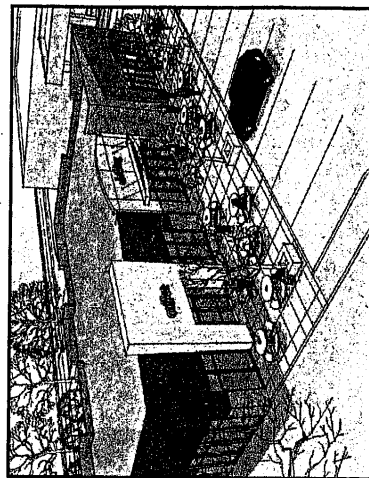


## 2AA Big on small

St. Charles Town Co. is getting aggressive about selling 1800 Glenarm and looking for more office condominium opportunities in downtown Denver

## 3AA Recovery ready

Cushman & Wakefield broker notes signs of Denver's industrial market recovery are taking hold



## 6AA Buying in

A Greenwood Village-based buyer picks up five pad sites for more than 100,000 square feet of retail development in Broomfield

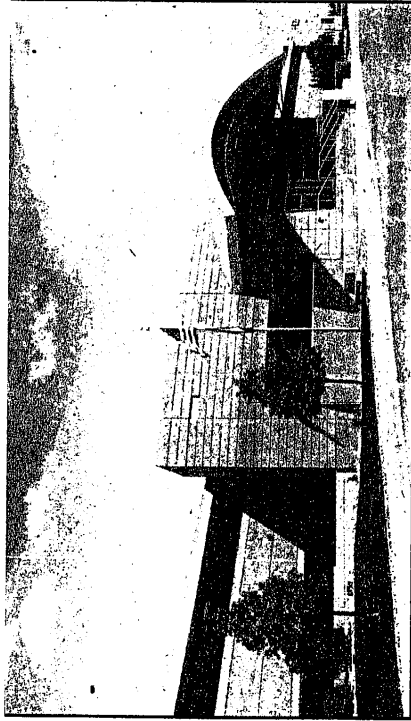
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A private equity management company doubled its Colorado portfolio and with it ended a three-year drought of investment-grade transactions in Colorado Springs.

Midnight Sun Capital Management LLC, through entity 556 Chapel Hills LLC, paid \$11.18 million, or \$161.29 per square foot, for the 69,287-sf T-Mobile call center at 556 Chapel Hills Drive.

"The acquisition of the T-Mobile call center with its strong cash flows is a continuing step toward fulfillment of Midnight Sun's vision of creating long-term, sustainable cash flow for native-owned organizations," said Louie Larimer, president and chief



A significant amount of investor interest was received on the T-Mobile call center facility from out-of-state investors keen on the asset's credit tenant, in-place, long-term lease and location in the Briargate Business Campus.

in three years and may well be the high-water price, per investment-grade asset sold. Please see Springs, Page 14

# RTD 'at the table' with large, small TODs

by Jill Jamieson-Nichols

New transit-oriented developments in Denver will include the very small and, potentially, very, very big.

With two light-rail stations at its doorstep, the owners of the Denver Design Center on Interstate 25 are considering a community that would rival the size of Lower Downtown or Cherry Creek North. It's a decades-long project that leverages existing uses and depends entirely on the economy and financing, said Chris Waggett, chief executive officer of newly established D4 Urban LLC.

The first step could occur at the Alameda light-rail station next year with either a mix of high- and low-density residential or high-density

residential and commercial office space.

"I think the critical issue about this is partnership," said Waggett. "At the end of the day, it's about complex stakeholder engagement and finding a common interest."

The Regional Transportation District is listening, not just to D4 Urban but also to other communities along existing and future light-rail corridors, according to Bill Sirosis, RTD manager of transportation-oriented development and planning coordination.

Sirosis, at NAIOOP Colorado's March breakfast meeting, discussed a pilot program that will test RTD's expanded role in transit-oriented

development. Please see RTD, Page 11



The Denver Design District development site includes two light-rail stations.

C.R.E.T. 4/10-10

ed development. The program, which focuses on a community model as opposed to just development, follows passage of legislation that gives RTD the flexibility to use land it owns for anything allowed under local zoning.

The Alameda Station, Denver Federal Center, Welton Street and Old Town Arvada stations are the four stations where it sees the greatest opportunities.

"The hope is that within the next year or two we can have some actual deals that we can bring forward," Sirois said.

To be able to partner with RTD is a paradigm shift for developers like George Thorn of Mile High Development, who developed the Colorado Center and is working on TODs at the University and Yale light-rail stations. At University, the developer negotiated a lease with RTD for 50 parking spaces to support a high-density, \$13 million senior housing development it plans to build.

The parking deal is a first, and it's something Thorn said would have been, until recently, impossible.

"RTD is really at the table. All the communities that are impacted by FasTracks are ready to go," said Thorn. "The sites are out there, crying out for attention, but they need love and care, and RTD and patience," he said.

Local jurisdictions have created approximately 40 TOD plans

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**'There may be 40 or 50 sites out there. There are not going to be 40 or 50 TODs.'**

*- George Thorn, Mile High Development*

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along existing light-rail lines and FasTracks corridors. "There may be 40 or 50 sites out there. There are not going to be 40 or 50 TODs," said Thorn. "A TOD is only as good as the real estate."

D4 Urban is acting on behalf of the ownership interests that collectively control approximately 60 acres of real estate that include the Alameda and Broadway stations and 900,000 square feet of existing, 95 percent-leased retail, including Broadway, Market Place. D4 Urban founders Warren Cohen and Jim Frank in 2009 received general development

**'It is absolutely subject to the market - the U.S. economy and the Denver metro economy. It is totally dependent on our securing development financing, existing lease contracts and acceptable risk-adjusted returns from redevelopment against maintaining the status quo income.'**

*- Chris Waggett, D4 Urban LLC*

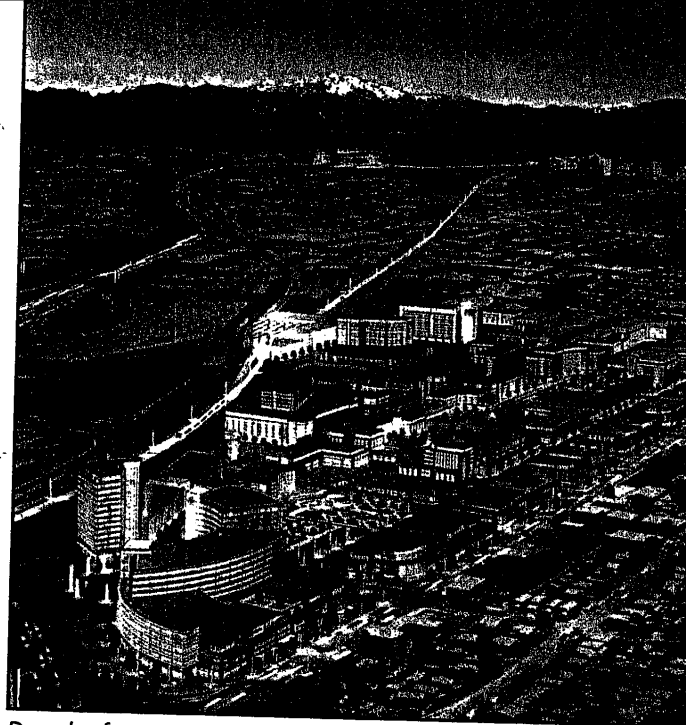
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plan approval to increase the site's density tenfold.

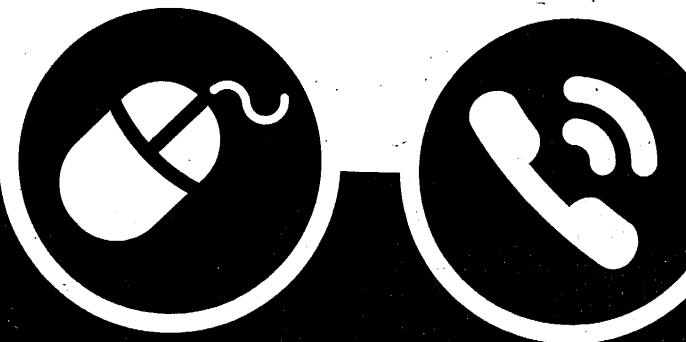
They hope one day to create a community 1.5 miles from downtown Denver that is a model for sustainable, mixed-use urban development. Both light-rail stations are within a five-minute walk from anywhere on the site, which is part of an existing urban renewal authority that created Broadway Market Place. D4 wants the community to emphasize the "software" - things like civic engagement, education, social interaction and diversity - as much as "hardware" - buildings, homes and public improvements - to create a "complete community."

A 20- to 30-year project, "It is absolutely subject to the market - the U.S. economy and the Denver metro economy. It is totally dependent on our securing development financing, existing lease contracts and acceptable risk-adjusted returns from redevelopment against maintaining the status quo income," said Waggett.

Alameda Station could be the Phase 1 catalyst for the development, said Waggett, who added that the project must entail a public-private partnership not only between D4 and RTD, but also the city and county of Denver and Denver Urban Renewal Authority.▲



*Decades from now, the Denver Design District could include 10 m*



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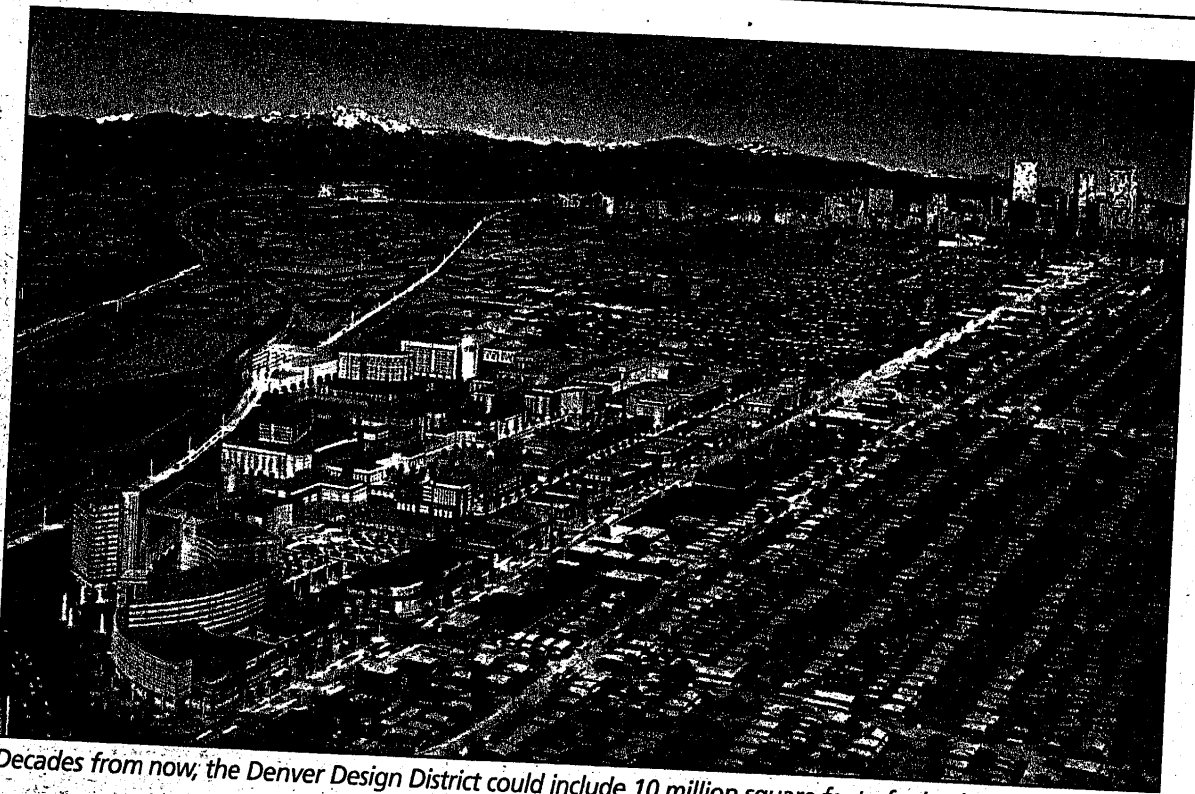
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Decades from now, the Denver Design District could include 10 million square feet of mixed-use development.



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