

# NAIOP 2006 Mid-Year Forecast

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## LAND MARKET

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# LAND MARKET OVERVIEW

- Slowing ?
- In Transition ?
- Changing ?
- All of the Above ?

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# LAND MARKET TODAY

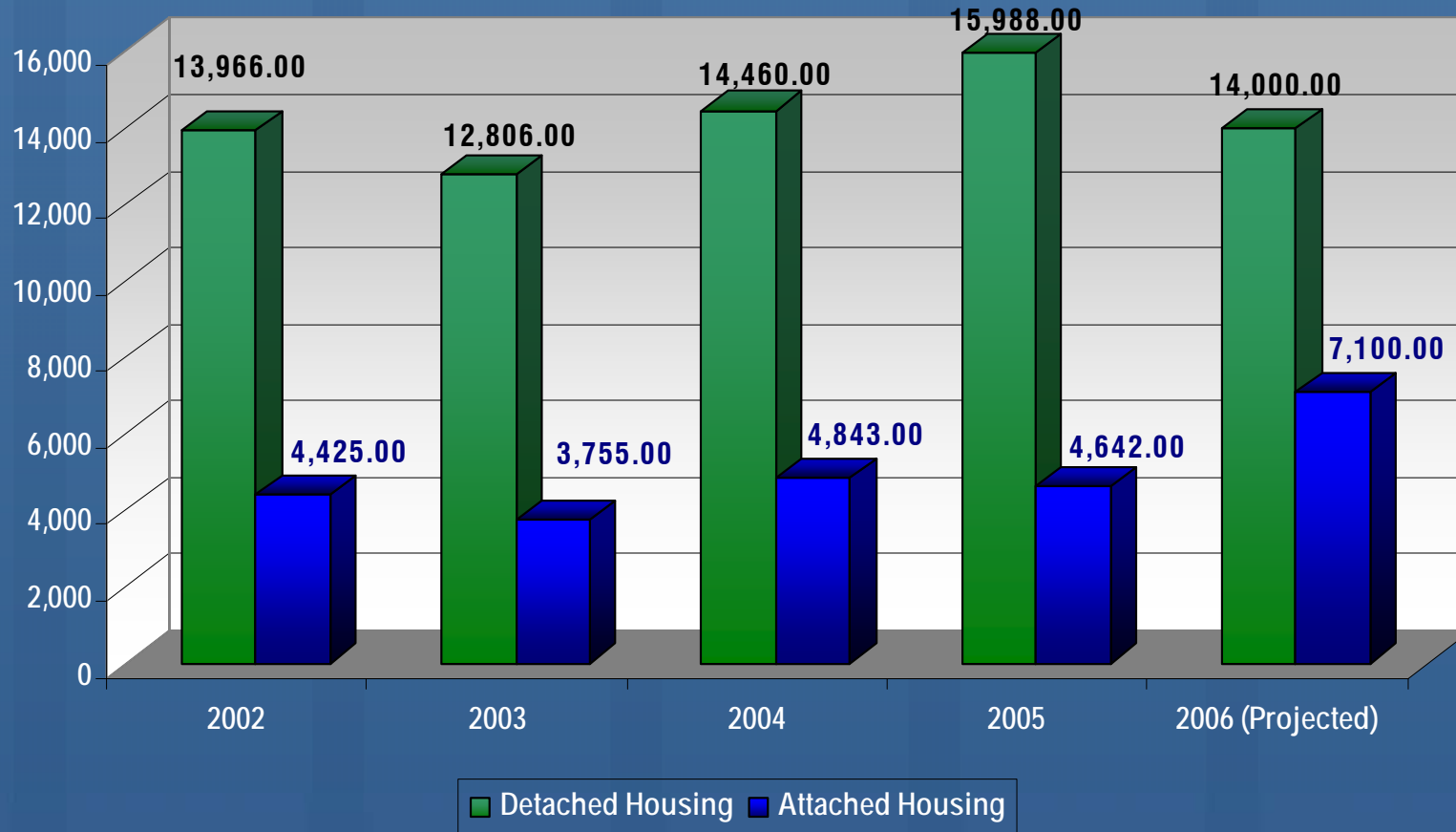
## All of the Above

- Slowing in many suburban markets due to economy (job growth, interest rates)
- Transitioning to higher density & more mixed-use projects
- Changing to address demographics and lifestyles

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# SLOWING...

## Housing Permits Metro Denver



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# SLOWING...

## Housing Statistics Metro Denver

- Unsold home inventory – 30,457 (May 2006)  
v. 25,198 (May 2005)
- Median Price of Home - \$250,943 (May 2006)  
v. \$248,000 (May 2005)
- Foreclosures – highest rate in 15 years

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# TRANSITIONING...

## Higher Density

- Light rail sites
- CBD & surrounds
- Developed neighborhoods and new town centers

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# TRANSITIONING...

## More Mixed-Use

- Suburban
- Urban
- Large and small projects

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# CHANGING...

## Demographics

- Seniors
- Baby boomers
- Young professionals
- Affordable housing

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# CHANGING...

## Lifestyles

- Retail and services
- Recreation and entertainment
- Transportation options

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# NOTEWORTHY LAND DEALS 2006

- \$31,400,400 – 790 acres, Thornton
  - 152nd & Holly
  - Mixed-use
  - Bisected by E-470

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# NOTEWORTHY LAND DEALS 2006

- \$17,025,000 – 210 acres, Arvada
  - Indiana & 86th
  - West side
  - 440 Homes

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# NOTEWORTHY LAND DEALS 2006

- \$12,500,000 – CBD, Denver
  - 14th & Lawrence
  - \$500/SF for 25,000 SF
  - Condo Tower

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# NOTEWORTHY LAND DEALS 2006

- High Point – 1,800 acres, Aurora/Denver
  - Mixed-Use
  - DIA influence
  - Capital intensive

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# LAND MARKET FORECAST

- Market will remain active through this economic cycle
- Job growth and stable interest rates will “kick start” increased activity
- Land investors and developers will play greater role

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# LAND MARKET FORECAST

Pay attention to where we are heading, not  
where we have been...

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