

FIGURES | NORTHERN COLORADO INDUSTRIAL | H2 2022

Net absorption reaches an all-time high in 2022 for Northern Colorado Industrial

▼ 5.8%

Total Availability Rate

▲ 1.1M

YTD SF Net Absorption

▲ 1.1M

YTD SF Delivered

▲ 5.0M

SF Under Construction

▲ \$11.55

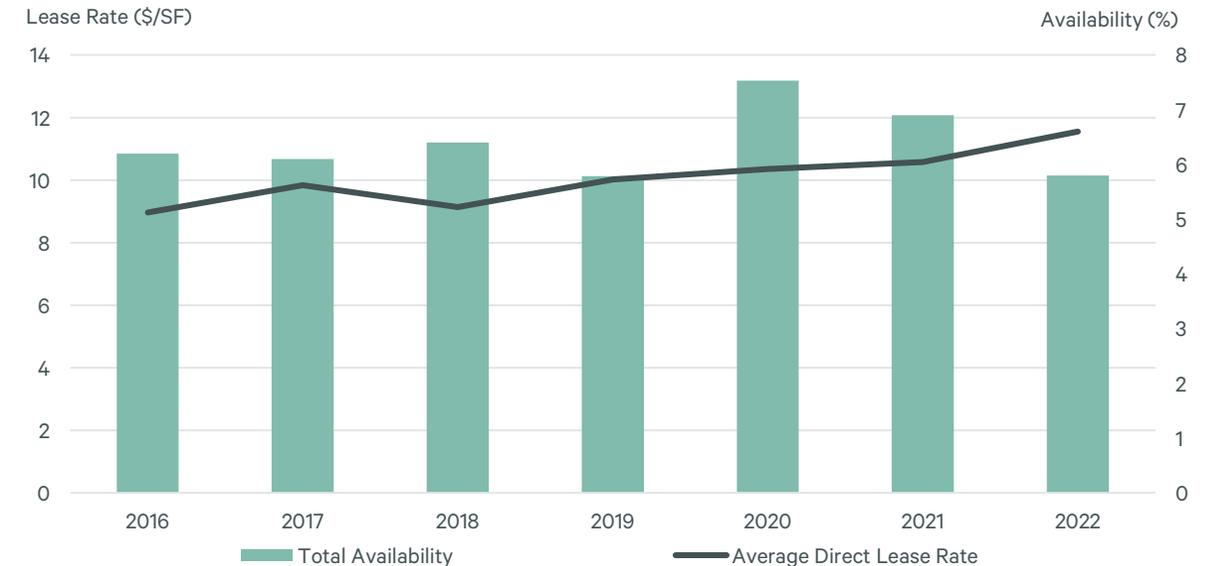
NNN / Asking Lease Rate

Note: Arrows indicate change from previous year-end.

HIGHLIGHTS

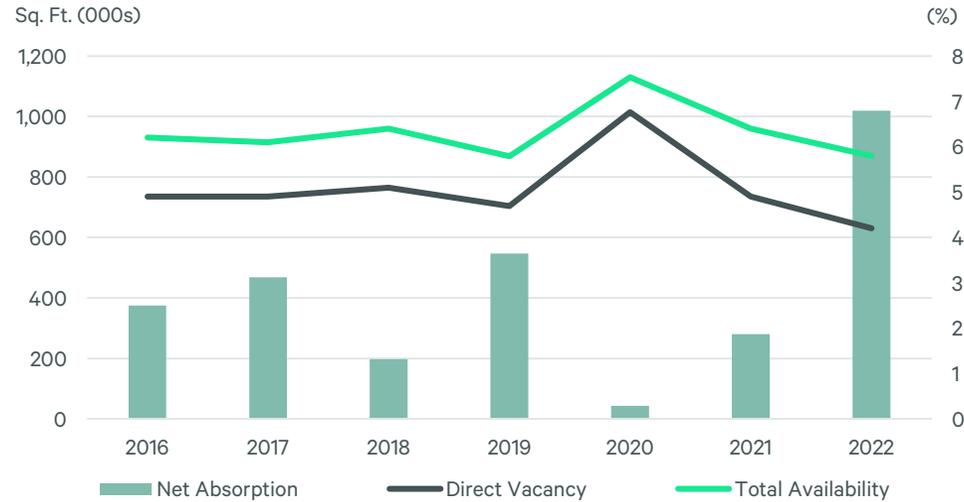
- Nearly 1.1 million sq. ft. of net absorption was recorded in 2022, the highest annual total ever recorded in Northern Colorado that was heavily driven by build-to-suit activity.
- The average direct asking lease rate increased 9.2% year-over-year to \$11.55 per sq. ft. NNN as of year-end 2022.
- Total availability and direct vacancy dropped 60 basis points (bps) and 70 bps year-over-year to 5.8% and 4.2%, respectively.
- Over 5.0 million sq. ft. of industrial space was underway as of year-end, marking the largest development pipeline ever recorded in Northern Colorado. The total is heavily skewed by Amazon’s 3.9 million-sq.-ft. facility under construction in Loveland.
- Overall sales volume in 2022 reached \$322.2 million, down 24.7% compared to total volume recorded in 2021.

FIGURE 1: Lease Rate vs. Total Availability



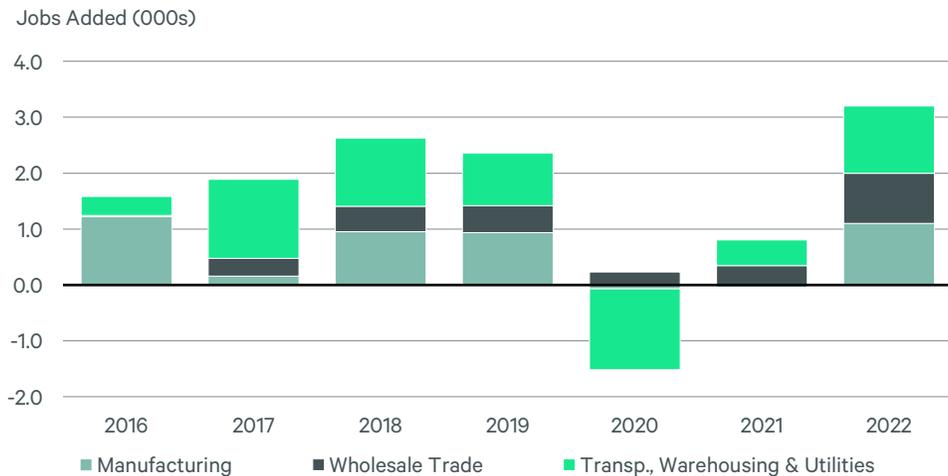
Source: CBRE Research Q4 2022

FIGURE 2: Net Absorption vs. Lease Rate



Source: CBRE Research Q4 2022

FIGURE 3: Industrial-Using Job Growth



Source: U.S. Bureau of Labor Statistics, December 2022

FIGURE 4: Market Statistics by Submarket

Submarket	Net Rentable Area (SF)	YTD Net Absorption (SF)	Under Construction (SF)	Average Asking Lease Rate (NNN / \$/SF/YR)	Total Availability Rate (%)	Direct Vacancy Rate (%)
Ft. Collins	10,488,816	(40,963)	107,200	12.75	3.2	2.7
Greeley/Evans	7,143,498	3,812	-	9.50	6.9	5.6
I-25 North	5,244,749	352,764	36,000	13.03	4.5	4.7
I-25 South	2,777,153	536,500	636,570	13.46	1.1	0.7
Loveland/Berthoud	5,048,527	97,619	3,970,117	11.03	7.5	6.1
Weld County South	724,679	43,152	70,136	16.69	4.3	4.3
Windsor	3,883,875	66,762	204,000	12.09	4.8	4.8
Northern Colorado	35,527,341	1,059,646	5,024,023	11.55	5.8	4.2

Source: CBRE Research Q4 2022

FIGURE 5: H2 2022 Top Sale Transactions

Property	City	Sale Price	Size (SF)	Price Per SF
1132 Diamond Valley Dr	Windsor	\$11,712,000	46,400	\$252.41
4250 Salazar Way	Frederick	\$11,100,000	33,970	\$326.76
7292 Greenridge Rd	Windsor	\$9,800,000	31,681	\$309.33
285 County Rd 27	Brighton	\$9,100,000	37,337	\$243.73
4812 McMurry Ave	Fort Collins	\$7,042,425	40,722	\$172.94

Source: CBRE Research Q4 2022

FIGURE 6: H2 2022 Notable Projects Under Construction

Property	Submarket	City	Size (SF)	Est. Comp.
Amazon Logistics Facility	Loveland/ Berthoud	Loveland	3,870,000	Q2 2024
Smuckers Manufacturing Plant – Bldg 2	I-25 South	Longmont	433,294	Q3 2022
Lineage Logistics	Windsor	Windsor	204,000	Q3 2023
Elevation 25 – Building 2	I-25 South	Mead	109,676	Q1 2023
Brands West – Building 1	I-25 North	Loveland	107,200	Q1 2023

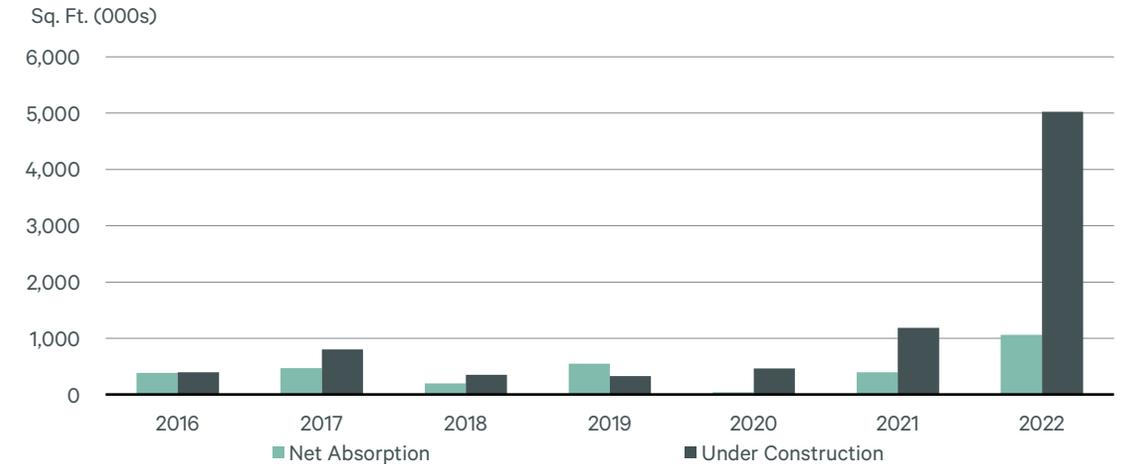
Source: CBRE Research Q4 2022

FIGURE 7: Investment Trends



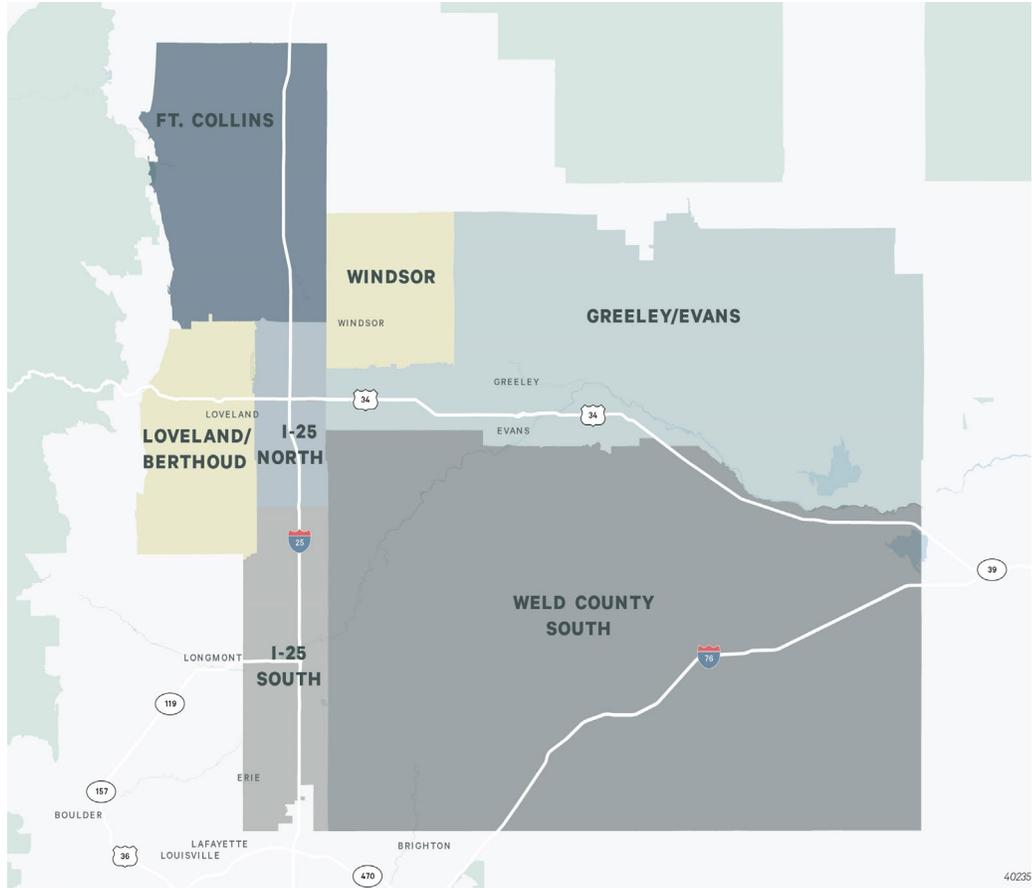
Note: Sales volume for transactions \$500,000 and higher
Source: CBRE Research Q4 2022

FIGURE 8: Absorption and Construction



Source: CBRE Research Q4 2022

Market Area Overview



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