



COLORADO REAL ESTATE JOURNAL

THE COMMUNICATION CHANNEL OF THE COMMERCIAL REAL ESTATE COMMUNITY

MARCH 5-MARCH 18, 2008

Timnath gets burst of retail as Wal-Mart comes to I-25

by Jill Jamieson-Nichols

The tiny, growing town of Timnath is getting a big burst of retail.

Wal-Mart is coming to town with a 205,000-square-foot Supercenter at the northeast corner of Interstate 25 and Harmony Road. The store will be fronted by retail pads and inline space, and more retail – as many as 60 acres – is planned across the street.

"This is a very regional location," said Mark Goldberg of Goldberg Properties, which is part of a partnership that sold the land to Wal-Mart and is developing the accompanying retail. The interstate location, existing population base and anticipated growth made for a "perfect" storm for the kind of retail development being planned, he said.

"A lot of what the big retailers look for this corridor already has," said Goldberg Vice President Grant Nelson. Household income in the market area was \$80,000 in 2005, he noted.

"What Wal-Mart saw here was the ability to get an interstate location, having the good, solid Fort Collins base to the west and a community that expects to be 10,000 to 15,000 in the next seven years."

While word of a new Wal-Mart has set off a firestorm in many communities, the Timnath store went through the town process quietly by comparison, something Nelson attributed to the chain coming in with a good

design.

Coupled with a new Wal-Mart in North Loveland and a planned store in Windsor, the Timnath store diminishes the need for a long-sought-after south Fort Collins location and will actually be more convenient for many residents of that part of town, Nelson said.

"They've been looking for a south Fort Collins site for a number of years and they believe that with this location, they have a pretty good coverage of the market," he said.

Construction will get under way in the second quarter and be completed by Spring 2009.

Concurrent with the opening, Goldberg Properties and partners Bill and Mike McDowell of Flatiron Park Co. in Boulder plan to open five pad sites and approximately 15,000 sf of inline retail. Approximately \$5 million worth of infrastructure is under way, including a three-mile sewer line extension. Also, the town is building a bridge over the Poudre River just east of the site that will improve access to the new shopping center.

At the southeast corner of I-25 and Harmony (Larimer County Road 38), Goldberg Properties recently acquired 16 acres of commercial land that will include three larger pads, along with room for another anchor or a few midbox users, for a total of around 175,000 to 200,000 sf. The partnership hopes to continue development with acquisition of an addition-



A perspective of Gateway Timnath

al 40 acres.

The development is being called Gateway Timnath.

"We've had lots of interest from both retailers, hospitality, auto – a wide variety of people are interested in this corridor," commented Nelson. The partnership intends to hold the properties long-term and wants the development to look "as good as it can be," with four-sided architecture, split-face block and exposed beams, for example, said Nelson. CLC Associates is the architect.

Andy Buettner and Rich Hobbs of Crosbie Real Estate Group in Denver are marketing the retail space. Asking rates for inline space are in the mid-\$20s per sf triple net.

Timnath, which was incorporated in 1920, was a mere one-quarter square mile until five years ago, when it expanded to 6 ½ square miles. It eventually expects to grow to more than 27 square miles and 30,000 people, compared with the current

population of around 350.

Gateway Timnath, which will draw from an existing trade area of approximately 45,000 people, is the only large commercial parcel in the town.

Housing growth has slowed in the region as it has elsewhere, but Nelson anticipates steady growth based on stable employment in Northern Colorado. Gateway Timnath is expected to take three to four years to build out.

Denver-based Goldberg Properties, which developed the Wal-Mart-anchored Mulberry and Lemay Crossing in Fort Collins several years ago, has developed retail centers throughout the Front Range and Western United States. Among its current projects are regional and grocery-anchored centers in Grand Junction, a retail project at West Quincy Avenue and South Wadsworth Boulevard in Lakewood, and office and retail development in Kalispell, Mont.▲