



**XCELIGENT**<sup>™</sup>  
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## RETAIL MARKET REPORT

# Colorado Springs

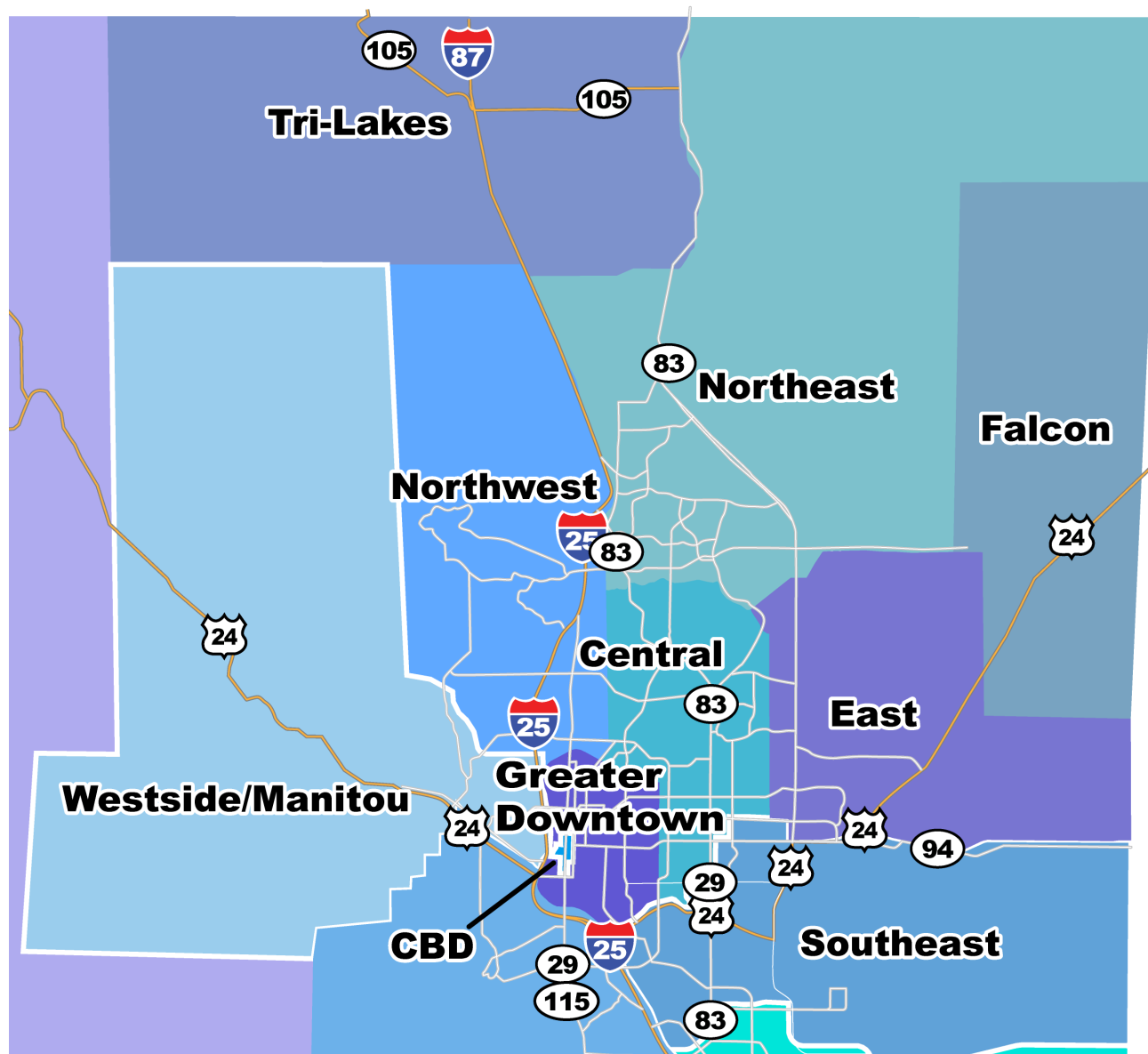
**1st Quarter 2016**

Xceligent is a leading provider of verified commercial real estate information which assists real estate professionals, appraisers, owners, investors and developers that make strategic decisions to lease, sell, buy and develop commercial properties.

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

<b>Inventory</b>	The total square feet of all existing single tenant, multi tenant and owner occupied retail properties greater than 2,000 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>	Usually has no dominant anchors; convenience oriented tenants.
<b>Freestanding</b>	Consists of one building occupied by one major tenant.
<b>General</b>	Consists of Fast Food, Mixed Use, Restaurants, Banks and Automotive type uses.
<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.



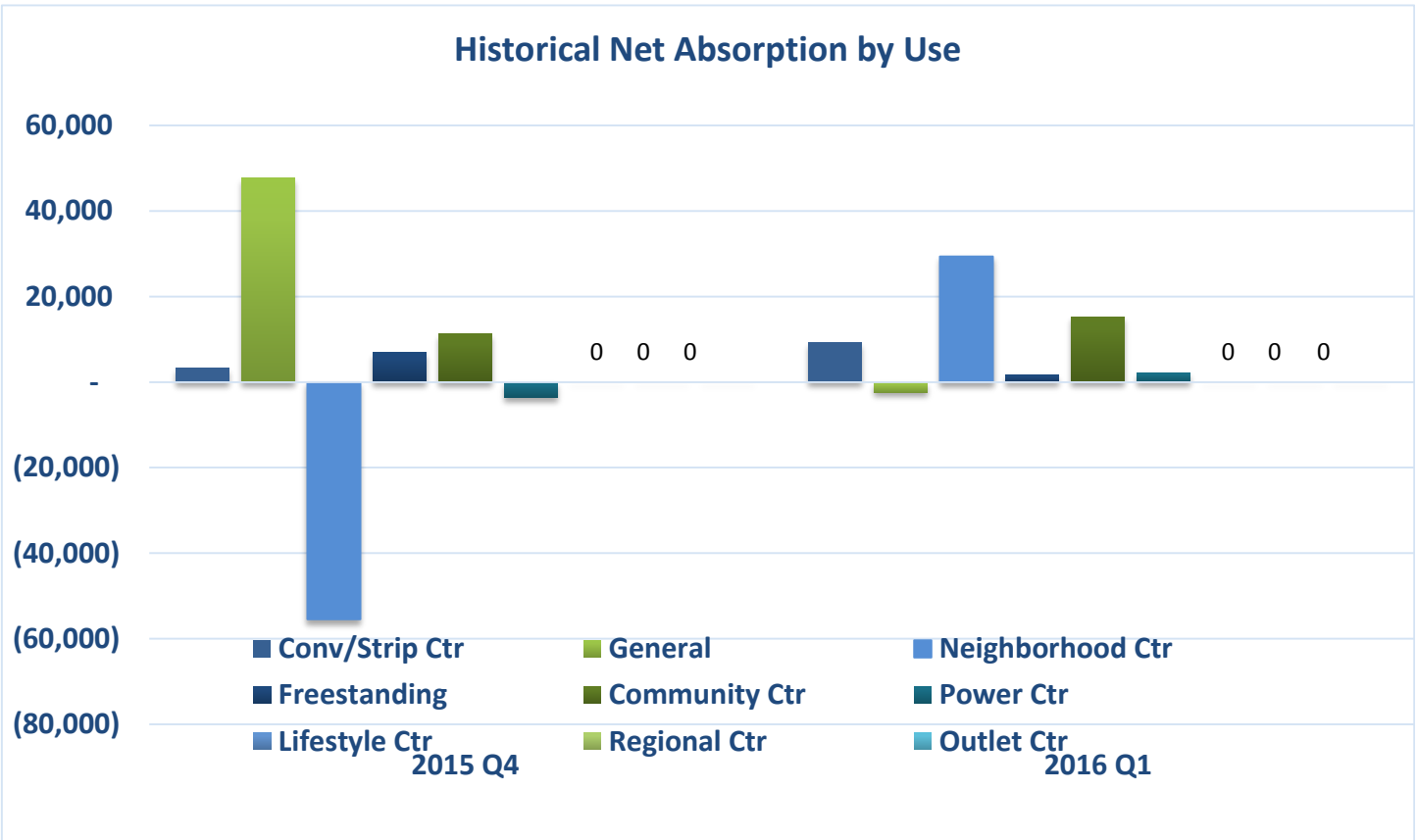
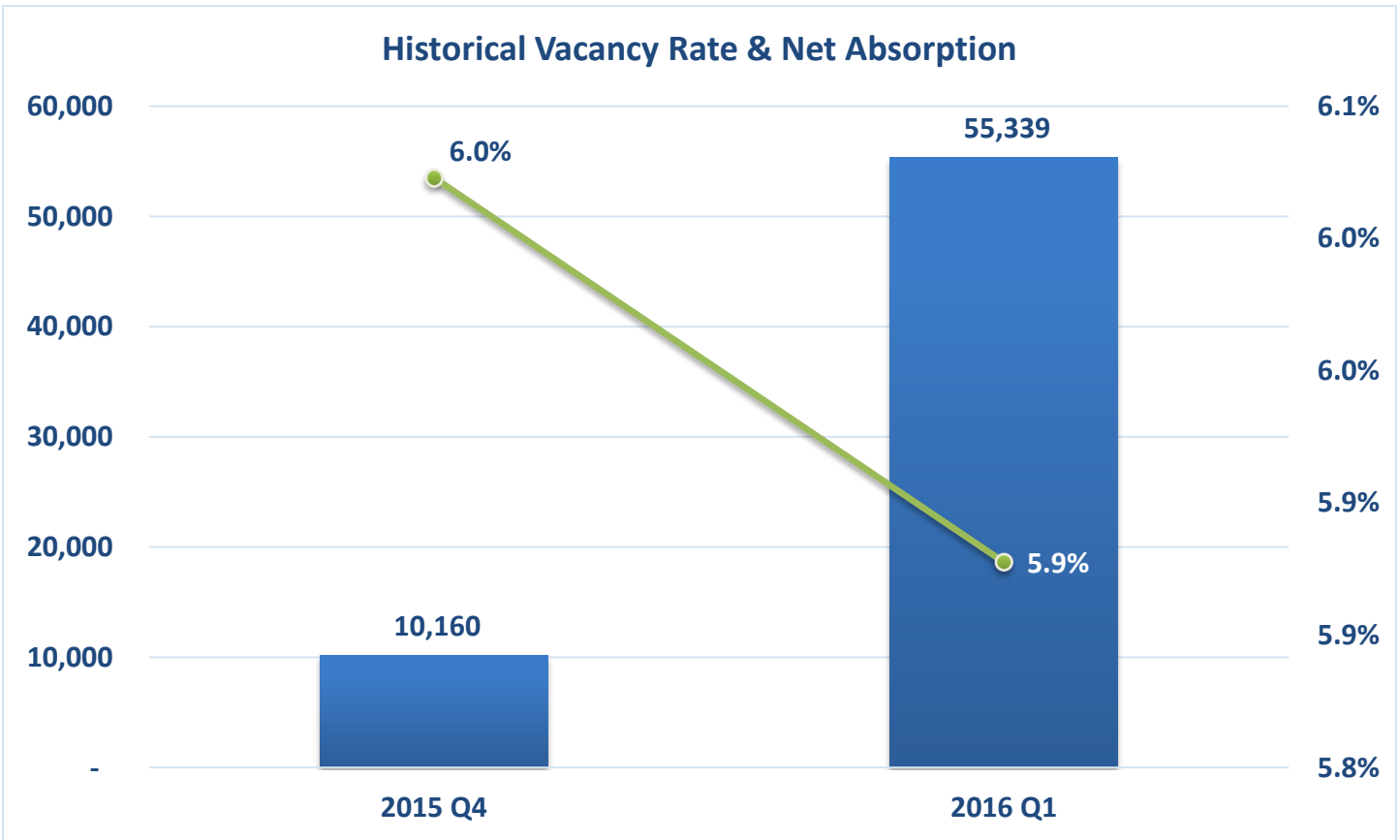
## Overview

- The Colorado Springs Retail market posted a positive 55,339 square feet of absorption for the first quarter of 2016.
- Despite the positive absorption for the quarter and the active leasing and sales activity, the market is beginning to stabilize.
- All of the newer "hot" areas are leasing quickly and as a result, is putting upward pressure on rental rates. Areas like the Academy Corridor are slow, and Landlords are offering more concessions to help lure in prospective tenants.
- There is currently 150,000 square feet and 20,075 square feet of new construction in the East and Northeast areas of the greater Colorado Springs region.
- The first quarter of 2016 closed with a 5.9% vacancy rate for the greater Colorado Springs area, continuing the downward trend from the end of 2015 where the vacancy rate was nearly 6.1%.

	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Total Quarterly Net Absorption (SF)	YTD Total Net Absorption (SF)
Conv/Strip Ctr	190	2,572,385	330,075	228,454	8.9%	9,245	9,245
General	810	9,753,477	535,131	422,015	4.3%	(2,391)	(2,391)
Neighborhood Ctr	198	11,044,663	914,286	814,738	7.4%	29,383	29,383
Freestanding	197	5,942,848	166,759	134,759	2.3%	1,631	1,631
Community Ctr	26	2,919,511	286,843	279,208	9.6%	15,263	15,263
Power Ctr	14	1,709,692	261,850	157,883	9.2%	2,208	2,208
Lifestyle Ctr	2	418,203	-	-	0.0%	0	0
Regional Ctr	3	1,456,950	21,113	21,113	1.4%	0	0
Outlet Ctr	1	50,000	50,000	50,000	100.0%	0	0
<b>Grand Total</b>	<b>1,441</b>	<b>35,867,729</b>	<b>2,566,057</b>	<b>2,108,170</b>	<b>5.9%</b>	<b>55,339</b>	<b>55,339</b>

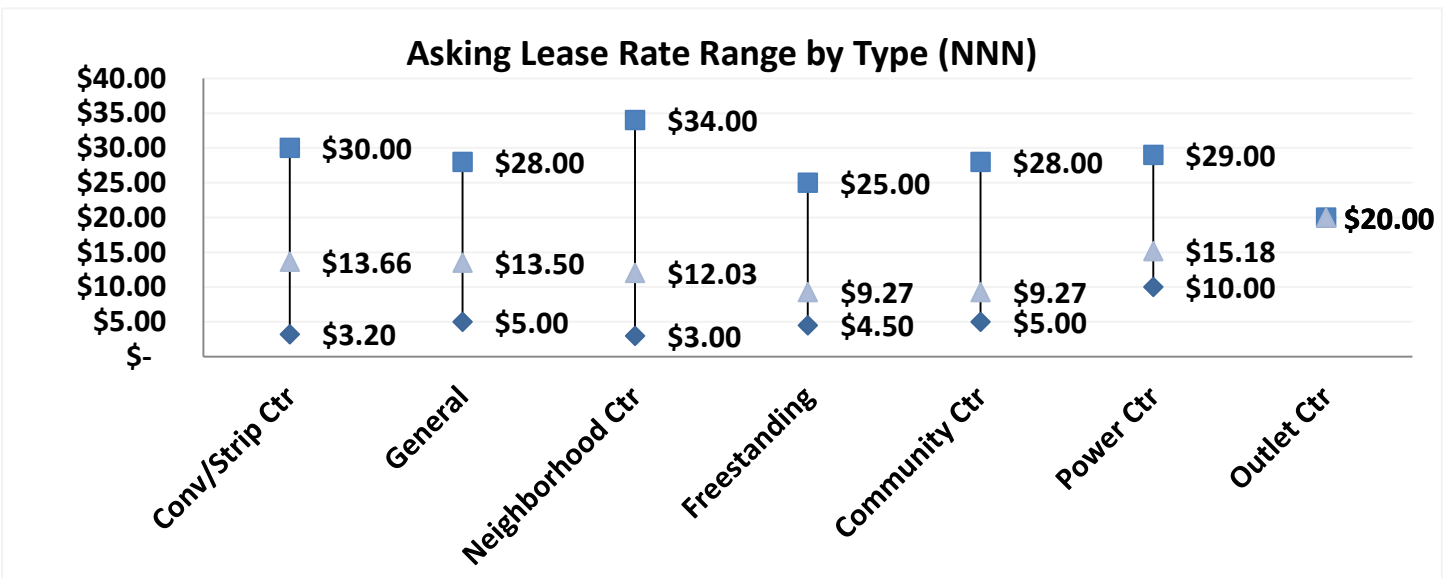
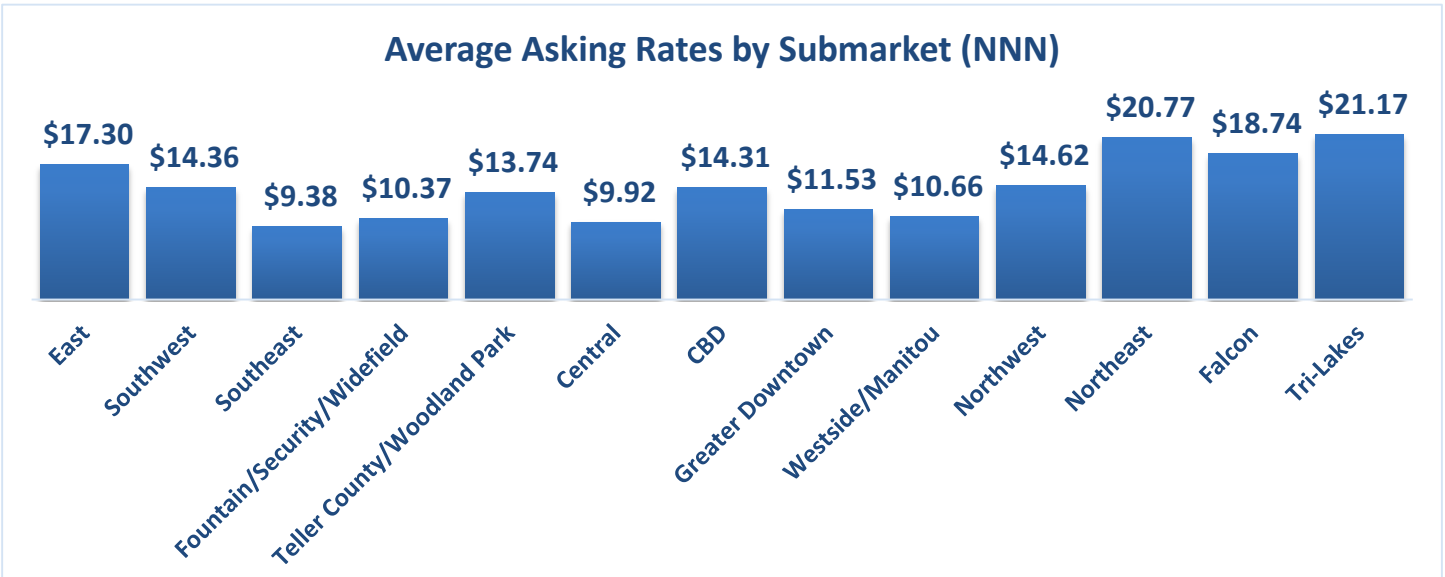
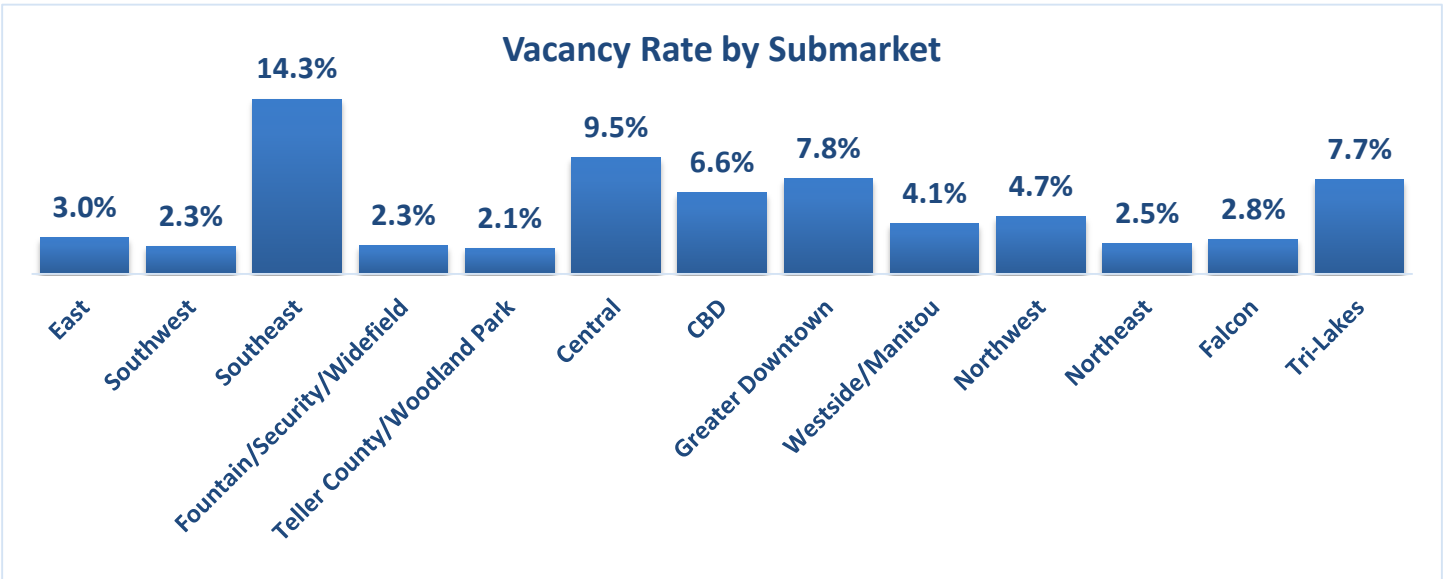
	# of Bldgs	Inventory (SF)	Sum of Direct Available SF	Direct Vacant (SF)	Direct Vacancy Rate (%)	Direct Quarterly Net Absorption (SF)	YTD Direct Net Absorption (SF)
Conv/Strip Ctr	190	2,572,385	324,939	225,818	8.8%	9,245	9,245
General	810	9,753,477	505,672	395,535	4.1%	-2,391	-2,391
Neighborhood Ctr	198	11,044,663	914,286	814,738	7.4%	29,383	29,383
Freestanding	197	5,942,848	166,759	134,759	2.3%	1,631	1,631
Community Ctr	26	2,919,511	286,843	279,208	9.6%	15,263	15,263
Power Ctr	14	1,709,692	261,850	157,883	9.2%	2,208	2,208
Lifestyle Ctr	2	418,203	0	0	0.0%	0	0
Regional Ctr	3	1,456,950	21,113	21,113	1.4%	0	0
Outlet Ctr	1	50,000	50,000	50,000	100.0%	0	0
<b>Grand Total</b>	<b>1,441</b>	<b>35,867,729</b>	<b>2,531,462</b>	<b>2,079,054</b>	<b>5.8%</b>	<b>55,339</b>	<b>55,339</b>

	# of Bldgs	Inventory (SF)	Available Sublease (SF)	Sublease Vacant (SF)	Sublease Vacancy Rate (%)	Sublease Quarterly Absorption (SF)	YTD Sublease Net Absorption (SF)
Conv/Strip Ctr	190	2,572,385	5,136	2,636	0.1%	-	-
General	810	9,753,477	29,459	26,480	0.3%	-	-
Neighborhood Ctr	198	11,044,663	-	-	0.0%	-	-
Freestanding	197	5,942,848	-	-	0.0%	-	-
Community Ctr	26	2,919,511	-	-	0.0%	-	-
Power Ctr	14	1,709,692	-	-	0.0%	-	-
Lifestyle Ctr	2	418,203	-	-	0.0%	-	-
Regional Ctr	3	1,456,950	-	-	0.0%	-	-
Outlet Ctr	1	50,000	-	-	0.0%	-	-
<b>Grand Total</b>	<b>1,441</b>	<b>35,867,729</b>	<b>34,595</b>	<b>29,116</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>

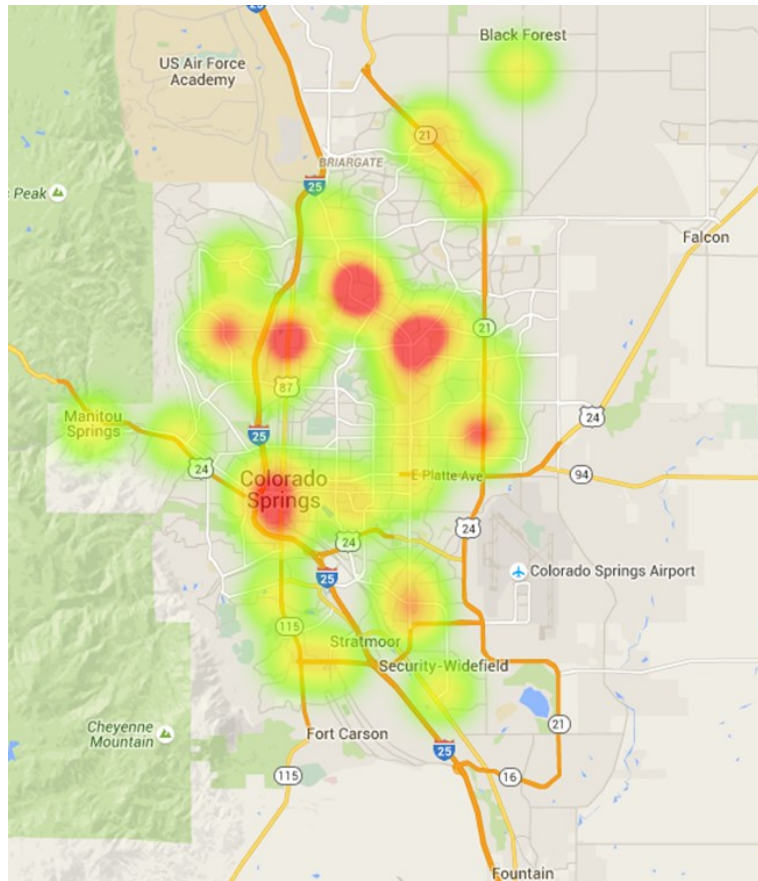


	# of Bldgs	Inventory (SF)	Total Vacant (SF)	Sublease Vacant (SF)	Vacancy Rate (%)	Total Quarterly Absorption	YTD Total Net Absorption (SF)
<b>East</b>	86	3,811,809	113,042	-	3.0%	3,449	3,449
Conv/Strip Ctr	14	217,622	24,253	-	11.1%	2,411	2,411
General	45	835,689	28,135	-	3.4%	1,200	1,200
Neighborhood Ctr	14	820,340	32,938	-	4.0%	-	-
Freestanding	8	269,637	-	-	0.0%	-	-
Community Ctr	2	472,401	6,603	-	1.4%	(162)	(162)
Power Ctr	1	33,696	-	-	0.0%	-	-
Lifestyle Ctr	1	210,753	-	-	0.0%	-	-
Regional Ctr	1	951,671	21,113	-	2.2%	-	-
<b>Southwest</b>	134	4,215,364	95,445	-	2.3%	(7,938)	(7,938)
Conv/Strip Ctr	19	349,896	31,618	-	9.0%	(4,958)	(4,958)
General	72	1,231,242	23,230	-	1.9%	952	952
Neighborhood Ctr	18	1,448,211	25,573	-	1.8%	(3,932)	(3,932)
Freestanding	23	1,069,181	-	-	0.0%	-	-
Power Ctr	2	116,834	15,024	-	12.9%	-	-
<b>Southeast</b>	92	2,527,087	361,113	-	14.3%	10,408	10,408
Conv/Strip Ctr	17	296,195	27,679	-	9.3%	-	-
General	43	525,026	6,100	-	1.2%	-	-
Neighborhood Ctr	20	1,358,728	288,329	-	21.2%	8,292	8,292
Freestanding	11	325,074	36,758	-	11.3%	-	-
Community Ctr	1	22,064	2,247	-	10.2%	2,116	2,116
<b>Fountain/Security/Widefield</b>	74	2,220,174	51,155	-	2.3%	13,309	13,309
Conv/Strip Ctr	12	154,554	18,491	-	12.0%	-	-
General	31	304,558	14,393	-	4.7%	-	-
Neighborhood Ctr	12	567,422	16,471	-	2.9%	-	-
Freestanding	15	820,030	-	-	0.0%	-	-
Community Ctr	2	161,817	1,800	-	1.1%	13,309	13,309
Power Ctr	1	4,343	-	-	0.0%	-	-
Lifestyle Ctr	1	207,450	-	-	0.0%	-	-
<b>Teller County/Woodland Park</b>	22	220,053	4,652	-	2.1%	-	-
Conv/Strip Ctr	7	70,473	4,652	-	6.6%	-	-
General	9	25,715	-	-	0.0%	-	-
Neighborhood Ctr	1	79,000	-	-	0.0%	-	-
Freestanding	5	44,865	-	-	0.0%	-	-
<b>Central</b>	363	9,849,553	939,312	13,242	9.5%	28,475	28,475
Conv/Strip Ctr	51	683,164	56,082	-	8.2%	2,857	2,857
General	182	2,446,471	122,776	13,242	5.0%	(11,936)	(11,936)
Neighborhood Ctr	60	3,409,930	335,829	-	9.8%	31,683	31,683
Freestanding	55	1,322,893	46,931	-	3.5%	2,585	2,585
Community Ctr	10	971,410	242,270	-	24.9%	-	-
Power Ctr	5	1,015,685	135,424	-	13.3%	3,286	3,286
<b>CBD</b>	68	682,811	45,355	-	6.6%	9,193	9,193
Conv/Strip Ctr	1	4,278	-	-	0.0%	-	-
General	63	621,547	38,315	-	6.2%	9,193	9,193
Neighborhood Ctr	2	36,446	-	-	0.0%	-	-
Freestanding	2	20,540	7,040	-	34.3%	-	-
<b>Greater Downtown</b>	120	1,450,714	112,769	-	7.8%	-	-
Conv/Strip Ctr	11	122,097	1,600	-	1.3%	-	-
General	81	870,636	39,798	-	4.6%	-	-
Neighborhood Ctr	9	315,714	41,800	-	13.2%	-	-
Freestanding	19	142,267	29,571	-	20.8%	-	-

	# of Bldgs	Inventory (SF)	Total Vacant (SF)	Sublease Vacant (SF)	Vacancy Rate (%)	Total Quarterly Absorption	YTD Total Net Absorption (SF)
<b>Westside/Manitou</b>	126	1,575,358	65,054	-	4.1%	(1,800)	(1,800)
Conv/Strip Ctr	7	56,417	1,200	-	2.1%	-	-
General	99	879,119	60,422	-	6.9%	(1,800)	(1,800)
Neighborhood Ctr	7	570,252	1,032	-	0.2%	-	-
Freestanding	13	69,570	2,400	-	3.4%	-	-
<b>Northwest</b>	151	2,166,278	101,808	-	4.7%	3,374	3,374
Conv/Strip Ctr	23	294,454	35,076	-	11.9%	2,098	2,098
General	90	864,902	38,626	-	4.5%	-	-
Neighborhood Ctr	17	520,761	17,901	-	3.4%	1,276	1,276
Freestanding	18	399,520	8,905	-	2.2%	-	-
Community Ctr	2	21,264	1,300	-	6.1%	-	-
Power Ctr	1	65,377	-	-	0.0%	-	-
<b>Northeast</b>	134	5,970,049	147,348	2,636	2.5%	(983)	(983)
Conv/Strip Ctr	15	198,028	16,474	2,636	8.3%	6,837	6,837
General	59	721,639	12,592	-	1.7%	-	-
Neighborhood Ctr	28	1,674,854	38,298	-	2.3%	(5,788)	(5,788)
Freestanding	18	1,373,337	954	-	0.1%	(954)	(954)
Community Ctr	7	973,155	21,595	-	2.2%	-	-
Power Ctr	4	473,757	7,435	-	1.6%	(1,078)	(1,078)
Regional Ctr	2	505,279	-	-	0.0%	-	-
Outlet Ctr	1	50,000	50,000	-	100.0%	-	-
<b>Falcon</b>	14	441,517	12,573	-	2.8%	-	-
Conv/Strip Ctr	5	77,635	4,780	-	6.2%	-	-
General	3	25,352	-	-	0.0%	-	-
Neighborhood Ctr	1	100,000	4,400	-	4.4%	-	-
Freestanding	4	31,734	-	-	0.0%	-	-
Community Ctr	1	206,796	3,393	-	1.6%	-	-
<b>Tri-Lakes</b>	47	693,506	53,344	13,238	7.7%	(2,148)	(2,148)
Conv/Strip Ctr	5	35,840	6,549	-	18.3%	-	-
General	28	375,057	34,628	13,238	9.2%	-	-
Neighborhood Ctr	9	143,005	12,167	-	8.5%	(2,148)	(2,148)
Freestanding	4	49,000	-	-	0.0%	-	-
Community Ctr	1	90,604	-	-	0.0%	-	-
<b>Grand Total</b>	<b>1,441</b>	<b>35,867,729</b>	<b>2,108,170</b>	<b>29,116</b>	<b>5.9%</b>	<b>55,339</b>	<b>55,339</b>







## Largest Absorption Changes

Property Name	SF Occupied or Vacated	Tenant Name	Submarket	Specific Use
Centerpointe Plaza	22,364	Donut Shop, Dental Arts and Dirty Bourbon	Central	Neighborhood Center
Security Center	13,309	Nic & Nak	Fountain/Security/Widefield	Community Center
Erindale Square	12,596	Wilderness Treasures	Central	Neighborhood Center
Gateway Village	10,692	The Capital Hall, Adventure Comics	Southeast	Neighborhood Center
5490-5510 Powers Center Point Blvd	7,017	Sushi Restaurant and 9Round	Northeast	Convenience/Strip Center
Peak Lifestyle Center Bldg 3	3,286	Peak Healthstyles	Central	Power Center
1330-1360 N Academy Blvd	(3,537)	Planet Fast Pitch	Central	Neighborhood Center
1725-1753 E Briargate Blvd	(4,588)	Phoenix Salon	Northeast	Neighborhood Center
Fairplaza Plaza Center	(5,295)	Free Apartment Locator	Central	General
600 S 21st St	(5,300)	Nurftastic	Southwest	Convenience/Strip Center

Top Transactions						
Property Name	Sale Price	SF Sold	Buyer	Seller	Submarket	Specific Use
7133 N Academy Blvd	\$3,362,500	6,983	Charles M Ostro Trust	Buildings For Babies Foundation	Northeast	Restaurant
481 Highway 105	\$3,200,000	27,894	Monument Rock Properties LLC	Visions Holdings LLC	Tri-Lakes	Neighborhood Center
The Gateway Building	\$2,400,000	6,667	CWC Income Properties 5 LLC	10-GATEWAYCTRL2 LLC	Southeast	Freestanding
527 S Tejon St	\$2,150,000	18,040	South End Group LLC	BSODO LLC	CBD	Freestanding
15733 Jackson Creek Pkwy	\$2,100,000	4,831	Westview Apartments LLC	BTS Jackson Creek AA LLC	Tri-Lakes	Automotive
1810 Main St	\$2,000,000	3,000	1810 Main LLC	Emic Properties LP	Fountain/Security/Widefield	Gas Station/Convenience

Colorado Springs	
Bearing Commercial Appraisal	Greg Baker
Cameron Butcher	Caleb David
CBRE	Brad Bird
	Nicola Myers - Murty
Cushman & Wakefield	Aaron Horn
NAI Highland	Bob Garner
Newmark Grubb Knight Frank	Simon Penner
Land Title Guarantee	Ben Lowe
Quantum Commercial	Susan Beitle
Re/Max	Rob Rolley
Weichert Commercial	Chuck Armstrong
	Weldon Shaver

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 more information, please contact :**

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