

High-tech company buys Aurora office building

By John Rebchook

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A New Economy high-tech company has replaced an Old Economy company as the owner of a large industrial building in Aurora.

Ohio-based Peco II Inc. paid \$6.28 million for the 161,900-square-foot Graebel Cos. headquarters building on 26 acres at 401 S. Airport Blvd. Graebel is the parent of the state's largest trucking firm.

"I think this is the largest industrial sale this year for a user," said Alex Ringsby, who handled the transaction with fellow Cushman & Wakefield brokers David Banzhaf and J. Ryan Martin.

Peco II designs, manufactures and services products that support the communications industry's infrastructure.

"The company will be creating about 120 jobs to work there," Ringsby said.

"We are very, very excited about this deal," said Dick Hinson, vice president of the Aurora Economic Development Council. "It's a great use for the building. It's a

great deal for us and for the city of Aurora. One of our targeted uses for the building was an information technologies company."

Salaries for 80 percent to 85 percent of the workers will be in the \$25,000 to \$35,000 range, with some higher-paid engineers and managers, said Chris Gray, who heads economic development for the council.

Gray noted that the recent trend has been for Old Economy companies to replace New Economy companies that have flamed out.

"But Peco II is a very solid company; it's not speculative in any way," Gray said.

Dick Field, a regional program manager for Peco II, said they liked the building's location near Denver International Airport and its proximity to Aurora Community College, which it will be using for training.

"And it has nice little amenities. We're very close to a little golf course, for example," Field said.

The building primarily will serve as a regional sales office and what they call EF&I services, or Engineering, Furnish and Install.

"It's limited turnkey services

for telecommunication folks that need additional power and the engineers to install, test and maintain it," Field said.

He also said he thinks they received an extremely good price. The building was listed for \$6.9 million, well below its replacement cost.

"We look at this as a building that we will grow into over the next 10 years," Field said. "It's a bit of a stretch for us today."

There's room on the site to build another 150,000-square-foot building, broker Ringsby said.

"That remains to be determined how we will manage that asset," Field said. "If business warrants it, we would certainly build another building on the site. It's not clear yet."

In fact, the company may lease a portion of the building to other tenants until Peco needs the space, he said.

The building includes 49,059 square feet of offices and 112,000 square feet of industrial warehouse space, Ringsby said.

"There was quite a bit of interest in the building," Ringsby said. "We probably conducted 20 tours there."