

DPC news items/articles as appeared in the Colorado Real Estate Journal...

DPC Does \$35 Million in Deals in Less than a Month

by Jill Jamieson-Nichols

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DPC Development Co. is shaking up the commercial real estate market with more than \$35 worth of deals in less than a month, adding a 265,000-square-foot industrial property and the Plaza Marin III office building to its portfolio. DPC sold a 38,000-sf building at 98 Inverness Drive E. for \$129 per sf, along with the Chaparral Business Park in Englewood, which fetched \$9.8 million. The Greenwood Village-based company plans major investments in its two newest properties, including the old Honeywell facility at 4800 E. Dry Creek Road, which it acquired for \$7.7 million. "What we're going to do is reinvent the building," said DPC Executive Vice President Chris King. The building's exterior will be redone, with new windows and exterior materials. Inside, modern office finishes will be added to transform the office/manufacturing/warehouse building into more flex-type space. The building is occupied by Lockheed Martin and Metrum, but has 70,000 sf of vacant space, which DPC viewed as an opportunity, said King. "We looked at the property on a price-per-square-foot basis," he said, explaining at \$30 per sf, it made sense to acquire and invest in the property. The building sits on 36 acres, creating an opportunity for possible future development. Seller Alliant Techsystems was represented in the deal by Grubb & Ellis brokers Mike Wafer and Mark Schuster. Acquisition of the 160,000-sf Plaza Marin III, developed by John Madden Co., brings to five the number of office buildings DPC owns in Greenwood Village, "So it was a portfolio play for us," King commented. The company acquired the building at 5600 S. Quebec, which was 90 percent occupied at the time of the sale, for \$14.5 million. Mulberry Properties, represented by Cushman & Wakefield of Colorado brokers Tim Richey and Mike Winn, was the seller. "The opportunity there was the rents were undervalued. The building is very tired," said King. DPC will spend approximately \$1 million upgrading the common areas, painting, adding tenant signage and making other improvements. Major tenants include Allstate Insurance and Kirkhan Michael Consulting Engineers. Dispositions included the Chaparral Business Park, a research-and-development property that was purchased by Chicago-based RREEF Funds. The property in Centennial Airport Center on South Revere Parkway includes nine one-story buildings totaling 146,702 sf on 10.5 acres. Winn and Richey handled the transaction. DPC also sold 98 Inverness Drive E. in Englewood, an approximately 38,000-sf building it bought in 1997. Two-thirds of the building was occupied by First Data Corp., which was planning a move to its new facility at the end of December. DPC offered to buy the company out of its lease early and spent \$10 per sf redoing the common areas. It planned to lease out the property when it received an offer from owner/user Interlink Group. The building sold for \$4.9 million, or \$129 per sf, according to Fuller and Co. Fuller broker Doug Wulf represented the seller. Broker Tom Ullrich of Re/Max represented the buyer. DPC Development Co.

owns more than 1 million sf of industrial, office and retail properties along the Front Range.

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