

Elevation25 Case Study

Industrial Services



WALKER &
DUNLOP

Property type

New Class A warehouse

Address

4460 & 4480 Elevation Drive
Mead, CO 80504

Submarket

North

Assignment size

Two buildings totaling
204 ksf (94 ksf & 110 ksf)
on 12 acres

Largest lease

Full building user (110 ksf)
leased to Leanin' Tree

Services provided

Site selection, financing,
buyer rep, agency leasing

Phase I of Elevation25 is a success story in many ways and is attributed to the forward-thinking market leadership of the entire team which includes Silver Point Development, Walker & Dunlop Investment Partners, Alcorn Construction, Intergroup Architects, and Avison Young as the land acquisition and leasing team.

It is important to highlight that industrial land opportunities throughout the Denver region have been scarce over recent years, driving developers and investors to seek out new locations in secondary markets. The Town of Mead is one such market. It is ideally equidistant to three of the region's major markets - Denver, Boulder, and Loveland/Fort Collins. Weld County offers pro-business/growth, low mill levy, below average sales tax, and excellent workforce attraction for businesses.

Avison Young's relationship with Premier Manufacturing was the impetus for this development. Premier desired 45,000 sf expansion space in the immediate vicinity, with workforce retention top of mind, but large spaces were scarce. Taking a problem-solution strategic approach, Avison Young identified 75 acres of land in October 2021 for the development of Elevation25 with Premier Manufacturing as the anchor tenant. The Avison Young team secured under-market land value (\$1.47 psf), and arranged acquisition and construction financing with CIBC Bank and equity through Walker & Dunlop. The entire multi-phased project was planned in excess of one million square feet.

Notably, Elevation25 would be the only speculative, high-bay warehouse development in the immediate area, just two turns from I-25. Forty percent (40%) of the population within a 25-mile radius is comprised of skilled labor and a 30% population growth is projected in the submarket over the next five years.

Groundbreaking on Buildings 1 and 2 (94,076 sf and 109,676 sf respectively) was in February 2022. Both Class A buildings feature 28' clear height, four drive-in doors and 26 dock-high doors.

Phase I completed in October 2023 and represented 203,752 sf of space along I-25, the most traveled North-South corridor in Colorado. **Avison Young secured full lease-up within a record timeframe, well ahead of project pro forma, cinching the project's overall success.**

Ultimately, the development strategy proved to be highly effective as **the project was 100% leased to four tenants within a few months of project completion**, attracting tenants from the older Longmont submarket and other under-served surrounding towns. The average tenant size is approximately 50,000 sf and notably, three tenants have lease rates above \$13.00 psf. The achieved rents are higher than average for the north submarket.

With full lease-up, assets worth \$45M, and sale of the remaining land, Elevation25 is a financial grand slam that will spur further future development in the area.

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