



The former Maxtor Corp. building at 1450 Infinite Dr. in Louisville sold for \$25 million.

REAL ESTATE

Former Maxtor building in Louisville fetches \$25M

Price climbed \$10M since '05

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A high-tech Louisville office building has sold for the second time in two years — for \$10 million more — to a company affiliated with England's Duke of Westminster.

Triumph Real Estate Corp. of Englewood

recently sold the 188,000-square-foot former Maxtor Corp. building at 1450 Infinite Drive for \$25 million. That's \$132.98 per square foot.

Triumph bought the building, located in Centennial Valley Business Park, for \$15 million from Maxtor Realty Corp. in 2005. The company recently got such a higher sales price for the property, after owning it a relatively short time, by restructuring existing leases at higher rates and filling vacant space.

Three tenants fully occupy the building — the Sun Microsystems Inc. computer company, and biopharmaceutical firms Replidyne Inc. and GlobeImmune Inc.

Triumph partnered with Madison Realty Investors Inc., with offices in Littleton and Florida, in the deal.

DETAILS

1450 Infinite Drive

Cost: \$25 million/\$132.98 per square foot

Seller: Triumph Real Estate Corp., Englewood, and Madison Realty Investors Inc., Littleton

Buyer: Grosvenor Investment Management US Inc.

Grosvenor Investment Management US Inc. (GIM) acquired the building on behalf of a commingled fund set up for Middle Eastern investors, according to Grosvenor. GIM Director Jay Matthes said in a statement he believes the building will compete well over time because of its "many competi-

tive advantages," including quality construction and a strong tenant roster.

Philadelphia-based GIM oversees the North American investments of the Grosvenor Group Ltd. real estate development and investment firm of London. The privately held group handles the global real estate interests of Gerald Grosvenor, the current Duke of Westminster, and his family. Those interests total \$21.6 billion.

Among the 1450 Infinite Drive building's assets are technologically advanced clean rooms for each tenant, laboratory space plus Class A office footage.

Paul Ruff, president of Triumph, calls the building "unbelievable — the most fantastic building I've ever set foot in." Triumph, started in 1998, specializes in buying and repositioning commercial real estate properties that aren't performing up to their potential.

"It's a pretty spectacular property," Ruff said of the old Maxtor building. "It doesn't take a genius to look at it and see what we were able to purchase it for vs. its replacement cost and understand the value."

Triumph puts the building's replacement value at \$66 million.

After Triumph bought the building in 2005, existing leases and their incentives were expiring, so the company could raise rents — and the structure's value. Current rents range from \$10 per square foot for lab space to \$40 for office space.

When Maxtor had the 1450 Infinite Drive building, which Quantum Corp. built for \$48 million in 1996, it didn't need the property right away. So, Maxtor leased it to cover carrying costs.

Maxtor then sold the building to Triumph a few years ago, after the company's purchase by California-based Seagate LLC the same year for \$2 billion.