

HEAVY HITTERS *In Commercial Real Estate*



James Roupp

JLL

TOP OFFICE BROKER

2018 Production: \$210,028,570

Please share some information/details about your biggest, most memorable deals that you were involved in/completed in 2018.

- Lease up of 1144 Fifteenth Street (in lease for 95%) for Hines.
- Lease up of Circa Building at 1615 Platte Street (100%) for Unico.
- Pre-leasing of Rev360 at 3600 Brighton Boulevard (50%) for Ed Haselden.
- Lease up of Wells Fargo Center at 1700 Lincoln (97%) for Beacon Capital Partners.
- Renewal of Anadarko (295,000 RSF) at 1099 18th Street for KBS.
- Land disposition for CDOT.

Describe the overall performance/state of your submarket for 2018?

Prior to this development cycle, there were no leases signed over \$50.00 PSF FSG; we are now tracking more than 35. NNN rent + tax and opex have grown to unprecedented levels. Tenants are willing to pay more for real estate as they view real estate as an extension of their brand, which is critical in the war for talent.

Downtown Denver and the surrounding neighborhoods benefitted from continued in migration. Employers are following employees. Denver is perceived as an affordable alternative to comparable cities, which contributed to positive absorption (organic growth and new to market tenants).

We continue to benefit from significant public investments in transportation and infrastructure.

What are your predictions for your submarket for 2019?

Vacancy will dip to a record low as leases signed, but not yet occupied, are reflected in 2019 statistics. More growth by existing tenants, and relocations by new to market tenants, will continue to favor Landlords. To find blocks of space that can accommodate current and projected occupancy needs, tenants will be forced to consider assets outside of their preferred boundaries.

What is going to be the biggest commercial real estate story for the Denver area in 2019?

CBD big blocks of space (+50,000 SF) are diminished. How will existing, and new to market tenants, satisfy their needs for big blocks of space?

Will periphery markets continue to emerge as alternatives for traditional class A office users (e.g. Platte Street, RiNo, Broadway & I-25, etc.)?

How will wage growth keep up with the price of housing?

How will Denver respond to macro-economic disruption (not if but when...)?

Jamie's Walk Up Song:

"Bring Back Truth" by SOJA

