

# Quite the Conundrum...



The Federal Reserve continues to take aggressive action to reduce inflation and labor demand, yet CBRE reports that job and wage growth remain steady. At the end of Q3 2022, the U.S. unemployment rate returned to pre-pandemic levels at 3.5%. Labor scarcity continues to drive corporate real estate strategy and economic uncertainty is now pressuring companies to identify new ways to optimize talent acquisition as well as cost-save.

Apart from high turnover and pandemic-related factors, other elements contributing to the labor shortage include baby boomers retiring, record-low birth rates, and a decrease in net U.S. immigration. For the short-term, job growth in office-using jobs will support leasing volume while also encouraging the Fed to tighten monetary policy - quite the conundrum.

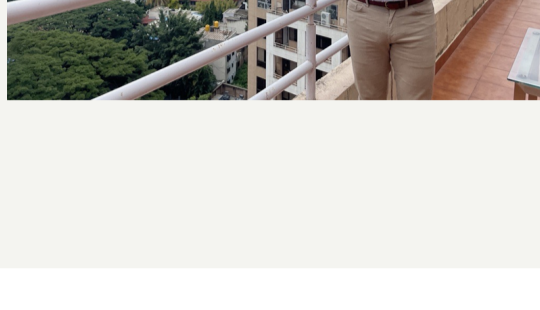


This year alone our team has worked on requirements for clients in Canada, Singapore, Ireland, India, Japan, England and the Philippines.

Going in to 2023, employers should set labor budget expectations early-on and take a strategic approach to consolidation. In this new environment, the selection of a labor market is now being approached through the use of innovative tools and data-driven solutions. This has resulted in companies exploring cost saving measures beyond remote work, such as outsourcing and offshoring.

Those of you who have worked with our team know that we take a consultative, hands-on approach. Working in conjunction with the industry's most advanced technologies such as CBRE's Location Intelligence System "Dimension", we help clients visualize the impact of their real estate decisions through demographic heat mapping based on proprietary data, market knowledge and location analysis. Additionally, we partner with CBRE's Labor Analytics Group to aid companies' with site selection by using tailored analytics and economic incentives that derive an advantage for accessing high-quality labor and lowering costs.

This September, Anthony and Andrew traveled to Bangalore to meet directly with a client who continues to grow their global footprint in India and worldwide. Regarded as the "Silicon Valley of India", Bangalore is home to many top multinational information technology firms, software companies, and research and development startups.



India has seen a surge of economic growth in recent years - pushed by its stable economy, deep talent pool, favorable business policies, attractiveness of skilled labor costs, and massive consumer market.

## Fox Park Groundbreaking Event

Anthony Albanese (far right) breaking ground at Fox Park, a massive World Trade Center-anchored Development in the Globeville neighborhood



Anthony, as Chairman of DURA's board of commissioners, delivered a thoughtful speech at the Fox Park ground breaking ceremony, noting how this new development will promote a diverse, sustainable neighborhood economy for its residents, visitors, and office users.

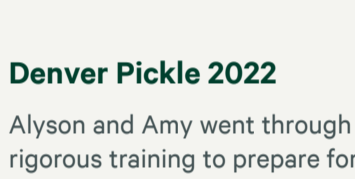
Fox Park will transform the site of the old Denver Post Printing Plant, effectively using underdeveloped land to improve access to transportation and open spaces, as well as help build a network of mixed-use communities that support new housing, amenities and employment opportunities. The project will deliver 6 million square feet of residential and commercial space as well as 14 acres of parks and open space to the Globeville neighborhood.

In addition to the World Trade Center Denver, Vita Fox North LP is working with the Denver Urban Renewal Authority, Denver Botanic Gardens, Zocalo Community Development, Virgin Hotels, Trammell Crow Company, DM Development and Buckingham Companies.

## Denver Polo Classic 2022

The Denver Polo Classic - the nation's largest charitable polo tournament - returned to Denver this July 2022.

Thank you! With the help of our clients and business connections, we were able to donate \$15,000 to the cause. The event was a major contributor to the \$1.4 million dollars that the Denver Children's Foundation raised this year to transform the lives of at-risk and disadvantaged children in Colorado.



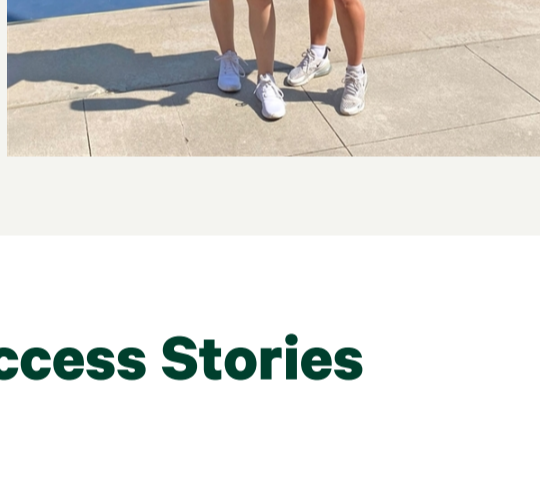
## Colorado Bioscience Association Conference

Amy and Will traveled to Vail this September to attend the Rocky Mountain Life Sciences Investor & Partner Conference. Hosted by the Colorado Bioscience Association (CBSA), the event featured presenting companies that shared their breakthrough work in the diagnostic, biotechnology, pharmaceutical, digital health, and medical device industries.

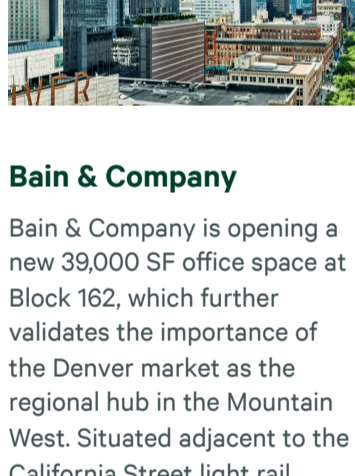
## Denver Pickle 2022

Alyson and Amy went through months of rigorous training to prepare for the 2022 Denver Pickle. Whether it was intense drills on the court, or smack-talk in the office, the duo made it clear to the competition that they were the real *dill*.

More than 60 real estate professionals gathered for the event, which raised over \$55,000 for the Pediatric Mental Health Institute at [Children's Hospital Colorado](#).

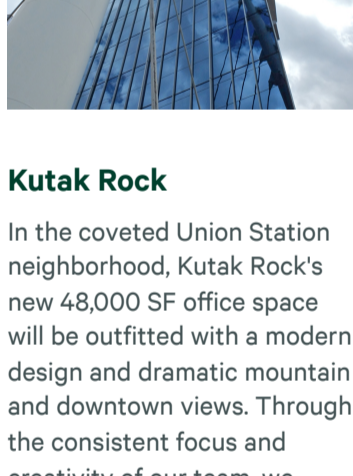


## Our Client Success Stories



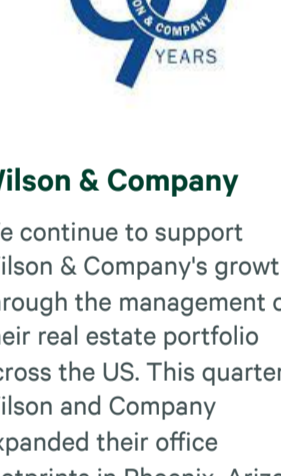
### Bain & Company

Bain & Company is opening a new 39,000 SF office space at Block 162, which further validates the importance of the Denver market as the regional hub in the Mountain West. Situated adjacent to the California Street light rail, Block 162's efficient column-free floor plates, floor to ceiling glass, and unique tenant-exclusive amenities make the building a prime choice for recruitment and retention.



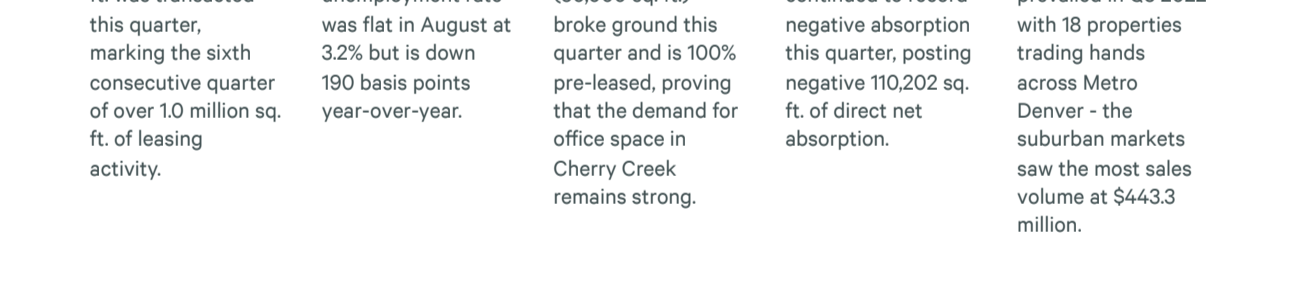
### Kutak Rock

In the coveted Union Station neighborhood, Kutak Rock's new 48,000 SF office space will be outfitted with a modern design and dramatic mountain and downtown views. Through the consistent focus and creativity of our team, we were able to secure an off-market opportunity in two of the best tower floors in Union Station surrounded by some of Denver's top employers.



### Wilson & Company

We continue to support Wilson & Company's growth through the management of their real estate portfolio across the US. This quarter, Wilson and Company expanded their office footprints in Phoenix, Arizona and San Bernadino, California.



### 1. Leasing Activity

Nearly 1.1 million sq. ft. was transacted this quarter, marking the sixth consecutive quarter of over 1.0 million sq. ft. of leasing activity.



### 2. Employment

Metro Denver's unemployment rate was flat in August at 3.2% but is down 190 basis points year-over-year.



### 3. Development

300 University (50,000 sq. ft.) broke ground this quarter and is 100% pre-leased, proving that the demand for office space in Cherry Creek remains strong.



### 4. Absorption

Metro Denver continued to record negative absorption this quarter, posting negative 110,202 sq. ft. of direct net absorption.



### 5. Investment

Sales activity prevailed in Q3 2022 with 18 properties trading hands across Metro Denver - the suburban markets saw the most sales volume at \$443.3 million.

Click below to view the **CBRE Q3 2022 Marketview Office Reports:**

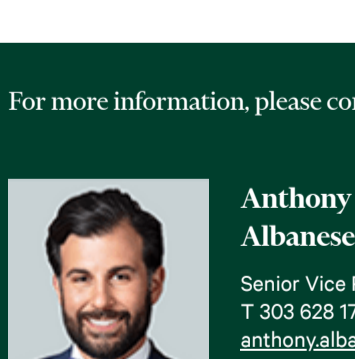
Denver Metro

Denver Downtown

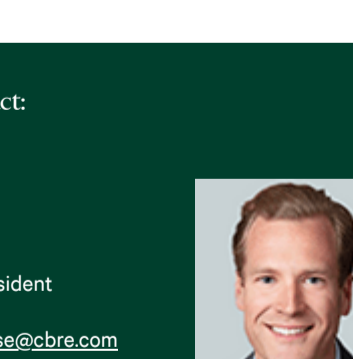
Denver Southeast

Denver Northwest

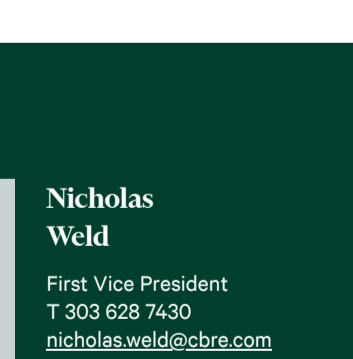
## Featuring the Albanese/Weld team...



**Kutak Rock's Denver Office Plans Move to New Union Station Space**  
[READ MORE](#)



**41-acre Globeville project anchored by World Trade Center Denver breaks ground**  
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**Bain & Co expands to Denver with Lease at Block 162**  
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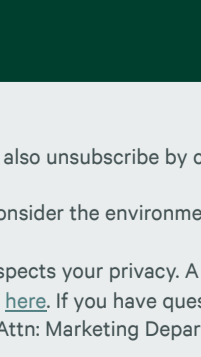
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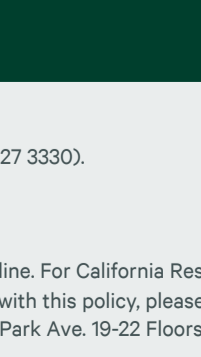
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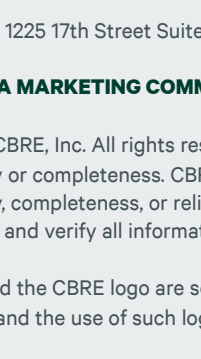
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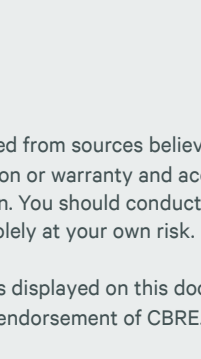


### Alyson Duran

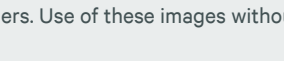
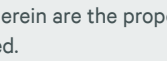
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