

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

Notable Rankings

- *Forbes'* list of the "Best States for Business" was recently published, ranking Colorado No. 8. For the annual ranking, *Forbes* analyzed states across six categories: business costs, labor supply, regulatory environment, economic climate, growth prospects, and quality of life. Colorado was credited as having a young, educated labor supply and a migrating population that is attracted to its robust economy and outdoor recreational opportunities.
- Five Colorado companies ranked on this year's edition of the "Deloitte Technology Fast 500", a ranking of North America's fastest-growing tech firms. Choozle, a technology company that helps advertising and marketing companies with their campaigns, was the only Colorado company to make the top 50, ranked No. 48. Other Colorado-based companies to make the list included Welltok (No. 91), Viveve Inc. (No. 213), 3xLOGIC (No. 353), and Convercent (No. 452).
- Forty-one companies in Colorado appear on Outside Magazine's list of "100 Best Places to Work in 2017." The ratings look at number of employees, average salary, vacation time, and additional perks the workplace might have. Colorado was the most-represented state. Forum Phi Architecture in Aspen ranked No. 1, GroundFloor Media in Denver as No. 2, and Avid4 Adventure in Boulder ranked third on the list. Overall, Colorado increased its dominance in the annual ranking of the nation's happiest workplaces, taking 41 of the 100 spots, up from 37 last year.
- According to a new report by the University of Minnesota, Denver ranked No. 10 out of the 49 largest cities in the U.S. when it comes to the "top 10 metro areas for job accessibility by transit." The report found that Denver grew its transit-oriented job base by 5.14 percent from 2015 to 2016, the 14th-highest growth rate in the country.
- Emerging Trends ranked Denver No. 23 out of 78 cities, its worst showing in a decade in the high-profile and comprehensive analysis of markets throughout the U.S. and Canada. The outlook report is based on surveys and interviews with a wide range of industry experts, including investors, fund managers, developers, property companies, lenders, brokers, advisers, and consultants. By asset class, Denver scored highest for its industrial market.
- Two state business schools moved up on the rankings in the annual Bloomberg Businessweek "Best Business Schools" list. The Leeds School of Business at the University of Colorado Boulder moved up to No. 80 from No. 81 last year and the Daniels School of Business at the University of Denver moved up to No. 83 from No. 87 last year. The list of 85 schools is created by using rankings from employer surveys (35 percent), alumni surveys (30 percent), student surveys (15 percent), salary rank (10 percent), and job placement (10 percent).
- Hotel Engine ranked Denver No. 7 among American cities that travelers are most likely to explore in 2018. Heading into 2017, Denver was ranked as the 10th-most-likely city for travelers to visit, signifying that the Mile High City is growing in popularity nationwide. Tourist-magnet Las Vegas ranked as the No. 1 spot travelers are most likely to visit in 2018, followed by Austin, Texas and San Francisco.
- Denver was recently named the "Best City for Beer Drinkers" by San Francisco-based Zumper. The list of criteria used included the number of breweries and brewpubs per capita (100,000 residents), the number of bars per capita, the number of medals won at Denver's Great American Beer Festival since the founding of the event in 1982, the median 1 bedroom rent per month, state beer tax, and the average price for a pint of beer. Following Denver were Portland, Oregon and Eugene, Oregon.

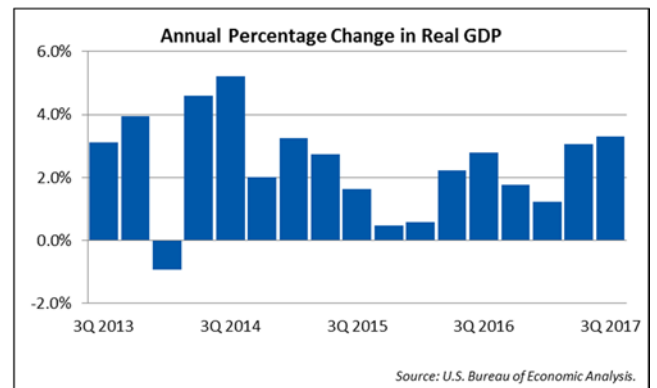
National Economic Overview

Gross Domestic Product

- The U.S. Bureau of Economic Analysis (BEA) released the second estimate of real gross domestic product (GDP) for the third quarter of 2017. The estimate showed that GDP increased at an annual rate of 3.3 percent through the third quarter, which was 0.2 percentage points above the second quarter rate of 3.1 percent.
- The slight increase in real GDP in the third quarter reflected positive contributions from personal consumption expenditures, nonresidential fixed investment, exports, federal government spending, and private inventory investment.
- Real GDP growth was partly offset by negative contributions from residential fixed investment. Imports, which are a subtraction in the calculation of GDP, also decreased.

Interest Rates

- Jerome H. Powell was nominated by President Trump to chair the Federal Reserve, bypassing Janet L. Yellen for a second term. Mr. Powell is expected to maintain the current direction of monetary policy if the economy continues its steady growth.
- The Federal Open Market Committee (FOMC) of the Federal Reserve reported that they decided to maintain the target range of the federal funds rate at 1 percent to 1.25 percent at the October meeting. Rates have already been raised twice this year as part of a program for a slow but steady normalization of monetary policy.
- The Fed in October began the process of gradually reducing its \$4.5 trillion balance sheet, which mostly contains bonds the central bank purchased to stimulate the economy.
- The next FOMC meeting will be held December 12-13.



Policy Watch

National

- Senate Republicans recently passed a \$1.4 trillion tax bill. A report released by Congress' nonpartisan Joint Committee on Taxation estimated the package would produce budget deficits totaling \$1 trillion over the coming decade. Some Republicans believe the measure's tax cuts would spark enough economic growth to pay for the lowered levies. The tax bill dramatically decreases the corporate tax rate, offers more modest cuts for families and individuals, and eliminates several popular deductions. The tax cuts for individuals in the Senate plan would expire in 2026 while the corporate tax cuts would be permanent. The House and the Senate must reconcile the differences in their proposed tax bills before delivering final legislation to President Trump.

Local

- Denver voters recently approved the city's \$937 million bond package. The proposal covers about 460 projects, including a decade of roadwork and improvement projects at libraries, parks, city buildings, and health and cultural facilities. About half of the value of the bond package will go to new projects, with the remainder covering repairs and long-deferred maintenance.

Economic Indexes & Notable Data Releases

National & International

- The U.S. trade deficit was \$43.5 billion in September, up \$0.7 billion from the August deficit of \$42.8 billion (revised). September exports were \$196.8 billion, \$2.1 billion more than August exports. September imports were \$240.3 billion, \$2.8 billion more than August imports.
- The Conference Board Leading Economic Index (LEI) for the U.S. increased 1.2 percent in October to 130.4 (2010=100), following a 0.1 percent increase in September, and a 0.4 percent increase in August. According to the Conference Board analysts, the US LEI increased sharply in October, as the impact of the hurricanes dissipated. The growth of the LEI, coupled with widespread strengths among its components, suggests that solid growth in the U.S. economy will continue through the holiday season and into the new year.
- The Institute for Supply Management's Manufacturing Index decreased 2.1 percentage points in October to 58.7 percent, compared with the September level of 60.8 percent. Among the 18 manufacturing industries tracked in the index, 16 reported growth between September and October, while two industries reported the same level of activity as September. The overall economy grew for the 101st consecutive month.
- The Institute for Supply Management's Non-Manufacturing Index increased 0.3 percentage points in October to 60.1 percent, compared with the September level of 59.8 percent. Sixteen of the 18 non-manufacturing industries reported growth in October, with the strongest growth in agriculture, forestry, fishing and hunting; construction; and transportation and warehousing. The non-manufacturing sector grew for the 94th consecutive month.

Local

- Colorado's gross domestic product for the second quarter of 2017 increased by 3.8 percent, according to a report released by the Bureau of Economic Analysis. The report also said that the state is on track to add 48,700 jobs this year. The population and workforce is growing because of net migration and the natural rate of change. It is expected that over time, the population of Colorado will become more diverse and the number of working-age people will increase at a rate slower than the growth rate of the population.
- In 2016, Colorado saw its first drop this decade in the number of people arriving from other states, while those leaving Colorado hit a record high, resulting in the lowest net-migration number in seven years. The drop in net migration could help explain why Colorado's unemployment rate has dropped to record low levels. Washington State received a net 8,528 residents from Colorado in the last year, making it the top destination state.
- The University of Colorado Boulder Leeds School of Business released their fourth quarter Leeds Business Confidence Index (LBCI) for 2017. The overall expectations for both the national economy and state economy slowed for the second consecutive quarter in the fourth quarter of 2017, but the outlook remained positive. The index value of 56.5 for the fourth quarter of 2017 was down 3.2 points from last quarter but up 3.5 points from the fourth quarter of 2016. Of the index components, national expectations decreased from 54.6 to 51.4, and state expectations fell from 60.9 in the third quarter to 58.8 in the fourth. LBCI panelists responded that there were concerns in Colorado about labor market shortages and statewide housing prices. For the nation, respondents expressed concern about the general political landscape.
- According to *The Economic and Fiscal Impact Study*, Colorado State University, its students, and alumni contributed \$465.2 million in tax revenue to the state in 2015. CSU also helped create 19,000 jobs and spawned dozens of companies. The study looked at three key areas of impact, including higher wages earned by CSU alumni because of their degrees; operational and student spending in the Fort Collins and state economies, and research and innovation at CSU, which strengthens a wide range of Colorado businesses and industries.
- The U.S. Federal Reserve released its most recent "Beige Book Survey" and reported that economic activity in the 10th District, which includes Colorado, increased moderately in October. Transportation and manufacturing contacts reported a strong increase in activity, and professional, high tech, and wholesale trade activity expanded at a moderate

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pace. District real estate activity continued to increase at a slight pace, while consumer spending contacts indicated growth was unchanged since the previous survey period. Employment and employee hours increased in most sectors, and contacts reported modest wage growth with further moderate increases expected.

Labor Force and Employment

- Employment in Metro Denver rose 1.2 percent between October 2016 and 2017, or an additional 19,300 jobs during the period. Employment growth consisted of a 1 percent increase in the Denver-Aurora-Lakewood MSA, or an additional 14,000 jobs, and a 2.8 percent increase in the Boulder MSA, representing 5,300 jobs.
- Nine of the 11 supersectors recorded growth over-the-year. More than 75 percent of the over-the-year absolute increase can be attributed to growth in professional and business services, education and health services, and leisure and hospitality. The largest sector by employment, professional and business services, increased 2.1 percent and created 6,100 jobs over-the-year.

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

	Month of Oct-17	Month of Sep-17	Month of Oct-16	Year-to- Date Average 2017	Year-to- Date Average 2016	Year-to- Date Average % Change	Annual Growth Rate 2012	Annual Growth Rate 2007
Total 11-County Metro Denver*	1,659.8	1,655.9	1,640.5	1,646.1	1,614.0	2.0%	2.9%	2.1%
Denver-Aurora-Lakewood MSA	1,466.6	1,464.1	1,452.6	1,456.8	1,429.8	1.9%	2.9%	2.1%
Boulder MSA	193.2	191.8	187.9	189.3	184.3	2.7%	2.7%	2.2%
Natural Resources & Construction	106.2	105.1	103.7	102.9	102.3	0.6%	5.1%	-1.4%
Manufacturing	85.6	85.8	87.0	85.9	86.4	-0.6%	2.2%	-1.5%
Wholesale & Retail Trade	235.8	236.0	234.2	235.1	231.3	1.6%	2.2%	2.1%
Transp., Warehousing & Utilities	57.7	58.2	56.5	57.4	55.1	4.2%	2.7%	2.8%
Information	53.9	53.4	53.7	53.6	54.5	-1.5%	-0.9%	0.8%
Financial Activities	114.2	114.2	114.1	114.5	112.7	1.6%	2.1%	-0.6%
Professional & Business Services	303.1	302.0	297.0	297.6	291.0	2.3%	5.1%	5.7%
Education & Health Services	216.6	215.1	212.7	215.0	207.5	3.6%	3.7%	3.9%
Leisure & Hospitality	189.2	190.7	184.6	189.4	182.2	4.0%	3.4%	2.6%
Other Services	63.6	62.8	62.4	63.0	61.1	3.1%	2.8%	2.0%
Government	233.9	232.6	234.6	231.7	230.0	0.7%	0.9%	1.8%
Federal Gov't	30.7	30.7	30.9	30.9	30.7	0.6%	-0.8%	-0.7%
State Gov't	65.1	63.6	62.7	61.5	59.5	3.4%	1.8%	2.8%
Local Gov't	138.1	138.3	141.0	139.4	139.9	-0.3%	0.9%	2.1%
Colorado	2,666.5	2,663.9	2,628.2	2,641.2	2,592.5	1.9%	2.4%	2.3%
United States	148,006	146,964	145,969	146,050	143,912	1.5%	1.7%	1.1%

*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

- The leisure and hospitality supersector reported the largest percentage increase over-the-year in employment, rising 2.5 percent and added 4,600 jobs. Natural resources and construction created 2,500 jobs, a 2.4 percent increase over the year. The manufacturing sector (-1,400 jobs) and the government supersector (-700 jobs) both recorded declines in employment over-the-year.

- Colorado employment rose 1.5 percent in October compared with the previous year's level, adding 38,300 new jobs over the same period. National employment levels increased 1.4 percent over-the-year, with the addition of 2 million jobs.

Metro Denver Industry Cluster Headlines

Aviation

- Denver's Frontier Airlines recently bought 134 fuel-efficient A320neo Family Airbus jets worth \$15 billion. The ultra-low-cost carrier also announced that it was outsourcing over 1,300 reservations and airport operations jobs in Denver and Milwaukee. The new planes will triple the size of Frontier's fleet from the 70 today to more than 200 by the time all are delivered. After carrying 15 million people to their destinations in 2016, Frontier's stated goal is to serve 50 million flyers by 2026.

Bioscience – Medical Devices & Diagnostics

- Mesa Laboratories Inc. reported a "disappointing" second-quarter performance with a 6 percent decrease in revenues. The maker of monitoring instruments didn't reveal exactly how many employees would be let go in the aftermath, but stated that they would be reducing both headcount and discretionary spending.

Bioscience – Pharmaceuticals and Biotechnology

- Avista Pharma Solutions Inc. has completed facility upgrades that effectively doubled the company's active pharmaceutical-ingredient manufacturing capacity at its site in Longmont. The new equipment will provide additional scale and will enable processing of complex and potent categories of chemical compounds. Avista Pharma also is expanding its drug-product manufacturing capacity and analytical capacity, as well as adding walk-in stability storage chambers to the 20,000-square-foot expansion.

Energy – Fossil Energy

- Anadarko Petroleum Corp. said it plans to invest about \$950 million into its operations next year in the Denver-Julesburg Basin, which spreads north and east of Denver to the state's borders. The company, based in the Houston suburb of The Woodlands, said it plans to operate an average of five drilling rigs and three fracking crews in Colorado during 2018.

Energy – Cleantech

- Xcel Energy will build the largest solar project in Boulder on 54 acres at the IBM campus in Gunbarrel. Xcel recently announced its intention to have a 55 percent renewable statewide portfolio by 2026, which would be a significant leap from today's mark of roughly 30 percent.
- Vestas Wind Systems, which employs about 3,500 people at its four Colorado factories, led the nation in wind turbine orders for the first half of the year, according to Navigant research. The company operates a plant that builds turbine towers in Pueblo, a blades factory in Windsor, and two sites in Brighton that make turbine blades and nacelles, the assemblies atop the towers that house gears and generators.

Healthcare and Wellness

- Boulder Community Health is developing a 40-bed facility, to be built on 8.4 acres at U.S. 287 and Old Laramie Trail in Lafayette. Ernest Health will operate the hospital, with completion expected in the first three months of 2019. The rehabilitation hospital will take up 58,000 square feet and include a 6,000-square-foot gym and outdoor courtyard for therapeutic uses. The facility will serve patients recovering from injuries and illness, or living with disabilities and chronic medical conditions, including strokes, Parkinson's disease and multiple sclerosis.

IT-Software

- Boulder-based JumpCloud plans to expand and fill 70 new positions over the next year after raising \$20 million in venture capital. The tech startup, which manages user directories for companies, is on pace to triple its revenue in 2017 and expects to at least triple it again in 2018.
- Denver's GoSpotCheck has collected another \$21.5 million from existing investors and plans to use the funds to expand its engineering and sales teams by about 70 people, while increasing the intelligence of its technology. With the GoSpotCheck app, field workers can take pictures in a store and vendors can access the data and see how their products are displayed on shelves. The company employs about 100 people and recently expanded its office space to 22,000 square feet at 1500 Market Street.
- After nearly doubling its workforce this year, Denver ad tech startup Choozle added an additional \$6 million in funding. The company, which ranked No. 113 on the Inc. 500 list this year, makes a digital platform for ad agencies to track and target customers. The company, which employs 55 in Denver, expects to add 25 to 30 more workers by this time next year.
- ORA Interactive, a growing Chicago-based digital studio that designs and builds web and mobile applications, will expand into the western United States by opening an office in Denver. The company expects the second studio to strengthen their ability to recruit and hire quality technical and product design talent.
- Liquid Inc., a developer of agile technologies for data centers, will move its headquarters from Lafayette to 20,846 square feet of space in the Interlocken business park in Broomfield. Earlier this year, Liquid secured \$10 million in Series A funding. The funding will be used to accelerate development of its flagship Liquid CI platform, recruit additional engineering talent, and drive sales and marketing efforts.
- Innosphere announced a three-tiered program Thursday afternoon to scale up its abilities, including building a \$15 million Denver facility and \$3 million Fort Collins expansion. The incubator, which focuses on early-stage science and technology startups, reported that the Denver facility will be similar to the headquarters Innosphere has in Northern Colorado today.
- Wishlist and ThrivePass, two joint Denver startups with the same three founders, purchased their building at 3801 Franklin St. The startups are also expanding their headcount, from 32 to 50 over the next 18 months. Wishlist launched in 2012 for customers to give friends experiences in lieu of physical gifts. ThrivePass is a platform for employers to manage fitness and health stipends for employees.
- Green House Data, a cloud hosting, colocation, hybrid IT, and managed services firm, announced the acquisition of Ajubeo, a Denver-based provider of infrastructure as a service (IaaS), including public, private, and hybrid cloud products. The Ajubeo customer list includes a strong presence in the Rocky Mountain region, as well as well-known international brands.
- Peak 10 + Viawest expanded its already large data center operation in northern Douglas County. The company added 88,000 square feet to its Compark data center, bringing the facility's total data space to 138,000 square feet.

Other Industry Headlines

- The National Ecological Observatory Network (NEON), a federally funded organization based in Boulder, will cut 55 jobs this January. NEON's mission is to gather data on the impacts of climate change, land-use change, and invasive species on natural resources. After the layoffs, NEON will have approximately 200 employees in Boulder. The layoffs were part of a planned reduction as the project moves from the construction phase to operations phase.
- Revolar, a high-profile Denver tech startup that makes wearable emergency alert devices, has reopened with new owners after shutting down in October. The startup hopes to hire back many of its 22 former employees.
- Arrivo, a Los Angeles startup, will partner with the Colorado Department of Transportation to build a half-mile test track alongside the E-470 tollway near Denver International Airport for a futuristic transportation system. In addition to

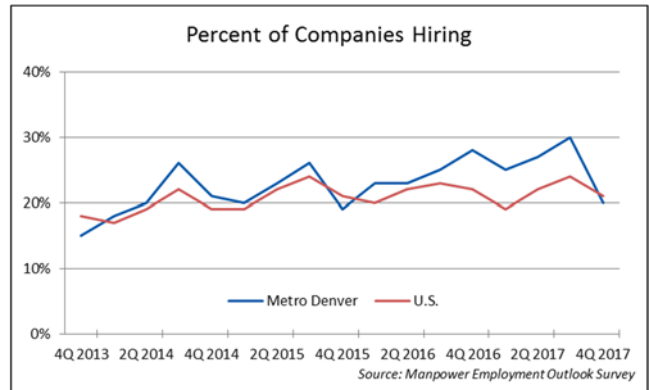
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the test track, the company plans to open a research and development center in Commerce City. The company expects to employ 40 people by the end of 2018 and up to 200 by 2020. The proposed high-speed transport system would run slower than hyperloop but be more efficient for shorter distances. Some projected times included nine minutes from Denver International Airport to downtown, eight minutes from Denver to Boulder, and six minutes from Lone Tree to Denver.

- Trelora, a discount residential brokerage, raised another \$2.2 million in venture capital and is looking for a total of \$3.5 million, according to an SEC filing Nov. 8. Trelora charges home sellers a flat fee of \$2,500, and charges homebuyers \$2,500 to find and buy a property. The LoHi startup currently employs 37, and is looking to add software engineers, designers, product managers, internal marketing, and PR staff.

Employment Outlook

- Employers in the Denver-Aurora-Broomfield MSA expect weaker hiring expectations through the fourth quarter of 2017, according to the Manpower Employment Outlook Survey. The percentage of employers planning to increase employment levels fell 10 percentage points between the third and fourth quarters, with 20 percent of companies expanding their employment levels. The majority of companies intend to maintain staff levels through the fourth quarter of the year, with the level rising 4 percentage points above the prior quarter's level.
- Sectors with the best job outlooks were construction, durable goods manufacturing, transportation and utilities, and wholesale and retail trade. Employers in financial activities and government plan to reduce staffing levels, while hiring in nondurable goods manufacturing, information, and other services is expected to remain unchanged.



Employment Outlook Survey

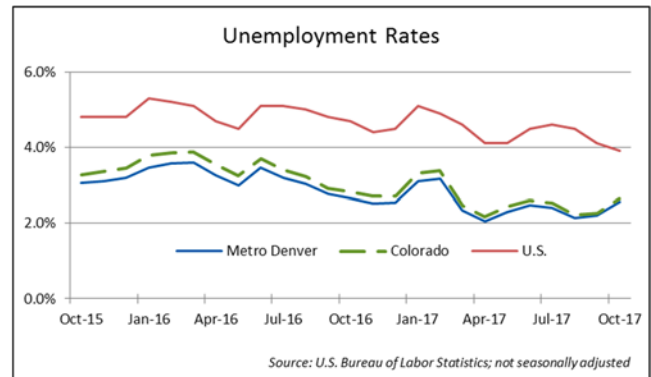
	Quarter 4 2017	Quarter 3 2017	Quarter 4 2016	YTD 2017	YTD 2016	Ann Avg 2012
Denver-Aurora-Broomfield MSA						
Percent of Companies Hiring	20%	30%	28%	26%	25%	17%
Percent of Companies Laying Off	9%	5%	6%	6%	4%	6%
Percent of Companies No Change	68%	64%	65%	66%	70%	74%
Percent of Companies Unsure	3%	1%	1%	2%	2%	3%
United States						
Percent of Companies Hiring	21%	24%	22%	22%	22%	18%
Percent of Companies Laying Off	6%	4%	6%	5%	5%	8%
Percent of Companies No Change	71%	70%	69%	72%	71%	71%
Percent of Companies Unsure	2%	2%	3%	2%	2%	4%

Source: Manpower Inc.

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Unemployment

- Metro Denver’s not-seasonally adjusted unemployment rate increased slightly, rising 0.3 percentage points to 2.6 percent in October compared with September. However, Metro Denver’s rate also fell 0.1 percentage points over-the-year from the October 2016 level of 2.7 percent. The Denver MSA ranked in the top 50 of metropolitan areas with the lowest unemployment rate.
- The seven Metro Denver counties reported unemployment rates of 2.8 percent or lower in October. Boulder and Douglas counties tied for the lowest unemployment rates of the seven-county region, recording 2.3 percent. Adams County recorded the largest over-the-year decline, falling 0.2 percentage points to 2.8 percent.
- All seven counties reported an increase in the unemployment rate over-the-month. Adams County, Boulder County and Jefferson County all tied for the largest over-the-month increases of 0.4 percentage points. Additionally, six of the seven counties had slight decreases in the labor force over-the-month, with Boulder County posting the only increase of 0.1 percent.
- The Colorado unemployment rate increased 0.3 percentage points over-the-month to 2.6 percent in October 2017. The state’s labor force also decreased slightly, falling 0.1 percent. The national unemployment rate fell 0.2 percentage points to 3.9 percent. Colorado has one of the lowest unemployment rates in the country, surpassed only by North Dakota and Hawaii.



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

	October 2017 (p)		2017 YTD AVG		2016 YTD AVG		2012	2007
	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Ann Avg Unemployment Rate	Ann Avg Unemployment Rate
Metro Denver	1,760.2	2.6%	1,739.1	2.5%	1,688.9	3.2%	7.6%	3.8%
Adams County	263.4	2.8%	260.3	2.8%	253.4	3.8%	9.4%	4.2%
Arapahoe County	355.7	2.7%	351.7	2.5%	341.8	3.2%	7.7%	3.7%
Boulder County	191.1	2.3%	187.3	2.2%	180.7	2.8%	6.2%	3.3%
Broomfield County	38.0	2.5%	37.5	2.4%	36.4	3.0%	6.6%	3.5%
Denver County	399.4	2.6%	395.3	2.5%	384.2	3.3%	7.9%	4.1%
Douglas County	183.8	2.3%	181.7	2.2%	176.4	2.8%	6.0%	3.1%
Jefferson County	328.8	2.5%	325.2	2.4%	316.0	3.1%	7.4%	3.6%
Colorado	3,021.7	2.6%	2,973.6	2.6%	2,890.1	3.4%	7.9%	3.7%
United States	160,465	3.9%	160,349	4.4%	159,183	5.0%	8.1%	4.6%

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

- October unemployment insurance claims increased in Metro Denver, rising 7.8 percent between September and October. Nevertheless, the October level was 13.4 percent lower over-the-year. The average number of claims year-to-date (1,062 claims) is the lowest on record since the dataset began in 2004.
- Claims throughout Colorado increased over-the-month, rising 25.5 percent. Even with the significant increase from September, the state’s unemployment insurance claims decreased 12.3 percent over-the-year. The year-to-date average claims for Colorado is lower than any previous October since 2006.

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Weekly First-Time Unemployment Insurance Claims

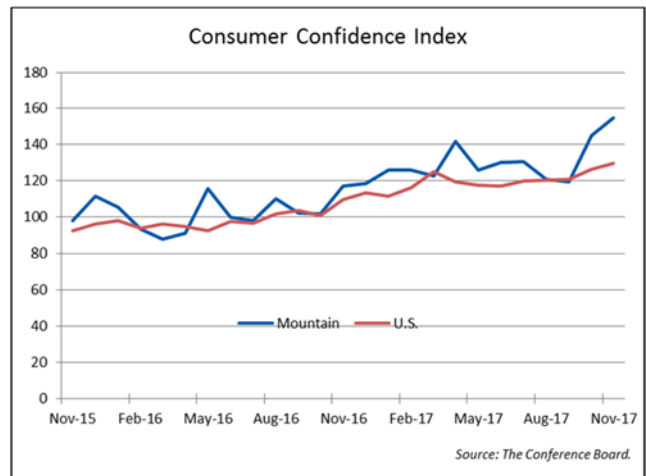
	Month of Oct-17	Month of Sep-17	Month of Oct-16	YTD Avg 2017	YTD Avg 2016	YTD Avg % Change	Ann Avg 2012	Ann Avg 2007
Metro Denver	978	907	1,129	1,062	1,193	-11.0%	1,627	1,211
Colorado	2,040	1,625	2,325	1,987	2,311	-14.0%	3,123	2,211

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. rose in November, reporting a level of 129.5 from the revised October level of 126.2, a 2.6 percent increase over-the-month. The increase in Consumer Confidence in November was primarily a result of consumers' positive assessment of current conditions. Consumer confidence increased for a fifth consecutive month and remains at a 17-year high (Nov. 2000, 132.6). Additionally, the national index for November 2017 was 18.4 percent higher than the November 2016 level.
- Analysts at The Conference Board stated that consumers' optimism about the short-term outlook was also more favorable in November. The percentage of consumers expecting business conditions to improve over the next six months increased slightly from 22.1 percent to 22.4 percent. Additionally, consumers' assessment of the job market increased as well. The proportion expecting jobs to increase in the months ahead rose from 18.7 percent to 22.6 percent, and those anticipating fewer jobs declined from 11.6 percent to 11 percent.
- Colorado is included in the Mountain Region Index and the area reported an increase in consumer confidence between October and November. The index rose to 155 in November from the October revised level of 145.2, increasing 6.7 percent over-the-month. The Mountain Region Index was 32.1 percent higher than the year-ago level. The Present Situation Index rose 13.4 percent to 181.9 in November from 168.5 in October (revised), while the Expectations Index increased 5.8 percent to 137.1 from 129.6 in October (revised).



Consumer Confidence Index

	Month of Nov-17 (p)	Month of Oct-17 (r)	Month of Nov-16	YTD Avg 2017	YTD Avg 2016	YTD Avg % Change	Ann Avg 2012	Ann Avg 2007
Mountain	155.0	145.2	117.3	131.2	102.0	28.6%	68.7	131.8
United States	129.5	126.2	109.4	120.3	98.6	22.0%	67.1	103.4

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

- The National Retail Federation projects Americans will spend a record \$682 billion on holiday sales this year. At the same time, data show that lower-income households are likely to pull back on holiday spending. Wages have remained largely stagnant, particularly in lower-paying jobs, and many are concerned that tax policies will disproportionately hurt lower- and middle-income families. Families with household incomes of less than \$60,000 are likely to cut spending on gifts by 8 percent this year, while wealthier households plan to boost spending on gifts by 3 percent, to \$822 per person.

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- Shoppers spent \$6.59 billion on Cyber Monday, marking the largest online sales day in history, according to Adobe Digital Insights. Over \$1 billion more was spent on Cyber Monday this year compared to 2016, totaling a 16.8 percent year-over-year increase. Online sales were up throughout Thanksgiving weekend, reaching \$13.03 billion between Nov. 23 and Nov. 26.
- Forty-three percent of American adults shopped at their local small businesses on Small Business Saturday. In Colorado, the most popular destinations for small-business shoppers were restaurants, bars, and pubs with 40 percent of small-business shoppers visiting them on Saturday, followed by coffee shops (25 percent) and clothing stores (20 percent).
- National retail sales decreased through September, with total retail sales falling 4.3 percent below the month-ago level. Over the year though, sales increased 4.5 percent from the September 2016 level. Gasoline sales reported the only over-the-month increase (0.3 percent), and the largest over-the-year increase (10.1 percent). Building material sales rose 8.6 percent over-the-year, but decreased 4.4 percent between August and September. The largest over-the-month decreases were reported by the sporting goods, hobby, book and music store sector, followed by the clothing and clothing accessories sector, falling 13.1 percent and 12.5 percent, respectively.

Total Retail Sales (\$millions)

	Month of Sep-17	Month of Aug-17	Month of Sep-16	YTD Total 2017	YTD Total 2016	YTD Total % Change	Annual Growth 2012	Annual Growth 2007
Total Retail Sales	470,402	491,618	449,948	4,214,935	4,056,949	3.9%	5.0%	3.4%
Motor Vehicles	100,191	105,026	94,771	892,878	857,872	4.1%	9.0%	1.1%
Furniture and Home	9,690	10,086	9,483	83,628	80,545	3.8%	4.5%	-1.5%
Electronics & Appliance	7,662	7,824	7,708	67,356	68,548	-1.7%	2.1%	1.1%
Building Materials	31,542	32,994	29,046	285,287	265,470	7.5%	4.5%	-4.0%
Food and Beverage	59,299	60,423	57,354	530,657	519,532	2.1%	3.1%	4.3%
Health and Personal Care	27,075	28,102	27,141	245,093	245,183	0.0%	0.9%	6.2%
Gasoline Stations	39,994	39,862	36,316	338,031	311,766	8.4%	4.1%	7.1%
Clothing & Accessories	19,870	22,720	19,649	181,004	179,977	0.6%	4.8%	3.8%
Sporting Goods	6,716	7,726	6,931	59,693	62,641	-4.7%	2.8%	1.8%
General Merchandise	53,946	57,694	51,432	491,636	483,446	1.7%	2.8%	4.4%
Miscellaneous Store	10,901	11,413	10,755	95,410	92,145	3.5%	1.5%	2.4%
Non-Store Retailers	47,807	50,551	44,910	436,411	396,029	10.2%	8.5%	8.6%
Food Service & Drinking	55,709	57,197	54,452	507,851	493,795	2.8%	5.8%	5.1%

Source: U.S. Census Bureau

Price Changes

- The U.S. Consumer Price Index (CPI) slightly decreased 0.1 percentage points in October to 246.7, but rose 2 percent over-the-year. Six of the eight CPI components were up between October 2016 and 2017, led by transportation (3.2 percent) and housing (2.8 percent). However, the education and communication index fell 1.8 percent and the apparel index declined 0.6 percent over the same period.
- For the Denver-Boulder-Greeley area, the all items index increased by 3.1 percent from the first half of 2016 to 2017. The housing index (+5.1 percent) and transportation index (+4.1 percent) posted the largest increases over-the-year, with apparel reporting the largest decrease of 6.8 percent.
- The increase in prices for the first half of 2017 pushed up inflation in Metro Denver to its highest level since 2011.
- According to the AAA Daily Fuel Gauge Report, the national average fuel price for November increased 1.2 percent from October to \$2.50 per gallon. The November average fuel price was 15.8 percent above the prior year's level (\$2.15 per gallon). Metro Denver reported a 2.3 percent increase in the average fuel price between November and December. The average fuel price of \$2.48 per gallon for December in Metro Denver was \$0.02 lower than the national

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average. The area reported average fuel prices that were 25.6 percent higher for November 2017 than the previous year's level.

Stock Market

- Three of the four stock market indices improved in November and again over-the-year. The Bloomberg Colorado index declined 1.9 percent over-the-month to 496, also falling 5 percent over-the-year. The DJIA rose 3.8 percent between October and November and rose 26.9 percent over-the-year. The NASDAQ recorded an increase over-the-month of 1.9 percent, and recorded a 28.7 percent increase over-the-year. The S&P 500 recorded a 2.8 percent increase over-the-month and increased 20.4 percent between November 2016 and 2017.
- Within the Bloomberg Colorado Index, the worst performers were Ascent Solar Technologies, Vista Gold Corporation, and General Moly Inc. Ascent Solar shares were off 99.85 percent from their 52-week high and were delisted by the Nasdaq in 2016 after the stock slipped below the exchange's \$1-per-share minimum price requirement. One of Bloomberg Colorado's best performers was Ciber Inc., a system integration and information technology firm.

Stock Market Indexes

	Month of Nov-17	Month of Oct-17	Month of Nov-16	YTD Return 2017	YTD Return 2016	Ann Avg Return 2012	Ann Avg Return 2007
Bloomberg Colorado	496.0	505.7	522.4	-4.1%	4.0%	3.5%	17.7%
S&P 500	2,647.6	2,575.3	2,198.8	18.3%	9.5%	13.4%	3.5%
NASDAQ	6,852.8	6,727.7	5,323.7	27.3%	7.5%	15.9%	9.8%
DJIA (Dow Jones)	24,272.4	23,377.2	19,123.6	22.8%	13.4%	7.3%	6.4%

Sources: Bloomberg.com; Yahoo! Finance.

Travel & Tourism

- Five of the nation's top 10 ski resorts in the country are in Colorado, according to "The Top 10 Ski Resorts in North America For 2018" list by *Forbes*. The Colorado resorts on the list included Vail (No. 4), Telluride (No. 5), Aspen (No. 7), Beaver Creek (No. 9), and Winter Park (No. 10). *Forbes* used something called a "Pure Awesomeness Factor" to rank its resorts, which is an algorithm that includes a ski resort's terrain, snow profile (quantity, quality, dependability), town ambience, ease of travel, lodging base, acreage, and continuous vertical.
- Roughly 393,000 people are expected to attend conventions or group meetings in the Denver area this year, spending \$911 million on hotels, food, transportation, and other amenities while they were here, according to Visit Denver. 2017 is on pace to equal or exceed the record-setting 2016 totals for conventions and visitors. Through September, Visit Denver officials had booked 791 future meetings that will generate an estimated \$4.1 billion in economic impact. Those include a five-year contract for hosting the Outdoor Retailer Show, a \$110 million economic impact, and hosting the 2018 IPW, the largest gathering of international tourism planners and writers in the United States that is expected to generate \$1.7 billion on its own.
- The average hotel occupancy rate in Metro Denver fell 4 percentage points to 79.9 percent occupancy in October compared with the September level. The October level was 1.1 percentage points above the previous year's level. The average room rate for October was \$157.36 per night, 3.9 percent above the September level, and 5.2 percent higher over-the-year.

Metro Denver Hotel Statistics

	Month of Oct-17	Month of Sep-17	Month of Oct-16	YTD Avg 2017	YTD Avg 2016	YTD Avg % Change	Annual 2012	Annual 2007
Percent of Hotel Rooms Occupied	79.9%	83.9%	78.8%	78.1%	78.0%	0.1%	68.0%	67.0%
Average Hotel Room Rate	\$157.36	\$151.51	\$149.57	\$146.22	\$143.06	2.2%	\$111.78	\$111.21

Source: Rocky Mountain Lodging Report.

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- The Denver City Council approved a \$162 million operations and maintenance contract for Denver International Airport's underground train. This year, the council approved big expansions to accommodate growing passenger traffic at DIA, which has put strain on the underground train. The operations and maintenance contract comes with a promise to boost the system's reliability.
- The Eno Center for Transportation, a transportation think tank, ranks Denver third on the ranking "Eno FlyScore". The study measures the quality of airline service, using the number of domestic destinations, number of domestic flights, competition among carriers, and average one-way fare in and out of each metro area. Only Chicago's O'Hare International and Midway International ranked higher.
- Spokespeople for DEN reported that nearly 5.1 million passengers passed through the airport in September, decreasing 11 percent from the 5.7 million passengers in August. The September 2017 level was 0.3 percent lower than the September 2016 level, recording 15,127 fewer passengers through the airport. The third quarter of 2017 was the busiest quarter in the airport's history with an increase of 681,447 passengers from the same quarter last year.

Denver International Airport Passengers

	Month of Sep-17	Month of Aug-17	Month of Sep-16	YTD Total 2017	YTD Total 2016	YTD Total % Change	Annual 2012	Annual 2007
Number of Airline Passengers	5,097,144	5,727,326	5,112,271	46,232,407	43,519,317	6.2%	53,156,278	49,863,286

Source: Denver International Airport, Traffic Statistics.

Residential Real Estate

- Confluence Cos. has submitted plans for two buildings on 2.2 acres in an industrial section of the Denver neighborhood of Sunnyside, near 4001 Inca St. The proposed Zia development consists of 431 residential units, 312 for-rent apartments and 119 for-sale condos. Twenty percent of both the apartments and condos will be reserved for tenants making below 80 percent of the county's median income. Plans for the \$110 million development also include 8,000 square feet of retail space and two levels of below-grade parking.
- Property Markets Group paid \$6.87 million for 1.1 acres between Park Avenue and 20th Street, according to property records. Located near Coors Field, the New York City-based developer plans to build a 12-story residential tower. Plans on file with the city, which have not yet been approved, show Property Markets intends to build a 384,000-square-foot tower at the site. About 85 percent of the space would be devoted to 319 residential units with one to four bedrooms. The plans also call for 6,300 square feet of restaurant space and 1,700 square feet for an art studio.
- Grand Peaks recently purchased 5.2 acres at the Iliff Avenue exit off Interstate 225 with plans to build two four-story buildings connected by an elevated pedestrian walkway. The complex will have 316 apartment units, 12,500 square feet of retail space, and a parking garage. Amenities will include a pet spa, fitness center, and roof lounge.
- Carmel Partners, based in San Francisco, is building a complex, the Wellington Apartments, on the concept of "co-housing." The complex is located at 1403 Osage St. and will include 253 units, 211 of which will be four bedroom units where tenants can lease a private bedroom and bathroom, but then share the kitchen, living, and dining room areas and outdoor patio or balcony with the other unit tenants. The 482,737-square-foot complex will include 347,681 square feet of residential and 135,056 square feet for parking.
- East Range Crossing will be built on 12.5 acres at 5810 Argonne St., about a mile from Peña A Line station and just north of Green Valley Ranch. The 252 units of affordable housing is unique as almost half the units will have three bedrooms. Plans call for 120 three-bedroom units, and the remainder one- and two-bedroom units. The units will be restricted to tenants earning 60 percent of area median income or less, \$35,280 for a single adult and \$50,340 for a family of four, and management is committed to accepting Section 8 vouchers.
- Argyle Residential submitted plans to the city for a new development, which is situated on half an acre, and will have 131,200 square feet of building space. According to site plans, the structure at 360 W. 13th Ave. will

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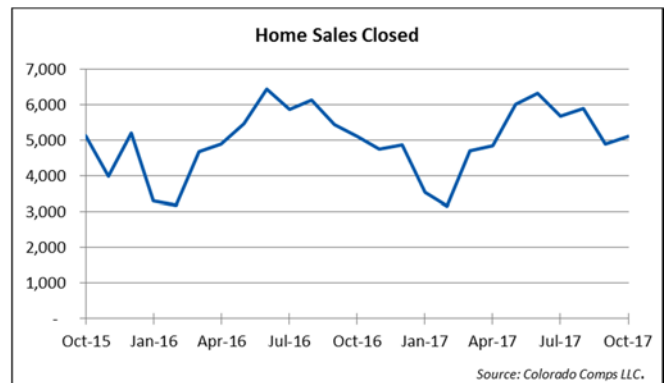
have 176 apartment units and 5,500 square feet of retail space. The firm said the apartments will range from 328-square-foot studios to 1,062-square-foot two-bedrooms, renting between \$1,000 and \$2,750.

- An aparthotel, or serviced apartment project, by the Nichols Partnership is planned for the corner of 15th and Wewatta in the Lower Downtown/Union Station area. The ground floor of the 12-story, 89-unit residential project will feature the building's main entry, lobby and management office, and a lounge/coffee area open to the public. Floors 2 through 8 will hold smaller units (around 350-400 square feet) and Floors 9 through 12 will hold slightly larger units (around 500 square feet). Floor 9 will also feature an indoor/outdoor amenity space facing 15th Street for residents, plus outdoor terraces for the units facing Wewatta Street. Groundbreaking is expected to take place next summer with completion expected in about 15 months.
- Dublin Development recently purchased \$2.3 million in land for the proposed Jeff Park Flats, a condo project in Jefferson Park. The five-story, 57-unit condo building will be replacing two single-family homes and a duplex. The project will include one- and two-bedroom units and will likely sell for between \$300,000 and \$500,000 each.
- Regis University broke ground on a 29-unit building near its campus at 4923 King St. The five-story structure, comprising one- to four-bedroom units, will be the first student housing the university has built since 2002. Regis currently houses about 850 students. The apartments are expected to help with student retention as costs of apartments rise across the Denver area.
- Developer Michael Mathieson demolished a house at 3022 Zuni St., the first step toward a three-story structure with 20 micro units. The units are slated to be either 315 or 380 square feet, and are expected to rent for \$1,300 to \$1,450 per month. Plans also call for 325 square feet of office space on the ground floor. The property will have designated space for bikes and mopeds but will not have any onsite parking.

Home Resales

Metro Denver

- Metro Denver's housing market continued to struggle with a low number of homes and condos available for sale in October. From 1985 to 2016, buyers had on average 16,306 homes available to choose from at the end of October, and as many as 29,722 in October of 2006. At the end of this October, buyers had 6,312 homes and condos available for sale.
- Existing home sales in Metro Denver increased 4.4 percent over-the-month to 5,109 homes sold and increased 0.1 percent between October 2016 and 2017.
- Unsold homes on the market were 16.8 percent lower in October than September, and were also 6.2 percent lower than the previous year's inventory level, with 419 fewer homes on the market over-the-year.
- The average sales price for single-family homes rose 11.9 percent over-the-year to \$479,022, while the average sales price of condominiums (\$294,189) increased 14.7 percent during the same period.
- The average sales price of a single-family home was \$50,977 higher in October 2017 compared with one-year earlier, while the average price of a condominium increased \$37,624.



MONTHLY ECONOMIC INDICATORS

Previously-Owned Home Sales Activity

	Month of	Month of	Month of	YTD Total	YTD Total	YTD Total	Ann Total	Ann Total
	Oct-17	Sep-17	Oct-16	2017	2016	% Change	2012	2007
Home Sales (Closed)	5,109	4,894	5,106	50,132	50,537	-0.8%	45,203	49,789
Unsold Homes on Market	6,312	7,586	6,731	6,312	6,731	-6.2%	10,085	27,911
Average Sales Price-Single Family	\$479,022	\$460,162	\$428,045	\$467,005	\$432,451	8.0%	\$304,178	\$310,418
Average Sales Price-Condo	\$294,189	\$279,066	\$256,565	\$276,499	\$251,058	10.1%	\$179,616	\$180,321
Median Sales Price-Single Family	\$400,000	\$395,000	\$365,900				\$250,000	\$245,000
Median Sales Price-Condo	\$255,000	\$250,000	\$225,000				\$142,000	\$150,000

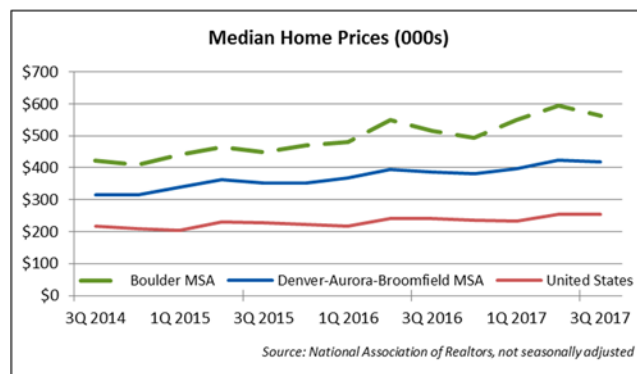
Source: Colorado Comps LLC; Denver Metro Association of Realtors; REcolorado.

National

- National existing-home sales increased 2 percent to a seasonally adjusted annual rate of 5.48 million in October from a downwardly revised 5.37 million in September, according to the National Association of Realtors (NAR). After last month's increase, sales are at their strongest pace since June (5.51 million), but still remain 0.9 percent below a year ago.
- Total housing inventory at the end of October decreased 3.2 percent to 1.8 million existing homes available for sale, and is now 10.4 percent lower than a year ago (2.01 million) and has fallen year-over-year for 29 consecutive months. Unsold inventory is at a 3.9-month supply at the current sales pace, which is down from 4.4 months a year ago.
- First-time buyers were 32 percent of sales in October, which is up from 29 percent in September but down from 33 percent a year ago. NAR economists said the ongoing rise in home prices continues to strain budgets of some of the would-be first-time buyers and low inventory continues to pressure affordability in the lower- and mid-price ranges.
- Properties typically stayed on the market for 34 days in October, which is unchanged from last month and down from 41 days a year ago. Forty-seven percent of homes sold in October were on the market for less than a month.

Home Prices

NAR data shows that the median existing-home price for all housing types in October was \$247,000, up 5.5 percent from October 2016 (\$234,100). October's price increase marked the 68th straight month of year-over-year gains. The median price in the Northeast was \$272,800, which was 6.6 percent above October 2016. The Midwest reported the lowest median price of \$194,700, up 7.1 percent from a year ago. The existing-home price in the South was \$214,900, up 4.6 percent from a year ago. In the West, prices increased by 7.8 percent over-the-year to \$375,100.



- A separate NAR report revealed that the median price in the Boulder MSA (\$563,500) during the third quarter of 2017 was 5 percent lower over-the-quarter but was 9.4 percent higher over-the-year. The Denver-Aurora MSA (\$418,100) was 1.5 percent lower than the second quarter and yet was 8.1 percent above the year-ago level.
- The national median sales price during the third quarter of 2017 declined 0.5 percent over-the-quarter to \$254,000 yet was 5.3 percent higher than the previous year's level.
- Of the 180 MSAs included in the third quarter 2017 report, the Boulder MSA reported the seventh-highest median price, while the Denver-Aurora MSA median price was the 14th highest.

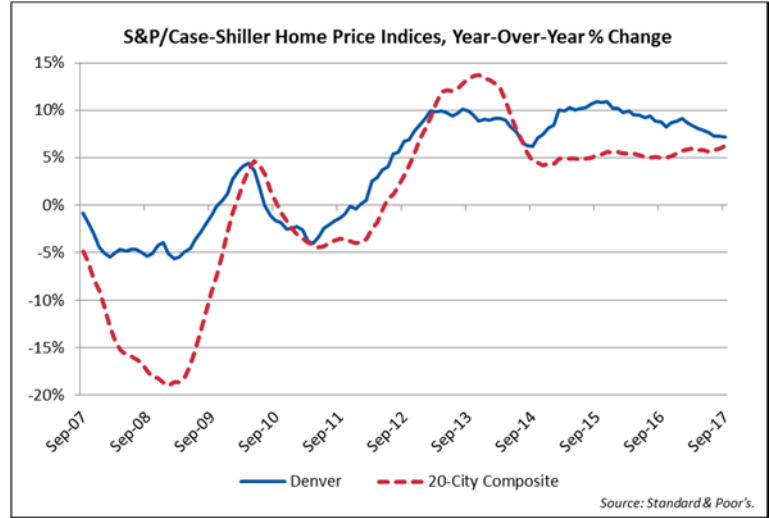
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Median Sales Price of Existing Single-Family Homes (\$000s)

	Quarter 3 2017 (p)	Quarter 2 2017 (r)	Quarter 3 2016	YTD Avg 2017	YTD Avg 2016	YTD Avg % Change	Median 2012	Median 2007
Boulder MSA	\$563.5	\$593.2	\$515.2	\$568.4	\$514.8	10.4%	\$383.7	\$376.2
Denver-Aurora MSA	\$418.1	\$424.5	\$386.8	\$412.9	\$383.4	7.7%	\$252.4	\$245.4
United States	\$254.0	\$255.4	\$241.3	\$247.2	\$233.1	6.1%	\$177.2	\$217.9

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

- According to the S&P/Case-Shiller home price index, Denver housing prices continued to appreciate in September for the 21st-straight month. The Denver index increased 0.2 percent over-the-month to 202.14 in September and rose 7.2 percent between September 2016 and September 2017. The September 2017 level was the highest level recorded in Denver in the history of the 27-year data series.
- Seattle (+12.9 percent), Las Vegas (+9 percent), and San Diego (+8.2 percent) recorded the largest increases over-the-year. Denver (+7.2 percent) ranked seventh.
- Washington, D.C. (+3.1 percent), Chicago (+3.9 percent), and Miami (+5 percent) recorded the smallest increases over-the-year.



- The national home price index increased 0.2 percent over-the-month and 6.2 percent over-the-year.
- Analysts for the index reported that home prices were higher in all 20 cities tracked by these indices compared to a year earlier and 16 of the cities saw annual price increases accelerate from last month. The continued concern is that rising prices mean that some people will be squeezed out of the market.

Foreclosures

- Metro Denver recorded a 1.7 percent increase in foreclosures in October over the prior month but a 1.2 percent decrease over the year-ago level. Counties within Metro Denver were mixed, with significant increases in some counties and equally significant decreases in others.

Real Estate Foreclosures

	Month of Oct-17	Month of Sep-17	Month of Oct-16	YTD Total 2017	YTD Total 2016	YTD Total % Change	Annual Total 2012	Annual Total 2007
Total Metro Denver*	246	242	249	2,513	2,683	-6.3%	15,013	27,355
Adams County	56	66	67	571	598	-4.5%	3,183	6,192
Arapahoe County	61	55	44	591	606	-2.5%	3,589	6,237
Boulder County	14	22	9	144	156	-7.7%	783	981
Broomfield County	3	5	2	35	28	25.0%	210	252
Denver County	54	41	68	545	605	-9.9%	3,064	8,240
Douglas County	18	20	20	230	253	-9.1%	1,534	1,865
Jefferson County	40	33	39	397	437	-9.2%	2,650	3,588

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

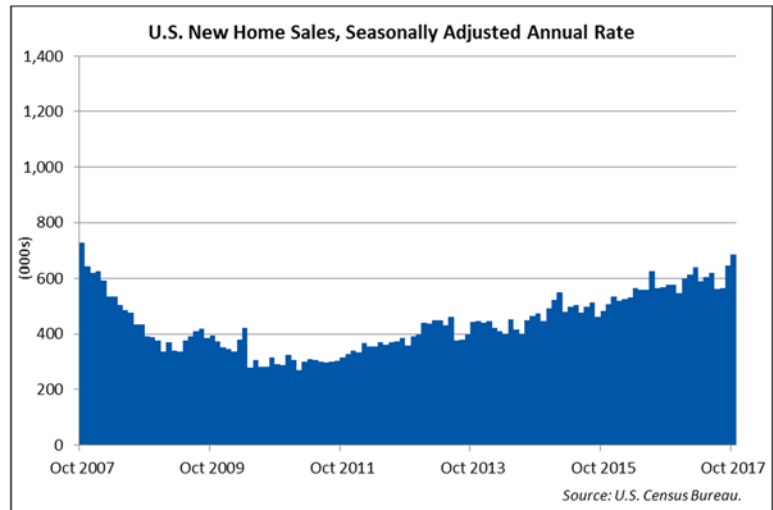
Sources: County public trustees

MONTHLY ECONOMIC INDICATORS

- Four of the seven counties recorded increases in foreclosures over-the-year. Boulder County reported the largest increase in foreclosures over-the-year, rising 55.6 percent (five houses), followed by the City and County of Broomfield with a 50 percent increase (one house). Denver (-20.6 percent), Adams (-16.4 percent), and Douglas (10 percent) counties recorded decreases in foreclosures over-the-year
- Three of the seven counties in Metro Denver posted increases in the number of foreclosures over-the-month, Denver County (+31.7 percent), Jefferson County (+21.2 percent), and Arapahoe County (+10.9 percent). Broomfield County had the largest decrease in foreclosures (-40 percent). Adams County had the largest decrease in the number of foreclosed homes, decreasing by 10 homes over-the-month to 56.

New Home Sales

- The Census Bureau report on new home sales stated that national home sales increased in October to 685,000 annual sales from the revised September level of 645,000 annual sales. The October home sales level was 6.2 percent higher than September and 18.7 percent higher than the previous year's level.
- All four regions, the Northeast (+64.7 percent), the South (+14 percent), the Midwest (+16.2), and the West (+20.1 percent), recorded increases in home sales between October 2016 and 2017.
- All four regions also reported over-the-month increases in home sales. The Northeast reported the largest over-the-month increase in sales, rising 30.2 percent to 56,000 sales, followed by the Midwest, which recorded a 17.9 percent (79,000 sales) increase in sales. Sales in the West (167,000 sales) rose 6.4 percent over-the-month, while sales in the South (383,000 sales) rose 1.3 percent.



New Home Construction

National

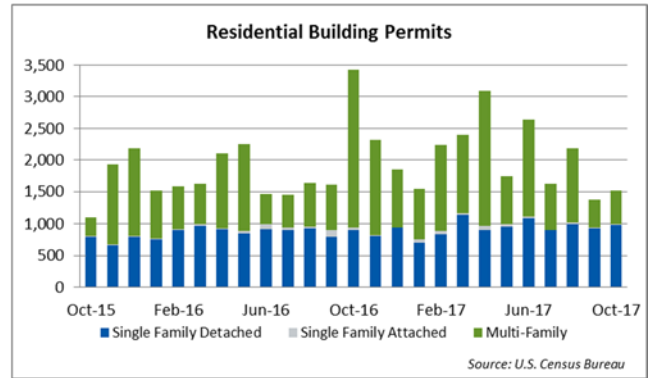
- Builder confidence for newly-built single-family homes rose two points to a level of 70 in November on the National Association of Home Builders/Wells Fargo Housing Market Index (HMI). Readings above 50 indicate builders view sales conditions as good rather than poor. This was the highest report since March, and the second highest on record since July 2005. Two out of the three HMI components registered gains in November. The gauge for current sales conditions rose two points to 77 and the component measuring buyer traffic increased two points to 50. The index charting sales expectations dropped one point to 77.
- According to the Census Bureau, the seasonally adjusted annual number of nationwide residential building permits increased 7.4 percent in October (1.3 million permits) from September and was 2.4 percent above October 2016.
- The increase in permits from September to October was driven by an 18 percent increase in multi-family units and a 3.3 percent increase in detached units, while single-family attached units decreased over-the-month. Multi-family units (-8.6 percent) were down over-the-year, while single-family attached units (+3.1 percent) and single-family detached units (+9.1 percent) increased from year-ago levels.
- The number of permits in the West region increased 13.6 percent over-the-month and 4.8 percent over-the-year to 368,000 permits.

MONTHLY ECONOMIC INDICATORS

- The South (633,000 permits) recorded an increase in permits over-the-year, rising 2.8 percent. The Northeast reported a 5.2 percent increase to 122,000 permits. The Midwest recorded a decrease of 4.5 percent to 193,000 permits.

Metro Denver

- Residential building permits for the Metro Denver area decreased 55.7 percent in October compared with the prior year.
- The over-the-year decrease in total units permitted was attributed to a 72.9 percent decrease in single-family attached permits and a 79.1 percent decrease in multi-family permits. The single-family detached market recorded the only over-the-year increase in permits, increasing 9.5 percent.
- All three property types recorded an increase in permitted units over-the-month, with total units rising 9.1 percent from September 2017 to October. Single-family attached units increased from 10 permits to 13 permits. Multi-family units recorded an increase of 16.1 percent over-the-month and single-family detached units rose 5.6 percent.



Residential Building Permits

	Month of Oct-17	Month of Sep-17	Month of Oct-16	YTD Total 2017	YTD Total 2016	YTD Total % Change	Total 2012	Total 2007
Single-Family Detached Units	984	932	899	9,430	8,826	6.8%	5,947	7,799
Single-Family Attached Units	13	10	48	328	415	-21.0%	299	398
Multi-Family Units	518	446	2,476	10,586	9,424	12.3%	8,679	6,195
Total Units	1,515	1,388	3,423	20,344	18,665	9.0%	14,925	14,392

Source: U.S. Census Bureau.

Apartment Rental Market

- A study from the Apartment Association of Metro Denver found that vacancy rates rose as the market absorbed a record 9,713 new units in what will end as a record year for apartment building.
- The apartment vacancy rate throughout Metro Denver increased in the third quarter of 2017, rising 0.4 percentage points to 5.4 percent from the second quarter of 2017. The average vacancy rate also increased over-the-year by 0.3 percentage points. Vacancy rates ranged from 3.8 percent in the Boulder/Broomfield submarket to 6.8 percent in the City and County of Denver. Vacancy rates rose over-the-year in three of the six submarkets, the City and County of Denver (1.3 points), Adams County (0.3 points), and Jefferson County (0.3 points). Boulder/Broomfield reported the largest over-the-year decrease of the submarkets, falling 1.4 percentage points.
- The average monthly rental rate of apartments in Metro Denver decreased in four of the six submarkets in the third quarter of 2017. The average rental rate in Metro Denver (\$1,412) was 0.6 percent lower than the previous quarter's level. However, the rate was 3.2 percent higher than the third quarter of 2016, representing an increase of \$44 in the average monthly rental rate over-the-year. The average rental rate ranged from \$1,313 in Adams County to \$1,557 in the Boulder/Broomfield submarket.

Apartment Statistics

	Quarter 3 2017	Quarter 2 2017	Quarter 3 2016	YTD Average 2017	YTD Average 2016	YTD Average % Change	Annual Average 2012	Annual Average 2007
Apartment Vacancy Rate	5.4%	5.0%	5.1%	5.4%	5.5%		4.7%	6.2%
Average Monthly Rental Rate (all units)	\$1,412	\$1,420	\$1,368	\$1,405	\$1,351	4.0%	\$974	\$856

Source: Denver Metro Apartment Vacancy and Rent Survey.

Commercial Real Estate

- Yankee Doodle Plaza is a seven-story, 210,000-square-foot Class A office building projected to break ground at South Fiddlers Green Circle and Greenwood Plaza Boulevard in mid-2018. The John Madden Co.'s office development will feature a three-story lobby, approximately 30,000-square-foot floor plates, and a first floor with 15-foot ceilings and a restaurant space. Floors 2 through 7 will have 10-foot floor-to-ceiling glass with mountain views.
- LMO Creekside District LLC, a New York-based development company, plans to construct two office/warehouse buildings and a PODs regional facility in the Creekside Business Park in the southeast part of Longmont. One building would be 23,500 square feet, consisting of 17,500 square feet of warehouse space and 6,000 square feet of office, and the other would be 18,930 square feet, with 12,930 square feet of first-floor warehouse space and 6,000 square feet of first and second-floor office space. The PODS facility would include a 128,100-square-foot industrial/office building.
- Brennan Investment Group, LLC, a private real estate and investment firm that acquires, develops, and operates industrial properties on a national basis, has purchased approximately 11 acres of land at 14101 E. Otero Avenue. Brennan will construct a Class A industrial building totaling approximately 150,000 square feet. The facility will feature first class amenities that exceed market standards including 28' clear height, abundant automobile parking and loading positions, and ample yard area for outside storage. The property is designed to serve the significant demand for warehousing, assembly, and distribution uses. Completion is targeted for third quarter 2018.
- A major new mixed-use development has been proposed by the Colorado Rockies baseball club for the 130,224-square foot parking area adjacent to Coors Field at 19th and Wazee in Lower Downtown Denver. The plans are still in the early stages, but the project could include hotel, office, residential, retail, and restaurant uses along with a significant public space activated through baseball-related entertainment and events, and a Colorado Rockies Hall of Fame. The Rockies hope to break ground on the project in 2018.
- Colorado-based Northstar Commercial Partners has secured \$37 million in financing to develop an industrial lot in Broomfield. The firm will demolish the existing 110,000-square-foot structure, at 800 Hoyt Street in Broomfield, and put up two new buildings, totaling over 315,000 square feet of warehouse space. The project is a joint venture between New York-based Red Starr Investments and Northstar. Construction on the first building in the park is expected to be completed in June 2018.
- BMC Investments, in partnership with Bow River Capital Partners, announced the planned construction of an eight-story, 80,000-square-foot mixed-use office and retail building. Located in the Cherry Creek North neighborhood, both BMC and Bow River plan to relocate their headquarters to this location.
- Mass Equities announced that it plans to repurpose the 62,000-square-foot warehouse at 3060 Brighton Blvd. into a "creative office building," taking advantage of the structure's existing high ceilings and open areas. In addition, the company plans to demolish the structure at 2900 Brighton Blvd. and build 480 apartment units and 85,000 square feet of retail space. Mass Equities estimates costs in excess of \$200 million for the two projects.
- Formativ announced plans for a 45,000-square-foot adaptive reuse project at 28th and Blake streets. The Lot Twenty Eight project will feature a 20,000-square-foot urban garden meant to host a variety of events and encourage interaction and activity in RiNo. Inside, the building will include artist/maker space, restaurants and bars, and retail. It will feature 2,300 square feet of event space that will host everything from corporate events to how-to classes. When not in use, the space will serve as a rotating gallery.
- Developers submitted plans to replace the former Pic's Corner Bar and adjacent 124-year-old residential building at 2122 and 2128 W. 32nd Avenue with an office building. The ground floor of the roughly 32,500-square-foot office would be set aside for a restaurant, coffee shop, or some other retailer. The project would include 55 parking spots and eight enclosed balconies. Ground is tentatively set to break in spring 2018.
- Denver-based Rosen Properties is building a two-story, 12,400-square-foot building at 3805 E. Colfax Ave. Highlands Ranch-based Waner Construction Co. has begun work on the fenced-in lot between Jackson Street and Good Times

Burgers & Frozen Custard. Plans show the new building will have office and retail space, as well as 25 parking spaces. A brochure for the property indicates Wells Fargo and Cricket Wireless have signed on to occupy a portion of the building.

- Sage Hospitality recently opened two Hilton hotels in Boulder. The Embassy Suites Boulder offers 204 rooms and the largest private ballroom in Boulder, a 6,510-square-foot space that can accommodate groups as large as 650 people. Next to it, the Hilton Garden Inn Boulder features 172 rooms and The Garden Grille, a restaurant offering both nutritious food and a signature dish of chicken and waffles. The two hotels will have a combined 8,435 square feet of meeting and event space, as well as shared courtyards and a heated rooftop pool.
- Element Denver Downtown, part of the Starwood/Marriott family, is coming to downtown Denver. The new 157-room hotel will cost \$25.56 million and the Denver-based Beck Group is the general contractor and architect. The hotel will include a parking garage, main lobby, fitness center, conference rooms, bar/lounge and an outdoor patio, as well as a top-floor terrace.
- The Colorado Mills mall property is adding a hotel, set to open in January 2019. Bedford Lodging, a Dallas-based hotel-development company, recently broke ground on a four-story, 127-room Springhill Suites on Colorado Mills Parkway, just northeast of the mall and its parking areas. It will be the closest lodging facility to the 1.1 million-square-foot shopping center.

Office Market

- Commercial real estate broker CBRE released the annual *Tech-30 Report*, with Denver moving from 24th last year to 23rd in the latest report. The city saw 8.3 percent growth in office lease rates and an 11.5 percent uptick in the number of tech jobs between 2015 and 2016. Locally, the rising rents are affecting lease rates beyond the prime office market of Lower Downtown, where tech companies traditionally have favored.
- CBRE reported that leasing activity in the quarter stemmed from the technology, insurance, and business service sectors, as well as several other tenants actively seeking space in the market. The technology sector is undergoing extensive growth and could bring up to 550,000 square feet of positive net absorption in the next 18 months.
- According to Newmark Knight Frank, eight of nine submarkets posted positive net absorption for third-quarter 2017, led by the Downtown submarket with 165,022 square feet, followed by the Southeast Suburban (SES) with 85,983 square feet. Direct asking rates increased year-over-year in all submarkets, and rates in the core submarkets continued to reach record highs.

The Metro Denver office market reported increases in the vacancy rate and the average lease rate over-the-year through the third quarter of 2017. According to CoStar Realty data, the direct vacancy rate rose 0.6 percentage points over-the-year to 9.9 percent vacancy. The average lease rate rose 1.9 percent between the third quarters of 2016 and 2017, gaining \$0.48 per square foot during the same period.

Office construction in Metro Denver was robust during the third quarter of 2017. There was 2.42 million square feet of space completed across 26 buildings as of the third quarter of 2017. Some of the largest office buildings completed in the third quarter included the 227,000-square-foot Arrow office building and the 212,000-square-foot INOVA Dry Creek 1 office building in Centennial. There was 5.49 million square feet of space under construction during the third quarter of 2017, a 13.4 percent increase in space under construction compared with the same time last year. Of this space, nearly 3.65 million square feet of space was under construction in the City and County of Denver, the largest amount of space of the seven counties and representing 66 percent of total Metro Denver construction.

MONTHLY ECONOMIC INDICATORS

Office Market Statistics

	Quarter 3 2017	Quarter 2 2017	Quarter 3 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013
Number of Buildings	6,157	6,153	6,125	6,087	6,067	6,042
Existing Square Feet (millions)	184.1	183.9	181.3	179.3	177.9	176.8
Vacant Square Feet (direct, millions)	18.2	18.3	16.9	17.4	17.8	19.6
Vacancy Rate (direct)	9.9%	9.9%	9.3%	9.7%	10.0%	11.1%
Vacancy Rate (with sublet)	10.8%	10.9%	10.0%	10.3%	10.6%	11.5%
Avg. Lease Rate (direct, per sq. foot, full service)	\$25.79	\$25.86	\$25.31	\$24.37	\$23.46	\$22.27
New Construction Completed (year-to-date)	2.42 MSF, 26 Bldgs	1.96 MSF, 21 Bldgs	0.98 MSF, 23 Bldgs	1.34 MSF, 18 Bldgs	1.16 MSF, 23 Bldgs	0.95 MSF, 15 Bldgs
Currently Under Construction	5.49 MSF, 51 Bldgs	4.69 MSF, 41 Bldgs	4.84 MSF, 36 Bldgs	2.83 MSF, 29 Bldgs	2.85 MSF, 25 Bldgs	1.79 MSF, 23 Bldgs

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

Industrial & Flex Market

- Metro Denver continued its positive net absorption streak for a 30th consecutive quarter, with 1.9 million square feet of positive net absorption. This was the highest quarterly net absorption, according to a *3Q 2017 Market Report* by CBRE. Construction deliveries were the driving force behind absorption with 1.6 million square feet delivering this quarter and another 4.4 million square feet currently under construction. Total investment and owner/user sales were \$255.1 million this quarter.
- According to the *Denver Industrial Market Trends*, generated by Newmark Knight Frank, the market has returned to the previous trend of relying on new deliveries for absorption. The delivery of three build-to-suits along with moderate occupancy growth in second-generation buildings helped the overall vacancy rate drop from the prior quarter. Though vacancy dropped slightly, new deliveries that are not fully pre-leased still counter-balance the limited amount of, and continued demand for, high-quality space.

CoStar data revealed that the industrial market reported increases in the vacancy rate and the average lease rate through the third quarter of 2017. The third quarter direct vacancy rate was 0.8 percentage points higher than the third quarter of 2016. The average lease rate rose 2.6 percent between the third quarters of 2016 and 2017, adding \$0.19 per square foot to the average lease rate.

There was 2.41 million square feet of industrial space completed across 30 buildings year-to-date through the third quarter of 2017 and industrial construction continued at a strong pace. Major completed projects included the 250,000-square-foot McLane building in Commerce City. Adams County welcomed 64 percent of the completed industrial space year-to-date in 2017, or 1.54 million square feet. There were 33 buildings with nearly 6.94 million square feet of space under construction during the period, including 2.4 million square feet for Amazon in Thornton.

MONTHLY ECONOMIC INDICATORS

Industrial Market Statistics

	Quarter 3 2017	Quarter 2 2017	Quarter 3 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013
Number of Buildings	7,000	6,994	6,962	6,935	6,923	6,899
Existing Square Feet (millions)	213.5	213.1	209.7	206.4	204.5	202.2
Vacant Square Feet (direct, millions)	9.2	8.6	7.3	5.5	7.4	9.0
Vacancy Rate (direct)	4.3%	4.1%	3.5%	2.7%	3.6%	4.4%
Vacancy Rate (with sublet)	4.7%	4.5%	3.8%	2.9%	3.8%	4.7%
Avg. Lease Rate (direct, per square foot, NNN)	\$7.52	\$7.58	\$7.33	\$6.85	\$5.76	\$4.93
New Construction Completed (year-to-date)	2.41 MSF, 30 Bldgs	1.93 MSF, 22 Bldgs	2.71 MSF, 19 Bldgs	1.24 MSF, 4 Bldgs	2.13 MSF, 19 Bldgs	0.89 MSF, 4 Bldgs
Currently Under Construction	6.94 MSF, 33 Bldgs	3.26 MSF, 24 Bldgs	3.82 MSF, 34 Bldgs	1.57 MSF, 8 Bldgs	1.77 MSF, 8 Bldgs	0.63 MSF, 7 Bldgs

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

The Metro Denver flex market recorded falling vacancy rates and increasing average lease rates through the third quarter of the year. According to CoStar, the direct vacancy rate for flex space fell 0.9 percentage points to 6.1 percent between the third quarters of 2016 and 2017. The average lease rate rose 9.7 percent over-the-year to \$12.04. There was 492,600 square feet of new space completed in 2017, including the 108,000-square-foot 6755 E. Yampa Street building in Denver and an 83,291-square-foot flex building in the Prairie Business Center in Louisville. Seven buildings offering 341,200 square feet of new flex space are under construction.

Flex Space Statistics

	Quarter 3 2017	Quarter 2 2017	Quarter 3 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013
Number of Buildings	1,484	1,481	1,470	1,463	1,455	1,448
Existing Square Feet (millions)	45.5	45.4	44.8	44.5	43.6	43.3
Vacant Square Feet (direct, millions)	2.8	3.0	3.1	3.1	3.4	4.4
Vacancy Rate (direct)	6.1%	6.5%	7.0%	7.0%	7.8%	10.2%
Vacancy Rate (with sublet)	6.3%	6.6%	7.1%	8.1%	9.0%	11.6%
Avg. Lease Rate (direct, per square foot, NNN)	\$12.04	\$11.85	\$10.98	\$10.35	\$9.74	\$9.33
New Construction Completed (year-to-date)	0.49 MSF, 11 Bldgs	0.46 MSF, 9 Bldgs	0.13 MSF, 4 Bldgs	0.33 MSF, 3 Bldgs	0.37 MSF, 6 Bldgs	0.10 MSF, 3 Bldgs
Currently Under Construction	0.34 MSF, 7 Bldgs	0.14 MSF, 4 Bldgs	0.36 MSF, 7 Bldgs	0 MSF, 0 Bldg	0.53 MSF, 6 Bldgs	0.07 MSF, 2 Bldgs

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

Retail Market

- According to the CBRE *Marketview Retail* report, negative net absorption of 41,759 square feet was recorded in 3Q 2017, bringing year-to-date net absorption to negative 36,497 square feet. Consistent leasing activity from fitness, fast casual restaurants, grocery, and entertainment venues continued to offset big box closures, resulting in the moderate losses in net absorption this year. Investment activity picked up in 3Q 2017, reaching \$291.7 million in sales volume with 19 properties priced above \$3 million trading hands.
- According to *Denver Retail Market Trends* by Newmark Knight Frank, the Denver retail market remains bifurcated. Because of limited supply, there is high demand for second generation space in well-located Class A retail centers, which are full and thriving. Conversely, aging Class B and C centers with poor demographics, often with vacant anchor space, continue to be challenged.

The Metro Denver retail market reported a stable vacancy rate and an increase in the average lease rate over-the-year through the third quarter of 2017, according to CoStar Realty data. The direct vacancy rate was 4.6 percent in the third

MONTHLY ECONOMIC INDICATORS

quarters of 2016 and 2017, ranging between 4.4 percent and 4.6 percent for the past five quarters. The average lease rate for retail space rose 9.1 percent over-the-year, adding \$1.50 per square foot during this same period.

Douglas County recorded the largest amount of retail space completed through the third quarter of 2017, reporting 387,800 square feet of retail space completed, and comprising more than 32 percent of completed space in Metro Denver. There were 59 buildings under construction during the third quarter of 2017, totaling 1.57 million square feet. Some of the largest projects under construction included the 351,300-square-foot Denver Premium Outlets in Thornton and the 235,000-square-foot general retail building at 9th and Colorado Blvd in Denver.

Retail Market Statistics

	Quarter 3 2017	Quarter 2 2017	Quarter 3 2016	Quarter 3 2015	Quarter 3 2014	Quarter 3 2013
Number of Buildings	12,050	12,025	11,948	11,835	11,769	11,683
Existing Square Feet (millions)	166.5	166.3	165.0	163.3	162.4	161.3
Vacant Square Feet (direct, millions)	7.6	7.5	7.6	8.1	8.7	9.6
Vacancy Rate (direct)	4.6%	4.5%	4.6%	4.9%	5.4%	5.9%
Vacancy Rate (with sublet)	5.0%	5.0%	4.9%	5.1%	5.5%	6.2%
Avg. Lease Rate (direct, per square foot, NNN)	\$17.98	\$17.41	\$16.48	\$15.80	\$15.75	\$15.34
New Construction Completed (year-to-date)	1.20 MSF, 74 Bldgs	0.86 MSF, 45 Bldgs	0.93 MSF, 63 Bldgs	0.54 MSF, 32 Bldgs	0.36 MSF, 43 Bldgs	0.98 MSF, 53 Bldgs
Currently Under Construction	1.57 MSF, 59 Bldgs	1.43 MSF, 73 Bldgs	1.64 MSF, 59 Bldgs	0.99 MSF, 47 Bldgs	0.19 MSF, 16 Bldgs	0.42 MSF, 28 Bldgs

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

MONTHLY ECONOMIC INDICATORS

Monthly Economic Indicators

	Monthly/Quarterly Direction		Year-Over-Year Direction		Year-to-Date Direction	
↕↗ Positive Changes	6 of 18		10 of 18		13 of 18	
Nonfarm Employment Growth	3,900	↑	19,300	↑	32,100	↑
	Employment up 0.2% from September to October		Employment up 1.2% from October 2016 to 2017		YTD employment up 2% through October	
% Companies Hiring (Denver Area)	20%	↓	20%	↓	26%	↑
	Companies expecting to add workers fell 10 percentage points from 3Q 2017 to 4Q 2017		Companies expecting to add workers fell 8 percentage points from 4Q 2016 to 4Q 2017		YTD average up 1 percentage point compared with 2016	
Unemployment Rate	2.6%	↑	-0.1 percentage points	↓	2.5%	↓
	Unemployment rose 0.3 points between September and October		Unemployment rate down from October 2016 to 2017		Down from 2016 YTD average of 3.2%	
Initial Unemployment Insurance Claims	7.8%	↑	-13.4%	↓	-11.0%	↓
	Claims increased from September to October		Claims decreased from October 2016 to 2017		YTD average claims decreased through October 2017	
Total National Retail Sales	-4.3%	↓	4.5%	↑	3.9%	↑
	National sales decreased from August to September		National sales increased from September 2016 to 2017		YTD sales rose through September 2017	
Mountain Region Consumer Confidence Index	155	↑	32.1%	↑	131.2	↑
	Index up 6.7% from October to November		Index up from November 2016 to 2017		YTD average up 28.6% through November 2017	
Hotel Occupancy	79.9%	↓	1.1 percentage points	↑	78.1%	↑
	Decreased 4 percentage points from September to October		Occupancy increased from October 2016 to 2017		YTD occupancy increased from last year	
Denver International Airport Passengers	-11.0%	↓	-0.3%	↓	6.2%	↑
	Passengers down from August to September		Passengers down from September 2016 to 2017		YTD passengers increased through September 2017	
Bloomberg Colorado Index	496.0	↓	-5.0%	↓	-4.1%	↓
	Index down 1.9% from October to November		Index down from November 2016 to 2017		YTD return down through November 2017	
Dow Jones Industrial Average	24,272.4	↑	26.9%	↑	22.8%	↑
	Index up 3.8% from October to November		Index up from November 2016 to 2017		YTD return up through November 2017	
Home Sales (closed)	5,109	↑	0.1%	↑	50,132	↓
	Sales up 4.4% from September to October		Sales up from October 2016 to 2017		YTD sales down 0.8% through October 2017	
Median Home Price (Denver-Aurora MSA)	\$418,100	↓	8.1%	↑	\$412,900	↑
	Down 1.5% from 2Q 2017 to 3Q 2017		Price up from 3Q 2016 to 3Q 2017		YTD price 7.7% higher through 3Q 2017	
Foreclosures	246	↑	-1.2%	↓	2,513	↓
	Up 1.7% from September to October		Down from October 2016 to 2017		Down 6.3% YTD through October 2017	
Residential Building Permits (Total)	1,515	↑	-55.7%	↓	20,344	↑
	Permits increased 9.1% from September to October		Permits down from October 2016 to 2017		YTD permits up 9% through October 2017	

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Apartment Vacancy Rate	5.4%	↑	0.3 percentage points	↑	5.4%	↓
	Vacancy increased 0.4 percentage points from 2Q 2017 to 3Q 2017		Vacancy increased from 3Q 2016 to 3Q 2017		YTD average down 0.1 percentage points from last year	
Office Vacancy Rate (with Sublet)	10.8%	↓	+0.8 percentage points	↑	+0.8 percentage points	↑
	Vacancy rate down 0.1 percentage points from 2Q 2017 to 3Q 2017		Vacancy rate up from 10% one year ago		Vacancy rate up from 10% one year ago	
Industrial Vacancy Rate (with Sublet)	4.7%	↑	+0.9 percentage points	↑	+0.9 percentage points	↑
	Vacancy rate up 0.2 percentage points from 2Q 2017 to 3Q 2017		3Q 2017 vacancy up from 3.8% one year ago		3Q 2017 vacancy up from 3.8% one year ago	
Retail Space Vacancy Rate (with Sublet)	5.0%	↔	+0.1 percentage points	↑	+0.1 percentage points	↑
	Vacancy rate unchanged from 2Q 2017 to 3Q 2017		3Q 2017 vacancy rate up from 4.9% one year ago		3Q 2017 vacancy rate up from 4.9% one year ago	



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