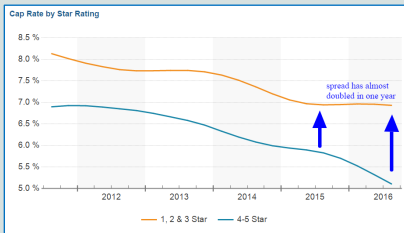
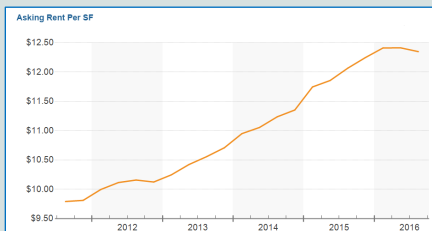


## August 2016 Talking Points

**Investors continue to pay higher prices for better quality assets.** The spread between higher quality vs. lower quality has widened to almost 200 basis points.



**The slowdown in leasing activity this summer has also tempered the asking rate by landlords.** While vacancies are low, tenants are starting to push back against constantly rising rental rates.



[\[view larger images click\]](#)

### Industrial Is A Local Play, Apartments & Hotels Are A National Play...In August Anyway

**Major real estate trades** during August **centered around industrial & lodging in the Boulder, Larimer & Weld** counties CRE market last month. However, the **top trade** was the **Boulder Marriott, which sold to an Austin TX REIT for \$61.4 million, or \$391,000 per room.** The Seller, Blackstone, had purchased the property in 2013 for \$147,000 per room and thus made a tidy profit on the transaction.

A portfolio of **two multi-family complexes in Fort Collins sold for \$24 million for 106 units total.** *The properties included the Pura Vida Place student apartments* built just a few years ago across the street from the CSU campus.

After that in **dollar volume was the significant industrial activity** mentioned earlier. **1900 Pike Rd, at the Campus at Longmont, traded for \$14 mil. for the 90,500 SF.** *The tenants included Micron Technology and other tech firms.* Buyer was an Alaskan based investment group. **2205 Central in Boulder, the FedEx building, sold for \$3.63 million.** *The 24,000 SF facility sold to a Boulder buyer.* **20 Bowen St. in Longmont, a class C industrial building, sold for \$6.125 mil. or \$99 PSF to a local buyer in town.**

**Other property type sales were few and far between,** but included a **\$3.8 mil. medical office building sale to a Boulder investor at a 6.55% cap on Old Laramie Trail in Lafayette.** Also trading in **Fort Collins was a multi-tenant retail property with Starbucks and Perfect Teeth as some of the tenants.** *That sold for \$2.6 mil. to a Denver investor. Price per square foot was \$460.*

**The Leasing front was quite slow,** following the summer trend line noted in earlier Talking Points.

## August Talking Points Continued

**Industrial properties were active in Boulder**, where 16,000 SF leased to **Faurot Construction on Western Ave.**, and in **Loveland** where 9,600 SF leased to **Eco Extraction on 8th St.** **On the office side, The Colorado Tech Center in Louisville** had a 12,000 SF lease signed with **Bridge Diagnostics**, and **Centerra in Loveland** had a 9,200 SF lease with **Olson Associates**.

**Leasing activity has been down overall this year**, and rates are finally tempering.

### Charts from Side Panel

