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Greater Denver

Cowboy-boot maker among users kicking up industrial deals

by Jill Jamieson-Nichols

Industrial buildings in Montbello sold in a series of user deals, and brokers say demand for quality buildings remains strong.

"When you have a good quality building that is in good condition, there's strong demand for it," said Fuller and Co. broker R.C. Myles, who handled the sale of a 42,010-square-foot manufacturing building at 4525 Ironton St. in Denver.

Jama Corp., an India-based company that manufactures approximately 33 percent of the cowboy boots sold in the United States, paid \$1.68 million cash for the building, which was built in 1973 but had been brought up to date by seller Stephen Tebo and Northstar Commercial Partners. Northstar brought the opportunity to Tebo and handled the upgrades, which Myles said created good demand for the property.

"I think there are still users that are looking to buy, but there are not that many good quality buildings out there," he said. "We had three people interested in it fairly readily."

Jama, which has been in Denver for about eight years, was leasing two 10,000-sf buildings, "So this building, being 42,000 square feet, is obviously a tremendous upgrade," said Re/Max Southeast Commercial's Billy Scott, who represented the company in the transaction.

The building will be used for



Northstar Commercial Properties identified the opportunity to acquire and update the building at 4525 Ironton St. in Denver a year ago. The property recently sold to a user for \$1.68 million.

distribution, so the proximity to Interstate 70 and Denver International Airport, along with the fact that the building had been renovated, were key to the transaction, Scott said.

While the Jama deal was all cash, Myles said interest rates are driving much of the demand he sees for industrial user buildings. At the same time, he said, "Lenders are being very cautious about the loans that they make."

Myles and Fuller's Jeff Roemer represented the seller in the transaction.

A nearby building at 4901 Ironton also was picked up by a user, Denver Breaker & Supply, an electrical equipment sales company that will expand out of approximately 10,000 sf of leased space in Wheat Ridge.

The 49,095-sf building, which includes approximately 2,500 sf of office space, sold for \$1.2 million, or \$24.44 per sf, which bro-

ker Mitchell Zatz of Cushman & Wakefield of Colorado Inc. said was a "good buy," but also "a good indication of the market," considering the age and condition of the property. Built in 1969, the building was in "decent shape," but had some deferred maintenance, he said.

The property was sold by FBH Investments.

Zatz and Conrad Vanino, also of Cushman & Wakefield, represented the seller. Cushman & Wakefield's Jeremy Kroner represented the buyer.

Among other recent user deals were:

■ Castlegate Garage Door's acquisition of a 28,598-sf manufacturing building at 4611 E. 46th Ave. in Denver. Halax Properties, a local investment group, recently bought the building out of foreclosure and sold it for \$1.03 million, or \$35.84 per sf.

A locally owned company,

Castlegate Garage is a garage door wholesaler and installer that has been leasing space for several years. It plans to move its operations to the building — probably in February — following some remodeling, said Grubb & Ellis broker Ron Webert, who represented the company in the transaction.

Colliers Bennett & Kahnweiler broker Mike Shriver, who represented the seller with CBK broker Scot Huber, said the building drew a lot of interest, particularly from distribution users, because of its location along Interstate 70. Its distribution capabilities were limited, however, by 12-foot ceiling height in the original part of the building, which was built in 1958. An addition to the building in 1963 included 16-foot ceilings.

Given its accessibility, and Interstate 70 signage and visibility, however, "We put it under contract pretty quickly," Shriver said.

■ Concrete Management Corp.'s purchase of Centric/Jones Construction's former 18,766-sf building on 3.35 acres at 5490 W. 13th Ave. in Lakewood. Nucon Construction, with which Centric is affiliated, was the seller.

Concrete Management paid \$875,000 for the property, which will house at least some of its operations.

Broker Chris Sewell of Cherry Creek South Ltd. represented the buyer.▲