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 sections: labor force and employment, the consumer sector, residential real estate, and commercial real estate.

Notable Rankings

- *Forbes* released the 11th annual "Best States for Business" list measuring states with the best business climates that are poised to succeed going forward. Colorado claimed the fifth place ranking while Utah held the top spot. *Forbes* utilized 40 metrics from 17 sources across six broad categories including business costs, labor supply, regulatory environment, economic climate, growth prospects, and quality of life.
- Colorado ranks fourth among the states for a healthy environment for well-established small businesses according to the annual report on "Main Street Entrepreneurship" from the Ewing Marion Kauffman Foundation. Colorado's rank improved from seventh a year ago. The report notes that the small business survival rate for the nation was at its highest level in 30 years. A city-level analysis found that the Denver area ranked 15th, up four spots from last year.
- ValuePenguin ranked Boulder 13th and Fort Collins 30th on their rankings of the best cities for new college graduates. The study ranked 381 metropolitan statistical areas (MSAs) in each of three categories: availability of jobs; lifestyle factors such as entertainment and transportation; and affordability of housing. While both cities ranked high for lifestyle and jobs, they both ranked poorly for affordability. The Denver MSA ranked 89th overall.
- A new report from San Francisco-based Apartment List found that where Millennials choose to live correlates strongly with median income growth in their chosen city. Denver ranked 29th out of 50 major metros for the number of millennials who moved there in the past decade, an increase of just 1.3 percent. Analysts noted that while San Francisco, Seattle, and Denver tend to dominate discussions about where millennials are moving to, there are other areas that are attractive as well, including Charlotte, Houston, and Austin.
- *Outside Magazine* ranked 37 companies in Colorado among the top 100 best places to work. The annual ranking landed Colorado companies in the top 2 spots and four of the top 10. The best place to work was Aspen-based Forum Phi, an architecture and interior design firm. Denver-based GroundFloor Media came in second.
- Nearly one-third of participating Colorado hospitals received the highest grade possible for safety practices in a recent report from The Leapfrog Group, a national consumer-health watchdog organization. Fourteen of the 43 hospitals that Leapfrog examined received an "A" grade for their ability to protect patients from accidents, injuries, and infections. Three Colorado hospitals received an "A" grade for the fifth year in a row including Porter Adventist of Denver, Rose Medical Center of Denver, and Mercy Regional Medical Center of Durango.
- The Gallup-Healthways 2016 report notes several Colorado cities have low rates of diabetes compared with 190 U.S. MSA's. Boulder was the No. 1 metro for having the lowest instances of people with diabetes. Fort Collins was ranked at No. 3, Colorado Springs was ranked 23rd, and the Denver MSA ranked 25th. Colorado had the third lowest rate among the states.
- The Big Cities Health Coalition ranked Denver among the best big cities in the country for several health indicators including a low rate of obesity, a high level of physical activity, high rate of pneumonia vaccination among the population 65 years and over, and lowest incidence of tuberculosis. Data indicated Denver had some challenges including the rate of smoking and binge-drinking.
- Denver was ranked as the seventh-greenest city in the U.S. according to a recent study by CBRE group and Maastricht University. The third annual "Green Building Adoption Index" study found that 46.6 percent of office space in Metro

Denver qualified as green certified. San Francisco claimed the top spot with 73.7 percent, followed by Chicago at 72.3 percent and Minneapolis at 60.6 percent.

- Online travel site Travelocity examined factors important to a successful "beercation," including the availability of rideshare services, accessibility via air, and the average cost of lodging, to identify the best large and small metro areas for beer tourism. Among the large metro areas, Denver ranked second behind Portland, Oregon, and Colorado Springs ranked fifth. Among small metro areas, Boulder ranked second and Fort Collins ranked third.
- Denver ranked second for beer businesses in a new study from Nebraska-based Infogroup that counted the number of beer retailers and breweries and wine retailers and wineries in the country's largest cities. The report ranked metro areas with a population of 1 million or more by the concentration of beer and wine businesses per 10,000 residents. Portland claimed the top spot for both beer and wine businesses.
- Colorado ranked as the eighth-worst driving state as measured by the rate of auto accidents, drunk driving cases, speeding tickets, and traffic citations, according to a new study from online insurance comparison site QuoteWizard. Colorado ranked as the 10th worst for the rate of drivers with speeding tickets and the 11th worst for DUI's. The state ranked first for traffic citations.

Other Notable Rankings

- Welcomemat Services ranked the Washington Park neighborhood of Denver at the third-best neighborhood for small business in the country.
- Colorado State University was ranked as the sixth best university for veterans by the *Military Times*.
- Zagat ranked Denver third on their list of the "Hottest Food Cities of 2016."
- Stranahan's Colorado Whiskey Tour and Wings Over the Rockies Air & Space Museum were both ranked among TripAdvisor's fastest-growing for traveler interest with each exceeding over 130 percent bumps in interest.
- Colorado Public Interest Research Group and Eco-Cycle found Denver's recycling rate is only 18 percent, one of the lowest rates in the country.

Policy Watch

National

- A federal judge in Texas blocked a U.S. Department of Labor rule extending overtime pay to roughly 5 million workers nationwide. The rule had been scheduled to take effect on December 1. The emergency injunction may or may not permanently block the rule change, but it does block its December 1 mandatory implementation. The rule would have more than doubled the salary threshold for workers to qualify as exempt from overtime pay requirements.

Local

- Colorado Governor John Hickenlooper proposed a $28.5 billion state budget that cuts spending on education, hospitals, and road construction to help close a $500 million shortfall. State revenues are not keeping pace with current demands. The plan cuts funds for school districts by $45 million, payments to hospitals by $195 million, road funding by $100 million, and anticipates an average 6 percent increase in college tuition. On the other hand, the budget calls for more money for mental health in schools and child welfare, $64 million in flood allocations, raises state employee salaries, and uses marijuana tax revenues for affordable housing for the homeless.
- Colorado voters approved an increase in the minimum wage. Colorado's minimum will rise to $9.30 an hour from $8.31 in January. The minimum will then increase 90 cents an hour each year until it reaches $12 an hour in 2020. The state's tipped minimum wage will rise from $5.29 to $8.98 by 2020.
- Denver voters approved a $628 million tax package to build new schools and improve the cooling systems in several others in the Denver Public Schools. Adams 12 Five Star Schools, Aurora Public Schools, and Cherry Creek School

District also approved additional funding measures in the November election. Jefferson County voters, on the other hand, voted down a $568 million tax package for schools.

- Two major segments of the Regional Transportation District's (RTD) FasTracks rail system will not open this year as originally planned: The G Line from downtown Denver through Arvada and Wheat Ridge, and the R Line through Aurora between Parker Road and I-70. Due to problems with the software controlling the crossing gates at intersections along the A and the B lines, the Federal Railroad Administration has said it will not allow testing on the G Line until the problems are corrected on the A and the B Lines. Testing takes 45 days, meaning that a 2016 opening date is not possible. RTD will provide temporary bus service between Olde Town Arvada and Union Station due to the delayed launch of rail service.
- Boulder approved an increase in its affordable housing linkage fee to $12 per square foot on office space, up from $9.53. The fee is the highest of any city between the country's coasts. Mountain View, California has the highest fee in the country at $25. While some argued that the fee would disadvantage small businesses and the local economy, city planners pointed out the urgent need for affordable housing in the city.

National Economic Overview

The U.S. Bureau of Economic Analysis (BEA) released the second estimate of real gross domestic product (GDP) for the third quarter of 2016. The estimate showed that GDP increased at an annual rate of 3.2 percent through the third quarter, which was 1.8 percentage points above the second quarter rate of 1.4 percent. The second estimate represents more complete source data than the available data for the advanced estimate. The increase in GDP reflected positive contributions from personal consumption expenditures, exports, private inventory investment, and federal government spending. This was partially offset by negative contributions from residential fixed investment and state and local government spending. The third estimate of third quarter 2016 GDP will be released December 22.

The Federal Open Market Committee (FOMC) reported in their November meeting that the labor market continued to strengthen and the growth of economic activity picked up from the modest pace seen in the first half of the year. The committee stated that while the unemployment rate was little changed in recent months, job gains have been solid on average. Further, household spending has been rising moderately, but business fixed investment has been soft. Inflation increased somewhat but continued to be below the committee's longer-run 2 percent objective, partly reflecting declines in energy prices and in prices of non-energy imports. With these indicators in mind, the FOMC decided to maintain a target range for the federal funds rate at 0.25 to 0.5 percent. The next committee meeting is scheduled for December 14.

Economic Indexes & Notable Data Releases

National & International

- The U.S. trade deficit was $36.4 billion in September, down $4 billion from the August deficit of $40.5 billion (revised). Imports decreased to $225.6 billion, falling $3 billion between August and September. Exports increased $1 billion to $189.2 billion. Year-to-date, the deficit decreased by 2.5 percent, or $9.2 billion from the same period in 2015. Exports and imports declined year-to-date, but the decline in imports was larger, leading to a smaller deficit. Exports decreased $60.5 billion and imports decreased $69.7 billion.
- The Conference Board Leading Economic Index for the U.S. increased in October for the second consecutive month to 124.5, rising 0.1 percent between September and October. Economists at the Conference Board reported that as of October the six-month growth rate had moderated but the index still suggested that the economy will continue expanding into early 2017. The interest rate spread and average weekly hours lifted the index in October despite weakness in unemployment insurance claims and new orders.
- The Institute for Supply Management's Purchasing Managers Index increased 0.4 percentage points to 51.9 percent in October, indicating expansion in the manufacturing sector as measured by a value over 50. Of the 18 manufacturing industries tracked in the index, 10 industries reported growth. The Production Index increased 1.8 percentage points

over-the-month to 54.6 percent and the Employment Index increased 3.2 percentage points to 52.9 percent. However, the Prices Index indicated the eighth consecutive month of higher raw materials prices with an increase in 1.5 percentage points over-the-month. Survey respondents noted several trends including the potential for more stable oil and natural gas markets, exports trending higher for chemical products, a favorable outlook for several sectors related to a strong economy, and a slowdown in primary metals.

- The Institute for Supply Management's Non-Manufacturing Index decreased 2.3 percentage points in October to 54.8 percent, compared with the September level of 57.1 percent. However, the October index marked the 81st consecutive month of growth, as measured by a value over 50. Of the 18 non-manufacturing industries tracked in the index, 13 industries reported growth. The Business Activity Index indicated growth for the 87th consecutive month, registering 57.7 percent. The New Orders and Employment indexes registered declines from September, falling by 2.3 percentage points to 57.7 percent and 4.1 percentage points to 53.1 percent, respectively. The report notes that despite a slight cooling-off, respondents remained mostly positive. Survey respondents in the construction industry reported that business is booming and a stable economy is supporting finance and insurance. Respondents in health care and social assistance noted uncertainty with the Affordable Care Act and the impact of individual costs.
- The U.S. Bureau of Economic Analysis released 2015 estimates of local area personal income. Data indicated that personal income in 2015 grew in 2,552 counties, but fell in 548 and remained unchanged in 13. Personal income in metropolitan area counties increased faster than in nonmetropolitan portions, rising 4.7 percent in 2015 compared with 2.7 percent, respectively. Personal income in Metro Denver increased 4 percent in 2015. Adams County recorded the largest percentage increase, growing 5.7 percent. Jefferson County was the second fastest growing, increasing 5.2 percent. The City and County of Denver recorded the smallest increase, rising just 2.8 percent.
- The U.S. Census Bureau reported that the percentage of Americans moving in 2015 to 2016 fell to a historic low based on data that goes back to 1948. The data, based on Current Population Survey data released in the report *Geographic Mobility: 2015 to 2016*, indicated that 11.2 percent of Americans moved in the past year. In 1948, the rate was over 20 percent. The biggest reason for moving was for housing (42.2 percent), such as moving from renting to owning, moving for a larger house, or for a better apartment. Family-related reasons accounted for 27.4 percent of moves and 20.2 percent moved for an employment-related reason.

Local

- Colorado's economy will rev up slightly next year, gaining 63,400 jobs, according to the 2017 Colorado Business Economic Outlook from the University of Colorado Boulder. The increase represents a 2.4 percent growth rate led by hiring in construction, tourism, and health care. Colorado should rank among the top 10 states for job growth for the sixth year in a row and have the second-fastest rate of population growth in the country this year. Looking ahead, finding labor in several industries may become increasing difficult as the labor market in Colorado is the tightest it has been since the dot-com boom with the state unemployment rate hovering around a low of 3.5 percent.
- A new study from the Colorado Office of Economic Development and International Trade estimated that biking and walking contributed $1.6 billion directly to the state's economy, not counting the boost of potential health benefits. Bicycling contributed $1.1 billion to the Colorado economy, including $434 million spent in-state on bicycle events, races, and vacations, and another $448 million spent by out-of-state tourists. Spending on day-hikes by state residents contributed $497 million in economic activity.
- The U.S. Small Business Administration set a record for lending in Colorado for its fiscal year that ended September 30, approving 1,996 guaranteed loans worth $826.7 million. Wells Fargo was the top SBA 7(a) loan lender in the state for the second year in a row. Colorado Lending Source was the top 504 loan lender.
- Colorado had more than 27,000 new business entity filings during the third quarter, according to the University of Colorado at Boulder quarterly report released by the Colorado Secretary of State. New business filings were down from the second quarter but marked an increase of 7.3 percent over-the-year. Over the past 12 months the state has had 108,068 new entity filings, up 5.2 percent over the previous 12 months.

- According to the regional Beige Book by the Kansas City Federal Reserve, economic activity in the Tenth District, which includes Colorado, increased slightly compared with the previous survey, with mixed conditions across sectors. Consumer spending activity in the district increased and real estate activity also edged higher. Professional and high-tech firms reported considerably higher sales, and bankers reported steady loan demand and stable deposit levels. In addition, energy and manufacturing activity reported slight expansions. However, transportation and wholesale trade activity declined moderately and agricultural credit conditions remained weak. Further, contacts in most sectors reported a slight increase in wages and workers in certain skilled occupations were in short supply.

Labor Force and Employment

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

	Month of Oct-16 (p)	Month of Sep-16 (r)	Month of Oct-15	Year-to-Date Average 2016	Year-to-Date Average 2015	Year-to-Date Average % Change	Annual Growth Rate 2011	Annual Growth Rate 2006
Total 11-County Metro Denver*	1,650.2	1,643.4	1,594.5	1,620.0	1,570.8	3.1%	1.8%	2.0%
Denver-Aurora-Lakewood MSA	1,460.9	1,455.9	1,410.3	1,435.6	1,391.0	3.2%	1.7%	2.1%
Boulder MSA	189.3	187.5	184.2	184.4	179.7	2.6%	2.8%	1.5%
Natural Resources & Construction	114.1	115.1	102.8	108.1	99.8	8.3%	-0.5%	4.1%
Manufacturing	87.4	87.3	86.4	87.6	85.5	2.4%	2.2%	-0.4%
Wholesale & Retail Trade	232.5	230.0	228.5	229.2	226.6	1.2%	1.5%	1.4%
Transp., Warehousing & Utilities	55.6	54.9	54.1	53.7	53.8	-0.1%	-0.7%	0.0%
Information	53.5	53.8	53.4	53.9	53.6	0.6%	0.0%	-1.2%
Financial Activities	111.1	111.4	111.6	111.3	109.2	1.9%	-0.2%	0.8%
Professional & Business Services	298.3	298.3	288.8	293.8	284.5	3.3%	3.9%	4.1%
Education & Health Services	211.7	207.7	200.3	205.5	199.1	3.2%	3.6%	2.9%
Leisure & Hospitality	189.3	190.6	176.6	185.2	174.8	6.0%	3.3%	2.9%
Other Services	61.9	61.6	59.7	61.0	59.5	2.6%	1.7%	2.1%
Government	234.8	232.7	232.3	230.6	224.4	2.7%	0.1%	1.3%
Federal Gov't	31.0	30.7	30.3	30.7	30.3	1.4%	-3.0%	-1.8%
State Gov't	62.3	61.3	60.8	58.9	57.1	3.2%	3.1%	1.0%
Local Gov't	141.5	140.7	141.2	141.0	137.1	2.9%	-0.3%	2.2%
Colorado	2,628.7	2,625.8	2,564.5	2,602.0	2,532.6	2.7%	1.6%	2.4%
United States	145,928	145,029	143,689	143,928	141,415	1.8%	1.2%	1.8%

**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

Employment in Metro Denver rose 3.5 percent between October 2015 and 2016, or an additional 55,700 jobs during the period. The employment growth consisted of a 3.6 percent increase in the Denver-Aurora-Lakewood MSA, or an additional 50,600 jobs, and a 2.8 percent increase in the Boulder MSA, representing 5,100 jobs. The natural resources and construction supersector reported the largest percentage increase over-the-year in employment, rising 11 percent. However, the largest absolute gains were in the leisure and hospitality supersector which increased 7.2 percent or 12,700 jobs. The third-fastest growing supersector was education and health services that increased 5.7 percent or by 11,400 jobs. Only one of the 11 supersectors posted a decline over-the-year, financial activities. The decline was the first over-the-year loss in the supersector since 2011.

Colorado employment rose 2.5 percent in October compared with the previous year's level, adding 64,200 new jobs over the same period. National employment levels increased 1.6 percent over-the-year, with the addition of 2.2 million jobs.

Metro Denver Industry Cluster Headlines

Aerospace

- Centennial-based United Launch Alliance announced its 112th successful launch with Westminster-based DigitalGlobe's newest satellite built by Jefferson County-based Lockheed Martin Space Systems. WorldView-4 is DigitalGlobe's latest of four orbiting satellites that collect images and data of earth's surface. The satellite will help DigitalGlobe meet rising demand for satellite coverage and data. The launch had been planned for 2017, but was moved up by the company based on customer demand.

Aviation

- Denver International Airport (DEN) is the nation's third-best airport according to a new survey taken by TravelPulse. The nation's top 100 airports were ranked in seven categories, consisting of ease of access, terminal modernity, terminal comfort, amenities, business friendly, family friendly, and airline volume. DEN earned the top rank in modernity.

Bioscience

- Boulder-based Nivalis Therapeutics announced tests for its cavosonstat treatment for cystic fibrosis failed in clinical trials. Shares for the company, which went public in June 2015, fell by more than 50 percent.
- Louisville-based GlobeImmune announced it will terminate its lease at its 40,000-square-foot headquarters along with a partnership with Gilead Sciences to develop its experimental hepatitis B drug. The company's CEO resigned along with several members of its board of directors.

Broadcasting and Telecommunications

- Broadcom Ltd. agreed to buy Brocade Communications that employs about 600 people in Broomfield. Brocade employs about 5,950 people globally. The $5.9 billion deal is expected to close in mid-2017. Broadcom is the third-largest semiconductor manufacturer in the nation by revenue.
- Douglas County-based Starz confirmed that it laid off about 50 workers due to a reorganization that began last spring. The employees were part of Starz' marketing and creative services teams. The company noted that the layoffs were not related to the company's pending $4.4 billion merger with Lions Gate Entertainment.

Energy – Fossil Fuels

- Houston-based Noble Energy Inc. announced another round of layoffs that will affect five employees at their Colorado locations. It was the third round of layoffs for the company in Colorado since the start of 2015. Despite starting production on 43 new wells in Colorado during the third quarter, the company reported a third-quarter loss of $144 million as the company continues to struggle with low oil and natural gas commodity prices.
- The U.S. Energy Information Administration (EIA) expects natural gas production will drop in 2016 for the first time in 11 years. However, the drop is expected to be temporary as production is projected to rise in 2017 with an increase in drilling activity. Natural gas continued to increase its share of the nation's electricity generation. In 2016, natural gas is expected to generate 34 percent of the nation's electricity, up from 33 percent in 2015 and more than coal that is expected to generate 30 percent. U.S. coal production is expected to decline to its lowest level since 1978.

Energy – Cleantech

- The EIA reported there will be a double-digit increase in renewable energy capacity by the end of 2017. The EIA expects 8 gigawatts of capacity will be in place by the end of 2016 with another 9 gigawatts added in 2017. In a separate report, the EIA noted that Colorado is one of 11 states that generated at least 10 percent of its total electricity from wind last year. Wind produced 14 percent of Colorado's electricity in 2015. Looking ahead, a lack of transmission lines could be one factor that limits Colorado's expansion despite the cost effectiveness and ease of implementing wind in the state.

- Vestas Wind Systems accounted for 34 percent of the 8.2 gigawatts of wind power capacity installed in the country last year according to the EIA. That was second only to General Electric, which accounted for 42 percent of the installations and ahead of Siemens at 16 percent. It represents the largest share Vestas has claimed in the U.S. in records going back to 2005. Vestas has added hundreds of jobs to its plants in Windsor, Brighton, and Pueblo.

Healthcare and Wellness

- UnitedHealth Group announced plans to hire 70 customer service employees in the Denver area. The expansion is expected to improve customer service and support Optum and UnitedHealthcare plan participants. UnitedHealthcare is the largest Preferred Provider Organization in the Denver area according to the Denver Business Journal's latest *Book of Lists*.
- Thornton planners will be selecting a developer for a large-scale health care district on an 88-acre redevelopment east of I-25 near Thornton Parkway. The district will combine new development and an expansion and renovation of older medical spaces. In addition to 175,000 square feet of new medical office space, planners anticipate a hotel, assisted living facility, memory care center, and adult day services.

IT-Software

- Automated email delivery services firm SendGrid announced the opening of its new headquarters at 1801 California St., retaining 250 employees from its offices in Denver and Boulder with plans to expand. The company has a total of 320 employees including offices in California and London. CEO Sameer Dholakia cited several reasons it chose Denver including the cost-effectiveness of building in Colorado and Colorado's attractiveness to the millennial generation.
- Greenwood Village-based cloud computing services provider Recondo Technology announced it closed $16 million of debt and capital funding and achieved profitability for the first time in 2016. The funding will support expansions in product development designed to improve financial outcomes for patients and customers. Recondo's products and services enable patients and providers to monitor benefits and payments for high-deductible insurance and health savings plans.
- Boulder-based software firm VictorOps Inc. announced a $12.2 million Series B funding round that will help the fast-growing company achieve profitability over the next two years. VictorOps, founded in 2012, has raised a little more than $30 million to date. VictorOps employs 45 people at its Boulder headquarters. The company expects to add between 15 and 25 employees in the coming year, primarily in engineering and sales and marketing.
- Hitachi Consulting, a leading provider of IT consulting and management services, announced it will join the Catalyst Health-Tech Innovation (HTI) digital health hub in Denver. Catalyst HTI is the first facility of its kind in Colorado, designed to bring together stakeholders from across the healthcare market to foster collaboration and accelerate innovation. Hitachi Consulting will relocate its downtown Denver office to the space located in the RiNo district. The move will help the company take advantage of the opportunity to collaborate with other health-tech industry leaders in developing creative health care solutions.
- Littleton-based CanPay launched an electronic payment app that will enable easier electronic transactions among banks and marijuana-related businesses. The company has already partnered with 15 retailers and a handful of banks that adhere to industry rulings from the Department of Treasury's Financial Crimes Enforcement Network. Many marijuana businesses still operate in cash and only an estimated 30 percent of companies in the marijuana industry have bank accounts according to Safe Harbor Private Banking, one of CanPay's Colorado banking partners.

Other Industry Headlines

- Intsel Steel began construction of a 234,000-square-foot steel distribution facility on 55 acres in Commerce City. The facility is expected to employ 92 workers as the company consolidates its operations in the Denver area. Intsel sells nearly 700,000 tons of steel annually for bridges, stadiums, barges, and large buildings throughout North, South, and Central Americas.

- Along with plans to relocate its headquarters from Houston to Denver in 2017, Romano's Macaroni Grill announced it will lease 9,000 square feet on Blake Street at downtown Denver's Dairy Block. The location will be home to more than 50 central support functions including marketing, finance, IT, and human resources. Macaroni Grill has about 130 locations nationwide and seven in Colorado.
- Broomfield-based Forge Nano, a company that makes nano-coating technology for lithium-ion battery components, announced it will relocate to a new 12,000-square-foot facility in Louisville from Broomfield following $20 million of Series A funding aimed to help the company ramp up production. The move and financing will increase production from 30 tons per year to 300 tons per year. Forge Nano will also start on a 3,000-ton per year heavy commercial plant in 2017.
- Denver-based law firm Otten Johnson will expand its existing Denver space by 3,000 square feet and plans to hire an additional half-dozen attorneys over the next year. Otten Johnson currently occupies 29,000 square feet and employs about 60 full-time equivalent employees.
- Boulder-based Prairie Mountain Publishing announced it will eliminate four positions in its finance group and five in advertising, editorial, and photography. Prairie Mountain is the parent company of the Boulder Daily Camera, the Times-Call in Longmont, the Loveland Reporter Herald, and 15 other daily, twice-weekly, and weekly publications in Colorado. Prairie Mountain will employ 240 people after the reductions.
- Colorado Heights University announced it will no longer accept new student applications and will close in late 2017. Until then the university is expected to continue operating normally and current students will still receive credit. The 70-acre campus was built in the late 1800's and had primarily attracted international students. The nonprofit university, which currently has 500 students, found it did not have the resources to continue operating after the U.S. Department of Education denied recognition of its accrediting authority, the Accrediting Council of Independent Colleges and Schools.
- Wheat Ridge-based Heritage College closed all ten of its campuses on November 1 and entered Chapter 7 bankruptcy liquidation. Heritage joins a few other for-profit chains, like Corinthian College and ITT Technical Institute, which have closed as federal and state authorities expand investigations into fraud and unsavory sales techniques. According to filings from a class-action lawsuit, Heritage was alleged to have employed about 600 people.

Employment Outlook

The *Manpower Employment Outlook Survey* expects fourth quarter 2016 hiring in the Denver-Aurora MSA to increase from the prior quarter's level, with the percentage of companies expecting to expand their employment levels rising 3 percentage points to 28 percent. The percentage of companies planning to decrease employment levels rose 3 percentage points from the third quarter, with 6 percent of companies planning to reduce employment levels. The majority of companies intend to maintain staff levels through the fourth quarter of the year, but the level fell 4 percentage points over-the-quarter to 65 percent. The survey reported that sectors with the best job outlooks were construction, nondurable goods manufacturing, transportation and utilities, wholesale and retail trade, information, leisure and hospitality, and other services. Employers in professional and business services, education and health services, and financial activities plan to maintain staffing levels.

Hiring expectations in the U.S. fell slightly through the fourth quarter of 2016 compared with the prior quarter. The percentage of employers planning to increase employment levels fell 1 percentage point to 22 percent between the third and fourth quarters of 2016. The percentage of companies planning to reduce employment levels rose 1 percentage point over-the-quarter, with 6 percent of companies planning to lay off employees. The percentage of companies planning to maintain staffing levels (69 percent) fell 2 percentage points from the prior quarter's level and the prior year's level. The survey analysts stated employers are optimistic, though hesitant, with their hiring intentions. While employers are looking to grow their workforces, many are challenged to find candidates with the right skills. As the hiring outlook continues to improve, attracting and retaining skilled workers will become even more difficult.

Employment Outlook Survey

	Quarter 4 2016	Quarter 3 2016	Quarter 4 2015	YTD 2016	YTD 2015	Ann Avg 2011
Denver-Aurora-Broomfield MSA						
Percent of Companies Hiring	28%	25%	19%	25%	22%	18%
Percent of Companies Laying Off	6%	3%	2%	4%	3%	8%
Percent of Companies No Change	65%	69%	76%	70%	73%	70%
Percent of Companies Unsure	1%	3%	3%	2%	3%	5%
United States						
Percent of Companies Hiring	22%	23%	21%	22%	22%	17%
Percent of Companies Laying Off	6%	5%	6%	5%	5%	13%
Percent of Companies No Change	69%	71%	71%	71%	72%	69%
Percent of Companies Unsure	3%	1%	2%	2%	2%	4%

Source: Manpower Inc.

Unemployment

The unemployment rate throughout the Metro Denver area increased slightly between September and October, rising 0.1 percentage points to 2.9 percent. The Metro Denver unemployment rate was 0.1 percentage points below the October 2015 level of 3 percent. The unemployment rate increased in six of the seven Metro Denver counties between September and October, except Broomfield whose rate decreased from 2.9 percent to 2.8 percent. However, all seven counties posted either a declining or stable unemployment rate from October 2015. Adams County recorded the largest over-the-year decrease in the unemployment rate, falling 0.2 percentage points to 3.3 percent. Arapahoe, Boulder, and Jefferson counties recorded a 0.1 percentage point decline over-the-year, while the City and County of Broomfield, the City and County of Denver, and Douglas County were stable. Colorado's unemployment rate also fell slightly, by 0.1 percentage points over-the-year to 3.1 percent during October. The national unemployment rate of 4.7 percent in October was also 0.1 percentage points below the prior year's level.

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

	October 2016 (p)		2016 YTD AVG		2015 YTD AVG		2011	2006
	Labor Force	Unemploy-ment Rate	Labor Force	Unemploy-ment Rate	Labor Force	Unemploy-ment Rate	Ann Avg Unemploy-ment Rate	Ann Avg Unemploy-ment Rate
Metro Denver	1,718.4	2.9%	1,689.1	3.2%	1,650.8	3.8%	8.1%	4.3%
Adams County	257.3	3.3%	253.5	3.7%	247.7	4.5%	9.9%	4.8%
Arapahoe County	348.5	3.0%	342.7	3.2%	335.0	3.8%	8.3%	4.3%
Boulder County	184.3	2.5%	180.3	2.8%	176.8	3.3%	6.5%	3.7%
Broomfield County	36.2	2.8%	35.6	3.0%	34.7	3.4%	7.0%	4.3%
Denver County	388.5	3.0%	382.1	3.2%	373.3	3.8%	8.6%	4.8%
Douglas County	179.1	2.6%	176.0	2.8%	171.6	3.2%	6.4%	3.6%
Jefferson County	324.4	2.8%	319.0	3.1%	311.6	3.6%	8.0%	4.2%
Colorado	2,919.4	3.1%	2,890.6	3.4%	2,828.8	4.0%	8.4%	4.3%
United States	159,783	4.7%	159,183	5.0%	157,097	5.4%	8.9%	4.6%

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

October unemployment insurance claims increased in Metro Denver, rising 12.5 percent between September and October. However, the October level was 14.9 percent lower than the year-ago level. Claims throughout Colorado also increased over-the-month, rising 23.8 percent, and were 12.3 percent lower than the previous year's level.

Weekly First-Time Unemployment Insurance Claims

	Month of Oct-16	Month of Sep-16	Month of Oct-15	YTD Avg 2016	YTD Avg 2015	YTD Avg % Change	Ann Avg 2011	Ann Avg 2006
Metro Denver	1,129	1,004	1,327	1,193	1,252	-4.7%	1,789	1,161
Colorado	2,325	1,878	2,652	2,311	2,465	-6.2%	3,357	2,115

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

Sentiment & Spending

The Consumer Confidence Index for the U.S. increased 6.3 percent in November, reporting a level of 107.1 from the revised October level of 100.8, and again approached pre-recession levels. The national index for November 2016 was also up over-the-year, recording a 15.7 percent increase from October 2015. Analysts at The Conference Board stated that between October and November the Present Situation Index rose 5.8 percent to 130.3 and the Expectations Index rose 6.6 percent to 91.7. They also reported that consumers' assessment of current business and employment conditions improved while their short-term outlook was more optimistic. However, consumers' expectations regarding their income prospects in the coming months were relatively unchanged. Analysts note that although the majority of consumers were surveyed before the presidential election, the sample of post-election responses indicates consumer optimism will not be impacted by the outcome. The Conference Board also notes that the positive outlook going into the holiday season should be welcome news for retailers.

Colorado is included in the Mountain Region Index and the area also reported an increase in consumer confidence between October and November. The index increased to 113.7 in November from the October revised level of 101.5, increasing 12 percent over-the-month. The index increased 15.8 percent over-the-year, but was down nearly 7 percent year-to-date from 2015 levels. For the Mountain Region, the Present Situation Index increased 18.8 percent to 146.5 in November from 123.3 in October (revised), while the Expectations Index increased 5.6 percent to 91.9 from 87 in October.

Consumer Confidence Index

	Month of Nov-16 (p)	Month of Oct-16 (r)	Month of Nov-15	YTD Avg 2016	YTD Avg 2015	YTD Avg % Change	Ann Avg 2011	Ann Avg 2006
Mountain	113.7	101.5	98.2	101.7	109.2	-6.9%	57.4	130.9
United States	107.1	100.8	92.6	98.4	98.1	0.3%	58.1	105.9

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

National retail sales increased 4.3 percent between October 2015 and 2016, the largest over-the-year increase since January 2015. Retail sales reached nearly $466 billion in October 2016, up $19 billion from the 2015 level of $446.7 billion. Motor vehicle sales rose 5.4 percent over-the-year to $96.8 billion, up $5 billion from October 2015. Sales in 2016 are on pace for the industry's slowest year of growth since recovering from the great recession, increasing just 3.2 percent in the first 10 months of the year compared with 6.7 percent growth in 2015. The building materials sector reported an increase of 6.5 percent between October 2015 and 2016, 2.1 percentage points above the prior year's growth of 4.4 percent. Gasoline sales increased 0.8 percent over-the-year, snapping 28 consecutive months of declines. Gasoline sales rose from $34.6 billion in October 2015 to $34.8 billion in October 2016. Core retail sales, which excludes motor vehicle, building material, and gasoline sales, recorded a 4.2 percent increase over-the-year. Over-the-year growth in core retail sales has ranged from 3.1 percent to 4.4 percent since the second quarter of 2015.

- The National Retail Federation, the world's largest retail trade association, reported the annual Thanksgiving weekend results survey indicated that more than 154 million consumers shopped over the Thanksgiving weekend, up from 151 million in 2015. However, average spending per person fell to $289.19 from $299.60 in 2015. An estimated 74 percent of total purchases were for gifts and over one-third of shoppers said 100 percent of their purchases were on sale. The analysis also noted that 44 percent of shoppers went online and 40 percent shopped in-store.

- Cyber Monday yielded $3.45 billion in sales, a new online record. Adobe Digital Insights reported shoppers spent 12.1 percent more than Cyber Monday 2015, 2.6 percent more than Adobe initially predicted. A separate survey published by the National Retail Federation found that 122 million consumers expected to shop on Cyber Monday, 1 million more than last year.

Retail sales in Metro Denver increased 1.3 percent between February 2015 and 2016, the latest available data. Retail sales for February 2016 totaled $7.4 billion, an absolute increase of about $95 million compared with the February 2015 total of over $7.3 billion. Four of the seven Metro Denver counties reported year-over-year increases, with Douglas County (+29.2 percent) and Adams County (+2.1 percent) recording the largest increases. The City and County of Broomfield and Jefferson County also recorded growth in retail sales over-the-year, rising 1.9 percent and 1.1 percent, respectively. The largest decline in retail sales between February 2015 and 2016 was in Boulder County, falling 4.6 percent, followed by the City and County of Denver (-2.8 percent) and Arapahoe County (-2.3 percent). Six of the seven counties in Metro Denver recorded declines in sales between January and February, with Douglas County (+9 percent) recording the only increase in sales over-the-month. Retail sales in Colorado were unchanged over-the-year, recording nearly $12.4 billion in retail sales in February 2016, but retail sales were 1.6 percent lower over-the-month.

Total Retail Sales ($000s)

	Month of Feb-16	Month of Jan-16	Month of Feb-15	YTD Total 2016	YTD Total 2015	YTD Total % Change	Annual Growth 2011	Annual Growth 2006
Total Metro Denver	7,440,821	7,526,929	7,345,759	14,967,750	15,400,667	-2.8%	6.4%	9.8%
Adams County	1,478,241	1,508,804	1,447,453	2,987,045	2,967,019	0.7%	10.4%	13.0%
Arapahoe County	1,428,805	1,442,657	1,462,199	2,871,462	3,081,120	-6.8%	3.1%	8.5%
Boulder County	616,381	676,428	646,273	1,292,809	1,377,653	-6.2%	8.2%	6.6%
Broomfield County	155,176	161,049	152,248	316,225	310,734	1.8%	0.2%	7.6%
Denver County	1,872,968	1,887,623	1,927,396	3,760,591	3,974,469	-5.4%	1.9%	15.5%
Douglas County	735,207	674,610	568,983	1,409,817	1,218,344	15.7%	17.0%	5.0%
Jefferson County	1,154,043	1,175,758	1,141,207	2,329,801	2,471,328	-5.7%	8.2%	3.9%
Colorado	12,375,305	12,581,790	12,371,256	24,957,095	25,944,316	-3.8%	7.0%	9.9%

Source: Colorado Department of Revenue.

According to the U.S. Bureau of Labor Statistics, the U.S. Consumer Price Index (CPI) increased 1.6 percent between October 2015 and 2016. The increase in the overall CPI between October 2015 and 2016 was attributed to a 4.3 percent increase in medical care, a 2.9 percent increase in housing, and a 1.8 percent increase in other goods and services. There were also increases over-the-year in the apparel index (+0.7 percent), the recreation index (+0.5 percent), and the transportation index (+0.2 percent). Two categories recorded declines, the education and communication index (-0.3 percent) and the food and beverage index (-0.3 percent). The core CPI–which excludes food and energy costs—increased 2.1 percent between October 2015 and 2016.

According to the *AAA Daily Fuel Gauge Report*, the national average fuel price for November decreased 2.3 percent from October to $2.16 per gallon. The November average fuel price was 5.7 percent higher than the prior year's level ($2.04 per gallon). Metro Denver reported a 6.3 percent decrease in the average fuel price between October and November. The average fuel price of $2.04 per gallon for November in Metro Denver was $0.12 lower than the national average. The area reported average fuel prices that were 5.6 percent higher in November 2016 than the previous year's level.

Stock Market

All four stock market indices improved between October and November 2016. However, the Bloomberg Colorado index was the only index to decline over-the-year. The Bloomberg Colorado index increased 5.9 percent over-the-month, registering 522.4 in November. While the Colorado index decreased 5.4 percent from November 2015, it was up 5.1 percent year-to-date. The DJIA recorded the largest over-the-year increase, rising 7.9 percent and reaching an all-time high of 19,225 in November. The S&P 500 was up 3.4 percent from October to November and 5.7 percent over-the-year. The smallest increase in the major indices was the NASDAQ which increased 2.6 percent over-the-month and 4.2 percent over-the-year.

Stock Market Indexes

	Month of Nov-16	Month of Oct-16	Month of Nov-15	YTD Return 2016	YTD Return 2015	Ann Avg Return 2011	Ann Avg Return 2006
Bloomberg Colorado	522.4	493.2	552.4	5.1%	-8.1%	-3.6%	17.3%
S&P 500	2,198.8	2,126.2	2,080.4	7.6%	1.1%	0.0%	13.6%
NASDAQ	5,323.7	5,189.1	5,108.7	6.3%	8.1%	-1.8%	9.5%
DJIA (Dow Jones)	19,123.6	18,142.4	17,719.9	9.7%	-0.6%	5.5%	16.3%

Sources: Bloomberg.com; Yahoo! Finance.

Travel & Tourism

The average hotel occupancy rate in Metro Denver fell 5 percentage points to 78.8 percent occupancy in October compared with the September level. The rate in October was also down over-the-year, falling 0.2 percentage points from 79 percent. The average room rate for September was $149.57 per night, 0.4 percent lower than the September level, but 3.4 percent higher over-the-year. Occupancy rates typically decline during the fall and winter months.

Metro Denver Hotel Statistics

	Month of Oct-16	Month of Sep-16	Month of Oct-15	YTD Avg 2016	YTD Avg 2015	YTD Avg % Change	Annual 2011	Annual 2006
Percent of Hotel Rooms Occupied	78.8%	83.8%	79.0%	78.0%	78.9%	-1.1%	66.8%	66.4%
Average Hotel Room Rate	$149.57	$150.12	$144.72	$143.06	$135.46	5.6%	$109.94	$101.54

Source: Rocky Mountain Lodging Report.

Spokespeople for Denver International Airport (DEN) reported that 5.1 million passengers passed through the airport in September, increasing 12.8 percent from the 4.5 million passengers the previous year. The increase reflected an additional 579,330 passengers through the airport during the period. The airport recorded over 43.5 million passengers during the first nine months of 2016, an increase of 8.2 percent compared with the same period the previous year. According to the Federal Bureau of Transportation Statistics, DEN recorded the second-lowest average ticket price in the airport's history during the second quarter of 2016. The average ticket price of $309.67 was the lowest price among the country's seven largest airports.

Denver International Airport Passengers

	Month of Sep-16	Month of Aug-16	Month of Sep-15	YTD Total 2016	YTD Total 2015	YTD Total % Change	Annual 2011	Annual 2006
Number of Airline Passengers	5,112,271	5,395,910	4,532,945	43,519,317	40,221,643	8.2%	52,849,132	47,325,016

Source: Denver International Airport, Traffic Statistics.

Residential Real Estate

- Village Homes of Colorado broke ground on a 698-home, mixed-use community at Chambers Road and Green Valley Ranch Boulevard. Plans include 284 single-family detached homes and 414 single-family attached townhomes on 115 acres. The development will include 40 acres of open space. Village Homes expects its models will be open next spring.
- East West Partners is planning a $200 million, 20-story condo tower behind Union Station. Plans for the "Coloradan" call for 334 condos costing between just $300,000 and $1.3 million. The project will be Denver's biggest condo project. The unit mix consists of 49 studios, 113 one-bedrooms, 114 two-bedrooms, 18 three-bedrooms, seven penthouses, and

33 price-controlled units, which will sell at a price below market rate to satisfy Denver's inclusionary housing ordinance.

- WD Properties, LLC is planning 11 new townhomes at 44th Avenue and Zuni Street. The site currently has a single-story retail building and a two-story home. About half of the townhomes will feature a two-car garage, with the rest having room for one car. The buildings would stand three stories tall, the maximum height allowed by zoning at the site.

Home Resales

Existing home sales in Metro Denver decreased between August and September, falling 10.9 percent to 5,458 homes sold during the month. However, home sales were 4.4 percent higher between September 2015 and 2016. Unsold homes on the market were 1 percent lower between September 2015 and 2016 but were 2.9 percent higher over-the-month. The average sales price for single-family homes rose 11 percent over-the-year to $430,090, while the average sales price of condominiums ($251,190) increased 12.1 percent during the same period. Between September 2015 and 2016, the single-family market added about $42,580 to the average sales price, while the condominium market added about $27,140.

Previously-Owned Home Sales Activity

	Month of Sep-16	Month of Aug-16	Month of Sep-15	YTD Total 2016	YTD Total 2015	YTD Total % Change	Ann Total 2011	Ann Total 2006
Home Sales (Closed)	5,458	6,124	5,226	45,534	47,017	-3.2%	38,105	50,244
Unsold Homes on Market	6,021	5,854	6,080	6,021	6,080	-1.0%	16,187	28,789
Average Sales Price-Single Family	$430,093	$438,230	$387,511	$433,438	$396,880	9.2%	$279,858	$317,115
Average Sales Price-Condo	$251,189	$252,537	$224,054	$250,116	$226,888	10.2%	$159,141	$188,745
Median Sales Price-Single Family	$370,000	$370,000	$328,000				$230,000	$249,900
Median Sales Price-Condo	$228,000	$227,500	$199,000				$124,900	$157,000

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

The National Association of Realtors (NAR) released the October analysis of U.S. existing-home sales. Existing home sales increased for the second straight month, rising 2 percent between September and October to an annual rate of 5.6 million homes sold. The pace of sales was the highest since February 2007 (5.79 million). The housing inventory in October fell 0.5 percent over-the-month and 4.3 percent from October 2015, representing a 4.3-month supply. Properties spent an average of 41 days on the market in October and 43 percent of homes sold in less than a month. NAR economists noted a few trends in the market including a ramp-up in housing starts that may increase supply enough to moderate price growth. Mortgage rates are also expected to increase with higher inflation and a strengthening economy. First-time buyers represented 33 percent of sales in October, down slightly from September, but near the highest portion in the past few years. The Denver-Aurora-Lakewood MSA was among the metro areas where listings spent the shortest amount of time on the market.

Home Prices

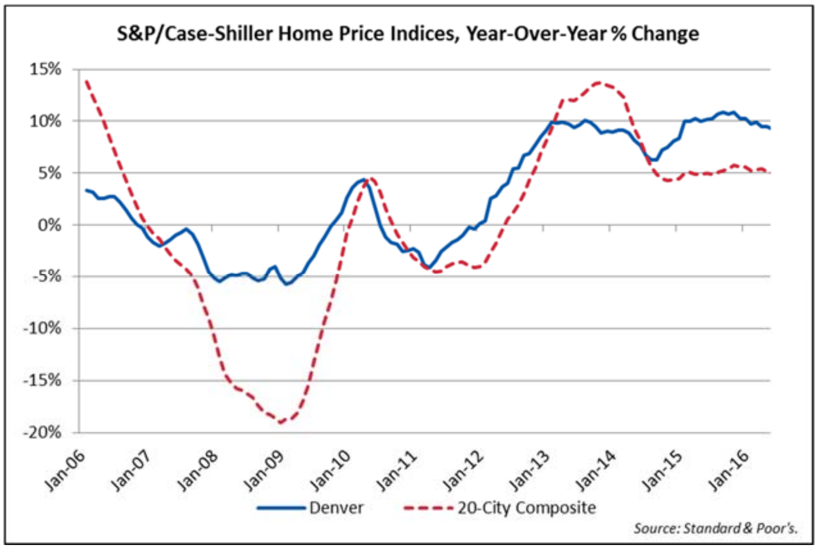
The October median existing-home sales price across the U.S. was $232,200, an over-the-year increase of 6 percent based on NAR data, the 56th consecutive month of over-the-year gains. Median housing prices increased over-the-year in all four regions. The West reported the largest increase between October 2015 and 2016, rising 7.8 percent to a median home price of $345,800. The Midwest ($181,500) and the South ($202,300) also reported significant growth in the median home price over-the-year, rising 5.8 percent and 7.4 percent, respectively. The Northeast reported the smallest increase in the median home price from October 2015, rising 2.9 percent to $255,500.

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

	Quarter 3 2016 (p)	Quarter 2 2016 (r)	Quarter 3 2015	YTD Avg 2016	YTD Avg 2015	YTD Avg % Change	Median 2011	Median 2006
Boulder MSA	$515.2	$549.6	$449.0	$514.8	$451.6	14.0%	$353.1	$366.4
Denver-Aurora MSA	$386.8	$394.4	$353.0	$383.4	$351.3	9.1%	$231.4	$249.5
United States	$240.9	$240.7	$228.9	$232.9	$221.0	5.4%	$166.2	$221.9

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

A separate NAR report revealed that median home prices throughout the Metro Denver area decreased between the second and third quarters of 2016, but was stable nationally. The median price in the Boulder MSA ($515,200) was 6.3 percent lower and the price in the Denver-Aurora MSA ($386,800) was 1.9 percent lower. However, the median price in Boulder was 14.7 percent higher than the third quarter of 2015. Between the third quarters of 2015 and 2016, the Denver-Aurora MSA recorded a 9.6 percent increase. The national median sales price rose a slight 0.1 percent over-the-quarter to $240,900 but was 5.2 percent higher than the previous year's level. Of the 178 MSAs included in the third quarter 2016 report, the Boulder MSA reported the seventh highest median price and the third largest over-the-year increase. The Denver-Aurora MSA median price was the 16th highest and had the 28th largest increase.



According to the S&P/Case-Shiller home price index, Denver housing prices increased in September. The Denver index was 188.65 in September, a 0.3 percent increase over-the-month. Prices increased in 13 of 20 cities tracked by the index over-the-month and declined in six cities. However, all 20 cities recorded increases over-the-year. Denver's home prices in September were 8.7 percent higher than the prior year's level, recording the third-largest over-the-year increase of the 20 cities. Seattle (+11 percent) and Portland (+10.9 percent) recorded the largest over-the-year increases, while New York (+1.4 percent) recorded the smallest. The national home price index rose 5.5 percent between September 2015 and 2016. Analysts for the index noted that the national index set a new peak, surpassing the peak set in July 2006 as the housing boom topped out. The hope is that the new peak will be seen as a shift from the housing recovery to the start of a new advance. Housing indicators including sales of existing and new homes and housing starts are giving positive signals for the market.

Foreclosures

Metro Denver recorded a 7.5 percent decrease in foreclosures in October compared with the previous year, but a 3.8 percent increase over the previous month. Foreclosures fell in Metro Denver from 266 in October 2015 to 246 in October 2016. Five of the seven counties in the metro area reported declines in the number of foreclosures over-the-year. However, Adams County and the City and County of Denver reported increases. Foreclosures in Adams County rose 17.5 percent from 57 in October 2015 to 67 in October 2016. Foreclosures in Denver increased from 47 to 64 over the same time. Three of the seven counties reported increases in foreclosures between September and October, including Adams County and the City and County of Denver. Broomfield's foreclosures increased from one in September to two in October. Through October, only Douglas County has recorded an increase in 2016 over 2015 year-to-date.

Real Estate Foreclosures

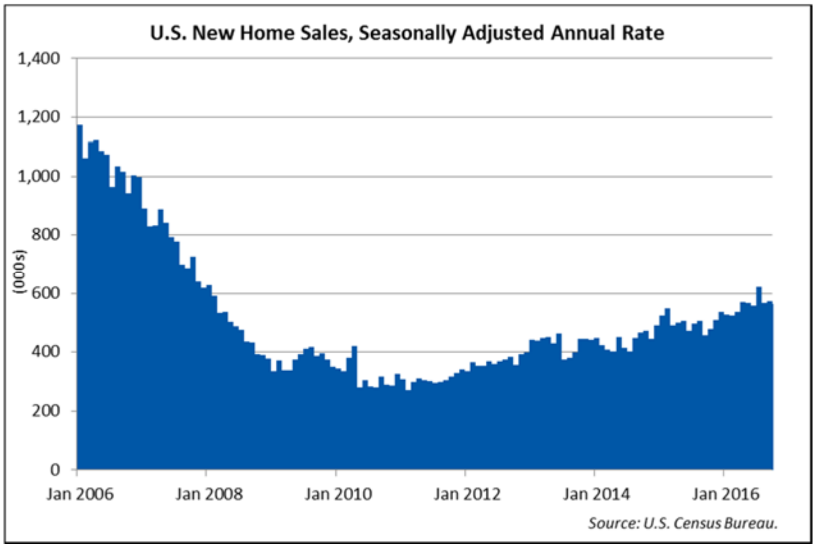
	Month of Oct-16	Month of Sep-16	Month of Oct-15	YTD Total 2016	YTD Total 2015	YTD Total % Change	Annual Total 2011	Annual Total 2006
Total Metro Denver*	246	237	266	2,661	2,962	-10.2%	16,708	18,958
Adams County	67	51	57	596	626	-4.8%	3,553	4,330
Arapahoe County	44	52	51	606	732	-17.2%	3,959	4,719
Boulder County	9	16	13	155	188	-17.6%	918	790
Broomfield County	2	1	6	28	32	-12.5%	207	194
Denver County	64	49	47	559	589	-5.1%	3,434	4,696
Douglas County	22	24	31	281	270	4.1%	1,781	1,258
Jefferson County	38	44	61	436	525	-17.0%	2,856	2,971

**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.

RealtyTrac released the foreclosure report for October 2016, stating that 105,481 U.S. residential units had foreclosure filings at the end of the month. The number of foreclosures was up 27 percent from a 129-month low recorded in September but was down 8 percent over-the-year. October marked the 13th consecutive month where U.S. foreclosure activity decreased on an over-the-year basis. However, October also marked the biggest monthly increase since August 2007. Analysts noted that counter to the national trend, 28 states and the District of Columbia posted over-the-year increases in overall foreclosure activity in October. This included Colorado, which was up 64 percent. They noted that while some states are still working through foreclosures from the last housing crisis, the increase in Colorado and some other states was likely heavily tied to loans originated since 2009. October's increase was not enough evidence to indicate a new trend, but demonstrated that the housing recovery was not devoid of risk.

New Homes

The Census Bureau report on new home sales – after adjustment for seasonal trends – stated that national home sales decreased in October to 563,000 annual sales from the revised September level of 574,000. October home sales were 1.9 percent lower than September, but 17.8 percent above the previous year's level. Sales increased over-the-year in three of four regions. The largest increase in sales was in the West, increasing 28.7 percent to 148,000 sales. Sales in the South increased 17.9 percent from October 2015 to 322,000 and sales in the Midwest increased 8.6 percent to 63,000. However, sales in the Northeast declined 6.3 percent over-the-year to 30,000 sales.



The National Association of Homebuilders (NAHB)/Wells Fargo Housing Market Index (HMI) held steady at a level of 63 in November. NAHB spokespersons reported that builder sentiment has held well above 60 for the past three months, indicating the single-family housing sector continues to grow, albeit gradually. An index value over 50 indicates that more builders view conditions as good than poor. Market demand has been buoyed by ongoing job creation, rising incomes, and attractive mortgage rates. The HMI buyer traffic component rose to 47, the current sales conditions index held steady at 69, and the sales expectations in the next six months component fell two points to 69. The three-month moving regional averages for the Northeast, Midwest, and West posted gains, whereas the south remained unchanged.

According to the Census Bureau, the seasonally adjusted annual number of nationwide residential building permits rose 2.9 percent between September and October (1.26 million permits) and was up 7.2 percent over-the-year. There was a 4.3

percent increase in single-family detached units over-the-month, a nearly 17 percent decrease in single-family attached units, and multi-family units rose 2 percent during the period. Over-the-year, single-family detached permits increased by 6.8 percent and multi-family units increased by nearly 10 percent. However, single-family attached permits fell 14.3 percent during the period. Permits increased in three of four regions across the county from a year ago, rising by nearly 29 percent in the West and 17 percent in the Midwest. Permits in the South were up slightly over the year, increasing 0.2 percent. The only region with a decrease in permits was the Northeast where permits fell 17.7 percent from October 2015.

Residential building permits for the Metro Denver area increased in October compared with the prior year. Metro Denver reported a 140.6 percent increase in total permits issued between October 2015 and 2016, with 1,566 additional permits issued. The over-the-year increase in total permits was attributed mainly to an increase from 291 multi-family units permitted in October 2015 to 1,705 in October 2016. Additionally, single-family detached permits increased 18.2 percent and single-family attached permits increased by 50 percent. The over-the-year increase was largely the result of permits issued in October as the number of permits in Metro Denver increased 64 percent over-the-month compared with September. From September to October 2016 single-family detached permits increased by 17.7 percent and multi-family increased nearly 140 percent.

Residential Building Permits

	Month of Oct-16	Month of Sep-16	Month of Oct-15	YTD Total 2016	YTD Total 2015	YTD Total % Change	Total 2011	Total 2006
Single-Family Detached Units	963	818	815	9,058	8,351	8.5%	3,885	12,938
Single-Family Attached Units	12	100	8	379	366	3.6%	309	428
Multi-Family Units	1,705	713	291	8,653	6,035	43.4%	3,005	4,769
Total Units	2,680	1,631	1,114	18,090	14,752	22.6%	7,199	18,135

Source: U.S. Census Bureau.

Apartment Rental Market

The *Denver Metro Apartment Vacancy and Rent Survey* for the third quarter of 2016 reported declining vacancy for the third straight quarter in the metro area, falling 0.3 percentage points to 5.1 percent from the second quarter of 2016. However, the average vacancy rate in 2016 year-to-date was 0.7 percentage points above the prior year. Since third quarter 2015, the metro area has posted two quarters with the highest vacancy rates reported since the second quarter of 2010. Vacancy rates ranged from 4.1 percent in Jefferson County to 6 percent in Douglas County. Douglas County reported the largest over-the-year increase of the counties for the fourth straight quarter, rising 1.6 percentage points. Vacancy rates declined over-the-year in just two counties, Arapahoe and Jefferson.

Apartment Statistics

	Quarter 3 2016	Quarter 2 2016	Quarter 3 2015	YTD Average 2016	YTD Average 2015	YTD Average % Change	Annual Average 2011	Annual Average 2006
Apartment Vacancy Rate	5.1%	5.4%	5.0%	5.5%	4.8%		5.2%	7.0%
Average Monthly Rental Rate (all units)	$1,368	$1,371	$1,292	$1,351	$1,254	7.8%	$932	$850

Source: Denver Metro Apartment Vacancy and Rent Survey.

The average monthly rental rate of apartments in Metro Denver decreased during the third quarter of 2016, the first quarterly decline since fourth quarter 2013. The third quarter average rental rate in Metro Denver ($1,368) was 0.2 percentage points lower than the previous quarter's level. However, the rate was 5.9 percent higher than the third quarter of 2015, representing an increase of $76 in average monthly rental rates over-the-year. The average rental rate ranged from $1,265 in Adams County to $1,511 in the Boulder/Broomfield area. All six submarkets reported over-the-year increases in average rental rates, ranging from 0.4 percent in the Boulder/Broomfield area to 8.5 percent in Denver County. While rents continued to increase in Metro Denver over-the-year, the 5.9 percent increase was much lower than the 13.3 percent increase recorded in the second quarter of 2015.

Commercial Real Estate

- Corum Real Estate is developing an $80 million, 12-story Class AAA office tower in the Denver Tech Center. Construction is expected to be completed in summer 2018. 50 Fifty DTC will have 185,000 square feet of office space and 2,800 square feet of ground-floor retail. Office lease rates are expected in the high-$20s to low $30s per-square-foot range.
- Developers announced plans for a new speculative office building in the Inverness Business Park slated to be delivered late next year. The 4-story, 120,000-square-foot building will allow tenants to attract talent and workforce from Parker to Highlands Ranch and other surrounding areas. The project is being developed by Trammell Crow Co. and will be owned by Artis REIT.
- Denver-based developer BMC Investments and Bow River Capital Partners announced plans for a new eight-story, 70,000-square-foot office building with 5,000 square feet of retail in Cherry Creek North. The project will cost an estimated $37.5 million and is expected to break ground in August 2017.
- Construction is underway on a speculative office building in Louisville being developed by Denver-based Koelbel & Co. The 57,700-square-foot building will be located in the Centennial Valley Business Park and is expected to be complete in the second quarter of 2017. CBRE will market and lease the property and has seen interest so far from technology and advanced business services companies.
- Urban Ventures is transforming an old industrial warehouse on 3.2 acres along the Platte River into workspaces for tech companies and creative businesses. The $17 million first phase of the new STEAM on the Platte development is expected to be completed in summer 2017. Future plans include a restaurant, residential development, and potentially more business space. The total cost of the project is an estimated $65 million.
- Trammell Crow Co. broke ground on a new build-to-suit warehouse at the Crossroads Commerce Park in unincorporated Adams County along Interstates 25 and 70 for Inline Distributing Co. The 70,000-square-foot building is part of a planned 1 million square feet at the park at buildout.
- Continuum Partners, developer of the master-planned complex called Bradburn Village in Westminster that began in 2001, will add 11,200 square feet of retail to the area around 120th Avenue between Federal and Sheridan boulevards. The project broke ground in October and is expected to be complete in summer 2017. Expected tenants will include 5280 Burger Bar, which will be the company’s second location.

Office Market

- The office market outlook in the Denver area is positive heading into 2017, according to the latest 3Q 2016 Denver Office Market Trends report from Newmark Grubb Knight Frank. Third quarter growth was muted slightly as contraction in the oil and gas sector affected absorption and occupancy in the Central Business District. However, the vacancy rate was stable over-the-year from the third quarter of 2015 and rental rates continued to grow. The Denver area has supported a strong mix of both speculative and built-to-suit office projects. Year-to-date, office market investment in 2016 totaled $1.3 billion in 7.6 million square feet. Analysts forecast that office market momentum will continue through 2017, bolstered by strong population growth and employment growth in professional and business services. Trends will include increased rental rate growth, continued demand for space at transit-oriented developments, increased sales of suburban assets, and more co-working/creative space.

The Metro Denver office market reported declines in the vacancy rate and increases in the average lease rate through the third quarter of 2016. According to CoStar, the direct vacancy rate fell 0.6 percentage points over-the-year to 9.2 percent vacancy. The third quarter 2016 direct vacancy rate was the lowest third quarter vacancy rate since 2001 when the vacancy rate was 8.6 percent. The average lease rate rose 3.8 percent during the third quarter compared with the previous year’s level. The average lease rate gained $0.91 per square foot between the third quarters of 2015 and 2016. Existing square footage in the office market increased 1.9 million square feet in 36 buildings during the same period.

There was strong office property construction and projects completed to date during the third quarter of 2016. There was over 980,000 square feet of space completed across 23 buildings through the third quarter of 2016. Completed office buildings during the quarter included the 175,755-square-foot Pearl West office building in Boulder, the 63,000-square-foot Wencel Building in Boulder, and 98,980 square feet of space at the Office at Arista Place in Broomfield. There was over 4.84 million square feet of space under construction during the third quarter of 2016, a 71 percent increase from the prior year. Of this space, over 3.5 million square feet of space was under construction in the City and County of Denver, the largest amount of space of the seven counties at 73 percent of total Metro Denver construction.

Office Market Statistics

	Quarter 3 2016	Quarter 2 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013	Quarter 3 2012
Number of Buildings	6,084	6,074	6,048	6,024	5,999	5,982
Existing Square Feet (millions)	181.0	180.6	179.1	177.6	176.5	175.5
Vacant Square Feet (direct, millions)	16.7	16.4	17.5	18.4	19.7	21.6
Vacancy Rate (direct)	9.2%	9.1%	9.8%	10.3%	11.2%	12.3%
Vacancy Rate (with sublet)	10.0%	9.7%	10.4%	10.8%	11.6%	12.6%
Avg. Lease Rate (direct, per sq. foot, full service)	$24.99	$25.02	$24.08	$23.04	$21.90	$20.57
New Construction Completed (year-to-date)	0.98 MSF, 23 Bldgs	0.46 MSF, 10 Bldgs	1.34 MSF, 18 Bldgs	0.98 MSF, 18 Bldgs	0.80 MSF, 11 Bldgs	0.83 MSF, 7 Bldgs
Currently Under Construction	4.84 MSF, 36 Bldgs	3.95 MSF, 34 Bldgs	2.83 MSF, 29 Bldgs	1.81 MSF, 19 Bldgs	1.26 MSF, 17 Bldgs	0.95 MSF, 9 Bldgs

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

Industrial & Flex Market

- The industrial market in the Denver area posted its 19th consecutive month of positive growth based on strong absorption activity, according to the latest 3Q 2016 Denver Industrial Market Trends report from Newmark Knight Grubb Frank. Vacancy remained at historically low levels in the third quarter, posting a rate of 3.8 percent. Most would-be industrial tenants, or current tenants looking to expand, have had to rely on new construction for suitable space. Despite the nearly 5 million square feet expected to be delivered over the course of 2016, vacancy will remain low, rising only incrementally while rental rates will continue to grow. New construction activity in the industrial market has been dampened by high construction costs. In addition, redevelopment of traditional industrial areas of Denver including the National Western Stock Show complex and RiNo neighborhoods is demolishing some current space and putting pressure on surrounding submarkets from displaced tenants.

CoStar Realty data revealed that the industrial market recorded increases in the vacancy rate and the average lease rate during the third quarter of 2016 compared with the prior year. The third quarter direct vacancy rate of 3.4 percent was 0.7 percentage points higher than the prior year and 0.1 percentage points above the second quarter of 2016. The average lease rate rose 6.3 percent between the third quarters of 2015 and 2016, adding $0.43 per square foot to the average lease rate. However, there was a 2.8 percent decrease over-the-quarter in the average lease rate. The industrial market added 3 million square feet of rentable space in 24 buildings between the third quarters of 2015 and 2016.

There were 19 industrial buildings completed through the third quarter of 2016, including a 101,000-square-foot building at the Highfield Business Park in Douglas County, a 357,560-square-foot warehouse distribution building in Aurora, and 60,000 square feet in two buildings at the Webley Business Park in Adams County. There were 34 buildings with over 3.8 million square feet of space under construction during the period.

Industrial Market Statistics

	Quarter 3 2016	Quarter 2 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013	Quarter 3 2012
Number of Buildings	6,935	6,928	6,911	6,901	6,877	6,866
Existing Square Feet (millions)	208.6	208.0	205.6	203.8	201.5	200.1
Vacant Square Feet (direct, millions)	7.1	7.0	5.5	7.4	9.0	11.6
Vacancy Rate (direct)	3.4%	3.3%	2.7%	3.7%	4.5%	5.8%
Vacancy Rate (with sublet)	3.7%	3.5%	2.9%	3.9%	4.8%	6.3%
Avg. Lease Rate (direct, per square foot, NNN)	$7.26	$7.47	$6.83	$5.72	$4.92	$4.65
New Construction Completed (year-to-date)	2.71 MSF, 19 Bldgs	2.07 MSF, 11 Bldgs	1.24 MSF, 4 Bldgs	2.13 MSF, 19 Bldgs	0.89 MSF, 4 Bldgs	0.27 MSF, 6 Bldgs
Currently Under Construction	3.82 MSF, 34 Bldgs	3.46 MSF, 23 Bldgs	1.57 MSF, 8 Bldgs	1.77 MSF, 8 Bldgs	0.63 MSF, 7 Bldgs	0.60 MSF, 7 Bldgs

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

The Metro Denver flex market recorded improvements through the third quarter of the year. The direct vacancy rate for flex space fell 0.2 percentage points to 7.3 percent between the third quarters of 2015 and 2016, the lowest third quarter rate since the data has been collected. The average lease rate rose 1.1 percent over-the-quarter to $10.91 per square foot. The third quarter lease rate was also 6.2 percent higher than the prior year's level and added $0.64 per square foot.

There was about 133,650 square feet of new space completed through the third quarter of 2016, consisting of a 35,000-square-foot flex building in Boulder, a 33,500-square-foot flex building in Jefferson County, a 10,190-square-foot flex building in Boulder, and a 54,960-square-foot building in Adams County. There was 355,500 square feet of flex space in seven buildings under construction during the third quarter of the year, including an 83,290-square-foot building at the Prairie Business Center in Boulder and a 110,520-square-foot building at the Corporate Center in Jefferson County.

Flex Space Statistics

	Quarter 3 2016	Quarter 2 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013	Quarter 3 2012
Number of Buildings	1,469	1,468	1,462	1,456	1,449	1,444
Existing Square Feet (millions)	41.8	41.7	41.5	40.9	40.5	40.3
Vacant Square Feet (direct, millions)	3.1	3.1	3.1	3.4	4.5	4.9
Vacancy Rate (direct)	7.3%	7.5%	7.5%	8.2%	11.1%	12.2%
Vacancy Rate (with sublet)	7.7%	7.5%	8.7%	9.6%	12.6%	13.5%
Avg. Lease Rate (direct, per square foot, NNN)	$10.91	$10.79	$10.27	$9.59	$9.20	$8.62
New Construction Completed (year-to-date)	0.13 MSF, 4 Bldgs	0.10 MSF, 3 Bldgs	0.33 MSF, 3 Bldgs	0.37 MSF, 6 Bldgs	0.10 MSF, 3 Bldgs	0.12 MSF, 2 Bldgs
Currently Under Construction	0.36 MSF, 7 Bldgs	0.31 MSF, 7 Bldgs	0 MSF, 0 Bldgs	0.53 MSF, 6 Bldgs	0.07 MSF, 2 Bldgs	0.20 MSF, 2 Bldgs

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

Retail Market

- Sports Authority closures continued to negatively affect the Denver area retail market, creating what is expected to be a temporary vacancy spike and negative absorption activity in the third quarter, according to the 3Q 2016 Denver Retail Market Trends report from Newmark Grubb Knight Frank. However, investment activity remained strong with 2016 expected to meet or exceed 2015 totals. Year-to-date, investment totaled $1.2 billion for 3.9 million square feet. Seven of the Denver area's 11 submarkets posted positive full-year absorption with several national retailers filling vacant big box space in the south submarket. The outlook for various parts of the retail market is positive according to researchers, with demand for prime end-cap space outpacing supply.

The retail market in Metro Denver continued to tighten through the third quarter of 2016. The direct vacancy rate decreased 0.4 percentage points between the third quarters of 2015 and 2016 and was 0.1 percentage points below the second quarter 2016 level. The third quarter direct vacancy rate was the lowest third quarter level since data records dating back to 2006. The average lease rate for retail space decreased 0.6 percent over-the-quarter, but rose 3.8 percent over-the-year, adding $0.60 per square foot over-the-year. The retail market added 1.7 million square feet of rentable space in 102 buildings between the third quarters of 2015 and 2016.

Through the third quarter of the year, the Metro Denver retail market completed 63 projects and 25 projects were 10,000 square feet or larger. These 25 projects accounted for over 713,410 square feet of completed space, or about 77 percent of total completed space. The largest project completed was the 136,400-square-foot Sam's Club at the Village at the Peaks in Boulder County. Boulder and Douglas counties recorded the largest amounts of retail space completed through the third quarter, reporting 214,250 square feet and 243,050 square feet of space completed, respectively. There were 59 buildings under construction during the third quarter of 2016, totaling over 1.6 million square feet. Twenty-nine of the buildings under construction were 10,000 square feet or larger, spanning a total of nearly 1.5 million square feet or 90.5 percent of total retail space under construction.

Retail Market Statistics

	Quarter 3 2016	Quarter 2 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013	Quarter 3 2012
Number of Buildings	11,864	11,846	11,762	11,701	11,617	11,529
Existing Square Feet (millions)	164.3	164.0	162.6	161.9	160.7	159.2
Vacant Square Feet (direct, millions)	7.5	7.7	8.1	8.8	9.7	10.3
Vacancy Rate (direct)	4.6%	4.7%	5.0%	5.4%	6.0%	6.5%
Vacancy Rate (with sublet)	4.8%	4.9%	5.1%	5.6%	6.2%	6.7%
Avg. Lease Rate (direct, per square foot, NNN)	$16.33	$16.43	$15.73	$15.71	$15.34	$14.79
New Construction Completed (year-to-date)	0.93 MSF, 63 Bldgs	0.64 MSF, 44 Bldgs	0.54 MSF, 32 Bldgs	0.36 MSF, 43 Bldgs	0.98 MSF, 53 Bldgs	0.25 MSF, 22 Bldgs
Currently Under Construction	1.64 MSF, 59 Bldgs	1.04 MSF, 45 Bldgs	0.99 MSF, 47 Bldgs	0.19 MSF, 16 Bldgs	0.42 MSF, 28 Bldgs	0.65 MSF, 31 Bldgs

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

⇓⇑ Positive Changes	***Monthly/Quarterly Direction*** **8 of 18**		***Year-Over-Year Direction*** **14 of 18**		***Year-to-Date Direction*** **12 of 18**	
Nonfarm Employment Growth	+6,800 Employment up 0.4% from Sept. to Oct.	⇑	+55,700 Employment up 3.5% from Oct. 2015 to 2016	⇑	+49,200 YTD employment up 3.1% through Oct.	⇑
% Companies Hiring (Denver Area)	28% Companies expecting to add workers rose 3 percentage points from 3Q 2016 to 4Q 2016	⇑	28% Companies expecting to add workers rose 9 percentage points from 4Q 2015 to 4Q 2016	⇑	25% YTD average up 3 percentage points compared with 2015	⇑
Unemployment Rate	2.9% Unemployment was up 0.1 percentage points from Sept. to Oct.	⇑	-0.1 percentage points Unemployment rate down from Oct. 2015 to 2016	⇓	3.2% Down from 2015 YTD average of 3.8%	⇓
Initial Unemployment Insurance Claims	+12.5% Claims increased from Sept. to Oct.	⇑	-14.9% Claims decreased from Oct. 2015 to 2016	⇓	-4.7% YTD average claims decreased through Oct. 2016	⇓
Total Retail Sales	-1.1% Metro sales decreased from Jan. to Feb.	⇓	1.3% Metro sales up from Feb. 2015 to 2016	⇑	-2.8% YTD sales down through Feb. 2016	⇓
Mountain Region Consumer Confidence Index	113.7 Index up 12% from Oct. to Nov.	⇑	15.8% Index up from Nov. 2015 to 2016	⇑	101.7 YTD average down 6.9% through Nov. 2016	⇓
Hotel Occupancy	78.8% Decreased 5 percentage points from Sept. to Oct.	⇓	-0.2 percentage points Occupancy decreased from Oct. 2015 to 2016	⇓	78.0% YTD occupancy down 0.9 percentage points from last year	⇓
DIA Passengers	-5.3% Passengers down from Aug. to Sept.	⇓	12.8% Passengers up from Sept. 2015 to 2016	⇑	8.2% YTD passengers increased through Sept. 2016	⇑
Bloomberg Colorado Index	522.4 Index up 5.9% from Oct. to Nov.	⇑	-5.4% Index down from Nov. 2015 to 2016	⇓	5.1% YTD return through Nov. 2016	⇑
Dow Jones Industrial Average	19,123.6 Index up 5.4% from Oct. to Nov.	⇑	7.9% Index up from Nov. 2015 to 2016	⇑	9.7% YTD return through Nov. 2016	⇑
Home Sales (closed)	5,458 Sales down 10.9% from Aug. to Sept.	⇓	4.4% Sales up from Sept. 2015 to 2016	⇑	45,534 YTD sales down 3.2% through Sept. 2016	⇓
Median Home Price (Denver-Aurora MSA)	$386,800 Down 1.9% from 2Q 2016 to 3Q 2016	⇓	9.6% Price up from 3Q 2015 to 3Q 2016	⇑	$383,400 YTD price 9.1% higher through 3Q 2016	⇑
Foreclosures	246 Up 3.8% from Sept. to Oct.	⇑	-7.5% Down from Oct. 2015 to 2016	⇓	2,661 Down 10.2% YTD through Oct. 2016	⇓

Residential Building Permits (Total)	2,680 ⇑ Permits increased 64.3% from Sept. to Oct.	140.6% ⇑ Permits up from Oct. 2015 to 2016	18,090 ⇑ YTD permits up 22.6% through Oct. 2016
Apartment Vacancy Rate	5.1% ⇓ Vacancy decreased 0.3 percentage points from 2Q 2016 to 3Q 2016	0.1 percentage points ⇑ Vacancy increased from 3Q 2015 to 3Q 2016	5.5% ⇑ YTD average up 0.7 percentage points from last year
Office Vacancy Rate (with Sublet)	10.0% ⇑ Vacancy rate up 0.3 percentage points from 2Q 2016 to 3Q 2016	-0.4 percentage points ⇓ 3Q 2016 vacancy rate down from 10.4% one year ago	-0.4 percentage points ⇓ 3Q 2016 vacancy rate down from 10.4% one year ago
Industrial Vacancy Rate (with Sublet)	3.7% ⇑ Vacancy rate up 0.2 percentage points from 2Q 2016 to 3Q 2016	+0.8 percentage points ⇑ 3Q 2016 vacancy up from 2.9% one year ago	+0.8 percentage points ⇑ 3Q 2016 vacancy up from 2.9% one year ago
Retail Space Vacancy Rate (with Sublet)	4.8% ⇓ Vacancy rate down 0.1 percentage point from 2Q 2016 to 3Q 2016	-0.3 percentage points ⇓ 3Q 2016 vacancy rate down from 5.1% one year ago	-0.3 percentage points ⇓ 3Q 2016 vacancy rate down from 5.1% one year ago

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10184 West Belleview Avenue
Suite 100
Littleton, Colorado 80127
www.DevelopmentResearch.net
303.991.0070