



MAY 2022

MONTHLY ECONOMIC INDICATORS

Activity & trends impacting
our regional economy



May 2022 MEI Snapshot

	Monthly/Quarterly Direction		Year-Over-Year Direction		Year-to-Date Direction	
↕↗ Positive Changes	11 of 18		12 of 18		13 of 18	
Nonfarm Employment Growth	8,100	↑	89,600	↑	89,300	↑
	Employment up 0.5% from February to March		Employment up 5.4% from March 2021 to 2022		YTD employment up 5.4% through March	
Manpower Net Employment (West Region)	42%	↓	42%	↑	45%	↑
	Net employment down 5 percentage points from 1Q 2021 to 2Q 2022		Net employment increased 23 percentage points from 2Q21 to 2Q22		YTD average up 29 percentage points compared with 2021	
Unemployment Rate	3.5%	↓	-2.7 percentage points	↓	3.8%	↓
	Unemployment down 0.5 percentage points from February to March		Unemployment down from March 2021 to 2022		Down 2.6 percentage points from 2021 YTD average	
Initial Unemployment Insurance Claims	-32.0%	↓	-97.2%	↓	-98.4%	↓
	Claims decreased from February to March		Claims decreased from March 2021 to 2022		YTD average claims decreased through March 2022	
Total National Retail Sales	-1.1%	↓	18.2%	↑	15.7%	↑
	National sales decreased from January to February		National sales increased from February 2021 to 2022		YTD sales increased through February 2022	
Mountain Region Consumer Confidence Index	111.2	↑	-10.8%	↓	112.6	↑
	Index up 13.4 percent from March to April		Index down from April 2021 to 2022		YTD average up 4.8% through April 2022	
Hotel Occupancy	63.1%	↑	15.2 percentage points	↑	57.8%	↑
	Increased 4.5 percentage points from February to March		Occupancy increased from March 2021 to 2022		YTD occupancy up from last year	
Denver International Airport Passengers	22.3%	↑	43.3%	↑	51.7%	↑
	Passengers up from February to March		Passengers up from March 2021 to 2022		YTD passengers increased through March 2022	
Bloomberg Colorado Index	731.3	↓	-14.0%	↓	-17.3%	↓
	Index down 11% from March to April		Index down from April 2021 to 2022		YTD return down through February 2022	
Dow Jones Industrial Average	32,977.2	↓	-2.6%	↓	-9.2%	↓
	Index down 4.9% from March to April		Index down from April 2021 to 2022		YTD return down through March 2022	
Home Sales (closed)	5,029	↑	-9.5%	↓	11,998	↓
	Sales up 47.9% from February to March		Sales down from March 2021 to 2022		YTD sales down 2.5% from last year	
Median Home Price (Denver-Aurora MSA)	\$617,600	↑	20.5%	↑	\$607,100	↑
	Up 0.5% from 3Q 2021 to 4Q 2021		Price up from 4Q 2020 to 4Q 2021		YTD price 23.2% higher through 4Q 2021	
Foreclosures	356	↑	1048.4%	↑	927	↑
	Up 6.9% from March to April		Up from April 2021 to 2022		Up 758.3% YTD through April 2022	
Residential Building Permits (Total)	3,185	↑	47.4%	↑	7,419	↑
	Permits increased 18.1% from February to March		Permits up from March 2021 to March 2022		YTD permits up 36.9% through March 2022	

Apartment Vacancy Rate	4.3%	↔	-1.2 percentage points	↓	4.3%	↓
	Vacancy unchanged from 4Q 2021 to 1Q 2022		Vacancy decreased from 1Q 2021 to 1Q 2022		YTD average down 1.2 percentage points from last year	
Office Vacancy Rate (with Sublet)	13.9%	↓	+0.8 percentage points	↑	+0.8 percentage points	↑
	Vacancy rate down 0.1 percentage points from 4Q 2021 to 1Q 2022		1Q 2022 vacancy up from 13.1% one year ago		1Q 2022 vacancy up from 13.1% one year ago	
Industrial Vacancy Rate (with Sublet)	5.4%	↑	-0.7 percentage points	↓	-0.7 percentage points	↓
	Vacancy rate increased 0.1 percentage point from 4Q 2021 to 1Q 2022		1Q 2022 vacancy down from 6.1% one year ago		1Q 2022 vacancy down from 6.1% one year ago	
Retail Space Vacancy Rate (with Sublet)	4.7%	↓	-0.7 percentage points	↓	-0.7 percentage points	↓
	Vacancy rate decreased 0.1 percentage points from 4Q 2021 to 1Q 2022		1Q 2022 vacancy down from 5.4% one year ago		1Q 2022 vacancy down from 5.4% one year ago	

May 2022 MEI

About This Report

The Monthly Economic Indicators is a comprehensive analysis of economic conditions in the seven-county Metro Denver area, or the region comprised of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson Counties. There are two metropolitan statistical areas (MSAs) located within the Metro Denver region: the Boulder MSA (Boulder County) and the Denver-Aurora-Lakewood MSA (the Denver MSA) (Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties). This report presents recent data and long-term trends for the seven-county region, MSAs, or counties, depending on availability. The analysis includes four main data sections: labor force and employment, the consumer sector, residential real estate, and commercial real estate.

Notable Rankings

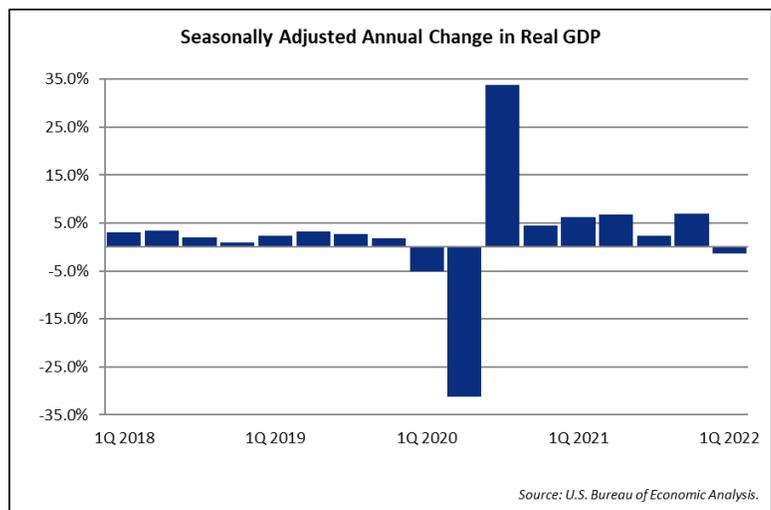
- Denver is the 6th best large city to start a business, according to a 2022 WalletHub comparison of the relative startup opportunities that exist in 100 large U.S. cities. The analysis was based on 20 key metrics ranging from the five-year business survival rate to the percentage of residents who are vaccinated to office-space affordability. Denver ranked 7th for business environment, 18th for access to resources, and 54th for business costs. Colorado Springs and Aurora also ranked high on the list at 9th and 12th, respectively.
- Twelve Metro Denver cities were ranked among the best small cities in the U.S. to start a business, according to a separate 2022 WalletHub analysis. Englewood was the top ranked Metro Denver city at No. 26, followed by Longmont (No. 40) and Lafayette (No. 74). The analysis compared 1,334 small cities with populations between 25,000 and 100,000. Cities were evaluated based on business environment, access to resources, and business costs.
- Metro Denver ranked 7th among the nation's top job markets, according to findings from The Wall Street Journal and Moody's Analytics. The analysis considered 300 metro areas which were rated on five factors: unemployment rate, labor force participation rate, job growth, labor force growth, and wage growth. Metro Denver ranked third for labor force participation rate, sixth for change in labor force size, and 38th in unemployment rate.
- Boulder had the highest percentage of people working from home at the beginning of the pandemic across metropolitan areas in the U.S., according to new data from FinancialForce. The analysis found that 16.1 percent of Boulder residents worked from home in 2020, ahead of Bend, Oregon and Austin, Texas. Fort Collins and Metro Denver also ranked high on the list, reaching fifth and sixth places, with 11.7 percent and 11.4 percent of their populations working remotely.
- WalletHub found that Denver was the eighth healthiest place to live in the U.S., based on a comparison of 182 of the most populated U.S. cities across 43 key indicators of good health. Denver ranked 16th for food, 17th for fitness, 22nd for green space, and 28th for healthcare. Aurora was 54th on the list.
- Metro Denver ranked seventh on the American Lung Association's annual "State of the Air" report for worst U.S. cities for air pollution. All seven Metro Denver counties scored an "F" for high ozone days, while scores for particle pollution across the region were mixed with only Denver and Boulder counties receiving failing

grades. According to the report, more than 40 percent of Americans are living in places with failing grades for unhealthy levels of particle pollution or ozone.

National Economic Overview

Gross Domestic Product

- The U.S. Bureau of Economic Analysis (BEA) released their advanced estimate of real gross domestic product (GDP) for the first quarter of 2022 and found that GDP decreased at an annual rate of 1.4 percent. This was the first decline since the pandemic recession struck two years ago and was mostly a result of the two most volatile components of the quarterly reports: inventories and international trade. Measures of underlying demand showed solid growth during the quarter. Real GDP increased 6.9 percent in the fourth quarter of 2021.
- The advanced estimate is based on source data that are incomplete or subject to further revision by the source agency. The second GDP estimate for 1Q 2022 is scheduled for release on May 26.
- The decrease in first quarter real GDP reflected decreases in private inventory investment (led by motor vehicle wholesale trade and retail trade for other retailers and motor vehicle dealers), exports (led by widespread decreases in nondurable goods), federal government spending (led by defense spending on intermediate goods and services), and state and local government spending.
- These decreases were offset by increases in imports (led by nonfood and nonautomotive consumer goods) and increases in personal consumption expenditures (led by healthcare), nonresidential fixed investment (led by equipment and intellectual property products), and residential fixed investment.
- The Conference Board downgraded their U.S. real GDP forecast from 3.5 percent to 3 percent for 2022. According to the board, Russia's invasion of Ukraine caused a large downgrade in the forecast due to higher inflation expectations, more aggressive monetary policy tightening, and an erosion of consumer purchasing power.
- The International Monetary Fund (IMF) cut its global forecast for economic expansion in 2022 to 3.6 percent, 0.8 percentage points lower than its January forecast and lower than the 6.1 percent growth reported in 2021. The IMF is projecting the same 3.6 percent expansion for 2023, down 0.2 percentage points from the January forecast. This downgrade reflects the direct impact of the war on Ukraine and sanctions on Russia, with both countries projected to experience steep contractions.



Interest Rates

- In their meeting on March 15-16, the Federal Open Market Committee (FOMC) of the Federal Reserve firmed its stance on monetary policy as indicators of economic activity and employment continue to strengthen. Inflation remains elevated, reflecting supply and demand imbalances related to the pandemic, higher energy prices, and broader price pressures. Further, the invasion of Ukraine by Russia is expected to create additional upward pressure on inflation and weigh on economic activity.
- With inflation expected to return to its two percent objective and a strong labor market, the Fed raised the target range for the federal funds rate to 0.25 to 0.5 percent, its first interest rate hike since December 2018. The rate increase represents the first step of a pullback of pandemic-related easing that allowed the economy to recover from the economic impact of the health crisis. In addition, the Committee expects to begin reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities at a coming meeting.
- The next FOMC meeting is May 3-4, 2022. The Fed is expected to announce a half point rate rise, the steepest interest-rate increase in 22 years. The Fed will announce plans for how they will shrink the central bank's \$9 trillion asset portfolio.

Policy Watch

National

- President Biden extended the pause of federal student loan payments through August 31. Payment and interest accrual have been suspended since March 13, 2020 and were previously scheduled to resume on May 1. According to the White House, stopping the suspension would have imposed significant economic hardship on borrowers. The Education Department will use the additional time to shift to a new system to give borrowers a fresh start and to ensure that all borrowers have access to repayment plans that meet their financial situations and needs.

Local

- Approximately 3.1 million Coloradans are expected to receive a refund this summer as part of the voter-approved Taxpayer's Bill of Rights (TABOR), which requires the Colorado government to send a portion of state revenue back to taxpayers in strong economic times. This year, the state will be sending back more than \$2 billion in refunds, the highest total in a generation. There are currently 3 TABOR refund mechanisms: reimbursement to counties for the senior homestead exemption, a temporary income tax rate reduction, and a sales tax refund. As a result of Senate Bill 22-233, announced in late April, this year's refund will have a temporary fourth refund mechanism: a flat-rate income tax rate reduction in the form of a \$400 refund to individuals and \$800 for joint filers. This refund will be distributed about eight months earlier than is typical for TABOR refunds and will be more beneficial to lower income individuals compared with the income-based reimbursement that refunds more to higher income individuals.
- Senate Bill 22-32 was signed into law, which bans Colorado cities from requiring retailers shipping products to their residents to purchase a business license in order to report and pay local taxes. Beginning on July 1, there will be a statewide business license for users of Colorado's Sales and Use Tax System that allows companies to calculate and submit the sales tax revenue they owe to all local governments and have the state disperse them.

Economic Indexes & Notable Data Releases

National & International

- The U.S. trade deficit was \$89.2 billion in February, down 0.1 percent from \$89.2 billion in January. February imports increased 1.3 percent to \$317.8 billion, while exports increased 1.8 percent to \$228.6 billion. Year-to-date, the goods and services deficit increased \$45.7 billion, or 34.5 percent, from the same period in 2021. Exports increased 17.6 percent and imports increased 22 percent year-over-year.
- The Conference Board Leading Economic Index (LEI) increased by 0.3 percent in March to 119.8, following a 0.6 percent decrease in February. The March increase in the U.S. LEI suggests continued positive growth despite increased geopolitical and economic risk due to the war in Ukraine and shutdowns abroad associated with the pandemic. This broad-based improvement signals economic growth that is likely to continue through 2022 despite volatile stock prices and weakening business and consumer expectations.
- According to the Institute for Supply Management's Manufacturing Index, the Purchasing Managers Index (PMI) was 55.4 percent in April, a decrease of 1.7 percentage points from the March reading of 57.1 percent. This figure indicates expansion in the overall economy for the 23rd month in a row after contraction in April and May 2020, but it was the lowest reading since July 2020. The U.S. manufacturing sector remains in a demand-driven, supply chain-constrained environment and progress slowed in solving labor shortage problems at all tiers of the supply chain. Panelists reported higher rates of quits compared to previous months, with fewer panelists reporting improvement in meeting head-count targets. April saw a slight easing of price expansion, but instability in global energy markets continues. Seventeen manufacturing industries reported growth in April, with the only decline reported in Petroleum & Coal Products.
- The Services Purchasing Managers Index (PMI) by the Institute for Supply Management registered 58.3 percent in March, 1.8 percentage points higher than February's reading of 56.5 percent. The March reading indicates growth for the 22nd consecutive month after a two-month contraction in April and May of 2020. Seventeen service industries reported growth, with the only decrease reported in Agriculture, Forestry, Fishing & Hunting. There was an uptick in business activity in March, but respondents indicated that they continue to be impacted by capacity constraints, logistical challenges, and inflation. Labor shortages have eased slightly as COVID-19 cases have declined and public health restrictions have been relaxed. Geopolitical concerns – particularly the Russia/Ukraine war, which has impacted material costs – have created uncertainty for many businesses.
- More than 73 percent of U.S. counties experienced natural decrease in 2021, up from 45.5 percent in 2019 and 55.5 percent in 2020, according to the U.S. Census Bureau's Vintage 2021 estimates of population and components of change. Natural decrease occurs when there are more deaths than births in a population over a given period. In 2021, fewer births, an aging population, and increased mortality – intensified by the COVID-19 pandemic – contributed to a rise in natural decrease.
- According to high-paying job search platform Ladders Inc., 24 percent of all professional jobs in the U.S. and Canada were hired for permanent remote work in Q1 2022, up from 3 percent in Q1 2020 and 10 percent in Q1 2021. The analysis included data from the 50,000 largest employers in the U.S. and Canada and focused on jobs that pay more than \$80,000 per year. The top five fields for remote hiring included brand marketing and management, account management, sales engineering, development operations and site reliability, and quality assurance.

Local

- Colorado indicators were mixed in the first quarter of 2022, according to the Quarterly Business & Economic Indicators report from the Colorado Secretary of State’s Office in partnership with University of Colorado Boulder Leeds School of Business. First quarter new entity filings rose 27.6 percent from Q4 2021 but fell 2.1 percent year-over-year. Existing entity renewals were up 10.3 percent over-the-year, while dissolutions increased 20.4 percent over the same period. While Colorado’s job recovery reached pre-recession levels in February 2022, the recovery by industry has been fragmented.
- According to the University of Colorado Boulder Leeds School of Business second quarter 2022 Leeds Business Confidence Index, confidence slipped ahead of Q2 2022, but remained positive, with business leaders citing the Russia/Ukraine conflict and inflation as primary concerns. The Index decreased 4.1 points ahead of Q2 2022 to 53.9, falling below the long-term average of 54.4, but remaining in positive territory – above 50. All six components decreased from the prior quarter and the prior year, while five of the components remained above 50. More than half of respondents expect to increase wages in response to higher inflation, and most do not expect inflation to moderate until 2023. Despite economic risks, the survey results coupled with economic metrics point to continued economic growth over the next two quarters.
- According to the regional Beige Book by the Kansas City Federal Reserve, economic activity in the Tenth District, which includes Colorado, accelerated to a robust pace in recent months. Manufacturing and services sectors reported activity well above levels exhibited over the past fifteen years. New orders among manufacturers outpaced growth in their inventories, leading to rapid increases in backlogs. Activity in the service sector was bolstered by increased demand at leisure and hospitality businesses as the Omicron wave faded and spring break activity significantly exceeded expectations for most contacts. Labor shortages remained a challenge across the district and the number of vacant jobs for each unemployed person was at all-time highs. Real estate activity and demand for mortgages remained high, even as interest rates rose. Contacts reported the invasion of Ukraine further disrupted global supply chains and led to higher input prices, but has not affected overall demand, hiring plans, or planned capital expenditures.
- The latest census estimates show that Colorado’s population increased by 27,761 people over-the-year to a total of more than 5.8 million residents as of July 1, 2021. Metro Denver’s population remained relatively unchanged, increasing by an estimated 683 people. Among the Metro Denver counties, Douglas County had the largest increase in population of 2.5 percent or nearly 9,000 people, while Denver County reported the largest decline of 0.9 percent or 6,167 people. Adams and Broomfield Counties gained population over-the-year, while Jefferson, Boulder, and Arapahoe counties lost population.
- According to data from PitchBook, venture capital activity in Denver largely maintained its momentum in the first quarter of 2022 despite activity tapering back in the broader U.S. market. There were 92 deals in Denver in 1Q 2022 that were worth a combined total of about \$1 billion, down from the 2021 average of 103 deals worth about \$1.6 billion per quarter. Across the country, deal value dropped from \$95.4 billion in the fourth quarter to \$70.7 billion in the first quarter while the number of deals dropped from 4,098 to 3,723 during the period.
- New vehicle sales in Colorado decreased 10 percent between the first quarters of 2021 and 2022, according to the quarterly *Colorado Auto Outlook* from the Colorado Automobile Dealers Association. Still, sales in the state outperformed the nation, which reported a 14.9 percent over-the-year decline during the quarter. According to the report, price increases, higher interest rates, lean supplies, and higher gas prices have put

pressure on Colorado’s automobile market. On the upside, consumers still show pent-up demand for new vehicle products along with an uptick in interest for electric vehicles.

Labor Force and Employment

- Employment in Metro Denver increased 5.4 percent between March 2021 and 2022, rising by 89,600 jobs across all supersectors. Employment in the Denver-Lakewood-Aurora MSA rose 5.2 percent, or by 77,300 jobs, while the Boulder-Longmont MSA increased 6.5 percent, or by 12,300 jobs, during the period.
- All 11 supersectors reported over-the-year increases in employment. Leisure and hospitality reported the largest increase, rising 22.6 percent, followed by professional and business services (+7.9 percent) and other services (+7 percent). Education and health services reported the most modest over-the-year increase of 1.2 percent.
- Employment in Colorado increased 5.3 percent, or by 141,800 jobs, between March 2021 and 2022. National employment rose 4.6 percent, or by more than 6.6 million jobs. The U.S. has now regained 92.8 percent of the jobs lost from February to April 2020.

**Nonfarm Wage & Salary Employment
(000s, not seasonally adjusted)**

	Month of Mar-22	Month of Feb-22	Month of Mar-21	Year-to-Date Average YTD 2022	Year-to-Date Average YTD 2021	Year-to-Date Average Change	Annual Growth Rate 2017	Annual Growth Rate 2012
Total 11-County Metro Denver*	1,755.8	1,747.7	1,666.2	1,742.7	1,653.3	5.4%	2.1%	2.9%
Denver-Aurora-Lakewood MSA	1,553.7	1,547.9	1,476.4	1,543.4	1,465.9	5.3%	2.1%	2.9%
Boulder MSA	202.1	199.8	189.8	199.3	187.4	6.3%	2.1%	2.7%
Natural Resources & Construction	113.8	114.3	111.5	113.3	110.7	2.4%	4.8%	5.1%
Manufacturing	93.6	93.1	89.9	92.9	89.7	3.6%	1.1%	2.2%
Wholesale & Retail Trade	240.0	239.6	232.3	239.1	232.8	2.7%	1.1%	2.1%
Transp., Warehousing & Utilities	76.4	77.6	73.5	77.3	74.6	3.5%	4.8%	2.9%
Information	62.3	62.3	60.4	62.4	60.2	3.6%	1.4%	-0.8%
Financial Activities	124.1	123.9	121.7	124.1	121.0	2.5%	2.5%	2.1%
Professional & Business Services	342.4	340.5	317.2	338.5	314.6	7.6%	2.1%	5.1%
Education & Health Services	219.6	219.8	217.0	218.9	216.2	1.2%	1.7%	3.7%
Leisure & Hospitality	178.2	174.5	145.3	174.8	140.7	24.2%	2.8%	3.4%
Other Services	67.2	66.5	62.8	66.5	62.4	6.6%	1.1%	2.8%
Government	238.2	235.6	234.6	235.0	230.5	2.0%	1.9%	0.9%
Federal Gov't	29.8	29.8	30.5	29.9	30.5	-2.0%	-0.5%	-0.8%
State Gov't	66.6	65.5	64.9	64.2	62.4	2.9%	4.4%	1.8%
Local Gov't	141.8	140.3	139.2	140.9	137.6	2.4%	1.3%	0.9%
Colorado	2,826.8	2,813.0	2,685.0	2,805.7	2,661.7	5.4%	2.3%	2.4%
United States	149,938	149,144	143,308	148,862	142,137	4.7%	1.6%	1.7%

*Includes the Denver-Aurora-Lakewood MSA (Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties) and the Boulder MSA (Boulder County).

Source: Colorado Department of Labor and Employment, Labor Market Information. (p) =preliminary (r) =revised

Metro Denver Industry Cluster Headlines

Aerospace

- The U.S. Naval Information Warfare Center selected Virginia-based Northrop Grumman Corp. to build new ground system technology for a relay station on the island of Guam that will help manage the U.S. Space Force's missile-launch detection satellite fleet. About 60 percent of the work is expected to be handled from Boulder, and another 40 percent in Guam.
- Rocket and space company Blue Origin plans to open a new office at 8744 Lucent Boulevard in Highlands Ranch. The office will be a hub for program management, systems engineering, avionics, software, integration, and mission design in support of their launch vehicle and space systems programs. Blue Origin has 203 jobs posted on its website for Denver.
- New York-based space hardware manufacturer Moog Inc. opened a 29,000-square-foot manufacturing space in Arvada. The facility almost quadruples Moog's space in Metro Denver, adding to its Golden location and giving the 60-employee operation room for its planned hiring of 20 more people.
- Switzerland-based defense and space manufacturer Beyond Gravity – formerly called RUAG – has added dozens of employees in Metro Denver over the past four years and is planning to hire 60 more people between its Denver and Alabama sites. The company currently has 1,300 employees total.

Aviation

- Denver-based Frontier Airlines is planning an expansion at Denver International Airport, including 14 new gates, 18,000-square-feet of support space, and an adjacent 8,000-square-foot maintenance facility. The first phase of the project, which would be an initial four gates, is targeted for completion in fall 2023. Full project completion is slated for summer 2024.

Broadband and Digital Communications

- Amazon's Project Kuiper internet services has hired Centennial-based United Launch Alliance (ULA) to launch 47 rockets carrying about 2,000 satellites in the coming years. Project Kuiper is a low Earth orbit satellite system designed to provide fast, affordable broadband to unserved and underserved communities around the world. ULA is the leading launcher of U.S. military and spy agency satellites and will have to double the size of its launch infrastructure and dramatically expand its staff. The company currently employs 2,500 people and plans to hire hundreds of people across its sites, especially in Centennial and Alabama.

Energy and Natural Resources

- Colorado oil production dropped by more than 10 percent for the second consecutive year in 2021, according to the Colorado Oil & Gas Conservation Commission. Wells in the state produced 153.5 million barrels of crude oil in 2021, down from a peak of 192.2 million barrels in 2019 and the lowest annual amount since 2017. The decline reflected the slow pace of well drilling following the crash caused by the COVID-19 pandemic, coupled with the naturally falling output of existing oil and gas wells.
- Natural gas production in Colorado also declined between 2020 and 2021. Wells produced 2.175 trillion cubic feet of natural gas in 2021, down 5.5 percent from 2020 and down 11.7 percent from the record high in 2019.

Food and Beverage Production

- Greeley-based meatpacking company JBS USA has partnered with Michigan-based Lineage Logistics to open a 200,000-square-foot cold-storage and railroad shipping facility in Windsor. The project is expected to create more than \$100 million in economic impact and add 80 jobs with an average salary of more than \$50,000 per year. Construction and hiring will begin in 2022, with operation set to begin in 2023.
- The craft brewing industry grew by 8 percent in 2021 after reporting a decrease of 10 percent in 2020, according to annual data released by the Brewers Association. The industry has not yet recovered to pre-pandemic levels of production. Craft brewers produced 24.8 million barrels of beer in 2021, giving them a 13.1 percent market share in 2021, up from 12.2 percent in 2020. Three of the top 50 craft breweries in the country are located in Colorado: Canarchy collective headed by Longmont's Oskar Blues Brewery (No. 7), Odell Brewing of Fort Collins (No. 20), and Left Hand Brewing of Longmont (No. 47).
- Grain trading and exporting startup Greenfield Holdings has chosen Denver over Chicago, Houston, or New Orleans for its new headquarters. The company currently has 11 employees, five of whom are already based in Denver, and plans to add as many as 20 additional jobs in Denver as it develops grain export capacity on the Mississippi River and the Gulf of Mexico. The expected average annual wage of the new jobs is \$83,725, which is 111.3 percent of the average in Denver County.
- National indoor farming company Kalera Inc. will soon be selling the lettuce and other products in Denver-area grocery stores that it has been growing in an 89,000-square-foot hydroponic produce-growing facility in Aurora since March. Once in full production, the Aurora site should be able to harvest 2.5 million pounds of lettuce each year. Kalera has built \$128 million worth of growing facilities nationwide and employs between 50 and 75 people total.

IT-Software

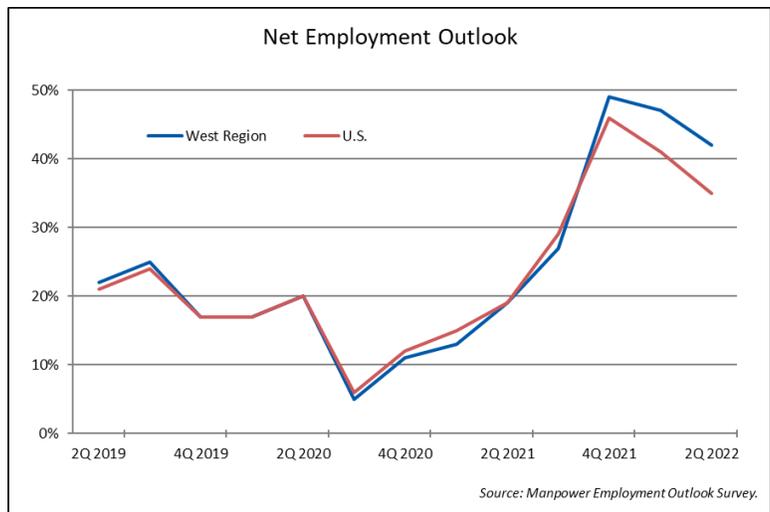
- Denver-based Dish Network Corp. added more than 1,000 employees in Metro Denver in 2021. Heading into 2022, the company employed about 6,362 people in the area, up from 5,338 a year prior. The company's total headcount increased from about 13,500 in 2021 to about 14,500 at the start of 2022, growth that was generally organic in nature, as opposed to due to acquisitions.
- Denver-based Hotel Engine, a booking platform that works with businesses to arrange short- and long-term lodging for their workers, plans to hire 400 new workers in 2022, bringing the company's headcount to 800 by the end of the year. The company has hired about 120 workers so far this year. As it brings on more staff, focusing on salespeople and on product-engineering workers, it will also add a new product line that allows users to book hotels, alternative accommodations like restaurants, and meeting spaces for groups.
- Denver-based cloud services distributor Pax8 recently closed a \$1.7 million fundraising round that pushed the company's valuation into unicorn status. The company plans to expand its real estate footprint in the Denver area and continue expanding its headcount in the region. Pax8 has committed to hiring 1,000 additional employees in Colorado, 400 of which are expected within the next year. The company currently has about 1,200 employees, up from 600 at the start of 2020.
- California-based software company Freshworks is growing its presence in Metro Denver, with plans to expand its local workforce by about 50 percent this year. The company started with 12 people in 2020 but has since growth to nearly 100 employees. Freshworks provides software tools and platforms to help its customers manage their relationships with customers and employees.

Other Industry Headlines

- Boulder-based Spark Grills Inc. closed nearly \$7 million out of a \$12.5 million equity raise in February as it prepares to expand its manufacturing capacity in Boulder and increase its local headcount. Spark Grills currently employs about 25 people and plans to add another 10 to 15. The funds will also be used for inventory investment and accelerated product development.
- Denver-based Truwerk Inc., producer and seller of performance work apparel targeted at people working in the trades, has completed an \$18.2 million capital raise and is planning further growth over the next year. The funding will be used for marketing, research and development, and to expand the company’s product inventory to keep up with demand. Truwerk employs about 25 people now, and may increase its headcount to about 35 in the next year.

Employment Outlook

- The Manpower Employment Outlook Survey revealed that all four regions in the United States reported positive net employment outlooks for 2Q 2022. The West, which includes Colorado, reported the highest net employment outlook of 42 percent, reflecting the difference in the percent of companies hiring versus laying off. The Northeast reported a net employment outlook of 36 percent, followed by the South (34 percent) and the Midwest (33 percent). While over-the-quarter workforce declines are anticipated in all four regions, year-over-year gains are expected across all regions.



- Nationally, 49 percent of companies plan to hire in 2Q 2022, up 26 percentage points over-the-year. Companies planning to lay off increased 10 percentage points over-the-year to 14 percent, while the number of companies planning no change decreased 36 percentage points to 34 percent in 2Q 2022.

Employment Outlook Survey

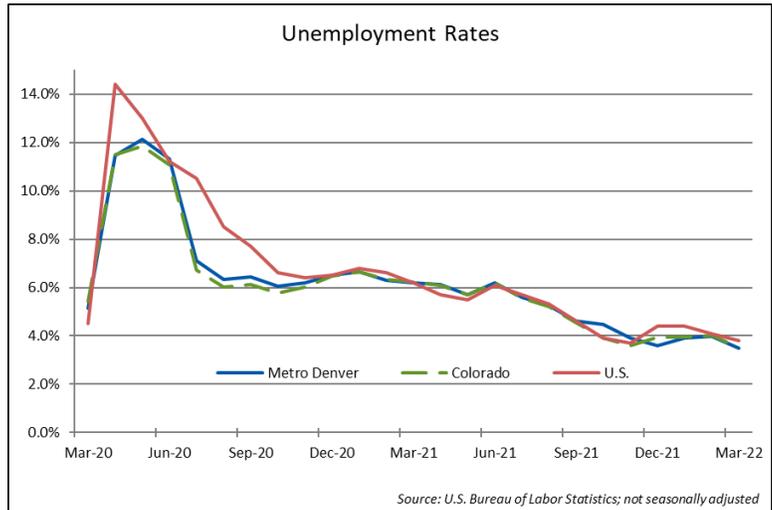
	Quarter 2 2022	Quarter 1 2022	Quarter 2 2021	YTD 2022	YTD 2021	Ann Avg 2017	Ann Avg 2012
West Region							
Net Employment	42%	47%	19%	45%	16%	-	-
United States							
Percent of Companies Hiring	49%	57%	23%	53%	22%	22%	18%
Percent of Companies Laying Off	14%	16%	4%	15%	5%	5%	8%
Percent of Companies No Change	34%	25%	70%	30%	69%	72%	71%
Percent of Companies Unsure	3%	2%	3%	3%	4%	2%	4%
Net Employment	35%	41%	19%	38%	17%	17%	10%

Source: Manpower Inc.

- Growth is expected across all 11 national industry sectors. As the workplace continues to become more digitally reliant and tech savvy, employers in the IT, Technology, Telecoms, Communications & Media industry anticipate the strongest staffing climate with a net employment outlook of 51 percent.

Labor Force & Unemployment

- Unemployment in Metro Denver decreased 2.7 percentage points over-the-year to 3.5 percent in March. The unemployment rate decreased 0.5 percentage points from the prior month.
- All seven counties in Metro Denver reported over-the-year decreases in the unemployment rate in March. Denver County reported the largest decrease of 3 percentage points, followed by Adams County (-2.9 percentage points) and Arapahoe County (-2.8 percentage points). Douglas County reported the lowest unemployment rate of 2.6 percent in March, while Adams County reported the highest rate of 4.3 percent.



Source: U.S. Bureau of Labor Statistics; not seasonally adjusted

- There were 62,879 more people either employed or looking for work between March 2021 and 2022 in Metro Denver, an increase of 3.5 percent. The labor force rose in all seven counties, led by Boulder County (+4.4 percent), Douglas County (+4 percent), and Broomfield County (+3.7 percent).

**Labor Force Statistics
(000s, not seasonally adjusted civilian labor force)**

	March 2022 (p)		2022 YTD AVG		2021 YTD AVG		2017	2012
	Total Labor Force	Unemployment Rate	Total Labor Force	Unemployment Rate	Total Labor Force	Unemployment Rate	Ann Avg Unemployment Rate	Ann Avg Unemployment Rate
Metro Denver	1,882.8	3.5%	1,877.8	3.8%	1,816.7	6.4%	2.5%	7.7%
Adams County	281.9	4.3%	281.4	4.6%	272.8	7.3%	2.8%	9.5%
Arapahoe County	374.4	3.7%	373.7	4.1%	362.0	6.7%	2.6%	7.8%
Boulder County	201.4	2.7%	199.9	3.0%	191.9	5.4%	2.2%	6.3%
Broomfield County	42.2	2.8%	42.1	3.1%	40.6	5.5%	2.4%	6.7%
Denver County	435.6	3.8%	434.8	4.2%	422.1	7.0%	2.5%	7.9%
Douglas County	206.0	2.6%	205.5	2.9%	197.7	4.9%	2.2%	6.1%
Jefferson County	341.2	3.2%	340.5	3.5%	329.7	6.1%	2.4%	7.5%
Colorado	3,224.4	3.5%	3,217.3	3.8%	3,113.2	6.4%	2.3%	6.8%
United States	164,274	3.8%	163,608	4.1%	159,880	6.5%	2.5%	7.9%

Source: Colorado Department of Labor and Employment, Labor Market Information. (p) =preliminary

- Colorado reported an unemployment rate of 3.5 percent in March, down 2.7 percentage points from the same time last year and the lowest rate since February 2020 when unemployment was 3 percent. The labor force increased 3.4 percent over-the-year to more than 3.22 million people either employed or looking for work. Over-the-month, the state’s labor force fell 0.1 percent from its peak of nearly 3.23 reported in February. The national unemployment rate fell 2.4 percentage points over-the-year to 3.8 percent and fell

0.3 percentage points over-the-month. The national labor force increased 2.4 percent between March 2021 and 2022.

- Initial unemployment insurance claims in Metro Denver decreased 97.2 percent between March 2021 and 2022, falling to a weekly average of 792 claims. Over-the-month, initial claims decreased 32 percent.
- Colorado reported an average of 1,342 initial unemployment claims per week in March, down 97.2 percent from the same time last year, and representing 46,273 fewer claims each week. Between February and March, average weekly initial claims in Colorado decreased 36.7 percent.

Weekly First-Time Unemployment Insurance Claims

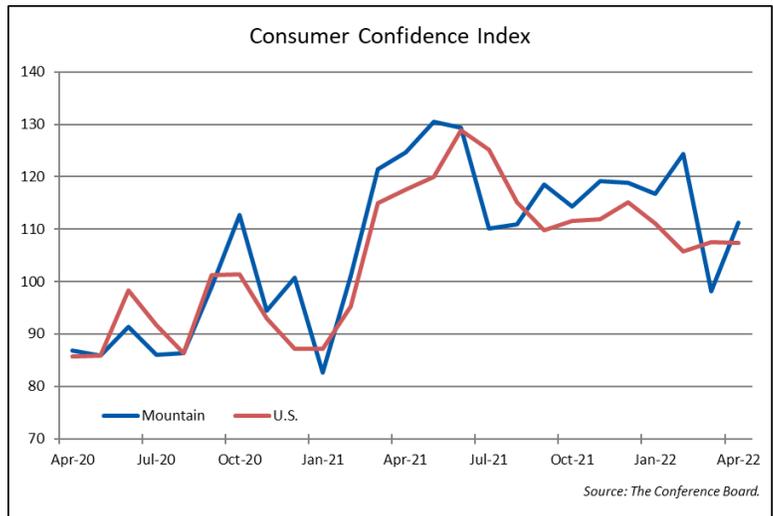
	Month of Mar-22	Month of Feb-22	Month of Mar-21	YTD Avg 2022	YTD Avg 2021	YTD Avg % Change	Ann Avg 2017	Ann Avg 2012
Metro Denver	792	1,165	28,766	264	16,627	-98.4%	1,103	1,627
Colorado	1,342	2,120	47,615	447	28,185	-98.4%	2,092	3,123

Note: Reference week data includes the 19th day of the month for all months except November and December, which include the 12th day of the month.
Source: Colorado Department of Labor and Employment, Labor Market Information.

Consumer Sector

Consumer Sentiment

- The Consumer Confidence Index for the U.S. decreased slightly in April after a modest increase in March. The index now stands at 107.3, a 0.3 percent over-the-month decrease and an 8.7 percent decrease over-the-year. The Index remains below its pre-pandemic reading of 132.6 in February 2020.
- Analysts at The Conference Board stated that purchasing intentions were down overall from recent levels as interest rates began to rise. Concerns about inflation retreated from an all-time high in March but remained elevated. Looking ahead, inflation and the war in Ukraine will continue to pose downside risks to confidence and may further curb consumer spending this year. Vacation intentions cooled but intentions to buy big-ticket items like automobiles and many appliances rose somewhat.



Consumer Confidence Index

	Month of Apr-22	Month of Mar-22	Month of Apr-21	YTD Avg 2022	YTD Avg 2021	YTD Avg % Change	Ann Avg 2017	Ann Avg 2012
Mountain	111.2	98.1	124.6	112.6	107.5	4.8%	130.1	68.7
United States	107.3	107.6	117.5	107.9	103.7	4.1%	120.5	67.1

Source: The Conference Board. (p) = preliminary (r) = revised

- Colorado is included in the Mountain region and the index for the area decreased 10.8 percent between April 2021 and 2022 to 111.2. The index increased 13.4 percent over-the-month from 98.1 in March. The Present Situations Index rose 16.5 percent over-the-year to 162.3, while the Expectations Index decreased 32.8 percent to 77.1 during the period.

Consumer Spending

National Retail Sales (\$millions)

	Month of Feb-22	Month of Jan-21	Month of Feb-21	YTD Total 2022	YTD Total 2021	YTD Total % Change	Annual Growth 2017	Annual Growth 2012
Total Retail Sales	579,915	586,404	490,646	1,166,319	1,007,765	15.7%	4.1%	5.0%
Motor Vehicles	121,620	117,970	102,796	239,590	207,051	15.7%	2.9%	9.0%
Furniture and Home	11,141	10,869	10,003	22,010	20,710	6.3%	2.7%	4.5%
Electronics & Appliance	6,374	6,808	6,203	13,182	13,269	-0.7%	-1.6%	2.1%
Building Materials	33,875	34,124	29,605	67,999	60,834	11.8%	3.4%	4.5%
Food and Beverage	71,206	76,818	65,819	148,024	137,545	7.6%	3.8%	3.1%
Health and Personal Care	30,203	32,106	27,494	62,309	57,003	9.3%	1.5%	0.9%
Gasoline Stations	49,972	49,562	36,295	99,534	73,509	35.4%	9.2%	4.1%
Clothing & Accessories	21,224	18,729	16,568	39,953	32,308	23.7%	0.1%	4.8%
Sporting Goods	7,294	7,473	6,424	14,767	13,845	6.7%	-2.9%	2.8%
General Merchandise	60,964	62,532	54,183	123,496	113,826	8.5%	1.3%	2.8%
Miscellaneous Store	13,201	13,230	10,515	26,431	21,690	21.9%	2.1%	1.5%
Non-Store Retailers	84,872	90,694	74,114	175,566	152,791	14.9%	11.8%	8.5%
Food Service & Drinking	67,969	65,489	50,627	133,458	103,384	29.1%	5.3%	5.8%

Source: U.S. Census Bureau.

- National retail sales activity rose 18.2 percent over-the-year in February, with all 13 supersectors reporting increases during the period. Gasoline stations reported the largest over-the-year increase of 37.7 percent, followed by food services and drinking places (+34.3 percent) and clothing and clothing accessories stores (+28.1 percent). Electronics and appliance stores reported the most modest over-the-year increase of 2.8 percent.

Total Retail Sales (\$000s)

	Month of Dec-21	Month of Nov-21	Month of Dec-20	YTD Total 2021	YTD Total 2020	YTD Total % Change	Annual Growth 2016	Annual Growth 2011
Total Metro Denver	20,224,010	12,775,714	16,913,573	159,902,964	136,162,145	17.4%	2.3%	6.4%
Adams County	3,461,951	2,392,818	3,097,132	30,179,393	25,843,396	16.8%	5.6%	10.4%
Arapahoe County	3,132,888	2,220,632	2,884,227	27,262,452	24,056,923	13.3%	-0.9%	3.1%
Boulder County	2,142,962	1,270,829	1,942,342	16,452,385	14,271,408	15.3%	5.9%	8.2%
Broomfield County	448,266	237,785	408,109	3,151,310	2,729,519	15.5%	-1.6%	0.2%
Denver County	6,135,174	3,073,797	4,177,271	39,568,911	32,180,055	23.0%	-1.9%	1.9%
Douglas County	1,814,373	1,526,441	1,651,956	17,629,400	13,514,926	30.4%	13.1%	17.0%
Jefferson County	3,088,397	2,053,412	2,752,536	25,659,113	23,565,918	8.9%	1.1%	8.2%
Colorado	33,345,257	21,069,325	28,798,162	268,328,759	228,812,220	17.3%	1.0%	7.0%

Note: As of June 2019, the DOR reports data based on "destination sourcing," or the location where the purchaser received the goods, as opposed to the retailer's business location. Further, out-of-state retailers are now required to collect and remit sales tax for goods delivered into Colorado based on the purchaser's location. These changes may cause variations in current data compared with prior years.

Source: Colorado Department of Revenue.

- Retail sales in Metro Denver rose 19.6 percent between December 2020 and 2021. All seven counties in Metro Denver reported over-the-year increases in retail sales. Denver County reported the largest increase of 46.9 percent, followed by Jefferson County (+12.2 percent) and Adams County (+11.8 percent). Arapahoe County reported the most modest increase of 8.6 percent. Retail sales throughout Colorado rose 15.8 percent over-the-year.

Price Changes

- The U.S. Consumer Price Index (CPI) from the U.S. Bureau of Labor Statistics showed that consumer prices in March rose 1.3 percent from February and 8.5 percent over-the-year, the largest annual increase since December 1981 and the 11th month in a row at or above 5 percent. Core inflation, which excludes volatile food and energy prices, rose 6.5 percent over-the-year in March, up from 6.4 percent in February.
- All eight components of the CPI increased over-the-year, with the largest increases in transportation (+22.6 percent), food and beverage (+8.5 percent), and apparel (+6.8 percent). Education and communication reported the most modest over-the-year increase of 1.5 percent.
- Consumer inflation in the Denver MSA reached its highest level since March 1982. The CPI for the Denver-Aurora-Lakewood MSA rose 9.1 percent over-the-year in March, up from a 7.9 percent increase in January and a 6.5 percent increase in November. Core inflation was 8 percent.
- Seven of the eight components in the Denver MSA reported increases between March 2021 and 2022, with the largest increases in transportation (+21.7 percent), other goods and services (+9.6 percent), and food and beverage (+8.8 percent). Education and communication reported the only over-the-year decrease of 1.6 percent.
- According to the AAA Daily Fuel Gauge Report, the national average fuel price for March was \$4.19 per gallon, up 46.6 percent from the same time last year. The Metro Denver average fuel price increased 34.4 percent over-the-year to an average of \$3.96 per gallon, a rise of \$1.01. The average fuel price in Metro Denver was \$0.24 lower than the average fuel price throughout the U.S.

Stock Market

- All four stock market indices decreased between April 2021 and 2022. The Bloomberg Colorado reported the largest decrease, falling 14 percent, followed by the NASDAQ (-11.7 percent), the DJIA Index (-2.6 percent), and the S&P 500 (-1.2 percent).
- All four indices declined over-the-month in April as investors’ fears about the economic outlook mounted. The S&P 500 fell 8.8 percent between March and April, the largest monthly decline since March 2020.

Stock Market Indexes

	Month of Apr-22	Month of Mar-22	Month of Apr-21	YTD Return 2022	YTD Return 2021	Annual Avg Return 2017	Annual Avg Return 2012
Bloomberg Colorado	731.3	821.3	850.2	-17.3%	11.9%	-3.7%	3.5%
S&P 500	4,131.9	4,530.4	4,181.2	-13.3%	11.3%	20.0%	13.4%
NASDAQ	12,334.6	14,220.5	13,962.7	-21.2%	8.3%	28.2%	15.9%
DJIA (Dow Jones)	32,977.2	34,678.4	33,874.9	-9.2%	10.7%	25.7%	7.3%

Sources: Bloomberg.com; Yahoo! Finance.

Travel & Tourism

- The average hotel occupancy rate in Metro Denver rose 15.2 percentage points over-the-year to 63.1 percent in the month of March 2022. The average hotel room rate rose 43 percent to \$130.58 per night, an increase of \$39.25 during the period. Since navigating the worst of the COVID-19 pandemic, the Metro Denver occupancy rate has returned to 89 percent of pre-pandemic levels recorded in March 2019. The average room rate has returned to 99 percent of pre-pandemic levels.

Metro Denver Hotel Statistics

	Month of Mar-22	Month of Feb-22	Month of Mar-21	YTD Avg 2022	YTD Avg 2021	YTD Avg % Change	Ann Avg 2017	Ann Avg 2012
Percent of Hotel Rooms Occupied	63.1%	58.6%	47.9%	57.8%	40.5%	17.3%	74.9%	68.0%
Average Hotel Room Rate	\$130.58	\$122.11	\$91.33	\$123.78	\$87.93	40.8%	\$143.68	\$111.78

Source: Rocky Mountain Lodging Report.

- Spokespeople for Denver International Airport (DEN) reported that more than 5.6 million passengers passed through the airport in March, a 43.3 percent increase from the previous year, or a rise of nearly 1.7 million passengers. Carriers today are seeing domestic capacity measured in passenger seats at 103 percent of pre-pandemic levels reported in March 2019.

Denver International Airport Passengers

	Month of Mar-22	Month of Feb-22	Month of Mar-21	YTD Total 2022	YTD Total 2021	YTD Total % Change	Annual 2017	Annual 2012
Number of Airline Passengers	5,617,325	4,593,960	3,919,453	14,476,102	9,544,034	51.7%	61,379,396	53,156,278

Source: Denver International Airport, Traffic Statistics.

- Denver international Airport was the world’s third busiest airport in 2021, up from No. 8 in 2020 and No. 16 in 2019, according to the annual rankings issued by the Airports Council International trade group. The rankings show that more than 58.8 million passengers passed through DEN in 2021.
- United Airlines is launching or resuming 30 transatlantic flights through early June in the largest transatlantic expansion in its history. The airline’s service expansion includes a second daily flight between Denver International Airport and London’s Heathrow Airport beginning Saturday, May 7. According to United, it is the only U.S. airline to offer transatlantic service from Denver.

Residential Real Estate

- According to a monthly survey from Austin-based real estate tech company OJO Labs, Metro Denver was the country’s fifth least affordable metropolitan housing market in March, up from No. 8 in February. Metro Denver’s median sold price rose more than 23 percent over-the-year and is now 6.6 times the median household income.
- Boulder ranked sixth and Fort Collins ranked eighth on the Wall Street Journal and Realtor.com’s *Spring 2022 Emerging Housing Markets Index*. The index analyzes key housing market data as well as economic vitality and lifestyle metrics to identify emerging housing markets that offer a high quality of life and are expected to see future home price appreciation.

- According to Denver’s Department of Housing Stability, eviction filings in March surpassed pre-pandemic levels. There were 771 eviction filings in Denver in March, up from 708 in March 2019, before the pandemic began.
- The average rate on a 30-year loan surpassed 5 percent during the third week in April, according to a Freddie Mac report on weekly mortgage rates. The last time 30-year mortgage rates were above 5 percent was in February 2011. As of the end of April, the 30-year rate was 5.1 percent.
- CoreLogic Inc. found that investors’ share of total home sales fell nationally in November and December 2021 after rising for 15 consecutive months. In October, the share of homes purchased by investors peaked at 26.9 before falling to 25.5 percent in November and 20.4 percent in December. By contrast, investors purchased 17.3 percent of homes in December 2020.
- According to the Mortgage Bankers Association, mortgage applications fell to their lowest level since 2018 in the week ending April 22, driven largely by rising interest rates. The drop in purchase applications was evident across all loan types. Analysts noted that the decrease in purchase applications is an indication of potential weakness in home sales in coming months.
- Fannie Mae has lowered its mortgage origination forecasts for 2022 and 2023 due to the Federal Reserve’s aggressive monetary policy and corresponding volatility in the mortgage market. The projected single-family mortgage origination volume for 2022 was dropped from \$3 trillion to \$2.8 trillion, and the 2023 forecast was decreased from \$2.7 trillion to \$2.4 trillion. For comparison, in 2021, the total was \$4.5 trillion.

Recently Announced Projects

- Arizona-based Alliance Residential Realty plans to build a 332-unit apartment complex at the southeast corner of West Waterton Road and North Rampart Range Road in the master-planned community Sterling Ranch in Littleton. The \$100.6 million project called Broadstone Sterling Ranch will consist of 10 three-story buildings and one four-story building with a ground floor clubhouse and rooftop deck. The buildings are expected to be move-in ready in late 2023.
- Charlotte-based Crescent Communities is building a new 10-story building on Logan Street between Colfax and 16th Avenue in downtown Denver. The project, called Novel Uptown, will include 261 apartment homes, 226 parking spaces, and ground floor retail. Project completion is expected in April 2024.
- Legacy Partners and Griffin Capital Company announced the opening of the second and final phase of Legacy at Fitz, an apartment community located across the street from Fitzsimons Medical Center in Aurora. Phase I opened in May 2021 with 109 apartments and nine townhomes. Phase II includes the opening of 245 new residences with two courtyards, a pool and spa, a fitness center, and a clubhouse.
- Denver-based McWhinney and San Antonio-based AHV Communities are partnering to deliver 242 built-to-rent homes in McWhinney’s Broomfield Baseline development. The new homes will include 142 townhomes available for move-in in early 2023 and 100 duplexes which will be ready late 2023. The developers are also building 240 duplexes for rent in McWhinney’s Centerra development in Loveland, which are expected to be available early 2023 as well.
- CFC Construction recently topped out Novus, a 240-unit apartment complex in Lone Tree’s RidgeGate community. The project is situated on the last parcel of land at the Sky Ridge Station transit-oriented development site. The seven-story apartment complex includes two levels of parking and an integrated retail space. Construction is scheduled to be complete in the fourth quarter.

- Legacy Partners is planning to build a new 236-unit multifamily project at 4552 South Ulster Street in the Denver Tech Center. The 12-story building called Araceli DTC is expected to break ground in June and deliver the units in the fourth quarter of 2024.
- Alliance Construction Solutions recently topped out Stanley Residential, a new apartment complex next to the Stanley Marketplace in Aurora. The five-story, 168-unit complex is slated for completion in October.
- Denver-based Highland Development Company has broken ground on Iota Fox Station, a 148-unit multifamily residential community in Denver's Globeville neighborhood. The five-story transit-oriented apartment community is scheduled to open in the summer of 2023.
- Denver architecture and design firm Studio Completiva recently completed La Tela, Denver's first 100 percent permanently affordable for-sale condominium development. All 92 units will be available for under \$200,000 and are intended for people making 80 to 100 percent of the area median income.
- Construction is underway on the Rose on Colfax, a five-story 86-unit affordable housing complex on the corner of East Colfax and Valentia Street in the East Colfax neighborhood of Denver. The apartments will be restricted to those making between 30 percent and 70 percent of the area median income. The Rose is set to open in 2023.
- Colorado-based general contractor Taylor Kohrs has begun construction of Farmhouse Villas, a 78-unit housing complex in Parker. The 12-acre space is being developed into a market-rate rental complex spread across 14 buildings comprised of 4-plex and 6-plex villa-style homes. Completion is expected by late January 2023.
- Archway Communities is underway on Robinson Place, a three-story affordable housing project at 2275 Wadsworth Boulevard in Lakewood. The 67 units will be available for seniors and senior veterans who make 60 percent or below the average median income for Metro Denver. Delivery of the units is expected in May 2023.
- Local real estate development firms Lexton McDermott and Kentro Group have begun construction on a new affordable senior living community in Denver's Virginia Village neighborhood. The three-story building will offer 62 income-restricted housing units for residents 62 years of age and older. The project is scheduled for completion by the end of this year.
- CO Investment LLC and Sustainable Design Build have begun construction on South Federal Flats, a multifamily commercial apartment complex near the intersection of Yale and Federal Blvd in Denver. The 57-unit apartment complex aims to bring the neighborhood more affordable housing.

Home Resales

Metro Denver

- Home sales in Metro Denver totaled 5,029 in March, down 9.5 percent from the same time last year.
- Unsold homes on the market were 15.6 percent higher in March 2022 compared with the same time last year, representing 300 additional homes on the market. Over-the-month, the inventory of available homes increased by 81.2 percent.

Previously Owned Home Sales Activity

	Month of Mar-22	Month of Feb-22	Month of Mar-21	YTD Total 2022	YTD Total 2021	YTD Total % Change	Ann Total 2017	Ann Total 2012
Home Sales (Closed)	5,029	3,400	5,557	11,998	12,300	-2.5%	58,999	45,637
Unsold Homes on Market	2,221	1,226	1,921	2,221	1,921	15.6%	3,854	7,706
Average Sales Price-Single Family	\$761,915	\$715,823	\$647,695	\$723,192	\$621,359	16.4%	\$466,660	\$312,905
Average Sales Price-Condo	\$421,553	\$395,451	\$341,576	\$404,336	\$335,452	20.5%	\$278,011	\$195,120
Median Sales Price-Single Family	\$635,000	\$610,000	\$540,000				\$395,000	\$256,000
Median Sales Price-Condo	\$380,000	\$360,000	\$315,000				\$247,000	\$149,900

Source: Colorado Comps LLC; Denver Metro Association of Realtors; REcolorado.

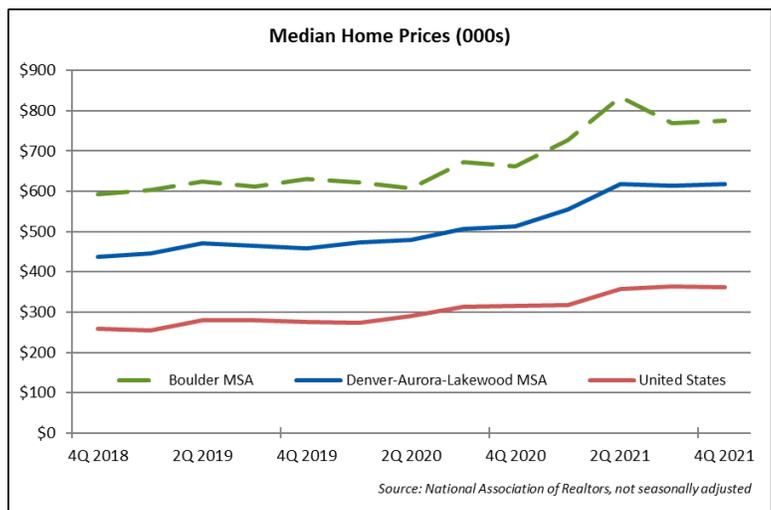
- The average sales price for single-family homes increased 17.6 percent over-the-year to \$761,915, representing an additional \$114,221 per home during the period. The average sales price for condominiums rose 23.4 percent over-the-year to \$421,553, representing an additional \$79,978 per home.

National

- Total existing-home sales decreased 2.7 percent from February to a seasonally adjusted annual rate of 5.77 million in March, marking two consecutive months of declines, according to the National Association of Realtors (NAR). Sales decreased 4.5 percent year-over-year from the March 2021 reading of 6.04 million.
- All four regions reported over-the-year decreases in total home sales in March. The Northeast region reported the largest decrease of 11.8 percent, followed by the West (-4.7 percent), the Midwest (-3.1 percent), and the South (-3 percent).
- Properties remained on the market for 17 days in March, down from 18 days on the market in February, and 18 days in March 2021. Of the homes sold in March, 87 percent were on the market for less than a month.

Home Prices

- NAR data showed the median existing-home price for all housing types nationally was \$375,300 in March, up 15 percent from the same time last year. This marked 121 straight months of year-over-year gains, the longest streak on record.
- Median home prices increased in all four major U.S. regions over-the-year. For the seventh consecutive month, the South region reported the highest pace of price appreciation compared to the other regions. The median home price in the South increased 21.2 percent over-the-year in March, followed by the Midwest (+10.4 percent), the Northeast (+6.8 percent), and the West (5.4 percent).
- The West region reported the highest median home price of \$519,900, while the Midwest reported the lowest median price of \$271,000 in March.



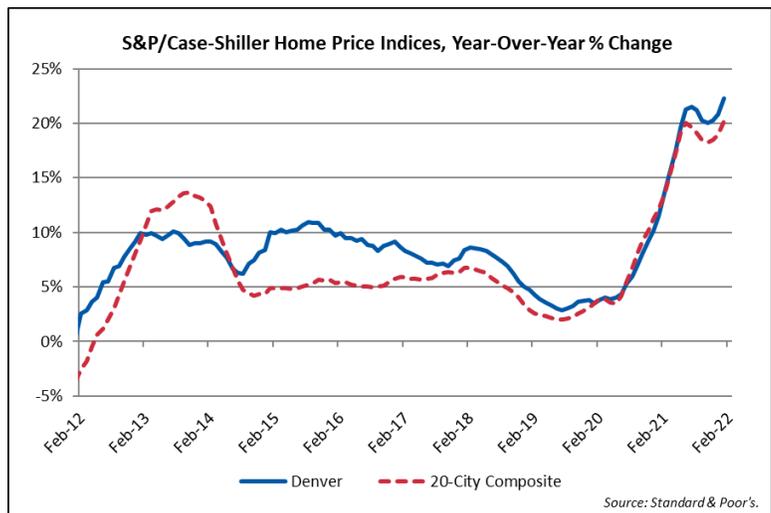
- A separate NAR report revealed that the median price in the Boulder MSA increased 17.2 percent over-the-year to \$775,100 in the fourth quarter of 2021. The Denver-Aurora MSA rose 20.5 percent over-the-year to a median home price of \$617,600 during 4Q 2021, while the national median home price increased 14.6 percent to \$361,700 during the period.
- The Boulder MSA had the seventh highest median home price of the 183 MSAs tracked in the report. The Denver MSA had the 13th highest median home price. Every metro area tracked in the report except three – Davenport-Moline-Rock Island, IA-IL; Peoria, IL; and St Croix, Virgin Islands – posted home price growth between the fourth quarters of 2020 and 2021.

Median Sales Price of Existing Single-Family Homes (\$000s)

	Quarter 4 2021 (p)	Quarter 3 2021 (r)	Quarter 4 2020	YTD Avg 2021	YTD Avg 2020	YTD Avg % Change	Median 2016	Median 2011
Boulder MSA	\$775.1	\$769.4	\$661.3	\$782.7	\$645.9	21.2%	\$511.7	\$353.1
Denver-Aurora MSA	\$617.6	\$614.8	\$512.5	\$607.1	\$492.7	23.2%	\$384.3	\$231.4
United States	\$361.7	\$363.1	\$315.7	\$353.4	\$300.2	17.7%	\$235.5	\$166.2

Source: National Association of REALTORS. (p) =preliminary (r) =revised

- According to the S&P/Case-Shiller Home Price Index, housing prices in Denver increased 22.3 percent between February 2021 and February 2022, following a 20.8 percent increase in January and a 20.2 percent increase in December. February was the eighth consecutive month of year-over-year price gains at or above 20 percent.
- National housing prices increased 19.8 percent over-the-year in February, up from 19.1 percent in January and 18.8 percent in December.
- Phoenix reported the highest year-over-year price increase of 32.9 percent, followed by Tampa (+32.6 percent) and Miami (+29.7 percent). Washington, D.C. reported the smallest over-the-year increase of 11.9 percent, followed by Minneapolis (+12 percent) and New York (+12.9 percent). Denver ranked 11th.



Foreclosures

- Foreclosures in Metro Denver increased 1,048.4 percent between April 2021 and April 2022, rising by 325 filings during the period and reaching the highest level recorded since February 2016. Over-the-month, foreclosures increased 6.9 percent. All seven counties reported increases in filings compared with last year. Arapahoe County reported the largest increase of 2,700 percent, followed by Denver County (+914.3 percent) and Adams County (+911.1 percent). Douglas County reported the most modest increase of 600 percent, or 12 filings, during the period.

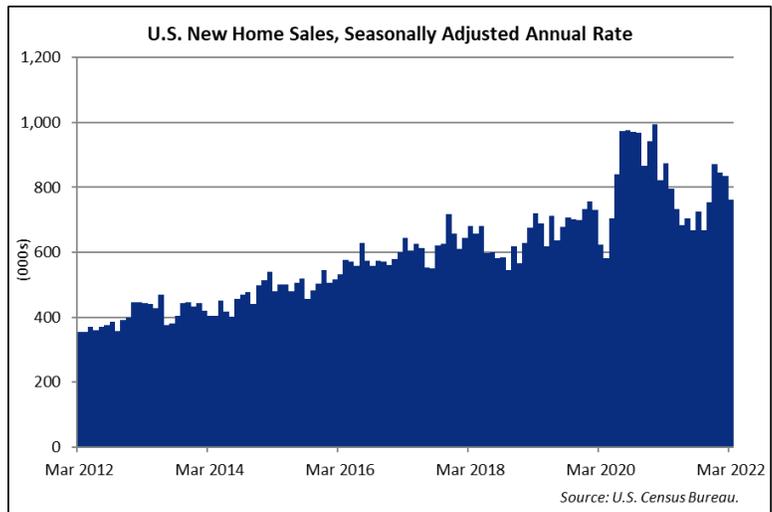
Real Estate Foreclosures

	Month of Apr-22	Month of Mar-22	Month of Apr-21	YTD Total 2022	YTD Total 2021	YTD Total % Change	Annual Total 2017	Annual Total 2012
Total Metro Denver*	356	333	31	927	108	758.3%	2,982	15,013
Adams County	91	131	9	276	25	1004.0%	672	3,183
Arapahoe County	112	69	4	242	23	952.2%	706	3,589
Boulder County	16	9	2	33	8	312.5%	170	783
Broomfield County	2	2	0	9	2	350.0%	39	210
Denver County	71	50	7	177	22	704.5%	648	3,064
Douglas County	14	19	2	57	13	338.5%	265	1,534
Jefferson County	50	53	7	133	15	786.7%	482	2,650

*The total number of election and demand setups (initial filings) received by county public trustees. Filings may be subsequently cured or withdrawn. Sources: County public trustees.

New Home Sales

- New home sales in the U.S. decreased 12.6 percent over-the-year to a seasonally adjusted annual rate of 763,000 in March, according to estimates released by the U.S. Census Bureau and the U.S. Department of Housing and Urban Development.
- Two of the four regions reported over-the-year decreases in home sales. The South reported the largest decrease of 24.7 percent, followed by the Midwest (-13.8 percent). The West reported the largest increase of 21 percent, followed by the Northeast (+12.8 percent).



New Home Construction

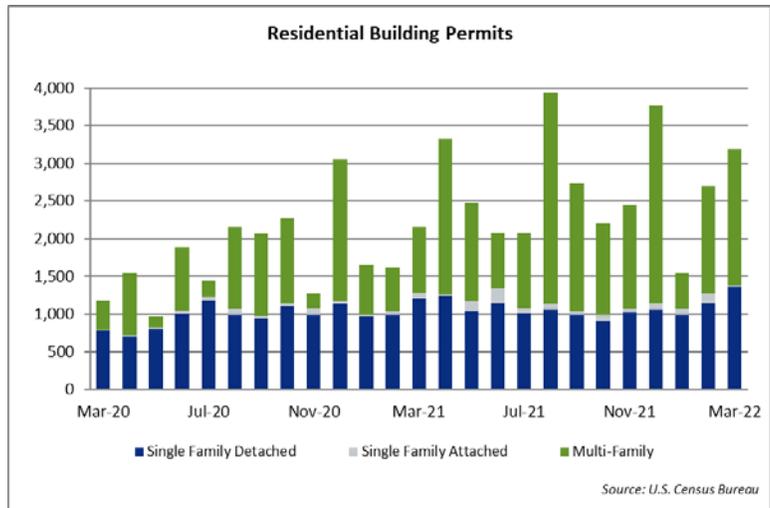
National

- Builder confidence for newly built single-family homes decreased 2 points to 77 in April, according to the latest National Association for Home Builders/Wells Fargo Housing Market Index (HMI). This is the fourth consecutive month that builder sentiment has declined. Despite low existing inventory, builders report sales traffic and current sales conditions have declined to their lowest point since last summer as a sharp jump in mortgage rates and persistent supply chain disruptions continue to unsettle the housing market. The housing market faces an inflection point as an unexpectedly quick rise in interest rates, rising home prices, and escalating material costs have significantly decreased housing affordability conditions, particularly in the crucial entry-level market.
- According to the U.S. Census Bureau, the seasonally adjusted annual number of nationwide residential building permits totaled about 1.87 million units in March, a 0.3 percent over-the-month increase, and a 6.6 percent increase compared with the same time last year.

- Building permits for single-family detached units decreased 3.7 percent over-the-year, or by 44,000 units permitted to a total of nearly 1.2 million units permitted in March. Single-family attached units decreased 3.4 percent to 56,000 units permitted, while multi-family units increased 32 percent over-the-year to 664,000 units permitted in March.
- All four regions reported over-the-year increases in total units permitted. The Northeast region reported the largest over-the-year increase of 16.8 percent, followed by the South and the West (+6.2 percent), and the Midwest (+2.4 percent).

Metro Denver

- Residential building permits in Metro Denver totaled 3,185 units permitted in March, an increase of 47.4 percent, or 1,024 units, from the same time last year.
- Single-family detached units permitted increased 13.5 percent over-the-year, rising by 162 units permitted during the period. Single-family attached units decreased by 79.5 percent, or by 70 units, to a total of 18 during the period. Multi-family units increased by 106.4 percent, or by 932 units, to a total of 1,808 units permitted in March.



Residential Building Permits

	Month of Mar-22	Month of Feb-22	Month of Mar-21	YTD Total 2022	YTD Total 2021	YTD Total % Change	Total 2017	Total 2012
Single-Family Detached Units	1,359	1,141	1,197	3,485	3,152	10.6%	11,419	5,947
Single-Family Attached Units	18	123	88	223	155	43.9%	384	299
Multi-Family Units	1,808	1,432	876	3,711	2,113	75.6%	12,218	8,679
Total Units	3,185	2,696	2,161	7,419	5,420	36.9%	24,021	14,925

Source: U.S. Census Bureau.

Apartment Rental Market

- The apartment vacancy rate throughout Metro Denver fell 1.2 percentage points over-the-year to 4.3 percent vacancy in the first quarter of 2022. The 1Q 2022 vacancy rate was unchanged from the previous quarter. Vacancy rates ranged from 3.3 percent in Jefferson County to 5.2 percent in Denver County. Among the submarkets in Metro Denver, vacancies were tightest in Denver’s North Central/City Park market at 0.7 percent while vacancy rates were highest in the Commerce City/Brighton market at 18.6 percent due to the large number of new units added during the quarter.
- All six submarkets reported over-the-year increases in the average monthly rental rate, led by Arapahoe County (+17.1 percent), Douglas County (+16.4 percent), and Denver County (+13.3 percent). The Boulder/Broomfield submarket reported the most modest over-the-year increase of 9.1 percent. Douglas County reported the highest rental rate in 1Q 2022 of \$1,937 per month, while Adams County reported the lowest rental rate of \$1,664 per month. Across Metro Denver, rents increased 14.4 percent over-the-year to \$1,766 per month. Rents rose 3.3 percent between the fourth quarter of 2021 and the first quarter of 2022.

Apartment Statistics

	Quarter 1 2022	Quarter 4 2021	Quarter 1 2021	YTD Average 2022	YTD Average 2021	YTD Average % Change	Ann Avg 2017	Ann Avg 2012
Apartment Vacancy Rate	4.3%	4.3%	5.5%	4.3%	5.5%	-1.2%	5.6%	4.7%
Average Monthly Rental Rate (all units)	\$1,766	\$1,709	\$1,544	\$1,766	\$1,544	14.4%	\$1,403	\$974

Source: Denver Metro Apartment Vacancy and Rent Survey.

Commercial Real Estate

Recently Announced Projects

- Brue Baukol Capital Partners is reverting to an old 2010 development plan for the ConocoPhillips General Development Plan after voters in Louisville struck down the first amendment to the plan, the Redtail Ridge Master Plan, which would have included 3 million square feet of building space and 93 acres of open space. The 2010 approved development will be limited to 2.6 million square feet of buildings and will require 38 acres of open space. The building space will include 15,000 square feet of retail space and the remainder will be commercial and flex space.
- Riverside Investment & Development Co. broke ground on 1900 Lawrence, a 30-story project in downtown Denver that will include about 700,000 square feet of office space and 10,000 square feet of ground-floor retail space. The company hopes to complete the project in the second quarter of 2024.
- Maryland-based St. John Properties Inc. plans to build a 12-building office park on a roughly 80-acre parcel near the Rocky Mountain Metropolitan Airport in Broomfield. The Simms Technology Park campus will include nearly 600,000 square feet of new space across five single-story office buildings, two four-story Class A office buildings, six research and development buildings, and one retail building. Plans also include 7.7 acres for future development of restaurants, a convenience store, and a gas station.
- Denver-based BMC Investments broke ground on a new Class A office project at 255 Filmore Street in Denver's Cherry Creek neighborhood. The site was previously home to a parking lot. The new structure will be five stories for part of the building and seven stories for the rest. The ground floor will have 9,500 square feet of retail, including space for a fine-dining restaurant. The project is set to deliver in the third quarter of 2023.
- Boulder-based real estate investment group Conscience Bay Co. is planning to redevelop a five-acre plot at 3825 Walnut Street in Boulder that is currently home to warehouse-flex space. The company plans to build new offices that would be marketed to life sciences and biotechnology companies. The project, called West Meadows, would be a two-story building with 112,423 square feet.
- JLL Capital Markets has arranged a \$101.3 million loan to refinance and complete the construction of 25 North, a 936,775-square-foot industrial complex near Interstate 25 and 144th Avenue in Thornton. Phase I of the project totaled 340,200 square feet across three buildings and was delivered between 2020 and 2021. Phase II will consist of six speculative warehouse and distribution buildings with 596,575 square feet. The second and final phase is expected to deliver in 2022 and 2023.

- Missouri-based BlueScope Property Group is underway on Dove Valley Logistics Center II, a Class A industrial project in unincorporated Arapahoe County. The 304,620-square-foot facility is expected to be completed by year-end.
- Brennan Investment Group has acquired 24 acres at the southwest corner of 128th Avenue and Washington Street in Thornton. The developer plans to build three Class A distribution buildings, totaling 300,000 square feet.
- Trammell Crow Company is developing The Shops at Olde Town Station, located on the southwest corner of 56th Avenue and Wadsworth Boulevard in downtown Arvada. The developer broke ground on the 15,000-square-foot retail section in March and expects the new tenants to move in during the first quarter of 2023. In addition to the two buildings of retail, Trammell Crow is also working with a hotel developer to build a 130-room Residence Inn by Marriott on the western side of the parcel. The hotel is aiming for a 1Q 2024 opening.
- Florida-based CP Group purchased the 31-story, 593,527-square-foot Granite Tower at 1099 18th Street in downtown Denver and has proposed the construction of small wings on the sides of the building. The addition would add about 12,000 square feet of new space for retail or restaurant use.
- Urban Villages has begun construction on Populus, a 13-story, 265-room hotel on a triangular lot at 14th Street and Court Place in downtown Denver. The hotel will be a “carbon-positive” structure, meaning the developer will account for, reduce, and offset carbon emissions produced by the construction and operation of the hotel.

Office Market

- National office vacancy rose to a new high of 19.9 percent in 1Q 2022, according to Jones Lang Lasalle Inc. (JLL). Absorption declined 0.1 percent or by 5 million square feet nationally during the first quarter due to company relocations and consolidation as companies continue to assess their post-pandemic space needs. JLL found that demand was highest for newer and older buildings, but buildings built between the 1970s and 1990, which represent 60.4 percent of all office inventory nationally, only made up 38.6 percent of leasing activity.
- CBRE’s *Spring 2022 U.S. Office Occupier Sentiment Survey* reported that companies are making steady progress in reoccupying their workplaces, even as office usage remains relatively muted. According to the survey, 77 percent of occupiers either already reopened or plan to reopen their offices in 2022. Companies continue to support hybrid work with 53 percent of respondents reporting that office attendance remains voluntary. Occupiers are also seeking better quality buildings with amenities that can help attract and retain talent.
- According to Newmark’s *1Q 2022 Denver Office Market Analysis*, net absorption was 215,897 square feet in Q1, marking the first quarter of positive net absorption in two years. Class A buildings posted the strongest absorption as the flight to quality continues, while Class B saw a decrease in occupancy.
- In their *Q1 2022 Denver Office* report, CBRE noted that supply shortages are an area of concern which have delayed tenant buildouts and new construction starts, prolonging occupancy and net absorption totals. The flight to quality will remain prevalent as occupiers are committed to a physical location that benefits their company culture and long-term growth. As large corporations continue to announce return-to-work plans, CBRE expects small and mid-sized companies to follow suit, which will enhance future absorption growth.

- Based on CoStar data, the direct office vacancy rate in Metro Denver was 12.4 percent in the first quarter of 2022, a decrease of 0.1 percentage points from the previous quarter, which was the highest rate posted in the region since the second quarter of 2011. The vacancy rate increased 0.8 percentage points over-the-year. The average lease rate increased 1 percent between the first quarters of 2021 and 2022, or by \$0.29, to \$29.62 per square foot.
- The vacancy rate including sublease space increased 0.8 percentage points over-the-year, rising from 13.1 percent in 1Q 2021 to 13.9 percent in 1Q 2022. This represented 2.9 million square feet of vacant sublease space, down from the most recent peak of 3.4 million square feet in 2Q 2021.
- There were 6 office buildings completed in the first quarter of 2022, delivering nearly 420,000 square feet to Metro Denver. The largest building completed to date was the 250,402-square-foot One Platte located in downtown Denver.
- There was 1.73 million square feet of office space in 13 buildings under construction in Metro Denver during the first quarter of 2022, down 36.4 percent compared with the same time last year. The largest buildings under construction were The Current in River North (280,000 SF in downtown Denver), The District Building One (267,000 SF in Centennial), and T3 Offices (238,726 SF in downtown Denver). As has been the trend in recent years, the largest share of office construction is found in the City and County of Denver. Currently, 49.3 percent of the office square footage under construction is located in the City and County of Denver and 27.4 percent is located in Boulder County.

Office Market Statistics

	Quarter 1 2022	Quarter 4 2021	Quarter 1 2021	Quarter 1 2020	Quarter 1 2019	Quarter 1 2018
Number of Buildings	6,622	6,616	6,598	6,572	6,543	6,500
Existing Square Feet (millions)	200.4	200.0	198.1	196.5	195.3	191.9
Vacant Square Feet (direct, millions)	24.8	24.9	22.9	18.0	17.6	18.5
Vacancy Rate (direct)	12.4%	12.5%	11.6%	9.1%	9.0%	9.7%
Vacancy Rate (with sublet)	13.9%	14.0%	13.1%	9.8%	9.7%	10.4%
Avg. Lease Rate (direct, per sq. ft., full service)	\$29.62	\$29.48	\$29.33	\$28.38	\$27.35	\$26.65
New Construction Completed (year-to-date)	0.42 MSF, 6 Bldgs	2.14 MSF, 22 Bldgs	0.07 MSF, 3 Bldgs	0.35 MSF, 9 Bldgs	0.48 MSF, 5 Bldgs	0.87 MSF, 8 Bldgs
Currently Under Construction	1.73 MSF, 13 Bldgs	1.78 MSF, 16 Bldgs	2.72 MSF, 26 Bldgs	3.91 MSF, 40 Bldgs	3.35 MSF, 40 Bldgs	4.05 MSF, 41 Bldgs

Source: CoStar Realty Information, Inc. MSF=Million Square Feet

Industrial & Flex Market

- A recent report by Cushman & Wakefield found that the U.S. industrial market absorbed more than 108.7 million square feet of space in the first quarter of 2022, up 7.8 percent from the same time last year. According to the report, national demand has outpaced supply for the sixth consecutive quarter in 1Q 2022.
- CoStar data revealed that the direct vacancy rate for the industrial market in Metro Denver decreased 0.5 percentage points to 5.1 percent between the first quarters of 2021 and 2022. The total vacancy rate including sublease space fell 0.7 percentage points over-the-year to 5.4 percent. From 1Q 2021 to 1Q 2022, 6.7 million square feet of new space was added to the industrial base. The average lease rate increased \$0.88 per square foot to \$9.69, a 10 percent increase over the same time last year.

- Six industrial buildings providing more than 560,000 square feet of space were completed in the first quarter of 2022. The largest building completed was the 152,761-square-foot Baseline Building II in Broomfield. The next largest buildings were a 132,308-square-foot distribution center in Denver and a 121,000-square-foot building in Brighton.

Industrial Market Statistics

	Quarter 1 2022	Quarter 4 2021	Quarter 1 2021	Quarter 1 2020	Quarter 1 2019	Quarter 1 2018
Number of Buildings	7,327	7,321	7,289	7,239	7,199	7,153
Existing Square Feet (millions)	242.4	241.8	235.7	229.5	226.1	219.8
Vacant Square Feet (direct, millions)	12.2	12.1	13.2	9.6	9.6	7.8
Vacancy Rate (direct)	5.1%	5.0%	5.6%	4.2%	4.2%	3.5%
Vacancy Rate (with sublet)	5.4%	5.3%	6.1%	4.6%	4.4%	3.7%
Avg. Lease Rate (direct, per square foot, NNN)	\$9.69	\$9.31	\$8.81	\$8.44	\$8.09	\$7.84
New Construction Completed (year-to-date)	0.56 MSF, 6 Bldgs	5.49 MSF, 36 Bldgs	1.13 MSF, 9 Bldgs	0.11 MSF, 4 Bldgs	1.08 MSF, 12 Bldgs	0.32 MSF, 6 Bldgs
Currently Under Construction	10.90 MSF, 51 Bldgs	11.38 MSF, 54 Bldgs	5.27 MSF, 24 Bldgs	7.45 MSF, 49 Bldgs	4.43 MSF, 29 Bldgs	6.33 MSF, 32 Bldgs

Source: CoStar Realty Information, Inc. MSF=Million Square Feet

- The industrial construction pipeline remains filled with 10.9 million square feet of space under construction in 51 buildings. Nearly 63 percent of the industrial space under construction is located in Adams County, including the largest building under construction, the Shamrock Food Regional Headquarters with 1.3 million square feet of space. Of the buildings under construction, 42 are slated for delivery in 2022, with the remaining nine expected in 2023.
- The direct flex vacancy rate in Metro Denver decreased 0.7 percentage points over-the-year to 6.9 percent vacancy. The average lease rate rose 13.7 percent, or by \$1.79, to \$14.86 per square foot during the period.

Flex Market Statistics

	Quarter 1 2022	Quarter 4 2021	Quarter 1 2021	Quarter 1 2020	Quarter 1 2019	Quarter 1 2018
Number of Buildings	1,577	1,576	1,575	1,573	1,560	1,549
Existing Square Feet (millions)	47.5	47.5	47.5	47.4	46.7	46.2
Vacant Square Feet (direct, millions)	3.3	3.2	3.6	2.7	2.6	2.6
Vacancy Rate (direct)	6.9%	6.7%	7.6%	5.8%	5.7%	5.7%
Vacancy Rate (with sublet)	7.2%	7.2%	8.4%	6.1%	5.9%	6.0%
Avg. Lease Rate (direct, per square foot, NNN)	\$14.86	\$14.57	\$13.07	\$12.78	\$12.06	\$12.24
New Construction Completed (year-to-date)	0.03 MSF, 1 Bldg	0.17 MSF, 7 Bldgs	0.03 MSF, 1 Bldgs	0.25 MSF, 1 Bldg	0.21 MSF, 3 Bldgs	0.06 MSF, 2 Bldgs
Currently Under Construction	0.70 MSF, 18 Bldgs	0.56 MSF, 14 Bldgs	0.19 MSF, 8 Bldgs	0.22 MSF, 8 Bldgs	0.31 MSF, 8 Bldgs	0.43 MSF, 11 Bldgs

Source: CoStar Realty Information, Inc. MSF=Million Square Feet

- New flex construction has been more limited than other property types, but the construction pipeline is strong heading into the second quarter of 2022. One new flex building totaling 26,217 square feet was completed in the first quarter of 2022 in Lafayette. There were 18 buildings totaling nearly 704,000 square feet under construction as of the end of 1Q 2022, all with expected delivery in 2022. Fifty-six percent of the

square footage under construction is located in Boulder or Broomfield Counties. The largest building under construction is the 150,720-square-foot flex building at 11100 Broomfield Lane, in Broomfield.

Retail Market

- The direct vacancy rate for retail space in Metro Denver decreased 0.7 percentage points over-the-year to 4.5 percent in 1Q 2022, according to CoStar. The direct vacancy rate including sublease space also decreased 0.7 percentage points over-the-year to 4.7 percent. The average lease rate increased 2.7 percent to \$19.56 per square foot.

Retail Market Statistics

	Quarter 1 2022	Quarter 4 2021	Quarter 1 2021	Quarter 1 2020	Quarter 1 2019	Quarter 1 2018
Number of Buildings	12,983	12,970	12,932	12,858	12,735	12,599
Existing Square Feet (millions)	173.5	173.4	173.0	172.3	171.0	169.2
Vacant Square Feet (direct, millions)	7.8	8.0	9.0	7.3	6.5	6.7
Vacancy Rate (direct)	4.5%	4.6%	5.2%	4.3%	3.8%	4.0%
Vacancy Rate (with sublet)	4.7%	4.8%	5.4%	4.3%	3.9%	4.1%
Avg. Lease Rate (direct, per square foot, NNN)	\$19.56	\$19.31	\$19.04	\$18.26	\$18.83	\$18.12
New Construction Completed (year-to-date)	0.10 MSF, 13 Bldgs	0.46 MSF, 39 Bldgs	0.07 MSF, 7 Bldgs	0.19 MSF, 13 Bldgs	0.08 MSF, 14 Bldgs	0.21 MSF, 24 Bldgs
Currently Under Construction	0.07 MSF, 10 Bldgs	0.78 MSF, 43 Bldgs	0.61 MSF, 29 Bldgs	1.14 MSF, 70 Bldgs	1.04 MSF, 60 Bldgs	1.14 MSF, 54 Bldgs

Source: CoStar Realty Information, Inc. MSF=Million Square Feet

- In the first quarter of 2022, 13 retail buildings totaling nearly 100,000 square feet were completed. An additional 10 buildings with about 71,000 square feet of space are under construction and all but one are expected to be completed in 2022. Nearly half of the space under construction is located in Adams County.



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