



Year To Date Through Aug.  
**Q3 2020 to Q3 2021**



### Occupancy Rate

43.74% to 57.80%



### Average Daily Rate

\$99.81 to \$111.29



### Revenue per Available Room

\$43.05 to \$64.32



### Rooms Under Construction

3,102 to 3,290



### Market Cap Rate

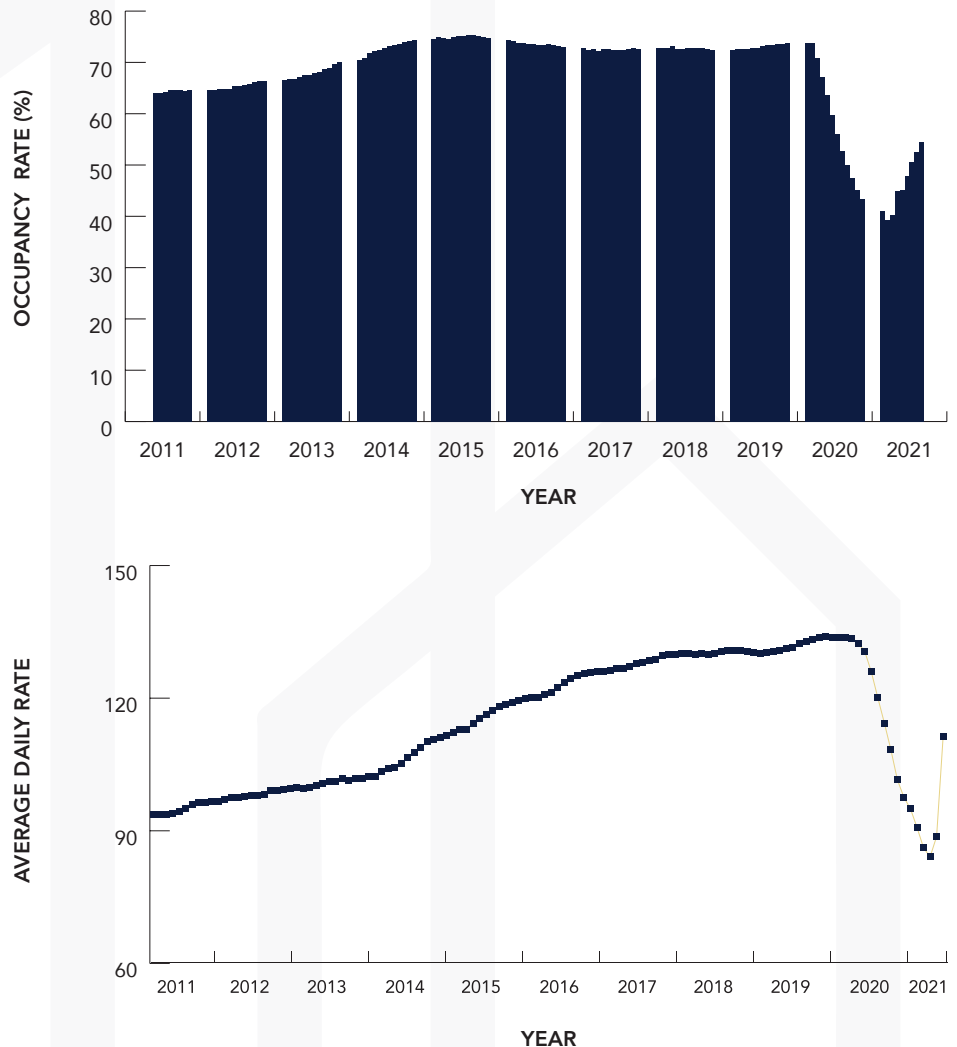
8.5% to 8.5%



### Average Price per Unit

\$176K to \$143K

## Occupancy & ADR 10-Year Overview



\*Source: CoStar, 10/13/2021

## TRAILING 12-MONTH SUMMARY

The Denver Hospitality Market TTM occupancy ending August was about the same as last year at 52.64%.

The TTM Average Daily Rate ending August saw a decrease from \$114.37 to \$104.40.

TTM Revenue Per Available Room (RevPar) ending August increased from \$43.65 to \$64.32.

Cap Rates remained relatively flat at 8.5%, as risk from COVID is stabilizing.

Average Price per unit decreased from \$176,371 to \$142,956. This discount of 18.9%, however, is shrinking as investors return. There is investor concern due to potential changes in Tax laws in 2022, in particular 1031 exchanges, and are looking to purchase in 2021. Employee retention continues to be a major problem, and marketing is difficult. Owners fear employees will leave if they know properties are for sale. Overall operations are improving but will likely not return to pre 2019 levels in 2022.

## Q2 2021 to Q3 2021



### Vacancy Rate

7.0% to 6.3%



### Absorption Rate

672K to 1.83MM



### Market Rent per SF

\$10.19 to \$10.44



### Market Cap Rate

6.24% to 6.30%



### Construction starts from

2.15M to 2.66M (SF)



### Sales Volume from

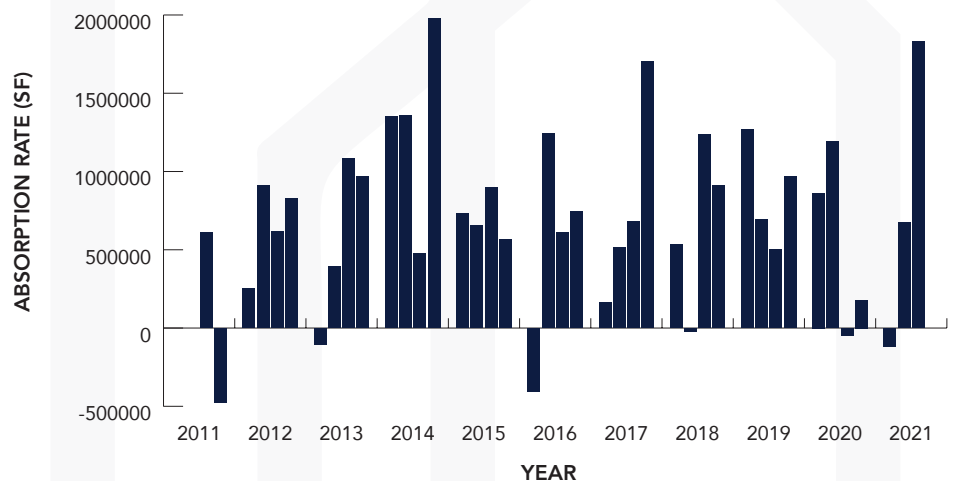
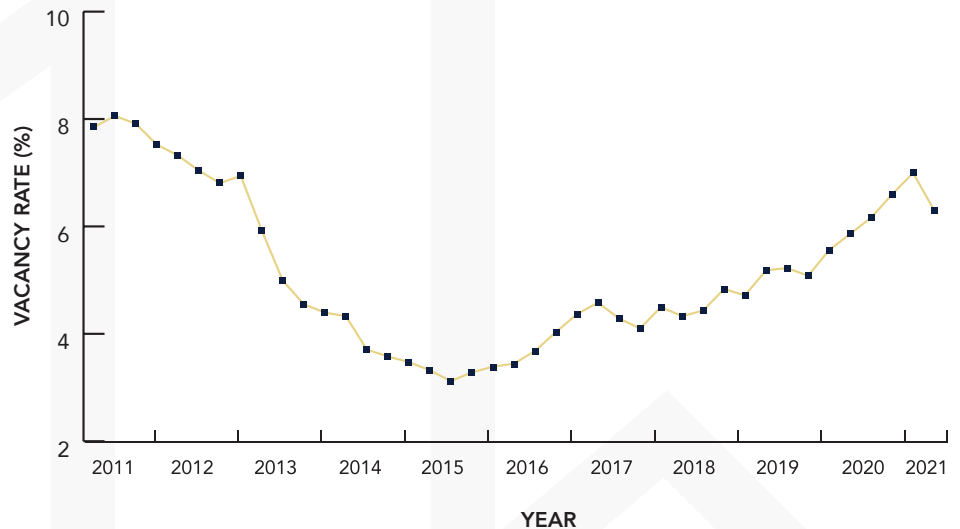
\$299MM to \$486MM



### Average Price per SF

\$146 to \$153

## Vacancy & Absorption 10-Year Overview



\*Source: CoStar, 10/13/2021

## SUMMARY

The Denver Industrial Market saw Vacancy fall from 7.0% to 6.3% from Q2 2021 to Q3 2021.

Absorption accelerated this quarter, increasing from 672K to 1.83MM.

Rents continued to increase, from \$10.19 to 10.44 PSF

Sales Volume increased from \$299MM to \$486MM. from the quarter prior.

Price per square foot increased from \$146 to \$153.

Cap Rates slightly increased from 6.24% to 6.3% from Q2 2021 to Q3 2021.

## Q2 2021 to Q3 2021



### Vacancy Rate

5.8% to 5.3%



### Absorption Rate

4,463 to 3,569



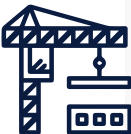
### Market Rent per Unit

\$1,665 to \$1,702



### Market Cap Rate

4.47% to 4.42%



### Construction starts from

1,940 to 3,813



### Sales Volume from

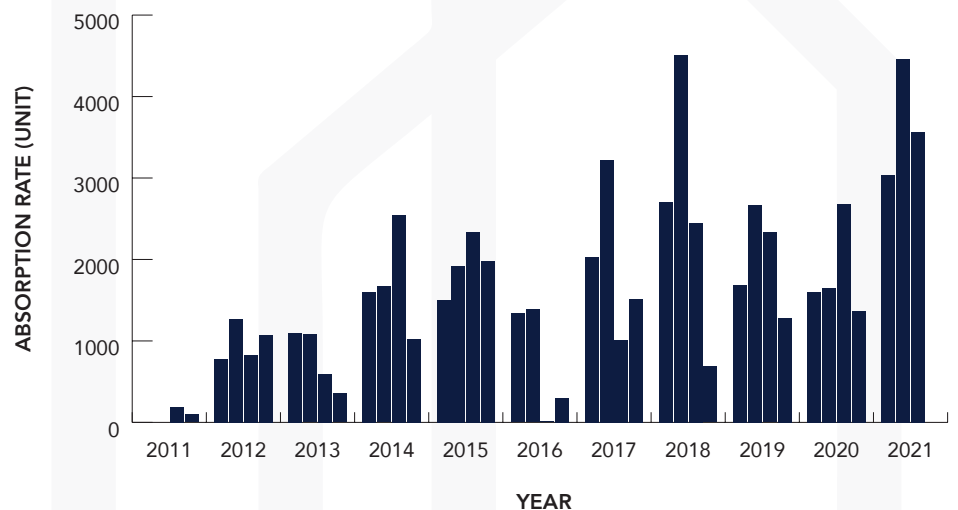
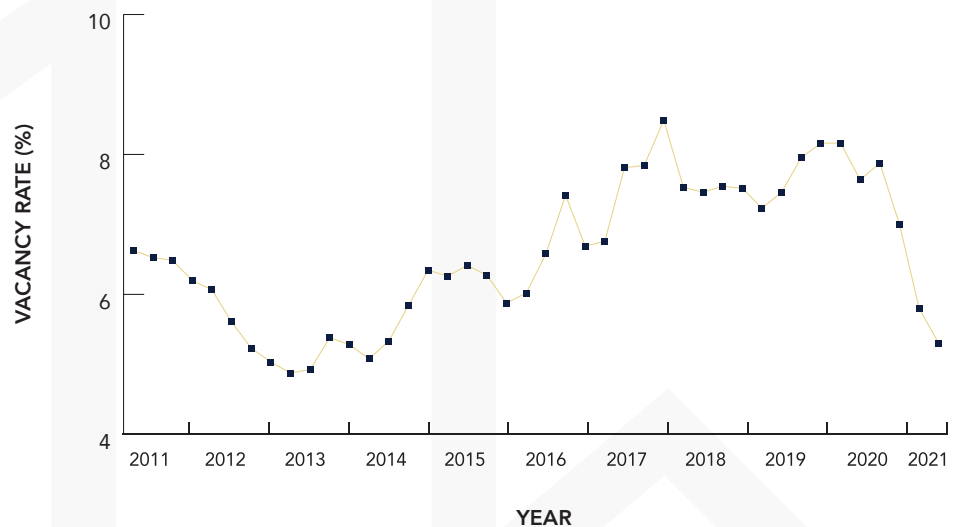
\$2.53B to \$1.91B



### Average Price per Unit

\$315,862 to \$307,493

## Vacancy & Absorption 10-Year Overview



\*Source: CoStar, 10/13/2021

## SUMMARY

The Denver Multi-Family Market saw vacancy fall from 5.8% to 5.3% from last quarter.

Absorption continued to be positive, with another 3,569 units absorbed.

Rents increased from \$1,665 to \$1,702 per month, showing increased signs of demand.

Sales volume fell by half a million, from previous quarter.

Prices per unit fell slightly from last quarter, from \$315,862 to \$307,493.

Cap rates continued to decrease, from 4.47% to 4.42% from the last quarter.

## Q2 2021 to Q3 2021



### Vacancy Rate

14.4% to 14.4%



### Absorption Rate

-570K to 250K



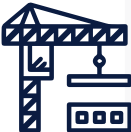
### Market Rent per SF

\$28.58 to \$28.46



### Market Cap Rate

7.24% to 7.1%



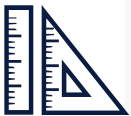
### Construction starts from

437K to 77K (SF)



### Sales Volume from

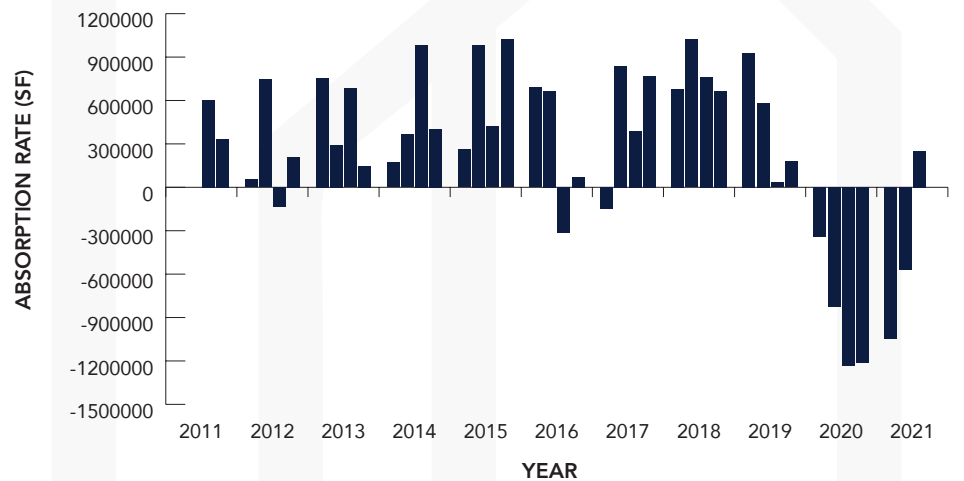
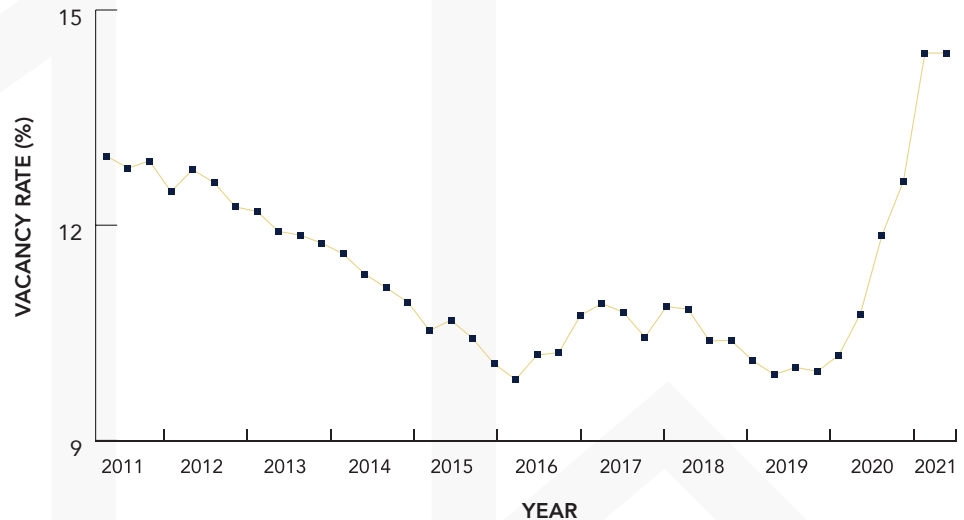
\$539MM to \$1,080MM



### Average Price per SF

\$233 to \$244

## Vacancy & Absorption 10-Year Overview



\*Source: CoStar, 10/13/2021

## SUMMARY

The Denver Office Market saw Vacancy stay consistent, at 14.4% in Q3 2021.

Absorption turned positive for the first time in many quarters, at 250K SF.

Rents slightly dropped, from \$28.58 to \$28.46 since last quarter.

Sales volume nearly doubled since last quarter, from \$539MM to \$1,080MM.

Price per square foot increased from \$233 to \$244, from last quarter.

Cap rates decreased slightly from 7.24% to 7.1%

## Q2 2021 to Q3 2021



### Vacancy Rate

5.1% to 5.0%



### Absorption Rate

369K to 236K



### Market Rent per SF

\$23.43 to \$23.50



### Market Cap Rate

6.54% to 6.52%



### Construction starts from

536K to 316K (SF)



### Sales Volume from

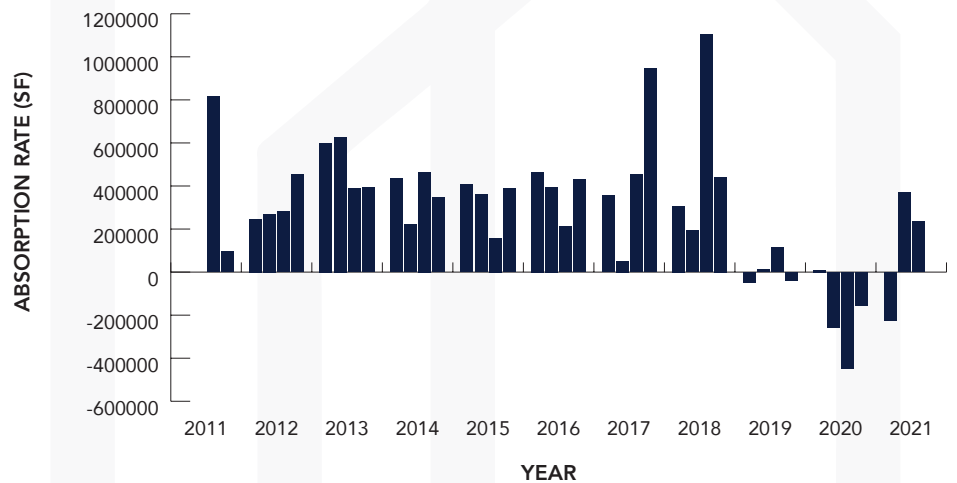
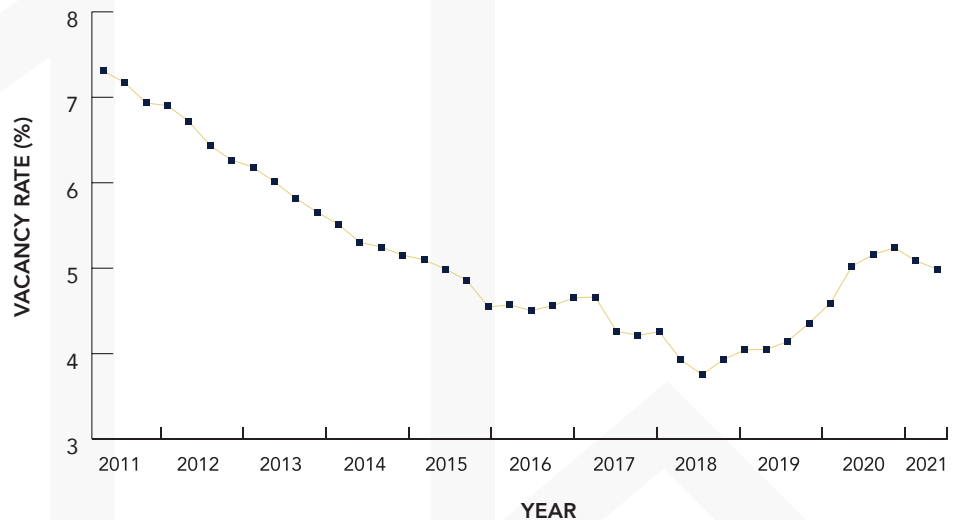
\$287MM to \$423MM



### Average Price per SF

\$223 to \$233

## Vacancy & Absorption 10-Year Overview



\*Source: CoStar, 10/13/2021

## SUMMARY

The Denver Retail market saw Vacancy decrease from 5.1% to 5.0%.

Absorption continued to be positive, like last quarter, with an additional 236K square feet absorbed.

Rents increased from \$23.43 to \$23.50 from last quarter.

Sales Volume increased from \$287MM to \$423MM, showing increased signs of transaction activity.

Price per square foot increased from \$223 to \$233 from the last quarter.

Cap Rate slightly decreased, from 6.54% to 6.52% showing increased investor appetite for retail properties.