

NORTH CENTRAL INDUSTRIAL NEWS

Presented by: Gruber Commercial

JUNE 2019



ON THE RISE

LEASE RATES

The average industrial lease rate in the Denver Metro area is up this year from \$8.34/SF NNN in 2018 to \$8.71/SF NNN in 2019.

CURRENT MARKET CONDITIONS For Industrial Real Estate

- The Denver Metro area vacancy rate over all remains very low at a 5.1% vacancy rate. This is up about .1% from first quarter of 2018.
- The Central Industrial Markets Vacancy rate is 4.5%
- The average industrial lease rate in the Denver Metro area is currently \$8.71/SF NNN (R&D/Flex space factored into this rate). This is up from a year ago when the average industrial lease rate was \$8.34/SF NNN.
- Prologis delivered three buildings at Prologis Park Central first quarter of 2019 totaling 629,200 SF of distribution space at Washington and 62nd. This is a 40-acre site total located in Unincorporated Adams County.
- The majority of new industrial construction is currently in the Northeast Sub-market with First Industrials 555,840 SF at First Aurora Commerce Center being the largest project currently under construction.
- The Denver Unemployment rate is at 3.6% for the first quarter of 2019.

MAJOR DENVER METRO AREA Industrial Transactions

Etkin Johnson sold 1,770,961 SF of its portfolio for \$247,500,000.00.

Rocky Mountain Prestress and McClung Logan Equipment Co sold their 58th and Pecos sites for \$13,000,000.00 to Local Developer, Westfield.

Gustave A. Larson Company leased 45,067 SF at Prologis Park Central which was one of the 1st Quarter's largest Central Market leases.

DENVER 80216

Moving In



The Denver Collection just signed a long term lease at 4930 Colorado Boulevard, Denver, CO to house their auto sales business which relocated out of RiNo.

4930 Colorado Blvd is 20,379 SF building on a 2.07 acre-site, zoned I-B. The property highlights include a large fenced paved yard, heavy power, and 80% of the building is temperature controlled. Listing lease rate was \$9.50 NNN. Russell Gruber represented the Landlord in this transaction.



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Moving Out ←.....



Buy and Build which previously owned a building at 4800 Washington Street that sold in 2018 for \$10,000,000.00 is relocating their

operations to 560 S. Lipan Street, Denver, CO which they purchased for \$2,250,000.00 in the first quarter of 2019. The new building on Lipan is a 18,145 SF warehouse, sitting on nearly an acre and is also fenced in. In addition to the large site Lipan already had a whole sale area built out and has easy access to the I-25 and Santa Fe Corridor which made the building ideal for Buy and Build.

Russell Gruber handled both the sale of 4800 Washington as well as the purchase of 560 S. Lipan for Buy and Build.

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Commercial Real Estate Services

We'd like the opportunity to help you with your Industrial Real Estate needs.

I can offer free Broker Opinions of Value (BOV), share sale/lease comps, help relocate your business to a property that can save you money, and help sell/lease your existing facility.

Please feel free to give me a call or to pass on my contact information to others who may need my services. I look forward to speaking with you soon!

Russell Gruber *Industrial Specialist/Owner*

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DENVER 80216

NEW●

Local landlord **RF Colorado 4715 LTD** has leased out their 4715 Colorado Boulevard, Denver CO building to **Browe 1, LLC**. The building is 37,044 SF on 2.11 acres and is fully fenced in.

The Denver Collection has leased 4930 Colorado Blvd, Denver CO from **Villager Square Center, LLC**. The building is 20,379 SF on a 2.07-acre paved site. This was formally the US Bank building until they vacated on 12/31/2018.

Russell Gruber represented the Landlords in both of these transactions.

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ONCE-IN-A-LIFETIME REDEVELOPMENT OPPORTUNITY

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4502-4510 WYNKOOP STREET

- 99,000 SF of land - AVAILABLE FOR SALE
- Adjacent to: New National Western Center, RiNo, Denver Coliseum, AEG Events Center
- 8-story zoning, up to 12-story possible
- \$110,000 NOI-Current
- Offering Price: \$10,000,000
- **LOCATED IN AN OPPORTUNITY ZONE**

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For more information, contact your Investment & Leasing Advisor:
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