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A Denver Based Commercial Real Estate Investment and Management Company  
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### **TCC Buys Aurora Corporate Plaza Portfolio**

Trammell Crow Co., of Dallas, TX, acquired Aurora Corporate Plaza from Colorado & Santa Fe Real Estate, of Broomfield, for \$27.5 million. Aurora Corporate Plaza comprises five freestanding two- and four-story office buildings totaling 337,000 rentable square feet. The sale also included a 9.95-acre parcel near the intersection of Iliff Avenue and Peoria Street. The buyer reportedly plans to extensively renovate the buildings and common areas. The percentage occupancy at the time of sale was reported in the mid-70s. Mike Winn and Tim Richey of Cushman & Wakefield of Colorado represented the seller. The buyer was represented in-house. **(CoStar)**

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### **Investor Pays \$6.26 Million for Carrier Access Headquarters**

A Boulder investment group linked up with the Carrier Access building and is looking to lease up the available space. The 62,000-square-foot building at 5395 Pearl Parkway in eastern Boulder sold to a group called 5395 Pearl Parkway LLC for \$6.26 million. Carrier Access, a network communications company that downsized since its acquisition by Turin Networks, occupies half of the two-story building. Geoffrey Keys and Ronan Truesdale of Keys Commercial Real Estate represented the buyer in the transaction and are marketing the space for lease. "We have lots of interest in the building from different users. This is a great opportunity for a large office user to be in close proximity to the core area of the city of Boulder," said Keys. The Staubach Co. brokers Eric Brynestad, Joe Hollister and Ken Gooden represented Turin Networks in the transaction. **(Colorado Real Estate Journal)**

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### **Tebo Puts Down \$6 Million for Office Building Leased to UCAR**

A Boulder office building that is leased to the University Corporation for Atmospheric Research sold to a local investor in a \$6 million deal. Stephen Tebo of Tebo Development paid \$194 per square foot for Plaza I, a 30,892-sf building at 3065 Center Green Drive in Boulder. The asset is high-quality, low-maintenance and has a good, long-term tenant – all of the things the company looks for, said Tebo. **(Colorado Real Estate Journal)**

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### **Tamarac Plaza Sells for \$40.9 Million**

The three-building Tamarac Plaza office complex, located near Tamarac Square Mall in southeast Denver, has sold for \$40.9 million. Parmenter Realty Partners of Miami, as Parmenter Hampden Avenue LLC, acquired the 353,700-square-foot office property from Brookwood Tamarac Investors LLC, according to Denver County real estate records. Brookwood Tamarac, a subsidiary of private equity firm Brookwood Financial Partners LLC of Boston, bought the buildings in 2004 for \$37 million. Tamarac Plaza is located at 7535 E. Hampden Ave. The property's three buildings were built between 1980 and 1984, and include 122,695; 137,173; and 93,828 square feet of space. Tamarac Plaza I and II are six stories tall, and Tamarac Plaza III is five stories. Parmenter Realty Partners is a privately held commercial real estate investment, development and management firm. The company is headed by

Darryl Parmenter, who previously was a managing partner at Lincoln Property Co. and senior investment broker with what's now CB Richard Ellis Inc. Other Parmenter properties range from the 42-story, 660,000-square-foot Bank of America Tower in Jacksonville, Fla., to the 470,000-square-foot Las Colinas Tower I & II in the Dallas area. In another recent metro-area real estate deal, NBS Real Estate Capital LLC of Portland, Ore., has purchased two office buildings at 121st Avenue and Pecos Street in Westminster for \$12.25 million. The buildings include a total of 117,705 square feet of space. NBS bought the property on behalf of Morrison Street Fund III LP private equity fund. **(Denver Business Journal)**

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### **March Same-Store Sales Down Half a Percent**

March same-store sales were down 0.5% since the same month in 2007, the lowest drop in comparables since April 2007, which saw a 1.9% dip in year over year sales, according to a monthly International Council of Shopping Centers survey. Most retailers blame the loss on a shift in Easter from April to March this year, as well as March having one less shopping day compared to 2007. Notwithstanding Easter, however, the dip this March was the worst for the month since 1995, which saw a 0.8% drop from the year before. According to the survey, just a few standards such as food, front-end drug stores and off-price retailers had strong numbers in March. "The majority of the industry was weak," according to an ICSC report. For the month, apparel-specialty chain store sales, on a same-store basis, fell 11.2% year over year, with Chico's FAS dropping 20.7% and the Gap down 18%. Department-store sales were off by 8.2%, and luxury-department-store business was down 5.3%, with Kohl's dropping 15.5% and J.C. Penney down 12.3%. Discount-store sales fell 0.3%, with both Family Dollar and Target dropping 4.4%, but Wal-Mart moving up 0.9%, the report said. Drugstores and wholesale clubs were the only winners, posting 4% and 5.1% gains, respectively. Walgreens posted a 4.4% hike in same-store sales, while Costco saw a 7% raise, giving rise to the theory that people only want to make short store trips, or to buy in bulk, in the troubled economy. The Easter shift is expected to boost the year-over-year comp sales for April by 2% to 2.5%, though record-high gasoline prices and economic distress may curb consumer discretionary spending, the ICSC report says. **(Globest.com)**

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### **Denver Financial Center Sold for \$84M**

Massachusetts Mutual Life Insurance Co. has sold its two-building Denver Financial Center office property in downtown Denver for \$84 million, according to Denver County real estate records. That's roughly \$192.80 per square foot. U.S. Premier Office Equities LP, affiliated with USAA Real Estate Co. of San Antonio, Texas, is the buyer. Whether Mass Mutual got a good price for the building, located at 1775 Sherman St., is "a matter of opinion," according to a prominent Denver investment real estate broker. Last year's acquisitions averaged \$167 per square foot, and office purchases in this year's first quarter sold for \$151 a square foot on average, according to a recent report by CB Richard Ellis Inc.'s Denver office. But the 666,653-square-foot Seventeenth Street Plaza at 1225 17th St., at the other end of downtown from Denver Financial Center, is on the market for sale by owner JP Morgan Chase Co. with an asking price of \$385 per square foot, or \$250 million, according to brokers. Seventeenth Street Plaza is similar to Denver Financial Center's

tower component in height and age, in that both buildings stand about 30 stories tall and were completed in the early 1980s. Metro Denver office buildings have been attractive to investors in recent years, and continue to be, according to recent commercial real estate reports. In 2006, investors spent roughly \$4 billion on office building acquisitions in metro Denver, and they spent another \$2.9 billion last year, according to CB Richard Ellis. Last year's purchases included Callahan Capital Partners LLC's \$770 million record purchase of a portfolio of five downtown Denver buildings from The Blackstone Group LP. Denver Financial Center includes nearly 436,000 square feet of space in a 31-story high-rise and a smaller, adjacent low-rise building. The property is located next to Wells Fargo Center, commonly called the "Cash Register Building." The tower was completed in 1983, and the smaller building in 1970, according the Denver Business Journal's list of Denver County office buildings from December 2007. Cushman & Wakefield of Colorado Inc. handles leasing at the office property. Asking rents for space at the property ranged from \$26 to \$29 per square foot per year, as of late last year, up from \$18 to \$19 a square foot in 2006. **(Denver Business Journal)**

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### **Redevelopment Begins at Former Gates Site**

Construction has started on the first new buildings -- an apartment complex and a parking garage -- at the redevelopment of the former Gates Rubber Co. plant at South Broadway and Interstate 25. On the western side of Broadway, the Trammell Crow Co. of Dallas has started construction on its 419-unit Alexan Broadway Station apartment project. Financing for the apartments came from Boston Capital Real Estate Partners LLC of Boston. Alexan Broadway Station will be located on five acres at Broadway and Mississippi Avenue. Plans call for 261 one-bedroom units and 158 two-bedroom apartments, according to Boston Capital. Amenities will include a fitness center, swimming pool and spa, and a business center with cyber-cafe. The master developers of the 50-acre western Gates redevelopment are Cherokee Denver LLC and Joseph Freed and Associates LLC of Chicago. The Lionstone Group of Houston, with local partner McKinnon & Associates LLC, is building a long-anticipated parking garage on its roughly 30-acre portion of the redevelopment, located east of Broadway. Lionstone's \$540 million project is scheduled to include 1,500 residential units, 100,000 square feet of retail space and 500,000 square feet of office space. The project's office component includes the 300,000-square-foot former Gates corporate headquarters building, which Lionstone renovated and is leasing. The Texas developer expects to complete the project by 2025. **(Denver Business Journal)**

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### **IMF has Gloomy Outlook for U.S.**

The United States is headed for a recession, dragging world economic growth down with it, the International Monetary Fund concluded in a sobering forecast Wednesday that underscored the damage inflicted from the housing and credit debacles. The IMF's World Economic Outlook served as a reminder of just how swiftly economic and financial fortunes in the United States and beyond can unravel, affecting people, investors and businesses around the globe. The fund slashed growth projections for the United States — epicenter of the woes — and for the world economy. The fragile state of affairs greatly raises the odds that the global economy could fall into a

slump, the IMF said. Financial problems that erupted in August 2007 "spread quickly and unpredictably" and caused "extensive damage," the IMF said. It described the financial shock as the biggest "since the Great Depression." Economic growth in the United States is expected to slow to a crawl of just 0.5 percent this year, which would mark the worst pace in 17 years, when the country had suffered through a recession. The United States won't fare much better next year; the IMF projected the U.S. economy will grow by a feeble 0.6 percent in 2009, when measured by an annual average. "The U.S. economy will tip into a mild recession in 2008 as the result of mutually reinforcing cycles in the housing and financial markets," the IMF said. David McCormick, the Treasury Department's point person on international affairs, called the IMF's projections "unduly pessimistic." Many private economists and members of the U.S. public believe the country has already fallen into its first recession since 2001. For the first time, Federal Reserve Chairman Ben Bernanke acknowledged last week that a recession was possible. An increasing number of analysts think the U.S. economy, which grew by 2.2 percent in 2007, started shrinking in the first three months of this year and is still contracting. Under one rough rule, if the economy contracts for six consecutive months it is considered to be in a recession. A panel of experts at the National Bureau of Economic Research that determines when U.S. recessions begin and end, however, uses a broader definition, taking into account income, employment and other barometers. **(Denver Post)**

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	<b>CURRENT</b>	<b>1 MONTH PRIOR</b>	<b>1 YEAR PRIOR</b>
<b>FED FUNDS RATE</b>	2.25	3.00	5.25
<b>3 MONTH LIBOR</b>	2.71	5.24	5.36
<b>PRIME RATE</b>	5.25	6.00	8.25
<b>10 YEAR TREASURY</b>	3.49	3.47	4.73
<b>30 YEAR TREASURY</b>	4.30	4.41	4.91