Investment sales and net absorption rebound compared to levels seen in 2023

▼ 5.4%
Total Availability Rate

▲ 1.0M
YTD SF Net Absorption

▼ 410K
YTD SF Delivered

▶ 4.2M
SF Under Construction

▼ $11.54
NNN / Asking Rent

Note: Arrows indicate change from previous year-end.

MARKET SUMMARY

– Just under 490,000 sq. ft. of positive total net absorption was recorded in H2 2024, bringing the year's total to 1.0 million sq. ft. Strong positive absorption was driven primarily by several large move-ins, including Leanin' Tree occupying 110,000 sq. ft. at Elevation 25, and new construction delivering fully preleased.

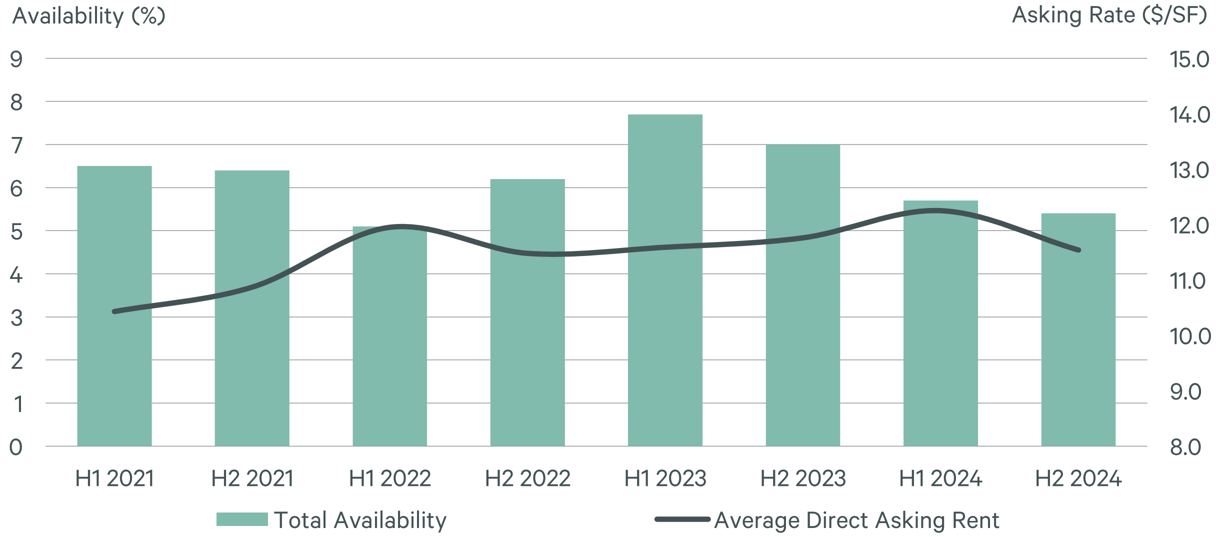
– The overall average direct asking rent decreased 1.9% year-over-year from $11.76 to $11.54 per sq. ft. NNN to end 2024.

– Total availability decreased 30 basis points (bps) in H2 2024 to 5.4%, while direct vacancy decreased 60 bps over the same period to 4.4%.

– 4.2 million sq. ft. of industrial space was underway as of the end of 2024. The total is heavily skewed by Amazon's 3.9 million-sq.-ft. facility under construction in the I-25 North submarket.

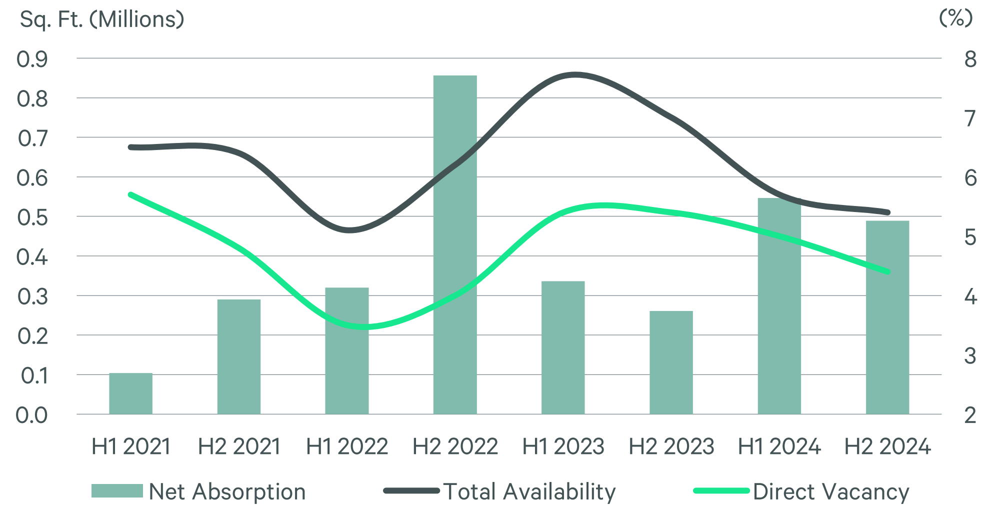
– Total sales volume in H2 2024 reached $119.4 million, a notable 42.9% decrease from H1 2024, while total sales volume for the year increased 63.0% compared to 2023.

FIGURE 1: Total Availability Vs. Asking Rent



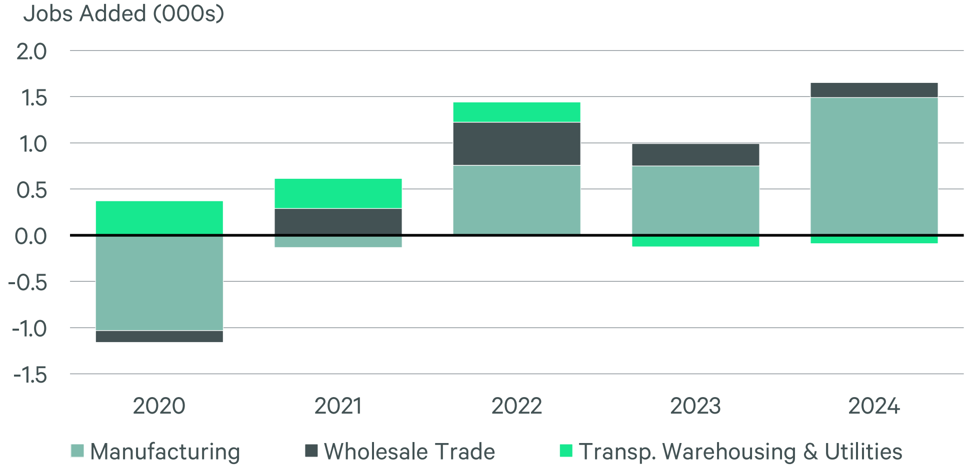
Source: CBRE Research Q4 2024

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



Source: CBRE Research Q4 2024

FIGURE 3: Industrial-Using Job Growth



Source: U.S. Bureau of Labor Statistics, November 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	10,592,010	47,529	-	12.56	3.7	3.0
Greeley/Evans	7,210,498	3,674	-	10.61	5.0	5.8
I-25 North	6,171,349	278,251	3,972,150	12.78	9.8	7.5
I-25 South	3,579,237	401,786	171,214	14.17	2.1	1.2
Loveland/Berthoud	4,947,017	183,941	-	9.10	9.1	5.7
Weld County South	724,679	-11,615	30,000	18.50	4.1	8.2
Windsor	4,102,402	132,514	-	12.36	2.5	1.2
Northern Colorado	**37,327,192**	**1,036,080**	**4,173,364**	**11.54**	**5.4**	**4.4**

Source: CBRE Research Q4 2024

FIGURE 5: H2 2024 Top Sale Transactions

Property	City	Size (SF)	Price	Price Per SF
1575 County Road 27	Brighton	52,000	$15,000,000	$288.46
31815 Great Western Dr	Windsor	99,536	$10,200,000	$102.48
3725 Canal Dr	Fort Collins	44,940	$7,480,000	$166.44
41350 County Road 33	Ault	45,410	$7,400,000	$162.96
903 Buckingham St	Fort Collins	30,000	$6,200,000	$206.67

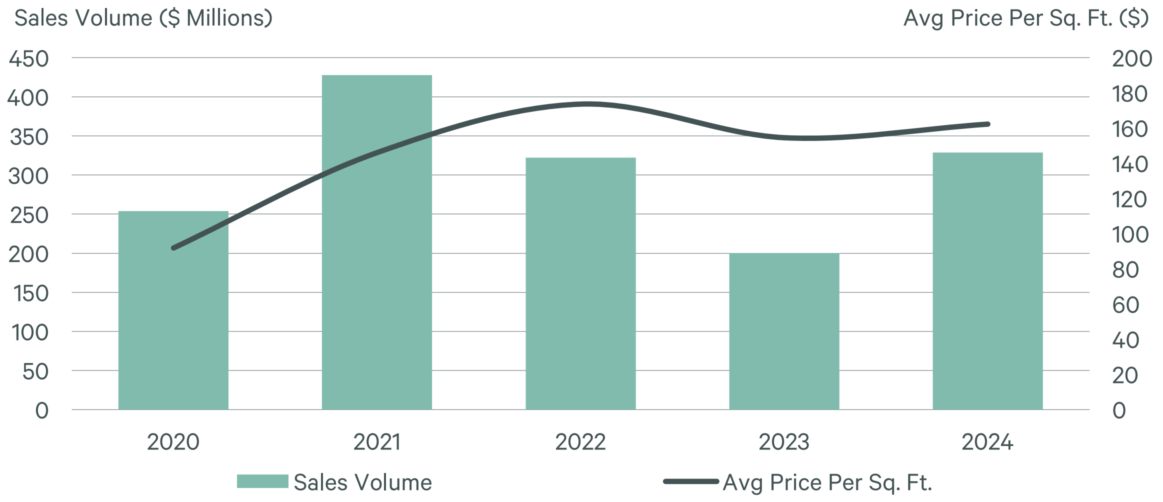
Source: CBRE Research Q4 2024

FIGURE 6: H2 2024 Notable Projects Under Construction

Property	Submarket	City	Size (SF)	Est. Comp.
Amazon Logistics Facility	I-25 North	Loveland	3,870,000	Q1 2025
2497 W I-25 Frontage Rd	I-25 South	Erie	75,000	Q1 2025
10923 W I-25 Frontage Rd	I-25 South	Longmont	50,000	Q1 2025
355 Mountain View	I-25 North	Berthoud	36,800	Q2 2025
4444 Endeavor Dr	I-25 North	Johnstown	33,980	Q2 2025

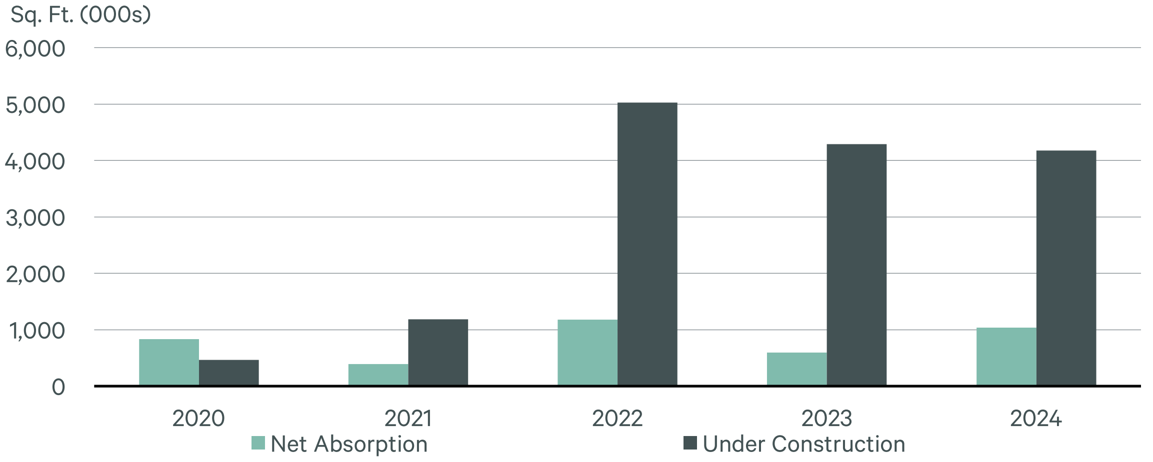
Source: CBRE Research Q4 2024

FIGURE 7: Investment Trends



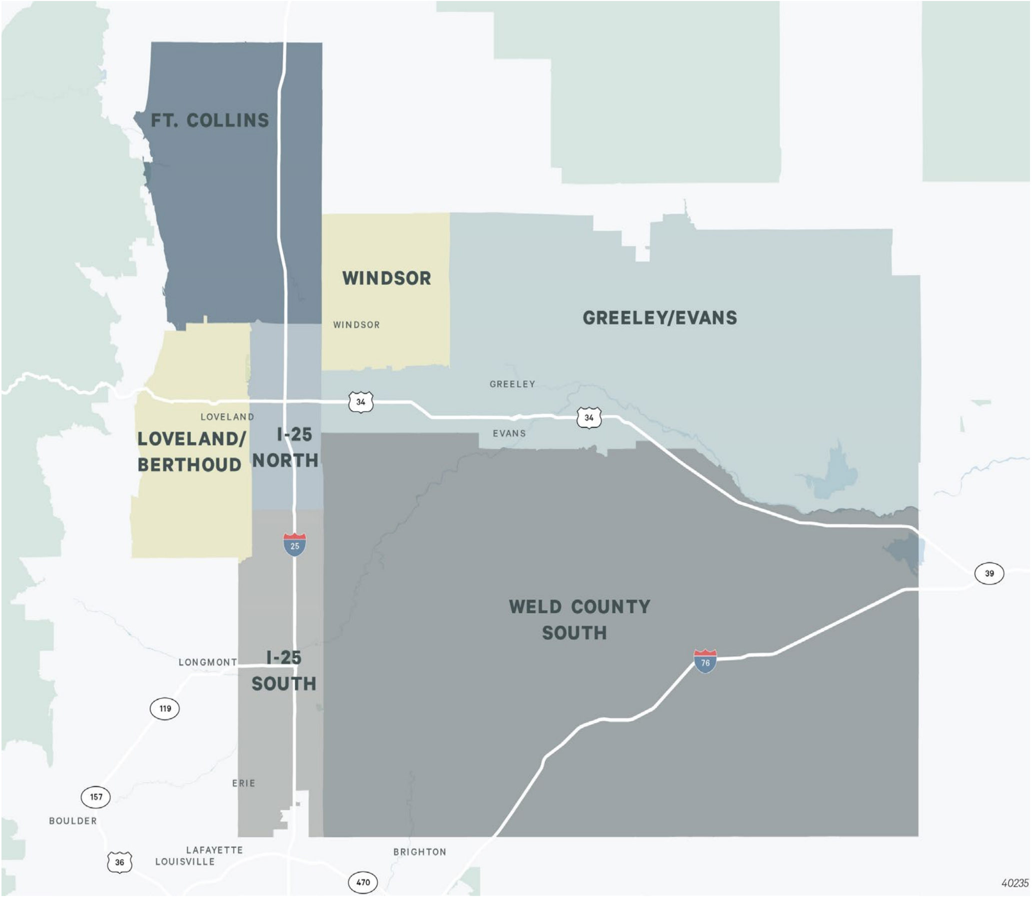
Note: Sales volume for transactions $500,000 and higher
Source: CBRE Research Q4 2024

FIGURE 8: Absorption and Construction



Source: CBRE Research Q4 2024

Market Area Overview



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