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A Denver Based Commercial Real Estate Investment and Management Company  
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### **Record-Setting Industrial Development to be Built in Metro Denver**

Majestic Realty Co. this fall will break ground on Colorado's largest-ever "single-phase" industrial development to be built all at once, building 834,580 square feet in three buildings. The buildings will be located in the Majestic Commercenter, an industrial park at the intersection of I-70 and Tower Road. Completion is expected in summer 2017. When the buildings are finished, Majestic Commercenter will total nearly 4.2 million square feet in 17 buildings. Majestic decided to build the three properties together to meet market demand and because they vary enough in size that they won't compete with each other for tenants, said Randy Hertel, Majestic's executive vice president and director of development. One building will total 523,260 square feet, while the other two will be 154,320 and 157,000 square feet. "A big part of being a master-planned business park is the ability to deliver overall flexibility in our structure to meet the diverse size of uses and their needs in this market, Hertel said. "We've seen a lot of activity in that 30,000- to 80,000-square-foot user, as well as the larger industrial tenants, and our park layout and available land put us in a great position to deliver a wide range of non-competing product options for the small, medium and large user." Majestic in April secured a lease for its last building in the Commercenter, a 452,400-square foot property occupied by Amazon.com. After that lease was executed, the company wanted to build another large space, Hertel said. The 523,260-square-foot building will be the largest speculative warehouse building ever built in the metro area, eclipsing a 500,000-square-foot building (also by Majestic) that was completed in 2014. Majestic, which is based in a suburb of Los Angeles, purchased 530 acres of land in November with plans to build up to 7 million square feet of industrial space there. That land is still going through the entitlement process, Hertel said, and needs to be annexed into Aurora. "We've enjoyed some tremendous success with our most recent buildings and a significant land acquisition," Hertel said. "We're excited about the opportunities our park provides to diverse users and we're confident in our timing to bring the space to the market in anticipation of continued growth late this year and into 2017." Denver's industrial market is on a multi-year hot streak, with record-low vacancy rates and steadily increasing rental rates and developers are working to build more space to meet the demand. **(Denver Business Journal)**

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### **Private Security coming to the 16th Street Mall by Mid-August**

Private security guards will soon be patrolling the 16th Street Mall. The move comes in the wake of several high profile attacks on the mall, as well as increasing concerns from businesses that police alone can't handle the escalating issue. The Downtown Denver Partnership told Denver7 on Tuesday, private security should be patrolling the mall by mid-August. It's still unclear what that security detail will look like, but we know it will extend from one end of the mall to the other. Many businesses and pedestrians say that private security can't get to the mall soon enough. "There's a lot of people working, having lunch," said Taylor Hindes, who works on the mall. "Security is always good." Many people tell us one of the bigger issues on the mall is the amount of homeless people who gather there. "They're all begging and harassing people for leftovers and stuff like that," said Maggie

White, manager of Overland Fine Sheepskin and Leather. White has managed overland the store at the corner of 16th St. and Larimer for nearly 20 years now. "The cops do a great job," White said. "But I don't think the police can keep up. Our private security can barely keep up." And there are a growing number of businesses on and near 16th Street that agree. The Downtown Denver Partnership will begin using private, uniformed security on the mall saying, "...safety, including the perception of safety, is imperative to creating a successful center city." "My doctor said she got harassed and she's never coming back downtown," said White. "I told her that it happens very rarely, but that's the current perception." Those security guards will not carry guns, but they will have authority to move transients and other loiterers off the mall. "It just feels less safe at night," said Hinds. "During the day it's more of a corporate, business population. And then, at night, it definitely changes." **(IREM)**

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### **The Fed's Looped Tape on Interest Rates**

Does anyone remember the hit movie Groundhog Day? The lead character, played by Bill Murray, was forced to live the same day over and over again. In the end he almost lost his sanity waiting for something new. And so we turn to the minutes from the July meeting of the Federal Reserve's Open Market Committee. Like so many prior meetings, members agreed that interest rates must be raised. And like so many prior meetings, members were divided over when this should happen. The Fed wrote in its summary of the meeting: "The committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data." As the minutes suggest, the doves and hawks on the committee have not come closer to an agreement and Chairperson Janet Yellen is more inclined to side with the doves. The more bullish members are betting that the US economy, now close to full employment, can support a rate increase, while the doves worry that the economy is more fragile than the job numbers suggest and/or that inflation is not close to hitting its 2% target. There is some support to this later notion. Last month the Bureau of Economic Analysis reported that real gross domestic product increased at an annual rate of 1.2% in the second quarter of 2016. Q1 GDP was revised downward to 0.8%. There is even doubt to be found among the recent job gains. Despite their strength, financial markets are pricing in just a 26% chance of a move by the Fed at its next meeting in September, Savills Studley Chief Economist Heidi Learner noted after they were released earlier this month. It is understandable—the Fed has cried wolf on this issue one too many times. But then again, it is going to raise rates at some point—and when it does, it must know the market will go into something of a shock. Indeed, it hinted at this in its latest minutes: "Federal Reserve communications released in conjunction with the June FOMC meeting were interpreted by market participants as more accommodative than expected. The expected path of the federal funds rate implied by market quotes declined in response to the release of forecasts collected for the June Summary of Economic Projections, which showed larger-than-expected downward revisions to projections of the federal funds rate." So yes, while a rate increase could happen as soon as the next meeting, scheduled for Sept. 20-21, 2016, Fed

officials will first want to see a few more economic reports before a final decision is made. As they have said at the conclusion of other meetings. **(GlobeSt.com)**

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**Opus Begins Construction on First Project at Centennial's Jones District**

The Opus Group, a Minneapolis-based development company with offices in Denver, broke ground today on The Glenn, a 306-unit apartment complex that is the first building in The Jones District, a 42-acre master-planned development in Centennial. The Glenn will feature ground-floor retail and an outdoor deck, and will have access to RTD's E and F lines. "We're thrilled to share our plans and kick off work for the first of many projects at The Jones District," said Peter Coakley, senior vice president and general manager at Opus Development Co. "The Glenn is a prime example of what's in store for this community with spectacular mountain views, upscale amenities and convenient access to public transit - it's a terrific project to start the 1.8 million square feet of development to come." The Glenn is expected to be complete in December 2017. The Jones District is ultimately expected to have residential, hotel, office and retail uses, located west of Interstate 25 near the intersection of South Yosemite Street and East Dry Creek Road. The mixed-use development was first announced in October 2014. Demolition and site work had to take place on the land before vertical development could begin. The land is owned by Jones International Ltd. parent company of Jones International University, which in 2015 announced that it would close. Cable television pioneer and founder of Jones International Glenn Jones died later in 2015 at age 85. **(The Denver Business Journal)**

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	<b>CURRENT</b>	<b>1 MONTH PRIOR</b>	<b>1 YEAR PRIOR</b>
<b>FED TARGET RATE</b>	.50	.50	.25
<b>3 MONTH LIBOR</b>	.80	.70	.33
<b>PRIME RATE</b>	3.50	3.50	3.25
<b>10 YEAR TREASURY</b>	1.58	1.58	2.06
<b>30 YEAR TREASURY</b>	2.29	2.30	2.74