

DPC Development pulls up to Parkway Center with \$12.5m

by Jill Jamieson-Nichols

The Parkway Center Office Building in midtown Denver will get a dose of TLC from a local owner/developer.

DPC Development Co. bought the midrise office building for \$12.5 million. DPC will spend \$2.5 million redoing the common areas, upgrading landscaping and signage – in a nutshell, bringing the building up to today’s standards, said company President Chris King.

The eight-story building at 1391 Speer Blvd. is part of the Parkway mixed-use development, which includes condominiums and a King Soopers store. DPC acquired the 132,313 office building and a parking deck.

“We see it as a value-added opportunity. Rents are \$2 to \$3 below market on average,” said King, adding the building was 82 percent leased at the time of the sale.

The opportunity to fix up the Class B building and improve the occupancy fits the company’s profile, “and we’re bullish on downtown,” he said.

U.S. Bank provided financing for the transaction. Transwestern Commercial Services brokers Brad Cohen, Kevin McKinnon and Jonathan Jones represented the seller, the Archon Group.

“We had great activity – we had a pool of five very strong buyers,” said McKinnon, who attributed interest to appropriate pricing, “great market dynamics” and a “great location.”

The Parkway Center Office Building is a couple of blocks from the Auraria light-rail station and also is within walking distance of downtown Denver. “For midtown, it has very good parking,” added Jones. The parking ratio is three spaces per 1,000 sf.

Centura Health, at 25,000 sf, is the largest tenant. Other large occupants include the U.S. Department of Education, which leases 10,800 sf, Harris Kocher Engineering Group, 9,000 sf, and Jobing.com, which has 7,600 sf.

The building has city and mountain views, a shared conference room, and showers and lockers.

DPC Development Co. is a commercial real estate company that specializes in acquisitions and development in Colorado and the West.

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