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Development hot spots: Downtown Fort Collins sizzling

Since the renovation of Old Town Square in 1984, downtown Fort Collins has seemingly maintained a steady upswing in development activity. By all appearances, the upswing has become an upsurge. Corporate expansion combined with a resurgence in multi-family construction are together driving a new era of growth in the city center that will potentially bring hundreds of jobs and residents in the coming years.

Corporate investment is highlighted by the new Woodward Inc. campus at the southeast corner of Lincoln Street and Lemay Avenue (the site of the former Link' N Greens golf course), and new office buildings in the works by OtterBox and its corporate cousin Blue Ocean Enterprises. Woodward's plans call for more than 800,000 square feet of manufacturing and office space—the first phase of which is now under construction. The project will shift about 700 jobs from the existing Woodward campus at Drake Road and Lemay Avenue to the downtown area; and the company is projecting up to another 1,000 jobs will eventually come to the area by way of company transfers and business growth.

OtterBox, known for its protective cases for smart phones, opened a new downtown headquarters office at 209 S. Meldrum St. in 2011 and is now building a five-story office building nearby at 331 S. Meldrum St. and Blue Ocean, which provides management services for OtterBox, is planning a six-story office building at 111 S. Meldrum St. By one estimate, the two new buildings could bring up to 900 new jobs to downtown district.

Multi-family housing, motivated in part by job growth as well as an overall tight rental market, is also in high gear downtown. Including recently completed projects, investors will be adding approximately 320 housing units to the area. With single-family projects, including townhomes, the number is closer to 400.

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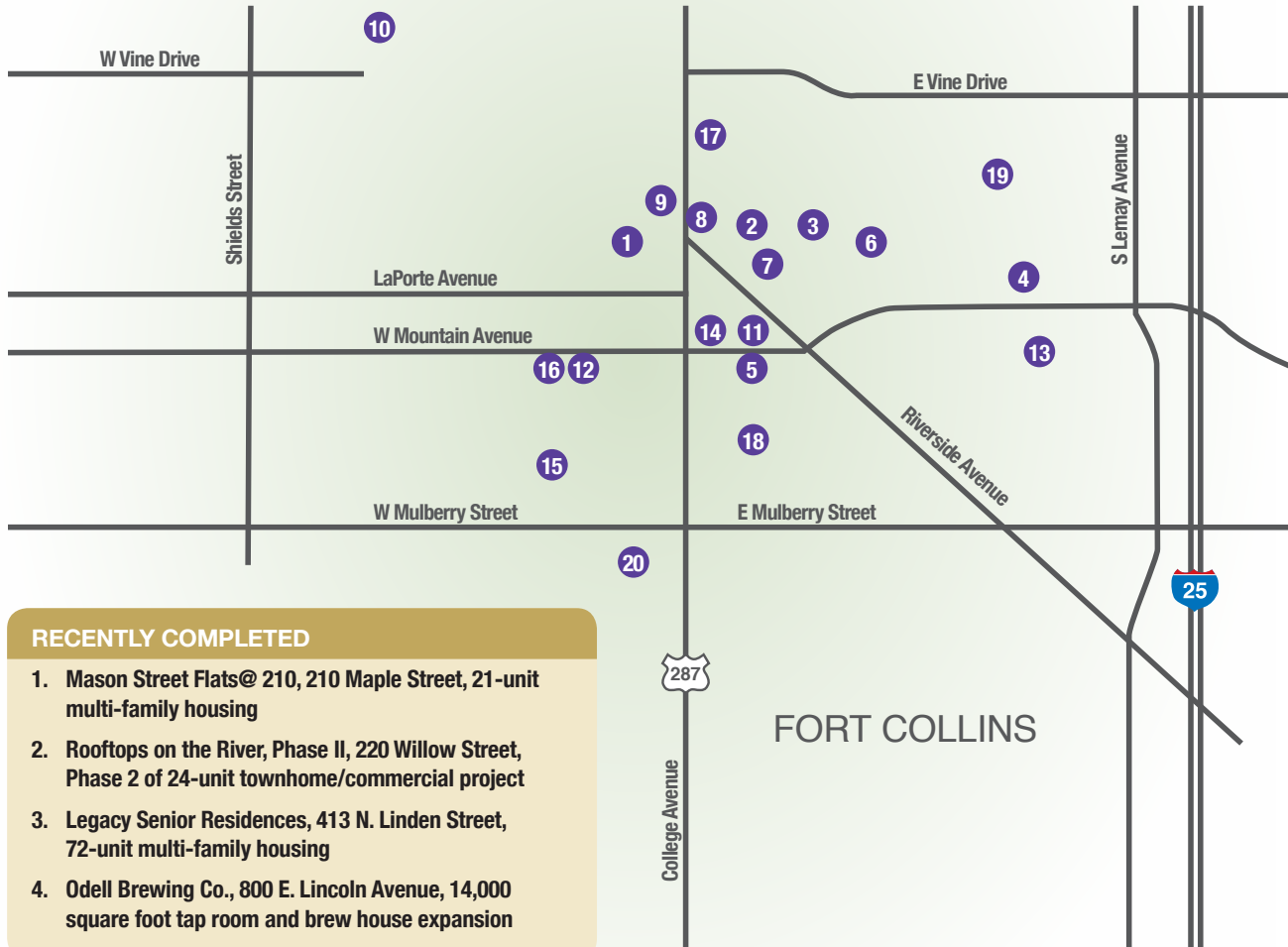
A CLOSER LOOK AT DOWNTOWN FORT COLLINS DEVELOPMENT

See the Insider map on page 2 for a bird's eye view of development activity in downtown Fort Collins.

Editor's note: This is the third in a series of Insider stories to highlight development hot spots in Northern Colorado cities.



A CLOSER LOOK AT DOWNTOWN FORT COLLINS DEVELOPMENT



RECENTLY COMPLETED

1. Mason Street Flats@ 210, 210 Maple Street, 21-unit multi-family housing
2. Rooftops on the River, Phase II, 220 Willow Street, Phase 2 of 24-unit townhome/commercial project
3. Legacy Senior Residences, 413 N. Linden Street, 72-unit multi-family housing
4. Odell Brewing Co., 800 E. Lincoln Avenue, 14,000 square foot tap room and brew house expansion

FUTURE DEVELOPMENT SITES

5. Mountain View Tire Factory, 221 E. Mountain Street, proposed for 50,000 square foot office building
6. Former concrete batch plant, 418 Linden Street, proposed for 12-unit multi-family and 24,508 square foot commercial building
7. Feeder Supply building, 359 Linden Street, proposed for 54-unit multi-family housing and 17,769 square foot commercial building
8. Lloyd's Framing, 218-240 N. College Avenue, proposed for change of use to Compass Cider House
9. Tire Distribution Systems, 303 N. College Avenue, proposed for 94-unit Old Town Flats multi-family housing
10. Pateros Creek property, 912 Wood Street, proposed for 40 single-family houses
11. Armadillo restaurant building and lot, 354 Walnut Street
12. Steele's Market lot, 309 W. Mountain Avenue

PROJECTS IN PROGRESS

13. Woodward Technology Center, 777 E. Lincoln Avenue, phase one of office-industrial complex, 355,000 square feet
14. The Kitchen, 100 N. College Avenue, renovation for 7,000 square foot restaurant
15. Blue Ocean Enterprises, 331 S. Meldrum Street, 54,000 square foot office building
16. Office building, 111 S. Meldrum Street, for replacement with new 42,000 square foot office building
17. CSU Engines & Energy Conversion Lab, 430-450 N. College Avenue, 64,438 square foot expansion
18. Townhomes at Library Park, 220 E. Olive Street, 12 single-family townhomes
19. New Belgium Brewing, 600 Buckingham Street, 16,000 square foot canning line expansion
20. MAX Flats, 203 W. Mulberry Street, 64-unit multi-family building

Map data courtesy City of Fort Collins and The Group, Inc. Real Estate research.

Two new commercial projects in store for Loveland

One long-time Larimer County business and one out-of-state nonprofit organization share a common goal: new digs in Loveland. Value Plastics, which has called Fort Collins home since 1968, is making plans to build a new \$28 million facility in Loveland. The company has acquired land in the Longview/Midway industrial park on the north side of Loveland. Artspace Projects Inc., a Minnesota-based nonprofit, is expected to break ground in December on a \$9 million, four-story loft housing project that will provide 30 affordable housing units targeting artists in the community.

Real estate by numbers

310 – The number of new apartments proposed for northwest corner of Timberline and Trilby roads in south Fort Collins.

\$129.4 million – Annual economic impact of the Fort Collins-Loveland Municipal Airport

148,000 – The estimated square footage for the proposed Costco warehouse store in Timnath

\$1.3 million – The price paid for the Hodi's Half Note night club building, 167-169 N. College Ave. The building was acquired by the nightclub ownership.

59 – The number of jobs that Value Plastics will add as a result of its planned expansion in Loveland. The jobs are expected to average \$65,000 in annual salary.

\$305,000 – The average price for single-family homes sold in Fort Collins during September.

5 – Colorado's ranking among the states for business climate, according to Forbes magazine

77 – The acreage for the Platteville Energy Park in southern Weld County, home to a new 50,000 square-foot Anadarko Petroleum building.

2.5 million – The estimated number of vehicle miles driven that were saved by the Fort Collins public transit system in 2012.

THE GROUP DIFFERENCE

The Group's charitable fund, GroupGives, has awarded \$9,000 in grants to Northern Colorado agencies. This marks the first ever round of awards for this fund that was established in February of this year. Checks were presented at The Group's annual meeting held in September.

Recipients include SAINT, Kristi Visocky Memorial Fund, Faith Family Hospitality, Corbett House, Disabled Resource Services, Homelessness Prevention Initiative, and American Red Cross.

GroupGives was established to combine and focus the collective generosity of Group Partners for greater effectiveness in the community. Its mission is to support organizations and programs that promote the belief that every person should have a place to call home. Twelve Group Partners serve on the GroupGives board of directors and make decisions about investing funds in the community. The next deadline for grant requests is December 31.

Information about GroupGives and the application to request funds are available at the website of the Community Foundation of Northern Colorado, www.NoCoFoundation.org. Organizations must have 501(c)(3) status to apply.

If you know someone who would like to receive this newsletter, please call me.



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VITAL SIGNS

A quarterly snapshot of Northern Colorado's economic activity

						Likely Direction in Next 6 Months	Forecast	
Mortgage Rates						↑	Low interest rates are expected to rise slightly	
1Q 2013	3.5%	2Q 2013	4.375%	3Q 2013	4.11%			
Existing Single-Family Home Sales						↓	Sales tend to slow in the 4th quarter	
	Fort Collins Area	Greeley Area	Loveland Area	Windsor Area				
3Q 2013	972	808	557	189				
3Q 2012	861	615	428	204				
3Q 2011	679	512	373	137				
Single-Family Home Inventory During Quarter						↓	Inventory will continue to drop until next spring	
	Fort Collins Area	Greeley Area	Loveland Area	Windsor Area				
3Q 2013	1,063	860	613	259				
3Q 2012	970	712	558	232				
3Q 2011	860	706	466	197				
Average Existing Single-Family Sales Price						↑	Low inventory will continue to push prices up	
	Fort Collins Area	Greeley Area	Loveland Area	Windsor Area				
3Q 2013	\$308,609	\$210,416	\$281,334	\$337,243				
3Q 2012	\$285,927	\$188,024	\$257,608	\$312,563				
3Q 2011	\$274,169	\$168,049	\$241,059	\$307,824				
Apartment Vacancy Rates*						↔	Vacancy rates will remain low	
	Fort Collins Area	Greeley/Weld Area	Loveland Area					
2Q 2013	7.0%	2.2%	3.2%					
2Q 2012	5.5%	1.4%	2.8%					
2Q 2011	3.5%	5.4%	3.5%					
Commercial Vacancy Rates						↓	Vacancy rates will continue to drop	
	September '13			September '12				
	Fort Collins Area	Greeley Area	Loveland Area	Fort Collins Area	Greeley Area			Loveland Area
Industrial	4%	18%	13%	4%	18%			15%
Retail	5%	6%	5%	8%	9%			5%
Office	7%	8%	10%	7%	7%	11%		

*Source: Colorado Division of Housing

Sources: Sperry Van Ness/The Group Commercial, IRES, Colorado Department of Local Affairs



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