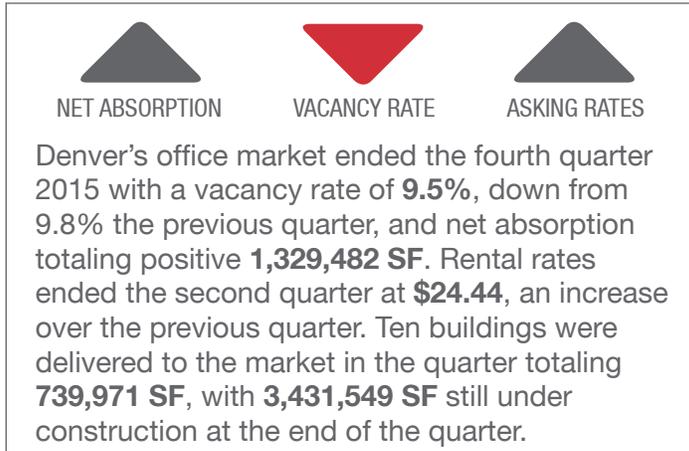


## Office Trends for 4Q15



Source: The CoStar Office Report - Fourth Quarter 2015

## Retail Trends for 4Q15



Source: The CoStar Retail Report - Fourth Quarter 2015

## Industrial Trends for 4Q15



Source: The CoStar Industrial Report - Fourth Quarter 2015

## The 2015 Top Brokerage Producers

Congratulations Dorit, Hayden and Paul!



Dorit Fischer  
Top Producer



Hayden Hirschfeld  
2nd Top Producer



Paul Kahn  
3rd Top Producer

## NAI Global Outlook; by Dr. Peter Linneman

The U.S. economy is fairly strong, but key indicators show that it remains well below long-term trend. For example, real GDP is more than \$2.6 trillion (12.8%) below the long term trend, while the employment shortfall is at 19 million jobs (11.6%). We forecast 2.9 million new jobs in each year of 2015-2018 and 2.7 million new jobs in 2019.

Sustained job growth is the critical determinant of recovery in U.S. commercial real estate markets. The historical relationship between employment growth and commercial property vacancy rates was examined and determined that every 100 bp (1%) increase in U.S. employment results in a decline of 43 bps in the office vacancy rate. The same analyses were conducted for the other property sectors, which indicated that if employment increases by 7.2% (10.2 million) from the second half of 2015 through 2018, we should see U.S. office, industrial, and retail vacancy rates decline by approximately 310 bps, 520 bps, and 190 bps, respectively, through 2018.

Today, there is an extraordinary amount of liquidity pent-up in the money center banks. As interest rates rise, these banks will have remarkably increased lending incentives. The resulting flood of debt will more than offset any negative impact of higher interest rates on cap rates. The biggest challenge facing the U.S. and global economy over the next 2-3 years will be coping with the double-edged uncertainty of when rates will rise and of what happens when they do. In fact, the uncertainty about what happens in the face of interest rate increases is a far greater challenge than the reality of rising interest rates per se. That is, once rates rise, market participants will again be able to make decisions on how best to allocate scarce capital.

Source: NAI Global Outlook: Where are the Risks and Opportunities?

[\(Download the full report from the link in the e-mail\)](#)

# Significant Completed Transactions

## THREE BUILDING PORTFOLIO



**6797, 6837 & 6899  
Winchester Circle  
Longmont, CO 80301**

TYPE	<b>SOLD</b>
PROP. TYPE	<b>Industrial/Flex</b>
BUILDING(S) SF	<b>113,799 SF</b>
SALE PRICE	<b>\$11,750,000</b>

The Buyer is assembling a portfolio of commercial office and flex assets in the Northern Colorado area. They are a long-term investor that likes the fundamentals in Colorado such as diverse economy, sunshine and lifestyle. They plan to improve the properties as needed and manage the portfolio themselves.

Contact: Brian Bair (303) 565-3019  
Trent Rice (303) 565-3033

## INDUSTRIAL SALE/LEASE BACK



**4900-4990 Acoma Street  
Denver, CO 80216**

TYPE	<b>SOLD</b>
PROP. TYPE	<b>Industrial</b>
BUILDING SF	<b>107,700 SF</b>
SALE PRICE	<b>\$5,850,000</b>

The Buyer intends to own the Property as a long-term investment and the Seller is leasing back 55,000 square feet on a long-term basis. The Property was approximately 85% occupied at the time of the sale and is adjacent to I-25 with highly-visible freeway signage.

Contact: Pete Wycoff (303) 565-3035 (Seller)  
Cary Clark (303) 565-3039 (Buyer)

## CITY OF DENVER PURCHASE



**405 S. Platte River Drive  
Denver, CO 80223**

TYPE	<b>SOLD</b>
PROP. TYPE	<b>Office</b>
BUILDING SF	<b>26,511 SF</b>
SALE PRICE	<b>\$2,600,000</b>

The City & County of Denver was looking for additional property to purchase that could accommodate several of its growing programs. This Property offered the right amount of space that can be used as office space or can be retrofitted for a variety of uses. The current plan for the building has not been disclosed.

Contact: Dorit Fischer (303) 565-3025  
Hayden Hirschfeld (303) 565-3048

## ENTERING THE DENVER MARKET



**10000 E. 40th Avenue  
Denver, CO 80230**

TYPE	<b>LEASED</b>
PROP. TYPE	<b>Industrial</b>
LEASE SF	<b>80,674 SF</b>
TENANT	<b>Undisclosed</b>

This west coast distributor of a wide variety of natural stone, porcelain, ceramic, glass and metal tile and mosaics is expanding its business to Denver. The Property is known as Building 5 in the new Enterprise Business Center at Stapleton completed in 2015. This will be the tenant's first location in Denver and will operate a large wholesale and distribution center to trade professionals. This deal was referred to us from NAI Puget Sound.

Contact: Paul Kahn (303) 565-3034  
Drew Hill (720) 881-7536

## PACKAGING COMPANY EXPANDS



**13450 E. Smith Road  
Aurora, CO 80011**

TYPE	<b>LEASED</b>
PROP. TYPE	<b>Industrial</b>
LEASE SF	<b>61,873 SF</b>
TENANT	<b>Landsberg Orora</b>

This packaging product tenant wanted a northeast location, 24' clear height and ESFR fire sprinkler. Options were limited in their size range with these requirements. They chose this location because it met their requirements and was also close to the location they were expanding out of. This new location will function in sales and distribution of the company's products. This deal was referred to us from NAI Global.

Contact: Byron Johnson (303) 565-3020

## Featured Listings

### MIXED-USE REDEVELOPMENT



**STEAM on the Platte  
1401 Zuni Street  
Denver, CO 80204**

TYPE	<b>LEASE</b>
PROP. TYPE	<b>Office</b>
BUILDING SF	<b>62,254 SF</b>
AVAILABLE SF	<b>62,254 SF</b>
LEASE RATE	<b>\$24-26/SF NNN</b>

STEAM on the Platte is a 3.2-acre, mixed-use project in Denver's once abandoned, industrial corridor along the Platte River that is being transformed into unique office and residential space. The project connects the bold energy of the industrial steam plants with the Platte River's beauty, movement and sustainability.

Contact: Hayden Hirschfeld (303) 565-3048

Dorit Fischer (303) 565-3025

## NEW MASTER ASSIGNMENT



**Denver Public Schools  
(Master Assignment)**

The District is the largest school district in Colorado. It employs approximately 15,000 employees, and serves over 90,000 students. Since 2013, the District's

enrollment increased from 81,000 students to over 90,000 students and this growth is expected to continue. To accommodate the District's on-going facilities needs, our team will provide as-needed assistance with commercial real estate requirements in the City and County of Denver.

Contact: Dorit Fischer (303) 565-3025  
Hayden Hirschfeld (303) 565-3048

## HISTORIC MANSION ON MARKET



**1565 Race Street  
Denver, CO 80206**

TYPE	<b>LEASE OR SALE</b>
PROP. TYPE	<b>Office</b>
BUILDING SF	<b>7,397 SF</b>
AVAILABLE SF	<b>7,397 SF</b>
LEASE RATE	<b>\$18.00/SF NNN</b>
SALE PRICE	<b>\$1,136,000</b>

Beautiful historic office mansion built in 1902 is available for sale or lease. The Property is perfect for attorney, engineer and financial services firms or any group looking to be located in Capitol Hill. Very nice interior finishes and comes with 5 surface parking spaces.

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

## DOWNTOWN OFFICE CONDOS



**1800 Glenarm Place  
Units 101 & 103  
Denver, CO 80202**

TYPE	<b>SALE</b>
PROP. TYPE	<b>Office Condo</b>
UNIT(S) SF	<b>6,593 SF</b>
	<b>2,375 / 4,218 SF</b>
SALE PRICE	<b>\$1,350,000</b>
	<b>(\$204.76/SF)</b>

Two ground floor office condos can be sold together or separately. Each unit features 20' ceilings, 360 degrees of windows, mezzanine office space, kitchenette and private restroom. Building amenities include fitness area, lockers, showers and common area conference rooms.

Contact: Todd Snyder (720) 881-7533

**NAI Shames Makovsky** has been shaping the Denver commercial real estate landscape for over 45 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.

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