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A Denver Based Commercial Real Estate Investment and Management Company
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Xcel Energy Finds New HQ Building in Denver

Xcel Energy Inc.'s search for new regional headquarters space in Denver is over. The public utility, based in Minneapolis, has picked Westfield Development Co. Inc.'s \$192 million 1800 Larimer project for its headquarters. With Xcel lined up as an anchor tenant, the developer started vertical construction on the building on May 5, said Westfield Executive Vice President Randy Schwartz. The 22-story, 500,000-square-foot building, located on Larimer Street between 18th and 19th streets, is scheduled for completion in June 2010. The building now is 75 percent preleased, according to Westfield. Xcel (NYSE: XEL) expects to lease 330,000 square feet of space on 14 floors of the new office tower, consolidating two downtown Denver operations there by 2011. Xcel's current office lease at nearby Seventeenth Street Plaza, at 1225 17th St., expires in July 2011. The utility also will move its technical services operation at 550 15th St. into its 1800 Larimer space. The company plans to sell the 15th Street building. "Despite the real estate downturn and credit crunch, Westfield Development can launch 1800 Larimer because [of] Xcel Energy ...," Westfield President Rich McClintock said in a statement. The Staubach Co.'s Denver office represented Xcel in its new lease deal. The 1800 Larimer building will be one of metro Denver's few LEED Platinum buildings, with that rating for its core and shell. LEED stands for Leadership in Energy and Environmental Design, and is the U.S. Green Building Council's rating for sustainable, energy-efficient buildings. Platinum is LEED's highest designation. Westfield, which is affiliated with the Denver-based Frederick Ross Co. commercial real estate brokerage firm, completed demolition of the 1800 Larimer site early this year. When Westfield announced the project in late 2006, it hoped to start construction in spring 2007 and finish the building in fall 2009. Xcel has looked for new Denver office space for the last few years, according to commercial real estate brokers. In addition to 1800 Larimer, the utility seriously looked at going into the Trammell Crow Co.'s 1900 Sixteenth Street building, brokers said. **(Denver Business Journal)**

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Aloft Hotel Breaks Ground in Broomfield

The developers of the Broomfield Events Center broke ground Friday on a 90,000-square-foot, five-story Aloft hotel that will be operated by Stonebridge Cos. The Broomfield Aloft Hotel will have 140-rooms and is scheduled to open in spring 2009. It's being constructed by Englewood-based Saunders Construction. The boutique hotel is being built next to a \$350 million, 215-acre, mixed-use, transit-oriented development project called Arista. Wiens Capital Management LLC is the developer of Arista, which is slated to be complete sometime in 2012. "We have a good sense of our local community and believe Aloft is a perfect match for Arista's distinctive blend of sophistication and active lifestyle," Tim Wiens, Arista developer, said in a statement. Aloft is a Starwood Hotels & Resort brand, and was designed to be a small, boutique version of Starwood's W hotel, which also is slated for the Denver market. Denver-based Sage Hospitality LLC last July announced a location in downtown Denver for the state's first W Hotel and Residences in downtown Denver. Sage -- owned and operated by Walter Isenberg -- bought the 45,000-square-foot parcel on the corner of Market and 16th streets that's currently occupied by Office Depot. Sage is helping Office Depot find a new location. It's not know when that project will break ground. The upscale W Hotel -- also a Starwood Hotels & Resort

brand -- will include 180 guest rooms and 56 residences. Denver-based Stonebridge is also developing another 90,000-square-foot, \$20 million Aloft at 16470 E. 40th Circle, Aurora near Denver International Airport. The hotel should be complete by early next year. **(Denver Business Journal)**

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Shoppers Become Scrimpers

Low-price operators Costco, Wal-Mart and TJX reported better-than-expected sales Thursday, while traditional apparel chains J.C. Penney and Limited Brands struggled. "The smart shopper is in full bloom," said Craig R. Johnson, president of consultancy Customer Growth Partners. "They're looking to stretch their household budgets, and if you can get decent-quality merchandise, why pay full price?" "Smart shopping" is sweeping through all wage classes, analysts say, and it could spell trouble for retailers' profits and the economy too. To lure customers, apparel chains are discounting more. First-quarter profits are slated to be down by 14.9 percent, according to Ken Perkins, president of RetailMetrics LLC, a research company in Swampscott, Mass. That compares with a projection in January of 5.3 percent profit growth. Retailers' first quarter ended in April, and companies will start reporting their financial results next week. "Consumers are focusing on value and price points and stretching their dollars," Perkins said. "They are feeling the pinch on multiple fronts." He and other analysts expect only a modest rise in sales in May and June as consumers spend tax-rebate checks that are starting to arrive. "There's too much going on" in the economy, Perkins said. He and others expect shoppers to use the extra cash to pay down debt and catch up on utility and food bills. That could be a disappointment for the Bush administration, which had hoped the checks would give the economy a much-needed lift. Because of an extra shopping day last month compared with a year ago, the retail industry expected sales to rise in April. The UBS-International Council of Shopping Centers retail sales tally for the month rose 3.6 percent. The figure surpassed the 2 percent growth estimate and marks the biggest gain since March 2007, when the index was up 5.9 percent. But the April performance followed a 0.5 percent decline the previous month, the weakest March in 13 years. Sales growth for the two months combined was 1.6 percent, in line with the average sales growth since the beginning of the industry's fiscal year. The surprise, however, was the growing gap between discounters and traditional retailers. Discount chains registered a 3 percent same-store sales gain, while wholesale clubs posted a 9.2 percent gain. Meanwhile, same-store sales at apparel chain stores fell 1.4 percent, according to the council's tally. Except for Wal-Mart, whose shares rose 33 cents to \$57.16, investors pushed many retailers' shares down Thursday. Penney's stock fell 2.41 percent and Costco's more than 1 percent. **(Denver Post/AP)**

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	CURRENT	1 MONTH PRIOR	1 YEAR PRIOR
FED FUNDS RATE	2.00	2.25	5.25
3 MONTH LIBOR	2.68	2.72	5.36
PRIME RATE	5.00	5.25	8.25
10 YEAR TREASURY	3.77	3.47	4.64
30 YEAR TREASURY	4.53	4.32	4.82