

Southeast Denver

Office Market | Q1 2026

Positive Absorption and Dip in Vacancy Highlight Strong Start to 2026

Market Observations

- The Southeast Denver office market bounced back following a tepid finish to 2025. Net absorption totaled 146K SF in Q1 2026, up from -438K SF last quarter. Activity was highlighted by Gateway Plaza at Meridian with 142K SF and 6900 Layton Ave with 109K SF, offset partially by 5700 DTC Pkwy at -54K SF.
- Direct vacant available rate closed at 19.8% in Q1 2026, down from 20.1% last quarter and up from 18.9% year-over-year. Inverness posted the highest rate at 24.3% with 1.4M SF direct vacant, while Meridian's rate was 26.8% on 3.1M SF of inventory and total availability of 27.2% .
- Southeast Denver recorded just over 600K SF of direct leasing activity during Q1 2026. Class A space recorded over 340K SF of the activity. The region has not recorded a quarter with over 1M SF transacted for 10-consecutive quarters.



42.9M SF
Inventory



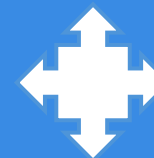
146.7K SF
Net Absorption



19.8%
Direct Vacancy



26.5%
Total Availability



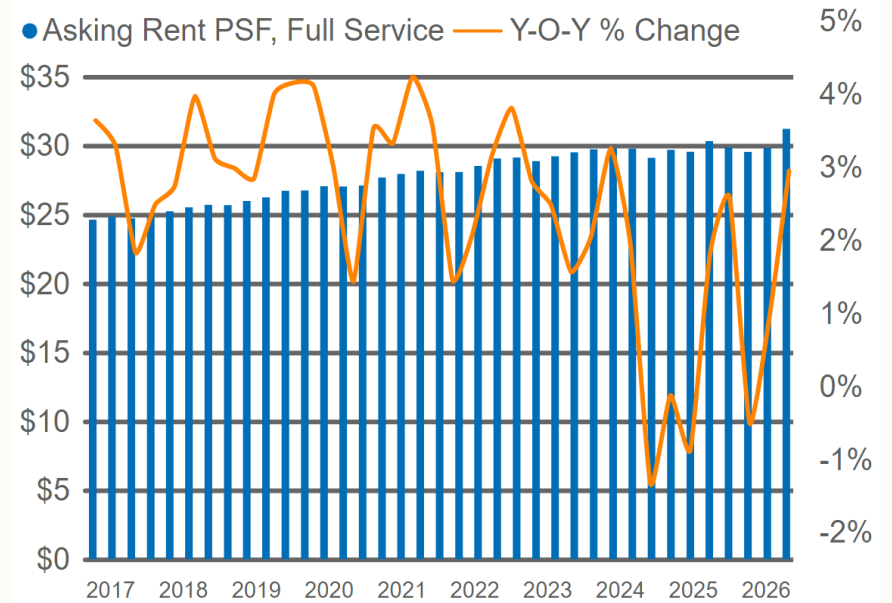
600K SF
Leasing Activity



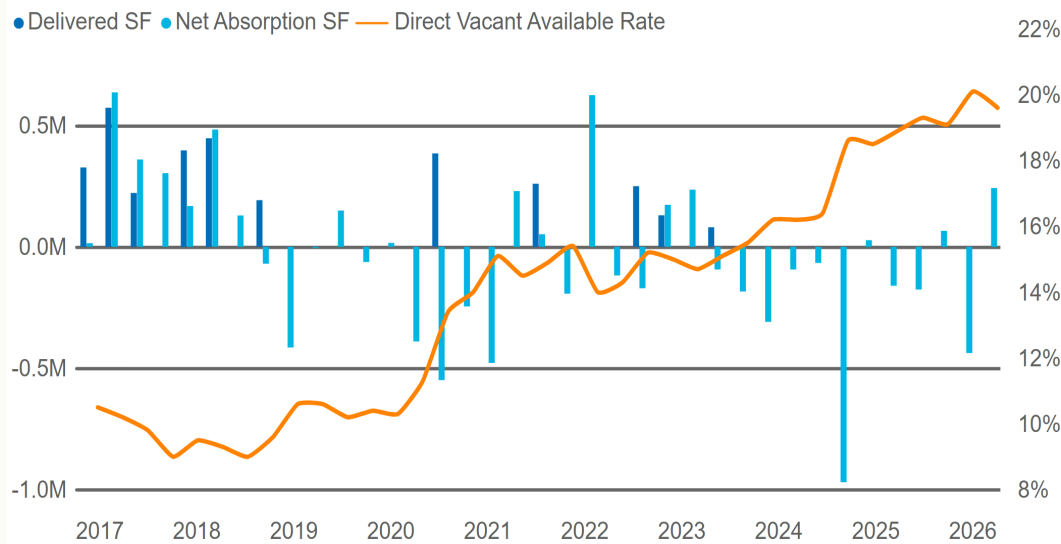
\$30.57 PSF
Full Service Asking Rent

- **Full-service asking rents** averaged \$30.57 PSF in Q1 2026, up from \$29.80 PSF last quarter and \$30.30 PSF year-over-year. Lone Tree averaged \$41.20 PSF after a +17.98% QoQ increase, while Arapahoe Rd averaged \$27.88 PSF with a -35.0% YoY change following six consecutive quarters of declining rents.
- **Office investment activity** slowed to start 2026 as roughly \$42 million traded during Q1 2026, highlighted by the largest sale occurring in the Inverness submarket at 400 Inverness Pky (details on Pg. 4). Sales closed at an average price of right around \$60 PSF, well below historic averages as distressed assets with maturing debt are expected to continue driving transaction volume.
- **Construction** activity in the market remains moderate with just over 450,000 SF in the pipeline. There have been no new deliveries over 50K SF since 2023.

Asking Rent

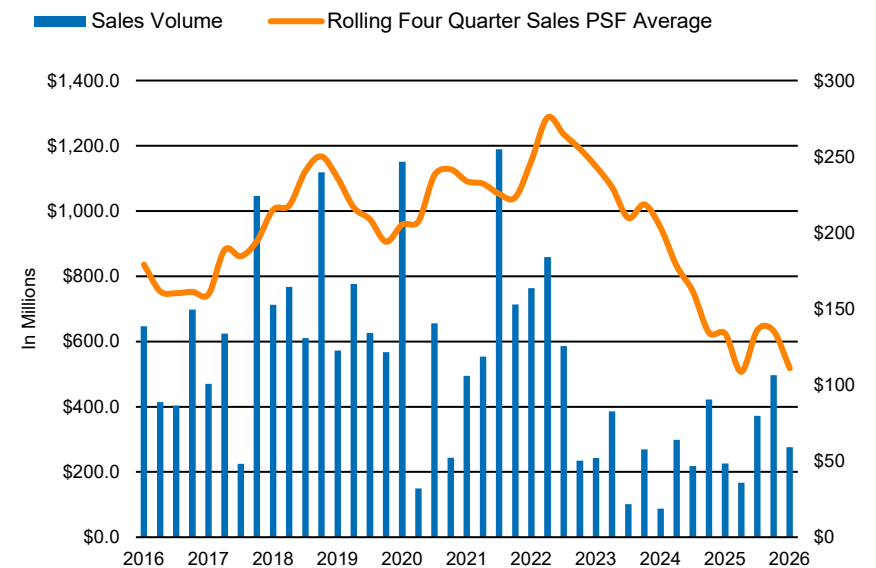


Delivery Impact On Key Indicators



Source: CoStar, Transwestern

Sales Volume



Market Indicators Table

All Classes of Space | Q1 2026

SUBMARKET	INVENTORY SF	DIRECT VACANT SF	DIRECT VACANCY RATE	OVERALL VACANCY RATE	QUARTERLY NET ABSORPTION SF	YoY NET ABSORPTION SF	ASKING RENT PSF, FULL SERVICE
Arapahoe Rd	916,242	66,905	7.3%	16.6%	(4,786)	5,510	\$27.88
Centennial	2,076,632	391,742	18.9%	21.5%	(5,795)	(309,224)	\$22.62
Denver Tech Center	12,378,061	2,325,169	18.8%	28.6%	(40,426)	(241,043)	\$34.96
East Hampden	2,479,758	513,587	20.7%	28.5%	(289)	(33,198)	\$21.66
Greenwood Village	8,517,396	1,805,922	21.2%	32.6%	98,177	78,157	\$33.59
Highlands Ranch	1,896,673	346,087	18.2%	24.4%	(15,811)	(2,537)	\$34.55
Inverness	5,960,123	1,448,714	24.3%	29.5%	(60,402)	(255,440)	\$26.03
Lone Tree	2,139,674	216,878	10.1%	12.8%	351	117,593	\$41.20
Meridian	3,148,769	844,861	26.8%	27.2%	148,207	151,712	\$25.55
Panorama/Highland Park	3,417,551	531,663	15.6%	18.0%	27,506	86,751	\$35.96
Total	42,930,879	8,491,528	19.8%	26.5%	146,732	(401,710)	\$30.57

Source: CoStar, Transwestern

Notable Sales

ADDRESS	SALE PRICE	PRICE PSF	BUILDING SF	BUYER	SELLER
400 Inverness Pky	\$14,000,000	\$125	112,198	Knightbridge Capital	Trimont RE Advisors
4949 S Syracuse St	\$7,650,000	\$115	66,288	Laminar Real Estate	Trimont RE Advisors
16830 Northgate Dr	\$5,700,000	\$412	13,821	Faud Khalaf	Recentric Realty Partners

Source: Transwestern

Notable Lease Transactions

TENANT	ADDRESS	SUBMARKET	TYPE	SF LEASED
Zynex Medical	8181 E Tufts Ave	DTC	New Lease	30,542
Confidential	8000 S Chester St	Panorama/Highland Park	New Lease	30,252
Confidential	7001 E Belleview Ave	DTC	New Lease	29,812

Source: Transwestern

Research Methodology

The information in this report is the result of a compilation of information on office properties located in Denver. This report includes single tenant, multi-tenant and owner-user properties 10,000 SF and larger, excluding properties owned by a government agency and medical outpatient buildings.

About Transwestern

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¹Includes all Transwestern enterprise assets and its RAUM as of April 1, 2026

For More Information

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