

A high-angle photograph of the Denver skyline. In the foreground, a large clock tower is visible. The background is filled with various skyscrapers, including one with a prominent blue facade. The Colliers logo is positioned in the top right corner of the image.

Colliers

Denver

Retail

26Q1

Denver's retail market opened 2026 with a brief reset following Q4's strong close. Vacancy ticked up 20 basis points to 4.6% and net absorption registered approximately -341,000 SF, but the underlying demand picture remains constructive. Asking rents pushed slightly higher to \$21.47/SF NNN, up 3.0% year-over-year, and leasing activity climbed to 774,000 SF, outpacing Q4 and signaling that tenants continue to transact. Deliveries held at a measured 139,000 SF, and the construction pipeline tightened to 771,000 SF, pointing to a more balanced supply outlook through the rest of the year. Investment activity is off to a healthy start with \$335 million in year-to-date volume, building on two consecutive years above \$1.25 billion. With rent growth holding, leasing velocity steady, and new supply moderating, Denver retail enters the rest of 2026 with its core fundamentals intact.

Accelerating success.

## Key Takeaways

- Vacancy rose 20 bps QoQ to 4.6%, reversing Q4's improvement, with a 30-bps increase year-over-year
- Net absorption returned to negative territory at -341K SF after Q4's positive rebound of 343K SF
- Asking rents remained resilient at \$21.47/SF NNN, up 3.0% YOY despite softening occupancy
- Deliveries totaled 139K SF with 771K SF under construction, a narrowing pipeline from Q4's 894K SF
- Leasing activity reached 774K SF, outpacing Q4 and reflecting continued tenant demand



Denver  
Retail  
**26Q1**



## Demand Drivers Hold Firm as Denver Retail Resets

Denver's retail market opened 2026 with a brief reset after Q4's strong close. Vacancy moved up 20 basis points to 4.6% and net absorption came in at approximately -341,000 SF, giving back some of Q4 2025's nearly 343,000 SF gain. Even with the quarterly swing, the broader trend lines remain constructive. Asking rents nudged higher to \$21.47/SF NNN, up 3.0% year-over-year, reflecting continued landlord confidence in the market. Deliveries totaled roughly 139,000 SF and the construction pipeline tightened to 771,000 SF, a measured development backdrop that should help supply and demand find balance through the year. Leasing activity reached 774,000 SF, ahead of Q4's pace, a clear signal that tenant demand is still moving through the market even as the headline absorption figure softened.

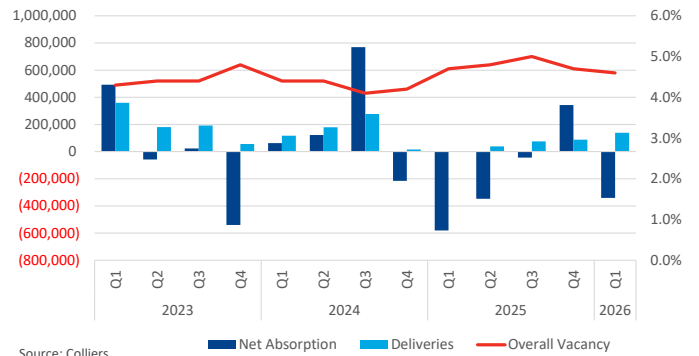
## Market Indicators



## Historic Comparison

|                                   | Q1 2025     | Q4 2025     | Q1 2026     |
|-----------------------------------|-------------|-------------|-------------|
| <b>Total Inventory (SF)</b>       | 177,271,026 | 177,417,861 | 177,475,345 |
| <b>New Supply (SF)</b>            | 780,412     | 121,335     | 139,089     |
| <b>Net Absorption (SF)</b>        | (621,269)   | 321,518     | (340,658)   |
| <b>Overall Vacancy</b>            | 4.3%        | 4.4%        | 4.6%        |
| <b>Under Construction (SF)</b>    | 780,412     | 894,291     | 770,845     |
| <b>Overall Asking Rates (NNN)</b> | \$20.84     | \$21.45     | \$21.47     |

## Market Graph



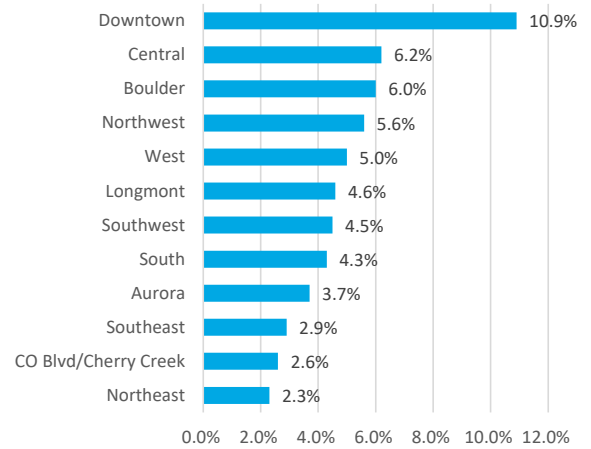
After closing 2025 on a high note with nearly 343,000 SF of positive absorption in Q4, Denver's retail market gave back those gains in Q1 2026, recording approximately -341,000 SF of negative absorption. Vacancy climbed 20 basis points to 4.6%, erasing Q4's improvement. This pattern echoes the volatility seen throughout 2025, where quarterly swings between positive and negative absorption defined the market. Deliveries increased to roughly 139,000 SF, contributing to upward pressure on vacancy. However, the construction pipeline continues to contract, falling to 771,000 SF from 894,000 SF last quarter, which should ease supply-side pressure in upcoming quarters. With leasing activity starting the year above Q4's pace and asking rents holding steady, the underlying demand picture remains intact even as headline absorption figures softened.

## Labor Force

|                                        | TOTAL NONFARM | LEISURE & HOSPITALITY | SERVICE INDUSTRY |
|----------------------------------------|---------------|-----------------------|------------------|
| <b>12-Mo. Employment Growth</b>        | -0.1%         | -0.2%                 | 2.3%             |
| <b>12-Mo. Actual Employment Change</b> | -1.7          | -0.4                  | 1.6              |

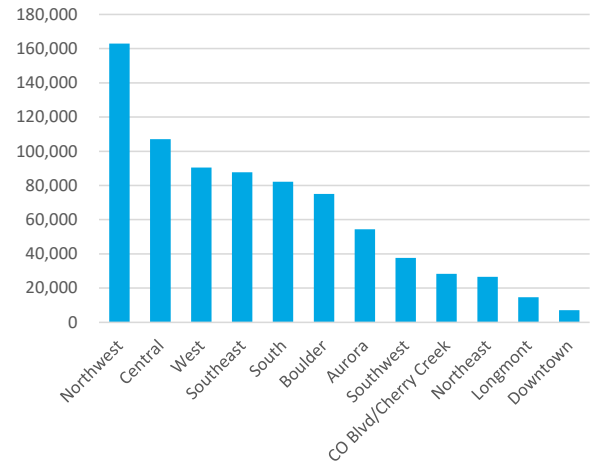
## Vacancy

Overall vacancy rose 20 basis points from Q4 to close the first quarter at 4.6%, reversing the prior quarter's improvement and marking a 30-basis-point increase year-over-year. Downtown remains the most challenged submarket at 10.9%, up 140 basis points from Q4 and more than double the metro average. Central (6.2%) and Boulder (6.0%) also recorded elevated vacancy, driven by negative absorption during the quarter. On the other end of the spectrum, Northeast (2.3%) and CO Blvd/Cherry Creek (2.6%) continue to maintain the metro's tightest conditions. Notably, the Southwest submarket saw a significant improvement, declining 120 basis points to 4.5% on the strength of 135,000 SF of positive absorption. Excluding Downtown, metro vacancy would sit at approximately 4.2%, underscoring how one submarket's continued weakness disproportionately weighs on the overall figure.



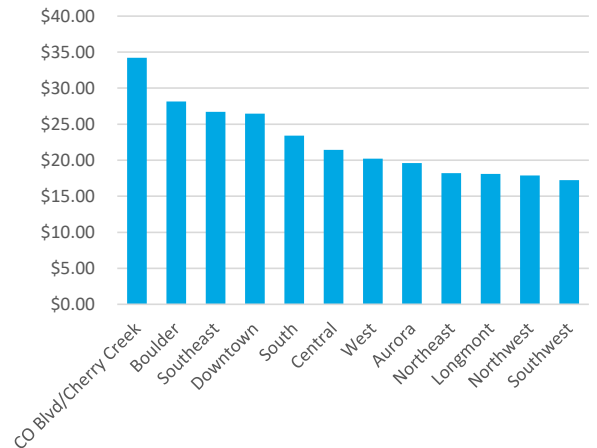
## Absorption & Leasing Activity

Denver's retail market recorded approximately -341,000 SF of net absorption in Q1 2026, a sharp reversal from Q4 2025's positive rebound of 343,000 SF. The pullback was broad-based, with 8 of 12 submarkets posting negative absorption during the quarter. Central led the decline at -217,000 SF, followed by Aurora (-143,000 SF) and Northwest (-98,000 SF). However, pockets of strength emerged, as Southwest posted 135,000 SF of positive absorption, and South (75,000 SF), Northeast (65,000 SF), and Southeast (59,000 SF) also recorded gains. Leasing activity totaled approximately 774,000 SF across the metro, led by Northwest (163,000 SF) and Central (107,000 SF), which saw the highest deal volume. While overall absorption disappointed, leasing activity remained healthy and above Q4's pace of 687,000 SF, suggesting that tenant demand continues to move through the pipeline even as short-term occupancy metrics softened.



## Rental Rates

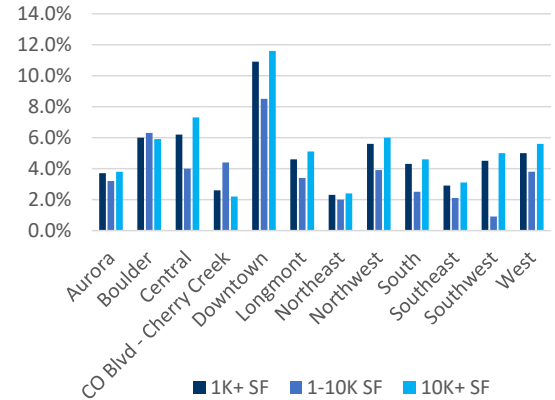
Average retail asking rents closed Q1 2026 at \$21.47/SF on a triple-net basis, a marginal increase from Q4's \$21.45/SF and a 3.0% gain year-over-year. Rent growth remained resilient despite the return of negative absorption, reflecting landlord confidence in the market's long-term fundamentals. The Colorado Boulevard/Cherry Creek submarket commands the highest rents in the metro at \$34.23/SF, followed by Boulder (\$28.16/SF), Southeast (\$26.70/SF), and Downtown (\$26.46/SF). Notably, CO Blvd/Cherry Creek saw the largest QoQ rent increase, jumping \$3.51/SF from Q4, alongside improving vacancy conditions. At the lower end, West (\$20.22/SF), Northwest (\$17.89/SF), and Southwest (\$17.25/SF) remain the most affordable submarkets, though Northwest posted a \$0.42/SF increase from Q4 as leasing activity picked up. The spread between the most and least expensive submarkets continues to widen, with nearly \$17/SF separating Cherry Creek from Southwest, highlighting the diversity of retail pricing across the metro.



\*These rental rates were pulled from CoStar. Based on our market knowledge, we believe actual rental rates may vary significantly depending on the trade area.

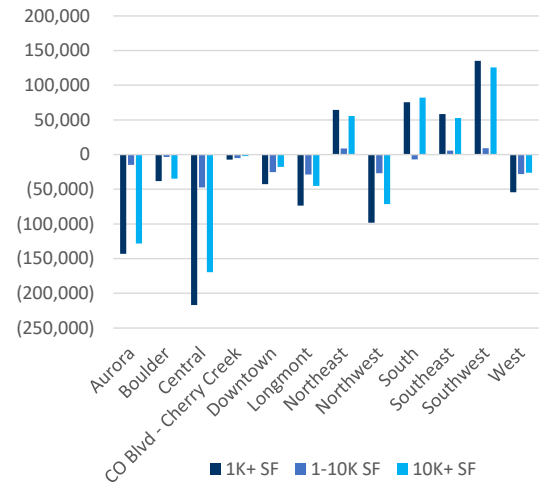
## Vacancy by Square Footage

Vacancy rates across the metro reveal a consistent pattern: larger spaces (10K+ SF) carry higher vacancy than smaller spaces (1-10K SF) in nearly every submarket. The gap is most pronounced in Central, where 10K+ vacancy sits at 7.3% compared to just 4.0% for 1-10K SF, a 330-basis-point spread. Northwest (6.0% vs 3.9%), Longmont (5.1% vs 3.4%), and West (5.6% vs 3.8%) show similar dynamics, suggesting that smaller retail spaces are being absorbed more efficiently across the metro. The lone exception is Boulder, where 1-10K SF vacancy (6.3%) slightly exceeds 10K+ (5.9%), possibly reflecting a saturated small-shop market. Downtown remains an outlier regardless of size, with 10K+ vacancy at 11.6% and 1-10K at 8.5%, both well above any other submarket. Southwest's small-space segment stands out as the metro's tightest at just 0.9% vacancy, compared to 5.0% for 10K+ space.



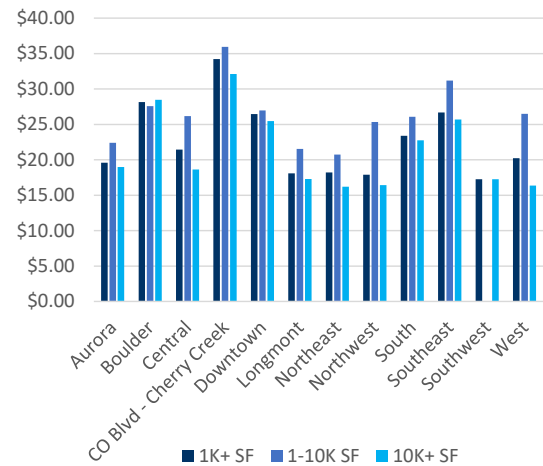
## Net Absorption by Square Footage

The 10K+ segment drove the majority of net absorption activity across the metro in Q1 2026, both positive and negative. Central's -170,000 SF of negative absorption in 10K+ space accounted for 78% of the submarket's total loss, while Aurora's 10K+ segment recorded -128,000 SF of its -143,000 SF total decline. The pattern holds on the positive side as well: Southwest's 126,000 SF of 10K+ absorption represented 93% of the submarket's 135,000 SF total gain, and South's 82,000 SF in larger space more than offset a -7,000 SF loss in the 1-10K range. The 1-10K segment generally exhibited smaller magnitudes but more consistent negative results, with 8 of 12 submarkets posting losses in this size range. Northeast stood out as the only submarket to record positive absorption across all three size categories (9,000 SF in 1-10K and 56,000 SF in 10K+), reinforcing its status as the metro's healthiest retail corridor. These results suggest that market volatility is disproportionately concentrated in larger-format retail spaces.



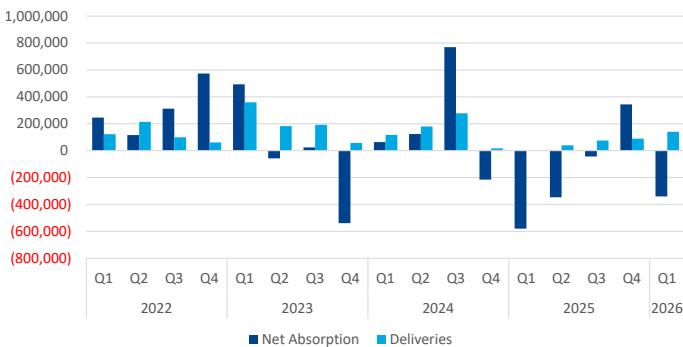
## NNN Rent by Square Footage

Smaller retail spaces (1-10K SF) command a significant rent premium over larger spaces (10K+ SF) across virtually every submarket, a pattern consistent with the tighter vacancy conditions in the smaller-space segment. The premium is most dramatic in Northwest, where 1-10K rents of \$25.33/SF are 54% higher than the \$16.42/SF for 10K+ space. Similarly, West (\$26.49 vs \$16.37), Central (\$26.16 vs \$18.63), and Southeast (\$31.19 vs \$25.69) all show meaningful small-space premiums. The overall 1K+ rate typically falls between the two segments, weighted toward the larger-format results given the greater share of total inventory. Boulder stands as the most balanced submarket for rent across sizes, with only a \$0.90/SF spread between 1-10K (\$27.57) and 10K+ (\$28.47). CO Blvd/Cherry Creek maintains the highest rents regardless of size, with 1-10K at \$35.94/SF and 10K+ at \$32.13/SF, both well above the metro average. These dynamics suggest that tenants seeking smaller footprints face the strongest pricing pressure across the metro.



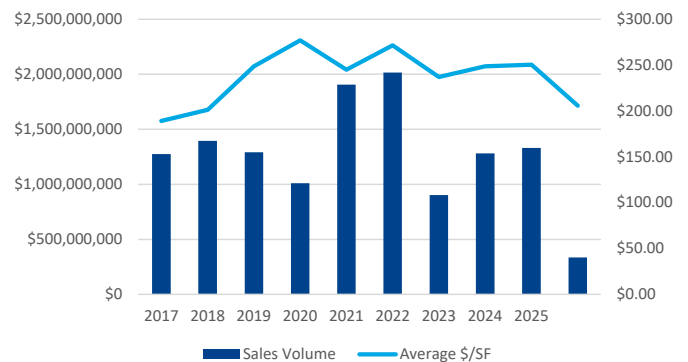
## Construction

Denver retail construction activity remained measured in Q1 2026, with approximately 139,000 SF delivered across four buildings, a slight increase from Q4's 121,000 SF. The construction pipeline narrowed to roughly 771,000 SF across 18 projects, down from 894,000 SF at the close of 2025, reflecting a more cautious development environment. The South submarket received the largest share of new deliveries at 107,000 SF, followed by Northeast (22,000 SF) and Southeast (6,000 SF). Looking ahead, the largest projects under construction include the West submarket (168,000 SF), South (150,000 SF), Southeast (141,000 SF), and CO Blvd/Cherry Creek (124,000 SF). With absorption returning to negative territory, the shrinking pipeline may prove timely in helping rebalance supply and demand conditions. Deliveries have averaged approximately 127,000 SF per quarter over the past year, well below the elevated levels seen in 2022 and 2023, when quarterly deliveries routinely exceeded 150,000 SF.



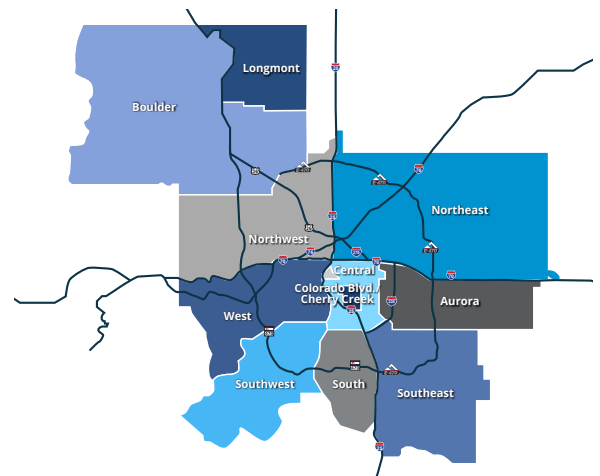
## Investment Activity

Denver retail investment activity opened 2026 with approximately \$335 million in sales volume year-to-date at an average of \$205.71/SF. While the quarter's volume represents an early-year starting point, it follows two strong years of investment activity, with 2025 reaching \$1.33 billion in total volume at an average of \$250.46/SF and 2024 at \$1.28 billion at \$248.73/SF. Pricing has moderated from the 2022 peak of \$271.59/SF, settling into a range between \$237 and \$251/SF over the past three years, reflecting a market that has absorbed higher interest rates while maintaining healthy transaction volume. The sustained investor interest, even amid elevated vacancy and negative absorption, underscores the long-term confidence in Denver's retail fundamentals. With two consecutive years exceeding \$1.25 billion in volume and a healthy start to 2026, the investment market continues to signal stability and selective opportunity across the metro.



## Market Description

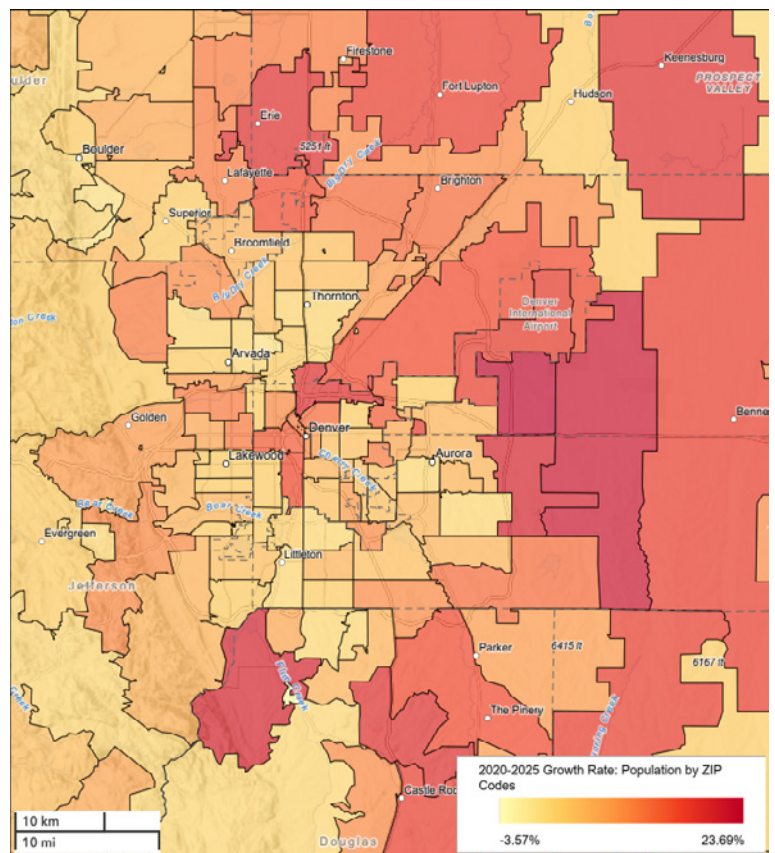
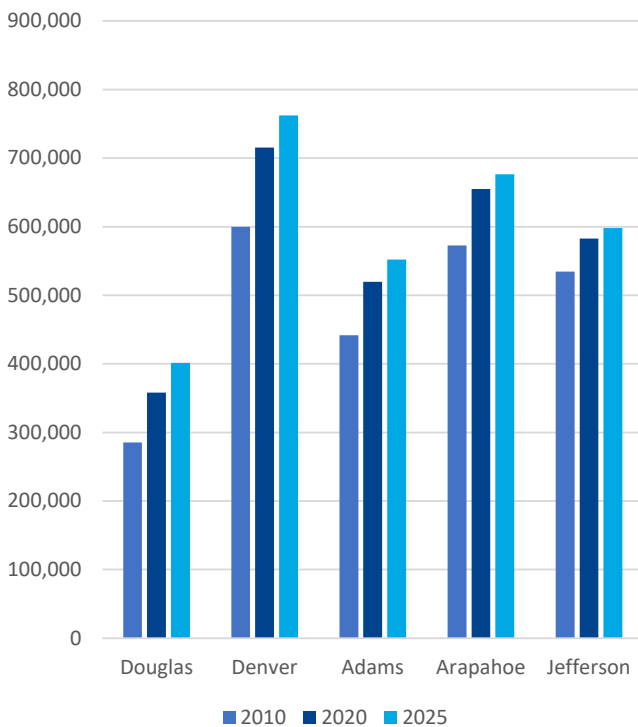
The Denver metro retail market encompasses approximately 177.5 million square feet of product across more than 12,700 buildings in spaces of 1,000 square feet and above. Serving as the commercial hub of the Rocky Mountain region, Denver supports a diverse mix of national, regional, and local retailers drawn by the area's strong population growth and expanding suburban footprint. The market's geographic isolation, with no competing major metro within 400 miles, continues to make Denver a key destination for retailers seeking to establish or expand regional operations. Denver's unemployment rate sits at 3.6%, reflecting a strong labor market that supports continued consumer spending and overall economic stability. Backed by healthy fundamentals, consistent leasing demand, and a resilient tenant base, Denver's retail market remains well-positioned for continued stability through 2026.



## Population

| County    | 2010    | 2020    | 2025    | Change 20-25 | % Change 20-25 | %Change 10-25 |
|-----------|---------|---------|---------|--------------|----------------|---------------|
| Douglas   | 285,465 | 357,978 | 401,558 | 43,580       | 12.17%         | 40.67%        |
| Denver    | 599,649 | 715,522 | 762,261 | 46,739       | 6.53%          | 27.12%        |
| Adams     | 441,603 | 519,572 | 551,861 | 32,289       | 6.21%          | 24.97%        |
| Arapahoe  | 572,446 | 655,070 | 676,303 | 21,233       | 3.24%          | 18.14%        |
| Jefferson | 534,622 | 582,910 | 598,145 | 15,235       | 2.61%          | 11.88%        |

Population Growth by County



## Wealth

| County    | Average Household Income | Average Home Value | Median Age | Consumer Spending |
|-----------|--------------------------|--------------------|------------|-------------------|
| Adams     | \$124,853                | \$567,565          | 35.7       | \$13,755,328,181  |
| Arapahoe  | \$137,774                | \$682,055          | 37.9       | \$20,466,659,840  |
| Denver    | \$142,881                | \$808,068          | 35.2       | \$27,802,756,346  |
| Jefferson | \$145,081                | \$772,579          | 41.4       | \$20,070,041,174  |
| Douglas   | \$188,009                | \$788,711          | 39.9       | \$15,551,485,836  |

## Notable Retail Sales

| Property                                            | Submarket | Sale Price   | SF     | Price/SF   | Buyer                | Seller                                        |
|-----------------------------------------------------|-----------|--------------|--------|------------|----------------------|-----------------------------------------------|
| 2033 S Wadsworth Blvd<br>- Luby Chevrolet           | West      | \$17,250,000 | 68,335 | \$252.43   | Emich Automotive     | Capital Automotive Real Estate Services, Inc. |
| 1630 Pace St<br>- Fox Creek Marketplace             | Longmont  | \$13,900,000 | 56,280 | \$246.98   | NETSTREIT Corp       | DoubleBay Partners LLC / Midloch              |
| 5991 W Colfax Ave                                   | West      | \$12,675,000 | 6,000  | \$2,112.50 | Witkoff              | Vequity, LLC                                  |
| 15755 E Arapahoe Rd<br>- Celebrity Lanes            | Southeast | \$12,612,800 | 50,000 | \$252.26   | Venu                 | Craddock Commercial Real Estate               |
| 11425-11495 S Twenty Mile Rd<br>- Parker Flat Acres | Southeast | \$10,211,026 | 65,856 | \$155.05   | Sidford Capital, LLC | SITE Centers                                  |

## Notable Leasing Activity

| Property                                            | Submarket | Leased SF | Lease Type | Tenant Name             |
|-----------------------------------------------------|-----------|-----------|------------|-------------------------|
| Brookhill Village<br>- Murdochs, Bicycle Village    | Northwest | 35,000    | New        | Crunch Fitness          |
| 2125-2155 S Sheridan Blvd<br>- South Target Village | West      | 18,900    | New        | EXDO Development        |
| 10777 W 6th Ave                                     | West      | 17,216    | New        | Astra Point Event Space |

## Major Development Underway

| Property                                          | Submarket             | SF      | Developer                 | Estimated Completion |
|---------------------------------------------------|-----------------------|---------|---------------------------|----------------------|
| 4400 Fox St<br>- URWRLD                           | West                  | 165,000 | Vita Fox North            | Q1 2027              |
| 701 W Mineral Ave                                 | South                 | 150,000 | Republic Investment Group | Q3 2026              |
| 22600 E Radcliff Dr<br>- King Soopers             | Southeast             | 123,000 | M4 Developers             | Q4 2026              |
| 24755 E Quincy Ave                                | Aurora                | 123,000 | M4 Developers             | Q4 2026              |
| E Virginia Ave<br>- 4 Mile Entertainment District | Colorado Bl/Cherry Ck | 78,113  | Lincoln Property Company  | Q4 2026              |

## Q1 Retail Overview

| Submarket             | # of Bldgs.  | Total SF           | Direct Vacancy % | Sublease Vacancy % | Total Vacancy % | Prior Qtr. Vacancy % | Leasing Activity | Overall Net Absorption | Deliveries     | Under Construction | Average Rental Rate SF (NNN) |
|-----------------------|--------------|--------------------|------------------|--------------------|-----------------|----------------------|------------------|------------------------|----------------|--------------------|------------------------------|
| Aurora                | 752          | 12,540,947         | 3.60%            | 0.10%              | 3.70%           | 2.60%                | 54,365           | (143,092)              | 0              | 123,000            | \$19.60                      |
| Boulder               | 853          | 12,039,861         | 5.90%            | 0.20%              | 6.00%           | 5.70%                | 75,061           | (38,219)               | 0              | 0                  | \$28.16                      |
| Central               | 2368         | 21,243,059         | 5.70%            | 0.50%              | 6.20%           | 5.10%                | 107,047          | (216,963)              | 0              | 2,750              | \$21.44                      |
| CO Blvd/ Cherry Creek | 304          | 5,044,743          | 2.30%            | 0.30%              | 2.60%           | 3.80%                | 28,386           | (7,120)                | 0              | 123,868            | \$34.23                      |
| Downtown              | 219          | 3,132,220          | 10.50%           | 0.30%              | 10.90%          | 9.50%                | 7,105            | (42,663)               | 0              | 0                  | \$26.46                      |
| Longmont              | 557          | 6,744,640          | 4.60%            | 0.00%              | 4.60%           | 3.50%                | 14,697           | (73,621)               | 0              | 2,000              | \$18.09                      |
| Northeast             | 1271         | 19,892,935         | 2.30%            | 0.00%              | 2.30%           | 2.50%                | 26,559           | 64,532                 | 22,000         | 32,004             | \$18.22                      |
| Northwest             | 1558         | 24,619,668         | 5.30%            | 0.20%              | 5.60%           | 5.20%                | 162,931          | (98,318)               | 0              | 28,270             | \$17.89                      |
| South                 | 954          | 19,810,349         | 4.10%            | 0.20%              | 4.30%           | 4.20%                | 82,218           | 75,376                 | 107,000        | 150,000            | \$23.40                      |
| Southeast             | 964          | 16,155,818         | 2.80%            | 0.10%              | 2.90%           | 3.20%                | 87,741           | 58,511                 | 6,089          | 141,443            | \$26.70                      |
| Southwest             | 511          | 10,901,239         | 4.40%            | 0.10%              | 4.50%           | 5.70%                | 37,713           | 135,140                | 4,000          | 0                  | \$17.25                      |
| West                  | 2473         | 25,349,866         | 4.80%            | 0.20%              | 5.00%           | 4.90%                | 90,468           | (54,221)               | 0              | 167,510            | \$20.22                      |
| <b>MARKET TOTAL</b>   | <b>12784</b> | <b>177,475,345</b> | <b>4.40%</b>     | <b>0.20%</b>       | <b>4.60%</b>    | <b>4.40%</b>         | <b>774,291</b>   | <b>(340,658)</b>       | <b>139,089</b> | <b>770,845</b>     | <b>\$21.47</b>               |

## Q1 Shopping Center Overview

| Submarket                      | # of Bldgs.  | Total SF          | Direct Vacancy % | Sublease Vacancy % | Total Vacancy % | Prior Qtr. Vacancy % | Leasing Activity | Overall Net Absorption | Deliveries | Under Construction | Average Rental Rate SF (NNN) |
|--------------------------------|--------------|-------------------|------------------|--------------------|-----------------|----------------------|------------------|------------------------|------------|--------------------|------------------------------|
| Malls                          | 111          | 10,707,361        | 6.1%             | 0.0%               | 6.1%            | 6.7%                 | -                | 64,147                 | 0          | 0                  | -                            |
| Power Centers                  | 455          | 16,742,317        | 5.9%             | 0.0%               | 5.9%            | 5.6%                 | 139,630          | (52,710)               | 0          | 0                  | \$11.39                      |
| Neighborhood/ Community Center | 2,412        | 61,135,411        | 5.6%             | 0.3%               | 5.8%            | 5.7%                 | 340,735          | (80,421)               | 0          | 123,868            | \$21.29                      |
| Strip Center                   | 894          | 9,199,289         | 5.5%             | 0.2%               | 5.7%            | 5.7%                 | 82,780           | 3,703                  | 0          | 0                  | \$19.62                      |
| Other                          | 4            | 315,841           | -                | -                  | 0.0%            | 0.8%                 | 2,400            | 2,400                  | 0          | 0                  | -                            |
| <b>SHOPPING CENTERS TOTAL</b>  | <b>3,866</b> | <b>97,226,301</b> | <b>5.7%</b>      | <b>0.2%</b>        | <b>5.9%</b>     | <b>5.8%</b>          | <b>563,145</b>   | <b>(65,281)</b>        | <b>0</b>   | <b>123,868</b>     | <b>\$20.02</b>               |

# 351 offices in 67 countries on 6 continents

United States: 115

Canada: 41

Latin America: 12

Asia Pacific: 33

EMEA: 78



**\$3.3B**  
in revenue



**2B**  
square feet under management



**18,000 +**  
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