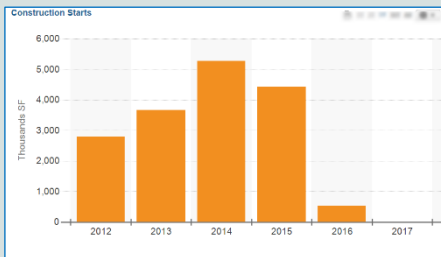
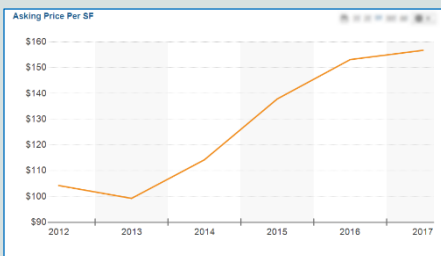


February 2017 Talking Points

The **buildings started in 2015 & 2016** are now **delivering to the market** [5 million SF in last 12 months].



Prices may be **starting to level off** after several years of steep upward climbs



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



A Hot CRE Neighborhood Features in this Month's NoCO Talking Points

The **Gunbarrel neighborhood in Boulder** seemed to be the place to be for "smoking hot" commercial real estate deals this last February. **BI Inc. leased 12,000 additional square feet** in the former HEI building. *That building was then sold to an investment equity fund out of Vermont for \$16 million.* The property had previously sold for \$10.5 million only a year ago. **Gunbarrel seems to be a renewing area with apartment and retail construction** adding to the always strong flex and industrial product base there. **Topping off the activity, was indeed an apartment sale.** *The Apex 5510 project, with 231 units constructed just two years ago,* sold to a Des Moines IA group for **\$75 million**. The property *sold for \$326,000 per door*, showing how **strong the multi-family market** has become in that neighborhood.

Multi-family sales always feature in these Talking Points, and the Apex 5510 sale was not alone in making headlines. *The 54 unit Mill House in Fort Collins sold for \$13.6 million* to a New Jersey buyer, *who paid \$251,000 per door* at that price. The University of Northern Colorado Trustees **sold their 98 unit University Apartments at a 6.5% cap rate, for \$7.1 million, or \$72,000 per door in Greeley.**

Retail real estate activity was highlighted by the **\$3.1 million sale of the Markets at Maplewood in Eaton.** A *Colorado investor bought the property for \$173 PSF, and at a reported 7.2% cap rate.* Retail leases of note include **9,000 SF tenants at both the Greeley Mall and Foothills Mall in Fort Collins.**

Re-positioning is an active strategy in our tri-county area. This was evidenced by the *Boulder area sale of a garden center on 33rd St. to a group redeveloping the site into senior housing.* **The \$4.5 million sale** translated into a

February Talking Points Continued

land sale, came in at **\$66 PSF for the land** (since the building will be razed in redevelopment).

Don't forget the **energy industry in Weld** county! Though not as booming as it was a few short years ago, we are noticing some new activity. A **Milliken warehouse, comprising 128,000 SF, sold to a Houston, TX based energy company for \$4 million, or \$31 PSF.**

Leasing activity included the *Zayo Group moving into the former Whole Foods office center in Boulder's* 29th St. Mall area. They are **occupying 46,000 SF.** *United States Building Supply leased 24,000 SF in east Loveland* for a distribution center. Overall building was robust in the last twelve months. **Over 5 million SF of new construction has occurred in Boulder, Larimer and Weld counties.**

February Talking Points Continued

Charts from Side Panel

