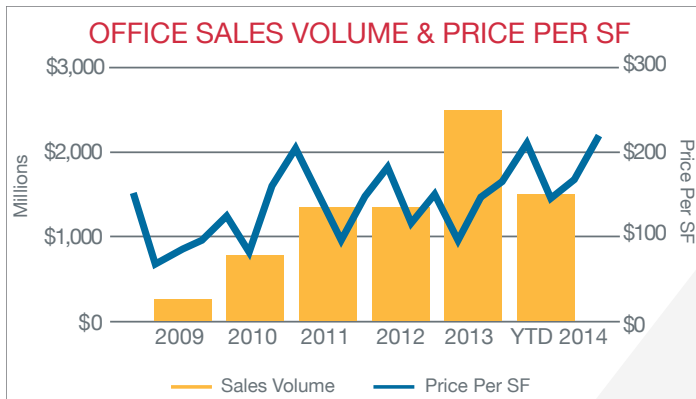


Source: CoStar Property



Source: CoStar Property

## TOTAL OFFICE MARKET STATISTICS (3Q 2014)

Submarket	Vacancy		YTD Net	Quoted
	Total SF	Vac %	Absorption	Rates
Aurora	1,004,350	11.6	115,525	\$17.45
Boulder	561,914	4.9	105,399	\$23.15
Broomfield	754,743	12.0	174,016	\$26.31
CO Blvd/Glendale	1,391,834	10.5	353,319	\$22.46
Downtown	3,851,052	11.0	668,489	\$31.10
Midtown	338,869	3.9	256,108	\$20.85
North Denver	814,918	18.6	(32,969)	\$18.44
Northeast Denver	435,718	10.0	26,281	\$17.20
Northwest Denver	1,085,232	11.5	(10,758)	\$20.27
Southeast Denver	5,510,361	12.0	81,068	\$21.64
Southwest Denver	1,353,565	13.9	65,245	\$16.87
West Denver	1,813,396	13.3	161,475	\$19.66
<b>Totals</b>	<b>20,801,726</b>	<b>11.1%</b>	<b>611,439</b>	<b>\$22.17</b>

Source: CoStar Property

## Shames Makovsky Property Management

creates value for third party property owners just like we have for our 'in-house' owners over the past 40+ years. We plan and operate like owners because we are owners, too.



Steve Hamilton  
Director, SMPM

Currently, we manage over 60 properties throughout metro Denver. These properties include office (urban, suburban, medical), industrial (storage, flex, manufacturing), and retail (grocery anchored, NNN restaurants, strip centers), along with numerous parking lots and development sites.

The recent turnaround of the distressed HighPoint Omni Center (see sale discussion on reverse side) is one example of our value-creation efforts. Over the course of a nine-month period, our management team prepared the under-managed property for an increase in value from approximately \$4 million to over \$8 million. This turnaround was accomplished through three ownerships (receiver, lender, and private owner), overseeing an increase in occupancy from 45% to 94%, the construction of over \$2 million in tenant improvements, the critical correction of inaccurate accounting and lease administration, and the conversion of mutinous tenants into happy, helpful, and committed tenants.

By coupling our hands-on approach to operations with our value-creation mind set, we succeeded in turning this foreclosed property into a coveted and profitable real estate investment.

## Denver Office Market Overview

The Denver Office market ended the third quarter 2014 with a vacancy rate of 10.6%, a decrease over the previous quarter. Net absorption was positive 1,070,775 square feet compared to positive 587,385 square feet in the second quarter 2014. Rental rates ended the third quarter at \$22.88, an increase over the previous quarter.

A total of 33 office transactions closed with a total value of \$877,112,600. The 33 buildings totaled 3,986,029 square feet and the average price per square foot equated to \$220.05.

A total of six buildings delivered to the market in the quarter totaling 650,818 square feet, with 1,860,932 square feet still under construction at the end of the quarter.

(Source: The CoStar Office Report, Third Quarter 2014)

## Featured Listings

### OFFICE/INDUSTRIAL FOR LEASE



**3857-3897 Steele St.  
Denver, CO 80205**

TYPE	For Lease
PROP. TYPE	Office/Warehouse
BUILDING SF	290,229 SF
AVAILABLE SF	12,806 SF
LEASE RATE	\$4.95 /SF + NNN

This industrial space is located south of the I-70 corridor and includes 5 offices with south facing windows, conference rooms and reception/showroom space. Perfect for storage, warehouse, distribution, office, studio or design users. All suites have dock high loading, concrete floors, and 16' clear high.

Contact: Matt Emmons (303) 565-3035

### PARKER LAND PARCEL FOR SALE



**11099 S. Dransfield  
Parker, CO 80134**

TYPE	For Sale
PROP. TYPE	Mixed-Use
ACREAGE	11.753 acres
SALE PRICE	\$3,041,500

This parcel is located within the Parker Cental Urban Renewal Area. It is adjacent to big box retailers such as Super Target, Walmart and Home Depot. Acceptable uses include multi-family, office, retail, recreation, amusement and entertainment.

Contact: Sandy Feld (303) 565-3024  
Spencer Diner (720) 881-7539

### FREESTANDING USER BUILDING



**3837 Monaco Pkwy  
Denver, CO**

TYPE	For Sale
PROP. TYPE	Industrial
BUILDING SF	68,200 SF
AVAILABLE SF	\$5,115,000

This distribution/manufacturing building sits on approximately 3 acres and is located off Monaco Pkwy and 38th Ave, just south of I-70. Includes a large yard area, south facing truck court, newer roof, 8 dock-high doors, 1 drive-in door and 31'x 40' column spacing.

Contact: Paul Kahn (303) 565-3026  
Drew Hill (720) 881-7536

### LODO RESTAURANT EXPOSURE



**1400 Market St.  
Denver, CO 80202**

TYPE	For Lease
PROP. TYPE	Mixed-Use
BUILDING SF	16,500 SF
AVAILABLE SF	11,000 SF
LEASE RATE	1st Flr \$35/SF NNN LowLev \$7/SF NNN

This existing restaurant property is located in LoDo, the most popular restaurant neighborhood in the City, and features patio accessibility. Centrally located, it is a half block from Larimer Square, a half mile from the Pepsi Center, and 0.2 miles from the Auraria Campus.

Contact: Dorit Fischer (303) 565-3025  
Hayden Hirschfeld (303) 565-7548

## Significant Completed Transactions

### FULL PRICE USER PURCHASE



**5400 Federal Blvd  
Denver, CO**

TYPE	SOLD
PROP. TYPE	Retail
BUILDING SF	3,240 & 6,171
SALE PRICE	\$1,200,000

This 60,000 square foot parcel has two freestanding buildings and sits on a hard corner at the intersection of Federal Blvd and West 54th Avenue. It was sold to the existing tenant, a used car dealer, for asking price or \$20.00 per square foot and was financed with an SBA loan.

Contact: Sandy Feld (303) 565-3024  
Spencer Diner (720) 881-7539

### EXPANDING TERRITORY



**3300 S. Parker Road  
Aurora, CO 80216**

TYPE	LEASE
PROP. TYPE	Office
LEASE SF	16,066 SF
TENANT	Wilbur-Ellis

Wilbur-Ellis is an international marketer and distributor of agricultural products, animal feed and specialty chemicals and ingredients. This 7-year, 16,066 square foot lease is a new office in the Denver market and helps the company be more centrally located and closer to their end-user customers.

Contact: Darrin Revious (303) 565-3016  
Ana Sandomire (303) 565-3029

### LEASED INVESTMENT SALE



**HighPoint Omni Center  
Denver, CO 80249**

TYPE	SOLD
PROP. TYPE	Office/Flex
BUILDING SF	91,052 SF
SALE PRICE	\$8,150,000

This bank-owned property is located near the airport and is one of the few A/A- properties in the area. We leased the property to 93.5% with long-term leases to strong tenants, making it very attractive for an investment purchase. We also handled the management, sale and purchase of the property.

Contact: Byron Johnson (303) 565-3020  
Daniel Nichols (303) 565-3042

### SCHOOLS TRADE LOCATIONS



**Denver Waldorf School  
Denver, CO 80210**

TYPE	SALE/PURCHASE
PROP. TYPES	Schools
BUILDING SF	39,000/73,658
SALE PRICE	\$4,175,000 \$7,000,000

NAI represented Denver Waldorf School in the sale of 940 Fillmore Street to Sewall Child Development Center. This historic property sits on a large site allowing flexibility for growth and new construction. We also helped Denver Waldorf School purchase its new larger facility at 2135 S. Pearl Street from Denver Christian School.

Contact: Dorit Fischer (303) 565-3025  
Hayden Hirschfeld (303) 565-7548

### VALUE-ADD RETAIL INVESTMENT



**Westbrook Shopping Center  
Westminster, CO 80021**

TYPE	SOLD
PROP. TYPE	Retail
BUILDING SF	44,604 SF
SALE PRICE	\$3,150,000

This retail shopping center located on W. 100th Avenue at Wadsworth Pkwy in Westminster includes 3 freestanding buildings each on separate parcels of ground with abundant shared parking and reciprocal easements and access. This was a value-add opportunity and sold over list price.

Contact: Sandy Feld (303) 565-3024  
Spencer Diner (720) 881-7539

**NAI Shames Makovsky** has been shaping the Denver commercial real estate landscape for over 42 years by providing solution-driven, innovative, and decisive services to the community. We are a full-service commercial real estate firm offering brokerage, development, property management, and lending. Our breadth of services allows us to better understand and assist our clients in realizing their business objectives. We invite you to learn more about our commercial real estate services by visiting our website and giving us a call.