

Rocky Mountain News

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Record sale for retail property

Portion of Clayton Lane in Cherry Creek North sold

By John Rebchook, Rocky Mountain News

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Developer Randy Nichols on Thursday sold the retail portion of Clayton Lane in Cherry Creek North for \$97 million, breaking the price-per-square-foot record for a retail sale in the Denver area.

The buyer of the development, about 182,802 square feet of space anchored by a Whole Foods and Crate & Barrel, is AmCap Inc. The deal includes land that previously had been owned by Sears Roebuck & Co., although Sears continues to own its building.

The purchase price equates to about \$531 per square foot. Last year, a Chicago group paid \$400 per square foot for a development in Cherry Creek North, which was the record for a major shopping area.

Although based in Stamford, Conn., AmCap has had a regional office in Cherry Creek for about two decades.

The deal was handled by the CB Richard Ellis team of Mary Sullivan, Tim Swan and Ron Urgitus.

Last year they sold the Janus building in Clayton Lane for \$57.6 million.

"This is Main and Main in Cherry Creek North, with the JW Marriott and the Janus building," Sullivan said.

Jay Kaiser, head of AmCap, said that last year his company formed a joint venture with Hart Realty Advisers to buy more upscale developments on behalf of a state pension fund.

"Cherry Creek is an area that is only going to get better," he said. "Nordstrom is coming to Cherry Creek, and there is a great condo project being built next door," by Christian Anschutz.

Some of the completed condos in the Anschutz development are expected to cost more than \$1,000 per square foot.

"We have a joint venture with Nichols Partnership to potentially develop the Sears site some day," Kaiser said, although he added nothing is imminent.

Tom Mathews, a retail broker at CB Richard Ellis, sold AmCap about 10 King Soopers-anchored shopping centers in the mid-1980s.

"They are very smart investors," Mathews said. "I'm sure that the numbers penciled out today for Clayton Lane, but they also see a chance to add value down the road with the development or redevelopment of Sears."

Clayton Lane has only a 2,200-square-foot retail space currently available, said Beth Bradford, of the Foy Bradford Co. in Park City, Utah, who was in charge of leasing it.

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The retail portion of Clayton Lane in Cherry Creek North has been sold for \$97 million. The purchase price equates to about \$531 per square foot, breaking the price-per-square-foot record for a retail sale in the Denver area. AmCap Inc. bought the development.