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GREATER DENVER

Thornton mall to be converted from retail to mixed-use project

By Nancy D. Holt

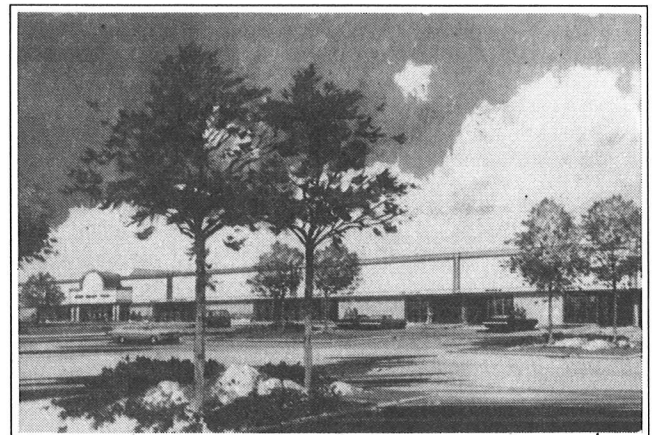
Seeking to capitalize on Denver's robust economy, the long-time owner of the North Valley Mall in Thornton is working to convert the ailing retail center to a mixed-use project.

The project will incorporate light industrial, service, warehouse and office usages along with existing retail, according to Kyle Cascioli, president of Barrett Associates, Inc., which is handling leasing and marketing for the project. The 452,013-s/f mall, anchored by Montgomery Ward and Burlington Coat Factory, is 67 percent leased.

The owner, a Cleveland based real estate investment trust, hopes to retain the existing retail tenants at the mall but has determined that a mixed-use center is a better concept for the site, Cascioli added. Located at the southeast corner of 84th Avenue and I-25, the center sits between a major confluence of highways. It also offers easy access to Denver International Airport via the main interstate exits at 104th & 120th Streets.

"With the emergence of Westminster as the north metro area's retail mecca, the Thornton I-25 corridor has evolved to take on a more commercial character," Cascioli explained. "And with the overall growth in the metro area in the last two years, there's simply less of any kind of space available."

The property has proven adaptable to a number of uses, such as open-plan office, distribution and light assembly, said



North Valley Center will incorporate light industrial, service, warehouse and office usages along with existing retail. The 452,013-s/f mall is 67 percent leased.

Steve Edelman, senior vice-president of asset management at the REIT, First Union Real Estate Investments. The project features 14-foot high overhead garage doors and ceiling heights of 9 to 33 feet.

"The attractive features of this redevelopment project are really concrete floors, high ceilings and air conditioning, as well as a location that is second to none in terms of access to the freeway system," Edelman said. "The type of user that has expressed interest in our property is looking for just that type of space."

Already, the new North Valley Center has signed on the Rocky Mountain News for a new 8,060-s/f distribution facility. About 150,000 s/f of space remains, in blocks of 5,000 to 50,000 s/f. Lease rates will range from \$5 to \$10 p/s/f gross, including a base year

established for taxes, insurance and maintenance.

The retail center sits on 37 acres, making expansion an option --- although not one being immediately considered, Edelman said. Parking is ample, with 5.64 spaces per 1,000 s/f.

The 27-year-old mall was purchased by First Union in 1969 and substantially renovated in the 80's. Still, occupancy began to dwindle in the mid-to-late 80's along with the state's economy and the continued development of the Westminster Mall.

The Thornton mall is the only Denver holding for First Union, which focuses on the Pacific Northwest, Midwest and Southeast regions. The REIT owns about 7.6 million s/f of retail properties, 1.6 million s/f of office and 2,000 apartment units.