TRANSWESTERN®

Outlook

A market report for commercial real estate executives

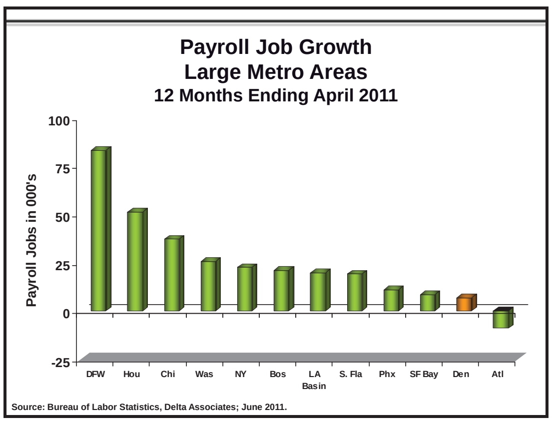
DENVER METRO SNAPSHOT AT MID-YEAR 2011

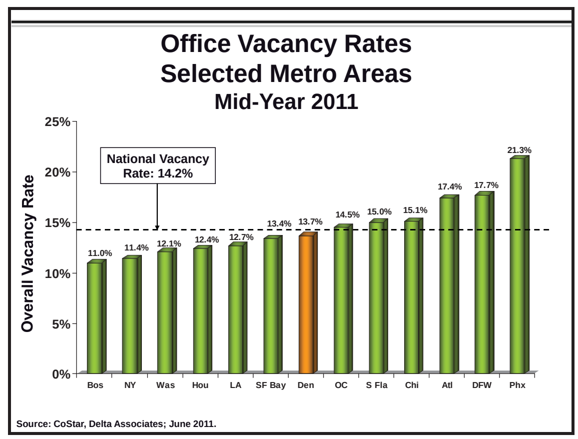
Economy: Modest Growth

- 12-month job growth through April 2011: 6,600
- Unemployment rate: 8.1% in April 2011, down from 8.6% one year ago. U.S. unemployment at 9.0% in April 2011.
- Outlook: Gradual improvement ahead as national economy strengthens.

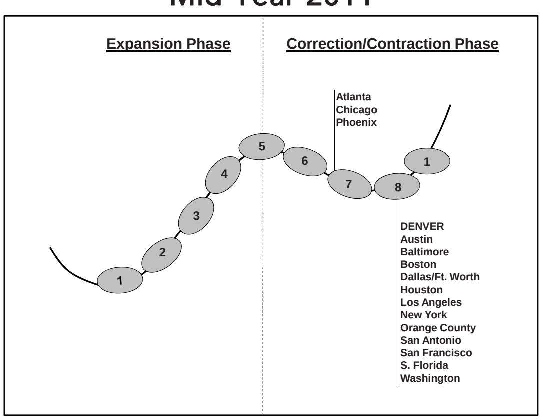
Office Market: Idling

- Net Absorption in 2nd quarter: 94,000 SF. 1st half 2011: 392,000 SF.
- Overall vacancy rate: 13.7%, down from 13.8% in the 1st quarter.
- Asking rents: Holding steady; modest traction likely by year-end.





Office Market Cycle Position Mid-Year 2011

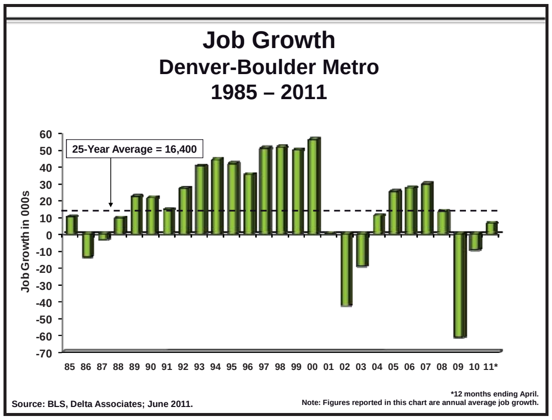


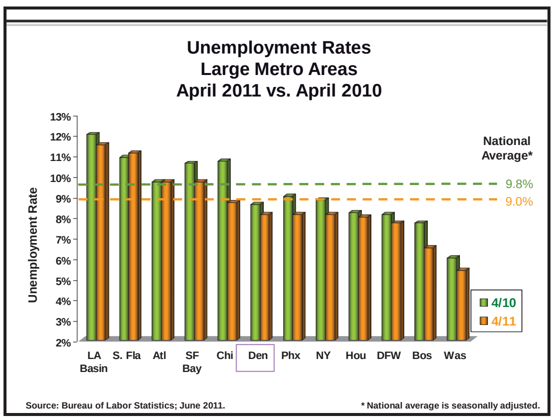
Source: Delta Associates; June 2011.

The Denver office market continues its gradual improvement, suggesting the following strategies:

- **Tenants:** Take advantage of market conditions by renegotiating leases, signing extensions at favorable terms, or moving to better space before balance shifts toward landlords.
- **Developers:** Look to acquire discounted assets for redevelopment as the next expansion unfolds. Take steps to ensure future projects are "shovel-ready." Actively market planned projects to ensure high pre-lease rates in pursuit of construction financing.
- **Investors:** Optimize performance of existing assets to ensure stable tenancy. Pursue discounted assets soon with an eye to long-term growth. Seek well-located buildings with short-term occupancy or financial challenges.

TRANSWESTERN® DELTA ASSOCIATES





Core Industries
Denver-Boulder CSA
2010

Core Industries	$ (Bil)	% GRP
Financial, Professional and Business Services	$24	18%
State & Federal Government	$15	11%
Construction	$10	8%
Educational and Health Services	$9	7%
Tech/Telecom Services	$6	5%
Manufacturing	$6	5%
Hospitality/Tourism	$5	4%
Transportation & Warehousing	$4	3%
Total Core Industries:	$79	59%
Other	$54	41%
Total GRP:	$133	100%

Note: Subcomponents of core industries were redefined in June 2007.
Source: GMU Center for Regional Analysis, Delta Associates; June 2011.
GRP = Gross Regional Product
Totals may not add due to rounding.

THE DENVER METRO ECONOMY

Modest Growth

The Denver metro economy continues to experience modest but steady growth, with 12-month payroll employment gains at 6,600 through April 2011. This is a 0.5% gain, compared to 1.0% growth nationally. Professional/Business Services, Health Care, and Trade/Transportation are leading the way, while the Construction, Financial, and Information sectors continue to struggle.

The Colorado Business Conditions Index, as reported by The Goss Institute, remains in "positive-growth" (a value above 50) territory. Although the April index decreased to 53.8, from 59.6 in March, a level above 50 indicates expectations of an expanding economy over the next six months. Durable goods producers are reporting expanding business activity from international markets and improved prospects from electronic component manufacturers. Meanwhile, *Chief Executive* magazine's new Best/Worst States for Business report ranks Colorado as the 12th best state for business in 2011, down four spots from last year.

The region's unemployment rate declined to 8.1% in April 2011, from 8.6% one year ago. The national unemployment rate was 9.0% in April 2011, compared to 9.8% in April 2010.

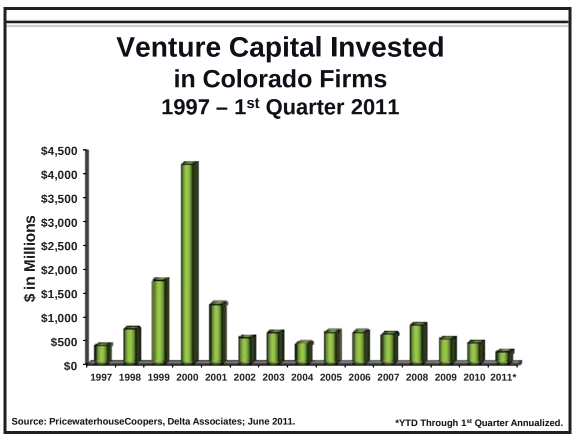
12-month job growth through April 2011:

- **Professional/Business Services:** 6,200
- **Education/Health:** 4,000
- **Trade/Transportation:** 3,100
- **Manufacturing:** 1,100
- **Hospitality/Tourism:** 1,000

Financial Services sector employment declined by 1,400 jobs – a 1.4% decline – while the **Professional and Business Services** sector gained 6,200 jobs – a 2.7% increase – in metro Denver for the 12 months ending April 2011. According to the Federal Deposit Insurance Corp. (FDIC), Colorado's banking industry is shrinking. Employment in this sector has declined due to FirstBank of Colorado's consolidation last year, the failure of two large banks in January and increased merger activity. The number of FDIC-insured institutions fell to 112 in March 2011, from 145 a year ago. With the large drop in insured institutions throughout Colorado, the number of full-time equivalent employees has dropped from 10,552 a year ago to 9,183.

Investment activity in the 1st quarter of 2011 decreased from an extraordinary 4th quarter in 2010; however, activity was greater than in the 1st quarter of 2010. According to the latest PricewaterhouseCoopers' *MoneyTree* report, Colorado firms raised $63.1 million in **venture capital** in the 1st quarter of 2011, compared to $253.8 million in 4th quarter of 2010 and $51 million in the 1st quarter of 2010. The software industry attracted the majority of funding in the 1st quarter. In the largest financing deal of the quarter, LogRhythm Inc., a firm that provides log management and analysis software, received $10 million from a syndicate of investors including Access Venture, Adams Street Partners, Grotech Ventures, and High Country Ventures.

Construction sector employment declined by 5,600 jobs – a 7.6% reduction – in metro Denver over the 12 months ending April 2011. Denver has some large public construction projects that will employ thousands of people over the next few years, but a lack of private projects has slowed the industry. Until more private construction jobs enter the pipeline, the construction industry will remain soft.



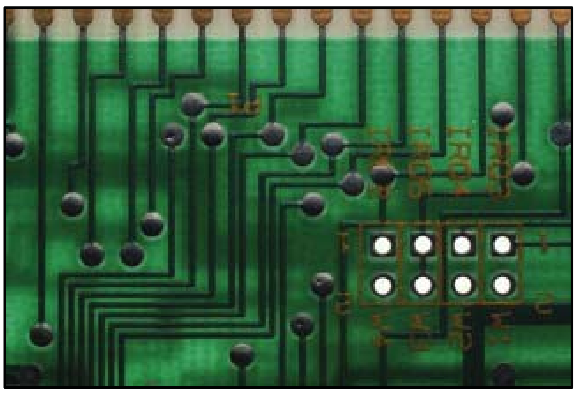
Two large Federally-funded projects, the $800 million Veterans Administration Hospital in Aurora and the $2 billion FastTracks Eagle Project, are expected to employ 10,000 and 1,000 people, respectively. Additionally, the new $258 million Ralph L. Carr Justice Center, expected to finish in 2013, and the $111 million Colorado History Center, to be finished later this year, are expected to employ 2,000 people.

The Denver hospital system also continues to generate a significant amount of construction activity. Denver area hospitals are major regional employers and have been moving ahead with a $2 billion building boom that will increase local construction employment. Exempla Saint Joseph Hospital started construction of the $623 million facility on Downing Street. The 826,000 SF, 348-bed hospital is expected to open at year-end 2014 and the project will create about 1,400 construction jobs. In addition, the University of Colorado Hospital broke ground on its $400 million expansion that will add a 714,000 SF, 276-bed second patient tower, and a 39,800 SF radiation therapy vault to the Aurora facility. The expansion will bring 1,400 full-time jobs to the medical campus and create almost 2,500 construction jobs.

Manufacturing activity in the Denver area subsided in the spring. The Purchasing Managers Index for Denver dropped to 42.6 in April 2011, from 55.4 in January 2011. A reading of 50 is neutral. Nevertheless, this sector gained 1,100 jobs over the 12 months ending April 2011.

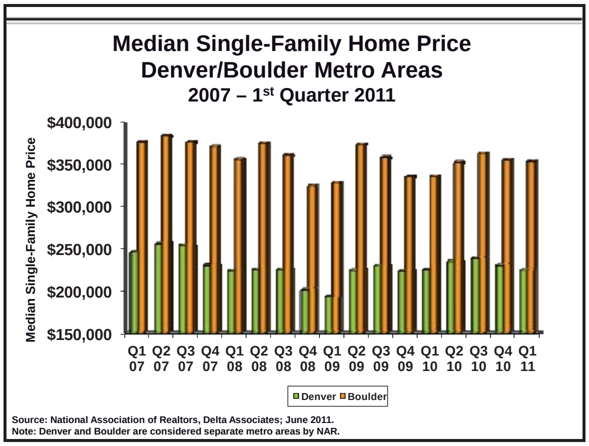
Meanwhile, ProLogis and AMB Property agreed to a merger; they will own/manage approximately 600 million SF of distribution facilities in 22 countries and will have $46 billion in assets. The combined company will be based in San Francisco, but will have an operations/management headquarters in Denver.

In **mining and drilling**: The Niobrara oil field continues to be beneficial for the Denver International Airport (DIA) and the Colorado Land Board. Thousands of acres are being auctioned off for exploration and development later this year. Citiventure Associates, which has been hired to develop a leasing plan, estimates that revenues and royalties could reach $1.5 billion if the 26,000 acres at the old Lowry Bombing Range and the 34,000 DIA acres are leased.

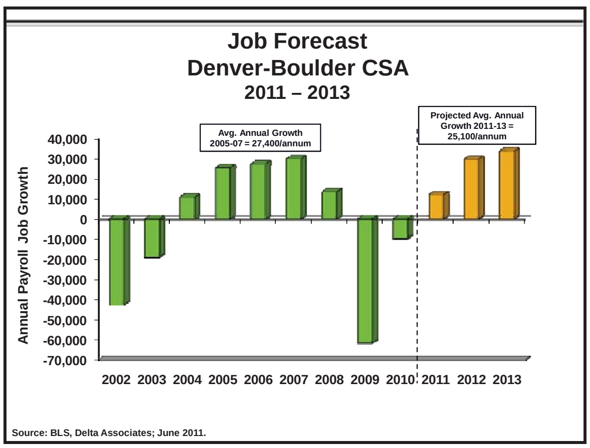


In **information**: Recently, a local surge of data-storage startups has sparked hopes for a larger revival. A new generation of data-storage companies are attracting venture capital and taking advantage of Denver's large pool of data-storage veterans. The region used to develop and manufacture data-storage hardware in Boulder County, but economic and technological shifts have shaken up the industry. Metro Denver used to serve as a hub for data-storage technology with a deep pool of industry talent including software engineers and developers. Today, these veterans are retooling their skills and finding new life in the industry, and companies are taking advantage of the expertise. NexGen Storage attracted $2 million in venture capital earlier this year and is hiring employees; it is developing technology that will serve as an "on ramp" for cloud computing. SolidFire announced its move to Boulder to be able to recruit from Denver's deep pool of data-storage workers. Fusion-io opened a 10,000 SF office in Superior this spring with hopes to grow to 40+ employees. With tablets, smart phones, and mobile content driving the need for more data storage, a budding revival in the industry could benefit Denver substantially.

The **Hospitality/Tourism** sector gained 1,000 jobs – a 0.7% increase – in the Denver metro over the 12 months ending April 2011. Anticipated gains in job growth are expected later this year as Intrawest ULC has picked a site for its new headquarters in Lower Downtown. Intrawest owns the Steamboat, Stratton Mountain, Mont Tremblant, and Snowshoe resorts and runs Winter Park. Intrawest anticipates moving into its new space in September 2011.

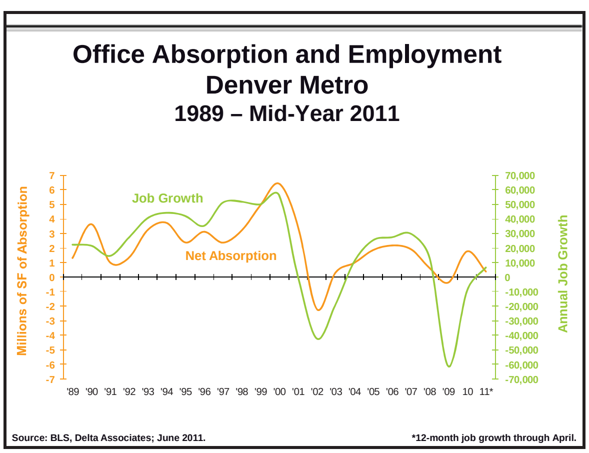


The Denver metro area residential real estate market reported mixed signals recently. The median sales price of an existing single family home in the Denver metro area declined 0.4% in the 1st quarter of 2011, to $223,800, from $224,800 in the 1st quarter of 2010, according to the National Association of Realtors. However, according to the Colorado Division of Housing, new foreclosure filings in Denver fell 40.1% in April 2011, when compared with the same month one year earlier. Foreclosure sales at auction decreased 11.2% during the same period, making April the fifth consecutive month during which both filings and sales were down when compared to the same month a year earlier. According to the real estate experts who participated in the Emerging Trends in Real Estate 2011 survey by PricewaterhouseCoopers and ULI, Denver is starting to see signs of strength in the real estate sector. Denver's diversified economy, investments in public space and streetscapes and the return of consumer confidence create a good framework for future real estate development and economic sustainability.



THE DENVER METRO ECONOMIC OUTLOOK

The Denver metro economy will likely experience stronger growth over the next several years, as the national economy strengthens. Growth in Professional/Business Services and Hospitality/Tourism, supported by turnarounds in Financial Services and the Construction industry, will drive the local expansion. We expect annual employment growth to settle around 12,000 in 2011, before jumping to 30,000 per annum in 2012-13, well ahead of the 25-year average of 16,400.



THE DENVER METRO OFFICE MARKET

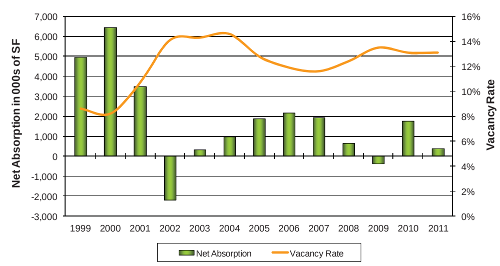
Market Idling

Businesses in metro Denver appear to be waiting for stronger economic signals before committing to substantial expansion plans. As a result, absorption of office space was minimal – though positive – in the 2nd quarter, while vacancy and rents were both relatively stable.

Net Absorption Positive but Modest

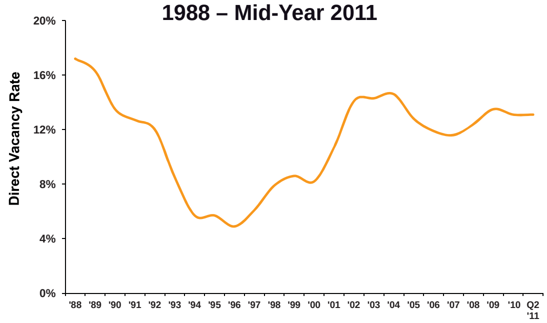
Net absorption of office space totaled 94,000 SF in metro Denver in the 2nd quarter of 2011, compared to 298,000 SF in the 1st quarter. In the 1st half of 2011, net absorption totaled 392,000 SF, compared to negative 229,000 SF in the 1st half of 2010. Greenwood Village led the market in the 2nd quarter, with DirecTV taking 67,000 SF there.

Net Absorption of Office Space and Direct Vacancy Rate Trends
Denver Metro
1999 – Mid-Year 2011



Sources: Vacancy – Delta Associates' analysis of CoStar data;
Net Absorption – Delta Associates; June 2011.

Office Vacancy Rate
Denver Metro
1988 – Mid-Year 2011



Source: Delta Associates' analysis of CoStar data; June 2011.

Net Absorption in Selected Submarkets (in SF):

	1st Half 2011
• Aurora/Northeast	166,000
• CBD	135,000
• West	108,000

Available sublease space in metro Denver decreased by 104,000 SF in the 2nd quarter of 2011. There is approximately 894,000 SF of sublease space on the market, representing 0.6% of the standing inventory.

Vacancy Rate Edges Down

Metro Denver's overall office vacancy rate (including sublet space) edged down to 13.7% at mid-year 2011, from 13.8% in the 1st quarter of 2011, and is down from a cyclical peak of 14.6% in the 1st quarter of 2010.

The direct office vacancy rate was unchanged in the 2nd quarter of 2011, at 13.1%, but is down from a cyclical peak of 13.6% in the 1st quarter of 2010.

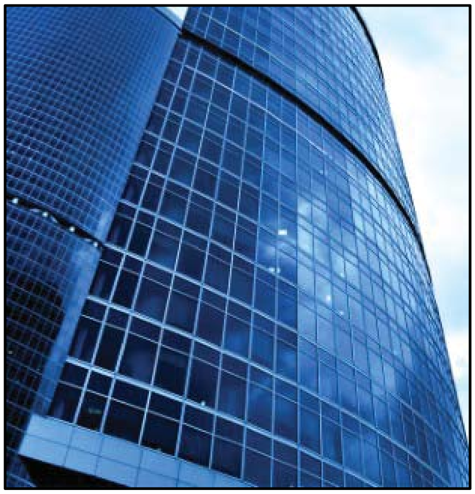
Overall Vacancy Rates in Selected Submarkets:

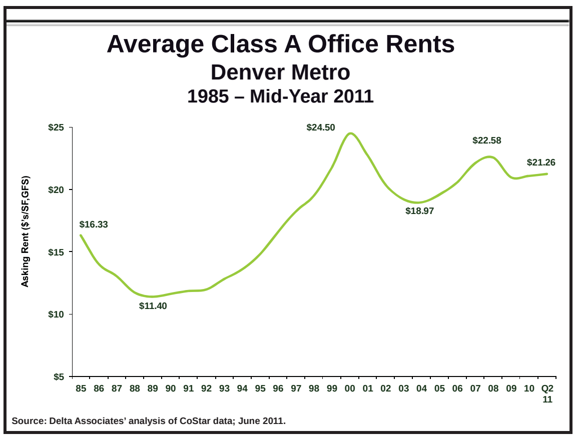
• Boulder	10.3%
• CBD	12.8%
• Denver Tech Center	14.4%

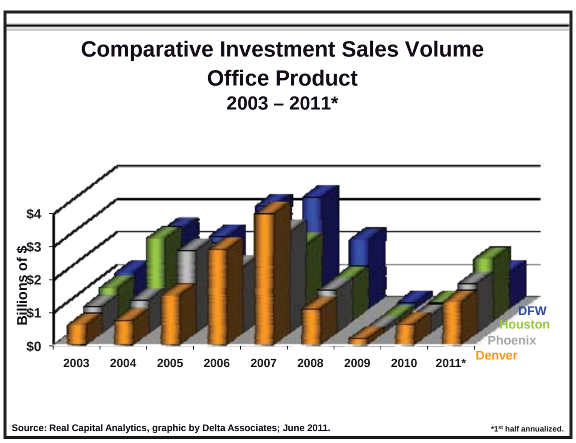
The metro Denver overall office vacancy rate will likely decline steadily over the next two years, as increased demand for space outpaces the limited pipeline of new supply. As a result, the overall vacancy rate will likely decline into the mid-12% range two years from now.

Construction Pipeline Steady

There is 823,883 SF of office space under construction or renovation at mid-year 2011, compared to 766,694 in the 1st quarter and 1.9 million SF a year ago. Space under construction at June 2011 is 78% pre-leased, compared to 65% in the 1st quarter and 39% a year ago. Notable projects under construction include DaVita's headquarters in the CBD and the St. Anthony Medical West Campus in West Denver. Construction remains modest at just 0.6% of metro Denver's standing inventory.







Office Space U/C and Renovation Denver Metro Area Mid-Year 2011		
Submarket	**SF**	**% Pre-leased**
CBD	371,773	86%
West	200,000	100%
Midtown	106,467	56%
Aurora/Northeast	66,000	0%
North	44,500	70%
Northwest	35,143	88%
Total	**823,883**	**78%**

Source: Delta Associates, CoStar; June 2011.

Metro Denver office deliveries totaled 451,822 SF in the 1st half of 2011, compared to 1.2 million SF in the 1st half of 2010. Space delivered in the 1st half of 2011 was 80% leased upon delivery, compared to 61% during the same period in 2010.

Office Asking Rents: Holding Steady

Asking office rents held steady in metro Denver in the 1st half of 2011. Class A asking rents edged up slightly. Landlords continue to maintain stable face rents while making substantial concessions to close deals, which is pushing effective rents down.

Asking rents will likely gain modest traction by the end of the year as demand increases, particularly given the limited amount of new supply in the pipeline. Concessions are likely to burn off slowly during the balance of 2011 and into early 2012.

Investment Sales Activity Up

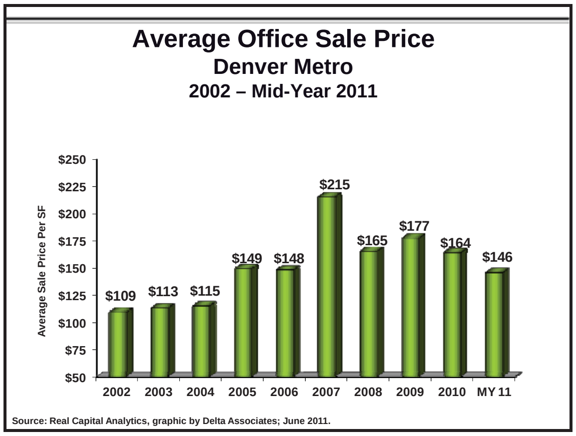
We recorded $638 million of investment sales in metro Denver in the 1st half of 2011, compared to $166 million in the same time period last year. We expect to see increased activity during the 2nd half of the year, as market conditions continue to improve and credit becomes more available.

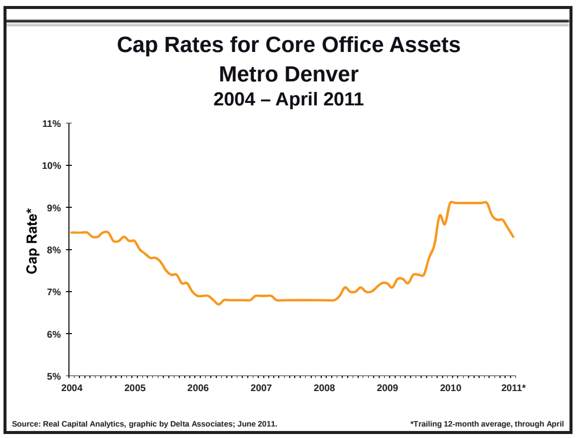
The average investment sale price in metro Denver in the 1st half of 2011 was $146/SF, compared to $164/SF for all of 2010. Although the number of sales has increased, pricing remains volatile and difficult to gauge. The most notable transaction in the 2nd quarter of 2011 was Cornerstone's purchase of Tuscany Plaza from Lowe Enterprises for $47.1 million, or $182/SF. Sale prices likely will gain traction in the period ahead as a result of increased demand for office assets and improved market fundamentals.

TRANSWESTERN®

Outlook

A market report for commercial real estate executives





Selected 1st Half of 2011 Office Building Transactions:

Building/Submarket	Sale Price/Buyer
1800 Larimer Street CBD	$213.0 million ($430/SF) Invesco Real Estate
Tuscany Plaza Greenwood Village	$47.1 million ($182/SF) Cornerstone RE Advisors

Source: Real Capital Analytics; June 2011.

Cap rates declined to 7.8% on a trailing 12-month basis for core office assets that sold in metro Denver as of April 2011, down from a cyclical peak of 9.1% in mid-2010. Recent trades for core office product are occurring in the 7% to 8% range, with some well-located properties trading below 7%.

We may see cap rates edge down further in the period ahead, as rents firm, credit gradually becomes more available and more competition enters the market. However, if interest rates rise in the period ahead, as many economists expect, cap rates could edge up.

THE DENVER METRO OFFICE MARKET OUTLOOK

The Denver metro office market will likely experience steady improvement through the balance of the year as the economic expansion solidifies. As job growth accelerates, particularly in Professional/Business Services, demand for office space will follow suit.

The overall vacancy rate will decline steadily, likely dropping into the mid-12% range over the next two years. Rents will likely begin to gain traction by late-2011 and into 2012, as market conditions strengthen. With construction equating to just 0.6% of the standing inventory and demand on the rise, concessions are likely to dissipate during the balance of 2011 and into early 2012.

SUMMARY OF OFFICE MARKET INDICATORS - ALL SPACE
DENVER METRO AREA
2008 THROUGH MID-YEAR 2011

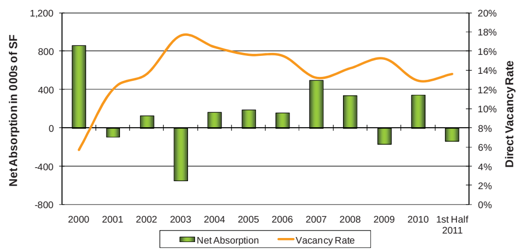
	June 2011			Direct Vacancy Rate at End of:				June 2011		Net Absorption (SF)				
Submarket	# of Bldgs.	Total Rentable SF All Bldgs. 1/	SF Avail. Immediately All Bldgs. 2/	2008	2009	2010	Jun-11	Vacancy Rate w/ Sublet	SF Under Constr. or Renovation	2008	2009	2010	Q2 2011	1st Half 2011
CBD	251	31,853,704	3,822,444	11.6%	12.6%	12.2%	12.0%	12.8%	371,773	(136,000)	201,000	936,000	0	135,000
Midtown	99	4,979,129	308,706	5.4%	5.0%	6.6%	6.2%	6.3%	106,467	70,000	37,000	(80,000)	(15,000)	20,000
Cherry Creek/Glendale	97	6,757,580	885,243	13.3%	13.9%	13.1%	13.1%	13.2%	-	119,000	(42,000)	54,000	14,000	0
Colorado Blvd./I-25	66	4,323,100	734,927	15.7%	17.5%	18.1%	17.0%	17.1%	-	142,000	(78,000)	(26,000)	(17,000)	48,000
Cherry Crk/Co. Blvd Total	163	11,080,680	1,620,170	14..2%	14.6%	15.1%	14.6%	14.7%	-	261,000	(120,000)	28,000	(3,000)	48,000
Northwest	220	12,764,669	1,518,996	11.0%	11.0%	11.2%	11.9%	13.7%	35,143	99,000	(59,000)	239,000	(89,000)	(72,000)
North	66	3,163,075	496,603	11.8%	13.5%	15.4%	15.7%	15.7%	44,500	94,000	8,000	(60,000)	6,000	(10,000)
Aurora/Northeast	178	10,555,486	1,446,102	17.9%	17.7%	13.9%	13.7%	14.1%	66,000	(292,000)	90,000	506,000	0	166,000
Southwest	155	6,793,429	849,179	12.6%	13.5%	12.8%	12.5%	12.7%	-	55,000	(61,000)	47,000	20,000	20,000
West	202	10,999,414	1,363,927	9.4%	10.6%	12.2%	12.4%	12.9%	200,000	219,000	(130,000)	(148,000)	37,000	108,000
Denver Tech Center	89	11,070,467	1,549,865	13.2%	16.8%	13.8%	14.0%	14.4%	-	(188,000)	(399,000)	331,000	22,000	(22,000)
Greenwood Village	87	8,121,319	1,429,352	13.4%	14.5%	18.3%	17.6%	18.3%	-	160,000	353,000	(309,000)	114,000	57,000
Inverness	68	4,984,609	533,353	14.2%	15.2%	11.2%	10.7%	11.0%	-	(17,000)	(63,000)	200,000	(30,000)	25,000
Balance of Southeast	275	17,446,828	2,878,727	14.4%	16.6%	16.3%	16.5%	16.9%	-	188,000	(340,000)	52,000	0	(35,000)
Southeast Total	519	41,623,223	6,391,297	13.9%	16.1%	15.4%	15.4%	15.8%	-	143,000	(449,000)	274,000	106,000	25,000
Boulder	208	8,080,590	735,334	9.2%	8.6%	8.1%	9.1%	10.3%	-	131,000	118,000	41,000	32,000	(48,000)
TOTAL - Denver Metro	**2,061**	**141,893,399**	**18,552,757**	**12.4%**	**13.5%**	**13.1%**	**13.1%**	**13.7%**	**823,883**	**644,000**	**(365,000)**	**1,783,000**	**94,000**	**392,000**
	Vacancy Rate With Sublet Space			**13.6%**	**14.5%**	**13.8%**	**13.7%**							

1/ Includes buildings 15,000 SF RBA and greater; includes multi and single tenant buildings. Does not include buildings under construction or buildings owned by the government.
2/ Does not include sublet space.

Note: Net absorption occurs when a lease is signed, not when space is physically occupied; pre-leased space counts as net absorption when a building delivers.
Source: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Delta Associates; June 2011.

Delta Associates, the research affiliate of Transwestern, is headquartered at:
500 Montgomery Street, Suite 600, Alexandria, VA 22314. Phone: 703-836-5700. DeltaAssociates.com

**Net Absorption of Office/Flex Space and Direct Vacancy Rate Trends
Denver Metro
2000 – Mid-Year 2011**



Source: Vacancy – Delta Associates' analysis of CoStar data;
Net Absorption – Delta Associates; June 2011.

THE DENVER METRO OFFICE/FLEX MARKET

Flex Market: Modest Improvement in Q2

The metro Denver office/flex market experienced positive 41,000 SF of net absorption in the 2nd quarter of 2011. This compares to negative 181,000 SF in the 1st quarter. In the 1st half of 2011, net absorption in metro Denver totaled negative 140,000 SF, compared to negative 92,000 SF in the 1st half of 2010. The Southwest Denver submarket was hurt by United Launch Alliance's consolidation in the 1st quarter. In general, the office/flex market has been quiet so far this year.

Net Absorption in Selected Submarkets (in SF):

	1st Half 2011
• Boulder	22,000
• Southeast	(43,000)
• Southwest	(89,000)

There is currently 41,000 SF of available office/flex sublease space on the market in metro Denver, representing 0.3% of the standing inventory. Available sublease space decreased by 2,000 SF in the 2nd quarter of 2011.

Office/Flex Vacancy Rate Decreases

Metro Denver's overall office/flex vacancy rate decreased to 13.9% at mid-year 2011, from 14.1% in the 1st quarter and 14.7% a year ago. The direct vacancy rate is 13.6%, down from 13.9% in March 2011 and 14.3% a year ago.

Overall Vacancy Rate in Selected Submarkets:

• Boulder	6.3%
• Northwest	17.2%
• Southeast	18.5%

We expect the overall office/flex vacancy rate in metro Denver to decline to approximately 13% in 12 months, as increased demand outpaces a negligible pipeline of new supply.

Office/Flex Construction: No Activity

There were no office/flex buildings under construction or renovation in the 1st half of 2011. We expect the pipeline to remain very limited in the near-term as demand remains modest and construction financing is difficult to secure.

Office/Flex Rents Edging Down

Office/flex asking rents declined approximately 3% in the 1st half of 2011 in metro Denver. However, as demand increases during the next year, office/flex rents likely will gain traction quickly, given the lack of new product in the pipeline.

Investment Sales: Modest

We recorded \$62 million of office/flex investment sales in metro Denver in the 1st half of 2011, compared to \$67 million in the 1st half of 2010. Sales prices averaged \$63/SF in the 1st half of 2011, down from \$75/SF in all of 2010. Sales activity will likely increase in the period ahead as credit becomes more available and investor demand for office/flex assets rises.

SUMMARY OF OFFICE/FLEX MARKET INDICATORS - ALL SPACE
DENVER METRO AREA
2008 THROUGH MID-YEAR 2011

Submarket	June 2011 # of Bldgs.	June 2011 Total Rentable SF All Bldgs. 1/	June 2011 SF Avail. Immediately All Bldgs. 2/	Direct Vacancy Rate at End of: 2008	2009	2010	Jun-11	June 2011 Vacancy Rate w/ Sublet	June 2011 SF Under Constr. or Renovation	Net Absorption (SF) 2008	2009	2010	Q2 2011	1st Half 2011
CBD	4	147,004	18,964	0.6%	12.7%	10.8%	12.9%	12.9%	-	22,000	(21,000)	1,000	-	(3,000)
Midtown	3	77,500	-	0.0%	0.0%	0.0%	0.0%	0.0%	-	1,000	-	-	-	-
Cherry Creek/Glendale	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Colorado Blvd./I-25	3	55,724	-	0.0%	0.0%	0.0%	0.0%	0.0%	-	17,000	-	-	-	-
Cherry Crk/Co. Blvd Total	3	55,724	-	0.0%	0.0%	0.0%	0.0%	0.0%	-	17,000	-	-	-	-
Northwest	85	2,682,108	439,866	15.0%	15.8%	16.1%	16.4%	17.2%	-	309,000	(9,000)	(8,000)	5,000	(8,000)
North	12	862,388	16,385	15.1%	9.3%	2.8%	1.9%	1.9%	-	(4,000)	48,000	38,000	9,000	7,000
Aurora/Northeast	85	2,868,525	484,781	18.9%	18.3%	15.5%	16.9%	16.9%	-	(25,000)	35,000	101,000	(32,000)	(41,000)
Southwest	70	2,705,394	338,174	10.4%	13.2%	9.2%	12.5%	12.5%	-	(7,000)	(75,000)	109,000	14,000	(89,000)
West	45	1,709,322	225,631	14.4%	14.5%	14.1%	13.2%	13.2%	-	(29,000)	(2,000)	7,000	10,000	15,000
Denver Tech Center	5	172,316	71,683	10.9%	29.0%	27.2%	41.6%	41.6%	-	(10,000)	(54,000)	3,000	(25,000)	(25,000)
Greenwood Village	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Inverness	41	1,623,537	258,142	15.8%	20.5%	15.6%	15.9%	17.1%	-	29,000	(76,000)	79,000	6,000	(5,000)
Balance of Southeast	66	2,603,129	463,357	19.4%	17.9%	17.3%	17.8%	17.8%	-	(37,000)	(29,000)	16,000	5,000	(13,000)
Southeast Total	112	4,398,982	793,183	17.6%	19.3%	17.1%	18.0%	18.5%	-	66,000	(159,000)	98,000	(14,000)	(43,000)
Boulder	73	2,744,976	172,933	8.7%	8.2%	7.1%	6.3%	6.3%	-	70,000	17,000	-	49,000	22,000
TOTAL - Denver Metro	**492**	**18,251,923**	**2,489,916**	**14.2%**	**15.2%**	**12.9%**	**13.6%**	**13.9%**	**-**	**336,000**	**(166,000)**	**346,000**	**41,000**	**(140,000)**
	Vacancy Rate With Sublet Space			14.9%	16.1%	13.2%	13.9%							

1/ Includes buildings 15,000 SF RBA and greater; includes multi and single tenant buildings. Does not include buildings under construction or buildings owned by the government.
2/ Does not include sublet space.

Note: Net absorption occurs when a lease is signed, not when space is physically occupied; pre-leased space counts as net absorption when a building delivers.
Source: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Delta Associates; June 2011.

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National Economy and Methodology

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- Our National Economic Outlook
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Note on data contained herein

Our inventory, vacancy and absorption figures include owner-occupied and single-tenant buildings. We include these buildings to capture the entire market so that we may derive correlations between job growth and occupancy of inventory. Our reported vacancy rate is based on immediate availability.

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