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Industrial

Small-user industrial park takes off in southwest-metro market

by Jill Jamieson-Nichols

A Denver development and construction company that's been going after the small-user market has broken ground on one of its newest industrial parks with half of its buildings presold.

CMC Group Inc. is building four buildings ranging from 10,447 to 24,983 square feet at Hilltop Industrial Park at the northeast corner of South Santa Fe Drive and County Line Road in Littleton. The \$8 million park will be located on 6.1 acres in Hilltop Business Park, which is part of the SouthPark area.

"The location at Hilltop is one of the best southwest," said Fuller and Co. broker Jeff Roemer, adding the business park is close to residential areas, services and transportation, including light rail.

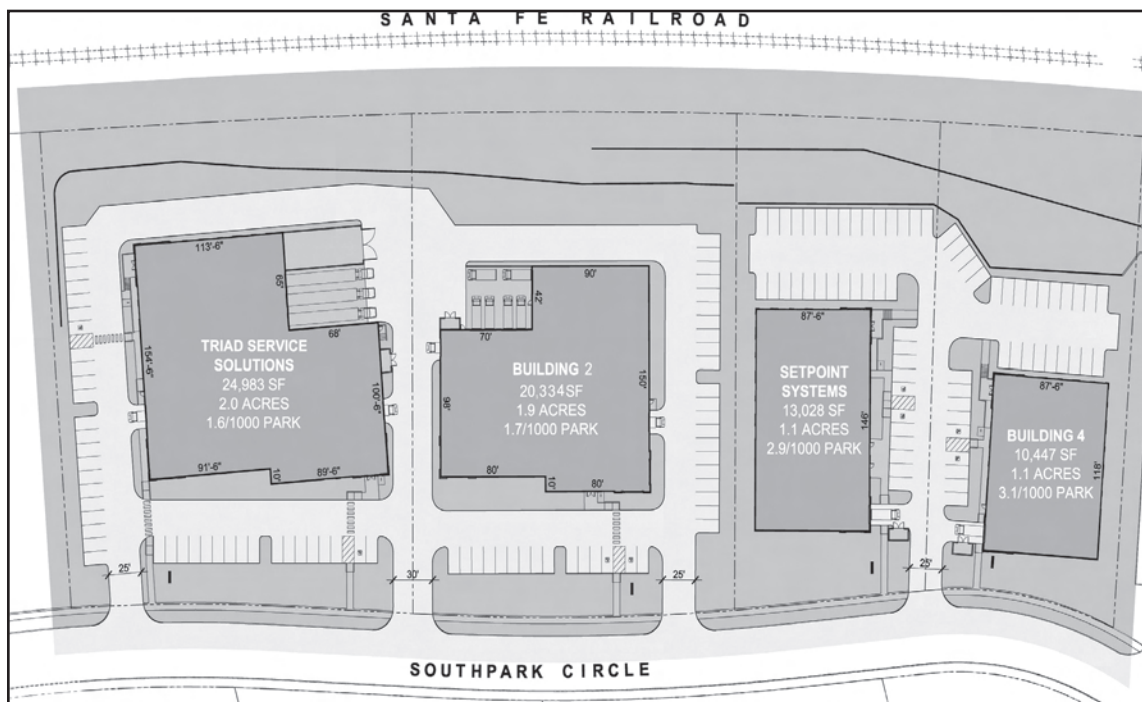
Supply of small-user buildings throughout the Denver area is lacking, and, "There are even fewer newer or brand-new buildings available," said Roemer, who is marketing the development with Fuller's R.C. Myles. "That market down there is still a fairly new market in terms of industrial.

"That's all contributing to why we're seeing activity before walls are even tilted."

CMC chose the site because of its location just off C-470 on the Santa Fe corridor, its views of the Front Range and the fact that there is little available industrial ground in the southwest market, said Graham Benes, executive vice president.

"There is just not a lot there, and it's expensive," he said. "I think the barriers to entry are what is huge," he said. "The other sites in there require extensive site work."

CMC went through a lengthy architectural review processes



CMC Group will deliver four buildings at Hilltop Industrial Park this summer.

with the SouthPark Architectural Development Control Committee and city of Littleton. "It's a long process and very expensive," he said, adding the result is a development that will have an "office park feel."

"They will be the nicest buildings that we will build in this market."

Ware Malcomb is the architect for Hilltop Industrial Park.

The largest building is presold to Triad Service Solutions, a janitorial service company. Setpoint Systems Corp., which specializes in facility management systems, will occupy a 13,028-sf building.

Both currently occupy leased space in the area.

CMC Group expects to deliver the buildings in mid-July, with build-out of the park by late August.

Roemer said there have been offers on the two remaining buildings — 20,297 and 10,447 sf. Benes said CMC would like to lease them; however, buyer interest has been strong.

The asking price for the larger building, in shell condition, is \$110 per sf. The smaller building is priced at \$120 per sf. Lease rates are \$11.50 and \$12.50 per sf triple net, respectively.

Office build-out in the buildings, the largest of which have dock-high and drive-in loading, and 24-foot ceiling clearance, will vary

widely. Triad's space will be about 20 percent office and 80 percent warehouse, and Setpoint is requiring about 80 percent office.

Based on interest that has been received, Benes said the smallest building likely will be 75 percent office. "So we're seeing interest that is definitely going to be a little heavier in office than is typical," he said.

CMC Group Inc., which has been doing design-build, build-to-suit and general construction projects since 1964, is developing additional small-user parks at Stapleton Business Center in Denver and in Centennial. It's also developing a three-building industrial park within Gateway Park in Aurora.▲