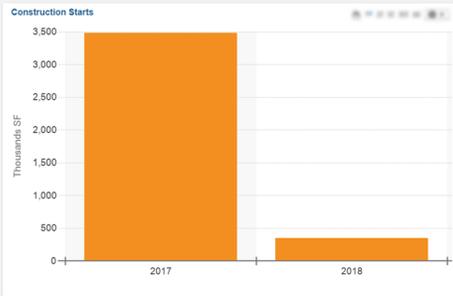


## October 2018 Talking Points

### Construction Slows in Tri-county NoCO CRE, While Investment Sales Continue in October

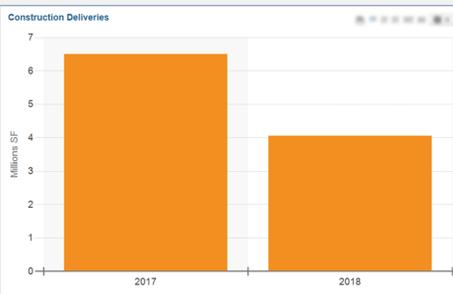
#### Construction Starts

"Construction Starts drop considerable since 2017"



#### Construction Deliveries

"Construction Deliveries moderate as 2018 starts fall off"



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

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

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2018 is shaping up to be rather sleepy in terms of new construction compared to the pace in 2017. While over *6 million square feet* of new building space has been delivered to the market over the last twelve months, that pace is sure to slow down as construction starts slowed considerably in 2018 thus far. *6 million square feet* represents slightly higher than *2%* of the total inventory in **Boulder**, **Larimer** and **Weld** counties.

Meanwhile, investors still were active in the market with existing buildings. A contrast in age and location shows the broad based investor interest in the region. Case in point was the highlight sale of the month. The **Boulder**-located **Wonderland Creek Townhome** project sold for *\$21 million*, or about *\$512,000 per unit*. It was just one year past its delivery date. On the other end of the spectrum, the *59 unit University Tower* apartment property in **Greeley** sold for just *\$84,000 per unit*. **University Tower** is 44 years old. The **Wonderland Creek Townhome** buyer was an equity group out of **San Francisco**, while the **University Tower** buyer was from **Denver**.

A specialty building, **WashWorx**, in **Fort Collins**, sold for *\$5.6 mil* which calculated to over *\$1,300 PSF*. This 3 year old property sold to a local **Fort Collins** buyer.

The **Harmony Commons** two building retail center in **Fort Collins** sold for *\$13.1 million*, at a reported *6.9% cap rate*, to a **Denver** based buyer. This property was on a few years old and features multiple restaurant tenants.

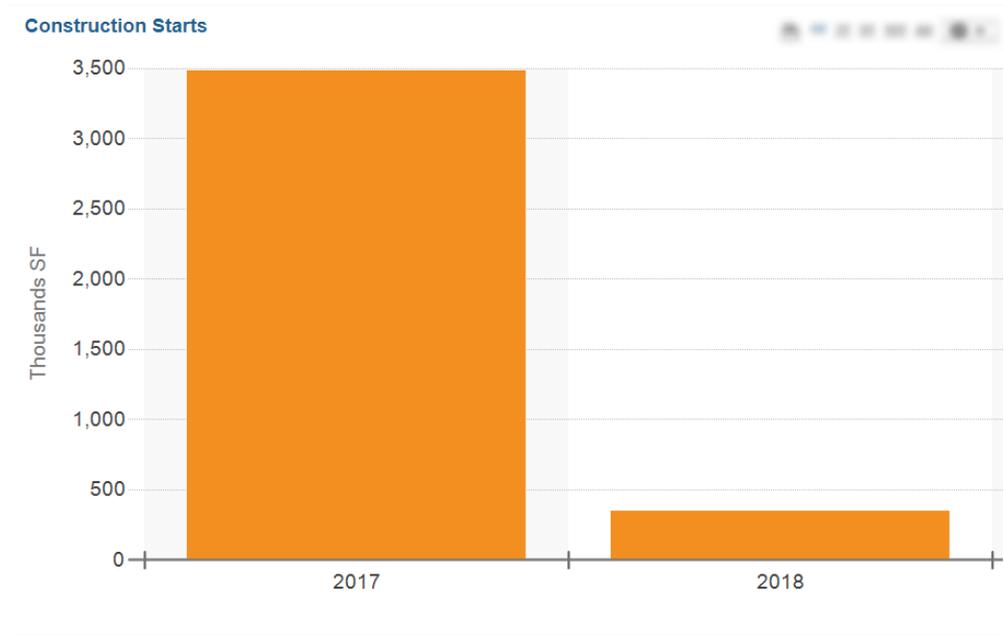
Top leasing activity came from **Evans CO**, where an industrial property on 31st St. had a *25,600 SF* lease signed. Boulder then came in with the next largest lease as an office tenant took *18,000 SF* at 3107 Iris Ave. **Loveland** grabbed the third largest lease in October as an industrial tenant took *15,000 SF* in the airpark center near I-25. The **HighPointe** office in Boulder featured a 12,000 SF office lease to round out the top leases in the region. The industrial properties were asking *\$10 PSF* plus triple net expenses, while the office buildings were asking *\$26* and *\$18 PSF* triple net respectively.

As deliveries slow, one might anticipate space to remain tight in the tri-county region.

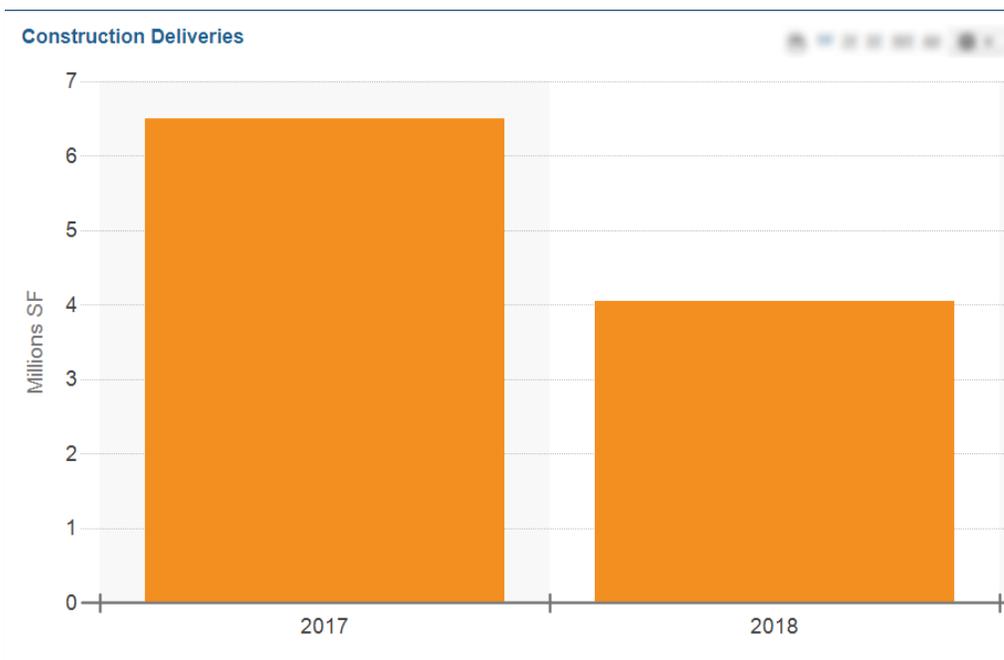
# October 2018 Talking Points

## Side Panel Charts

### Construction Starts



### Construction Deliveries



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