

BUILDING **BEYOND**

DENVER

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N A T I O

N A T I O N A L

› Message from **Mark**



Mark Rauenhorst

President & CEO
The Opus Group

A handwritten signature in black ink, appearing to read 'Mark', written in a cursive style.

Office development is on the upswing with a continued emphasis on smart design.

Within the past year, Opus has completed or has begun developing significant office projects with Medtronic, Wells Fargo, Capital One, Lockheed Martin, HOK Sport and Northrop Grumman. Our organization currently ranks in the top five in office development in the industry and has 7 million square feet of office space planned or under development.

The government sector has taken notice of our leadership position in the office arena, and has enlisted Opus to develop several marquis projects on behalf of the U.S. General Services Administration (GSA). We understand the government's desire to work smarter (not harder) and more cost efficiently while creating a quality office environment for employees. Our design-build approach creates a seamless development process and allows us to deliver superior quality on time and on budget.

One reason why government clients appreciate Opus is our organization's commitment to providing sustainable, "green" elements that conserve energy and create desirable work conditions. Individual heating/cooling controls, underfloor air distribution, Energy Star® qualifying roof products, and designs that make the most of natural lighting not only save money, but create a workplace that fosters creativity and energy.

Many of these green elements also have captured the attention of our private sector clients. For example, virtually all employees in Medtronic's Cardiac Rhythm Management (CRM) headquarters will have a view of the outside, creating more natural light and a more pleasant workspace.

We're proud that we are able to build beyond for our clients in all industry sectors.

› Project **Spotlight**



Environmental Protection Agency Region 8 Headquarters

Denver

Opus recently celebrated the topping out of a 281,000-square-foot office facility for the Environmental Protection Agency (EPA) at the corner of 16th and Wynkoop in the historic neighborhood of Lower Downtown (LoDo) Denver.

Opus was selected by the U.S. General Services Administration (GSA) in August 2004 to design and construct the EPA Region 8 Headquarters building, with occupancy slated for later this year. Opus' approach to the design is based on the two fundamental and interconnected goals of bridging the historic context of the LoDo area with innovative design elements of the future.

The first goal is achieved through a design that recognizes the project is inextricably intertwined with sensitive historic neighborhoods, is responsive to Denver's varied climate conditions, and creates an optimal work environment that accommodates

the current program as well as anticipates future needs.

The second goal is reached through a state-of-the-art, environmentally responsive building that reflects the EPA's mission, goals and aspirations, embodying the spirit of community within the agency. Key features include a landmark lobby, a green roof, atrium and underfloor air distribution system that will help the building achieve a Leadership in Energy and Environmental Design (LEED®) Gold rating from the U.S. Green Building Council.

Overall, the building will reflect the dignity, permanence and purpose of the agency. It will fit into and even strengthen and enhance the quality of the historic neighborhood in which it is located while establishing itself as a landmark in its own right.

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› The Latest

In this issue of *Building Beyond*, we're focusing on our work in the retail marketplace. We at Opus Northwest, L.L.C. believe our work in retail is an important piece of an overall program we are executing in Colorado.

We are building on the strong presence The Opus Group has in the retail marketplace, having developed more than 22 million square feet nationally. The community is already using many of our past local projects, including Centennial Promenade in southeast Denver and the Lakewood City Commons. Together these projects represent almost 1 million square feet of successful retail space.

Many of our current projects, like the Environmental Protection Agency's Region 8 Headquarters, will include retail elements. And we are aggressively pursuing several new projects throughout the state. With our work in the retail sector, Opus is a player in every major product type.



John Shaw

Vice President &
General Manager
Opus Northwest, L.L.C.
Denver

› Meet the Team: Mike Callahan

Position: Project Manager

Age: 29

Education: Bachelor's degree in construction engineering from Iowa State University

Business Focus: Mike continues to build his expertise in many of the product types that Opus is developing, including office, retail and industrial.

Previous work: During his seven years in the industry, Mike has helped put in place more than 2 million square feet. Some of his recent work includes industrial buildings in Compark Business Park in southeast Denver and American Furniture Warehouse in Firestone, Colo.

Family: Mike and his wife, Andrea, have a 2-year-old son, Damon, and a second child due in November. They also count among their family two yellow Labradors, Nomad and Mookie.

Home: While Mike lives in Parker, Colo., he is a native of Dubuque, Iowa.

Hobbies: Hiking with the dogs in the mountains and woodworking

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Mike Callahan

Project Manager
Opus Northwest, L.L.C.
Denver

› Industry News

Industry Expert Talks Retail

By Jon Weisiger

Jon Weisiger, vice president at Trammell Crow and one of the area's top retail brokers, talks about current market conditions.

What is the reality of the Colorado retail market compared to the national picture?

The nation's retail performance currently faces an uncertain environment as high energy prices, rising interest rates and high household debt threaten to limit near-term growth. The recent housing boom allowed homeowners to extract equity from their homes, but that market is cooling and consumer spending may slow as a result. The greatly improved local job market is expected to mitigate the effect of these factors in metro Denver.

What is the local outlook for the increasingly popular lifestyle centers?

Open-air lifestyle centers are gaining popularity in the metro area with two more scheduled to open this year: the 650,000-square-foot Town Center portion of the Southlands in Aurora and the 850,000-square-foot lifestyle center at 29th Street in Boulder.

What local trends do you predict over the next year?

While still very healthy, the local retail market has likely peaked and rent appreciation will slow somewhat in 2006, particularly in older centers. The weighted average rental rate rose 2.9 percent in the first quarter, but was up just 1.9 percent over the previous 12 months. Vacancy will likely stay below 7.5 percent this year, due to the robust job market. The local housing market never experienced rapid appreciation and is only seeing a modest slowdown, further helping to keep the retail sector afloat.



Jon Weisiger
Vice President
Trammell Crow

› Opus News

Almost 200 volunteers, including the staff of Opus Northwest's Denver office, came together to give local children at Boys & Girls Clubs of Metro Denver, located in northwest Denver, a place to see their dreams come true.

The members of the club helped Opus begin work on a state-of-the-art playground in March, by drawing their perfect playgrounds on paper. Opus experts then turned those imaginings into reality on May 20.

The 4,000-square-foot playground features a slide, climbing walls, a zip line and several swings for the children. It was built in a single day with the help of national non-profit KaBOOM!, which specializes in helping groups carry out playground projects across the country.

The project, located at the Johnson branch of Boys & Girls Clubs of Metro Denver, is one of six playgrounds that Opus is constructing in the six cities in which Opus Northwest has offices.



Volunteers assembling playground at Boys & Girls Clubs of Metro Denver

› Local Projects

- **Colorado River Marketplace** – Colorado River Marketplace is located on the northeast corner of Interstate 70 and 24 Road in Grand Junction, Colo., the retail trade center for the Western Slope. River Marketplace will contain more than 560,000 square feet of retail space, ranging from department store anchors to smaller specialty stores. As the largest city in western Colorado, Grand Junction serves as the banking, healthcare and retail trade center for a large geographical area that encompasses western Colorado (including the communities of Aspen, Telluride, Glenwood Springs and Durango), eastern Utah and southwestern Wyoming. This trade area includes more than 300,000 full-time residents and millions of tourists and part-time residents who enjoy what western Colorado has to offer. The property is being co-developed by Opus Northwest and Goldberg Properties. The project is slated for completion in fall 2007.

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Colorado River Marketplace
Grand Junction, Colo.

- **The Shoppes at Arapahoe Commons** – The Shoppes at Arapahoe Commons, located on the northeast corner of Arapahoe Road and Jordan Road in southeast Denver, will feature 15,000 square feet of retail space and both leased and for-sale pad sites. The 10-acre site sits on a high traffic corner with 72,000 cars using the intersection on a daily basis. Additionally, within a five-mile radius of the site, there are 200,000 residents, 10,000 businesses and 125,000 employees. The project should be under construction in the spring of 2007.

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The Shoppes at Arapahoe Commons
Aurora, Colo.



Opus Business Center
Aurora, Colo.

- **Opus Business Center** – Located near the Interstate 70 and Interstate 225 interchange on East Smith Road, the Opus Business Center site provides close proximity to the \$4 billion “life sciences city” of the Fitzsimons Campus of the University of Colorado at Denver and Health Sciences Center. The campus is already home to major regional healthcare facilities, such as the University of Colorado Hospital and the Anschutz Cancer Pavilion. In 2007 the Children’s Hospital will open its new facility. The Opus Business Center is home to two industrial buildings, the University of Colorado Hospital Warehouse facility and a 137,000-square-foot spec industrial building currently being marketed for lease. The building includes painted concrete tilt panels and glazing with a clear ceiling height of 24 feet. The front park/rear load warehouse features multiple dock doors and drive-ins and is divisible to 14,400 square feet. The core and shell of the building are complete.

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**American Furniture Warehouse
Distribution Center**
Firestone, Colo.

- **American Furniture Warehouse** – American Furniture Warehouse, the largest furniture retailer in Colorado, again came to Opus Northwest when the company needed a new distribution center/warehouse to serve its customers in northern Colorado and Wyoming. The 521,000-square-foot building, which consists of 345,000 square feet of warehouse/distribution space and 176,000 square feet of retail space, is located on a 44-acre site in Firestone, Colo., near the intersection of Interstate 25 and Highway 119. Upon completion of this turnkey project in October 2006, Opus will have designed and constructed nearly 2 million square feet of space for American Furniture Warehouse.

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› Denver Project Spotlight



Compark Industrial Complex

Englewood, Colorado

Opus Northwest continues its successful history of development within the Compark Business Campus with a new, state-of-the-art facility in the Compark Industrial Complex. Expanding on its five-year history of building in the campus, Opus Northwest is offering a new product.

The 64,800-square-foot single-story building is a front-park, rear-load warehouse at Lot 3 that includes Early Suppression, Fast Response (ESFR) sprinklers, 24-foot clear storage, a dock ratio of two per 1,000, and above-standard electrical availability. The industrial building sits on 8.5 acres.

The Compark Business Campus is located along E-470 toll highway in Englewood, Colo., just one mile east of Interstate 25 between the Peoria and Potomac/Chambers interchanges. The distinctive

business culture on the Compark campus is supported by a network of bike and jogging trails and corporate and neighborhood retail services. The business campus currently houses tenants such as ADIC, Baxa Corporation, Playtime Creations, The Closet Factory and American Furniture Warehouse.

Opus Northwest has completed more than 1 million square feet in the business park of both spec and build-to-suit industrial and retail space.

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