

Interlocken Breaks New Ground for Colorado Business Parks



June 10 - Construction on the tallest building in Broomfield's Interlocken Business Park will begin in July, by longtime Denver developer Steve Clarke. The building will be a 10-story, luxury office tower.

The proposal to build this Class A, \$38 million, 250,000-square-foot high-rise building was approved on May 11.

Clarke, President and CEO of Prime West Development, Inc., located in Englewood, was charged with developing the office tower at 380 Amber Drive, as well as planning and developing the construction of a similar building at 390 Amber Drive. Retained by AmberJack Inc., the real estate affiliate company of State Farm Insurance in Bloomington, IL, Clarke feels the building will fulfill the need of the area's growing business. "That U.S. 36 corridor is extremely hot," Clarke commented. "There's a lot of demand up there."

Many were eager to see if such high-rise buildings, symbolic of downtown Denver and the DTC, would actually work up north. While Interlocken development executives were sensitive to not saturating the market, they felt that the rapid development of similar luxury office buildings around Interlocken was a positive sign to advance the standards.

Clarke recently completed construction of a 6-story, Class A, multi-tenant building at 370 Interlocken Blvd. next door to the planned 10-story office tower site. The multi-tenant building is already 96% leased or committed. Prime West also stands to realize additional profits based on its ability to lease the new project within an undisclosed time frame. The leasing of these properties is being handled by Cushman & Wakefield brokers, led by David Hart.

For State Farm Insurance, the Interlocken deal is the second investment made recently in the Denver area. The company also owns the Airport Distribution Center on East 32nd Ave., which is being developed by Birtcher Development. The insurance giant targeted Denver because of its overall growth.

Representatives of Cantwell & Moody, the Denver investment firm that brought State Farm and Clarke together, feel that the leasing success in that whole corridor is a good indication of a strong, viable market.

Nine new speculative office buildings, including Clarke's, were recently built in the area surrounding Interlocken, and are currently 75% leased.

Doug Bakke, broker for CD Richard Ellis, the company that handles the leasing arrangements for several business parks in the Boulder Turnpike area, feels that there's plenty of leasing activity going on in that northern market. He also sees Clarke's 10-story office tower as being successful because of the amount of speculative development Interlocken controls within the park.

Rent at 380 Amber Drive will range from \$17.50 a square foot to \$21 a square foot.

With market trends headed in their current direction, many experts believe that certain kinds of tenants absolutely have to be in Interlocken; companies that desire the unique and full-service amenities that only an Interlocken-type of business park can provide.

Clarke has retained the same construction team he used for 370 Interlocken Blvd. to develop this latest high-rise. Gensler is once again the Architect and The Weitz Company will serve as General Contractor.