

Larimer & Weld Counties

Developer buys into Promontory

by Jill Jamieson-Nichols

Promontory is welcoming its first commercial developer and seeing increased interest from Northern Colorado users.

Promontory Investors LLC paid \$1.09 million for 10 acres of land at the West Greeley business park with plans to build three 45,000-square-foot office buildings, or two buildings and a hotel.

"We have a lot of flexibility," said Nick Christensen of Chrisland Inc., who heads up the development group, explaining it could be that one building will be built as multitenant space for lease, another as a build-to-suit, and the third site could be developed as either office or hospitality.

Right after putting the land under contract, Greeley was widely reported as being the fastest-growing city in the United States, he said.

"This is on the west end where all the growth is. We like the quality of the development," Christensen said, adding the development has "excellent infrastructure," two "high-quality" corporate users — State Farm Insurance and Swift Foods — and, "It's a beautiful setting with nice views."

The deal is the second commercial deal to close in recent months at Promontory, a 670-acre park that hadn't had any commercial sales since Swift bought land for its 130,000-sf headquarters five years ago.

Promontory Medical Park LLC purchased 17 acres in the third quarter of last year for a 65,000- to 70,000-sf medical facility that likely will break ground this year. Owner Westfield Development Co. now has three acres under contract to a software company

that plans 30,000 to 35,000 sf in its first phase and is working on a letter of intent with an athletic facility, said Randy Schwartz, Westfield executive vice president.

Most of the activity is coming from within Northern Colorado and from companies no longer willing to delay expansion plans. "I think the activity that we're starting to see is kind of that pent-up demand," said Schwartz.

"I think that, at least in Northern Colorado, there are a lot of midsize companies that want to own their own facility. If you're a 15,000- to 20,000-square-foot tenant, you really have very, very few options up there.

"Promontory is the only true business park in that region," he added. At prices ranging from \$3.50 to \$4.50 per sf, "I think there is some value there," Schwartz
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said, adding people like being in a business park environment with ponds, trails and their own identity.

Bordered by U.S. Highway 34 and U.S. 34 Bypass, Promontory has 160 acres of commercial ground remaining that also can

accommodate retail development; however, Schwartz said it will be at least a few years before retail development stretches that far west from Greeley. It also has 250 acres of residential land remaining at Promontory, where Richmond Homes and Lifestyle Homes are continuing to build and interest in large blocks has

increased "significantly" since mid-2004.

Promontory Investors purchased its 10-acre parcel from Petro-Canada Resources (USA) Inc. Christensen and Chrisland's Ryan Schaefer represented the buyer, and Jim Capecelatro of Fuller and Co. represented the seller. ▲