

Northern Colorado

3rd Quarter 2015

# RETAIL

## Market Trends

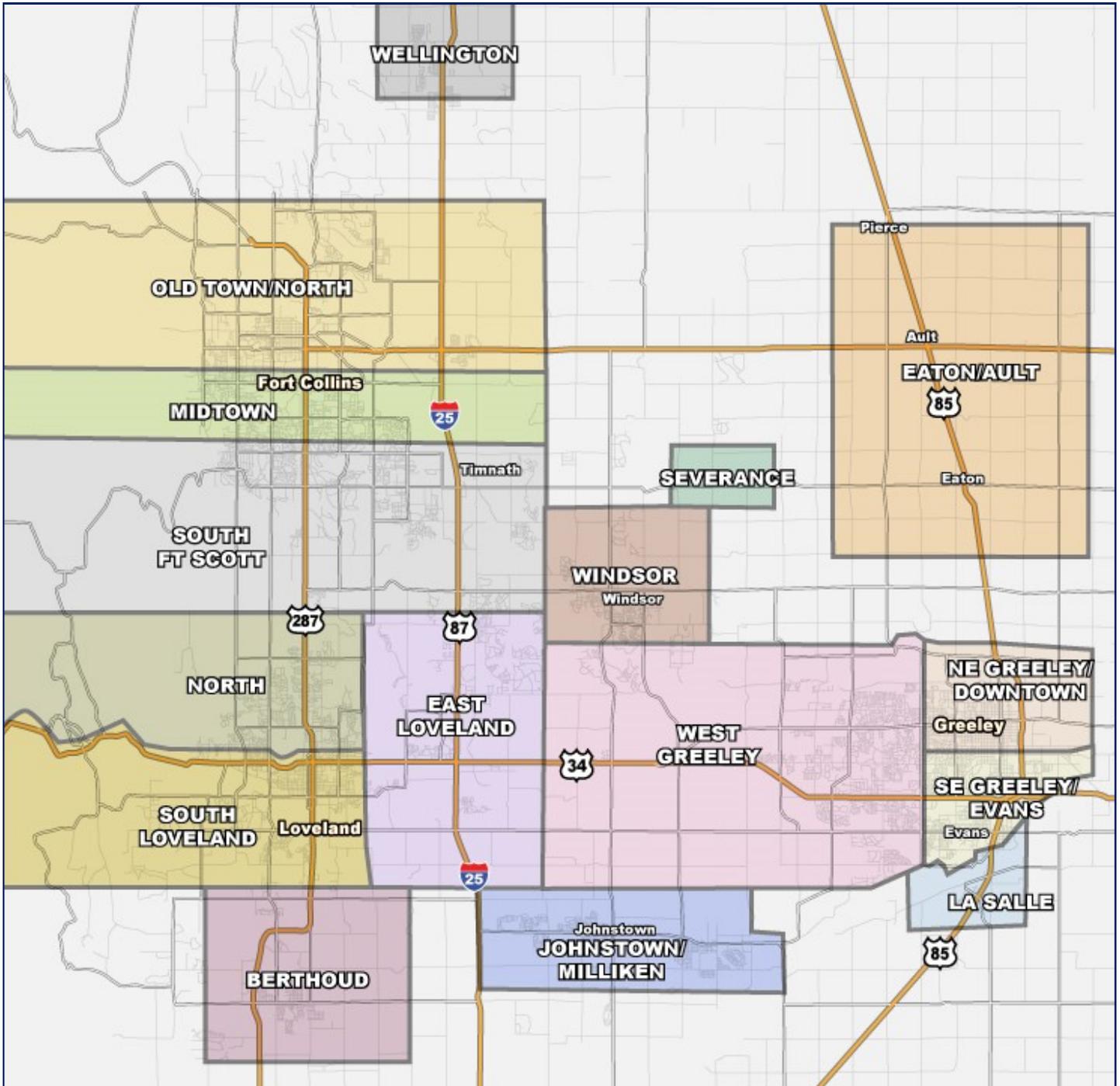


In Partnership with  NCCAR

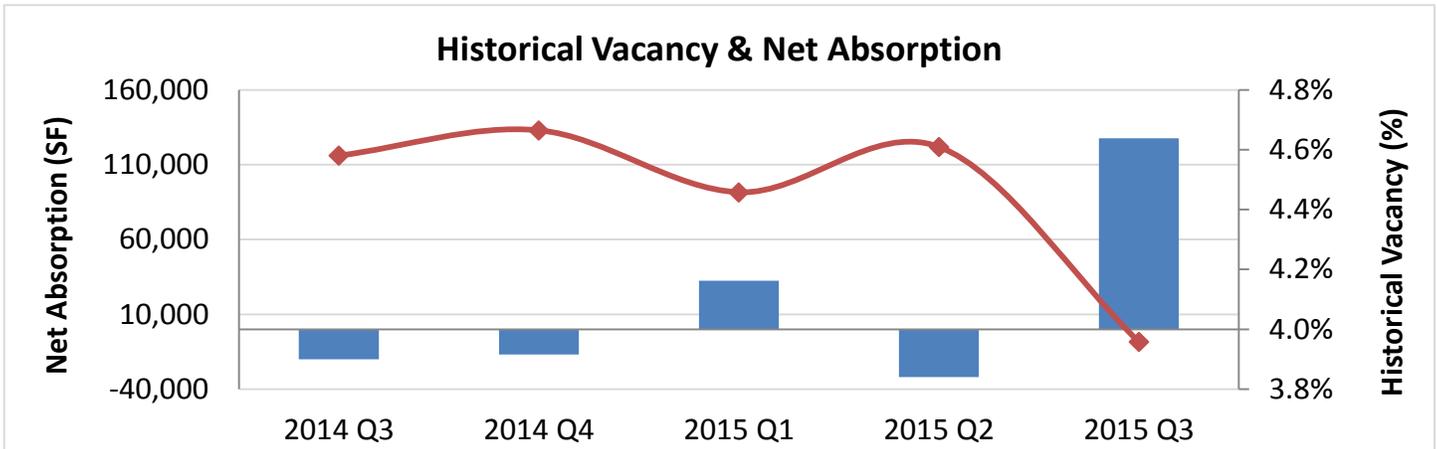
Table of Contents/Methodology of Tracked Set	<a href="#">2</a>
Northern Colorado Retail Market Map	<a href="#">3</a>
Q3 2015 Overview	<a href="#">4</a>
Overview by Submarket/ Building Type	<a href="#">5</a>
Vacancy & Lease Rates	<a href="#">6-7</a>
Available Space	<a href="#">8</a>
Notable Transactions	<a href="#">9</a>
Vacancy & Absorption	<a href="#">10</a>
Xceligent Northern Colorado Contact	<a href="#">11</a>

The Northern Colorado tracked set consists of an inventory of buildings considered to be competitive within the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

<b>Inventory</b>	The total square feet of all existing single tenant, multi tenant and owner occupied retail properties greater than 10,000 SF.
<b>Regional Ctr</b>	400,000 - 800,000 SF with two or more anchors such as full-line, junior or discount department store, mass merchant or fashion apparel.
<b>Community Ctr</b>	200,000 - 400,000 SF; usually two or more anchors such as discount department store, home improvement, books, electronics, or apparel. May also include grocery or drug store anchor.
<b>Neighborhood Ctr</b>	50,000 - 200,000 SF; at least one anchor store, typically including grocery or drug store.
<b>Conv/Strip Ctr</b>	10,000+ SF; no dominant anchors; convenience oriented tenants.
<b>Freestanding</b>	20,000+ SF; consists of one building occupied by one major tenant.
<b>Total Available SF</b>	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
<b>Total Vacant SF</b>	The total of all of the vacant square footage within a building, including both direct and sublease space.
<b>Direct Vacant SF</b>	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
<b>Sublease SF</b>	Space that is offered for lease by a current tenant, or his agent, within a property. Whether the tenant is paying rent or not, the space is considered vacant only if it is unoccupied.
<b>Net Absorption</b>	The net change in physically occupied space from quarter to quarter, expressed in square feet.
<b>Weighted Average Direct Lease Rate</b>	The weighted average of all direct asking lease rates expressed as a triple net (NNN) rental rate and weighted on total direct available square feet. Non-net rates (such as Modified Gross) have been adjusted to reflect a triple net rate.



- Northern Colorado's retail market saw 127,576 square feet of absorption in the third quarter which is up substantially from the -31,943 sf that was reported last quarter.
- Vacancy rates dropped from 4.6% in the previous quarter to 4.0% in the third quarter.
- Rental rates continue to trend upward as available supply dwindles. The average rate in the third quarter was \$15.56 per square foot, appreciating \$0.10 this quarter.
- The Greeley retail market was the strongest in the region, producing 48,350 SF of positive absorption in the third quarter, followed closely by the Ft. Collins market at 46,343 sf.
- New housing supply continues to drive the demand for additional retail products.



	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Quarterly Net Absorption (SF)	YTD Net Absorption (SF)
Regional Ctr	3	967,819	142,717	143,794	14.9%	143,794	14.9%	0	0	211
Community Ctr	24	1,308,697	131,859	32,451	2.5%	32,451	2.5%	0	(16,404)	-12,202
Neighborhood Ctr	40	1,104,391	153,734	147,234	13.3%	118,049	10.7%	29,185	(1,067)	-23,817
Conv/Strip Ctr	252	3,832,215	231,586	138,908	3.6%	132,848	3.5%	11,470	77,324	116,663
Freestanding	149	1,732,610	104,014	46,757	2.7%	46,757	2.7%	6,425	0	394
General	234	2,795,581	76,334	73,480	2.6%	73,480	2.6%	0	11,920	17,216
Anchored Strip Center	28	1,670,374	114,711	109,434	6.6%	109,434	6.6%	0	12,499	-6,853
Bank	37	237,330	5,400	5,400	2.3%	5,400	2.3%	0	0	-5,400
Restaurant	148	712,907	59,908	25,896	3.6%	25,896	3.6%	0	4,421	-2,938
Big Box	33	3,482,744	158,088	36,363	1.0%	36,363	1.0%	121,725	49,625	49,625
Gas Station/Conv Store	32	98,296	6,372	4,000	4.1%	4,000	4.1%	0	(2,500)	-2,500
Automotive	93	1,073,107	23,063	9,563	0.9%	9,563	0.9%	0	(2,987)	-2,987
Power Ctr	28	911,250	21,185	18,521	2.0%	18,521	2.0%	0	(5,255)	665
Fast Food	2	6,445	0	0	0.0%	0	0.0%	0	0	0
Other	1	4,479	1,400	1,400	31.3%	1,400	31.3%	0	0	0
Mixed Use	2	102,784	2,289	0	0.0%	0	0.0%	2,289	0	0
<b>Grand Total</b>	<b>1,106</b>	<b>20,041,029</b>	<b>1,232,660</b>	<b>793,201</b>	<b>4.0%</b>	<b>757,956</b>	<b>3.8%</b>	<b>171,094</b>	<b>127,576</b>	<b>128,077</b>

## Overview by Submarket/ Building Type



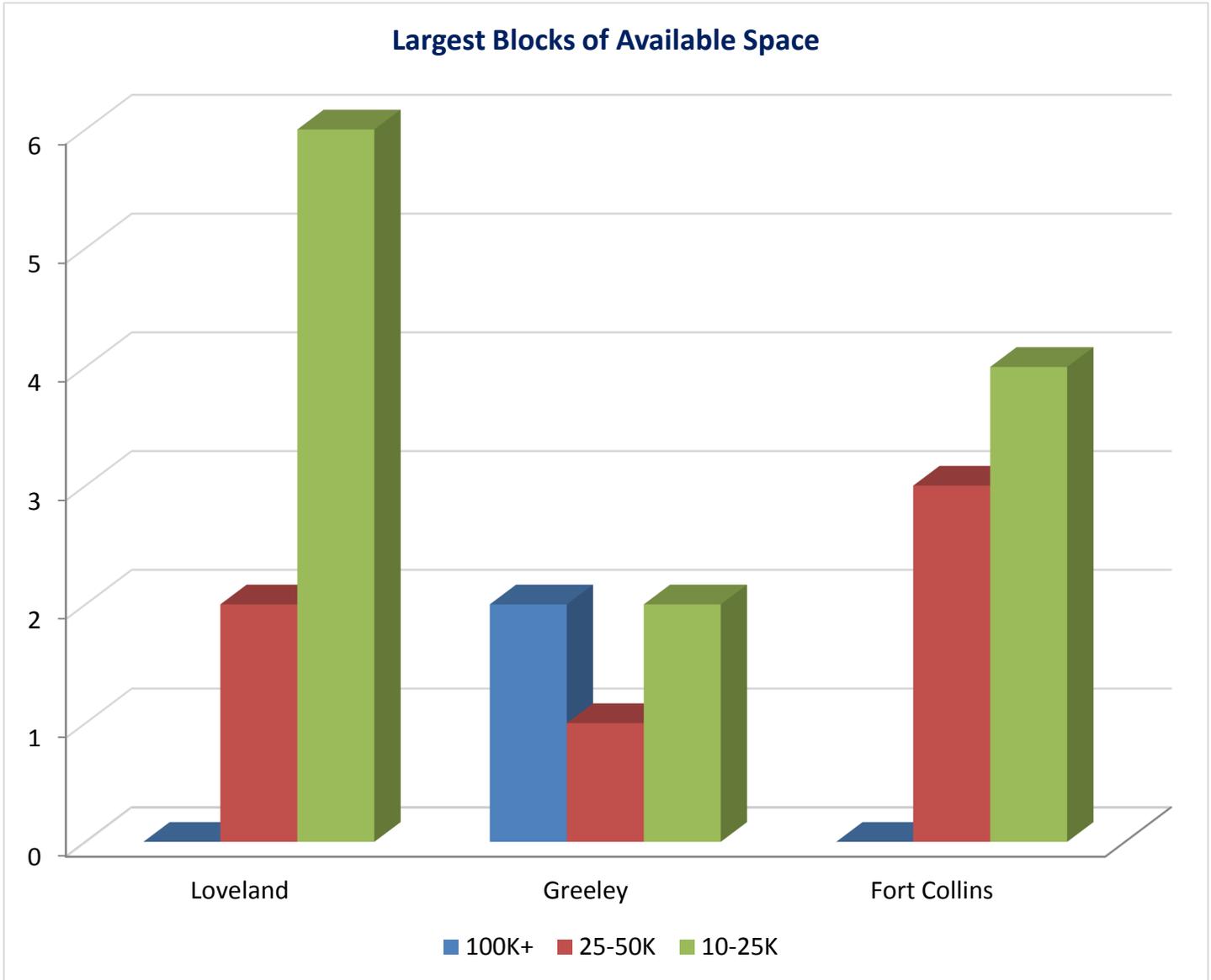
	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Quarterly Net Absorption (SF)	YTD Net Absorption (SF)
<b>Loveland</b>	<b>270</b>	<b>5,003,104</b>	<b>247,470</b>	<b>170,386</b>	<b>3.4%</b>	<b>164,326</b>	<b>3.3%</b>	<b>6,060</b>	<b>46,343</b>	<b>25,677</b>
Regional Ctr	0	0	0	0	0.0%	0	0.0%	0	0	0
Community Ctr	7	317,397	24,634	24,634	7.8%	24,634	7.8%	0	(16,899)	-16,899
Neighborhood Ctr	11	244,927	41,653	41,653	17.0%	41,653	17.0%	0	(4,667)	-20,003
Conv/Strip Ctr	40	817,044	79,414	44,566	5.5%	38,506	4.7%	6,060	8,382	1,702
Freestanding	37	351,645	41,262	23,300	6.6%	23,300	6.6%	0	0	0
General	46	749,628	13,013	13,013	1.7%	13,013	1.7%	0	2,272	9,022
Anchored Strip Center	4	163,033	0	0	0.0%	0	0.0%	0	1,800	1,800
Bank	10	70,441	5,400	5,400	7.7%	5,400	7.7%	0	0	-5,400
Restaurant	49	266,026	16,248	5,474	2.1%	5,474	2.1%	0	7,080	7,080
Big Box	11	1,278,109	0	0	0.0%	0	0.0%	0	49,625	49,625
Gas Station/Conv Store	7	26,774	4,000	4,000	14.9%	4,000	14.9%	0	(2,500)	-2,500
Automotive	33	475,833	16,500	3,000	0.6%	3,000	0.6%	0	0	0
Power Ctr	15	242,247	5,346	5,346	2.2%	5,346	2.2%	0	1,250	1,250
Fast Food	0	0	0	0	0.0%	0	0.0%	0	0	0
Other	0	0	0	0	0.0%	0	0.0%	0	0	0
Mixed Use	0	0	0	0	0.0%	0	0.0%	0	0	0
<b>Greeley</b>	<b>315</b>	<b>5,612,670</b>	<b>499,287</b>	<b>306,766</b>	<b>5.5%</b>	<b>306,766</b>	<b>5.5%</b>	<b>121,725</b>	<b>48,350</b>	<b>43,349</b>
Regional Ctr	1	504,822	133,770	133,770	26.5%	133,770	26.5%	0	0	0
Community Ctr	1	87,274	51,554	0	0.0%	0	0.0%	0	0	0
Neighborhood Ctr	9	236,688	13,514	13,514	5.7%	13,514	5.7%	0	3,600	-6,314
Conv/Strip Ctr	49	700,856	31,584	27,859	4.0%	27,859	4.0%	0	41,000	47,476
Freestanding	48	556,457	4,985	4,985	0.9%	4,985	0.9%	0	0	144
General	86	976,221	39,756	39,756	4.1%	39,756	4.1%	0	1,209	5,342
Anchored Strip Center	8	603,660	40,005	34,728	5.8%	34,728	5.8%	0	5,200	688
Bank	10	73,643	0	0	0.0%	0	0.0%	0	0	0
Restaurant	46	223,664	24,631	14,391	6.4%	14,391	6.4%	0	(2,659)	-3,987
Big Box	7	916,481	158,088	36,363	4.0%	36,363	4.0%	121,725	0	0
Gas Station/Conv Store	9	21,282	0	0	0.0%	0	0.0%	0	0	0
Automotive	36	451,118	0	0	0.0%	0	0.0%	0	0	0
Power Ctr	2	249,580	0	0	0.0%	0	0.0%	0	0	0
Fast Food	2	6,445	0	0	0.0%	0	0.0%	0	0	0
Other	1	4,479	1,400	1,400	31.3%	1,400	31.3%	0	0	0
Mixed Use	0	0	0	0	0.0%	0	0.0%	0	0	0
<b>Fort Collins</b>	<b>521</b>	<b>9,425,255</b>	<b>485,903</b>	<b>316,049</b>	<b>3.4%</b>	<b>286,864</b>	<b>3.0%</b>	<b>43,309</b>	<b>32,883</b>	<b>59,051</b>
Regional Ctr	2	462,997	8,947	10,024	2.2%	10,024	2.2%	0	0	211
Community Ctr	16	904,026	55,671	7,817	0.9%	7,817	0.9%	0	495	4,697
Neighborhood Ctr	20	622,776	98,567	92,067	14.8%	62,882	10.1%	29,185	0	2,500
Conv/Strip Ctr	163	2,314,315	120,588	66,483	2.9%	66,483	2.9%	5,410	27,942	67,485
Freestanding	64	824,508	57,767	18,472	2.2%	18,472	2.2%	6,425	0	250
General	102	1,069,732	23,565	20,711	1.9%	20,711	1.9%	0	8,439	2,852
Anchored Strip Center	16	903,681	74,706	74,706	8.3%	74,706	8.3%	0	5,499	-9,341
Bank	17	93,246	0	0	0.0%	0	0.0%	0	0	0
Restaurant	53	223,217	19,029	6,031	2.7%	6,031	2.7%	0	0	-6,031
Big Box	15	1,288,154	0	0	0.0%	0	0.0%	0	0	0
Gas Station/Conv Store	16	50,240	2,372	0	0.0%	0	0.0%	0	0	0
Automotive	24	146,156	6,563	6,563	4.5%	6,563	4.5%	0	(2,987)	-2,987
Power Ctr	11	419,423	15,839	13,175	3.1%	13,175	3.1%	0	(6,505)	-585
Fast Food	0	0	0	0	0.0%	0	0.0%	0	0	0
Other	0	0	0	0	0.0%	0	0.0%	0	0	0
Mixed Use	2	102,784	2,289	0	0.0%	0	0.0%	2,289	0	0
<b>Grand Total</b>	<b>1,106</b>	<b>20,041,029</b>	<b>1,232,660</b>	<b>793,201</b>	<b>4.0%</b>	<b>757,956</b>	<b>3.8%</b>	<b>171,094</b>	<b>127,576</b>	<b>128,077</b>

# Vacancy & Lease Rates



	Total Vacancy Rate %					Asking Weighted Direct Lease Rate (NNN)				
	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
<b>Loveland</b>	<b>3.4%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>4.3%</b>	<b>3.4%</b>	<b>\$16.84</b>	<b>\$16.65</b>	<b>\$16.84</b>	<b>\$17.07</b>	<b>\$15.47</b>
Regional Ctr	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Community Ctr	2.4%	2.4%	2.4%	2.4%	7.8%	\$16.57	\$16.57	\$16.57	\$16.64	\$14.89
Conv/Strip Ctr	5.5%	5.7%	5.6%	6.5%	5.5%	\$16.62	\$16.07	\$16.61	\$16.39	\$16.15
Neighborhood Ctr	7.7%	8.8%	8.8%	15.1%	17.0%	\$15.17	\$15.12	\$15.12	\$15.08	\$14.10
Freestanding	0.0%	6.6%	6.6%	6.6%	6.6%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
General	3.2%	2.9%	2.0%	2.0%	1.7%	\$15.31	\$15.06	\$15.06	\$13.31	\$14.44
Anchored Strip Center	0.0%	1.1%	1.1%	1.1%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Bank	0.0%	0.0%	7.7%	7.7%	7.7%	\$26.50	\$26.50	\$26.50	\$26.50	\$0.00
Restaurant	6.3%	4.7%	4.7%	4.7%	2.1%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Big Box	3.9%	3.9%	3.9%	3.9%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gas Station/Conv Store	5.6%	5.6%	5.6%	5.6%	14.9%	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00
Automotive	0.0%	0.6%	0.6%	0.6%	0.6%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Power Ctr	2.7%	2.7%	2.7%	2.7%	2.2%	\$24.00	\$24.00	\$24.00	\$26.00	\$24.00
Fast Food	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mixed Use	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Greeley</b>	<b>6.5%</b>	<b>6.3%</b>	<b>6.2%</b>	<b>6.3%</b>	<b>5.5%</b>	<b>\$9.28</b>	<b>\$9.33</b>	<b>\$9.19</b>	<b>\$9.58</b>	<b>\$9.00</b>
Regional Ctr	26.5%	26.5%	26.5%	26.5%	26.5%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Community Ctr	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$6.75
Conv/Strip Ctr	11.4%	10.8%	9.3%	9.9%	4.0%	\$9.04	\$9.15	\$8.78	\$8.47	\$12.40
Neighborhood Ctr	3.6%	3.0%	3.0%	7.2%	5.7%	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Freestanding	1.4%	0.9%	1.3%	0.9%	0.9%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
General	5.0%	5.0%	4.2%	4.2%	4.1%	\$12.45	\$12.45	\$13.52	\$13.60	\$13.43
Anchored Strip Center	6.1%	6.1%	6.8%	6.6%	5.8%	\$13.69	\$13.69	\$13.07	\$12.54	\$11.61
Bank	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Restaurant	4.7%	4.7%	6.4%	5.2%	6.4%	\$8.00	\$8.00	\$8.00	\$10.90	\$10.90
Big Box	4.0%	4.0%	4.0%	4.0%	4.0%	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Gas Station/Conv Store	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Automotive	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Power Ctr	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fast Food	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	31.3%	31.3%	31.3%	31.3%	31.3%	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Mixed Use	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Fort Collins</b>	<b>4.1%</b>	<b>4.1%</b>	<b>3.7%</b>	<b>3.7%</b>	<b>3.4%</b>	<b>\$14.65</b>	<b>\$15.01</b>	<b>\$14.65</b>	<b>\$15.63</b>	<b>\$15.46</b>
Regional Ctr	2.2%	2.2%	2.2%	2.2%	2.2%	\$0.00	\$0.00	\$16.00	\$15.00	\$15.00
Community Ctr	1.5%	1.4%	0.9%	0.9%	0.9%	\$15.86	\$17.67	\$18.00	\$18.00	\$18.00
Conv/Strip Ctr	6.1%	6.0%	5.2%	4.1%	2.9%	\$14.58	\$14.68	\$13.87	\$15.39	\$16.07
Neighborhood Ctr	14.7%	15.2%	14.8%	14.8%	14.8%	\$10.42	\$12.36	\$12.00	\$12.00	\$10.98
Freestanding	2.3%	2.3%	2.3%	2.2%	2.2%	\$10.00	\$16.00	\$0.00	\$0.00	\$0.00
General	1.4%	2.2%	1.9%	2.7%	1.9%	\$16.05	\$15.98	\$16.88	\$16.64	\$19.69
Anchored Strip Center	7.6%	7.4%	7.4%	8.9%	8.3%	\$19.03	\$18.04	\$18.99	\$19.55	\$14.10
Bank	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Restaurant	0.0%	0.0%	0.0%	2.7%	2.7%	\$0.00	\$0.00	\$0.00	\$0.00	\$18.00
Big Box	0.5%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gas Station/Conv Store	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Automotive	2.4%	2.4%	2.4%	2.4%	4.5%	\$13.39	\$13.39	\$13.39	\$12.84	\$12.84
Power Ctr	3.6%	3.6%	2.8%	2.2%	3.1%	\$13.00	\$13.00	\$13.00	\$0.00	\$13.00
Fast Food	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mixed Use	0.0%	0.0%	0.0%	0.0%	0.0%	\$17.00	\$17.00	\$0.00	\$0.00	\$0.00
<b>Grand Total</b>	<b>4.6%</b>	<b>4.7%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>4.0%</b>	<b>\$12.95</b>	<b>\$13.05</b>	<b>\$13.00</b>	<b>\$13.34</b>	<b>\$12.75</b>

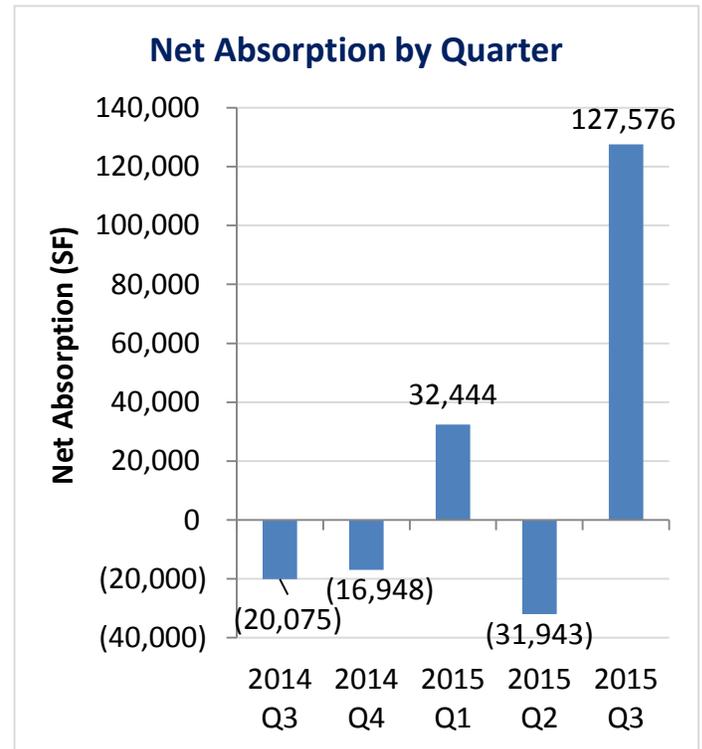
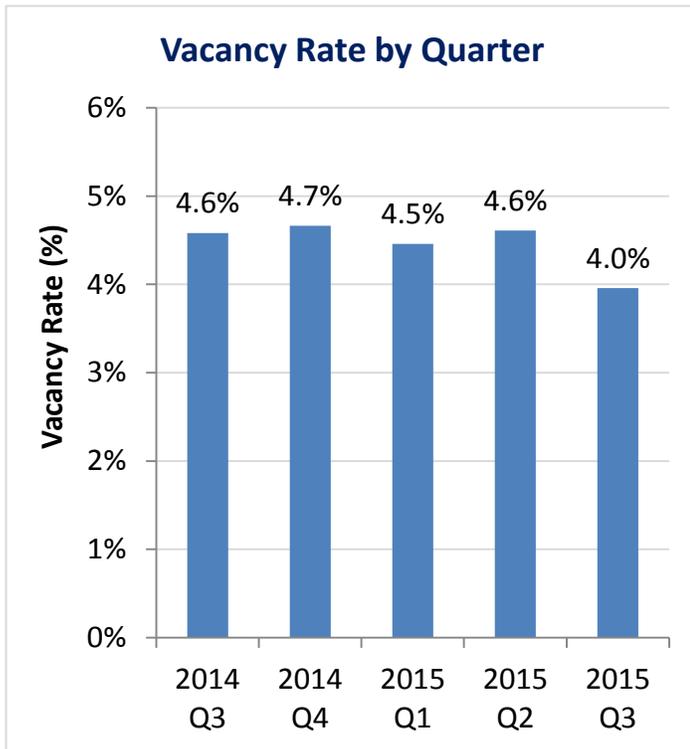
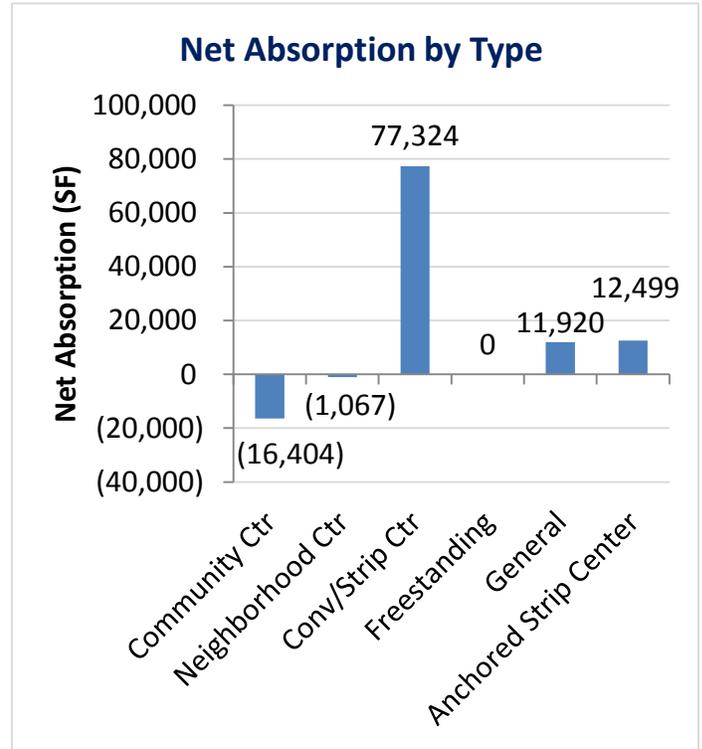
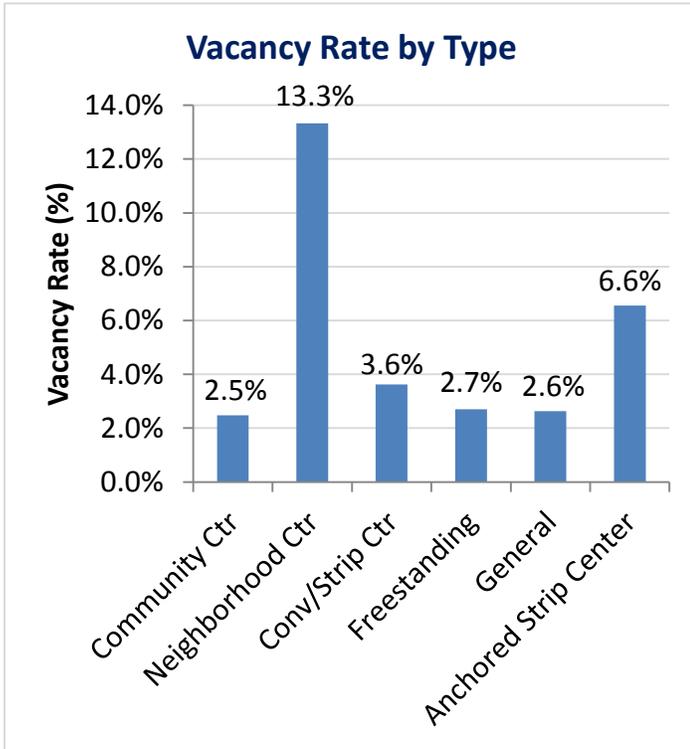




Historical Blocks of Space			
Quarter	100K+	25-50K	10-25K
2014 Q3	2	7	10
2014 Q4	2	7	12
2015 Q1	2	7	13
2015 Q2	2	7	12
2015 Q3	2	6	12

Key Lease Transactions				
Property Name	SF Leased	Company Name	Market	Type
The Pavilion	19,193	Verizon Wireless	South	Anchored Strip Center
351 Linden St	4,480	Fusion Enterprise	Old Town/ North	General/Street Retail
700 Main St	4,275	BINK'M Company, LLC	Windsor/ Severance	Convenience/ Strip Center
3636-3640 10th St	4,025	Major Medical Supply	South	Other

Key Sale Transactions				
Property Name	SF Sold	Company Name	Market	Type
4224-4330 Centerplace Dr	98,124	Greeley Retail DST	West	Anchored Strip Center
242-246 N College Ave	32,243	200 N College LLC	Old Town/ North	Convenience/ Strip Center
Parkview Retail Center	14,400	Ahaddad LLC	SE Greeley/ Evans	Neighborhood Center
1215 8th Ave	11,610	Salvation on 8th Ave LLC	NE Greeley/ Downtown	Freestanding - Other



This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy.

**For additional information about this report or to discuss membership in Xceligent please contact:**

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