CBRE

Availability falls and new construction remains limited, supporting robust fundamentals

▼ 5.5%
Total Availability Rate

▼ 357K
YTD SF Net Absorption

▼ 157K
YTD SF Delivered

▶ 4.2M
SF Under Construction

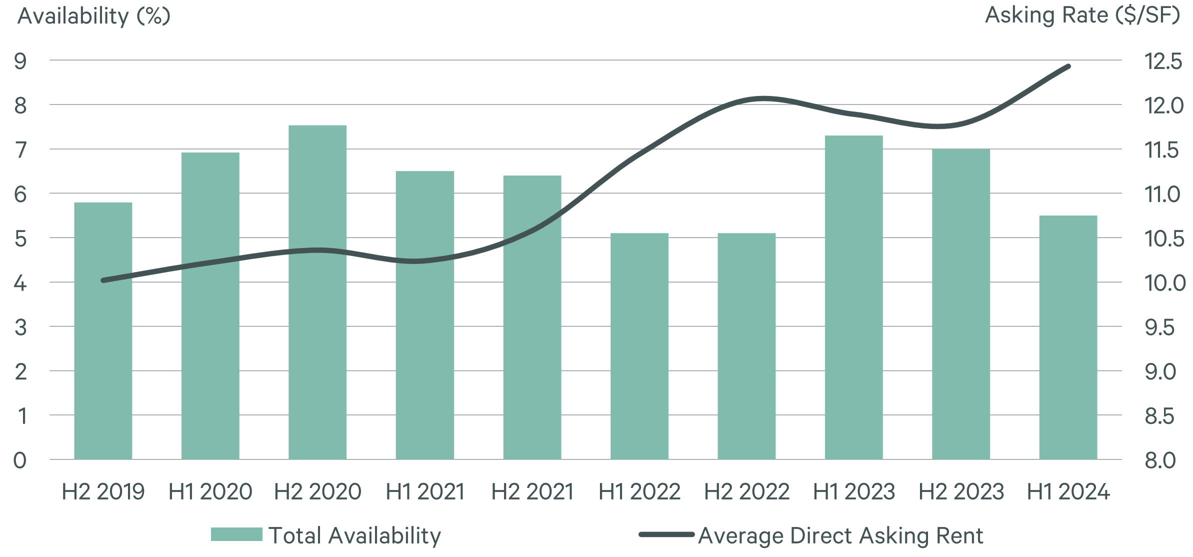
▲ $12.43
NNN / Asking Rent

Note: Arrows indicate change from previous year-end.

HIGHLIGHTS

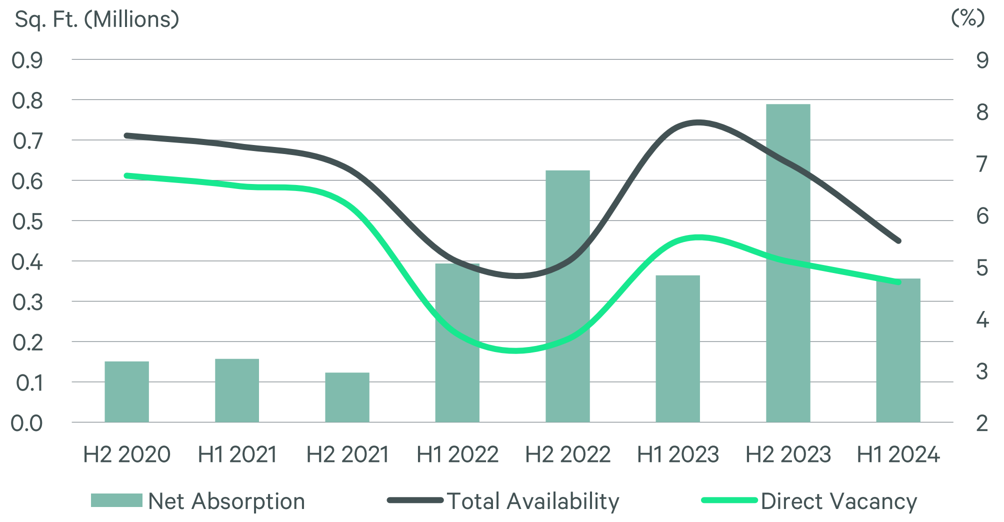
- Just under 357,000 sq. ft. of positive net absorption was recorded in H1 2024, a mid-year total that was driven by significant tenant move-ins and a lack of new large vacancies.
- The average direct asking rent increased by a solid 5.4% year-over-year to $12.43 per sq. ft. NNN as of H1 2024.
- Total availability and direct vacancy decreased 220 basis points (bps) and 80 bps year-over-year to 5.5% and 4.7%, respectively.
- 4.2 million sq. ft. of industrial space was underway as of mid-year 2024. The total is heavily skewed by Amazon's 3.9 million-sq.-ft. facility under construction in the I-25 North submarket.
- Overall sales volume in H1 2024 reached $162.0 million, a notable 36.1% increase compared to H2 2023.

FIGURE 1: Total Availability Vs. Asking Rent



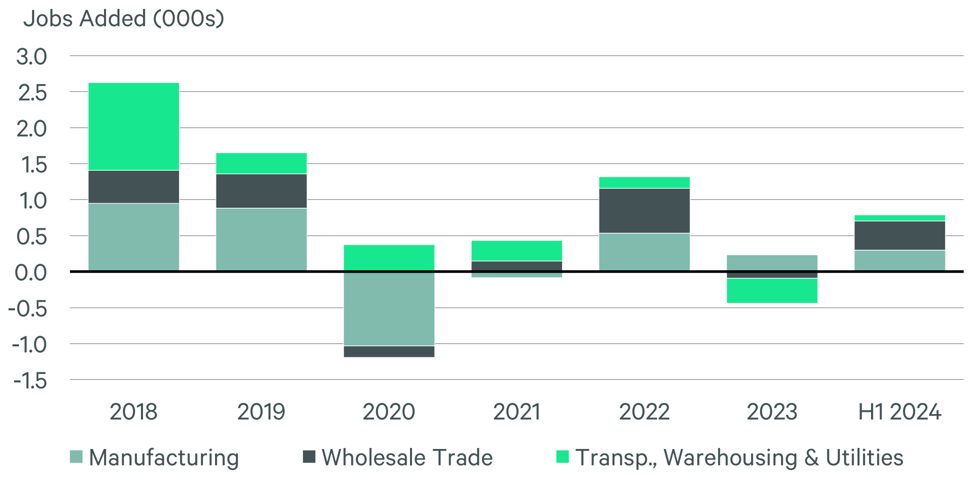
Source: CBRE Research Q2 2024

FIGURE 2: Net Absorption Vs. Direct Vacancy Vs. Total Availability



Source: CBRE Research Q2 2024

FIGURE 3: Industrial-Using Job Growth



Source: U.S. Bureau of Labor Statistics, June 2024

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 (%)
Fort Collins	10,572,010	7,915	-	12.64	4.2	3.3
Greeley/Evans	7,176,498	6,017	-	10.72	6.2	5.5
I-25 North	5,956,042	124,422	3,976,800	13.70	11.1	8.8
I-25 South	3,270,636	8,430	228,000	15.14	0.6	3.8
Loveland/Berthoud	5,051,824	118,005	-	12.16	7.1	4.1
Weld County South	724,679	-	-	11.45	1.3	4.3
Windsor	4,102,402	92,036	-	11.87	2.4	2.2
Northern Colorado	**36,854,091**	**356,825**	**4,204,800**	**12.43**	**5.5**	**4.7**

Source: CBRE Research Q2 2024

FIGURE 5: H1 2024 Top Sale Transactions

Property	City	Sale Price	Size (SF)	Price Per SF
4151 Ronald Reagan Blvd	Johnstown	145,008	$24,850,000	$171.37
7300 Miller Dr	Frederick	108,400	$14,200,000	$131.00
4076 Salazar Way	Longmont	40,321	$13,230,000	$328.12
4201 Ronald Regan Blvd	Johnstown	72,896	$12,350,000	$169.42
4333 Highway 66	Mead	56,090	$7,650,000	$136.39

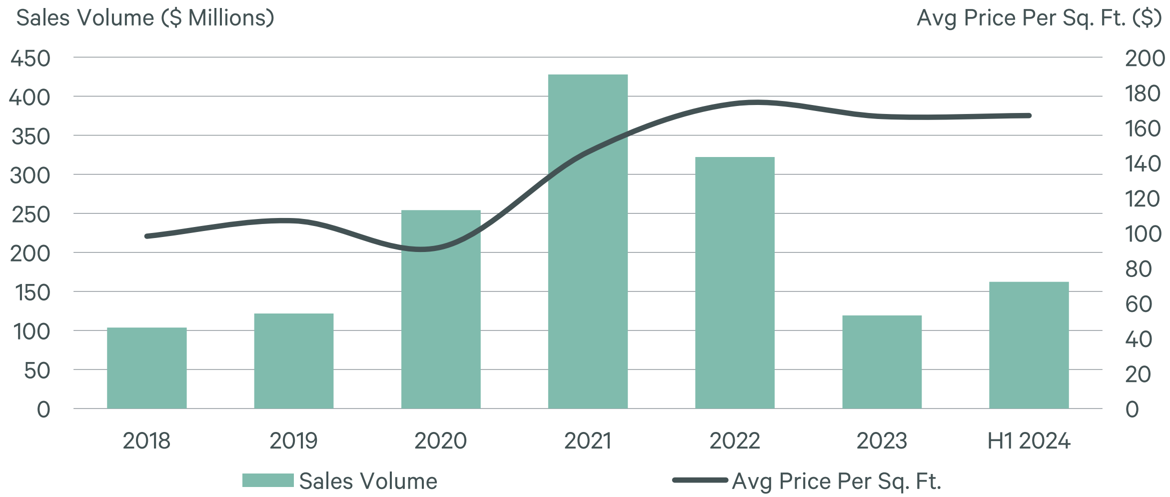
Source: CBRE Research Q2 2024

FIGURE 6: H1 2024 Notable Projects Under Construction

Property	Submarket	City	Size (SF)	Est. Comp.
Amazon Logistics Facility	I-25 North	Loveland	3,870,000	Q1 2025
7051 Eagle Blvd	Weld County South	Frederick	198,000	Q3 2024
5380 Ronald Regan Blvd	I-25 North	Johnstown	70,000	Q1 2025
355 Mountain View	I-25 North	Berthoud	36,800	Q1 2025
7950 Miller Dr	I-25 South	Frederick	30,000	Q1 2025

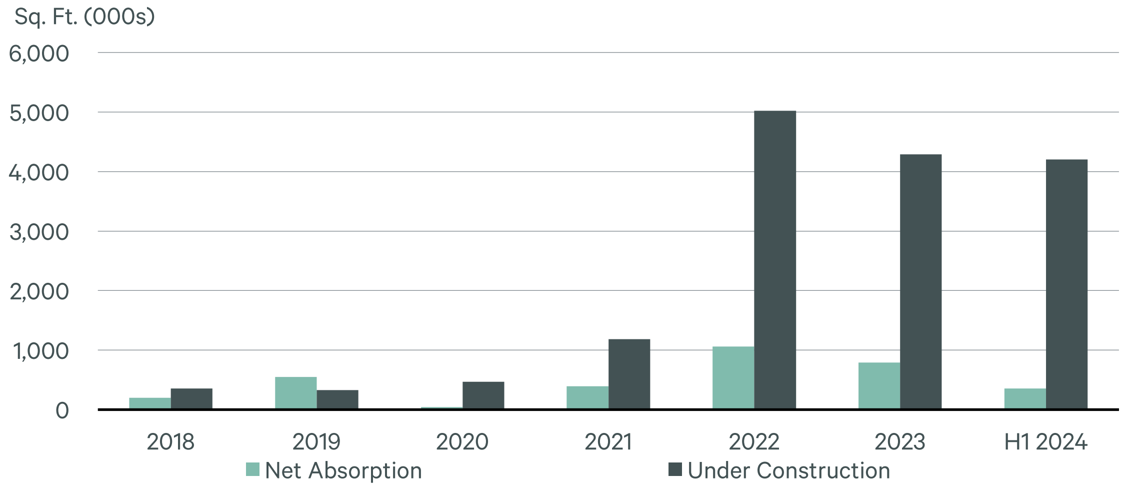
Source: CBRE Research Q2 2024

FIGURE 7: Investment Trends



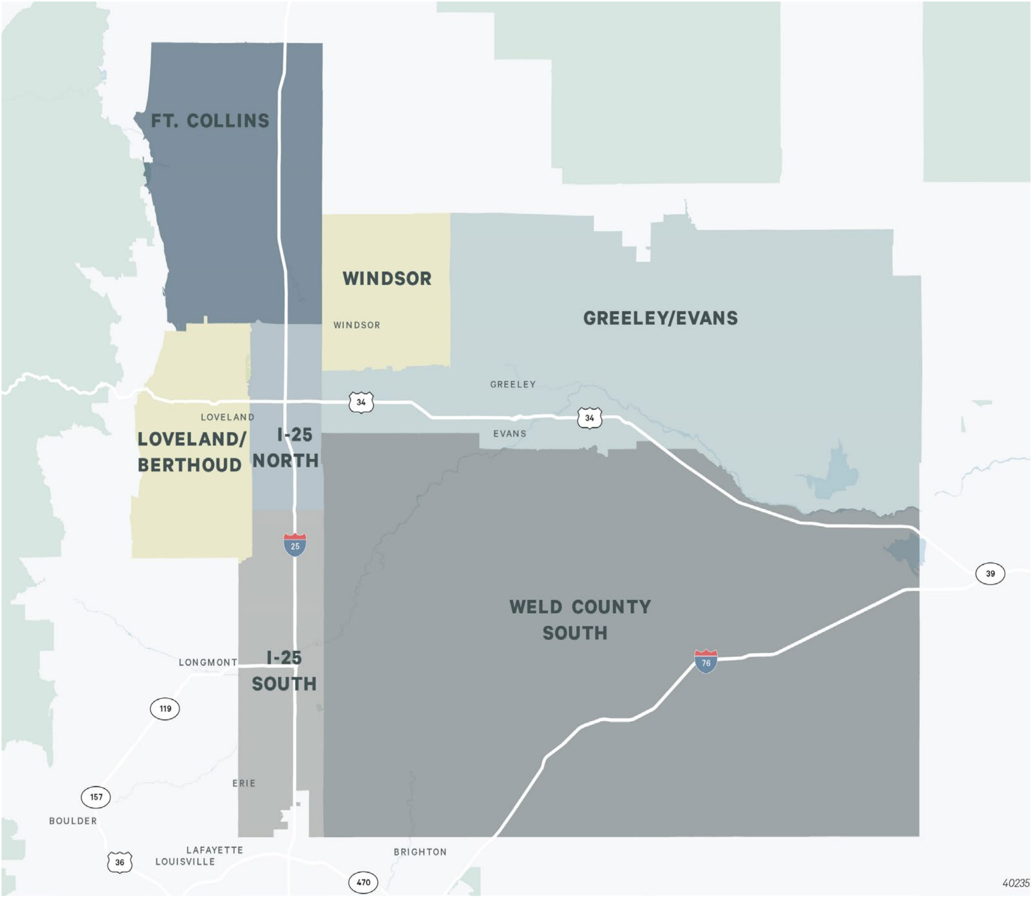
Note: Sales volume for transactions $500,000 and higher
Source: CBRE Research Q2 2024

FIGURE 8: Absorption and Construction



Source: CBRE Research Q2 2024

Market Area Overview



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