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Industrial

CMC makes room for 'little guys' at Stapleton Business Center

by Jill Jamieson-Nichols

Little guys are moving in with the big guys at Stapleton Business Center.

Three small owner-user buildings, one of which already is tied up, will be built on 3.96 acres next to the likes of Ford Motor Co., Keebler Co., Marriott Distribution and Whirlpool Corp.

Denver-based CMC Group Inc., which is building similar office/warehouse buildings across the metro area and in Phoenix, already has a taker for one of the first two Stapleton buildings, expected to break ground in June.

Copper State Bolt & Nut Co., which has a major client at the business center, will open an 8,000-square-foot facility Oct. 1, its first in Colorado. The second building, slated to be ready a couple of weeks later, will total 19,316 sf, including a 1,750-sf mezzanine.

It and a third, 22,136-sf dock-high building are being marketed by CB Richard Ellis brokers Jim Bolt and Mike Camp, who handled the land sale. The buildings currently are being priced and will be offered either for sale or lease.

"We think they are going to meet an underserved niche in the market for new, state-of-the-art, smaller-scale buildings for sale that also have the distinct advantage of being located in one of Denver's premiere industrial parks," said Bolt. "They're great buildings — very efficient



Ware Malcomb, which has designed 350,000-sf buildings at Stapleton Business Center, is designing CMC Group's 8,000- to 22,000-sf buildings.

— and fit in nicely with the character of Stapleton Business park," he said.

Ware Malcomb is the architect for the buildings, which Bolt said will feature a "high-image" design with 10 percent office space and fenced loading areas. The company designed several high-cube buildings at Stapleton Business Center, including a 347,000-sf speculative building the park's owner, Catellus Development Corp., has under construction.

While Catellus hasn't sold to a developer at Stapleton before, Development Director Tyson Chave said CMC's product won't compete with anything else at the business center. "We really had a good feeling about the product that CMC would deliver," he added.

CMC bought two lots between 48th and 49th Avenue on Geneva Street that it is dividing into three parcels for the \$4.25

million project. It paid \$4 per sf for the land, plus its share of a regional detention facility. With two lots under contract, the deal leaves Stapleton Business Center with a single, 6.75-acre site.

CMC Group Executive Vice President Graham Benes said the infill location's advantages include its Interstate 70 access and proximity to Fortune 500 companies with which a lot of small companies do business.

"Obviously, the success is unprecedented for what (Catellus) has been able to achieve in a short period of time," he said. "To be able to be linked in with some of the tenants out there, we think, is very important for our users."

Following demand for small, freestanding owner-user buildings, CMC Group is finishing its first for-sale-or-lease speculative building at 4940 Fox St. in Denver. It is planning other construction at East 37th Avenue

and Paris Street, also in Denver, and at the northeast corner of Easter Lane and Easter Avenue, across from Rampart Business Center in Centennial.

"We just see a big lack of this product," Benes said, adding it's difficult for small users to find new stand-alone buildings. "Everybody sees that this is a market that is very attractive, but as a small company and general contractor, we can go in and develop these sites on a one-off basis."

Benes said interest rates "could creep up pretty significantly" and it would still make sense for a lot of small companies to own. However, "We're picking locations where we would like to own buildings," he said, explaining the company would like to own some of the buildings, but expects most, if not all, to sell.▲