

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

- The *Chief Executive*, an economic development magazine, named Colorado No. 8 in its 2018 “Best States for Business” ranking. The magazine’s competitive selection placed Colorado 27th for taxation and regulation, 10th for workforce quality, and No. 1 for living environment. The ranking highlighted the state’s growing cybersecurity industry as well as its status as a “lab experiment for legalized recreational marijuana.”
- The Denver metro area ranked No. 12 on *Forbes’* 2018 list of the best cities for jobs. The methodology for the 2018 ranking measured the robustness of metro areas’ growth both recently and over time, with some minor corrections to mitigate the volatility that the Great Recession introduced into the earlier parts of the time series. Dallas, Austin, and Nashville were ranked as the top three metro areas.
- Denver ranked eighth out of the top 30 U.S. cities with the highest startup activity using two factors, the rate of new entrepreneurs and startup density. GBR used data from the Kaufman Index, and found that in Denver, 390 out of every 100,000 adults starts a new business in any given month. According to Fox Business, Denver has become a hub for entrepreneurs with the help of events such as Denver Startup Week and The Commons on Champa, a co-working space that also offers programs and resources for entrepreneurs.
- Amazon.com Inc. released a list of the nation’s top 10 most entrepreneurial states and Colorado ranked No. 4. The online retailer ranked the states with the most small and medium-sized businesses per capita selling on Amazon, which account for half of all items sold through the site. Utah, California, and New York were the only states to surpass Colorado.
- The *Fortune* 500 list included ten Colorado companies this year, including a newcomer to the list, Denver-based national gas company DCP Midstream. The 2,700-employee company joins the list 18 months after merging parts of the business and listing on New York Stock Exchange. Molson Coors rejoined the list, after Miller sold its brands and divested itself of Miller Coors back in 2016. The ten Colorado companies on the list were:
 - Arrow Electronics
 - DaVita
 - Dish Network
 - Molson Coors Brewing
 - Ball
 - Qurate Retail (fka Liberty Interactive)
 - DCP Midstream
 - Liberty Media
 - Newmont Mining
 - Western Union
- According to Jones Lang LaSalle, Denver ranked No. 20 on the 2018 City Momentum Index, ranking the top 30 global cities out of 131 for their ability to build on long-term socio-economic and commercial real estate momentum. According to JLL, future-proofed cities have higher education infrastructures, innovation capability, better environment quality, more technology firms, and international patent applications.
- Denver ranks No. 8 on *WalletHub’s* 2018 “Best & Worst Places to Start a Career” list. Colorado Springs ranked No. 47 and Aurora ranked No. 58. To come up with the list, WalletHub ranked 182 U.S. cities based on 27 key metrics including the availability of entry-level jobs, monthly average starting salary, and workforce diversity. Salt Lake City, Orlando, and Atlanta occupied the top three spots.

MONTHLY ECONOMIC INDICATORS

- Castle Rock is the seventh-fastest growing city or town in the U.S., according to data released from the U.S. Census Bureau. The town reported 5.1 percent growth between July 1, 2016 and July 1, 2017. During the same time period, Colorado was the third-fastest growing state in terms of housing units, with an increase of 1.6 percent.
- The American College of Sports Medicine and the Anthem Foundation released the 11th annual Fitness Index, and Denver ranked No. 7 in the nation. The list included 100 U.S. cities, and also included Aurora, which ranked No. 22, and Colorado Springs, No. 24. To compile the rankings, index creators used 33 health behaviors, chronic diseases, and community infrastructure indicators.
- According to Redfin's Bike Score, Denver ranks No. 4 in the nation for its biking friendliness, with a bike score of 71.3. The algorithm for the bike score calculates based on four equally weighted components, bike lanes, hills, destinations and road connectivity, and bike commuting mode share. Denver held the same spot on the previous Bike Score compilation, released in 2015.
- Denver and Fort Collins both made the top 25 list for most polluted cities in terms of ozone, ranking numbers 14 and 19, respectively in a new report from the American Lung Association. A lot of factors contribute to ozone pollution, like car engines and emissions from power plants, but oil and gas extraction often contributes to some of the raw ingredients that add to ozone. According to the report, which looks at data from 2014-2016, ozone pollution has also gotten worse nationwide.
- Seattle-based PayScale ranked more than 1,800 schools based on the return on investment (ROI), determined by measuring the out-of-pocket costs to attend college plus estimated foregone wages against the additional income a college graduate can expect to receive compared to a high school graduate. Of colleges in Colorado, the Colorado School of Mines (in-state) had the highest 20-year net ROI of \$909,000, followed by the U.S. Air Force Academy (\$905,000), and Colorado School of Mines (out-of-state) with an ROI of \$840,000. The School of Mines also ranked No. 8 nationally, and the Air Force Academy ranked No. 9.
- The University of Colorado Boulder ranked No. 50 among the world's top universities, according to a new list by the Center for World University Rankings. CU Boulder's highest rankings were in "influence" (No. 40), a ratings factor measured by the number of research papers appearing in top-tier journals, as well as quality of faculty (No. 41). The University of Colorado Denver and its Anschutz Medical Campus came in at No. 133 and Colorado State University ranked No. 244.
- Cvent Inc., an event planning company, compiled the 2018 list of the "Top 100 Meeting Hotels in the U.S.," and three Denver hotels made the list. The Sheraton Denver Downtown ranked No. 20, Hyatt Regency Denver at Colorado Convention Center ranked No. 73, and the Westin Denver Downtown ranked No. 74. Cvent compiled the ranking based on criteria including the total requests for proposals (RFP), awarded RFPs, total room nights, awarded room nights, major metropolitan area market share, conversion rate, and the hotel's unique profile visits in the Cvent Supplier Network.

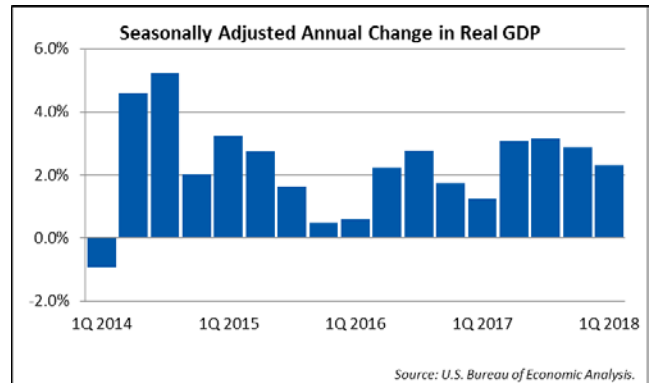
National Economic Overview

Gross Domestic Product

- The U.S. Bureau of Economic Analysis (BEA) released the second estimate of real gross domestic product (GDP) for the first quarter of 2018. The estimate showed that GDP increased at an annual rate of 2.2 percent through the first quarter, which was 0.7 percentage points below the fourth quarter rate of 2.9 percent.

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- A slowdown of first quarter GDP was widely expected as the U.S. GDP numbers have yet to reflect the full impact of the \$1.5 trillion tax-cutting package and increased public spending caps approved by Congress.
- The increase in real GDP in the first quarter reflected positive contributions from nonresidential fixed investment, personal consumption expenditures (PCE), exports, private inventory investment, federal government spending, and state and local government spending.
- The deceleration in real GDP growth in the first quarter reflected decelerations in PCE, residential fixed investment, exports, and state and local government spending. These movements were partially offset by an upturn in private inventory investment. Imports, which are a subtraction in the calculation of GDP, decelerated.



Interest Rates

- The Federal Open Market Committee (FOMC) of the Federal Reserve held interest rates steady at its May meeting, at a target range of 1.5 percent to 1.75 percent, the highest level since 2008. The FOMC acknowledged rising inflation, but it gave little indication that officials are worried about a sudden, rapid escalation in prices or an abrupt slowdown in economic growth that could alter its gradual pace of rate increases.
- The Fed is midway through what is meant to be a long and gradual push towards historically normal rates. Economic projections released at the meeting indicated that officials were split on whether they expected to raise rates a total of three or four times this year, with a narrow majority leaning toward three over all.
- Data released showed wages and prices are now growing at 2 percent a year, according to the Fed's preferred inflation measure, the personal consumption expenditures price index. Those levels indicate inflation is finally reaching the 2 percent target after six years of failing to meet that goal. The next FOMC meeting is on June 12-13.

Policy Watch

National

- The Trump administration announced that a 25 percent tariff on steel and a 10 percent tariff on aluminum imported from the European Union, Canada, and Mexico took effect on June 1. Fears of a global trade war are mounting as the Trump administration also considers tariffs on U.S. auto imports and duties on \$50 billion in Chinese goods. The Trump administration began an investigation into auto imports, which was seen by many as an attempt to pressure Mexico and Canada over a NAFTA deal. They are the two largest suppliers of foreign vehicles to the U.S.

Local

- The final \$28.9 billion budget passed during the latest legislative session, with a \$1.3 billion surplus applied to K-12 funding, transportation investment, and school security grants. The budget also dedicates \$50 million a year for road projects through 2039 and a one-time investment of \$495 million this fiscal year and \$150 million next fiscal year. Rural broadband was also addressed, with \$100 million for development over the next five years.
- The Colorado legislature approved the largest increase in transportation funding in more than a decade. Senate Bill 1 allocates one-time spending of \$645 million over the next two years, as well as an additional \$50 million in general fund contribution to highways and transit annually for 20 years. The bill also allows voters to cast ballots in 2019 on whether to approve as much as \$2.3 billion in bond sales to begin to address some of the state's more crucial choke points, as long as no citizen-led transportation funding measure receives statewide approval during the 2018 election.

- State lawmakers announced a plan to stabilize the state pension system, passing a reform bill for the Public Employees Retirement Association (PERA). The bill included raising contributions from current employees from 8 percent to 10 percent, a cost-of-living adjustment that will create increases to retirement benefits, increasing the retirement age from 60 to 64 for future hires, and expanding the options for a 401(k)-style plan to most state employees.

Economic Indexes & Notable Data Releases

National & International

- The Center for Disease Control and Prevention's National Center for Health Statistics found that the number of U.S. babies born last year fell 2 percent from 2016 to 3.85 million, a 30-year low. The fertility rate dropped 3 percent last year to 60.2 births per 1,000 women ages 15 through 44. An aging society has already weighed on economic growth in the United States in the past decade, with the vast baby boom generation retiring and fewer young people replacing them. This new data release suggests that trend is likely to continue. Aside from fewer workers, an aging society can hold back growth because fewer people are buying homes, cars, and other costly purchases. Savings generally rise as people age and prepare for retirement. Further, as elderly people live longer, they also slow their spending while in retirement.
- Interest rates on federal student loans will increase by more than half a percentage point as a result of the Treasury Department's recent auction of 10-year notes. The federal government resets rates on student loans every year based on the spring rate of the note, plus a fixed margin. The rates range from 5.04 percent on loans to undergraduate students to 6.59 percent for graduates. Parents can expect to pay 7.59 percent. While federal student loan rates are tied to the market, lawmakers have also set a ceiling. Undergraduate rates can never go above 8.25 percent, graduate rates, 9.5 percent, and parent loans, 10.5 percent.
- The U.S. trade deficit was \$49 billion in March, down \$8.8 billion from \$57.7 billion in February, revised. March exports were \$208.5 billion, \$4.2 billion more than February exports. March imports were \$257.5 billion, \$4.6 billion less than February imports.
- The Conference Board Leading Economic Index (LEI) for the U.S. increased 0.4 percent in April to 109.4 (2016 = 100), following a 0.4 percent increase in March, and a 0.7 percent increase in February. April's increase and continued uptrend in the U.S. LEI suggest solid growth should continue in the second half of 2018. However, the LEI's six-month growth rate has recently moderated somewhat, suggesting growth is unlikely to strongly accelerate.
- The Institute for Supply Management's Manufacturing Index registered 57.3 percent in April, a decrease of 2 percentage points from the March reading of 59.3 percent. In April, 17 of the 18 industry sectors reported growth. Demand remains robust, but the nation's employment resources and supply chains continue to struggle. The overall economy grew for the 108th consecutive month.
- The Institute for Supply Management's Non-Manufacturing Index registered 56.8 percent in April, which is 2 percentage points lower than the March reading of 58.8 percent. This represents the continued growth of the non-manufacturing sector at a slower rate. The slower rate of growth was mostly attributed to the decline in the Employment and Supplier Deliveries indexes. All 18 non-manufacturing industries reported growth in April. The non-manufacturing sector grew for the 99th consecutive month.

Local

- The University of Colorado Boulder Leeds Business School released their second quarter 2018 Leeds Business Confidence Index. The overall index improved based on better expectations for the second quarter in every component except the national economy. However, all six components remained in positive territory. The index value of 61.3 for the second quarter of 2018 was up 1.8 points from last quarter, but down 2.1 points from the second quarter of 2017. Of the index components, state expectations increased from 58.1 in the first quarter to 62.1 in the second quarter, marking a transition to increased confidence after three quarters of decreasing expectations.

- According to a new study from Apartment List, 50.7 percent of renters moved to Denver because of the city's location, and 49.3 percent of renters moved here because of a job. Of those surveyed, 45.3 percent said they plan to live in Denver for the long-term, compared with 35.6 percent of renters nationally who said they plan to settle long-term in their city. In addition, of the percentage of renters who moved to Denver because of a job, 36.7 percent said they plan to settle here for the long term. Nationally, of those who moved to a city for a job, only 27.3 percent said they plan to settle long-term in that city.
- A network of business organizations recently released a survey which found that Colorado could receive a multi-billion dollar economic boost if schools became the best in the nation. Using a dynamic economic modeling program (REMI), the survey sought to answer the question: What if Colorado high school graduates went on to obtain the level of post-secondary education and training needed to meet the demands of Colorado's economy? The results included \$8.6 billion in additional earnings over a 10-year period, 14,600 new jobs created each year by the tenth year, and a \$1.4 billion boost in housing spending over the decade. The study also found nearly \$1 billion in new revenue and savings from lower rates of incarceration and fewer people relying on public assistance, and an additional \$12 billion added to GDP over the decade.
- The Census Bureau released July 1, 2017 population estimates for all cities and towns. The fastest growing municipalities in Metro Denver from 2010 to 2017 were Erie (32.6 percent), Castle Rock (28.2 percent), Deer Trail (27.7 percent), Broomfield (21.6 percent), and Commerce City (21.1 percent). In terms of absolute increase, Denver, Aurora, and Thornton added the most new residents from 2010 to 2017.
- According to the regional Beige Book by the Kansas City Federal Reserve, economic activity in the Tenth District, which includes Colorado, increased moderately in April and early May, with further growth expected in coming months. Manufacturing activity expanded at a rapid pace, while consumer spending, energy, and business services grew moderately. Agricultural conditions weakened but at a slower pace, while District employment and wages rose modestly.

Labor Force and Employment

- According to a report by consulting firm Korn Ferry, graduates this May will earn about 5 percent more money in Denver annually compared with graduates across the rest of the country. The firm analyzed salaries from 310,000 entry-level positions from nearly 1,000 organizations across the United States to come up with its figures. Of the top ten U.S. cities, Denver ranks seventh, with an average college graduate salary of \$53,010.
- Employment in Metro Denver rose 2.6 percent between April 2017 and 2018, or an additional 42,000 jobs during the period. Employment growth consisted of a 2.6 percent increase in the Denver-Aurora-Lakewood MSA, or an additional 38,300 jobs, and a 2 percent increase in the Boulder MSA, representing 3,700 jobs.
- Nine of the 11 supersectors recorded growth over-the-year. Roughly 55 percent of the over-the-year absolute increase can be attributed to growth in three supersectors, professional and business services, leisure and hospitality, and natural resources and construction. The largest sector by employment, professional and business services, increased 3 percent and created 9,000 jobs over-the-year.
- The information supersector reported the highest rate of growth over-the-year, rising by 7.4 percent or 4,000 jobs. Natural resources and construction (+6.5 percent), and transportation, warehousing, and utilities (+4.1 percent) also recorded significant employment growth. The government supersector declined during the period, falling 0.5 percent or 1,300 jobs, along with a slight decline in the other services supersector, which fell 0.2 percent or 100 jobs.
- Colorado employment rose 2.6 percent in April compared with the previous year's level, adding 69,200 new jobs over the period. National employment levels increased 1.6 percent over-the-year, with the addition of almost 2.3 million jobs.

MONTHLY ECONOMIC INDICATORS

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

	Month of Apr-18	Month of Mar-18	Month of Apr-17	Year-to- Date Average 2018	Year-to- Date Average 2017	Year-to- Date Average % Change	Annual Growth Rate 2013	Annual Growth Rate 2008
Total 11-County Metro Denver*	1,680.6	1,671.9	1,638.6	1,665.2	1,623.7	2.6%	3.6%	1.0%
Denver-Aurora-Lakewood MSA	1,487.6	1,479.2	1,449.3	1,474.5	1,436.9	2.6%	3.7%	1.0%
Boulder MSA	193.0	192.7	189.3	190.7	186.8	2.0%	2.3%	0.9%
Natural Resources & Construction	111.9	110.7	105.1	109.8	103.1	6.5%	9.7%	-1.5%
Manufacturing	89.9	89.4	86.9	89.0	86.7	2.6%	1.6%	-2.3%
Wholesale & Retail Trade	236.6	236.4	232.0	236.4	231.2	2.2%	2.6%	0.1%
Transp., Warehousing & Utilities	58.9	59.8	56.6	59.5	57.2	4.0%	5.1%	0.3%
Information	58.3	58.1	54.3	57.9	54.4	6.4%	1.6%	-1.7%
Financial Activities	117.0	116.4	115.0	116.1	114.5	1.4%	3.6%	-2.2%
Professional & Business Services	304.6	298.6	295.6	298.9	290.8	2.8%	4.3%	2.1%
Education & Health Services	213.7	214.5	209.3	214.0	207.8	2.9%	4.2%	4.3%
Leisure & Hospitality	190.9	188.6	183.6	187.4	179.9	4.2%	3.9%	1.4%
Other Services	62.3	62.5	62.4	62.3	62.1	0.4%	2.1%	2.7%
Government	236.5	236.9	237.8	233.9	236.1	-0.9%	1.9%	2.6%
Federal Gov't	30.2	30.0	30.5	30.1	30.7	-2.1%	-1.2%	-0.7%
State Gov't	67.4	67.5	65.9	65.1	63.6	2.3%	2.7%	3.7%
Local Gov't	138.9	139.4	141.4	138.8	141.8	-2.1%	2.2%	3.0%
Colorado	2,709.8	2,700.6	2,640.6	2,687.2	2,619.2	2.6%	3.0%	0.8%
United States	148,367	147,369	146,101	146,961	144,749	1.5%	1.6%	-0.5%

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

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

Metro Denver Industry Cluster Headlines

Aerospace

- A 145,000-square-foot expansion is underway at Ball's Aerospace Manufacturing Center (AMC) in Westminster. When completed in 2019, this new addition will significantly enhance manufacturing, production, and test capabilities enabling Ball to continue providing high-performance phased array antenna and electro-optical solutions for government and commercial customers. With a record backlog in 2017, Ball is growing and hiring, having on-boarded more than 700 new employees in the past two years and 280 employees in 2018 to date.

Beverage Production

- The new 25 percent tariff on steel and 10 percent on aluminum will impact the profits of many businesses, from chain-link fences to public and private construction projects. The 10 percent tariff on aluminum is going to equate to a multimillion dollar tax on the beverage industry, and it is likely jobs will be lost. The new tariff translates to an estimated 20 to 24 cents more per case of 24 cans.
- Nighthawk Brewery is closing after more than three years of brewing beer in Broomfield. The brewery has 13 employees and was profitable in 2017 and so far this year. Part of its success came from providing food and a game room. While the brewery market is competitive, the owners say closing is motivated only by personal reasons.

- Avery Brewing Company scaled back its team earlier this year, laying off six employees. Following increased sales in 2017, the company was staffed for more anticipated growth than it achieved.

Bioscience – Pharmaceuticals & Biotechnology

- Inocucor Corporation, with its U.S. headquarters operations located in Centennial, is changing its name to Concentric Ag Corporation and moving to a new building at 7304 South Joliet St. in Centennial. The company's new office is a 30,000-square-foot headquarters and commercialization office that currently employs about 20 people with plans to eventually grow to 58. Last month, Concentric raised \$15.9 million in Series B funding.
- Corden Pharma is expanding its capabilities to manufacture active pharmaceutical ingredients at its east Boulder plant. The company currently employs 350 between the two Boulder sites, with plans to increase its workforce due to the recent remodel and expansion. The new investment will allow Corden to increase production of oligonucleotides, which are used to treat some cancers as well as infectious and genetic diseases.

Broadcasting & Telecommunications

- Visible, a new mobile service supported by Verizon, recently opened its headquarters in Denver. The company's business model is completely virtual, with no stores or sales people, and takes digital payments from credit cards, Paypal, and Venmo through the app. At \$40 a month, Visible's only plan is an unlimited data, talk, and text plan using Verizon's 4G LTE network. The company currently employs roughly 50 people.
- CenturyLink Inc. started laying off hundreds of employees companywide in cuts that will continue in coming weeks as the telecom adopts new technology and streamlines following last year's merger with Level 3 Communications. Century Link is cutting 2 percent of its staff, roughly 1,050 employees, eliminating jobs in various divisions across the business. It is not known how many job losses will be in Colorado.
- Charter recently moved employees into offices leased on eight floors of a new, 10-story office tower at 6175 S. Willow Drive after filling their 12-floor building and adding hundreds of jobs in the area. The company expects to eventually expand by more than 800 jobs in Colorado, making Denver a regional hub for Charter. Two years ago, it completed a three-way merger with Time Warner Cable and Bright House Networks, making it a 17-million-subscriber cable and broadband company with about 90,000 employees nationwide.

Energy – Fossil Energy

- Anadarko Petroleum Corporation, the largest energy driller in the state, is closing a natural gas gathering system in northern Colorado, citing safety concerns. The system serves dozens of other, smaller energy producers in Adams, Arapahoe, Denver, and Elbert counties, providing a crucial link between wells and buyers. Extrapolating outward to all the companies served by the system, it is estimated that close to 100 jobs could be impacted.
- Ultra Petroleum Corporation, a Houston-based oil and gas company, is moving its home base to Metro Denver from Houston and focusing on its natural gas operations in Wyoming. The company already employs 65 in Centennial, and will add some of the remaining 14 employees from Houston.

Financial Services – Investments

- Fidelity Investments is currently hiring more than 100 open positions across departments such as personal investing, customer service, IT, public affairs, audit, communications, and legal/compliance. The company has openings in all levels from entry level to upper management. In the past five years, Fidelity's Denver region has added more than four million customer accounts and more than doubled its total assets under administration.

Healthcare and Wellness

- Boulder Community Health is expanding around the Boulder area, with a new office at West South Boulder Road, adding nearly 30,000 square feet of new office space next to the existing Community Medical Center in Lafayette. In addition, the health organization is building a new medical office and urgent care center in Erie, just seven miles up the

road from where it plans to open the new Lafayette rehab center. Boulder Community Health currently employs 540 physicians across 54 medical specialties.

IT-Software

- EzCater, one of the largest online marketplaces for business catering, is adding a second national location in Denver and hiring 100 people by the end of the year. The company recently leased a 15,000-square-foot space at Denver Place, 999 18th Street. Company-wide, ezCater said it will hire 250 new employees this year.
- Flatirons Solutions is moving its corporate headquarters from Irvine, California to Boulder, as part of an effort to grow capacity within its major operational centers. The company required a central location near a major airport hub, Denver International Airport, and many of the Irvine staff have already relocated to Boulder. Flatirons core markets include airlines, aviation and defense manufacturers, and military forces.
- Honey, a Los Angeles company that makes a browser extension to help online shoppers get the lowest price for their products, is opening a development office in Boulder. The company is planning to hire 20 back-end engineers in the next year-and-a-half to work on new Honey initiatives. The company plans to offer strong salaries and benefits to employees, remaining competitive in a tight labor market.
- Crypto Fund Research evaluated 300 cities across the U.S. based on the number of top blockchain startups, and found that Denver ranked 10th in the country for blockchain and cryptocurrency jobs. The report also ranked Denver sixth in the nation for blockchain startups, 14th for the number of top 300 blockchain companies, and 14th for the number of blockchain and cryptocurrency funds. Blockchain allows computer networks to exchange information without relying on a central authority. It supports cryptocurrencies such as bitcoin.
- Slack Technologies, a San Francisco-based tech startup, is opening a new Denver office this year that could potentially become the company's second headquarters, creating up to 550 full-time jobs with an average salary of \$107,975. Slack is also considering Phoenix, Austin, and Portland for its second headquarters. Slack is a cloud messaging app company founded in 2009, valued at \$5.1 billion.
- Massachusetts-based Cognex Corporation leased 14,310 square feet of office space at 4990 Pearl East Circle where it will expand operations following the acquisition of two tech companies in Boulder Valley. Cognex acquired Boulder-based Chiaro Technologies, a maker of a 3-D machine-vision sensor called Cloudburst, and Longmont-based Webscan Inc., a developer and manufacturer of barcode verification instruments. Employees from all three companies will move to the new location in early summer.
- Software company Conga raised \$47 million in backing from Insight Venture Partners and Salesforce Ventures that will help keep up steady growth after a string of acquisitions. The Broomfield-based company, which makes tools to help people compose and edit documents and check contracts from within Salesforce.com, raised \$117 million total from its VC backers in recent years. Conga expects to use the funding to expand its sales and marketing and to fast track its development of software products.
- MeetMindful, a yoga-focused dating app, is moving its office directly next door, growing into a 5,000-square-foot space at 1444 Wazee Street, twice the size of its current office. So far, the startup has raised at least \$2 million from investors. MeetMindful currently has a staff of seven.
- LockState, a maker of cloud-based software to remotely control locks, raised \$5.75 million in Series A funding. The money will help fund an additional 10 sales and marketing positions, bringing LockState to a total of 35 employees. The business also recently relocated to a new space off Santa Fe Drive in South Denver.

Other Industry Headlines

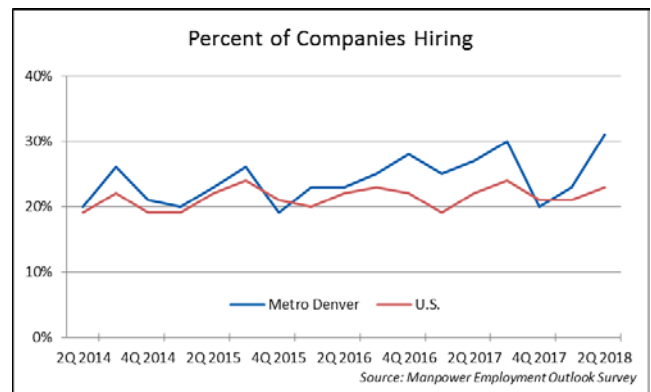
- Lineage Logistics, a cold storage and warehouse company in Henderson, plans to add nearly 116,000 square feet to its existing warehouse in Henderson, spending \$12.5 million on the project. The company expects to add 25 jobs to its current workforce of 90 employees. The warehouse will handle items such as books, electronics, and toys.

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- Alterra Mountain Company is moving its corporate headquarters into the top floor of the Zeppelin Station by the end of the year. The 10-year lease grants the ski company 34,000 square feet of space, including the entire top floor. Alterra expects its workforce to grow this year from 120 to 160 employees, as this year the company launched its new multi-country, multi-continent IKON Pass, to compete with Vail Resort’s EPIC Pass.
- Burns and McDonnell, a Kansas City-based engineering, architecture, and consulting firm, plans to expand its presence in Centennial, doubling its local workforce within the next five years. The local office currently employs 220, and was recently named to *Fortune’s* 2018 list of “100 Best Companies to Work For” for the seventh time.
- Chipotle, the fast casual burrito chain, is moving its headquarters from Denver to Newport Beach, California. Some positions in Denver will be relocated either to the new location or to an existing office in Columbus, Ohio. The company is also closing a New York office, with around 400 employees being impacted between the two closing offices. The consolidation of the offices and the move to California is expected to help drive sustainable growth while continuing to position Chipotle well in the competition for top talent. Southern California is an even bigger hub of fast-casual concepts, allowing Chipotle to dip into that pool of talent.

Employment Outlook

- Employers in the Denver-Aurora-Broomfield MSA expect to hire at a robust pace during 2Q 2018, according to the *Manpower Employment Outlook Survey*. The percentage of employers planning to increase employment levels rose 8 percentage points between the first quarter of 2018 and the second quarter of 2018, with 31 percent of companies expanding their employment levels. The majority of companies intend to maintain staff levels through the first quarter of the year; however, the level fell 8 percentage points below the prior quarter’s level.
- For the coming quarter, job prospects appear best in construction, durable goods manufacturing, nondurable goods manufacturing, transportation and utilities, information, professional and business services, leisure and hospitality, and government. Hiring in wholesale and retail trade, financial activities, education and health services, and other services is expected to remain unchanged.



Employment Outlook Survey

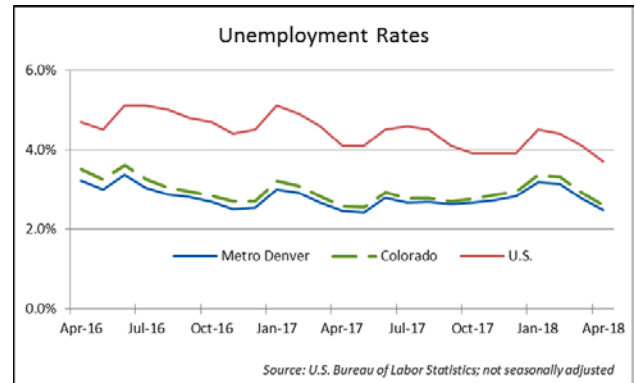
	Quarter 2 2018	Quarter 1 2018	Quarter 2 2017	YTD 2018	YTD 2017	Ann Avg 2013
Denver-Aurora-Broomfield MSA						
Percent of Companies Hiring	31%	23%	27%	27%	26%	21%
Percent of Companies Laying Off	3%	2%	2%	3%	5%	7%
Percent of Companies No Change	63%	71%	69%	67%	67%	71%
Percent of Companies Unsure	3%	4%	2%	4%	3%	3%
United States						
Percent of Companies Hiring	23%	21%	22%	22%	21%	19%
Percent of Companies Laying Off	3%	5%	3%	4%	5%	7%
Percent of Companies No Change	73%	71%	73%	72%	73%	72%
Percent of Companies Unsure	1%	3%	2%	2%	2%	3%

Source: Manpower Inc.

MONTHLY ECONOMIC INDICATORS

Unemployment

- Metro Denver’s not-seasonally adjusted unemployment rate fell, decreasing 0.3 percentage points to 2.5 percent in April compared with March. Metro Denver’s rate held steady over-the-year from the April 2017 level.
- The seven Metro Denver counties reported unemployment rates of 2.8 percent or lower in April. Boulder, Douglas, and Broomfield Counties reported the lowest unemployment rates of the seven-county region, of 2.3 percent. Over-the-year, the unemployment rate rose in three counties, declined in Broomfield County, and was unchanged in three counties.
- All seven counties reported a decrease in the unemployment rate over-the-month, falling between 0.2 and 0.4 percentage points. Additionally, all seven counties reported increases in the labor force over the year. Boulder County grew the slowest (+3.2 percent), while Douglas County grew the fastest (+3.6 percent).
- The Colorado unemployment rate remained flat over-the-year at 2.6 percent in April. Colorado had the ninth-lowest unemployment rate in the country, as residents continued to meet employer demand. The state’s labor force increased 3.5 percent over-the-year. The national unemployment rate decreased 0.4 percentage points over-the-month to 3.7 percent.



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

	April 2018 (p)		2018 YTD AVG		2017 YTD AVG		2013	2008
	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Ann Avg Unemployment Rate	Ann Avg Unemployment Rate
Metro Denver	1,780.8	2.5%	1,774.7	2.9%	1,713.8	2.8%	6.5%	4.9%
Adams County	266.4	2.8%	265.9	3.3%	256.8	3.2%	8.1%	5.4%
Arapahoe County	358.8	2.6%	357.7	3.0%	345.2	2.8%	6.6%	4.9%
Boulder County	192.2	2.3%	190.5	2.6%	184.5	2.4%	5.5%	4.1%
Broomfield County	38.6	2.3%	38.6	2.7%	37.3	2.7%	5.8%	4.5%
Denver County	405.3	2.5%	404.4	3.0%	390.4	2.8%	6.6%	5.4%
Douglas County	187.2	2.3%	186.5	2.6%	179.9	2.4%	5.3%	4.2%
Jefferson County	332.3	2.4%	331.1	2.8%	319.7	2.7%	6.3%	4.7%
Colorado	3,058.4	2.6%	3,048.4	3.0%	2,942.0	2.9%	6.9%	4.8%
United States	161,280	3.7%	161,090	4.2%	159,472	4.7%	7.4%	5.8%

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

- Unemployment insurance claims increased in Metro Denver, rising 15.3 percent between March and April. However, the March level was 13.3 percent lower over-the-year. The average number of monthly claims year-to-date (1,066 claims) is the lowest April since the beginning of the dataset in 2004.
- Claims throughout Colorado also increased over-the-month, rising 42.9 percent. The state’s unemployment insurance claims decreased 5.4 percent over-the-year. The year-to-date average monthly claims for Colorado is also lower than any previous April since the beginning of the dataset.

MONTHLY ECONOMIC INDICATORS

Weekly First-Time Unemployment Insurance Claims

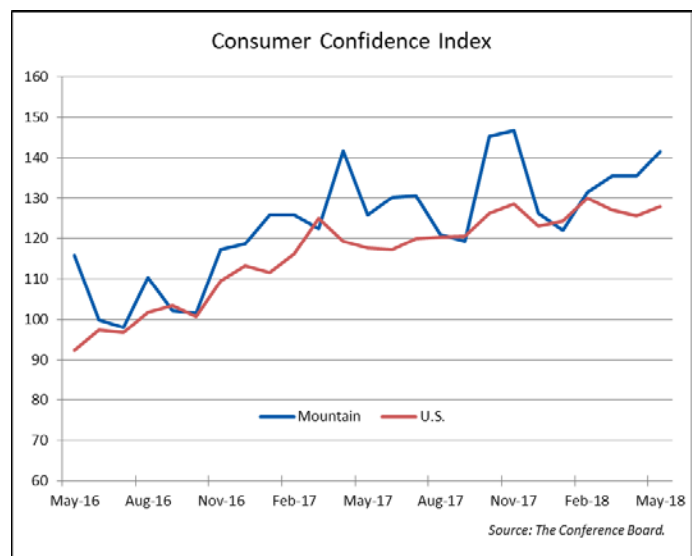
	Month of Apr-18	Month of Mar-18	Month of Apr-17	YTD Avg 2018	YTD Avg 2017	YTD Avg % Change	Ann Avg 2013	Ann Avg 2008
Metro Denver	956	829	1,103	1,066	1,178	-9.4%	1,625	1,738
Colorado	2,246	1,572	2,375	2,110	2,220	-5.0%	3,166	3,112

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 May, reporting a level of 128 from the revised April level of 125.6, a 1.9 percent increase over-the-month. The percentage of consumers claiming business conditions were “good” increased from 34.8 percent to 38.4 percent, while those claiming business conditions were “bad” decreased from 12.3 percent to 12 percent.
- Analysts at The Conference Board stated that consumers’ assessment of current conditions increased to a 17-year high, suggesting that the level of economic growth in Q2 is likely to have improved from Q1. Consumers’ short term expectations improved modestly, suggesting that the pace of growth over the coming months is not likely to gain any significant momentum.



- Colorado is included in the Mountain Region Index and the area reported an increase in consumer confidence between April and May. The index rose to 141.5 in May from the April revised level of 135.4, increasing 4.5 percent over-the-month. The Mountain Region Index was also 12.5 percent higher than the year-ago level. The Present Situation Index fell from 178.4 in April (revised) to 175.3 in May, while the Expectations Index rose from the April level of 106.7 (revised) to 119 in April, increasing 11.5 percent.

Consumer Confidence Index

	Month of May-18	Month of Apr-18	Month of May-17	YTD Avg 2018	YTD Avg 2017	YTD Avg % Change	Ann Avg 2013	Ann Avg 2008
Mountain	141.5	135.4	125.8	133.1	128.4	3.7%	74.6	76.5
United States	128.0	125.6	117.6	127.0	117.9	7.7%	73.2	58.0

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

- National retail sales increased through March, with total retail sales rising 17 percent above the month-ago level. Over-the-year, sales increased 5.6 percent from the March 2017 level. All 13 sectors reported over-the-month increases, the largest being in building materials, garden equipment, and supply stores (+26.7 percent), followed by motor vehicles and parts dealers and sporting goods, hobby, book, and music stores, both increasing 22.6 percent.
- Twelve of the 13 sectors reported increases between March 2017 and March 2018. Gasoline stations reported the largest increase, rising 11.3 percent, followed by non-store retailers that increased 8 percent over-the-year. Furniture and home furnishing stores was the only sector to report no change over-the-year.

MONTHLY ECONOMIC INDICATORS

Total Retail Sales (\$millions)

	Month of Mar-18	Month of Feb-18	Month of Mar-17	YTD Total 2018	YTD Total 2017	YTD Total % Change	Annual Growth 2013	Annual Growth 2008
Total Retail Sales	511,463	437,245	484,550	1,393,480	1,328,013	4.9%	3.6%	-1.1%
Motor Vehicles	110,843	90,420	105,946	290,101	279,614	3.8%	8.2%	-13.7%
Furniture and Home	9,797	8,336	9,797	26,481	26,481	0.0%	4.2%	-11.2%
Electronics & Appliance	8,094	7,344	7,824	23,118	22,252	3.9%	0.9%	-1.2%
Building Materials	32,282	25,475	31,454	83,273	79,456	4.8%	7.2%	-5.9%
Food and Beverage	63,097	55,837	59,485	178,553	170,616	4.7%	2.0%	3.9%
Health and Personal Care	28,596	25,463	28,479	81,328	80,608	0.9%	2.9%	4.0%
Gasoline Stations	41,467	36,017	37,253	115,349	104,096	10.8%	-1.0%	11.5%
Clothing & Accessories	22,554	18,854	21,066	57,464	54,622	5.2%	2.2%	-2.5%
Sporting Goods	6,901	5,631	6,750	18,513	18,804	-1.5%	1.9%	-1.2%
General Merchandise	59,156	51,224	55,442	161,057	155,144	3.8%	1.5%	2.8%
Miscellaneous Store	10,937	9,791	10,504	30,797	29,012	6.2%	2.2%	-4.9%
Non-Store Retailers	55,416	49,298	51,295	158,244	143,523	10.3%	6.1%	3.4%
Food Service & Drinking	62,323	53,555	59,255	169,202	163,785	3.3%	3.7%	2.6%

Source: U.S. Census Bureau

Price Changes

- The U.S. Consumer Price Index (CPI) rose 2.5 percent over-the-year to 250.5 in April. The CPI also rose between March and April by 0.4 percentage points. All eight CPI components were up between April 2017 and 2018, led by transportation (4.1 percent) and housing (3 percent). Education and communication reported the smallest increase over-the-year, rising 0.1 percent.
- Data is now released bi-monthly for the Denver-Aurora-Lakewood area. Between January and March, the index rose from 259.9 to 260.6, a 0.3 percent increase. Four of the eight CPI components reported increases over the two-month period, with transportation (+1.8 percent), recreation (+1.3 percent), and food and beverage (+1.2 percent) reporting the largest increase. Apparel reported the largest decrease during the period, falling 4.9 percent.
- According to the AAA Daily Fuel Gauge Report, the national average fuel price for April increased 5.2 percent from April to \$2.96 per gallon. The May average fuel price was 24.2 percent above the prior year's level (\$2.38 per gallon). Metro Denver reported a 9.5 percent increase in the average fuel price between April and May. The average fuel price of \$2.85 per gallon for May in Metro Denver was \$0.11 lower than the national average. The area reported average fuel prices that were 21.9 percent higher for May 2018 than the previous year's level.

Stock Market

- As of May 23, 3,193 publically traded companies reported a combined net income of \$358.3 billion during the first quarter of 2018. The total marked a 26 percent year-over-year increase and a 63 percent increase over what was reported in the corresponding period in 2016. More than half of these companies, 1,875 in total, reported a larger profit than what was recorded during 2017's first quarter, posting an average increase of 48 percent. The broad profitability spike among public companies has been attributed to several factors, the most influential being the boosted confidence among both businesses and consumers. Other contributing factors include a looser regulatory climate for businesses as well as the recently passed tax-reform bill.
- All four indices rose between April and May, with the NASDAQ index reporting the largest increase. The index rose 5.3 percent over-the-month to 7,442.1, followed by the Bloomberg Colorado index, which rose 2.4 percent over-the-month. The Bloomberg Colorado index reported the only decrease over-the-year, falling 3.8 percent between May 2017 and May 2018. The other three indices rose over-the-year, with the largest increase by the NASDAQ (+20.1 percent). The DJIA rose 16.2 percent over-the-year to 24,415.8, and the S&P 500 rose by 12.2 percent.

MONTHLY ECONOMIC INDICATORS

Stock Market Indexes

	Month of May-18	Month of Apr-18	Month of May-17	YTD Return 2018	YTD Return 2017	Ann Avg Return 2013	Ann Avg Return 2008
Bloomberg Colorado	531.8	519.1	552.7	6.9%	6.9%	30.6%	-51.0%
S&P 500	2,705.3	2,648.1	2,411.8	0.7%	7.7%	29.6%	-38.5%
NASDAQ	7,442.1	7,066.3	6,198.5	7.8%	15.1%	38.3%	-40.5%
DJIA (Dow Jones)	24,415.8	24,163.2	21,008.7	-1.7%	6.3%	26.5%	-33.8%

Sources: Bloomberg.com; Yahoo! Finance.

Travel & Tourism

- CONCACAF, the Confederation of North, Central America, and Caribbean Association Football, announced that Denver will be one of 13 cities to hold Gold Cup soccer matches next year. The games will be played at Sports Authority Field at Mile High, which also hosted the 2017 Gold Cup matches. The CONCACAF Gold Cup takes place every two years and the tournament will be broadcasted around the world.
- The average hotel occupancy rate in Metro Denver rose 3.2 percentage points to 74.4 percent occupancy in April compared with the March level. The April level was 3.1 percentage points above the previous year's level. The average room rate for April was \$139.88 per night, 5.9 percent above the March level, and 2.3 percent higher over-the-year.

Metro Denver Hotel Statistics

	Month of Apr-18	Month of Mar-18	Month of Apr-17	YTD Avg 2018	YTD Avg 2017	YTD Avg % Change	Annual 2013	Annual 2008
Percent of Hotel Rooms Occupied	74.4%	71.2%	71.3%	67.8%	68.1%	-0.3%	70.8%	65.0%
Average Hotel Room Rate	\$139.88	\$132.04	\$136.78	\$132.80	\$131.32	1.1%	\$115.09	\$118.27

Source: Rocky Mountain Lodging Report.

- In the first quarter of 2018, more passengers used Denver International Airport (DEN) than any other first quarter in the airport's history. Major airlines serving DEN also recorded some big quarterly increases in passenger counts. Delta Airlines reported an 8.5 percent increase in passengers and Southwest increased 8 percent in the first quarter of the year. United Airlines, the largest airline serving the airport currently with a 42.5 percent share of traffic, reported its first quarter passenger traffic rose 1.1 percent.
- DEN kicked off a \$1.5 billion project to expand its capacity, adding 39 gates across the three concourses, a 35 percent increase in the number of regular boarding positions. In addition, more passenger amenities are being added, including food and shopping, charging stations, and outdoor space. DEN has also entered in to a \$1.8 billion public-private partnership agreement for a wide-scale terminal renovation and construction on a new main-floor concession space that will be privately managed for decades. Along with the construction projects, DEN is ordering more cars for the underground train that ferries passengers from the terminal to the concourses.
- Spokespeople for DEN reported that almost 5.3 million passengers passed through the airport in March, increasing 21.5 percent from February. In addition, the March 2018 level was 1.6 percent higher than the March 2017 level, recording 84,857 additional passengers through the airport.

Denver International Airport Passengers

	Month of Mar-18	Month of Feb-18	Month of Mar-17	YTD Total 2017	YTD Total 2016	YTD Total % Change	Annual 2013	Annual 2008
Number of Airline Passengers	5,278,712	4,345,062	5,193,855	14,309,360	13,833,461	3.4%	52,556,359	51,245,432

Source: Denver International Airport, Traffic Statistics.

Residential Real Estate

- Price Development group is adding 354 apartment units at 363 South Broadway. Scheduled to open in 2020, the complex will feature a fitness and business center, pool, and rooftop lounge. Part of the complex will consist of five stories of apartments over two stories of parking, and four stories of apartments over one story of parking. There will be studios, one-bedrooms, and two-bedroom apartments.
- A \$150 million senior living facility is coming to Lakewood, the Ridge Pinehurst, which is expected to provide 180 independent living apartments, 96 assisted living, and 42 memory care homes. It is expected to be completed in the fall of 2019 and to employ a staff of 200. Located at South Wadsworth Boulevard and West Quincy Avenue, the 15-acre site will have views of the Rocky Mountains and overlook the Pinehurst Golf Course. Amenities include a lap and resistance pool, wine room, indoor and outdoor pickleball courts, theaters, an art studio, wellness center, and multiple dining venues.
- Pensam Development submitted plans to Denver proposing the construction of 254 residential units on an 18.2-acre parcel just north of the former Breakers Resort. Plans call for the construction of a five-story, 248,000-square-foot building and a four-story, 118,000-square-foot building. The units would be a mix of one- and two-bedrooms. The complex would be constructed on undeveloped land along South Valentia Street, bordering the shores of Windsor Lake.
- A 2.3-acre parcel located at 99 South Broadway has been purchased by Holland Partner Group, with plans to develop a 238-unit apartment community. The apartments will be a mix of studio, one-, two-, and three-bedroom units with retail on the ground floor. This will be the first class A residential project to be built on that stretch of Broadway.
- Vita, a 159-unit, mixed-use, senior living community in Littleton, is wrapping up construction and the first tenants are beginning to move in. Located at 2100 West Littleton Blvd., the community is age-qualified for those 55 and older, and includes 11,000 square feet of retail and restaurant space. Amenities include a saltwater pool, fitness studios, bicycle shop, and community garden.
- The First Avenue Hotel, a historic building at 101 Broadway, is set to become affordable micro-apartments. Plans call for a complete restoration of the existing four-story building and construction of a five-story addition to the west. The project consists of 106 income-restricted housing units, with a mix of studios and bedroom options, and about 10,000 square feet of retail and restaurant space. The apartments would be 350 square feet on average, and could rent for about \$900 per month.
- The Elisabetta, a \$27 million affordable housing development, will be located at 5100 Lincoln Street, and is expected to open in late 2019. The development will include 91 units and 12,500 square feet of commercial space. Twenty-five percent of the apartments will be dedicated to people living with disabilities. The Elisabetta will include fully equipped kitchens, ample storage space, central laundry facilities, and a community room with fitness equipment and gathering space.
- Alto at Westminster, a \$28 million, 70-unit apartment complex in south Westminster, is officially open. The mixed-use development has one, two, and three-bedroom units for residents earning between 30 and 60 percent of the area median income. Monthly rents will range between \$506 to \$1,012 for a one-bedroom, \$607 to \$1,215 for a two-bedroom, and \$701-\$1,402 for three-bedroom apartments. The development will also be the office of the Life Center, a non-profit community center that provides access to jobs, counseling, and educational classes.
- Bristlecone Construction recently broke ground on The Edge, a 40-unit condominium building at 1735 Central Street in Denver's Lower Highlands neighborhood. Amenities include a dog spa, storage units, bike storage and repair room, lobby lounge with fireplace and coffee bar, and two levels of secured parking with dedicated parking spots. The units range in price from the low \$400,000s to \$1.75 million.

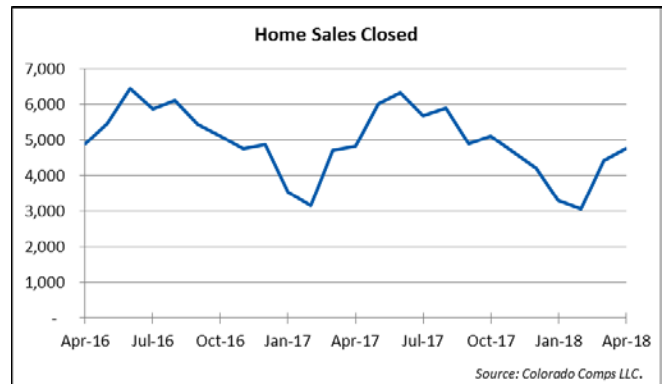
MONTHLY ECONOMIC INDICATORS

- Wazee Partners LLC submitted plans for a new senior living facility at 4101 E. Wesley Avenue in Denver. The 0.8-acre parcel will include a four-story, 45,800-square-foot building and 36 parking spaces. Currently, the property is home to a one-story, 10,600-square-foot medical building which will be replaced.

Home Resales

Metro Denver

- Redfin, an online real estate company, reported that homes in Denver sold faster in April than anywhere else in the country, with half of all homes pending sale in just six days. Denver also tied with the lowest Months Supply of Inventory with Boise, Idaho, San Francisco, and Seattle, at 1.0. A six-month supply historically indicates a market that is balanced equally between buyers and sellers.
- Denver ranks 10th in a new study by Property Shark that looks at what \$200,000 can buy in square footage in the nation's top 32 metropolitan areas. For that amount of money, a buyer can only get 661 square feet of home in Denver, the smallest amount of space outside of California, Washington, and big Eastern cities such as New York and Boston.
- Metro Denver existing home sales increased 7.6 percent between March and April to 4,768 homes sold. Home sales decreased over-the-year, falling 1.4 percent between April 2017 and 2018.
- Unsold homes on the market were 11.7 percent higher in April than March, but were 3.7 percent lower than the previous year's inventory level, with 201 less homes on the market over-the-year.
- The average sales price for single-family homes rose 10.9 percent over-the-year to \$526,724, while the average sales price of condominiums (\$296,355) increased 9.2 percent during the same period.
- The average sales price of a single-family home was \$51,767 higher in April 2018 compared with one-year earlier, while the average price of a condominium increased \$24,924.



Previously-Owned Home Sales Activity

	Month of Apr-18	Month of Mar-18	Month of Apr-17	YTD Total 2018	YTD Total 2017	YTD Total % Change	Ann Total 2013	Ann Total 2008
Home Sales (Closed)	4,768	4,433	4,834	15,572	16,232	-4.1%	53,631	47,837
Unsold Homes on Market	5,160	4,619	5,361	5,160	5,361	-3.7%	8,575	24,365
Average Sales Price-Single Family	\$526,724	\$499,359	\$474,957	\$499,870	\$448,379	11.5%	\$335,871	\$270,261
Average Sales Price-Condo	\$296,335	\$299,798	\$271,411	\$293,567	\$262,351	11.9%	\$198,441	\$171,350
Median Sales Price-Single Family	\$437,100	\$418,050	\$399,000				\$278,900	\$219,900
Median Sales Price-Condo	\$265,000	\$261,000	\$244,000				\$160,000	\$138,000

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

National

- Total existing-home sales fell 2.5 percent to a seasonally adjusted annual rate of 5.46 million in April from 5.6 million in March, according to the National Association of Realtors (NAR). With last month's decline, sales are now 1.4 percent below a year ago and have fallen year-over-year for two straight months. The root cause of the underperforming sales activity in much of the country so far this year continues to be the lack of available listings on the market to meet the strong demand.

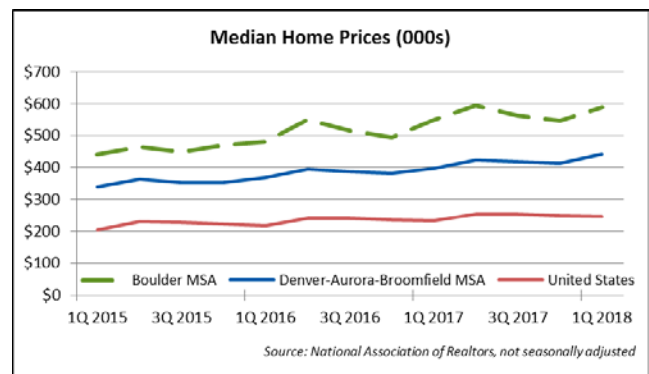
MONTHLY ECONOMIC INDICATORS

- Total housing inventory at the end of April increased 9.8 percent to 1.8 million existing homes for sale, but is still 6.3 percent lower than a year ago (1.92 million) and has fallen year-over-year for 35 consecutive months. Unsold inventory is at a 4-month supply at the current sales pace (4.2 months a year ago).
- Properties typically stayed on the market for 26 days in April, which is down from 30 days in February and 29 days a year ago. Fifty-seven percent of homes sold in April 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 April was \$257,900, up 5.3 percent from April 2017 (\$245,000). April's price increase marks the 74th straight month of year-over-year gains. The median price in the Midwest was \$202,100, up 4.6 percent from a year ago. In the South, the median home price was \$227,600, up 3.9 percent from a year ago. In the Northeast (\$275,200), the median home price rose 2.8 percent above April 2017. The median home price in the West was \$382,100, up 6.2 percent from last year.

- A separate NAR report revealed that the median price in the Boulder MSA (\$588,500) during the first quarter of 2018 was 7.7 percent higher over-the-quarter and was 7.3 percent higher over-the-year. The Denver-Aurora MSA (\$441,500) was 6.5 percent higher than the fourth quarter and was 11.5 percent above the year-ago level.
- The national median sales price during the first quarter of 2018 declined 0.9 percent over-the-quarter to \$245,500 yet was 5.7 percent higher than the previous year's level.
- Of the 178 MSAs included in the first quarter 2018 report, the Boulder MSA reported the sixth-highest median price, while the Denver-Aurora MSA median price was the 12th highest.

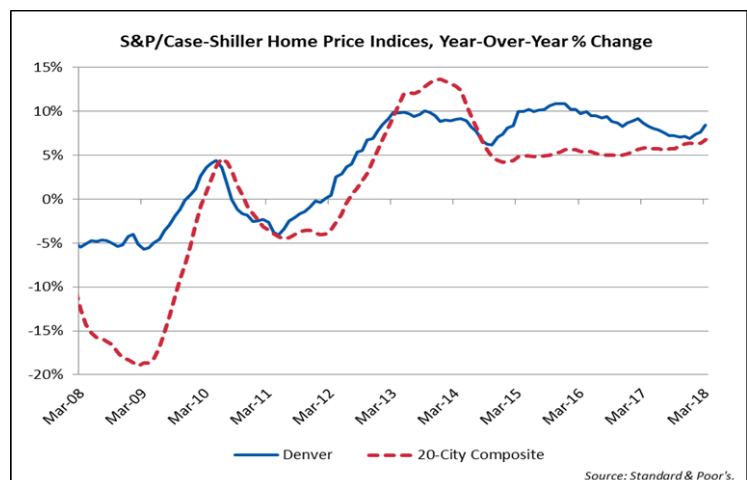


Median Sales Price of Existing Single-Family Homes (\$000s)

	Quarter 1 2018 (p)	Quarter 4 2017 (r)	Quarter 1 2017	YTD Avg 2018	YTD Avg 2017	YTD Avg % Change	Median 2013	Median 2008
Boulder MSA	\$588.5	\$546.4	\$548.4	\$588.5	\$548.4	7.3%	\$371.8	\$359.6
Denver-Aurora MSA	\$441.5	\$414.4	\$396.1	\$441.5	\$396.1	11.5%	\$280.6	\$219.3
United States	\$245.5	\$247.8	\$232.2	\$245.5	\$232.2	5.7%	\$197.4	\$196.6

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 March for the 27th-straight month. The Denver index increased 1.4 percent over-the-month to 210.84 in March and rose 8.6 percent between March 2017 and March 2018. The March 2018 level was the highest level recorded in Denver in the history of the 27-year data series. This means local home resale prices averaged 110.84 percent higher than they were in the benchmark month of January 2000.
- Seattle (+13 percent), Las Vegas (+12.4 percent), and San Francisco (+11.3 percent) recorded the largest increases over-the-year. Denver (+8.6 percent) ranked fourth.



MONTHLY ECONOMIC INDICATORS

- Chicago (+2.8 percent), Washington, D.C. (+3 percent), and Cleveland (+4.6 percent) recorded the smallest increases over-the-year.
- The national home price index increased slightly over-the-month by 0.8 percent and rose 6.5 percent over-the-year.
- Analysts for the index reported that months-supply, which combines inventory levels and sales, is currently at 3.8 months, lower than the levels of the 1990s, before the housing boom and bust. Until inventories increase faster than sales, or the economy slows significantly, home prices are likely to continue rising.

Foreclosures

- Foreclosures in Metro Denver rose 0.4 percent in April over the previous month, representing one additional foreclosure. Additionally, foreclosures were 6.2 percent higher between April 2017 and 2018. Broomfield, Denver, and Arapahoe counties reported increases in foreclosures over-the-year, rising 50 percent, 38.1 percent, and 23.5 percent, respectively. Adams County reported the largest decrease in foreclosures during the period, falling 18.3 percent, followed by Boulder County (-14.3 percent).

Real Estate Foreclosures

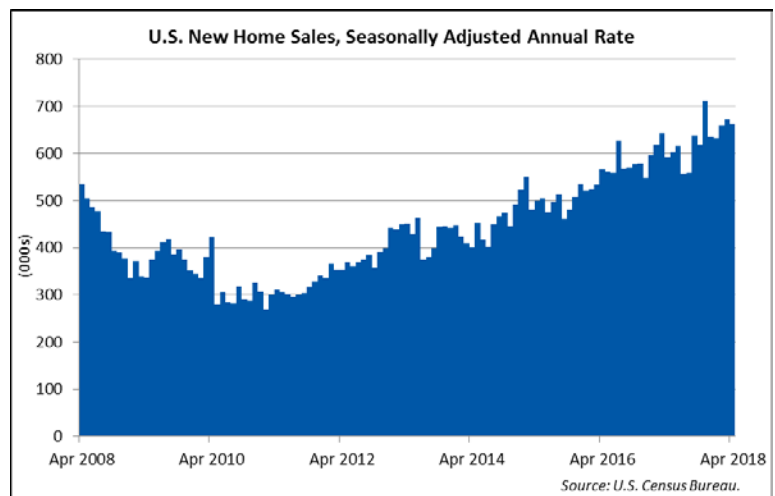
	Month of Apr-18	Month of Mar-18	Month of Apr-17	YTD Total 2018	YTD Total 2017	YTD Total % Change	Annual Total 2013	Annual Total 2008
Total Metro Denver*	257	256	242	979	986	-0.7%	7,520	24,727
Adams County	49	62	60	220	228	-3.5%	1,636	5,629
Arapahoe County	63	53	51	234	220	6.4%	1,700	5,860
Boulder County	12	19	14	49	49	0.0%	387	984
Broomfield County	3	4	2	15	10	50.0%	109	260
Denver County	58	40	42	189	196	-3.6%	1,616	6,145
Douglas County	21	26	22	96	110	-12.7%	769	2,180
Jefferson County	51	52	51	176	173	1.7%	1,303	3,669

*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

- Denver County and Arapahoe County reported the largest increases in foreclosures between March and April 2018, rising 45 percent and 18.9 percent respectively. Of the five counties that reported decreases in foreclosures over-the-month, Adams County (-21 percent) reported the largest absolute decrease, falling by 13 houses.

New Home Sales

- The Census Bureau report on new home sales stated that national home sales increased in April to 662,000 annual sales from the revised March level of 672,000 annual sales. The April home sales level was 1.5 percent below March, but was 11.6 percent above the previous year's level.
- All four regions reported increases in home sales between April 2017 and April 2018. The Midwest region reported the largest increase, rising 26.4 percent, followed by the West (+18.9 percent), the South (+6 percent), and the Northeast (+5.3 percent).
- The Northeast and the South regions also recorded increases in home sales over-the-



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month. The Northeast region recorded the largest increase, rising 11.1 percent to 40,000 homes sold, while the South increased 0.3 percent between March and April. During the same period, the West reported the largest decrease, falling 7.9 percent to 176,000 homes sold. The Midwest remained flat, with 91,000 homes sold.

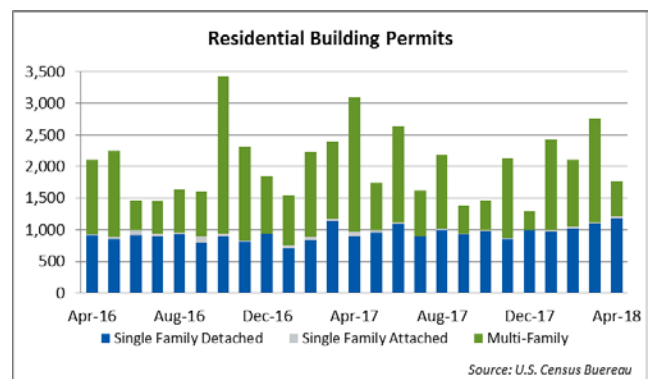
New Home Construction

National

- Builder confidence for newly-built single-family homes rose two points to a level of 70 in May after a downwardly revised April reading on the National Association of Home Builders/Wells Fargo Housing Market Index (HMI). The solid May report shows that builders are buoyed by growing consumer demand for single-family homes. However, the record-high cost of lumber is hurting builders' bottom lines and making it more difficult to produce competitively priced houses for newcomers to the market.
- According to the Census Bureau, the seasonally adjusted annual number of nationwide residential building permits decreased 0.9 percent in April (1.36 million permits) from March, but increased 8.7 percent above April 2017.
- The decrease in permits from March to April was driven by a 5.3 percent decrease in multifamily units. In comparison, single-family attached units increased 2.5 percent and single-family detached units increased 1.4 percent. Between April 2017 and April 2018, all three housing types reported increases, the largest in single-family attached units, rising 13.9 percent to 41,000 permits. Multi-family permits rose by 8.7 percent (460,000 permits) and single-family detached units rose by 8.4 percent (863,000 permits).
- The South was the only region to report an increase over-the-month, rising 11.5 percent to 727,000 permits. The Northeast reported the largest decrease, falling 29.6 percent to 95,000 permits, followed by the West (347,000), and the Midwest (195,000), which fell by 10.3 percent and 3.9 percent, respectively.
- Between April 2017 and April 2018, the South reported an increase of 21.8 percent, followed by the Midwest (+1 percent), and the West (+0.6 percent). The Northeast decreased over-the-year, falling 20.8 percent to 95,000 permits.

Metro Denver

- Residential building permits for the Metro Denver area decreased 42.6 percent in April compared with the prior year.
- The over-the-year decrease in total units permitted was attributed to a 73.5 percent decrease in multi-family permits and a 62.7 percent decrease in single-family attached permits. Single-family detached permits rose over-the-year, increasing 31.3 percent.
- Metro Denver also recorded a decrease in permits over-the-month, falling 35.5 percent. Multi-family units fell by 65.5 percent to 563 permitted units. Single-family attached permits rose by 92.3 percent and single-family detached permits increased 7.2 percent to 1,186 permits.



Residential Building Permits

	Month of Apr-18	Month of Mar-18	Month of Apr-17	YTD Total 2018	YTD Total 2017	YTD Total % Change	Total 2013	Total 2008
Single-Family Detached Units	1,186	1,106	903	4,286	3,585	19.6%	7,396	4,037
Single-Family Attached Units	25	13	67	81	199	-59.3%	399	224
Multi-Family Units	563	1,633	2,123	4,686	5,480	-14.5%	9,145	5,296
Total Units	1,774	2,752	3,093	9,053	9,264	-2.3%	16,940	9,557

Source: U.S. Census Bureau.

Apartment Rental Market

- The apartment vacancy rate throughout Metro Denver decreased in the first quarter of 2018, falling 0.3 percentage points to 6.1 percent from the fourth quarter of 2017. The average vacancy rate increased over-the-year by 0.4 percentage points. Vacancy rates ranged from 4.6 percent in Arapahoe County to 7.8 percent in Denver County. Vacancy rates rose over-the-year in two of the six submarkets, with the largest increase reported by Jefferson County (+1.9 percentage points). Adams, Arapahoe, and Boulder/Broomfield counties recorded decreases in the vacancy rate over-the-year, falling by 0.8, 0.7, and 0.5 percentage points, respectively. The rate remained unchanged in Douglas County at 5.9 percent.
- The average monthly rental rate of apartments in Metro Denver increased over-the-quarter in all six submarkets in the first quarter of 2018. The average rental rate in Metro Denver (\$1,420) was 1.7 percent higher than the previous quarter's level. The rate was 2.7 percent higher than the first quarter of 2017, representing an increase of \$38 in the average monthly rental rate over-the-year. The average rental rate ranged from \$1,310 in Adams County to \$1,546 in the Boulder/Broomfield County submarket.

Apartment Statistics

	Quarter 1 2018	Quarter 4 2017	Quarter 1 2017	YTD Average 2018	YTD Average 2017	YTD Average % Change	Annual Average 2013	Annual Average 2008
Apartment Vacancy Rate	6.1%	6.4%	5.7%	6.1%	5.7%		4.6%	6.6%
Average Monthly Rental Rate (all units)	\$1,420	\$1,396	\$1,383	\$1,420	\$1,383	2.7%	\$1,026	\$882

Source: Denver Metro Apartment Vacancy and Rent Survey.

Commercial Real Estate

- An annual survey by CBRE reported that Denver ranks No. 7 on a list from real estate investors on their future intentions. The survey polls 300 real estate investors on where they are increasing their focus, many of which noted higher-yield potential of high-growth secondary markets. Overall in the Americas, investors are optimistic about commercial real estate and expect to boost purchases by about 45 percent from the previous year. For the second year in a row, industrial space is the preferred asset, with half of the respondents saying it was their top choice for investment.
- Peña Station Next is a transit-oriented, mixed-use development near DEN. The 328-acre, \$500 million project is projected to offer 1.5 million square feet of commercial space, 500,000 square feet for retail outlets, and 2,500 residences. Hyatt Place Peña Station Next, slated to open in late 2019, will be a 226-room hotel featuring a large bar, library and business center, an indoor pool, and 3,500 square feet of meeting space.
- Golden-based mountain bike company Yeti Cycles and Fort Collins-based developer and design-build firm The Neenan Company announced plans to bring an outdoor lifestyle campus to Golden. The land is located in unincorporated Jefferson County to the west side of Highway 93, five minutes north of downtown Golden. Experiencing rapid growth, Yeti Cycles intends to move from its current headquarters to a larger, collaborative outdoor lifestyle campus alongside additional like-minded companies. The campus environment aims to provide end users the opportunity to own and operate their commercial property in a synergistic environment focused on enhancing the outdoor industry and culture.
- The University of Denver plans to transform the core of its campus into an area for shopping and restaurants, starting with a \$143 million construction project that will include a new freshman dorm and community commons area. New buildings include the Community Commons, adding additional classrooms and study space, a 500-bed dorm, and the Career Achievement and Global Alumni Center. DU has also launched a pilot bike-share program and will start a shuttle service in July. The goal is to create community and make the campus a more diverse, welcoming, and fun place.

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- A transit-oriented development is planned for 4400 Fox Street in northeast Denver. The site is currently vacant and a rezoning application has been submitted to the city. The area is also planned as the first stop on the G Line out of Union Station to Arvada. The rezoning would allow the construction of buildings up to 8 and 12 floors on the site, with a mix of residential, office, restaurant, and retail. While the current land owners have no intention of developing the land themselves, they are attempting the costly process of rezoning in hopes of attracting a developer to purchase the space.
- A 55-acre industrial development is planned for the I-76 corridor in Commerce City. Mid-Rail Industrial Park will be the first new construction project to offer railway access in central Denver in recent history. The area is zoned for heavy industrial use as well as rail and outside storage. Over 6,000 feet of siding, a separate section of rail track that branches off from the main line, has been constructed to provide direct access into the park. Intsel Steel West relocated its Denver operations to the park earlier this year, and Triple-S Steel Holdings, which owns the land, takes up 22 acres of the park.
- Becknell Industrial recently purchased a 39.8-acre site in Nexus at Denver International Airport in Commerce City. A new 540,800-square-foot build-to-suite industrial facility is slated for completion in January 2019. The cross-docked facility will feature 36-foot clear height, up to 114 dock doors, four drive-in doors, and 216 auto parking spaces.
- Denver-based Alpine Investments plans to build a 10-story office at 955 Bannock Street. The building will have 65,000 square feet of office space across its top five floors. The ground floor will have about 1,200 square feet of retail space in addition to the building's lobby, and the remaining four floors will be allocated to parking. The developer plans to begin construction in October for delivery in the fourth quarter of 2019.
- Construction on Accel, a 76-bed senior living facility in Longmont, is complete. The facility will employ approximately 125 to 150 people and serve as an inpatient transitional-care and outpatient center. All patient suites have flat-panel TVs, Wi-Fi, and a high-quality dining experience. Accel also includes an advanced rehabilitation gym with modern equipment, and technologies that help patients quickly complete post-acute rehabilitation.
- HM Capital is bringing 33 rowhomes to 4045 Pecos Street, along with an office building. The first floor of the building has 10 private offices and two retail spaces. Twenty-one co-working offices occupy the second floor. The row homes have broken ground and will be available for pre-leasing in the fall.

Office Market

- Newmark Grubb Knight Frank (NGKF) released their first quarter 2018 analysis of the Metro Denver office market and reported that the market enjoyed an impressive expansion run lasting 33 consecutive quarters, resulting in a total of 9.7 million square feet of net absorption, 7.4 million square feet of new deliveries, and a 409-basis-point plunge in vacancy. Though the up-cycle has been long, second only to the cycle starting in 1990 after Denver recovered from the oil bust of the 1980s, positive fundamentals point to continued growth in 2018 and beyond.
- Cushman & Wakefield released an analysis for the Metro Denver office market and reported that as gross rental rates for existing products continue to plateau, expect rental rates to grow at a modest pace, with growth occurring largely by way of new construction deliveries. In addition, new construction, while well preleased, is slowing with nominal new space deliveries over the next six quarters.

The Metro Denver office market reported increases in the vacancy rate and the average lease rate over-the-year through the first quarter of 2018. According to CoStar Realty data, the direct vacancy rate rose 0.2 percentage points over-the-year to 10 percent vacancy. The average lease rate rose 2.9 percent between the first quarters of 2017 and 2018, gaining \$0.74 per square foot during the period.

Office construction in Metro Denver was robust during the first quarter of 2018. There was 874,000 square feet of space completed across 8 buildings by the end of the first quarter 2018. Two of the largest office buildings completed during the quarter included the 222,070-square-foot INOVA Dry Creek 2 office building and the 210,000-square-foot Riverview office building at 1700 Platte St. There was 4.05 million square feet of space under construction at the end of the first quarter of 2018, a 28.6 percent decrease in space under construction compared with the same time last year. Of this space, over 2.95

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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 73 percent of total Metro Denver office construction.

Office Market Statistics

	Quarter 1 2018	Quarter 4 2017	Quarter 1 2017	Quarter 1 2016	Quarter 1 2015	Quarter 1 2014
Number of Buildings	6,266	6,258	6,227	6,188	6,151	6,130
Existing Square Feet (millions)	187.7	186.9	184.5	181.8	179.2	178.2
Vacant Square Feet (direct, millions)	18.8	18.5	18.1	16.7	17.2	19.0
Vacancy Rate (direct)	10.0%	9.9%	9.8%	9.2%	9.6%	10.7%
Vacancy Rate (with sublet)	11.0%	10.9%	10.8%	9.8%	10.2%	11.0%
Avg. Lease Rate (direct, per sq. foot, full service)	\$26.40	\$26.29	\$25.66	\$25.05	\$23.73	\$22.27
New Construction Completed (year-to-date)	0.87 MSF, 8 Bldgs	3.0 MSF, 38 Bldgs	0.77 MSF, 9 Bldgs	0.15 MSF, 3 Bldgs	0.02 MSF, 3 Bldgs	0.08 MSF, 4 Bldgs
Currently Under Construction	4.05 MSF, 41 Bldgs	5.11 MSF, 43 Bldgs	5.66 MSF, 45 Bldgs	4.02 MSF, 37 Bldgs	2.76 MSF, 24 Bldgs	2.00 MSF, 21 Bldgs

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

Industrial & Flex Market

- According to Newmark Grub Knight Frank (NGKF), the Metro Denver industrial market started the year posting extremely strong net absorption with 1.1 million square feet. Not only was this six times the quarterly absorption year-over-year, but most of the large move-ins occurred in new space previously delivered vacant. The Denver industrial market is continuing to expand following rapid growth in 2017. Development is focused on both speculative construction and build-to-suit projects.
- Cushman & Wakefield released their first quarter 2018 analysis of the Metro Denver industrial market and stated that the slight uptick in vacancy was primarily due to newly constructed buildings coming online. In addition, the increase in rental rates was partially due to rising property taxes, as assessed values increased on average about 20 percent for commercial properties during the last assessment in 2017.

CoStar data revealed that the industrial market reported increases in the vacancy rate and the average lease rate through the first quarter of 2018. The first quarter direct vacancy rate was 0.3 percentage points higher than the first quarter of 2017. The average lease rate rose 4.8 percent between the first quarters of 2017 and 2018, adding \$0.35 per square foot to the average lease rate.

Industrial Market Statistics

	Quarter 1 2018	Quarter 4 2017	Quarter 1 2017	Quarter 1 2016	Quarter 1 2015	Quarter 1 2014
Number of Buildings	7,039	7,033	6,996	6,961	6,949	6,925
Existing Square Feet (millions)	217.3	217.0	212.1	207.4	206.0	203.1
Vacant Square Feet (direct, millions)	9.2	9.5	8.3	6.4	6.0	7.4
Vacancy Rate (direct)	4.2%	4.4%	3.9%	3.1%	2.9%	3.7%
Vacancy Rate (with sublet)	4.4%	4.5%	4.3%	3.4%	3.1%	3.9%
Avg. Lease Rate (direct, per square foot, NNN)	\$7.70	\$7.61	\$7.35	\$7.49	\$6.42	\$5.27
New Construction Completed (year-to-date)	0.32 MSF, 6 Bldgs	5.32 MSF, 45 Bldgs	0.68 MSF, 10 Bldgs	0.09 MSF, 2 Bldgs	0.39 MSF, 1 Bldg	0.10 MSF, 4 Bldgs
Currently Under Construction	6.33 MSF, 32 Bldgs	5.83 MSF, 26 Bldgs	4.21 MSF, 31 Bldgs	3.96 MSF, 22 Bldgs	0.86 MSF, 4 Bldgs	2.22 MSF, 17 Bldgs

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

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There was 323,000 square feet of industrial space completed across 6 buildings in the first quarter of 2018 as industrial construction continued at a healthy pace. Major completed projects included a 168,000-square-foot building in the DCT Summit Distribution Center in Adams County and the 62,000-square-foot Olympic Metals warehouse in Arapahoe County. Adams County welcomed 66.3 percent of the completed industrial space in the first quarter of 2018, or 214,000 square feet. There were 32 buildings with over 6.3 million square feet of space under construction during the period, including 2.4 million square feet for Amazon in Thornton.

The Metro Denver flex market recorded falling vacancy rates and increasing average lease rates through the first quarter of the year. According to CoStar, the direct vacancy rate for flex space fell 1.8 percentage points to 6.1 percent between the first quarters of 2017 and 2018. The average lease rate rose 2.6 percent over-the-year to \$11.90 per square foot. There was 63,600 square feet of new space completed in the first quarter of 2018, including 33,600 square feet of flex space in the Walnut Creek Business Park in Jefferson County. Eleven buildings offering 320,000 square feet of new flex space are under construction.

Flex Space Statistics

	Quarter 1 2018	Quarter 4 2017	Quarter 1 2017	Quarter 1 2016	Quarter 1 2015	Quarter 1 2014
Number of Buildings	1,497	1,495	1,490	1,477	1,467	1,459
Existing Square Feet (millions)	45.4	45.3	45.2	44.4	43.8	43.2
Vacant Square Feet (direct, millions)	2.8	3.1	3.6	3.2	3.1	3.7
Vacancy Rate (direct)	6.1%	6.8%	7.9%	7.3%	7.1%	8.5%
Vacancy Rate (with sublet)	6.7%	7.0%	8.0%	7.4%	8.3%	9.8%
Avg. Lease Rate (direct, per square foot, NNN)	\$11.90	\$11.96	\$11.60	\$10.60	\$10.11	\$9.51
New Construction Completed (year-to-date)	0.06 MSF, 2 Bldgs	0.56 MSF, 12 Bldgs	0.46 MSF, 9 Bldgs	0.04 MSF, 2 Bldgs	0.19 MSF, 2 Bldgs	0.07 MSF, 2 Bldgs
Currently Under Construction	0.32 MSF, 11 Bldgs	0.18 MSF, 8 Bldgs	.06 MSF, 2 Bldgs	0.39 MSF, 6 Bldgs	0.14 MSF, 1 Bldg	0.45 MSF, 7 Bldgs

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

Retail Market

- Newmark Grubb Knight Frank (NGKF) released their first quarter 2017 analysis of the Metro Denver retail market and stated that the market has maintained solid fundamentals, but the market remains bifurcated. Because of limited new supply, there is high demand for second-generation space in well-located, Class A retail centers, which are full and thriving. However, following eight straight years of positive net absorption, the Denver retail market contracted in first-quarter 2018, with absorption of negative 328,288 square feet driven by several closures of mid- to large-format national tenants.

The Metro Denver retail market reported a slight increase in vacancy rate and an increase in the average lease rate over-the-year through the first quarter of 2018, according to CoStar Realty data. The direct vacancy rate rose to 4.4 percent, while the average lease rate for retail space rose 4.9 percent over-the-year, adding \$0.85 per square foot during this same period.

Douglas County recorded the largest amount of retail space completed through the first quarter of 2018, reporting 74,500 square feet of retail space completed, and comprising 36.3 percent of completed space in Metro Denver. There were 54 buildings under construction during the first quarter of 2018, totaling 1.14 million square feet. Some of the largest projects under construction included the 330,000-square-foot Denver Premium Outlets at I-25 and 136th Avenue in Thornton and 185,000 square feet of retail at NE Highway 7 and Sheridan Parkway, the Vista Highlands in Broomfield.

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Retail Market Statistics

	Quarter 1 2018	Quarter 4 2017	Quarter 1 2017	Quarter 1 2016	Quarter 1 2015	Quarter 1 2014
Number of Buildings	12,240	12,216	12,131	12,035	11,933	11,857
Existing Square Feet (millions)	168.0	167.8	166.7	165.0	163.7	162.5
Vacant Square Feet (direct, millions)	7.3	7.3	7.1	7.6	8.1	8.6
Vacancy Rate (direct)	4.4%	4.4%	4.3%	4.6%	5.0%	5.3%
Vacancy Rate (with sublet)	4.6%	4.6%	4.6%	4.8%	5.2%	5.6%
Avg. Lease Rate (direct, per square foot, NNN)	\$18.05	\$17.93	\$17.20	\$16.36	\$15.82	\$15.40
New Construction Completed (year-to-date)	0.21 MSF, 24 Bldgs	1.62 MSF, 101 Bldgs	0.53 MSF, 20 Bldgs	0.35 MSF, 30 Bldgs	0.19 MSF, 12 Bldgs	0.13 MSF, 20 Bldgs
Currently Under Construction	1.14 MSF, 54 Bldgs	1.46 MSF, 60 Bldgs	1.27 MSF, 63 Bldgs	0.81 MSF, 33 Bldgs	0.71 MSF, 28 Bldgs	0.60 MSF, 19 Bldgs

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

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	Monthly/Quarterly Direction		Year-Over-Year Direction		Year-to-Date Direction	
↕↗ Positive Changes	13 of 18		9 of 18		9 of 18	
Nonfarm Employment Growth	8,700	↑	42,000	↑	41,400	↑
	Employment up 0.5% from March to April		Employment up 2.6% from April 2017 to 2018		YTD employment up 2.6% through April	
% Companies Hiring (Denver Area)	31%	↑	31%	↑	27%	↑
	Companies expecting to add workers rose 8 percentage points from 1Q 2018 to 2Q 2018		Companies expecting to add workers rose 4 percentage points from 2Q 2017 to 2Q 2018		YTD average up 1 percentage point compared with 2017	
Unemployment Rate	2.5%	↓	0.0 percentage points	↔	2.9%	↑
	Unemployment decreased 0.3 points between March and April		Unemployment rate flat from April 2017 to 2018		Up 0.1 percentage points from 2017 YTD average	
Initial Unemployment Insurance Claims	15.3%	↑	-13.3%	↓	-9.4%	↓
	Claims increased from March to April		Claims decreased from April 2017 to 2018		YTD average claims decreased through April 2018	
Total National Retail Sales	17.0%	↑	5.6%	↑	4.9%	↑
	National sales increased from February to March		National sales increased from March 2017 to 2018		YTD sales rose through March 2018	
Mountain Region Consumer Confidence Index	141.5	↑	12.5%	↑	133.1	↑
	Index up 4.5 percent from April to May		Index up from May 2017 to 2018		YTD average up 3.7% through May 2018	
Hotel Occupancy	74.4%	↑	3.1 percentage points	↑	67.8%	↓
	Increased 3.2 percentage points from March to April		Occupancy increased from April 2017 to 2018		YTD occupancy decreased 0.3 percentage points from last year	
Denver International Airport Passengers	21.5%	↑	1.6%	↑	3.4%	↑
	Passengers up from February to March		Passengers up from March 2017 to 2018		YTD passengers increased through March 2018	
Bloomberg Colorado Index	531.8	↑	-3.8%	↓	6.9%	↑
	Index up 2.4% from April to May		Index down from May 2017 to 2018		YTD return up through May 2018	
Dow Jones Industrial Average	24,415.8	↑	16.2%	↑	-1.7%	↓
	Index up 1% from April to May		Index up from May 2017 to 2018		YTD return down through May 2018	
Home Sales (closed)	4,768	↑	-1.4%	↓	15,572	↓
	Sales up 7.6% between March and April		Sales down from April 2017 to 2018		YTD sales down 4.1% through April 2018	
Median Home Price (Denver-Aurora MSA)	\$441,500	↑	11.5%	↑	\$441,500	↑
	Up 6.5% from 4Q 2017 to 1Q 2018		Price up from 1Q 2017 to 1Q 2018		YTD price 11.5% higher through 1Q 2018	
Foreclosures	257	↑	6.2%	↑	979	↓
	Up 0.4% from March to April		Up from April 2017 to 2018		Down 0.7% YTD through April 2018	
Residential Building Permits (Total)	1,774	↓	-42.6%	↓	9,053	↓
	Permits decreased 35.5% from March to April		Permits down April 2017 to 2018		YTD permits down 2.3 percent through April 2018	

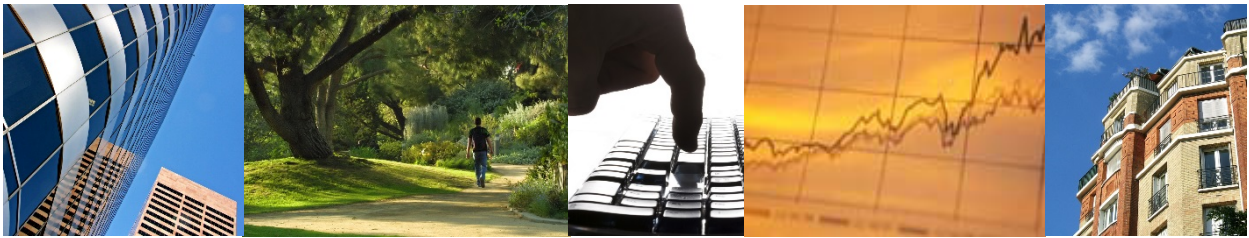
MONTHLY ECONOMIC INDICATORS

Monthly Economic Indicators

Apartment Vacancy Rate	6.1%	↓	0.4 percentage points	↑	6.1%	↑
	Vacancy decreased 0.3 percentage point from 4Q 2017 to 1Q 2018		Vacancy increased from 1Q 2017 to 1Q 2018		YTD average up 0.4 percentage points from last year	
Office Vacancy Rate (with Sublet)	11.0%	↑	+0.2 percentage points	↑	+0.2 percentage points	↑
	Vacancy rate increased from 4Q 2017 to 1Q 2018		Vacancy rate up from 10.8% one year ago		Vacancy rate up from 10.8% one year ago	
Industrial Vacancy Rate (with Sublet)	4.4%	↓	+0.1 percentage points	↑	+0.1 percentage points	↑
	Vacancy rate decreased from 4Q 2017 to 1Q 2018		1Q 2018 vacancy up from 4.3% one year ago		1Q 2018 vacancy up from 4.3% one year ago	
Retail Space Vacancy Rate (with Sublet)	4.6%	↔	+0.0 percentage points	↔	+0.0 percentage points	↔
	Vacancy rate remained unchanged from 4Q 2017 to 1Q 2018		1Q 2018 vacancy rate remained unchanged from one year ago		1Q 2018 vacancy rate remained unchanged from one year ago	



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