



Economic Activity Report

July 2016



The Commerce City economy reported positive trends across many indicators through the second half of 2015, with growth in employment and the residential real estate market. The employment situation improved, with overall employment rising 4.3 percent between the fourth quarters of 2014 and 2015, representing the addition of 1,230 new jobs. The unemployment rate was 4.2 percent in the first quarter of 2016, a decline of 1.6 percentage points from the prior year's level. The unemployment rate was also the lowest first quarter unemployment rate since the data started being collected in the first quarter of 2000 when the rate was 4.8 percent.

Consumer activity in Commerce City declined in the fourth quarter of 2015, with total retail sales falling 27.1 percent compared with the prior year. Commerce City businesses collected about \$446 million less in retail sales during the period. Following several quarters of strong over-the-year growth in consumer confidence, the Mountain Region index for consumer confidence declined for the second consecutive quarter, falling 5.7 percent between the second quarters of 2015 and 2016.

Home sales activity was strong in both the single-family detached and single-family attached markets between the first quarters of 2015 and 2016, with sales of single-family detached homes in Commerce City rising 17.6 percent and the single-family attached sales increasing 150 percent. The apartment rental market tightened during the first quarter of 2016 in Commerce City, with the vacancy rate falling 2.2 percentage points over-the-quarter to 4 percent. Three of the five commercial property types tracked in this report recorded increasing vacancy rates and two property types recorded increases in average lease rates.

Commerce City Economic Headlines

- ◆ The U.S. Chamber of Commerce Foundation released the *Innovation That Matters 2016* report and ranked Denver third among U.S. cities for fostering entrepreneurial growth. The report is designed to provide cities with insight on how to become more competitive. The report ranked 25 metropolitan cities based on criteria including the number of startups and exits, quality of life, talent, financial resources, and industry specialization. The report stated that Denver has a strong supply of educated young people, a vibrant cultural foundation, a healthy quality of life, and a well-connected ecosystem.
- ◆ Denver received an "A-" rating for its small business friendliness in Thumbtack.com's annual report. The "Small Business Friendliness Survey" asked more than 12,000 entrepreneurs in the country about state and city policies and about the level of support for small businesses in the community. Denver's rating was up from a "B+" in last year's report and scored especially high in overall friendliness. Colorado received an "A" grade, ranking it the fifth best in the country. The state scored best for its training and networking programs (A+) and worst for its zoning (C-).
- ◆ According to WalletHub, the Denver-Aurora-Lakewood MSA is the second best city in the country to start a career. The company ranked the 150 largest metropolitan statistical areas in the country based on 17 metrics including the availability of entry-level positions, workforce diversity, the unemployment rate, and median annual income. Denver received an overall score of 65.27 compared with number one ranked Salt Lake City's score of 69.56 overall. Among the 17 metrics, Denver ranked third for professional opportunities and 14th for quality of life.
- ◆ Yahoo! Finance released a list of the five best cities to start a career after college graduation and Denver made the cut. The company stated that 15 percent of Denver's population consists of millennial-aged people, providing a strong social scene for graduates, and the median household income of \$66,870 was higher than the national level (\$53,657). However, the average rental rate of \$1,300 was considered pricey. The company recognized the city for its annual Denver Startup Week, signifying a booming startup scene. The other four cities on the list were Austin, Chicago, San Francisco, and New York.
- ◆ The George T. Sanders company started construction on a new 76,000 square-foot distribution facility in the Marty Farms Industrial Center south of E. 96th Avenue on E. 95th Place and Yosemite. The heating and plumbing products company will bring up to 30 new, full-time employees to the city and \$6.7 million in new capital investment.

- ◆ American Down & Feather purchased the space they were formerly leasing for its manufacturing operations. The 2,500 square-foot industrial space purchase helped retain the company and 8 primary jobs in the city.

Employment

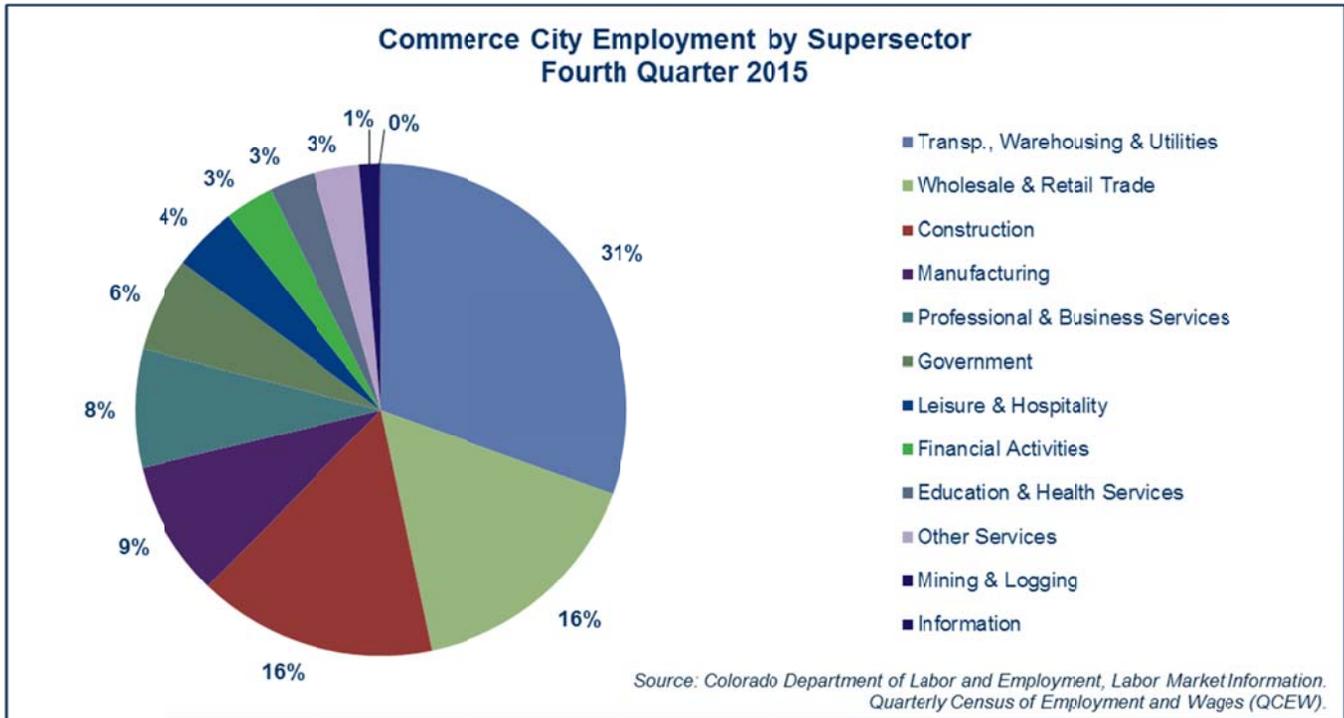
The number of businesses throughout Commerce City rose 6.2 percent between the fourth quarters of 2014 and 2015, a net gain of 76 businesses. Nine of the 12 supersectors reported over-the-year increases in business counts, with the information sector recording the largest increase (+42.9 percent) during the period. The construction sector and financial activities supersector also recorded significant establishment growth over-the-year, rising 10.7 percent and 13.6 percent, respectively. The wholesale and retail trade supersector (+3 percent) recorded the smallest over-the-year increases in businesses, while the manufacturing and mining and logging sectors reported no change in business counts over-the-year. The government sector (-9.1 percent) reported the only decline in businesses between the fourth quarters of 2014 and 2015, losing one establishment.

Business and Employment Indicators by Supersector

	Commerce City						Metro Denver	
	Quarterly Business Count		Average Weekly Wage		Quarterly Employment Level		Quarterly Employment Level	
	4Q 2015	4Q 2014	4Q 2015	4Q 2014	4Q 2015	4Q 2014	4Q 2015	4Q 2014
Total All Industries	1,297	1,221	\$1,068	\$1,041	29,873	28,644	1,559,558	1,511,877
Private Sector								
Mining & Logging	21	21	\$1,453	\$1,907	391	607	13,367	15,367
Construction	176	159	\$1,224	\$1,123	4,663	4,595	88,375	84,217
Manufacturing	96	96	\$1,334	\$1,327	2,648	2,647	86,074	83,854
Wholesale & Retail Trade	276	268	\$1,155	\$1,148	4,824	4,590	233,811	227,144
Transp., Warehousing & Utilities	167	158	\$1,020	\$982	9,129	8,679	52,510	51,274
Information	10	7	\$1,313	\$1,376	30	27	53,270	52,620
Financial Activities	100	88	\$976	\$915	951	875	107,659	103,159
Professional & Business Services	188	173	\$1,097	\$1,035	2,332	2,007	288,353	281,372
Education & Health Services	59	56	\$798	\$688	895	723	200,908	191,571
Leisure & Hospitality	80	74	\$383	\$358	1,251	1,142	170,200	162,373
Other Services	113	105	\$850	\$912	892	884	47,198	46,225
Government	10	11	\$926	\$834	1,863	1,853	217,591	212,506

Note: Industry data may not add to all-industry total due to rounding, suppressed data, and employment that cannot be assigned to an industry.

Source: Colorado Department of Labor and Employment, Labor Market Information. Quarterly Census of Employment and Wages (QCEW).



The average weekly wage for all industries in Commerce City during the fourth quarter of 2015 was \$1,068, an increase of 2.6 percent compared with the prior year’s level. The highest weekly wage during the period was in the mining and logging supersector at \$1,453 per week, although this represented a 23.8 percent decrease over-the-year. The education and health services supersector reported the largest increase in the average weekly wage over-the-year, rising 15.9 percent to \$798 per week. Workers in the leisure and hospitality supersector earned the lowest wage at \$383 per week, but this was 7.1 percent higher than the previous year. The other services (-6.8 percent) and the information sectors (-4.6 percent) recorded declining average weekly wages between the fourth quarters of 2014 and 2015.

Commerce City employment rose 4.3 percent in the fourth quarter of 2015 compared with the prior year, creating an additional 1,230 jobs. The supersector that reported the largest increase in employment was education and health services, recording a 23.8 percent increase in employment or 170 positions. The professional and business services supersector and the leisure and hospitality supersector also recorded significant employment growth during the period, rising 16.2 percent and 9.6 percent, respectively. The largest supersector by employment is transportation, warehousing, and utilities, representing nearly 31 percent of the area’s total employment. The supersector recorded a 5.2 percent increase in employment between the fourth quarters of 2014 and 2015. The mining and logging sector (-35.5 percent) reported an over-the-year decline in employment. Many of the layoffs in the oil and gas industry due to the downturn in oil prices did not take effect until the fourth quarter of 2015.

Metro Denver also reported strong employment growth in the fourth quarter of 2015, but at a slower pace than Commerce City. Overall employment in Metro Denver rose 3.2 percent compared with the prior year’s level. Eleven of the 12 sectors recorded employment growth during the period. The education and health services supersector and the construction sector grew at the fastest pace, both increasing 4.9 percent over-the-year. The leisure and hospitality and financial activities sectors also reported large increases in employment, rising 4.8 percent and 4.4 percent, respectively. The professional and business services supersector was the largest by overall employment with 288,350 workers and increased 2.5 percent during the period. The information sector (+1.2 percent) recorded the smallest growth in employment over-the-year, while the mining and logging sector (-13 percent) recorded the only decline in employment.

Labor Force and Unemployment

Unemployment in Commerce City was 4.2 percent during the first quarter of 2016, 1.6 percentage points below the prior year but 0.4 percentage points above the prior quarter. This first quarter unemployment rate is the lowest first quarter unemployment rate since the data started being collected in the first quarter of 2000 when the rate was 4.8 percent. The area’s labor force included 25,910 individuals in the first quarter of 2016, an increase of 1.2 percent over-the-year. Adams County reported a 1.5 percentage point decline in the unemployment rate between the first quarters of 2015 and 2016, falling to 3.8 percent. The size of the Adams County labor force increased 1.2 percent, with 3,050 additional people entering the labor force. Of the seven Metro Denver counties, Adams County recorded the highest unemployment rate during the first quarter, but had the largest over-the-year decline in the unemployment rate.

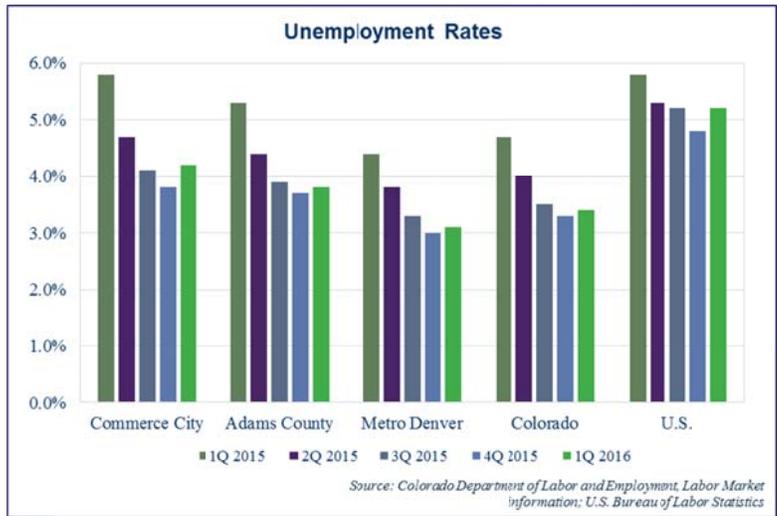
Metro Denver reported a 1.2 percent increase in the labor force and a 1.3 percentage point decline in the unemployment rate over-the-year.

Colorado reported a 1.5 percent increase in the labor force between the first quarters of 2015 and 2016 and the unemployment rate declined 1.3 percentage points to 3.4 percent. The United States recorded a 0.6 percentage point decrease in the unemployment rate over-the-year, with a 1.3 percent increase in the labor force.

Consumer Activity

Consumer Confidence

The Conference Board’s National Consumer Confidence Index decreased during the second quarter of 2016, falling 1.2 percent over-the-year to 95 for the U.S. index. Consumer confidence for the U.S. index also fell 1 percent between the first and second quarters of 2016. The decline in the national index for the second quarter 2016 level marked the second consecutive quarter of



	Labor Force			Unemployment Rate	
	1Q 2016	1Q 2015	Yr/Yr % Change	1Q 2016	1Q 2015
Commerce City	25,909	25,601	1.2%	4.2%	5.8%
Adams County	249,064	246,010	1.2%	3.8%	5.3%
Metro Denver	1,659,449	1,639,152	1.2%	3.1%	4.4%
Colorado	2,859,161	2,815,907	1.5%	3.4%	4.7%
U.S. (000s)	158,160	156,194	1.3%	5.2%	5.8%

Sources: Colorado Department of Labor and Employment, Labor Market Information; U.S. Bureau of Labor Statistics.



over-the-year declines in consumer confidence.

The Mountain Region index, which includes Colorado, also decreased during the second quarter of 2016. The Mountain Region index fell to 100.7, an over-the-year decrease of 5.7 percent. However, the Mountain Region Index reported an over-the-quarter increase of 5.7 percent. Consumer confidence for the Mountain Region index has also reported over-the-year declines for two consecutive quarters.

Retail Sales

Commerce City retail sales decreased 27.1 percent between the fourth quarters of 2014 and 2015, representing \$445.6 million fewer in sales over-the-year. Further, the city reported a 24.4 percent decrease over-the-quarter. During the fourth quarter of 2015, Commerce City retail sales represented 21 percent of Adams County total retail sales. Adams County reported nearly \$5.7 billion in total retail sales during the fourth quarter of 2015, a decrease of 5.5 percent compared with the same period the prior year. Retail sales for Adams County rose 0.6 percent over-the-quarter.

Total retail sales in the seven-county Metro Denver area decreased 2.2 percent between the fourth quarters of 2014 and 2015. However, Metro Denver reported a 7.4 percent increase in retail sales over-the-quarter. Two of the seven counties in Metro Denver reported growth in retail sales between the fourth quarters of 2014 and 2015, consisting of Douglas (+13.6 percent) and Jefferson (+0.3 percent) counties. The City and County of Denver recorded the largest value of total retail sales, generating \$7.7 billion in total sales. Douglas County reported the largest increase in total value of retail sales, generating an additional \$318 million during the period. Adams County recorded the largest over-the-year decline in retail sales, while the City and County of Denver recorded the smallest decline (-3.2 percent).

Total Retail Sales (\$000's)

	4Q 2015	3Q 2015	4Q 2014	Yr/Yr % Change	Qrt/Qrt % Change
Commerce City	\$1,201,586	\$1,590,027	\$1,647,224	-27.1%	-24.4%
Adams County	\$5,682,668	\$5,646,509	\$6,010,676	-5.5%	0.6%
Metro Denver	\$30,221,480	\$28,129,335	\$30,885,534	-2.2%	7.4%

Source: Colorado Department of Revenue.

New retail establishments announced in second quarter of 2016 are:

- 7-11 Store at 96th Avenue and Yosemite;
- Popeye’s Louisiana Kitchen - south side of E. 104th Ave. at Chambers Drive; and
- Kentucky Fried Chicken - north side of E. 104th Ave. at Chambers Drive.

Residential Real Estate

Home Sales

Commerce City existing home sales increased in both the single-family detached and the single-family attached markets. The single-family attached market recorded 35 total sales during the first quarter of 2016, an increase of 150 percent compared with the previous year’s level. The single-family detached market reported a 17.6 percent increase in home sales, or 29 additional homes sold during the period. The average sales price of homes in both markets increased over-the-year. The single-family detached average home price of \$310,690 was 20.8 percent

higher than the previous year’s level. The single-family attached average home price of \$207,670 was 4.2 percent above the prior year’s level.

The single-family detached market in Metro Denver continued to improve through the first quarter of 2016, with sales rising 5.7 percent over-the-year. Five of the seven counties reported over-the-year increases in home sales and two reported decreases. The average sales price throughout Metro Denver of \$409,300 reflected an 8.6 percent increase compared with the prior year. Boulder County reported the highest average sales price (\$540,630) and Adams County reported the lowest average sales price (\$296,920). Average prices increased in all seven counties between the first quarters of 2015 and 2016, with Adams County (+13.4 percent) recording the largest over-the-year increase.

Sales of single-family attached homes in Metro Denver increased 5.8 percent between the first quarters of 2015 and 2016, representing the sale of 163 additional homes. Five of the seven counties recorded over-the-year increases in sales, ranging from 2.1 percent in the City and County of Denver to 15.1 percent in Adams County. All seven counties recorded increases in the average sales price during the period, with the average sales price in Metro Denver increasing 11.7 percent to \$239,020. Arapahoe County reported the smallest over-the-year increase in the average sales price, rising 5.4 percent, while Adams County (\$191,570) recorded the lowest average sales price of the seven counties. Boulder County (+20.8 percent) recorded the largest increase in the average sales price.

Existing Home Sales

	Commerce City	Metro Denver County Markets							Metro Denver Total
		Adams	Arapahoe	Boulder	Broomfield	Denver	Douglas	Jefferson	
Home Sales									
<i>Single-Family Detached</i>									
IQ 2016	194	1,352	1,561	711	153	1,795	1,120	1,540	8,232
IQ 2015	165	1,161	1,414	769	176	1,726	1,110	1,433	7,789
<i>Single-Family Attached</i>									
IQ 2016	35	343	907	187	22	772	234	514	2,979
IQ 2015	14	298	831	221	29	756	214	467	2,816
Average Sold Price									
<i>Single-Family Detached</i>									
IQ 2016	\$310,694	\$296,917	\$373,863	\$540,628	\$396,854	\$433,049	\$473,207	\$410,308	\$409,296
IQ 2015	\$257,133	\$261,721	\$342,339	\$493,114	\$394,301	\$397,751	\$435,979	\$369,624	\$377,026
<i>Single-Family Attached</i>									
IQ 2016	\$207,669	\$191,565	\$197,743	\$348,364	\$248,477	\$284,681	\$280,869	\$215,690	\$239,017
IQ 2015	\$199,250	\$161,954	\$187,526	\$288,366	\$222,028	\$254,812	\$237,198	\$181,510	\$213,930

Source: Colorado Comps LLC.

Apartment Market

The Commerce City/Brighton apartment rental market reported increases in the vacancy rate and in the average rental rate between the first quarters of 2015 and 2016. The vacancy rate increased to 4 percent in the first quarter of 2016, rising 0.9 percentage points from the prior year’s level of 3.1 percent. However, the vacancy rate was 2.2 percentage points lower than the prior quarter. The average rental rate for the Commerce City/Brighton area during the first quarter of 2016 was \$1,230 per month, an increase of 3.6 percent from the previous year’s level. The average rental rate was also 2.4 percent higher than the prior quarter’s level of \$1,201 per month. The first quarter average rental rate for the Commerce City/Brighton area was 2.2 percent lower than the Adams County level and 6.5 percent below the Metro Denver level.

The Adams County and Metro Denver apartment rental markets reported increases in vacancy between the first quarters of 2015 and 2016. The Adams County vacancy rate was 0.7 percentage points higher than the prior year's level, but 0.9 percentage points below the previous quarter's level. The average rental rate for Adams County was \$1,258 in the first quarter, 5.1 percent higher over-the-quarter and 11.2 percent higher over-the-year. Metro Denver reported a vacancy rate of 6.1 percent in the first quarter, which was 1.2 percentage points higher than the prior year. The average rental rate in Metro Denver was 1.8 percent higher over-the-quarter and 9.3 percent higher over-the-year.

Average Apartment Rents and Vacancy First Quarter 2016

	Vacancy Rate	Efficiency	1 Bed	2 Bed 1 Bath	2 Bed 2 Bath	3 Bed	Other	All
Adams County	4.7%	\$834	\$1,083	\$1,234	\$1,436	\$1,794	\$1,310	\$1,258
Commerce City/Brighton	4.0%	-	\$1,055	\$1,187	\$1,432	\$1,682	-	\$1,230
Metro Denver	6.1%	\$1,047	\$1,170	\$1,236	\$1,543	\$1,841	\$1,476	\$1,315

Source: Denver Metro Apartment Vacancy and Rent Survey.

Foreclosures

Foreclosure activity in the Metro Denver area increased between the first quarters of 2015 and 2016. Metro Denver reported a 15.9 percent increase in total foreclosure filings over-the-year to 941 as six of the seven counties reported increases. Boulder County reported the largest increase in filings (+26 percent) and Douglas County reported the smallest increase (+10.8 percent). The City and County of Broomfield (-16.7 percent) reported the only over-the-year decline in foreclosures. Adams County (211 filings) reported the second largest number of total filings and reported an over-the-year increase of 15.3 percent. Foreclosure filings for Metro Denver were up 17.3 percent in the first quarter of 2016 compared with the previous quarter.

Residential Construction

Residential building permits in Commerce City increased during the second quarter of 2016 compared with the prior year's level. Commerce City reported 150 total permits issued during the second quarter, a 38.9 percent increase from the second quarter 2015 level of 108 permits. Commerce City issued 94 single-family detached permits during the second quarter of 2016, a decrease of 13 percent over-the-year. There were also 20 condominium and townhome units and 36 multi-family units permitted during the most recent quarter compared with no permits in either category the previous year. The average valuation per single-family detached unit increased 47.3 percent over-the-year to \$270,170. The average valuation for condominium and townhome units was \$125,610 and multi-family units had an average valuation of \$75,280.

According to the U.S. Census Bureau, Metro Denver residential building permits rose 18.1 percent during the first quarter of 2016 compared with the prior year. Single-family detached units increased 28 percent, representing 587 additional units over-the-year. Single-family attached permits declined 62.4 percent, with 93 fewer permits issued, and multi-family permits rose 13.1 percent, with 237 additional permits issued. Total permits for Adams County were up 46 percent over-the-year and 40 percent over-the-quarter. Adams County recorded 530 permits during the first quarter consisting of 465 single-family detached permits, 15 single-family attached permits, and permits for 50 multi-family units.

Commerce City Residential Building Permits

	Single-Family Detached		Condominiums and Townhomes		Multi-Family			Total Units
	Units	Avg. Valuation Per Unit	Units	Avg. Valuation Per Unit	Permits	Units	Avg. Valuation Per Unit	
2Q 2016	94	\$270,174	20	\$125,610	1	36	\$75,278	150
2Q 2015	108	\$183,476	-	-	-	-	-	108
Yr/Yr % Change	-13.0%	47.3%	-	-	-	-	-	38.9%

Source: Commerce City Development Center, Building Permits and Fees.

Commercial Real Estate

- The Commerce City Urban Renewal Authority approved plans for a master development at the former Mile High Greyhound Park. The 65-acre park will include a mixed-use development that could create up to 1,454 permanent employees and generate \$65.4 million in income annually at full build-out. Infrastructure construction is expected to begin in 2017.
- The South Adams County Fire Protection District, which serves Commerce City, Henderson, and parts of unincorporated Adams County, has expanded its services. The fire district will expand to a new, centralized headquarters and remodel several of the outdated fire stations. The new \$5.8 million headquarters will be located next to the Commerce City Municipal Center off 72nd Avenue and Quebec Street. The city has nearly completed a \$4 million demolition and rebuild of a station house.

Note: lease rates for industrial, flex, and retail property are triple-net; office rates are full-service.

Office Market

The Commerce City office market recorded declining trends through the second quarter of 2016. There was an additional 10,420 square feet of rentable space added to the market between the second quarters of 2015 and 2016. The office vacancy rate rose to 6.5 percent, an increase of 1.5 percentage points from the prior year's level of 5 percent. The average lease rate for the office market fell 0.9 percent over-the-year to \$23.04 per square foot, losing \$0.22 per square foot. This average lease rate was among the highest second quarter rates for the market.

The Metro Denver office market tightened between the second quarters of 2015 and 2016, with falling vacancy rates and rising average lease rates. The Metro Denver office market added an additional 2.2 million square feet of rentable space to the market over-the-year. The office market vacancy rate fell 0.7 percentage points over-the-year to 9 percent vacancy during the second quarter of 2016. This vacancy rate was the lowest second quarter level for the market since at least the first quarter of 2001. The average lease rate rose 4.7 percent during the same period to \$25.00 per square foot, adding \$1.12 per square foot.

Retail Market

The Commerce City retail market added 14,320 square feet of rentable retail space to the market during the second quarter of 2016. Retail vacancy in Commerce City was unchanged between the second quarters of 2015 and 2016 at 4.2 percent vacancy. The average lease rate for retail space fell 1.1 percent over-the-year to \$15.99 per square foot, losing \$0.18 per square foot.

The retail market in Metro Denver continued to improve between the second quarters of 2015 and 2016. The Metro Denver retail market added over 1.5 million square feet of rentable space over-the-year. The vacancy rate fell to 4.8 percent during the second quarter, a decline of 0.3 percentage points compared with the previous year. This was the lowest second quarter vacancy rate since the second quarter of 2006. The average lease rate rose \$0.52 per square foot to \$16.42 per square foot, an increase of 3.3 percent over-the-year.

Flex Market

The Commerce City flex market tightened through the second quarter of 2016. The flex market has over 243,100 square feet of rentable space. The flex market vacancy rate decreased 0.5 percentage points between the second quarters of 2015 and 2016.

The Metro Denver flex market also improved through the second quarter of the year. The vacancy rate in the area fell 0.5 percentage points to 7.4 percent between the second quarters of 2015 and 2016, the lowest second quarter rate in Metro Denver since the availability of the data in 1999. The average lease rate increased 7.3 percent during the same period, rising from \$10.08 per square foot to \$10.82 per square foot. The average lease rate was also the highest second quarter rate since availability of the data in 1999.

Industrial Market

Commerce City's industrial market is heavily concentrated in warehouse distribution, representing nearly 74 percent of the rentable space in the market. With over 6.8 million square feet of rentable warehouse distribution space, Commerce City represents 4.6 percent of Metro Denver's total rentable space for warehouse distribution. The warehouse distribution vacancy rate rose 0.8 percentage points between the second quarters of 2015 and 2016 to 1.8 percent. The average lease rate rose 46.6 percent to \$9.94 per square foot during the same period, adding \$3.16 per square foot to the average lease rate. All other industrial space in Commerce City reported a 0.1 percentage point increase in the vacancy rate over-the-year to 2.7 percent. The average lease rate for all other industrial space rose 50.2 percent to \$9.21 per square foot during the same period.

The Metro Denver industrial market is also heavily concentrated in warehouse distribution, reporting over 147 million square feet of rentable space during the second quarter of 2016, adding over 2.4 million square feet over-the-year. The vacancy rate for the warehouse distribution market was 4.1 percent, an increase of 1.2 percentage points between the second quarters of 2015 and 2016. The average lease rate rose 10.1 percent to \$7.17 per square foot during the second quarter of 2016 compared with the prior year. The vacancy rate for all other industrial space fell 0.7 percentage points to 2.1 percent over-the-year. The average lease rate rose 22.6 percent to \$8.29 per square foot compared with the previous year's level.

Commercial Vacancy and Lease Rates by Property Type

		Total Existing Square Footage		Vacancy Rate		Avg Lease Rate (per sq. ft.)	
		2Q 2016	2Q 2015	2Q 2016	2Q 2015	2Q 2016	2Q 2015
Office	Commerce City	370,401	359,985	6.5%	5.0%	\$23.04	\$23.26
	Metro Denver	180,309,937	178,152,177	9.0%	9.7%	\$25.00	\$23.88
Retail	Commerce City	1,419,816	1,405,501	4.2%	4.2%	\$15.99	\$16.17
	Metro Denver	163,547,863	162,037,610	4.8%	5.1%	\$16.42	\$15.90
Flex	Commerce City	243,132	243,132	3.2%	3.7%	-	\$16.00
	Metro Denver	42,147,213	41,884,996	7.4%	7.9%	\$10.82	\$10.08
Industrial	Commerce City						
	Warehouse Distribution	6,809,877	6,809,877	1.8%	1.0%	\$9.94	\$6.78
	All Other Industrial	2,419,016	2,419,016	2.7%	2.6%	\$9.21	\$6.13
	Metro Denver						
	Warehouse Distribution	147,129,568	144,665,681	4.1%	2.9%	\$7.17	\$6.51
	All Other Industrial	54,416,526	54,325,829	2.1%	2.8%	\$8.29	\$6.76

Note: Vacancy rate and average lease rate are for direct space only (excludes sublet space). Industrial, flex, and retail lease rates are triple-net; office rates are full-service.

Source: CoStar Realty Information, Inc.

Nonresidential Construction

There was over 123,350 square feet of nonresidential building permits issued in Commerce City during the second quarter of 2016. The nonresidential building permits issued during the period were valued at over \$17.4 million. The largest building permitted was a 76,840-square-foot office distribution warehouse for George T. Sanders Company, an independent distributor of plumbing and heating supplies. The project is valued at nearly \$4.8 million. The highest valued permit was for a 42,530-square-foot maintenance building for the Old Dominion Freight Line, valued at \$10.8 million.

Commerce City Commercial Building Permits Issued, 2Q 2016		
Project Description	Valuation	Total Square Feet
Suncor Energy Power Distribution Center	\$100,000	264
Suncor Energy CEMS Building	\$200,000	216
7-Eleven Convenience Store	\$1,560,000	3,499
George T. Sanders Distribution Warehouse	\$4,771,641	76,844
Old Dominion Freight Line Maintenance Building	\$10,800,000	42,530

Source: Commerce City Development Center, Building Permits and Fees.

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