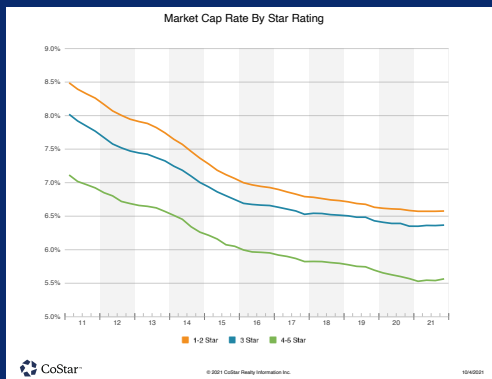


NoCO Cap Rate History based on Property Ranking

Over the last 10 years, the top quality properties have maintained a 100 basis point higher selling price in terms of cap rates paid by investors.



Source: CoStar

[Click for larger image](#)

Contact [our advisors](#) to see how they can help you with your property

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Retail Properties Take Most of the Action for NoCO CRE Sales During September 2021

Retail buildings made a good run in the top 10 NoCO CRE sales last month. Perhaps this is partly due to the Retail sector's resilience through the Covid era. Despite stories of the online market replacing bricks and mortar, Retail has actually changed in light of the new consumer tendencies and is gaining interest of investors again. NoCO's region showed many such trades in September.

The multi-tenant Lafayette located "District" property [Flatirons Church, Button Rock Bakery, and other tenants], was sold by the church to a Denver based investor for \$9.73 million, at a reported 8% cap rate, and \$183 PSF. Separately, the Kum 'n Go service station convenience store center on Clydesdale along I-25 in Fort Collins sold to a Newport Beach CA investor for \$7.5 million, or over \$1300 PSF. The property was just constructed and occupied last year. Then, Scheel's Center developer Carson Development sold a multi-tenant retail center in Johnstown to a private investor in Timnath for \$6.66 million, or \$473 PSF. Tenants include Mexicali Restaurant and the Urban Egg restaurant. Finally, in another major retail sector deal, a California investment group bought the Loveland Walgreens on Garfield for \$6.05 million or \$443 PSF. The Seller had owned the property for almost 5 years, and paid \$4.6 million for it in 2017.

It isn't often that the Red Feathers Lake area features in top sales for NoCOCRE, but the top sale of September for the tri-county region occurred at the Magic Sky Ranch in that area. The Girl Scouts of Colorado sold their 724 acre ranch to the University of Denver for \$11.25 million. The property featured multiple buildings adding up to almost 59,000 SF. The property had been on the market for many years hoping to land a Buyer who wanted a complete conference and boarding ranch property. DU plans a mountain campus at this location.

The next top regional sale was also of note. 16.55 acres of commercial land was purchased at 1250 Southgate, in Windsor. The land sold for \$9.88 million or \$14 PSF to a Denver based investor related to an auto industry group. Peak Kia North has occupied the land, and no future dealership has been announced [if any].

In the multi-family sector, a 34 unit Loveland property sold for \$7.75 million to a Denver based investment group. The Alder Square Townhomes were constructed in 1971, and the complex sold at \$227,000 per unit. In the hospitality sector, the 63 room Candlewood Suites in Loveland sold for just over \$101,000 per key. In this case, another Denver investor was the Buyer at \$6.4 million. Not to be left out, the Industrial sector featured two different trades. A 45,000 SF facility in the Loveland/Fort Collins Airpark sold for \$6.15 million, or \$138 PSF. The property was unoccupied at time of sale. Buyer was based out of Wisconsin. Horizon Ave. in Lafayette was the location for the second industrial property sale of note. The 28,500 SF property sold at \$189 PSF, or \$5.4 million. Buyer is out of Boulder and will locate their hemp extraction operation to the building.

Not to be left out, Boulder featured the region's largest office sale. A newly remodeled building on 28th St. near Valmont, sold for \$4.53 million to a local Boulder group. Recent tenants included Activision, and Coburn Development, and over 5,000 SF was on the market at time of sale for lease. The price calculates to about \$418 PSF.

Market Cap Rate By Star Rating

