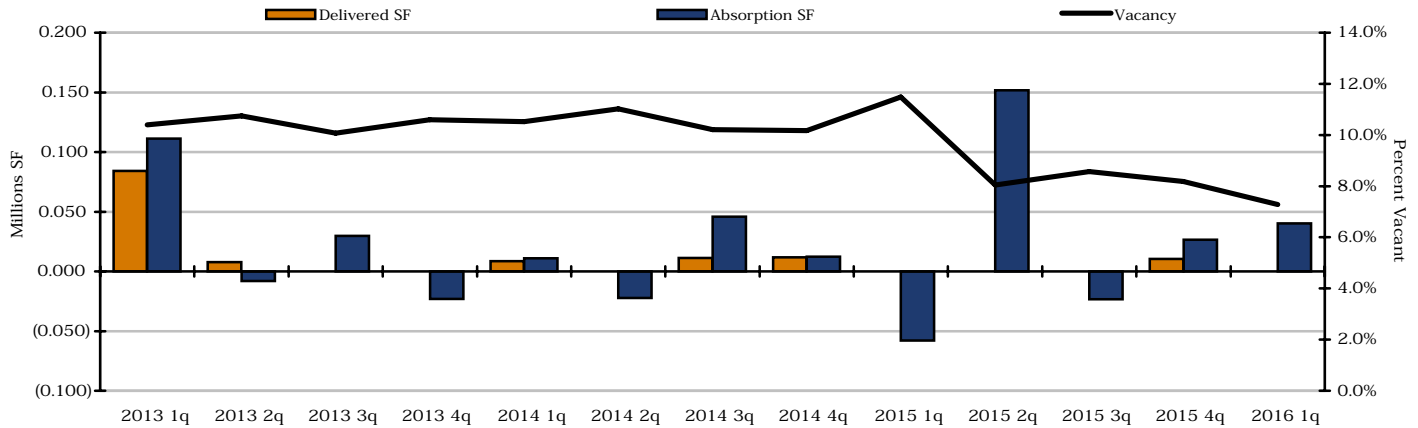


## Northeast Denver Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

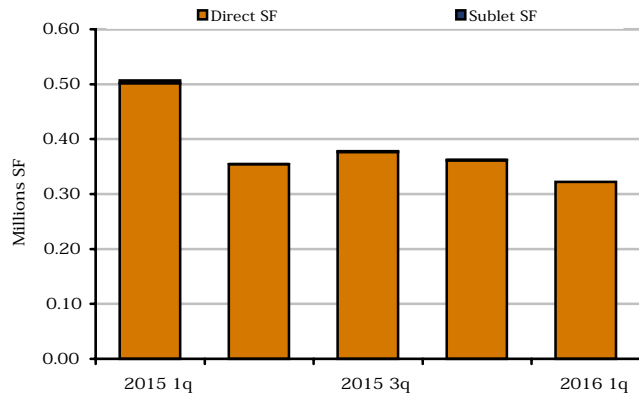
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

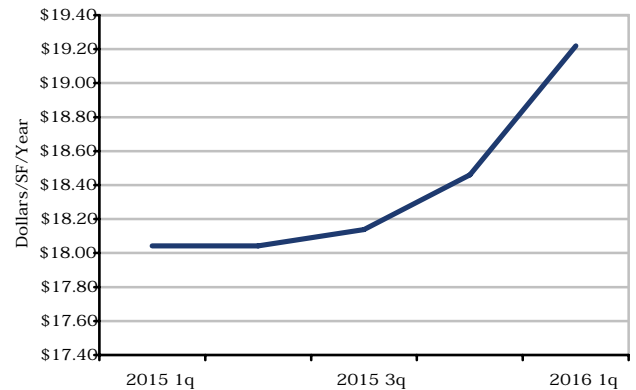
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



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	233	4,422,047	321,936	7.3%	40,154	0	0	1	13,702	\$19.22
2015 4q	233	4,422,047	362,090	8.2%	26,540	1	10,416	0	0	\$18.46
2015 3q	232	4,411,631	378,214	8.6%	(23,195)	0	0	1	10,416	\$18.14
2015 2q	232	4,411,631	355,019	8.0%	151,701	0	0	1	10,416	\$18.04
2015 1q	232	4,411,631	506,720	11.5%	(57,828)	0	0	0	0	\$18.04
2014 4q	232	4,411,631	448,892	10.2%	12,274	1	11,800	0	0	\$17.32
2014 3q	231	4,399,831	449,366	10.2%	45,785	1	11,160	1	11,800	\$17.20
2014 2q	230	4,388,671	483,991	11.0%	(22,259)	0	0	2	22,960	\$17.87
2014 1q	230	4,388,671	461,732	10.5%	10,961	1	8,665	2	22,960	\$17.78
2013 4q	229	4,380,006	464,028	10.6%	(23,122)	0	0	3	31,625	\$17.78
2013 3q	229	4,380,006	440,906	10.1%	29,638	0	0	1	8,665	\$17.44
2013 2q	229	4,380,006	470,544	10.7%	(8,026)	1	7,812	0	0	\$17.52
2013 1q	228	4,372,194	454,706	10.4%	111,392	1	84,086	1	7,812	\$17.94
2012 4q	227	4,288,108	482,012	11.2%	19,344	0	0	2	91,898	\$18.48
2012 3q	227	4,288,108	501,356	11.7%	83,383	0	0	2	91,898	\$17.95
2012 2q	227	4,288,108	584,739	13.6%	33,583	0	0	1	84,086	\$18.80

Source: CoStar Property®



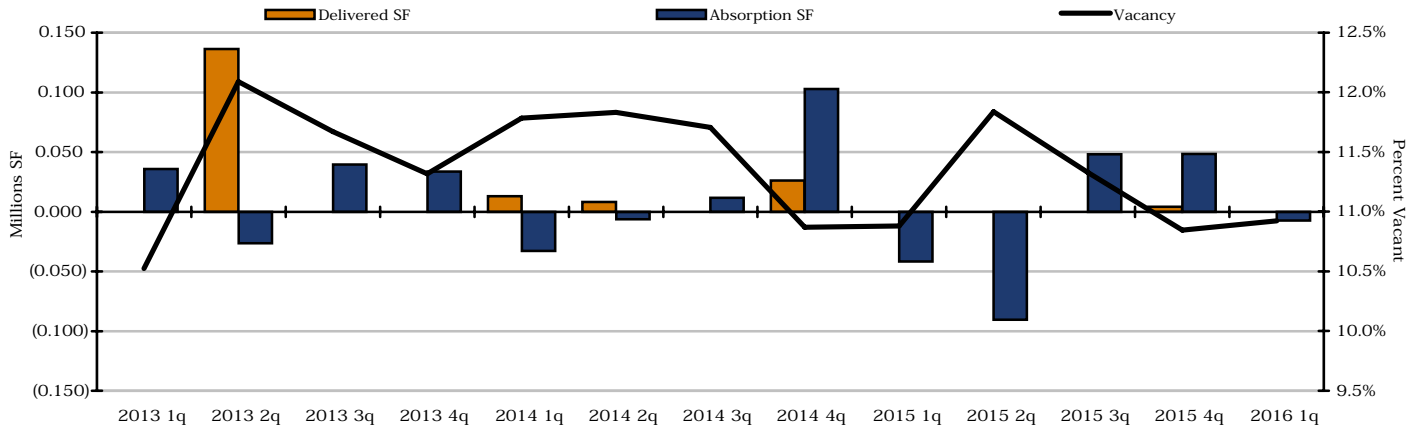
# Denver Office Market

## Northwest Denver Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

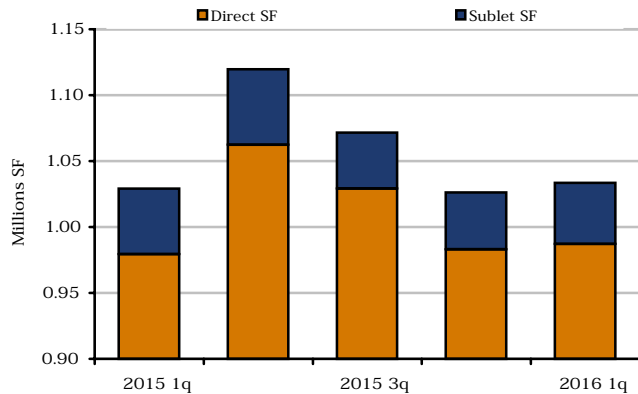
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

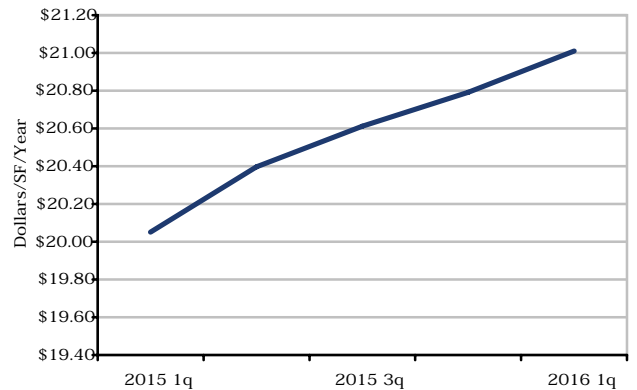
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	577	9,462,527	1,033,594	10.9%	(7,358)	0	0	1	13,292	\$21.01
2015 4q	577	9,462,527	1,026,236	10.8%	48,517	1	4,100	1	13,292	\$20.79
2015 3q	577	9,459,399	1,071,625	11.3%	48,105	0	0	2	17,392	\$20.61
2015 2q	577	9,459,399	1,119,730	11.8%	(90,563)	0	0	1	4,100	\$20.40
2015 1q	577	9,459,399	1,029,167	10.9%	(41,759)	0	0	1	4,100	\$20.05
2014 4q	578	9,505,287	1,033,296	10.9%	102,692	1	26,220	1	4,100	\$20.03
2014 3q	577	9,479,067	1,109,768	11.7%	11,792	0	0	2	30,320	\$20.28
2014 2q	577	9,479,067	1,121,560	11.8%	(6,226)	1	8,100	2	30,320	\$20.03
2014 1q	577	9,481,009	1,117,276	11.8%	(32,766)	1	13,000	3	38,420	\$19.29
2013 4q	576	9,468,009	1,071,510	11.3%	33,595	0	0	3	47,320	\$19.39
2013 3q	576	9,468,009	1,105,105	11.7%	39,651	0	0	2	34,320	\$19.30
2013 2q	576	9,468,009	1,144,756	12.1%	(26,398)	2	136,298	1	8,100	\$19.37
2013 1q	574	9,331,711	982,060	10.5%	35,889	0	0	3	144,398	\$19.26
2012 4q	574	9,331,711	1,017,949	10.9%	40,819	1	16,755	3	144,398	\$19.30
2012 3q	573	9,314,956	1,042,013	11.2%	(12,059)	0	0	3	153,053	\$19.13
2012 2q	573	9,314,956	1,029,954	11.1%	(15,397)	0	0	2	141,755	\$19.25

Source: CoStar Property®

# Denver Office Market

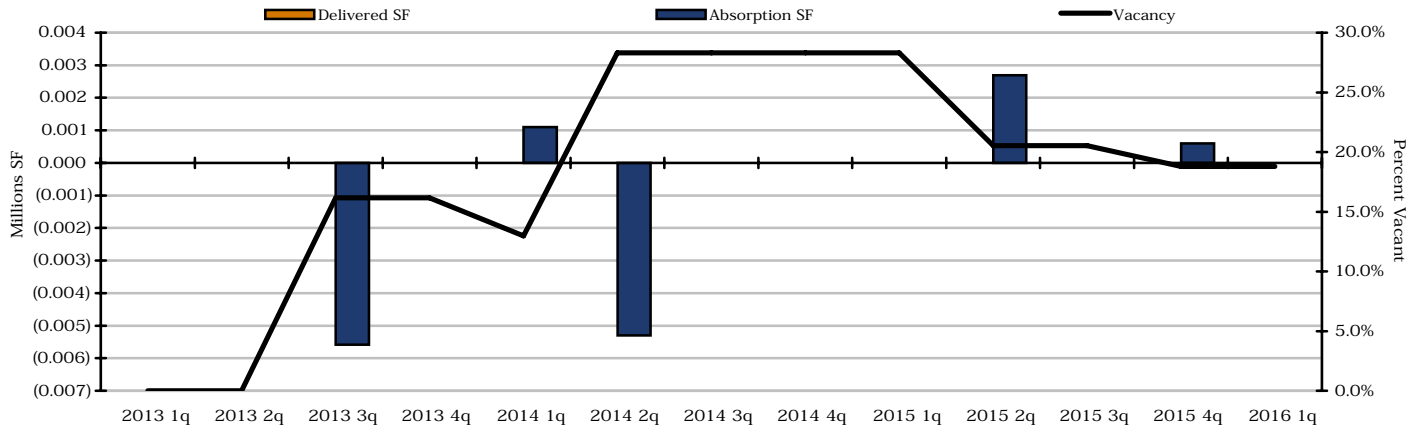


## Park County Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

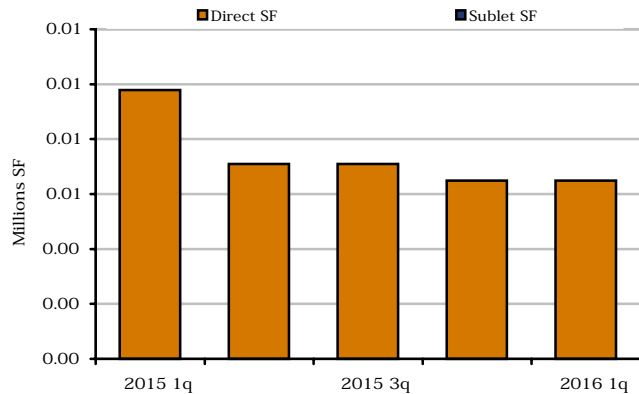
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

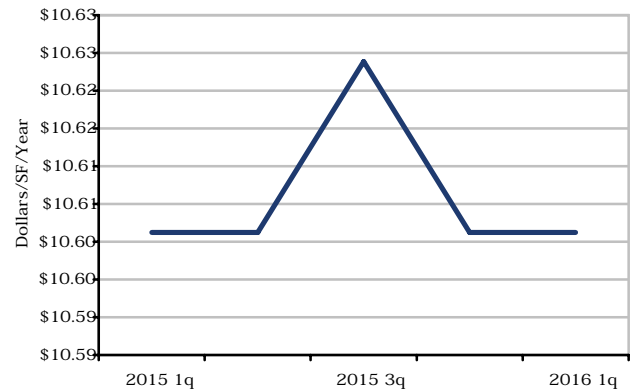
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	12	34,552	6,495	18.8%	0	0	0	0	0	\$10.60
2015 4q	12	34,552	6,495	18.8%	600	0	0	0	0	\$10.60
2015 3q	12	34,552	7,095	20.5%	0	0	0	0	0	\$10.62
2015 2q	12	34,552	7,095	20.5%	2,688	0	0	0	0	\$10.60
2015 1q	12	34,552	9,783	28.3%	0	0	0	0	0	\$10.60
2014 4q	12	34,552	9,783	28.3%	0	0	0	0	0	\$11.73
2014 3q	12	34,552	9,783	28.3%	0	0	0	0	0	\$13.51
2014 2q	12	34,552	9,783	28.3%	(5,295)	0	0	0	0	\$12.69
2014 1q	12	34,552	4,488	13.0%	1,100	0	0	0	0	\$14.75
2013 4q	12	34,552	5,588	16.2%	0	0	0	0	0	\$15.62
2013 3q	12	34,552	5,588	16.2%	(5,588)	0	0	0	0	\$18.75
2013 2q	12	34,552	0	0.0%	0	0	0	0	0	\$0.00
2013 1q	12	34,552	0	0.0%	0	0	0	0	0	\$0.00
2012 4q	12	34,552	0	0.0%	0	0	0	0	0	\$0.00
2012 3q	12	34,552	0	0.0%	0	0	0	0	0	\$15.35
2012 2q	12	34,552	0	0.0%	0	0	0	0	0	\$15.35

Source: CoStar Property®



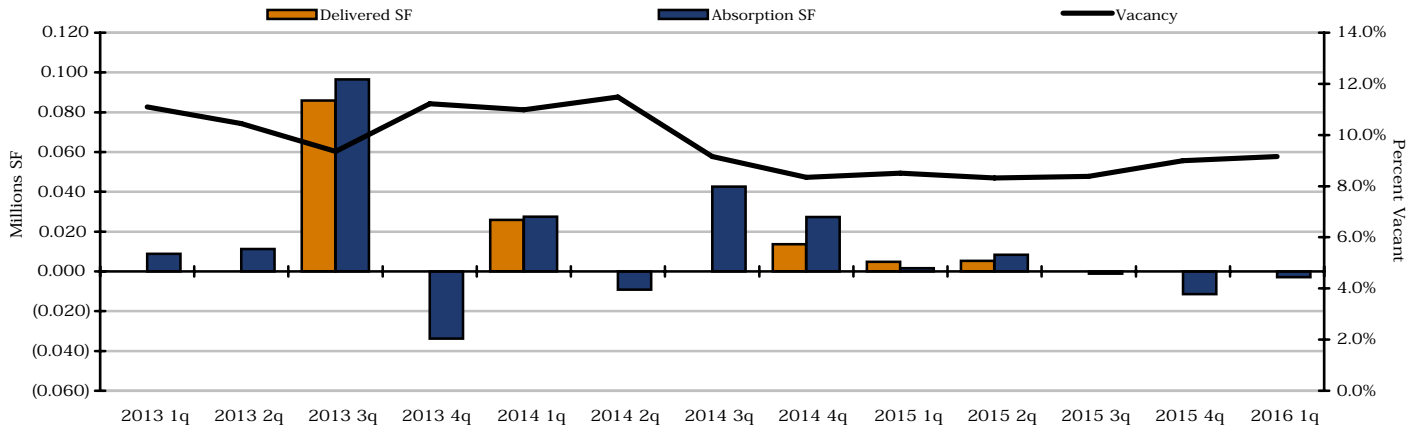
# Denver Office Market

## Parker/Castle Rock Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

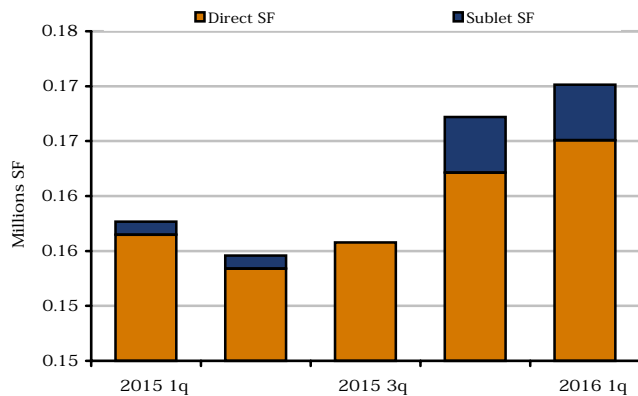
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

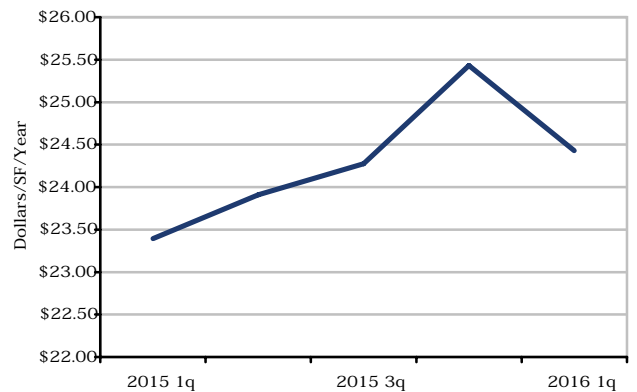
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	167	1,858,729	170,148	9.2%	(2,941)	0	0	4	91,168	\$24.43
2015 4q	167	1,858,729	167,207	9.0%	(11,441)	0	0	3	77,800	\$25.43
2015 3q	167	1,858,729	155,766	8.4%	(1,181)	0	0	2	58,493	\$24.27
2015 2q	167	1,858,729	154,585	8.3%	8,376	1	5,289	2	58,493	\$23.91
2015 1q	166	1,853,440	157,672	8.5%	1,547	1	4,882	2	55,289	\$23.39
2014 4q	165	1,848,558	154,337	8.3%	27,384	1	13,624	2	10,171	\$23.43
2014 3q	164	1,834,934	168,097	9.2%	42,605	0	0	3	23,795	\$22.97
2014 2q	164	1,834,934	210,702	11.5%	(9,234)	0	0	3	23,795	\$22.55
2014 1q	164	1,834,934	201,468	11.0%	27,486	1	25,903	1	13,624	\$22.58
2013 4q	163	1,809,031	203,051	11.2%	(33,746)	0	0	2	39,527	\$23.40
2013 3q	163	1,809,031	169,305	9.4%	96,534	2	85,900	1	25,903	\$23.48
2013 2q	161	1,723,131	179,939	10.4%	11,273	0	0	3	111,803	\$23.59
2013 1q	161	1,723,131	191,212	11.1%	8,788	0	0	3	111,803	\$23.00
2012 4q	161	1,723,131	200,000	11.6%	7,205	0	0	3	111,803	\$22.28
2012 3q	161	1,723,131	207,205	12.0%	16,829	0	0	3	111,803	\$22.20
2012 2q	161	1,723,131	224,034	13.0%	18,698	0	0	1	25,903	\$22.48

Source: CoStar Property®

# Denver Office Market

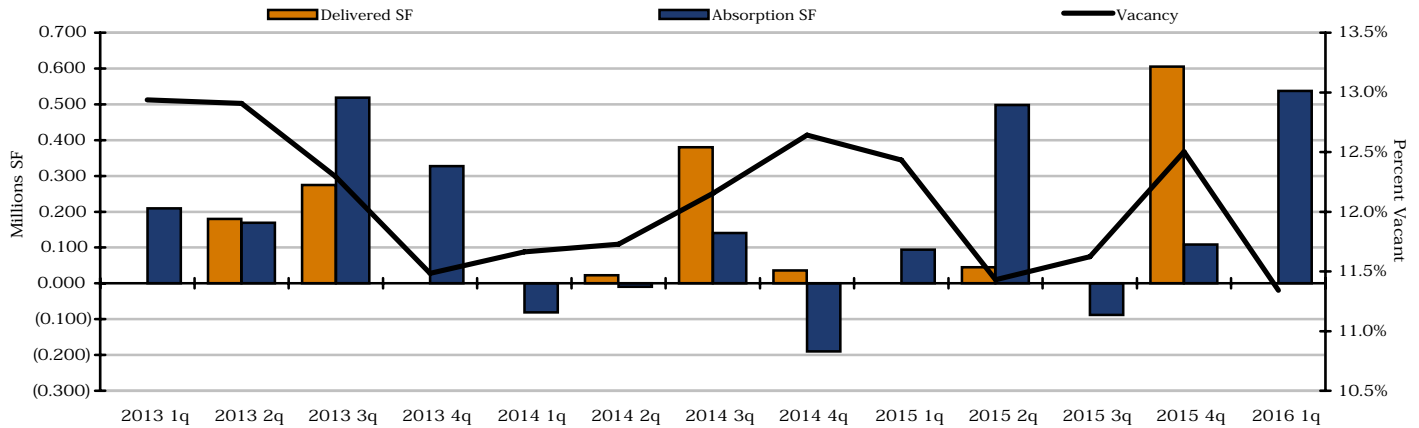


## Southeast Denver Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

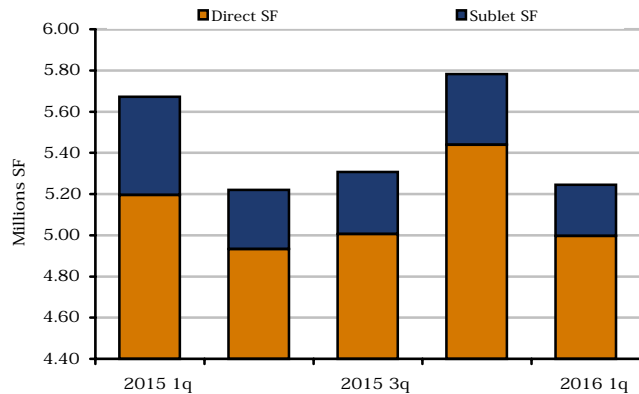
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

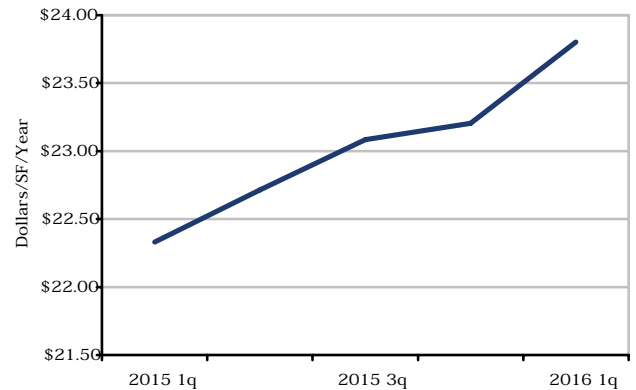
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	849	46,247,247	5,244,989	11.3%	537,622	0	0	4	851,879	\$23.80
2015 4q	849	46,247,247	5,782,611	12.5%	108,256	4	604,862	3	551,879	\$23.20
2015 3q	846	45,663,990	5,307,610	11.6%	(88,004)	0	0	6	944,862	\$23.08
2015 2q	846	45,663,990	5,219,606	11.4%	497,735	1	45,000	6	944,862	\$22.72
2015 1q	845	45,618,990	5,672,341	12.4%	94,340	0	0	5	649,862	\$22.33
2014 4q	845	45,618,990	5,766,681	12.6%	(190,180)	1	36,000	4	627,787	\$21.93
2014 3q	844	45,582,990	5,540,501	12.2%	140,803	3	380,000	4	618,787	\$21.71
2014 2q	841	45,202,990	5,301,304	11.7%	(9,309)	1	22,285	4	416,000	\$21.49
2014 1q	840	45,180,705	5,269,710	11.7%	(81,205)	0	0	5	438,285	\$21.32
2013 4q	840	45,180,705	5,188,505	11.5%	327,037	0	0	3	397,285	\$20.57
2013 3q	841	45,224,369	5,559,206	12.3%	518,202	1	275,000	3	397,285	\$20.23
2013 2q	840	44,949,369	5,802,408	12.9%	169,034	1	180,000	1	275,000	\$20.12
2013 1q	839	44,769,369	5,791,442	12.9%	209,654	0	0	2	455,000	\$20.01
2012 4q	839	44,769,369	6,001,096	13.4%	63,316	0	0	2	455,000	\$19.63
2012 3q	840	44,807,369	6,102,412	13.6%	326,938	0	0	2	455,000	\$19.28
2012 2q	840	44,807,369	6,429,350	14.3%	323,785	0	0	2	455,000	\$19.22

Source: CoStar Property®



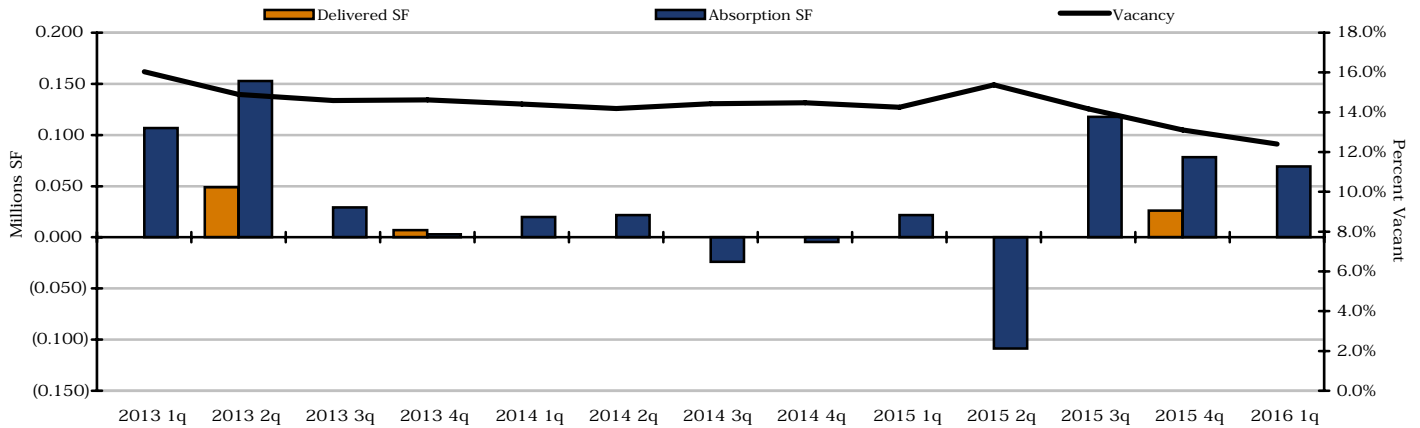
# Denver Office Market

## Southwest Denver Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

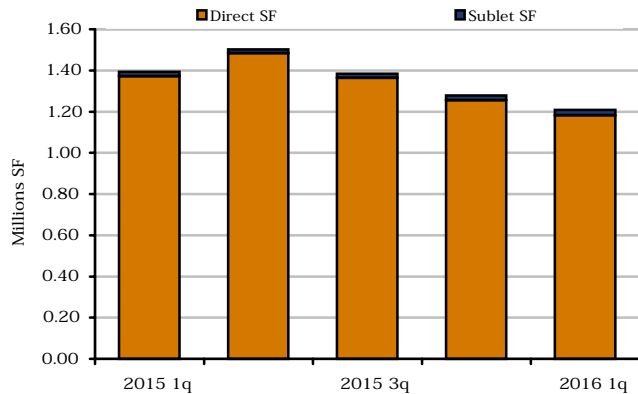
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

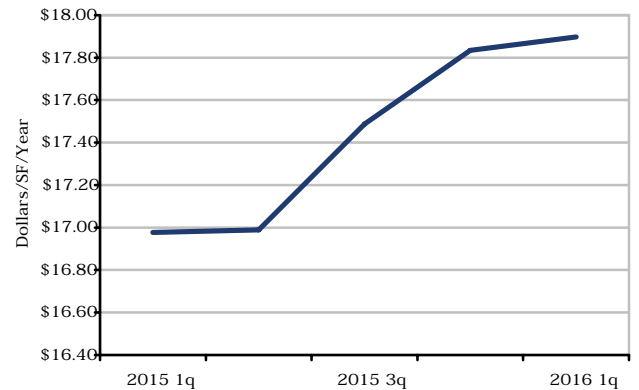
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



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	543	9,744,232	1,208,527	12.4%	69,197	0	0	1	25,000	\$17.90
2015 4q	543	9,744,232	1,277,724	13.1%	78,352	1	26,160	1	25,000	\$17.83
2015 3q	545	9,772,766	1,384,610	14.2%	117,756	0	0	1	26,160	\$17.49
2015 2q	545	9,772,766	1,502,366	15.4%	(108,808)	0	0	1	26,160	\$16.99
2015 1q	545	9,772,766	1,393,558	14.3%	21,613	0	0	0	0	\$16.98
2014 4q	545	9,772,766	1,415,171	14.5%	(4,507)	0	0	0	0	\$16.56
2014 3q	545	9,772,766	1,410,664	14.4%	(23,909)	0	0	0	0	\$16.91
2014 2q	545	9,772,766	1,386,755	14.2%	21,859	0	0	0	0	\$16.87
2014 1q	545	9,772,766	1,408,614	14.4%	19,979	0	0	0	0	\$16.66
2013 4q	545	9,772,766	1,428,593	14.6%	3,022	1	6,876	0	0	\$16.58
2013 3q	544	9,765,890	1,424,739	14.6%	29,253	0	0	1	6,876	\$16.49
2013 2q	544	9,765,890	1,453,992	14.9%	152,630	1	48,933	1	6,876	\$16.59
2013 1q	543	9,716,957	1,557,689	16.0%	106,922	0	0	1	48,933	\$16.33
2012 4q	543	9,716,957	1,664,611	17.1%	50,871	0	0	1	48,933	\$16.32
2012 3q	543	9,716,957	1,715,482	17.7%	(184,563)	0	0	1	48,933	\$16.35
2012 2q	543	9,716,957	1,530,919	15.8%	(23,992)	0	0	1	48,933	\$16.44

Source: CoStar Property®

# Denver Office Market

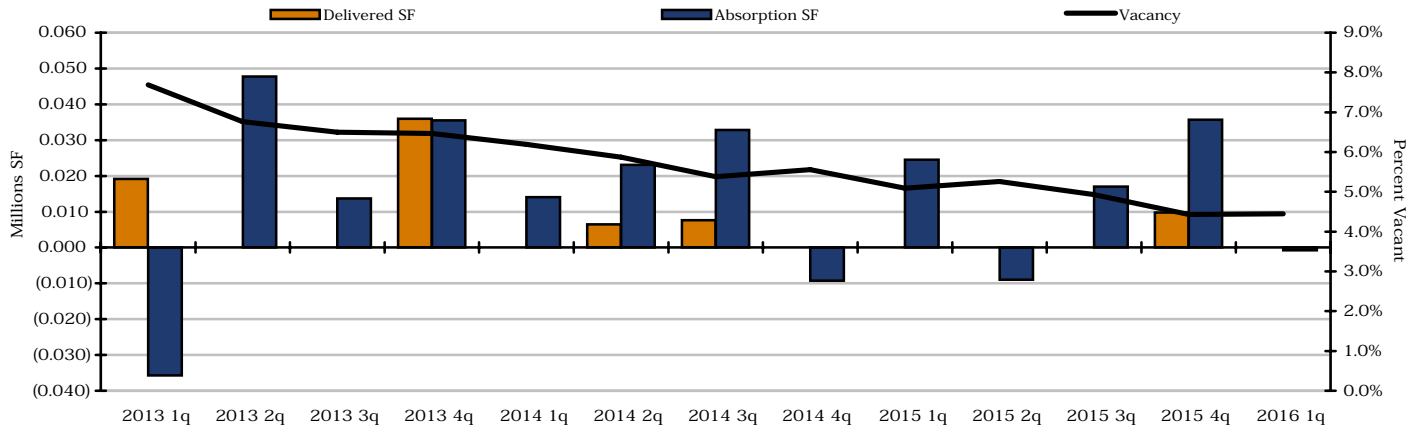


## Weld County Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

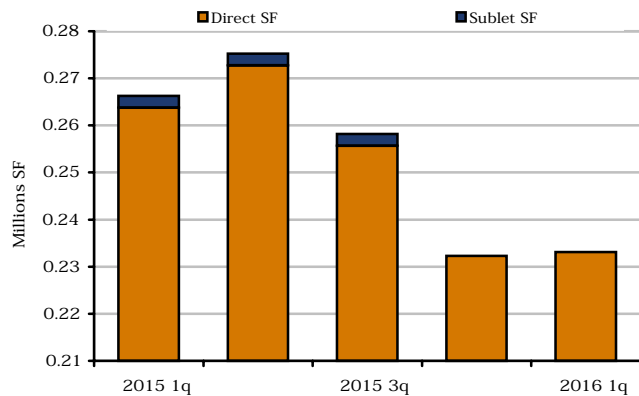
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

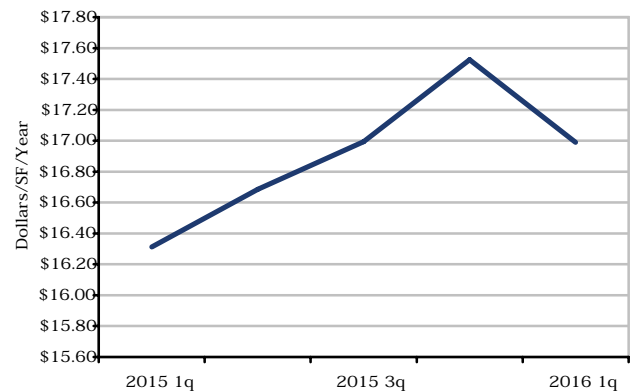
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



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	550	5,242,688	233,099	4.4%	(799)	0	0	2	21,890	\$16.99
2015 4q	550	5,242,688	232,300	4.4%	35,649	1	9,776	2	21,890	\$17.52
2015 3q	549	5,232,912	258,173	4.9%	17,057	0	0	1	9,776	\$16.99
2015 2q	549	5,232,912	275,230	5.3%	(8,990)	0	0	1	9,776	\$16.69
2015 1q	549	5,232,912	266,240	5.1%	24,522	0	0	1	9,776	\$16.31
2014 4q	549	5,232,912	290,762	5.6%	(9,257)	0	0	0	0	\$16.07
2014 3q	549	5,232,912	281,505	5.4%	32,850	1	7,660	0	0	\$16.27
2014 2q	548	5,225,252	306,695	5.9%	23,064	1	6,500	1	7,660	\$15.91
2014 1q	547	5,218,752	323,259	6.2%	14,063	0	0	2	14,160	\$16.18
2013 4q	547	5,218,752	337,322	6.5%	35,472	1	36,000	2	14,160	\$15.62
2013 3q	546	5,182,752	336,794	6.5%	13,722	0	0	2	43,660	\$16.28
2013 2q	546	5,182,752	350,516	6.8%	47,787	0	0	2	43,660	\$16.08
2013 1q	546	5,182,752	398,303	7.7%	(35,722)	2	19,152	1	36,000	\$16.04
2012 4q	544	5,163,600	343,429	6.7%	12,380	1	8,834	2	19,152	\$16.07
2012 3q	543	5,154,766	346,975	6.7%	79,936	0	0	2	23,027	\$16.14
2012 2q	543	5,154,766	426,911	8.3%	12,996	0	0	2	23,027	\$15.23

Source: CoStar Property®





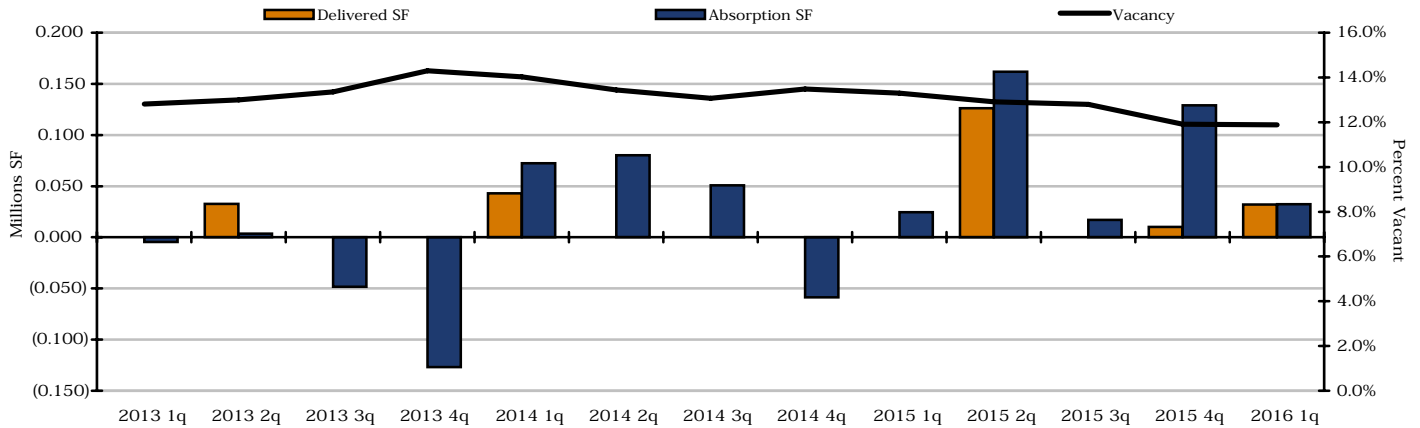
# Denver Office Market

## West Denver Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

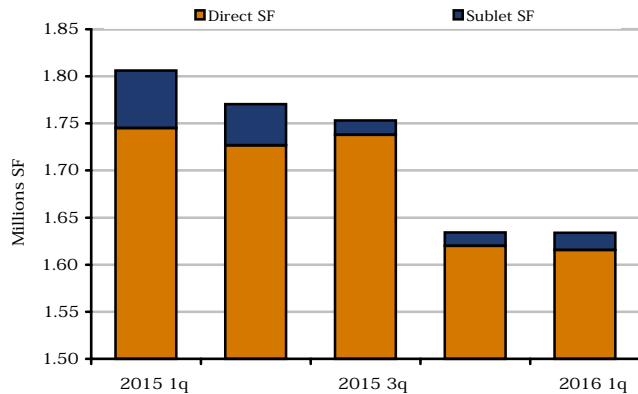
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

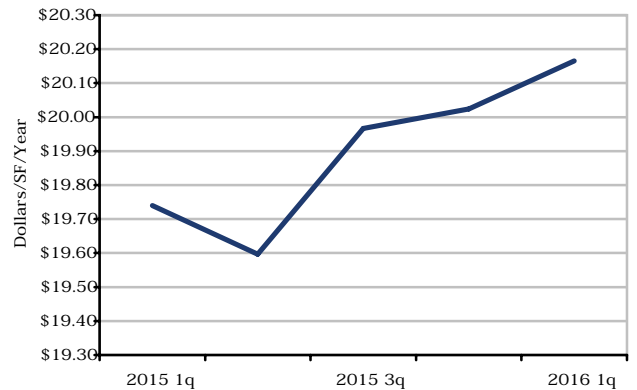
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



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	718	13,750,239	1,633,913	11.9%	32,445	1	32,000	4	184,258	\$20.17
2015 4q	717	13,718,239	1,634,358	11.9%	128,954	1	10,000	5	216,258	\$20.02
2015 3q	716	13,708,239	1,753,312	12.8%	17,173	0	0	4	197,258	\$19.97
2015 2q	716	13,708,239	1,770,485	12.9%	161,843	2	126,215	4	197,258	\$19.60
2015 1q	714	13,582,024	1,806,113	13.3%	24,545	0	0	5	295,215	\$19.74
2014 4q	714	13,582,024	1,830,658	13.5%	(58,519)	0	0	2	126,215	\$19.77
2014 3q	715	13,584,899	1,775,014	13.1%	50,955	0	0	2	126,215	\$19.55
2014 2q	715	13,584,899	1,825,969	13.4%	80,335	0	0	1	120,000	\$19.29
2014 1q	715	13,584,899	1,906,304	14.0%	72,417	1	43,000	0	0	\$19.14
2013 4q	714	13,541,899	1,935,721	14.3%	(126,851)	0	0	1	43,000	\$19.30
2013 3q	714	13,541,899	1,808,870	13.4%	(48,263)	0	0	1	43,000	\$19.09
2013 2q	714	13,541,899	1,760,607	13.0%	3,498	1	32,748	1	43,000	\$18.99
2013 1q	713	13,509,151	1,731,357	12.8%	(4,637)	0	0	2	75,748	\$18.73
2012 4q	713	13,509,151	1,726,720	12.8%	(24,499)	1	12,952	2	75,748	\$18.23
2012 3q	713	13,533,613	1,726,683	12.8%	5,486	0	0	2	55,952	\$18.00
2012 2q	713	13,533,613	1,732,169	12.8%	34,845	0	0	2	55,952	\$18.14

Source: CoStar Property®