

# TALKINGPOINTS

O C T O B E R / 2 0 1 9

## Months on Market

*Properties that are put on public market are selling on average within about seven months. Substantially less time than just a few years ago*



## Lease Absorption Slowing

*Leasing absorption has slowed considerably in 2019 and compares back to almost 2009 in this regard*



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Contact [our advisors](#) to see how they can help you with your property

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## Auto Dealership sales drive October NoCO commercial real estate activity

A couple of auto dealerships sold in the region last month. The former president of AutoNation bought the Longmont Ford auto dealership in Longmont CO for \$9 million, which calculates to \$189 PSF. The property is about 6.4 acres and has over 500 parking spaces in addition to the 47,500 SF building. In Fort Collins, the Nissan dealership sold for \$4.2 million or \$233 psf. This one is on 2.7 acres. Buyer is out of Longmont.

In other regional sales action, Kroenke Group out of Columbia MO purchased a retail complex in Fort Collins, CO in which the tenants were Whole Foods and Wilbur's Beverage. The \$23.8 million price tag calculated out to \$348 PSF for University Plaza. The selling price represented a profit of about \$1 million to the previous owners out of Phoenix AZ who purchased the property in 2014.

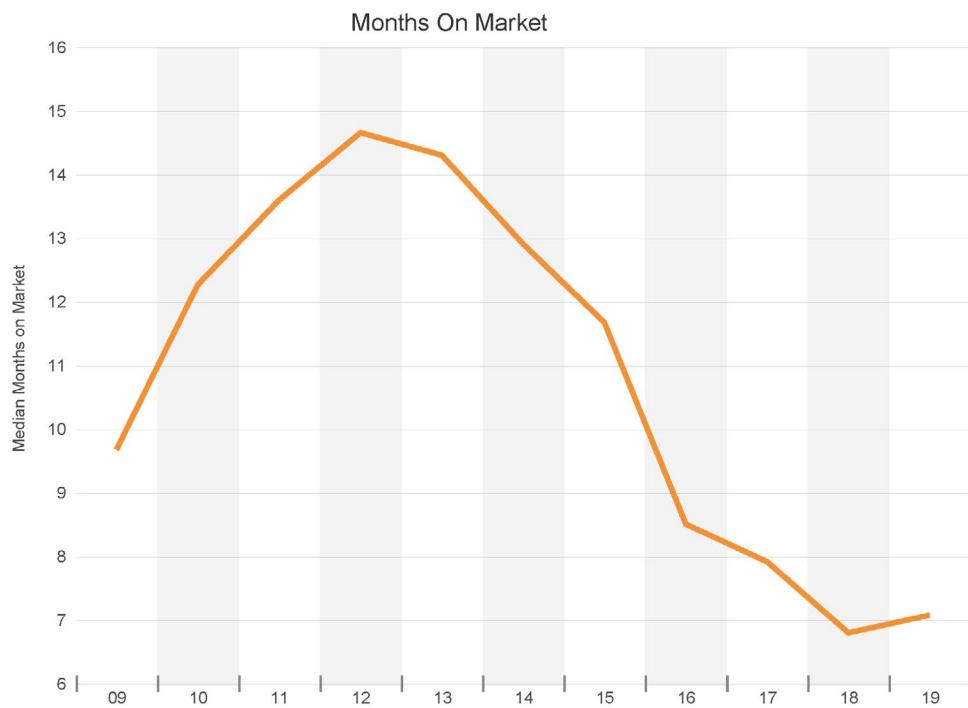
A REIT out of Los Angeles purchased the Leed Fabrication manufacturing facility on Boyd Ave., north of Loveland CO for \$10.3 million, or \$118 psf. The tenant was the previous owner and sold the building to the investors on a sale-leaseback structure, so as to free up capital for other business needs.

A Denver based investment group bought a property in the Prospect East Business Park in Fort Collins from Cress Capital. The 26,000 SF building sold for \$6.3 million, or \$263 PSF. Tenants include Larimer County. The largest Boulder county deal was a retail sale in Lafayette CO. Summit Marketplace sold for \$4.5 million or \$313 psf. Tenants include Sally Beauty Supply and Advance America. The Broomfield CO investment group was adding to their portfolio. Reported cap rate was 7.41% on the sale.

Tracking almost 36 million square feet of commercial property across the tri-county [Boulder Larimer and Weld] area, leasing activity has been particularly sluggish this year. Some of this is explained by the pre-leasing of the new construction, which has largely been purpose-built for specific tenants and not adding speculative space to the market. With a tight overall market, there aren't a lot of good choices to move to, or spaces that meet certain criteria. Therefore the stagnation may be due, in part, to lack of viable option.

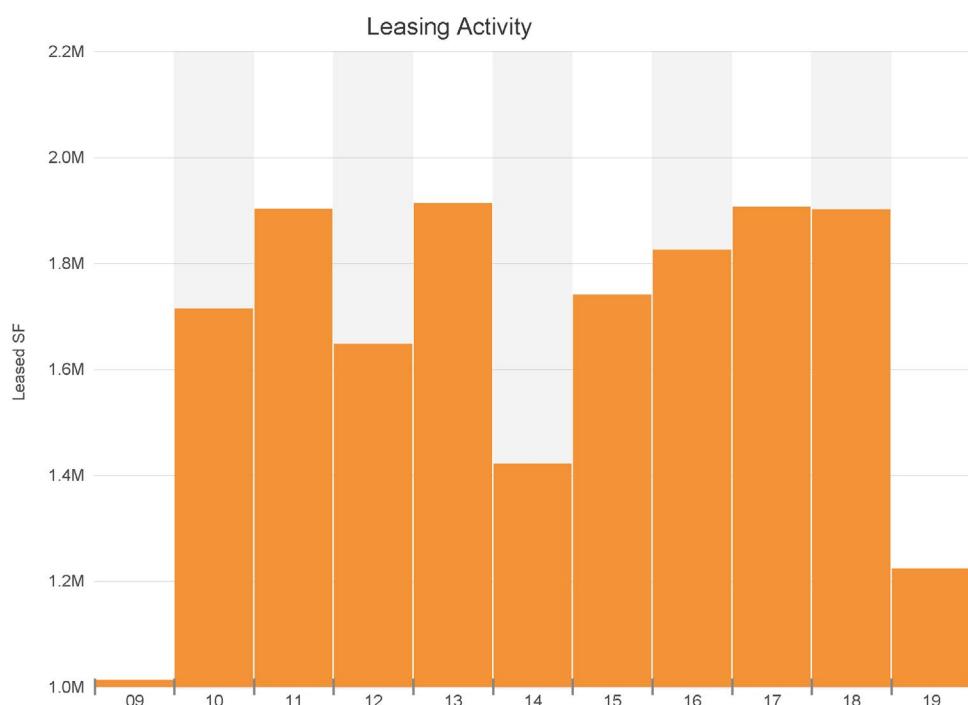
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