

Northstar targets small users

by Jill Jamieson-Nichols

Two small-user buildings in central Denver will be fixed up and put on the market for sale.

Northstar Commercial Partners bought the 10,000-square-foot building with a 4,500-sf basement at 1200 Mississippi Ave. and a 5,000-sf building at 1125 Lipan St. from Guaranty Bank, which had foreclosed on the property, for an undisclosed price. The acquisition included an additional 25,000 sf of land.

"Our plan is to completely refurbish the buildings, then offer

them for sale in the marketplace to owner-users," said Northstar President Brian Watson.

The buildings, which were vacant at the time of the sale, will receive new paint, carpeting and office upgrades over the next few months. They will be marketed by Unique Properties broker Tom Myers. Pricing is being finalized.

"It's very, very difficult — almost impossible — to find a standalone building of 5,000 sf, 10,000 sf in that marketplace. The vacancy rate, we believe, for that type of a user building

is less than a half of a percent," said Watson.

It's also tough to find a large yard in the area. But if Northstar doesn't have a user for the excess land, it will build an approximately 12,000-sf, 21-foot-clear office/warehouse on the site.

The acquisition fits Northstar Commercial's strategy of acquiring small, typically vacant, properties that it considers to have unrealized value.

Frederick Ross Co. broker Jeff McClintock represented Guaranty Bank in the transaction.▲