



Economic Activity Report

October 2015



Introduction

The Commerce City *Economic Activity Reports* are prepared quarterly by Development Research Partners for the city's Economic Development Division. The report tracks the performance of various economic indicators. Economic indicators are key statistics that give a snapshot on the health and well-being of the city's overall economy.

Executive Summary

The Commerce City economy expanded across many indicators through the third quarter of 2015, with growth in employment and the residential real estate market. The employment situation improved, with overall employment rising 6.6 percent between the first quarters of 2014 and 2015, representing the addition of 1,780 new jobs. The unemployment rate was 5.2 percent in the second quarter of 2015, a decline of 0.6 percentage points from the prior year's level. The unemployment rate was also the lowest second quarter unemployment rate since the second quarter of 2000 when the rate was 4.1 percent.

Consumer activity in Commerce City declined in the fourth quarter of 2014, with total retail sales falling 27.9 percent compared with the prior quarter. Commerce City businesses collected \$338 million less in retail sales during the period. Despite the decline in retail sales during the fourth quarter of 2014, consumer confidence in the Mountain Region increased 29.4 percent between the third quarters of 2014 and 2015.

Home sales activity reported increasing trends between the third quarters of 2014 and 2015, with sales of single-family attached homes in Commerce City rising 30.6 percent and sales of single-family detached homes rising 1.3 percent. The average sales price improved in both the single-family attached (+16 percent) and single-family detached markets (+12.5 percent) over-the-year. The apartment rental market loosened slightly during the third quarter of 2015 in Commerce City, with the vacancy rate rising 0.1 percentage points over-the-quarter to 3.2 percent. Three of the five commercial property types tracked in this report record increasing vacancy rates and three property types recorded increases in average lease rates.

Commerce City Economic Headlines

- ◆ The City Council of Commerce City unanimously approved an ordinance that will apply to new construction within the city. The ordinance is expected to encourage diverse housing options to better serve the community. The ordinance gives builders the right to repair defects within certain time constraints and places new requirements on homeowners' consent before a construction-defects suit can be brought. The Commerce City Mayor stated that the city has not approved a new condominium or multi-family project since 2008 and he hopes that the ordinance will spur new conversations with their industry partners.
- ◆ Commerce City celebrated the opening of the new Fronterra Park, the second of five voter-approved projects in the \$137 million capital improvement program. The nearly 20-acre park includes a hillside slide, a small skate area, two graded playfields, a playground, a picnic area, three fitness stations, and restrooms. The \$4 million project took nine months to complete and was constructed by Golden Triangle Construction.
- ◆ *Forbes* ranked Denver the nation's best place for business and careers. The Denver-Aurora-Lakewood metropolitan area ranked number one for the first time, rising from fourth place on the 2014 list. The company stated that the area is attractive for its diverse economy, highly educated labor force, and outdoor recreational opportunities. Raleigh, N.C. was ranked second followed by Portland, Ore., Provo, Utah, and Atlanta, Ga.
- ◆ The U.S. Bureau of Labor Statistics (BLS) reported that Adams County had the second highest job growth for the first quarter of 2015, while Weld County dropped from first to ninth. The BLS ranks the country's 342 largest counties for job growth each quarter. Adams County employment increased 5.8 percent between the first quarter of 2014 and 2015. Utah County, Utah had the highest employment growth, rising 6.7 percent during the period.

- ◆ WalletHub ranked Denver as the second-best recession-recovered city. The company compared the 150 largest U.S. cities across 17 indicators in two categories including unemployment rates, inflow of college-educated workers, labor force participation rates, median home prices, and foreclosure rates. Of the two categories, Denver ranked first in employment and earning opportunities and 21st for economic environment.
- ◆ According to *Money* magazine, Denver is the best city to live in the West. The magazine stated that Denver was a “mecca for millennials” and that the city has relatively affordable real estate, when compared with Boston or San Francisco, and great access to recreation.
- ◆ WalletHub ranked Colorado the fourth happiest state in the country, falling behind Utah, Minnesota, and Hawaii. The company ranked all 50 states and the District of Columbia across three key categories consisting of emotional and physical well-being, work environment, and community, environment, and recreational activities. Colorado had the second highest adequate-sleep rate, the highest sports participation rate, and the highest job security rate.
- ◆ According to *The State of Obesity: Better Policies for a Healthier America* report released by the Trust for America’s Health and the Robert Wood Johnson Foundation, Colorado has the lowest adult obesity rate in the nation. The report showed that 21.3 percent of adult Coloradans were obese in 2014. The study was based on analysis of state-by-state data from the Centers for Disease Control and Prevention’s Behavioral Risk Factors Surveillance Survey. Arkansas had the highest adult obesity rate with 35.9 percent.

Employment

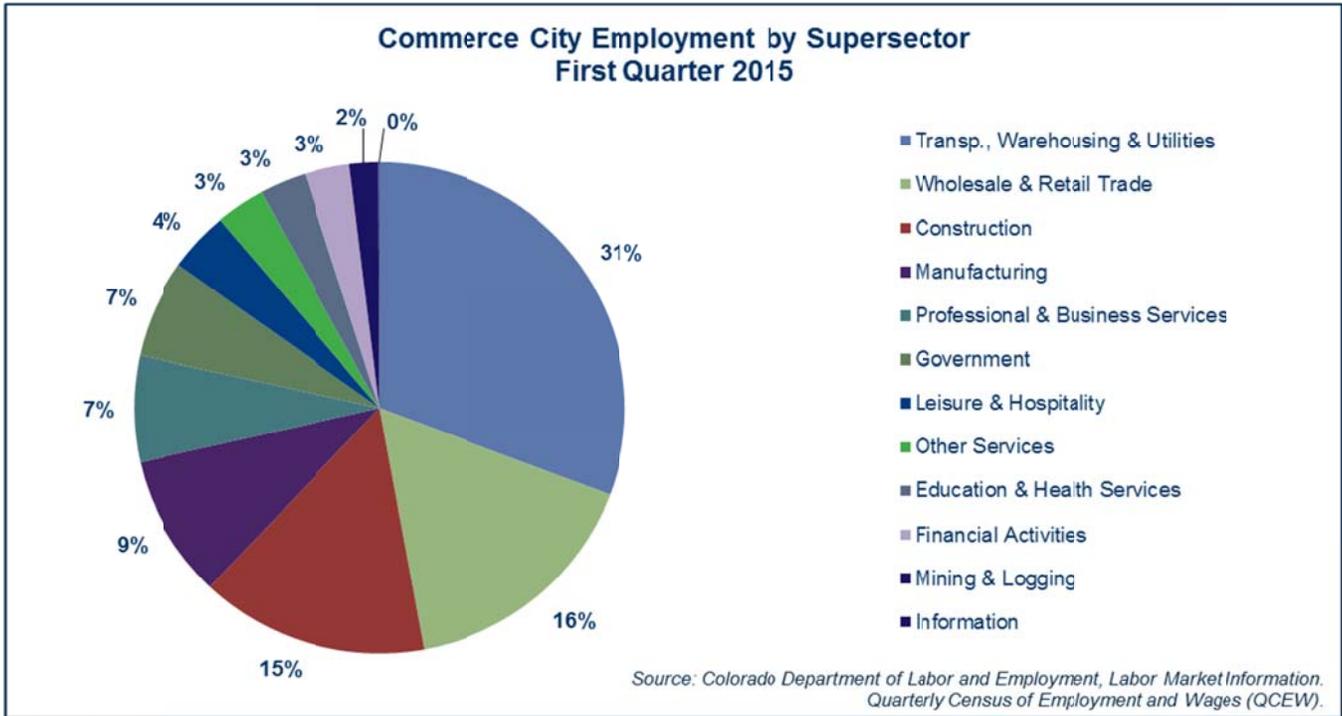
The number of businesses throughout Commerce City rose 7.2 percent between the first quarters of 2014 and 2015, a net gain of 85 businesses. Of the 12 supersectors, two sectors reported over-the-year declines in business counts including government (-1 business) and manufacturing (-3 businesses). The mining and logging supersector reported the largest percent increase in the number of businesses, rising 23.5 percent (+4 businesses). In terms of total businesses created, the construction sector and the professional and business services supersector created the most businesses, each adding 18 new businesses to the area during the period. The leisure and hospitality supersector (+16.4 percent) also reported strong business growth over-the-year, adding 11 businesses.

Business and Employment Indicators by Supersector

	Commerce City						Metro Denver	
	Quarterly Business Count		Average Weekly Wage		Quarterly Employment Level		Quarterly Employment Level	
	1Q 2015	1Q 2014	1Q 2015	1Q 2014	1Q 2015	1Q 2014	1Q 2015	1Q 2014
Total All Industries	1,260	1,175	\$985	\$960	28,637	26,861	1,499,727	1,439,376
Private Sector								
Mining & Logging	21	17	\$1,696	\$1,867	536	468	14,796	13,858
Construction	170	152	\$886	\$858	4,269	4,178	82,284	75,328
Manufacturing	96	99	\$1,483	\$1,436	2,696	2,590	83,982	80,832
Wholesale & Retail Trade	270	260	\$1,140	\$1,080	4,687	4,457	222,044	215,202
Transp., Warehousing & Utilities	164	154	\$926	\$916	8,804	7,994	51,601	49,422
Information	7	7	\$1,332	\$1,171	22	23	52,882	52,777
Financial Activities	94	85	\$874	\$871	847	806	103,131	99,696
Professional & Business Services	181	163	\$959	\$913	2,004	1,748	277,586	264,832
Education & Health Services	56	50	\$657	\$628	872	775	193,606	183,728
Leisure & Hospitality	78	67	\$338	\$330	1,140	1,070	159,745	152,714
Other Services	109	105	\$828	\$795	910	856	45,941	43,648
Government	11	12	\$885	\$854	1,844	1,887	211,963	207,030

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 first quarter of 2015 was \$985, an increase of 2.7 percent compared with the prior year’s level. The highest weekly wage during the period was in the mining and logging supersector at \$1,696 per week, representing a 9.2 percent decrease over-the-year. The information sector reported the largest increase in the average weekly wage over-the-year, rising 13.7 percent to \$1,332 per week. Workers in the leisure and hospitality supersector earned the lowest wage at \$338 per week, but this was 2.3 percent higher than the previous year. The financial services supersector reported the smallest increase over-the-year, rising 0.3 percent to \$874 per week on average.

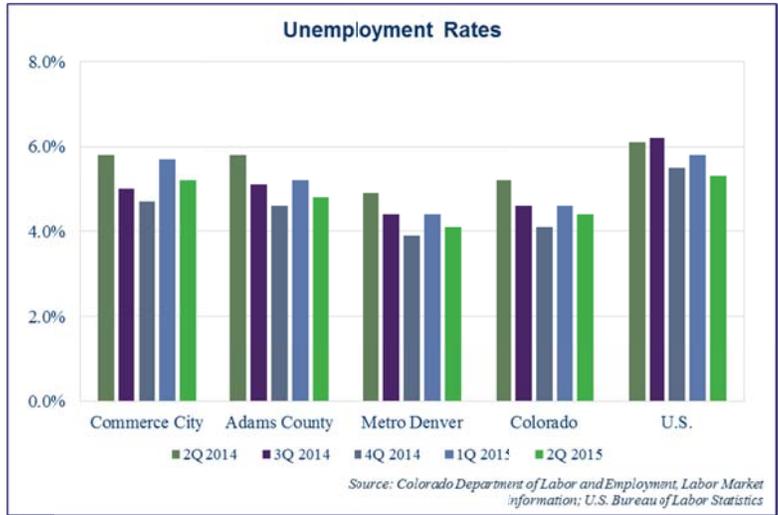
Commerce City employment rose 6.6 percent in the first quarter of 2015 compared with the prior year, creating an additional 1,780 jobs. The supersector that reported the largest increase in employment was professional and business services, recording a 14.6 percent increase in employment and creating 260 positions. The mining and logging supersector and the education and health services supersector also recorded significant employment growth during the period, rising 14.4 percent and 12.5 percent, respectively. The largest supersector by employment is transportation, warehousing, and utilities, representing over 30 percent of the area’s total employment. The supersector recorded a 10.1 percent increase in employment between the first quarters of 2014 and 2015. The information (-4.3 percent) and government (-2.3 percent) sectors reported over-the-year declines in employment.

The Metro Denver area also reported significant employment growth in the first quarter of 2015, with overall employment rising 4.2 percent compared with the prior year’s level. The construction sector reported the largest increase in employment during the same period, growing 9.2 percent and creating 6,960 jobs. The professional and business services supersector was the largest by overall employment with 277,590 workers and increased 4.8 percent during the period. The information supersector recorded the smallest growth in employment over-the-year, rising 0.2 percent over-the-year and adding 105 jobs.

Labor Force and Unemployment

Unemployment in Commerce City was 5.2 percent during the second quarter of 2015, 0.6 percentage points below the prior year and 0.5 percentage points below the prior quarter. This current unemployment rate is the lowest second quarter unemployment rate since the second quarter of 2000 when the rate was 4.1 percent. The

area’s labor force was over 25,200 individuals in the second quarter 2015, an increase of 0.7 percent over-the-year. Adams County reported a 1 percentage point decline in the unemployment rate between the second quarters of 2014 and 2015, falling to 4.8 percent. The size of the Adams County labor force increased 0.3 percent, adding 620 people to the labor force. Of the seven Metro Denver counties, Adams County recorded the highest unemployment rate during the second quarter, but recorded the largest over-the-year decline in the unemployment rate. Metro Denver reported a 0.3 percent increase in the labor force and a 0.8 percentage point decline in the unemployment rate over-the-year.



Colorado reported a 0.3 percent increase in the labor force between the second quarters of 2014 and 2015 and the unemployment rate declined 0.8 percentage points to 4.4 percent. The United States recorded a 0.8 percentage point decrease in the unemployment rate over-the-year, with a 1 percent increase in the labor force.

	Labor Force			Unemployment Rate	
	2Q 2015	2Q 2014	Yr/Yr % Change	2Q 2015	2Q 2014
Commerce City	25,206	25,038	0.7%	5.2%	5.8%
Adams County	245,971	245,351	0.3%	4.8%	5.8%
Metro Denver	1,644,756	1,640,248	0.3%	4.1%	4.9%
Colorado	2,822,297	2,814,592	0.3%	4.4%	5.2%
U.S. (000s)	157,519	155,894	1.0%	5.3%	6.1%

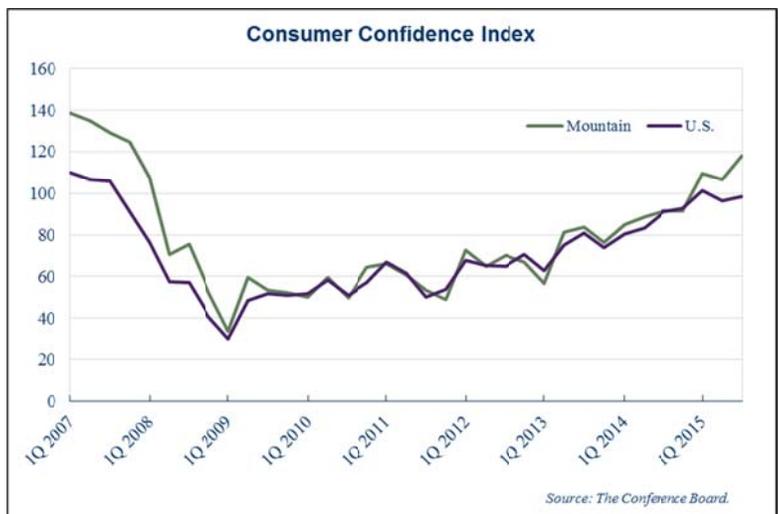
Sources: Colorado Department of Labor and Employment, Labor Market Information; U.S. Bureau of Labor Statistics.

Consumer Activity

Consumer Confidence

The Conference Board’s National Consumer Confidence Index increased during the third quarter of 2015, rising 2.3 percent over-the-quarter to 98.4 for the U.S. index. The U.S. index also recorded an 8.3 percent increase in consumer confidence between the third quarters of 2014 and 2015. The third quarter 2015 level was the second highest national consumer confidence level since the third quarter of 2007.

The Mountain Region index, which includes Colorado, also increased during the third quarter of 2015. The Mountain Region index rose to 118.2, an over-the-quarter increase of 10.7 percent. The Mountain Region Index also reported an over-the-year increase of 29.4 percent. The third quarter 2015 level was the highest level of consumer confidence since the fourth quarter of 2007 when the index reached 124.6.



Retail Sales

Commerce City retail sales decreased 17.1 percent between the fourth quarters of 2013 and 2014, representing \$338 million fewer in sales over-the-year. The city also reported a 27.9 percent decrease over-the-quarter, generating \$636.7 million fewer in retail sales. During the fourth quarter of 2014, Commerce City retail sales represented 27.4 percent of Adams County total retail sales. Adams County reported nearly \$6 billion in total retail sales during the fourth quarter of 2014, a decrease of 1.9 percent compared with the same period the prior year. Retail sales for Adams County fell 1.4 percent over-the-quarter.

Total retail sales in the seven-county Metro Denver area increased 1.9 percent between the fourth quarters of 2013 to 2014. Metro Denver also reported a 10.7 percent increase in retail sales over-the-quarter. Five of the seven counties in Metro Denver reported growth in retail sales between the fourth quarters of 2013 and 2014. The City and County of Denver recorded the largest value of total retail sales, generating nearly \$8 billion in total sales. Arapahoe County reported the largest increase in total value of retail sales, generating an additional \$323.9 million during the period. The City and County of Broomfield recorded a decline in retail sales over-the-year, falling 3.3 percent and generated \$78.7 million less than the previous year.

Total Retail Sales (\$000's)

	4Q 2014	3Q 2014	4Q 2013	Yr/Yr % Change	Qrt/Qrt % Change
Commerce City	\$1,641,327	\$2,277,996	\$1,979,355	-17.1%	-27.9%
Adams County	\$5,987,434	\$6,071,467	\$6,103,640	-1.9%	-1.4%
Metro Denver	\$30,801,993	\$27,821,529	\$30,222,203	1.9%	10.7%

Source: Colorado Department of Revenue.

Residential Real Estate

Home Sales

Commerce City existing home sales continued to increase in both the single-family detached and single-family attached markets. The single-family attached market recorded a 30.6 percent increase in sales between the third quarters of 2014 and 2015, reflecting 11 additional homes sold during the period. The single-family detached market reported a 1.3 percent increase in home sales, or three 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 \$290,970 was 12.5 percent higher than the previous year's level. The single-family attached average home price of \$210,820 was 16 percent above the prior year's level.

The single-family detached market in Metro Denver improved through the third quarter of 2015, with total Metro Denver sales rising 1.3 percent over-the-year. Four of the seven counties reported over-the-year increases in home sales and three reported decreases. The average sales price throughout Metro Denver of \$409,120 reflected a 10.2 percent increase compared with the prior year. Boulder County reported the highest average sales price (\$484,070) and Adams County reported the lowest average sales price (\$306,230). Average prices increased in six of the seven counties between the third quarters of 2014 and 2015, with Boulder County (-2.7 percent) recording the only over-the-year decline.

Sales of single-family attached homes in Metro Denver were 10.1 percent higher in the third quarter 2015 compared with the third quarter 2014, representing the sale of 444 additional homes. Six of the seven counties recorded over-the-year increases in sales, with the City and County of Broomfield (-24.6 percent) reporting the only decline in sales. The City and County of Denver reported the highest number of home sales (1,620 sales), an increase of 11.6 percent, and the highest average sales price (\$332,690), an increase of 19.4 percent. Douglas County reported the smallest over-the-year increase in the average sales price, rising 7.6 percent, and the average sales price of \$262,160 was the fourth lowest of the seven counties.

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>									
3Q 2015	227	1,851	2,456	304	236	2,173	1,905	2,320	11,245
3Q 2014	224	1,782	2,434	316	252	2,123	1,919	2,280	11,106
<i>Single-Family Attached</i>									
3Q 2015	47	543	1,277	98	49	1,620	415	859	4,861
3Q 2014	36	479	1,156	95	65	1,452	356	814	4,417
Average Sold Price									
<i>Single-Family Detached</i>									
3Q 2015	\$290,968	\$306,225	\$393,139	\$484,071	\$407,761	\$448,632	\$477,219	\$405,518	\$409,119
3Q 2014	\$258,739	\$269,153	\$356,487	\$497,601	\$398,183	\$392,552	\$444,869	\$365,287	\$371,407
<i>Single-Family Attached</i>									
3Q 2015	\$210,816	\$194,880	\$199,582	\$308,933	\$277,964	\$332,692	\$262,155	\$215,739	\$254,610
3Q 2014	\$181,765	\$170,137	\$178,877	\$281,712	\$247,908	\$278,632	\$243,655	\$185,274	\$220,349

Source: REcolorado.

Apartment Market

The Commerce City/Brighton apartment rental market reported increases in vacancy and rental rates between the first and second quarters of 2015. The vacancy rate increased to 3.2 percent in the second quarter, rising 0.1 percentage points from the prior quarter’s level of 3.1 percent. However, the vacancy rate was 6 percentage points lower than the same time last year. The average rental rate for the Commerce City/Brighton area during the second quarter was \$1,205 per month, an increase of 1.5 percent from the previous quarter. The average rental rate was also 18.9 percent higher than the prior year’s level of \$1,013 per month. The second quarter average rental rate for the Commerce City/Brighton area was 2.2 percent above than the Adams County level, but 4.8 percent below the Metro Denver level.

The Adams County and Metro Denver apartment rental markets reported declines in vacancy between the second quarters of 2014 and 2015. The Adams County vacancy rate was 0.6 percentage points lower than the prior year’s level and was 0.1 percentage points below the previous quarter’s level. The average rental rate for Adams County was \$1,179 in the second quarter, 4.3 percent higher over-the-quarter and 15.2 percent higher over-the-year. Metro Denver reported a vacancy rate of 4.5 percent in the second quarter, which was 0.2 percentage points lower than the prior year. The average rental rate in Metro Denver increased 5.1 percent over-the-quarter and 13.3 percent over-the-year.

**Average Apartment Rents and Vacancy
Second Quarter 2015**

	Vacancy Rate	Efficiency	1 Bed	2 Bed 1 Bath	2 Bed 2 Bath	3 Bed	Other	All
Adams County	3.9%	\$784	\$1,026	\$1,153	\$1,366	\$1,715	\$1,265	\$1,179
Commerce City/Brighton	3.2%	-	\$1,049	\$1,133	\$1,359	\$1,578	-	\$1,205
Metro Denver	4.5%	\$1,004	\$1,121	\$1,192	\$1,493	\$1,788	\$1,406	\$1,265

Source: Denver Metro Apartment Vacancy and Rent Survey.

Foreclosures

Foreclosure activity in the Metro Denver area continued to report improvements between the second quarters of 2014 and 2015. Metro Denver reported a 28 percent decline in total foreclosure filings over-the-year to 1,016 as all seven counties reported declines. The City and County of Broomfield reported the largest decrease in filings (-75 percent) and Boulder County reported the smallest decrease (-4 percent). Arapahoe County (269 filings) reported the largest number of total filings and reported an over-the-year decline of 24.2 percent. Adams County reported 205 total filings, representing an over-the-year decline of 30 percent. Foreclosure filings for Metro Denver were up 22.1 percent in the second quarter 2015 compared with the previous quarter.

Residential Construction

Residential building permits in Commerce City continued to decrease during the third quarter of 2015 compared with the prior year’s level. Commerce City reported 42 total permits issued during the third quarter, a 41.7 percent decrease from the third quarter 2014 level of 72 permits. Commerce City’s residential building permits continue to be heavily concentrated in the single-family detached market, representing 100 percent of permits issued in many previous quarters. There were no condominium and townhomes permits issued and no multi-family permits issued during the most recent quarter, but there was one condominium and townhome permit issued in the third quarter of 2014. The average valuation per single-family detached unit decreased 6.4 percent over-the-year, reaching \$154,960 per unit.

According to the U.S. Census Bureau, Metro Denver residential building permits rose 26.8 percent during the second quarter of 2015 compared with the prior year. Single-family detached units increased 18.7 percent, representing 448 additional units over-the-year. Single-family attached permits rose 56.8 percent, with 50 additional permits issued, and multi-family permits rose 39.7 percent, with 525 additional permits issued, between the second quarters of 2014 and 2015. Total permits for Adams County were up 65 percent over-the-year and 34 percent over-the-quarter. Adams County recorded 487 permits during the second quarter consisting of 457 single-family detached permits, six single-family attached units, and 24 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	
3Q 2015	42	\$154,964	-	-	-	-	-	42
3Q 2014	71	\$165,570	1	\$202,385	-	-	-	72
Yr/Yr % Change	-40.8%	-6.4%	-	-	-	-	-	-41.7%

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

Commercial Real Estate

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 mixed trends through the third quarter of 2015. There was an additional 11,800 square feet of rentable space added to the market between the third quarters of 2014 and 2015. The office vacancy rate rose to 7.8 percent, an increase of 3.7 percentage points from the prior year’s level of 4.1 percent. The average lease rate for the office market rose 11.9 percent over-the-year to \$21.88 per square foot, adding \$2.33 per square foot. This average lease rate was the highest third quarter rate for the market since third quarter of 2011 when the price was \$22.88 per square foot.

The Metro Denver office market tightened between the third quarters of 2014 and 2015, with falling vacancy rates and rising average lease rates. The Metro Denver office market added an additional 1.7 million square feet of rentable space to the market over-the-year. The office market vacancy rate fell 1 percentage point over-the-year to 9.6 percent vacancy during the third quarter 2015. This vacancy rate was the lowest third quarter level for the market since the third quarter of 2001. The average lease rate rose 4.4 percent during the same period to \$24.07 per square foot, adding \$1.02 per square foot.

Retail Market

The Commerce City retail market added nearly 15,600 square feet of rentable retail space during the third quarter of 2015. Retail vacancy in Commerce City increased 0.1 percentage points between the third quarters of 2014 and 2015 to 4.8 percent vacancy. The average lease rate for retail space fell 5.2 percent over-the-year to \$15.79 per square foot, losing \$0.86 per square foot.

The retail market in Metro Denver improved between the third quarters of 2014 and 2015. The Metro Denver retail market added over 747,230 square feet of rentable space over-the-year. The vacancy rate fell to 5 percent during the third quarter, a decline of 0.6 percentage points compared with the previous year. This was the lowest vacancy rate since the availability of the data in the first quarter of 2006. The average lease rate fell \$0.02 per square foot to \$15.70 per square foot, a decrease of 0.1 percent over-the-year.

Flex Market

The Commerce City flex market reported declining trends through the third quarter of 2015. The flex market has over 243,100 square feet of rentable space. The flex market vacancy rate increased 3.2 percentage points between the third quarters of 2014 and 2015 to 6.9 percent. The flex market vacancy rate for Commerce City had not been above 6 percent since the third quarter of 2008 when the vacancy rate was also 6.9 percent. The average lease rate was \$16 per square foot during the third quarter of 2015, \$5.61 per square foot higher than the Metro Denver level.

The Metro Denver flex market continued to improve through the third quarter of the year. The vacancy rate in the area fell 0.7 percentage points to 7.6 percent between the third quarters of 2014 and 2015, the lowest rate in Metro Denver since the availability of the data in 1999. The average lease rate increased 8 percent during the same period, rising from \$9.62 per square foot to \$10.39 per square foot. The average lease rate was also the highest rate since the fourth quarter of 1999 when the rate was \$12.42 per square foot.

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 4.7 percent of Metro Denver's total rentable space for warehouse distribution. The warehouse distribution vacancy rate fell 0.7 percentage points to 0.6 percent between the third quarters of 2014 and 2015. The average lease rate rose 38.7 percent to \$9.10 per square foot during the same period, adding \$2.54 per square foot to the average lease rate. All other industrial space in Commerce City reported a 1.7 percentage point increase in the vacancy rate over-the-year to 3.1 percent. The average lease rate for all other industrial space rose 78 percent to \$9.38 per square foot during the same period.

The Metro Denver industrial market is also heavily concentrated in warehouse distribution, reporting over 145.5 million square feet of rentable space during the third quarter of 2015. The vacancy rate for the warehouse distribution market was 2.8 percent, a decline of 0.9 percentage points between the third quarters of 2014 and 2015. This vacancy rate was the lowest level since the availability of the data in 1999. The average lease rate rose 16.5 percent to \$6.65 per square foot during the third quarter of 2015 compared with the prior year. The vacancy rate for all other industrial space fell 0.9 percentage points to 2.6 percent over-the-year. The average lease rate rose 28.9 percent to \$7.18 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.)	
		3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014
<i>Office</i>	Commerce City	354,084	342,284	7.8%	4.1%	\$21.88	\$19.55
	Metro Denver	176,637,896	174,932,703	9.6%	10.6%	\$24.07	\$23.05
<i>Retail</i>	Commerce City	1,396,673	1,381,078	4.8%	4.7%	\$15.79	\$16.65
	Metro Denver	161,447,664	160,700,431	5.0%	5.6%	\$15.70	\$15.72
<i>Flex</i>	Commerce City	243,132	243,132	6.9%	3.7%	\$16.00	\$16.00
	Metro Denver	41,706,992	40,898,472	7.6%	8.3%	\$10.39	\$9.62
<i>Industrial</i>	Commerce City						
	Warehouse Distribution	6,813,604	6,813,604	0.6%	1.3%	\$9.10	\$6.56
	All Other Industrial	2,405,519	2,405,519	3.1%	1.4%	\$9.38	\$5.27
	Metro Denver						
	Warehouse Distribution	145,507,886	144,217,307	2.8%	3.7%	\$6.65	\$5.71
	All Other Industrial	53,737,377	53,418,858	2.6%	3.5%	\$7.18	\$5.57

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 23,270 square feet of nonresidential building permits issued in Commerce City during the second quarter of 2015. The largest permitted project by total square footage was the Rocky Mountain Lutheran High School, with over 14,500 square feet of space. The city will also have an office space addition at the Gardner-Kushniroff Subdivision, permitting nearly 6,600 square feet of space with a total valuation of \$415,000.

Commerce City Commercial Building Permits Issued, 2Q 2015		
Project Description	Valuation	Total Square Feet
Office Addition at Gardner-Kushniroff Subdivision	\$415,000	6,560
Rocky Mountain Lutheran High School	\$600,000	14,546
Taco Bell Restaurant	\$600,000	2,159

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

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