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A Denver Based Commercial Real Estate Investment and Management Company
Contact Ken Gillis at 303-407-8715

Arena Spawns a Village

The land surrounding the Broomfield Event Center will begin sprouting homes and shops shortly before the 6,000- seat venue opens to the public. Wiens Real Estate Ventures, which is building the 215-acre Arista development, said it will start construction on the "Main Street" segment of the mixed-use development this fall. Homebuilders Hibernia Holdings, Trammell Crow Residential and Sunburst Design/Design Logic will start construction on multifamily housing in the development at about the same time. "There will be multiple projects coming out of the ground in October and November," said Tim Wiens, principal with Wiens Real Estate Ventures. The entire Arista project occupies a triangle of land along U.S. 36 between West 108th and 120th avenues. The Broomfield Event Center will serve as an anchor for the development, which is expected to include 1,200 homes and 600,000 to 800,000 square feet of retail space when it is completed. Wiens estimates the entire project will be valued at more than \$500 million when it's completed. The first phase of retail and office space, called Arista Place, will include 70,000 square feet of retail, 150,000 square feet of office space and a 160-room hotel in a Main Street-style setting of three- to six-story buildings. The retail component of the project is expected to include a mix of specialty shops and restaurants. Wiens declined to name any tenants signed for the project. "Even though this is a suburban location," he said, "this is an urban, transit-oriented development." The project will include a 1,500-space garage that will provide parking for the development and for RTD passengers. Housing will be a mix of condos, apartments and live/work units, rather than single-family homes. "Broomfield had planned this area as an urban-transit village. The uses the developer has proposed and is working to develop are exactly what we had envisioned," said Charles Ozaki, deputy city manager. Future development at Arista is expected to include midsize or big-box retailers on pad sites. The \$45 million Broomfield Event Center will be home to the NBA Development League's Colorado 14ers and the Rocky Mountain Rage hockey club. The center is scheduled to open in November. **(Denver Post)**

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Occupancy, Room Rates up in Denver

Metro Denver hotel-occupancy rates and average room rates continued to climb in July, compared with the same month last year, but statewide occupancy rates were flat, according to the latest Rocky Mountain Lodging Report released Tuesday. For metro Denver, average hotel-occupancy rates in July rose by 1.1 percentage points to 78.1 percent. Average room rates grew by \$11.44 to \$103.38. Statewide, occupancy rates were flat compared with July 2005, at 75.4 percent. Average room rates increased by \$7.61, to \$113.94. **(Denver Post)**

Three Area Office Properties Sold

A joint venture of the Denver Tech Center and its parent, Shea Properties, with partner Northwestern Mutual Life Insurance Co. sold three high-profile office buildings in the Denver area for \$102.5 million. In addition, they sold land adjacent to one of the properties, Ptarmigan Place, for \$4 million to Fairfield Residential, which plans to develop a 220-unit, high-rise apartment community on the land in the Cherry Creek market. The total sale price of \$106.5 million is more than a 70 percent premium over the \$61.5 million the Tech Center and Northwestern paid for the properties in 2004 and 2005, before Shea purchased the Tech Center. "We planned to buy the buildings, reposition them and sell them," said Peter Culshaw, who heads the Tech Center and other office deals for Shea, which is the developer of Highlands Ranch, as well as Reunion in Commerce City. "We did a good job of repositioning them, and it was a good time to make a sale, because buyers are so aggressive right now," he said. Culshaw said the buildings weren't actively for sale. Mike Winn and Tim Richey, investment brokers at Cushman & Wakefield, brought them the buyers, he said. The buyers of Ptarmigan, Hudson's Bay Centre in downtown Denver, and Meridian 1 in the Meridian International Business Center in Douglas County were Titan Investments of Denver, Chicago-based Hamilton Partners and Dubai Investment Group, based in the United Arab Emirates. They paid about \$140 per square foot for the buildings, which have a total of 731,636 square feet. Another related company, Dubai Port World, earlier this year paid \$6.8 billion for London-based Peninsular & Oriental Steam Navigation Co. P&O was the parent of the Tech Center before P&O was sold this year to Shea for \$150 million. The 11-year-old Dubai Investment Group, with more than \$2.25 billion in assets, has 20,367 shareholders, including the government of Dubai, Emirates Bank International, the Bank of Dubai, the Commercial Bank of Dubai and the the Middle East Bank. "The addition of this portfolio adds diversification to our existing Denver Tech Center portfolio," Stuart Davis, Titan's president, said in a statement. Titan now has about 1.2 million square feet in holdings in the Tech Center, Cherry Creek, Meridian and downtown Denver. **(Rocky Mountain News)**

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Local Economy Strong

An index seeking to forecast economic activity in the Denver region held steady in May, staying at its highest levels since June 2001. The Denver Metro Chamber of Commerce/*Rocky Mountain News* leading index - a predictor of activity six to nine months in advance - stayed at 101.1 in May. It clocked in at 101 in February and March. The historic component of the index rose from 130.1 in April to 130.7 in May. The May increase marks the second consecutive increase after the index slipped to 128.9 in March. The index, which tracks the Denver-Aurora area, plus the Boulder-Longmont area, was set at 100 in the benchmark year of 1995. "Finally, finally, finally, we're returning to the point we had been before we were headed down, into the recession," said Patty Silverstein, the economist at Development Research Partners who calculates the numbers. A few of the components of the leading index:

- Single-family home construction activity increased in May, rising to the highest level since June 2001. Building permits issued for single-family homes in metro Denver increased from 1,771 in April to 2,168 in May. The figure is a 39 percent increase from May 2005, and the number of permits in the five months through May is 12.6 percent above 2005 levels.
- First-time unemployment claims decreased from 4,554 in April to 4,206 in May, the fewest filings in a month since July 2005. The May figure is 7.6 below May 2005, and year-to-date, claims are now 8.6 percent below 2005 levels.
- Average weekly manufacturing hours worked in metro Denver slipped from 41 in April to 40.8 in May - still higher than a typical 40-hour work week.
- The Colorado stock index decreased for the second consecutive month, falling from 1,780.2 in April to 1,713.3 in May - the lowest level in the past seven months.
- The Manpower Employment Outlook Survey found 43 percent of the companies interviewed were planning to hire more employees in the third quarter, up from 38 percent in the second quarter. The outlook is the strongest since first quarter 1995. Only 8 percent of companies plan to reduce payroll.
- Consumers in the Mountain Region were less optimistic in May, with the consumer expectations index decreasing from 117.4 in April to 100.3 in May.

The components of the historic index:

- Sales tax receipts were 1.7 percent above May 2005 receipts, with the strongest gains reported in Douglas and Denver counties. The gain was not enough, however, to push year-to-date numbers above 2005 levels. Receipts are down 0.7 percent in 2006.
- Total employment in the 11-county Denver-Boulder region increased by 11,500 positions from April to May. Year-to-date employment is 2.1 percent above 2005 employment levels.

The 10-county Denver-Aurora area was up 2.2 percent through May. Boulder-Longmont grew 1.4 percent. For the combined Denver- Boulder region, the Information sector has the only year-to-date loss with a 3.9 percent decline. Employment growth has been the strongest in the Natural Resources & Construction sector at 7 percent. **(Rocky Mountain News)**

| | CURRENT | 1 MONTH PRIOR | 1 YEAR PRIOR |
|-------------------------|----------------|----------------------|---------------------|
| FED FUNDS RATE | 5.25 | 5.25 | 3.50 |
| 3 MONTH LIBOR | 5.40 | 5.49 | 3.86 |
| PRIME RATE | 8.25 | 8.25 | 6.50 |
| 10 YEAR TREASURY | 4.81 | 5.07 | 4.17 |
| 30 YEAR TREASURY | 4.94 | 5.13 | 4.39 |