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KN ENERGY COMPLETES HEADQUARTERS BUILDING

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KN Energy Inc. supplies natural gas to a variety of customers, but it doesn't use much of the precious resource to heat and cool its new \$11 million headquarters in Lakewood.

The company, which supplies natural gas through three pipeline systems to residential, commercial, wholesale, industrial and agricultural customers in seven states, recently completed the third phase of its corporate campus.

The six-story, 120,000-square-foot building, which houses 270 of its 337 Lakewood employees at 370 Van Gordon St., a block west of Union Boulevard, was developed by Prime West.

"The building is occupied," said Richard Buxton, KN Energy spokesman. "It helped consolidate employees who were at a number of different locations. It brings together a lot of people and resulted in reducing a great deal of rental overhead and expenses."

And "it certainly fits into the trend," of building energy-efficient buildings, Buxton said.

One unique feature is a gas absorption chiller used for heating and air conditioning. It also has a state-of-the-art electronically switched lighting system that automatically dims and brightens interior lights, depending on the level of sunlight in the offices.

The gas absorption chiller system is the only one in the state.

"The energy package cost a slight premium, but the payback was pretty immediate," said Stephen Clarke, president of Prime West.

Clarke said the new KN headquarters is one of the largest office buildings to be built in the Denver area for several years.

"KN is an energy-conscious company, and it wanted a building that was just as energy-conscious," he said.

Prime West, which also served as the developer for KN's first two phases, which involved the renovation of two 20,000-square-foot buildings, evaluated every engineering element and then calculated how long it would take to recoup the cost.

"In every case, there was a very quick payback period," he said.

"KN's philosophy is long-term," Clarke said. "They plan to make their headquarters in Lakewood for the next 75 years. Everything in this building is built to last. This is a fabulous deal for Lakewood, to have a company like KN. It is a New York Stock Exchange Company and its stock has increased 37% over the past 12 months."

KN may build another building on its site. There is room for another 60,000 to 70,000-square-foot building, Clarke said.

"There's no timetable for the fourth building," Clarke said. "But if they ever need it, there's room."

Meanwhile, other recent transactions include:

Sales

* Northern Englewood Limited Partnership paid \$7 million for the 98,306-square-foot Englewood Marketplace Shopping Center, located on eight acres just west of Broadway on West Hampden Avenue. **DPC Development** Co. of Denver is the managing partner. The seller was Collins Equities Inc. Tenants include: SoFro Fabrics, Hobby Lobby, Sound Warehouse,

Mountain Miser, Pier 1 Imports, Denny's and Checker Auto. The center was 98% occupied at the time of the sale. Brokers: Arthur L. Seiden, Trevor Brown and Arthur L. Seiden, Fuller and Co.

* Tedford Properties of Denver, which heads an out-of-state investment company, paid \$2.3 million for the 68,000-square-foot Heritage Green Shopping Center, County Line Road and South Holly Street. This was the third area commercial property it purchased this year. Brokers: Ira Shwartz, David Clithero, Sevo Miller.

* Situs LLC, an affiliate of Situs Group Inc., paid \$1.05 million to D.C. Burns Realty for the 40,000-square-foot building at 5600 Greenwood Plaza Blvd. The property was 50% leased at closing. It will be the new headquarters for the Situs Group, which specializes in consulting, mortgage origination and property acquisition. Robert Riggert, Thomas Mead and Clifford Weinberger, are the principals of the Situs Group. Broker: Ron Urgitus, Fuller and Co.

* The Drechsler family of Littleton paid \$695,000 for two Denver-area apartments. They paid \$360,000 for a 12-unit complex, 855 W. Oxford Ave. World Savings provided a 70% loan to value first mortgage, and the seller, W.R. Richards, carried back a small second. The Dreschslers were willing to pay the strong price per unit of \$30,000 because of the excellent condition and management history, said Dave Falls, of Interurban Corp. Brokers: Richard Merman, Interurban, John Becker, Marcus & Millichap. In the other purchase, they paid \$335,000 for a 13-unit complex at 1974 S. University Blvd., across from the University of Denver. John D. Eagen, the seller, financed about 80% of the price. Brokers: David Falls, Richard Merman.

* G.L. Seller paid \$360,000 to H-Y Partnership for an 18-unit apartment, 2550-60 S. Valley Highway. People's Bank of Aurora provided most of the financing. Brokers: Dennis Depperman, Interurban Corp., Steve Kelly, Van Schaack.

* Floyd and Evelyn Gordon of California paid \$328,500 to Tepper Printing Co. Inc. for a 17-unit apartment complex, 1671 Cook St. Brokers: Robert Ammon, David Falls, Interurban.
Leases

* Soundtrack leased 59,616 square feet, 11100-30 East 51st Ave. Brokers: Dan Bess, Trammell Crow Co, Eric Duca, Lamar.

* Grand Impressions leased 48,747 square feet, 5303 E. 47th Ave. Broker: Dan Bess, Trammell Crow.

* Jay Medical leased 31,024 square feet, 4735 Walnut St., Boulder, Broker: Dan Bess, Trammell Crow.

* Alfalfa's leased 12,645 square feet, 9355 Elm Court: Brokers: Dan Bess, Trammell Crow, Mark Cytryn Balm, Cytryn / Tischler.