

April 28, 2008

A Denver Based Commercial Real Estate Investment and Management Company
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Aardex Plans \$150 Million Centennial Office Building

The Aardex LLC development firm of Golden plans to break ground this summer on a 410,000-square-foot, \$150 million office building in Centennial. The 18-story building -- to be called Signature Tower -- will be located on 4.3 acres at the southeast corner of East Peakview Avenue and South Syracuse Way. The site is a few blocks from the Arapahoe at Village Center Station transit-oriented development (TOD) being built off Interstate 25 in Greenwood Village. Aardex expects its environmentally friendly Signature Tower to complement the mass transit-oriented TOD project. Aardex plans to complete its Centennial project in the summer of 2010. "Signature Tower has a two-year design and development schedule, and we're well down the road on design. ... The opportunity here is clear and obvious," said Ben Weeks, Aardex principal. Aardex is working on a TOD project of its own, having recently been named developer of the Denver Federal Center Station TOD project in Lakewood. The station is part of the Regional Transportation District (RTD) FasTracks program's West Corridor Light Rail Project. Started in 1983, Aardex specializes in developing sustainable, "green" buildings with what it calls User Effective Design. Elements of such design range from heating and air conditioning located under raised floors to exterior sunshades to cut glare. "Our real goal in projects is to provide abundant natural light, views and controlled, fresh, clean air -- things that make employees happier and much more productive," said Randy Swearingen, Aardex's vice president of office developments. The developer's 186,000-square-foot Signature Centre office building in Golden's Denver West office park, completed in 2007, is one of Colorado's first LEED Platinum structures. Aardex expects Signature Tower to be LEED Platinum as well. **(Denver Business Journal)**

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'This is Denver's Rodeo Drive'

The four-block stretch along East First Avenue, from Clayton Lane to Milwaukee Street, is home to more than \$500 million in developments, including the most expensive retail space and condos seen in Denver. At the west end is Clayton Lane, which developer Randy Nichols sold for \$250 million, and which some components, such as the J.W. Marriott, have been resold for a handsome profit. At the other end, is J. Madden's recently opened Pura Vida health club and spa. Even people who miss the Tattered Cover Book Store in that space agree that the new glass curtain wall that Madden built on the exterior of the building has jazzed up the formerly nondescript building. In between is NorthCreek, a development by Western Development Group, a company owned by Christian Anschutz, son of billionaire Phil Anschutz. "This is Denver's Rodeo Drive," said Mary Beth Jenkins, a retail broker and consultant. "And NorthCreek is the jewel in the crown." She's partially saying that because her outfit, the Laramie Co., is leasing and marketing the 40,000 square feet of retail space on the ground floor of NorthCreek. NorthCreek can boast retail leases that are 300 percent higher than typical rates in the metro area. Retail leases run from more than \$50 per square foot to more than \$80 per square foot, said Roy Kline, managing director of Western Development. And Hermes, one of the tenants, will be spending "north of \$1,000 per square foot," on its space, added David Steel, president of Western Development. They recently inked a number of new leases, with tenants including Loro Piana, BCBGMaxAzria, Estee Lauder/Origins Cafe, SEE Optical and Marmi. They also have letters of intent on most of the remaining retail

space. In addition, they don't deny the industry rumors that some of the 49 condos in the three-phase development are selling for \$800 or more per square foot. That's just for the core and shell, with buyers then practically giving their architects and interior designers blank checks to finish them off. Steel noted that residential prices start at \$1 million at NorthCreek. That's even richer than at the Four Seasons Private Residences-Denver under construction in downtown. An entry-level unit there can be had for about \$800,000. Firstbank-Denver Tech Center, recently approved a \$44.7 million loan to Western Development for its third phase - nine brownstones on top of 27,000 square feet of retail. Western will also use part of that money for its second phase, which includes eight courtyard flats with a total of about 25,000 square feet. Some people have moved into the first phase, which originally was to have six floors when Peter Culshaw, president of the Tech Center, sold the property to Anschutz in 2005. The tower, with 32 units, has some with as much as 11,000 square feet. But don't bother asking Kline and Steel about the price - it's long been sold. Western Development added a seventh floor to meet the demand for the units, even in an overall sluggish market. Nichols, the developer who got the ball rolling on that stretch of Cherry Creek North with Clayton Lane, likes what NorthCreek and Pura Vida bring to the area. "It's sort of the closest in, little urban node outside of downtown that really feels like a city," he said. "Most of Denver was built around the automobile, so there aren't that many of these nice, great walkable urban spaces," Nichols added. From a design perspective, NorthCreek, as well as Pura Vida, are huge improvements from what was there before, he said. "What they tore down was awful, just terrible," Nichols said. "And while I loved the Tattered Cover, its building was nothing but a blank wall." But Dr. Neiel Baronberg, who lives in the area, has few good things to say about the area from Clayton Lane to Milwaukee, other than that he likes the exterior architecture of Pura Vida. The exterior was designed by Gensler. Baronberg doesn't care for the fact that rents are so expensive at NorthCreek that it makes it difficult for anyone but the highest-end retailers to foot the bill, or that only the richest of the rich can afford the condos. "I know that this is not small-town America; it is Cherry Creek," Baronberg said. "I have to roll with the punches. But it doesn't make me happy. And it makes me very unhappy that the community didn't have the power to help the Tattered Cover remain there." (Rocky Mountain News)

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	CURRENT	1 MONTH PRIOR	1 YEAR PRIOR
FED FUNDS RATE	2.25	2.25	5.25
3 MONTH LIBOR	2.91	2.66	3.31
PRIME RATE	5.25	5.25	8.25
10 YEAR TREASURY	3.91	3.48	4.69
30 YEAR TREASURY	4.61	4.31	4.88