



Industrial Market Report

Fort Collins - CO

PREPARED BY



Jake Arnold
Director of Brokerage Services



INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

295K

12 Mo Net Absorption in SF

142K

Vacancy Rate

3.8%

12 Mo Rent Growth

4.9%

Although Fort Collins is supported by several highways providing ready access across the region, the large-scale distribution market is small here. Flex space makes up 30% of the inventory, which is three times the national average. Similarly, flex space makes up nearly 50% of the stock in nearby Boulder, and both metros have a roster of high-tech R&D firms that drive demand for flex space.

The flex vacancy rate remains somewhat elevated. The bulk of the vacant flex space in the market is at the revamped four-building 811,000 SF Rocky Mountain Center for Innovation and Technology. Encouragingly,

Lightning Systems signed on for another 97,000 SF in December 2019 after leasing 45,000 SF in 17Q2. Rocky Mountain Center serves as a new headquarters, and the company represents the first major leases signed at the campus since Agilent vacated nearly a decade ago.

After years of exceptionally tight conditions earlier in the cycle, developers ramped up construction activity over the past five years.

Investors remain bullish on Fort Collins' industrial market with nearly \$78 million worth of assets trading in the first half of 2021.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	14,488,395	3.3%	\$9.93	7.4%	1,948	22,500	716,377
Specialized Industrial	3,248,956	4.4%	\$10.55	6.0%	(40)	0	0
Flex	6,114,419	4.6%	\$12.06	7.7%	18,944	0	22,400
Market	23,851,770	3.8%	\$10.54	7.3%	20,852	22,500	738,777
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.6%	4.9%	3.6%	8.1%	2003 Q3	2.2%	2001 Q1
Net Absorption SF	142K	269,583	444,368	912,332	2004 Q4	(312,257)	2010 Q2
Deliveries SF	295K	307,550	440,612	721,077	2001 Q4	0	2014 Q1
Rent Growth	4.9%	1.5%	4.1%	5.8%	2018 Q4	-5.4%	2003 Q1
Sales Volume	\$225M	\$51.9M	N/A	\$213.2M	2021 Q2	\$0	2004 Q1



Vacancies ticked up in industrial and flex space in the last year due to negative absorption in the second half of 2020 coupled with an active pipeline. Still, vacancies remain below the national average in 21Q2.

The flex vacancy rate has been elevated in the metro since Agilent vacated its four-building 811,000 SF campus about ten years ago. The campus has been re-envisioned as the Rocky Mountain Center for Innovation and Tech, intent on attracting high tech firms. In 2017, the campus secured its first major lease since Agilent vacated the space: Lightning Systems signed on for 45,000 SF, and another 97,000 SF in December 2019. The space houses its new corporate headquarters.

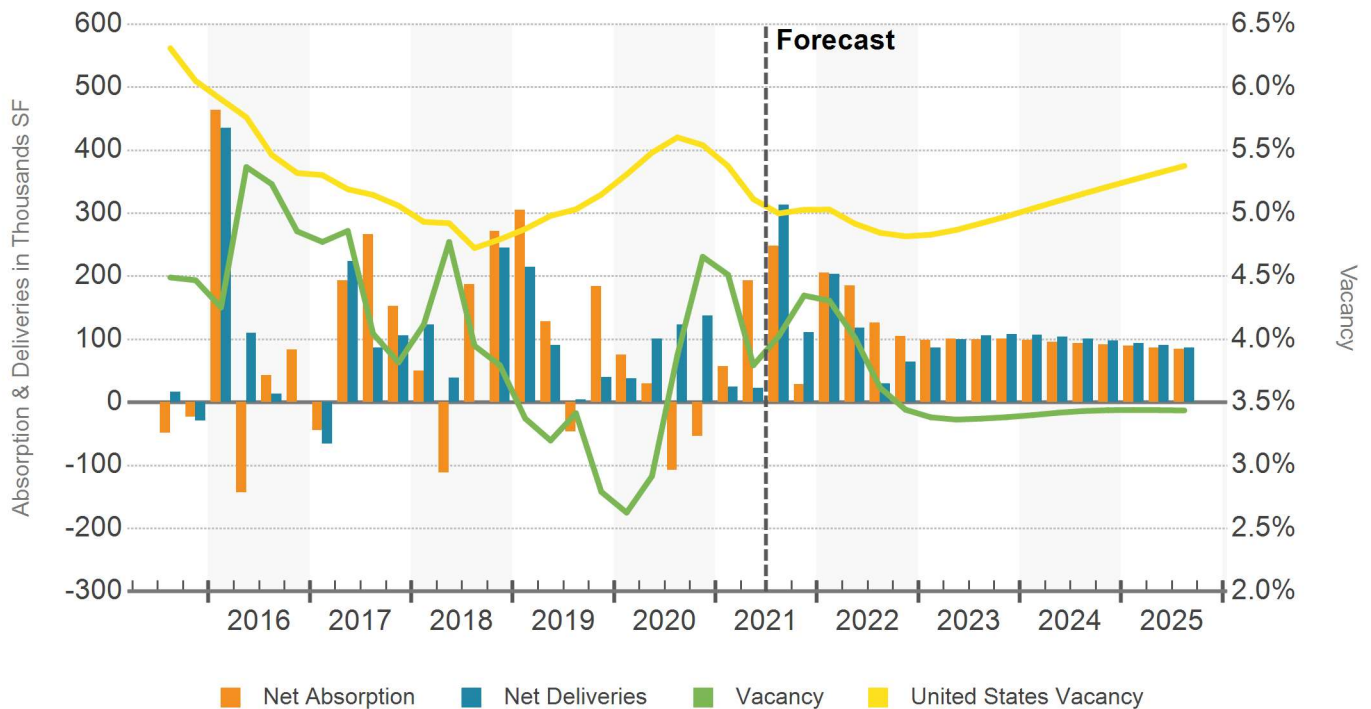
In a complex land deal, Woodward, Inc. purchased property at 753 Champion Drive for \$7.6 million, a site that is adjacent to the aerospace company's existing Rocky Mountain Technology and Innovation Center. The new site will eventually house Woodward's Air Valves Engineering & Testing facility, which is currently located at 3800 Wilson Ave. in Loveland. As part of the deal, Woodward sold its 39-acre Loveland campus for \$5.9

million but leased the 171,231 SF site back for 3 years while it transitions its 293 employees to its Fort Collins Lincoln campus. The deals were finalized in 20Q3.

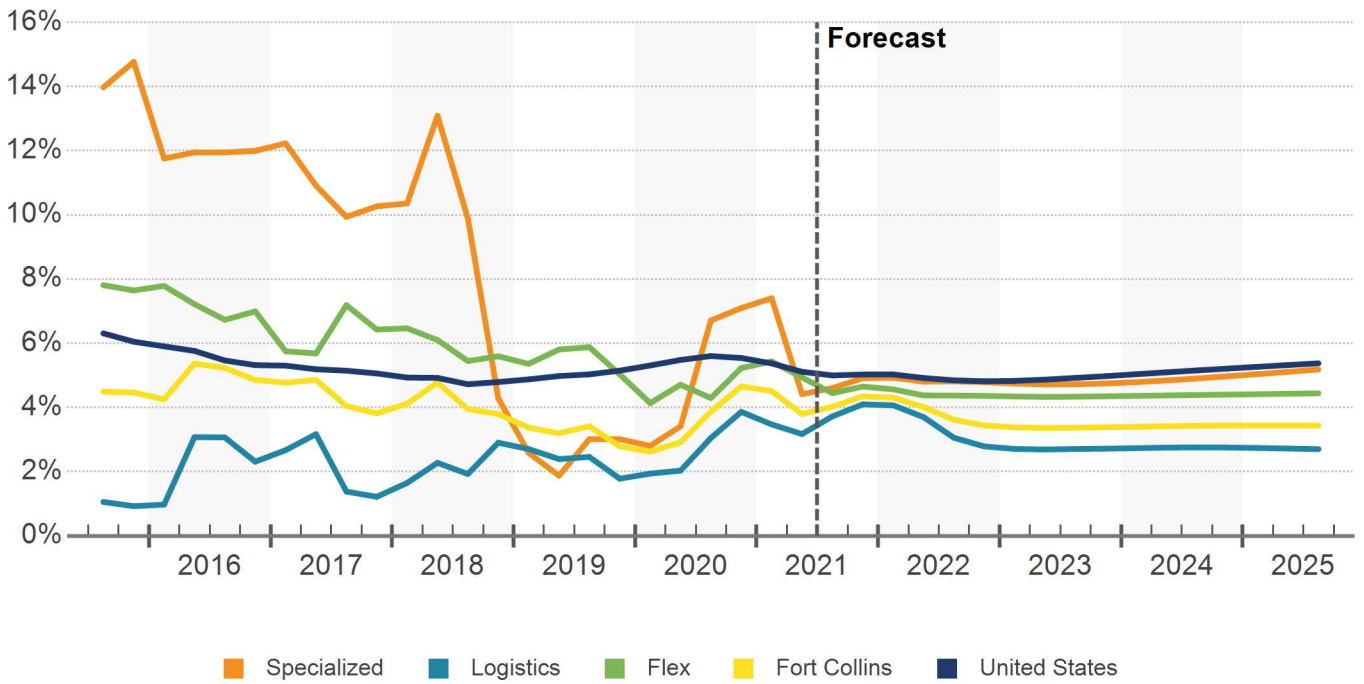
Almost 30 years ago, in 1990, Wal-Mart planted roots in the metro when it took occupancy of its more than 1.1 million SF distribution facility in Loveland. It was Wal-Mart's first distribution center in the western United States and north-south and east-west arterial highway access was a significant factor in the company choosing this location to ship freight to its western stores. The center accounts for nearly half of Fort Collins's large-scale logistics inventory.

Several brewing companies, from Odell Brewing, and Anheuser Busch (which operates a more than one million SF light manufacturing facility in Fort Collins), to High Country Beverage, have a presence in Fort Collins. High Country moved into its new 146,000 SF facility in Johnstown in 2017, leaving behind its former space near the Fort Collins-Loveland Municipal Airport for the intersection of I-25 and US 34, an area known as 2534.

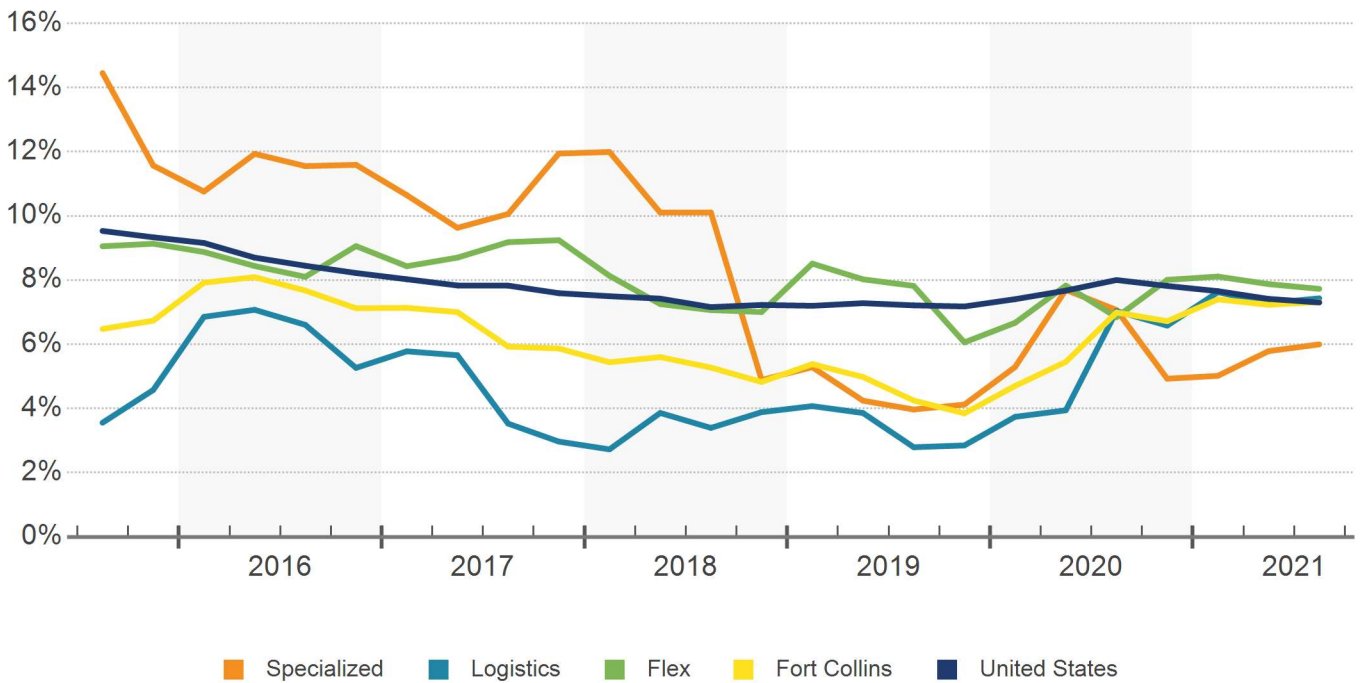
NET ABSORPTION, NET DELIVERIES & VACANCY



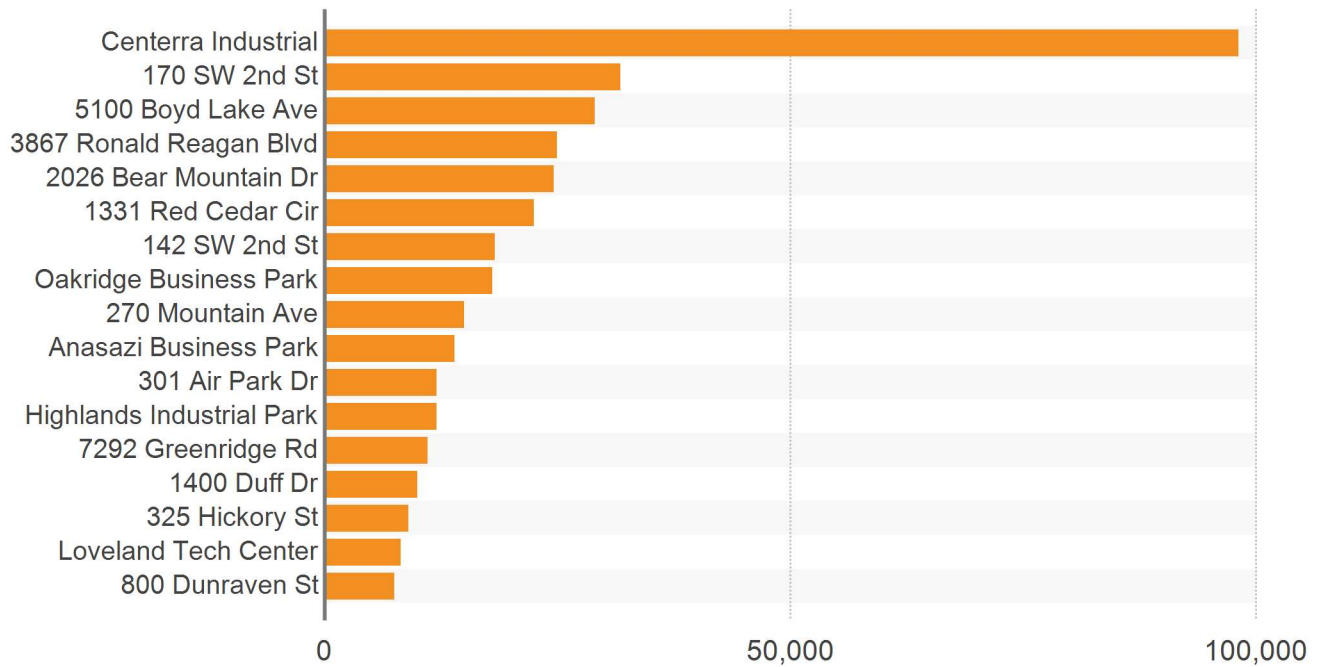
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Centerra Industrial	Fort Collins/Loveland...	122,807	24,654	25,757	72,396	0	0	98,153
170 SW 2nd St	Fort Collins/Loveland...	61,480	0	39,385	0	0	0	31,778
5100 Boyd Lake Ave	Fort Collins/Loveland...	95,472	0	0	95,472	0	0	29,056
3867 Ronald Reagan Blvd	Fort Collins/Loveland...	50,000	0	0	0	0	0	25,000
2026 Bear Mountain Dr	Fort Collins/Loveland...	24,616	0	24,616	0	0	0	24,616
1331 Red Cedar Cir	Fort Collins/Loveland...	43,500	0	0	22,484	0	0	22,484
142 SW 2nd St	Fort Collins/Loveland...	27,860	0	0	0	0	0	18,300
Oakridge Business Park	Fort Collins/Loveland...	37,993	0	0	0	18,000	0	18,000
270 Mountain Ave	Fort Collins/Loveland...	30,000	0	0	0	0	0	15,000
Anasazi Business Park	Fort Collins/Loveland...	48,120	5,111	0	0	0	0	13,933
301 Air Park Dr	Fort Collins/Loveland...	12,589	0	6,032	0	0	0	12,032
Highlands Industrial Park	Fort Collins/Loveland...	21,200	3,943	0	0	0	0	12,004
7292 Greenridge Rd	Fort Collins/Loveland...	30,000	0	0	21,500	8,500	0	11,043
1400 Duff Dr	Fort Collins/Loveland...	20,000	0	0	10,000	0	0	10,000
325 Hickory St	Fort Collins/Loveland...	9,000	0	0	9,000	0	0	9,000
Loveland Tech Center	Fort Collins/Loveland...	28,600	0	0	0	8,191	0	8,191
800 Dunraven St	Outlying Larimer Cnt...	10,802	0	0	0	0	0	7,514
Subtotal Primary Competitors		674,039	33,708	95,790	230,852	34,691	0	366,104
Remaining Fort Collins Market		23,177,731	872,228	(38,436)	(37,711)	(13,839)	0	(222,898)
Total Fort Collins Market		23,851,770	905,936	57,354	193,141	20,852	0	143,206



TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
3800 Wilson Ave	Outlying Larimer Cnty	171,231	Q3 20	Woodward, Inc.	-	-
5100 Boyd Lake Ave	Fort Collins/Loveland	95,472	Q4 20	Danhydra, Inc.	Unique Properties, Inc.	Cushman & Wakefield
4510 Byrd Dr	Fort Collins/Loveland	95,114	Q2 21	Beckman Coulter	CBRE	CBRE;Etkin Johnson R...
4515-4525 Viking Way	Fort Collins/Loveland	72,396	Q4 20	Home Depot	CBRE	C3 Commercial;CBRE
170 SW 2nd St *	Fort Collins/Loveland	27,250	Q1 21	KDM Steelworks	-	Noble Venture
629 14th St *	Fort Collins/Loveland	26,200	Q4 20	Benchmark Learning Prod...	-	-
3867 Ronald Reagan Blvd	Fort Collins/Loveland	25,000	Q4 20	Fedex	Fischer & Company	CBRE
2155 Midpoint Dr *	Fort Collins/Loveland	20,832	Q2 21	Beacon Sales Acquisition...	Mohr Partners Intern...	-
2235 E Mulberry St	Fort Collins/Loveland	20,000	Q1 21	Sunbelt Rentals	-	CBRE
142 SW 2nd St	Fort Collins/Loveland	18,300	Q3 20	Novus Ag	-	Cushman & Wakefield
270 Mountain Ave	Fort Collins/Loveland	15,000	Q4 20	WTG Unlimited, LLC	Noble Venture	Cushman & Wakefield
1301 Blue Spruce Dr	Fort Collins/Loveland	14,800	Q4 20	City of Fort Collins	-	LC Real Estate Group...
1301 S Roosevelt Ave	Fort Collins/Loveland	12,500	Q3 21	-	-	CBRE
901 Smithfield Dr	Fort Collins/Loveland	12,000	Q3 21	-	-	Commercial Real Estat...
4217 S Mason St	Fort Collins/Loveland	11,937	Q2 21	Kaizen Auto Care	-	Cushman & Wakefield;...
7292 Greenridge Rd	Fort Collins/Loveland	11,000	Q4 20	Limagrain Cereal Seeds,...	CBRE	Cushman & Wakefield;...
170 SW 2nd St	Fort Collins/Loveland	10,935	Q4 20	Car Care	-	Noble Venture
729 SE 8th St	Fort Collins/Loveland	10,142	Q3 20	Junk King	CBRE	CBRE
1104-1106 N Boise Ave	Fort Collins/Loveland	10,000	Q3 20	Bobo's Oat Bars, Simply...	-	Realtec Commercial R...
255 42nd St SW	Fort Collins/Loveland	8,538	Q4 20	-	-	CBRE
7292 Greenridge Rd	Fort Collins/Loveland	8,500	Q1 21	Rocky Mountain Group	Cushman & Wakefield	Cushman & Wakefield;...
2506 Zurich Dr	Fort Collins/Loveland	8,500	Q3 20	Life Church Of Fort Collins	-	-
142 SW 2nd St	Fort Collins/Loveland	8,500	Q3 20	Novus Ag	-	Cushman & Wakefield
7795 SW Frontage Rd	Fort Collins/Loveland	7,200	Q3 21	-	-	Resident Realty
301 Air Park Dr	Fort Collins/Loveland	6,016	Q4 20	-	-	CBRE
309 S Link Ln	Fort Collins/Loveland	5,852	Q2 21	-	-	Noble Venture
7292 Greenridge Rd	Fort Collins/Loveland	5,500	Q4 20	Inspiring Talkers, LLC	Schuman Companies	Cushman & Wakefield;...
409 Delozier Dr	Fort Collins/Loveland	5,243	Q2 21	-	-	Doberstein Lemburg C...
5801-5809 Wright Dr	Fort Collins/Loveland	5,200	Q4 20	MTech Mechanical Techn...	-	Cushman & Wakefield
6748 N Franklin Ave	Fort Collins/Loveland	5,057	Q2 21	National Association for G...	The Group, Inc.	The Group, Inc.
729 SE 8th St	Fort Collins/Loveland	5,000	Q2 21	-	-	CBRE
219 N Timberline Rd	Fort Collins/Loveland	5,000	Q3 20	R&R Service Protectors	-	CBRE
601 1st St	Fort Collins/Loveland	4,952	Q1 21	-	-	SVN I Denver Commer...
2649 E Mulberry St	Fort Collins/Loveland	4,800	Q4 20	:Secret Compass, Inc.	The Group, Inc.	The Group, Inc.
202 Air Park Dr	Fort Collins/Loveland	4,608	Q1 21	-	-	E-Flux
1823-1863 E Harmony Rd	Fort Collins	4,275	Q2 21	Contender eSports	-	RE/MAX Commercial A...
1025 Smithfield Dr	Fort Collins/Loveland	4,050	Q4 20	Concrete Visions	-	C3 Commercial
8924 Pieper Rd	Outlying Larimer Cnty	4,000	Q1 21	-	-	CBRE
533 E County Road 8	Fort Collins/Loveland	4,000	Q1 21	-	-	The Group, Inc.
3258 E Mulberry St	Fort Collins/Loveland	4,000	Q2 21	-	-	Cushman & Wakefield

*Renewal



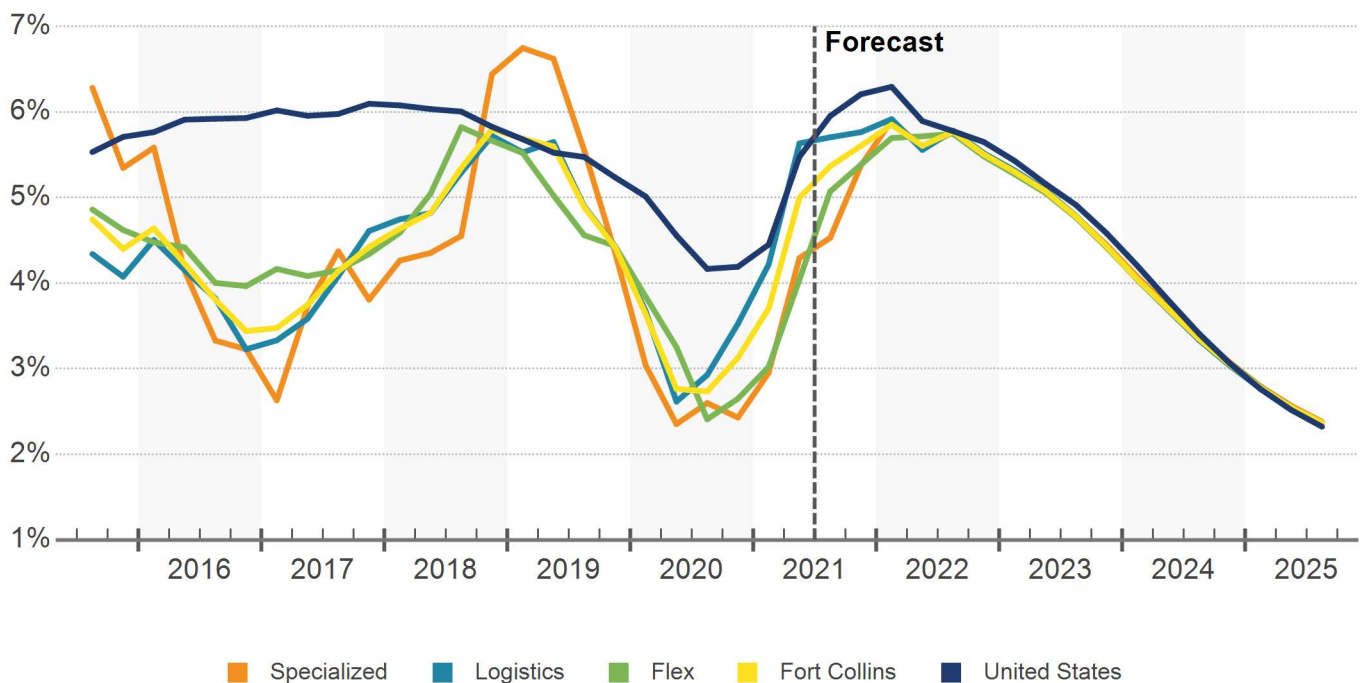
After decelerating through the majority of 2020, rent growth is once again on the upward swing. Annual rents have increased by 4.9% as of 21Q2.

Most of the pipeline is comprised of smaller warehouses (often with flexible build-out options) in the 10,000 to 25,000 SF range. Roughly two-thirds of these developments are speculative and rents at these projects are generally running for \$11 to \$14/SF triple-net.

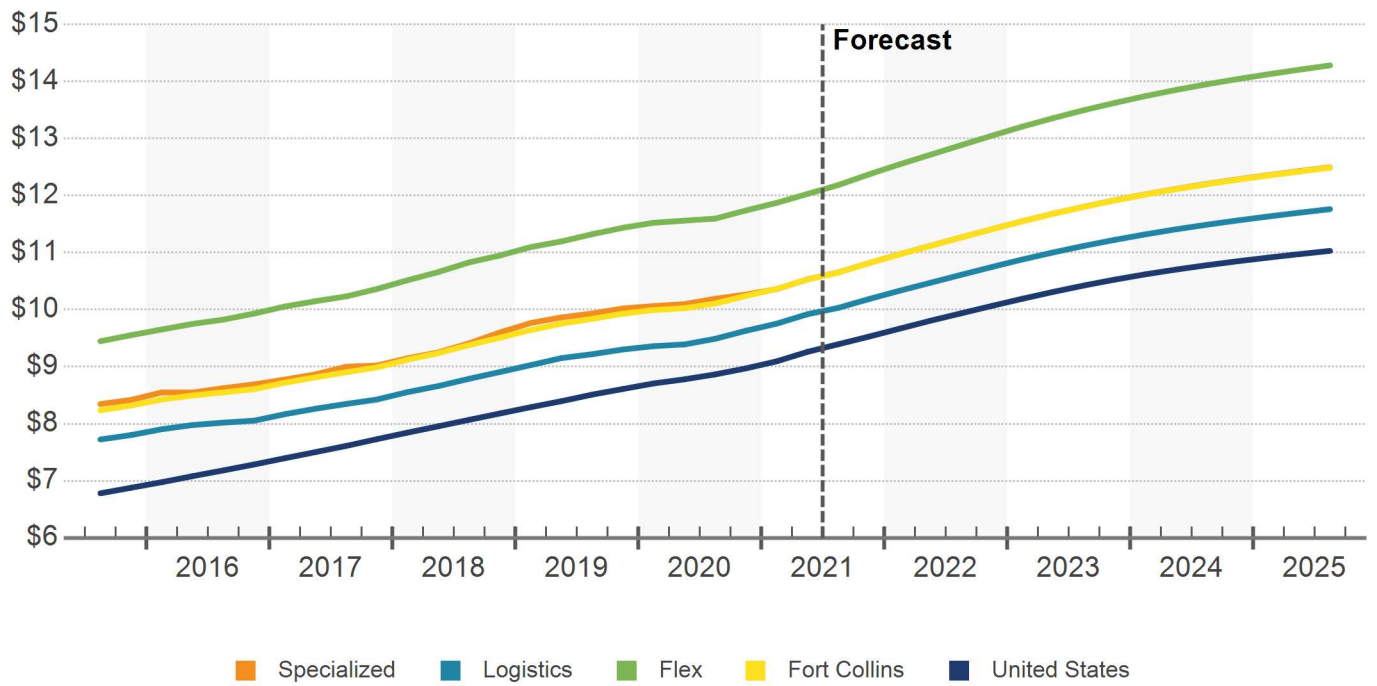
Recent larger scale warehouse development has

essentially been limited to additions at McWhinney's Centerra Industrial Campus. Building one, an 84,000 SF warehouse that delivered in 2016, had initial asking rents of \$9.00/SF triple-net. Building two, a second 84,000 SF warehouse that delivered in 18Q1, had initial rents of \$9.75. Both of those projects leased-up within months of delivering, and a third 123,000 SF warehouse delivered in late 2018, with asking rents starting at \$10.00/SF. Developers appeared to be successfully pushing the envelope on warehouse rents in past years.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



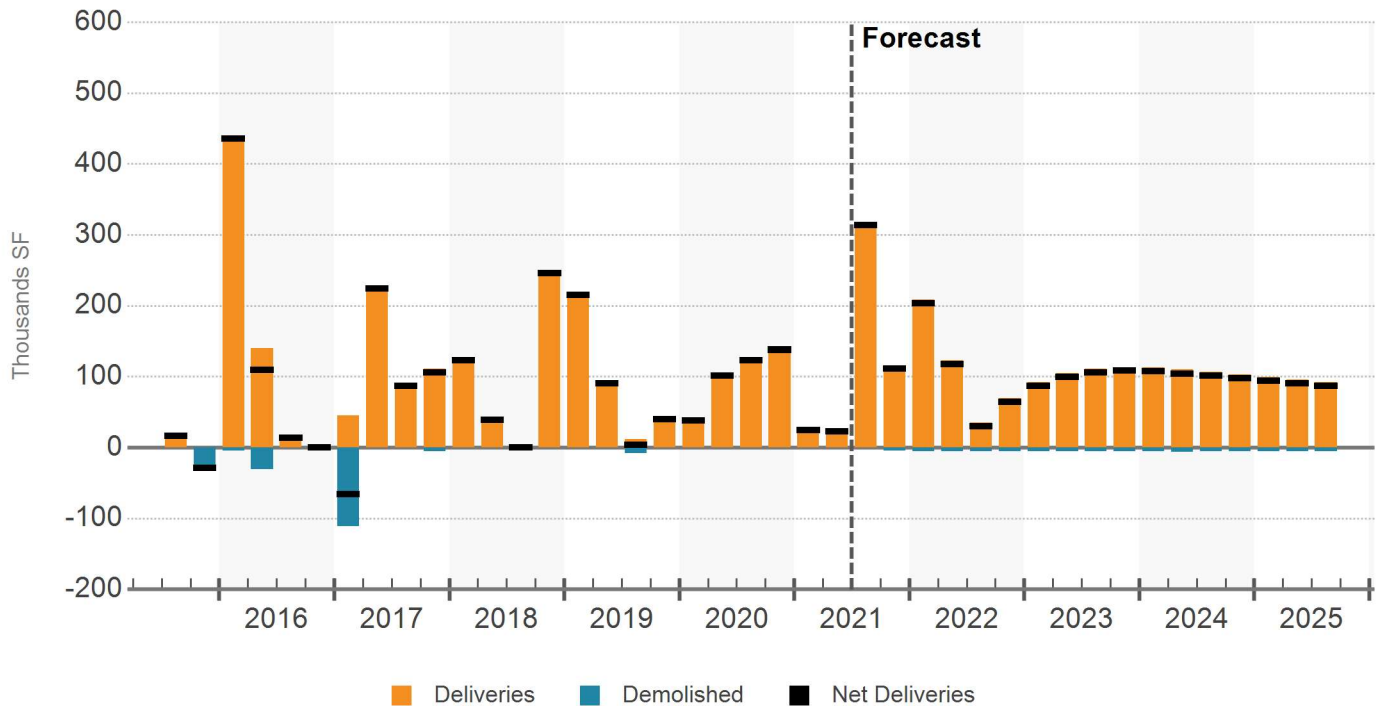
With 740,000 SF currently under construction, this marks the most active industrial pipeline recorded in the Fort Collins market. A significant portion of this stock is slated for delivery later this year. Developers have been especially active outside of Loveland along the I-25/US-34 exchange.

One of the largest spec developments underway is a 123,000-SF warehouse constructed by McWhinney at

the Centerra Industrial campus, its seventh project at the location. McWhinney plans to wrap up construction by year-end 2021. The entire space is available for lease.

Etkin Johnson Group is constructing Building 1 at Axis 25, a 100,000 SF building that is on track to deliver in July. High Country Beverage has a 100,000 SF temperature-controlled distribution space available for lease that will deliver 21Q2.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Fort Collins/Loveland	10	716	109	15.2%	2	22,412	71,638	1
2	Outlying Larimer Cnty	1	22	20	91.1%	1	33,337	22,400	2
Totals		11	739	130	17.5%		23,067	67,162	

Under Construction Properties

Fort Collins Industrial

Properties

Square Feet

Percent of Inventory

Released

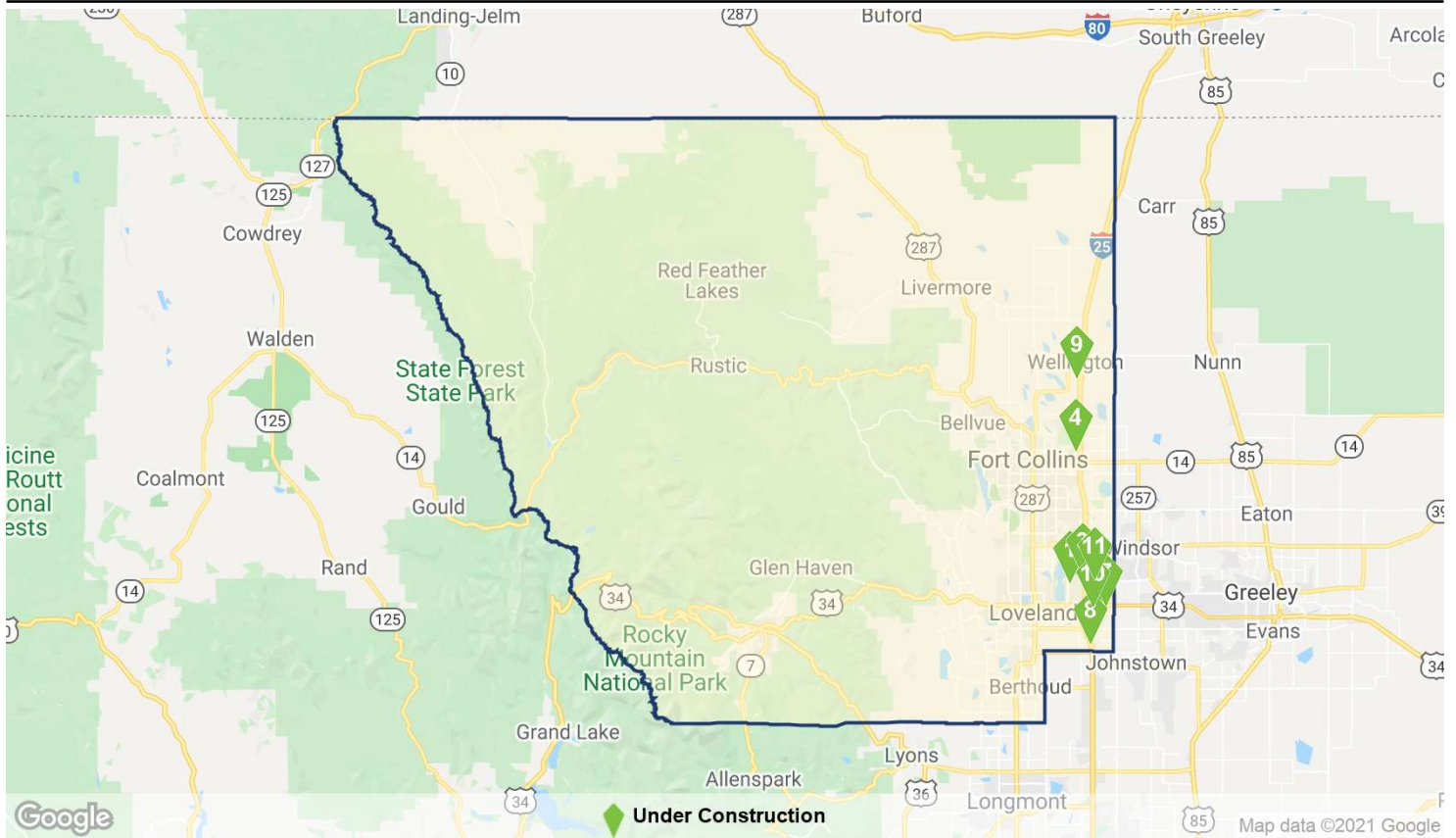
11

738,777

4.2%

17.5%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Building 7 TBD Viking Way	★★★★☆	123,037	1	Feb 2021	Mar 2022	McWhinney McWhinney
2 Axis 25 - Building 1 4550 Byrd Dr	★★★★☆	100,580	1	Sep 2020	Sep 2021	Etkin Johnson Real Estate Partne... Etkin Johnson Real Estate Partne...
3 Axis 25 - Building 2 4510 Byrd Dr	★★★★☆	95,114	1	Sep 2020	Aug 2021	Etkin Johnson Real Estate Partne... Etkin Johnson Real Estate Partne...
4 Building 2 3801-4099 Redman Dr	★★★★☆	93,000	1	Apr 2021	Jan 2022	- -
5 New Temperature-Contr... 4200 Ronald Reagan Blvd	★★★★☆	91,000	1	Aug 2020	Aug 2021	Realtec Commercial Real Estate... High Country Beverage
6 Nec Of Trade St & Ronal...	★★★★☆	72,896	1	May 2021	Feb 2022	- -
7 3607 Ronald Reagan Blvd	★★★★☆	68,750	1	Nov 2020	Aug 2021	- McWhinney



Under Construction Properties

Fort Collins Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Lot 3 SEC Marketplace Dr & SE F	★ ★ ★ ★ ★	43,000	2	Jul 2021	Feb 2022	- -
9 Building 5 6557 Buttercup Dr	★ ★ ★ ★ ★	22,400	1	Jan 2020	Aug 2021	Salem Structures, LLC Salem Structures, LLC
10 4615 Venture Dr	★ ★ ★ ★ ★	15,000	1	May 2021	Oct 2021	- -
11 7000 Crossroads Blvd	★ ★ ★ ★ ★	14,000	1	Mar 2021	Aug 2021	Victory Development Group Victory Development Group



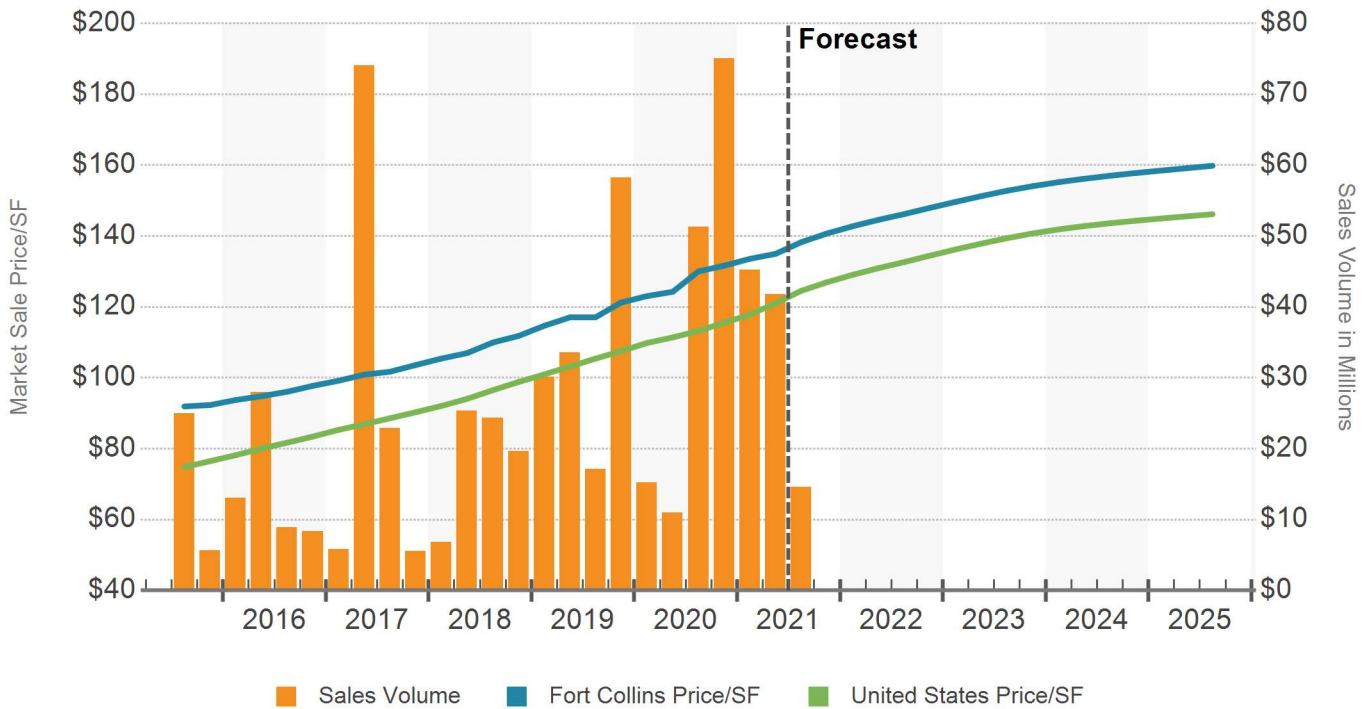
Investment activity slowed in the immediate aftermath of the pandemic, but deals picked up in a big way in the second half of 2020. This amounted to more than \$156 million worth of industrial assets that traded in 2020, the biggest annual volume in the past decade. 2021 is off to a great start with nearly \$78 million trading in the first half of the year.

A significant portion of volume in the last year was driven by Mark IV Capital's acquisition of a 123,000-SF distribution building at Centerra Industrial Park in Loveland. McWhinney sold the asset, built in 2018, for

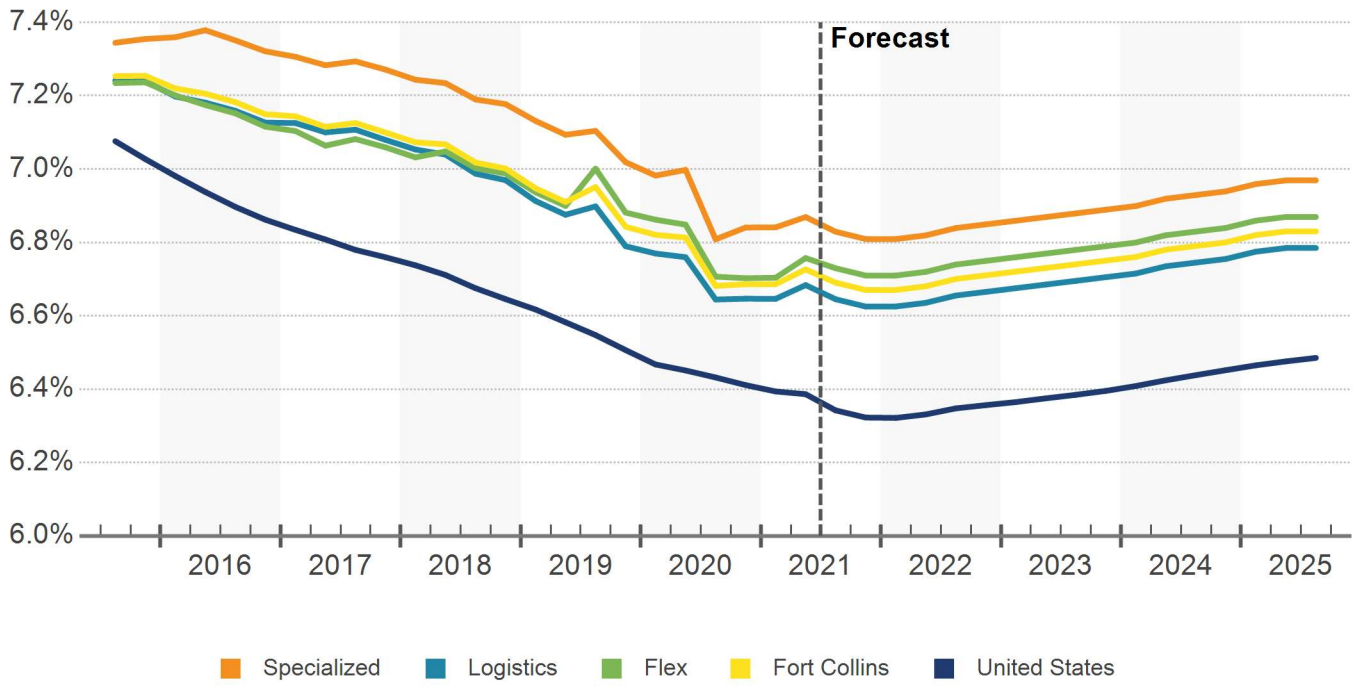
\$32.63 million (\$265.70/SF) in August. Amazon occupies the entire building and had roughly ten years remaining on its lease term.

In a portfolio deal, Capital Square Holdings purchased two flex properties totaling 115,000 SF (1625 Sharp Point Dr. and 2424 Midpoint Dr.) from Cress Capital for \$30.7 million (\$265/SF) in February. Both buildings were 100% occupied by Advanced Energy Industries on a triple-net lease. There are 15 years remaining on the current lease term, with two 5-year options to renew.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Fort Collins Industrial

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

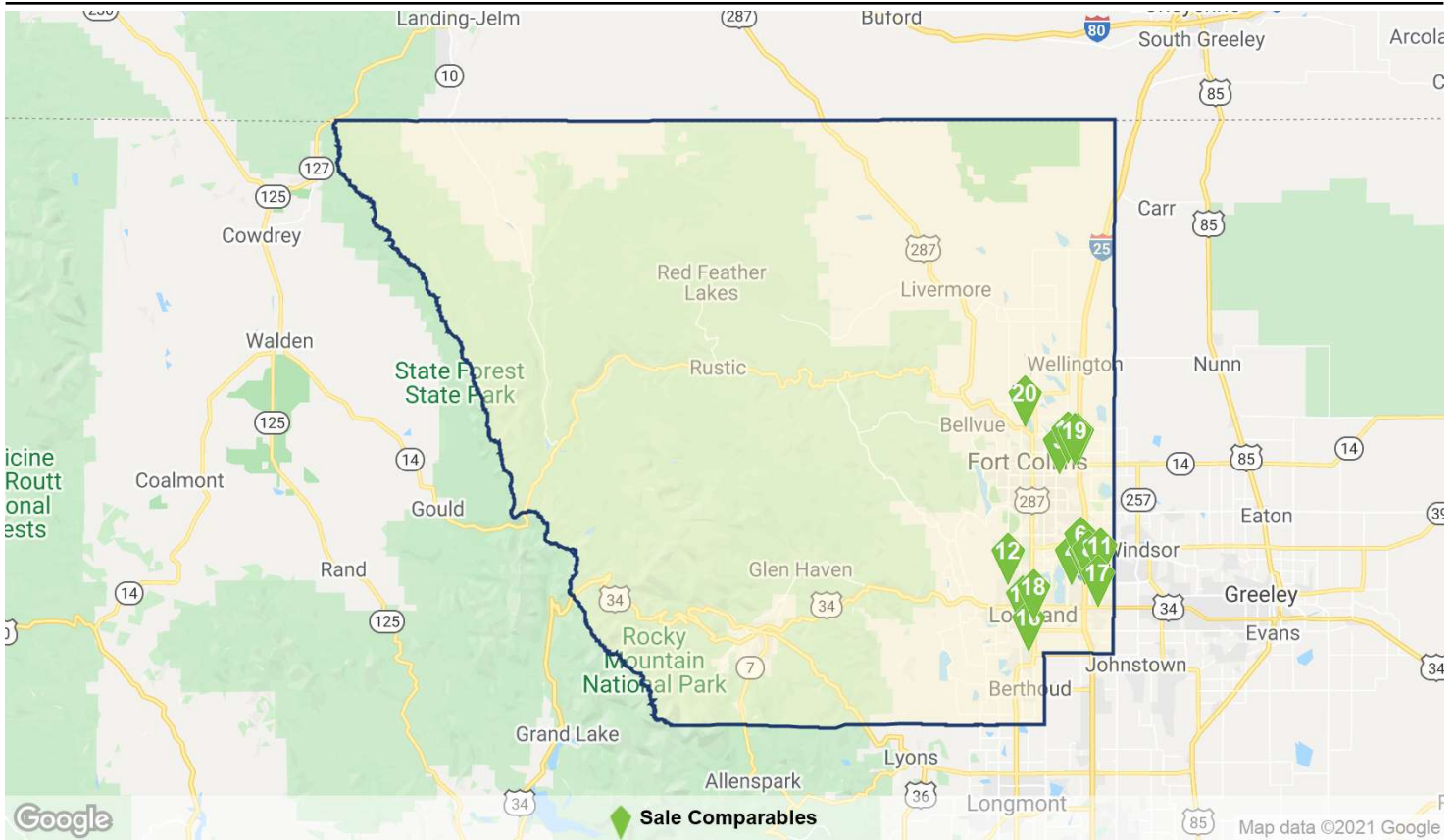
134

7.1%

\$88

12.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$135,000	\$2,872,797	\$1,600,000	\$32,630,000
Price/SF	\$1.85	\$88	\$149	\$526
Cap Rate	6.1%	7.1%	7.1%	8.0%
Time Since Sale in Months	0.0	6.2	6.0	11.8
Property Attributes	Low	Average	Median	High
Building SF	1,392	32,085	12,047	263,502
Ceiling Height	8'	16'8"	16'	30'
Docks	0	3	0	50
Vacancy Rate At Sale	0%	12.9%	0%	100%
Year Built	1928	1985	1984	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.1	★ ★ ★ ★ ★	★ ★ ★ ★ ★



Sales Past 12 Months

Fort Collins Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Centerra Industrial Build... 4555 Viking Way	★★★★★	2018	122,807	0%	8/5/2020	\$32,630,000	\$266	-
2 2424 Midpoint Dr	★★★★★	2000	63,211	0%	2/22/2021	\$16,772,464	\$265	-
3 1625 Sharp Point Dr	★★★★★	1987	52,416	0%	2/22/2021	\$13,877,536	\$265	-
4 Centerra Building 5 4531-4545 Viking Way	★★★★★	2020	59,242	100%	11/2/2020	\$9,500,000	\$160	-
5 3800 Clydesdale Pky	★★★★★	2001	115,778	0%	12/10/2020	\$7,768,781	\$67	-
6 5610 Boeing Dr	★★★★★	1998	47,452	0%	10/8/2020	\$6,900,000	\$145	-
7 811-813 Stockton Ave	★★★★★	1985	58,700	0%	10/5/2020	\$5,720,000	\$97	-
8 4150 St Cloud Dr	★★★★★	1987	31,350	0%	7/22/2021	\$4,955,000	\$158	-
9 255 42nd St SW	★★★★★	1985	44,217	0%	5/21/2021	\$4,853,231	\$110	-
10 825 SW Frontage Rd	★★★★★	1984	30,012	0%	10/29/2020	\$4,750,000	\$158	-
11 7395 Greendale Rd	★★★★★	2008	28,961	0%	10/23/2020	\$4,400,000	\$152	-
12 3800 Wilson Ave	★★★★★	1991	209,000	0%	9/25/2020	\$4,225,000	\$20	-
13 Bldg D 815 14th St SW	★★★★★	1980	120,000	100%	10/28/2020	\$4,180,340	\$35	-
14 690 Dawn Ave	★★★★★	-	50,901	0%	7/22/2021	\$4,085,000	\$80	-
15 Bldg C 815 14th St SW	★★★★★	1972	263,502	0%	10/28/2020	\$4,054,908	\$15	-
16 Campion Industrial Park 225 42nd St SW	★★★★★	1967	33,368	0%	5/21/2021	\$3,662,452	\$110	-
17 Nec Of Trade St & Ronal...	★★★★★	2022	72,896	100%	4/30/2021	\$3,650,645	\$50	-
18 Ballard Place 406 S Lincoln Ave	★★★★★	-	79,339	0%	4/30/2021	\$3,542,000	\$45	-
19 3824 Canal Dr	★★★★★	1981	21,174	0%	8/25/2020	\$3,462,000	\$164	6.7%
20 516 N US Highway 287	★★★★★	1995	23,983	0%	10/28/2020	\$3,200,000	\$133	-



Fort Collins has rebounded well from the coronavirus-induced downturn. After unemployment surged past 11% in April of last year, it has returned to 5.5% as of April 2021. Like most metros, the retail and travel industries are lagging behind during the recovery.

While many might consider Fort Collins a college town—it is virtually wedded to Colorado State University—the city's economic strength stems from the diversity of the employers located here. Colorado State University's influence cannot be disregarded, however. It plays a vital role in drawing the city's high-paying employers. Because of the university's resources and research facilities, not to mention the constant supply of educated graduates, a number of tech companies, and more than 20 Fortune 500 companies are located in the metro, including Hewlett-Packard, AMD, and Intel.

These firms can take advantage of partnerships with the school and its research labs, incubating an employee base already experienced in fieldwork.

Fort Collins has developed a significant craft beer industry and is home to a number of notable brewers, including New Belgium, Odell, and Black Bottle, not to mention behemoth Anheuser-Busch. This industry niche accounts for a more than \$1 billion economic impact on Larimer County, with almost 3,000 jobs and in the neighborhood of \$175 million in wages.

Population growth has often been well above the national average in past years. A low cost of living and affordable home prices also make the metro attractive to businesses and residents.

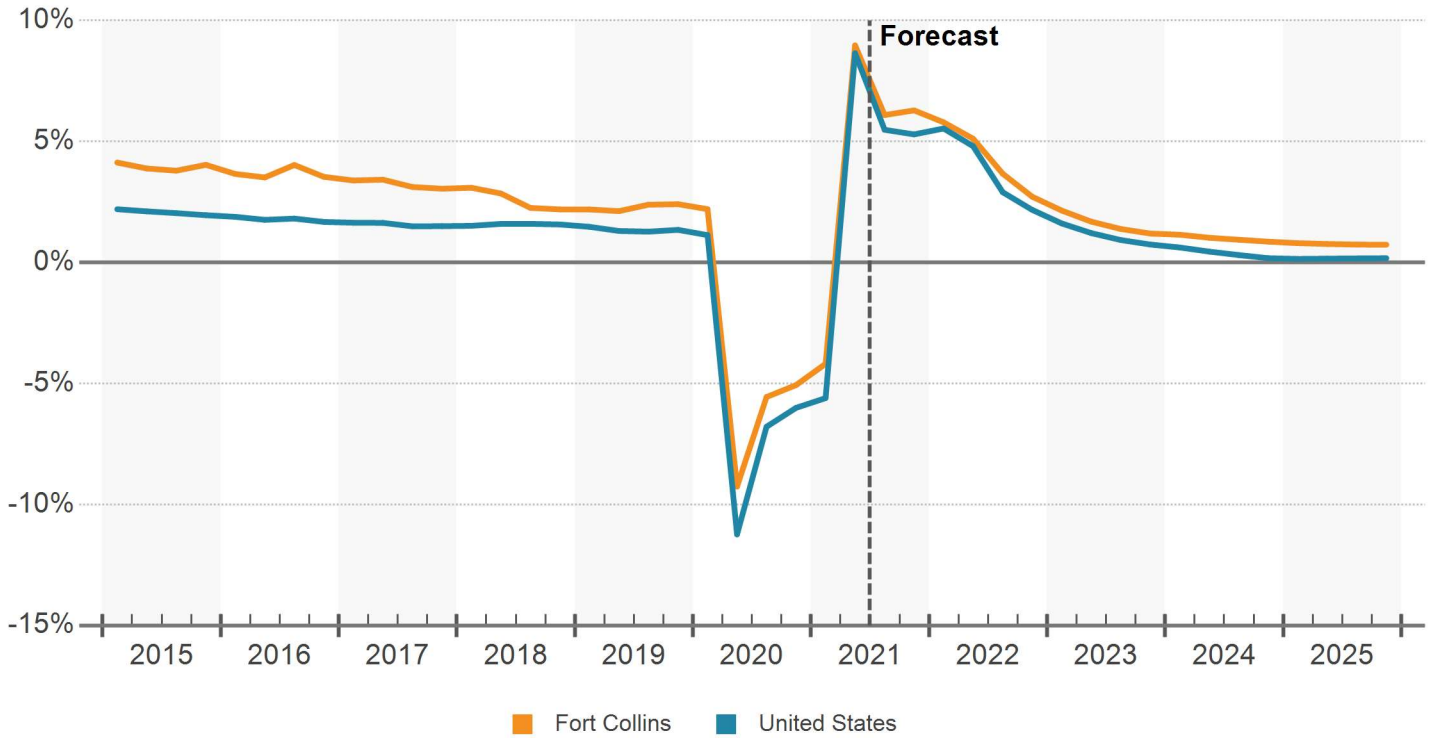
FORT COLLINS EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	14	1.0	1.65%	5.30%	2.52%	0.59%	1.42%	0.24%
Trade, Transportation and Utilities	28	0.9	7.12%	7.19%	2.19%	0.91%	0.93%	0.50%
Retail Trade	19	1.1	8.44%	8.35%	1.27%	0.43%	1.30%	0.42%
Financial Activities	7	0.7	4.64%	2.41%	2.36%	1.40%	1.39%	0.64%
Government	41	1.6	2.58%	0.42%	3.41%	-0.19%	2.24%	0.87%
Natural Resources, Mining and Construction	12	1.2	2.62%	6.90%	4.73%	2.56%	1.21%	0.91%
Education and Health Services	19	0.7	10.10%	6.19%	0.43%	1.62%	1.34%	1.63%
Professional and Business Services	21	0.9	7.83%	7.64%	1.75%	1.90%	1.21%	1.41%
Information	3	1.0	6.60%	5.30%	2.33%	0.29%	2.50%	2.12%
Leisure and Hospitality	20	1.2	30.28%	30.63%	2.09%	0.91%	3.42%	3.20%
Other Services	7	1.1	14.67%	12.70%	3.04%	0.50%	1.22%	0.94%
Total Employment	173	1.0	8.04%	7.62%	2.40%	1.04%	1.75%	1.21%

Source: Oxford Economics
LQ = Location Quotient

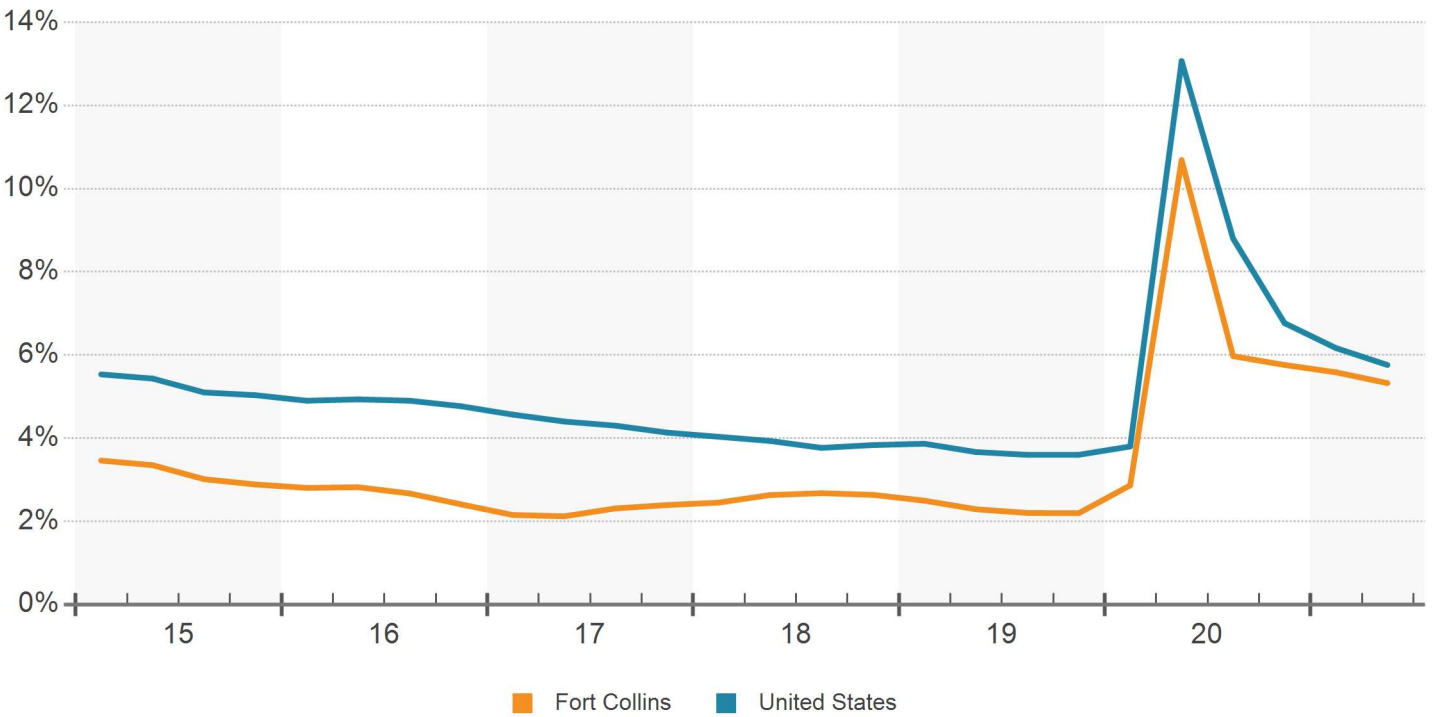


JOB GROWTH (YOY)

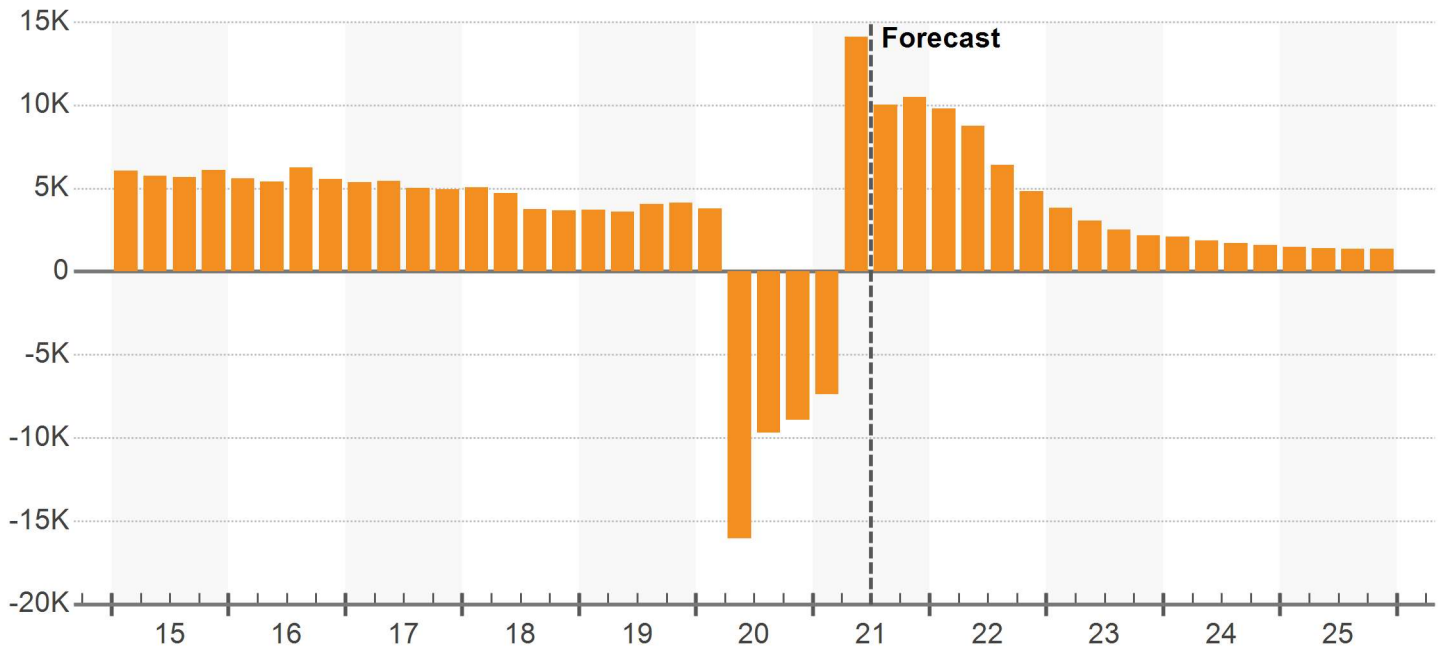


Source: Oxford Economics

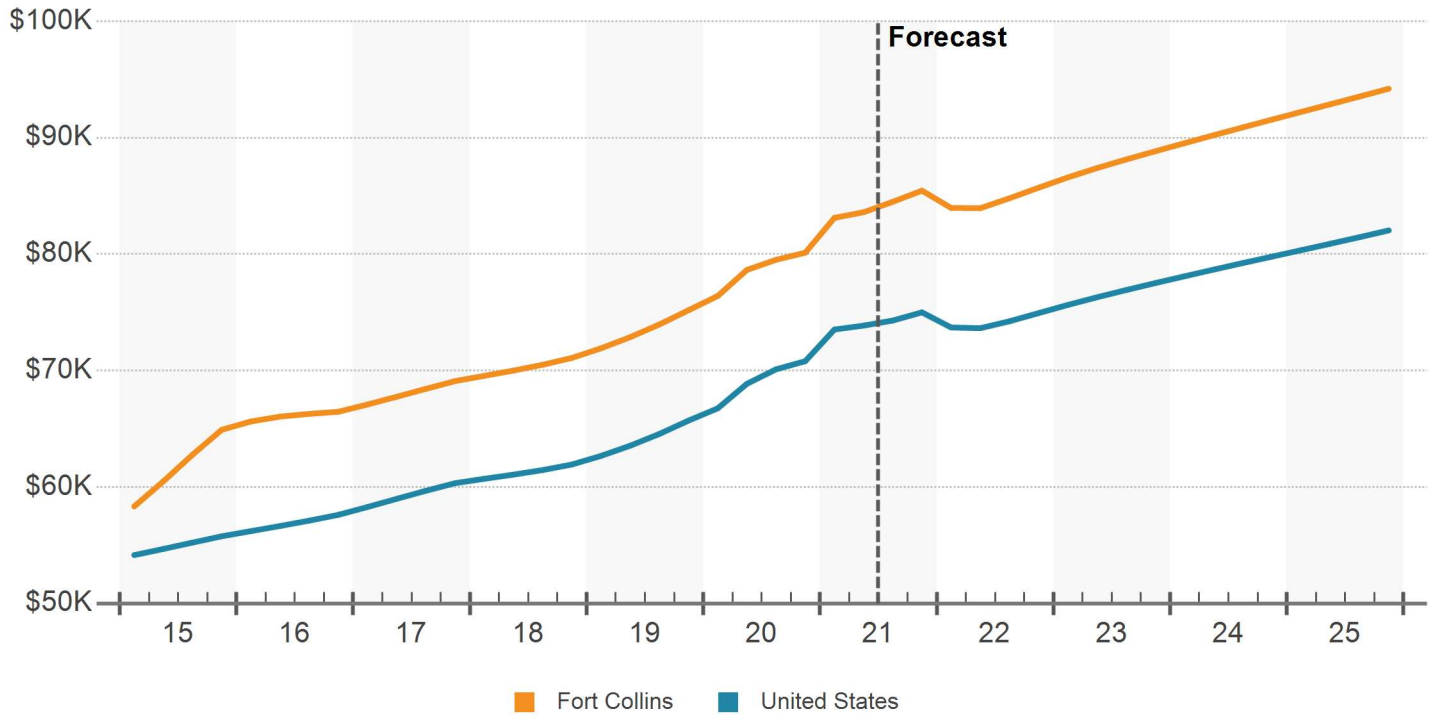
UNEMPLOYMENT RATE (%)



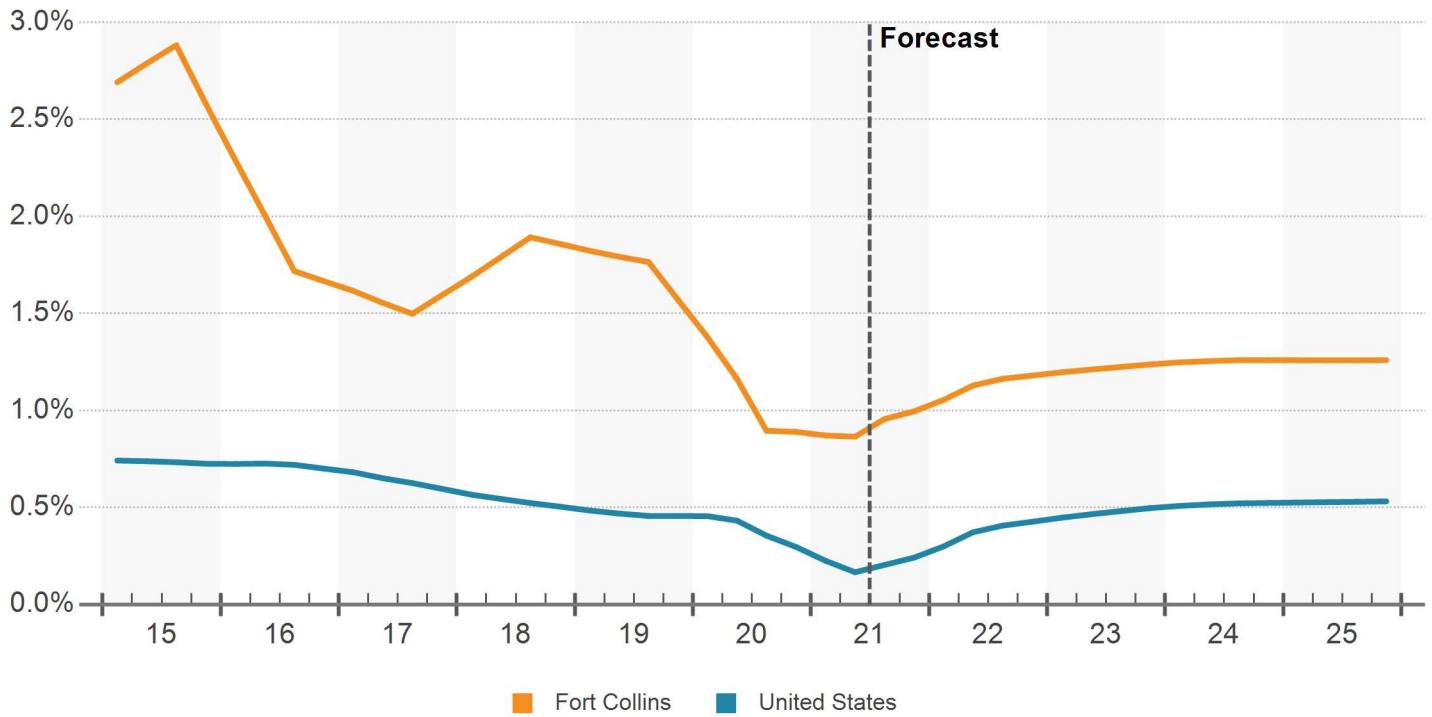
NET EMPLOYMENT CHANGE (YOY)



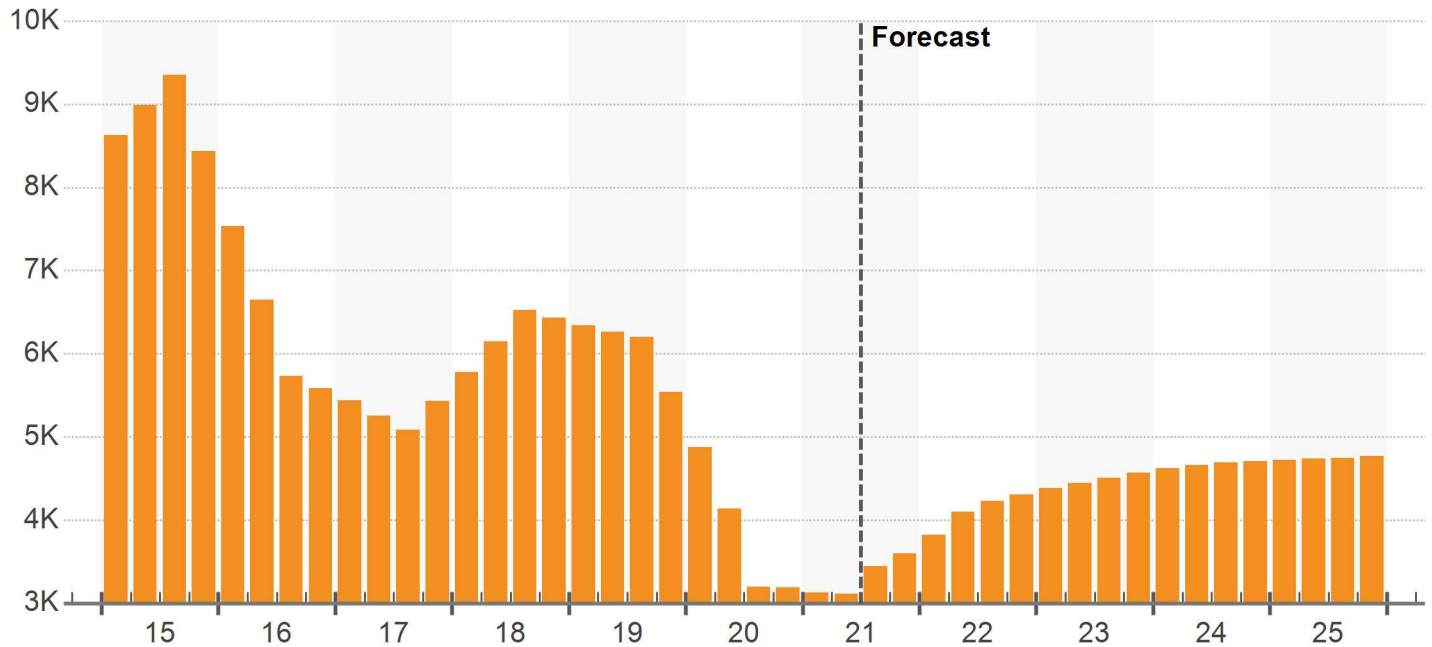
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

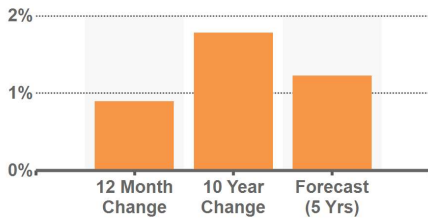


DEMOGRAPHIC TRENDS

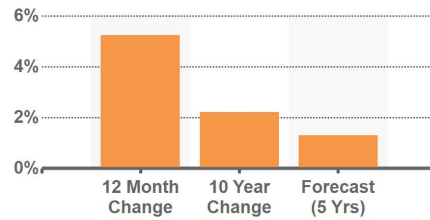
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	363,420	330,168,031	0.9%	0.2%	1.8%	0.6%	1.2%	0.5%
Households	149,013	123,335,297	0.8%	0.1%	2.1%	0.7%	1.2%	0.4%
Median Household Income	\$83,881	\$74,001	6.3%	6.9%	4.4%	3.9%	2.7%	2.4%
Labor Force	210,330	161,650,469	5.2%	1.8%	2.2%	0.5%	1.3%	0.7%
Unemployment	5.3%	5.8%	-3.9%	-6.0%	-0.2%	-0.3%	-	-

Source: Oxford Economics

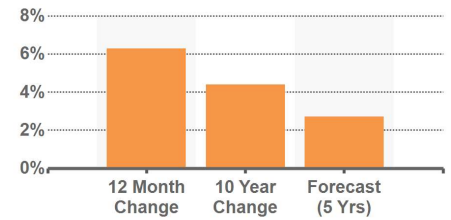
POPULATION GROWTH



LABOR FORCE GROWTH



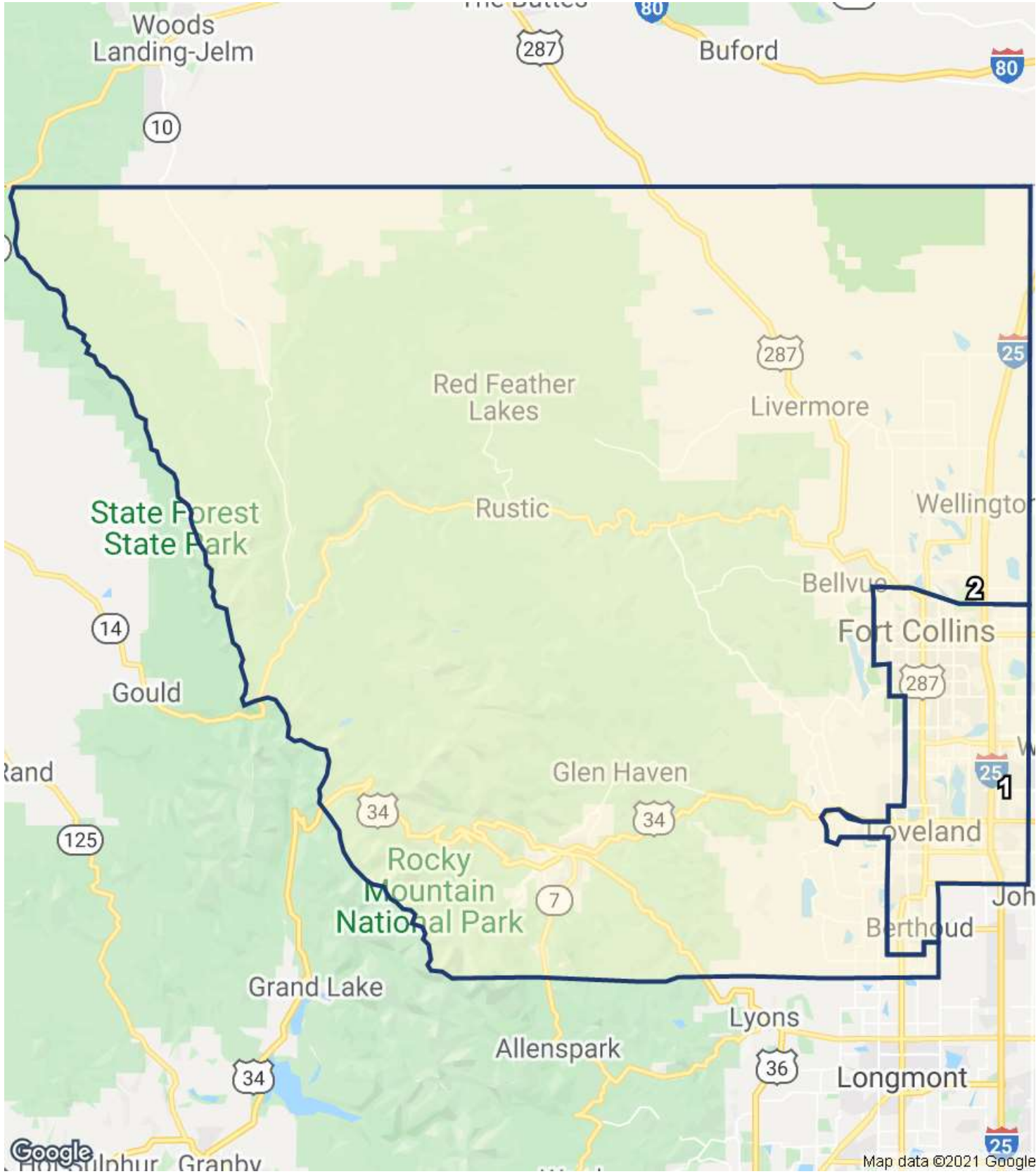
INCOME GROWTH



Source: Oxford Economics

Submarkets

FORT COLLINS SUBMARKETS



Submarkets

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Fort Collins/Loveland	972	21,785	91.3%	1	7	293	1.3%	1	10	716	3.3%	1
2	Outlying Larimer Cnty	62	2,067	8.7%	2	0	0	0%	-	1	22	1.1%	2

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Fort Collins/Loveland	\$10.64	1	4.8%	2	2.3%	1
2	Outlying Larimer Cnty	\$9.50	2	6.3%	1	1.1%	2

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Fort Collins/Loveland	882,516	4.1%	2	148,590	0.7%	1	1.4
2	Outlying Larimer Cnty	23,420	1.1%	1	(5,383)	-0.3%	2	-



OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	25,835,276	355,066	1.4%	342,394	1.3%	1.0
2024	25,480,210	410,296	1.6%	381,364	1.5%	1.1
2023	25,069,914	400,428	1.6%	401,252	1.6%	1.0
2022	24,669,486	415,293	1.7%	621,980	2.5%	0.7
2021	24,254,193	472,539	2.0%	527,329	2.2%	0.9
YTD	23,851,770	70,116	0.3%	271,347	1.1%	0.3
2020	23,781,654	399,601	1.7%	(54,943)	-0.2%	-
2019	23,382,053	348,856	1.5%	570,349	2.4%	0.6
2018	23,033,197	407,372	1.8%	396,884	1.7%	1.0
2017	22,625,825	373,262	1.7%	567,907	2.5%	0.7
2016	22,252,563	558,148	2.6%	446,788	2.0%	1.2
2015	21,694,415	4,932	0%	(212,187)	-1.0%	-
2014	21,689,483	324,977	1.5%	515,031	2.4%	0.6
2013	21,364,506	169,265	0.8%	291,918	1.4%	0.6
2012	21,195,241	18,080	0.1%	298,914	1.4%	0.1
2011	21,177,161	13,130	0.1%	70,577	0.3%	0.2
2010	21,164,031	120,177	0.6%	242,560	1.1%	0.5
2009	21,043,854	13,560	0.1%	(289,631)	-1.4%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	3,237,365	(2,805)	-0.1%	(11,662)	-0.4%	-
2024	3,240,170	(2,752)	-0.1%	(9,650)	-0.3%	-
2023	3,242,922	(2,728)	-0.1%	(1,112)	0%	-
2022	3,245,650	(2,729)	-0.1%	1,686	0.1%	-
2021	3,248,379	(577)	0%	70,385	2.2%	-
YTD	3,248,956	0	0%	87,122	2.7%	0
2020	3,248,956	0	0%	(132,683)	-4.1%	-
2019	3,248,956	0	0%	41,356	1.3%	0
2018	3,248,956	176,890	5.8%	353,023	10.9%	0.5
2017	3,072,066	119,108	4.0%	157,875	5.1%	0.8
2016	2,952,958	302,257	11.4%	339,469	11.5%	0.9
2015	2,650,701	16,250	0.6%	(302,050)	-11.4%	-
2014	2,634,451	0	0%	16,563	0.6%	0
2013	2,634,451	(2,360)	-0.1%	35,614	1.4%	-
2012	2,636,811	0	0%	(2,663)	-0.1%	-
2011	2,636,811	0	0%	(39,900)	-1.5%	-
2010	2,636,811	22,514	0.9%	48,976	1.9%	0.5
2009	2,614,297	0	0%	96,752	3.7%	0



Supply & Demand Trends

Fort Collins Industrial

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	16,324,351	318,344	2.0%	319,891	2.0%	1.0
2024	16,006,007	366,769	2.3%	350,474	2.2%	1.0
2023	15,639,238	358,115	2.3%	358,523	2.3%	1.0
2022	15,281,123	410,971	2.8%	595,445	3.9%	0.7
2021	14,870,152	418,257	2.9%	369,573	2.5%	1.1
YTD	14,488,395	36,500	0.3%	115,553	0.8%	0.3
2020	14,451,895	347,984	2.5%	40,804	0.3%	8.5
2019	14,103,911	278,866	2.0%	428,761	3.0%	0.7
2018	13,825,045	220,807	1.6%	(14,792)	-0.1%	-
2017	13,604,238	296,085	2.2%	415,389	3.1%	0.7
2016	13,308,153	242,491	1.9%	55,859	0.4%	4.3
2015	13,065,662	(11,318)	-0.1%	35,733	0.3%	-
2014	13,076,980	256,896	2.0%	403,347	3.1%	0.6
2013	12,820,084	171,625	1.4%	262,091	2.0%	0.7
2012	12,648,459	18,080	0.1%	249,694	2.0%	0.1
2011	12,630,379	13,130	0.1%	55,164	0.4%	0.2
2010	12,617,249	97,663	0.8%	114,823	0.9%	0.9
2009	12,519,586	13,560	0.1%	(156,521)	-1.3%	-

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	6,273,560	39,527	0.6%	34,165	0.5%	1.2
2024	6,234,033	46,279	0.7%	40,540	0.7%	1.1
2023	6,187,754	45,041	0.7%	43,841	0.7%	1.0
2022	6,142,713	7,051	0.1%	24,849	0.4%	0.3
2021	6,135,662	54,859	0.9%	87,371	1.4%	0.6
YTD	6,114,419	33,616	0.6%	68,672	1.1%	0.5
2020	6,080,803	51,617	0.9%	36,936	0.6%	1.4
2019	6,029,186	69,990	1.2%	100,232	1.7%	0.7
2018	5,959,196	9,675	0.2%	58,653	1.0%	0.2
2017	5,949,521	(41,931)	-0.7%	(5,357)	-0.1%	-
2016	5,991,452	13,400	0.2%	51,460	0.9%	0.3
2015	5,978,052	0	0%	54,130	0.9%	0
2014	5,978,052	68,081	1.2%	95,121	1.6%	0.7
2013	5,909,971	0	0%	(5,787)	-0.1%	-
2012	5,909,971	0	0%	51,883	0.9%	0
2011	5,909,971	0	0%	55,313	0.9%	0
2010	5,909,971	0	0%	78,761	1.3%	0
2009	5,909,971	0	0%	(229,862)	-3.9%	-



OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$12.55	167	2.2%	22.6%	887,486	3.4%	0%
2024	\$12.28	163	3.0%	19.9%	876,188	3.4%	0.1%
2023	\$11.91	158	4.4%	16.3%	848,182	3.4%	-0.1%
2022	\$11.41	151	5.5%	11.4%	849,281	3.4%	-0.9%
2021	\$10.81	144	5.6%	5.6%	1,054,583	4.3%	-0.3%
YTD	\$10.54	140	3.0%	3.0%	905,936	3.8%	-0.9%
2020	\$10.24	136	3.1%	0%	1,107,167	4.7%	1.9%
2019	\$9.93	132	4.4%	-3.0%	652,623	2.8%	-1.0%
2018	\$9.51	126	5.8%	-7.1%	874,116	3.8%	0%
2017	\$8.99	119	4.4%	-12.2%	863,628	3.8%	-1.0%
2016	\$8.61	114	3.4%	-15.9%	1,080,923	4.9%	0.4%
2015	\$8.32	110	4.4%	-18.7%	969,563	4.5%	1.0%
2014	\$7.97	106	5.1%	-22.2%	752,444	3.5%	-0.9%
2013	\$7.58	101	3.4%	-25.9%	942,498	4.4%	-0.6%
2012	\$7.33	97	1.8%	-28.4%	1,065,151	5.0%	-1.3%
2011	\$7.20	96	0.5%	-29.7%	1,345,985	6.4%	-0.3%
2010	\$7.16	95	-2.4%	-30.1%	1,403,432	6.6%	-0.6%
2009	\$7.34	97	-2.6%	-28.4%	1,525,815	7.3%	1.4%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$12.56	171	2.2%	22.3%	170,158	5.3%	0.3%
2024	\$12.28	167	3.1%	19.7%	161,094	5.0%	0.2%
2023	\$11.92	162	4.4%	16.1%	154,001	4.7%	0%
2022	\$11.41	155	5.5%	11.2%	155,415	4.8%	-0.1%
2021	\$10.82	147	5.4%	5.4%	159,655	4.9%	-2.2%
YTD	\$10.55	144	2.8%	2.8%	143,479	4.4%	-2.7%
2020	\$10.26	140	2.4%	0%	230,601	7.1%	4.1%
2019	\$10.02	136	4.4%	-2.4%	97,918	3.0%	-1.3%
2018	\$9.60	131	6.4%	-6.5%	139,274	4.3%	-6.0%
2017	\$9.02	123	3.8%	-12.1%	315,407	10.3%	-1.7%
2016	\$8.69	118	3.2%	-15.3%	354,174	12.0%	-2.8%
2015	\$8.42	115	5.3%	-18.0%	391,386	14.8%	12.0%
2014	\$7.99	109	5.5%	-22.1%	73,086	2.8%	-0.6%
2013	\$7.57	103	2.7%	-26.2%	89,649	3.4%	-1.4%
2012	\$7.37	100	2.0%	-28.2%	127,623	4.8%	0.1%
2011	\$7.23	98	1.3%	-29.5%	124,960	4.7%	1.5%
2010	\$7.14	97	-2.0%	-30.5%	85,060	3.2%	-1.0%
2009	\$7.28	99	-0.9%	-29.1%	111,522	4.3%	-3.7%



LOGISTICS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$11.82	170	2.2%	22.7%	437,921	2.7%	-0.1%
2024	\$11.56	166	3.0%	20.1%	440,672	2.8%	0%
2023	\$11.22	162	4.4%	16.5%	425,045	2.7%	-0.1%
2022	\$10.75	155	5.5%	11.6%	425,923	2.8%	-1.3%
2021	\$10.18	147	5.8%	5.8%	609,447	4.1%	0.2%
YTD	\$9.93	143	3.1%	3.1%	479,562	3.3%	-0.6%
2020	\$9.63	139	3.5%	0%	558,615	3.9%	2.1%
2019	\$9.30	134	4.4%	-3.4%	251,435	1.8%	-1.1%
2018	\$8.91	128	5.7%	-7.5%	401,330	2.9%	1.7%
2017	\$8.43	121	4.6%	-12.5%	165,731	1.2%	-1.1%
2016	\$8.05	116	3.2%	-16.4%	307,685	2.3%	1.4%
2015	\$7.80	112	4.1%	-19.0%	121,053	0.9%	-0.4%
2014	\$7.50	108	5.6%	-22.1%	168,104	1.3%	-1.2%
2013	\$7.10	102	4.3%	-26.3%	314,555	2.5%	-0.7%
2012	\$6.81	98	2.5%	-29.3%	405,021	3.2%	-1.8%
2011	\$6.64	96	0.6%	-31.1%	636,635	5.0%	-0.3%
2010	\$6.59	95	-2.4%	-31.5%	678,669	5.4%	-0.2%
2009	\$6.76	97	-2.8%	-29.8%	695,829	5.6%	1.4%

FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$14.35	158	2.2%	22.3%	279,407	4.5%	0.1%
2024	\$14.04	155	3.1%	19.6%	274,422	4.4%	0.1%
2023	\$13.62	150	4.4%	16.1%	269,136	4.3%	0%
2022	\$13.05	144	5.5%	11.2%	267,943	4.4%	-0.3%
2021	\$12.37	136	5.4%	5.4%	285,481	4.7%	-0.6%
YTD	\$12.06	133	2.7%	2.7%	282,895	4.6%	-0.6%
2020	\$11.74	129	2.6%	0%	317,951	5.2%	0.2%
2019	\$11.43	126	4.4%	-2.6%	303,270	5.0%	-0.6%
2018	\$10.95	121	5.7%	-6.7%	333,512	5.6%	-0.8%
2017	\$10.36	114	4.3%	-11.7%	382,490	6.4%	-0.6%
2016	\$9.93	109	4.0%	-15.4%	419,064	7.0%	-0.7%
2015	\$9.55	105	4.6%	-18.6%	457,124	7.6%	-0.9%
2014	\$9.13	101	3.9%	-22.2%	511,254	8.6%	-0.6%
2013	\$8.79	97	2.0%	-25.1%	538,294	9.1%	0.1%
2012	\$8.61	95	0.4%	-26.6%	532,507	9.0%	-0.9%
2011	\$8.58	94	-0.1%	-26.9%	584,390	9.9%	-0.9%
2010	\$8.58	95	-2.5%	-26.9%	639,703	10.8%	-1.3%
2009	\$8.80	97	-3.1%	-25.0%	718,464	12.2%	3.9%



OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$160.45	235	6.8%
2024	-	-	-	-	-	-	\$157.76	231	6.8%
2023	-	-	-	-	-	-	\$154.05	225	6.8%
2022	-	-	-	-	-	-	\$147.93	216	6.7%
2021	-	-	-	-	-	-	\$140.71	206	6.7%
YTD	70	\$101.6M	4.5%	\$2,469,574	\$112.02	7.0%	\$135.95	199	6.7%
2020	82	\$152.4M	8.1%	\$3,011,433	\$82.19	7.6%	\$131.63	193	6.7%
2019	89	\$139.1M	5.7%	\$2,940,746	\$119.08	6.8%	\$121.26	177	6.8%
2018	72	\$76.1M	4.5%	\$2,407,993	\$100.69	6.5%	\$111.81	164	7.0%
2017	90	\$108.3M	6.0%	\$2,403,467	\$98.01	7.5%	\$103.60	152	7.1%
2016	79	\$58.2M	4.3%	\$1,588,426	\$86.22	7.7%	\$97.74	143	7.1%
2015	107	\$54.8M	8.0%	\$1,588,239	\$87.91	6.2%	\$92.32	135	7.3%
2014	79	\$53.2M	4.4%	\$1,349,729	\$69.41	7.5%	\$86.34	126	7.5%
2013	116	\$75.6M	5.5%	\$1,395,306	\$79.98	7.4%	\$77.91	114	7.8%
2012	77	\$35.7M	3.5%	\$1,080,479	\$52.86	7.5%	\$73.21	107	8.1%
2011	71	\$26.8M	9.1%	\$1,228,223	\$24.33	-	\$68.09	100	8.4%
2010	52	\$28M	2.4%	\$1,078,508	\$57.49	11.1%	\$64.97	95	8.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$150.53	227	7.0%
2024	-	-	-	-	-	-	\$148.03	224	6.9%
2023	-	-	-	-	-	-	\$144.54	218	6.9%
2022	-	-	-	-	-	-	\$138.79	210	6.8%
2021	-	-	-	-	-	-	\$132.04	199	6.8%
YTD	11	\$7.4M	3.3%	\$3,043,261	\$111.10	-	\$127.62	193	6.9%
2020	4	\$6.7M	1.6%	\$2,225,000	\$147.87	-	\$123.61	187	6.8%
2019	8	\$27.3M	7.1%	\$3,407,512	\$117.43	-	\$113.41	171	7.0%
2018	4	\$7.5M	7.6%	\$3,750,000	\$42.89	-	\$104.63	158	7.2%
2017	5	\$8.2M	3.1%	\$1,635,999	\$86.47	-	\$97.09	147	7.3%
2016	3	\$4.6M	2.1%	\$2,295,000	\$88.61	-	\$91.89	139	7.3%
2015	2	\$760K	1.7%	\$760,000	\$125	-	\$88.60	134	7.4%
2014	5	\$1.8M	2.4%	\$612,767	\$40.54	-	\$83.04	125	7.6%
2013	5	\$2.6M	1.6%	\$521,240	\$62.85	-	\$74.51	113	8.0%
2012	3	\$2.4M	3.9%	\$1,200,000	\$23.89	-	\$70.11	106	8.2%
2011	4	\$2.5M	3.0%	\$1,255,850	\$42.28	-	\$65.42	99	8.5%
2010	1	\$11.9M	6.4%	\$11,850,000	\$69.78	10.3%	\$63	95	8.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.



LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$159.30	234	6.8%
2024	-	-	-	-	-	-	\$156.65	230	6.8%
2023	-	-	-	-	-	-	\$153	225	6.7%
2022	-	-	-	-	-	-	\$146.93	216	6.7%
2021	-	-	-	-	-	-	\$139.76	205	6.6%
YTD	46	\$52.2M	5.4%	\$1,697,329	\$79.88	7.1%	\$135.06	198	6.7%
2020	48	\$112M	7.1%	\$3,200,849	\$111.69	7.4%	\$130.49	192	6.6%
2019	58	\$76.1M	6.2%	\$2,603,016	\$102.14	7.0%	\$120.13	176	6.8%
2018	54	\$49.9M	4.3%	\$2,095,908	\$118.43	6.5%	\$110.26	162	7.0%
2017	53	\$38.3M	4.9%	\$2,227,993	\$83.82	7.4%	\$101.92	150	7.1%
2016	58	\$35.9M	4.9%	\$1,438,254	\$86.47	8.0%	\$96.17	141	7.1%
2015	62	\$41.6M	4.8%	\$1,547,704	\$101.62	6.2%	\$90.63	133	7.2%
2014	62	\$39.4M	4.9%	\$1,443,582	\$81.43	7.5%	\$84.81	125	7.5%
2013	80	\$53.1M	7.2%	\$1,578,419	\$75.32	6.9%	\$77.58	114	7.8%
2012	55	\$24.3M	4.1%	\$909,835	\$50.86	8.5%	\$72.77	107	8.0%
2011	35	\$8M	2.2%	\$679,776	\$45.25	-	\$67.53	99	8.3%
2010	36	\$10.1M	2.1%	\$471,497	\$42.22	12.0%	\$64.40	95	8.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$168.50	240	6.9%
2024	-	-	-	-	-	-	\$165.63	236	6.8%
2023	-	-	-	-	-	-	\$161.67	231	6.8%
2022	-	-	-	-	-	-	\$155.22	221	6.7%
2021	-	-	-	-	-	-	\$147.63	211	6.7%
YTD	13	\$42M	3.1%	\$5,394,643	\$224.62	7.0%	\$142.55	203	6.8%
2020	30	\$33.7M	13.8%	\$2,660,175	\$41.81	8.0%	\$138.66	198	6.7%
2019	23	\$35.7M	3.6%	\$3,539,032	\$187.47	6.7%	\$128.18	183	6.9%
2018	14	\$18.7M	3.0%	\$3,453,455	\$117.20	-	\$119.44	170	7.0%
2017	32	\$61.8M	9.9%	\$2,705,510	\$111.70	7.7%	\$111.19	159	7.1%
2016	18	\$17.7M	4.0%	\$1,862,298	\$85.13	7.5%	\$104.69	149	7.1%
2015	43	\$12.5M	17.7%	\$1,888,418	\$59.94	-	\$98.45	140	7.2%
2014	12	\$12M	4.0%	\$1,332,800	\$50.51	-	\$91.88	131	7.5%
2013	31	\$19.9M	3.5%	\$1,293,209	\$100.05	8.0%	\$80.51	115	7.9%
2012	19	\$9.1M	1.9%	\$2,365,948	\$92.04	7.0%	\$75.92	108	8.2%
2011	32	\$16.3M	26.5%	\$1,906,875	\$18.80	-	\$70.86	101	8.5%
2010	15	\$6.1M	1.3%	\$1,117,183	\$77.34	-	\$67.43	96	8.8%

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