RELATIVE
OFFICE vs INDUSTRIAL
OFFICE vs INDUSTRIAL
OFFICE vs INDUSTRIAL
OFFICE vs INDUSTRIAL
OFFICE vs INDUSTRIAL
OFFICE vs INDUSTRIAL
OFFICE vs INDUSTRIAL
XYZ Office Tower Re-stripes Parking Garage!

ABC warehouse leases 1,400,000 SF - Creates 43,000 new jobs
OFFICE vs INDUSTRIAL
OFFICE vs INDUSTRIAL
Overall Denver Market

*2002 is an annualized estimate of vacancy

6.86%
SIGNIFICANT 2002 TRANSACTIONS

**Firestone:** 256,000 square feet

**ARC:** 112,000 square feet

**Champion Windows:** 145,000 square feet

**Custom Windows:** 106,000 square feet

**Milltech:** 75,000 square feet

**Spicers Paper:** 52,200 square feet
## SELECTED SUBMARKET VACANCIES

<table>
<thead>
<tr>
<th>Submarket</th>
<th>Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>West</td>
<td>2.88%</td>
</tr>
<tr>
<td>Southwest</td>
<td>2.20%</td>
</tr>
<tr>
<td>Commerce City</td>
<td>3.50%</td>
</tr>
<tr>
<td>Northwest</td>
<td>8.08%</td>
</tr>
<tr>
<td>Central Denver</td>
<td>5.60%</td>
</tr>
<tr>
<td>North Central</td>
<td>5.89%</td>
</tr>
<tr>
<td>Airport</td>
<td>8.20%</td>
</tr>
<tr>
<td>Southeast</td>
<td>14.71%</td>
</tr>
</tbody>
</table>
RELATIVE
SNAPSHOT

Total Submarket Size: 44,603,552 SF
(23% of overall market)

2002* Absorption: 1,009,174 SF

Total New Construction 2002*: 1,005,615 SF
(*Forecasted)
NEW CONSTRUCTION

Stapleton Business Center

Building C-1

Building C-5

Building E-1
NEW CONSTRUCTION

Gateway Park
Building 15

Majestic Commerce Center
Building 23
VACANCY

*2002 is an annualized estimate of vacancy
Overall Denver Market

*2002 is an annualized estimate of activity

NAIOP INDUSTRIAL MID-YEAR REAL ESTATE UPDATE

ACTIVITY

Year


Square Feet

16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0

0 2,000,000 4,000,000 6,000,000 8,000,000 10,000,000 12,000,000 14,000,000 16,000,000

Overall Denver Market

*2002 is an annualized estimate of activity
Absorption

Overall Denver Market

*2002 is an annualized estimate of absorption
FORECAST SUMMARY

Activity:

Absorption:

Lease Rates:

Vacancy:

Overall Denver Market
INDUSTRIAL USER REQUIREMENT SIZE IS INCREASING

<table>
<thead>
<tr>
<th>Company</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>DDD</td>
<td>200,000</td>
</tr>
<tr>
<td>Aspen Pet Products:</td>
<td>175,000</td>
</tr>
<tr>
<td>United Stationers:</td>
<td>263,000</td>
</tr>
<tr>
<td>Ford Motor Company:</td>
<td>200,000</td>
</tr>
<tr>
<td>North American Van Lines:</td>
<td>175,000</td>
</tr>
<tr>
<td>L’Oréal:</td>
<td>280,000</td>
</tr>
<tr>
<td>Firestone:</td>
<td>256,000</td>
</tr>
<tr>
<td>Denver Mattress/Big Sur:</td>
<td>229,000</td>
</tr>
<tr>
<td>Samsonite:</td>
<td>322,000</td>
</tr>
<tr>
<td>Whole Foods:</td>
<td>381,000</td>
</tr>
<tr>
<td>Exel Logistics:</td>
<td>210,000</td>
</tr>
</tbody>
</table>
OLDER ECONOMY USER ACTIVITY

Keebler: 82,000 square feet
Dreyer’s Grand Ice Cream: 81,000 square feet
Ford Motor Company: 200,000 square feet
Donson’s Distributing: 81,000 square feet
Firestone: 256,000 square feet
IA Loving: 81,000 square feet
Mohawk Carpets: 65,000 square feet
Gart Bros. Sports: 100,000 square feet
FLEX BUILDINGS ARE GETTING OUT-FLEXED BY OFFICE & INDUSTRIAL BUILDINGS
MARKET COMMENTS

SUBLEASE SPACE

2ND & 3RD GENERATION BUILDING CHALLENGES

OWNER FLEXIBILITY & CREATIVITY

LABOR AVAILABILITY

STONG PURCHASE DEMAND
MARKET COMMENTS

QUALITY OF LIFE

TRANSPORTATION

DIVERSIFIED ECONOMY