

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Boulder, CO

Core-Based Statistical Area Code:

14500

The Boulder, CO commercial real estate market is stronger compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

60.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is stronger than nationally.

I. Economic and Demographic

Economic	Boulder, CO			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	202	201	190	149,912	150,352	143,308	
Y/Y chg. in nonfarm payroll employment ('000)	12	14	(10)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	6.5%	7.6%	-5.2%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	3.0%	3.5%	5.1%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$1,198	\$1,189	\$1,153	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	3.9%	2.5%	-1.2%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.2%	6.3%	3.0%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	0.5	(0.3)	0.7	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	331	326	325	331,501	328,330	326,838	
Population growth (%)	1.47%	0.18%	0.75%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	Boulder, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.2%	5.7%	6.2%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	89	193	257	58,097	61,951	187,113	
Absorption of units in past 12 months	644	812	953	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	3.7%	4.7%	5.6%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,907	\$1,827	\$1,680	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	13.5%	11.6%	2.3%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,891	\$1,807	\$1,655	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	14.3%	11.8%	1.6%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	18.2%	17.5%	16.5%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	17,532	17,444	16,888	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	496	496	815	387,022	391,271	417,342	
Net delivered units, as % of inventory	2.8%	2.8%	4.8%	2.2%	2.3%	2.5%	
Units under construction	1,542	1,100	1,018	774,864	744,997	732,144	
Units under construction, as % of inventory	8.8%	6.3%	6.0%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	24.8	28.6	(12.8)	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$238	\$6	\$265	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$465,385	\$136,606	\$433,879	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	4.0%	4.0%	4.0%	5.1%	5.1%	5.2%	Cap rates are lower than nationally

III. Office

Demand indicators	Boulder, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	10.8%	10.6%	10.4%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(47,693)	151,007	(96,993)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	171,074	121,774	(550,301)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	1.0%	0.7%	-3.2%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$33.7	\$33.4	\$33.0	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.3%	2.0%	-2.0%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	3.8	3.1	0.4	1,153	1,161	(283)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	17,423,840	17,471,534	17,252,768	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	294,882	273,754	66,119	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	1.7%	1.6%	0.4%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	473,355	353,000	294,882	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	2.7%	2.0%	1.7%	2.0%	2.0%	2.1%	Construction activity is more robust than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$253	\$119	\$53	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$535	\$245	\$366	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	6.6%	6.6%	6.7%	7.0%	7.0%	7.0%	Cap rates are lower than nationally

- Some data may not be available for the quarter

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IV. Industrial

	Boulder, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	7.3%	7.1%	9.0%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	(29,129)	127,541	(163,265)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	332,047	197,911	(581,857)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	1.3%	0.8%	-2.2%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$12.9	\$12.7	\$12.1	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	6.0%	5.6%	3.7%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	26,309,408	26,338,538	25,977,362	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	(174,311)	(200,528)	609,201	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-0.7%	-0.8%	2.3%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	452,195	478,412	222,717	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	1.7%	1.8%	0.9%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$448	\$182	\$104	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$481	\$200	\$114	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	6.1%	6.0%	6.0%	6.3%	6.3%	6.3%	Cap rates are lower than nationally

V. Retail

	Boulder, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	6.0%	6.6%	6.6%	4.5%	4.7%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	153,498	24,064	(34,054)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	86,866	(100,686)	(332,722)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.5%	-0.6%	-2.0%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$23.2	\$23.1	\$22.5	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	3.1%	3.1%	0.9%	3.9%	3.1%	1.1%	Rent growth is slower than nationally
Y/Y chg. in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.50	0.90	0.20	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	16,757,966	16,604,468	16,671,100	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-23,945	-63,464	42,532	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	-0.1%	-0.4%	0.3%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	125,710	148,815	75,798	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.8%	0.9%	0.5%	0.5%	0.5%	0.5%	Construction activity is more robust than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$107	\$56	\$22	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$320	\$480	\$289	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	6.1%	6.2%	6.3%	6.8%	6.8%	6.8%	Cap rates are lower than nationally

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	18.8	18.7	15.7	14,939	14,804	12,876	
Y/Y change ('000)	3.1	5.1	(4.7)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	9.3%	9.3%	8.3%	10.0%	9.8%	9.0%	Lower fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

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Colorado Springs, CO

Core-Based Statistical Area Code:

17820

The Colorado Springs, CO commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

44.0

Overall economic conditions are stronger than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Colorado Springs, CO			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	308	309	296	149,912	150,352	143,308	
Y/Y chg. in nonfarm payroll employment ('000)	12	16	(4)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	4.1%	5.3%	-1.5%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.9%	4.7%	6.3%	6.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$1,021	\$997	\$960	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	6.3%	4.9%	2.2%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-0.1%	3.1%	3.4%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	2.6	5.2	7.2	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	757	747	738	331,501	328,330	326,838	
Population growth (%)	1.24%	1.28%	1.70%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	Colorado Springs, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.6%	5.8%	5.8%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	72	2	556	58,097	61,951	187,113	
Absorption of units in past 12 months	271	755	2,179	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	0.6%	1.8%	5.1%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,408	\$1,355	\$1,260	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	11.8%	11.3%	6.9%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,403	\$1,347	\$1,254	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	11.9%	11.5%	7.0%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	15.8%	15.6%	15.0%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	42,847	42,774	42,575	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	183	183	1,442	387,022	391,271	417,342	
Net delivered units, as % of inventory	0.4%	0.4%	3.4%	2.2%	2.3%	2.5%	
Units under construction	4,723	4,191	3,099	774,864	744,997	732,144	
Units under construction, as % of inventory	11.0%	9.8%	7.3%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	65.6	85.8	(3.1)	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$263	\$303	\$229	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$295,126	\$208,979	\$180,812	\$220,078	\$227,367	\$157,676	Prices are rising faster nationally
Market cap rate	4.6%	4.6%	4.8%	5.1%	5.1%	5.2%	Cap rates are lower than nationally

III. Office

Demand indicators	Colorado Springs, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	9.1%	9.6%	8.7%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	137,939	101,938	(176,871)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	343,919	29,109	(469,635)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	1.2%	0.1%	-1.7%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$23.2	\$23.1	\$22.2	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	4.5%	4.7%	2.6%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	1.0	2.8	2.0	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	27,617,316	27,479,376	27,273,396	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	500,391	515,839	(71,061)	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	1.8%	1.9%	-0.3%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	134,559	139,559	463,236	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.5%	0.5%	1.7%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$44	\$192	\$134	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$186	\$187	\$160	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	8.1%	8.1%	8.3%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

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Colorado Springs, CO

Core-Based Statistical Area Code:

17820

IV. Industrial

	Colorado Springs, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	5.5%	5.4%	5.1%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	53,469	(208,515)	108,282	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	4,472,837	4,527,650	(143,148)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	11.4%	11.5%	-0.4%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$9.9	\$9.8	\$9.4	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	6.2%	6.3%	4.8%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	39,370,848	39,317,380	34,898,012	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	4,884,035	4,827,954	115,852	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	12.4%	12.3%	0.3%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	111,000	468,691	4,826,010	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	0.3%	1.2%	13.8%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$68	\$51	\$27	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$102	\$141	\$108	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	7.7%	7.6%	7.5%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	4.6%	4.7%	5.6%	4.5%	4.7%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	112,018	289,334	210,076	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	545,448	643,506	(177,891)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.3%	1.5%	-0.4%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$18.3	\$18.1	\$17.5	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	4.2%	3.7%	1.1%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	1.70	0.70	0.30	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	41,832,776	41,720,756	41,287,328	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	121,739	302,465	380,106	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.3%	0.7%	0.9%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	280,809	328,911	186,857	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.7%	0.8%	0.5%	0.5%	0.5%	0.5%	Construction activity is more robust than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$126	\$156	\$55	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$269	\$207	\$266	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	7.2%	7.3%	7.4%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	38.4	37.7	32.8	14,939	14,804	12,876	
Y/Y change ('000)	5.6	8.7	(5.0)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	12.5%	12.2%	11.1%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

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NAR Commercial Real Estate Metro Market Report | 2022.Q1

Denver-Aurora-Lakewood, CO

Core-Based Statistical Area Code: 19740

The Denver-Aurora-Lakewood, CO commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 44.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is stronger than nationally.
 The office property market is not as strong than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Denver-Aurora-Lakewood, CO			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	1,554	1,551	1,476	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	77	85	(58)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	5.2%	5.8%	-3.8%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	3.9%	4.6%	6.3%	6.0%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$1,200	\$1,216	\$1,154	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	4.0%	4.7%	0.2%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.8%	4.5%	4.4%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	11.6	13.8	17.2	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	2,969	2,965	2,934	331,501	328,330	326,838	
Population growth (%)	0.15%	1.05%	1.39%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Denver-Aurora-Lakewood, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.6%	6.5%	6.9%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	1,321	1,151	3,367	58,097	61,951	187,113	
Absorption of units in past 12 months	10,090	12,136	9,391	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	4.0%	4.8%	3.9%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,756	\$1,702	\$1,552	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	13.2%	12.7%	1.9%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,744	\$1,690	\$1,523	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	14.5%	14.1%	1.1%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	16.7%	16.0%	15.2%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	252,200	250,881	242,131	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	10,105	9,664	6,574	387,022	391,271	417,342	
Net delivered units, as % of inventory	4.0%	3.9%	2.7%	2.2%	2.3%	2.5%	
Units under construction	21,542	17,464	17,460	774,864	744,997	732,144	
Units under construction, as % of inventory	8.5%	7.0%	7.2%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	7.6	8.8	(8.9)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$1,458	\$4,826	\$904	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$309,188	\$337,000	\$247,576	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	4.3%	4.3%	4.4%	5.1%	5.1%	5.2%	Cap rates are lower than nationally

III. Office

Demand indicators	Denver-Aurora-Lakewood, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	14.2%	14.4%	13.4%	12.2%	12.1%	11.7%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	738,340	(174,579)	(1,438,182)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	261,580	(1,914,942)	(4,848,117)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.2%	-1.2%	-3.1%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$28.9	\$28.9	\$28.5	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	1.4%	0.9%	-2.0%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	21.4	21.3	(2.4)	1,153	1,161	(283)	Slower office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	155,814,576	155,076,240	155,552,992	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	1,971,758	1,619,577	1,321,056	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	1.3%	1.0%	0.8%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	1,304,858	1,376,731	2,326,604	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.8%	0.9%	1.5%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$777	\$786	\$436	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$305	\$210	\$213	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	7.1%	7.1%	7.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Denver-Aurora-Lakewood, CO

Core-Based Statistical Area Code:

19740

IV. Industrial

	Denver-Aurora-Lakewood, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	5.4%	5.4%	6.3%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	543,910	4,972,742	113,212	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	8,453,848	8,023,150	1,173,911	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	3.4%	3.2%	0.5%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$11.1	\$10.8	\$10.3	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	8.1%	6.5%	3.5%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	248,578,320	248,034,416	240,124,496	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	6,368,254	6,939,001	4,935,605	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	2.6%	2.8%	2.1%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	10,143,025	10,253,472	8,325,531	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	4.1%	4.1%	3.5%	3.5%	3.2%	2.4%	More delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$475	\$1,185	\$384	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$161	\$198	\$142	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	6.1%	6.0%	6.0%	6.3%	6.3%	6.3%	Cap rates are lower than nationally

V. Retail

	Denver-Aurora-Lakewood, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	4.6%	4.7%	5.3%	4.5%	4.7%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	100,539	580,286	(261,511)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	1,251,782	889,732	(993,043)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.8%	0.6%	-0.7%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$24.2	\$24.0	\$23.4	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	3.3%	3.0%	1.8%	3.9%	3.1%	1.1%	Rent growth is slower than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	2.80	(0.90)	(0.20)	570.90	382.90	(187.70)	The area has weaker retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	150,855,344	150,754,800	149,603,552	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	167,976	267,060	505,802	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.1%	0.2%	0.3%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	653,238	573,312	700,309	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$654	\$913	\$247	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$224	\$248	\$309	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	6.2%	6.3%	6.3%	6.8%	6.8%	6.8%	Cap rates are lower than nationally

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	159.4	156.7	129.6	14,939	14,804	12,876	
Y/Y change ('000)	29.8	42.4	(34.5)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	10.3%	10.1%	8.8%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

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Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

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NAR Commercial Real Estate Metro Market Report | 2022.Q1

Fort Collins, CO

Core-Based Statistical Area Code:

22660

The Fort Collins, CO commercial real estate market is stronger compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

56.0

Overall economic conditions are stronger than nationally.

The apartment property market is stronger than nationally.

The office property market is stronger than nationally.

The industrial property market is not as strong than nationally.

The retail property market is not as strong than nationally.

The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Fort Collins, CO			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	176	177	167	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	9	12	(6)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	5.1%	7.0%	-3.5%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	3.2%	3.8%	5.4%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$1,090	\$1,064	\$921	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	18.3%	12.8%	4.5%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.0%	5.3%	4.8%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	2.3	5.2	5.1	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	360	357	351	331,501	328,330	326,838	
Population growth (%)	0.68%	1.77%	1.90%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Fort Collins, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.1%	3.8%	6.5%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	37	60	328	58,097	61,951	187,113	
Absorption of units in past 12 months	598	889	752	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	4.0%	6.0%	5.3%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,590	\$1,545	\$1,414	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	12.5%	12.9%	2.0%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,579	\$1,538	\$1,393	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	13.3%	14.7%	2.5%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	16.7%	16.6%	17.4%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	14,819	14,782	14,223	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	398	146	304	387,022	391,271	417,342	
Net delivered units, as % of inventory	2.7%	1.0%	2.1%	2.2%	2.3%	2.5%	
Units under construction	851	784	788	774,864	744,997	732,144	
Units under construction, as % of inventory	5.7%	5.3%	5.5%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	21.6	79.5	(20.1)	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$216	\$207	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$154,300	\$248,832	\$286,996	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	4.4%	4.4%	4.4%	5.1%	5.1%	5.2%	Cap rates are lower than nationally

III. Office

Demand indicators	Fort Collins, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.6%	5.6%	6.6%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	98,540	103,984	15,800	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	249,100	166,360	(220,889)	5,610,472	(41,726,112)	(119,807,672)	The area has stronger absorption than nationally
Absorption in past 12 months as % of inventory	2.2%	1.5%	-2.0%	0.1%	-0.6%	-1.7%	
Market rent per sq.ft.	\$23.6	\$23.5	\$23.2	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	1.9%	2.1%	0.9%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	0.5	0.9	(0.4)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	11,420,732	11,322,192	11,171,632	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	134,985	91,697	66,519	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	1.2%	0.8%	0.6%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	29,500	129,215	128,909	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.3%	1.1%	1.2%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$13	\$33	\$15	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$200	\$240	\$154	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	8.2%	8.2%	8.2%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Fort Collins, CO

Core-Based Statistical Area Code:

22660

IV. Industrial

	Fort Collins, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.7%	3.8%	4.2%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	17,295	197,751	32,638	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	546,636	561,979	(1,084)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	2.3%	2.4%	0.0%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$11.2	\$11.0	\$10.5	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	6.5%	6.3%	4.3%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	23,502,586	23,485,292	22,955,950	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	444,023	444,023	388,591	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.9%	1.9%	1.7%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	921,603	877,603	580,581	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	3.9%	3.7%	2.5%	3.5%	3.2%	2.4%	More delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$20	\$88	\$45	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$111	\$171	\$161	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	6.7%	6.7%	6.6%	6.3%	6.3%	6.3%	Cap rates are higher than nationally

V. Retail

	Fort Collins, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.5%	3.6%	4.0%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	27,539	14,029	100,778	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	118,248	191,487	129,158	94,035,968	73,627,144	(22,757,808)	The area has lower absorption than nationally
Absorption in past 12 months as % of inventory	0.6%	0.9%	0.6%	0.8%	0.7%	-0.2%	
Market rent per sq.ft.	\$20.1	\$19.9	\$19.3	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	3.9%	3.8%	0.9%	3.9%	3.1%	1.1%	Rent growth is slower than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.80	0.90	0.30	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	21,480,472	21,452,932	21,362,224	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	11,648	78,289	198,466	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.1%	0.4%	0.9%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	29,463	23,964	23,045	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.1%	0.1%	0.1%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$41	\$65	\$68	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$101	\$250	\$392	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	6.6%	6.6%	6.6%	6.8%	6.8%	6.8%	Cap rates are lower than nationally

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	20.9	20.3	17.0	14,939	14,804	12,876	
Y/Y change ('000)	3.9	6.1	(3.7)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	11.9%	11.5%	10.2%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

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NAR Commercial Real Estate Metro Market Report | 2022.Q1

Grand Junction, CO

Core-Based Statistical Area Code:

24300

The Grand Junction, CO commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

48.0

Overall economic conditions are stronger than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Grand Junction, CO			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	67	66	64	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	3	4	(1)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	4.7%	6.8%	-0.9%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	4.0%	4.9%	6.5%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$897	\$850	\$782	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	14.8%	5.0%	3.6%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.1%	1.2%	4.2%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.1	1.2	1.7	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	156	155	153	331,501	328,330	326,838	
Population growth (%)	0.90%	0.79%	1.26%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Grand Junction, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.3%	2.4%	10.4%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	1	43	26	58,097	61,951	187,113	
Absorption of units in past 12 months	171	196	63	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	8.2%	9.4%	3.3%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$898	\$897	\$854	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	5.2%	6.0%	2.6%	11.4%	11.3%	2.4%	
Effective rent per unit	\$894	\$893	\$851	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	5.1%	5.8%	2.6%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	11.5%	12.1%	12.5%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	2,080	2,079	1,908	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	-	196	196	387,022	391,271	417,342	
Net delivered units, as % of inventory	-	9.4%	10.3%	2.2%	2.3%	2.5%	
Units under construction	-	-	-	774,864	744,997	732,144	
Units under construction, as % of inventory	-	-	-	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	-	21.4	(3.1)	17.1	17.2	(15.9)	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$7	\$18	\$1	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$137,404	\$141,473	\$211,000	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	5.8%	5.8%	6.0%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Grand Junction, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.3%	3.7%	5.9%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	16,159	31,061	(12,179)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	159,116	130,778	(9,753)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	4.4%	3.6%	-0.3%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$19.9	\$19.8	\$19.5	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	1.9%	1.9%	0.8%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	0.4	0.4	(0.2)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	3,642,623	3,626,464	3,483,507	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	64,250	66,008	77,061	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	1.8%	1.8%	2.2%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	18,805	18,805	53,000	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.5%	0.5%	1.5%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$6	\$12	\$3	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$119	\$146	\$94	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	8.0%	8.0%	8.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

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Grand Junction, CO

Core-Based Statistical Area Code:

24300

IV. Industrial

	Grand Junction, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	2.7%	4.7%	8.8%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	176,764	165,687	(46,832)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	548,882	325,286	(318,607)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	6.4%	3.9%	-4.0%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$9.7	\$9.5	\$9.1	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	6.0%	4.8%	2.7%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	8,514,781	8,338,017	7,965,899	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	13,000	13,000	4,232	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	0.2%	0.2%	0.1%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	-	-	6,000	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	0.1%	3.5%	3.2%	2.4%	
Sales transactions							
Total investment acquisitions (in million \$)	\$9	\$21	\$12	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$103	\$90	\$77	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	8.6%	8.6%	8.2%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.3%	3.9%	4.7%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	48,825	(3,009)	(71,770)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	119,871	(724)	(147,456)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.4%	0.0%	-1.7%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$13.0	\$12.9	\$12.6	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	3.3%	2.9%	1.3%	3.9%	3.1%	1.1%	Rent growth is slower than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.40	0.40	0.30	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	8,613,157	8,564,332	8,493,286	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-2,247	-2,247	-	19,624,738	21,905,704	37,703,262	
Net delivered units, as % of inventory	0.0%	0.0%	-	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	3,375	2,700	4,425	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.0%	0.0%	0.1%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$15	\$41	\$16	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$47	\$150	\$173	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	7.8%	7.6%	7.7%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	8.2	7.9	7.2	14,939	14,804	12,876	
Y/Y change ('000)	1.0	1.3	(0.3)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	12.3%	11.9%	11.3%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

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NAR Commercial Real Estate Metro Market Report | 2022.Q1

Greeley, CO

Core-Based Statistical Area Code:

24540

The Greeley, CO commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

40.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Greeley, CO			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	108	107	103	149,912	150,352	143,308	
Y/Y chg. in nonfarm payroll employment ('000)	4	4	(9)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	4.1%	4.3%	-8.0%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	4.0%	4.7%	6.5%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$1,067	\$1,078	\$1,099	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	-2.9%	-1.5%	-3.9%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-11.5%	3.5%	7.9%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	6.8	6.8	5.9	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	331	325	315	331,501	328,330	326,838	
Population growth (%)	2.05%	2.96%	2.87%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	Greeley, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	9.0%	9.8%	10.9%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	91	223	218	58,097	61,951	187,113	
Absorption of units in past 12 months	829	956	463	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	8.3%	9.7%	5.1%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,398	\$1,362	\$1,253	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	11.5%	10.5%	1.6%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,384	\$1,355	\$1,234	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	12.1%	11.2%	1.0%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	14.9%	14.5%	12.9%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	9,947	9,856	9,118	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	697	697	810	387,022	391,271	417,342	
Net delivered units, as % of inventory	7.0%	7.1%	8.9%	2.2%	2.3%	2.5%	
Units under construction	310	6	703	774,864	744,997	732,144	
Units under construction, as % of inventory	3.1%	0.1%	7.7%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	6.0	6.3	(11.1)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$25	\$117	\$5	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$139,670	\$226,796	\$116,923	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	4.8%	4.8%	4.9%	5.1%	5.1%	5.2%	Cap rates are lower than nationally

III. Office

Demand indicators	Greeley, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	7.3%	7.1%	7.7%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	809	(25,727)	(133,694)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	35,025	(99,478)	(252,027)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.6%	-1.8%	-4.6%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$20.9	\$20.8	\$20.3	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	3.2%	3.1%	0.0%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	0.8	1.0	(0.2)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	5,464,123	5,463,314	5,429,098	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	16,714	-	25,281	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.3%	-	0.5%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	31,578	25,914	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.6%	0.5%	-	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$8	\$16	\$5	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$166	\$214	\$154	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	8.6%	8.6%	8.7%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Greeley, CO

Core-Based Statistical Area Code:

24540

IV. Industrial

	Greeley, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	5.0%	4.6%	4.8%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	105,555	150,914	9,729	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	319,698	223,872	352,955	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	1.2%	0.9%	1.4%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$11.6	\$11.4	\$10.9	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	5.8%	6.0%	3.9%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	26,327,676	26,222,120	26,007,976	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	385,872	292,868	723,158	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.5%	1.1%	2.8%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	790,478	787,157	782,970	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	3.0%	3.0%	3.0%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$62	\$85	\$6	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$165	\$151	\$41	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	7.0%	6.9%	6.9%	6.3%	6.3%	6.3%	Cap rates are higher than nationally

V. Retail

	Greeley, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.4%	3.7%	2.4%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	57,074	13,965	(5,938)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	(58,374)	(121,386)	(40,147)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	-0.5%	-1.1%	-0.3%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$15.8	\$15.7	\$15.2	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	3.9%	3.8%	0.9%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.10	0.00	0.00	570.90	382.90	(187.70)	
Supply indicators							
Inventory in sq. ft.	11,504,212	11,447,138	11,562,586	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	52,747	58,858	46,079	19,624,738	21,905,704	37,703,262	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.5%	0.5%	0.4%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	26,634	35,964	18,634	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.2%	0.3%	0.2%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$36	\$81	\$35	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$158	\$202	\$128	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	6.8%	6.8%	6.9%	6.8%	6.8%	6.8%	Cap rates are higher than nationally

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	10.2	9.8	8.5	14,939	14,804	12,876	
Y/Y change ('000)	1.7	2.2	(0.8)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	9.5%	9.1%	8.2%	10.0%	9.8%	9.0%	Lower fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2022.Q1

Pueblo, CO

Core-Based Statistical Area Code:

39380

The Pueblo, CO commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

32.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Pueblo, CO			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	65	65	62	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	3	4	(3)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	4.7%	5.9%	-5.1%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	5.9%	6.5%	8.7%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$793	\$801	\$793	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	0.1%	-1.6%	13.4%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.1%	2.9%	3.3%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.6	0.9	1.2	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	168	168	168	331,501	328,330	326,838	
Population growth (%)	0.03%	0.50%	0.72%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Pueblo, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.2%	2.4%	0.9%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	10	(24)	13	58,097	61,951	187,113	
Absorption of units in past 12 months	(53)	(50)	72	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	-1.2%	-1.2%	1.7%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$963	\$964	\$882	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	9.1%	10.9%	6.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$960	\$961	\$880	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	9.1%	10.7%	6.5%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	13.9%	13.8%	12.8%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	4,289	4,279	4,333	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	-	-	-	387,022	391,271	417,342	
Net delivered units, as % of inventory	-	-	-	2.2%	2.3%	2.5%	
Units under construction	-	-	-	774,864	744,997	732,144	
Units under construction, as % of inventory	-	-	-	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	-	-	-	17.1	17.2	(15.9)	
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$6	\$19	\$3	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$78,873	\$73,627	\$56,328	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	6.4%	6.4%	6.5%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Pueblo, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.2%	2.2%	4.1%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	1,652	15,344	11,039	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	62,111	71,498	(86,020)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	1.6%	1.8%	-2.2%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$16.3	\$16.2	\$15.7	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	3.4%	3.3%	0.3%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	0.2	0.1	(1.1)	1,153	1,161	(283)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	3,914,184	3,912,532	3,852,073	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	(16,060)	(16,060)	-	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	-0.4%	-0.4%	-	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$5	\$3	\$2	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$36	\$148	\$54	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	9.0%	9.0%	9.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Pueblo, CO

Core-Based Statistical Area Code:

39380

IV. Industrial

	Pueblo, CO			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	2.6%	2.4%	3.1%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(15,918)	21,243	23,220	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	74,031	113,169	(228,125)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	0.6%	0.8%	-1.7%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$8.4	\$8.3	\$7.9	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	5.7%	6.3%	4.6%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	13,317,388	13,333,306	13,243,357	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	-	-	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-	-	-	1.9%	1.8%	1.8%	
Under construction in sq.ft.	-	-	-	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	-	3.5%	3.2%	2.4%	
Sales transactions							
Total investment acquisitions (in million \$)	\$5	\$12	\$3	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$76	\$81	\$19	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	6.9%	6.9%	6.8%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators							
Vacancy rate	6.4%	5.0%	4.7%	4.5%	4.7%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	(164,254)	65,072	19,623	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	(185,268)	(1,391)	(34,570)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	-1.7%	0.0%	-0.3%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$13.4	\$13.2	\$12.7	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.5%	5.0%	1.5%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.60	0.50	0.00	570.90	382.90	(187.70)	
Supply indicators							
Inventory in sq. ft.	10,948,802	11,113,056	11,134,070	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	13,400	13,400	36,950	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.1%	0.1%	0.3%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	-	-	13,400	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	-	-	0.1%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$13	\$24	\$7	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$220	\$125	\$169	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	7.4%	7.5%	7.6%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)		
Leisure and hospitality payroll workers ('000)	6.9	6.8	6.0	14,939	14,804	12,876	
Y/Y change ('000)	0.9	1.9	(0.5)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	10.7%	10.5%	9.7%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

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