Colorado Real Estate Journal

THE COMMUNICATION CHANNEL OF THE COMMERCIAL REAL ESTATE COMMUNITY

APRIL 5-APRIL 18, 2017

Featured Quarterly

Flatiron assets recapitalized, expanded

by Jill Jamieson-Nichols

Crescent Real Estate LLC recapitalized $140.98 million in assets in Flatiron Business Park in Boulder and added to its holdings there for $22.21 million.

The recapitalization, which brought in partners Goldman Sachs and Lionstone Investments, included 16 office and office/flex buildings and a development site that Crescent has owned since 2011.

"The performance has been very strong, and it's just the right time for the investor partnership that we had that originally bought it to exit the transaction," said Conrad Suszynski, co-chief operating officer. "We at Crescent felt like there's a lot more to do, so we obviously wanted to stay involved in Boulder and specifically Flatiron Park."

The same day it completed the recapitalization, Crescent Real Estate acquired four additional buildings in Flatiron Park from a Boulder family that developed them many years ago. The deal brings its holdings in the park to approximately 859,000 square feet. The company also owns just under 900,000 sf of office, flex and industrial assets at the Campus at Longmont in Boulder County.

The additions to the Flatiron Park portfolio include 2300, 2400, 2450 and 5757 Central Ave.

The overall portfolio is approximately 92 percent occupied.

HFF was the broker of record for the transaction. John Jugl, vice chairman of Newmark Grubb Knight Frank's Western Region Capital Markets, also was involved in the deal.▲

Protecting identity

An industrial portfolio with freestanding buildings that give tenants their own identity sells for $26.4 million. *(See story on Page 4).*

Stonegate apts. sell for $86 million

by Jennifer Hayes

Summit Management Services Inc., an Akron, Ohio-based housing management and development firm that owns and manages more than 1,350 apartment units in Colorado, paid $86 million for the latest addition to its portfolio.

Stonegate, a 350-unit garden-style community on 24 acres at 11815 Ridge Parkway in Broomfield, is Summit Management Services' first purchase in the Broomfield/U.S. 36 corridor, an area where it has been pursuing growing its holdings.

"Summit Management owns assets in Fort Collins and has been targeting that Broomfield/U.S. 36 corridor for awhile," said Holliday Fenoglio Fowler LP's Jordan Robbins. "They really like that area."

Robbins, along with HFF's Jeff Haag, represented the out-of-state seller of the community, constructed in 2001.

"We had a ton of interest in Stonegate," Robbins said of the community, which offered a value-add play to investors.

Jordan Robbins

"The value-add market is still really competitive. There is a lot of capital chasing value-add deals, whether they are 2000 product like this or even older, '80s and '90s built product. We're seeing still a pretty deep buyer pool on the value-add side."

Summit Management Services plans to make improvements to the exterior and common areas of Stonegate as well as make interior upgrades.

Stonegate, which comprises 18 two- and three-story buildings offering a mix of one-, two- and three-bedroom apartments, features attached and detached garages. Additional unit amenities include 9-foot ceilings, air conditioning, ceiling fans, garden tubs, gas fireplaces, in-home washers and dryers, private balconies, walk-in closets and available storage.

The 350-unit Stonegate community in Broomfield was purchased by Summit Management Services Inc.

Community amenities include controlled access, a resort-style swimming pool, hot tub, grilling area, playground, dog park, 24-hour fitness center, resident lounge with a full kitchen and fireplace and "sweeping" views of the Front Range.

Additionally, Stonegate is located less than 3 miles west of 36, near Flatiron Crossing's 2 million square feet of retail options and just west of Interlocken Advanced Technology Environment, which comprises 4 million sf of office space. There are strong demographics and jobs, which also were a draw for the buyer, added Robbins.

At the time of the sale, Stonegate was 95 percent occupied.

In addition to Summit Management's Colorado holdings, the firm also owns and operates a collection of housing styles with more than 3,000 apartments in Ohio and North Carolina. ▲

Inside

CONTENTS

Metro Denver

LBA pays $26.4 million for Mountain West buildings

by Jill Jamieson-Nichols

LBA Realty purchased a portfolio of five freestanding, Class A industrial buildings for $26.4 million, or $126.67 per square foot.

The buildings comprise 208,418 sf at Mountain West Business Park, which fronts Interstate 70 at the I-225 interchange. Mountain West Industrial Properties developed and sold the portfolio, which it completed in 2008.

"They are Class A buildings that were built as individual buildings, which is sort of unusual," said Jim Bolt, executive vice president in CBRE's industrial and logistics brokerage group. "Users are drawn to the buildings because of the individual nature of the buildings, and visibility and Class A features."

Located at 4210-4250 Carson St. in Denver's main warehouse/distribution submarket, the buildings were fully occupied at the time of the sale. The list of regional and national tenants includes Ford AV, the Stone Collection, Interstate Restoration, J. Schneider Power Supplies Inc., Kaman Industrial Technologies and HW Home. The average remaining lease term is more than five years.

Mountain West Business Park offers high-image, state-of-the art construction, including building heights that range from 18 to 30 feet. There are additional buildings that were not part of the sale.

"It was really a unique offering to the market," said Bolt, who

Please see **LBA,** *Page 12*

Pinnacle Real Estate selects 15 to become principals

Pinnacle Real Estate Advisors LLC has named 15 top-producing brokers and key employees principals of the Denver-based company.

"These individuals all share an entrepreneurial vision and are focused on providing their clients with excellent advisory services. Each has proven a high level of market expertise in investment sales and/or leasing as well as a commitment to client service and the company's core values," said Matt Ritter, who co-founded Pinnacle Real Estate Advisors with Jeff Johnson 10 years ago.

The new principals are: Justin Brockman, Kevin Calame, Jeff Caldwell, Rob Edwards, Tom Ethington, Jules Hochman, Blake Holcomb, Joe Hornstein, Jim Knowlton, Justin Krieger, Matt Lewallen, James Mansfield, Jamie Mitchell, Josh Newell and Paul Schneider.

They and other Pinnacle professionals have an opportunity to earn equity shares in the company going forward. While the initial group of principals is made up largely of senior brokers, the opportunity is available to all brokers and future recruits. The program is designed to include additional phases of new principals, from up-and-coming professionals to seasoned brokers looking for a new platform and culture.

"Our objective is to have a vibrant, full-service real estate company with top-producing brokers whose visions are aligned with ours and who share a sense of ownership for the company going forward," said Johnson.

Ritter said the decision to add principals is something he and Johnson have shared for many years. "These folks were just so instrumental in our success over the last 10 years that we wanted to reward them for that effort. We think it's something unique in the industry that most companies don't do.

"If you're a young broker who is 25 years old and trying to figure out what company you want to work for, we think it's a big deal to know that you can work toward being our partner."

"It's a significant commitment on the part of Pinnacle and also a commitment from brokers toward the company's long-term success," said Mansfield, Pinnacle's vice president and managing director. The opportunity to be a principal in a company often isn't attainable, he said, particularly as institutional real estate firms continue to consolidate. It's unique for a company to make the opportunity available to such a large group, he said.

Pinnacle is a locally owned commercial real estate company with more than 50 brokers, who completed $622 million in transaction volume in 2016.

"Pinnacle has achieved great milestones thanks to our loyal clients, dedicated staff and the teamwork exhibited by our entrepreneurial brokerage teams," said Ritter. "This next step achieved by our newly named principals is a vital component to the Pinnacle vision, brand and culture valued by all of our brokers and staff. We look forward to expanding our leadership group and growing by adding additional brokers and principals in the coming years."▲

Colorado Real Estate Journal

THE COMMUNICATION CHANNEL OF THE COMMERCIAL REAL ESTATE COMMUNITY

1600 Stout Street, Suite 1330, Denver, CO | 80202 | 303-623-1148 | **www.crej.com**

Jon Stern Publisher & Founder x 101 jstern@crej.com

SUBSCRIPTIONS

Jill Harris x103 jharris@crej.com

Published semi-monthly, the first and third week of each month. Subscriptions include the CREJ eNewsletter, digital edition and archives, Office Properties Quarterly, Multifamily Properties Quarterly, Retail Properties Quarterly, Property Management Quarterly, Health Care Properties Quarterly, Land & Development Quarterly and Building Dialogue magazine.

Subscription rates: $85 one year; $155 two years.

Single issue $4; back issues $5. Subscriptions are nonrefundable.

SECTION EDITORS

Jill Jamieson-Nichols x107 jjamieson@crej.com
Boulder County & U.S. 36 Corridor; Larimer & Weld Counties;
Metro Denver: Office, Industrial, Hotel

Jennifer Hayes x106 jhayes@crej.com
Metro Denver: Multifamily, Retail; Finance; Western Slope/Mountain Towns;
Colorado Springs/Southern Front Range; Contributed Expert Articles;
Who's News; Law & Accounting

Kris Stern x109 kostern@crej.com
Construction, Design & Engineering

QUARTERLIES EDITORS

Michelle Askeland x104 maskeland@crej.com
Multifamily Properties Quarterly
Office Properties Quarterly
Property Management Quarterly
Retail Properties Quarterly

Jennifer Hayes x106 jhayes@crej.com
Health Care Properties Quarterly

BUILDING DIALOGUE PUBLISHER & EDITOR

Kris Stern x109 kostern@crej.com

BLOG: John Rebchook 303-945-6865 jrebchook@crej.com

PRODUCTION/GRAPHIC DESIGN: Heather Lewis x108 hlewis@crej.com

CREJ CONFERENCE SERIES: Jon Stern x101 jstern@crej.com

PRINT & ONLINE ADVERTISING: Lori Golightly x102 lgolightly@crej.com

CUSTOMER SERVICE: Jolene Wollett x100 jwollett@crej.com

Periodicals Postage Paid at Denver, CO

POSTMASTER: Send address changes to Colorado Real Estate Journal, 1600 Stout Street, Suite 1330, Denver, CO 80202.

REPORT AN ERROR IMMEDIATELY

(ISSN 1060-4383) Vol. 26 No. 7

Multifamily

Triumph Properties Group makes its Denver debut

by Jennifer Hayes

A Beverly Hills, California-based buyer made its first Denver acquisition with the purchase of the Villas at Holly.

Triumph Properties Group, a commercial real estate investment, management and development firm, paid $26.25 million for the 144-unit apartment community at 6760 S. Glencoe St., at the corner of Arapahoe Road and Holly Street in Centennial.

The Villas at Holly transaction was closed on an all-cash basis in 37 days.

"We like Denver over the long term and Villas at Holly presented us with an opportunity to gain entry into a high-quality submarket at attractive relative pricing and a clear opportunity to increase income by improving unit interiors," said Will Roos, Triumph's director of acquisitions.

"It's really just a good suburban location with not a lot of new product in the immediate area and is located behind a King Soopers grocery-anchored center and within the Littleton Public Schools district," added Terrance Hunt of ARA Newmark, who represented seller Kennedy Wilson with ARA Newmark's Shane Ozment, Jeff Hawks and Doug Andrews.

Triumph Properties Group plans to improve the community with unit interior upgrades, and exterior and common area additions.

Constructed in 1979, the Villas at Holly features a mix of one-bedroom, one-bath; two-bedroom, two-bath; and two-bedroom, two-bath-and-a-den floor plans. The community includes an outdoor pool, fitness center, pet park and business center.

At the time of sale, it was 95 percent occupied.

The 144-unit Villas at Holly in Centennial sold for $26.25 million.

The purchase of Villas at Holly is part of Triumph Properties Group's continued expansion of its acquisition platform with $150 million to $200 million in acquisitions targeted over the next 12 months. It currently is seeking multifamily properties across all major U.S. markets that are 100-plus units, in solid A/B submarket locations, $15 million to $100 million-plus in deal size and preferably 1980s and newer vintage.

Triumph Properties Group is a long-term owner and investor. Its portfolio includes approximately 2,000 apartment units, 1 million square feet of commercial properties and various development sites around the country.

Other News

■ **Pinnacle Real Estate Advisors LLC** handled a number of multifamily transactions in the Denver metro area, including the sale of 1260 Pennsylvania St. in Denver.

The 25-unit Capitol Hill property sold for $3.6 million, or $144,000 per unit.

Kevin Calame, along with the Calame | Lewallen Team at Pinnacle, represented both the buyer and seller in the transaction.

"The sellers had the opportunity to purchase the property at a below-market value and turn for a decent profit in only eight months," said Calame.

The firm also handled the sale of 310 W. Archer Place in Denver.

The 17-unit community, constructed in 1965, was "significantly" renovated in 2012. Located in the Baker neighborhood, the community sold for $3.16 million, or $185,765 per unit and $353.60 per square foot – a record-high price per sf for the neighborhood.

Robert Lawson and **Jim Knowlton** of the firm's Knowlton | Lawson Team and **Joe Hornstein** and **Scott Fetter** with the firm's Hornstein | Fetter Apartment Group represented both the buyer and seller in the transaction.

"The buyer recognized this opportunity to get into the Baker apartment market due to both the demographics of the neighborhood and the few competing apartment buildings that serve it. This property is walking distance to the thriving South Broadway bar/restaurant scene, and it's also walking distance to light rail. Simply put, it's a great building and a great location," said Fetter.

"The buyer assumed the seller's current loan, therefore sav-

Please see **Triumph,** *Page 8*

FEATURED MARCH PROPERTIES

Belmar East

363 S. Harlan Street, Lakewood, CO 80226

- **Building size:** 54,417 SF
- **Price:** $4,100,000
- 100% occupied
- 7.91% cap rate

Marc Lippitt & Scott Shwayder
p: 303.321.5888

Restaurant / Retail

3100-3104 Gilpin Street, Denver, CO 80205

- **Available SF:** 1,400 - 6,782 SF
- **Lease rate:** $22 - $26/SF NNN
- Recently renovated with flexible layout
- Excellent visibility on 31st Ave. & Gilpin St.

Tim Finholm & Sam Leger
p: 303.321.5888

Medical / Office

3695 Kipling Street, Wheat Ridge, CO 80033

- **Building size:** 12,577 SF
- **Price REDUCTION:** ~~$2,350,000~~ $2,100,000
- Perfect for medical, dental or physical therapy user
- Prominent Kipling location

Phillip A. Yeddis
p: 303.321.5888

Rino Office/Warehouse

4375 Brighton Blvd., Denver, CO 80216

- **Building size:** 27,549 SF
- **Reduced Lease Rate:** ~~$20/SF NNN~~ $9.95/SF NNN
- Lighted corner with signage
- Features large clear span, 25,000 SF fenced yard & rail spur

Tim Finholm & Sam Leger
p: 303.321.5888

Subscribe on our website to receive new opportunities first!

UNIQUE PROPERTIES

TCN WORLDWIDE REAL ESTATE SERVICES

info@uniqueprop.com | 303.321.5888 | www.UniqueProp.com

400 South Broadway | Denver, CO 80209

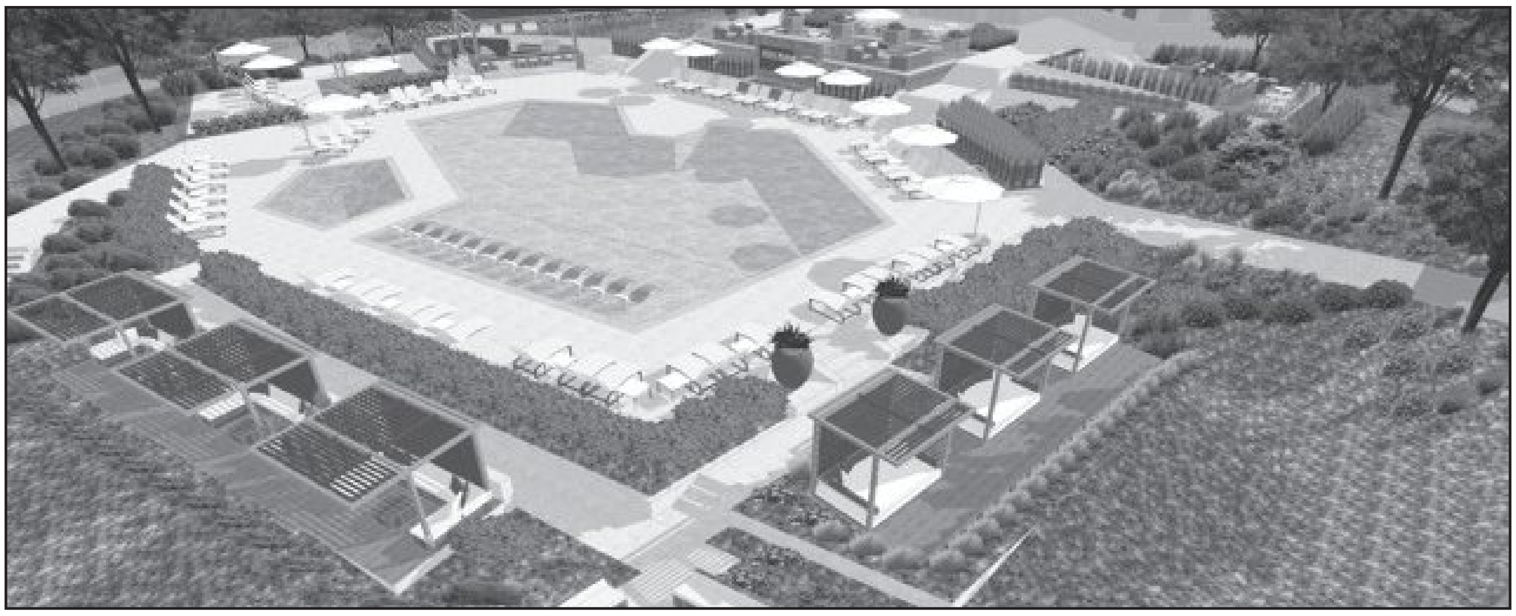
Multifamily

Rebranding, renovation underway at The Breakers

by Jennifer Hayes

Michael Stein, founding partner of Pensam Residential, made waves at the Colorado Real Estate Journal's spring 2017 Multifamily Development & Investment Conference March 16 with the announcement of The Breakers' new identity and approximately $30 million in renovations to the property.

The apartment community, located off East Mississippi Avenue in Denver, on a nearly 190-acre site, spans 1,523 units among six villages, and includes a privately owned lake and a 26,000-square-foot recreation center. It has been rebranded as Tava Waters.



An overall update of the main Catamaran Clubhouse is planned at Tava Waters, formerly The Breakers, which will include a new, expanded pool area.

Under the new ownership of Pensam Residential – with continued involvement of Koelbel and Co., which will stay on as a minority owner – The Breakers is undergoing a large three-phased value-add strategy to enhance the property. The first phase is the rebranding to Tava Waters, complete with a new logo and website.

'The rebranding of The Breakers to Tava Waters is the first step in taking the original vision of the community and bringing it into the future – modernizing while staying true to our roots.'

– Michael Stein, Pensam Residential

"The rebranding of The Breakers to Tava Waters is the first step in taking the original vision of the community and bringing it into the future – modernizing while staying true to our roots," said Stein. "Our focus is on appealing to the next generation of residents – those looking for a community that offers a convenient, holistic lifestyle rooted in Denver adventure."

"Named by the Ute Indians, 'Tava' was the original name of Pikes Peak and means sun. We saw great value in connecting the community with this important piece of Denver's history and respect of the landscape in one short, visually impactful word," Mackenzie Craven, director of creative services at G5, an Oregon-based agency leading the brand refresh for Pensam Residential, said in a release. "The original resort will always be ingrained in the community, so it was important the new brand pays homage to and plays up the uniqueness of lakeside living, which is where 'Waters' came in."

In addition to exterior common area improvements, as depicted above, unit improvements are underway. Between 25 and 35 apartments will be upgraded each month over the next 18 months at the 1,523-unit community.

Renovation work to the community includes interior upgrades to bring the outdoors in as well as amenity upgrades that include activating the lake area with additional waterfront activities and reconfiguring existing amenities to the active, outdoor lifestyle.

"This is a threshold moment in the evolution of The Breakers, and I think the name Tava Waters both represents the rich history of the community and serves as a catalyst for its future," said Koelbel and Co. President Walter A. "Buz" Koelbel Jr.

Interior work at Tava Waters already has commenced, with plans for 25 to 35 apartments to be upgraded each month over the next 18 months. Upgrades include new finishes such as stainless steel appliances, quartz countertops and faux hardwood floors; Nest thermostats; Kevo Bluetooth door locks; Google Home devices; and water-saving faucets, toilets and shower heads.

Pensam Residential also will install eight electric-car charging stations as well as begin exterior renovations, such as LED lighting, exterior building repairs and repainting the entire community.

Large-scale amenity upgrades will start with interior renovations to the Boundary Bay Clubhouse as well as the transformation of the Friday's Harbour Clubhouse into a new operations center, according to the firm. The final phase will center on the overhaul of the main Catamaran Clubhouse, inclusive of a state-of-the-art fitness center, expanded, modern pool area and new restaurant space.

"The Breakers was a visionary concept when it was founded nearly 30 years ago," said Stein. "Today, with the unveiling of the new Tava Waters name, logo and website, we're launching a vision for the next 30 years." ▲

Triumph

Continued from Page 6

ing the seller a significant prepayment penalty, which accounted for the difference from the list price and the closing price," added Lawson.

Additionally, a 16-unit property at 1960 Eaton St., located off Sheridan Boulevard and West Colfax Avenue in Sloan's Lake, sold for $2.73 million, or $170,313 per unit.

Fetter represented the buyer in the transaction.

"As renters struggle to keep up with prices in Denver, we're seeing two things," said Fetter. "First is more demand for two-bed units and second is a shift out of central Denver. This property capitalizes on both of those trends. The units are large and the area is quickly transitioning with the rest of Sloan's Lake. The buyer got a great loan and a new roof from the seller, so he is well positioned on this purchase."

Also, **Josh Newell**, a senior adviser with the firm, represented both the local seller and buyer in the disposition of 8220 W. 16th Place in Lakewood.

The 18-unit property sold for $2.7 million, or $150,000 per unit and $164.21 per sf.

■ **Marcus & Millichap** recently released its 2017 U.S. Multifamily Investment Forecast in which it noted that job gains and limited single-family home options have driven households to apartments in the Denver metro area.

The report noted not only that the tight single-family housing market has not only extended tenures in rentals but also that home prices have risen faster than rent and the median household income over the past several years, resulting in a strong demand for apartments.

This demand, according the Marcus & Millichap, also has spurred builders to add more than 30,000 units to Denver's inventory over the past four years.

The firm anticipates deliveries to remain elevated this year and supply additions will outpace demand, yet the vacancy rate could remain below early 2000 levels.

Marcus & Millichap also noted that "low vacancy and solid rent gains for Class B and C properties have encouraged private, local buyers to be most active in the market. Sales of these assets are dominating deal flow, placing upward pressure on prices, with opportunities in the core changing hands at cap rates in the low- to mid-5 percent area."

Buyers seeking upside potential will look for opportunities in suburban areas, which have more affordable rent, the report added. Additionally, sellers are reinvesting in higher-yield opportunities elsewhere in the metro area or in Colorado Springs. ▲

PINNACLE
REAL ESTATE ADVISORS

DMCAR

The Denver Metro Commercial Association of REALTORS (DMCAR) is the largest local commercial real estate association in the United States. Each year, DMCAR recognizes the Heavy Hitters in Commercial Real Estate by paying tribute to the top producers in each specialty market.

PINNACLE CONGRATULATES OUR
DMCAR 2016 HEAVY HITTERS
IN COMMERCIAL REAL ESTATE

JUSTIN BROCKMAN
#6 TOP MULTIFAMILY FINALIST

JULES HOCHMAN
#6 TOP MULTIFAMILY FINALIST

JOE HORNSTEIN
#9 TOP MULTIFAMILY FINALIST

JAMIE MITCHELL
#7 TOP RETAIL FINALIST

Delivering **innovative** real estate solutions that are **client-centric** and **relationship-focused**

Pinnacle Real Estate Advisors • One Broadway, Ste 300A • Denver CO 80203 • 303.962.9555 • www.PinnacleREA.com

Office

AAA Colorado revs up for move after $11.8M buy

by Jill Jamieson-Nichols

AAA Colorado is revving up for a move to significantly larger space in Greenwood Village.

The company recently paid $11.8 million for Atrium I, a 136,592-square-foot building at 6061 S. Willow Drive. It will relocate its headquarters to the building late this year, occupying about two-thirds of the space.

> **'We have outgrown our existing facility. We've had record membership growth, and with that has come record staff growth. It was just time for us to find a bigger home.'**
>
> *– J. Skyler McKinley*
> *AAA Colorado*

AAA Colorado's current building in Denver totals 63,335 sf.

"We have outgrown our existing facility," said J. Skyler McKinley, AAA Colorado public relations director. "We've had record membership growth, and with that has come record staff growth. It was just time for us to find a bigger home," he said.

Atrium I was vacant at the time of the sale. AAA will seek a tenant/tenants for the available space, growing into that space over time.

While the additional space was a big driver for AAA's move, the Atrium also offers better commuting options as well as visibility on Interstate 25. "This is a billboard kind of building that's visible off I-25," McKinley said. It's within about a 10-minute walk of the Arapahoe at Village Center light-rail station.

AAA Colorado has 250 employees in Colorado, not counting tow truck and fleet drivers. It plans to begin transitioning into the building in late fall. "We're very excited about the move," McKinley said.

Cody Sheesley of Colliers International represented the company in the acquisition. St. Paul Fire and Marine Insurance Co., represented by Cushman & Wakefield, was the seller.

Brad Pech of Re/Max Commercial Alliance has AAA Colorado's existing headquarters building at 4100 E. Arkansas Ave. in Denver listed for sale at $7.7 million.

Cushman & Wakefield

Atrium I sold for $11.8 million

Other News

■ A private, out-of-state investor, **718 Maleta Lane LLC**, paid $1.93 million for an 8,463-square-foot office building at 718 Maleta Lane in Castle Rock. **CRMB LLC** was the seller.

The multitenant building was approximately 84 percent occupied by three dental practices at the time of the sale and has a single vacancy of 1,300 sf, according to **John Witt** of **NavPoint Real Estate Group**, who represented the buyer with NavPoint's **Matt Call.** It is located a half-mile east of Interstate 25, off Founders Parkway.

"The property is well-located with long-term medical tenants and an opportunity to increase returns by filling the last vacancy," said Witt. The buyer acquired the building, which was built in 2004, as part of a 1031 tax-deferred exchange.

Marc Holmes of **Elevation Cos.** represented the seller in the transaction. ▲

Industrial

BSI secures space in market impacted by big projects

by Jill Jamieson-Nichols

Landlords with available industrial product in the central Denver submarket are in prime position to capture tenants being displaced by redevelopment of the National Western Stock Show complex, Interstate 70 reconstruction and the continued exodus of industrial users out of River North.

BSI's recently signed 117,000-square-foot lease at Hub 25, Westfield Co.'s new project at 601 E. 64th Ave., is a prime example. The food-service equipment company is losing its existing location to the National Western Center project, which will impact an estimated 500,000 to 1 million sf of industrial users, according to CBRE Senior Vice President Tyler Carner.

"If it were up to them, they would have continued to stay and operate where they currently are," said Matt Trone, a managing director at Cushman & Wakefield who represented BSI with Steve Hager, also a managing director in Cushman & Wakefield's Denver office. "It's a very tight market, and to find a facility that was ideal for their operations certainly was not an easy task," he said.


Tyler Carner

According to Carner, who represented Westfield with partner Jeremy Ballenger, "If you combine I-70 reconstruction, light rail, the National Western Stock Show and the RiNo repurposing of industrial space, we think roughly 2 million square feet of industrial users are being displaced." Many of those tenants/users hope to remain centrally located for their customers and employees.

"(BSI) had employees that were scattered all throughout the Denver metro area. They were very focused on finding a location that would minimize the risk of them losing skilled labor," said Trone.

"Certainly, a lot of (displaced users) want to stay centrally located, and so they're struggling to find space because there's just a lack of central product. Fortunately, there is development taking place, such as Hub 25, that is going to accommodate some of them," said Carner.


Matt Trone

The cost difference between existing space and available space, particularly if it's new, can be considerable, however.

"Some of these users have been in relatively attractive lease situations for a long period of time. There's certainly efficiencies gained from new construction that are notable and worth paying for, but the cost for them to relocate their businesses, both from a moving standpoint and from a lease rate position, are challenging," Carner said. "I think BSI did realize that, while their lease expenses were increasing, they're certainly gaining some efficiencies."

BSI is one of the larger relocations to occur as a result of the National Western and I-70 projects, "but there will be others in their size range as well," said Carner.

"There are a lot of tenants and end users that are getting displaced. We are definitely seeing a number of companies that are in that situation," said Trone.

BSI, which is being displaced by the National Western Center, leased building A at Hub 25.

There also are companies concerned about congestion expected to occur on I-70 when reconstruction between Brighton and Colorado boulevards gets underway in 2018. That creates additional demand for quality space in the central submarket and, he believes, also will push users north up the Interstate 25 corridor.

"I think with this kind of perfect storm, I really see a big transition into an industrial submarket that didn't have much of a presence in the past," Trone said.

In the central submarket, there are a handful of new industrial developments underway, including Hub 25, which has three available buildings totaling 304,499 sf, Crossroads Commerce Park, Center Core and Central 62. ▲

Honolulu buyer pays $46.2M for portfolio

by Jill Jamieson-Nichols

Just over half a million square feet of industrial product in Denver recently sold to a Honolulu buyer for $46.2 million.

LYK Peoria LLC and LYK Havana LLC, entities affiliated with Lum Yip Kee Ltd., purchased five buildings ranging from approximately 41,000 to 168,000 sf in two transactions.

They included the $27.7 million purchase of a pair of approximately 167,900-sf buildings at 11585 and 11685 E. 53rd Ave. in Denver Business Center. Tenants include Larson Warehousing & Distribution, 24/7 Express Logistics and Priest-Zimmerman Inc., according to CoStar Group.

The other transaction, totaling $18.5 million, included three nearby buildings in Stapleton Industrial Center that are leased to tenants including All American Seasonings, KM Sales and Integrated Control Systems. Located at 10500, 10550 and 10600 E. 54th Ave., the buildings range from 41,711 to 74,190 sf, according to CoStar.

The Class B buildings were built in 1985. The seller was Realty Associates Fund VIII LP, a fund affiliated with Boston-based TA Realty LLC.

Colliers International Brokers T.J. Smith, Brad Calbert and Tom Stahl reportedly handled the transaction, but neither they nor the buyer would comment on it.

TA Realty sold a portfolio of 17 other Class B buildings in Denver last year for $57.65 million. ▲

LBA

Continued from Page 4

handled the sale. "We saw interest from all kinds of buyers, from private buyers to institutional buyers. It was another example of huge demand for quality industrial product in Denver."

The transaction was among three recent industrial portfolio sales in the Airport/Montbello submarket. Lum Yip Kee Ltd. paid $46.2 million for five buildings sold by a TA Realty affiliate, and Airport Business Center sold for $36.43 million. ▲


Ford AV and Kaman are among tenants at Mountain West Business Park.


North Denver Industrial Park was built as the Denver Medical Depot, which began operating in 1942.

RCS sells last piece of WWII brick-and-timber warehouses

by Jill Jamieson-Nichols

The last 193,000 square feet of a 323,000-sf industrial property that Real Capital Solutions bought for – believe it or not – $10 just sold for $11.2 million.

That's not the whole story, however.

North Denver Industrial Park was contaminated with PCBs when RCS, then Colorado and Santa Fe Land Co., bought the property at East 38th Avenue and Steele Street from the city of Denver in 1998. The buyer agreed to, and completed, environmental remediation prior to retrofitting and retenanting the property.

The property consists of two rows of interconnected buildings at 3821-3851 and 3857-3881 Steele St. that, during World War II, were part of one of the largest U.S. Army medical supply depots in the United States. Noted architect Temple Hoyne Buell worked with the Army Corps of Engineers on the design.

"The buildings resonated with us. It's incredible brick and timber of a scale that you don't really see in a lot of spaces, so it's not your typical industrial space," said Ari Stutz of Downtown Property Services. Stutz, along with partners Ken Wolf and Steve Meier, bought the southernmost building on the property in 2013 and just acquired the bulk of the building to the north.

"We think that over time we can change and convert uses away from storage and industrial into more creative uses, whether it's some type of creative office, or artist galleries or artist studios where they can make art and sell it there. We like where Denver is growing. We think it's coming in this direction, and so we thought it was a good investment now and could turn into a better project in the future," Stutz said.

The 193,000 sf that sold was 100 percent occupied. Tenant sizes range from 10,000 to 20,000 sf.

According to Judy Lawson, RCS vice president of commercial, Real Capital Solutions invested more than $4.3 million into environmental remediation, and capital and tenant improvements during its first three years of ownership. It also cured deferred maintenance and retrofitted interior spaces for occupancy by a variety of local tenants. The city of Denver provided tax-increment financing to help with renovations and lease-up.

Denver Storage Solutions bought a portion of the north building for $2.6 million in 2010. ▲

Industrial

Commerce City site trades for $3.1M; new building planned

by Jill Jamieson-Nichols

A 30,000-square-foot multitenant industrial building with outside storage will kick off development of a 28-acre parcel of land at 10600 Havana St. in Commerce City.

Rocky Crest Enterprises LLC purchased the site from William C. Gruenewald, Robert W. Deer and Derr Family LP for $3.1 million. The sale was one of the largest land sales in the area since 2007, according to Newmark Grubb Knight Frank.

NGKF Director Russell Gruber represented the buyer in the transaction. Larry Cornell and Pete Gunderson of Phill Foster and Co. represented the sellers.

The buyer secured a lease with logistics company Denver Intermodal Express for 10 acres of the property. It plans to break ground on the multitenant building in the third quarter.

The land fronts Interstate 76 and is zoned I-2. It is adjacent to the city of Brighton.

"We're excited with the potential for this site," said Aaron Kinney, vice president of Rocky Crest Enterprises LLC. "The timing for new development in the Commerce City area is ideal, and the desirability of the location was highlighted by the lease with Denver Intermodal Express," he said. Denver Intermodal, whose over-the-road trucking division is headquartered in Denver, will use the site for trailer storage and its grain operation, as well as a small office component.

Russell Gruber

Gruber said the area has experienced record-breaking industrial lease rates and diminishing vacancy.

"Although the current vacancy rate is at its highest peak in 15 years, it is due to a single, large move-out of a retail tenant, rather than a general trend," he said, noting Kmart/Sears vacated 1.2 million sf in 2015, pushing the otherwise tight industrial market to 30 percent vacancy.

"There are no current industrial developments underway in the immediate area," said Gruber. "Larger deals have been completed, but the need for smaller-sized units to accommodate small, related users is critical." Large users in the vicinity include Staples, Intertape Polymer Group, BASF Construction Chemicals and Transwest.

Gruber said he sold a neighboring 30,000-sf building as an investment last year. "The tenants there were great, it's never vacant, your rents are high. It was just a home-run deal."

He expects Rocky Crest's building will be similarly received. "Availability is really low in that market, period – especially for a building that's going to have high visibility, with yard.

"Rocky Crest's planned addition of a multitenant industrial building designed to accommodate small service industry-type users with grade-level loading will create tremendous draw. This is new construction, 15 minutes from Denver, in a tight market and underserved, premier location," he said, adding lease rates likely will be in the vicinity of $10.50 per sf triple net or higher.

The building will be delivered in 2018.

Other News

■ A 10,000-square-foot industrial building at 5350 Vivian St. in Arvada sold for $1.55 million.

The buyer, **BloomCO Properties LLC**, is affiliated with a construction company that occupies about half of the building, according to **Casey Grosecope** of **Newmark Grubb Knight Frank**, who represented the buyer. There also are two other tenants.

Rodney Gustafson of **Case Commercial Real Estate** represented the sellers, **Joseph L. Polito, Jill F. Polito, FESI LLC** and **Hanco Investments LLC.▲**

Retail

Westerra Credit Union leases lead to two retail sales

by Jennifer Hayes

A pair of leases inked by Westerra Credit Union helped pave the way for the sale of two metro area retail assets.

The properties were sold by Northstar Bank, a subsidiary of Texas-based Carlile Bancshares, which previously acquired the Colorado Community Bank and The Bank at Broadmoor as well as both banks' real estate assets.

Assets included a 6,454-square-foot freestanding Northstar branch at 20991 E. Smoky Hill Road in Centennial that didn't fit Northstar's locational requirements, so the bank opted to shut down the branch last summer, explained Avison Young Principal Rick Egitto.

Quickly thereafter, the space was backfilled by Westerra Credit Union, which had been located a half-mile to the west of the Centennial site. Westerra inked a 10-year lease at the building, as it liked the frontage along Smoky Hill and freestanding nature of the Northstar property.

"With Westerra's long-term lease, the building became very attractive to the investment community as a 1031 exchange," added Egitto. "There was a lot of interest in the asset in that you don't get credit union-type of buildings available that often. After leasing the property to Westerra and it taking occupancy, the building was put on the market and not even within three weeks it was under contract. It was the perfect scenario for the bank."

Rick Egitto

Egitto, along with Avison associate Sam Crowe, brokered the sale of the building constructed in 2004. Smoky Hill LLC and Chase Adam LLC paid $1.93 million for the building.

Northstar also inherited two branches in the Castle Rock market, one downtown, the other at 4625 Trail Boss Drive, which included retail strip space.

The 14,825-sf center, constructed in 2001, also was considered excess real estate by Northstar, which opted to backfill the location.

Sam's Club temporarily leased the 4,839-sf bank end-cap as a hiring center for its new Castle Rock location. While this was occurring, Egitto explained, Avison Young was working with Westerra on the Centennial lease and discovered they were also looking for a Castle Rock location, which led them to also signing a 10-year lease for the end-cap, which it will occupy in June. Sam's vacated the space in January.

With the bank's space leased long term, Northstar retained Avison to sell the property. CWC Income Properties 5 LLC, a California 1031 exchange investor, paid $4.34 million for the asset, located just east of Interstate 25 along Founder's Parkway.

"The buyer loved the long-term nature of the financial institution and loved the named tenants we had in the shopping center," said Egitto, who handled the leasing and sale of the center for Northstar. Tenants at the center include FedEx, Little Ceasars Pizza, SlimGenics, Castle Rock Cosmetic and Family Dentistry and a local nail salon.

Carrington Real Estate Services represented the buyer.

"It was just a really well located piece of real estate that had some under-market rents in it so there is some upside there," noted Egitto. "This is the seventh acquisition by this group out of California in Colorado, all retail centers, and goes to the heart of the fact that there are a lot of people out of California moving their money here for taxes and better returns. You have 4 to 5½ cap rates in California and here they bought this property at a 7 to 7½ cap. That is why you see a lot of money coming in from California."

A retail center in Castle Rock sold for $4.34 million. Westerra Credit Union will occupy an end cap at the center this summer.

Other News

■ **Evergreen Devco Inc.** and **City Street Investors** broke ground on an 8,440-square-foot multitenant building in Stapleton.

The Eastbridge North retail development comprises nearly an acre of land on the northeast corner of Geneva Court and Martin Luther King Boulevard.

"We're always striving to bring exciting retailers and restaurants to our projects that neighbors want and need," said **Tyler Carlson**, a managing principal of Evergreen. "That's exactly what we're doing in Stapleton with both Eastbridge Town Center and Eastbridge North."

Eastbridge North contains four suites. A Supercuts hair salon and a Pacific Dental Services office will open in two different spaces, and negotiations are underway for the remaining two spaces.

"We've received a lot of tenant interest in Eastbridge North," said Carlson. "We plan to make more announcements soon on the remaining two tenants for our first building at Eastbridge North, plus we're working on a second Eastbridge North building to accommodate additional tenant interest."

Eastbridge North is expected to open in fall. To the south of the development is the recently completed Eastbridge Town Center. Its first tenant, Pilates Evolution, opened a 1,200-sf location in mid-February.

Catamount Constructors Inc. is the contractor for Eastbridge North, which was designed by New York-based **G3 Architects.**

■ **Crosbie Real Estate Group** is marketing retail lease opportunities at a new King Soopers Marketplace in northwest Arvada.

A 123,000-sf store at the northwest corner of Candelas Parkway and Indiana Street is slated to open in March 2018. The 22-acre development also will include a nine-unit fuel center, 7,100 sf of attached inline space as well as four pad sites available for lease or purchase.

■ **NAI Shames Makovsky** recently handled several retail leases in the Denver metro area.

Bruce Boxer of NAI Shames Makovsky represented landlord **OCB RedPeak GCI 1 LLC** in its lease of 3,475 sf of space at 400 E. Ninth Ave., Unit C, Denver, to tenant **Tap Fourteen Uptown Inc.**

Matt Emmons of NAI Shames Makovsky represented **French for Sugar – Sweets & Treats LLC** in its lease of 3,050 sf at 5724-5728 E. Colfax Ave. in Denver. The landlord was **Ginsburg & Co. LLP.** ▲

303 447 8326
WWW.TEBOPROPERTIES.COM
MAIL@TEBOPROPERTIES.COM

TEBO PROPERTIES

PREMIER BOULDER RETAIL SPACES AVAILABLE FOR LEASE

Pearl Street Mall

1207 Pearl Street | 5,116 SF

Price: $18,500/MT

- Busy Pearl Street Mall Restaurant or Retail Space
- Street Level Retail Space with Finished Basement
- Kitchen Equipment, including Hood and Freezers
- Exclusive Exterior Patio on Pearl Street Mall

Pearl Street Mall

1222 A Pearl Street | 2,730 SF

Price: $13,746/MT

- Large Store Front Windows
- Open Floorplans
- Amazing Foot traffic
- 5 min Drive and 20 min walk from CU Campus

28th Street, Boulder

1631 28th Street | 1,630 SF

Price: $4,817/MT

- Open Interior for Custom Build-Out
- Located in Buffalo Village Shopping Center
- Monument Signage on 28th Street Available
- Close to University Campus

East Boulder

5290 F/G Arapahoe Rd. | 3,009 SF

Price: $5,700/MT

5290 L Arapahoe Rd. | 7,000 SF

Price: $11,427/MT

- Excellent Access and Visibility!
- Abundant Store Front Parking

CONTACT US TODAY! 303 447 8326

Law & Accounting

Update on construction defect laws

Dane Mueller, Esq.
Senior associate, Robinson & Henry PC, Castle Rock

Colorado's construction defect laws have experienced significant reforms dating back to 2001 when the Construction Defect Action Reform Act, commonly referred to as CDARA, was originally introduced. The 2017 Regular Session of the Colorado General Assembly is no exception to the statute's history. Currently, three proposed bills provide the potential for substantial changes to Colorado's construction defect laws.

■ **SB17-155: Statutory Definition of Construction Defect.** SB17-155 is a bill intended to address the statutory definition of "construction defect" under CDARA. Under current Colorado law, "construction defect" is not specifically defined. The only terms defined are action, actual damages, claimant, construction professional and notice of claim.

The bill proposes a separate definition of the term "construction defect" in the CDARA statute. The bill defines "construction defect" as a defect in the design or construction of any improvement to real property that causes damages to or the loss of use of personal property or causes personal injury. Notably, the bill seeks to explicitly include actual damages as a requirement to initiating a CDARA claim.

SB17-155 would take effect Aug. 9, if the General Assembly adjourns on May 10, as scheduled, and no referendum petition is filed.

■ **SB17-156: Homeowners' Association Construction Defect Lawsuit Approval Timelines.** SB17-156 is a bill concerning the prerequisites to the authority of a unit owners' association to pursue resolution of disputes involving construction defects. The bill intends to provide a swift resolution process for homeowners' associations that are attempting to remediate construction defects, while also shielding homeowners from actions taken by HOAs without the homeowners' consent or knowledge. Specifically, the bill proposes that when the governing documents of a common interest community require mediation or arbitration of a construction defect claim and the requirement is later amended or removed, mediation or arbitration still is required for a claim made under CDARA.

The bill requires that an HOA use mediation or arbitration before a lawsuit can be filed in cases involving construction defects. The mediator or arbitrator must be a neutral third party; make certain disclosures before being selected; and be qualified in accordance with applicable state or federal laws governing mediation and arbitration.

> 'The bill intends to provide a swift resolution process for homeowners' associations that are attempting to remediate construction defects, while also shielding homeowners from actions taken by HOAs without the homeowners' consent or knowledge.'

In addition to submitting the case to mediation or arbitration before filing a lawsuit, the HOA's executive board must send an advance notice to all unit owners within the community that includes a general description of the claim, the relief sought and a good-faith estimate of the benefits and risks involved in a detailed format outlined in the bill. The HOA's executive board must obtain signed, written consent from a majority of the unit owners acknowledging that the owner has received the notice required under the bill and the owner approves of the board's proposed action.

The modification of the HOA disclosure notice would take effect Jan. 1, 2018.

■ **SB17-045:Construction Defect Claim Allocation of Defense Costs.** SB17-045 is a bill concerning a requirement for equitable allocation of the costs of defending a construction defect claim, in which more than one insurer has a duty to defend a party.

This bill proposes to allow an insurance company to request that the court apportion certain costs of defending the defect claim equitably among all liability insurers who have a duty to defend against the claim. The bill requires that the district court establish the contribution claim within 90 days after the filing of the lawsuit. The district court must then issue orders that are essential to hold an expedited evidentiary hearing. After a final judgment is made that resolves all claims against the insured, any insurer may apply to the court for a final apportionment of the defense costs.

The proposed SB17-045 also allows an insurer to move the court to determine if other insurers have a duty to defend. In the case an insurer does have a duty to defend the claim, the court can order contributions prior to the conclusion of the case. In determining the apportionment of costs, the courts analyze a plaintiff's expert reports identifying the alleged defects, the defense expert reports identifying the damages, the seriousness of the defects and a detailing of the expected cost to repair. Pursuant to current Colorado law, the court conducts these hearings at the end of the case.

SB17-045 would take effect July 1 and would apply to actions filed on or after that date.▲

The 1031 Exchange Experts, llc present: 1031 NEWS

The Future of 1031 Exchanges in a Trump Congress

Although Donald Trump has been President for less than 50 days (as I write this), certain things about him and his agenda are becoming clear: he has a very clear vision about what he wants to accomplish, and he is very determined to push his changes through.

By Gary Gorman founder, The 1031 Exchange Expert's; LLC

Tax reform is high on his agenda, and because he has a Republican majority in both the House and the Senate, it's likely there will be some form of tax legislation proposed later this year. Since I'm a retired CPA and I make my living in the Section 1031 tax arena, I'm very concerned about the possibility of changes to this Code Section and how these changes would impact my clients.

Let me start with a few general observations about tax legislation: what's proposed and talked about in the beginning seldom survives to become law. The House Ways and Means Committee will propose changes to be voted on by the House. Likewise, the Senate Finance Committee will propose their own bill that will be voted on by the Senate. The House and Senate bills then go to the Joint Committee of Congress that will combine these two into one final bill that will then go back to the House and Senate to be ratified. After ratification, the bill goes to the President to be signed, after which it becomes law.

This means lots of opportunities for additions, deletions and tweaking along the way before something becomes final. Trump and the Republicans have shown that they prefer to work in the shadows until they have a framework for a bill, rather than drafting it with media scrutiny.

> "...call your Congressional Representatives and Senators: tell them you are very worried about the future of Section 1031 and its impact on you..."

Another general observation is that Congress strives to make bills that are as revenue neutral as possible. If they cut taxes in one area, they then raise taxes in another so that the two balance out (at least as close as they can make them). This is the part that makes me nervous about 1031 exchanges: Trump has made it very clear that he wants to lower corporate tax rates – meaning that he'll have to find new tax revenue to replace that lost through lower taxes.

Section 1031 could be one of the replacement sources. This means that to replace revenue lost through lower corporate taxes, Section 1031 could be eliminated either in whole or in part. In other words, you might have to pay tax on the gain from the sale of your rental so that Apple and Microsoft can pay lower taxes on their profits.

It appears unlikely that Congress will hold hearings on a tax bill until later this fall. Since you've read all the way to the end of this article, it means that the future of Section 1031 is also important to you. So please call your Congressional Representatives and Senators, and tell them that you are very worried about the future of Section 1031 and its impact on you. One-to-one contact, like a phone call, is much more powerful than a written letter or (worse still) a form letter. Ask them to add your email to their list to keep you informed if Section 1031 does end up being targeted for change or elimination. And please feel free to contact my office if we can help you in any way.

Gary Gorman is the founder and owner of **1031 Exchange Experts' LLC**, an independent national qualified intermediary. A retired CPA, Gary is the author of the best-selling 1031 exchange book: *Exchanging Up!*, and a contributor to numerous publications, including *Forbes, The Wall Street Journal, Bloomberg's* and *The New York Times*. He's also a contributing author of books by Donald Trump and *Rich Dad/Poor Dad* author Robert Kiyosaki. He can be reached at gary@expert1031.com, or nationwide, toll free at 866-694-0204.

Land & Development

The Bell Tower: A Denver 'whale' site & design riddle

This the first in the series on Denver's "Whale Sites," defined as extremely prominent underdeveloped land parcels whose size and location will influence Denver's future growth and development. Examples include the Bell Tower site, Aquarium Parking Lots, Burnham Yard, the former Denver Post Printing Site and Peña Station Next.

Steve Ferris
Founder and principal, Real Estate Garage, Denver

Introduction

The "Bell Tower" property straddles Cherry Creek and is surrounded by Speer Boulevard, Market, Larimer and 14th streets. It takes its name as the historic site of Denver's first City Hall, which contained a bell tower, the bell from which is mounted on a pedestal on the southeast corner of the site. The easternmost portion of about 24,700 square feet is oriented to Lower Downtown and is often termed Bell Park, but it is not a park. The western portion, sitting across the creek along Speer, is about 40,700 sf. (Note: Square footages are based on the current site zoning documents.)

Making development difficult is the fact that the site defines downtown Denver and its relationship to the Auraria campus; moreover, it is physically bifurcated into the two described triangles by Cherry Creek, which in turn serves as a public parkway, flood-control feature, bike path and waterway. Any crossing or access to it requires close scrutiny.

Development on the site must also observe a west-facing mountain view corridor blocked by a five-story building only 600 feet across Speer. It is also subject to three LoDo design review subareas and limited by an outdated 2006 PUD zoning scheme. In sum, the site's constraining physical features are exacerbated by awkward regulatory obstacles.

Some Insight and History

The Bell Tower site is significant in part because it is the last large undeveloped parcel in Lower Downtown, in part because of its close proximity to the Cherry Creek trail and Larimer Square, and in part because it serves as a connection between the Auraria Campus/Pepsi Center and downtown. As Auraria Campus evolves, the Pepsi Center parking lots become garages and the Elitch Gardens amusement park is redeveloped, these areas will need to make strong connections to downtown. Development along Speer is an obvious connection point.

Development plans for the 65,000-sf site have a brief if challenging history. They date back to the 2006 PUD zoning approved for about 94 percent of the site, which enabled a needle-tower apartment on the northwest triangle and a five-story building on the southeast, both of which were close to LoDo design review approval when they were felled by the 2008 crash. The existing zoning does grant two development plan options, but otherwise exhibits a regulatory scheme that requires patience. The PUD was intended to capture aspects of the historic site and respect the low-scale development pattern of LoDo, but primarily on the Bell Park portion. The remainder of the site is granted significant density, but is regrettably subject to a 7,500-sf building footprint.

Buzz Geller, who owns the land as part of the Paradise Land Co. (https://paradiseland.com) has seen numerous development plans, from Carmel apartments to most recently a W Hotel via the Hines Corp. Geller noted that the site is "the best in all of downtown, but unique and must be considered potentially iconic." Overcoming the challenge, or riddle, to the site's limitations requires a bet on the elite level of pricing that comes from its prominence, guaranteed views and proximity to Larimer Square.

Regulatory Specifics

The PUD offers two design options: One requires a needle tower with a 7,500-sf-maximum floor plate and the alternative seeks five- to eight-story building height limits across both sites. The crux of the regulatory challenges is that the higher-density option within the PUD zoning calls for a building that can no longer be built. As most building code experts know, stairwell separation and elevator shaft code requirements adopted since 2006 essentially reduce a typical 7,500-sf-rentable floor plate close to 20 percent. In addition, the east and west triangles must be developed either simultaneously or sequentially.

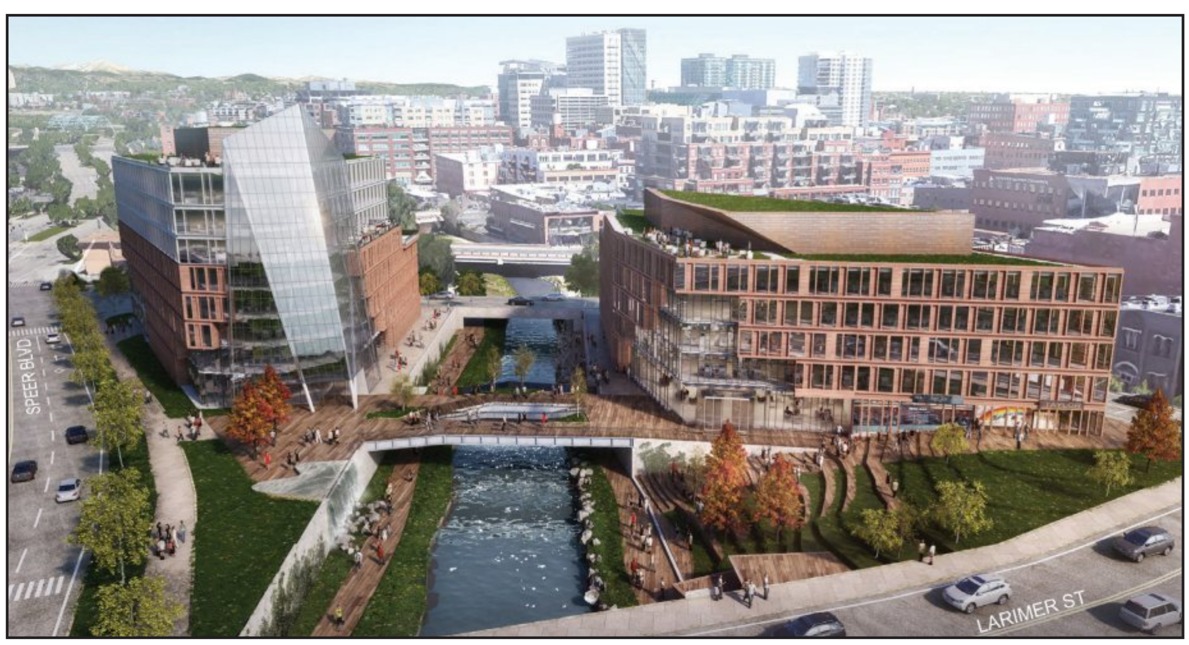
The zoning further enshrines a southwest-facing mountain view corridor, starting at grade at the corner of 14th and Larimer. Rising slowly from this unusual origin point, it significantly impedes development on about one-fourth of both development sites. Not only is this view corridor impractical, but it is already blocked by CU Denver's Auraria campus building, which came about because the state of Colorado elected to ignore the view corridor under its public code exemption authority.

Complicating matters is that any rezone process would have to engage neighborhood representatives, city planning staff and the Lower Downtown Design Review Board prior to reaching the city's planning board or City Council. The view corridor change also would require a separate City Council legislative act. Most estimates suggest processing rezoning would require a minimum of 24 months.

Possible Solutions

With time and resources, one might come up with several creative solutions. The two sites could be separated for development timing purposes, or the city may be able to reduce the regulatory burden by unilaterally amending the site's regulatory scheme (a project that would need to have its own public purpose). Or, a buyer might be able to justify the holding costs by capturing a premier offering, say for office space and parking complementing Larimer Square.

Aerial view, Bell Tower site looking northwest creating two projects of different styles; this plan preserves the view corridor



Aerial view, Bell Tower site looking northwest linked design with a lower scale

But, the blunt reality may lie in two options rendered below. Option 1 is to dig deep and pursue a two-year-plus entitlement process, with some assurances that the view corridor can be lifted and a belief that the solution that makes the development numbers work will be acceptable to the regulators and ultimately City Council. This option could pursue two projects, the first would be a five-story building at 14th and Larimer that fits the LoDo context, and the second would be a tower at Market and Speer that accommodates a transition between the west and east sides of Speer.

Option 2 is to pursue a design under alternative 2 of the 2006 PUD, which would create roughly two five- to eight-story buildings. Economic assumptions regarding the value of the site as a marquis pricing option, and perhaps physical relationships to the established success of Larimer Square, would have to be embedded in such a proposal. ▲

Ferris's firm, the Real Estate Garage (http://realestategarage.net), focuses on maximizing the production of real estate plans, projects and approvals, including entitlement processing coordination and rezoning. Ferris previously served as an appointee of Denver Mayor Michael B. Hancock, running Development Services for the city of Denver. He also has engaged in $1 billion-plus of feasibility and development management work in the private sector, and served as director of planning and town manager for the town of Telluride. He holds degrees in civil engineering from Marquette University, urban planning from Cornell University and a Master of Business Administration from the University of Denver.

Rebchook Real Estate Corner

Millennials making it, mostly renting in Mile High City

John Rebchook
Rebchook Real Estate Corner

Millennials. Every city wants them.

Denver is actually getting them.

A fair share of the 10,000 or so people moving to the Mile High City every month are in the coveted demographic group. Many of these millennials are renters, good news for the Denver area multifamily market.

"Millennials are the biggest generation ever" and also are the most educated group ever, noted John Burns, CEO of John Burns Real Estate Consulting.

Burns, who is based in California, made those millennial comments earlier this year at a ULI Colorado event.

But Burns said that the word "millennial" as a catchall definition for people born between 1984 and 2002 doesn't make much sense.

"If you are talking to millennials born in the '80s and those born in the 1990s, you will have a much different conversation," Burns said.

He decided to dig deeper into the demographic trends.

After three years and 9,000 hours of research, his firm came up with eight different demographics to describe those born in decades from the 1930s to the 2000s. Burns and co-author Chris Porter summed up their findings in a book: "Big Shifts Ahead: Demographic Clarity for Business."

"Denver looks a little different" than other parts of the country, Burns said.

"Denver is more skewed to those born in the '80s and in the '70s than anywhere else in the country," he said.

Those born in the 1970s, he has dubbed as the "balancers," and those born in the 1980s are the "sharers."

Those two millennial demographics account for 33.4 percent of the Denver area population, according to research by Burns.

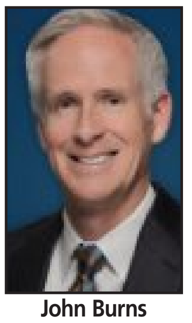
The balancers, of course, want everything: balance between work, family and play.

The sharers are the earliest generation of millennials. They also like social media, such as Facebook, Instagram and Snapchat. They also remember the hard economic lessons of the Great Recession.

"They learned their lessons from their parents and are afraid of debt," Burns said.

That is, other than student debt, as they are saddled with much of the $1.2 trillion in debt in the U.S., he pointed out.

Denver, he said, has been a leader in master-planned communities that provide housing, retail and offices in places such as Stapleton, Lowry and Arvada.



John Burns

"Give me urban with great schools and you can't miss," according to Burns.

These are what he calls "surbans," communities with suburban and urban qualities.

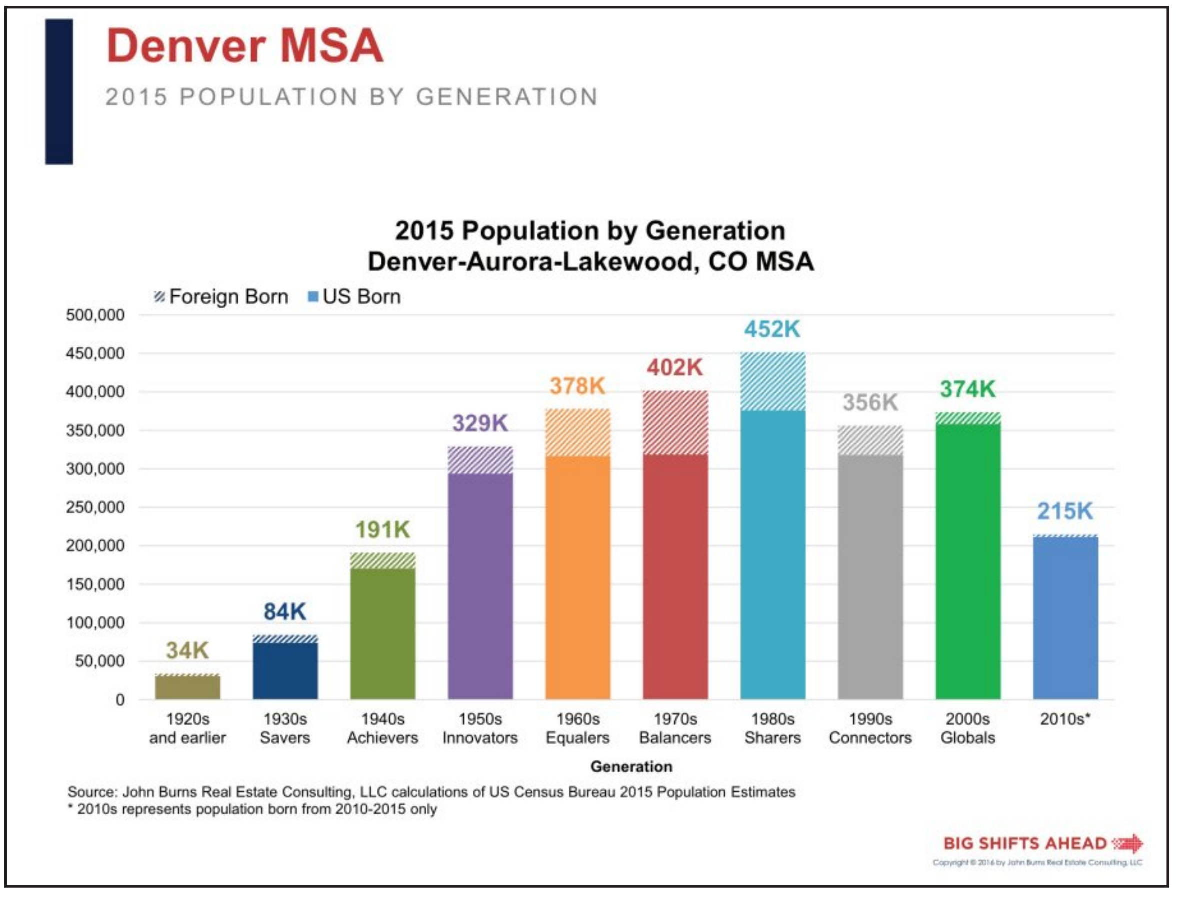
"Give me cool urban in the suburbs. Love that urban feel. Surban sounds better than mixed-use," Burns said.

Because Denver skews younger than much the U.S., that bodes well for the apartment market, according to Chris Porter, the chief demographer and researcher at Burns, who in addition to being the co-author of Big Shifts Ahead, is the chief demographer and researcher at Burns Real Estate Consulting.

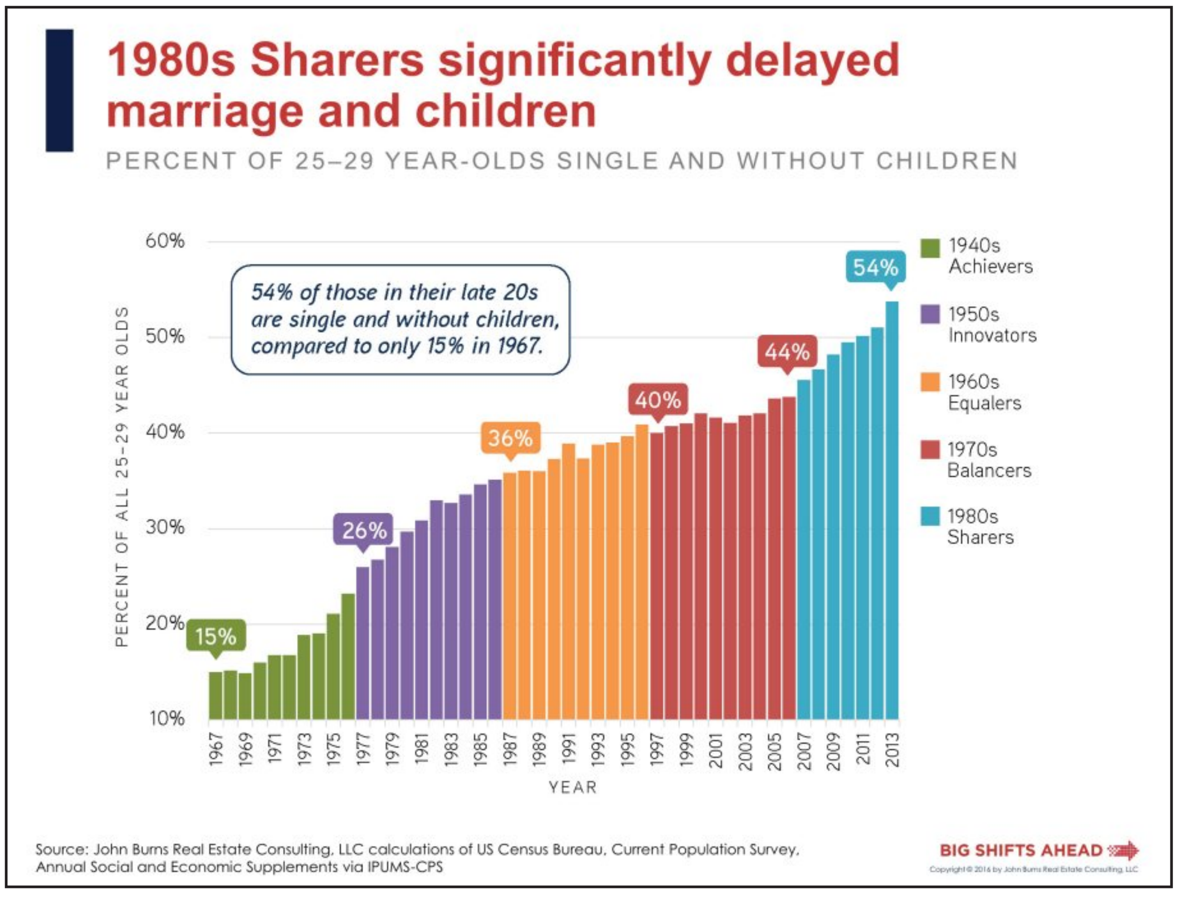
"We know right now the younger population is delaying many of the big milestones in life, like buying a home, and not necessarily by choice," Porter said.

"As a group, as they enter adulthood, they are tending to rent," Porter added. "That should boost the apartment market, purely as a demographic shift."

Indeed, a national report released last week by Florida International University and Florida Atlantic University said that Denver is one of only three cities in the nation where renting an apartment carries less risk than buying a home. The report, by Beracha, Hardin & Johnson, ranked Denver with Dallas and Houston because of rapidly rising home prices.



A snapshot of Denver area demographics by generation, rather than labels, such as baby boomers and millennials



Denver has more "sharers" than most cities. This is a generation that is delaying having children, which is expected to boost the rental market.

"It probably does make more sense to rent than to buy in Denver right now," Porter agreed.

On the other hand, he is not down on the Denver housing market, either.

In fact, it is somewhat of a Goldilocks market — not too hot and not too cold, according to Porter.

The younger population in Denver also is good news for restaurants, he noted.

"One thing we are noticing and something you will see across the country is that younger buyers are more cost-conscious," Porter said.

"They don't want to rely too heavily on debt and they use debit cards instead of credit cards," he said.

At the same time, they are more into "experiences than possessions."

"They are willing to pay for experiences. I think if retail and restaurants can help create an experience for them, that will resonate with them." ▲

See more Rebchook Real Estate Corner at www.CREJ.com. John Rebchook's regularly posted blogs include commercial real estate news stories, in-depth looks at deals, profiles, Q&As and pieces on the latest trends. Contact John with story tips at JRCHOOK@gmail.com or 303-945-6865.

Companies look to 36 corridor to attract, retain talent

by Jill Jamieson-Nichols

Companies are looking toward the U.S. Highway 36 corridor to attract and retain employees in the technology sector, and as density increases, so too will investor interest.

"I think one of the things that investors are predicting, and its time has really come, is that the 36 corridor is going to be the recipient of a good deal of new requirements because companies have to locate near the employee," John Jugl, vice chairman of Western Regional Capital Markets for Newmark Grubb Knight Frank, said at NAIOP Colorado's March 15 breakfast meeting. "Your employment base really does open up on that 36 corridor. You touch more people, and it's easier to recruit."

'It's interesting because a lot of these R&D buildings are companies that are making things. They're not just social networking companies … When you look at a company that's making something in Boulder and needs 18-, 22-foot clear (ceiling height), racking and dock-high (loading), those companies are going either to Longmont or they're going down the corridor.'

– John Jugl, Newmark Grubb Knight Frank

"Attracting tech people is really important to us," said Michael Slubowski, president and CEO of SCL Health, which began moving to Interlocken Advanced Technology Environment several years ago and today has 1,100 employees under a single roof. "Back in 2008, when we originally located on the Oracle campus, there was a fair amount of vacant space. It's just the opposite now."

Swisslog Healthcare Solutions plans to move from Denver to Broomfield to attract tech employees and said its retention has improved since employees learned of its plans. "Our turnover was in the high teens, and it's almost nonexistent with the anticipation of going that way," said Roger Horton, the company's vice president of technology.

Impetus for companies locating on the corridor, midway between Denver and Boulder, include easy access to Denver International Airport and, as has been the case for many years, a lack of large, flexible spaces in Boulder.

"We think of it as the catcher's mitt mentality," said Derek Conn, executive vice president and partner at Etkin Johnson Real Estate Partners, which has nearly 2 million square feet of product on the Highway 36 corridor, much of it industrial/flex product in the Colorado Tech Center in Louisville. "As tenants grow out of Boulder, they are oftentimes in two to three different locations in Boulder, and we are able to offer efficiencies in Class A buildings that Boulder just doesn't have," Conn said, adding the CTC location enables lifestyle brands and others to retain their Boulder County identity.

"The city of Boulder has gone through the biggest construction cycle in its history and it hasn't delivered any buildings," noted Jugl, who added that most new construction in Boulder has been redevelopment of existing buildings, which adds little inventory.

"It's interesting because a lot of these R&D buildings are companies that are making things. They're not just social networking companies … When you look at a company that's making something in Boulder and needs 18-, 22-foot clear (ceiling height), racking and dock-high (loading), those companies are going either to Longmont or they're going down the corridor. I actually think that a lot of the opportunity is going to be in the R&D space because I think there's a great value proposition on a cash-on-cash basis, and there's a whole group of companies that are really doing very well that are just being forced out," he said.

One of the issues communities along the corridor face is, "We're seeing greater pressure for greater diversity of housing choices," said Westminster Economic Development Director John Hall, who moderated the NAIOP Colorado discussion.

Condominium construction, stifled by Colorado's construction defects laws, would help, agreed Slubowski. Although "relatively" more affordable than Boulder or "some places in Douglas County," he said, housing affordability "definitely is an area where we see some challenges in attracting talent."

Boulder's traffic and growth issues, high housing prices, along with a tapping out of tech talent, notably by Google, all are making U.S. 36, which is easier for employees to get to, more of an "infill" location, said Jugl.

"Generally speaking, investors are looking for the 36 corridor to pick up, but it's going to be the densification of the 36 corridor that's going to attract more and more capital, because that's what they're looking for elsewhere," he said.

Arista, Downtown Westminster (the redevelopment of the old Westminster Mall) and Superior Town Center all are bringing dense, urban development to the corridor.

The 36 corridor also has a wealth of newer office buildings – 82 percent of them were built after 1990, according to Jugl.

"One of the things that investors like about the 36 corridor is the newness of the product. It has some of the best buildings within Colorado and the Front Range," he said. ▲

Swisslog plans move to Broomfield site

by Jill Jamieson-Nichols

Swisslog Healthcare Solutions is preparing to move its North American headquarters from Denver to Broomfield.

The company reportedly is working with United Properties to develop an approximately 56,000-square-foot building at Interpark, located at West 112th Avenue and Main Street. It hopes to double in size over the next five years.

Part of global robotics company KUKA, Swisslog Healthcare Solutions focuses on logistics automation for hospitals and medical facilities – pneumatic tube systems, and systems for storing and retrieving medical supplies and pharmaceuticals, for instance. Traditionally a hardware company, it is shifting more into software, according to Roger Horton, vice president of technology.

Horton, who spoke at a recent NAIOP Colorado breakfast meeting highlighting the U.S. Highway 36 corridor, said flexibility to grow, and attracting and retaining tech talent were big drivers behind the anticipated relocation.

"Attracting talent in a 50-year-old building in the old Stapleton has been very difficult. We knew we needed to relocate," he said, adding retention already has improved since employees learned of the pending move.

The company considered other locations in the metro area and favored Broomfield based on commuting options for employees, proximity to universities and easy access to Denver International Airport. It would have preferred to be on light rail; however, land prices at transit-oriented development sites are higher than what Swisslog was willing to commit to, he said. The Broomfield location is a half-mile from bus/bus rapid transit for employees wanting to use public transportation. ▲

Longmont to get a taste of Beau Jo's at former Carino's

by Jill Jamieson-Nichols

Beau Jo's Pizza will put its own spin on a restaurant building in Longmont.

The Colorado pizza restaurant chain bought the former Johnny Carino's building at 2033 Ken Pratt Blvd. from Boulder County owner/developer David Chaknova for $2.6 million.

'Beau Jo's is working on some fabulous plans to re-create the bar area and create an exciting indoor/outdoor patio bar experience.'

– David Chaknova, Nova Investments Inc.

"Beau Jo's is working on some fabulous plans to re-create the bar area and create an exciting indoor/outdoor patio bar experience," said Chaknova of Nova Investments Inc. The company also is focused on sustainability, and is a big user of wind and solar energy, which no doubt will play into its plans.

Johnny Carino's closed the 7,000-square-foot Longmont restaurant in 2014. Chaknova bought the building in 2015 and has spent the last 1½ years discussing the location with local and regional restaurant groups. He thinks Beau Jo's is a great fit for the building.

Beau Jo's Pizza will occupy the former Johnny Carino's restaurant at 2033 Ken Pratt Blvd. in Longmont.

"(For) many years I have stopped in their Idaho Springs location, coming to and from the mountains off I-70, and always thought how great their food and atmosphere was and how they would excel in Longmont," said Chaknova. "Then in meeting owner Chip Bair in 2016 and understanding how focused he is with the environment and helping the community, I realized this would be a perfect fit for Longmont."

The Longmont restaurant will have private rooms to accommodate sports banquets, wedding rehearsal dinners and holiday parties, for instance.

The restaurant will open this summer. ▲

Larimer & Weld Counties

UNC achieves above-listing price for student housing

by Jill Jamieson-Nichols

The University of Northern Colorado achieved more than the asking price for a student housing complex it had owned since 1967.

The buyers, a pair of Northern Colorado investment groups put together by the Schuman Cos., will continue operating the 98-unit University Apartments as student housing.

The apartments are located two blocks from campus at 509 18th St., across the street from Jackson Field. They were listed for sale at $7.06 million and sold to Bears Village LLC and MMP Ventures LLC for $7.1 million. The cap rate was 6.5 percent.

UNC's board of trustees authorized the sale of the 76,150-square-foot property last year. The university said even though enrollment is up, it can meet housing demand by accommodating more than 3,000 students in 16 other residence halls.

Phil Dankner

The University Apartments buildings have some exterior deferred maintenance, and, "They thought that they could sell the asset and take some of that money and reinvest it to help more students," said Phil Dankner, director of Greystone Apartment Group.

According to the Greystone Unique Apartment Group, which handled the sale, the transaction was unique because it involved a partnership between the buyer and seller that extends beyond closing. Before going under contract, the university extensively interviewed the top two potential buyers to select the best fit and to make the transition as smooth as possible for students.

Essentially full at the time of the sale, University Apartments was developed by the university. It consists of two-bedroom, one-bath units of 660 sf in seven walk-up buildings. There also is a fitness center, basketball court, student lounge, on-site laundry room and children's playground. The site comprises five acres.

The University Apartments consists of seven buildings on a 5-acre site.

"This sale offers a true reflection of the demand for Greeley multifamily investment opportunities," said Dankner. "After marketing the asset for less than three weeks, the University of Northern Colorado received multiple offers. There continues to be little to no inventory for sale in the Greeley multifamily market, and the student housing segment has tightened up due to an increase in enrollment year over year at the university."

According to Dankner, who handled the deal with Greystone Unique's Adam Riddle, the University Apartments is the first UNC-operated property the university ever sold and the only student housing community to trade in Greeley in the last 12 to 18 months.

"Student housing properties of any size (more than 15 units) don't trade very often, and when they do, it's a frenzy because the university continues to grow and there's always a need for student housing." Because there hasn't been a lot of new multifamily construction, "There are a lot of people looking for housing, so that puts pressure on students," he said, adding the buyer will have "no issues" keeping the property filled.

The university said in a statement that it interviewed multiple national brokerage firms to represent it in the sale of University Apartments and selected Greystone Unique Apartment Group "because of their thorough approach and expertise in the market."

"Greystone Unique Apartment Group was able to achieve a favorable sales price with no surprises in the process," it said.

Other News

■ **Lincoln Hotel Apartments LLC** bought a multifamily property at 419 and 421 E. Seventh St. in Loveland as part of a 1031 exchange.

Marge Voight sold the property for $1.65 millon in an off-market transaction.

It consists of 10 apartment units, a house and storage units that are rented mostly to apartment residents.

Located in downtown Loveland, the property has been well maintained and will continue to be operated as is by the new owner, said **Jon Rue** of **CBRE's** Northern Colorado office. Rue handled both sides of the transaction with CBRE's **Mike Eyer** and **Julius Tabert**.

The sale was part of an exchange for the Lincoln Hotel Apartments in Loveland, which sold in October.

■ **Pinnacle Agricultural Holdings LLC** leased the 26,159-sf first floor of a new office building at 1880 Fall River Road in Centerra.

The company is relocating within the master-planned business park in Loveland.

Cobey Wess of SVN/Denver Commercial-Northern Colorado Division represented the tenant. **Ron Kuehl** and **Ashley Stiles** of **Realtec** represented the owner, **Centerra Office Tech 1 LLC.** ▲

Colorado Springs/So. Front Range

'Unprecedented' investment in downtown Springs

by Jennifer Hayes

Extraordinary investment is happening in Colorado Springs.

The Downtown Partnership released the second annual state of downtown Colorado Springs report in which it noted an "unprecedented" $601.25 million in completed, in-process or announced public and private investment since 2013 is occurring in the city center.

The report, produced by the Downtown Development Authority, noted from 2013 to 2016, $85.32 million in investments were completed with $242.15 million under construction and an additional $273.78 million announced.

Highlights of 2016 included:

- The 33-unit Blue Dot Place apartments, the first new-built apartments in the downtown core since 1960, were completed and fully leased within four months of opening.
- The U.S. Olympic Museum development plans were approved, setting the stage for its 2018-2019 opening.
- Construction started on 169 residential units at 333 ECO and nine condominium units at the Bijou Lofts.
- The Cimarron-Interstate 25 interchange reconstruction continued on schedule with an anticipated completion late this year. The $113 million project enhances highway safety as well as improves creek and trail access and provides a welcoming gateway into downtown.
- The first phase of Catalyst Campus, a $12 million, 100,000-square-foot co-working space was completed.
- Downtown's newest hotel was announced, the 10-story, 167-room Hilton Garden Inn, the first new hotel construction to be built in the core since 1967. The hotel, expected to open in 2018, also is the first high-rise building in downtown since 2001.

The 2017 state of downtown report also noted that construction in the city's core saw a major shift in 2016 with nine large projects breaking ground and a 15-fold increase in permit plan-check valuations from 2015.

The report, produced by the Downtown Development Authority, noted from 2013 to 2016, $85.32 million in investments were completed with $242.15 million under construction and an additional $273.78 million announced.

Additionally, 19 land use permits and approvals were issued for 16 individual projects and 662 total building permits were issued in the 80903 ZIP code (the Greater Downtown Colorado Springs Business Improvement District) with a total plan-check valuation of nearly $188 million. The value represents an increase of more than $174 million in new projects by valuation from 2015. Additionally, downtown plan-check valuations represented 34 percent of citywide figures. Ten certificates of occupancy were issued in downtown Colorado Springs, representing 5 percent of citywide figures.

The report also noted that the Downtown Living Initiative's (part of the authority's Experience Downtown Plan, a development and land-use master plan) primary goal is to accelerate progress toward the near-term construction of at least 1,000 new residential units by 2020 and 2,000 new units by 2025. More than 300 units opened or were under construction in 2016.

Downtown's office market represents 22 percent of the city's base of Class A office space and 12 percent of the overall market with an average asking rate of $21.08 per sf, 63,155 sf of net absorption and a 7.8 percent vacancy rate among all classes in the fourth quarter of 2016.

Colorado Springs' downtown retail market saw the addition of 23 new street-level businesses in 2016 with another 12 announcing openings in 2017. The downtown market comprises 2.43 million sf of retail space with a 2.9 percent vacancy rate in the fourth quarter and an average lease rate of $14.55 per sf, up $1.05 year over year.

Other News

■ **United Healthcare** recently renewed its office lease at the Briargate Office Center in Colorado Springs.

It renewed its lease for 21,235 square feet at the building at 1755 Telstar Drive.

Dar Briargate LLC, Overland Briargate and **Briarcan LLC** are the landlords.

Greg Phaneuf of Colorado Springs Commercial, a Cushman & Wakefield Alliance represented the landlord. **JLL** represented the tenant.

■ A hail and dent repair firm inked a lease for 4,000 sf at the Edison Business Center in Colorado Springs.

The Hail & Dent Co. of Colorado Ltd. signed the lease for the space at 4680 Edison Ave. It leased the space from **Haman Enterprises LLC**.

Jim Zorman of the **London Commercial Group** was the listing agent. **Taylor Stamp** of **Quantum Commercial Group Inc.** represented the tenant.

■ **Transwestern** recently released its monthly look at the Colorado Springs market, in which it reported that lease rates and direct vacancy both rose in the office category from January figures.

The asking direct rate rose to $16.13 per sf full service and direct vacancy ended the month at 12.19 percent.

The firm also reported that there are several large contiguous blocks of office space available, including 139,000 sf at 2424 Garden of the Gods road and 128,484 sf at 1005 E. Woodmen Road.

Transwestern also gave a peek into the Colorado Springs industrial and retail markets during February.

Industrial saw rates rise to $6.42 per sf triple net and direct vacancy decline to 8.69 percent. Additionally, year-to-date direct absorption stands at 164,558 sf.

The Colorado Springs retail market saw rates climb from January to $12.48 per sf triple net and direct vacancy rise to 5.62 percent. However, YTD direct absorption was a negative 84,139 sf. ▲

Colorado

Denver investor buys Club Commons in Snowmass

by Jennifer Hayes

A Denver investor paid more than $200,000 per unit for a rarity in Colorado resort towns – an affordable apartment community.

JIP-Snowmass LP paid $7.45 million, or $206,944 per unit, for Club Commons. The property at 52 and 70 Commons Circle in Snowmass Village was sold by Club Commons II Owner LLC.

"A local investor out of Denver was attracted to the scarcity of nice, affordable housing up there and thought it would be a good investment," Terrance Hunt of ARA Newmark said of the purchase.

Hunt, along with ARA Newmark's Shane Ozment, Justin Hunt and Andy Hellman, represented the seller.

Club Commons, constructed in 2008, comprises 36 units. It consists of three one-bedroom, one-bath units; six two-bedroom, two-bath units; three three-bed, three-bath units; and 24 four-bed, two-bath units.

It was fully occupied at the time of sale.

The Club Commons apartment property in Snowmass Village comprises 36 units and 120 beds.

Other News

■ The **Grand Junction City Council** recently unanimously approved a proposal for **Sunshine Polishing Technology** to move its U.S. operations to Grand Junction.

The company, which provides maintenance and restoration services to ski lifts and gondolas, will relocate its current operations from Eagle County and add 11 to 15 jobs to the local economy by this summer.

The **Grand Junction Economic Partnership**, which partnered with the city on the project, estimates a total annual economic impact of adding Sunshine Polishing's 15 jobs to the economy of $4.15 million. The construction project, assuming a $625,000 building, is anticipated to bring positive economic activity to the community totaling $1.01 million.

"Economic development, a priority for this City Council, requires that we utilize a variety of tools to help to stimulate our local business environment. Sunshine Polishing will be a great addition to our community and will add to the growing excitement about the area along the Riverfront," said Mayor **Phyllis Norris**.

Grand Junction surpassed the Vail Valley and Montrose County in the negotiating process to win the relocation bid. City Council approved a competitive incentive package to secure the business, which includes 2 acres in the Jarvis Development Area at a reduced price, enterprise zone tax credits and a four-year property tax rebate. The company also is eligible to apply for the Jump-Start tax credit program in Mesa County.

"We are grateful to City Council for approving our proposal. Sunshine Polishing Technology is exactly the type of innovative business that we are aiming to recruit to Grand Junction," said **Kristi Pollard,** executive director of the Grand Junction Economic Partnership. "It will add high-paying jobs in the technology sector, a priority area for us as we work to establish a tech hub in Colorado's Grand Valley. The company also caters to the outdoor recreation industry, which continues to be a key industry as we diversify the local economy."

Established in 1998 in British Columbia, Canada, Sunshine Polishing Technology is a world-renowned pioneer in plastic polishing. The company provides on-site services to improve cable transport systems at ski resorts and adventure parks across the U.S., Canada and Europe. More recently, the company has expanded its services to include restoration and more aesthetic improvement solutions. The company relocated from Canada to Colorado in 2014.

Sunshine Polishing Technology expects to move seven current employees to Grand Junction and will also be recruiting four to eight new staff members by summer. The company's average salary is $57,269 per year.

■ Glenwood Springs-based **Fleisher Real Estate and Property Management** is now a part of **ERA Real Estate,** a global real estate franchise with more than 37,000 sales associates operating in 31 countries.

Fleisher Real Estate and Property Management will now do busi-

Please see **Snowmass,** *Page 33*

Finance

Construction financing was provided for the third phase of the Belle Creek Commons project in Henderson.

MCA arranges financing for Belle Creek, Shift Workspaces-Corona

by Jennifer Hayes

Metropolitan Capital Advisors Ltd. recently arranged two loans, including construction financing for the third phase of the Belle Creek Commons project.

Charley Babb, senior director and principal of Metropolitan Capital Advisors' Denver office, and Tiffiany Mullins, senior associate at MCA, placed the $4.12 million construction loan for the Belle Creek Commons development.

MCA arranged the debt financing on behalf of an entity sponsored by Chartered Development Corp., a Denver-based development company. The construction, minipermanent financing has a 5 percent interest rate. Additionally, the loan has prepayment flexibility.

The unnamed lender also provided the financing for the first two phases of Belle Creek Commons, where the first phase of construction is complete and Phase 2 is underway.

The third phase of the community at Belle Creek Commons will include 24 apartments and 10 townhomes. Anticipated delivery is this fall. A final, fourth phase is planned with build out in the first quarter of 2018. One-, two- and three-bedroom apartments include a patio or balcony, in-unit washer and dryer and state-of-the-art soundproofing. The two-story townhomes with two and three bedrooms feature an attached two-car garage, 8- and 9-foot, ceilings, and in-unit washers and dryers.

At completion, Belle Creek commons will comprise 177 market-rate units and complete the full development of the Belle Creek community at 9444 E 108th Ave. in Henderson. In addition to the apartments and townhomes, the master-planned Belle Creek community features single-family homes, community gardens, membership to the Belle Creek Family Center & YMCA, free community events, such movies in the park, and walkability to retail and restaurants as well as the Bell Creek K-8 Charter School.

"The thing I found so exciting was that the developer was able to deliver this quality of housing at this price in the current market. This is really what got me excited about taking this assignment," said Babb.

MCA also arranged a $3.5 million, fixed-rate loan for Shift Workspaces-Corona.

Babb and Mullins placed the loan with a community credit union located in Denver. The 10-year full-term loan includes a seven-year term fixed at 4 percent and a 25-year amortization.

Shift Workspaces-Corona, at the intersection of East Fourth Avenue and Corona Street in Denver, features a collaborative co-working office space with fully amenitized workspaces ranging from private offices, designated desks and co-working space with a collaborative conference room and event space. Additionally, Shift includes a full kitchen stocked with coffee and beverages and an on-site fitness facility and yoga studio. ▲

Finance/Appraisal

A seven-year, fixed-rate acquisition loan at 70 percent loan to value was arranged for the $63 million purchase of the Cascades office property in Centennial.

HFF arranges $44.1M Cascades purchase

by Jennifer Hayes

Holliday Fenoglio Fowler LP recently arranged financing for a Florida-based firm making its Denver debut with its purchase of the Cascades office property.

HFF's Leon McBroom led the team arranging $44.1 million in financing on behalf of the buyer, America's Capital Partners, for its $63 million purchase of the 348,760-square-foot Class A office asset in Centennial.

The 70 percent loan-to-value, seven-year, fixed-rate acquisition loan was funded through a life insurance company correspondent lender.

Located on an 8.71-acre site at 6300 S. Syracuse Way, Cascades was renovated in 2016 and is 97 percent leased to 24 tenants. Located in close proximity to Interstate 25 and within a 10-minute walk to the Arapahoe at Village Center light-rail stop, the building also features a fitness center, deli, 3,000-sf conference center, western-facing balconies and covered parking.

America's Capital Partners is a private commercial real estate investment firm headquartered in Coral Gables, Florida. ▲

Takeaways from MBA conference

Brock Yaffe
Associate director, HFF, Denver

The annual Mortgage Bankers Association Commercial Real Estate Finance/Multifamily Housing Convention was held in February in San Diego. The convention was attended by more than 3,000 commercial and multifamily real estate finance professionals. Members of the HFF Denver team attended the conference and met with a variety of lending sources, including life insurance companies, agencies, commercial mortgage-backed securities, commercial banks and debt funds.

Commercial and multifamily lending and borrowing reached $502 billion in 2016, according to the MBA, which was flat compared to 2015. However, volumes were up substantially from a low of $83 billion in 2009. The dollar volume of loans originated for the agencies (Fannie Mae and Freddie Mac) increased by 10 percent, commercial bank volume increased 6 percent and life insurance company loan volume was up 4 percent. CMBS saw a 15.5 percent decrease in volume in 2016 compared to 2015. The MBA predicts that originations for commercial and multifamily loans will increase to $537 billion in 2017, a 9 percent increase over 2016 volumes.

Consumers of debt in 2017 will benefit from the availability and variety of lending sources. There is liquidity from all providers of commercial real estate debt and pricing remains competitive.

■ **Life insurance companies.** Life insurance companies' new loan allocations are generally above the previous year's allocation. Unlike 2016, when many life insurance companies reached their allocations by the middle of the year, most life insurance companies have been slow to originate loans in 2017. While interest rates increased at the end of 2016 into the beginning of 2017, spreads have declined by approximately 20 basis points from where they were at the end of 2016. Life insurance companies will continue to aggressively compete on interest rate for lower leverage loans on quality assets in prime locations. Longer-term debt, up to 30 years fully amortizing, continues to be available. Life insurance companies are also evolving in an effort to drive fee business and compete on different fronts. Several firms have new separate account clients representing other life insurance companies that lack a distribution platform or foreign pensions that will pursue everything from shorter-term bridge loans to mezzanine loans and longer-term core loans.

■ **Agencies.** Freddie Mac and Fannie Mae had a loan production cap of $36.5 billion each in 2016 as mandated by the Federal Housing Finance Agency. The FHFA established that the 2017 multifamily lending caps for Fannie Mae and Freddie Mac will remain at the same level they were for 2016. As in 2016, the FHFA will conduct a quarterly review and adjust the caps as necessary. Total agency originations were $107 billion in 2016. The agencies exceeded their volume caps by expanding their production on loans that are excluded from their caps. These exclusions will remain constant for 2017, and will be an emphasis for the agencies' production goals for 2017. Volume cap exclusions include targeted affordable housing, small multifamily properties (five to 50 units) at 80 to 100 percent of area median income or below (percentage dependent on market), manufactured housing, seniors housing at 80 percent AMI or below, unsubsidized market rate properties at 60 to 100 percent AMI or below (percentage dependent on market), properties located in rural areas at 80 percent AMI or below, and loans to finance energy or water efficiency improvements. Properties that qualify for volume cap exclusions will continue to see interest rate reductions of up to 30 basis points. The agencies will continue to offer maximum leverage up to 80 percent loan to value, with interest-only payments available up to the full term of the loan, depending on leverage. Fannie Mae in particular has the ability to offer loan terms exceeding 10 years and as long as 30 years fully amortizing. The agencies

Please see **MBA,** Page 33

AIA Colorado

Colorado architects seek to think globally, act locally

In March, volunteer and staff leaders from AIA Colorado joined over 200 AIA chapters from across the country at the annual AIA Grassroots Leadership Conference.

Highlighted at this year's conference were two recent initiatives tackled by the United Nations. The first was adoption of the New Urban Agenda, and preparing for the world's population to double through sustainable urban development. The second was the Paris Agreement, a bold commitment among 134 countries to mitigate the effects of climate change and the built environment's carbon footprint. Though both largely global in nature, AIA is focused on how it can impact efforts in local communities by arming members with the tools and resources necessary to lead the charge.

Five thought leaders presented their perspectives on the work architects, along with community leaders and other stakeholders, can do to create sustainable communities. Peter Calthorpe, a founder of the Congress for New Urbanism, spoke about the inherent problems sprawl creates and the opportunities created by masterfully planned communities with urban cores. Jeff Speck, a city planner, urban designer and author, advocated for the economic, health and environmental benefits of creating walkable communities. Jean Carroon, FAIA, spoke to the wastefulness of abandoning and tearing down existing buildings, and the opportunities and increasing demand for adaptive reuse. Michael Berkowitz, president of Resilient Cities and managing director at the Rockefeller Foundation, spoke of the 100 Resilient Cities program's efforts to prepare cities to sustain a variety of disasters.

Cathy Rosset
Executive vice president/CEO, American Institute of Architects, Colorado Chapter

One theme prevailed – the opportunity to ensure healthy, vibrant and resilient communities of all sizes will be addressed through sound design and planning. This effort will require collaboration by architects, planners, developers, community leaders and stakeholders in all sectors.

AIA Colorado equips members to tackle these issues collectively through the AIA community as well as in their own practices. The association provides education and forums on current trends, building design and technology solutions, the latest codes and research to help inform design decisions that will positively impact each building's occupants and the surrounding community. AIA also advocates for public policies supporting architects' and their businesses' abilities to lead positive change in the built environment

For Brad Tomecek AIA, principal at the Denver-based Tomecek Studio, AIA membership helps him to stay informed about the professional issues he cares most about. Tomecek attended this year's AIA Grassroots Conference as AIA Denver President. He notes that many local, regional and national issues go unnoticed or without the time and attention they deserve. AIA helps put a spotlight on these issues, and creates opportunities for members to forge ahead on causes they care about. Additionally, AIA creates opportunities for small firms to better connect to the larger architectural community and provides chances to serve as a thought leader in a competitive space.

"At AIA, the connectivity with other members who share similar interests and understand related professional issues is invaluable. This extended peer group has become a resource that I call on frequently as a small-firm practitioner," said Tomecek.

Tomecek, along with other AIA leaders at Grassroots last week, visited congressional offices to advocate for public policies encouraging support of smart design and growth in the built environment.

For other firms, AIA membership is often viewed as both an opportunity for growth and a commitment to advancing the architectural profession as a whole. According to Joe Levi, AIA member and architect at OZ Architecture, his firm and others benefit through everything from event hosting to participating in government affairs initiatives.

"This involvement has given OZ Architecture a voice in shaping the future of our industry, including advocating for licensure requirements, minimum wages, and accessory dwelling unit requirements," Levi noted.

"The value of cultivating an ongoing professional community is simple connectivity. We recognize that as architects, we are better when we put our heads together. Just as we collaborate with clients, key stakeholders, building users and neighborhoods, and the general public, so must we work to engage with each other. There's a great deal to be learned from our fellow practitioners, and AIA presents the platform for that learning.

"Architectural firms large and small benefit from their involvement with AIA through a strong network of professionals supporting the future of the industry, and through opportunities for the staff to develop into strong and effective architects who develop innovative and well-designed buildings," said Levi. "We see this as an opportunity as well as a commitment that firms of our size contribute to and support our profession."

Tomecek summed up the benefit of being part of an association of architects: "AIA Colorado invites input and advocates on behalf of all those in the profession."

AIA Colorado will continue to engage members and other professionals as we explore the intersection of current issues and the association's longstanding view of architects as shapers and stewards of the built environment.

Learn about AIA values and what we stand for by visiting https://www.aia.org/resources/50766-where-architects-stand-a-statement-of-our-va. See how AIA Colorado is equipping members in Colorado by visiting www.aiacolorado.org.

Construction, Design & Engineering

Obtain value in design services, secure outstanding results

Value comes in many forms and it isn't all about saving a dollar, especially in the design of private or public-sector facilities. Some companies, agencies and organizations select design firms on fee alone. Unfortunately, as they look to reduce their initial project costs, they miss the added value that comes from selecting firms based upon their qualifications. What gets lost as they search for the lowest price for a facility that must serve its users and owner for years to come?

According to TJ Carvis, principal of 4240 Architecture, "When design firms are selected based on lowest fee, it often leads to buildings that are seemingly designed by zoning mass diagrams and with the lowest-cost façade materials. This process is taking its toll on our cities by creating nondescript skylines of buildings that would be just as well suited if they had been built in Austin, Atlanta or Anchorage." He added that selecting firms by fee alone inevitably leaves the consumer with less choice as these projects are governed simply by their "first-cost" finances and design firms often are unable to provide value-added design with their limited fee.

Cathy Rosset, executive vice president and CEO of AIA Colorado said, "Selecting service providers based on qualifications leads to better outcomes, and typically fewer misunderstandings and requests for change orders than simply selecting firms based on price bids alone. It's a better return on investment. The old adage that

Michelle Decker, CPSM
2017 president, Society for Marketing Professional Services, Colorado Chapter

'you get what you pay for' rings true."

Rosset continued, "With the increasing availability of digital imagery, design software, and DIY information, there's a lot of misinformation out there making people think design should be packaged off-the-shelf or generated by a computer algorithm. This makes people feel falsely empowered without fully understanding the implications and impact architecture has on our environment and our quality of life.

"In reality, each building has a unique set of occupants and visitors, a unique purpose, a unique site, placement and visual or cultural context within a community and the adjacent landscape or buildings. Each design problem has its own set of complexities that only a trained and experienced professional has the theoretical training and skills to address appropriately."

Raul Garcia, Astula

CSU's Durrell Dining & Student Center Revitalization utilized qualifications-based procurement.

• What is the value-add for selecting design firms based upon qualifications? When using qualifications-based selection, the project owner/developer gains insight and technical expertise from the design professionals who can step beyond "adequate" and move the project to "outstanding." It's about adding creativity so a project best serves its users and differentiates it in the market. It's about adding collaboration among team members so that all goals and needs are met. It's the added value of aesthetically pleasing design that creates a place where users and visitors want to be.

"Savvy developers, those who choose value over price, use QBS in their design team selection," said Carvis. "It just makes sense to them."

• How can clients ensure they obtain the best value when retaining a design professional? Interview. Ask questions about the research, planning and thinking process for both design and documentation. Get to know her qualifications and what she's done before. Find out who will be involved in the design of the project. Is it a mass-production type of approach to the design of your project or are you receiving experienced input and collaboration with your architect and engineer?

Check references. What was the architect or engineer like to work with? Did he collaborate? Did he listen? Was he receptive to client questions and suggestions? Or, did he merely push a design in your direction because there wasn't sufficient fee to provide a project that would be differentiated in the market? Did he fully understand the scope of the problem and the available budget and define a solution that met the client's needs?

The next time, in selecting a design firm, pause for a moment. Ask what the outcome is that you desire: an off-the-shelf building that costs less to design? Or will it be a well-considered and thoughtfully designed facility that reflects its environment as well as your organization's goals and aspirations?

The qualifications-based selection of design firms is fully supported by the Society for Marketing Professional Services, the American Institute of Architects and the American Council of Engineering Companies. The QBS Colorado Coalition was founded to promote quality and value in professional design services and the American Council of Engineering Companies is continuing to lead the organization and maintain the industry's focus on QBS ▲.

Construction, Design & Engineering

Vertix Builders topped out Flight in River North.

Vertix Builders tops out Flight office building in Taxi

Vertix Builders has announced the topping out of the 140,000-square-foot Flight office building on the Taxi campus in River North. Flight is the latest addition to Zeppelin Development's burgeoning mixed-use campus, home to Boa Technology and also includes space for dozens of other growing and prospering companies.

"We achieved the topping out of Flight on time and on budget, and we're looking forward to a successful completion of the new international headquarters for Boa Techology," said Ryan Bonner, president of Vertix Builders.

"The entire Vertix team has been a pleasure to work with," said Kyle Zeppelin of Zeppelin Development. "The Vertix company culture and work style complements and enhances our work. A sane, predictable and fun business relationship is hard to find in Denver's construction market. Our development company has a number of projects under construction, and Vertix has set a high mark for what's possible. We're looking forward to working with them on more projects in the future."

The office building will be home to Denver-based Boa Technology, a leading innovator of purpose-built closure and adjustment systems. Flight is located at 3575 Ringsby Court, part of the mixed-use Taxi community. Among its design-forward and environmentally conscious features, Flight boasts one of the city's largest private green roofs, a 135-kilowatt photovoltaic solar array and is targeting LEED Platinum certification from the U.S. Green Building Council.

With the addition of Flight, Taxi will be home to one of the largest single-tenant office spaces in the RiNo neighborhood. Designed by Dynia Architects, the project will house not only typical office functions, but also a research-and-development department with full engineering capabilities. Boa's space features dynamic amenities such as a two-story atrium, outdoor meeting spaces and a 100-bike storage facility. ▲

Alvarado Construction installs container-based Taco Bell

SG Blocks Inc., a designer, innovator and fabricator of container-based structures, announced the completion and execution of several projects across the U.S.

The world's first container-based Taco Bell has opened, located in South Gate, California. The five-module, 1,080-square-foot restaurant, developed by SG Blocks, was previously a pop-up Taco Bell at the 2015 South by Southwest Conference & Festivals in Austin, Texas. Alvarado Restaurant Group, part of Alvarado Cos., is the franchise owner for the Taco Bell in South Gate. SG Blocks partnered with Alvarado Construction Inc. to install the Taco Bell at its new, permanent location.▲

Alvarado Construction installed a container-based Taco Bell in California.

Emerson Place Apartments will include 85 micro-apartments.

Vertix Builders builds Emerson Place Apartments in Denver

Vertix Builders was selected by Allante Properties to build the Emerson Place Apartments in downtown Denver. The $15 million development will include 85 micro-apartments, addressing a growing demand for small-sized and more affordable apartments in downtown.

"This will be our second project for Allante. We're now underway with Tennyson Place Apartments in the Highlands, which will be completed this spring, and we're looking forward to helping them deliver this newest micro-apartment project," said Ryan Bonner, president of Vertix Builders, which includes a team of construction professionals who have delivered over $1 billion in projects.

Construction began last month and completion is slated for May 2018. ▲

Radisson expands Colorado presence with renovated Denver hotel

Radisson announced the opening of Radisson Hotel Denver Central, located at 4849 Bannock St. The hotel has undergone a significant renovation that includes enhancements to the lobby, guest rooms, fitness center, bar area and pool. Colorado Hospitality Services Inc., owned by Bruce Rahmani, served as general contractor while Tryba Architects provided exterior design and Design Associates provided interior design. Rahmani also owns this hotel property.

The 220-room hotel offers standard executive guest rooms as well as one- and two-bedroom suites.

"We are excited to welcome this recently renovated hotel to our growing portfolio," said Rich Flores, vice president of operations for Radisson in the Americas.

The 220-room hotel offers standard executive guest rooms as well as one- and two-bedroom suites, some with private patios. The hotel also offers 3,000 square feet of meeting space that can accommodate a wide array of events from business meetings to social functions.

The hotel provides guests with access to free Wi-Fi, a fitness center, business center, complimentary parking and shuttle to downtown Denver, along with a spacious courtyard with an outdoor swimming pool and whirlpool. ▲

Design Associates designed the Radisson Hotel Denver Central's lobby.

Pinkard, TreanorHL, Walker Parking win DBIA award

Pinkard Construction and partners architect TreanorHL and Carl Walker Parking Consultants were recently awarded a 2016 Design-Build Institute of America Award for Design Excellence in the Rocky Mountain Region. This challenging project, Pinkard's 14th on the Colorado State University's Fort Collins campus, is a $15 million, four-story, 664-car parking structure. The finished product helps manage a busy and congested section of CSU's campus while maintaining its trademark midcentury modern international style architecture.

While CSU's robust bridging documents described a base bid structure and several additive alternates, the Pinkard/TreanorHL team was able to offer several creative solutions including relocation of the southwest stair core for improved site circulation; an increase in the structural bay sizes; and the addition of a "Mondrian-patterned" precast element for design variety and cost savings over a stone clad wall. As a result of these and other innovations, CSU saved $462,000 and incorporated all add-alternates. ▲

Construction, Design & Engineering

Pinkard, 4240 team for CSU campus project

Design-builder Pinkard Construction Co., with team partner 4240 Architecture Inc., was awarded the design and construction for the Michael Smith Natural Resources Building addition.

4240 designed the Michael Smith Natural Resources Building addition at CSU.

Located on Colorado State University's main campus, the Michael Smith Natural Resources building addition and renovation will add four stories and approximately 42,800 gross square feet of new space to the south of the existing Warner College of Natural Resources building. The project will house flipped classrooms, instructional laboratories, a student success center, outdoor terrace, offices and meeting/collaboration spaces.

Total project budget is estimated at $20.2 million with funding through donations, student facility fees and university resources.

The MSNR building addition centers on the needs of the students, from the large auditorium to the flexible teaching labs to the "treehouse" – a collaboration studio convertible to an outdoor terrace. The facility has been designed to tell the story of natural resources, create a teaching tool for students and faculty, and root the project to the place. Natural materials (stone and wood) and natural elements (sun and wind) are incorporated throughout the student experience with an emphasis on building collaboration, curiosity and community. The addition will serve as the focus of community outreach and student engagement, and will allow the college to grow its reach, enrich education, propel discovery and increase its impact on the world.

"The building architecture reflects nature as well as the programs housed within through strong transparent connections, views and vistas to the outdoors, and through the use of extensive natural daylighting as well as durable and sustainable materials," explained CSU University architect Mike Rush.

The original Warner College of Natural Resources building was constructed in 1975, and has had no significant renovation or additions. A space analysis determined that its departments and programs were operating at a significant deficit for the curriculum, enrollment, faculty numbers and level of research – including a high space shortage of instructional laboratories, laboratory service, classrooms, study space and meeting space. As a result, this project mainly focuses on solutions for the classroom, instructional lab, study, exhibit and lounge/meeting space deficits. ▲

Construction apprenticeships help fill the worker shortage

A chronic worker shortage continues to plague the construction industry as construction employment levels reach their highest number since the economic downturn in 2008. In an analysis of this report, released by the Associated General Contractors of America Feb. 3, Ken Simonson, AGC's chief economist, stated, "The employment gains would be even larger if there were enough workers with the right skills available to hire." Another recent AGC report noted that the Denver-Aurora-Lakewood metro area added the most construction jobs out of 358 metro areas in the country, with 10,400 jobs (an 11 percent increase) between December 2015 and December 2016.

One solution to overcome this construction labor shortage in Colorado includes the Construction Careers Now program. CCN is a pre-apprenticeship program made possible under the WORK Act Grant that was awarded to an association group made up of the AGC of Colorado, Colorado Contractors Association and the Hispanic Contractors of Colorado. These associations have partnered with the Emily Griffith Technical College to offer a series of four-week training programs in construction, with no cost to participants and no experience required.

To date, 62 percent of the CCN graduates from the first three programs have contributed to the local workforce by entering construction industry jobs and/or pursuing continuing construction apprenticeship programs. When asked about the future of workforce development in construction, John Hugins, who started his apprenticeship back in 1984 and is now the director of operations at Accent Electrical Services, a Colorado commercial electrical contractor, commented, "Construction Careers Now has helped restart the dialogue about the importance of construction apprenticeships, after 20 years of the industry not communicating to the next generation."

Graduates of the pre-apprenticeship training program complete a 10-hour OSHA training, gain exposure to various building techniques and learn communication/management skills. There is also a hiring fair included in each four-week program during which participants may be hired by local construction contractors to help build

Mortenson to build largest single-phase wind project in North America

Mortenson, a leading renewable energy contractor, has been selected to build what will be the largest single-phase wind farm ever built in North America. The 600-megawatt Rush Creek Wind Project, owned and operated by Xcel Energy, will be home to 300 turbines and an 83-mile transmission line near Limon.

"We are pleased to be selected to construct this significant project for Xcel Energy and the state of Colorado," said Tim Maag, vice president and general manager at Mortenson's Wind Energy Group. "This project is another great example of Xcel's commitment to clean renewable energy."

Mortenson's Wind Energy, High Voltage Transmission and Civil groups will deliver full engineering, procurement and construction for Rush Creek. Colorado-based turbine manufacturer Vestas will provide the wind turbines. The engineering design will be complete in April, with construction expected to begin in May and an in-service date of October 2018.

The 600-MW Rush Creek Wind Project will be the single-largest wind contract executed to date for Mortenson, as well as the largest for the state of Colorado.

"Mortenson has a long and distinguished history with the construction of major projects in Colorado, from the Stapleton Redevelopment to Denver International Airport hotel and transit center, to the Alamosa Solar Project. In addition, it has extensive experience in the development of wind projects throughout the U.S.," said Gerald Kelly, Xcel Energy project manager. "Mortenson also shares Xcel Energy's commitment to providing a safe and healthy work environment. We look forward to working with Mortenson on our Rush Creek Wind Farm effort."

Colorado wind farm

The wind farm is estimated to contribute 350 jobs to the state during the peak of construction, and when complete will increase Colorado's wind energy production by more than 20 percent and potentially generate $180 million in landowner lease payments and property tax revenue. ▲

ABC Rocky Mountain Chapter members win national awards

ABC Rocky Mountain Chapter member companies recently won national awards during the Associated Builders and Contractors' 27th annual Excellence in Construction Awards at Workforce Week '17. The awards additionally recognize companies that have displayed a leading commitment to safety and diversity in 2016.

The awards honor merit shop projects and all members of the construction team, including the contractor, owner, architect and engineer. The winners are selected from entries across the country and are judged on complexity, attractiveness, unique challenges overcome, completion time, workmanship, innovation, safety and cost.

National Excellence in Construction Eagle Award Winners – 1st Place

Milender White, Community/Public Service Rose Andom Center, Denver

Roche Constructors Inc., Institutional – $5M to $10M Emily Griffith Technical College Shops Relocation, Denver

FCI Constructors Inc., Commercial – $10M to $25M TIC Training Center & Offices, Aurora

National Excellence in Construction Pyramid Award Winners – 2nd Place

Adolfson & Peterson Construction, Institutional - $10M to $25M, city of Aurora's Public Safety Training Center, Aurora

Douglass Colony Group, Exteriors: All other exterior finishes, 1401 Lawrence, Denver

RK Steel, Other Specialty Construction – Commercial – More than $2 million, Foothills Mall Shopping Center, Fort Collins

TIC - The Industrial Co., Industrial – $25M to $100M, EPE Montana Units 3 & 4, El Paso, Texas

National Safety Excellence Award

Interstates Cos., Safety Award of Excellence for Specialty Contractor, Sioux Center, Iowa

National Diversity Excellence Award

Hensel Phelps, General Contractor over $33 Million, Greeley

United Rentals Inc., Supplier Stamford, Connecticut. ▲

Construction, Design & Engineering SHOWCASE

For contact information, firm profiles & links, please visit **www.crej.com** and click on "Industry Directory"

PROJECT OF THE WEEK • ARCHITECTURE

Lantz-Boggio Architects designs The Retreat at Sunny Vista

Construction continues at The Retreat at Sunny Vista, an Assisted Living and Memory Care Community designed by Lantz-Boggio Architects. The building's architectural character utilizes Mid-Century Modern design elements. The 55,050-sf, resort-style facility has suites for 32 memory care and 38 assisted living residents along with generous amenity spaces including: bistro and fine dining; fitness gym; wellness; and enrichment and activity spaces. Strategically situated on a hilltop in Colorado Springs, the community takes advantage of panoramic mountain views. Pinkard Construction is scheduled to finish construction in the fall.

PROJECT OF THE WEEK • ARCHITECTURE

OZ Architecture designs exterior for Loveland post-acute care property

Hospitality-focused post-acute property, The Suites Loveland, opened last month near the Medical Center of the Rockies at Centerra in Loveland. One of the largest developers of health care properties in the country, Mainstreet, creates warm and welcoming environments for short-term rehabilitation patients progressing from the hospital to home. Mainstreet selected award-winning national architecture and design firm OZ Architecture to complete the exterior design of the 70-bed, 50,000-square-foot property.

OZ Architecture's design reflects the building's Northern Colorado surroundings and stunning natural backdrop of the Rocky Mountains and Long's Peak. The design will complement this natural aesthetic with the material use of stone, fiber cement siding and panels, and warm earth tone finishes.

With its accessible location and proximity to the medical center, this property will offer care and respite for recovering patients, as well as easy access to follow-up medical care.

PROJECT OF THE WEEK • ARCHITECTURE

Johnson Nathan Strohe, Alliance Construction team on Hilton Garden Inn

Alliance Construction recently started construction on the new 12-story high-rise Hilton Garden Inn Union Station, located at 1999 Chestnut Place in Central Platte Valley. Johnson Nathan Strohe's design for the hotel captures the history and movement of the neighborhood, while celebrating a new era of economic development. The hotel features a glass and plaster tower anchored by the masonry of the Historic Hose Company No. 1, which was built in 1883 for Denver's then-volunteer fire department.

Johnson Nathan Strohe is working with Boss Architecture to redesign the Historic Hose Company No. 1 into a feature restaurant, with approval from the Denver Landmark Preservation Commission.

The hotel, developed by Focus Property Group, will offer 233 guest rooms with 6,300 sf of ballroom and meeting space and 164 underground parking stalls. The hotel is expected to open in early 2019.

PROJECT OF THE WEEK • LANDSCAPE ARCHITECTURE

Consilium Design creates an award-winning design: Malbec at Vallagio in Centennial

Malbec at Vallagio is a transit-oriented, multifamily residential development in Centennial. The neighborhood was designed for Metropolitan Homes and subsequently sold to Lennar Multifamily. The site is focused around a clubhouse amenity area featuring a pool with a fountain, fire-pit and a barbecue area. The fountain was designed to be visible from the clubhouse entry corridor to appeal to future residents as well as current residents. Strong landscape focal points were placed in key visual areas to create street appeal and on-site appeal.

Villagio has been voted Denver's Neighborhood of the Year and is a premier "live, work, play" TOD community. Malbec is the last phase of the project and is slated for completion this spring.

Construction, Design & Engineering

DIRECTORY

For contact information, firm profiles & links, please visit **www.crej.com** and click on "Industry Directory"

CONTRACTORS

Adolfson & Peterson Construction

Alliance Construction Solutions

The Beck Group

Boots Construction Company

Brinkman Partners

Brinkmann Constructors

Bryan Construction

BVB General Contractors

Calcon Constructors, Inc.

Catamount Constructors

Crosslands Construction

dcb Construction Company Inc.

Drahota – a Bryan Construction Company

Facilities Contracting Inc.

FCI Constructors Inc.

Foothills Commercial Builders

Fransen Pittman General Contractors

GE Johnson Construction Company

GH Phipps Construction Companies

Golden Triangle Construction Inc.

Haselden Construction LLC

Himmelman Construction, Inc.

HITT Contracting, Inc.

Howell Construction

Hyder Construction

J.E. Dunn Construction

JHL Constructors Inc.

Jordy Construction

Krische Construction

Mark Young Construction

Martines/Palmeiro Construction

MAX Construction

Maxwell Builders, Inc.

Mortenson

MW Golden Constructors

Palace Construction Co. Inc.

PCL Construction Services

Pinkard Construction Company

Precision Contractors

Provident Construction

Roche Constructors Inc.

Saunders Construction Inc.

Scheiner Commercial Group

Shaw Construction

Swinerton Builders

Taylor Kohrs

The Neenan Company

The Weitz Company

Turner Construction

W.E. O'Neil Construction Company

White Construction Group

PROJECT MANAGEMENT

Catalyst Planning Group

CBRE

Facilities Contracting, Inc.

Fitzmartin Consulting

Sky to Ground LLC

TENANT FINISH

Bryan Construction Inc.

Coda Construction Group

EJCM Construction Management

Facilities Contracting, Inc.

Foothills Commercial Builders Inc.

HITT Contracting, Inc.

Howell Construction

Jordy Construction

Kennerly Construction

Martines/Palmeiro Construction

MAX Construction, Inc.

Mosaic Construction Group

Provident Construction

Sbarra Construction West

Swinerton Builders

The Vertex Companies, Inc.

ARCHITECTS

Acquilano Leslie Inc.

Anderson Mason Dale Architects

Barber Architecture

The Beck Group

BURKETTDESIGN INC.

Coover-Clark & Associates Inc.

Craine Architecture Inc.

Davis Partnership Architects

DLR Group

Fentress Architects

Gensler

gkkworks.

GoddenlSudik Architects

Grey Wolf Architecture

HB&A Architecture & Planning

HOK Group

Hord Coplan Macht

Humphries Poli Architects P.C.

IA – Interior Architects

Intergroup Architects

JOHNSON NATHAN STROHE (formerly JG Johnson Architects)

KEPHART

KTGY Group, Inc.

LAI Design Group

Lantz-Boggio Architects P.C.

LOA Architecture

MOA ARCHITECTURE

O'Bryan Partnership, Inc., Architects – A.I.A.

OZ Architecture

PageSoutherlandPage

RNL

Roth Sheppard Architects

Rowland + Broughton Architecture & Urban Design

Studio Completiva, Inc.

Treanor HL

Tryba Architects

Venture Architecture

VTBS Architects

ENGINEERS

68West, Inc.

Anderson & Hastings Consultants, Inc.

Baseline Engineering Corp.

Beaudin Ganze Consulting Engineers Inc.

D.L. Adams & Associates

Kimley-Horn and Associates, Inc.

Manhard Consulting

Martin/Martin Consulting Engineers

Matrix Design Group

MDP Engineering Group, P.C.

M-E Engineers Inc.

M.E. Group Inc.

MKK Consulting Engineers Inc.

Monroe & Newell Engineers Inc.

Redland

Shaffer-Baucom Engineering & Consulting

Vision Land Consultants Inc.

LANDSCAPE ARCHITECTURE

Consilium Design, Inc.

Davis Partnership Architects

HOK Group

LAI Design Group

Land Elements, Inc.

Natural Design Solutions, Inc.

Norris Design

Plan West Inc.

Stanley Consultants

INTERIOR DESIGN

Acquilano Leslie Inc.

Andrea Schumacher Interiors, Inc.

Barber Architecture

Bechta Group, Ltd. (BGL) Facilities Consultants

BOX Studios

BURKETTDESIGN, INC.

Davis Partnership Architects

Davis Wince Ltd. Architecture

Design Studio Blue

DLR Group

Elsy Studios

Gensler

Grey Wolf Architecture

H+L Architecture

Jean Sebben Associates, LLC.

Keeney Design

KIEDING

Kimberly Timmons Interiors

OZ Architecture

Planning Solutions

RNL

Tenant Planning Services

Venture Architecture

OFFICE FURNITURE

Canter & Associates

Contract Furnishings, Inc.

Corporate Environments

ELEMENTS

Everything for Offices

Haworth

JordylCarter Furnishings

Office Scapes

Source Four Interior Elements

TEAMMATES

Workplace Resource

CCIM Distinguish Yourself. Hire a CCIM

Certified Commercial Investment Members, or CCIMs, are accomplished professionals who provide advanced training and market expertise to give you a skilled analysis of your opportunities, whether you own, lease or invest in commercial real estate. CCIMs are backed by an exceptional education in investment, real estate and a thorough understanding of their marketplace.

Discover why only 5 percent of all commercial real estate professionals hold the elite CCIM designation.

Barry B. Bounds, CCIM
KW Commercial Real Estate, LLC
1777 S. Harrison Street,
Suite 1100
Denver, CO 80210
303-377-3535
bounds@kw.com
brokerage, leasing, investment analysis

Mark Bradley, CCIM, SIOR
Realtec Commercial Real Estate Services – Greeley Office
1711 61st Avenue, Suite 104
Greeley, CO 80634
970-346-9900
mbradley@realtec.com
Brokerage, leasing, investment analysis

Brad Cohen
Managing Director
Transwestern
4643 S. Ulster Street, Suite 300
Denver, CO 80237
303-407-1470
brad.cohen@transwestern.net
Brokerage, investment analysis, consulting, valuation

D. English, CCIM, CIPS, MPH
Real Estate Partners
4610 S. Ulster Street, Suite 150
Denver, CO 80237
303-680-3344
denglish@REP-Intl.com
Brokerage, Leasing, Investment Analysis, Health Care Consultation

Jan Friedlander, CCIM
Friedlander Commercial Real Estate, LLC
30 Albion Place
Castle Rock, CO 80108
303-885-9200
JanFriedlander@comcast.net
Site selection, brokerage, investment, health care

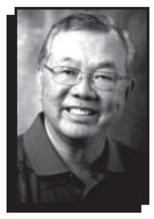
Jeff Hale, CCIM, CPM
Hale Commercial Properties
604 Remington Street, Studio 7
Fort Collins, CO 80524
970-310-9435
haleprops@msn.com
Serving Northern Colorado sales & leasing, investment analysis, multifamily, mixed-use and adaptive reuse.

Jake Hallauer
Chrisland Commercial Real Estate, Inc.
3665 John F. Kennedy Parkway, Building 2, Suite 202
Fort Collins, CO 80525
970-663-3150
JakeH@ChrislandCompanies.com
Specializing in brokerage, development, investment analysis, consulting, leasing and site selection.

Gail Hamilton, CCIM
Commercial Advisors, LLC
8024 W. Kentucky Ave.
Lakewood, CO 80226
303-777-2007
ghamilton@ccim.net
Brokerage, sales & leasing, office, retail, industrial and investments

Tony Hemminger, CCIM, EMS
Western Investor Network, LLC
6801 S. Emporia Street, Ste 201
Greenwood Village, CO 80112
720-344-1174
tony@westinvestnet.com
Brokerage, leasing, consulting, investment analysis, 1031 exchanges, office, retail, industrial

William M. James, MAI, CCIM
James Real Estate Services
90 Madison St., Suite # 403
Denver, CO 80206
303-388-1100
Valuation & investment analysis



Edwin Kanemoto, CCIM
RE/MAX Traditions
Commercial Division
2204 18th Avenue
Longmont, CO 80501
720-583-3930
Brokerage, leasing, investment

Ken Kanemoto, CCIM
RE/MAX Traditions
Commercial Division
2204 18th Avenue
Longmont, CO 80501
720-583-3930
Brokerage, leasing, investment analysis, valuation

William Lawrence, CCIM
Transwestern
4643 S. Ulster Street, Suite 300
Denver, CO 80237
303-639-3000
bill.lawrence@transwestern.net
Development services

Mark Lee Levine, CCIM
University of Denver
2101 S. University Blvd. Suite 387
Denver, CO 80208
303-871-2142
Director of The Burns School

David K. Martin, CCIM
Martin Company
9306 E. Berry Avenue, Suite 100
Greenwood Village, CO 80111
303-850-0505
martin_realestate@msn.com
Brokerage, leasing, investment analysis

Rebecca B. Martin, CCIM, MBA
RBM Real Estate Solutions
1120 Lincoln Street, Suite 710
Denver, CO 80203
303-455-0600 ext. 1
rmartin@pcreco.com
Retail brokerage, investment analysis, professional property management.

Brian McDonald, CCIM, MS-RECM
First American Title Insurance
1125 17th Street, Suite 750
Denver, CO 80202
303-876-1141
brianmcdonald@firstam.com
Colorado & National commercial title & escrow services.

Gail L. Mead, CCIM, CIPS
Colorado Commercial Real Estate Professionals
1600 Broadway, Suite 1600
Denver, CO 80202
303-933-0744
gail@ccrepros.com
Brokerage, Sales & Leasing, Receivership Services

Daniel A. Molello, CCIM, CPM
Jones-Healy, Inc.
119 W. 6th St.
Pueblo, CO 81003
719-545-8181
dmolello@jones-healy.com
Brokerage, sales & leasing, office, retail & industrial

Steve W. Moyer, CCIM
Landmark Western II
7537 S. Ivanhoe Circle
Centennial, CO 80112
303-221-8494
Investment sales, retail leasing, site selection

R.C. Myles, CCIM, SIOR
Cushman & Wakefield of Colorado
1515 Arapahoe Street, Suite 1200
Denver, CO 80202
303-312-4226
RC.Myles@cushwake.com
Specializing in investment sales. R.C. is one of the top investment brokers in the Rocky Mountain region.

Darren Nakos, CCIM
Landmark Real Estate Group
P.O. Box 630
Frisco, CO 80443-0630
970-668-1430
dnakos@landmarkregroup.com
investment analysis, consulting, financing, development

John V. Propp, CCIM
John Propp Commercial Group
6565 S. Dayton Street, Suite 3000
Greenwood Village, CO 80111
303-692-1816
Investments, 1031 exchanges, professional property management, receivership services

Don Rulle, CCIM CCIM, CRB, CNE, GRI ePRO eCertified
Re/Max Traditions Commercial
2204 18th Avenue
Longmont, CO 80501
303-772-3800 ext. 110
donrulle@outlook.com
Site selection, development, brokerage, leasing, valuation, investment analysis

Eric B. Rutherford, MBA, CCIM, GREEN
Wright Kingdom
4875 Pearl East Circle
Boulder, CO 80301
303-541-1908
erutherford@wkre.com
Commercial/Investment Broker

Karen Setterfield, CCIM, CNE, MBA
Setterfield & Bright
Aspen Real Estate Brokers
407 South Hunter St., #3
Aspen, CO 81611
970-920-1833
www.aspenreal.com
Investment sales and retail leasing

Daniel V. Sheehan, CCIM
Senior Vice President
Commerce Bank
216 16th Street, Suite 1400
Denver, CO 80202
303-214-5415
daniel.sheehan@commercebank.com
Specializing in construction & term financing for all types of commercial real estate.

Richard Thal, CCIM
EGG Commercial Real Estate
6136 S. Fulton St.
Englewood, CO 80111
303-902-0788
eggcommercial@msn.com
full-service brokerage, buyer & seller representation, investments

Jim Vetting, CCIM, GRI
Wheeler Management Group, Inc.
1130 38th Avenue, Suite B
Greeley, CO 80634
970-352-5860
jvetting@wheelermgmt.com
Brokerage, leasing, consulting, investment analysis, valuation, site selection

Todd Walsh, CCIM
BOOM Properties
840 Pearl Street
Boulder, CO 80302
303-444-5040
todd@boomboulder.com
Commercial Leasing & Sales, Investment Properties, Boulder County Specialist

Patricia M. Wassik, CCIM, CPM
Health Connect Properties
3400 E. Bayaud Avenue, Suite 240
Denver, CO 80209
303-830-1444
Health care leasing, sales, management, consulting, investment analysis and construction management

Russ Wehner, CCIM, MAI, CPM
Russ Wehner Realty Co.
280 S. Madison St.
Denver, CO 80209
303-393-7653
Brokerage, property management, consulting, investment analysis

Tracy Wilkes, CCIM, CPM
Castle Keep Developments
7927 S. Kittredge Street
Englewood, CO 80112-4642
303-991-1143
Site selection, development, brokerage, investment analysis, non-resident owner rep

If you are a CCIM member and would like to appear in this directory, please contact Lori Golightly at 303.623.1148.

Snowmass

Continued from Page 23

ness as ERA Fleisher from offices located in Glenwood Springs, Basalt and Rifle.

Daren Roberts, president, will lead the company and expand its residential and commercial real estate sales focus as well as increase its presence in commercial and residential leasing and property management. Earlier this year, Roberts acquired Fleisher Real Estate and Property Management, established in 1975 in Aspen. Roberts also operates ERA New Age, a real estate and property management company based in Centennial.

"The addition of ERA Fleisher strengthens the brand's presence in the mountain region and Western Slope of Colorado, supporting both regional and national referrals," said **Sue Yannaccone,** president and CEO of ERA Real Estate.

■ It's a new name for the Vail Cascade Condominiums.

Laurus Corp., a private real estate investment and development firm, announced the Vail Cascade Condominiums have been renamed the Vail Residences at Hotel Talisa. The announcement comes after the firm's renaming late last year's of the 285-room Vail Cascade Resort and Spa as Hotel Talisa, Vail.

Hotel Talisa, Vail currently is undergoing an expansive renovation and rebrand, including its 285 guest rooms, public spaces, restaurant and new full-service spa. The resort, including the new hotel and Vail Residences at Hotel Talisa, which include Cascades on Gore Creek, Coldstream, Liftside, Millrace, Penthouses and Westhaven complexes along with private homes, will remain under the management of **Two Roads Hospitality**, with the residences remaining under the **Destination Hotels** brand.

The residences are set at the base of Vail Mountain. ▲

MBA

Continued from Page 25

continue to offer nonstandard products, including lease-up, moderate rehab and value-add loans. Additionally, Freddie Mac is exploring a construction loan product for market rate properties that maintain affordable rents during the life of the loan.

■ **CMBS.** The CMBS market experienced declining volume in 2016 due to tightening underwriting standards and wider loan spreads. The number of CMBS lenders has declined from an estimated 40 at the outset of 2016 to approximately 10 to 15 going into 2017. The majority of the remaining originators are large institutions. Another factor affecting the CMBS market in 2016 was the impending "risk retention" requirement. Commencing in December 2016, risk retention requires the sponsor of a securitization to retain 5 percent of a CMBS issuance on their balance sheet, or in the alternative the buyer of the noninvestment grade "B-Piece" must hold the security for at least five years. CMBS issuance in 2017 and beyond has many uncertainties attached to it. While the expectation is that CMBS spreads, and conversely interest rates, will widen as a result of risk retention, the opposite has occurred thus far in 2017. The remaining issuers in the market are competing aggressively for the best of the best properties, and in some cases, spreads and interest rates are below those of life insurance companies, especially for low-leverage loans. The CMBS market has become more conservative. Maximum leverage and interest-only periods are down from previous years, while at the same time, the emphasis on asset quality and location has increased. In the short term, the lack of new CMBS issuance has resulted in a supply and demand imbalance that has resulted in improved pricing for CMBS loans. However, it is expected that CMBS pricing will increase as the market normalizes throughout 2017.

■ **Commercial banks.** Commercial banks are expected to continue to feel the effects of regulations that were implemented in 2015, which will constrain their lending in 2017. These new standards were instituted primarily as a result of the economic downturn, and require an increase the amount of capital banks must hold against commercial real estate loans, especially construction loans. As a result, along with concerns about supply and concentration risk in certain markets, construction loans have become less desirable. Banks will continue to be selective for new construction loan opportunities, and new loans will be more conservative than in past years, which translates into increased pricing. Commercial banks still have very active lending programs for stabilized product both on a short-term and long-term basis. Selective banks can now offer competitive loan terms exceeding seven years or longer. Traditionally, banks have only offered loan terms of up to three to five years. Pricing for term loans continues to be competitive, with floating rates typically in the range of 225 to 275 basis points over 30 day Libor. Many banks can now offer competitive fixed rates for term loans, or swap to fixed rates.

■ **Debt funds.** Debt funds have increased their role in the commercial real estate lending market, particularly in providing nonrecourse loans on value-add properties with riskier profiles and filling the void for construction loans as a result of tightening bank construction lending. These entities are unregulated, and are exempt from same rules as banks. Debt funds will lend a higher level of proceeds on a nonrecourse basis, albeit at higher interest rates. They will typically lend up to 85 percent of cost, with the ability to advance proceeds for future expenditures, with a term of three years at floating rates typically in the range of 350 to 600 over 30 day Libor. The availability of loans from debt funds is expected to expand in 2017. There are more debt funds than ever, and new funds are expected to senter the market in 2017. Pricing for loans is expected to tighten given the availability of capital in the space.

Debt, and sources of debt, remains plentiful and readily available in 2017 with a variety of choices and loan structures, which makes for a competitive lending environment for prospective borrowers. ▲

Colorado Real Estate Journal

The Communication Channel of the Commercial Real Estate Community

2017 CONFERENCE SERIES

All of the following events will be held at The Hyatt Regency Aurora-Denver Conference Center, 13200 E. 14th Place, Aurora, CO 80011

Wednesday, January 18
- MORNING: **Development & Construction Forecast Summit & Expo**
- AFTERNOON: **Investment & Finance**

Thursday, February 16
- MORNING: **14th Annual Property Management Conference & Expo**
- AFTERNOON: **Retail Summit & Expo**

Thursday, March 16
- MORNING: **Spring Multifamily Development & Investment Conference & Expo**
- AFTERNOON: **Hotel & Resort Summit & Expo**

Thursday, April 20
- MORNING: **Health Care & Medical Office Buildings Conference & Expo**
- AFTERNOON: **Senior Housing & Care Conference & Expo**

Wednesday, May 24
- MORNING: **Residential Land Development Conference & Expo**
- AFTERNOON: **Commercial Land Development Conference & Expo**

Tuesday, September 19
- MORNING: **Office Summit & Expo**
- AFTERNOON: **Commercial Interior Architecture & Design Conference & Expo**

Thursday, October 19
- MORNING: **Fall Multifamily Development & Investment Conference & Expo**
- AFTERNOON: **Industrial Summit & Expo**

2017 CONFERENCE EXHIBITOR & SPONSORSHIP LEVELS

PLATINUM EXHIBITOR $3500

3-Minute Presentation: Premium visibility in front of conference attendees with or without PowerPoint/video
Category Exclusivity: No one else in your primary line of business may address the audience
Your logo will appear on the event registration page on crej.com and will be linked to your company website
Your logo will appear on all event print advertising, as well as in the PowerPoint recognition at the event
Large booth space at the event
Mailing list of all attendees
Opportunity to include brochure or promotional item in the event bag
4 Complimentary tickets to the event (value of $85 each)
2 Sponsored content shares on CREJ social media platforms (value of $250 each)
1-Month digital ad package including a 300×250 banner ad on crej.com and 2 email newsletters (value $500 each)

GOLD EXHIBITOR $2000

2-Minute Presentation: Premium visibility in front of conference attendees with or without PowerPoint/video
Your logo will appear on the event registration page on crej.com and will be linked to your company website
Your logo will appear on all event print advertising, as well as in the PowerPoint recognition at the event
Large booth space at the event
Mailing list of all attendees
Opportunity to include brochure or promotional item in the event bag
4 Complimentary tickets to the event (value of $85 each)
1-Month digital ad package including a 300×250 banner ad on crej.com and 2 email newsletters (value $500 each)

SILVER EXHIBITOR $795

Large booth space at the event
Your name will appear on the event registration page on crej.com with a link to your website
Your name will appear on all event print advertising, as well as in the PowerPoint recognition at the event
Mailing list of all attendees
3 Complimentary tickets to the event (value of $85 each)

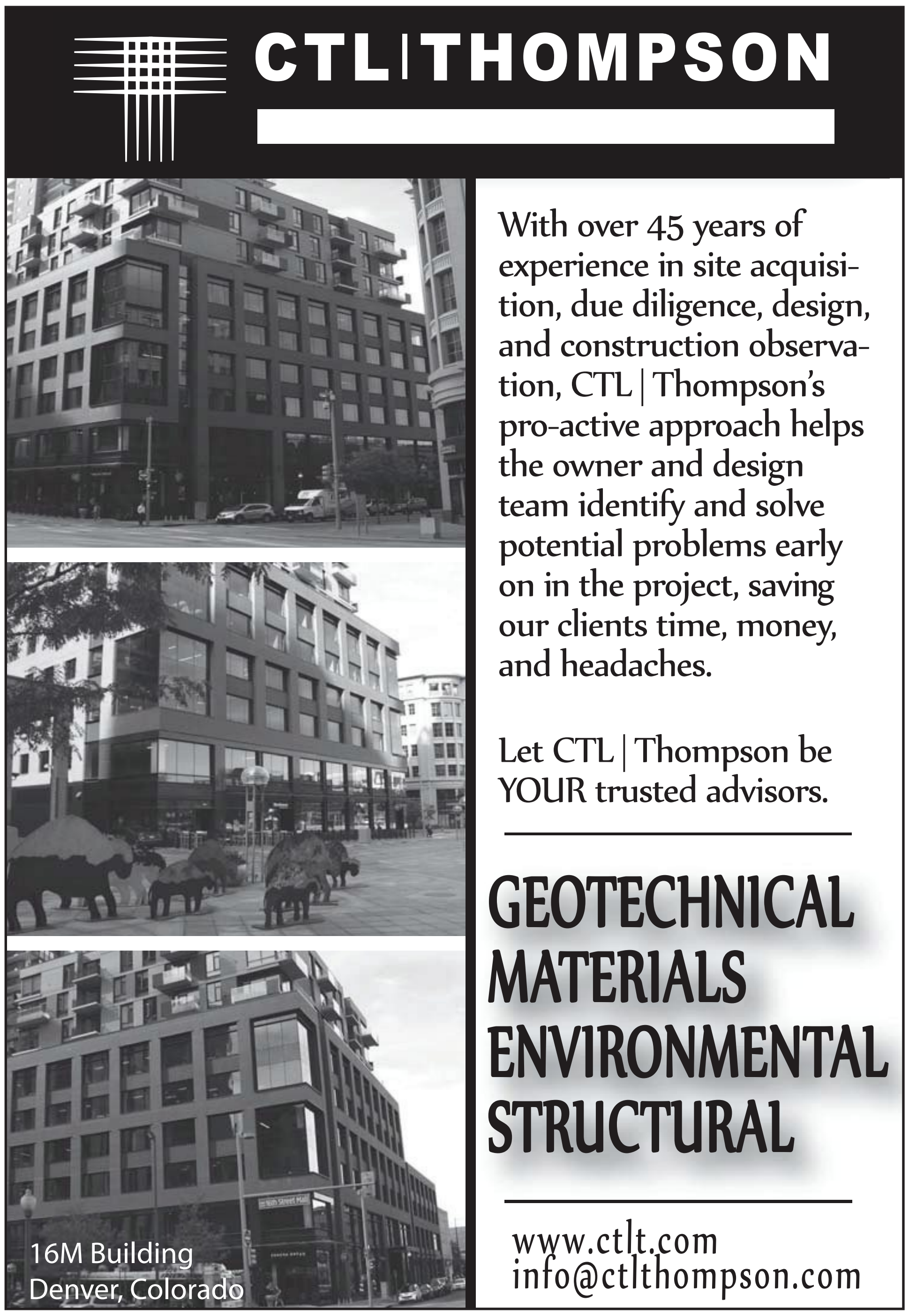
BRONZE EXHIBITOR $595

6-foot tabletop space at the event
Your name will appear on the event registration page on crej.com with a link to your website
Your name will appear on all event print advertising, as well as in the PowerPoint recognition at the event
Mailing list of all attendees
2 Complimentary tickets to the event (value of $85 each)

CORPORATE EVENT SPONSOR $595

Your logo will appear on all event print advertising, as well as in the PowerPoint recognition at the event
Mailing list of all attendees
Opportunity to include brochure or promotional item in the event bag
2 Complimentary tickets to the event (value of $85 each)

For more information on these events, please contact Jon Stern at 303-623-1148 or e-mail jstern@crej.com


CTL|THOMPSON
With over 45 years of experience in site acquisition, due diligence, design, and construction observation, CTL | Thompson's pro-active approach helps the owner and design team identify and solve potential problems early on in the project, saving our clients time, money, and headaches.
Let CTL | Thompson be YOUR trusted advisors.
GEOTECHNICAL
MATERIALS
ENVIRONMENTAL
STRUCTURAL
www.ctlt.com
info@ctlthompson.com
16M Building
Denver, Colorado


We are in several long-term relationships.
And are looking for more.
If you're looking for a dependable partner for your next project, maybe it's time to take this to the next level.
HKS HARRIS KOCHER SMITH
DENVER • DALLAS/FORT WORTH
ENGINEERS • LAND SURVEYORS
www.HarrisKocherSmith.com 303.623.6300


INAUGURAL
STATE OF THE REGION &
DEVELOPMENT
SHOWCASE
METRO NORTH CHAMBER OF COMMERCE
CITY AND COUNTY OF BROOMFIELD COLORADO
APRIL 13 | 7AM-12PM
THURSDAY, APRIL 13 | 7AM-12PM
REGISTER AT WWW.METRONORTHCHAMBER.COM
GET THE GROWTH STORY FROM 13 METRO NORTH MAYORS OVER BREAKFAST PLUS ENJOY
A BUSINESS EXPO FEATURING ECONOMIC DEVELOPMENT COMPANIES FROM ACROSS THE REGION!

Who's News

Aurora Economic Development Council confirmed its 2017 board of directors.

The new officers are: **Jerome Davis,** regional vice president, Public Service Company of Colorado, an Xcel Energy company, board chair; **Steve Coffin**, managing principal, GBSM Inc., board chair-elect; **John Moore**, principal/director of civil engineering, Martin/Martin Consulting Engineers, vice board chair; **Wayne Barrett,** vice president, market officer, ProLogis, board secretary; and **David Patterson,** chief executive officer, Falek Rocky Mountain, board treasurer.


Jerome Davis

Davis replaces Rita Connerly, partner at Fairfield and Woods PC, as the board chair. At Public Service Company of Colorado, Davis has executive leadership responsibility for the management of community relations and economic development as well as local government affairs and oversees the managed accounts of the company's largest business customers in Colorado.

Davis earned his bachelor's degree in finance and computer information systems and a Master of Business Administration from Regis University. He is also a Walter Kaitz Foundation Fellow. ▲

Jim Ciesla was named chief executive officer of **Brinkman Construction.**

Ciesla has served as the company's president for the past six years and was one of its first employees.


Jim Ciesla

This is a new role specific to Brinkman Construction. The CEO position was previously structured over both the construction and real estate groups and was held by the companies' co-founder, Paul Brinkman. Brinkman will remain in a significant leadership role as chairman of the board of directors for Brinkman Construction. The structure allows for Ciesla to direct a focused vision for the strategy of the organization moving forward.

Ciesla has more than 20 years of construction experience throughout Arizona and Colorado. He graduated summa cum laude from Arizona State University with a bachelor's degree in construction management. ▲

Associated Builders and Contractors Rocky Mountain Chapter presented a number of awards at its annual Chapter Awards dinner.

The following companies and individuals were honored with awards: Outstanding Service by a New Member, Merit Electric; Associate of the Year, **EKS&H LLP;** Supplier of the Year, **Bobcat of the Rockies;** Subcontractor of the Year, **RK Mechanical Inc.;** General Contractor of the Year, **Milender White**; Special Service Award, **Trip DeMuth**, Faegre Baker Daniels; President's Award to the **Government Affairs Committee**; Grassroots Champion, **Shane Fobes** of **Milender White;** Merit Shop Defender, Milender White; Young Professional of the Year, **Liz Castro,** EKS&H; and the ABCer of the Year was awarded to **Marissa Bolton**, Bobcat of the Rockies.

Prior to the awards program was the installation of the 2017 board of directors.

Sworn in as executive committee members were: chair: **Jason Maxwell,** White Construction Group; chair-elect: **Rob Marceau,** RK Mechanical Inc.; treasurer: **Scott Oglesby**, Bauerle & Company P.C.; secretary: **Aaron Eide**, Flood and Peterson; past chair: **Darren Hinton,** Milender White.

Named directors were **Dane Bechtholdt,** Douglass Colony Group; **Marissa Bolton**, Bobcat of the Rockies; **David Brooke,** Hensel Phelps; **Trip DeMuth,** Faegre Baker Daniels; **Paul Giovannetti,** HITT Contracting; **Brent Greiner,** Greiner Electric; **Mark Griffin**, Turner Construction Co.; **Rachael Koch**, Power Management Systems & Sales Inc.; **Scott Larson**, Encore Electric Inc.; and **John Luthi**, FCI Constructors Inc. ▲

Peter Merrion was hired as a director in the Denver office of **Holliday Fenoglio Fowler LP.**

Merrion will team up with Mark Katz, senior managing director and co-head of the firm's Denver office, to focus on office investment sale transactions in Denver and the Rocky Mountain region.

Merrion joined the firm from JLL, where he was a vice president since 2013. Prior to that he held positions at J.F. McKinney & Associates and Golub & Company, both in Chicago. Merrion has a Juris Doctorate from Chicago Kent College of Law in Chicago and a Bachelor of Arts from Ohio Wesleyan University. ▲


Peter Merrion

Gary Degenhart, Dane Bechtholdt and **Chris Faulkner** were promoted by **Douglass Colony Group.**

Degenhart was promoted to executive vice president-operations. He has extensive knowledge of the industry and vast experience.


Gary Degenhart

Bechtholdt was promoted to vice president-Northern Division. In his time at the firm, Bechtholdt has been one of the top, high-performing sales representatives and manager of the Northern Division.


Dane Bechtholdt

Faulkner was promoted to vice president-Southern Division. He has familiarity with and management of the Southern Division. As vice president, Faulkner will continue to oversee the Colorado Springs office and its sales and operations. ▲


Chris Faulkner

GE Johnson Construction Co. hired **Ron McInroy** as project development manager.

In this role, McInroy will sup-

Who's News

port the company's special projects division.


Ron McInroy

McInroy has more than 25 years in project management, with an emphasis on hospitality, commercial office buildings, health care and residential construction. ▲

Mike Swanson joined **Div 6 Millwork** as manager.

Swanson brings experience to all aspects of the business, including estimating, scheduling, fabrication, project management and installation.


Mike Swanson

Originally from Nebraska, Swanson started his career at other shops before making the move to the firm.▲

McWhinney added **Peter Lauener** as its new president.


Peter Lauener

Lauener's graduated from Whittier College in 1983, after which time he worked in the hospitality industry. He then went on to Lusk Co., where he focused on project management, including commercial, residential, resort, industrial and master-planned communities in Southern California.

A majority of Lauener's career has been in entitling complex projects across an array of product types. The last 15 years of his career at Intracorp were focused on entitling and building urban residential projects from single-family to high-density apartments and condos. Over his 30-year career he has focused on large, master-planned projects and built thousands of residential units both for rent and for sale, as well as office, industrial and commercial.

Additionally, **John Montaquila** joined the firm as chief financial officer.

He brings more than 25 years of real estate finance and investment experience to the firm.

After completing his Master of Business Administration, Montaquila worked for Security Capital Group after which he was a partner with M3 Capital Partners. Most recently, Montaquila was the head of U.S. real estate for Arcapita Inc., a Bahrain-based alternative asset investment manager.

Montaquila graduated from the University of Pennsylvania-The Wharton School with a degree in finance, and earned his MBA at Northwestern University's Kellogg School of Management. ▲

Parker Schenken joined **Sherman & Howard LLC's** public finance department. He will be working out of the firm's Denver office.

Schenken spent the last 22 years in public finance in Omaha. He has served as bond counsel, borrower's counsel and underwriter's counsel on various transactions, with recent emphasis in the health care, education and utility spaces. He is licensed in Colorado, Nebraska and Iowa. Schenken is a 1994 graduate, with distinction, of the University of Nebraska College of Law. Schenken also holds a degree in civil engineering from Loyola Marymount University. ▲

Five AIA Colorado members have been elevated to the **American Institute of Architects College of Fellows. Brian Chaffee, FAIA, Charles Cunniffe, FAIA, Don Dethlefs, FAIA, Larry Friedberg, FAIA**, and **Mark Outman, FAIA**, received this honor as recognition of an exemplary career having broad impact on the profession.

Chaffee is a principal with Fentress Architects. Over his 36-year career in architecture, he has led and designed projects ranging from the monument enclosure of the Iwo Jima Memorial to extremely large and programmatically complex museums, headquarter office buildings, courthouses, convention centers and airports.


Brian Chaffee

Cunniffe is the founding principal of Charles Cunniffe Architects in Aspen. For 36 years, he has tirelessly volunteered in the community. He helped to found Jazz Aspen Snowmass and Telluride's Sheridan Arts Foundation. In addition, he has provided leadership for the Aspen Area Community Plan, Aspen's Civic Area Plan and Aspen's Municipal Facilities Master Plan.


Charles Cunniffe

Dethlefs is the CEO of Sink Combs Dethlefs. He is known for his work on sports, event, entertainment and arena facilities. He has been responsible for innovative concepts such as including Americans with Disabilities Act considerations in these facilities, seating concepts such as loge suites and developing collegiate arenas as community-centric buildings. He has been a part of more than three-dozen AIA Design Award-winning projects.


Don Dethlefs

Friedberg is the State Architect for Colorado. He has successfully championed the need for funding of public buildings by working with numerous governors and state legislatures to refocus the state's deferred maintenance program to improve facilities throughout the State of Colorado. He implemented and co-authored legislation codifying into law energy performance contracting and high performance certification of public buildings. Friedberg successfully led preservation projects at the Colorado State Capitol building.


Larry Friedberg

Outman is a principal with Fentress Architects. Outman has dedicated his 35-year career to elevating the human spirit through the experience of public architecture. Through his work, he has elevated airport terminals to experiential civic buildings. As the requirements of federal security agencies have led to more secure airport terminals, Outman has pushed the limits to also make them more humane.▲


Mark Outman

Dave Clute has been named a vice president at **ESD,** a leader in the design of high-performance buildings, mission critical facilities, workplaces, and health, science and education environments.


Dave Clute

Based in Denver, Clute is active in the local real estate and architecture/engineering marketplace. He is a member of the Colorado chapter of CoreNet Global, that sponsored the third Annual Innovation Forum at the History Colorado Center on March 8th.

Clute comes to the firm from Zurich Insurance Group. As the global head of workplace technology at Zurich, Clute was responsible for the development, implementation and operation of workplace technology systems. During a decade at Cisco Systems, he helped launch the Cisco Connected Real Estate program. He has also pioneered the use of Trimble's 3-D SketchUp program.▲

Kaitlyn Weimer joined **Consilium Design** as landscape designer. Weimer is an ambitious designer with a broad range of design acumen coming from recognized firms along the East Coast. Her experience spans from residential developments and hospitality projects to urban planning.


Kaitlyn Weimer

Weimer earned a Bachelor of Arts in landscape architecture from Louisiana State University with a minor in business administration. ▲

Elsy Studios added project architect **Kaye Mullaney** and interior designer **Sam Ward** to its team.

As a project architect, Mullaney will be responsible for managing projects from concept to completion. She is a licensed architect with more than 26 years of experience working on a diverse range of project types. Before joining the firm, Mullaney was an associate at H+L Architecture where she oversaw production of the design and construction documents for over 1 million square feet of new hospital construction.


Kaye Mullaney

Ward will assist the firm's interior designers with project administration, lease exhibits, space planning and vendor collaboration in her new role. Before being hired on full-time, Ward was an intern at Elsy Studios. She is an interior design graduate of Colorado State University, where she was the president of ASID-CSU. ▲


Sam Ward

Crystal Nodsle joined **Shalls Design Studio** and will provide design services.

She has an interior design degree from North Dakota State University and more than 15 years of experience in the industry. Her background is as a consultant and product expert for art, accessories, textiles, furniture and architectural materials. ▲


Crystal Nodsle

Norris Design promoted **Ryan McBreen** and **David Lane, PLA,** to principal in the Denver office.

McBreen graduated from the University of Colorado Boulder in 2002 with a bachelor's degree in environmental design and land planning and from the University of Colorado Denver in 2003 with a master's degree in urban and regional planning. McBreen joined the firm in 2005.


David Lane

McBreen specializes in site planning and entitlements as well as project management and coordination. He is working on a variety of projects including the Sevens Memory Care facility in Jefferson County, Clear Creek Crossing in Wheat Ridge, the Crystal Valley Ranch development in Castle Rock and the single-family development, Inspiration, in Aurora.


Ryan McBreen

Lane joined the firm as a landscape architect in 2003 after graduating the year prior from Kansas State University with a bachelor's degree in landscape architecture. Lane is a registered landscape architect in the state of Colorado and a LEED Accredited Professional.

He is currently working on a variety of projects including the Broadstone at Lowry development, a park at the Museum of Outdoor Arts, phase II of the Gables Cherry Creek development and Solana Olde Town Station Apartments.▲

CBRE named **Shanda Staggs** regional sales manager for Colorado.

She will collaborate with local leadership and assist with business development and advisory and transaction efforts for all Occupier Services business.

Staggs comes to the firm from Jeppesen, a Boeing Co., where she was most recently a senior sales operations analyst responsible for developing and managing successful sales operations programs.


Shanda Staggs

Staggs holds a bachelor's degree from Metropolitan State University in Denver and is currently completing her Master of Business Administration through Embry-Riddle Aeronautical University. ▲

Nate Wallshein of Otis, Bedingfield & Peters LLC was appointed to the board of the **Matthews House.** The Matthews House is an organization that empowers young adults and families in transition to navigate difficulties on the road to self sufficiency. The Matthews House provides resources and relationships necessary for individuals to take control of their lives and shape positive futures for themselves. ▲


Nate Wallshein

Please submit Who's News items, including information on new hires and promotions, to Jennifer Hayes at **jhayes@crej.com.**

Taxes

Proposed tax rules impact CRE

Bob Nicolls
Owner and president, Monarch Investment and Management Group, Franktown

Andy Newell
Chief financial officer and CEO, Monarch Investment and Management Group, Franktown

For the past 30 years, since the passage of the 1986 Tax Act, the rules for the taxation of commercial real estate are aligned with the economics and fundamentals of the industry. That could all change with legislation that is being considered by the House of Representatives. The current proposal includes three components that will have a significant impact on the industry. These include:

1. The elimination of the interest deduction;
2. The elimination of the 1031 exchange; and
3. Full expensing of the cost of the asset in the year of acquisition.

■ **Elimination of interest expense.** Nearly all investors in commercial real estate borrow heavily to acquire their assets. Generally, 65 to 80 percent or more of the cost of the asset is paid for with debt. Along with this debt is the associated interest expense. Current tax laws allow the owner to deduct the interest expense from taxable income.

The new rules would eliminate that deduction from the owner's taxable income. Once the cost of the asset has been fully recouped under full expensing (discussed below), the owner now will have a significant cash expense for interest, which he will not be able to deduct. Since interest expense frequently accounts for nearly 50 percent or more of the operating cash flow from commercial real estate, elimination of this deduction will effectively double the owner's tax liability as a percentage of his net cash flow.

This will alter the traditional capital stack used in the purchase of commercial real estate. Loans will effectively become much more expensive and therefore less desirable to the owner. Lenders will find it more difficult to originate loans at the same loan-to-value percentages used historically. With the typical risk/reward equation in the present capital stack destroyed, cap rates could increase to compensate.

■ **Elimination of the 1031 exchange.** For years, the 1031 exchange has provided liquidity to an industry that is otherwise very illiquid. The 1031 exchange allows investors to sell their investment property and defer the gain on the sale if they reinvest the proceeds into a new investment property. This tool is valuable to the industry since, without it, it frequently would not be practical for owners to sell assets since the tax liability would destroy too much equity.

If the 1031 exchange is eliminated, it is very likely that the volume of transactions in the industry would decrease significantly. Note that in Canada there is no similar exchange rule, subsequently properties trade at roughly 25 percent of the rate they do in the U.S.

■ **Full expensing.** Currently owners are allowed to take a deduction for depreciation against their taxable income to recover their investment in the asset. This deduction typically will decrease their taxable income and associated annual tax liability by roughly 35 to 50 percent. Full expensing would allow the owner to deduct the entire cost of the asset in the year of the acquisition and carry over any loss until the entire loss was absorbed. This would mean that the owner would pay no tax at all for, in most cases, at least the first 10 years of ownership and, in some cases, 20 years or more.

Although in the short term this is a huge windfall to owners of commercial real estate, it is contrary to public policy with the need for the federal government to collect taxes. It could also distort the market for commercial real estate as investors will be drawn by the tax benefits rather than sound fundamentals.

There is no good way to estimate the net impact of the proposed rules. Full expensing will put upward pressure on pricing as the tax benefits of owning commercial real estate will drive further investment into an already active and possibly overheated industry. Likewise, eliminating the 1031 exchange will decrease the ability of sellers to sell, which will put upward pressure on pricing as buyers will have fewer investment options. Meanwhile, eliminating the interest deduction will fundamentally change the economics of the industry once the acquisition cost of the assethas beenfully absorbed.

These changes will not only impact the values of commercial real estate but also will have negative effects on a number of other businesses that are reliant on the industry. Certain businesses will cease to be relevant completely, such as 1031 qualified intermediaries and companies that perform cost-segregation studies. Other industries that will be negatively impacted if there is a decrease in transactions include brokers, title companies, law firms and inspectors, to name a few. Finally, lenders will not only see a decrease in volume, but also may see a decrease in borrowing as a percentage of the purchase price when interest is no longer deductible as an expense.

The 1981 Tax Act created significant tax incentives to invest in commercial real estate. This led to a boom in real estate investing and increases in the prices of commercial real estate. Five years later, when the 1986 Tax Act eliminated these incentives, the artificially high values dropped back to more appropriate values based upon sound economics. There is a risk that the currently proposed rules could pose the same threat.

We encourage all readers to contact their elected officials and to join the efforts of the National Multifamily Housing Council, National Apartment Association, Mortgage Bankers Association, American Bankers Association, American Institute of Certified Public Accountants and others to help defeat this bill that is presently being crafted in the House Ways and Means Committee. ▲

NAIOP
COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION
COLORADO CHAPTER

Awards of Achievement 2016

Honoring Leaders of the Colorado Commercial Real Estate Industry

Photos courtesy of NAIOP Colorado/SE Photography

NAIOP Colorado honored the Denver area's top commercial real estate talent and projects for 2016 at its 20th annual Awards of Achievement at the Denver Center for the Performing Arts Feb. 23. A total of 450 people attended the annual gala.

▶ Visit CREJ.com to view photos of all Awards of Achievement winners.

Award of Excellence
Kevin C. Kelley, United Properties

Developing Leader Member of the Year
Adam Loveland, Citywide Banks

Member of the Year
Mindy Humphrey, Fidelity National Title Group

James T. Brubaker Legislative Award
Tom Clark, Metro Denver Economic Development Corp.

Sherman R. Miller Trailblazer of the Year
Chad Brue, Brue Baukol Capital Partners

Land Broker of the Year
Chris Cowan and Steve O'Dell ARA, A Newmark Company
Finalists: Eric Roth and Martin Roth, CBRE Inc.; Mike Kboudi, Jim Capecelatro and T.J. Johnson, Cushman & Wakefield; Steward Mosko, Cushman & Wakefield

Multifamily Broker of the Year
Terrance Hunt and Shane Ozment, ARA, A Newmark Company
Finalists: Jeff Hawks and Douglas Andrews, ARA, A Newmark Company; David Potarf, Dan Woodward and Matt Barnett, CBRE Inc.; Jules Hochman and Justin Brockman, Pinnacle Real Estate Advisors LLC

Retail Broker of the Year
Jon Weisiger, CBRE Inc.
Finalists: Matthew DeBartolomeis, CBRE Inc.; Tyler Bray, Cushman & Wakefield; Jamie Mitchell, Pinnacle Real Estate Advisors LLC; Raymond Rosado, Cushman & Wakefield; Matt Writt, JLL

Industrial Broker of the Year
T.J. Smith, Colliers International
Finalists: Jim Bolt, CBRE Inc.; Tyler Carner and Jeremy Ballenger, CBRE Inc.; Thomas Stahl, Colliers International; David Lee and Jason Addlesperger, Newmark Grubb Knight Frank

Investment Broker of the Year
Individual – Geoff Baukol, Brue Baukol Capital Partners,

Continued on Page 44

NAIOP Colorado President Jim Neenan of Prime West Cos. addresses a crowd of 450 at the 20th annual NAIOP Colorado Awards of Achievement at the Denver Center for the Performing Arts Feb. 23.

Bill Mosher, left, and Ann Sperling, center, of Trammell Crow Co. were honored with the Industrial Development of the Year award for the first four buildings at Crossroads Commerce Park. Team members included listing brokers from Newmark Grubb Knight Frank.

Oxford Station, a 238-unit apartment community, took the top prize as 2016 Innovative Development of the Year. Accepting the award are, from left, Dan Metzger of Brue Baukol Capital Partners; Steve Kurtz, Jonathan Bush and Tim Schlichting of LCP Development; Adam Sands of FirstBank; and Brue Baukol's Chad Brue.

CBRE's Lee Diamond, pictured, is part of the winning Office Broker of the Year-Team award. The other members of the team are Doug Bakke, Ty Ritchie and Todd Papazian.

Lili Purslow of CBRE receives the Investment Broker of the Year-Individual award for Geoff Baukol, formerly of CBRE and now with Brue Baukol Capital Partners.

Adam Sands, left, of FirstBank and Jonathan Alpert of Westfield Co. receive the Deal of the Year award for Stanley Marketplace, an adaptive reuse of a former manufacturing facility.

Peter Coakley, left, of The Opus Group poses with the Retail Broker of the Year, CBRE's Jon Weisiger.

NAIOP Colorado President Jim Neenan, left, congratulates 2016 chapter President Kevin Kelley of United Properties, who received the Award of Excellence.

NAIOP COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION COLORADO CHAPTER

Awards of Achievement 2016

Honoring Leaders of the Colorado Commercial Real Estate Industry

Photos courtesy of NAIOP Colorado/SE Photography

Continued from Page 42

Award of Excellence
Kevin C. Kelley, United Properties

Developing Leader Member of the Year
Adam Loveland, Citywide Banks

Member of the Year
Mindy Humphrey, Fidelity National Title Group

James T. Brubaker Legislative Award
Tom Clark, Metro Denver Economic Development Corp.

Sherman R. Miller Trailblazer of the Year
Chad Brue, Brue Baukol Capital Partners

Land Broker of the Year
Chris Cowan and Steve O'Dell ARA, A Newmark Company
Finalists: Eric Roth and Martin Roth CBRE Inc.; Mike Kboudi, Jim Capecelatro and T.J. Johnson, Cushman & Wakefield; Steward Mosko, Cushman & Wakefield

Multifamily Broker of the Year
Terrance Hunt and Shane Ozment ARA, A Newmark Company
Finalists: Jeff Hawks and Douglas Andrews ARA, A Newmark Company; David Potarf, Dan Woodward and Matt Barnett, CBRE Inc.; Jules Hochman and Justin Brockman, Pinnacle Real Estate Advisors LLC

Retail Broker of the Year
Jon Weisiger CBRE, Inc.
Finalists: Matthew DeBartolomeis, CBRE Inc.; Tyler Bray, Cushman & Wakefield; Jamie Mitchell, Pinnacle Real Estate Advisors LLC; Raymond Rosado, Cushman & Wakefield; Matt Writt, JLL

Industrial Broker of the Year
T.J. Smith, Colliers International
Finalists: Jim Bolt, CBRE Inc.; Tyler Carner and Jeremy Ballenger, CBRE Inc.; Thomas Stahl, Colliers International; David Lee and Jason Addlesperger, Newmark Grubb Knight Frank

Investment Broker of the Year
Individual – Geoff Baukol, Brue Baukol Capital Partners, formerly CBRE Inc.
Team – Mike Winn and Tim Richey, CBRE Inc.
Finalists: Patrick Devereaux

James Mansfield, left, of Pinnacle Real Estate Advisors assists in presenting the Capital Markets Transaction of the Year Award to FirstBank for The Lydian, a mixed-use development in Denver's Five Points neighborhood. Pictured from left are Tim Welland of Palisade Partners, which is developing the project with Confluence Cos.; presenter Chad Brue of Brue Baukol Capital Partners; Adam Sands and Nicholas Job of FirstBank; and Palisade Partners' Paul Brooks.

Mike Winn, left, and Tim Richey of CBRE are no strangers to the NAIOP Awards of Achievement, taking home Investment Broker of the Year-Team honors.

Adam Loveland, center, of Citywide Banks accepts the Developing Leader Member of the Year Award from presenters Jim Mulligan of Husch Blackwell and Celeste Tanner of Confluent Development.

ARA Newmark was a big winner at this year's NAIOP Colorado Awards of Achievement, taking top honors for Land Broker of the Year (Chris Cowan and Steve O'Dell) and Multifamily Broker of the Year (Terrance Hunt and Shane Ozment). Accepting awards are ARA Newmark's Byron Stevenson, left, and Doug Andrews. Andrews and partner Jeff Hawks, who have sold more apartments than any brokers in Colorado, also were awarded the coveted Legacy Broker award.

Chad Brue of Brue Baukol Capital Partners takes home the Sherman R. Miller Trailblazer of the Year award.

Jeff Castleton, left, of Newmark Grubb Knight Frank and Doug Spuler of The Beck Group receive the trophy for Office Development of the Year on behalf of 1401 Lawrence, a 310,000-square-foot, 22-story building. First Gulf and The Beck Group developed the building.

Nicholas Pavlakovich, right, of Cushman & Wakefield earned the Office Broker of the Year-Individual trophy. With him is The Opus Group's Peter Coakley.

NAIOP Colorado's 2016 Member of the Year is Mindy Humphrey of Fidelity National Title Group.

Lia Clarke, widow of longtime Denver developer Steve Clarke of Prime West, addresses the crowd. Steve Clarke was honored posthumously with the President's Award for Contributions to the Real Estate Community.

T.J. Smith, right, of Colliers International receives the award for Industrial Broker of the Year from Chris King of DPC Development Co.

▶ Visit CREJ.com to view photos of all Awards of Achievement winners.

PROPERTY AVAILABLE

For Sale | **For Lease** | **Wanted**

office • industrial • retail • multifamily • land • medical office • hospitality • restaurants • senior housing & care

Grand Junction Area

BRAY & CO. REAL ESTATE COMMERCIAL LLC


Sid Squirrell,CCIM


Sam Suplizio


Nancy Watkins


Brian Bray


Theresa Englbrecht


Kevin Bray

Property Sales • Leasing • Consulting
Development • Site Selection • Property Management

244 N. 7th Street Grand Junction, CO 81501
970.241.2909

www.braycommercial.com

SUBLEASE: GREAT OFFICE SUBLEASE AVAILABLE THRU 2/28/19

8310 SOUTH VALLEY HIGHWAY | SUITE 270
ENGLEWOOD, CO 80112

Availability: 1,500-8,200 RSF
Lease Rate: $18.00/SF FULL SERVICE

Building Size: 186,945 SF
Parking: 4.2:1,000

Class A finishes: High ceilings, large windows, and western views.
Flexible floor plan and size
Easy access to I-25 and C-470 with Light Rail locations nearby
High tech office space with furniture available

fairbairn COMMERCIAL
WWW.DENVEROFFICESPACE.COM
1873 S. Bellaire Street | Ste 1200 | Denver, CO 80222 | 303.765.4344

J&B Building Company

call Steve Peckar at: 303.741.6343 X 100
or visit our website: www.jandbbuilding.com

Meadowlark Shopping Center

9050 W 6th Ave,
Lakewood, CO 80215

5,000 SF Available

Matt Landes ext. 101

Columbine Valley Shopping Center

3615 – 3625 W. Bowles Ave.

1,500 SF available

WALMART Neighborhood Market Anchored Center

Peter Kapuranis ext. 103

Citadel Commons

Colorado Springs

1,200 – 4,500 SF
Retail Suites Available

WALMART shadow anchored center

Join T-Mobile, Cici's Pizza, Gamestop and others at this busy- high visibility center!

Matt Landes ext.101

Academy Center

5310 – 5360 Montebello Ln.
Colorado Springs

Academy Boulevard Frontage

Below Market Rates

595 – 1,717 SF Available

Peter Kapuranis ext. 103

Rock Creek Center

Superior, CO

Safeway Anchored Center

4,463 SF Available
Directly adjacent to Safeway
Divisible by 1,800 SF

Peter Kapuranis ext. 103

Westlake Plaza

Westlake Plaza

2,030 and 2,181 SF Retail Spaces Available

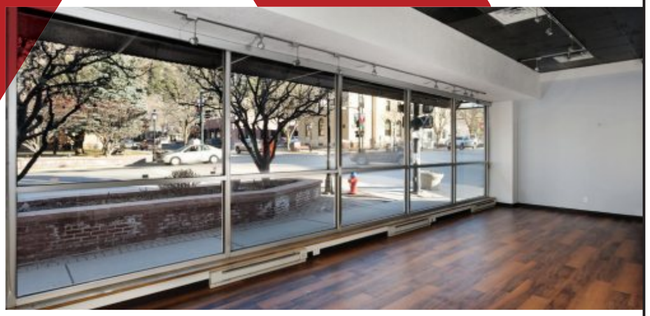
Great Visibility

Supermarket anchored center

6% Broker Coops

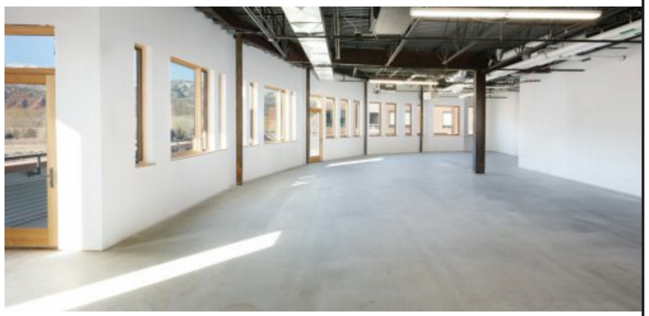
Matt Landes ext. 101

ASPEN VALLEY COMMERCIAL SPACE


831 GRAND AVENUE | GLENWOOD SPRINGS, CO | $3,200,000

Commercial building and parking lot in the heart of downtown Glenwood Springs + 22,500 square feet and endless possibilities in the building previously known as the CMC Building + On the corner of 8th and Grand Avenue

300 MARKET STREET | BASALT, CO | $6,750,000

17,426 square feet of 3rd floor space in the Market Street Building in Willits Town Center + Recently constructed, premiere commercial/office space in the heart of the mid-valley + Adjacent to Whole Foods + Comprised of 12 units with two long-term tenants already in place + Lots of new development in Willits, now is the time to get in

Laura Gee
Managing Broker
970.948.8568
lgee@woodbridgerealtyco.com

WOODBRIDGE
REALTY UNLIMITED

970.510.6088
woodbridgerealtyco.com

Aspen
Snowmass
Basalt
Carbondale
Glenwood Springs