

Denver

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Inventory	Y-0-Y CHANGE	Vacancy Rate	Y-0-Y CHANGE	Asking Rental Rate*	Y-0-Y CHANGE	Net Absorption	Y-0-Y CHANGE	Under Construction	Y-0-Y CHANGE	Deliveries	Y-0-Y CHANGE
200.5 msf	↗	8.4 %	↗	\$9.39 psf (NNN)	↗	1.7 msf	↗	8.4 msf	↘	3.5 msf	↗
Q4 2022: 184.9 msf		Q4 2022: 7.0%		Q4 2022: \$8.57		Q4 2022: 1.2 msf		Q4 2022: 9.1 msf		Q4 2022: 2.8 msf	

*Based on all classes of available inventory

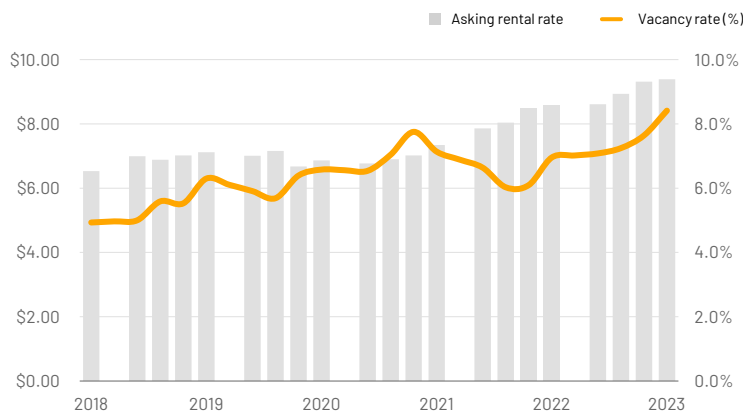
Market Trends

01 The Denver industrial market has experienced a cooling trend, marked by a rise in vacancy rates. In the past year, these rates have increased by 140 basis points reaching a current rate of 8.4%. This change signifies a shift in market dynamics, indicating reduced demand.

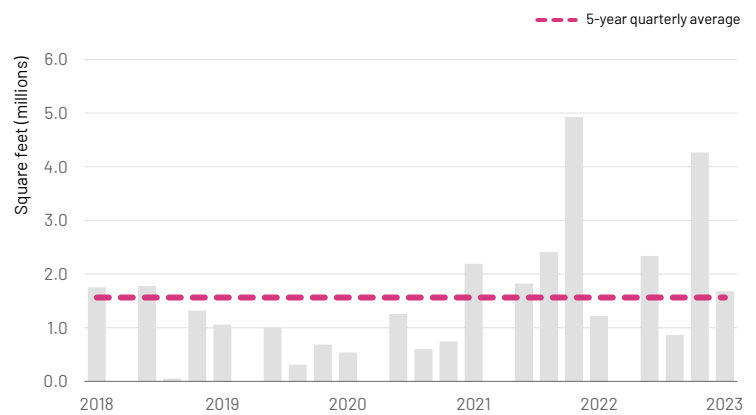
02 Despite a 2023 market slowdown in Denver, rental prices continue to rise. The Central submarket, with a low 4.5% vacancy rate, commands high rents of \$13.52 per square foot (psf). Meanwhile, the South submarket, with a higher 13.2% vacancy rate, showcases the diverse market conditions.

03 In Q4 2023, Denver's industrial market faces a mixed scenario: a healthy net absorption of 1.7 million square feet (msf) contrasts with rising vacancies, indicating a market experiencing both demand and caution. Although positive, net absorption has softened compared to last quarter, which reached a 5-year high of 5.4 msf.

Asking Rent and Vacancy



Net Absorption



Top Leases

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
Discount Tire	338,548	East	9400 E 46 th Place	New Lease	Automotive
Marcone Group	155,850	East	9400 E 46 th Place	New Lease	Consumer Goods
Leanin' Tree, Inc	109,676	Northeast	Elevation 25	New Lease	Consumer Goods
United Construction Products LLC	98,140	Central	701 Osage Street	New Lease	Construction Materials & Building Fixtures
Aspen Distribution	85,253	East	3503-3593 N Windsor Drive	New Lease	Logistics & Distribution/3PLs

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Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

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