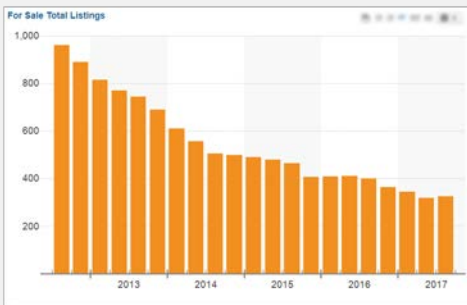
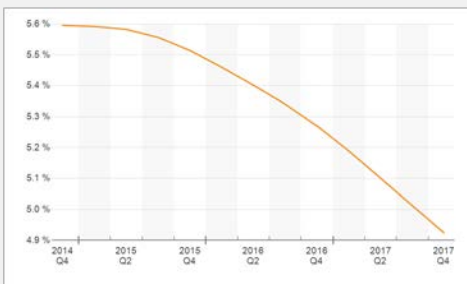


September 2017 Talking Points

Sales Volume is the lowest of any month this year.



Overall Vacancy has steadily dropped, now below 5%.



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

Contact one of our advisors to see how they can help you with your property

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Local Investors Drove the Market *(but it was subdued)*

Local Investors contributed to an **\$87 million** trading volume in the tri-county region for September. It tallied up to the lowest sales volume of any month this year. National players were simply quiet last month in Larimer, Weld and Boulder counties. Nevertheless, some interesting sales were still on the docket.

Apartment complexes have been the domain of national equity and institutional groups, but not in September in our region. A **Boulder** based investor bought the **48-unit Rams Park** property in Fort Collins for **\$12.2 million**, **\$254,000 per unit**, and at a **4.89% capitalization rate**. That same buyer then purchased another **CSU-centric** property in **Fort Collins** with the **\$6.3 million** purchase of Atrium Suites. That **24-unit** property traded for **\$262,000 per unit**. A Boulder property, Goss 22, was sold to a **Denver** buyer for **\$5.5 million**, which was **\$239,000 per unit**, and a reported **4.32% cap rate**.

The **Fort Collins** based Seller of the Atrium Suites apartments then went on to buy the Sprouts grocery store in Loveland for **\$9.85 million**, at a **5.5% cap rate**. Another significant sale of a multi-tenant retail property in **Longmont**, was the **Sherman Village** sale. That **62,000 SF** center sold for **\$7.4 million** and at a **7.9% cap rate**. A two-property multi-tenant retail strip in **Fort Collins**, anchored by **Fantastic Sams** hair salon, sold for **\$3.2 million** and at a **6.65% cap rate**. Investors demand higher cap rates for retail properties as compared to apartment complexes. They see retail as higher risk properties.

A few leases of note also transacted last month. **McClinton Energy Group** leased **34,000 SF** off of the I-25 Frontage Rd. in **Longmont**. **WestRidge Academy School** leased **30,000 SF** of the former **HP Plant** in **Greeley**. **Pixes** took down **9,000 SF** of flex property in **Lafayette**, and the **Campus** at **Longmont** also featured a **14,000 SF** lease transaction.

National buyers have made significant investment in the three counties this year. When there isn't a major portfolio deal, like in September, the deal volume is naturally lower. No trend is likely indicated. National investors continue to look for opportunities in northern CO, despite their sideline behavior last month.