

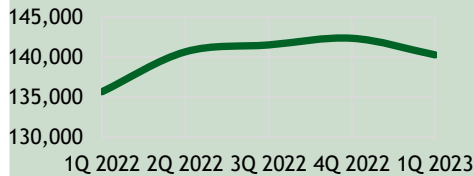
Douglas County Economic Development Quarterly Report - 2nd Quarter 2023

Summary

Employment

140,281

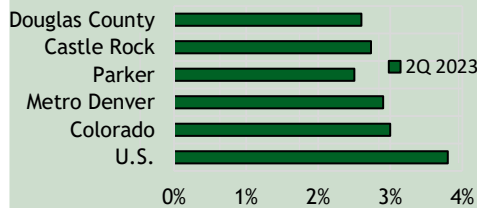
Up 3.4% from 1Q 2022



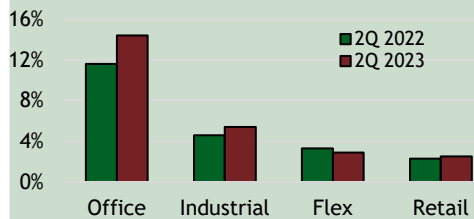
Unemployment Rate

2.6%

Up 0.2 percentage points
from 2Q 2022



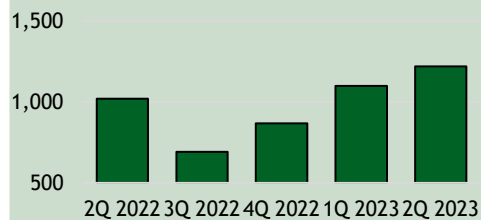
Commercial Vacancy Rates



Residential Units Permitted

1,218

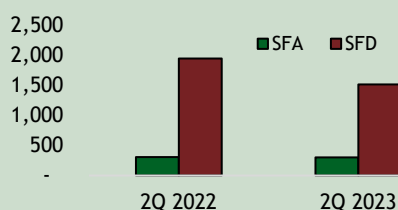
Up 19.4% from 2Q 2022



Existing Home Sales

1,814

Down 19.4% from 2Q 2022



High Line Canal Trail in Highlands Ranch



Department of Community Development

100 Third St. | Castle Rock, CO 80104 | Ph: 303-660-7460 | douglas.co.us; search for business

Executive Summary

Economic conditions remained mixed in Douglas County in the second quarter of 2023. Employment and retail sales indicators reported growth across the county, while both residential and commercial real estate markets remained slow amid high interest rates and continued vacancy struggles for office properties.

Employment in Douglas County increased 3.4 percent year-over-year in the first quarter of 2023. Across supersectors, transportation, warehousing and utilities reported the largest increase in employment, while the largest decrease was reported in mining and logging.

The **unemployment rate** in Douglas County was 2.6 percent in the second quarter of 2023, up 0.2 percentage points year-over-year, but unchanged from the prior quarter. Douglas County tied with Boulder for the lowest unemployment rate among seven counties in Metro Denver. The labor force in Douglas County reached an all-time high of 210,337 people working or looking for jobs in the second quarter of 2023, an increase of 1.1 percent year-over-year.

Retail trade activity, which is not adjusted for inflation, increased 2.2 percent year-over-year in the second quarter of 2023, driven largely by an increase in general merchandise retailers. Across Metro Denver, retail trade activity fell 5.3 percent.

Home sales in Douglas County fell 19.4 percent between the second quarters of 2022 and 2023, due to large decreases in detached home sales in Castle Rock, Highlands Ranch, and Parker. **Home prices** in Douglas County fell year-over-year for both attached and detached homes. In 2Q 2023, the average sale price for detached homes fell 3.8 percent, or by \$33,927, to \$852,491. Attached home prices fell 0.2 percent, or by \$848, to \$516,143, over the same period.

The number of **residential units permitted** increased by 19.4 percent in the second quarter of 2023, driven by a large increase in multi-family units permitted in Castle Pines and Parker.

Douglas County's **commercial real estate market** was mixed in the second quarter of 2023, with continued challenges in the office market. The vacancy rate for office properties was 14.4 percent in 2Q 2023, up 2.8 percentage points year-over-year, while the average lease rate for office properties fell 1.8 percent to \$27.40 square foot. Industrial and retail properties reported slight increases in vacancy rates, while flex properties reported a slight decrease. Industrial, flex, and retail properties all reported increases in the average lease rate over the year.

Covered Employment by Industry Supersector 1st Qtr 2023 ¹				
	Douglas County		Metro Denver	
	1st Qtr 2023	Yr/Yr % Change	1st Qtr 2023	Yr/Yr % Change
Total All Industries	140,281	3.4%	1,750,928	2.6%
Private Sector				
Mining & Logging	395	-12.4%	11,723	-7.2%
Construction	10,825	1.6%	105,199	1.5%
Manufacturing	2,396	4.1%	90,860	-2.0%
Wholesale Trade	5,614	-1.9%	85,200	2.2%
Retail Trade	17,661	-0.1%	152,131	0.8%
Transportation, Warehousing, & Utilities	2,857	8.8%	78,504	2.7%
Information	4,750	-0.2%	62,751	-0.3%
Financial Activities	14,684	0.8%	118,201	-1.5%
Professional & Business Services	27,510	7.3%	354,454	4.1%
Education & Health Services	17,855	4.0%	222,209	4.0%
Leisure & Hospitality	16,939	6.2%	181,098	6.2%
Other Services	4,601	5.2%	53,696	5.3%
Government	14,155	2.8%	234,760	2.8%

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: Colo. Dept. of Labor and Employment, Labor Market Information, QCEW.

¹ Jobs covered by unemployment insurance as reported in the QCEW. These positions represent the vast majority of total employment, although the self-employed, some agricultural workers, some domestic workers, and several other categories of workers are excluded. This data series lags the CES series by about six months and is available for the nation, states, MSAs, and counties.

Unemployment Rates						
	Douglas County	Castle Rock	Parker	Metro Denver	Colorado	U.S.
2Q 2023	2.6%	2.7%	2.5%	2.8%	2.9%	3.4%
2Q 2022	2.4%	2.6%	2.4%	2.8%	2.9%	3.5%

Sources: Colo. Dept. of Labor and Employment, Labor Market Information; U.S. Bureau of Labor Statistics.

Business Confidence Index

According to the University of Colorado Boulder Leeds School of Business third quarter 2023 Leeds Business Confidence Index, Colorado business leaders' pessimism extended for another quarter ahead of 3Q 2023, despite the economy demonstrating resiliency in the first half of the year. Business leaders cited interest rates, inflation, and general concerns about a recession.

The Business Confidence Index surveys business leaders on their sentiments in six key components: the state economy, national economy, industry sales, profits, and hiring in their specific industry, and capital expenditures. The index remained below 50 in the current survey (50=neutral) and was below the long-term average of 53.6. The index recorded a 1.0-point decrease ahead of 3Q 2023, falling to 44.1, but increased slightly looking out further to 4Q 2023 (44.6). Four of the six components in the index decreased ahead of the third quarter, with the only increases reported in the National Economy and Capital Expenditures components.

Employment Activity

Employment in Douglas County increased 3.4 percent between the first quarters of 2022 and 2023, rising by 4,592 jobs over the year. Nine of the 13 supersectors reported increases in employment during the period, with the largest increases in transportation, warehousing, and utilities (+8.8 percent), professional and business services (+7.3 percent), and leisure and hospitality (+6.2 percent). Mining and logging (-12.4 percent) reported the largest over-the-year decrease, followed by wholesale trade (-1.9 percent).

Employment in Metro Denver increased 2.6 percent between the first quarters of 2022 and 2023. Nine of the 13 supersectors reported over-the-year increases, led by leisure and hospitality (+6.2 percent), other services (+5.3 percent), and professional and business services (+4.1 percent). Mining and logging (-7.2 percent) reported the largest decrease, followed by manufacturing (-2.0 percent).

Unemployment

The Douglas County unemployment rate was 2.6 percent in the second quarter of 2023, up 0.2 percentage points from the second quarter of 2022. The unemployment rate remained unchanged from the previous quarter. Castle Rock's unemployment rate (2.7 percent) and Parker's rate (2.5 percent) also increased year-over-year, rising by 0.1 percentage points in both areas.

The labor force increased in all three geographies year-over-year. The labor force in Douglas County rose 1.1 percent year-over-year in 2Q 2023, an increase of 2,326 people working or looking for a job. Castle Rock added 393 people to its labor force, an increase of 1.0 percent between the second quarters of 2022 and 2023. During the same period, Parker added 341 people to the labor force, or an increase of 1.0 percent.

Metro Denver's unemployment rate was 2.8 percent in the first quarter of 2023, unchanged from the same quarter in 2022, but is a decrease of 0.1 percentage points from the previous quarter. The labor force in Metro Denver rose 1.0 percent year-over-year, representing 18,325 more individuals working or looking for a job during the period. Colorado's unemployment rate was 2.9 percent and the U.S. unemployment rate was 3.4 percent in 2Q 2023, both unchanged over the year. The labor force rose 1.4 percent in Colorado and 1.7 percent nationally, over the same period.

Consumer Activity

Consumer Confidence Index

The Consumer Confidence Index for the U.S. rose 2.0 percent over the year to 105.4 in the second quarter of 2022. Over the quarter, the national index rose 0.9 percent. This is the first over-the-year increase after four consecutive quarters of decrease. This is the third quarter in a row where the consumer confidence index increased compared to the previous quarter.

Colorado is included in the Mountain Region Index and the area reported a 6.7 percent increase in confidence in the second quarter of 2023 compared with the same time last year. Over the quarter, confidence in the Mountain Region increased 5.5 percent.



Retail Trade

Total retail sales in Douglas County reached more than \$2.7 billion in 2Q 2023, a 2.2 percent year-over-year increase, not adjusted for inflation. Three of the 10 industry subgroups reported increases in sales year-over-year, driven by an increase of 42.4 percent in General Merchandise Retailers. Retail sale for Clothing, Clothing Accessories, Shoe, and Jewelry Retailers increased 5.4 percent, while sale in Health and Personal Care Retailers increased +2.8 percent. The largest decline was reported in Building Material and Garden Equipment and Supplies Dealers, which reported an over-the-year decline of 44.1 percent, followed by Gasoline Stations and Fuel Dealers at -20.4 percent.

Across Metro Denver, retail sales decreased 5.3 percent year-over-year in the second quarter of 2023. Similar to trends in Douglas County, the largest declines were reported in Building Material and Garden Equipment and Supplies Dealers (-32.6 percent) and Gasoline Stations and Fuel Dealers (-20.4 percent). The only industries to report increases in retail trade activity were General Merchandise Retailers (+3.0 percent) and Clothing, Clothing Accessories, Shoe, and Jewelry Retailers (+2.7 percent).

Retail Trade Sales (\$000s) by Industry & Municipality 2nd Qtr 2023		
Industry	Douglas County	Metro Denver
Motor Vehicle and Parts Dealers	\$ 426,949	\$ 4,010,244
Building Material and Garden Equipment and Supplies Dealers	\$ 168,041	\$ 1,201,822
Food and Beverage Retailers	\$ 327,624	\$ 3,163,124
Furniture, Home Furnishings, Electronics, and Appliance Retailers	\$ 145,292	\$ 1,055,096
General Merchandise Retailers	\$ 950,175	\$ 4,452,147
Health and Personal Care Retailers	\$ 90,174	\$ 981,603
Gasoline Stations and Fuel Dealers	\$ 58,640	\$ 621,145
Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	\$ 145,852	\$ 872,789
Sporting Goods, Hobby, Musical Instrument, Book, and Misc Retailers	\$ 178,236	\$ 1,719,581
Food Services and Drinking Places	\$ 236,528	\$ 2,540,150
Total Retail Trade Sales	\$ 2,727,512	\$ 20,617,700
<i>Total Retail Trade Sales, 2Q22</i>	<i>\$ 2,667,618</i>	<i>\$ 21,770,817</i>
<i>Year-Over-Year Percent Change</i>	<i>2.2%</i>	<i>-5.3%</i>

Source: Colorado Department of Revenue.

Residential Real Estate

- According to home-search website RealtyHop, Metro Denver’s housing market is comparatively less expensive than other metro areas once house size is taken into account. According to their analysis, Denver is the 8th most expensive metro area in terms of home prices but is the 21st most expensive metro in terms of price per square foot.

Existing Home Sales

Home sales fell in Douglas County and throughout Metro Denver from the second quarter of 2022 to 2023. Over the period, existing home sales in Douglas County fell 19.4 percent, or by 437 homes, as high inflation and interest rates have cooled the market. Single-family detached home sales in Douglas County fell 22.0 percent over the year, dropping by 428 homes during the period. Five of the six submarkets reported decreases in detached home sales, with the largest decreases in Lone Tree (-42.6 percent), Larkspur (-33.3 percent), and Castle Rock (-32.3 percent). Castle Pines recorded the only increase of 2.5 percent over the period.

The number of single-family attached home sales in Douglas County decreased 2.9 percent between the second quarters of 2022 and 2023, to 300 homes. Four of the six submarkets recorded decreases in attached sales, with the largest decreases in Larkspur (-66.7 percent) and Lone Tree (-40.0 percent). Castle Pines reported an increase of 20.0 percent, while Parker reported an increase of 19.5 percent over the period.

Existing Homes - Average Sales Price

Home prices fell in Douglas County between the second quarters of 2022 and 2023. The average sale price of a single-family detached home fell 3.8 percent or a decrease of \$33,927 to \$852,491 in Douglas County. Five of the six submarkets recorded over-the-year decreases in detached home prices, with the largest decreases recorded in Larkspur (-22.7 percent), Parker (-7.5 percent), and Lone Tree (-5.7 percent). Castle Pines recorded the only increase over the period of 6.2 percent, or \$65,780. Lone Tree and Castle Pines had the highest average sales prices at \$1.2 million and \$1.1 million, respectively. The lowest average sale price was reported in Parker at \$772,622.

The price of a single-family attached home in Douglas County fell 0.2 percent over the year, falling by an average of \$848. Two of the six submarkets recorded over-the-year decreases in attached home prices. Castle Pines recorded a decrease of 6.4 percent, while Highlands Ranch reported a decrease of 4.0 percent. Lone Tree reported the largest over-the-year increase of 13.5 percent, followed by Larkspur (+9.4 percent) and Castle Rock (+5.3 percent). Lone Tree recorded the highest average sale price of \$650,525 in the second quarter of 2023, while Parker recorded the lowest average sale price of \$453,250.

Douglas County Existing Home Sales							
2nd Qtr 2023							
	Douglas County Submarkets						Total
	Castle Pines	Castle Rock	Highlands Ranch	Larkspur	Lone Tree	Parker	Douglas County
Home Sales							
Single-Family Detached							
2Q 2023	81	386	296	18	35	472	1,514
2Q 2022	79	570	413	27	61	586	1,942
Single-Family Attached							
2Q 2023	12	73	72	1	12	104	300
2Q 2022	10	92	73	3	20	87	309
Average Sold Price							
Single-Family Detached							
2Q 2023	\$1,134,889	\$819,303	\$858,592	\$987,856	\$1,168,454	\$772,622	\$852,491
2Q 2022	\$1,069,109	\$839,547	\$879,055	\$1,277,296	\$1,238,954	\$835,030	\$886,417
Single-Family Attached							
2Q 2023	\$595,995	\$534,369	\$551,107	\$547,000	\$650,525	\$456,379	\$516,143
2Q 2022	\$636,541	\$507,396	\$573,785	\$500,000	\$573,220	\$453,250	\$516,991

Source: Denver Metro Association of REALTORS

Foreclosures

Foreclosure filings in Douglas County rose 8.8 percent over the year to 62 filings during the second quarter of 2023, up 5 filings during the period. Filings increased 8.8 percent between the first and second quarters of 2023.

Foreclosure filings in Metro Denver fell 19.2 percent over the year to 631 total filings, representing a decrease of 150 foreclosures during the period.

Building Permits

Residential building permits in Douglas County increased 19.4 percent between the second quarters of 2022 and 2023, an increase of 198 units permitted, driven by an increase in multi-family units permitted. Single-family detached permits reported a 27.7 percent decrease during the period, falling by 211 units, while condominiums/townhomes reported a 19.6 percent decrease, falling by 41 units permitted. Multi-family units permitted increased 900 percent from 50 units permitted in the second quarter of 2022 to 500 units permitted in the second quarter of 2023.

Five of the nine submarkets reported over- the-year decreases in residential building permits, with the largest decrease reported in unincorporated Douglas County (-37.8 percent), followed by Castle Pines (-36.1 percent) and Aurora (-33.3 percent). Highlands Ranch, Littleton, and Lone Tree had no residential building permits in the second quarter of 2023. Parker reported the largest increase of 129.4 percent, followed by Castle Rock (+27.2 percent).

The average valuation of single-family detached units permitted in Douglas County rose 11.3 percent over the year to \$425,554, representing \$43,055 more per home during the period. Castle Pines recorded the highest average valuation for single-family detached homes at \$638,307, while unincorporated Douglas County reported the lowest valuation at \$335,044. The average valuation for single-family attached units rose 25.9 percent to \$295,469 in Douglas County, with valuations ranging from a low of \$174,554 in unincorporated Douglas County to a high of \$323,926 in Castle Pines. The average valuation for multi-family units was \$165,926 in the second quarter of 2023, a decrease of 7.0 percent from the second quarter of 2022.

Douglas County Residential Building Permits									
2nd Qtr 2023									
			Single-Family Detached		Single-Family Attached		Multi-Family		
	Total Units 2nd Qtr 2023	Total Units 2nd Qtr 2022	Units	Avg. Valuation per Unit	Units	Avg. Valuation per Unit	Permits	Units	Avg. Valuation per Unit
Aurora	10	15	10	\$251,181	-	-	-	-	-
Castle Pines	62	97	29	\$638,307	33	\$343,926	1	200	174,525
Castle Rock	290	228	90	\$523,035	-	-	-	-	-
Highlands Ranch	-	-	-	-	-	-	-	-	-
Larkspur	-	1	-	-	-	-	-	-	-
Littleton	-	-	-	-	-	-	-	-	-
Lone Tree	-	7	-	-	-	-	-	-	-
Parker	601	262	206	\$455,944	95	\$329,548	10	300	160,193
Unincorp. Douglas	255	410	215	\$335,044	40	\$174,554	-	-	-
Total Douglas County	1,218	1,020	550	\$425,554	168	\$295,469	11	500	\$165,926

Note: Excludes permits for residential construction activity that does not affect overall housing inventory. Source: Douglas County and individual municipalities.

Commercial Real Estate

- UCHealth announced a \$119 million expansion at their Highlands Ranch Hospital facility that will add 314,000 square feet of total space split between two towers and a floor that will be added to an existing building. Construction has begun on the first building, a 194,000 square foot tower, with the break ground date for the second tower targeted for September of this year. All additions are expected to be completed by 2025.

Office Market

The vacancy rate for the office market in Douglas County rose 2.8 percentage points to 14.4 percent between the second quarters of 2022 and 2023. The vacancy rate increased in three of the four submarkets that reported office vacancy. Lone Tree had the largest increase of 2.2 percent, followed by Highlands Ranch and Parker, which both reported an increase of 0.8 percentage points. Castle Rock was the only submarket to report a decline in the vacancy rate, falling 0.6 percentage points over the period. Highlands Ranch reported the highest vacancy rate of 19.6 percent in 2Q 2023, while Castle Rock reported the lowest vacancy rate of 3.0 percent. The office market vacancy rate in Metro Denver was 12.8 percent in the second quarter of 2023, an increase of 0.8 percentage points from the same period in 2022.

The average lease rate in Douglas County fell 1.8 percent to \$27.40 per square foot between the second quarters of 2022 and 2023. Parker reported the largest decline in the average lease rate, falling 17.2 percent to \$28.70 per square foot. Castle Pines was the only submarket to report an increase in average lease rate, rising 15.7 percent to \$37.98 per square foot. The average lease rate in Metro Denver increased 0.7 percent to \$31.08 per square foot, \$3.68 higher than the lease rate in Douglas County.

Industrial Market

The industrial market vacancy rate in Douglas County was 5.4 percent in the second quarter of 2023, up 0.8 percentage points from the second quarter of 2022. Parker reported the highest vacancy rate of 12.5 percent, an increase of 10.3 percentage points over the year. Highlands Ranch reported the lowest vacancy rate of 6.9 percent, a decrease of 11.9 percentage points. Metro Denver reported a vacancy rate of 5.9 percent in the second quarter of 2023, up 1.3 percentage points from the same period in 2022.

The average lease rate for the industrial market in Douglas County increased 1.2 percent over the year to \$13.41 per square foot in the second quarter of 2023. Castle Rock and Parker were the only submarkets to report average lease rates in 2Q 2023, with Castle Rock's rate rising 40.3 percent to \$13.33, and Parker's rate falling 2.5 percent to \$11.91. Metro Denver reported an industrial lease rate of \$10.50 per square foot, an increase of 11.3 percent and \$2.91 lower than the rate in Douglas County in the second quarter of 2023.

Flex Market

Douglas County reported a flex vacancy rate of 2.9 percent in the second quarter of 2023, down 0.4 percentage points from the same time last year. Lone Tree recorded the largest decrease in the flex market vacancy rate, falling 0.4 percentage points to 2.2 percent, while Parker's vacancy rate increased 5.2 percentage points to 7.9 percent in 2Q 2023. Metro Denver reported a vacancy rate of 6.6 percent in the second quarter of 2023, down 0.2 percentage points from the same time last year.

The average flex lease rate in Douglas County rose 2.1 percent to \$12.93 per square foot between the second quarters of 2022 and 2023. Castle Rock and Highlands Ranch reported the largest increases over the year of 46.2 percent and 33.3 percent, respectively. Lone Tree reported the only decrease in the average lease rate of 6.0 percent. Metro Denver reported a 5.4 percent increase in the flex rate between the second quarters of 2022 and 2023, rising to \$15.58 per square foot during the period.

Retail Market

The retail vacancy rate in Douglas County rose 0.2 percentage points to 2.5 percent between the second quarters of 2022 and 2023. Castle Rock and Lone Tree reported the only increases in the vacancy rate, rising 0.5 percentage points and 0.3 percentage points, respectively. Castle Pines reported the largest decline in the vacancy rate, falling 1.2 percentage points to 0.9 percent, followed by Lone Tree (+0.3 percentage points). The vacancy rate in Highlands Ranch remained unchanged at 3.1 percent. Retail vacancy in Metro Denver fell 0.4 percentage points to 4.1 percent during the period.

The average lease rate in Douglas County rose 5.2 percent over the year to \$26.23 per square foot in the second quarter of 2023. Highlands Ranch reported the largest over-the-year increase of 39.8 percent, followed by Lone Tree (+12.6 percent). Castle Rock reported the largest decline, falling 12.1 percent to \$24.24 per square foot during the period. The retail lease rate in Metro Denver rose 4.2 percent over the year to \$20.51 per square foot, \$5.72 below the level in Douglas County.

Douglas County Commercial Vacancy and Lease Rates by Property Type 2nd Qtr 2023						
	Total Existing Sq. Footage		Vacancy Rate		Avg. Lease Rate (per sq. ft.)	
	2nd Qtr 2023	2nd Qtr 2022	2nd Qtr 2023	2nd Qtr 2022	2nd Qtr 2023	2nd Qtr 2022
Office						
Castle Pines	55,102	55,102	-	-	\$37.98	\$32.84
Castle Rock	1,339,764	1,339,764	3.0%	3.6%	\$27.55	\$27.67
Highlands Ranch	2,007,221	1,995,627	19.6%	18.8%	\$31.92	\$33.08
Larkspur	27,953	27,953	-	-	-	-
Lone Tree	3,423,619	3,241,932	9.0%	6.8%	\$29.32	\$29.82
Parker	1,307,493	1,307,493	10.4%	9.6%	\$28.70	\$34.66
Total Douglas County	14,171,560	13,978,279	14.4%	11.6%	\$27.40	\$27.91
Metro Denver	203,496,579	202,663,533	12.8%	12.0%	\$31.08	\$30.85
Industrial						
Castle Pines	-	-	-	-	-	-
Castle Rock	1,461,193	1,251,193	11.3%	-	\$13.33	\$9.50
Highlands Ranch	450,277	450,277	6.9%	18.8%	-	-
Larkspur	30,509	30,509	-	-	-	-
Lone Tree	36,686	36,686	-	-	-	-
Parker	1,068,179	892,554	12.5%	2.2%	\$11.91	\$12.22
Total Douglas County	8,522,890	8,137,265	5.4%	4.6%	\$13.41	\$13.25
Metro Denver	255,247,745	246,928,377	5.9%	4.6%	\$10.50	\$9.43
Flex						
Castle Pines	-	-	-	-	-	-
Castle Rock	296,573	287,982	0.9%	-	\$19.00	\$13.00
Highlands Ranch	337,987	337,987	-	-	\$16.00	\$12.00
Larkspur	-	-	-	-	-	-
Lone Tree	137,236	137,236	2.2%	2.6%	\$14.11	\$15.01
Parker	241,601	241,601	7.9%	2.7%	\$13.26	\$12.87
Total Douglas County	2,627,321	2,618,730	2.9%	3.3%	\$12.93	\$12.66
Metro Denver	48,314,995	47,607,515	6.6%	6.8%	\$15.58	\$14.78
Retail						
Castle Pines	310,696	310,696	0.9%	2.1%	\$22.55	\$22.20
Castle Rock	4,236,237	4,229,916	2.4%	1.9%	\$24.42	\$27.78
Highlands Ranch	3,505,520	3,497,105	3.1%	3.1%	\$31.34	\$22.42
Larkspur	25,203	25,203	-	2.9%	-	\$32.00
Lone Tree	4,436,789	4,436,789	3.5%	3.2%	\$36.45	\$32.37
Parker	4,757,608	4,696,500	1.1%	1.2%	\$22.58	\$23.22
Total Douglas County	19,025,267	18,947,423	2.5%	2.3%	\$26.23	\$24.94
Metro Denver	176,317,962	175,542,682	4.1%	4.5%	\$20.51	\$19.68

Note: Vacancy rate and average lease rate are for direct space only (excludes sublet space). Industrial and retail lease rates are triple-net. N/A indicates non-applicable; - indicates no data. Source: CoStar Realty Information, Inc.

Nonresidential Development Activity

Douglas County building officials issued permits for at least 140,581 square feet of nonresidential space valued at approximately \$34.3 million during the second quarter of 2023. The largest project was a vehicle service facility and office in Castle Rock that added 26,257 square feet of space valued at \$3.9 million. Other notable projects included a senior care center building in unincorporated Douglas County valued at \$14.5 million that will add 22,800 square feet of space, and the Learning Experiences Day Care in Parker valued at \$2.2 million and adding 10,115 square feet.

Certificates of completion or occupancy were issued for 187,927 square feet of nonresidential space during the second quarter of 2023, an increase of 94.5 percent from the same period last year, when four certificates were issued for 96,626 square feet of space. The largest project now ready for occupancy is the Castle Rock Adventist Hospital MOB #3 with 70,575 square feet of commercial space.

DC Commercial Building Permits Issued, 2nd Qtr 2023			
Jurisdiction	Project Description	Valuation	Total Sq. Ft.
Castle Pines	Car Wash Tunnel	\$1,900,000	3,564
Castle Rock	Vehicle Service Facility and Office	\$3,900,000	26,257
Castle Rock	Circle K	\$600,000	4,593
Castle Rock	Chipotle Mexican Grill	\$500,000	2,325
Castle Rock	Mitchell Gulch Park Restroom	\$50,000	N/A
Parker	Compark Village South Clubhouse	\$1,327,967	N/A
Parker	Storage and Maintenance Shed	\$91,377	N/A
Parker	Republic Services Hauling Maint. Facility	\$3,727,591	N/A
Parker	Republic Services Truck Wash Bldg. B	\$435,250	N/A
Parker	Learning Experiences Day Care	\$2,164,570	10,115
Parker	Regional Filtration Annex	\$585,618	N/A
Uninc.	Retail Paint Store	\$327,428	4,544
Uninc.	Senior Care Center Building	\$14,470,000	22,800
Uninc.	Water Tank, Process Facility, and Chemical Bldg.	\$690,847	14,306
Uninc.	RoxBorough Water & Sanitation Bldg.	\$1,595,676	21,537
Uninc.	Pre-Fabricated Structure and Foundation	\$32,000	144
Uninc.	Redstone Bank Building	\$1,239,783	11,766
Uninc.	Hunting Hill Clubhouse	\$644,807	18,630

Source: Douglas County and individual municipalities.

DC Commercial Certificates of Occupancy Issued 2nd Qtr 2023		
Jurisdiction	Project Description	Total Sq. Ft.
Castle Rock	Castle Rock Adventist Hospital MOB #3	70,575
Castle Rock	Plum Creek Golf Course Clubhouse	3,910
Castle Rock	Kum & Go Fuel Station	3,962
Parker	McDonald Audi Facility	41,600
Parker	Living Water Carwash	4,271
Parker	Black Rock Coffee Shop	1,932
Uninc.	Fitness Center	44,891
Uninc.	Clubhouse	10,134
Uninc.	Apartment Amenity Center	5,572
Uninc.	Tee Times Suites- Golf Simulator	1,080

Source: Douglas County and individual municipalities.

Provided by:

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