

Jefferson County

Colorado

Q1 2024

QUARTERLY ECONOMIC
REPORT

Q4 2023

Data

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JEFFCOEDC
ECONOMIC DEVELOPMENT CORPORATION



2024
First Quarter

Quarterly Economic Summary

<p>Employment Q3 2023</p>	<p>248,226 Up 1.1% from Q3 2022</p>	
<p>Unemployment Rate Q4 2023</p>	<p>3.1% Up 0.7 percentage points from Q4 2022</p>	
<p>Existing Home Sales Q4 2023</p>	<p>1,618 Down 7.4% from Q4 2022</p>	
<p>Single-Family Detached Average Price Single-Family Attached Average Price</p>	<p>\$779,816 Up 6.4% from Q4 2022 \$449,795 Up 1.1% from Q4 2022</p>	
<p>Apartment Vacancy Rate Apartment Average Lease Rate</p>	<p>5.1% Down 0.2 percentage points from Q4 2022 \$1,874 Up 2.1% from Q4 2022</p>	
<p>Residential Building Permits</p>	<p>384 Down 41.3% from Q4 2022</p>	
<p>Office Class A Vacancy Rate Industrial Warehouse Vacancy Rate Flex R&D Vacancy Rate Retail Vacancy Rate</p>	<p>12.4% 2.5% 5.7% 4.4%</p>	
<p>Office Class A Average Lease Rate Industrial Warehouse Average Lease Rate Flex R&D Average Lease Rate Retail Average Lease Rate</p>	<p>\$27.50 \$14.01 \$14.06 \$16.40</p>	

Jeffco Business Activity

- ◆ BAE Systems, Inc. has successfully completed the \$5.6 billion acquisition of Ball Aerospace from Ball Corp., forming a new business division now called **Space & Mission Systems (SMS)**. BAE Systems indicated the acquisition will not impact existing operations and jobs in Colorado, where a large portion is in Jefferson County.
- ◆ **The Feed**, a sports nutrition company, is expanding and relocating to unincorporated Jefferson County. The company recently leased 75,292 square feet of industrial space at the Verve Commerce Center and plans to occupy the new space Q4 2024. Over the first few years of operations, The Feed plans to create 102 high-paying jobs.
- ◆ The U.S. Department of Energy awarded \$2.4 million in federal funding to explore geothermal hydrogen technologies. The funds were split between the **Colorado School of Mines** in Golden and the energy startup Koloma. This marks the first-ever federal investment in geologic hydrogen.
- ◆ Sierra Space and **Lockheed Martin Space** won a combined \$1.6 billion in work orders from the Space Development Agency to build a global missile warning and tracking system. Each company will build 16 satellites with planned launches starting in 2027.
- ◆ **Vescent**, a Golden-based company in the quantum industry, recently raised \$5 million of outside capital to manufacture devices that enable the commercialization of quantum technology. With momentum around the state's TechHub designation award, Vescent is the third company in the last month to raise capital.

Jeffco Development Activity

- ◆ **Colorado School of Mines** broke ground on its \$151 million 285,743 square-foot redevelopment and renovation project. Once completed, **Mines Park** will provide apartment-style housing for upper division grad students and their families. Six aging buildings have been demolished and will be replaced with five new apartment buildings to include 658 studio, 2-bedroom, and 4-bedroom units. The remaining 19 smaller apartment buildings will be renovated to expand the total number of beds from 495 to 1,058.
- ◆ **Colorado School of Mines** celebrated the opening of its state-of-the-art hands-on project-based learning and making headquarters – **The Labriola Innovation District**. The multi-building district is comprised of a variety of spaces designed to support and encourage students to be innovators and entrepreneurs, including the 30,000 square-foot Labriola Innovation Hub, xWorks Innovation Spaces, and McNeil Hall.
- ◆ A new industrial development project in Arvada, **Candelas Innovation Park**, recently broke ground. The 31.64-acre project will total 350,000 square-feet of Class-A industrial space. The park will include four state-of-the-art buildings ranging from 60,000-105,000 square feet, comprising mostly of speculative suites, with potential to accommodate build-to-suite users later in phase II of the development project.

- ◆ **The National Renewable Energy Laboratory (NREL)** has chosen Jeffco EDC investor **JE Dunn Construction**, with its design partner SmithGroup, to design and build a its new “Energy Materials and Processing at Scale” (EMAPS) research facility on the east side of its South Table Mountain Campus in Golden. The facility will provide 127,00-square-feet of research and development space for NREL and community partners to develop energy storage, manufacturing, grid modernization, and de-carbonization technologies. Plans indicate that construction will begin this year.
- ◆ Buca Real Estate, in conjunction with a Chicago-based developer, will build 64 units of “attainable housing” in **Arvada**. The project will include four six-unit townhomes, eight duplexes, and 24 single-family cottages. The new units will cost between \$475,000 and \$550,000 when they are delivered in Q2 2025.
- ◆ **Jeffco Public Library** is planning to build a new library on a 9.4-acre site along Candelas Parkway in Arvada. The \$25.9 million project will initially be 30,000 square feet, with a 15,000 square-foot expansion in the future.

Regional Economic Headlines & Rankings

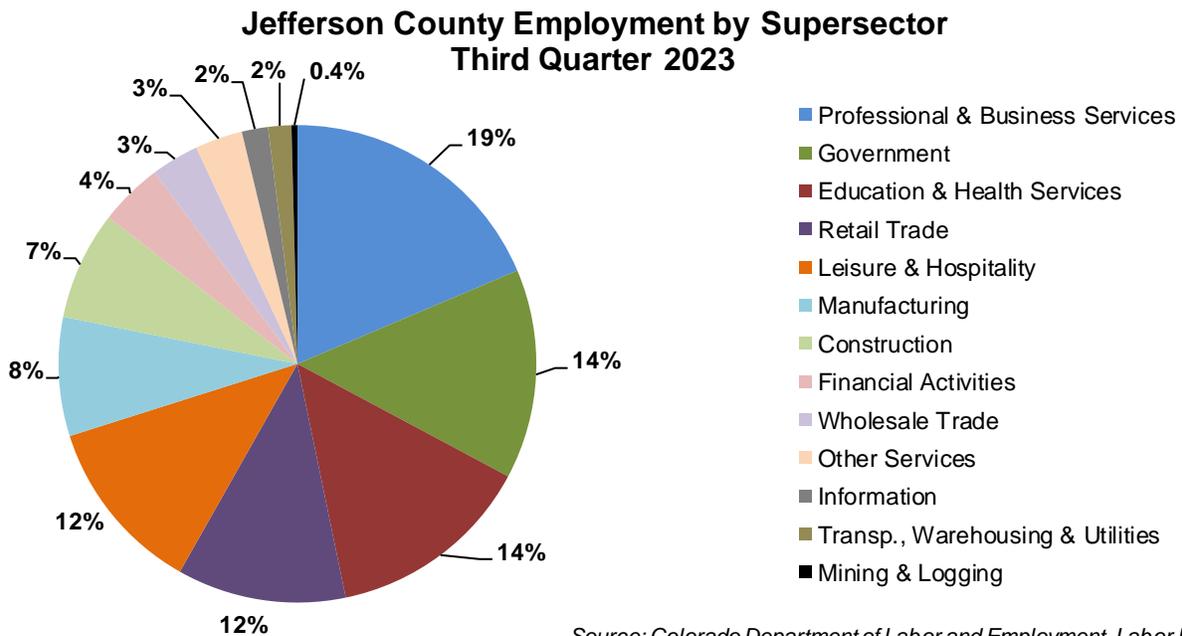
- ◆ Colorado ranked eighth in the U.S. Green Building Council’s annual list of best states in green building. The ranking is based on the amount of LEED-certified square footage per capita completed over the past year. This is Colorado’s 14th straight year in the top 10.

Employment Activity

Business Count, Average Weekly Wage, and Employment by Supersector

The number of businesses throughout Jefferson County increased 3.3 percent between the third quarters of 2022 and 2023, adding 818 businesses over the period. Twelve of the 13 supersectors reported business growth year-over-year. The transportation, warehousing, and utilities supersector reported the largest percentage growth of 5.0 percent, or an increase of 16 business units, while professional and business services reported the largest increase in total number of business units (+390 businesses or +4.8 percent). Mining and logging reported the only year-over-year decrease of 2.3 percent.

The average weekly wage for Jefferson County was \$1,408 per week in the third quarter of 2023, a decrease of 0.4 percent from the same quarter in 2022. Seven of the 13 supersectors reported increases in the weekly wage, with the largest jumps reported in mining and logging (+9.3 percent), other services (+4.7 percent), and financial activities (+4.6 percent). Transportation, warehousing, and utilities reported the largest drop, falling by 10.9 percent or \$189 per week.



Source: Colorado Department of Labor and Employment, Labor Market

Jefferson County employment increased 1.1 percent in the third quarter of 2023 compared with the prior year, representing an increase of 2,792 jobs. Seven of the 13 supersectors reported increases during the period, with the largest increases recorded in education and health services (+5.2 percent), government (+4.8 percent), and leisure and hospitality (+4.5 percent). Information recorded the largest decrease of 4.0 percent over the year, followed by professional and business services (-2.6 percent) and construction (-2.6 percent).

Employment in Metro Denver increased 1.9 percent between the third quarters of 2022 and 2023, rising by 33,848 employees during the period. Eight of the 13 supersectors reported over the year increases in employment. Government reported the largest increase of 6.1 percent, followed by transportation, warehousing, and utilities (+5.8 percent) and education and health services (+4.9 percent). Mining and logging recorded the largest year-over-year decrease of 5.1 percent, followed by information and manufacturing which fell by 4.2 and 4.1 percent, respectively.

Business and Employment Indicators by Supersector

	Jefferson County						Metro Denver	
	Quarterly Business Count		Average Weekly Wage		Quarterly Employment Level		Quarterly Employment Level	
	Q3 22	Q3 23	Q3 22	Q3 23	Q3 22	Q3 23	Q3 22	Q3 23
Total All Industries	24,917	25,735	\$1,414	\$1,408	245,434	248,226	1,758,765	1,792,613
Private Sector								
Mining & Logging	131	128	\$1,607	\$1,757	959	988	12,889	12,226
Construction	2,273	2,289	\$1,533	\$1,484	18,693	18,212	109,809	112,197
Manufacturing	530	541	\$2,057	\$2,029	20,384	19,993	93,511	89,644
Wholesale Trade	1,765	1,770	\$2,333	\$2,334	7,955	8,043	85,096	85,923
Retail Trade	1,745	1,794	\$853	\$824	28,416	28,366	151,353	153,615
Transp., Warehousing & Utilities	323	339	\$1,726	\$1,537	3,954	3,896	75,220	79,584
Information	604	626	\$2,050	\$2,021	4,586	4,402	63,378	60,725
Financial Activities	2,856	2,926	\$1,583	\$1,656	10,512	10,676	120,628	118,408
Professional & Business Services	8,132	8,522	\$1,815	\$1,876	47,407	46,186	358,732	358,626
Education & Health Services	2,726	2,853	\$1,272	\$1,283	32,887	34,597	215,797	226,268
Leisure & Hospitality	1,661	1,704	\$586	\$611	28,324	29,592	189,691	197,071
Other Services	1,986	2,030	\$1,007	\$1,055	7,651	7,977	52,591	54,172
Government	176	183	\$1,396	\$1,359	33,656	35,257	229,755	243,859

*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).*

Labor Force and Unemployment

Jefferson County reported an unemployment rate of 3.1 percent in the fourth quarter of 2023, down 0.1 percentage points from the previous quarter and up 0.7 percentage points from the fourth quarter of 2022.

Jefferson County had the 3rd-lowest unemployment rate among the seven Metro Denver counties. The Jefferson County unemployment rate was 0.1 percentage points below the 3.2 percent rate recorded in Metro Denver in Q4 2023. Metro Denver’s unemployment rate was 0.2 percentage points below than the rate recorded in the previous quarter and was up 0.6 percentage points from one year ago.

The labor force in Jefferson County rose 0.5 percent between the fourth quarters of 2022 and 2023 to a total of 345,335 people employed or looking for a job. The labor force in Metro Denver also increased during the period, rising 0.7 percent to more than 1.9 million workers.

Colorado’s unemployment rate was up 0.5 percentage points between the fourth quarters of 2022 and 2023, while the labor force increased 1.3 percent during the same period. The U.S. unemployment rate rose 0.2 percentage points over the year to 3.5 percent, with the labor force increasing by 1.9 percent during the same period.

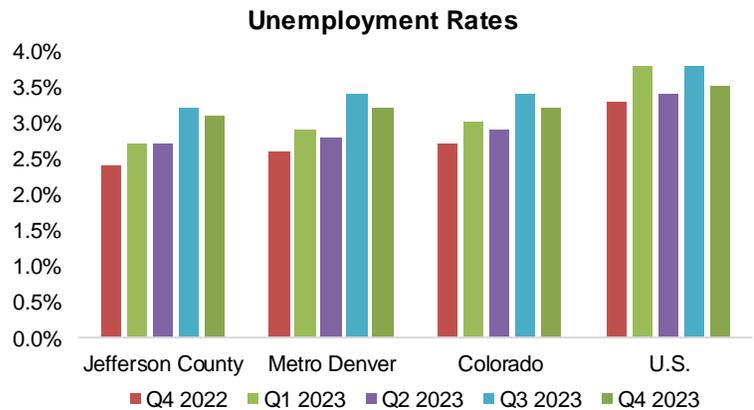
Consumer Activity

Consumer Confidence

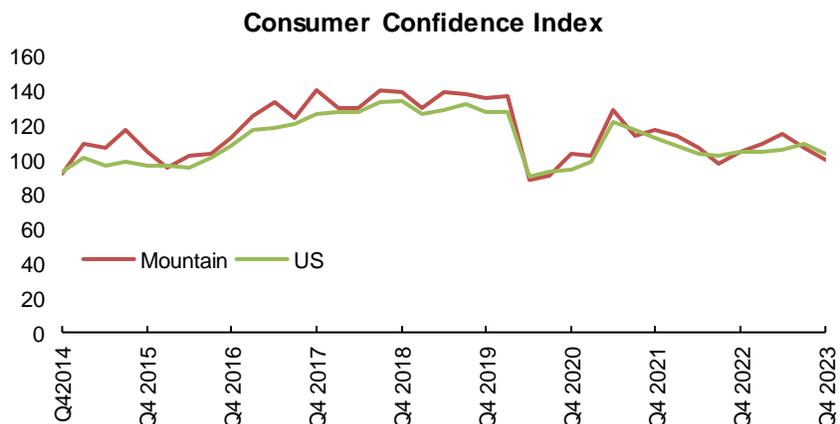
Colorado is included in the Mountain Region Index which reported a 4.9 percent decrease in confidence in Q4 2023 compared with the same time last year. Over the quarter, confidence in the Mountain Region decreased 6.4 percent, following a 6.9 percent decrease in Q3 2023.

	Labor Force			Unemployment Rate	
	Q4 2022	Q4 2023	Yr/Yr % Change	Q4 2022	Q4 2023
Jefferson County	343,744	345,335	0.5%	2.4%	3.1%
Metro Denver	1,892,755	1,905,865	0.7%	2.6%	3.2%
Colorado	3,206,033	3,247,998	1.3%	2.7%	3.2%
U.S. (000s)	164,416	167,471	1.9%	3.3%	3.5%

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



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



Source: The Conference Board.

The Consumer Confidence Index for the U.S. decreased 1.4 percent year over year to 102.7 in the fourth quarter of 2023. Over the quarter, the national index decreased 5.8 percent. This is the first drop in national consumer confidence after 4 quarters of growing optimism.

Retail Sales

Retail Sales in Jefferson County grew 4.9 percent between the fourth quarters of 2022 and 2023. Administrative and Support and Waste Management and Remediation Services reported the largest increase, jumping 46.6 percent from Q4 2022 to Q4 2023, followed by Information (+32.4 percent) and Manufacturing (+28.2 percent). Furniture, home furnishings, electronics and appliances registered the largest year-over-year drop of 15.1 percent, followed by educational services (-10.3 percent), and gasoline stations and fuel dealers (-10.0 percent).

Retail sales in Metro Denver decreased 3.2 percent between the fourth quarters of 2022 and 2023. Four of the seven counties in Metro Denver reported over-the-year increases in retail sales. Jefferson County reported the largest increase of 4.9 percent, followed by the City and County of Broomfield (+3.8 percent) and Boulder County (+2.4 percent). Adams County reported the largest year-over-year decline in consumer activity of 18.5 percent, followed by the Douglas County (-3.4 percent). Throughout the state of Colorado, retail activity fell by 1.4 percent.

Total Retail Sales
(\$Billions)

County	Q4 2022	Q4 2023	Yr/Yr % change
Metro Denver	\$49.31	\$47.71	-3.2%
Adams	\$10.27	\$8.37	-18.5%
Arapahoe	\$8.13	\$8.26	1.6%
Boulder	\$5.04	\$5.16	2.4%
Broomfield	\$1.01	\$1.05	3.8%
Denver	\$12.07	\$11.89	-1.5%
Douglas	\$5.10	\$4.93	-3.4%
Jefferson	\$7.68	\$8.06	4.9%
Colorado	\$81.98	\$80.87	-1.4%

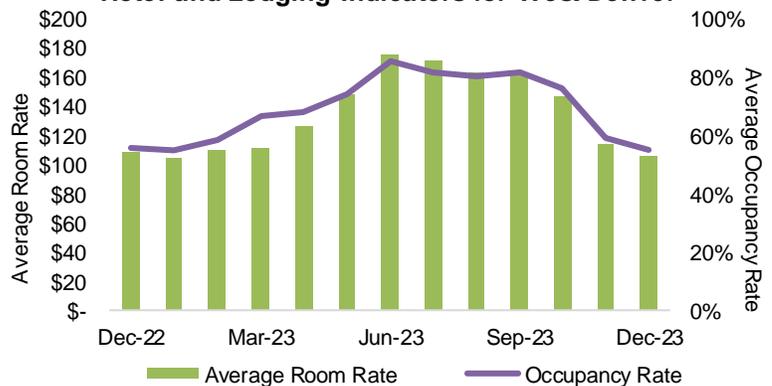
Source: Colorado Department of Revenue.

Lodging

The West Denver market ended December with a hotel occupancy rate of 55.0 percent, 0.5 percentage points below the December 2022 level. The market’s average room rate in December was \$106.26, 1.8 percent lower than the same time last year. The room rate in the West Denver market was \$18.51 higher than the average rate in Metro Denver.

Metro Denver reported a hotel occupancy rate of 49.9 percent in December, 3.1 percentage points below the year-ago level. The average room rate for Metro Denver was \$124.77 in December, 0.9 percent below the previous year’s rate.

Hotel and Lodging Indicators for West Denver



Source: Colorado Hotel and Lodging Association, Rocky Mountain Lodging Report.

Residential Real Estate

Home Sales

Total home sales fell in Jefferson County from the fourth quarter of 2022 to the fourth quarter of 2023, in line with most other counties in Metro Denver. Six of the seven counties recorded over-the-year decreases in detached home sales, led by the City and County of Broomfield (-25.1 percent), falling to 131 sold in the fourth quarter of 2023. Detached sales in Metro Denver fell 7.3 percent over the year to 6,248 homes sold in the quarter.

The number of single-family attached home sales in Jefferson County decreased 11.3 percent between the fourth quarters of 2022 and 2023 to 479 homes sold. Attached home sales fell in five of seven metro counties, with the Douglas and Boulder Counties reporting the only increases of 10.9 percent and 1.5 percent, respectively. Jefferson County reported the third-largest decline, trailing the City and County of Broomfield, which reported a decline of 34.7 percent. Attached home sales in Metro Denver fell 8.5 percent over the year to 2,771 homes sold.

Home Prices

Between the fourth quarters of 2022 and 2023, average single-family detached home prices rose 6.4 percent in Jefferson County to \$779,816, the second-largest increase and the fourth-highest price of the seven counties. The average sales price rose in five of the seven counties during the period. Arapahoe County reported the largest over-the-year increase, rising by 8.5 percent, followed by Jefferson County, and Boulder County (+5.5 percent). The City and County of Denver reported the largest year-over-year decline of 3.9 percent. The average price throughout Metro Denver increased 3.0 percent year-over-year to \$766,709.

Existing Home Sales

	Metro Denver County Markets							Metro Denver Total
	Adams	Arapahoe	Boulder	Broomfield	Denver	Douglas	Jefferson	
Home Sales								
Single-Family Detached								
Q4 2023	1,178	1,132	593	131	1,107	968	1,139	6,248
Q4 2022	1,240	1,307	563	175	1,239	1,074	1,207	6,805
Attached								
Q4 2023	256	600	268	49	874	245	479	2,771
Q4 2022	344	662	264	75	921	221	540	3,027
Average Sold Price								
Single-Family Detached								
Q4 2023	\$552,254	\$722,995	\$1,045,439	\$758,603	\$796,041	\$860,189	\$779,816	\$766,709
Q4 2022	\$558,475	\$666,322	\$990,829	\$734,548	\$828,472	\$844,168	\$732,687	\$744,635
Attached								
Q4 2023	\$391,179	\$388,017	\$561,136	\$501,150	\$541,739	\$512,012	\$449,795	\$477,181
Q4 2022	\$400,555	\$375,127	\$575,694	\$520,085	\$547,536	\$511,670	\$444,844	\$473,964

Source: Denver Metro Association of Realtors.

Jefferson County had the second-largest increase in attached home prices among the seven counties in Metro Denver, with an increase of 1.1 percent between the fourth quarters of 2022 and 2023. Four of the seven counties recorded over-the-year decreases in the average attached price, led by a 3.6 percent decrease in the City and County of Broomfield. Arapahoe County reported the largest increase of 3.4 percent over the year. The average sales price in Metro Denver rose 0.7 percent year-over-year to \$477,181.

Apartment Market

Jefferson County reported the lowest apartment vacancy rate of the six Metro Denver county market groups for the fourth quarter of 2023, coming in at 5.1 percent, 0.5 percentage points lower than the next lowest market. The City and County of Denver tied with Adams and Douglas Counties for the highest vacancy rate of 6.1 percent. The Jefferson County vacancy rate fell 0.2 percentage points between the fourth quarters of 2022 and 2023, but was up 0.2 percentage points over-the-quarter. Metro Denver’s vacancy rate was 0.7 percentage points higher than Jefferson County’s vacancy rate during the fourth quarter.

Metro Denver Average Apartment Rents and Vacancy
Fourth Quarter 2023

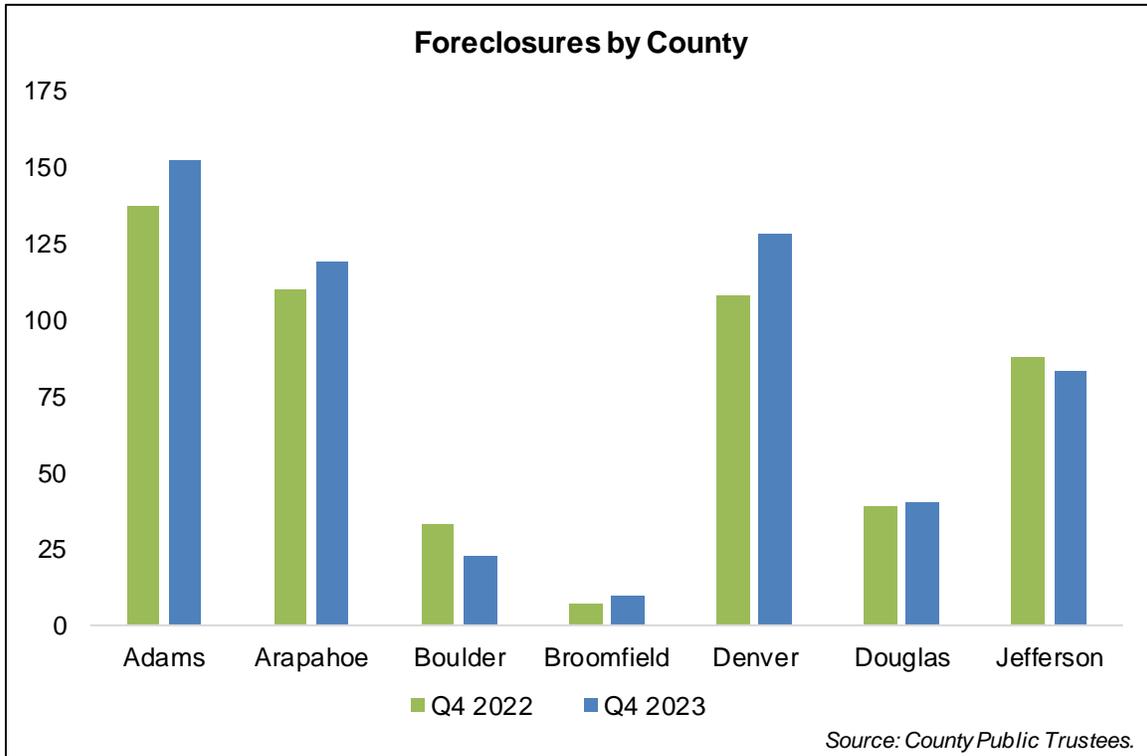
County	Vacancy Rate	Efficiency	1 Bed	2 Bed 1 Bath	2 Bed 2 Bath	3 Bed	Other	All
Adams	6.1%	\$1,424	\$1,497	\$1,643	\$1,990	\$2,387	\$2,437	\$1,725
Arapahoe	5.8%	\$1,429	\$1,536	\$1,758	\$2,018	\$2,521	\$3,161	\$1,794
Boulder/Broomfield	5.6%	\$1,646	\$1,739	\$1,796	\$2,212	\$2,596	\$3,130	\$1,950
Denver	6.1%	\$1,505	\$1,722	\$1,780	\$2,364	\$2,968	\$3,571	\$1,909
Douglas	6.1%	\$1,625	\$1,754	\$1,990	\$2,216	\$2,587	\$2,724	\$2,006
Jefferson	5.1%	\$1,494	\$1,673	\$1,733	\$2,133	\$2,524	\$2,202	\$1,874
Metro Average	5.8%	\$1,509	\$1,656	\$1,757	\$2,175	\$2,607	\$2,791	\$1,870

Source: Denver Metro Apartment Vacancy and Rent Survey.

The average rental rate in Jefferson County for all apartment types (\$1,874) increased 2.1 percent over the year but fell 1.9 percent between the third quarter of 2023 and the fourth quarter of 2023. The Jefferson County average rental rate was \$4 above the Metro Denver average in the fourth quarter of 2023 and was the third-lowest average rental rate among the six Metro Denver county market groups. All six submarkets reported over-the-year increases in the average monthly rental rate, led by Arapahoe County (+3.3 percent) and Adams County (+2.7 percent). The Denver submarket reported the smallest increase in the average rent of 0.5 percent. Douglas County reported the highest rental rate in Q4 2023 of \$2,006 per month, while Adams County reported the lowest rental rate of \$1,725 per month. Across Metro Denver, rents decreased 1.0 percent over the quarter to \$1,870 per month but increased 1.7 percent over the year.

Foreclosures

Foreclosure filings in Jefferson County decreased 5.7 percent over-the-year to 83 filings during the fourth quarter of 2023, down 5 filings compared with the same time last year. Five of seven counties in Metro Denver reported increases in filings over-the-year, with the City and County of Broomfield reporting the largest percentage increase of 42.9 percent while the City and County of Denver experience the largest raw increase of 20 filings. Across Metro Denver, foreclosure filings rose 6.3 percent over-the-year to 555 total filings, representing an increase of 33 foreclosures during the period.



Residential Construction

Jefferson County Residential Building Permits

	Single-Family Detached		Single-Family Attached		Multi-Family		Total Units	
	Q4 2022	Q4 2023	Q4 2022	Q4 2023	Q4 2022	Q4 2023	Q4 2022	Q4 2023
Unincorp. Jefferson County	130	65	18	4	0	88	148	157
Arvada	42	112	4	0	0	0	46	112
Edgewater	1	2	0	0	0	0	1	2
Golden	0	2	0	0	0	0	0	2
Lakewood	4	20	2	9	369	19	375	48
Mountain View	0	0	0	0	0	0	0	0
Westminster*	5	13	0	0	0	11	5	24
Wheat Ridge	19	19	0	0	65	44	84	63
Total Units	196	220	24	13	434	151	654	384

*Westminster included in Adams and Jefferson Counties. Total may reflect construction not in Jefferson County.
Source: U.S. Census Bureau.

The total number of residential units permitted in Jefferson County decreased 41.3 percent or by 270 units between the fourth quarters of 2022 and 2023. In total, Jefferson County permitted 384 units in the fourth quarter of 2023. There were 220 single-family detached home permits in Q4 2023 which accounted for 57.3 percent of total permits in the period. Multi-family units accounted for 39.3 percent of the units, totaling 151, and single-family attached homes accounted for 3.4 percent, or 13 units. Single-family detached homes reported the only over-the-year increase, jumping 12.2 percent, or 24 units, while multi-family recorded the largest over-the-year decrease, down 65.2 percent from 434 building permits reported in Q4 2022. Single-family attached units reported a drop of 45.8 percent, or an decrease of 11 units.

Four of the eight market areas in Jefferson County reported an increase in total units over the year. Westminster recorded the largest percentage increase in permits of 380 percent, up to 24 from 5, while Arvada reported the largest raw increase of 66. Lakewood reported 48 permits in Q4 2023, an 87.2 percent decrease in total units permitted from the same quarter last year. The city of Lakewood permitted 350 fewer multifamily units in Q4 2023 compared to Q4 2022.

Commercial Real Estate

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

Office Market

The Jefferson County vacancy rate increased in one of three classes of office space. Vacancy in Class A office space increased 2.6 percentage points to 12.4 percent vacancy between the fourth quarters of 2022 and 2023. Class B space recorded no change during the period at 10.0 percent vacancy, while Class C space reported a 0.6 percentage point decrease to 4.8 percent vacancy. Just over 26,000-square-feet of Class B office space was added in Q4 2023.

The average lease rates for office space in Jefferson County increased in one of three classes of office buildings during the fourth quarter of the year. Class C space reported an increase of 12.0 percent, rising to \$20.01 per square foot. Class B space reported a decrease of 0.3 percent or \$0.07 fewer per square foot, while Class A space reported no change during the period.

The Metro Denver office market reported an increase in the vacancy rate in all three classes of office space between the fourth quarters of 2022 and 2023. Class A vacancy increased 2.4 percentage points to 18.3 percent during the period. Class B vacancy increased 0.8 percentage points to 11.8 percent, while Class C space increased 0.2 percentage points to 4.1 percent. The average lease rate in the office market increased in two of the three office classes during the period, with the largest increase in the Class C space, which rose 2.5 percent to \$22.40 per square foot. Class B space rose 0.8 percent to \$27.65, while Class A space reported that the lease rate decreased 0.3 percent to \$34.81 per square foot.

Industrial Market

Industrial warehouse vacancy in Jefferson County fell 0.4 percentage points to 2.5 percent between the fourth quarters of 2022 and 2023. The average lease rate increased 9.9 percent to \$14.01 per square foot. There was 10,580 square feet added to the industrial warehouse market over the year.

The vacancy rate in the flex/R&D market was 5.7 percent in the fourth quarter of 2023, up 1.1 percentage points from a year prior. The average lease rate rose 9.7 percent during the same period, increasing to \$14.06 per square foot. There was no Flex/R&D space added to the market between the fourth quarters of 2022 and 2023.

The industrial warehouse market vacancy in Metro Denver increased 1.1 percentage points to 6.0 percent between the fourth quarters of 2022 and 2023. The average lease rate increased 10.1 percent to \$10.88 per square foot. The vacancy rate in the Flex/R&D market in Metro Denver fell over the year, decreasing 1.9 percentage points to 11.6 percent. The average lease rate increased 11.0 percent during the period to \$15.72 per square foot for the Flex/R&D market.

Jefferson County Commercial Vacancy and Lease Rates by Property Type

		Total Existing Square Footage		Vacancy Rate		Avg Lease Rate (per sq. ft.)	
		Q4 2022	Q4 2023	Q4 2022	Q4 2023	Q4 2022	Q4 2023
Office	Jefferson County						
	Class A	5,401,187	5,401,187	9.8%	12.4%	\$27.50	\$27.50
	Class B	15,868,504	15,894,656	10.0%	10.0%	\$23.36	\$23.29
	Class C	3,550,473	3,550,473	5.4%	4.8%	\$17.87	\$20.01
	Metro Denver						
	Class A	79,339,299	79,929,914	15.9%	18.3%	\$34.92	\$34.81
	Class B	103,029,690	103,182,736	11.0%	11.8%	\$27.42	\$27.65
Class C	21,704,184	21,704,184	3.9%	4.1%	\$21.85	\$22.40	
Industrial	Jefferson County						
	Industrial Warehouse	9,805,289	9,815,869	2.9%	2.5%	\$12.75	\$14.01
	Flex/R&D	1,626,112	1,626,112	4.6%	5.7%	\$12.82	\$14.06
	Metro Denver						
	Industrial Warehouse	153,017,033	154,883,950	4.9%	6.0%	\$9.88	\$10.88
Flex/R&D	10,631,524	11,088,133	13.5%	11.6%	\$14.16	\$15.72	
Retail	Jefferson County	37,078,534	37,156,394	4.3%	4.4%	\$15.97	\$16.40
	Metro Denver	180,336,646	181,387,222	3.9%	4.0%	\$20.22	\$21.30

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.

Retail Market

The Jefferson County retail market reported a 0.1 percentage point increase in the vacancy rate, rising to 4.4 percent between the fourth quarters of 2022 and 2023. An additional 77,860 square feet of retail space was added in Jefferson County. The average lease rate in Jefferson County rose 2.7 percent over the year, rising to \$16.40 per square foot.

The retail vacancy rate in Metro Denver rose 0.1 percentage points over-the-year to 4.0 percent vacancy, while the average lease rate increased 5.3 percent to \$21.30 per square foot in the fourth quarter of 2023.

Commercial Construction

There were 17 buildings with 686,961 square feet of commercial space under construction in Jefferson County at the end of the fourth quarter of 2023. Industrial/Flex space accounted for 47.0 percent of the square footage under construction with 322,531 square feet of space. In addition, there was 258,000 square feet of office space and 106,430 square feet of retail space under construction. The largest project under construction was the SCL Health Office Building in Wheat Ridge, totaling 134,000 square feet of office space.

There were 14 retail buildings, five industrial buildings, three flex, and two office buildings completed in Jefferson County in 2023, totaling 467,442 square feet. Flex and industrial space accounted for 76.5 percent of the space completed, with retail space accounting 17.9 percent, and office accounting for the remaining 5.6. The largest building completed was the Verve Commerce Center, a 133,638-square-foot industrial building.

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March 2024