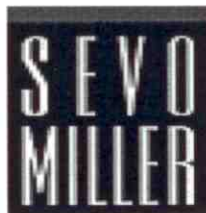


*The Lakeside Center  
"Retrodevelopment"*



*Market Field Assessment*

Prepared for:



Prepared by:

Kyle Cascioli  
Barrett Associates, Inc.  
Aurora, Colorado

December 1997

### ***Market Field Assessment (MFA) Outline:***

1. ***Repositioning Constraints***
2. ***Developmental Issues***
3. ***Market Characteristics:***
4. ***Market Competitors***
5. ***Political Market Dynamics***
6. ***Infrastructure Improvement Issues***
7. ***Marketing Powerpoint Presentation***
8. ***Marketing Action Plan***





### ***Repositioning Constraints:***

*The Lakeside Center repositioning constraints include the following:*

1. ***Lakeside Amusement Park, and blight within Lakeside Center's sub-market (one mile radii) and primary trade-area (three mile radii).***



The project's contiguous commercial sub-market environment is primarily composed of local based, independent entertainment, retail, and service merchant operations. Many of these businesses lack the operational mass and competitive differentiation necessary to create significant corresponding attractive consumer and employment traffic synergies in the sub-market from which the Lakeside Center redevelopment can benefit.

Additionally, both the poor physical condition of the Lakeside Amusement Park and the seasonal nature of its operation have combined to give the Lakeside Center's immediate sub-market a deserted character during the amusement park's down season. Much of the surrounding commercial area is comprised of older, smaller, and dated real estate improvements in need of refurbishing or demolition.

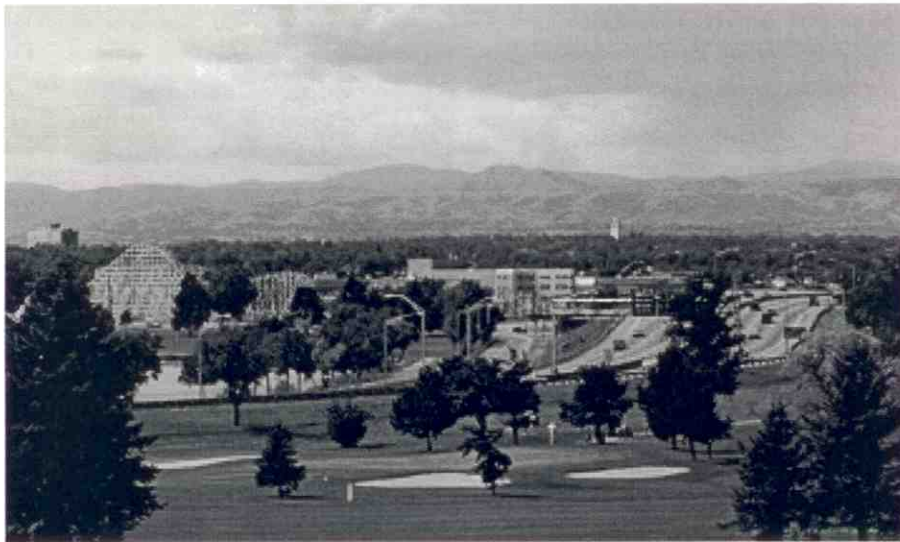
### ***Marketing Treatment:***

There are several mitigating factors to consider when addressing this valid space user concern.

First, consider that this condition exists - in part - because of the sub-markets historic emphasis on serving the metropolitan areas demand for summer seasonal recreational entertainment via the Lakeside Amusement Park.

For better or worse, the amusement park has significant geographic recognition within the Denver (MSA) marketplace to commuters, and is accessible within the metropolitan Interstate Highway System, with relative ease. Hence, the site has enhanced potential regional "*reach and recognition*" to both the labor and consumer marketplace.

Next, the sub-markets abundance of parks, lakes, open areas, and nearby municipal golf course serve to create a suburban atmosphere within this older, more mature in-fill location when compared with the Lakeside Center's "B" Class office competitors. This sub-market characteristic should not be discounted by potential *High Density Office Space Users*, given the extended hour and multi-shift nature of their operations.



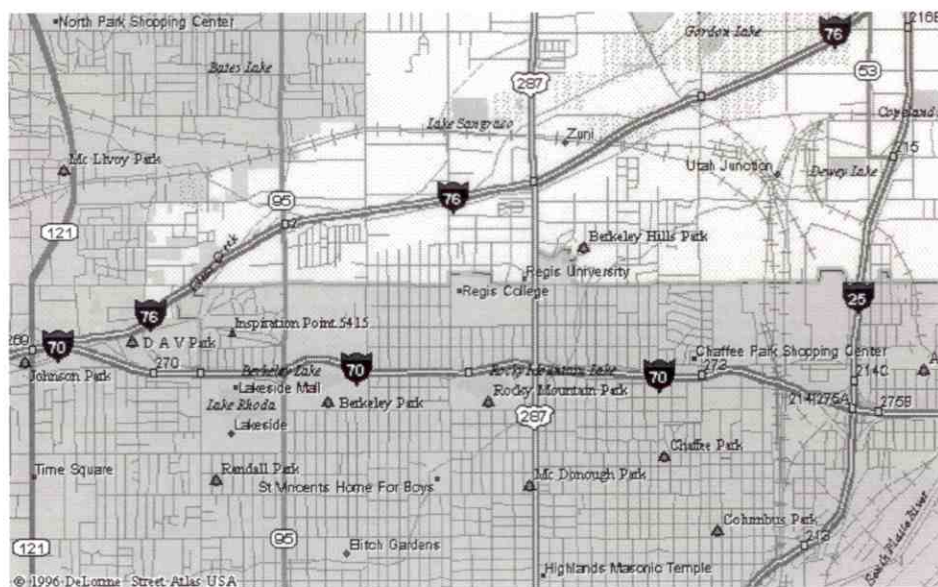
Most industrial psychologists would agree that high density based, extended hour employment laborers need periodic relief from their work environment, and the Lakeside Center sub-market offers an abundance of such opportunity within half a mile at nearby Berkely Park, Inspiration Park, Willis Case Golf Course (photo above), and even the Lakeside Amusement Park itself.

Another consideration with reference to this subject sub-market stigma is that the corresponding positive to the *perceived* Lakeside Amusement Park blight within LC's sub-market is that it historically drove the development of the older, higher density, single family tract housing developments. Households composed of the unskilled and semi-skilled laborer classifications, which many high growth service sector companies seek, primarily occupy these higher density, mature residential pocket neighborhoods. Thus, high density employment based space users can get closer to a competitive source of labor by locating appropriate operations at the Lakeside Center.

This is even more important in the Denver MSA's constrained labor market, and will become more so as the region continues to experience commuting pressures from continued in-migration and economic growth.

## 2. Weak "Ground Transportation" links

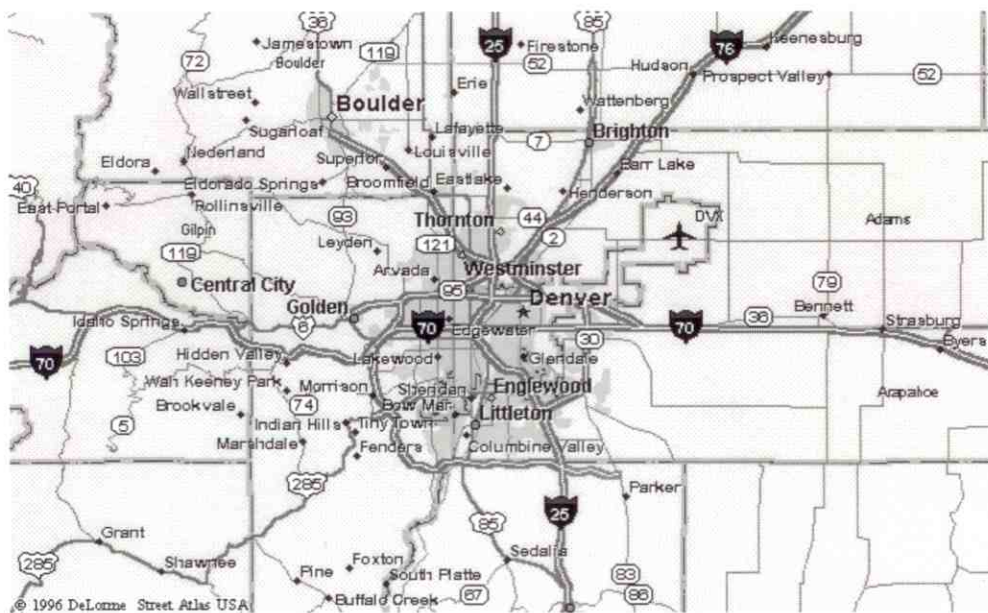
The Lakeside Center is located just off two longitudinal exits (Sheridan Blvd. and Harlan Ave.), which border the Lakeside Center and Lakeside Amusement Park complex on the major east-west Interstate Highway # 70 arterial, and is just four (4) miles west of the metropolitan area's major north-south Interstate Highway #25.





Furthermore, north-south automobile travel within both the sub-market (one mile radii) and primary trade area (three mile radii) is limited to the secondary Colorado Highway Boulevard system via the LC central route at Sheridan (Hwy. #95), the LC east route at Federal (Hwy. #287), LC west routes at both Wadsworth (Hwy. #121) and Kipling (Hwy. #391).

However, access to the Denver CBD and South Suburban markets is perceived negatively by metropolitan Interstate #25 commuters, given the Interstate System's perennial peak hour traffic congestion. And the Lakeside Center's "reach" to the south is somewhat limited by this perception.



Finally, the Lakeside Center site is located in the northwest quadrant of the relatively new Colorado Interstate Beltway System (Colorado Hwy. #470).

One positive sign of economic growth in the metropolitan region, is that both the southeast quadrant and northeast quadrant of this evolving beltway system is under - or is soon be under - construction. However, it should be noted that expansion of the metropolitan beltway system at this time might further isolate the northwest quadrant commercial real estate markets from their contemporary neighbors via the area's primary interstate highway system.

### ***Marketing Treatment:***

Although the Lakeside Center's "metropolitan reach" via ground links is somewhat constrained, it does have ready access to the metropolitan highway system via I #70.

Additionally, the perimeter metropolitan geographic sub-markets such as the Denver International Airport (DIA), the Denver Technological Center (DTC), Boulder, Brighton, and Aurora are all within 26 miles of the project site, which is relatively central to the Denver MSA's six (6) county geographic territory.

What this means is that although the Lakeside Center is somewhat constrained given the present configuration of the metropolitan area's highway system, it does have the potential to both access and serve all of the regions metropolitan commercial markets efficiently from one location.

North-South ground transportation links within the center's primary trade zone (three-mile radii) is dependent upon the metropolitan area's secondary Highway Boulevard system as described earlier.

At first glance, this would appear to inhibit both the "reach" and efficiency of north-south automobile travel within the center's primary trade area; however, given the interstate highway system alternative, both residents and commuters alike have adopted the north-south Colorado Highway Boulevard system as the optimal travel route for north-south auto transit within the extended trade area.

Fortunately, the Lakeside Center is only 6.3 miles from 6<sup>th</sup> Avenue West, the major state highway that provides east-west access from Interstate #25 to Golden.

This nearly ten (10) minute drive via Sheridan Blvd. (Hwy. #95), is a much more efficient alternative to both access Interstate #25 at a more southerly route during peak driving periods, as well as to access the South West Denver market including the Federal Center Complex, which is 7.2 miles from the project site.

Additionally, much of the metropolitan area's Boulevard System is currently being expanded, modified, and reengineered to provide for more efficient automobile travel, and the Lakeside Center's extended trade area is no exception.



### 3. *LC Trade Area's negatively perceived "blue collar" social stigmatization*

Commercial real estate professionals and layman often negatively perceive the Lakeside Center primary trade-area alike.

In addition to concerns regarding the quality of the trade area's labor force (see *Labor Market Characteristics* section of this *MFA Report*), this stigma often results in a stereotypical perception that *crime* is a problem in the area.

This is further compounded by the project's shared property line with the *Lakeside Center Amusement Park*. There is a "*Coney Island guilt by association Syndrome*" associated with non-entertainment use real estate in close physical proximity to amusement parks.

The project's Interstate #70 corridor, and surrounding residential "pockets", reflect many of the center's sub-market neighboring municipalities' historic origins as truck-stop communities, whose economic dependence upon both transportation commerce and industrial employment are obvious. And historically, it has served to further stigmatize the subject property with regard to the commercial real estate market's perception of crime and labor in the Lakeside Center trade area.

#### ***Marketing Treatment:***

In responding to the perceived *crime objection*, it is imperative that we measure crime in the Lakeside Center trade area in an objectively quantifiable way, and that also enables us to compare the Lakeside Center trade zone to other competitive metropolitan markets against which the project competes.

The most recently available *Denver MSA - FBI Uniform Crime Reports* (see reports at the end of this section) simply do not support the *crime objection* relative to the project's other trade area market competitors at the county level.

The standard response to the *crime objection* should be to stress that based upon the most recently archived *FBI Data Reports* available on the *State of Colorado's Web Page*, that *Jefferson County* rated second behind *Douglas County* in *crimes against property*, and third behind *Boulder* in *crimes against people* in the *Denver MSA*. And that's not bad in any six county Major Statistical Area.

When evaluating the socio-economic character of a given market, it is necessary to consider the subject real estate product - the Lakeside Center - not just in terms of its contemporary indigenous geographic market character and historic use.

When repositioning a significant commercial real estate in-fill facility such as Lakeside in a fragmented and economically nebulous trade area, the project strategy should be to redefine the sub-market through high-density employment or consumer based retentant activity, as has been accomplished through the Frontier ConferTech lease transaction.

Otherwise, the Lakeside Center project may be defined by traditional commercial real estate intermediaries and tenant decision-makers in terms of *Class A, B, or C Product* ... a standard by which the Lakeside Center may not fare well competitively.

A significant sized market-driven project repositioning such as Lakeside is a progressive act by definition; that is, it is the free market's natural response to the nation's continued corporate trend to both outsource and downsize, as well as the more structural economic shift towards a service based economy via the 21<sup>st</sup> century's information and technological revolution.

Frontier ConferTech would not have leased 45,000 square feet of space at the project if the above statement was not true. And it is this consultant's belief that more will follow.

The point is that the Lakeside Center's marketing strategy should parallel this same theme.

Simply put, the Lakeside Mall has run its historical dedicated retail *product life cycle*; its owners are responding appropriately to the region's demand for high density, service sector based office space, the site selection of which is greatly influenced by the availability of competitive semi-skilled labor.

Both brokers and tenant decision-makers think of the Lakeside Mall in light of its traditional 100% dedicated retail use, and when thought of in this way, the site's primary trade area (three-mile radii), which is predominately composed of modest income households, can only be viewed negatively as a consumer market.

However, when considered by appropriately targeted high density service sector employers, the Lakeside Center's primary trade area (three-mile radii) is appreciated as one of Denver's last sources of both *available and competitive* labor.

This cannot be overemphasized when marketing the Lakeside Center to these targeted high-density service sector employment based operations on either regional or national basis, given today's economic climate of high growth, controlled inflation, and near full employment.

4. *Mixed-use "under one roof". Project is subject to maintaining some degree of retail given center's long-term leasehold obligations with Target & Montgomery Wards.*



Most real estate professionals view all but the most upscale of mixed-use facilities in a negative way.

It is my belief that this common Lakeside Center prospective office tenant objection stems from traditional real estate facility compartmentalization perception, which in traditional corporate facilities culture, requires both singular product identity and classification



The Lakeside Center cannot presently be defined in this way.

Lakeside Center is neither a dedicated retail shopping mall nor a dedicated office complex, and when negotiating with prospective office tenants this objection is likely to arise and become a component of the prospective tenancy equation.

### ***Marketing Treatment:***

Successful upscale Denver metropolitan mixed-use projects such as Writer Square, Republic Plaza, and Denver Place offer benefits and amenities to their corporate office tenants, which are analogous to the benefits and amenities available to office tenants under one roof at the Lakeside Center.

In fact, Lakeside offers some amenities and convenience benefits to its occupants that the projects listed above do not.

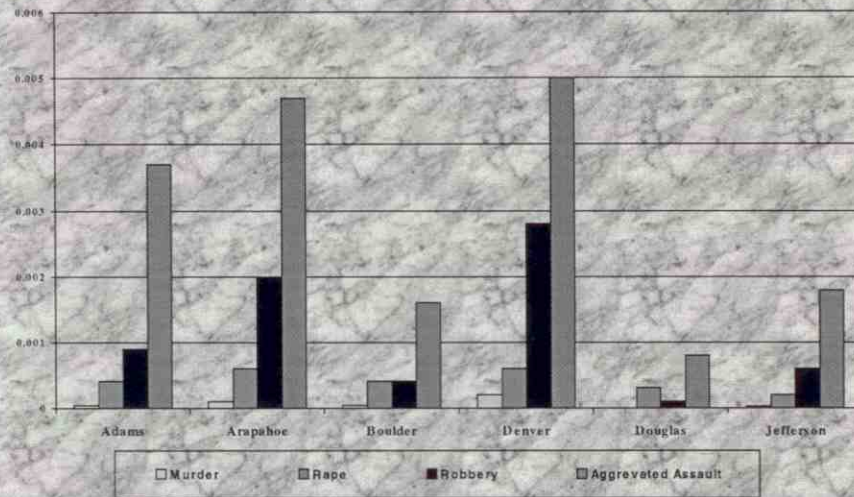
The Lakeside Center's biaxial format of "*mixed-use under one roof*" should have appeal to appropriately targeted high-density employment based service sector operations.

The ability of a given office tenant's employees to take a refreshing break outside of the office with mountain and lake views, satisfy the need to purchase sundry personal items, buy a meal, cash a check, repair an automobile, and recreationally shop without leaving the site and thereby negatively impacting their employers productivity cannot be discounted.

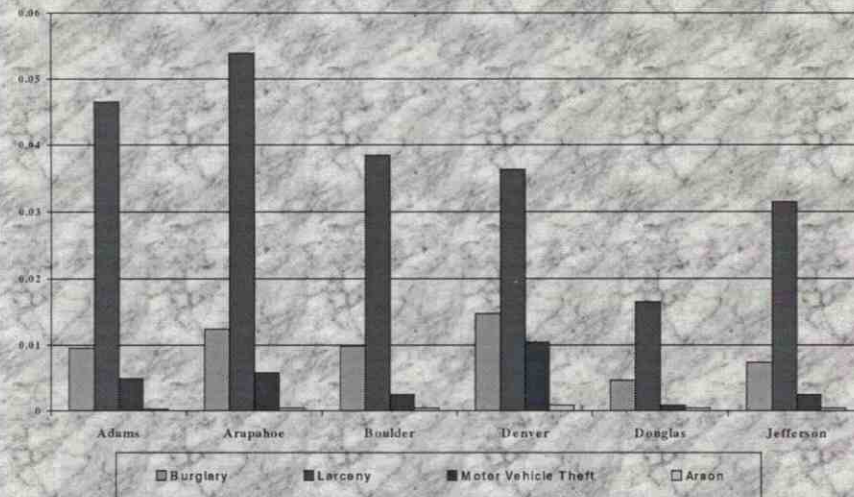
It can even be argued that the need for "*mixed-use under one roof*" at Lakeside Center is critical to the repositioning concept, given the project's sub-market (one-mile radii) characteristics.

The Lakeside Center should be marketed as a *Self-Contained Employment and Day Labor Force Consumer Facility*, which lends itself to maximizing productivity in the fast-paced, high-density, extended-hour, multi-shift service sector workplace.

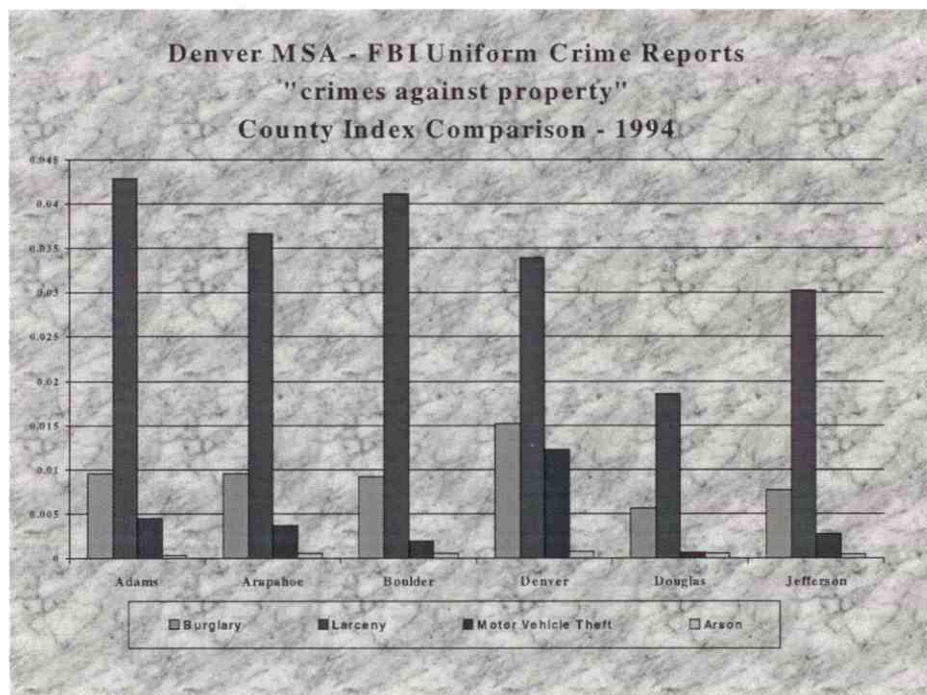
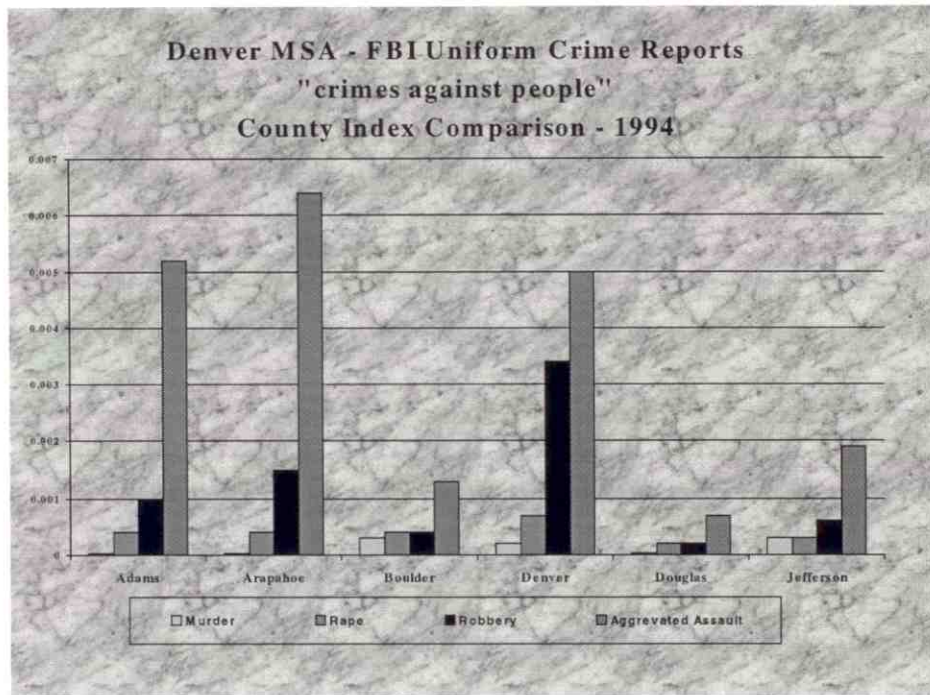
**Denver MSA - FBI Uniform Crime Report**  
**"crimes against people"**  
**County Index Comparison - 1995**



**Denver MSA - FBI Uniform Crime Reports**  
**"crime against property"**  
**County Index Comparison - 1995**









### ***Developmental Issues:***

Most of the developmental issues regarding Lakeside Center have been addressed.

The project's office component is anchored by a quality office tenant lending credibility to the redevelopment concept, and a second construction phase of "speculative office space inventory" is nearly complete.

Once the existing office space retrofit is complete, the Lakeside Center will house the largest inventory of *ready-to-go* big-block contiguous space within a four (4) mile radii, as well as one of the largest such inventories in the metropolitan area.

Other developmental issues that may merit further consideration in the future include:

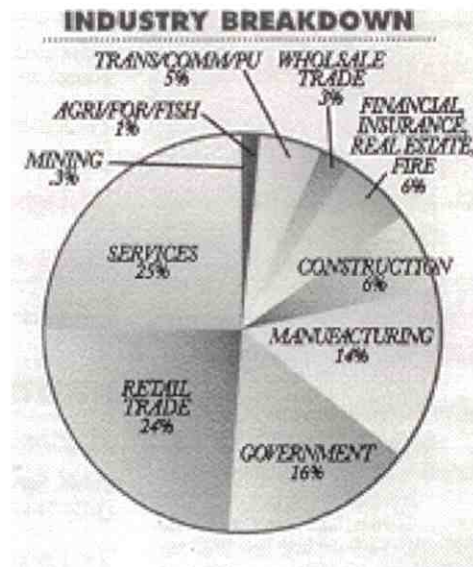
- *the retrofit of the underground retail loading dock tunnel to a sheltered Lakeside Center RTD transit station (see Infrastructure Section of this report)*
- *subsidization or partnering with a Day Care operator to bring on-site day care service as an amenity to the project*
- *the further physical segregation, compartmentalization, and consolidation of non-office use tenants to the South half of the project*
- *the formulation of a building "separation plan" in the event that a significant enough office space user prospect would require a free standing facility for security and/or other reasons (eg. Montgomery Ward Building)*
- *Concrete pad sites with structural load capacities capable of supporting heavy duty Uninterrupted Power Supply (UPS) systems for large office tenants should be identified, engineered, and priced*
- *Future building plant electrical load specifications should be engineered assuming that the Lakeside Center continues to transition from retail to high-density employment based office space user tenants. Additional aggregate electrical capacity may be required from Public Service Company of Colorado*

- *Future fiber optic telecommunication load specifications should be engineered assuming that the Lakeside Center continues to transition to high-demand telecommunications based office space user tenants. Additional aggregate fiber optic, T-1 and T-3 capacity may be required from US West or an alternative provider*
- *The project's dated structural design has large columns narrowly spaced at 30' or less. Aesthetic architectural treatment to the oversized concrete structural supporting columns in areas of high visibility (office entryways and perimeter windowline areas) should be considered. This would serve to turn a potentially floorplate functional design limitation to an aesthetic amenity*
- *The marque office façade of the former Denver Dry Building should be "**highlighted through uplighting**" as was done for the brochure cover page photo (at least during the lease-up stage of redevelopment). Such uplighting would draw significant positive attention to the project at night, and serve to assist in altering the historic perception of the area by passing I-70 commuters.*





## Labor Market Characteristics:



MAJOR EMPLOYERS		
COMPANY	PRODUCT/SERVICE	# of EMPLOYEES
1. Jefferson County R-1 School District	Public Education and Administration	10,989
2. Lockheed Martin Astronautics of Denver	Aerospace & Defense Related Systems	7,171
3. Denver Federal Center	Federal Government Offices	7,000
4. Coors Brewing Company	Malt Beverages	5,000
5. Environmental Technology Site/Rocky Flats	Defense Components	3,600
6. Jefferson County	County Government	2,356
7. ACX Technologies	Ceramics	2,200
8. Lutheran Medical Center	Hospital	2,064
9. COBE Laboratories	Medical Device Manufacturing	2,000
10. KN Energy, Inc.	Natural Gas Transmission	1,610

SOURCE: Human Resources Department of individual companies.

There is a lack of large quality service sector based employment centers (businesses) in the LC trade area, which may inhibit the business synergies gained by commercial networking and partnering, and therefore may not be attractive to companies which have a need to physically interact with vendors, subcontractors, or clients.

However, to autonomous satellite subsidiary *corporate strategic business units* (SBU) such as Confertech, this is not a commercial business market limitation.

### *Labor Composite:*

Both primary and secondary research have been employed in assessing the Lakeside Center's *primary trade area* (3 mile radii), *trade area* (5 mile radii), and *extended trade area* (7 mile radii) from a labor force perspective for purposes of this analysis.

My primary research focused on the identification of significant sized service sector employment based operations within the center's trade area (5 mile radii).

It appears that the Lakeside Center's trade area lacks a *critical mass* of large, quality, single and campus facility, high-density, major office employment operations, when compared to other geographic commercial employment markets within the metropolitan area.

The lack of critical mass described above should work to the redevelopment project's favor with reference to a prospective office tenant's ability to quickly assemble a competitive labor team.

Given that the Lakeside Center trade area has population densities at the three mile (151,384) and at the five mile (367,162) radii comparable to other geographic metropolitan area commercial employment markets, it is safe to assume that the majority of laborers falling into the *Administrative and Support* category within the trade area (5 mile radii) are employed outside of the LC's trade area.

Also, since Golden serves as the metropolitan area's western-most perimeter market, and the Lakeside Center is nearly equidistant between Golden and the Downtown Denver Central Business District (CBD) to the east, it may further be deduced that a majority of *Administrative and Support* laborers within the LC trade area are commuting to employment markets to the east, west, and south.

If this is true, then it stands to reason that should quality, service sector based operations such as Centertech continue to locate at the Lakeside Center, that such operations should be very attractive to the above described commuting laborers.

This assumes that such commuting *Administrative and Support* laborers would prefer to work for a comparable employer closer to home, if possible.

As long as Lakeside Center prospective high-density office tenants pay a marginally competitive wage, they should find the Lakeside Center labor market

to be one of Denver's more available and competitive ones.

My secondary research involved the evaluation of specialized employment and occupational demographic reports obtained from *Equifax National Decision Systems*.

*Daytime Employment & Population* and *Occupational Comparison* reports were analyzed at the three (3), five (5), and seven (7) mile radii, and then compared as an index to the Denver *Major Statistical Area (MSA)*, Denver County, Jefferson County, and Adams County.

Given the Lakeside Center's unique centroid location, which is nearly tangent to the metropolitan *Tri-County* area of Denver, Jefferson, and Adams counties, I thought it appropriate to index the LC extended trade area demographic data to each respective county for purposes of this analysis.

It should be noted, that the primary labor markets, which I believe that this project will draw from, are Jefferson and Adams counties. The following graphs describe the breakdown of *Occupational Comparisons* for the "Administrative and Support", "Service Personal", and "Executive and Professional" classifications as identified.



## *National Data Systems Standard Occupational Code (SOC) Classifications:*

### *Administration & Support Categories:*

#### *Management Support:*

Accountants & auditors	Credit analysts	Labor relations
Budget analysts	Employment services	Purchasing agents
Building Inspectors	Loan officers	Tax examiners/collectors
Claims examiners	Management analysts	Underwriters
Cost estimators	Personnel training	Retail buyers

#### *Administrative & Clerical Support:*

Adjusters, investigators, and collectors	Postal clerks and mail carriers
Communications equipment operators	Material dispatch & distribution
Computer and peripheral equip. operators	Records processing occupations
Information clerks	Library assistance
Mail clerks and messengers	Secretaries & stenographers

#### *Technical Support:*

#### *Health technicians & technologists:*

Cardiology technologists	Licensed practical nurses
Medical records technicians	Medical records technicians
Clinical lab technologists	Nuclear medicine technologists
Dental hygienists	Opticians
EEG technologists	Psychiatric technicians
EKG technologists	radiological technologists
Emergency Technicians	Surgical technologists

#### *Engineering & Science Technologists:*

Engineering technicians	Drafters
Electrical technologists	Science technologists
Electronic technologists	Mathematics technologists

*National Data Systems Standard Occupational Code (SOC) Classification:*

*Administration & Support Categories(continued):*

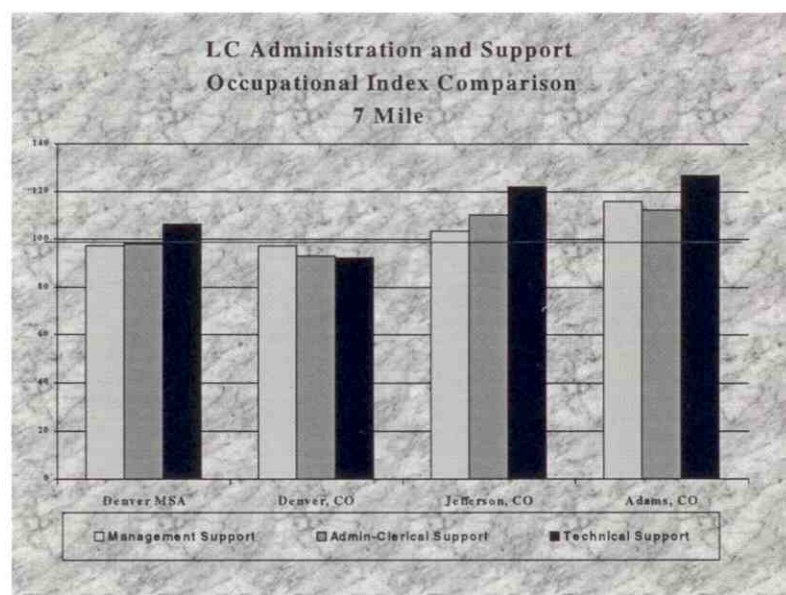
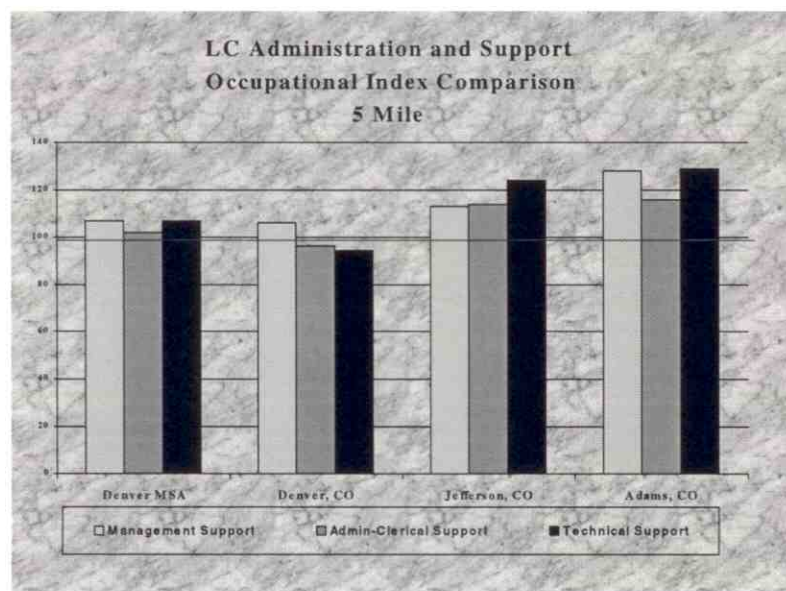
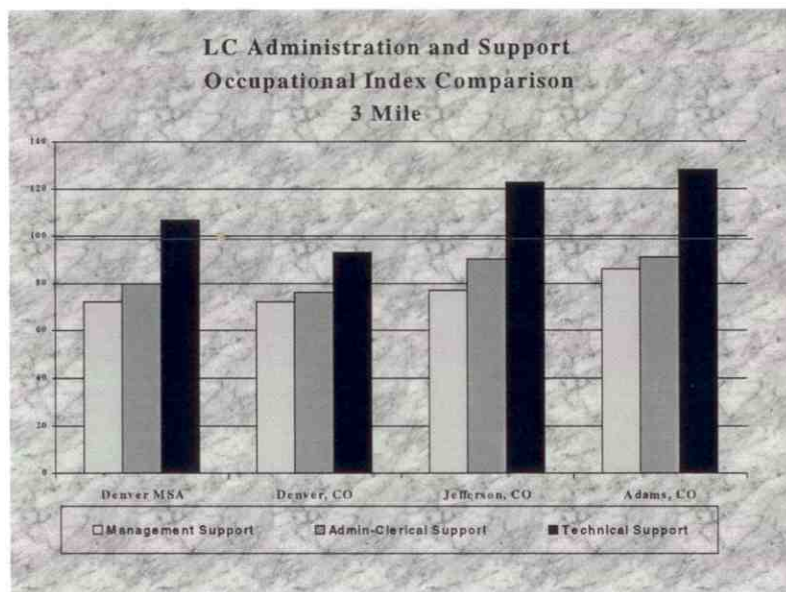
*Technical Support(continued):*

*Technicians, except health, engineering, and science:*

Aircraft pilots and flight engineers  
Air traffic controllers  
Broadcast technicians  
Computer programmers

Legal assistants, except clerical  
Paralegals  
Title examiners and searchers  
Programmers





# LC “Administration & Support”

## Trade Area Labor Pool Assessment

	Denver MSA	Denver County	Jefferson County	Adams County
<i>Significant Strength</i>				Tech. Support
<i>Strength</i>			Tech. Support	Admin-Clerical Mgmt. Support
<i>Moderate Strength</i>	Tech. Support		Admin-Clerical	
<i>Base Area Parity</i>			Mgmt. Support	
<i>Moderately Weak</i>	Mgmt.Support Admin-Clerical	Mgmt.Support Admin-Clerical Tech. Support		
<i>Weak</i>				
<i>Significantly Weak</i>				

*National Data Systems Standard Occupational Code (SOC) Classification:*

*Service Personnel:*

*Health Care Personnel:*

Ambulance drivers & attendants (not EMT's)	Occupational therapy assistants
Dental assistants	Pharmacy assistants
Medical assistants	Physical & corrective therapy asst.
Nursing aids and psychiatric assistants	

*Food and Beverage:*

Chefs, cooks and other kitchen workers	Food counter, fountain, & related
Food and Beverage service occupations	Hosts and Hostesses
Bartenders	Waiters and waitresses
Dinning room and cafeteria attendants	All other food preparation

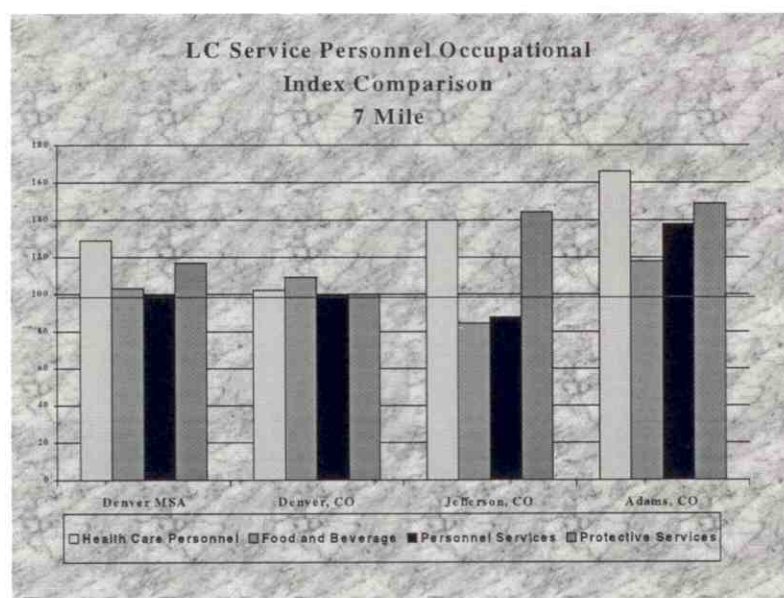
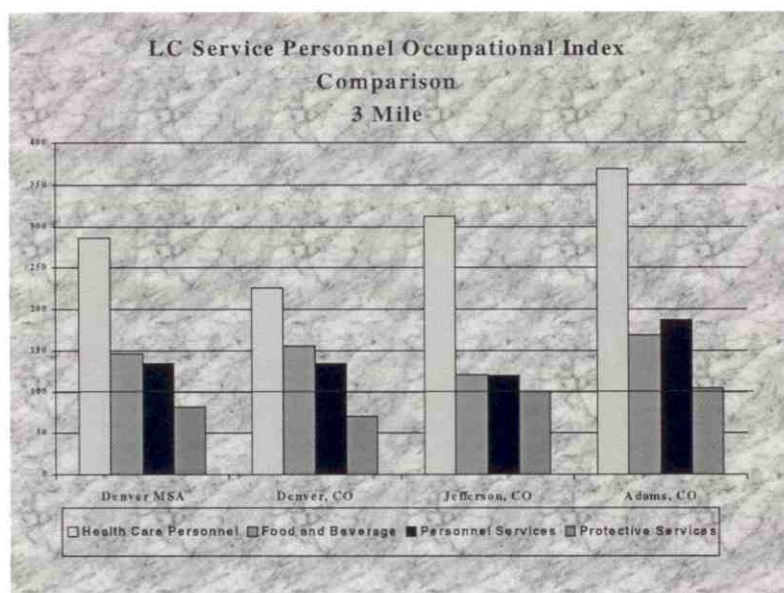
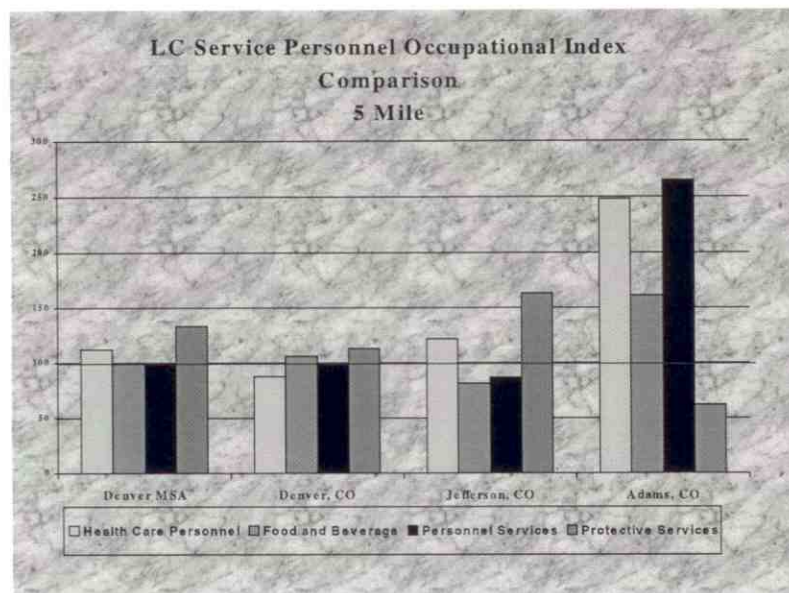
*Personal Services:*

Amusement and recreational attendants	Flight attendants
Baggage porters and bellhops	Homemaker
Barbers	Home health aides
Child care workers	Personal and home care aides
Cosmetologists & related workers	Ushers, lobby, ticket attendants

*Protective Services:*

Fire fighters	Police patrol officers
Fire prevention supervisors	Sheriffs and deputy sheriffs
Fire inspection occupations	Private investigators
Corrections officers	Guards
Police & detectives supervisors	Crossing Guards
Police detectives & investigators	







# LC "Service Personnel" Trade Area Labor Pool Assessment

	Denver MSA	Denver County	Jefferson County	Adams County
<i>Significant Strength</i>	Health Care	Health Care	Health Care Protective Ser.	Health Care Personal Ser. Food & Bev.
<i>Strength</i>	Food & Bev.	Food & Bev.		Protective Ser.
<i>Moderate Strength</i>	Personal Ser. Protective Ser.	Personal Ser.	Food & Bev. Personal Ser.	
<i>Base Area Parity</i>		Protective Ser.		
<i>Moderately Weak</i>				
<i>Weak</i>				
<i>Significantly Weak</i>				

## *National Data Systems Standard Occupational Code (SOC) Classifications:*

### *Executive and Professional:*

#### *Management:*

Administrative services managers	Funeral directors & morticians
Comm., Trans., and utilities operations mgrs.	General managers & top execs.
Construction managers	Govt. chief Execs. & legislators
Education administrators	Industrial production managers
Eng., mathematical, & natural science mgrs.	Mkt'g, advert. & pub. Relations
Financial managers	Personnel training managers
Food service & lodging managers	Purchasing managers
	Property & real estate Managers

#### *Sales & Marketing:*

Insurance sales	Real estate appraisers
Marketing & sales supervisors	Salespersons, retail
Real estate agents & brokers	Securities & financial services
	Travel agents

#### *Health - Legal - Social:*

Social scientists	Human Services workers
Economists	Recreation workers
Psychologists	Social Workers
Urban and regional planners	Lawyers
Clergy	Judges, magistrates, & judicial
Directors, religious activities & Education	

#### *Engineering & Scientific Professionals:*

Engineers	Mathematical
Architects & surveyors	Operations research
Life scientists	Physical scientists
Computer	

*National Data Systems Standard Occupational Code (SOC) Classifications:*

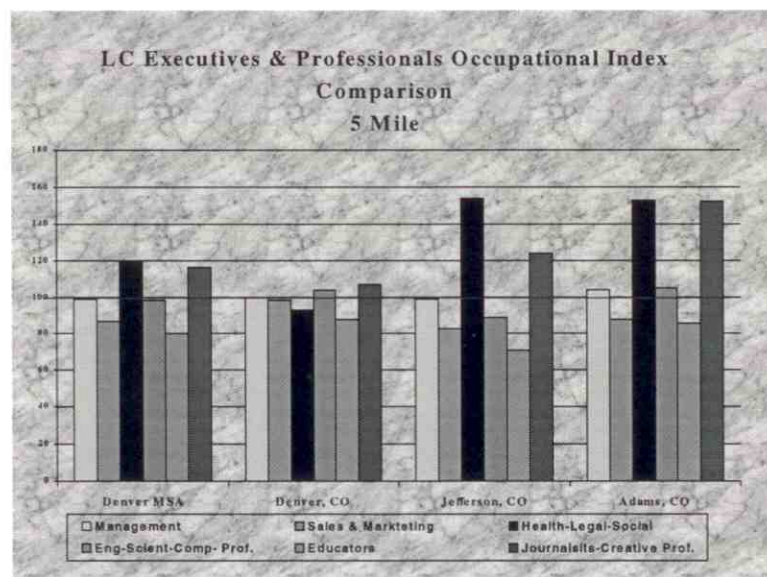
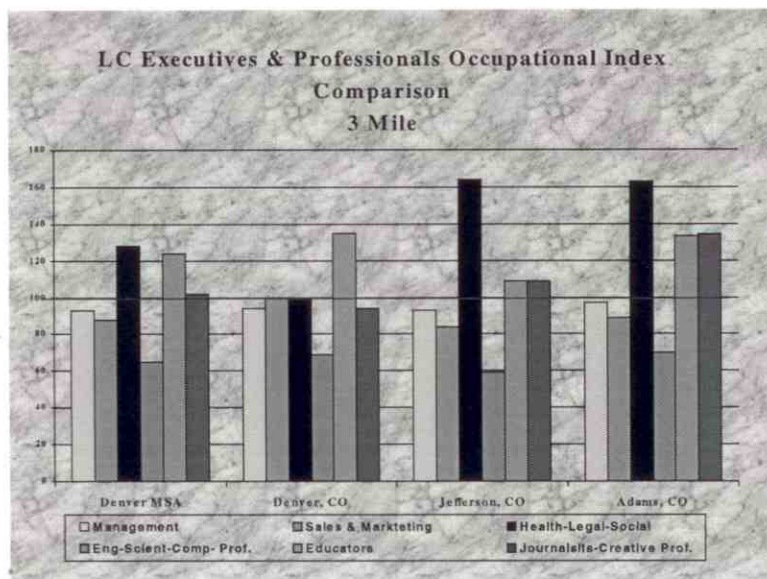
*Executive and Professional(continued):*

*Educators:*

Teachers (K-12)	Instructors, adult (non-vocational)
Teachers, special education	Librarians and archivists techs.
College & university faculty	Curators and related workers
Farm and home management advisors	Counselors and advisors
Instr. & coaches, sports & phy. training	Adult and voc. education teachers

*Journalists and Creative Professionals:*

Artists and commercial artists	Reporters & correspondents
Athletes, coaches, umpires, and related	Camera operators, TV & movies
Dancers & choreographers	Producers, directors, actors, entrt.
Designers	Publicity writers
Interior designers	Radio & TV announcers & newsc.
Musicians	Public relations specialists
Photographers	Writers & editors, incl. technical





# LC "Executives & Professionals" Trade Area Labor Pool Assessment

	Denver MSA	Denver County	Jefferson County	Adams County
<i>Significant Strength</i>			Hth-Lgl-Socl	Hth-Lgl-Socl Educators Jm1st/Creative
<i>Strength</i>	Hth-Lgl-Socl	Sales & Mktg. Educators	Jm1st/Creative	
<i>Moderate Strength</i>	Educators Jm1st/Creative			Sales & Mktg.
<i>Base Area Parity</i>	Management	Jm1st/Creative	Management Educators	Management
<i>Moderately Weak</i>	Sales & Mktg.	Management Hth-Lgl-Socl	Sales & Mktg.	
<i>Weak</i>				
<i>Significantly Weak</i>	Engineers/Sci.	Engineers/Sci.	Engineers/Sci.	Engineers/Sci.

As already mentioned, when evaluating the *Trade Area Labor Pool Assessment* matrix and *Occupational Index Comparison* graphs, greater emphasis should be placed on both Jefferson and Adams County, since it is assumed that these are counties from which Lakeside center high-density employers will draw its labor.

This is due to the predominately *west to east* (am) daily congested *labor driven* commuting patterns in the Lakeside Center trade area during peak commuting hours.

Given Denver's explosive economic growth, continued population in-migration, existing major highway construction, and sprawling perimeter suburban growth, the expense and frustration of commuting should greatly enhance Lakeside Center office tenants' ability to attract quality Jefferson County and Adams County laborers who may not presently work in the LC Trade Area.

As such, it is very encouraging for the project's redevelopment prospects, that all of the *Lakeside Center "Administrative & Support"* sub-classifications of *Management, Administrative & Clerical, and Technical Support*, rank at *Base Area Parity* or above when compared to both Jefferson and Adams counties.

Furthermore, the LC's trade area ranks as a *strength* in the *"Administrative & Clerical"* labor category - a category considered very attractive to call center operations - when compared to Adams County. And Adams County has become home to many large call center operations, including *TeleTech, Qwest, and Echostar* over the past three years.





## ***Market Competitors***

The Lakeside Center will house one of the largest inventory of *ready-to-go* big-block contiguous space within a four (4) mile radii), as well as one of a half dozen such inventories of space in the metropolitan area.

Within the Jefferson County mainstream office space market, Lakeside Center's primarily competes with a number of fragmented business parks for both *second generation* and *build-to-suit* space user transactions including:

- 1. Church Ranch Corporate Center***
- 2. Church Ranch Industrial Center***
- 3. Coors Technology Center***
- 4. Overland Business Park***
- 5. Countrydale Bunsens Park***
- 6. Denver West Office Park***
- 7. Jeffco Airport***
- 8. Parkway Business Center***
- 9. Westminster Promenade***

For further more detailed competitive market information on these projects, please refer to the *Jefferson County Major Business Parks* section of the *JEC Hard-Copy Web Page Section* of the *Secondary Research Project Binder*, which was given to Ira Shwartz at Sevo-Miller.

Additionally, the *Jefferson Economic Council (JEC)* has provided a "data base run" identifying all building properties in Jefferson County with over 10,000 square feet of available office space (see subject property data list attached to the end of this *MFA report section*).

Within the Denver MSA, the Lakeside Center's primary big-block office competitors include the North Valley Tech Center in Thornton, the Lowry Campus Redevelopment, the Stapleton Redevelopment Authority, and other class "B" office facilities.

It is this consultant's opinion that the bulk of the Lakeside Center's most serious Competition will come from the *build-to-suit, alternative space, and fragmented Class "B" office markets.*"

1997 continued to serve testimony to the local office space user market's willingness to embrace alternative "retrodevelopment" projects including continued absorption at the Lakeside Center's primary competitor, the North Valley Tech Center. North Valley leased an additional 60,000+ square feet to quality office tenants in Qwest and ITT Technical Services.

Perhaps 1997's most impressive alternative "retrodevelopment" transaction involved the sale of the former Riverfront Festival specialty retail center to Echostar Communications, who will retrofit the structure and occupy it in a campus corporate headquarters environment.

As such, Denver's economic prospects for sustained above average growth is expected to maintain market velocity through 1998.

Sustained above average economic growth is of particular importance with regard to the alternative "retrodevelopment" market and the Lakeside Center.

It also appears that the vast majority of the office space requirements being satisfied in the alternative "retrodevelopment" commercial real estate market in Denver today is a "net" additional space requirement. That is, they are "net" new office space requirements fueled by economic growth as opposed to more traditional "natural relocation cycle" office space requirements.

Given Denver's current "tight" market for big-block office space, the future success of alternative "retrodevelopment" classified real estate product is largely dependent upon a highly "elastic" space user target market.

However, given the nations's continued economic prosperity, corporate downsizing trend, structural shift towards a service based economy, the technological revolution, Colorado's quality of life, and Denver's high national business climate ranking, should all serve to continue to fuel sustained "*net new*" economic growth in the metropolitan area to the benefit of the Lakeside Center redevelopment.

Sevo Miller's *accelerated tenant-finish construction build-out* benefits this user market greatly, and the project's expanded inventory of *readily available* space also enhances the marketability of this redevelopment within the "alternative space user" marketplace.

The North Valley Tech Center redevelopment in Thornton, Colorado, is a prime example of such an alternative "retrodevelopment" LC project competitor

Built in 1967, this former functionally obsolete shopping mall has become re-tenanted by high-density, call center office users, to the benefit of Thornton's constituency and the city itself.

TeleTech, a telemarketing industry leader in the outsourcing of customer care and technical support, is one such operation which now employs over 1,000 customer call center representatives for blue chip clients such as UPS, Continental Airlines, and Novel Software at their North Valley Tech Center facility.

Within the past year, First Union's "retrodevelopment" project has become home to two additional such service sector employers with ITT and Qwest having expanded their operations to include new facilities at North Valley.

In addition to its strategic freeway system advantage over Lakeside, North Valley is located in the Adams County State Enterprise Zone (EZ) territory, and EZ benefits have played a significant role in attracting these high-density service sector employment based operations.

However, even the North Valley is running out of *readily available* space.

*TeleTech's* expansion within the first floor of the former May D&F building, and the recent leasing of the two front quadrant's to *Qwest* and *ITT Technical Services* has left First Union with very little in the way of *readily available* space.

Although the 150,000 square foot, two-story, Montgomery Ward building is available, it will take nine months to a year to retrofit, and very little preparation work has been done to the building.

Finally, all of the most attractive space at North Valley has now been leased, and only the south interior quadrants and the East anchor building remain available.



## *The North Valley Tech Center*



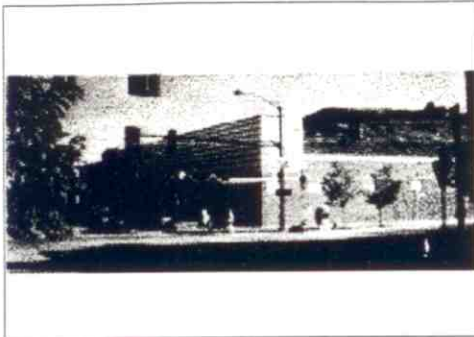
Given the Lakeside Center's labor market attributes and its quality inventory of *readily available* space, the project should gain ground on its competitive forerunner, the North Valley Tech Center, in 1998.

# JEFFERSON

## Economic Council

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**1225 Washington Street**

#### Address

**1225 Washington Street  
Golden, CO**

County **Jefferson County**

Sale Price **\$**

Lease /SF **\$11 SF/NNN**

Lease Terms

Enterprise Zone **Yes**

Zoning **Office/Commercial/Retail**

Total Bldg Space SF **18,000**

#### Lease

Last Update **August 18, 1997**

Contact LU **Mike Dobbs**

Howard-Dobbs Real Estate Group,  
303-985-4414

Avail Bldg Space SF **18,000**



**141 Union Blvd.**

#### Address

**141 Union Blvd.  
Lakewood, CO**

County

Sale Price **\$**

Lease /SF **\$17.00**

Lease Terms **Full Service**

Enterprise Zone **no**

Zoning

Total Bldg Space SF **66,000**

#### Lease

Last Update **July 22, 1997**

Contact LU **Mike Kendall**

Pacifica Holding Co.  
303-220-5565 EX. 140

Avail Bldg Space SF **17,385**



**333 S. Allison Parkway**

#### Address

**333 S. Allison Parkway  
Lakewood, CO**

County **Jefferson County**

Sale Price **\$**

Lease /SF **\$18.00**

Lease Terms **Full Service**

Enterprise Zone **No**

Zoning **3C-General Office**

Total Bldg Space SF **36,000**

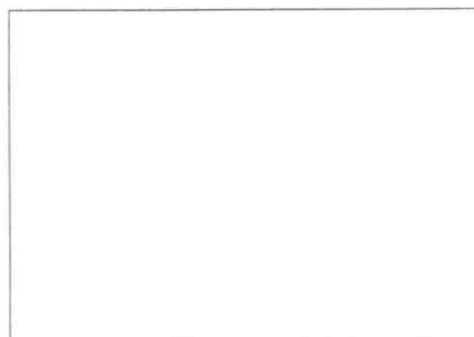
#### Lease

Last Update **April 21, 1997**

Contact LU **Tom Hiland**

Tom Hiland Properties  
303-987-2220

Avail Bldg Space SF **16,000**



**5151-5191 Ward Road**

#### Address

**5151-5191 Ward Road  
Wheat Ridge, CO**

County **Jefferson County**

Sale Price **\$**

Lease /SF **\$7.50-\$9**

Lease Terms **Gross, 3-5 years**

Enterprise Zone **Yes**

Zoning **commercial**

Total Bldg Space SF **25,000**

#### Lease

Last Update **July 17, 1997**

Contact LU **Bob Scott**

Commercial Design-Build Realty  
303-420-3557

Avail Bldg Space SF **25,000**

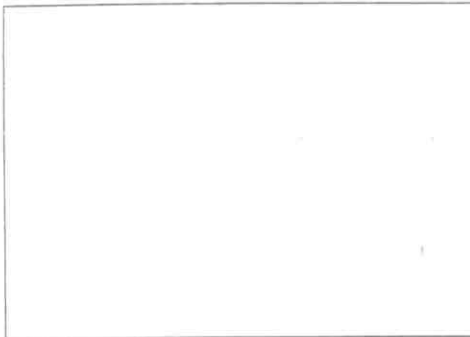


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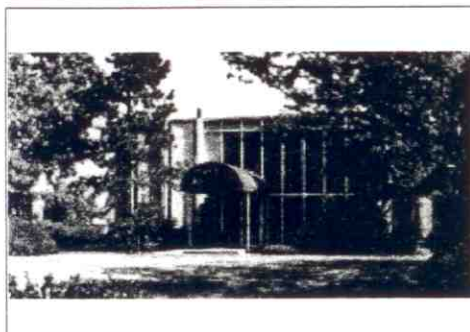
**5932-34 McIntyre Street**

Address  
**5932-34 McIntyre Street**  
**Arvada, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$11 SF/negot.**  
Lease Terms  
Enterprise Zone **No** Zoning **I/OF**  
Total Bldg Space SF **25,100**

#### Sale or Lease

Last Update **May 15, 1997**  
Contact LU Pam Lacy  
Ralston Development Corporation  
303-422-3545

Avail Bldg Space SF **25,100**



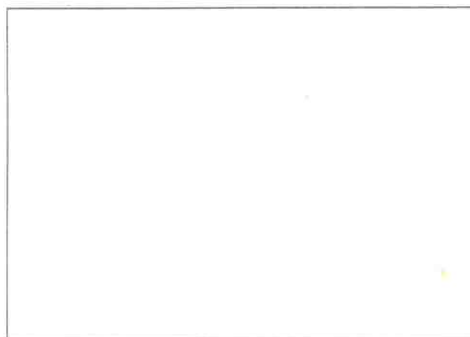
**6701 W. Alameda Ave.**

Address  
**6701 W. Alameda Ave.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$ 1,100,000**  
Lease /SF  
Lease Terms **sale**  
Enterprise Zone **No** Zoning **5C Building MA**  
Total Bldg Space SF **30,000**

#### Sale

Last Update **April 8, 1997**  
Contact LU Robert Kohnen  
Robert Kohnen, owner  
602-222-5995

Avail Bldg Space SF **30,000**



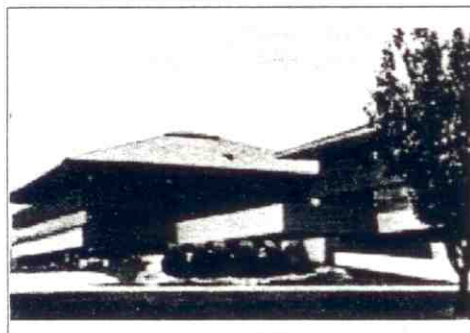
**9086 West Bowles Ave.**

Address  
**9086 West Bowles Ave.**  
**Littleton, CO**  
County **Jefferson County**  
Sale Price **\$ 1.2 million**  
Lease /SF **\$11 NNN**  
Lease Terms  
Enterprise Zone **No** Zoning **PUD**  
Total Bldg Space SF **12,673**

#### Sale or Lease

Last Update **January 17, 1997**  
Contact LU Mike Shriver  
Moore Commercial  
303-409-1400

Avail Bldg Space SF **12,673**



**Amax Building**

Address  
**1707 Columbine**  
**Golden, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$10 NNN**  
Lease Terms  
Enterprise Zone **no** Zoning **commercial**  
Total Bldg Space SF **60,000**

#### Lease

Last Update **June 17, 1997**  
Contact LU Darren Siegel  
Grubb & Ellis  
303-572-7700

Avail Bldg Space SF **160,000**

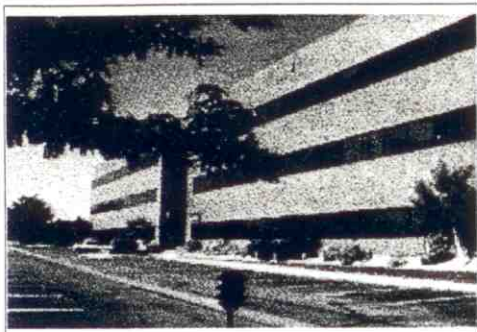


# JEFFERSON

## Economic Council

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**Applewood Tech. Center**

#### Address

**2850 Youngfield Street  
Lakewood, CO**

County **Jefferson County**

Sale Price **\$**

Lease /SF **\$15**

Lease Terms

Enterprise Zone **No**

Zoning **OF General Office**

Total Bldg Space SF **229,529**

Avail Bldg Space SF **15,160**

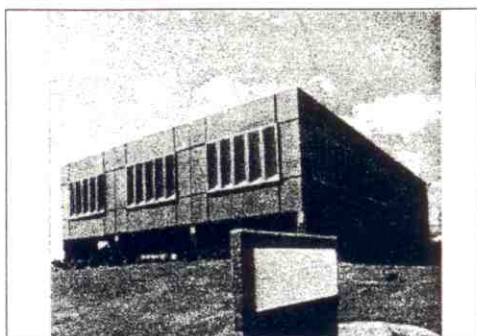
#### Lease

Last Update **July 11, 1997**

Contact LU **Daryl Propp**

Propp Realty

303-233-4000



**Arvada Technological Center**

#### Address

**6275 Joyce Drive  
Arvada, CO**

County **Jefferson County**

Sale Price **\$ 1,195,000**

Lease /SF **\$9**

Lease Terms **5-year min.**

Enterprise Zone **No**

Zoning **PUD-Industrial**

Total Bldg Space SF **15,600**

Avail Bldg Space SF **15,600**

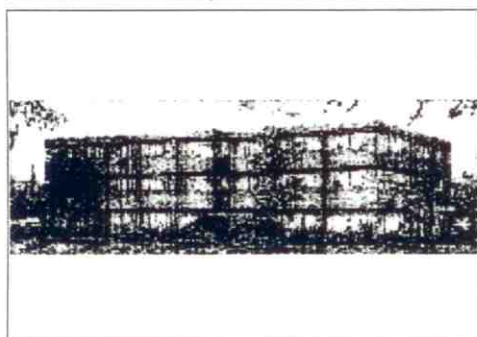
#### Sale or Lease

Last Update **April 18, 1997**

Contact LU **Joe Dunn**

CRESO Properties, Inc.

303-980-4184



**Church Ranch Executive Center**

#### Address

**SW of Church Ranch Blvd. & U.S. 36  
Westminster, CO**

County **Jefferson County**

Sale Price **\$**

Lease /SF **\$19.50**

Lease Terms **Full service, 5-10 years**

Enterprise Zone **No**

Zoning **office**

Total Bldg Space SF **58,630**

Avail Bldg Space SF **58,630**

#### Lease

Last Update **June 1, 1997**

Contact LU **Doug Bakke**

CB Commercial Real Estate Group,

303-628-7400



**Church Ranch Medical Campus**

#### Address

**US 36 Corridor/Church Ranch Blvd.  
Westminster, CO**

County **Jefferson County**

Sale Price **\$**

Lease /SF **\$19.50 full service**

Lease Terms **7-15 years (neg.)**

Enterprise Zone **no**

Zoning **office**

Total Bldg Space SF **40,000**

Avail Bldg Space SF **40,000**

#### Lease

Last Update **March 3, 1997**

Contact LU

InSite Properties

303-320-0505

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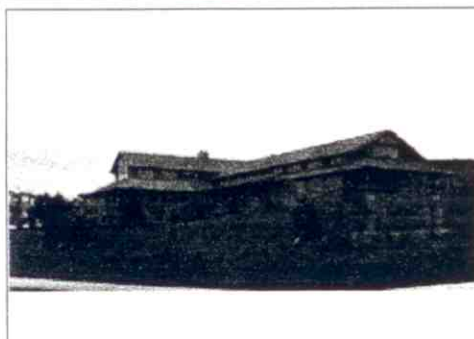
**Church Ranch Office Pavilion**

Address  
**US 36 Corridor/Church Ranch Blvd.**  
**Westminster, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$19.00 full service**  
Lease Terms **5-10 years**  
Enterprise Zone **no** Zoning **office**  
Total Bldg Space SF **67,000**

#### Lease

Last Update **June 12, 1997**  
Contact LU **Doug Bakke**  
CB Commercial Real Estate Group,  
303-628-7400

Avail Bldg Space SF **67,000**



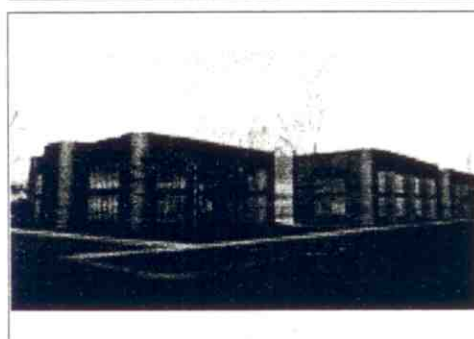
**Coleman Building**

Address  
**1767 Denver West Parkway**  
**Golden, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$20-25/sf gross**  
Lease Terms **10 years**  
Enterprise Zone **No** Zoning **Office**  
Total Bldg Space SF **36,000**

#### Lease

Last Update **June 17, 1997**  
Contact LU **Valerie Farnham**  
Denver West Management, Inc.  
303-232-2006

Avail Bldg Space SF **36,000**



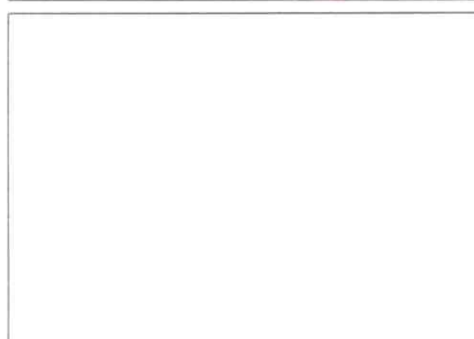
**Columbine Professional Plaza**

Address  
**52nd Ave. & Marshall**  
**Arvada, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$20**  
Lease Terms **5-10 years \$30 tenant finish**  
Enterprise Zone **Yes** Zoning **I/OF**  
Total Bldg Space SF **45,000**

#### Lease

Last Update **July 17, 1997**  
Contact LU **Mary Brewer**  
Western Skies Management, Inc.  
303-320-1010

Avail Bldg Space SF **15,000**



**Columbine Professional Plaza**

Address  
**6770 W. 52nd Ave.**  
**Arvada, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$8**  
Lease Terms **Net**  
Enterprise Zone **Yes** Zoning **office**  
Total Bldg Space SF **30,200**

#### Lease

Last Update **July 17, 1997**  
Contact LU **Cliff Parker**  
Parker & Company  
303-280-8585

Avail Bldg Space SF **30,200**

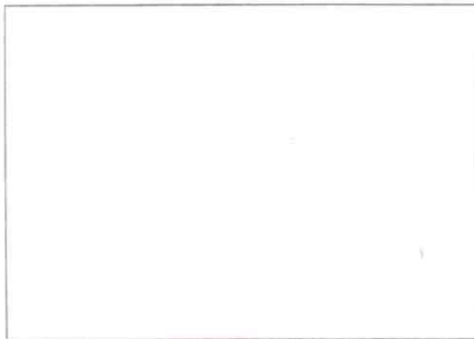


# JEFFERSON

## Economic Council

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**Columbine Professional Plaza  
(Lakefront)**

Address  
**6850 W. 52nd Ave.**  
**Arvada, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$18 SF**  
Lease Terms **Gross, 3-year min.**  
Enterprise Zone **Yes** Zoning **office**

#### Lease

Last Update **July 17, 1997**  
Contact LU **Cliff Parker**  
**Parker & Company**  
**303-280-8585**

Total Bldg Space SF **35,000**

Avail Bldg Space SF **20,000**



**Cornerstone Office Campus**

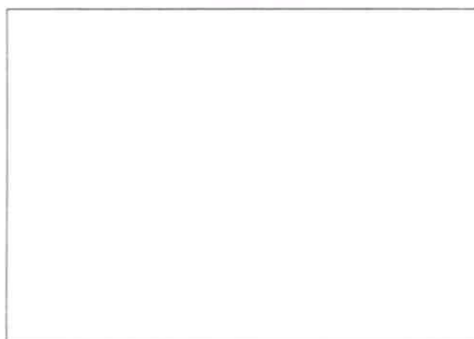
Address  
**7355 Ralston Road**  
**Arvada, CO 80002**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$15.00**  
Lease Terms **5-year lease**  
Enterprise Zone **No** Zoning **commercial**

#### Lease

Last Update **May 9, 1997**  
Contact LU **Joe Jehn**  
**Jehn & Associates**  
**303-423-6036/800-547-5346**

Total Bldg Space SF **14,500**

Avail Bldg Space SF **14,500**



**Financial Plaza II (Phase II)**

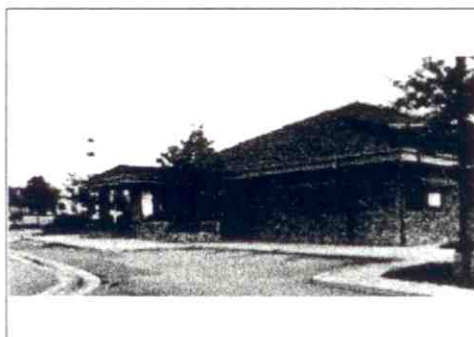
Address  
**215 Union Blvd.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$20.50**  
Lease Terms **3-5 yrs. Gross**  
Enterprise Zone **No** Zoning **PDO, General Office**

#### Lease

Last Update **August 11, 1997**  
Contact LU **Mike Dobbs**  
**Howard-Dobbs Real Estate Group,**  
**985-4414**

Total Bldg Space SF **73,000**

Avail Bldg Space SF **73,000**



**Formerly Bishop's Restaurant**

Address  
**12037 W. Alameda Parkway**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$ 675,000**  
Lease /SF **\$9.50**  
Lease Terms **negot.**  
Enterprise Zone **No** Zoning **3C Restaurant**

#### Sale or Lease

Last Update **April 21, 1997**  
Contact LU **Mike McCormick**  
**Sullivan & Hayes**  
**303-534-0900**

Total Bldg Space SF **10,944**

Avail Bldg Space SF **10,944**

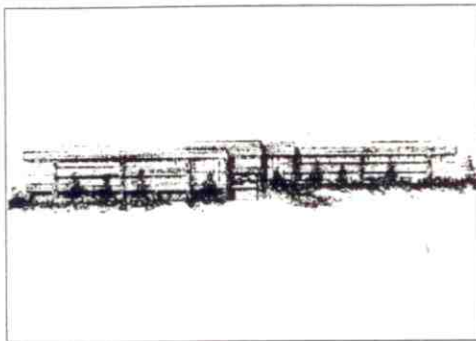


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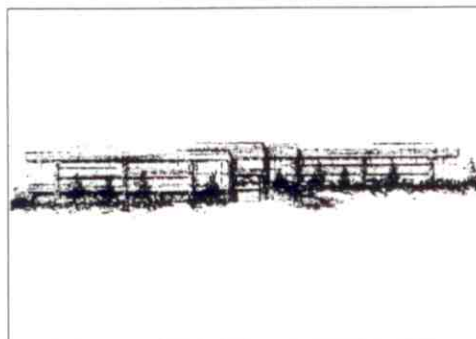
**Genesse Point**

Address  
**523 Park Point Drive**  
**Evergreen, CO**  
 County **Jefferson County**  
 Sale Price \$  
 Lease /SF **\$19**  
 Lease Terms  
 Enterprise Zone **No** Zoning **office**  
 Total Bldg Space SF **62,000**

#### Lease

Last Update **August 18, 1997**  
 Contact LU **C Macbeth**  
 Genesee Commercial Group, Ltd.  
 303-980-0500

Avail Bldg Space SF **62,000**



**Genesse Vista**

Address  
**25188 Genesee Trail Road**  
**Evergreen, CO**  
 County **Jefferson County**  
 Sale Price \$  
 Lease /SF **\$19**  
 Lease Terms  
 Enterprise Zone **No** Zoning **office**  
 Total Bldg Space SF **33,000**

#### Lease

Last Update **August 18, 1997**  
 Contact LU **C Macbeth**  
 Genesee Commercial Group, Ltd.  
 303-980-0500

Avail Bldg Space SF **33,000**



**Irongate Executive Plaza**

Address  
**777 S. Wadsworth Blvd.**  
**Lakewood, CO**  
 County **Jefferson County**  
 Sale Price \$  
 Lease /SF **\$11.50**  
 Lease Terms  
 Enterprise Zone **no** Zoning **PDO General Office**  
 Total Bldg Space SF **41,839**

#### Lease

Last Update **April 4, 1997**  
 Contact LU **Jackie Jackie**  
 Lutheran Medical Center  
 303-425-2099

Avail Bldg Space SF **11,495**



**Jefferson Corporate Center**

Address  
**SW Corner of Kipling and C-470**  
**Unincorporated, CO**  
 County **Jefferson County**  
 Sale Price \$  
 Lease /SF **\$21 full service**  
 Lease Terms  
 Enterprise Zone **No** Zoning **PUD**  
 Total Bldg Space SF **70,000**

#### Lease

Last Update **February 13, 1997**  
 Contact LU **Murray Platt**  
 CB Commercial Real Estate Group,  
 628-7400

Avail Bldg Space SF **70,000**

# JEFFERSON Economic Council

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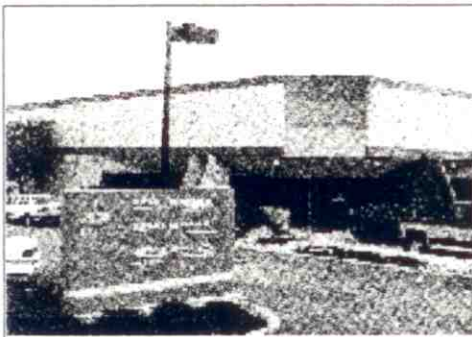
**Jefferson I Research Center**

Address  
**18300 West Highway 72  
Arvada, CO 80007**  
County **Jefferson County**  
Sale Price **\$ 8.50**  
Lease /SF **\$8.50-\$10**  
Lease Terms **Buildings divisible for lease. Terms**  
Enterprise Zone **pending** Zoning **I/OF**  
Total Bldg Space SF **70,600**

### Lease

Last Update **March 6, 1997**  
Contact LU **Howard W. Lacy**  
**Ralston Development Corporation**  
**303-422-3545**

Avail Bldg Space SF **70,600**



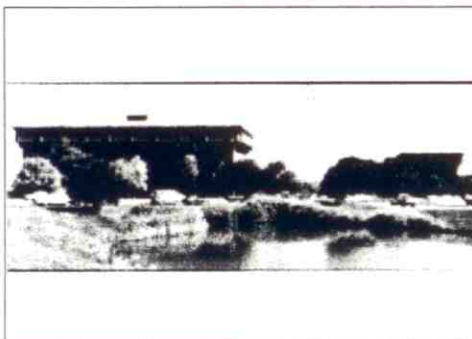
**Lake Arbor Plaza**

Address  
**9101 Harlan Street  
Westminster, CO 80030**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$16**  
Lease Terms **Full Service**  
Enterprise Zone **No** Zoning **commercial/office**  
Total Bldg Space SF **42,801**

### Lease

Last Update **June 12, 1997**  
Contact LU **Doug Bakke**  
**CB Commercial Real Estate Group,**  
**303-628-7485**

Avail Bldg Space SF **10,500**



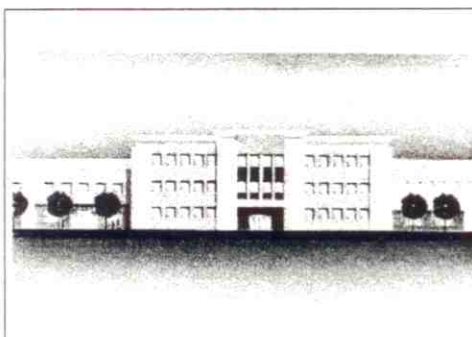
**Lake Plaza,**

Address  
**44 Union Blvd.  
Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$15**  
Lease Terms **3-7 years**  
Enterprise Zone **No** Zoning **PDO General Office**  
Total Bldg Space SF **100,395**

### Lease

Last Update **June 23, 1997**  
Contact LU **Carl Luppens**  
**Cushman & Wakefield**  
**303-813-6424**

Avail Bldg Space SF **50,000**



**Lakeside Center Corporate Offices**

Address  
**44th & Harlan  
Lakeside, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$10**  
Lease Terms  
Enterprise Zone **No** Zoning **commercial**  
Total Bldg Space SF **238,000**

### Lease

Last Update **May 27, 1997**  
Contact LU **Barbara Myers**  
**Sevo Miller, Inc.**  
**303-455-7072**

Avail Bldg Space SF **200,000**

# JEFFERSON

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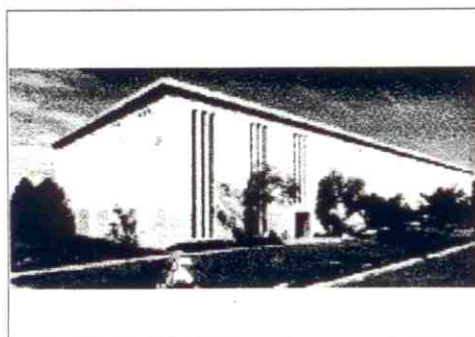
**Lakewood Industrial Park**

Address  
**11177 W. 8th Ave.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$ 2,000,000**  
Lease /SF **\$12**  
Lease Terms **cash/5-10 years**  
Enterprise Zone **Yes** Zoning **Office**  
Total Bldg Space SF **60,000**

#### Sale or Lease

Last Update **June 19, 1997**  
Contact LU **Thomas Duffy**  
**Duffy and Co. Real Estate**  
**303-758-3105**

Avail Bldg Space SF **30,000**



**Lakewood Office Plaza**

Address  
**730 Simms Street**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$14.00**  
Lease Terms **Full SVC**  
Enterprise Zone **Yes** Zoning **Commercial-office**  
Total Bldg Space SF **181,900**

#### Lease

Last Update **June 19, 1997**  
Contact LU **Joe Bryant**  
**Venture Group**  
**303-779-8800**

Avail Bldg Space SF **65,000**



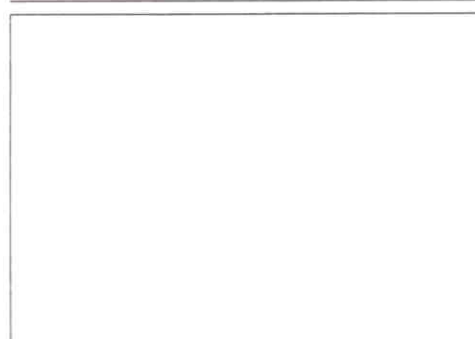
**Martischang Plaza**

Address  
**5800 W. Alameda Ave.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$10**  
Lease Terms **NNN @ \$5.77/5 yr.**  
Enterprise Zone **No** Zoning **office/retail**  
Total Bldg Space SF **116,400**

#### Lease

Last Update **May 21, 1997**  
Contact LU **Al Martishang**  
**303-922-5558**

Avail Bldg Space SF **60,000**



**Merrill Lynch Building**

Address  
**3840 S. Wadsworth Blvd.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$ 18,150,000**  
Lease /SF **\$17.00**  
Lease Terms  
Enterprise Zone **No** Zoning **office**  
Total Bldg Space SF **242,000**

#### Sale or Lease

Last Update **April 3, 1997**  
Contact LU **Mike Noon**  
**Noon & Co.**  
**303-773-1845**

Avail Bldg Space SF **242,000**

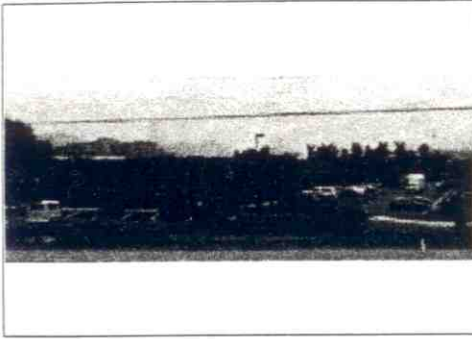


# JEFFERSON

## Economic Council

### Office Space Summary

Jefferson Economic Council • 1536 Cole Blvd., Suite 100 • Golden • Colorado • 80401-3413 • (303) 202-2965 • FAX (303) 202-2967



**MIE Sixth Ave. Place**

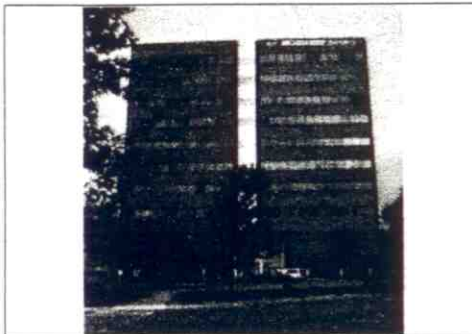
Address  
**17301 W. Colfax Ave. @ I-70**  
**Golden, CO**  
 County  
 Sale Price \$  
 Lease /SF  
 Lease Terms  
 Enterprise Zone **No** Zoning

#### Lease

Last Update **May 28, 1997**  
 Contact LU

Total Bldg Space SF **13,525**

Avail Bldg Space SF **13,525**



**One Union Square (sublease)**

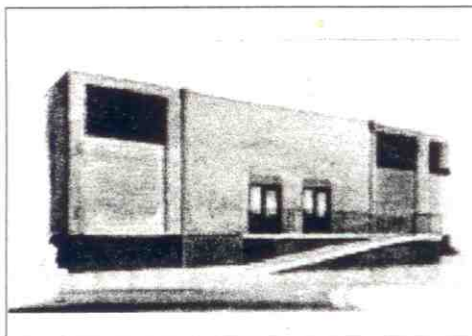
Address  
**143 Union Blvd.**  
**Lakewood, CO**  
 County **Jefferson County**  
 Sale Price \$  
 Lease /SF **\$13.50**  
 Lease Terms  
 Enterprise Zone **No** Zoning **office**

#### Lease

Last Update **June 17, 1997**  
 Contact LU Darren Siegel  
 Grubb & Ellis  
 303-572-7700

Total Bldg Space SF **212,270**

Avail Bldg Space SF **19,000**



**Pacifica/I-70 West Business Park**

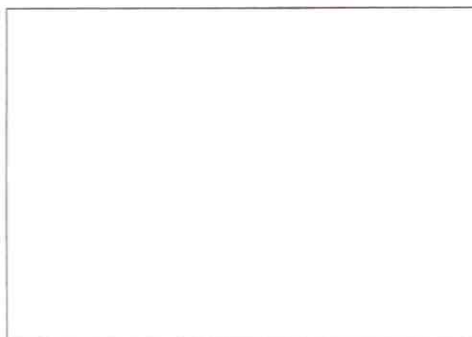
Address  
**I-70 & Independence Frontage Road**  
**Wheat Ridge, CO**  
 County **Jefferson County**  
 Sale Price **\$ neg.**  
 Lease /SF **\$8.50**  
 Lease Terms  
 Enterprise Zone **No** Zoning **C-1 office, office warehouse and**

#### Sale or Lease

Last Update **June 1, 1997**  
 Contact LU Robert Bruce  
 Pacifica Holding Co.  
 303-220-5565 ext. 140

Total Bldg Space SF **106,447**

Avail Bldg Space SF **42,000**



**Parkridge Plaza**

Address  
**2049 Wadsworth Blvd.**  
**Lakewood, CO**  
 County **Jefferson County**  
 Sale Price \$  
 Lease /SF **\$9 NNN**  
 Lease Terms  
 Enterprise Zone **no** Zoning **PUD**

#### Lease

Last Update **April 28, 1997**  
 Contact LU Griffin Griffin  
 Moore Commercial  
 303-409-1400

Total Bldg Space SF **62,214**

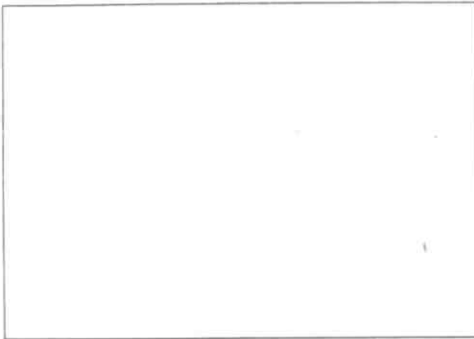
Avail Bldg Space SF **20,000**

# JEFFERSON

## Economic Council

### Office Space Summary

Jefferson Economic Council • 1536 Cole Blvd., Suite 100 • Golden • Colorado • 80401-3413 • (303) 202-2965 • FAX (303) 202-2967



**Pinkard Building**

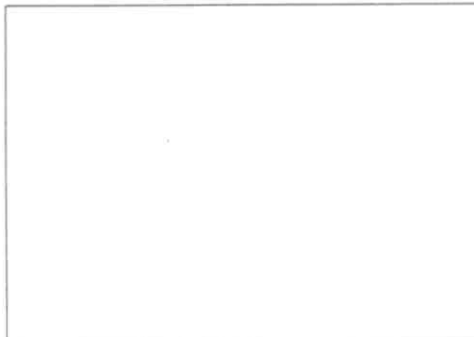
Address  
**1075 S. Yukon St.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$10.00**  
Lease Terms  
Enterprise Zone **No** Zoning **C-1**

#### Lease

Last Update **April 21, 1997**  
Contact LU **Todd Reed**  
ROK LLC Real Estate Services  
303-860-0040

Total Bldg Space SF **53,330**

Avail Bldg Space SF **23,452**



**Promenade Offices**

Address  
**104th and U.S. 36**  
**Westminster, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **negot.**  
Lease Terms  
Enterprise Zone **No** Zoning **Office**

#### Lease

Last Update **May 6, 1997**  
Contact LU **Timothy O'Byrne**  
Inland Pacific Companies  
303-640-5556

Total Bldg Space SF **100,000**

Avail Bldg Space SF **100,000**



**Rocky Mountain Banknote Building**

Address  
**10455 W. 6th Ave.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$ 3,500,000**  
Lease /SF **\$13**  
Lease Terms **Full service/sale-cash**  
Enterprise Zone **Yes** Zoning **Office-Business SE**

#### Sale

Last Update **April 21, 1997**  
Contact LU **R.C Myles**  
Fuller and Company  
303-292-3700

Total Bldg Space SF **52,884**

Avail Bldg Space SF **52,884**



**Union Business Center**

Address  
**445 Union Blvd.**  
**Lakewood, CO**  
County **Jefferson County**  
Sale Price **\$**  
Lease /SF **\$14**  
Lease Terms **3-5 years full service**  
Enterprise Zone **No** Zoning **PDO General Office**

#### Lease

Last Update **April 7, 1997**  
Contact LU **Bob Pipkin**  
Moore Commercial  
303-409-1400

Total Bldg Space SF **110,725**

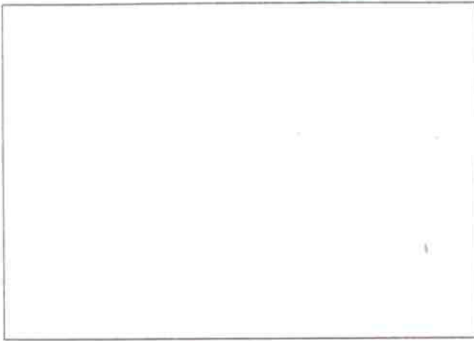
Avail Bldg Space SF **16,216**

# JEFFERSON

## Economic Council

### Office Space Summary

Jefferson Economic Council • 1536 Cole Blvd., Suite 100 • Golden • Colorado • 80401-3413 • (303) 202-2965 • FAX (303) 202-2967



**Union Business Center**

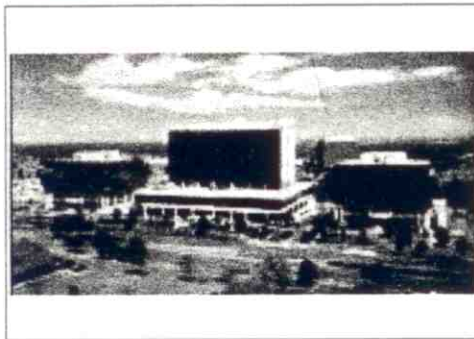
Address  
**405 Urban Street**  
**Lakewood, CO**  
 County **Jefferson County**  
 Sale Price **\$**  
 Lease /SF **\$14**  
 Lease Terms **3-5 years**  
 Enterprise Zone **No** Zoning

#### Lease

Last Update **July 22, 1997**  
 Contact LU **Rick Geratano**  
 CB Commercial Real Estate Group,  
 303-628-7400

Total Bldg Space SF **53,970**

Avail Bldg Space SF **18,914**



**Union Square Center**

Address  
**300 Union Blvd.**  
**Lakewood, CO**  
 County **Jefferson County**  
 Sale Price **\$**  
 Lease /SF **\$17**  
 Lease Terms **3-5 year gross**  
 Enterprise Zone **no** Zoning **PDO General Office**

#### Lease

Last Update **July 26, 1997**  
 Contact LU **Cheryl Casserly**  
 Corum Real Estate Group, Inc.  
 303-796-2000

Total Bldg Space SF **82,855**

Avail Bldg Space SF **45,239**



**Union Tower**

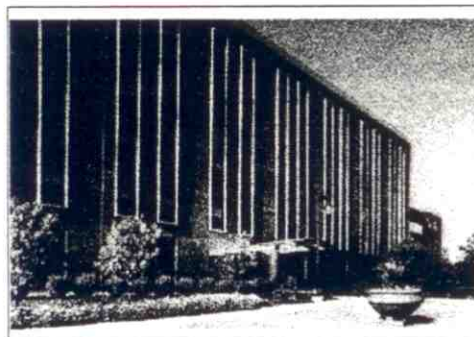
Address  
**165 S. Union Blvd.**  
**Lakewood, CO**  
 County **Jefferson County**  
 Sale Price **\$**  
 Lease /SF **\$17.25**  
 Lease Terms **3-5 year gross**  
 Enterprise Zone **no** Zoning **3C General office**

#### Lease

Last Update **July 23, 1997**  
 Contact LU **Chip Clarke**  
 Transwestern Property Company  
 303-989-8787

Total Bldg Space SF **196,408**

Avail Bldg Space SF **12,170**



**West Point Building**

Address  
**3900 South Wadsworth Boulevard**  
**Lakewood, CO 80235**  
 County **Jefferson County**  
 Sale Price **\$**  
 Lease /SF **\$17**  
 Lease Terms **Full service**  
 Enterprise Zone **No** Zoning **PDO General Office**

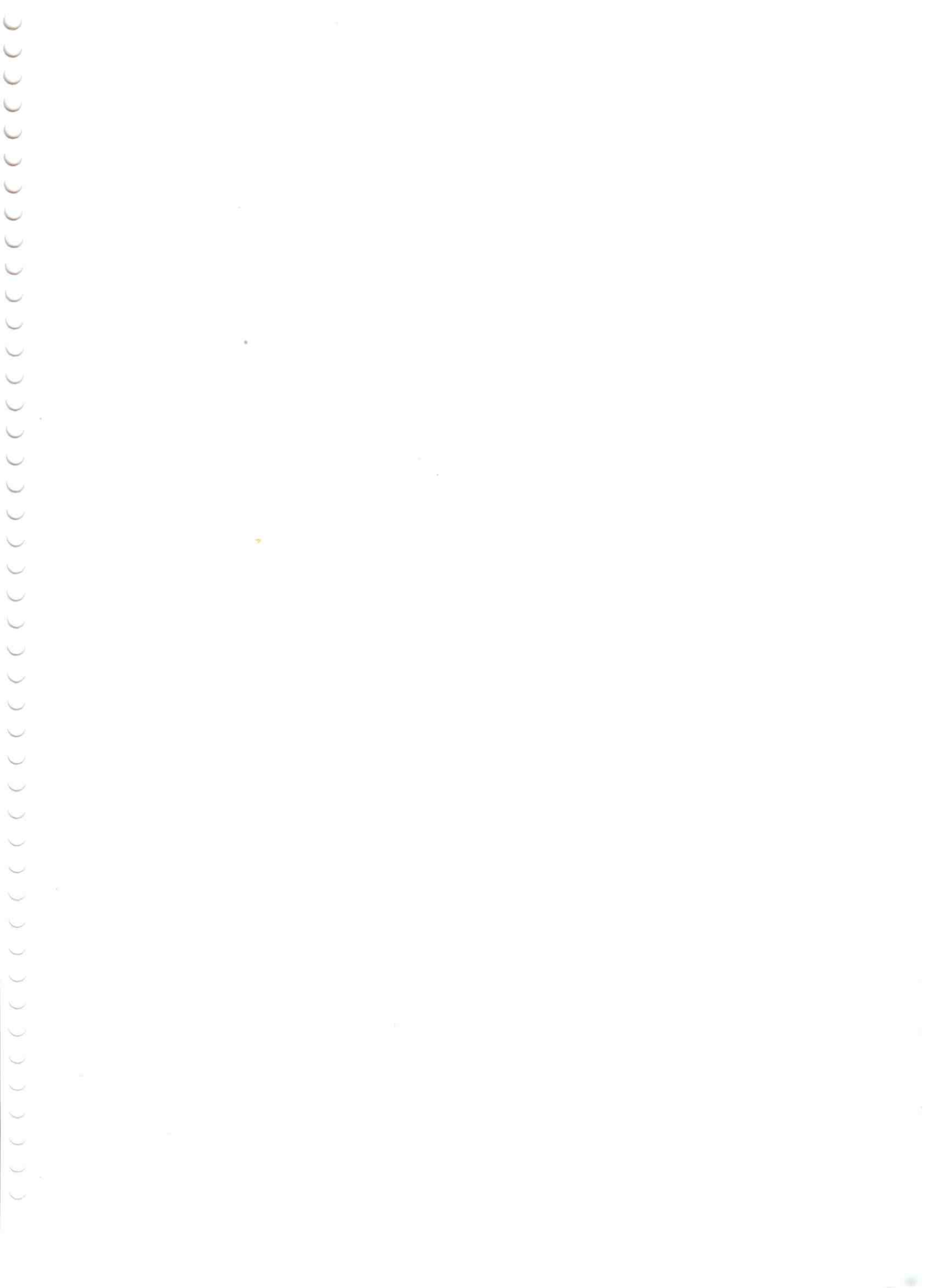
#### Lease

Last Update **July 17, 1997**  
 Contact LU **Alexis Ralston**  
 Corporate Real Estate Services  
 303-969-8103

Total Bldg Space SF **171,963**

Avail Bldg Space SF **18,000**





### ***Political Market Dynamics:***

The City of Lakeside is an *amusement park hamlet* consisting of the park and approximately twenty (20) households. The City has a unique tax and fiscal autonomy, and until recently, had a prior historic dependence upon Jefferson County for many fundamental civil services.

The LC redevelopment project will be best served if ownership continues with, and considers further expanding, its proactive role in the Lakeside Center's *multi-jurisdictional* governmental entities at the municipal(s) and County levels.

Project redeveloper Sevo Miller has already creatively addressed the crime constraint at the municipal level with regard to assisting the City of Lakeside in providing law enforcement services in its jurisdiction.

Although relations have historically been difficult with the project's inflexible contiguous neighbor, Lakeside Amusement Park (a.k.a. *the City of Lakeside*), it is encouraging that the two parties were able to find parallel interests with regard to the community's application to the state for formal *enterprise zone* status.

However, there appears to exist a heightened level of governmental animosity between the City of Lakeside and Jefferson County over the County's recent decision to discontinue law enforcement services, which can only inhibit optimal execution of the project's redevelopment strategy in the near-term.

Already the project appears to have suffered collateral damage as a result.

*Jefferson County Commissioner John Stone* decided to effectively *pocket veto* our application to have the Lakeside Center annexed into the County's *State Enterprise Zone* territory by derailing the *JEC* from getting the required *letter of support* from the *Jefferson County Board of Commissioners*

Given the Jefferson County Commissioners negative bias toward the City of Lakeside mentioned above, it is important that the Lakeside Center project continue to distinguish itself in the eyes of Wheatridge and Jefferson County public officials as an entity independent from both the city of Lakeside and the Lakeside Amusement Park.

This might best be accomplished by the Lakeside Center project's formal application as an investor/sponsor to the *Jefferson Economic Council (JEC)*.

The *JEC* was instrumental in assisting the Lakeside Center in its *Jefferson County Enterprise Zone* annexation application, and many of the project's Jefferson County competitors have joined the *JEC*, including the Coors Technology Center, Denver West, Jefferson Corporate Center, and Church Ranch business parks.

Additionally, the *JEC* is an excellent market conduit to *qualified* non-retail space users and commercial real estate brokers who have active office space requirements in the Lakeside Center's trade area.

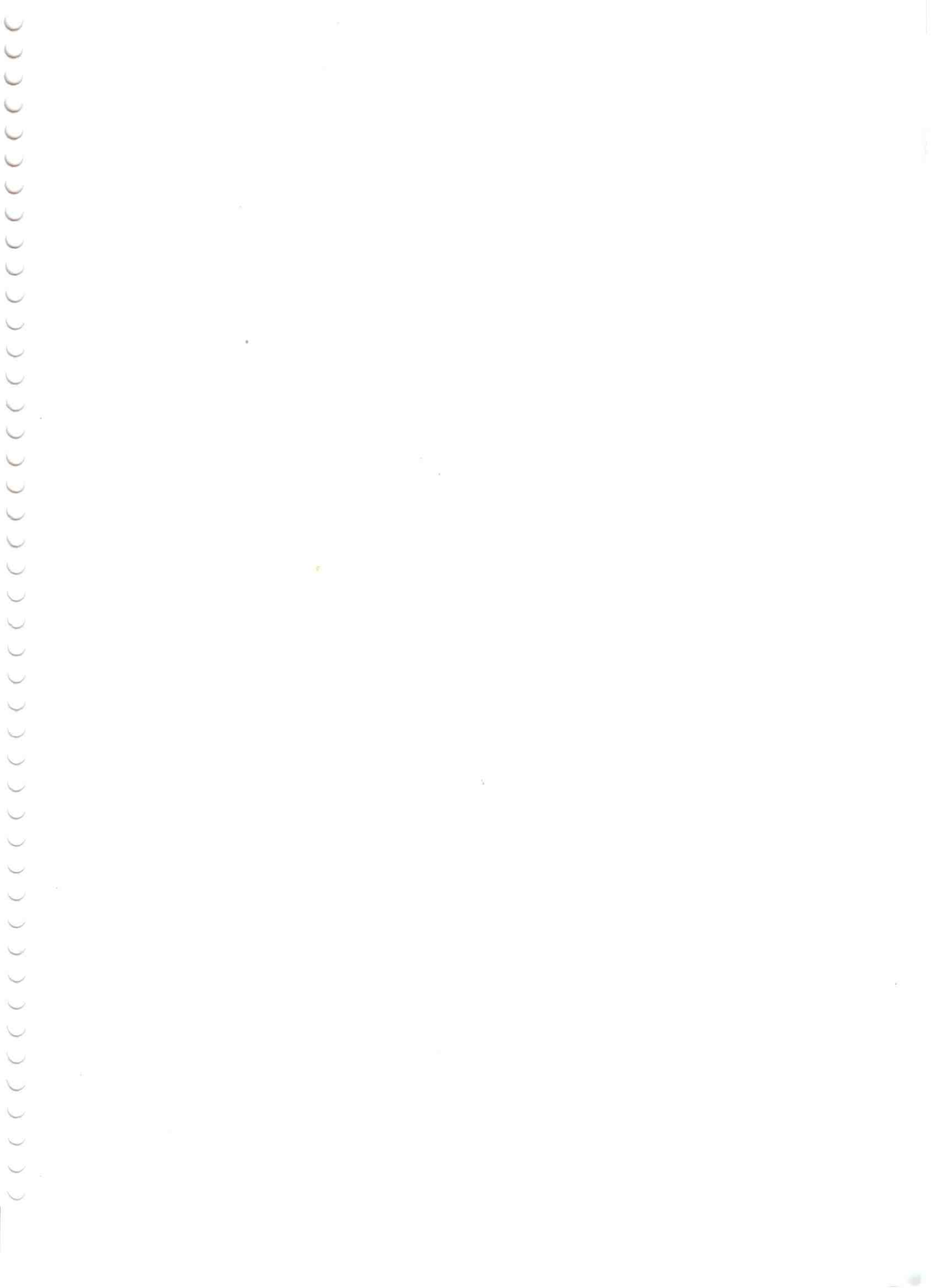
The *JEC* also maintains an excellent data base on office space activity in Jefferson County (see *Market Competition Section*), and should be utilized as a reliable source of market intelligence in benchmarking Lakeside Center's local competitive performance and market leasehold economics.

The *JEC* could also be assistance in mediating politically sensitive issues involving the Lakeside Center's *multi-publics*, including the project's State Senator Ed Perlmutter (District 20 - Democrat), State House Representative Penn Pfiffner (District 23 Republican), and the Jefferson County Board of Commissioners.

A *Jefferson Economic Council (JEC) Investor* application from Gary Matson, *JEC Director of Investor Relations*, at the *JEC* was given to Ira Schwartz for review.

Finally, the Lakeside Center should also consider joining the *Northwest Metro Chamber of Commerce* and have acting on-site property manager Bonnie Kluck represent the project at *Business After Hour Business Networking* functions.





### ***Infrastructure Improvement Issues:***

Infrastructure improvement issues facing the Lakeside Center redevelopment are of two kinds.

Those within the project's physical *site-lines*, and those without.

Most Infrastructure improvements falling within the project's *site-lines* have been addressed.

The project's exterior facade and rehablitzation is nearly complete.

Fiber Optic conduit is in place, although capacity line constraints should be researched regarding future demand estimates on the balance of potential office space.

Both an on-site security force and Lakeside City Police presence have been established at Lakeside, but care must be taken to avoid having these security operations take place within the physical area of the leasing and property management offices.

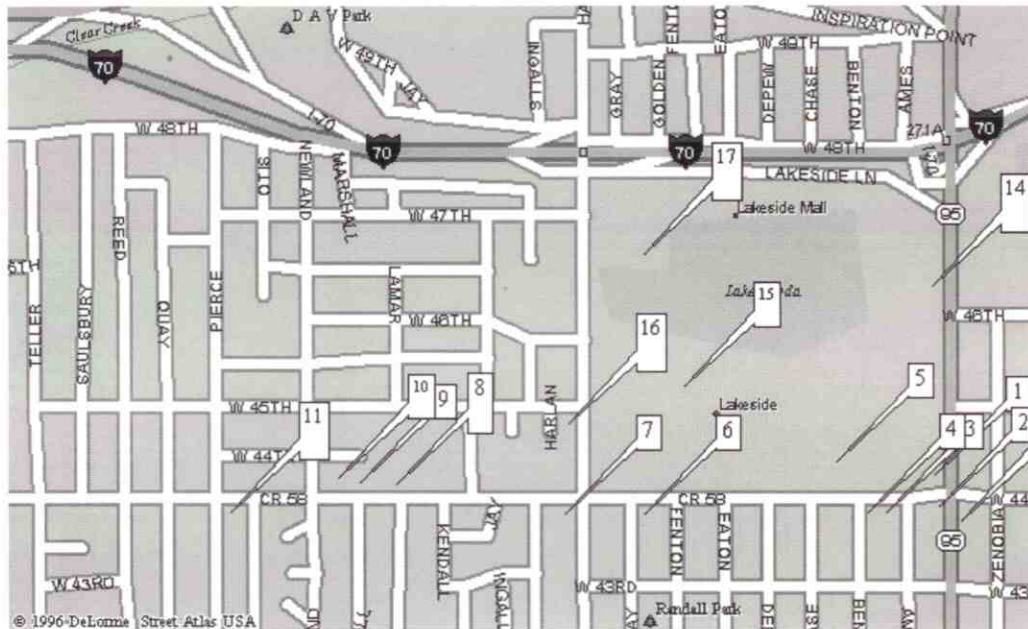
These operations should be physically separated so as to minimize the awareness that both existing and prospective Lakeside office tenants may have regarding the level of petty crime on-site!

The *Frontier ConferTech International Tenant Employee* questionnaire should yield more insight into Lakeside Center office employees and their perception of safety both on and off the Lakeside Center site (*see copy of questionnaire at the end of this MFA Report section*).

Finally, consideration should be given to converting the former underground drive-through sheltered loading dock to an on-site RTD secured and sheltered transportation hub for facilitating the use of public transporation by Lakeside Center office employees.

The Lakeside Center redevelopment effort should also consider expanding its effort to include off-site infrastructure improvements within the proposed Jefferson County Enterprise Zone pictured below (see *Jefferson County Enterprise Zone Expansion Proposal* prepared for the *Colorado Economic Development Commission* dated December 1, 1997).

### ***Jefferson County Enterprise Zone Application***



**Photo Number 1: NW corner of Sheridan & 44<sup>th</sup> Ave.**





**Photo Number 2: Used Furniture Retail & Vacant Building**



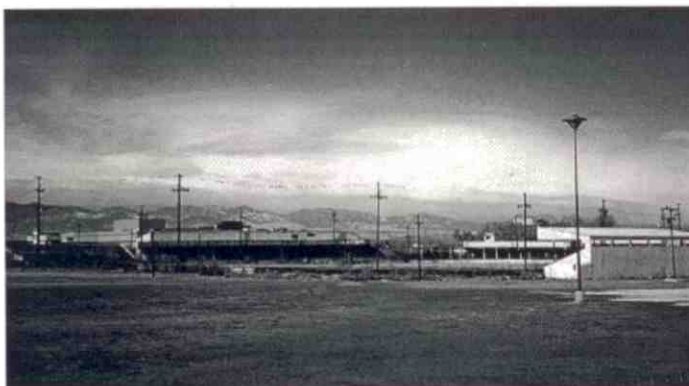
**Photo Number 3: Vacant Building at Ames and 44<sup>th</sup>**



**Photo Number 4: Vacant Building at Benton and 44th**



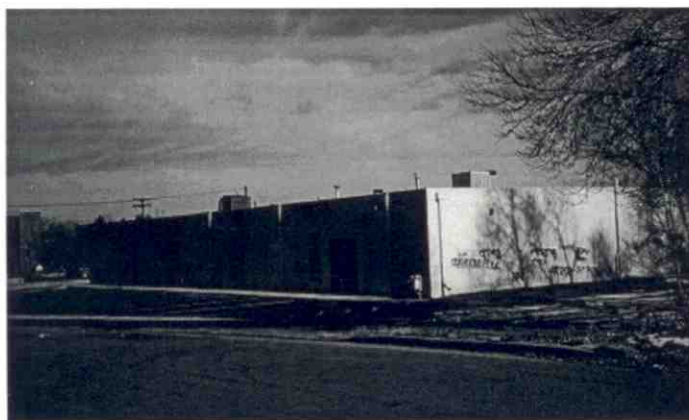
**Photo Number 5: Vacant Racetrack at Lakeside Amusement Park**



**Photo Number 6: Graffiti ridden half vacant building at Harlan and 44<sup>th</sup>**



**Photo Number 7: Vacant Building at 44<sup>th</sup> and Harlan**



**Photo Number 8: Vacant lot between Lamar and Kendall on 44<sup>th</sup>**



**Photo Number 9: Second Vacant Lot between Lamar and Kendall on 44<sup>th</sup>**

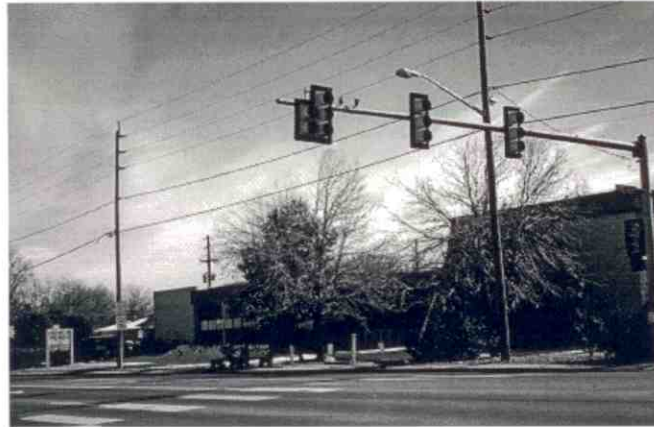


**Photo Number 10: Blighted Building at Kendall and 44<sup>t</sup>**





**Photo Number 11: Vacant Building at 44<sup>th</sup> and Pierce**



**Photo Number 13: Blighted Residential Homes at Sheridan and 44<sup>th</sup> Photo Number**



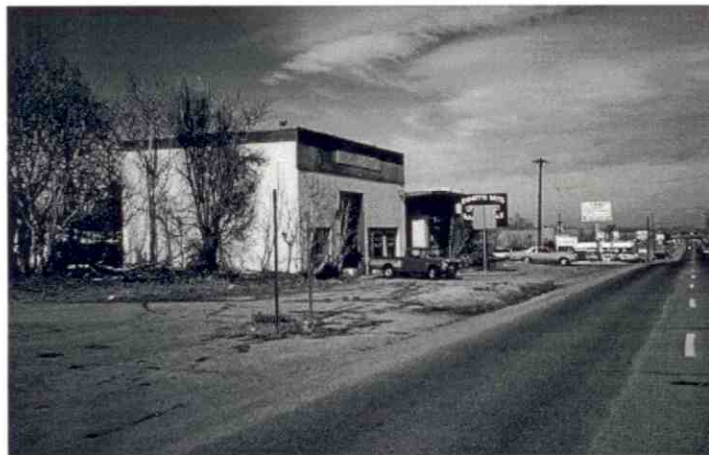
**14: Lakeside Amusement Park "Closed for the Season"**



**Photo Number 15: former Lakeside Mall - Forty Percent Vacant (250,000 sq.ft.)**



**Photo Number 16: Blighted Building at Harlan and 45<sup>th</sup>**



**Photo Number 17: Blight in the Lakeside Center Trade Area**



Perhaps the Lakeside Center project team can spearhead *an intergovernmental agency agreement* in cooperation with the cities of Wheatridge and Lakeside, and Jefferson County, for the purpose of establishing a grass roots street beautification program.

The agenda for such a program could be to organize a community volunteer landscaping, beautification, and mural painting program along Sheridan Blvd., Harlan Avenue, and 44<sup>th</sup> Avenue.

Such a program could be eligible for Federal subsidization, and further add value and accelerate the process by which the Lakeside Center sub-market evolves into an economically higher level (*see Political Market Dynamics Section*).



**ConferTech International**  
**Tenant Feedback Questionnaire**

***Office Facilities:***

1. Please rank the following project benefits in order of value.

\_\_\_ availability of parking  
\_\_\_ open office space plan  
\_\_\_ mountain and lake views  
\_\_\_ office space construction build-out  
\_\_\_ other \_\_\_\_\_  
\_\_\_ location (please comment) \_\_\_\_\_

***On-Site Retail  
& Service facilities:***

1. Do you make use of any of the Lakeside Center's on-site retail and service facilities?

If so, which ones?

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2. What other Retail & Service facilities would you like to see on-site?

E.g. daycare center, health club, dry cleaners, etc.

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***Food Services  
On & Off-Site:***

1. Do you make use of the center's on-site food court?

If not, why not?

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2. What other types of restaurant vendors would you like to see in the food court?

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3. How often do you leave the center to go out and pay for a meal?

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4. What Off-Site restaurants do you frequent for lunch meals? Please specify location.

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5. If you bring your lunch to work, where do you consume you meal?

E.g., break-room, inside building but not in office, outside building but on-site.

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***Commuting:***

1. How far do you commute to attend work at a Lakeside Center office facility?  
E.g., miles, and rush hour commuting time.

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2. From what direction do you commute to work? From what city?

E.g., North, South, East, or West of the Lakeside Center. Arvada, Lakewood, etc.

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3. Please check one of the following:

- a. I drive myself to work regularly
- b. I am driven to work regularly
- c. I use public transportation (RTD) to get to work regularly
- d. I walk/bike to work regularly

If you feel you use more than one method regularly, please indicate so, and percentage of use.

***"Green"***

***Redevelopment Concept:***

1. Please choose the response which most accurately reflects your opinion regarding the following question.



In general, my thoughts regarding the Lakeside Center's conversion from a 100% retail shopping mall facility to a mixed-use office complex is most like which of the following statement.

- a. I think it is a good use of the building and is good for the community
- b. I think it is a bad use of the building and is bad for the community
- c. I have no opinion about the Lakeside redevelopment's impact on the community

***Project Safety:***

1. Do you think the Denver Metropolitan area is a safe city to live in?
  - a. For a city its size - yes
  - b. For a city its size - no
2. Prior to working for a Lakeside Center employer what was your perception regarding safety in the Lakeside/Wheatridge communities?
  - a. I perceived it to be average when compared to the Denver metro area
  - b. I perceived it to be less than average when compared to the Denver Metro Area
  - c. I perceived it to be greater than average when compared to the Denver Metro Area
  - d. I have no opinion regarding safety in the Lakeside/Wheatridge communities
3. What is your perception regarding safety in the Lakeside/Wheatridge communities since you began working for an employer at the Lakeside Center?
  - a. I perceive it to be average when compared to the Denver metro area
  - b. I perceive it to be less than average when compared to the Denver Metro Area
  - c. I perceive it to be greater than average when compared to the Denver Metro Area
  - d. I had no prior opinion regarding safety in the Lakeside/Wheatridge communities
4. How safe do you feel working at the Lakeside Center?
  - a. I feel that the center is a safe place to work
  - b. I feel that the center is an unsafe place to work
  - c. I have no opinion regarding safety at the Lakeside Center

If you answered "B", please explain.

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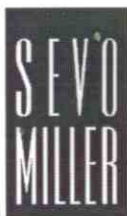
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*Sevo Miller, Inc. and the Lakeside Center thank you for participation in this survey*







*Lakeside Mall - Circa 1956*

## Retrodevelopment ...



...*Back to the Future.*

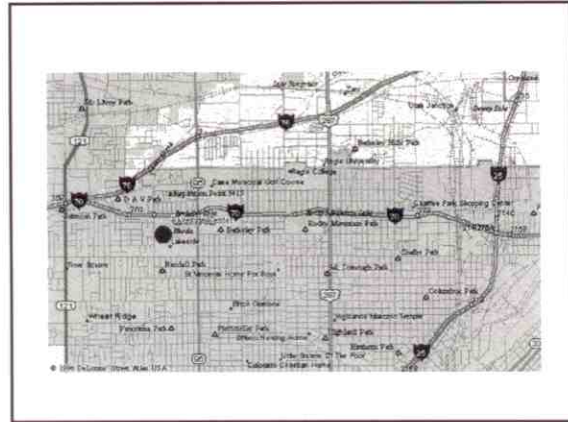
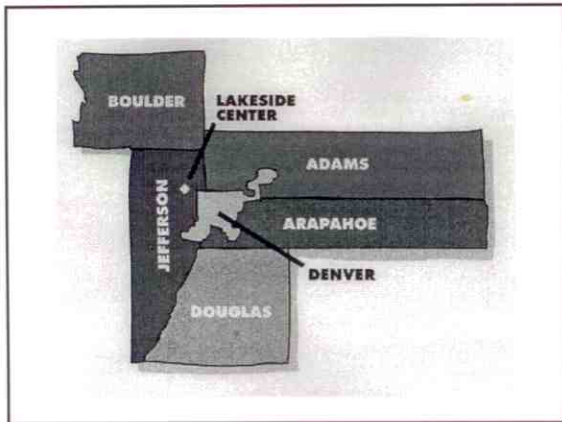
*Lakeside Center*

- *Owned & Operated locally by Sevo Miller*
- *Retrodevelopment financing by GE Capital*
- *Transition - The Product Life Cycle*
- *Mature "In-fill" Trade-area*
- *Market Forces Driving Repositioning Strategy*
  - *Denver's continued economic growth*
  - *Jefferson County's pro growth posture*
  - *Availability of competitive labor in trade area*
  - *DIA's impact on Foothill Businesses (Golden)*
  - *Trade area ripe for service sector employers*
  - *Lack of significant "big block" office project competitors within a four mile radius of site*

*Lakeside Center  
Repositioning Vision*

- *LC's Integrated Mixed-Use Configuration*
- *LC's Facility Construction Characteristics*
- *Lakeside Center's Sub-market Attributes*
  - *Landmark Location*
  - *Mountain & Lake Views*
  - *82,000 Daily Commuters on I-70*
  - *Abundance of Recreational Amenities*
  - *Available & Competitive Labor Market Pool*
  - *Central Tri-County Geographic site location*
  - *Proximity to Denver CBD, Golden, Boulder, and the Growing Foothill's Residential Communities*

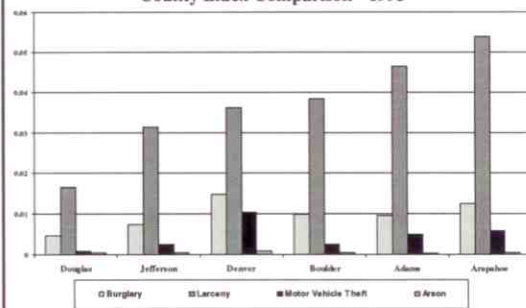




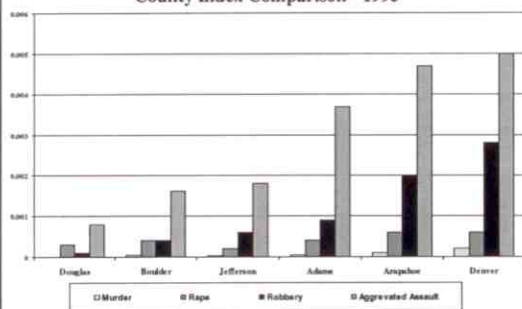
*Lakeside Amusement Park  
Metro Area Landmark Location*



**Denver MSA- FBI Uniform Crime Reports  
"crime against property"  
County Index Comparison - 1995**



**Denver MSA - FBI Uniform Crime Report  
"crimes against people"  
County Index Comparison - 1995**



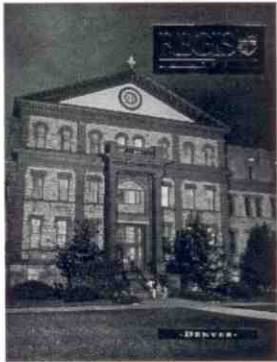
*Lakeside Center  
Metro Area Landmark Location*



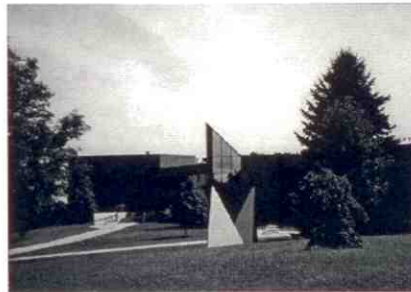
*LC Sub-Market  
new residential redevelopment*



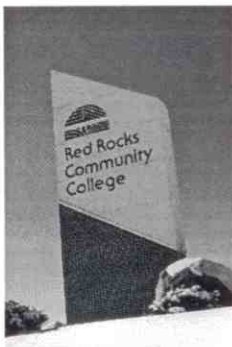
*LC Trade Area  
Parks & Open Space*



*Lakeside Center Sub-Market  
Regis University*



*Lakeside Center Sub-Market*



*Lowell Ponds  
State Wildlife Area*





*LC Sub-Market  
Nearby Executive Housing*



*LC Sub-Market  
Nearby Recreational Communities*



*LC Sub-Market  
Nearby Recreational Communities*

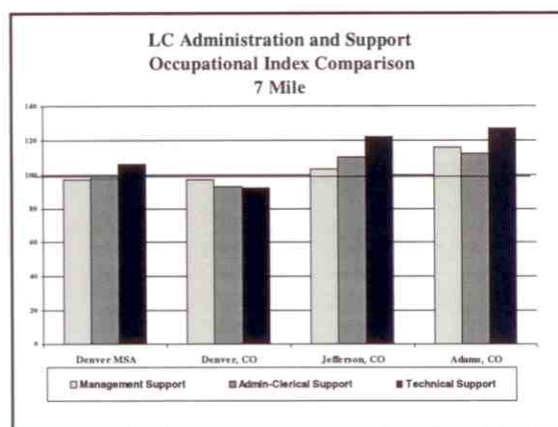
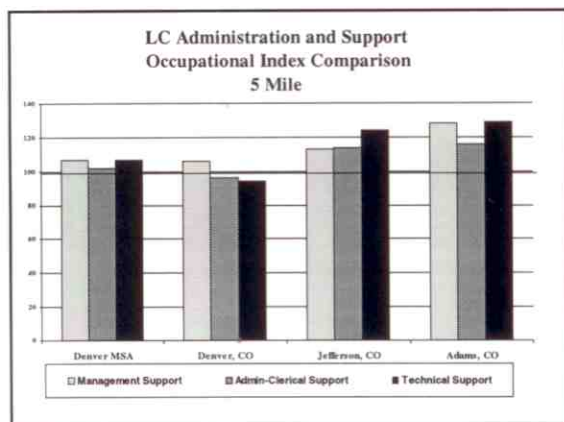


### *Trade Zone Population*

- 140,568 in a three mile radius
- 340,102 in a five mile radius
- 646,832 in a seven mile radius

### *Median Household Incomes*

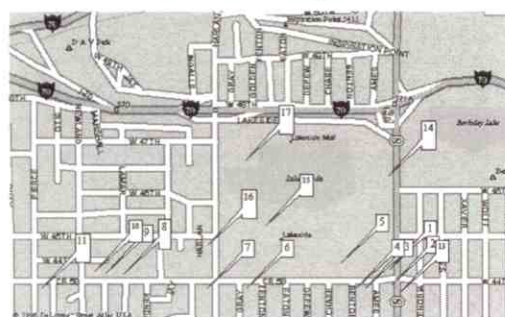
- \$30,916 in a three mile radius
- \$32,566 in a five mile radius
- \$34,823 in a seven mile radius



### Other Project Features

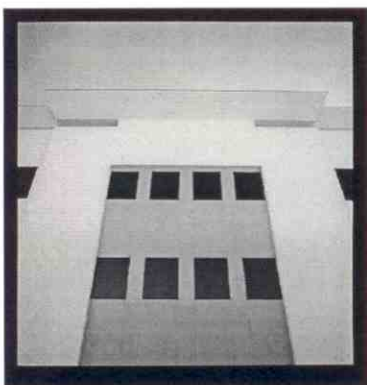
- On-Site Banking
- On-site Food Court
- On-site Security
- RTD Site Service
- On-Site Police Sub-station
- On-site Property Management
- Convenient Adjacent Retail
- Large Contiguous Floor Plans
- I-70 Commuter Signage Exposure
- Dual Looped Optic Fiber Capability
- Accelerated Construction Build-out

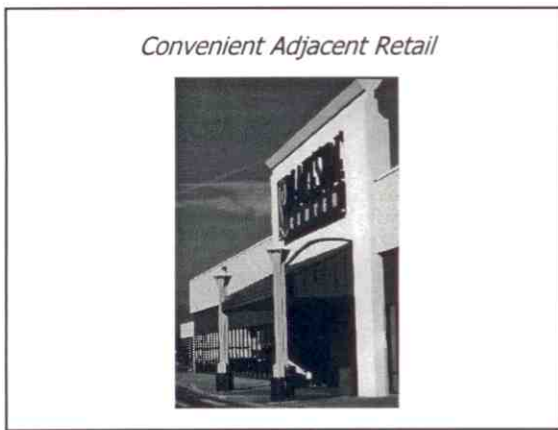
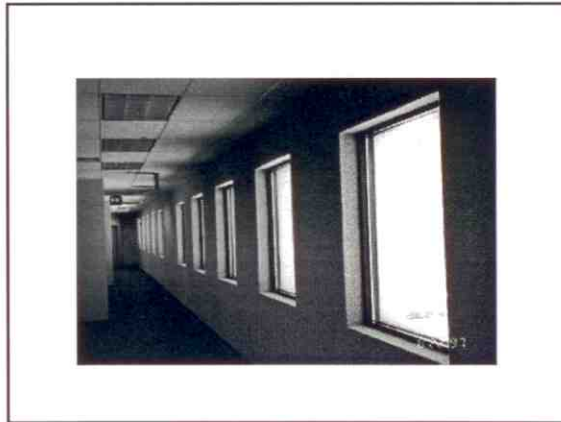
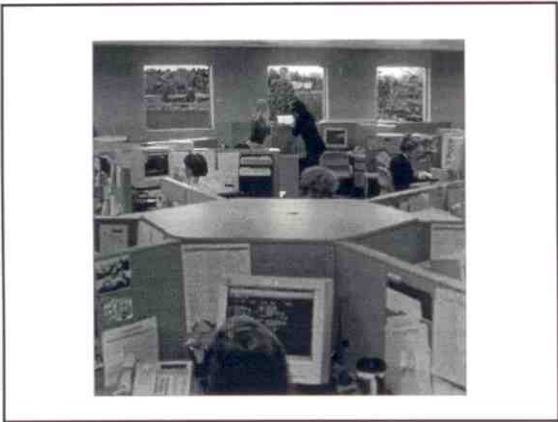
### **Proposed Jeffco Enterprise Zone Expansion**



### **Lakeside Center Targeted Office Users**

- Call Center Operations
- Direct Mail operations
- Information Processors
- Billing & Accounting Operations
- Credit Collection Operations
- Educational Training Centers
- Hospital & Medical Support Services
- Credit & Market Research Organizations
- General Office Administrative Operations







*On-site Food Court*



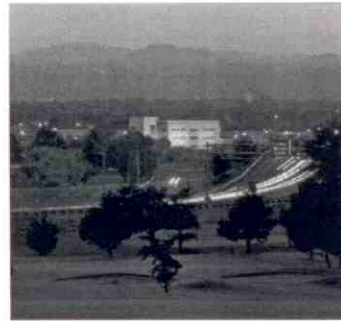
*On-site Banking*



*Retrodevelopment...back to the future*



*Powerpoint presentation conceived & designed by:  
Barrett Associates, Inc.*



*Powerpoint Presentation Conceived & Prepared by:  
Barrett Associates Inc.*

## Script - Lakeside Center Powerpoint Presentation

- Slide 1. Lakeside Center/Sevo Miller - no narrative
- Slide 2. Marque Project Photograph -Lakeside Center back to the future
- Slide 3. Lakeside Center is owned and operated locally by Sevo Miller, Inc., a market responsive, entrepreneurial, full service real estate firm and the redevelopment project is financed by General Electric Capital Corporation. With regard to the former Lakeside Mall which was constructed in 1956 it can be said that certainly Denver has changed, the market has changed and the Lakeside Center is changing too. Market forces driving the Lakeside Center's repositioning strategy include Denver's continued economic growth, Jefferson County's pro growth posture, the availability of competitive labor force in the trade area and DIA's impact on Foothill business markets, such as Golden. Our studies also suggest that the Lakeside Center trade area is ripe for service sector employers given the lack of such employers in the trade area, which coupled with the lack of big block office project competitors within a four mile radius of the site, bodes well for our project concept.
- Slide 4. Lakeside Center's integrated mixed use configuration accomodates complimentary operations under one roof in the retail service and office categories. We feel that this configuration helps to maximize employee productivity to our tenant-clients.

Slide 5. This area map illustrates Lakeside's northwest geographic location within the Denver MSA.

Slide 6. This illustration shows Lakeside Center's geographic location relative to the six county Denver metropolitan territory as well as the site's strategic central tri-county position with regard to Jefferson, Adams and Denver counties.

Slide 7. Located 30 seconds from Interstate-70, the Lakeside Center's east/west ground transportation links via Interstate-70 are excellent, and north/south migration within the trade area is enhanced via the metropolitan boulevard system which includes Wadsworth, Sheridan and Federal Boulevards.

Slide 8. The Lakeside Amusement Park has a rich history of family entertainment in the metropolitan area, and our project location has considerable geographic recognition within the Denver MSA.

Slide 9. As a conscientious employer, let us share with you the following FBI data graph which illustrates that in 1995, and 1994 reports support these ratings as well, that Jefferson County rated second safest in crimes against property and just barely rated third safest behind Boulder for crimes against people in the Denver, six county, metropolitan statistical area or MSA.

Slide 10. The 1995 data parallels those finds as well.

Slide 11. The primary trade area offers an abundance of commercial recreational amenities. These next slides will introduce the viewer to the softer side of this lesser known trade area within the Denver market, and we begin with a view of the project from the Willis Case Municipal Golf Course.

Slide 12. Inspiration Park shown above, is less than two miles from our site and is typical of the many parks and lakes in the north - west metro quadrant.

Slide 13. Another significant asset within the Lakeside Center's primary trade area is Regis University located only three miles away. In 1997, Regis University was named as a Top Tier Western University for the third consecutive year by U.S. News & World Report.

Slide 14 Site of the historic 1993 meeting between President Bill Clinton and the Pope, Regis offers specialized training programs on its beautiful main campus through its corporate education department for clients such as U.S. West and Lucent Technologies and, with nearly 2,000 undergraduate and 4,000 graduate students, Regis is both a training amenity and quality source of labor in the Lakeside Center trade area.

Slide 15. In addition to the trade area's abundance of parks and lakes, the Lowell



Ponds State Wildlife Area offers pristine country settings in a recreational environment just miles from the Lakeside Center.

Slide 16. Additionally, new upscale residential communities continue to develop along the extended Interstate 70/west metro corridor landscape as the above slide illustrates.

Slide 17. The Yacht Club is typical of the area's many recreational theme communities.

Slide 18. The Lakeside Center totals nearly 600,000 square feet and sits between two Interstate 70 exits.

Slide 19. The Lakeside Center population bases at the 3, 5 and 7 mile radii rival other comparable metropolitan labor markets in terms of density. Additionally, Jefferson County is second only to Boulder in the percentage of population active in the workplace.

Slide 20. The Lakeside Center's modest median incomes reflect the competitive wage price points available to potential service sector employers. This is particularly significant when human resource personnel consider that in the Denver Tech Center south suburban marketplace the average median household income at the 5 mile radii is over \$56,000.

- Slide 21. Furthermore, the above graph illustrates that at a 5 mile radii the Lakeside Center has a greater percentage of the population base is employed in the preferred service sector "administrative and support" labor classifications when compared to Jefferson and Adams counties, and the Denver MSA.
- Slide 22. At a seven mile radii, the Lakeside Center labor base is at near parity with the Denver Metroplex, and still maintains a competitive advantage over both Jefferson and Adams Counties. This is significant given that Adams County has become home to several large call center operations over the past three years.
- Slide 23. We believe that on-site banking and food court services in addition to convenient adjacent retail enhance worker productivity at the Lakeside Center. Also the project's large contiguous floor plans, dual looped fiber optic capabilities and Sevo Miller's accelerated construction build-out timetable lends itself to back office and service sector operators whom we have targeted for occupancy.
- Slide 24. Let's take a closer look at our new office complex as well as the office user segments we have targeted for this intriguing "retrodevelopment" project.

- Slide 25. The categories targeted above have been chosen as a function of the project's high-density employment attributes such as large contiguous floor-plans and high parking ratios, industry segments forecasted to grow at double digit annual rates, the Lakeside Center's trade area labor characteristics, and state economists forecasts for above-average growth by specific job classifications.
- Slide 26. In addition to refreshing lake and mountain views, the project presents a unique contemporary architectural theme that lends itself to the professional image that quality office operations require of their corporate facilities.
- Slide 27. The site's topography further enhances the office project's separate identity.
- Slide 28. Lakeside Center, an esthetically pleasing "retrodevelopment" .
- Slide 29. Professional image, mountain views and quality tenant-clients combine to define the future at the Lakeside Center.
- Slide 30. Finally, the on-site management team further enables Sevo Miller to operate a quality project in a professional and market responsive way.
- Slide 31. Frontier ConferTech, Inc., a wholly owned subsidiary of a Fortune 1000 company, is an excellent example of the project's quality user-friendly back

office floorplans.

Slide 32. Office workstation space efficiency is maximized by the project's large contiguous floorplates.

Slide 33. Upscale tenant finish at the Lakeside Center takes the "back" out of traditional "back office" facilities imagery.

Slide 34. The projects perimeter windowline design embraces mountain and lake views, while enhancing the natural light available to workers within a given suite.

Slide 35. Whether its a quick meal, personal sundry product, or on-site banking, Lakeside Center's convenient adjacent retail enhances on-site employee productivity.

Slide 36. As with our office component, Lakeside Center's site topography provides our retail operations with a separate identity also.

Slide 37. In addition to the Lakeside Center's on-site food court, there are approximately 2,000 seats at over a dozen sit-down restaurants under two miles from our site.



Slide 38. On-site banking is an amenity to both corporate tenant clients and laborers alike at the Lakeside Center.

Slide 39. We have just shared with you many of the reasons that we believe the Lakeside Center offers potential tenant/client space users one of the metropolitan area's most comprehensive business expansion and relocation big-block space alternatives available in the office marketplace today. Thank you for investing the time to become more acquainted with the Lakeside Center "retrodevelopment".



### ***Marketing Action Plan:***

The Lakeside Center redevelopment project should be marketed to high-density service sector employers who can benefit most from the trade zones competitive and available labor force.

Much of corporate America's customer support functions continue to be outsourced, thus fueling growth in the evolving third party *teleservicing call center industry*.

Additionally, given the telecommunications technology freedom of the day, many firms are opting to physically separate the customer service component of their core operations from their main business physical plant for both cultural and economic efficiencies.

Whether *build-to-suit* or *second generation redevelopment (alternative)* product, this operational strategy is driving the "net additional space" demand for this class of office space user. The targeted space user most suited to the Lakeside Center "*retrodevelopment*" project.

Over the past decade, *Colorado Department of Labor and Employment* reports that total wage and salary employment increased by 30%, and the *Services* sector led the state's economic growth by category at 67%.

A review of statistics and comparison of key economic indicators concerning Colorado's business environment prepared by the *Research and Special Project's Division* of the *Colorado Office of Business Development* (report data summary given to IRA Schwartz for Sevo files) indicates that *Business Services* - exclusive of real estate, banking, and insurance - constitute 7.4% of the Colorado Economy. And half of the State's Labor force is domiciled in the Denver MSA.

The occupational growth outlook for the State predicts that 50% of the net new jobs will fall into the professional, paraprofessional, technical, and services categories. Again, with the *Services* sector leading the way at 3.3%.

"Computer support specialized" classified occupations, which would include a "call center" technician, are projected to grow at 7.6 through the end of the decade.

Additionally, computer, health, and education categories are expected to create the largest number of positions at significantly greater than average rates.

Upon weighing the above facts, and evaluating the project's trade zone and site specific attributes as addressed in other sections of this Market Field Assessment (MFA), it is my opinion that the following industry segments offer excellent potential for attracting appropriate office space users to Lakeside.

***Call Center:***

The "call center" concept is simply the compartmentalization of "customer service" functions within any generic business format.

Customer service within the *Services Industry* sector is growing exponentially given the employee productivity empowerment resulting from the ongoing "technological revolution," as well as America's economic evolution to a more service sector dominated economy.

In large part, Peter Drucker's continued "flattening" of corporate America via the managerial trend to cut payroll counts and outsource any ancillary operational business component considered non-germane to the company's "core business," is what has defined the "third party" call center industry as we see it today.

And this industry segment has disproportionately accounted for the bulk of "net" new job creation, and corresponding net new "build-to-suit" and "alternative" space absorption in Denver's office marketplace over the past three years.

This trend is expected to continue throughout 1998, and Lakeside Center leasing staff is encouraged to pursue this space user category.

***Direct mail:***

A mature industry, Direct mail operations have been a source for corporate outsourcing for many years, and there is increasing consolidation and merger activity that may offer potential for capacity expansion and economies of scale Facility transactions.

***Information Processing:***

This is an all encompassing category including business operations from credit research to transaction processing.



The credit card industry is expanding its product line to include "debit bank cards," and smart cards, which operate like cash with an "embedded chip" that has a quantified expiration formula attached to the card - it is a newer technology.

These cards are being used in new markets such as telephone calling, transportation, retail services, and others, and will continue to fuel processing facility growth in this industry segment over the next five years.

Finally, "Operations Research Analysts" classified occupations, which would include a "call center" technician, are projected to grow at 5.6 through the end of the decade.

### ***Billing & Accounting:***

Billing and accounting operations are a more traditional source of corporate outsourcing, and has the potential to tie into a Lakeside Center trade zone strength in the *Health Services Industry*.

With Lutheran Medical Center, St. Anthony's, and the AMC Cancer Research facility in the primary trade area, billing and accounting operations are one of the very few that can be physically outsourced from a hospital environment. That is, most outsourced medical operations need to be physically on-site, and within the hospital itself. This is not true for billing and accounting services in the healthcare industry.

### ***Credit Collection:***

Collectors is a job category forecasted to be in high demand over the near term given the Nation's historically high consumer debt levels of the day.

Credit collection epitomizes the stereotypical "*back-room office operation*," and the demand for office space in this business category is destined to increase over the next three years.

Additionally, "Bill and Account Collectors" classified occupations, which would again include a "call center" technician, are projected to grow at 5.3 through the end of the decade.

### ***Educational Training Centers:***

Private sector training operations represent a significant growth market during the next decade as America continues along the "technology curve," and all businesses segments are requiring greater skills from the labor force.

In addition to "in-house" corporate training facility demand and the traditional Community College and University sources of training, third party "consumer direct" training enterprises such as *CareerTrack*, *University of Phoenix*, and other specialized training operations are expected to experience exponential growth as the American labor force "re-tools" for the 21<sup>st</sup> Century.

Finally, the "Teachers" classified occupations are projected to grow at 5.2 through the end of the decade in Colorado.

### ***Hospital & Medical Support Services:***

As mentioned under the *Labor Analysis* in the *Market Characteristics* section of this report, the LC trade area is an excellent source for healthcare service personnel given the project's close proximity to both St. Anthony's Hospital and Lutheran Medical Center.

In addition to the two hospitals, which employ nearly 5,000 workers, many other health care workers are employed in peripheral support healthcare industries.

Although most hospital operations are site specific, there are several healthcare business segments including *billing services*, *medical customer service* and *referral* call center operations, which would find both the project and labor market very attractive indeed.

### ***Market Research:***

This business segment could include *primary market research organizations*, which conduct everything from telephone polling services to on-site consumer focus groups and test studies.

The project's landmark location, and freeway access to mountain and resort communities via Interstate 70 could be a logistical site benefit to firms whose client base is in Denver, but whose market research field work involves *Western Slope* based travel.

### ***Government Services Administration (GSA):***

GSA related facility requirements should be explored.

An immediate such short-term (3 year) requirement that seems to merit further exploration would be the government's operational preparation in order to conduct the next census study.

Direct marketing introductions should be made at both the State and Federal levels with regard to the pursuit of this category of prospective space user - both in the short and long terms.

### ***Brokerage Intermediary Community:***

Sevo Miller has opted to pursue a sophisticated integrated *brokerage and tenant-client space user* marketing campaign, which includes a *Lakeside Center Print Brochure*, *CD-ROM Lakeside Center Powerpoint Presentation*, and a *Lakeside Center Web Page* with detailed comprehensive on-line project support data.

Once all of the marketing tools are in place after the first of the year, Sevo Miller should solicit the larger commercial brokerage houses to allow both Barb Meyers and Ira Shwartz to come into their offices for a *Lakeside Center Retrodevelopment Powerpoint Presentation*.

These meeting could afford the *LC Project Team* another opportunity to introduce and re-acquaint themselves with a given brokerage house, and can be very effective when scheduled at the end of a firm's weekly marketing meeting.

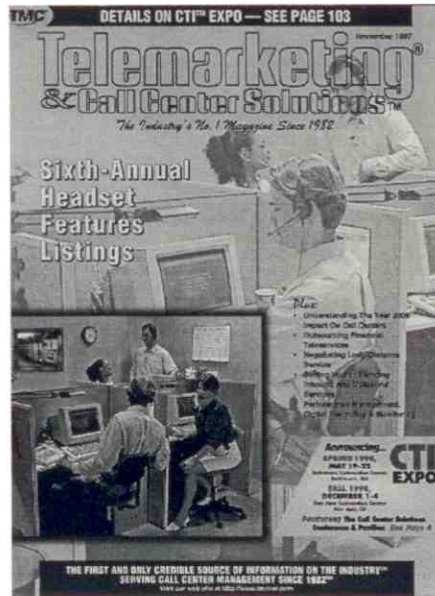
It also helps to feed the brokers in an attractive breakfast format, thereby buying a little more attention, consideration, and presentation time for the *Project Team*.

*Broker Breakfast Meetings* are aslo a great format for obtaining current market data regarding competitive projects, pending space requirements, and leasehold economics.

Finally, *vis-à-vis* broker *LC Powerpoint Presentations* are highly effective in educating *Big Hitter Key Brokers* who are either too *time constrained* or too *informed* to bother researching an "*alternative space*" project like the Lakeside Center.



Sevo Miller should continue to pursue its aggressive print media marketing strategy, and consider expanding Lakeside Center's advertising program to include targeted call center industry trade journals (*annual convention issues*) such as *Call Center and Telemarketing Magazines*. It might even be worthwhile to have a leasing representative attend such a convention of behalf of the project.



### ***Real Estate Trade Journal Interviews:***

The "*Colorado Real Estate Journal*" should be approached about the prospect of doing an interview with John Sevo on-site, and "profiling" the *Lakeside Center Retrodevelopment* after the brochure is printed in early January.

### ***Spring Broker Function:***

Some type of Lakeside Center *Broker Event* should be planned for the early spring.

A *Lakeside Center Willis Case Golf Course Invitational Broker Scramble* could further help to *soften* the office brokerage community's negative perception of both the project and trade area. Play on the front nine would provide a flattering view to Lakeside Center broker attendees of the project (*see marque photo on front cover of Lakeside Center brochure*).



## ***Lakeside Center Brochure:***

### ***First Page Spread Text:***

Welcome to the Denver metroplex's most exciting "**retrodevelopment**" project, bringing the former Lakeside Mall "**back to the future**" as a thriving office center complex.

THERE'S MORE TO THE LAKESIDE CENTER THAN MEETS THE EYE!

This Landmark site offers some of the northwest metropolitan region's most spectacular mountain and lake views, and the center's trade area provides tenant-clients with an abundance of recreational amenities. With easy access to nearby golf courses wildlife areas, community college and university, and city parks, as well as downtown Denver's sporting arenas and entertainment facilities, Lakeside Center offers unmatched convenience and diversity in a beautiful and professional setting.

Located in northeast Jefferson County, this project is situated just off Interstate 70 at Harlan Avenue in the city of Lakeside, offering excellent accessibility to the metropolitan area freeway system.

### **INNOVATION AND FLEXIBILITY**

In addition to amenities typically found in some of the metropolitan area's finer business parks at considerable rental premiums, our refreshing views, flexibly configured floor plans, professional image, and convenient adjacent retail facilities, all serve to enhance employee productivity and morale at the Lakeside Center.

This innovative retrodevelopment project is owned and operated locally by Sevo Miller Inc., a market responsive, full service real estate firm, with project financing provided by the General Electric Capital Corporation.

### ***Second page spread text:***

BE A PART OF THE FUTURE AT DENVER'S MOST UNIQUE  
RETRODEVELOPMENT PROJECT.

Lakeside Center's unique setting and contemporary architectural theme add to the professional image and identity that quality employers require of their corporate facilities.

As one of the Denver area's most innovative retrodevelopment projects, Lakeside Center's many project benefits include:

- Large Contiguous Floor Plans
- Dual Looped Fiber Optic Capability
- On-Site Property Management
- Accelerated Construction Build-Out Timetable
- On-Site Food Court
- On-Site RTD Service
- On-Site Banking Services
- Convenient Adjacent Retail
- Site's Landmark Location

With as much as 150,000 square feet of contiguous new office space available, the Lakeside Center offers potential tenant-client space users one of the metropolitan area's most comprehensive business expansion and relocation "big-block" space alternatives available in the office marketplace today.

#### LAKESIDE CENTER - LOCATED IN ONE OF THE NATION'S MOST ATTRACTIVE BUSINESS MARKETS...

Some of the local market forces driving the Lakeside Center's repositioning strategy include:

- The availability of a competitive labor force in the LC's trade area
- Denver's continued economic growth and status as a global economic center
- The site's unique Tri-County location to Adams, Denver, and Jefferson Counties
- Jefferson County's progressive approach to economic growth
- Denver International Airport's impact on the foothill business communities, and its easy access from the Lakeside Center
- The exponential impact of telecommunications technology on service sector economic growth, and the forecasted increased national demand for "big block" office space in the private sector over the next decade

The Lakeside Center is now designed to meet the Denver market's demand for medium to large contiguous blocks of office space. Additionally, our project's convenient adjacent retail and service operations are available to both complement and enhance the productivity of our tenant-clients' employees.

*Third Page Spread Text:*

WHAT MAKES THE LAKESIDE CENTER MORE THAN JUST ANOTHER  
REDEVELOPMENT PROJECT?

Whether it's a quick meal, need for a personal sundry product, banking or other service needs, Lakeside Center's convenient adjacent retail operations enhance a tenant-client's ability to maximize employee productivity.

The Lakeside Center's design accommodates complementary operations under one roof in the retail, service, and office categories, which helps to maximize employee productivity to our tenant-clients.

Quality on-site maintenance reflects Sevo Miller's local pride in both operation and management.

Frontier ConferTech Inc., a wholly owned subsidiary of a Fortune 1000 company, is an excellent example of the Lakeside Center's quality user-friendly, large, open floorplans.

The facility's perimeter windowline design enhances the natural light available in our suites while embracing mountain and lake views. Our tenant-clients' office workstation space efficiency is maximized by the center's large contiguous floorplates, and the upscale tenant finish at the Lakeside Center takes the "back" out of traditional "back office" facilities imagery.

The center's trade zone also offers our tenant-clients two excellent resources for both outside hiring and training needs in Regis University and Red Rocks Community College.

In addition to our on-site food court, the City of Arvada's restaurant mecca at I-70 and Wadsworth Boulevard offers over 2,000 seats at over a dozen quality sit-down restaurants for quick meals within two miles from our location. And nearby Lowell Ponds State Wildlife Area offers pristine country settings to new upscale communities just miles from the Lakeside Center.

These are just some of the many reasons why this intriguing retrodevelopment project is more than meets the eye.

COME BACK TO THE FUTURE AT THE LAKESIDE CENTER  
RETRODEVELOPMENT!





