

# The CoStar Industrial Report

Third Quarter 2016

## Denver Industrial Market



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

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## Methodology

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

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**CoStar Group, Inc.**

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## Terms & Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

cate of occupancy must have been issued for the property.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

tenant needs. (See also: Tenancy).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**SF:** Abbreviation for Square Feet.

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

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

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

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

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

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

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

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

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

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

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

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

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

# Denver Industrial Market



Overview

## Denver's Vacancy Stays at 4.5% Net Absorption Positive 269,773 SF in the Quarter

The Denver Industrial market ended the third quarter 2016 with a vacancy rate of 4.5%. The vacancy rate was unchanged over the previous quarter, with net absorption totaling positive 269,773 square feet in the third quarter. Vacant sublease space increased in the quarter, ending the quarter at 987,082 square feet. Rental rates ended the third quarter at \$8.25, no change over the previous quarter. A total of eight buildings delivered to the market in the quarter totaling 616,142 square feet, with 4,559,050 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Denver Industrial market was positive 269,773 square feet in the third quarter 2016. That compares to positive 1,343,420 square feet in the second quarter 2016, positive 612,133 square feet in the first quarter 2016, and negative (369,665) square feet in the fourth quarter 2015.

Tenants moving out of large blocks of space in 2016 include: Fiber Spar Corp moving out of (165,625) square feet at 3600 Ronald Reagan Blvd, Chandler Industries moving out of (95,920) square feet at 10488 W Centennial Rd, and Daltile Natural Stone Showroom & Slab Yard moving out of (76,725) square feet at 852 S Jason St.

Tenants moving into large blocks of space in 2016 include: Amazon.com, Inc. moving into 452,400 square feet at 19799 E 36th Ave, FedEx moving into 210,125 square feet at 12405 W 112th Ave, and American Tire Distributors moving into 127,480 square feet at 390 E 55th Ave.

The Flex building market recorded net absorption of nega-

tive (5,809) square feet in the third quarter 2016, compared to positive 274,350 square feet in the second quarter 2016, positive 83,408 in the first quarter 2016, and positive 411,775 in the fourth quarter 2015.

The Warehouse building market recorded net absorption of positive 275,582 square feet in the third quarter 2016 compared to positive 1,069,070 square feet in the second quarter 2016, positive 528,725 in the first quarter 2016, and negative (781,440) in the fourth quarter 2015.

### Vacancy

The Industrial vacancy rate in the Denver market area remained at 4.5% at the end of the third quarter 2016. The vacancy rate was 4.5% at the end of the second quarter 2016, 4.3% at the end of the first quarter 2016, and 4.3% at the end of the fourth quarter 2015.

Flex projects reported a vacancy rate of 9.2% at the end of the third quarter 2016, 9.1% at the end of the second quarter 2016, 9.5% at the end of the first quarter 2016, and 9.6% at the end of the fourth quarter 2015.

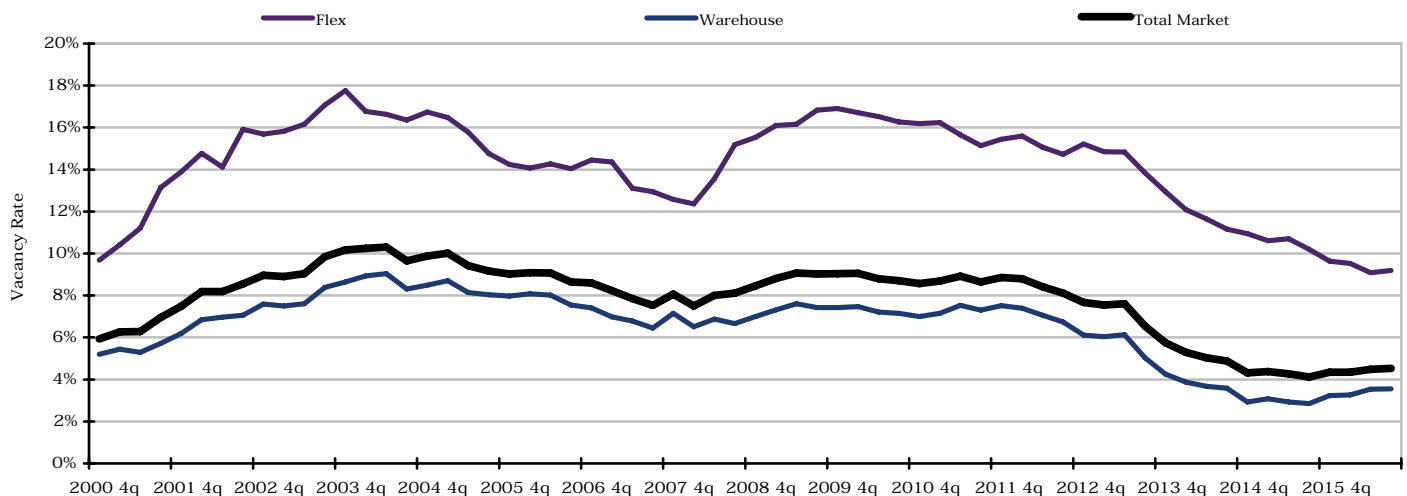
Warehouse projects reported a vacancy rate of 3.6% at the end of the third quarter 2016, 3.5% at the end of second quarter 2016, 3.3% at the end of the first quarter 2016, and 3.2% at the end of the fourth quarter 2015.

### Largest Lease Signings

The largest lease signings occurring in 2016 included: the 228,038-square-foot lease signed by Iron Mountain at 3900 Nome St in the East I-70/Montbello market; the 200,972-square-foot deal signed by Precision Building Systems LLC

## Vacancy Rates by Building Type

1999-2016



Source: CoStar Property®

at 445-475 W 53rd Pl in the Northwest Denver market; and the 170,988-square-foot lease signed by Lockheed Martin Corporation at 6304 Spine Rd in the Boulder market.

## Sublease Vacancy

The amount of vacant sublease space in the Denver market increased to 987,082 square feet by the end of the third quarter 2016, from 618,165 square feet at the end of the second quarter 2016. There was 666,631 square feet vacant at the end of the first quarter 2016 and 1,177,715 square feet at the end of the fourth quarter 2015.

Denver's Flex projects reported vacant sublease space of 151,999 square feet at the end of third quarter 2016, up from the 31,964 square feet reported at the end of the second quarter 2016. There were 55,758 square feet of sublease space vacant at the end of the first quarter 2016, and 523,421 square feet at the end of the fourth quarter 2015.

Warehouse projects reported increased vacant sublease space from the second quarter 2016 to the third quarter 2016. Sublease vacancy went from 586,201 square feet to 835,083 square feet during that time. There was 610,873 square feet at the end of the first quarter 2016, and 654,294 square feet at the end of the fourth quarter 2015.

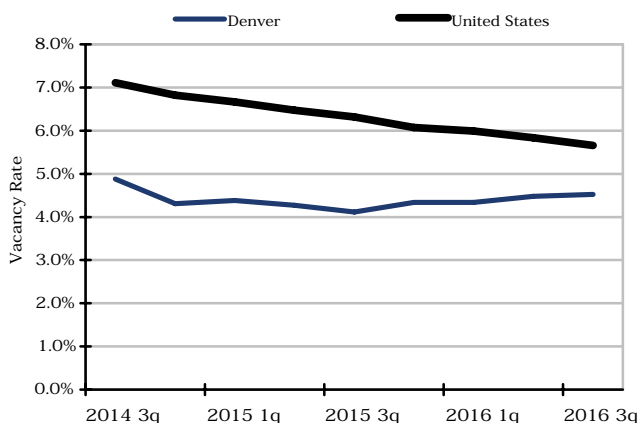
## Rental Rates

The average quoted asking rental rate for available Industrial space was \$8.25 per square foot per year at the end of the third quarter 2016 in the Denver market area. This represented no change in quoted rental rates from the end of the second quarter 2016, when rents were reported at \$8.25 per square foot.

The average quoted rate within the Flex sector was \$10.34 per square foot at the end of the third quarter 2016, while Warehouse rates stood at \$7.28. At the end of the second quarter 2016, Flex rates were \$10.14 per square foot, and Warehouse rates were \$7.36.

## U.S. Vacancy Comparison

Past 9 Quarters



Source: CoStar Property®

## Deliveries and Construction

During the third quarter 2016, eight buildings totaling 616,142 square feet were completed in the Denver market area. This compares to 13 buildings totaling 2,019,952 square feet that were completed in the second quarter 2016, 11 buildings totaling 661,475 square feet completed in the first quarter 2016, and 393,690 square feet in nine buildings completed in the fourth quarter 2015.

There were 4,559,050 square feet of Industrial space under construction at the end of the third quarter 2016.

Some of the notable 2016 deliveries include: 19799 E 36th Ave, a 452,400-square-foot facility that delivered in second quarter 2016 and is now 100% occupied, and 480 E 55th Ave, a 376,598-square-foot building that delivered in second quarter 2016 and is now 23% occupied.

The largest projects underway at the end of third quarter 2016 were 9410 E 40th Ave, a 647,000-square-foot building with 100% of its space pre-leased, and 21111 E 36th Dr, a 545,000-square-foot facility that is 100% pre-leased.

## Inventory

Total Industrial inventory in the Denver market area amounted to 292,770,248 square feet in 10,323 buildings as of the end of the third quarter 2016. The Flex sector consisted of 50,102,629 square feet in 1,759 projects. The Warehouse sector consisted of 242,667,619 square feet in 8,564 buildings. Within the Industrial market there were 1,580 owner-occupied buildings accounting for 68,548,501 square feet of Industrial space.

## Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Denver industrial sales figures rose during the second quarter 2016 in terms of dollar volume compared to the first quarter of 2016.

In the second quarter, 37 industrial transactions closed with a total volume of \$265,203,371. The 37 buildings totaled 2,757,000 square feet and the average price per square foot equated to \$96.19 per square foot. That compares to 45 transactions totaling \$181,675,761 in the first quarter. The total square footage was 2,214,877 for an average price per square foot of \$82.03.

Total year-to-date industrial building sales activity in 2016 is up compared to the previous year. In the first six months of 2016, the market saw 82 industrial sales transactions with a total volume of \$446,879,132. The price per square foot has averaged \$89.88 this year. In the first six months of 2015, the market posted 89 transactions with a total volume of \$358,252,719. The price per square foot averaged \$74.31.

# Denver Industrial Market



Overview

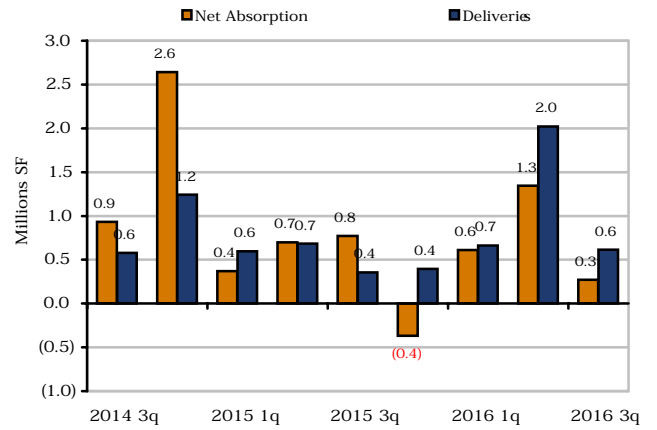
Cap rates have been lower in 2016, averaging 7.16%, compared to the first six months of last year when they averaged 7.48%.

One of the largest transactions that has occurred within the last four quarters in the Denver market is the multi-property sale of 345 Inverness Dr S and Arapahoe Business Park in Englewood. The sale included 10 buildings. This sale representing 484,737-square-foot of industrial improvements sold for \$78,500,000, or \$161.94 per square foot. The property sold on 5/25/2016.

Reports compiled by: Jeff Miles, CoStar Research Manager.

## Absorption & Deliveries

Past 9 Quarters



Source: CoStar Property®



## CoStar Submarket Clusters & Submarkets

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

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

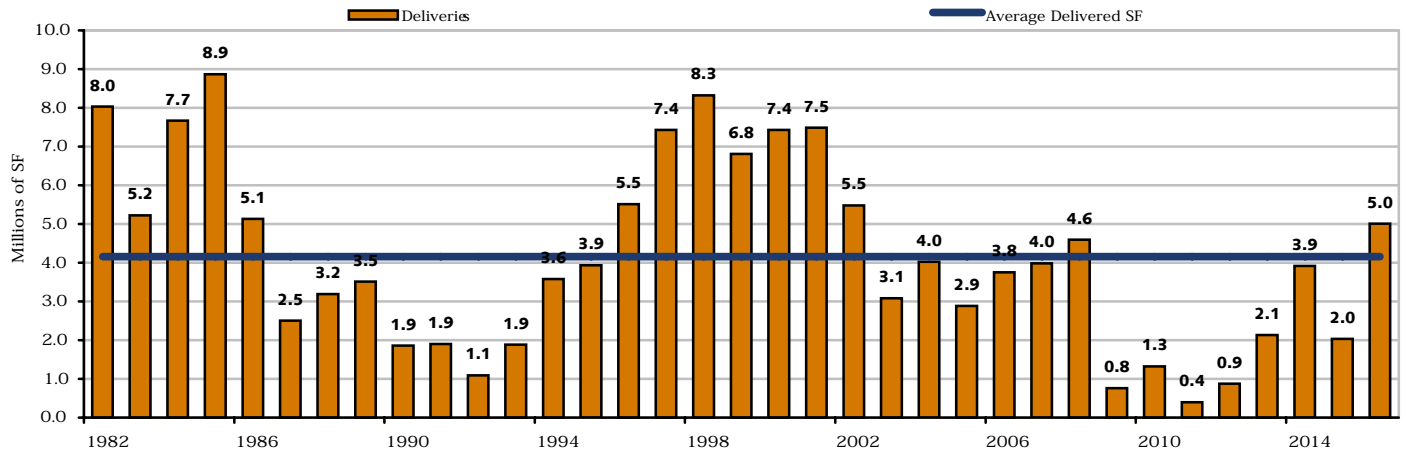
# Denver Industrial Market



Inventory & development

## Historical Deliveries

1982 - 2016



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

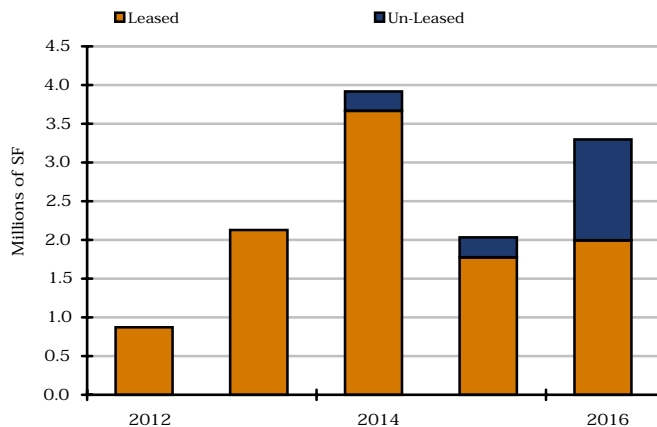
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
East I-70/Montbello Ind	11	2,311,364	1,470,000	63.6%	55,159	210,124
Northeast Denver Ind	9	718,407	152,731	21.3%	27,365	79,823
Northwest Denver Ind	7	392,887	155,191	39.5%	27,255	56,127
Broomfield Ind	2	315,720	0	0.0%	29,116	157,860
Fort Collins/Loveland Ind	5	283,723	255,048	89.9%	22,451	56,745
Southeast Denver Ind	4	182,902	30,015	16.4%	32,771	45,725
West Denver Ind	2	119,413	8,893	7.4%	38,025	59,706
Weld County Ind	5	97,010	36,000	37.1%	22,184	19,402
North Denver Ind	1	78,794	78,794	100.0%	31,268	78,794
Parker/Castle Rock Ind	4	46,330	96	0.2%	11,711	11,582
All Other	1	12,500	0	0.0%	20,752	12,500
<b>Totals</b>	<b>51</b>	<b>4,559,050</b>	<b>2,186,768</b>	<b>48.0%</b>	<b>28,361</b>	<b>89,393</b>

Source: CoStar Property®

## Recent Deliveries

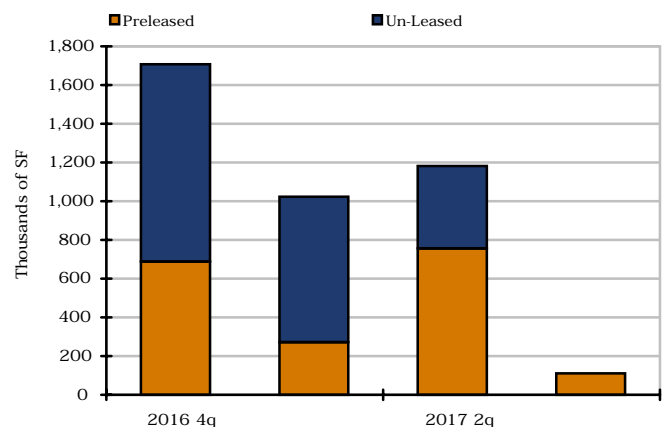
Leased & Un-Leased SF in Deliveries Since 2012



Source: CoStar Property®

## Future Deliveries

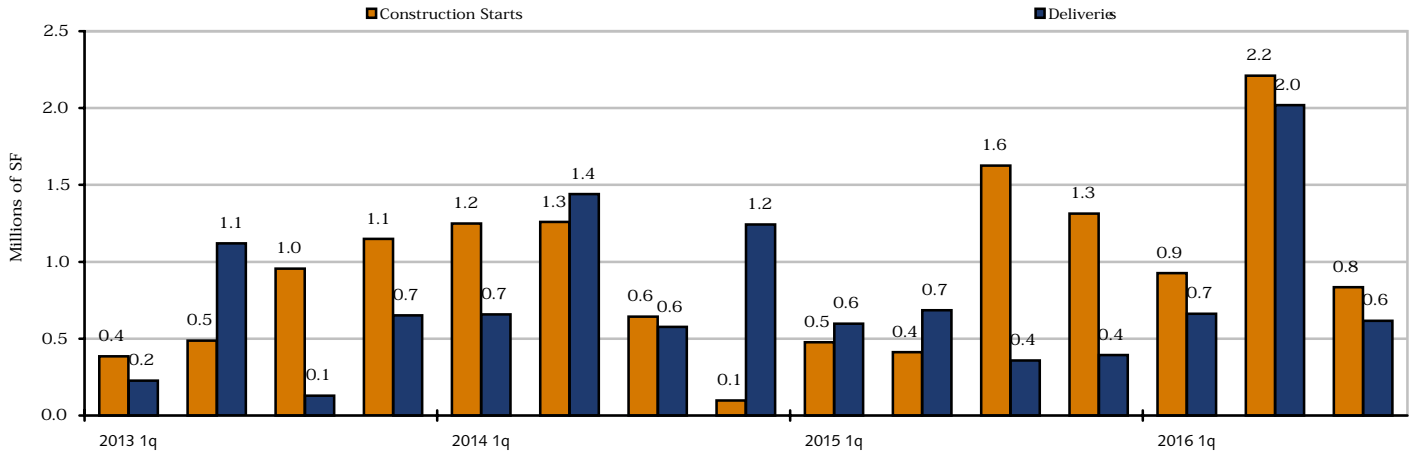
Preleased & Un-Leased SF in Properties Scheduled to Deliver



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	17	314,709	246,209	78.2%	\$13.21	267,319	47,390
50,000 SF - 99,999 SF	4	267,156	93,323	34.9%	\$8.77	0	267,156
100,000 SF - 249,999 SF	6	974,560	623,174	63.9%	\$0.00	415,030	559,530
250,000 SF - 499,999 SF	5	1,741,144	1,028,195	59.1%	\$0.00	660,555	1,080,589
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

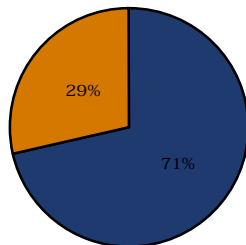
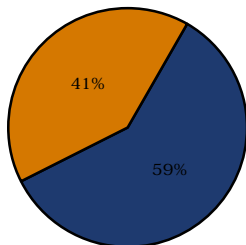
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2016 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

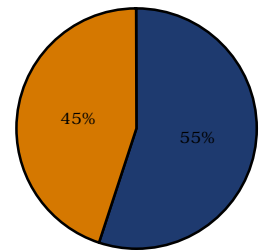
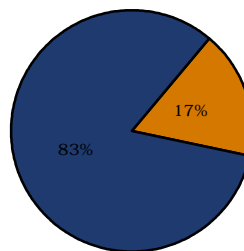
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

# Denver Industrial Market



Inventory &amp; development

## Select Year-to-Date Deliveries

Based on Project Square Footage

<p><b>1. 19799 E 36th Ave</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>452,400</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Third Quarter 2015</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>Majestic Realty Co.</b>  Developer: <b>Commerce Construction Co. L.P.</b></p>	<p><b>2. 480 E 55th Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>376,598</b>  Occupied: <b>23%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2015</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>Newmark Grubb Knight Frank</b>  Developer: <b>Trammell Crow Company</b></p>	<p><b>3. 19550 E 23rd Ave</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>357,555</b>  Occupied: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Fourth Quarter 2015</b>  Deliv Date: <b>Third Quarter 2016</b>  Leasing Co: <b>CBRE</b>  Developer: <b>Consolidated Investment Group, LLC</b></p>
<p><b>4. 1041 E Woodward Way</b></p> <p>Submarket: <b>Fort Collins/Loveland Industrial Market</b>  RBA: <b>303,000</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Second Quarter 2014</b>  Deliv Date: <b>First Quarter 2016</b>  Leasing Co: <b>Woodward, Inc.</b>  Developer: <b>Next Level Development, Inc.</b></p>	<p><b>5. 5503 Havana St</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>251,591</b>  Occupied: <b>74%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2015</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>CBRE</b>  Developer: <b>Prologis</b></p>	<p><b>6. 12405 W 112th Ave</b></p> <p>Submarket: <b>Northwest Denver Industrial Market</b>  RBA: <b>211,030</b>  Occupied: <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>SunCap Property Group</b>  Developer: <b>SunCap Property Group</b></p>
<p><b>7. 18401 E 40th Ave</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>204,000</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Second Quarter 2015</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>Murray &amp; Stafford, Inc.&gt;&gt;</b>  Developer: <b>Murray &amp; Stafford, Inc.&gt;&gt;</b></p>	<p><b>8. 610 E 55th Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>168,050</b>  Occupied: <b>48%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Fourth Quarter 2015</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>Newmark Grubb Knight Frank</b>  Developer: <b>Trammell Crow Company</b></p>	<p><b>9. 11198 E 45th Ave</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>163,000</b>  Occupied: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2015</b>  Deliv Date: <b>First Quarter 2016</b>  Leasing Co: <b>Colliers International</b>  Developer: <b>Panattoni Development Company Inc.</b></p>
<p><b>10. 390 E 55th Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>127,480</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>First Quarter 2016</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>Newmark Grubb Knight Frank</b>  Developer: <b>Trammell Crow Company</b></p>	<p><b>11. Grasslands Dr</b></p> <p>Submarket: <b>Southeast Denver Industrial Market</b>  RBA: <b>101,000</b>  Occupied: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Fourth Quarter 2015</b>  Deliv Date: <b>Third Quarter 2016</b>  Leasing Co: <b>CBRE</b>  Developer: <b>Confluent Development</b></p>	<p><b>12. 5195 E 37th St</b></p> <p>Submarket: <b>Fort Collins/Loveland Industrial Market</b>  RBA: <b>83,890</b>  Occupied: <b>0%</b>  Quoted Rate: <b>\$9.00</b>  Grnd Brk Date: <b>Third Quarter 2015</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>CBRE</b>  Developer: <b>N/A</b></p>
<p><b>13. 16230 E Airport Cir</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>66,432</b>  Occupied: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>First Quarter 2016</b>  Deliv Date: <b>Third Quarter 2016</b>  Leasing Co: <b>Cushman &amp; Wakefield</b>  Developer: <b>Saunders Development</b></p>	<p><b>14. 200 E 55th Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>61,870</b>  Occupied: <b>62%</b>  Quoted Rate: <b>\$7.95</b>  Grnd Brk Date: <b>Third Quarter 2015</b>  Deliv Date: <b>First Quarter 2016</b>  Leasing Co: <b>Newmark Grubb Knight Frank</b>  Developer: <b>Trammell Crow Company</b></p>	<p><b>15. 2401 Picadilly Rd</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>54,964</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Second Quarter 2015</b>  Deliv Date: <b>Second Quarter 2016</b>  Leasing Co: <b>Kiewit Infrastructure Co</b>  Developer: <b>Kiewit Infrastructure Co</b></p>

## Select Top Under Construction Properties

Based on Project Square Footage

<p><b>1. 9410 E 40th Ave</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>647,000</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Second Quarter 2016</b>  Deliv Date: <b>Second Quarter 2017</b>  Leasing Co: <b>United Properties</b>  Developer: <b>United Properties</b></p>	<p><b>2. 21111 E 36th Dr</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>545,000</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Second Quarter 2016</b>  Deliv Date: <b>Fourth Quarter 2016</b>  Leasing Co: <b>Medline Industries, Inc.</b>  Developer: <b>Medline Industries, Inc.</b></p>	<p><b>3. 12900 E Smith Rd</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>290,147</b>  Preleased: <b>0%</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>Brookwood Capital Partners</b></p>
<p><b>4. 2200 N Himalaya Rd</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>270,000</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>First Quarter 2016</b>  Deliv Date: <b>Fourth Quarter 2017</b>  Leasing Co: <b>Scannell Properties</b>  Developer: <b>Scannell Properties</b></p>	<p><b>5. 800 Hoyt St</b></p> <p>Submarket: <b>Broomfield Industrial Market</b>  RBA: <b>173,120</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$9.95</b>  Grnd Brk Date: <b>Second Quarter 2016</b>  Deliv Date: <b>Fourth Quarter 2017</b>  Leasing Co: <b>Cushman &amp; Wakefield</b>  Developer: <b>N/A</b></p>	<p><b>6. 9420 E 40th Ave</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>156,823</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2016</b>  Deliv Date: <b>First Quarter 2017</b>  Leasing Co: <b>Newmark Grubb Knight Frank</b>  Developer: <b>United Properties</b></p>
<p><b>7. 601 E 64th Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>145,312</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2016</b>  Deliv Date: <b>First Quarter 2017</b>  Leasing Co: <b>CBRE</b>  Developer: <b>Westfield Company Inc.</b></p>	<p><b>8. 800 Hoyt St</b></p> <p>Submarket: <b>Broomfield Industrial Market</b>  RBA: <b>142,600</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$9.95</b>  Grnd Brk Date: <b>Second Quarter 2016</b>  Deliv Date: <b>Second Quarter 2017</b>  Leasing Co: <b>Cushman &amp; Wakefield</b>  Developer: <b>N/A</b></p>	<p><b>9. 4200 Ronald Reagan Blvd</b></p> <p>Submarket: <b>Fort Collins/Loveland Industrial Market</b>  RBA: <b>130,000</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>First Quarter 2016</b>  Deliv Date: <b>First Quarter 2017</b>  Leasing Co: <b>N/A</b>  Developer: <b>ARCO Construction Company, Inc.</b></p>
<p><b>10. 435-495 E 62nd Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>124,000</b>  Preleased: <b>29%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2015</b>  Deliv Date: <b>Fourth Quarter 2016</b>  Leasing Co: <b>Newmark Grubb Knight Frank</b>  Developer: <b>Corum Real Estate Group Inc.</b></p>	<p><b>11. 21200 E 36th Dr</b></p> <p>Submarket: <b>East I-70/Montbello Industrial Market</b>  RBA: <b>122,511</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2016</b>  Deliv Date: <b>First Quarter 2017</b>  Leasing Co: <b>Newmark Grubb Knight Frank</b>  Developer: <b>The Opus Group</b></p>	<p><b>12. 2000 Taylor Ave</b></p> <p>Submarket: <b>Northwest Denver Industrial Market</b>  RBA: <b>120,581</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Fourth Quarter 2015</b>  Deliv Date: <b>Fourth Quarter 2016</b>  Leasing Co: <b>Etkin Johnson Real Estate Partners</b>  Developer: <b>Etkin Johnson Real Estate Partners</b></p>
<p><b>13. 601 E 64th Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>117,000</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2016</b>  Deliv Date: <b>Second Quarter 2017</b>  Leasing Co: <b>CBRE</b>  Developer: <b>Westfield Company Inc.</b></p>	<p><b>14. 601 E 64th Ave</b></p> <p>Submarket: <b>Northeast Denver Industrial Market</b>  RBA: <b>115,680</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Second Quarter 2016</b>  Deliv Date: <b>Fourth Quarter 2016</b>  Leasing Co: <b>CBRE</b>  Developer: <b>Westfield Company Inc.</b></p>	<p><b>15. 150 Capital Dr</b></p> <p>Submarket: <b>West Denver Industrial Market</b>  RBA: <b>110,520</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$11.50</b>  Grnd Brk Date: <b>Second Quarter 2015</b>  Deliv Date: <b>Fourth Quarter 2016</b>  Leasing Co: <b>St. John Properties</b>  Developer: <b>St. John Properties</b></p>

## Denver Industrial Market



Figures at a Glance

## Flex Market Statistics

Third Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aurora Ind	51	1,610,245	245,061	251,162	15.6%	(8,302)	0	0	\$8.15
Boulder Ind	184	7,076,715	474,085	475,085	6.7%	49,134	45,190	0	\$13.25
Broomfield Ind	35	986,481	77,912	77,912	7.9%	11,053	0	0	\$12.27
Central Ind	38	425,293	21,015	21,015	4.9%	(515)	0	0	\$10.49
Clear Creek County Ind	1	29,272	9,634	9,634	32.9%	5,021	0	0	\$10.67
East I-70/Montbello Ind	85	2,123,101	67,817	67,817	3.2%	33,929	54,964	0	\$9.13
Elbert County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Loveland Ind	190	6,038,066	941,789	941,789	15.6%	48,818	13,400	28,675	\$9.64
Gilpin County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	48	1,022,246	29,313	42,378	4.1%	(13,378)	0	0	\$8.89
Longmont Ind	63	2,774,285	696,280	696,280	25.1%	99,909	0	0	\$8.91
North Central Ind	50	889,803	3,000	3,000	0.3%	4,831	0	0	\$16.42
North Denver Ind	43	1,686,394	301,722	301,722	17.9%	74,123	0	0	\$11.77
Northeast Denver Ind	38	787,510	18,538	18,538	2.4%	(3,706)	0	0	\$11.32
Northwest Denver Ind	170	4,542,891	215,788	224,633	4.9%	28,907	0	122,731	\$10.14
Park County Ind	2	14,500	0	0	0.0%	500	0	0	\$15.00
Parker/Castle Rock Ind	16	250,967	22,504	22,504	9.0%	(428)	0	0	\$13.38
South Central Ind	67	767,311	9,300	9,300	1.2%	8,029	0	0	\$10.57
Southeast Denver Ind	282	8,684,634	662,306	674,965	7.8%	28,282	0	113,352	\$10.99
Southwest Denver Ind	150	3,949,949	147,695	258,024	6.5%	(84,191)	33,500	0	\$9.56
Weld County Ind	101	2,323,287	394,409	394,409	17.0%	5,297	6,605	0	\$7.10
West Denver Ind	145	4,119,679	116,453	116,453	2.8%	64,636	0	119,413	\$10.85
<b>Totals</b>	<b>1,759</b>	<b>50,102,629</b>	<b>4,454,621</b>	<b>4,606,620</b>	<b>9.2%</b>	<b>351,949</b>	<b>153,659</b>	<b>384,171</b>	<b>\$10.34</b>

Source: CoStar Property®

## Warehouse Market Statistics

Third Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aurora Ind	49	721,264	10,292	10,292	1.4%	3,655	0	0	\$0.00
Boulder Ind	301	8,163,968	165,347	276,418	3.4%	(10,305)	0	0	\$11.13
Broomfield Ind	115	3,380,858	92,974	92,974	2.8%	50,801	0	315,720	\$9.12
Central Ind	642	12,400,883	235,857	273,110	2.2%	(23,564)	0	0	\$6.80
Clear Creek County Ind	8	95,961	0	0	0.0%	5,000	5,000	0	\$0.00
East I-70/Montbello Ind	1,319	75,320,289	2,405,297	2,763,851	3.7%	1,237,688	1,519,978	2,311,364	\$5.74
Elbert County Ind	15	120,001	0	0	0.0%	0	0	0	\$10.00
Fort Collins/Loveland Ind	671	13,292,541	545,178	710,803	5.3%	150,159	424,090	255,048	\$8.40
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	104	1,662,039	12,517	12,517	0.8%	27,554	0	12,500	\$6.34
Longmont Ind	166	3,337,362	197,017	197,017	5.9%	87,535	0	0	\$7.72
North Central Ind	843	19,119,720	352,813	375,813	2.0%	(71,034)	0	0	\$8.08
North Denver Ind	222	6,599,625	184,844	184,844	2.8%	92,275	43,025	78,794	\$7.37
Northeast Denver Ind	660	18,313,051	1,859,419	1,947,279	10.6%	103,176	733,998	718,407	\$7.24
Northwest Denver Ind	505	13,854,040	395,646	413,446	3.0%	257,803	211,030	270,156	\$6.41
Park County Ind	12	77,571	18,750	18,750	24.2%	17,496	0	0	\$0.00
Parker/Castle Rock Ind	92	1,013,837	9,780	9,780	1.0%	1,100	0	46,330	\$14.39
South Central Ind	913	13,751,707	297,496	297,496	2.2%	(140,168)	0	0	\$7.73
Southeast Denver Ind	234	8,224,977	318,036	323,848	3.9%	66,776	101,000	69,550	\$8.70
Southwest Denver Ind	375	6,745,080	63,273	63,273	0.9%	(6,739)	0	0	\$9.71
Weld County Ind	938	20,726,362	322,459	350,567	1.7%	89,197	60,374	97,010	\$8.58
West Denver Ind	377	15,729,177	310,754	310,754	2.0%	(65,028)	45,415	0	\$7.50
<b>Totals</b>	<b>8,564</b>	<b>242,667,619</b>	<b>7,797,749</b>	<b>8,632,832</b>	<b>3.6%</b>	<b>1,873,377</b>	<b>3,143,910</b>	<b>4,174,879</b>	<b>\$7.28</b>

Source: CoStar Property®



# Denver Industrial Market

Figures at a Glance

## Total Industrial Market Statistics

Third Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aurora Ind	100	2,331,509	255,353	261,454	11.2%	(4,647)	0	0	\$8.15
Boulder Ind	485	15,240,683	639,432	751,503	4.9%	38,829	45,190	0	\$12.25
Broomfield Ind	150	4,367,339	170,886	170,886	3.9%	61,854	0	315,720	\$9.93
Central Ind	680	12,826,176	256,872	294,125	2.3%	(24,079)	0	0	\$7.05
Clear Creek County Ind	9	125,233	9,634	9,634	7.7%	10,021	5,000	0	\$10.67
East I-70/Montbello Ind	1,404	77,443,390	2,473,114	2,831,668	3.7%	1,271,617	1,574,942	2,311,364	\$5.80
Elbert County Ind	15	120,001	0	0	0.0%	0	0	0	\$10.00
Fort Collins/Loveland Ind	861	19,330,607	1,486,967	1,652,592	8.5%	198,977	437,490	283,723	\$8.94
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	152	2,684,285	41,830	54,895	2.0%	14,176	0	12,500	\$7.17
Longmont Ind	229	6,111,647	893,297	893,297	14.6%	187,444	0	0	\$8.42
North Central Ind	893	20,009,523	355,813	378,813	1.9%	(66,203)	0	0	\$8.58
North Denver Ind	265	8,286,019	486,566	486,566	5.9%	166,398	43,025	78,794	\$9.92
Northeast Denver Ind	698	19,100,561	1,877,957	1,965,817	10.3%	99,470	733,998	718,407	\$7.42
Northwest Denver Ind	675	18,396,931	611,434	638,079	3.5%	286,710	211,030	392,887	\$8.18
Park County Ind	14	92,071	18,750	18,750	20.4%	17,996	0	0	\$15.00
Parker/Castle Rock Ind	108	1,264,804	32,284	32,284	2.6%	672	0	46,330	\$14.01
South Central Ind	980	14,519,018	306,796	306,796	2.1%	(132,139)	0	0	\$7.83
Southeast Denver Ind	516	16,909,611	980,342	998,813	5.9%	95,058	101,000	182,902	\$10.22
Southwest Denver Ind	525	10,695,029	210,968	321,297	3.0%	(90,930)	33,500	0	\$9.60
Weld County Ind	1,039	23,049,649	716,868	744,976	3.2%	94,494	66,979	97,010	\$8.06
West Denver Ind	522	19,848,856	427,207	427,207	2.2%	(392)	45,415	119,413	\$8.96
<b>Totals</b>	<b>10,323</b>	<b>292,770,248</b>	<b>12,252,370</b>	<b>13,239,452</b>	<b>4.5%</b>	<b>2,225,326</b>	<b>3,297,569</b>	<b>4,559,050</b>	<b>\$8.25</b>

Source: CoStar Property®

## Denver Industrial Market



Figures at a Glance

## Flex Submarket Statistics

Third Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arapahoe Rd Ind	1	18,000	0	0	0.0%	0	0	0	\$0.00
Aurora Ind	51	1,610,245	245,061	251,162	15.6%	(8,302)	0	0	\$8.15
Boulder County Ind	29	1,778,830	408	408	0.0%	3,684	0	0	\$13.67
Boulder Ind	155	5,297,885	473,677	474,677	9.0%	45,450	45,190	0	\$13.25
Broomfield County In.	35	986,481	77,912	77,912	7.9%	11,053	0	0	\$12.27
Cent E I-70/Montbell.	27	484,768	30,189	30,189	6.2%	(14,734)	0	0	\$9.53
Centennial Ind	132	4,434,313	325,566	325,566	7.3%	(6,843)	0	42,720	\$9.58
Clear Creek County I.	1	29,272	9,634	9,634	32.9%	5,021	0	0	\$10.67
Commerce City Ind	23	346,586	0	0	0.0%	0	0	0	\$7.00
Denver Tech Center I.	5	181,467	58,303	58,303	32.1%	(4,536)	0	0	\$19.15
DIA Ind	15	440,924	18,538	18,538	4.2%	(3,706)	0	0	\$11.69
East Hampden Ind	7	140,757	0	0	0.0%	0	0	0	\$7.89
East I-70/270 Ind	10	260,925	7,782	7,782	3.0%	0	0	0	\$6.00
Elbert County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Fort Collins/Lovelan.	190	6,038,066	941,789	941,789	15.6%	48,818	13,400	28,675	\$9.64
Gilpin County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	48	1,022,246	29,313	42,378	4.1%	(13,378)	0	0	\$8.89
Greenwood Village In.	0	0	0	0	0.0%	0	0	0	\$0.00
Highlands Ranch Ind	26	1,047,521	43,168	43,168	4.1%	43,084	0	0	\$9.55
Inverness Ind	46	1,929,273	199,900	212,559	11.0%	(17,467)	0	70,632	\$12.38
Lakewood Ind	5	50,456	0	0	0.0%	2,956	0	0	\$9.00
Longmont Ind	63	2,774,285	696,280	696,280	25.1%	99,909	0	0	\$8.91
Lower Central Ind	13	141,358	21,015	21,015	14.9%	(21,015)	0	0	\$10.82
Lower North Central .	28	639,727	3,000	3,000	0.5%	4,351	0	0	\$23.95
Lower South Central .	33	414,609	1,300	1,300	0.3%	4,029	0	0	\$9.72
Meridian Ind	8	78,176	3,865	3,865	4.9%	(2,941)	0	0	\$11.75
Mid Central Ind	14	178,271	0	0	0.0%	20,500	0	0	\$10.00
Mid South Central In.	15	198,819	0	0	0.0%	0	0	0	\$11.23
North Denver Ind	43	1,686,394	301,722	301,722	17.9%	74,123	0	0	\$11.77
Northwest Denver Ind	170	4,542,891	215,788	224,633	4.9%	28,907	0	122,731	\$10.14
Park County Ind	2	14,500	0	0	0.0%	500	0	0	\$15.00
Parker/Castle Rock I.	16	250,967	22,504	22,504	9.0%	(428)	0	0	\$13.38
Quebec St Ind	17	581,659	22,684	22,684	3.9%	(22,684)	0	0	\$0.00
Southeast C-470 Ind	57	855,127	31,504	31,504	3.7%	16,985	0	0	\$11.78
Southwest C-470 Ind	145	3,899,493	147,695	258,024	6.6%	(87,147)	33,500	0	\$9.57
SW DIA/Pena Blvd Ind	31	795,749	7,162	7,162	0.9%	71,347	54,964	0	\$9.26
Upper Central Ind	11	105,664	0	0	0.0%	0	0	0	\$0.00
Upper North Central .	22	250,076	0	0	0.0%	480	0	0	\$12.53
Upper South Central .	19	153,883	8,000	8,000	5.2%	4,000	0	0	\$12.67
Weld County Ind	101	2,323,287	394,409	394,409	17.0%	5,297	6,605	0	\$7.10
West Denver Ind	145	4,119,679	116,453	116,453	2.8%	64,636	0	119,413	\$10.85
<b>Totals</b>	<b>1,759</b>	<b>50,102,629</b>	<b>4,454,621</b>	<b>4,606,620</b>	<b>9.2%</b>	<b>351,949</b>	<b>153,659</b>	<b>384,171</b>	<b>\$10.34</b>

Source: CoStar Property®





# Denver Industrial Market

Figures at a Glance

## Warehouse Submarket Statistics

Third Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arapahoe Rd Ind	3	27,398	0	0	0.0%	0	0	0	\$0.00
Aurora Ind	49	721,264	10,292	10,292	1.4%	3,655	0	0	\$0.00
Boulder County Ind	71	1,894,943	11,642	118,553	6.3%	(108,911)	0	0	\$8.67
Boulder Ind	230	6,269,025	153,705	157,865	2.5%	98,606	0	0	\$11.90
Broomfield County In.	115	3,380,858	92,974	92,974	2.8%	50,801	0	315,720	\$9.12
Cent E I-70/Montbell.	304	17,639,132	365,376	365,376	2.1%	332,163	163,000	0	\$6.01
Centennial Ind	142	5,820,653	180,037	185,849	3.2%	89,563	101,000	69,550	\$8.84
Clear Creek County I.	8	95,961	0	0	0.0%	5,000	5,000	0	\$0.00
Commerce City Ind	463	10,905,150	658,759	746,619	6.8%	122,736	733,998	597,907	\$6.91
Denver Tech Center I.	0	0	0	0	0.0%	0	0	0	\$0.00
DIA Ind	197	7,407,901	1,200,660	1,200,660	16.2%	(19,560)	0	120,500	\$9.98
East Hampden Ind	1	4,800	0	0	0.0%	0	0	0	\$0.00
East I-70/270 Ind	417	18,475,428	472,040	482,076	2.6%	31,022	251,591	93,000	\$7.28
Elbert County Ind	15	120,001	0	0	0.0%	0	0	0	\$10.00
Fort Collins/Lovelan.	671	13,292,541	545,178	710,803	5.3%	150,159	424,090	255,048	\$8.40
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	104	1,662,039	12,517	12,517	0.8%	27,554	0	12,500	\$6.34
Greenwood Village In.	1	7,337	0	0	0.0%	0	0	0	\$0.00
Highlands Ranch Ind	21	363,694	5,000	5,000	1.4%	(5,000)	0	0	\$8.04
Inverness Ind	8	471,048	0	0	0.0%	22,336	0	0	\$8.50
Lakewood Ind	9	94,642	0	0	0.0%	0	0	0	\$0.00
Longmont Ind	166	3,337,362	197,017	197,017	5.9%	87,535	0	0	\$7.72
Lower Central Ind	343	7,866,251	115,055	115,055	1.5%	17,624	0	0	\$6.47
Lower North Central .	434	9,735,608	232,720	235,720	2.4%	(49,354)	0	0	\$8.20
Lower South Central .	498	8,105,064	95,825	95,825	1.2%	(20,017)	0	0	\$7.23
Meridian Ind	29	577,001	10,572	10,572	1.8%	(4,108)	0	0	\$11.47
Mid Central Ind	266	4,185,337	102,818	140,071	3.3%	(25,568)	0	0	\$6.77
Mid South Central In.	100	1,098,223	27,636	27,636	2.5%	(4,071)	0	0	\$10.59
North Denver Ind	222	6,599,625	184,844	184,844	2.8%	92,275	43,025	78,794	\$7.37
Northwest Denver Ind	505	13,854,040	395,646	413,446	3.0%	257,803	211,030	270,156	\$6.41
Park County Ind	12	77,571	18,750	18,750	24.2%	17,496	0	0	\$0.00
Parker/Castle Rock I.	92	1,013,837	9,780	9,780	1.0%	1,100	0	46,330	\$14.39
Quebec St Ind	255	9,885,852	246,351	246,351	2.5%	131,177	0	803,823	\$6.18
Southeast C-470 Ind	29	953,046	122,427	122,427	12.8%	(36,015)	0	0	\$8.36
Southwest C-470 Ind	366	6,650,438	63,273	63,273	1.0%	(6,739)	0	0	\$9.71
SW DIA/Pena Blvd Ind	343	29,319,877	1,321,530	1,670,048	5.7%	743,326	1,105,387	1,414,541	\$4.87
Upper Central Ind	33	349,295	17,984	17,984	5.1%	(15,620)	0	0	\$12.44
Upper North Central .	409	9,384,112	120,093	140,093	1.5%	(21,680)	0	0	\$7.83
Upper South Central .	315	4,548,420	174,035	174,035	3.8%	(116,080)	0	0	\$8.14
Weld County Ind	938	20,726,362	322,459	350,567	1.7%	89,197	60,374	97,010	\$8.58
West Denver Ind	377	15,729,177	310,754	310,754	2.0%	(65,028)	45,415	0	\$7.50
<b>Totals</b>	<b>8,564</b>	<b>242,667,619</b>	<b>7,797,749</b>	<b>8,632,832</b>	<b>3.6%</b>	<b>1,873,377</b>	<b>3,143,910</b>	<b>4,174,879</b>	<b>\$7.28</b>

Source: CoStar Property®

## Denver Industrial Market



Figures at a Glance

## Total Industrial Submarket Statistics

Third Quarter 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arapahoe Rd Ind	4	45,398	0	0	0.0%	0	0	0	\$0.00
Aurora Ind	100	2,331,509	255,353	261,454	11.2%	(4,647)	0	0	\$8.15
Boulder County Ind	100	3,673,773	12,050	118,961	3.2%	(105,227)	0	0	\$8.72
Boulder Ind	385	11,566,910	627,382	632,542	5.5%	144,056	45,190	0	\$12.70
Broomfield County In.	150	4,367,339	170,886	170,886	3.9%	61,854	0	315,720	\$9.93
Cent E I-70/Montbell.	331	18,123,900	395,565	395,565	2.2%	317,429	163,000	0	\$6.18
Centennial Ind	274	10,254,966	505,603	511,415	5.0%	82,720	101,000	112,270	\$9.33
Clear Creek County I.	9	125,233	9,634	9,634	7.7%	10,021	5,000	0	\$10.67
Commerce City Ind	486	11,251,736	658,759	746,619	6.6%	122,736	733,998	597,907	\$6.91
Denver Tech Center I.	5	181,467	58,303	58,303	32.1%	(4,536)	0	0	\$19.15
DIA Ind	212	7,848,825	1,219,198	1,219,198	15.5%	(23,266)	0	120,500	\$10.47
East Hampden Ind	8	145,557	0	0	0.0%	0	0	0	\$7.89
East I-70/270 Ind	427	18,736,353	479,822	489,858	2.6%	31,022	251,591	93,000	\$7.27
Elbert County Ind	15	120,001	0	0	0.0%	0	0	0	\$10.00
Fort Collins/Lovelan.	861	19,330,607	1,486,967	1,652,592	8.5%	198,977	437,490	283,723	\$8.94
Gilpin County Ind	3	17,306	0	0	0.0%	0	0	0	\$0.00
Glendale Ind	152	2,684,285	41,830	54,895	2.0%	14,176	0	12,500	\$7.17
Greenwood Village In.	1	7,337	0	0	0.0%	0	0	0	\$0.00
Highlands Ranch Ind	47	1,411,215	48,168	48,168	3.4%	38,084	0	0	\$9.34
Inverness Ind	54	2,400,321	199,900	212,559	8.9%	4,869	0	70,632	\$11.80
Lakewood Ind	14	145,098	0	0	0.0%	2,956	0	0	\$9.00
Longmont Ind	229	6,111,647	893,297	893,297	14.6%	187,444	0	0	\$8.42
Lower Central Ind	356	8,007,609	136,070	136,070	1.7%	(3,391)	0	0	\$6.86
Lower North Central .	462	10,375,335	235,720	238,720	2.3%	(45,003)	0	0	\$8.69
Lower South Central .	531	8,519,673	97,125	97,125	1.1%	(15,988)	0	0	\$7.34
Meridian Ind	37	655,177	14,437	14,437	2.2%	(7,049)	0	0	\$11.59
Mid Central Ind	280	4,363,608	102,818	140,071	3.2%	(5,068)	0	0	\$6.94
Mid South Central In.	115	1,297,042	27,636	27,636	2.1%	(4,071)	0	0	\$10.67
North Denver Ind	265	8,286,019	486,566	486,566	5.9%	166,398	43,025	78,794	\$9.92
Northwest Denver Ind	675	18,396,931	611,434	638,079	3.5%	286,710	211,030	392,887	\$8.18
Park County Ind	14	92,071	18,750	18,750	20.4%	17,996	0	0	\$15.00
Parker/Castle Rock I.	108	1,264,804	32,284	32,284	2.6%	672	0	46,330	\$14.01
Quebec St Ind	272	10,467,511	269,035	269,035	2.6%	108,493	0	803,823	\$6.18
Southeast C-470 Ind	86	1,808,173	153,931	153,931	8.5%	(19,030)	0	0	\$9.36
Southwest C-470 Ind	511	10,549,931	210,968	321,297	3.0%	(93,886)	33,500	0	\$9.61
SW DIA/Pena Blvd Ind	374	30,115,626	1,328,692	1,677,210	5.6%	814,673	1,160,351	1,414,541	\$4.92
Upper Central Ind	44	454,959	17,984	17,984	4.0%	(15,620)	0	0	\$12.44
Upper North Central .	431	9,634,188	120,093	140,093	1.5%	(21,200)	0	0	\$8.37
Upper South Central .	334	4,702,303	182,035	182,035	3.9%	(112,080)	0	0	\$8.22
Weld County Ind	1,039	23,049,649	716,868	744,976	3.2%	94,494	66,979	97,010	\$8.06
West Denver Ind	522	19,848,856	427,207	427,207	2.2%	(392)	45,415	119,413	\$8.96
<b>Totals</b>	<b>10,323</b>	<b>292,770,248</b>	<b>12,252,370</b>	<b>13,239,452</b>	<b>4.5%</b>	<b>2,225,326</b>	<b>3,297,569</b>	<b>4,559,050</b>	<b>\$8.25</b>

Source: CoStar Property®



# Denver Industrial Market

Figures at a Glance

## Flex Market Statistics

Third 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 3q	1,759	50,102,629	4,454,621	4,606,620	9.2%	(5,809)	3	55,005	8	384,171	\$10.34
2016 2q	1,756	50,047,624	4,513,842	4,545,806	9.1%	274,350	1	54,964	11	439,176	\$10.14
2016 1q	1,755	49,992,660	4,709,434	4,765,192	9.5%	83,408	2	43,690	8	336,073	\$10.07
2015 4q	1,754	49,955,170	4,287,689	4,811,110	9.6%	411,775	3	145,800	10	379,763	\$10.17
2015 3q	1,751	49,809,370	4,576,152	5,077,085	10.2%	234,332	0	0	9	374,979	\$10.06
2015 2q	1,753	49,833,873	4,837,679	5,335,920	10.7%	74,095	1	136,701	7	351,389	\$10.02
2015 1q	1,752	49,697,172	4,753,737	5,273,314	10.6%	254,419	1	95,922	6	322,606	\$9.94
2014	1,751	49,601,250	4,888,304	5,431,811	11.0%	1,616,241	10	732,373	2	232,623	\$9.74
2013	1,742	48,881,277	5,708,090	6,328,079	12.9%	1,233,255	5	202,152	6	316,945	\$9.52
2012	1,739	48,734,888	6,833,697	7,414,945	15.2%	214,219	3	144,675	4	128,127	\$8.84
2011	1,737	48,615,970	7,002,113	7,510,246	15.4%	372,750	1	32,332	2	119,675	\$8.75
2010	1,738	48,603,506	7,343,274	7,870,532	16.2%	395,940	4	60,236	1	32,332	\$9.18
2009	1,735	48,546,335	7,524,468	8,209,301	16.9%	(368,854)	11	350,883	2	27,990	\$9.39
2008	1,724	48,195,452	6,769,232	7,489,564	15.5%	(462,265)	44	1,394,455	9	281,360	\$9.91
2007	1,684	47,093,196	5,703,051	5,925,043	12.6%	1,286,932	27	479,201	22	623,761	\$9.52
2006	1,657	46,613,995	6,520,777	6,732,774	14.4%	472,207	29	669,126	15	294,696	\$8.99

Source: CoStar Property®

## Warehouse Market Statistics

Third 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 3q	8,564	242,667,619	7,797,749	8,632,832	3.6%	275,582	5	561,137	43	4,174,879	\$7.28
2016 2q	8,562	242,313,024	7,967,618	8,553,819	3.5%	1,069,070	12	1,964,988	33	3,901,125	\$7.36
2016 1q	8,554	240,526,750	7,225,742	7,836,615	3.3%	528,725	9	617,785	29	3,812,659	\$7.23
2015 4q	8,546	239,923,965	7,108,261	7,762,555	3.2%	(781,440)	6	247,890	28	3,504,619	\$6.99
2015 3q	8,546	239,776,678	6,240,010	6,833,828	2.9%	555,742	2	357,040	23	2,589,702	\$6.83
2015 2q	8,544	239,419,638	6,453,099	7,012,530	2.9%	625,189	6	548,790	11	1,343,575	\$6.61
2015 1q	8,540	239,157,240	6,853,294	7,375,321	3.1%	116,519	3	502,055	13	1,646,569	\$6.45
2014	8,537	238,655,185	6,507,878	6,989,785	2.9%	5,871,459	39	3,185,224	12	1,857,857	\$6.13
2013	8,512	235,840,867	9,411,325	10,046,926	4.3%	3,250,231	15	1,926,856	29	2,443,032	\$5.45
2012	8,515	237,043,463	13,446,229	14,499,753	6.1%	3,463,719	19	728,143	10	1,783,670	\$4.96
2011	8,507	236,867,476	17,049,930	17,787,485	7.5%	(1,010,231)	12	365,798	9	765,157	\$4.84
2010	8,498	236,638,378	15,408,714	16,548,156	7.0%	2,186,240	22	1,260,385	5	129,433	\$4.85
2009	8,476	235,377,993	16,317,001	17,474,011	7.4%	(632,631)	14	409,595	15	1,141,244	\$5.02
2008	8,465	234,995,598	15,838,600	16,458,985	7.0%	1,346,778	70	3,202,200	13	390,616	\$5.32
2007	8,402	233,913,043	16,177,232	16,723,208	7.1%	3,613,060	65	3,502,452	40	2,014,919	\$5.24
2006	8,340	230,669,328	16,208,746	17,092,553	7.4%	4,094,774	83	3,086,709	34	2,934,305	\$5.11

Source: CoStar Property®

## Total Industrial Market Statistics

Third 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 3q	10,323	292,770,248	12,252,370	13,239,452	4.5%	269,773	8	616,142	51	4,559,050	\$8.25
2016 2q	10,318	292,360,648	12,481,460	13,099,625	4.5%	1,343,420	13	2,019,952	44	4,340,301	\$8.25
2016 1q	10,309	290,519,410	11,935,176	12,601,807	4.3%	612,133	11	661,475	37	4,148,732	\$8.17
2015 4q	10,300	289,879,135	11,395,950	12,573,665	4.3%	(369,665)	9	393,690	38	3,884,382	\$7.98
2015 3q	10,297	289,586,048	10,816,162	11,910,913	4.1%	770,074	2	357,040	32	2,964,681	\$7.82
2015 2q	10,297	289,253,511	11,290,778	12,348,450	4.3%	699,284	7	685,491	18	1,694,964	\$7.69
2015 1q	10,292	288,854,412	11,607,031	12,648,635	4.4%	370,938	4	597,977	19	1,969,175	\$7.55
2014	10,288	288,256,435	11,396,182	12,421,596	4.3%	7,487,700	49	3,917,597	14	2,090,480	\$7.25
2013	10,254	284,722,144	15,119,415	16,375,005	5.8%	4,483,486	20	2,129,008	35	2,759,977	\$6.70
2012	10,254	285,778,351	20,279,926	21,914,698	7.7%	3,677,938	22	872,818	14	1,911,797	\$5.96
2011	10,244	285,483,446	24,052,043	25,297,731	8.9%	(637,481)	13	398,130	11	884,832	\$5.88
2010	10,236	285,241,884	22,751,988	24,418,688	8.6%	2,582,180	26	1,320,621	6	161,765	\$5.97
2009	10,211	283,924,328	23,841,469	25,683,312	9.0%	(1,001,485)	25	760,478	17	1,169,234	\$6.14
2008	10,189	283,191,050	22,607,832	23,948,549	8.5%	884,513	114	4,596,655	22	671,976	\$6.44
2007	10,086	281,006,239	21,880,283	22,648,251	8.1%	4,899,992	92	3,981,653	62	2,638,680	\$6.20
2006	9,997	277,283,323	22,729,523	23,825,327	8.6%	4,566,981	112	3,755,835	49	3,229,001	\$6.04

Source: CoStar Property®

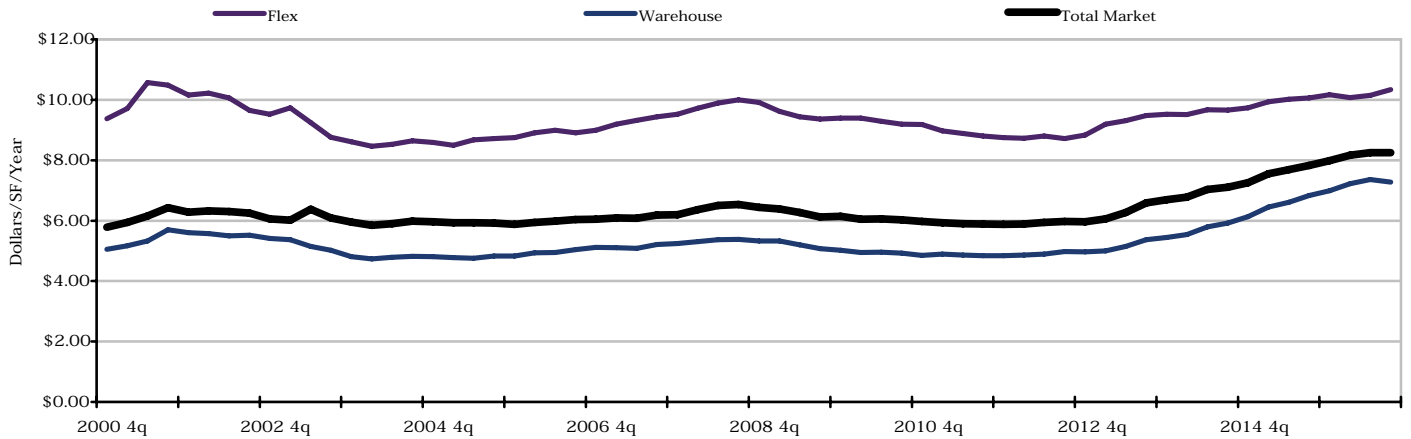
# Denver Industrial Market



Leasing Activity

## Historical Rental Rates

Based on Quoted Rental Rates



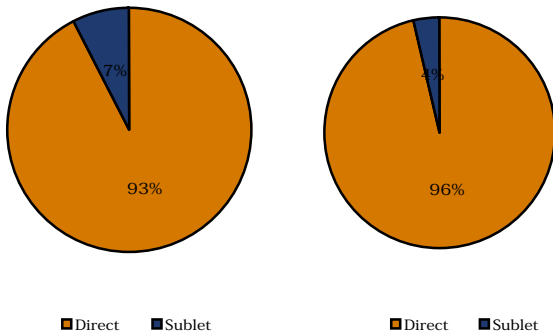
Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Denver

United States



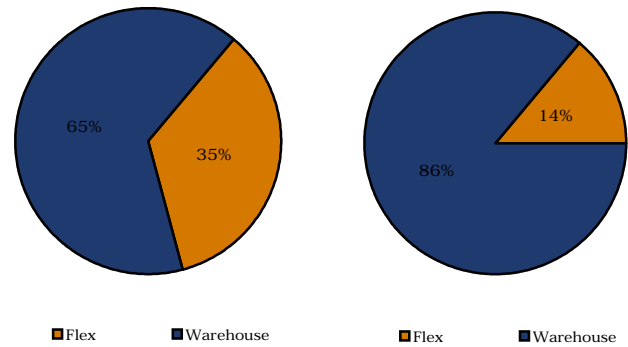
Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

Denver

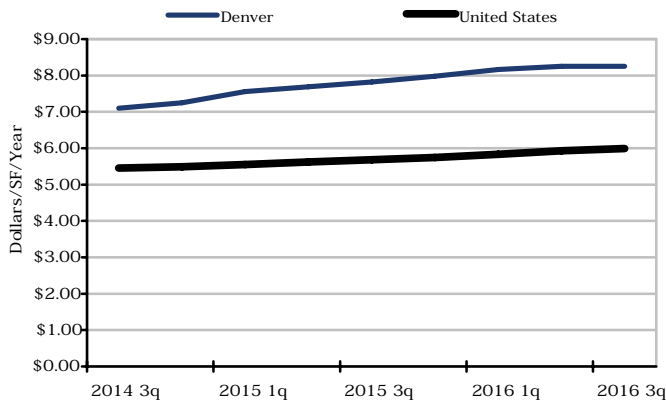
United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

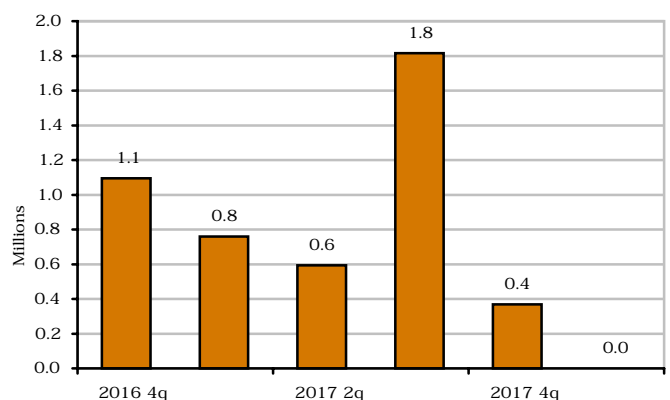
Based on Average Quoted Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space



# Denver Industrial Market

Leasing Activity

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

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	3900 Nome St*	Cent EI-70/Montbello Ind	228,038	2nd	Iron Mountain	JLL	N/A
2	445-475 W 53rd Pl	Northwest Denver Ind	200,972	1st	Precision Building Systems LLC	Cushman & Wakefield	JLL
3	6304 Spine Rd*	Boulder Ind	170,988	2nd	Lockheed Martin Corporation	JLL	N/A
4	9911-9931 E 47th Ave	East I-70/270 Ind	112,464	2nd	Walmart	Payson Smith Holbrook	Cushman & Wakefield
5	3400 Fraser St*	SW DIA/Pena Blvd Ind	110,451	1st	McKesson Corporation	N/A	CBRE
6	5333 N Bannock St	Northwest Denver Ind	110,000	1st	Mattress Firm	Stream Realty Partners, L.P.	Direct Deal
7	12000 E 56th Ave*	Cent EI-70/Montbello Ind	95,200	3rd	Premier EuroCase	N/A	N/A
8	480 E 55th Ave	Commerce City Ind	85,857	3rd	N/A	Cushman & Wakefield	Newmark Grubb Knight Frank
9	21250 E 36th Dr	SW DIA/Pena Blvd Ind	84,076	1st	GORIGHT Plastics, Printing & Logistics	N/A	Colliers International
10	4860 Joliet St	Cent EI-70/Montbello Ind	81,100	3rd	J & K 10 Cabinetry	Berkshire Hathaway Real Estate	Colliers International
11	10000-10300 E 40th Ave	Quebec St Ind	80,782	1st	Dealer Tire	Lee & Associates   Denver	Newmark Grubb Knight Frank
12	10000-10300 E 40th Ave	Quebec St Ind	80,674	1st	Pental Granite & Marble	NAI Shames Makovsky	Newmark Grubb Knight Frank
13	5503 Havana St	East I-70/270 Ind	79,677	2nd	Williams-Sonoma	N/A	CBRE
14	5000-5050 Moline St	Cent EI-70/Montbello Ind	78,440	2nd	Hajoca	CBRE	Colliers International
15	4401-4501 Florence St*	East I-70/270 Ind	69,345	1st	Phillips Feed & Pet Supply	N/A	CBRE
16	2470 Airport Blvd*	SW DIA/Pena Blvd Ind	67,644	3rd	Chep USA	N/A	CBRE
17	4501-4591 Havana St*	East I-70/270 Ind	63,163	1st	BEHR	Cushman & Wakefield	Prologis
18	5503 Havana St	East I-70/270 Ind	60,006	2nd	N/A	N/A	CBRE
19	9500 E 104th Ave*	DIA Ind	59,956	1st	J M Thomas Forest Products	N/A	Colliers International
20	150 W 60th Pl*	Northwest Denver Ind	59,920	1st	Panther Tire Co	N/A	N/A
21	6260 Downing St	Commerce City Ind	56,147	1st	RoadSafe Traffic Systems	Transwestern	Cushman & Wakefield
22	5000-5050 Moline St	Cent EI-70/Montbello Ind	54,624	2nd	Mountain Men Corporation	Colliers International	Avison Young
23	4725 Leyden St	East I-70/270 Ind	54,315	1st	Colorado Kitchen Cabinet	CBRE	CBRE
24	1844 Nelson Rd	Longmont Ind	50,297	3rd	General Electric Company	N/A	Newmark Grubb Knight Frank
25	11575 E 40th Ave	Cent EI-70/Montbello Ind	50,000	1st	Certain Teed Corp	Newmark Grubb Knight Frank	Gillis Thomas Company
26	315 CTC Blvd*	Northwest Denver Ind	49,400	1st	Sierra Nevada Corp	Cushman & Wakefield	N/A
27	610 E 55th Ave	Commerce City Ind	49,041	2nd	Lennox Industries	N/A	Newmark Grubb Knight Frank
28	5475 Joliet St	Cent EI-70/Montbello Ind	46,860	2nd	N/A	N/A	Michael Bloom Realty Company
29	5503 Havana St	East I-70/270 Ind	46,098	2nd	Royal Cup Inc	Triumph Real Estate Corporation	CBRE
30	67 Inverness Dr E	Inverness Ind	45,404	2nd	N/A	N/A	Colliers International
31	1480 Arthur Ave*	Northwest Denver Ind	44,105	1st	MedTronic Navagation	Cresa	Etkin Johnson Real Estate Partners
32	18250 E 40th Ave	SW DIA/Pena Blvd Ind	43,726	3rd	Central Garden & Pet Co	N/A	Pauls Real Estate Investments, LLC
33	16358 E 33rd Dr	SW DIA/Pena Blvd Ind	43,512	2nd	N/A	Real Living CO Properties	Pauls Real Estate Investments, LLC
34	12435 E 42nd Ave*	SW DIA/Pena Blvd Ind	43,203	2nd	Beavex	N/A	N/A
35	2100 W Midway Blvd	Broomfield County Ind	43,000	3rd	N/A	N/A	Michael McGinn
36	6455 Spine Rd	Boulder Ind	42,000	1st	Avery Brewing Company	N/A	Vista Commercial Advisors
37	3950 Nome St*	Cent EI-70/Montbello Ind	42,000	3rd	TCI Tire Centers	N/A	CBRE
38	3925 Monaco Pky*	Quebec St Ind	42,000	1st	Shred-It	N/A	CBRE
39	11685 E 53rd Ave*	Cent EI-70/Montbello Ind	41,765	1st	Williams Sonoma Direct, Inc	N/A	Colliers International
40	11685 E 53rd Ave	Cent EI-70/Montbello Ind	41,765	2nd	Larsen Warehousing & Distributing	N/A	Colliers International

Source: CoStar Property®

\* Renewal

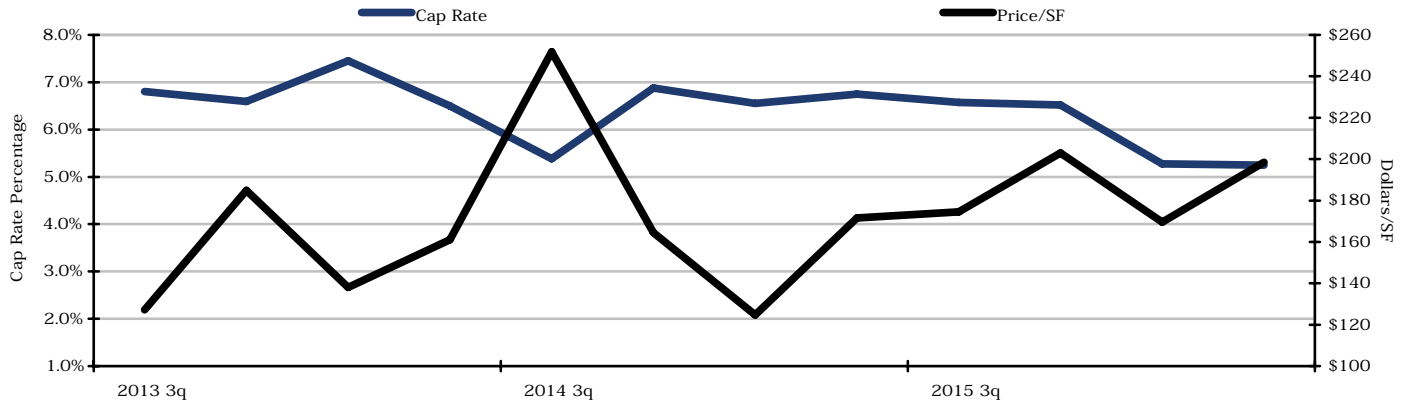
# Denver Industrial Market



Sales Activity

## The Optimist Sales Index

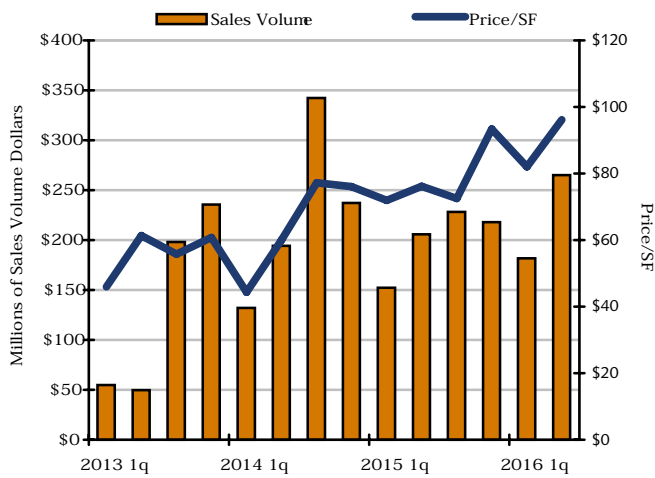
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## Sales Volume & Price

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



Source: CoStar COMPS®

## Sales Analysis by Building Size

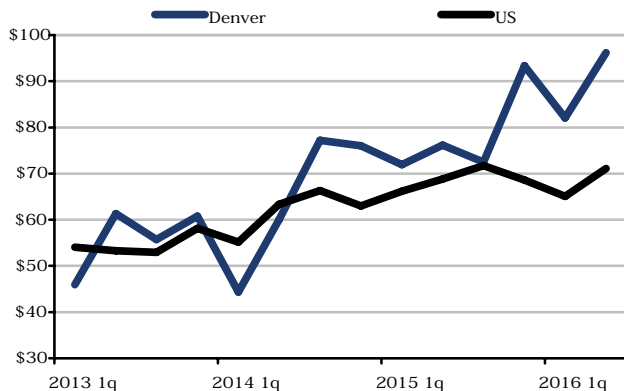
Based on Industrial Bldg Sales From July 2015 - June 2016

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	258	2,854,112	\$330,496,668	\$ 115.80	8.05%
25K-99K SF	93	4,408,497	\$370,670,263	\$ 84.08	7.99%
100K-249K SF	19	2,854,735	\$233,260,300	\$ 81.71	6.44%
>250K SF	4	1,848,160	\$160,009,000	\$ 86.58	6.50%

Source: CoStar COMPS®

## U.S. Price/SF Comparison

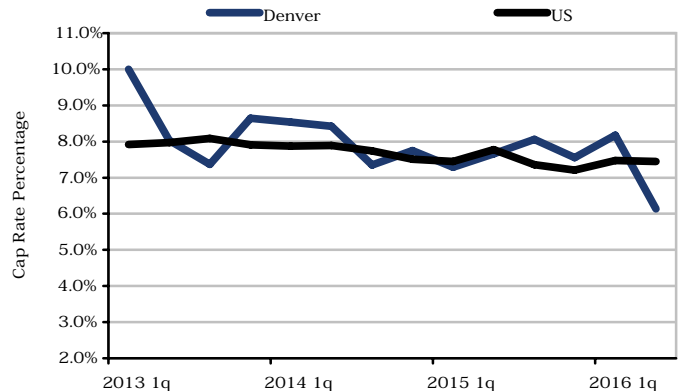
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. Cap Rate Comparison

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



Source: CoStar COMPS®

## Select Top Sales

Based on Sales from July 2015 Through September 2016

1. Arapahoe Business Park



**Englewood**

Price: **\$78,500,000**  
 Price/SF: **\$161.94**  
 Cap Rate: **N/A**  
 RBA: **484,737**  
 Date: **5/25/2016**  
 Year Built: **2001**  
 Buyer: **Investcorp Group**  
 Seller: **Hines REIT, Inc.**

2. 5095 Paris St



**Denver**

Price: **\$57,650,000**  
 Price/SF: **\$68.41**  
 Cap Rate: **N/A**  
 RBA: **842,703**  
 Date: **9/21/2016**  
 Year Built: **1979**  
 Buyer: **LA County Employees Retirement Association**  
 Seller: **TA Realty**

3. 5151 N Bannock St



**Denver**

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

4. Dry Creek Business Park



**Englewood**

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

5. 14828 W 6th Ave



**Golden**

Price: **\$24,000,000**  
 Price/SF: **\$112.09**  
 Cap Rate: **N/A**  
 RBA: **214,116**  
 Date: **5/31/2016**  
 Year Built: **1985**  
 Buyer: **Amacon**  
 Seller: **First Industrial Realty Trust, Inc.**

6. 2395-2525 W 4th Ave



**Denver**

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

7. 5501 Peoria St



**Denver**

Price: **\$21,250,000**  
 Price/SF: **\$92.79**  
 Cap Rate: **5.5%**  
 RBA: **229,000**  
 Date: **6/16/2016**  
 Year Built: **1999**  
 Buyer: **Industrial Property Trust**  
 Seller: **Furniture Row USA, LLC**

8. 9950 E 40th Ave



**Denver**

Price: **\$19,000,000**  
 Price/SF: **\$180.27**  
 Cap Rate: **N/A**  
 RBA: **105,400**  
 Date: **5/13/2016**  
 Year Built: **2014**  
 Buyer: **Bob Breckner**  
 Seller: **United Properties**

9. 11525 Main St



**Broomfield**

Price: **\$17,500,000**  
 Price/SF: **\$188.58**  
 Cap Rate: **6.29%**  
 RBA: **92,800**  
 Date: **12/18/2015**  
 Year Built: **2001**  
 Buyer: **GI Partners**  
 Seller: **Lincoln Property Company**

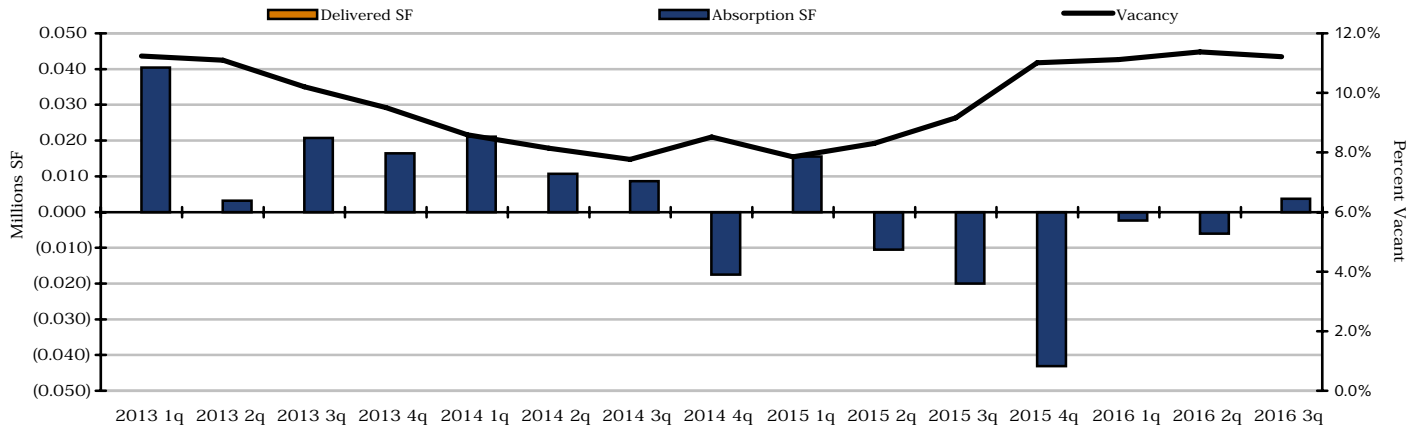
# Denver Industrial Market



## Aurora Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

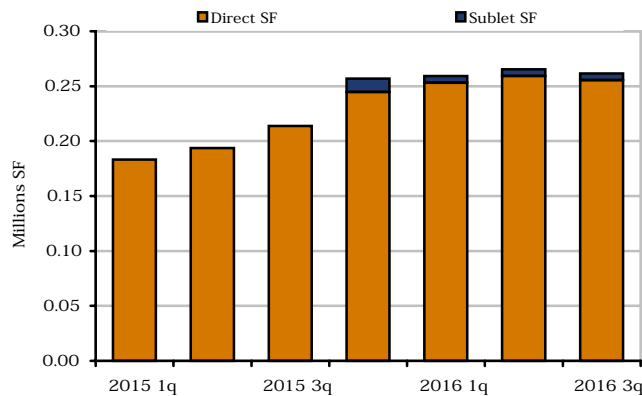
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

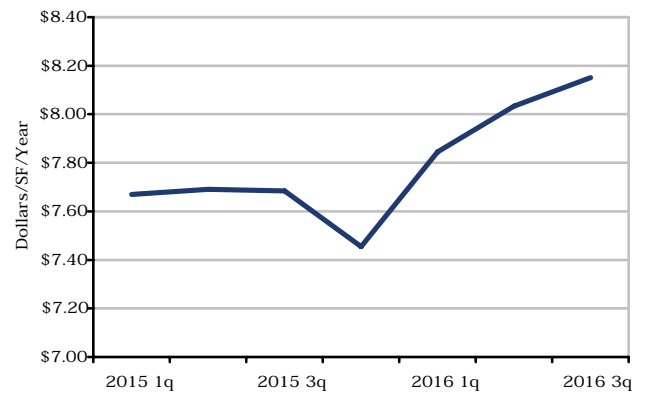
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	100	2,331,509	261,454	11.2%	3,750	0	0	0	0	\$8.15
2016 2q	100	2,331,509	265,204	11.4%	(6,031)	0	0	0	0	\$8.03
2016 1q	100	2,331,509	259,173	11.1%	(2,366)	0	0	0	0	\$7.85
2015 4q	100	2,331,509	256,807	11.0%	(43,132)	0	0	0	0	\$7.46
2015 3q	100	2,331,509	213,675	9.2%	(20,020)	0	0	0	0	\$7.68
2015 2q	100	2,331,509	193,655	8.3%	(10,558)	0	0	0	0	\$7.69
2015 1q	100	2,331,509	183,097	7.9%	15,511	0	0	0	0	\$7.67
2014 4q	100	2,331,509	198,608	8.5%	(17,467)	0	0	0	0	\$6.73
2014 3q	100	2,331,509	181,141	7.8%	8,634	0	0	0	0	\$6.77
2014 2q	100	2,331,509	189,775	8.1%	10,720	0	0	0	0	\$6.54
2014 1q	100	2,331,509	200,495	8.6%	21,105	0	0	0	0	\$6.56
2013 4q	100	2,331,509	221,600	9.5%	16,446	0	0	0	0	\$8.24
2013 3q	100	2,331,509	238,046	10.2%	20,720	0	0	0	0	\$8.21
2013 2q	100	2,331,509	258,766	11.1%	3,149	0	0	0	0	\$8.04
2013 1q	100	2,331,509	261,915	11.2%	40,407	0	0	0	0	\$8.10
2012 4q	100	2,331,509	302,322	13.0%	(14,370)	0	0	0	0	\$7.25

Source: CoStar Property®



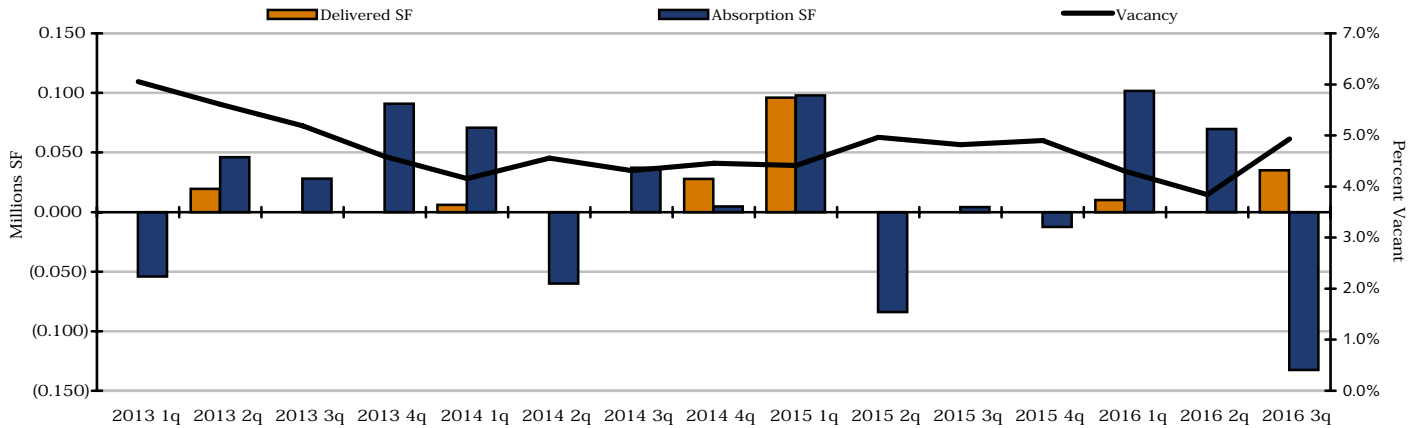


# Denver Industrial Market

## Boulder Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

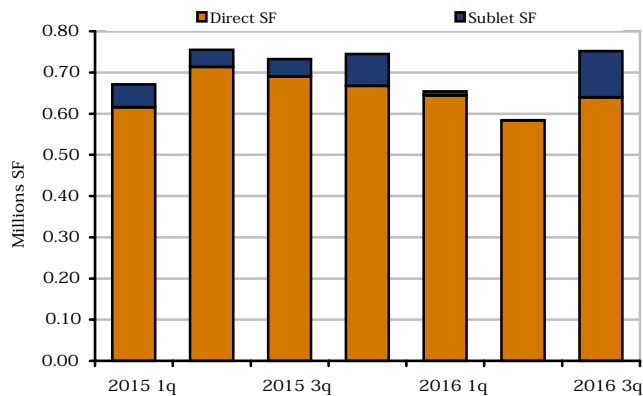
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

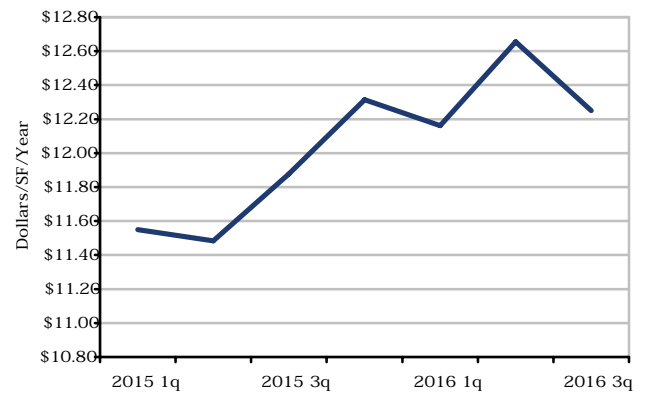
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	485	15,240,683	751,503	4.9%	(132,521)	1	35,000	0	0	\$12.25
2016 2q	484	15,205,683	583,982	3.8%	69,624	0	0	1	35,000	\$12.66
2016 1q	484	15,205,683	653,606	4.3%	101,726	1	10,190	1	35,000	\$12.16
2015 4q	483	15,195,493	745,142	4.9%	(12,456)	0	0	2	45,190	\$12.31
2015 3q	483	15,195,493	732,686	4.8%	4,050	0	0	1	10,190	\$11.88
2015 2q	484	15,213,894	755,137	5.0%	(83,893)	0	0	0	0	\$11.48
2015 1q	484	15,213,894	671,244	4.4%	98,028	1	95,922	0	0	\$11.55
2014 4q	483	15,117,972	673,350	4.5%	4,783	1	27,752	1	95,922	\$11.37
2014 3q	482	15,090,220	650,381	4.3%	37,119	0	0	2	123,674	\$10.91
2014 2q	482	15,090,220	687,500	4.6%	(60,070)	0	0	2	123,674	\$10.38
2014 1q	482	15,090,220	627,430	4.2%	70,889	1	6,130	2	123,674	\$10.00
2013 4q	481	15,084,090	692,189	4.6%	90,835	0	0	2	33,882	\$9.82
2013 3q	481	15,084,090	783,024	5.2%	27,969	0	0	1	6,130	\$9.72
2013 2q	482	15,121,090	847,993	5.6%	46,020	1	19,500	1	6,130	\$9.66
2013 1q	482	15,143,818	916,741	6.1%	(54,118)	0	0	2	25,630	\$9.07
2012 4q	483	15,162,581	881,386	5.8%	(119,385)	0	0	2	25,630	\$9.06

Source: CoStar Property®

# Denver Industrial Market

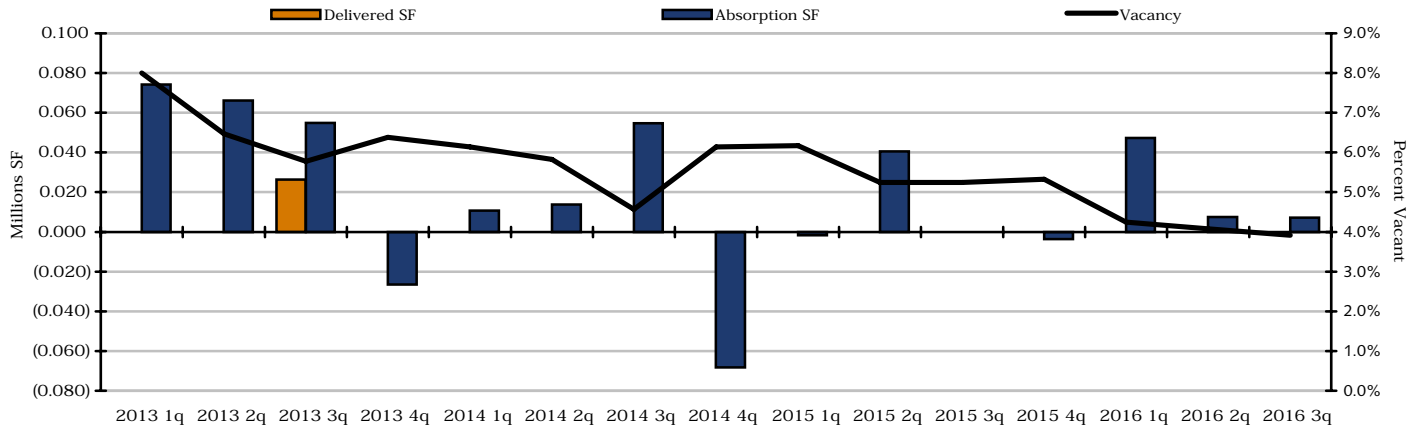


## Broomfield Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

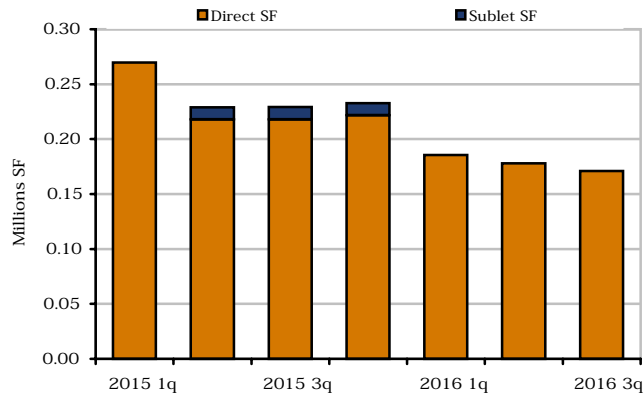
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

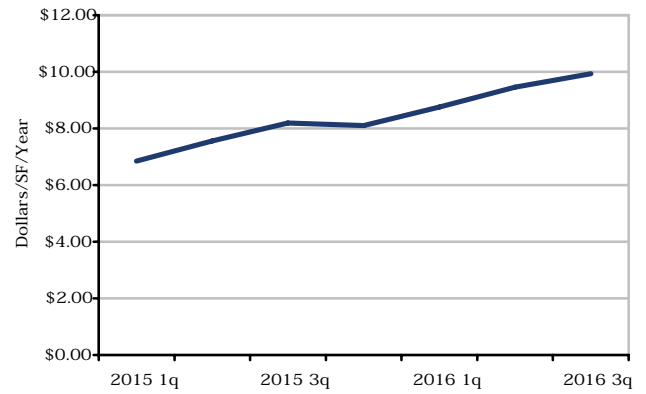
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	150	4,367,339	170,886	3.9%	7,132	0	0	2	315,720	\$9.93
2016 2q	150	4,367,339	178,018	4.1%	7,493	0	0	2	315,720	\$9.46
2016 1q	150	4,367,339	185,511	4.2%	47,229	0	0	0	0	\$8.75
2015 4q	150	4,367,339	232,740	5.3%	(3,575)	0	0	0	0	\$8.11
2015 3q	150	4,367,339	229,165	5.2%	(129)	0	0	0	0	\$8.19
2015 2q	150	4,367,339	229,036	5.2%	40,568	0	0	0	0	\$7.56
2015 1q	150	4,367,339	269,604	6.2%	(1,625)	0	0	0	0	\$6.85
2014 4q	150	4,367,339	267,979	6.1%	(68,310)	0	0	0	0	\$7.10
2014 3q	150	4,367,339	199,669	4.6%	54,753	0	0	0	0	\$7.69
2014 2q	150	4,367,339	254,422	5.8%	13,746	0	0	0	0	\$8.33
2014 1q	150	4,367,339	268,168	6.1%	10,699	0	0	0	0	\$8.35
2013 4q	150	4,367,339	278,867	6.4%	(26,439)	0	0	0	0	\$9.07
2013 3q	150	4,367,339	252,428	5.8%	54,860	1	26,292	0	0	\$8.26
2013 2q	149	4,341,047	280,996	6.5%	66,205	0	0	1	26,292	\$7.05
2013 1q	149	4,341,047	347,201	8.0%	74,160	0	0	1	26,292	\$7.04
2012 4q	149	4,341,047	421,361	9.7%	27,588	0	0	0	0	\$5.78

Source: CoStar Property®

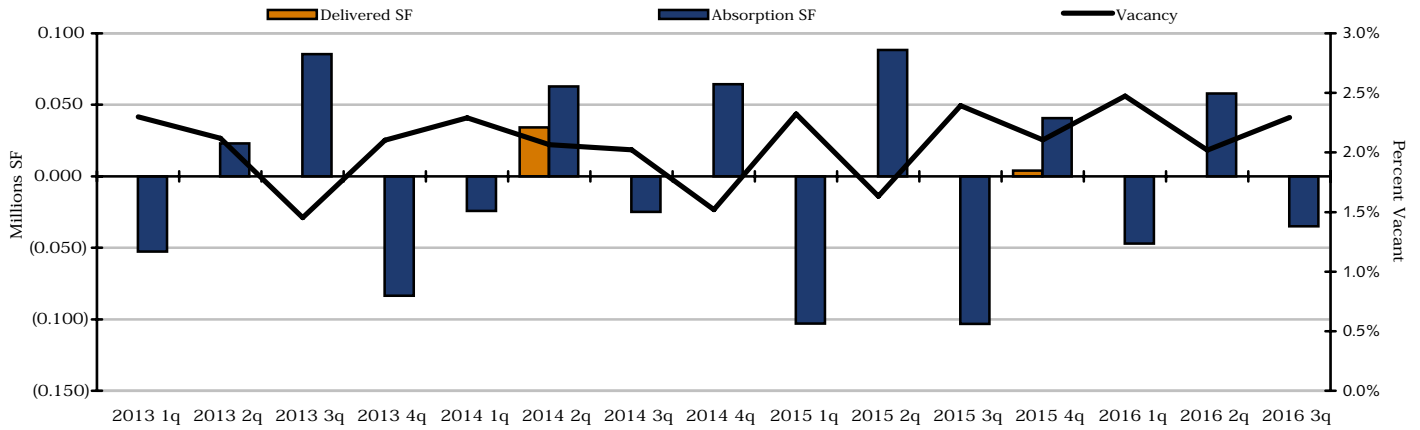


# Denver Industrial Market

Central Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

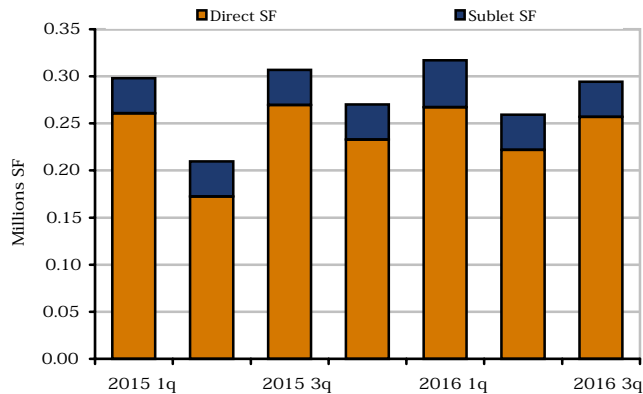
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

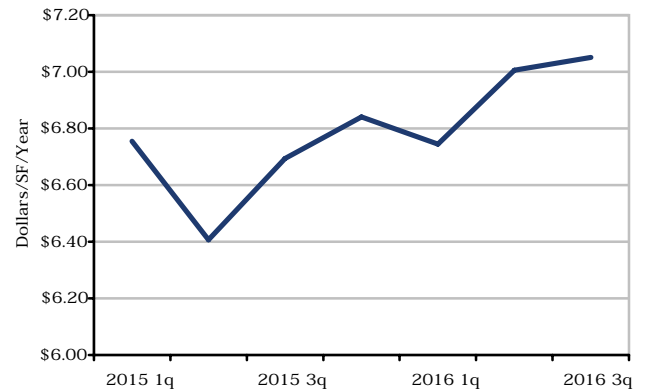
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	680	12,826,176	294,125	2.3%	(34,971)	0	0	0	0	\$7.05
2016 2q	680	12,826,176	259,154	2.0%	57,969	0	0	0	0	\$7.01
2016 1q	680	12,826,176	317,123	2.5%	(47,077)	0	0	0	0	\$6.74
2015 4q	680	12,826,176	270,046	2.1%	40,653	1	4,000	0	0	\$6.84
2015 3q	679	12,822,176	306,699	2.4%	(103,223)	0	0	1	4,000	\$6.69
2015 2q	680	12,828,278	209,578	1.6%	88,368	0	0	1	4,000	\$6.41
2015 1q	680	12,828,278	297,946	2.3%	(102,924)	0	0	0	0	\$6.76
2014 4q	680	12,828,278	195,022	1.5%	64,400	0	0	0	0	\$6.59
2014 3q	680	12,828,278	259,422	2.0%	(24,801)	0	0	0	0	\$6.74
2014 2q	681	12,859,082	265,425	2.1%	62,749	1	34,211	0	0	\$6.48
2014 1q	680	12,824,871	293,963	2.3%	(24,177)	0	0	1	34,211	\$6.31
2013 4q	680	12,824,871	269,786	2.1%	(83,591)	0	0	1	34,211	\$5.75
2013 3q	680	12,824,871	186,195	1.5%	85,522	0	0	0	0	\$5.78
2013 2q	680	12,824,871	271,717	2.1%	22,982	0	0	0	0	\$5.86
2013 1q	680	12,824,871	294,699	2.3%	(52,686)	0	0	0	0	\$5.91
2012 4q	680	12,824,871	242,013	1.9%	24,869	0	0	0	0	\$5.61

Source: CoStar Property®

# Denver Industrial Market

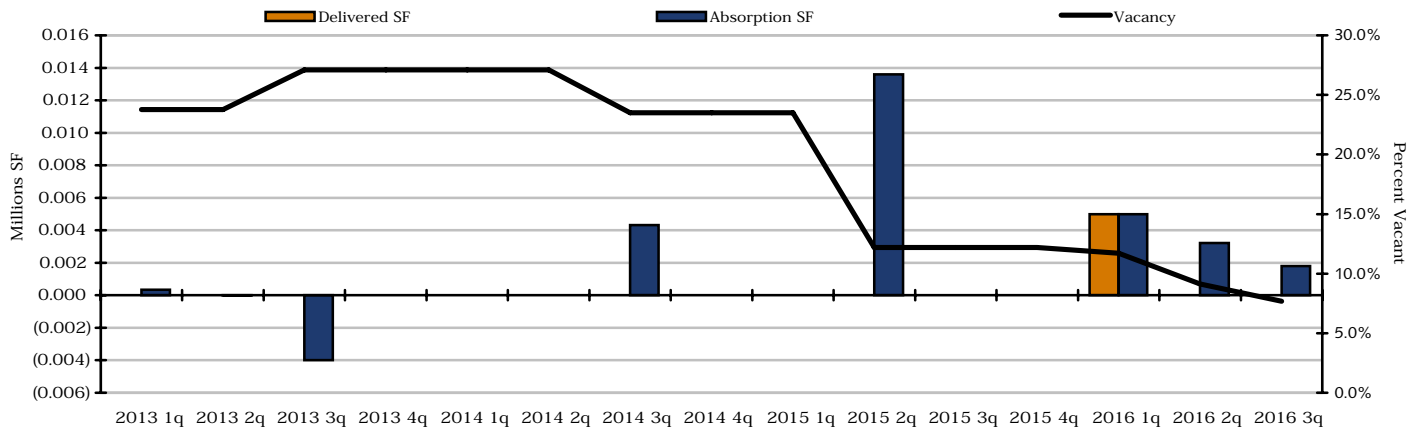


## Clear Creek County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

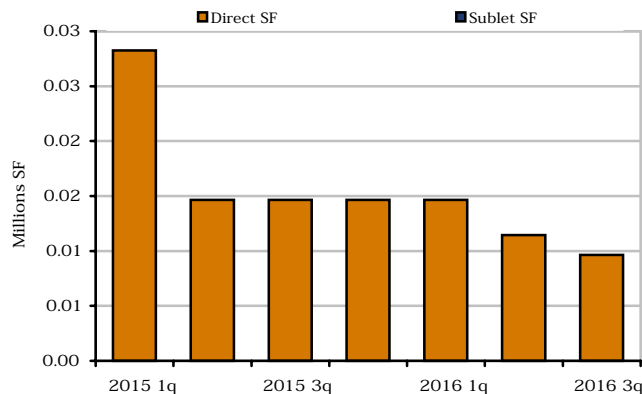
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

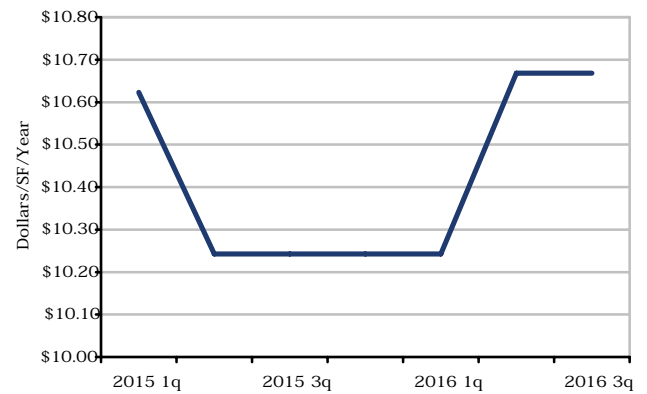
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	9	125,233	9,634	7.7%	1,803	0	0	0	0	\$10.67
2016 2q	9	125,233	11,437	9.1%	3,218	0	0	0	0	\$10.67
2016 1q	9	125,233	14,655	11.7%	5,000	1	5,000	0	0	\$10.24
2015 4q	8	120,233	14,655	12.2%	0	0	0	1	5,000	\$10.24
2015 3q	8	120,233	14,655	12.2%	0	0	0	1	5,000	\$10.24
2015 2q	8	120,233	14,655	12.2%	13,603	0	0	0	0	\$10.24
2015 1q	8	120,233	28,258	23.5%	0	0	0	0	0	\$10.62
2014 4q	8	120,233	28,258	23.5%	0	0	0	0	0	\$10.62
2014 3q	8	120,233	28,258	23.5%	4,320	0	0	0	0	\$10.79
2014 2q	8	120,233	32,578	27.1%	0	0	0	0	0	\$10.56
2014 1q	8	120,233	32,578	27.1%	0	0	0	0	0	\$10.56
2013 4q	8	120,233	32,578	27.1%	0	0	0	0	0	\$10.56
2013 3q	8	120,233	32,578	27.1%	(4,000)	0	0	0	0	\$10.56
2013 2q	8	120,233	28,578	23.8%	(4)	0	0	0	0	\$10.56
2013 1q	8	120,233	28,574	23.8%	350	0	0	0	0	\$10.85
2012 4q	8	120,233	28,924	24.1%	(2,270)	0	0	0	0	\$10.13

Source: CoStar Property®



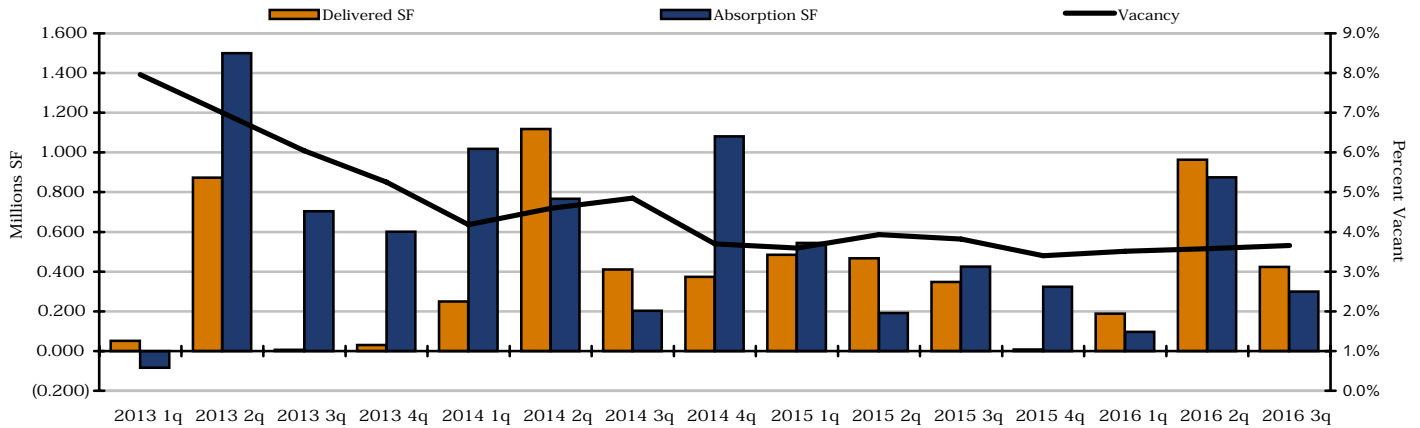
# Denver Industrial Market

## East I-70 / Montbello Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

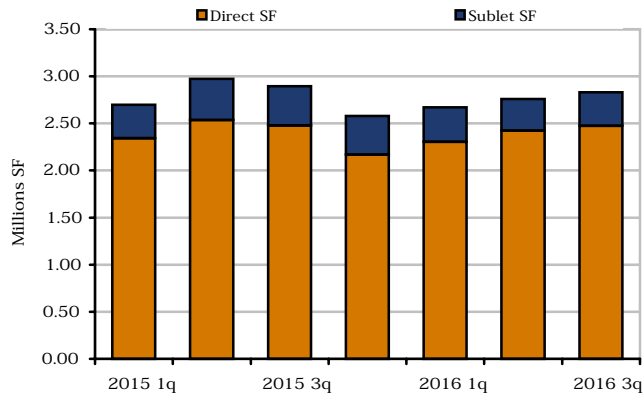
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

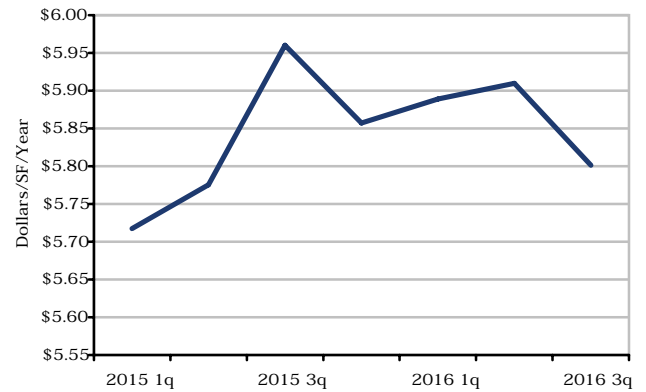
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	1,404	77,443,390	2,831,668	3.7%	300,336	2	423,987	11	2,311,364	\$5.80
2016 2q	1,404	77,071,573	2,760,187	3.6%	874,774	4	962,955	10	2,448,017	\$5.91
2016 1q	1,400	76,108,618	2,672,006	3.5%	96,507	2	188,000	10	2,133,972	\$5.89
2015 4q	1,398	75,920,618	2,580,513	3.4%	323,150	1	7,381	8	1,798,657	\$5.86
2015 3q	1,397	75,913,237	2,896,282	3.8%	425,491	1	347,840	6	1,133,336	\$5.96
2015 2q	1,396	75,565,397	2,973,933	3.9%	192,011	1	466,413	4	614,185	\$5.78
2015 1q	1,395	75,098,984	2,699,531	3.6%	544,204	2	484,386	2	814,253	\$5.72
2014 4q	1,393	74,614,598	2,759,349	3.7%	1,081,494	3	373,407	4	1,298,639	\$5.24
2014 3q	1,391	74,379,121	3,605,366	4.8%	202,407	2	410,573	7	1,672,046	\$4.76
2014 2q	1,389	73,968,548	3,397,200	4.6%	766,200	5	1,117,927	8	1,734,779	\$4.51
2014 1q	1,384	72,850,621	3,045,473	4.2%	1,018,846	1	250,000	10	1,981,628	\$4.42
2013 4q	1,383	72,600,621	3,814,319	5.3%	601,570	1	30,000	8	1,778,500	\$4.22
2013 3q	1,382	72,570,621	4,385,889	6.0%	703,839	1	6,825	6	904,806	\$4.18
2013 2q	1,381	72,563,796	5,082,903	7.0%	1,499,576	2	872,915	2	256,825	\$4.15
2013 1q	1,379	71,690,881	5,709,564	8.0%	(83,243)	1	50,797	3	879,740	\$3.95
2012 4q	1,378	71,640,084	5,575,524	7.8%	890,996	3	246,180	4	930,537	\$3.97

Source: CoStar Property®

# Denver Industrial Market

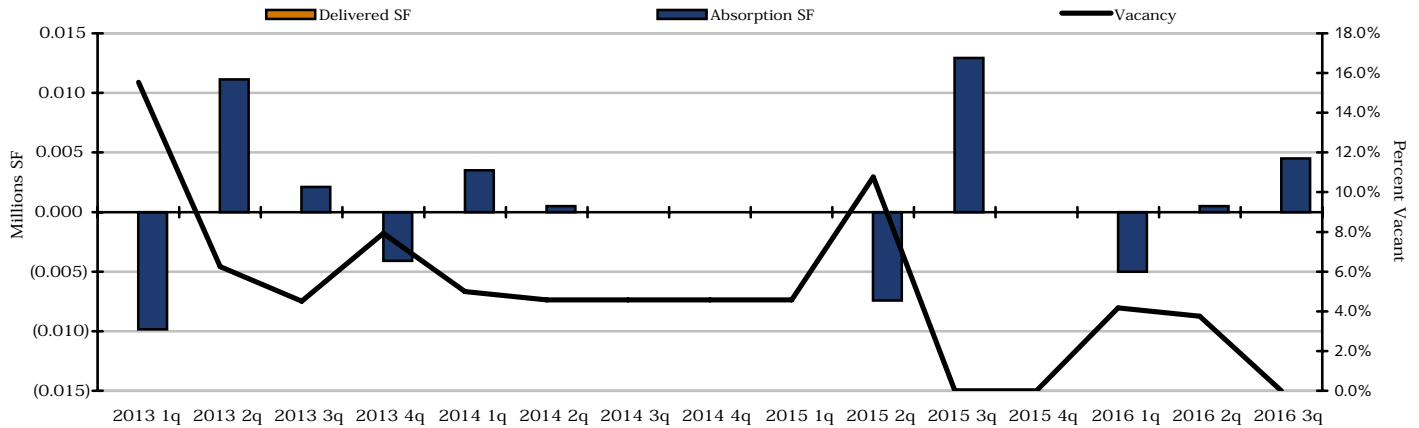


## Elbert County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

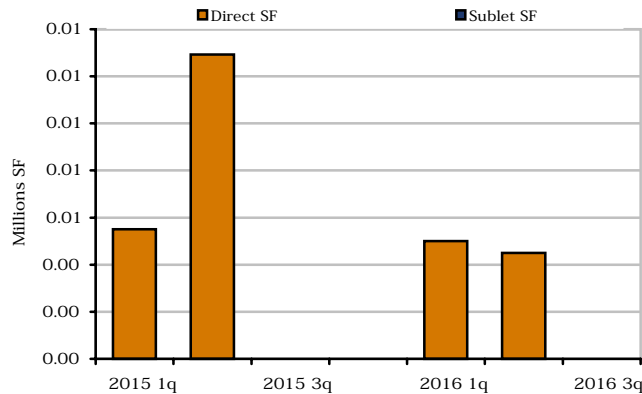
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

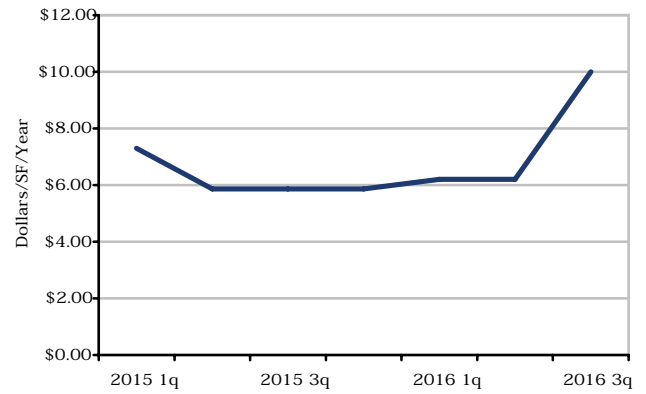
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	15	120,001	0	0.0%	4,500	0	0	0	0	\$10.00
2016 2q	15	120,001	4,500	3.7%	500	0	0	0	0	\$6.21
2016 1q	15	120,001	5,000	4.2%	(5,000)	0	0	0	0	\$6.21
2015 4q	15	120,001	0	0.0%	0	0	0	0	0	\$5.86
2015 3q	15	120,001	0	0.0%	12,925	0	0	0	0	\$5.86
2015 2q	15	120,001	12,925	10.8%	(7,425)	0	0	0	0	\$5.86
2015 1q	15	120,001	5,500	4.6%	0	0	0	0	0	\$7.30
2014 4q	15	120,001	5,500	4.6%	0	0	0	0	0	\$5.78
2014 3q	15	120,001	5,500	4.6%	0	0	0	0	0	\$5.78
2014 2q	15	120,001	5,500	4.6%	500	0	0	0	0	\$5.78
2014 1q	15	120,001	6,000	5.0%	3,507	0	0	0	0	\$5.78
2013 4q	15	120,001	9,507	7.9%	(4,100)	0	0	0	0	\$9.55
2013 3q	15	120,001	5,407	4.5%	2,100	0	0	0	0	\$9.55
2013 2q	15	120,001	7,507	6.3%	11,136	0	0	0	0	\$9.55
2013 1q	15	120,001	18,643	15.5%	(9,836)	0	0	0	0	\$9.55
2012 4q	15	120,001	8,807	7.3%	0	0	0	0	0	\$5.78

Source: CoStar Property®



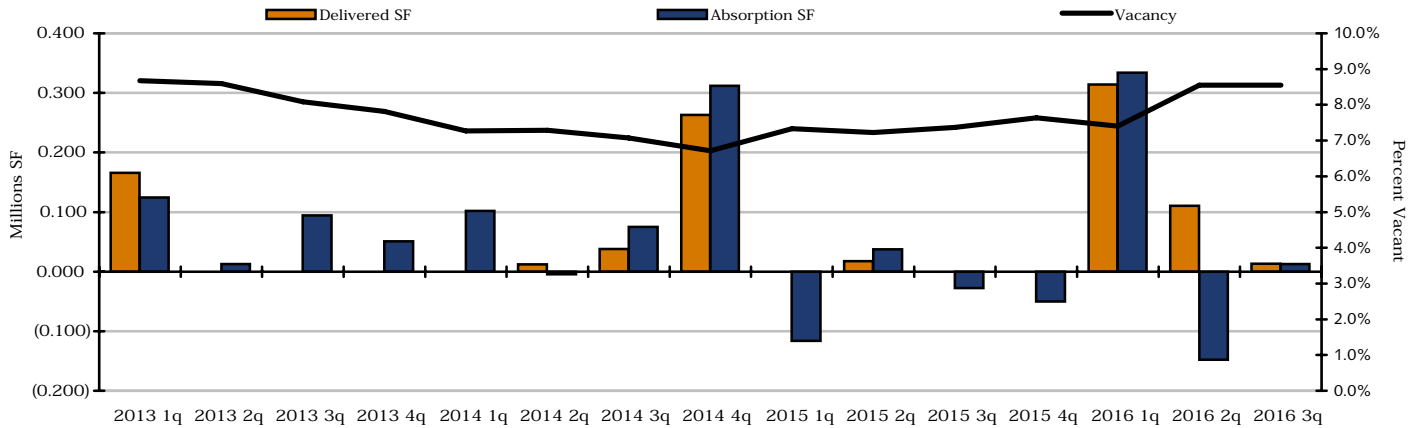
# Denver Industrial Market

## Fort Collins / Loveland Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

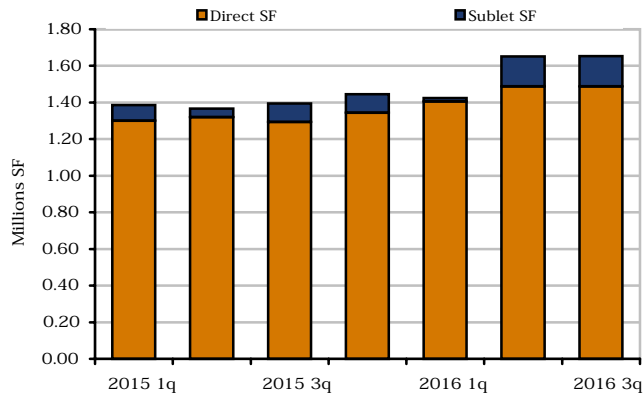
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

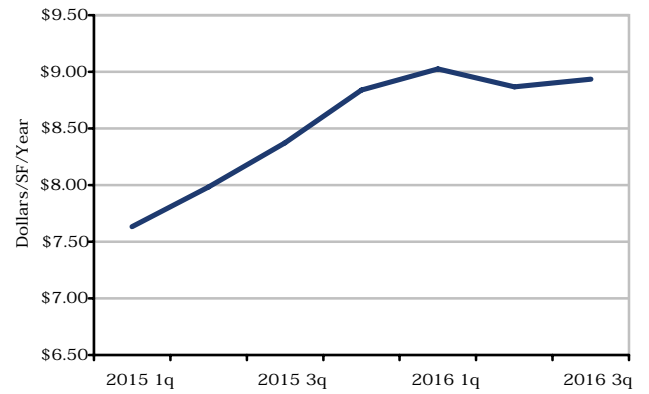
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	861	19,330,607	1,652,592	8.5%	12,811	1	13,400	5	283,723	\$8.94
2016 2q	860	19,317,207	1,652,003	8.6%	(147,811)	3	110,290	6	297,123	\$8.87
2016 1q	858	19,237,660	1,424,645	7.4%	333,977	2	313,800	6	277,333	\$9.02
2015 4q	856	18,923,860	1,444,822	7.6%	(50,048)	0	0	6	449,733	\$8.84
2015 3q	856	18,923,860	1,394,774	7.4%	(27,824)	0	0	5	434,733	\$8.37
2015 2q	856	18,923,860	1,366,950	7.2%	37,461	2	17,777	1	303,000	\$7.98
2015 1q	854	18,906,083	1,386,634	7.3%	(116,457)	0	0	3	320,777	\$7.63
2014 4q	854	18,906,083	1,270,177	6.7%	311,836	3	262,946	2	309,377	\$7.12
2014 3q	851	18,643,137	1,319,067	7.1%	74,777	1	38,078	5	572,323	\$7.15
2014 2q	850	18,605,059	1,355,766	7.3%	(4,401)	1	12,000	5	604,024	\$6.75
2014 1q	850	18,605,459	1,351,765	7.3%	102,035	0	0	4	312,524	\$6.69
2013 4q	850	18,605,459	1,453,800	7.8%	51,028	0	0	2	62,000	\$7.04
2013 3q	850	18,605,459	1,504,828	8.1%	94,408	0	0	0	0	\$6.87
2013 2q	850	18,605,459	1,599,236	8.6%	12,483	0	0	0	0	\$6.93
2013 1q	851	18,607,819	1,614,079	8.7%	124,238	1	165,625	0	0	\$6.96
2012 4q	850	18,442,194	1,572,692	8.5%	79,953	0	0	1	165,625	\$6.87

Source: CoStar Property®

# Denver Industrial Market

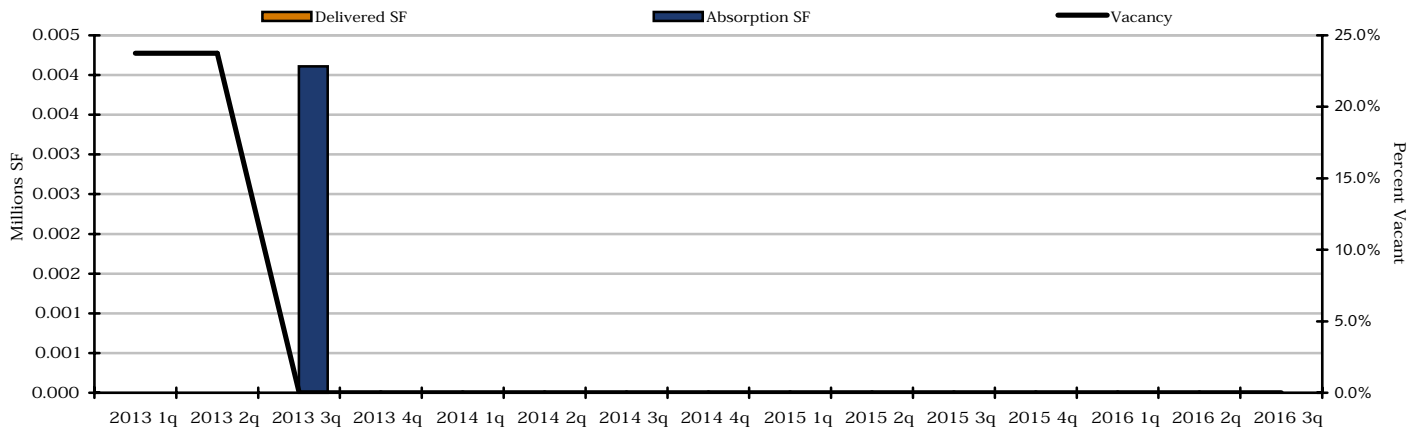


## Gilpin County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

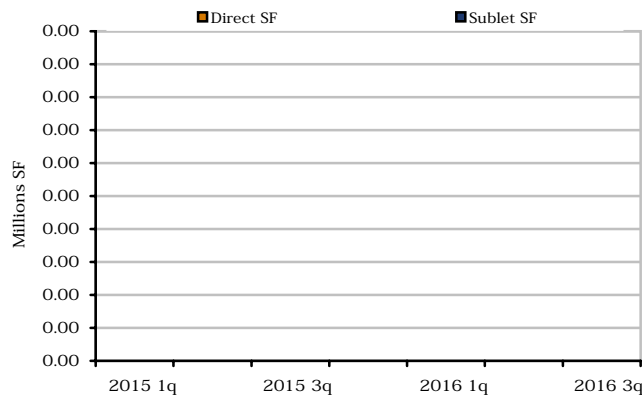
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

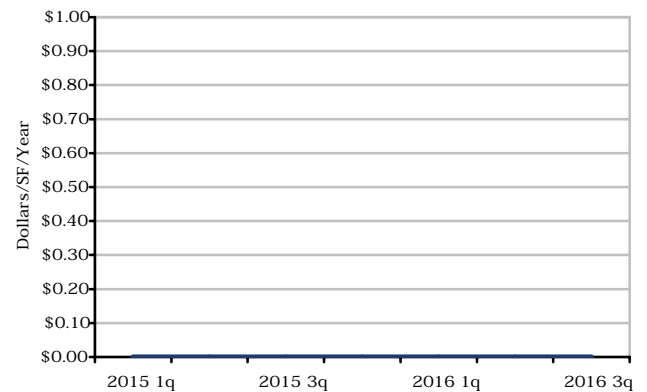
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

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

Source: CoStar Property®



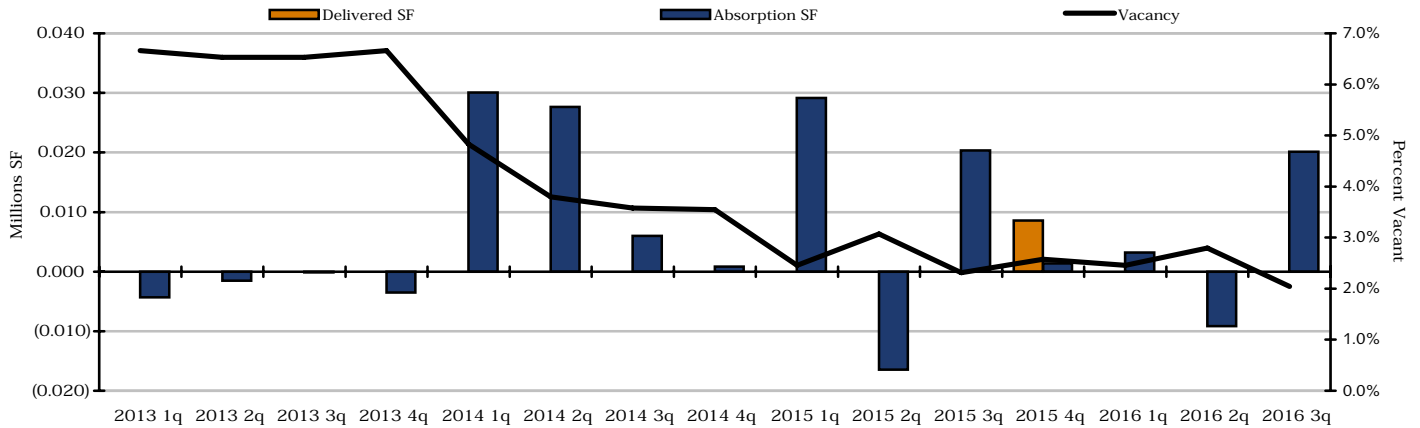


# Denver Industrial Market

Glendale Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

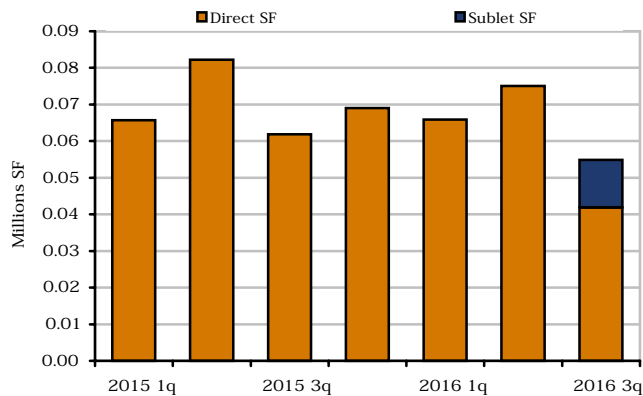
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

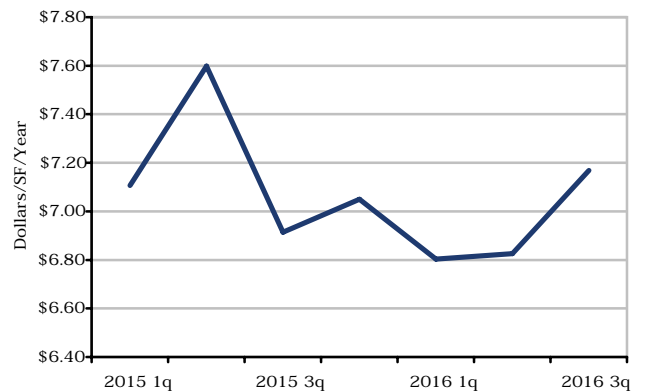
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	152	2,684,285	54,895	2.0%	20,142	0	0	1	12,500	\$7.17
2016 2q	152	2,684,285	75,037	2.8%	(9,159)	0	0	0	0	\$6.83
2016 1q	152	2,684,285	65,878	2.5%	3,193	0	0	0	0	\$6.80
2015 4q	152	2,684,285	69,071	2.6%	1,383	1	8,600	0	0	\$7.05
2015 3q	151	2,675,685	61,854	2.3%	20,347	0	0	1	8,600	\$6.91
2015 2q	151	2,675,685	82,201	3.1%	(16,465)	0	0	1	8,600	\$7.60
2015 1q	151	2,675,685	65,736	2.5%	29,141	0	0	1	8,600	\$7.11
2014 4q	151	2,675,685	94,877	3.5%	833	0	0	0	0	\$7.02
2014 3q	151	2,675,685	95,710	3.6%	5,981	0	0	0	0	\$7.09
2014 2q	151	2,675,685	101,691	3.8%	27,671	0	0	0	0	\$6.87
2014 1q	151	2,675,685	129,362	4.8%	30,038	0	0	0	0	\$6.86
2013 4q	152	2,695,902	179,617	6.7%	(3,498)	0	0	0	0	\$6.59
2013 3q	152	2,695,902	176,119	6.5%	(108)	0	0	0	0	\$6.77
2013 2q	152	2,695,902	176,011	6.5%	(1,527)	0	0	0	0	\$6.41
2013 1q	153	2,701,381	179,963	6.7%	(4,330)	0	0	0	0	\$7.03
2012 4q	153	2,701,381	175,633	6.5%	50,029	0	0	0	0	\$6.55

Source: CoStar Property®

# Denver Industrial Market

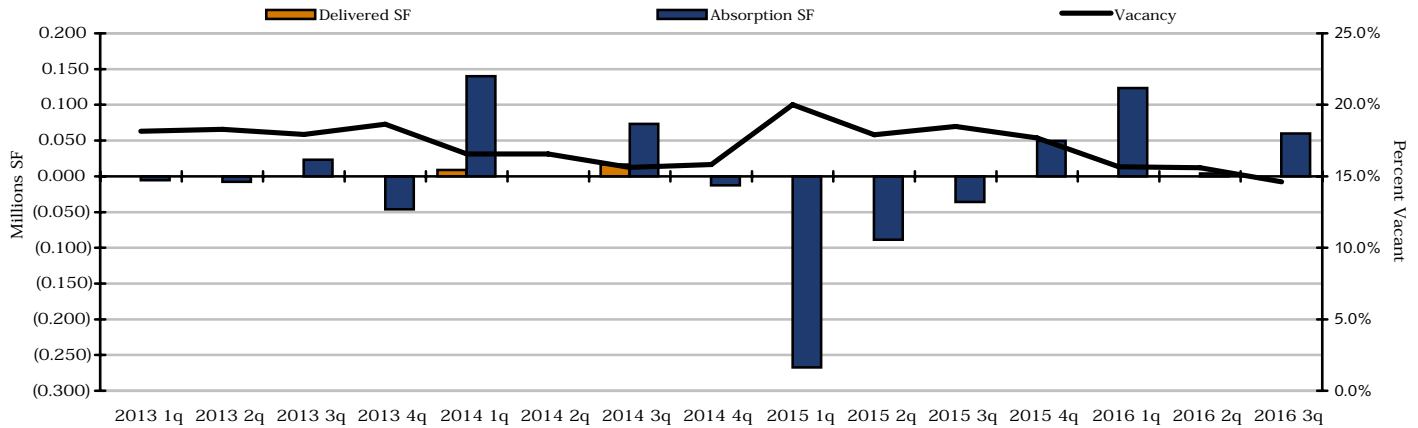


## Longmont Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

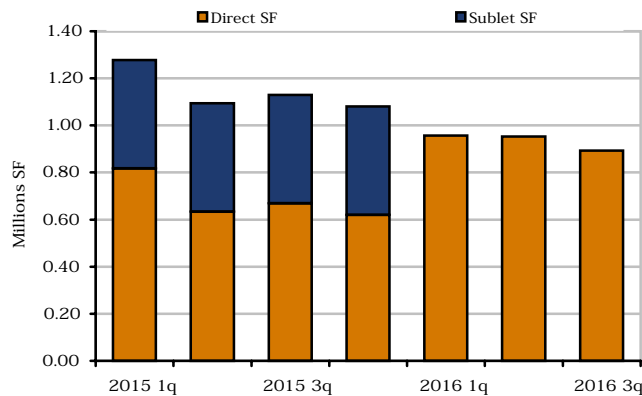
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

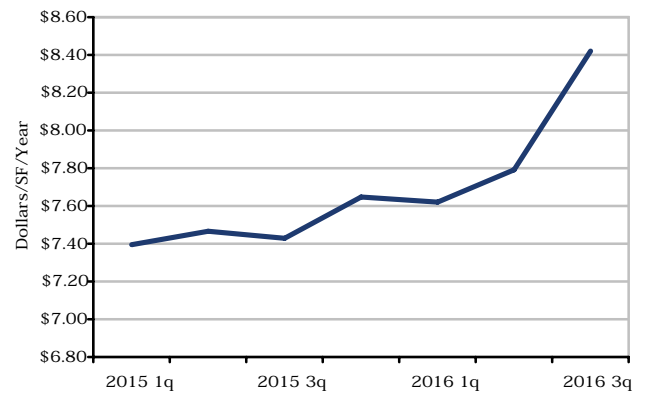
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	229	6,111,647	893,297	14.6%	59,921	0	0	0	0	\$8.42
2016 2q	229	6,111,647	953,218	15.6%	3,961	0	0	0	0	\$7.79
2016 1q	229	6,111,647	957,179	15.7%	123,562	0	0	0	0	\$7.62
2015 4q	229	6,111,647	1,080,741	17.7%	49,392	0	0	0	0	\$7.65
2015 3q	229	6,111,647	1,130,133	18.5%	(35,704)	0	0	0	0	\$7.43
2015 2q	229	6,111,647	1,094,429	17.9%	(88,643)	0	0	0	0	\$7.47
2015 1q	230	6,383,612	1,277,751	20.0%	(267,468)	0	0	0	0	\$7.40
2014 4q	230	6,383,612	1,010,283	15.8%	(12,665)	0	0	0	0	\$7.36
2014 3q	230	6,383,612	997,618	15.6%	73,250	1	16,565	0	0	\$7.28
2014 2q	229	6,367,047	1,054,303	16.6%	50	0	0	1	16,565	\$7.28
2014 1q	229	6,367,047	1,054,353	16.6%	140,219	1	9,000	1	16,565	\$7.23
2013 4q	228	6,358,047	1,185,572	18.6%	(46,279)	0	0	1	9,000	\$7.10
2013 3q	228	6,358,047	1,139,293	17.9%	23,045	0	0	1	9,000	\$7.05
2013 2q	228	6,358,047	1,162,338	18.3%	(7,876)	0	0	0	0	\$7.08
2013 1q	228	6,358,047	1,154,462	18.2%	(5,501)	0	0	0	0	\$7.03
2012 4q	228	6,358,047	1,148,961	18.1%	4,326	0	0	0	0	\$7.11

Source: CoStar Property®



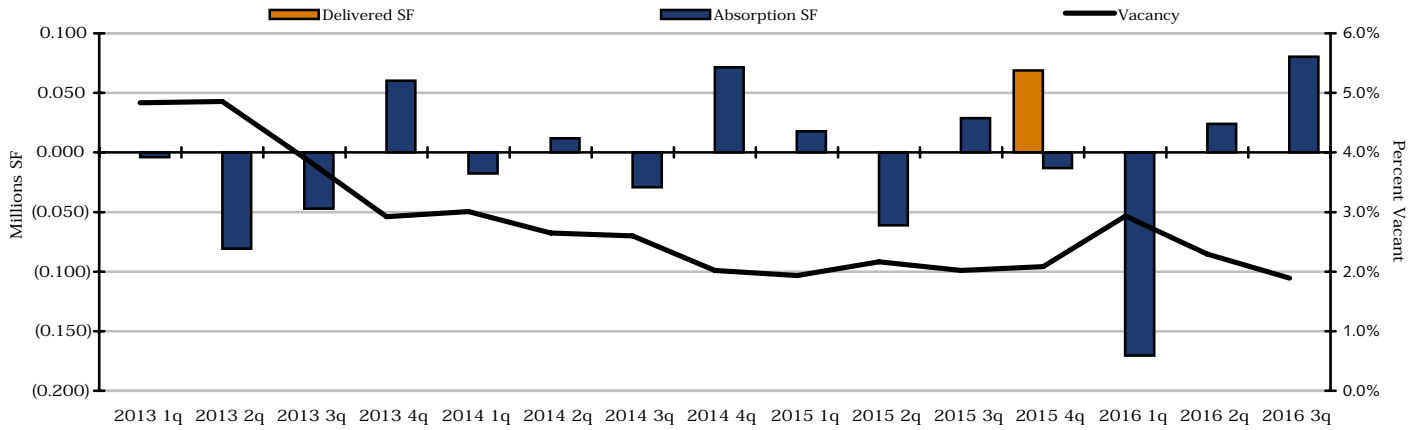
# Denver Industrial Market

## North Central Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

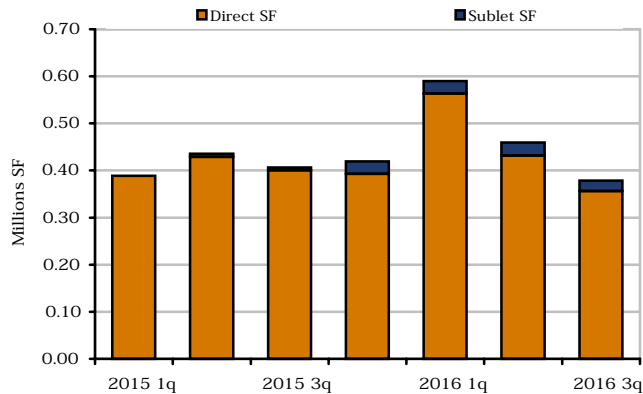
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

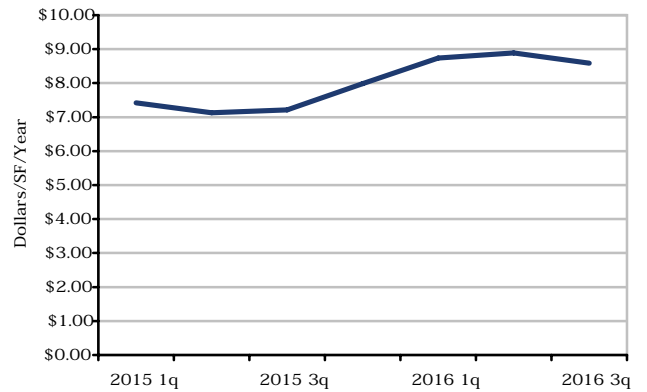
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	893	20,009,523	378,813	1.9%	80,363	0	0	0	0	\$8.58
2016 2q	893	20,009,523	459,176	2.3%	23,931	0	0	0	0	\$8.89
2016 1q	895	20,116,225	589,809	2.9%	(170,497)	0	0	0	0	\$8.74
2015 4q	895	20,116,225	419,312	2.1%	(12,957)	1	68,822	0	0	\$7.98
2015 3q	896	20,116,602	406,732	2.0%	28,857	0	0	1	68,822	\$7.21
2015 2q	896	20,116,602	435,589	2.2%	(61,230)	0	0	1	68,822	\$7.13
2015 1q	897	20,131,029	388,786	1.9%	17,778	0	0	1	68,822	\$7.42
2014 4q	897	20,131,029	406,564	2.0%	71,529	0	0	1	68,822	\$6.87
2014 3q	898	20,177,481	524,545	2.6%	(29,259)	0	0	0	0	\$6.92
2014 2q	900	20,217,267	535,072	2.6%	11,918	0	0	0	0	\$6.09
2014 1q	905	20,280,205	609,928	3.0%	(17,708)	0	0	0	0	\$5.61
2013 4q	905	20,280,205	592,220	2.9%	60,201	0	0	0	0	\$6.06
2013 3q	908	20,426,225	798,441	3.9%	(47,162)	0	0	0	0	\$6.11
2013 2q	909	20,679,225	1,004,279	4.9%	(80,624)	0	0	0	0	\$5.50
2013 1q	911	20,759,225	1,003,655	4.8%	(4,051)	0	0	0	0	\$5.41
2012 4q	914	20,933,947	1,174,326	5.6%	126,839	0	0	0	0	\$5.12

Source: CoStar Property®

# Denver Industrial Market

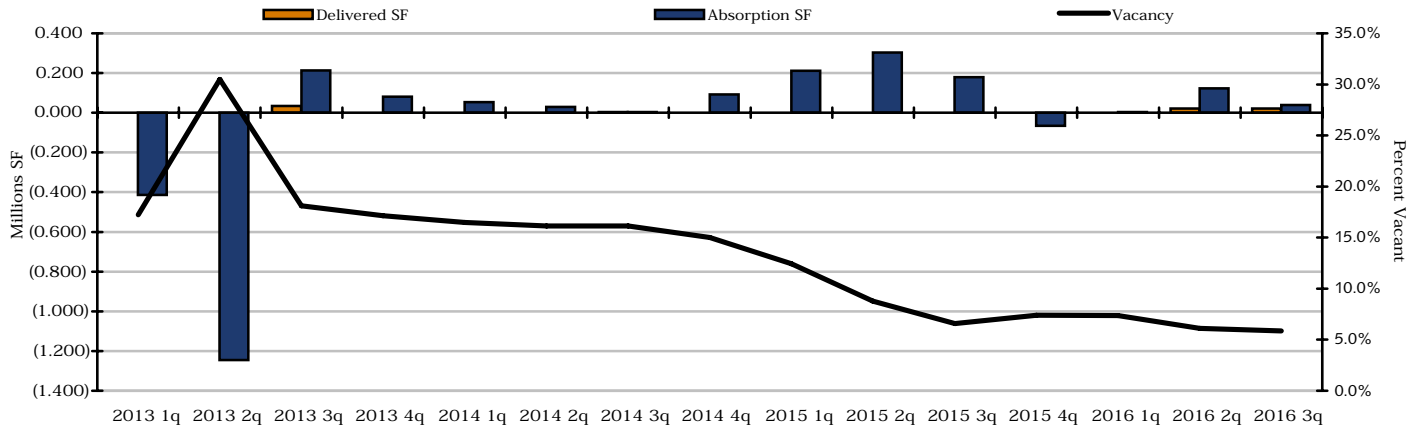


## North Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

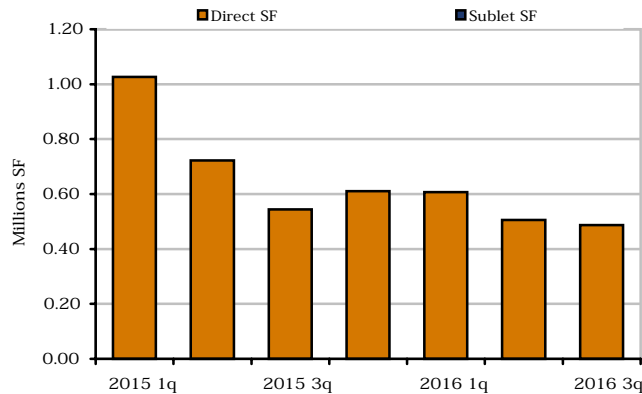
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

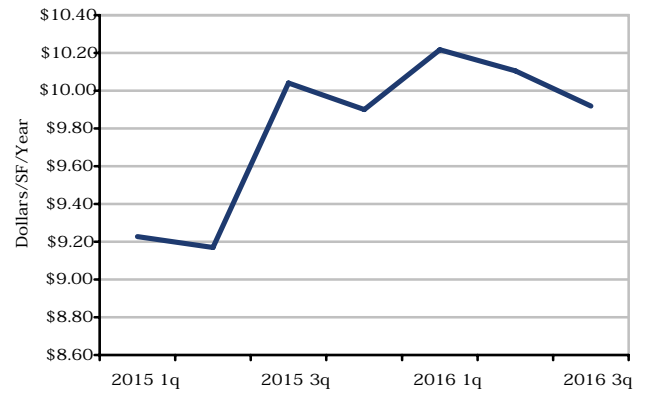
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	265	8,286,019	486,566	5.9%	39,771	1	21,150	1	78,794	\$9.92
2016 2q	264	8,264,869	505,187	6.1%	123,575	1	21,875	2	99,944	\$10.11
2016 1q	263	8,242,994	606,887	7.4%	3,052	0	0	2	43,025	\$10.22
2015 4q	263	8,242,994	609,939	7.4%	(66,430)	0	0	1	21,875	\$9.90
2015 3q	263	8,242,994	543,509	6.6%	179,402	0	0	1	21,875	\$10.04
2015 2q	263	8,242,994	722,911	8.8%	302,992	0	0	0	0	\$9.17
2015 1q	263	8,242,994	1,025,903	12.4%	211,231	0	0	0	0	\$9.23
2014 4q	263	8,242,994	1,237,134	15.0%	92,824	0	0	0	0	\$8.76
2014 3q	263	8,242,994	1,329,958	16.1%	3,329	1	4,309	0	0	\$8.87
2014 2q	262	8,238,685	1,328,978	16.1%	29,997	0	0	1	4,309	\$8.42
2014 1q	262	8,238,685	1,358,975	16.5%	53,094	0	0	1	4,309	\$8.48
2013 4q	262	8,238,685	1,412,069	17.1%	80,898	0	0	1	4,309	\$8.30
2013 3q	262	8,238,685	1,492,967	18.1%	212,861	1	34,245	1	4,309	\$7.72
2013 2q	262	9,397,511	2,864,654	30.5%	(1,245,754)	0	0	1	34,245	\$6.03
2013 1q	262	9,397,511	1,618,900	17.2%	(413,551)	0	0	1	34,245	\$5.99
2012 4q	262	9,397,511	1,205,349	12.8%	(55,864)	0	0	0	0	\$5.98

Source: CoStar Property®



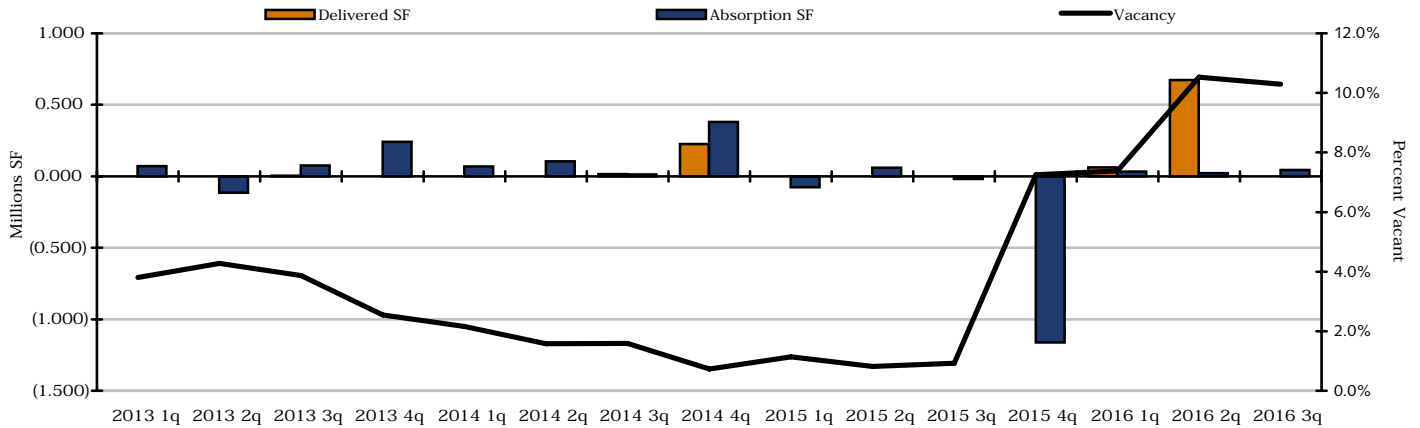
# Denver Industrial Market

## Northeast Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

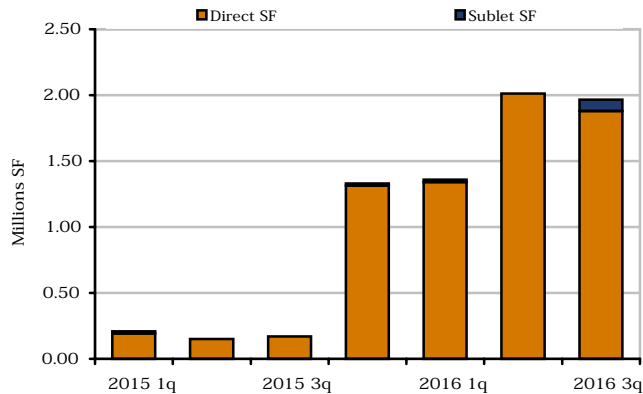
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

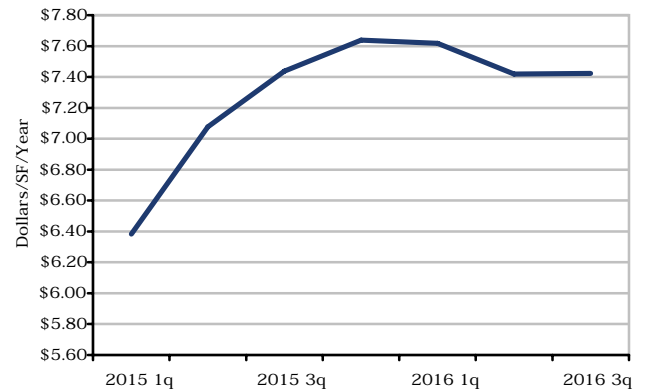
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	698	19,100,561	1,965,817	10.3%	45,170	0	0	9	718,407	\$7.42
2016 2q	698	19,100,561	2,010,987	10.5%	20,862	3	672,128	3	339,680	\$7.42
2016 1q	695	18,428,433	1,359,721	7.4%	33,438	1	61,870	5	896,128	\$7.62
2015 4q	694	18,366,563	1,331,289	7.2%	(1,161,922)	0	0	4	730,518	\$7.64
2015 3q	694	18,366,563	169,367	0.9%	(18,669)	0	0	3	562,468	\$7.44
2015 2q	694	18,366,563	150,698	0.8%	59,141	0	0	0	0	\$7.08
2015 1q	694	18,366,563	209,839	1.1%	(76,196)	0	0	0	0	\$6.38
2014 4q	694	18,366,563	133,643	0.7%	381,124	1	226,000	0	0	\$6.69
2014 3q	693	18,140,563	288,767	1.6%	12,671	1	15,000	1	226,000	\$6.50
2014 2q	692	18,125,563	286,438	1.6%	105,755	0	0	2	241,000	\$6.35
2014 1q	692	18,125,563	392,193	2.2%	68,582	0	0	2	241,000	\$6.27
2013 4q	692	18,125,563	460,775	2.5%	240,848	0	0	0	0	\$5.88
2013 3q	692	18,125,563	701,623	3.9%	75,694	1	3,000	0	0	\$5.83
2013 2q	691	18,122,563	774,317	4.3%	(113,836)	0	0	1	3,000	\$5.20
2013 1q	692	18,152,420	690,338	3.8%	71,362	0	0	1	3,000	\$5.31
2012 4q	692	18,152,420	761,700	4.2%	117,374	1	100,490	0	0	\$5.39

Source: CoStar Property®

# Denver Industrial Market

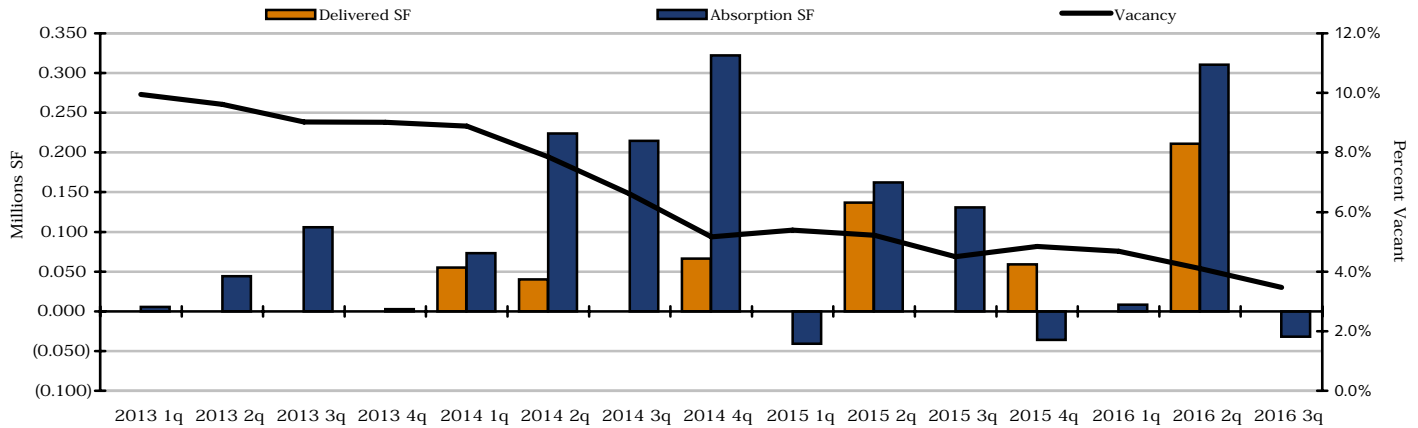


## Northwest Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

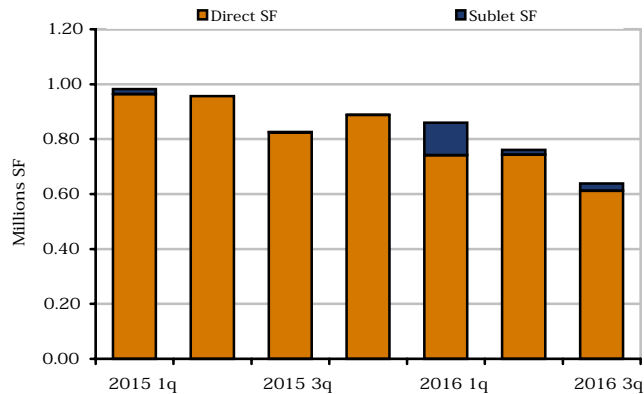
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

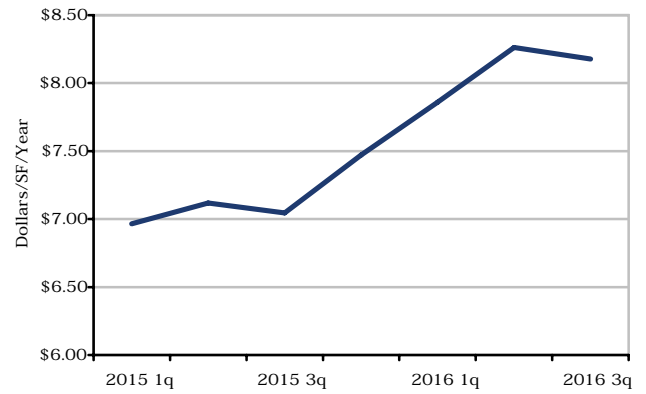
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	675	18,396,931	638,079	3.5%	(31,922)	0	0	7	392,887	\$8.18
2016 2q	676	18,551,303	760,529	4.1%	310,324	1	211,030	6	282,887	\$8.26
2016 1q	675	18,340,273	859,823	4.7%	8,308	0	0	5	461,102	\$7.86
2015 4q	677	18,361,473	889,331	4.8%	(35,940)	1	59,137	5	461,102	\$7.47
2015 3q	680	18,333,740	825,658	4.5%	130,839	0	0	2	270,167	\$7.05
2015 2q	680	18,333,740	956,497	5.2%	162,311	1	136,701	2	270,167	\$7.12
2015 1q	679	18,197,039	982,107	5.4%	(40,921)	0	0	3	406,868	\$6.96
2014 4q	679	18,197,039	941,186	5.2%	322,261	1	66,350	1	136,701	\$6.92
2014 3q	678	18,130,689	1,197,097	6.6%	214,534	0	0	2	203,051	\$7.32
2014 2q	679	18,143,089	1,424,031	7.8%	224,096	1	40,000	1	66,350	\$7.91
2014 1q	678	18,103,089	1,608,127	8.9%	73,151	1	55,000	2	106,350	\$7.83
2013 4q	677	18,048,089	1,626,278	9.0%	2,912	0	0	2	95,000	\$7.91
2013 3q	677	18,048,089	1,629,190	9.0%	105,751	0	0	1	55,000	\$7.79
2013 2q	677	18,048,089	1,734,941	9.6%	44,414	0	0	1	55,000	\$7.19
2013 1q	678	18,066,041	1,797,307	9.9%	5,426	0	0	1	55,000	\$7.08
2012 4q	679	18,098,281	1,834,973	10.1%	(87,603)	0	0	0	0	\$6.61

Source: CoStar Property®



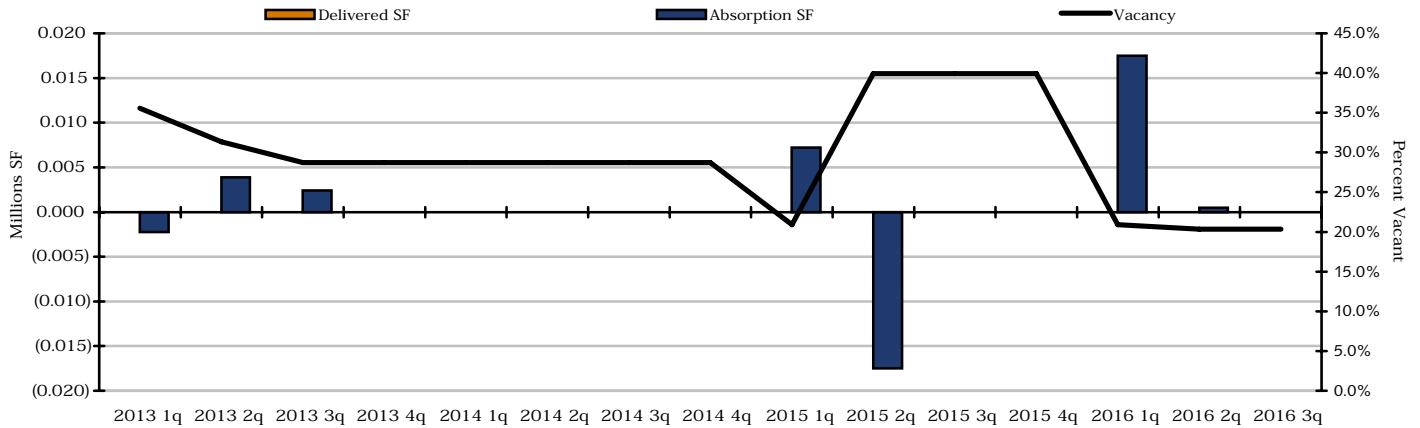
# Denver Industrial Market

## Park County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

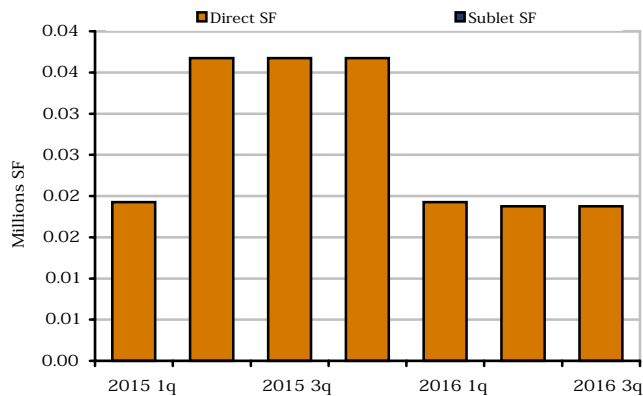
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

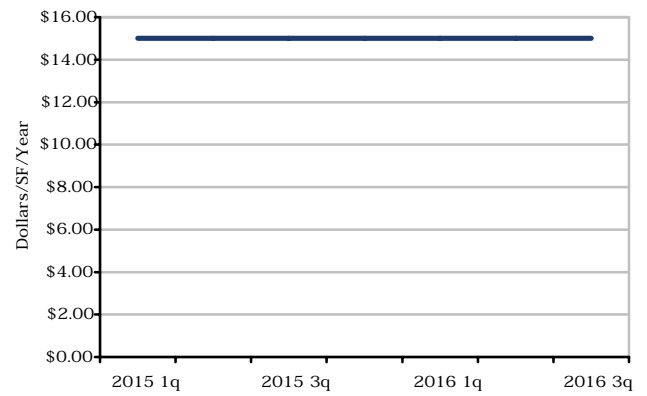
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	14	92,071	18,750	20.4%	0	0	0	0	0	\$15.00
2016 2q	14	92,071	18,750	20.4%	500	0	0	0	0	\$15.00
2016 1q	14	92,071	19,250	20.9%	17,496	0	0	0	0	\$15.00
2015 4q	14	92,071	36,746	39.9%	0	0	0	0	0	\$15.00
2015 3q	14	92,071	36,746	39.9%	0	0	0	0	0	\$15.00
2015 2q	14	92,071	36,746	39.9%	(17,496)	0	0	0	0	\$15.00
2015 1q	14	92,071	19,250	20.9%	7,200	0	0	0	0	\$15.00
2014 4q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2014 3q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2014 2q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2014 1q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2013 4q	14	92,071	26,450	28.7%	0	0	0	0	0	\$15.00
2013 3q	14	92,071	26,450	28.7%	2,400	0	0	0	0	\$15.00
2013 2q	14	92,071	28,850	31.3%	3,900	0	0	0	0	\$0.00
2013 1q	14	92,071	32,750	35.6%	(2,250)	0	0	0	0	\$0.00
2012 4q	14	92,071	30,500	33.1%	0	0	0	0	0	\$0.00

Source: CoStar Property®

# Denver Industrial Market

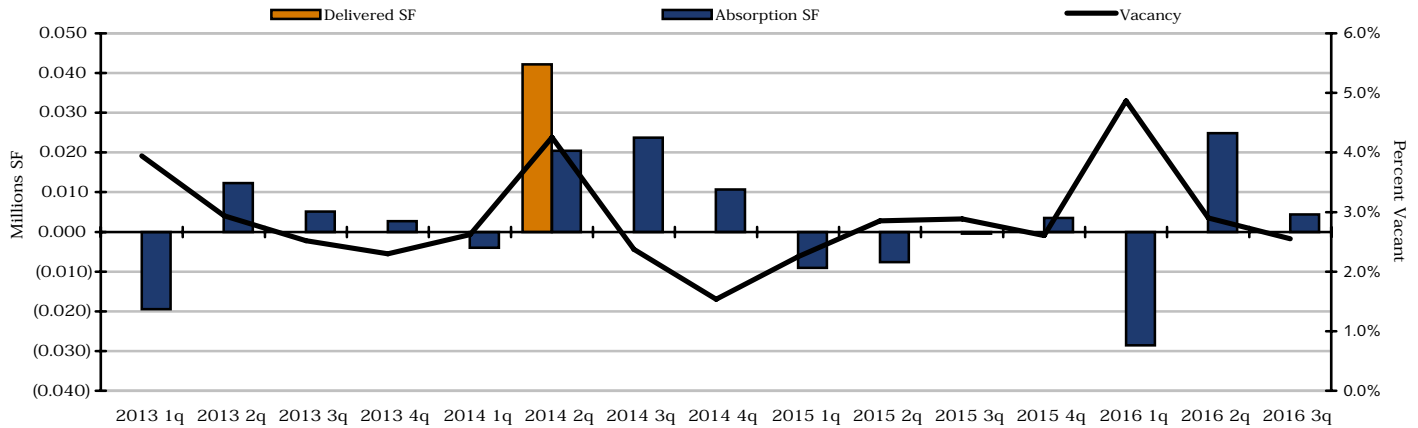


## Parker/Castle Rock Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

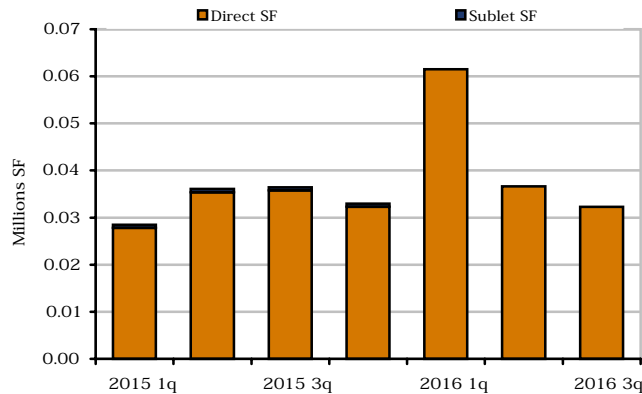
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

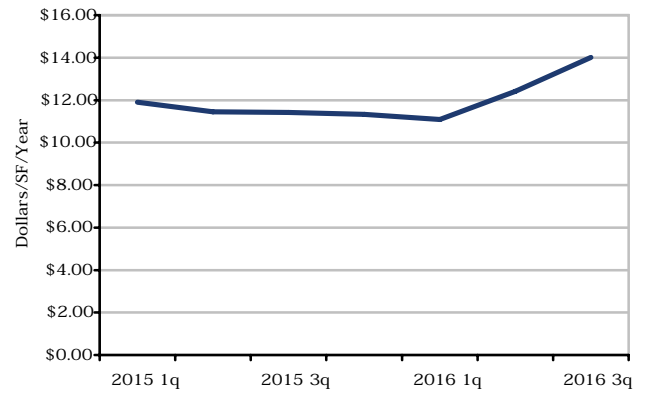
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	108	1,264,804	32,284	2.6%	4,370	0	0	4	46,330	\$14.01
2016 2q	108	1,264,804	36,654	2.9%	24,874	0	0	0	0	\$12.42
2016 1q	108	1,264,804	61,528	4.9%	(28,572)	0	0	0	0	\$11.09
2015 4q	108	1,264,804	32,956	2.6%	3,500	0	0	0	0	\$11.33
2015 3q	108	1,264,804	36,456	2.9%	(400)	0	0	0	0	\$11.42
2015 2q	108	1,264,804	36,056	2.9%	(7,576)	0	0	0	0	\$11.45
2015 1q	108	1,264,804	28,480	2.3%	(9,080)	0	0	0	0	\$11.90
2014 4q	108	1,264,804	19,400	1.5%	10,659	0	0	0	0	\$12.24
2014 3q	108	1,264,804	30,059	2.4%	23,754	0	0	0	0	\$11.77
2014 2q	108	1,264,804	53,813	4.3%	20,450	2	42,213	0	0	\$11.86
2014 1q	106	1,222,591	32,050	2.6%	(3,950)	0	0	2	42,213	\$12.12
2013 4q	106	1,222,591	28,100	2.3%	2,700	0	0	2	42,213	\$11.16
2013 3q	106	1,222,591	30,800	2.5%	5,120	0	0	0	0	\$10.69
2013 2q	106	1,222,591	35,920	2.9%	12,300	0	0	0	0	\$10.51
2013 1q	106	1,222,591	48,220	3.9%	(19,440)	0	0	0	0	\$10.72
2012 4q	106	1,222,591	28,780	2.4%	5,900	0	0	0	0	\$10.38

Source: CoStar Property®





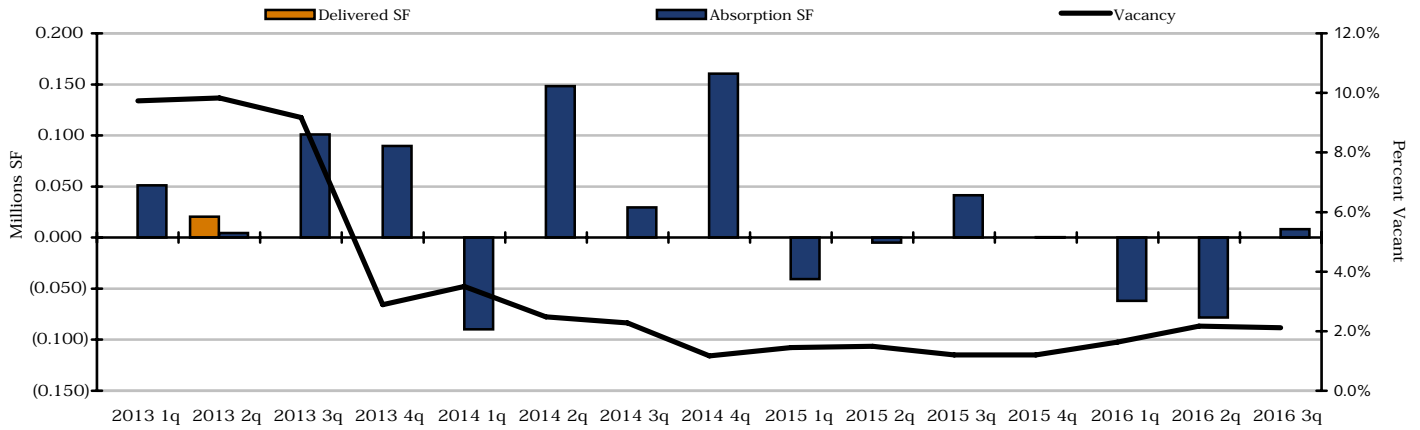
# Denver Industrial Market

## South Central Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

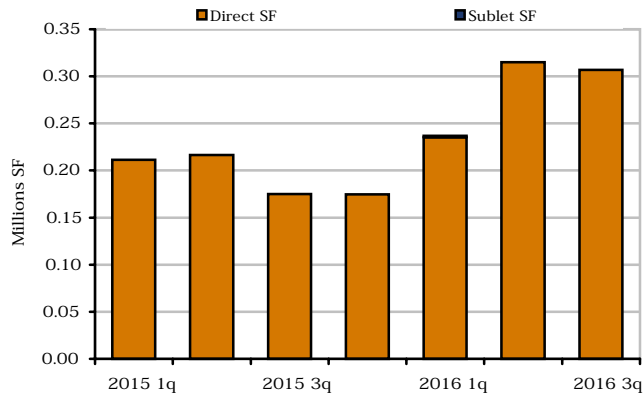
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

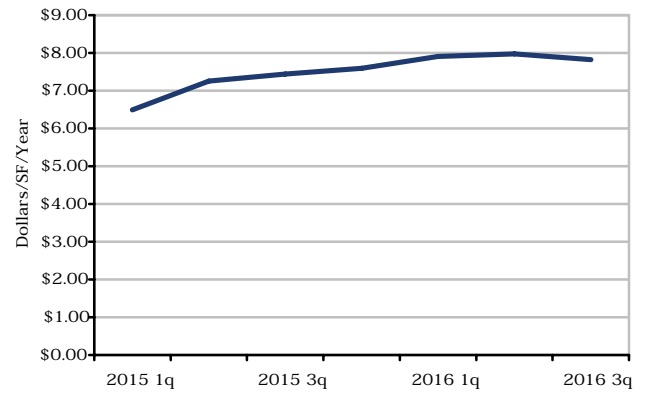
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	980	14,519,018	306,796	2.1%	8,104	0	0	0	0	\$7.83
2016 2q	980	14,519,018	314,900	2.2%	(78,142)	0	0	0	0	\$7.98
2016 1q	980	14,519,018	236,758	1.6%	(62,101)	0	0	0	0	\$7.91
2015 4q	980	14,519,018	174,657	1.2%	350	0	0	0	0	\$7.59
2015 3q	980	14,519,018	175,007	1.2%	41,345	0	0	0	0	\$7.44
2015 2q	980	14,519,018	216,352	1.5%	(5,021)	0	0	0	0	\$7.25
2015 1q	980	14,519,018	211,331	1.5%	(40,761)	0	0	0	0	\$6.49
2014 4q	980	14,519,018	170,570	1.2%	160,649	0	0	0	0	\$6.39
2014 3q	980	14,519,018	331,219	2.3%	29,428	0	0	0	0	\$6.31
2014 2q	980	14,519,018	360,647	2.5%	148,319	0	0	0	0	\$6.26
2014 1q	980	14,519,018	508,966	3.5%	(89,897)	0	0	0	0	\$6.06
2013 4q	980	14,519,018	419,069	2.9%	89,614	0	0	0	0	\$5.91
2013 3q	981	15,425,541	1,415,206	9.2%	101,028	0	0	0	0	\$5.85
2013 2q	981	15,425,541	1,516,234	9.8%	4,395	1	20,561	0	0	\$5.60
2013 1q	980	15,404,980	1,500,068	9.7%	51,107	0	0	1	20,561	\$5.58
2012 4q	980	15,404,980	1,551,175	10.1%	108,577	0	0	1	20,561	\$5.57

Source: CoStar Property®

# Denver Industrial Market

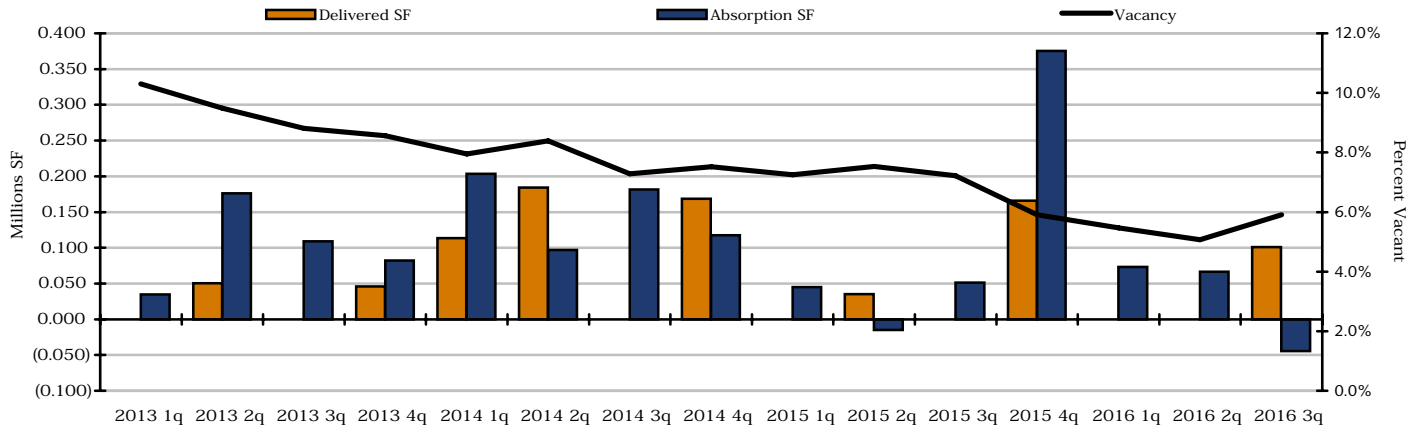


## Southeast Denver Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

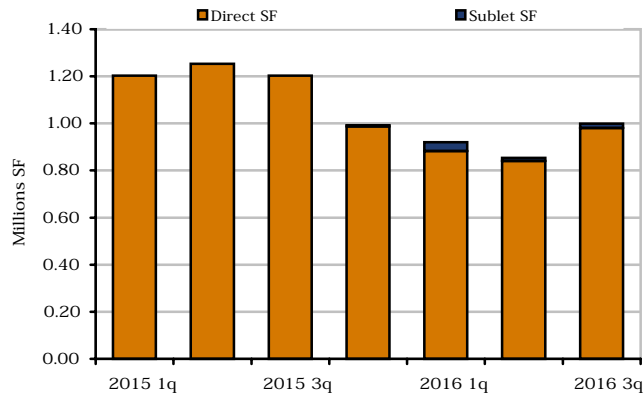
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

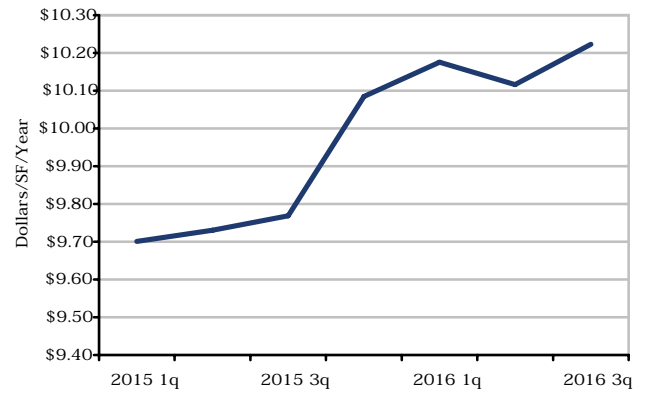
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	516	16,909,611	998,813	5.9%	(44,631)	1	101,000	4	182,902	\$10.22
2016 2q	515	16,808,611	853,182	5.1%	66,569	0	0	5	283,902	\$10.12
2016 1q	515	16,808,611	919,751	5.5%	73,120	0	0	2	107,000	\$10.18
2015 4q	515	16,808,611	992,871	5.9%	375,388	2	165,950	2	107,000	\$10.08
2015 3q	513	16,642,661	1,202,309	7.2%	51,192	0	0	2	165,950	\$9.77
2015 2q	513	16,642,661	1,253,501	7.5%	(15,061)	1	35,000	2	165,950	\$9.73
2015 1q	512	16,607,661	1,203,440	7.2%	45,060	0	0	3	200,950	\$9.70
2014 4q	512	16,607,661	1,248,500	7.5%	117,508	2	168,774	2	133,750	\$9.43
2014 3q	510	16,438,887	1,197,234	7.3%	181,338	0	0	4	302,524	\$9.25
2014 2q	510	16,438,887	1,378,572	8.4%	97,121	2	184,248	2	168,774	\$9.25
2014 1q	508	16,254,639	1,291,445	7.9%	203,637	4	113,336	3	269,248	\$9.09
2013 4q	504	16,141,303	1,381,746	8.6%	82,290	1	45,910	6	297,584	\$9.05
2013 3q	503	16,095,393	1,418,126	8.8%	109,224	0	0	7	343,494	\$9.04
2013 2q	503	16,095,393	1,527,350	9.5%	175,988	1	50,488	1	98,875	\$8.94
2013 1q	502	16,044,905	1,652,850	10.3%	34,930	0	0	1	50,488	\$8.76
2012 4q	502	16,044,905	1,687,780	10.5%	29,869	1	25,000	1	50,488	\$8.64

Source: CoStar Property®



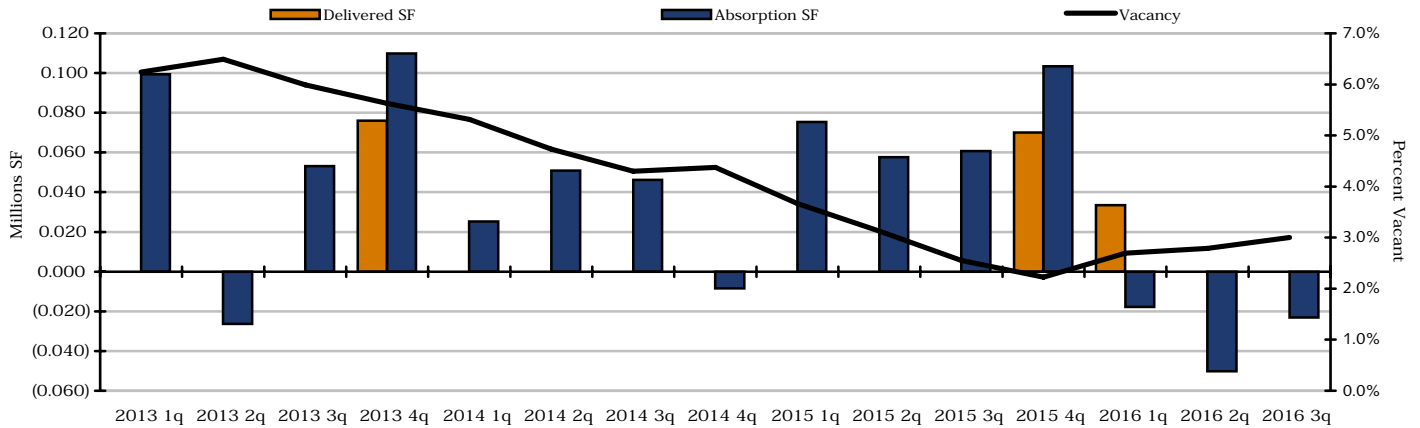
# Denver Industrial Market

## Southwest Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

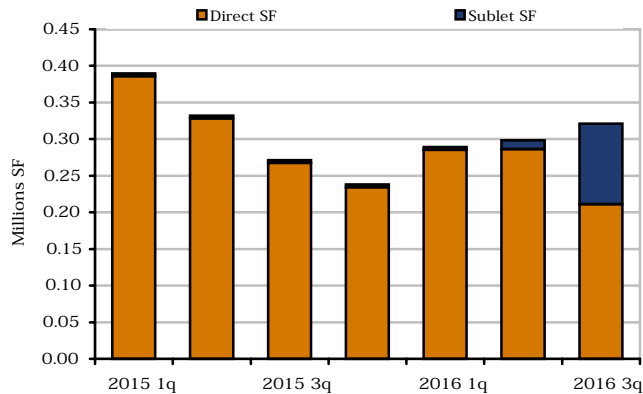
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

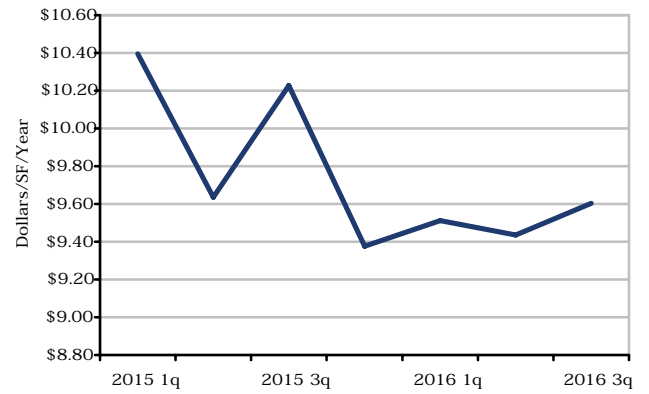
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	525	10,695,029	321,297	3.0%	(23,045)	0	0	0	0	\$9.60
2016 2q	525	10,695,029	298,252	2.8%	(50,137)	0	0	0	0	\$9.44
2016 1q	526	10,736,298	289,384	2.7%	(17,748)	1	33,500	0	0	\$9.51
2015 4q	525	10,702,798	238,136	2.2%	103,368	1	70,000	1	33,500	\$9.38
2015 3q	524	10,632,798	271,504	2.6%	60,732	0	0	2	103,500	\$10.23
2015 2q	524	10,632,798	332,236	3.1%	57,685	0	0	2	103,500	\$9.64
2015 1q	524	10,632,798	389,921	3.7%	75,299	0	0	2	103,500	\$10.40
2014 4q	524	10,632,798	465,220	4.4%	(8,394)	0	0	0	0	\$9.86
2014 3q	524	10,632,798	456,826	4.3%	46,266	0	0	0	0	\$9.56
2014 2q	524	10,632,798	503,092	4.7%	50,835	0	0	0	0	\$9.56
2014 1q	525	10,644,457	565,586	5.3%	25,234	0	0	0	0	\$8.89
2013 4q	526	10,653,177	599,540	5.6%	109,920	1	76,000	0	0	\$8.68
2013 3q	525	10,577,177	633,460	6.0%	53,071	0	0	1	76,000	\$8.73
2013 2q	525	10,577,177	686,531	6.5%	(26,342)	0	0	1	76,000	\$8.48
2013 1q	525	10,577,177	660,189	6.2%	99,372	0	0	1	76,000	\$8.31
2012 4q	525	10,577,177	759,561	7.2%	53,828	0	0	0	0	\$7.63

Source: CoStar Property®

# Denver Industrial Market

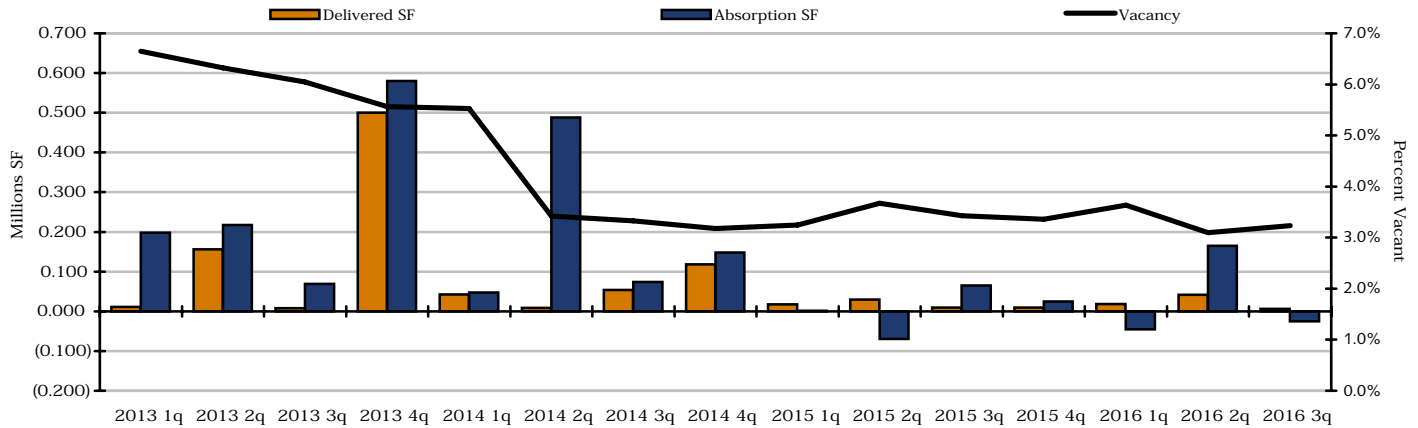


## Weld County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

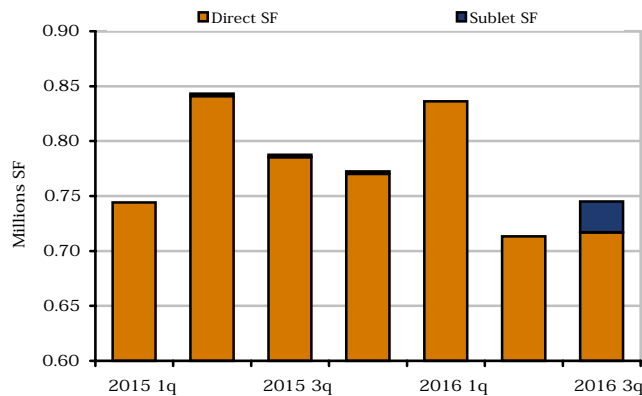
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

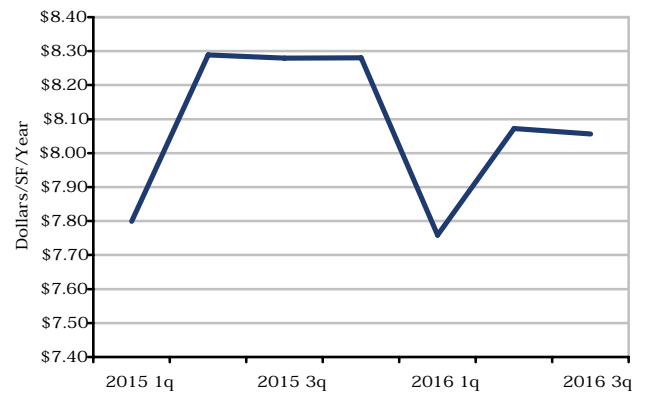
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	1,039	23,049,649	744,976	3.2%	(25,133)	1	6,605	5	97,010	\$8.06
2016 2q	1,038	23,043,044	713,238	3.1%	164,791	1	41,674	6	103,615	\$8.07
2016 1q	1,037	23,001,370	836,355	3.6%	(45,164)	2	18,700	3	60,759	\$7.76
2015 4q	1,035	22,982,670	772,491	3.4%	24,759	1	9,800	4	66,979	\$8.28
2015 3q	1,034	22,972,870	787,450	3.4%	65,044	1	9,200	4	35,105	\$8.28
2015 2q	1,033	22,963,670	843,294	3.7%	(69,560)	2	29,600	2	15,805	\$8.29
2015 1q	1,031	22,934,070	744,134	3.2%	1,309	1	17,669	4	45,405	\$7.80
2014 4q	1,030	22,916,401	727,774	3.2%	148,205	1	118,000	3	47,269	\$7.50
2014 3q	1,029	22,798,401	757,979	3.3%	73,642	4	53,777	2	135,669	\$7.37
2014 2q	1,025	22,744,624	777,844	3.4%	488,373	1	9,000	5	171,777	\$7.45
2014 1q	1,024	22,735,624	1,257,217	5.5%	47,315	3	42,186	6	180,777	\$7.46
2013 4q	1,021	22,693,438	1,262,346	5.6%	579,666	1	500,000	7	182,463	\$7.15
2013 3q	1,020	22,193,438	1,342,012	6.0%	68,818	1	7,894	8	682,463	\$7.06
2013 2q	1,019	22,185,544	1,402,936	6.3%	217,621	2	156,000	4	646,880	\$7.07
2013 1q	1,017	22,029,544	1,464,557	6.6%	197,873	1	11,256	4	663,894	\$6.41
2012 4q	1,017	22,264,288	1,897,174	8.5%	67,404	3	36,718	4	667,256	\$6.50

Source: CoStar Property®



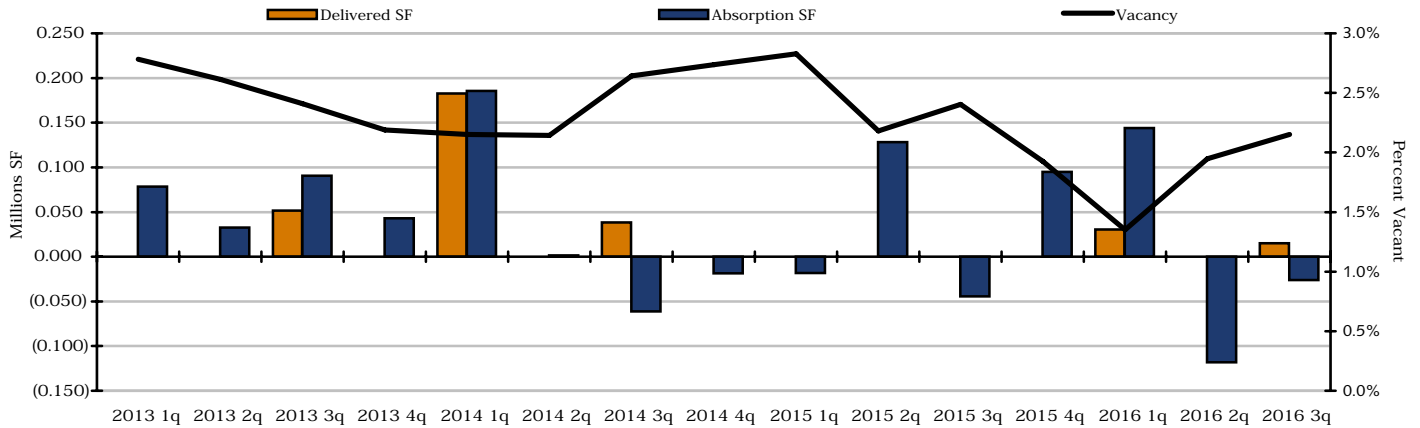
# Denver Industrial Market

## West Denver Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

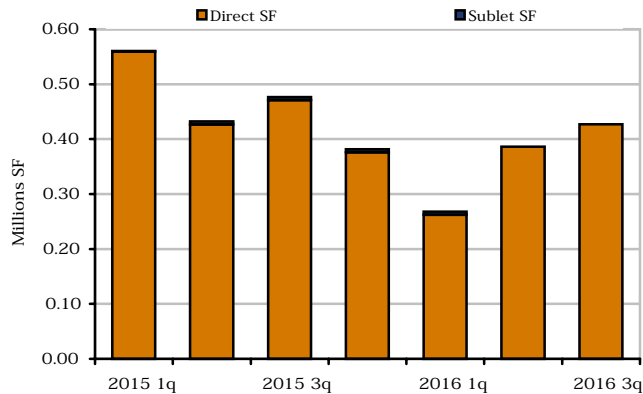
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

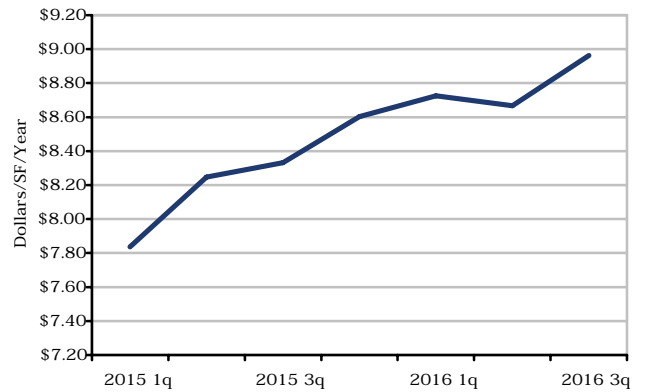
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 3q	522	19,848,856	427,207	2.2%	(26,177)	1	15,000	2	119,413	\$8.96
2016 2q	521	19,833,856	386,030	1.9%	(118,265)	0	0	3	134,413	\$8.67
2016 1q	521	19,833,856	267,765	1.4%	144,050	1	30,415	3	134,413	\$8.73
2015 4q	520	19,803,441	381,400	1.9%	94,852	0	0	4	164,828	\$8.60
2015 3q	520	19,803,441	476,252	2.4%	(44,181)	0	0	2	140,935	\$8.33
2015 2q	520	19,803,441	432,071	2.2%	128,072	0	0	2	140,935	\$8.25
2015 1q	520	19,803,441	560,143	2.8%	(18,391)	0	0	0	0	\$7.84
2014 4q	520	19,803,441	541,752	2.7%	(18,562)	0	0	0	0	\$7.83
2014 3q	520	19,803,441	523,190	2.6%	(61,067)	2	38,315	0	0	\$7.33
2014 2q	518	19,765,126	423,808	2.1%	1,649	0	0	2	38,315	\$7.18
2014 1q	518	19,765,126	425,457	2.2%	185,620	1	182,500	2	38,315	\$6.91
2013 4q	517	19,582,626	428,577	2.2%	43,100	0	0	3	220,815	\$7.21
2013 3q	517	19,582,626	471,677	2.4%	90,668	1	51,700	1	182,500	\$6.95
2013 2q	516	19,530,926	510,645	2.6%	32,704	0	0	2	234,200	\$6.80
2013 1q	516	19,530,926	543,349	2.8%	78,300	0	0	2	234,200	\$6.72
2012 4q	516	19,530,926	621,649	3.2%	130,189	0	0	1	51,700	\$6.78

Source: CoStar Property®