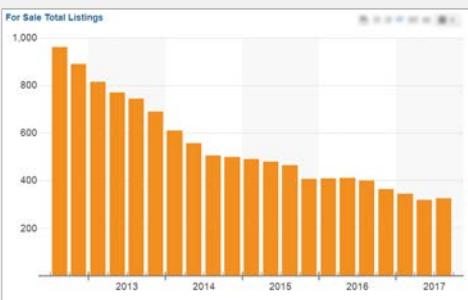
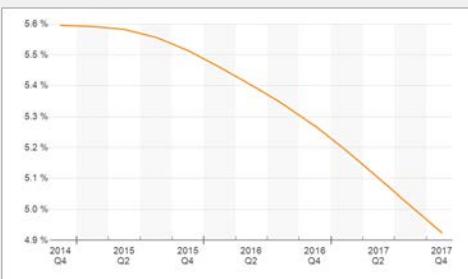


## September 2017 Talking Points

*Sales Volume is the lowest of any month this year.*



*Overall Vacancy has steadily dropped, now below 5%.*



[\(view larger images click\)](#)

Contact one of our advisors to see how they can help you with your property

710 W Colfax Avenue  
Denver, CO 80204  
303.632.8784

Northern Colorado Division  
2032 Lowe Street, Suite 101  
Fort Collins, CO 80525  
970.207.0700

### Local Investors Drove the Market *(but it was subdued)*

Local Investors contributed to an **\$87 million** trading volume in the tri-county region for September. It tallied up to the lowest sales volume of any month this year. National players were simply quiet last month in Larimer, Weld and Boulder counties. Nevertheless, some interesting sales were still on the docket.

Apartment complexes have been the domain of national equity and institutional groups, but not in September in our region. A Boulder based investor bought the **48-unit Rams Park** property in Fort Collins for **\$12.2 million**, **\$254,000 per unit**, and at a **4.89% capitalization rate**. That same buyer then purchased another **CSU**-centric property in Fort Collins with the **\$6.3 million** purchase of Atrium Suites. That **24-unit** property traded for **\$262,000 per unit**. A Boulder property, Goss 22, was sold to a Denver buyer for **\$5.5 million**, which was **\$239,000 per unit**, and a reported **4.32% cap rate**.

The Fort Collins based Seller of the Atrium Suites apartments then went on to buy the Sprouts grocery store in Loveland for **\$9.85 million**, at a **5.5% cap rate**. Another significant sale of a multi-tenant retail property in Longmont, was the **Sherman Village** sale. That **62,000 SF** center sold for **\$7.4 million** and at a **7.9% cap rate**. A two-property multi-tenant retail strip in Fort Collins, anchored by **Fantastic Sams** hair salon, sold for **\$3.2 million** and at a **6.65% cap rate**. Investors demand higher cap rates for retail properties as compared to apartment complexes. They see retail as higher risk properties.

A few leases of note also transacted last month. **McClinton Energy Group** leased **34,000 SF** off of the I-25 Frontage Rd. in Longmont. **WestRidge Academy School** leased **30,000 SF** of the former **HP Plant** in Greeley. **Pixes** took down **9,000 SF** of flex property in Lafayette, and the **Campus** at Longmont also featured a **14,000 SF** lease transaction.

National buyers have made significant investment in the three counties this year. When there isn't a major portfolio deal, like in September, the deal volume is naturally lower. No trend is likely indicated. National investors continue to look for opportunities in northern CO, despite their sideline behavior last month.

For more market trends, vacancy and absorptions reports, and presentations for the Denver, Northern Colorado and National Commercial Real Estate markets, please visit our website at: [www.svncolo.com/market-trends/](http://www.svncolo.com/market-trends/)