

NAR Commercial Real Estate Metro Market Report | 2021.Q4

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* 52.0

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

	Boulder, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Economic							
Total non-farm employment ('000)	196	193	186	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	9	7	(17)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.9%	3.7%	-8.3%	4.1%	4.0%	-6.0%	<i>Job creation is stronger than nationally</i>
Unemployment rate (%)	4.0%	4.4%	5.4%	4.2%	4.7%	6.7%	<i>Unemployment rate is lower than nationally</i>
Average weekly wages	\$1,167	\$1,188	\$1,160	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	-3.4%	5.1%	-2.2%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>

	2020	2019	2018	2020	2019	2018
GDP growth (%)	-3.2%	6.3%	3.0%	-3.4%	2.3%	2.9%

	2019	2018	2017	2019	2018	2017
Median household income	\$88,535	\$83,755	\$80,834	\$87,470	\$84,423	\$81,284

	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	0.5	(0.3)	0.7	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	327	326	325	331,501	328,330	326,838	
Population growth (%)	0.35%	0.18%	0.75%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>

II. Multifamily

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	5.9%	4.7%	7.6%	4.6%	4.6%	6.6%	<i>The area has a higher vacancy rate than nationally</i>
Absorption of units over the quarter	144	41	243	78,063	189,629	94,740	
Absorption of units in past 12 months	770	869	769	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	4.4%	5.0%	4.6%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,811	\$1,818	\$1,619	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	11.9%	12.0%	-0.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,799	\$1,802	\$1,598	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	12.6%	12.8%	-0.5%	12.2%	11.6%	-0.1%	<i>Rents are rising faster than nationally</i>
Rent as a percent of 2-person annual wage income	17.7%	17.5%	15.9%	16.3%	16.3%	15.2%	<i>Renting is less affordable than nationally</i>

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	17,358	17,214	16,588	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	496	126	1,068	369,993	387,542	434,591	
Net delivered units, as % of inventory	2.9%	0.7%	6.4%	2.2%	2.3%	2.6%	
Units under construction	1,100	1,465	1,018	681,402	692,701	687,551	
Units under construction, as % of inventory	6.3%	8.5%	6.1%	4.0%	4.1%	4.2%	<i>Construction is stronger than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	18.3	54.8	(15.8)	16.2	14.7	(21.3)	<i>More jobs per delivered units than nationally</i>

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$1	\$57	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	\$203,706	\$145,000	\$341,749	\$235,199	\$231,697	\$212,033	
Market cap rate	4.1%	4.1%	4.1%	5.2%	5.2%	5.3%	<i>Sales transactions are not rising as fast than nationally</i> <i>Prices are not rising as fast than nationally</i> <i>Cap rates are lower than nationally</i>

III. Office

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	10.4%	10.4%	9.7%	12.2%	10.4%	9.7%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	145,811	(3,229)	(97,910)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	145,023	(98,698)	(165,420)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.8%	-0.6%	-1.0%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$31.8	\$31.7	\$31.5	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	0.8%	-0.3%	-3.1%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	1.5	2.6	1.1	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	17,390,832	17,245,020	17,245,808	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	294,882	146,382	292,223	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.7%	0.8%	1.7%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	353,000	501,500	269,736	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	2.0%	2.9%	1.6%	2.0%	2.0%	2.1%	<i>Construction activity is more robust than nationally</i>

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$66	\$210	\$44	\$28,031	\$29,974	\$21,646	
Transaction sale price per sq.ft.	\$181	\$378	\$185	\$305	\$306	\$301	
Market cap rate	6.8%	6.8%	6.9%	7.0%	7.0%	7.0%	<i>Sales transactions are rising faster than nationally</i> <i>Prices are not rising as fast than nationally</i> <i>Cap rates are lower than nationally</i>

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Boulder, CO

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IV. Industrial

	Boulder, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	7.4%	7.8%	8.6%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	138,165	332,620	(191,707)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	184,676	(145,196)	(358,617)	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.7%	-0.6%	-1.4%	3.0%	2.7%	1.4%	
Market rent per sq.ft.	\$12.6	\$12.5	\$12.0	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	5.0%	5.4%	3.6%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	26,235,544	26,097,378	26,050,868	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	(155,713)	101,161	592,476	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-0.6%	0.4%	2.3%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	501,543	524,543	144,708	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	1.9%	2.0%	0.6%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$82	\$37	\$216	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$206	\$193	\$204	\$144	\$127	\$110	<i>Prices are not rising as fast as nationally</i>
Market cap rate	6.5%	6.5%	6.4%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Boulder, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	6.4%	6.9%	6.1%	4.6%	4.8%	5.1%	<i>The area has a higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	25,939	(114,211)	(83,480)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(120,400)	(229,819)	(117,308)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-0.7%	-1.4%	-0.7%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$22.9	\$22.9	\$22.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	2.2%	2.0%	0.9%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.80	0.40	(0.10)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	16,807,664	16,781,724	16,928,064	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	-63,464	10,175	50,443	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	-0.4%	0.1%	0.3%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	137,427	137,427	80,154	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.8%	0.8%	0.5%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$35	\$19	\$30	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$427	\$237	\$200	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	6.3%	6.3%	6.3%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Boulder, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	17.8	17.9	12.1	15,362	15,397	12,896	
Y/Y change ('000)	3.1	1.5	(9.4)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	9.1%	9.3%	6.5%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

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 | 2021.Q4

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* 48.0

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 stronger than nationally.
 The hotel/lodging property market is stronger than nationally.

I. Economic and Demographic

Economic	Colorado Springs, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	308	306	288	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	14	13	(16)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.8%	4.5%	-5.3%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	5.3%	5.9%	7.2%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$987	\$989	\$950	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	3.1%	9.1%	-3.5%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-0.1%	3.1%	3.4%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$72,633	\$67,430	\$65,593	\$87,470	\$84,423	\$81,284	
	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)	754	747	738	331,501	328,330	326,838	
Population growth (%)	0.87%	1.28%	1.70%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	5.9%	5.7%	7.0%	4.6%	4.6%	6.6%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	(94)	(107)	431	78,063	189,629	94,740	
Absorption in past 12 months	666	1,191	1,937	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	1.6%	2.8%	4.7%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$1,332	\$1,358	\$1,192	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	11.8%	14.1%	4.3%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,325	\$1,353	\$1,183	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	12.0%	14.6%	4.1%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	15.4%	15.7%	14.3%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	42,128	42,221	41,461	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	193	741	1,747	369,993	387,542	434,591	
Net delivered units, as % of inventory	0.5%	1.8%	4.2%	2.2%	2.3%	2.6%	
Units under construction	4,120	3,638	2,117	681,402	692,701	687,551	
Units under construction, as % of inventory	9.8%	8.6%	5.1%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	73.6	17.7	(9.2)	16.2	14.7	(21.3)	More jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$209	\$271	\$303	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$191,418	\$205,761	\$162,194	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.7%	4.7%	4.9%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	9.6%	9.8%	8.1%	12.2%	9.8%	8.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	101,438	270,980	68,839	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(74,422)	(107,021)	(58,764)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-0.3%	-0.4%	-0.2%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$22.9	\$22.8	\$22.2	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.8%	2.3%	3.3%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	4.2	3.7	0.4	1,134	1,092	(870)	Stronger office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	27,313,340	27,211,904	27,387,764	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	425,433	276,425	(108,005)	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.6%	1.0%	-0.4%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	139,559	189,559	375,433	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.5%	0.7%	1.4%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$179	\$200	\$74	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$172	\$172	\$167	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	8.1%	8.2%	8.4%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

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Colorado Springs, CO

Core-Based Statistical Area Code: 17820

IV. Industrial

	Colorado Springs, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	5.0%	4.1%	5.4%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(61,406)	4,434,516	45,917	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	4,648,154	4,755,477	103,772	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	11.8%	12.1%	0.3%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$10.0	\$9.9	\$9.5	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	5.7%	6.2%	3.7%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	39,312,592	39,374,000	34,664,440	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	4,743,599	4,465,524	150,836	283,714,234	297,459,785	307,128,078	<i>More deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	12.1%	11.3%	0.4%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	131,250	438,680	4,430,694	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	0.3%	1.1%	12.8%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$41	\$74	\$66	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$140	\$166	\$104	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.6%	7.7%	7.5%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Colorado Springs, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.6%	5.2%	5.4%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	278,591	375,138	101,265	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	651,591	474,265	(328,806)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.6%	1.1%	-0.8%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$17.8	\$17.7	\$17.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.1%	2.2%	0.7%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.00	(0.30)	0.40	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	41,702,312	41,423,720	41,050,720	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	307,659	331,472	152,060	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.7%	0.8%	0.4%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	333,364	348,189	373,700	50,577,712	53,660,692	52,556,572	<i>Construction activity is more robust than nationally</i>
Under construction, as % of inventory	0.8%	0.8%	0.9%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$142	\$101	\$73	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$269	\$132	\$22	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.6%	7.7%	7.6%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Colorado Springs, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	36.7	37.6	27.4	15,362	15,397	12,896	
Y/Y change ('000)	3.7	3.3	(11.7)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	11.9%	12.3%	9.5%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

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 | 2021.Q4

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 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	Denver-Aurora-Lakewood, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	1,544	1,527	1,456	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	79	75	(105)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.4%	5.2%	-6.7%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	5.2%	5.7%	7.3%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,209	\$1,212	\$1,161	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	1.7%	5.5%	1.3%	4.8%	4.5%	6.7%	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%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$85,641	\$79,478	\$76,643	\$87,470	\$84,423	\$81,284	
	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)	2,991	2,965	2,934	331,501	328,330	326,838	
Population growth (%)	0.89%	1.05%	1.39%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	6.2%	5.7%	7.7%	4.6%	4.6%	
Absorption of units over the quarter	1,508	2,966	1,294	78,063	189,629	94,740	
Absorption of units in past 12 months	12,682	12,468	7,604	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.1%	5.0%	3.2%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,696	\$1,709	\$1,502	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	12.9%	13.1%	-0.5%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,684	\$1,699	\$1,473	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	14.3%	14.6%	-1.0%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	16.0%	16.1%	14.6%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	250,589	249,084	237,929	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	9,328	8,042	7,564	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.7%	3.2%	3.2%	2.2%	2.3%	2.6%	
Units under construction	15,275	16,811	16,610	681,402	692,701	687,551	
Units under construction, as % of inventory	6.1%	6.7%	7.0%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	8.4	9.4	(13.9)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$4,837	\$2,069	\$1,990	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$345,567	\$331,956	\$271,999	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.4%	4.4%	4.5%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	14.4%	14.3%	12.6%	12.2%	14.3%	
Absorption in sq.ft. over the quarter	(166,661)	262,604	(1,507,946)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(1,794,277)	(3,135,562)	(3,843,107)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-1.2%	-2.0%	-2.4%	-0.5%	-1.2%	-1.0%	The area has lower absorption than nationally
Market rent per sq.ft.	\$28.6	\$28.6	\$28.5	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	0.4%	-0.4%	-0.1%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	19.2	17.8	(9.0)	1,134	1,092	(870)	Slower office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	155,074,000	155,240,656	156,868,272	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	1,826,917	1,909,604	1,188,264	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.2%	1.2%	0.8%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	1,429,816	1,311,254	2,478,061	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.9%	0.8%	1.6%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$590	\$1,106	\$329	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$205	\$301	\$219	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	7.1%	7.0%	7.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

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Denver-Aurora-Lakewood, CO

Core-Based Statistical Area Code: 19740

IV. Industrial

	Denver-Aurora-Lakewood, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	5.5%	6.5%	6.0%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	3,284,682	1,977,649	313,463	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	6,137,626	3,166,407	2,347,714	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	2.5%	1.3%	1.0%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$10.7	\$10.5	\$10.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	5.7%	4.2%	2.7%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	245,461,088	242,176,416	239,298,016	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	5,124,734	5,684,089	4,651,381	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	2.1%	2.3%	1.9%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	11,364,825	9,589,090	6,781,757	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	4.6%	4.0%	2.8%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$1,004	\$474	\$650	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$206	\$200	\$144	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	6.1%	6.1%	6.0%	6.3%	6.3%	6.4%	<i>Cap rates are lower than nationally</i>

V. Retail

	Denver-Aurora-Lakewood, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.6%	5.0%	5.1%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	697,628	322,478	(147,395)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	1,025,710	180,687	(857,039)	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	0.7%	0.1%	-0.6%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$23.9	\$23.7	\$23.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	2.7%	2.4%	2.1%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	2.80	3.20	(2.40)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	151,031,504	150,333,888	150,005,808	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	262,941	279,801	647,863	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.2%	0.2%	0.4%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	644,960	593,076	635,911	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$745	\$424	\$465	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$287	\$233	\$282	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.4%	6.4%	6.4%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Denver-Aurora-Lakewood, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	150.5	151.4	107.0	15,362	15,397	12,896	
Y/Y change ('000)	23.4	18.9	(64.5)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	9.7%	9.9%	7.3%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

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.

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NAR Commercial Real Estate Metro Market Report | 2021.Q4

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* 64.0

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

I. Economic and Demographic

Economic	Fort Collins, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	170	170	164	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	2	4	(11)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	1.2%	2.2%	-6.4%	4.1%	4.0%	-6.0%	Job creation is weaker than nationally
Unemployment rate (%)	4.3%	4.7%	6.3%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,035	\$987	\$943	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year (data are as of last month of the quarter)	14.1%	12.2%	3.0%	4.8%	4.5%	6.7%	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%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$75,186	\$71,091	\$69,102	\$87,470	\$84,423	\$81,284	
	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 (%)	0.89%	1.77%	1.90%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.1%	4.3%	8.7%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	29	112	(32)	78,063	189,629	94,740	
Absorption of units in past 12 months	845	784	583	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.7%	5.3%	4.2%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,538	\$1,533	\$1,358	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	13.3%	12.4%	-0.6%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,528	\$1,528	\$1,329	\$1,534	\$1,523	\$1,367	Rents are rising faster than nationally
Effective rent per unit, y/y % chg	14.9%	14.5%	-0.1%	12.2%	11.6%	-0.1%	
Rent as a percent of 2-person annual wage income	17.0%	17.8%	16.2%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	14,724	14,695	13,882	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	146	146	304	369,993	387,542	434,591	
Net delivered units, as % of inventory	1.0%	1.0%	2.2%	2.2%	2.3%	2.6%	
Units under construction	642	642	628	681,402	692,701	687,551	Construction is stronger than nationally
Units under construction, as % of inventory	4.4%	4.4%	4.5%	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	14.4	25.3	(36.8)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$208	\$137	\$19	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$246,198	\$259,014	\$186,520	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.5%	4.4%	4.5%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	6.1%	6.9%	6.5%	12.2%	6.9%	6.5%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	102,495	48,767	(66,164)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	138,180	(30,479)	(335,596)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	1.2%	-0.3%	-3.0%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$23.2	\$23.2	\$23.0	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	0.7%	0.9%	0.0%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	0.1	0.5	(0.5)	1,134	1,092	(870)	Stronger office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	11,258,224	11,155,729	11,120,044	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	99,897	91,697	6,092	59,502,409	57,367,205	45,533,641	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.9%	0.8%	0.1%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	113,510	121,710	188,554	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	1.0%	1.1%	1.7%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$34	\$27	\$24	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$243	\$237	\$172	\$305	\$306	\$301	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

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Fort Collins, CO

Core-Based Statistical Area Code: 22660

IV. Industrial

	Fort Collins, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.0%	4.3%	4.3%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	195,441	124,923	(27,100)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	513,769	291,228	38,306	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	2.2%	1.3%	0.2%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$10.9	\$10.8	\$10.3	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	6.0%	5.9%	3.6%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	23,380,296	23,184,856	22,866,528	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	441,713	485,455	424,819	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	1.9%	2.1%	1.9%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	878,478	648,715	432,344	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	3.8%	2.8%	1.9%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$84	\$42	\$75	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$143	\$154	\$60	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	6.7%	6.7%	6.6%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Fort Collins, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.6%	3.7%	4.1%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	25,931	28,411	59,570	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	194,139	227,778	163,555	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.9%	1.1%	0.8%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$19.9	\$19.7	\$19.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.1%	2.1%	0.6%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	(1.10)	(0.70)	(0.60)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	21,324,268	21,298,338	21,130,130	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	80,289	141,789	115,729	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.4%	0.7%	0.5%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	9,032	9,032	97,629	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$64	\$73	\$45	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$280	\$321	\$182	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	6.6%	6.6%	6.7%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Fort Collins, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	19.1	20.0	14.6	15,362	15,397	12,896	
Y/Y change ('000)	1.3	1.4	(6.8)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	11.2%	11.8%	8.9%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

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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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* 36.0

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 stronger than nationally.

I. Economic and Demographic

Economic	Grand Junction, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	65	64	62	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	2	1	(4)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	3.2%	1.4%	-5.7%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	5.7%	6.2%	7.0%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$769	\$772	\$809	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	-1.8%	-0.2%	6.9%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>

GDP growth (%)	2020	2019	2018	2020	2019	2018	
	-3.1%	1.2%	4.2%	-3.4%	2.3%	2.9%	

Median household income	2019	2018	2017	2019	2018	2017	
	\$60,500	\$49,848	\$52,742	\$87,470	\$84,423	\$81,284	

Demographic	Grand Junction, CO			U.S.			
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.1	1.2	1.7	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	156	155	153	331,501	328,330	326,838	
Population growth (%)	0.68%	0.79%	1.26%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>

II. Multifamily

Demand indicators	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.1%	4.1%	2.5%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	43	75	7	78,063	189,629	94,740	
Absorption of units in past 12 months	199	163	23	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	9.7%	8.1%	1.2%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$890	\$888	\$841	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	5.8%	6.4%	2.2%	11.3%	10.6%	0.5%	
Effective rent per unit	\$886	\$880	\$838	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	5.7%	5.8%	2.3%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	13.2%	13.1%	11.9%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>

Supply indicators	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	2,045	2,003	1,846	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	196	196	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	9.6%	9.8%	-	2.2%	2.3%	2.6%	
Units under construction	-	-	196	681,402	692,701	687,551	
Units under construction, as % of inventory	-	-	10.6%	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	10.2	4.6	-	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>

Sales transactions	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$26	\$6	\$4	\$86,764	\$63,211	\$47,522	<i>Sales transactions are rising faster than nationally</i>
Transaction sales price per unit	\$126,225	\$78,169	\$116,667	\$235,199	\$231,697	\$212,033	<i>Prices are not rising as fast than nationally</i>
Market cap rate	5.9%	6.1%	6.1%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>

III. Office

Demand indicators	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.5%	5.3%	6.3%	12.2%	5.3%	6.3%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	31,061	(10,071)	19,509	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	69,528	57,976	14,115	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	2.0%	1.7%	0.4%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$19.3	\$19.3	\$19.1	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	1.1%	1.5%	0.7%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	(0.2)	(0.3)	(0.3)	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>

Supply indicators	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	3,529,436	3,498,375	3,459,908	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	4,758	80,061	83,303	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.1%	2.3%	2.4%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	4,758	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	0.1%	2.0%	2.0%	2.1%	

Sales transactions	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$14	\$11	\$2	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$107	\$167	\$101	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	8.1%	8.1%	8.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

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Grand Junction, CO

Core-Based Statistical Area Code: 24300

IV. Industrial

	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	5.3%	7.1%	7.9%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	165,687	21,896	64,533	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	242,823	141,669	(240,935)	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.9%	1.7%	-3.0%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$9.3	\$9.2	\$8.9	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	4.7%	4.3%	2.5%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	8,365,882	8,200,195	8,123,059	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	13,000	6,000	4,232	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.2%	0.1%	0.1%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	-	7,000	6,000	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	0.1%	0.1%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$19	\$25	\$5	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$90	\$88	\$70	\$144	\$127	\$110	<i>Prices are not rising as fast than nationally</i>
Market cap rate	8.5%	8.4%	8.2%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Grand Junction, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.9%	3.9%	3.9%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(3,009)	(5,293)	(50,538)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(724)	(48,253)	(31,864)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.0%	-0.6%	-0.4%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$12.7	\$12.6	\$12.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	2.0%	1.7%	1.1%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	0.20	0.00	0.00	372.10	387.70	(473.90)	
Supply indicators							
Inventory in sq. ft.	8,561,581	8,564,590	8,562,305	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively fewer units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	-2,247	4,425	9,473	21,047,385	28,105,270	41,736,234	<i>Less delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.0%	0.1%	0.1%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	-	-	4,425	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	-	-	0.1%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$13	\$27	\$11	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$106	\$204	\$96	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.5%	7.6%	7.7%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Grand Junction, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	7.7	7.7	6.4	15,362	15,397	12,896	
Y/Y change ('000)	0.7	0.5	(1.1)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	11.9%	12.1%	10.4%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

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 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.

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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* 32.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is about the same than nationally.
 The office property market is not as strong 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

	Greeley, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Economic							
Total non-farm employment ('000)	109	108	104	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	4	5	(10)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.0%	4.4%	-8.4%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	5.3%	5.9%	7.4%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$1,129	\$1,101	\$1,095	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	1.1%	0.7%	-8.0%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-11.5%	3.5%	7.9%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$78,615	\$75,938	\$68,884	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	6.8	6.8	5.9	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	334	325	315	331,501	328,330	326,838	
Population growth (%)	2.86%	2.96%	2.87%	0.97%	0.46%	0.53%	<i>Population is growing faster than nationally</i>

II. Multifamily

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	9.5%	10.4%	13.1%	4.6%	4.6%	6.6%	<i>The area has a higher vacancy rate than nationally</i>
Absorption of units over the quarter	252	198	67	78,063	189,629	94,740	
Absorption of units in past 12 months	991	806	268	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	10.1%	8.5%	3.0%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,360	\$1,348	\$1,241	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	9.7%	8.6%	1.5%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,354	\$1,342	\$1,226	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	10.4%	9.3%	1.3%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	13.8%	14.0%	12.9%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
Supply indicators							
Inventory	9,788	9,537	8,798	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	697	790	1,031	369,993	387,542	434,591	
Net delivered units, as % of inventory	7.1%	8.3%	11.7%	2.2%	2.3%	2.6%	
Units under construction	6	177	703	681,402	692,701	687,551	<i>Construction is weaker than nationally</i>
Units under construction, as % of inventory	0.1%	1.9%	8.0%	4.0%	4.1%	4.2%	<i>Fewer jobs per delivered units than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	6.0	5.8	(9.3)	16.2	14.7	(21.3)	
Sales transactions							
Total investment acquisitions (in million \$)	\$116	\$3	\$24	\$86,764	\$63,211	\$47,522	<i>Sales transactions are rising faster than nationally</i>
Transaction sales price per unit	\$228,205	\$155,045	\$134,650	\$235,199	\$231,697	\$212,033	<i>Prices are rising faster nationally</i>
Market cap rate	5.0%	5.0%	5.1%	5.2%	5.2%	5.3%	<i>Cap rates are lower than nationally</i>

III. Office

	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	7.2%	6.8%	5.5%	12.2%	6.8%	5.5%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(24,800)	63,293	(7,142)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(98,613)	(80,955)	(161,075)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-1.8%	-1.5%	-2.9%	-0.5%	-1.2%	-1.0%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$20.5	\$20.5	\$20.2	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	1.8%	1.6%	0.4%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.6	0.7	0.1	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	5,407,057	5,431,857	5,505,670	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	-	25,281	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	-	0.5%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	5,200	5,200	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.1%	0.1%	-	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$16	\$6	\$4	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$213	\$128	\$128	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	8.5%	8.5%	8.6%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

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Greeley, CO

Core-Based Statistical Area Code: 24540

IV. Industrial

	Greeley, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.8%	5.0%	4.4%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	82,614	42,254	296,270	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	73,458	287,114	279,103	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	0.3%	1.1%	1.1%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$11.3	\$11.2	\$10.7	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	5.9%	5.8%	3.2%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	25,652,594	25,569,980	25,579,136	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	192,868	295,151	630,601	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.8%	1.2%	2.5%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	543,995	576,205	593,952	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	2.1%	2.3%	2.3%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$61	\$119	\$29	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$168	\$141	\$145	\$144	\$127	\$110	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.9%	6.9%	6.9%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Greeley, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.9%	3.7%	2.3%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(13,428)	(146,786)	(67,752)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(149,979)	(204,303)	6,677	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-1.3%	-1.8%	0.1%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$15.8	\$15.6	\$15.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.3%	2.1%	0.6%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	(0.40)	0.30	0.10	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	11,430,159	11,443,587	11,580,138	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	40,275	-9,135	83,958	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.4%	-0.1%	0.7%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	11,474	19,474	27,141	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.1%	0.2%	0.2%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$51	\$19	\$25	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$149	\$245	\$245	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	9.9	10.1	8.5	15,362	15,397	12,896	
Y/Y change ('000)	1.4	1.1	(1.2)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	9.1%	9.3%	8.1%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

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>



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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* 36.0

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 stronger than nationally.

I. Economic and Demographic

Economic	Pueblo, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	64	63	62	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	1	1	(3)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	1.8%	1.5%	-4.2%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	7.6%	8.2%	8.7%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$838	\$788	\$814	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	2.0%	2.0%	11.4%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.1%	2.9%	3.3%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$51,276	\$48,468	\$43,148	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.6	0.9	1.2	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	170	168	168	331,501	328,330	326,838	
Population growth (%)	0.84%	0.50%	0.72%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.3%	1.4%	1.3%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	3	(9)	17	78,063	189,629	94,740	
Absorption of units in past 12 months	-	14	82	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	0.0%	0.3%	1.9%	4.2%	4.3%	2.3%	<i>The area has lower absorption than nationally</i>
Market asking rent per unit	\$953	\$942	\$865	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	10.2%	10.5%	5.3%	11.3%	10.6%	0.5%	
Effective rent per unit	\$950	\$939	\$863	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	10.1%	10.5%	5.4%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	13.0%	13.7%	12.2%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	4,267	4,264	4,267	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	-	-	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	-	-	-	2.2%	2.3%	2.6%	
Units under construction	-	-	-	681,402	692,701	687,551	
Units under construction, as % of inventory	-	-	-	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	-	-	-	16.2	14.7	(21.3)	
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$19	\$9	\$1	\$86,764	\$63,211	\$47,522	<i>Sales transactions are rising faster than nationally</i>
Transaction sales price per unit	\$73,627	\$141,717	\$172,917	\$235,199	\$231,697	\$212,033	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.5%	6.5%	6.6%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.2%	3.0%	4.4%	12.2%	3.0%	4.4%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	15,344	2,658	(3,214)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	71,498	52,940	(107,991)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	1.8%	1.4%	-2.8%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$15.7	\$15.7	\$15.4	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	1.8%	1.6%	-0.1%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	(0.2)	(0.1)	(0.1)	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	3,899,437	3,884,093	3,827,939	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	(16,060)	-	-	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-0.4%	-	-	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$2	\$8	\$28,031	\$29,974	\$21,646	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$107	\$110	\$31	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	9.0%	9.0%	9.1%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

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Pueblo, CO

Core-Based Statistical Area Code: 39380

IV. Industrial

	Pueblo, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.4%	2.6%	3.3%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	21,243	4,626	66,969	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	113,169	158,895	(98,101)	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.9%	1.2%	-0.7%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$8.3	\$8.2	\$7.8	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	6.0%	6.1%	3.5%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	13,256,727	13,235,484	13,143,558	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	-	-	-	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-	-	-	1.7%	1.8%	1.9%	
Under construction in sq.ft.	-	-	-	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	-	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$9	\$11	\$16	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$83	\$40	\$56	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	6.8%	6.8%	6.7%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Pueblo, CO			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	5.1%	5.7%	5.0%	4.6%	4.8%	5.1%	<i>The area has a higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	65,072	1,575	(11,546)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(1,391)	(78,009)	(45,214)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.0%	-0.7%	-0.4%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$13.3	\$13.1	\$12.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	4.8%	3.6%	1.0%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.30	0.00	0.10	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	10,981,988	10,916,916	10,983,379	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	13,400	13,400	35,083	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.1%	0.1%	0.3%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	-	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	-	-	-	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$18	\$7	\$10	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$107	\$91	\$57	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	7.6%	7.6%	7.7%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Pueblo, CO			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	6.8	6.9	5.1	15,362	15,397	12,896	
Y/Y change ('000)	0.9	0.8	(1.5)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	10.6%	11.0%	8.2%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

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.

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