



**SoBo 42**

**Shovel Ready  
Prime Location**

**Multifamily Project**

**1899**

**S Acoma Street**

Denver, CO 80223

Sale includes Land,  
Architectural Drawings, All  
Engineering Documents,  
Survey, Soils and  
Specifications Manual.



## INTRODUCTION

1899 S Acoma St. is in Denver Colorado just south of downtown and on the border of the Platt Park and Overland neighborhoods. The average annual income is \$114,000, this area continues to exceed the average population growth in the metro area and 74% of the households are one-two persons making this the perfect location for renting.

One block off of Broadway tenants have a quieter street yet access to shopping and dining. It is also only three blocks from the Evans Light rail station. Quick access to downtown Denver and the entire metroplex.

## PROJECT

**Price** - \$3,200,000

**Land** - 12,415 SF

**Building** - 42 units, 5 stories, 38 Parking spaces

### COMPLETED- CITY & COUNTY OF DENVER

#### PLANNING & BUILDING PROCESS

- ✓ **Site Development Plans (SDP)**
  - ✓ Mylars signed, paid and recorded
- ✓ **Building permit good 18 months -**
  - ✓ Completed November 2022
  - ✓ Can extend it for 6 months but have to pay for all taps at the same time
- ✓ **Permits are ready-** require payment
- ✓ **Water taps are ready-** require payment
- ✓ **Shoring permit is paid for and been extended**

### COMPLETED- SOFT COST

- ✓ Architectural drawings
- ✓ Specifications Manual complete
- ✓ Surveys
- ✓ MEP Plans
- ✓ Structural Engineering Plans
- ✓ Civil Engineering Plans
- ✓ Environmental reports
- ✓ Landscaping Plans



Sperry, Rocky Mountain Commercial is pleased to present SoBo 42. A fully entitled and planned, 5-story 42-unit multifamily site located just south of downtown and near the Evans Light rail station.

This distinctive development has all necessary governmental licenses and approvals, allowing a buyer the opportunity to start construction in 2024 and to stabilize in as little as 18 months. The site is one block off of Broadway and is on a quieter street, yet walking distance to entertainment and dining.

**Fully Entitled Site** - Exceptional opportunity to acquire Denver land that comes with SDP's, approvals, permits, and everything needed to start construction immediately.

**100% Market Rate Units** - This project is grandfathered in from the Denver Affordable housing ordinances with the current permits.

**Light Rail in Walking Distance** - Quick Access to downtown Denver and the entire metroplex means increased potential for investors.

**Significant decrease in time to Stabilization** - With all planning and approvals done, as well as soft costs paid, this project will save 18-24 months in a buyers development process.

# Grandfathered in from the Denver affordable housing requirement.

## General Property Information

<b>Name:</b>	SoBo 42
<b>Acreage:</b>	0.29
<b>Project SF:</b>	62,155
<b>Rentable SF:</b>	31,064
<b>Units:</b>	42
<b>Parking Spaces:</b>	38
<b>Parking Ratio:</b>	.90
<b>Buildings:</b>	1
<b>Stories:</b>	5

## Property Features

- ✓ Location three blocks from Light Rail Station
- ✓ Demographics over \$114,000 annual income within one mile
- ✓ Denver has a supply issue
- ✓ Roof Top Patio
- ✓ Mezzanines to bring the outdoors in

### Unit Mix Summary

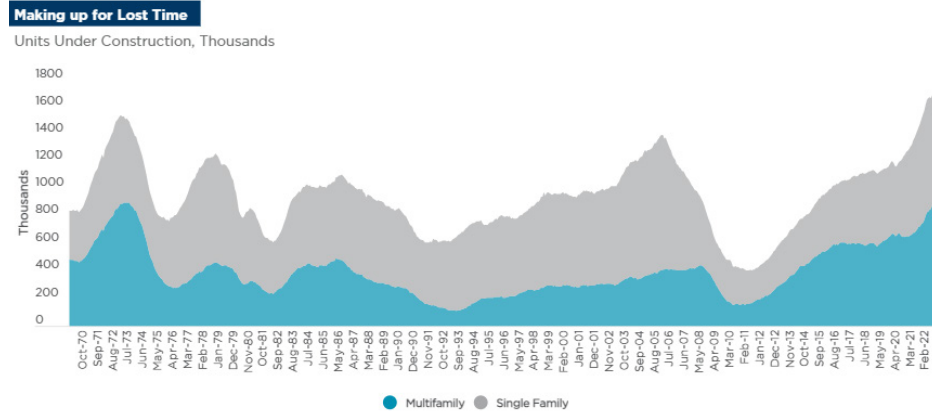
- A1--1BR A
- A1-Type A--1 BR B
- A1-L1--1 BR C
- A1M--1 BR Mezz A
- A2--1 BR D
- A2.1--1 BR E
- A2M--1 BR Mezz B
- A3--1 BR F
- A3M--1 BR Mezz C
- A4M--1 BR Mezz D



<b>Avg. SF:</b>	<b>764</b>
<b>Avg. Rent:</b>	<b>\$2,302</b>
<b>Avg. Rent PSF:</b>	<b>\$3.01</b>
<b>Gross Monthly:</b>	<b>\$96,664</b>
<b>% Affordable:</b>	<b>0.00%</b>
<b>16-Month Mkt Rent Growth:</b>	<b>0.00%</b>

## Denver’s multifamily market is experiencing a positive outlook for the future.

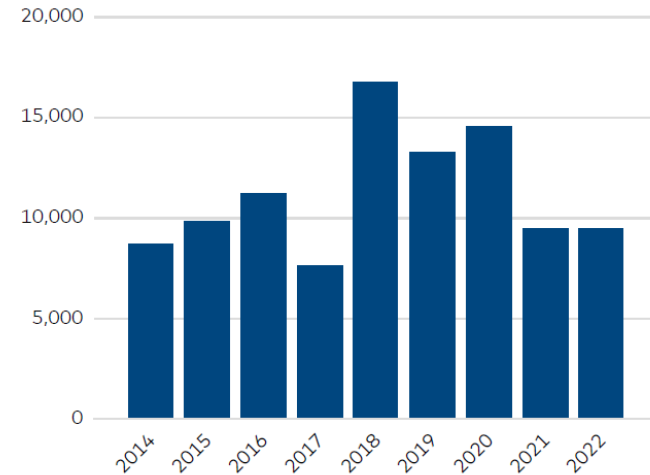
According to Cushman & Wakefield, Denver’s multifamily market has remained strong due to steady population growth and an increase in job opportunities. However, they note that developers should be cautious when considering new projects due to the potential for oversupply and rising construction costs.



Denver’s multifamily market is citing a steady increase in demand for rental properties and a shortage of available units. Also considering Denver’s growing tech industry and a younger demographic that values the flexibility of renting are contributing to the demand for multifamily properties.

A market report by CBRE shows that Denver’s multifamily market had a strong year in 2020 despite the challenges of the COVID-19 pandemic. Denver’s multifamily market is facing the effects of inflation and rising interest rates as some of its fundamentals softened toward the end of 2022. Demand slowed somewhat, pushing the occupancy rate in stabilized properties down by 60 basis year over- year as of October, to 95.0%. Investors also began taking a little more caution, leading to shrinking investment, while rents ended a spell of solid performance, down 0.3% on a trailing three-month basis through November, to \$1,910.

## Denver Completions (as of November 2022)



Source: Yardi Matrix

Unemployment clocked in at 3.5% in October, just slightly above the state (3.6%) and national (3.7%) rates and still far from pre pandemic values, according to data from the Bureau of Labor Statistics. The employment market expanded 4.0% in the 12 months ending in September, on par with the U.S. rate. Only the financial services sector lost jobs (down 3.7%). Nearly half of the 65,300 positions added during the year were in the professional and business services sector (30,700 jobs), sustained by corporate relocations and expansions.

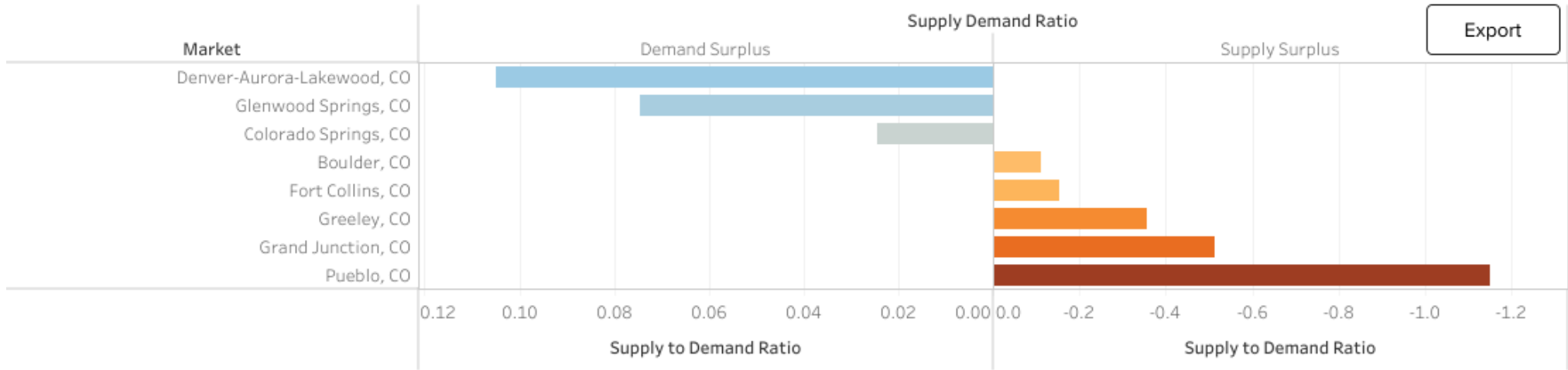
Developers delivered 9,487 units in 2022 through November, heavily targeting Lifestyle renters. The number of projects breaking ground this year surpassed 2021’s volume—overall, 31,790 units were underway as of November. Meanwhile, investment volume totaled \$5 billion, for a price per unit that rose 10.7% year-over-year, to \$336,485.

Overall, it appears that Denver’s multifamily market is a promising area for investment, with steady demand and a growing population. However, developers and investors should remain mindful of the potential risks associated with oversupply and rising construction

References:

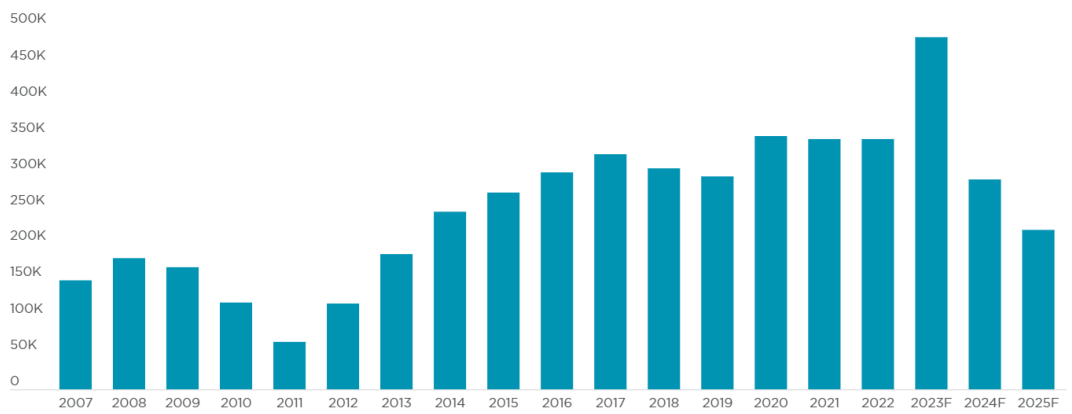
- <https://www.cushmanwakefield.com/en/united-states/insights/us-articles/contextualizing-development-risk>
- <https://www.cre-1.com/post/multifamily-investments-a-positive-outlook-for-the-future>
- <https://www.yardimatrix.com/blog/denver-multifamily-market-report-january-2023/>

The Supply Demand Ratio measures the relative balance between active inventory and active buyers in a given market. Markets with a ratio above 0 are experiencing a **demand surplus**, markets with a negative ratio are experiencing a relative **supply surplus**.



**Completions Expected to Fall in 2024**

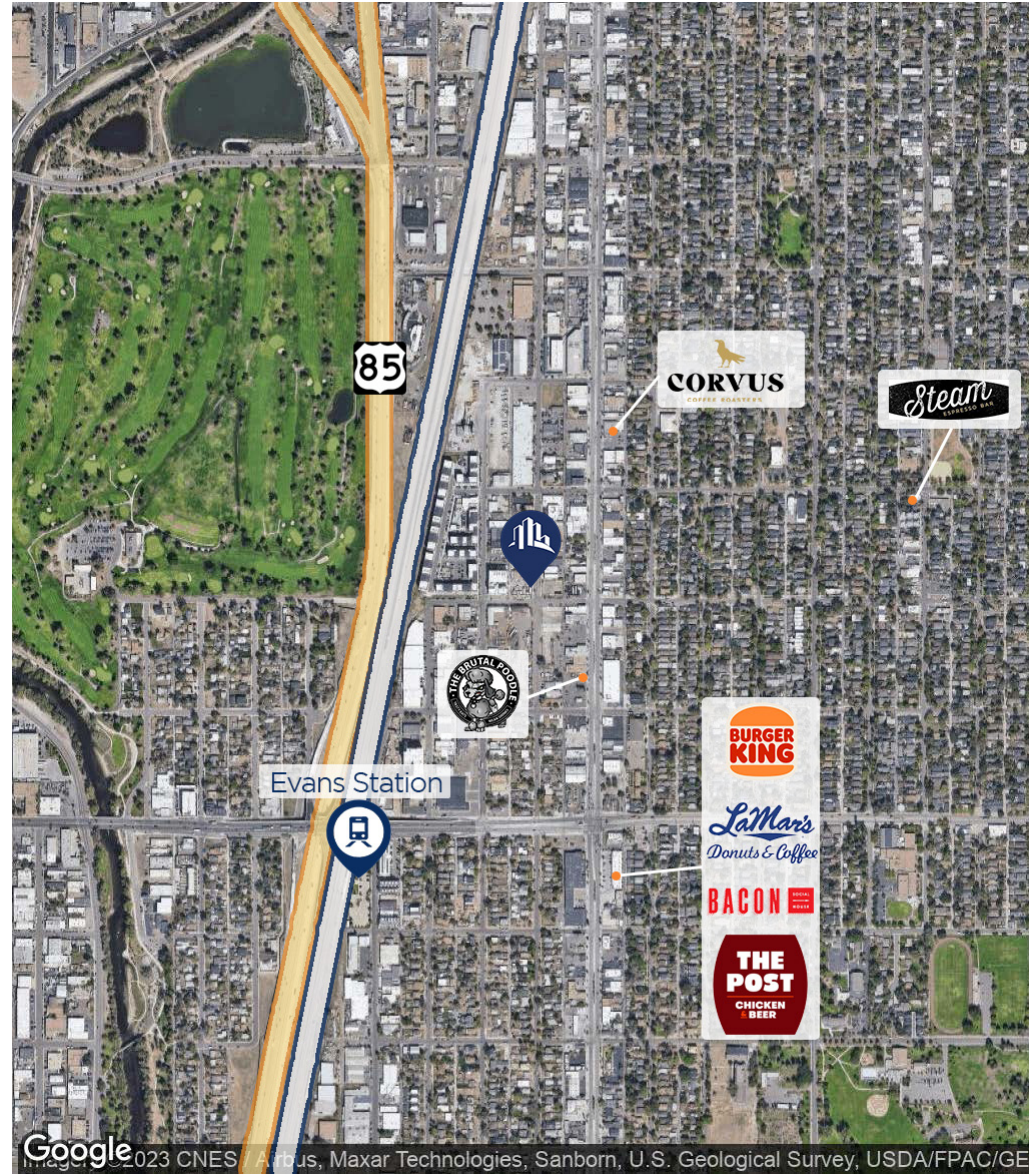
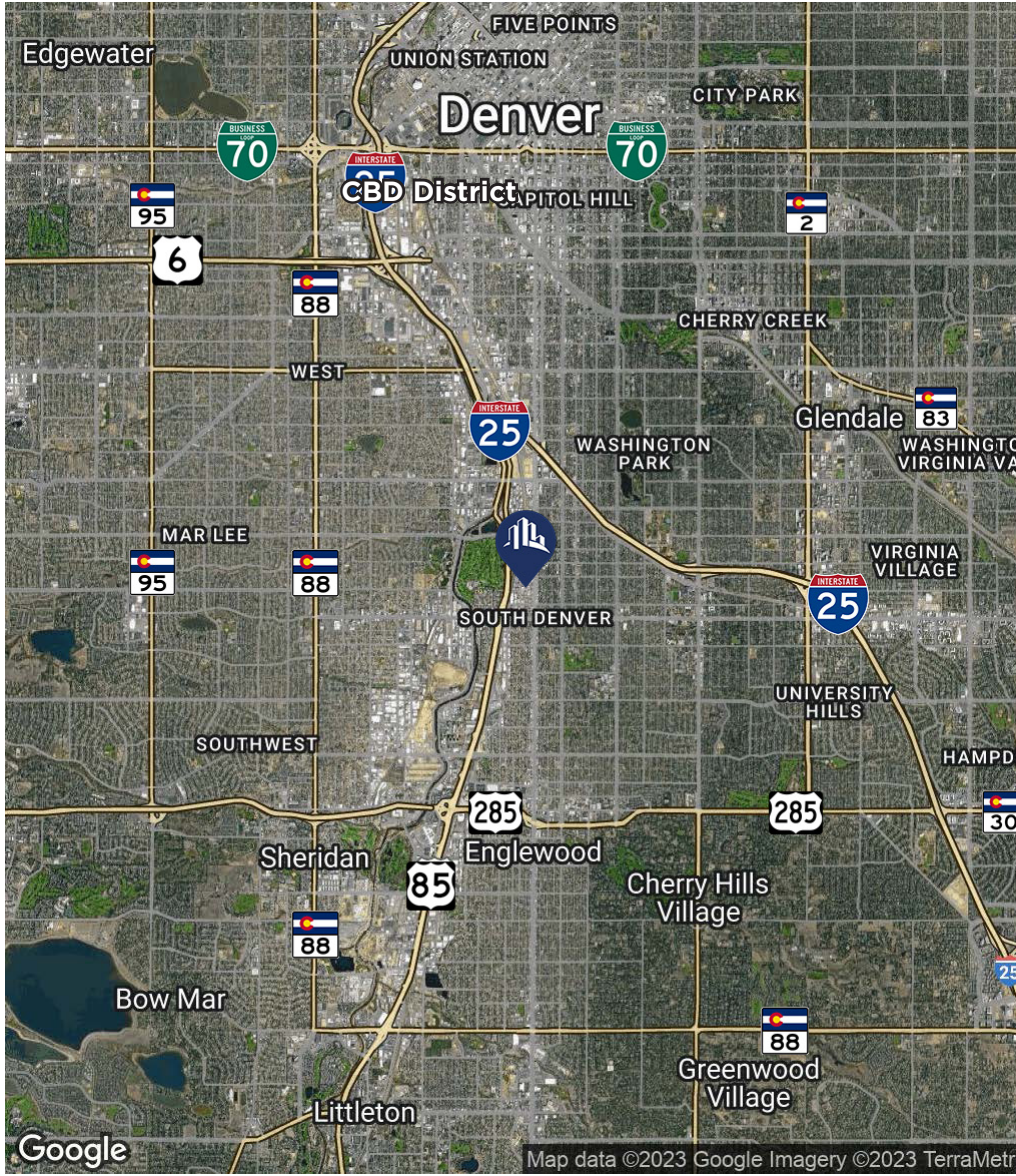
Forecast Completions

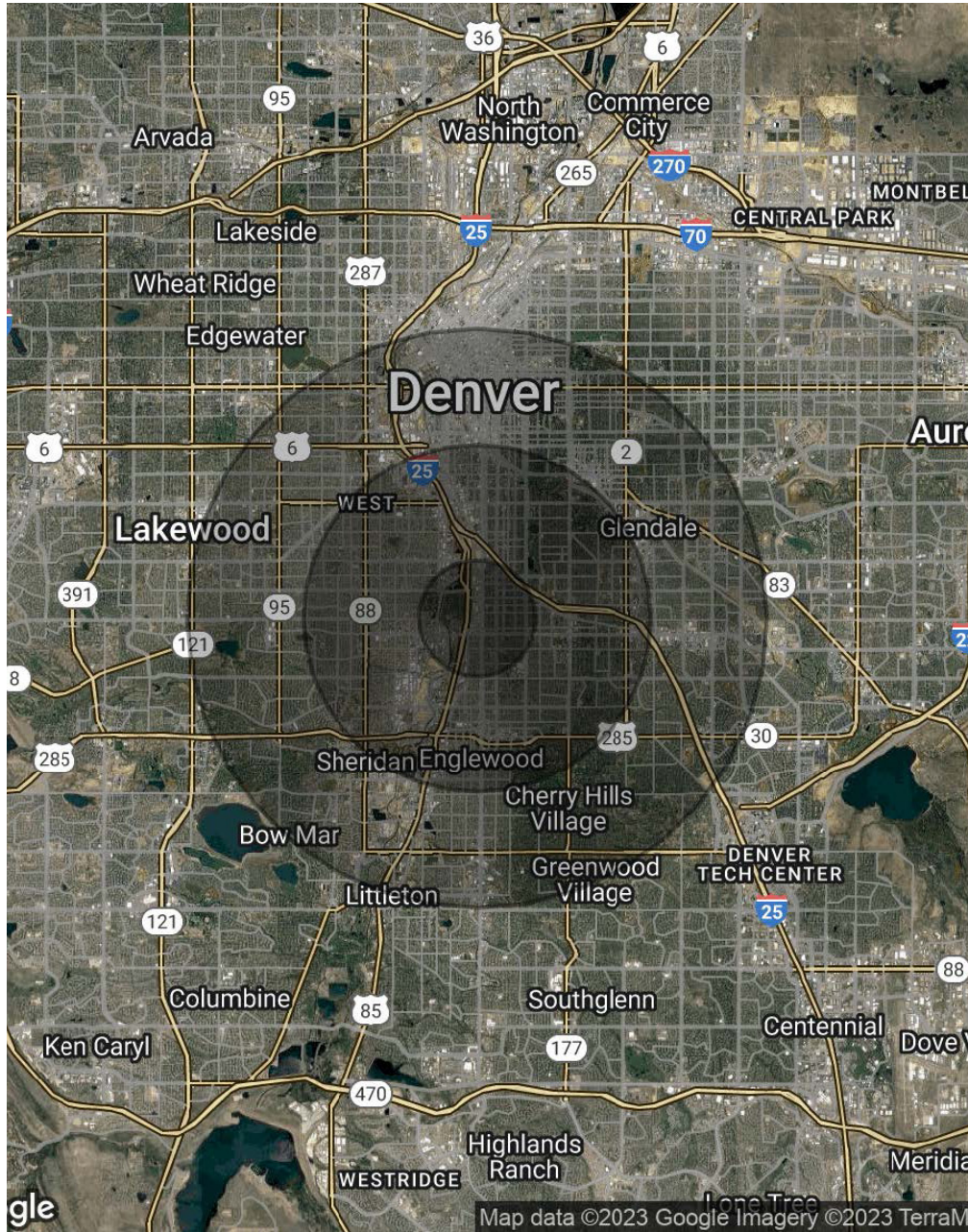


Source: Cushman & Wakefield Research

A new study commissioned by the **National Multifamily Housing Council** and **National Apartment Association** reveals the U.S. needs to build 4.3 million new apartments by 2035 to address demand, deficit and affordability.

At the market level, notes Larry Jacobson, president and CEO of The Jacobson Co, “we are moving money away from markets like Seattle and Los Angeles and redeploying capital into markets such as Denver, Salt Lake City and areas in Texas.” Those latter markets have demonstrated strong in-migration patterns, healthy economies, and a superior quality of life, he explains.

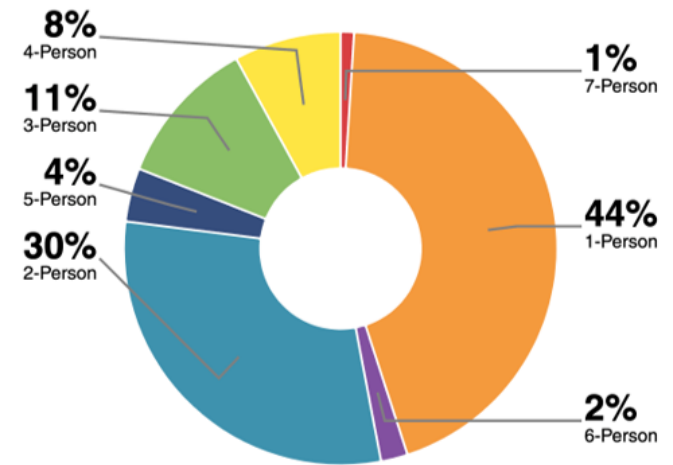




POPULATION	1 MILE	3 MILES	5 MILES
Total population	14,961	173,239	485,054
Median age	34.2	36.4	36.7
Median age (Male)	36.1	36.4	36.6
Median age (Female)	33.5	36.1	37.1

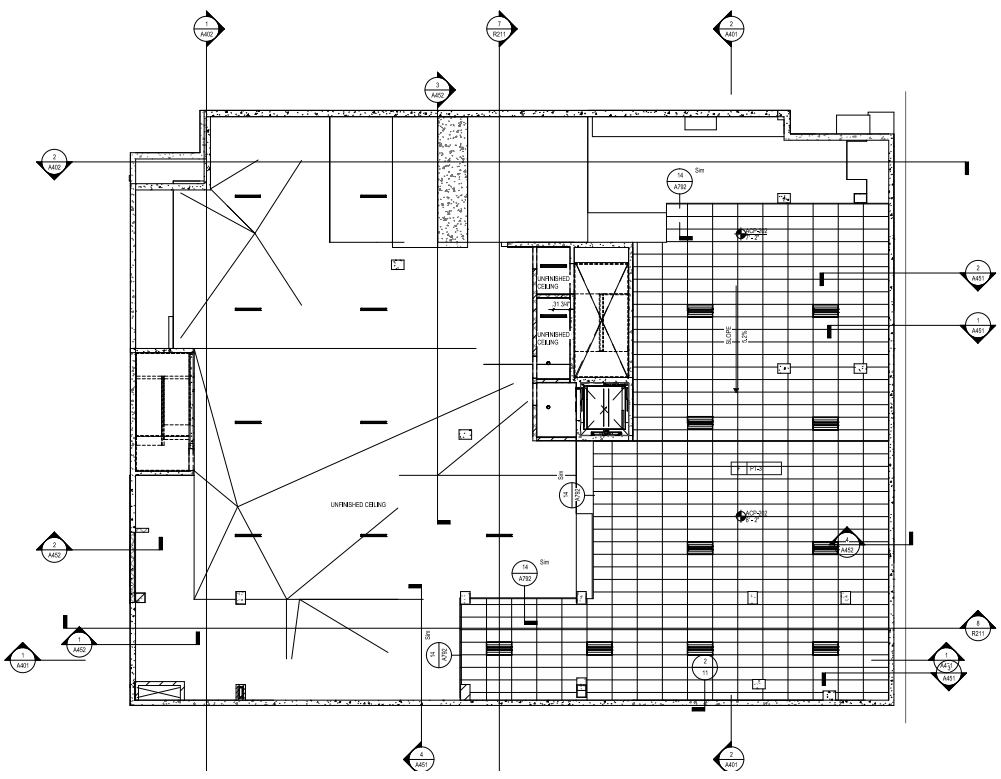
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total households	6,529	73,746	219,734
# of persons per HH	2.3	2.3	2.2
Average HH income	\$117,410	\$101,088	\$97,492
Average house value	\$495,617	\$456,196	\$439,882

Household Size

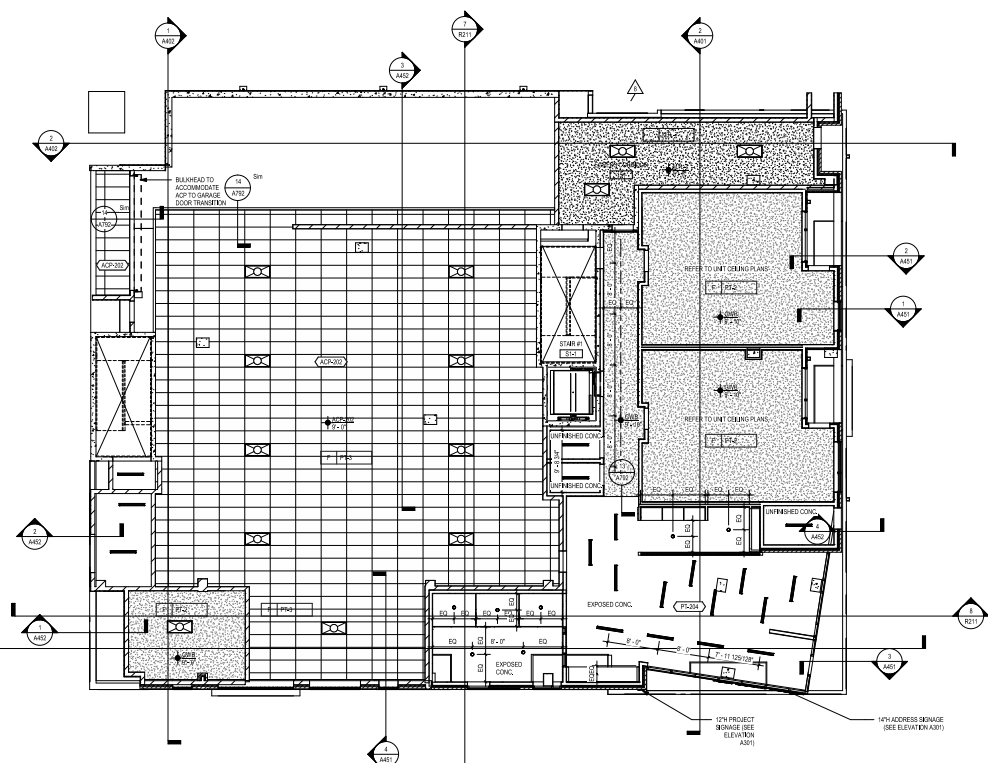


5 mile 2022 % of Households

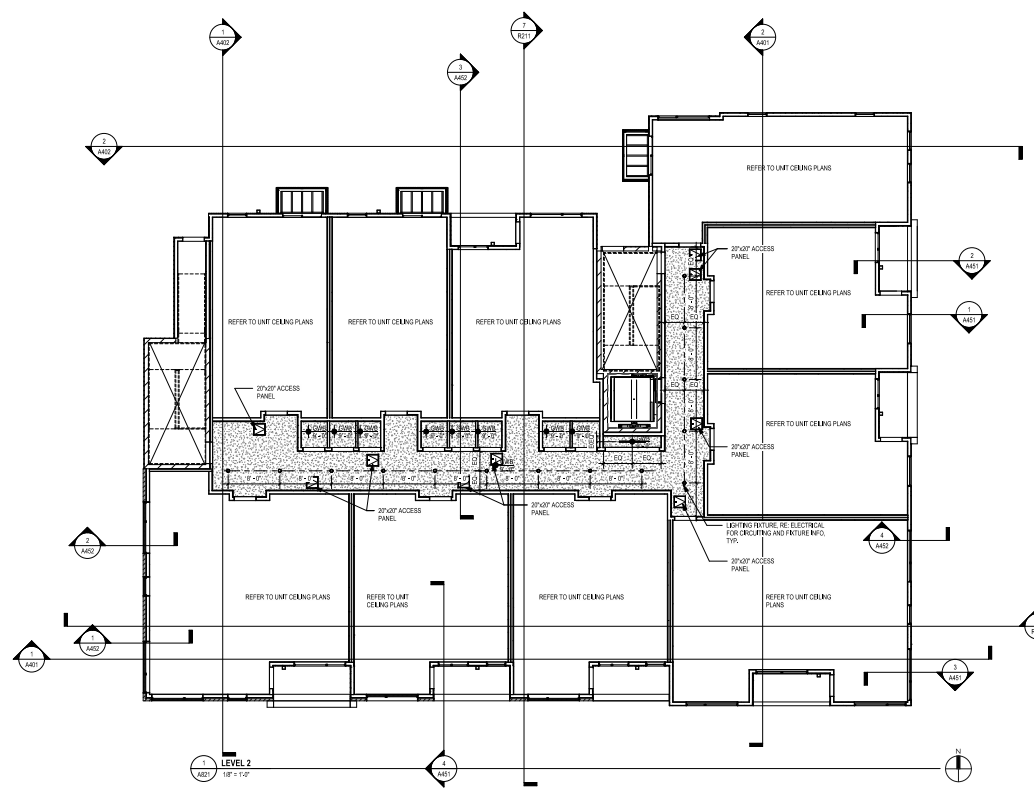




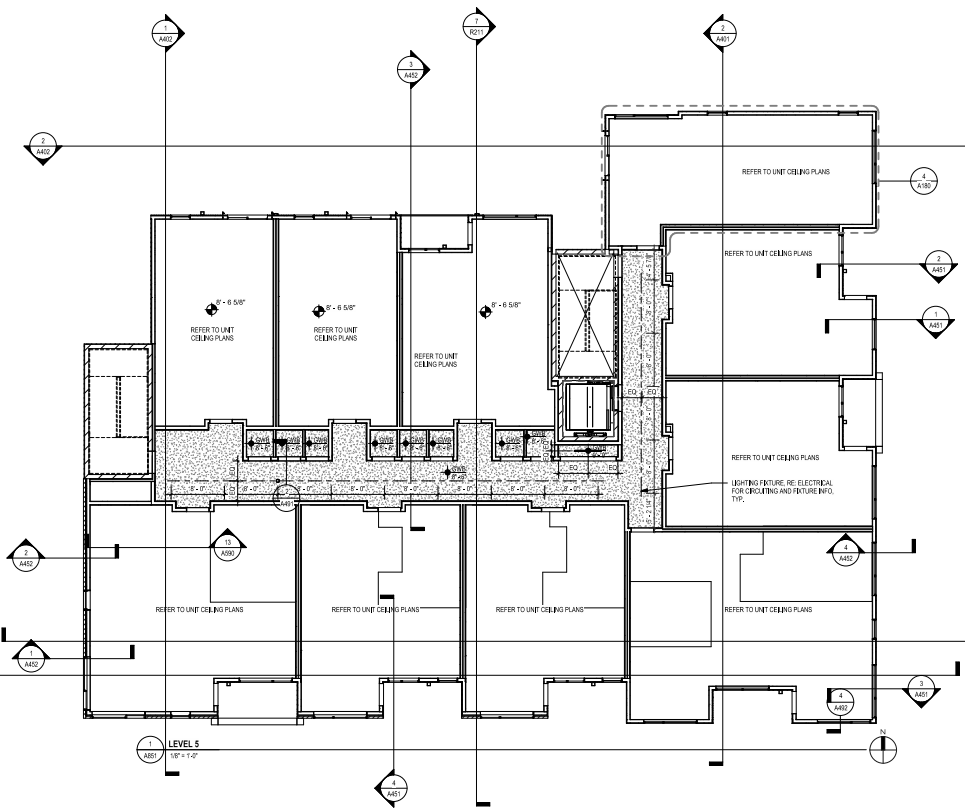
Level P1



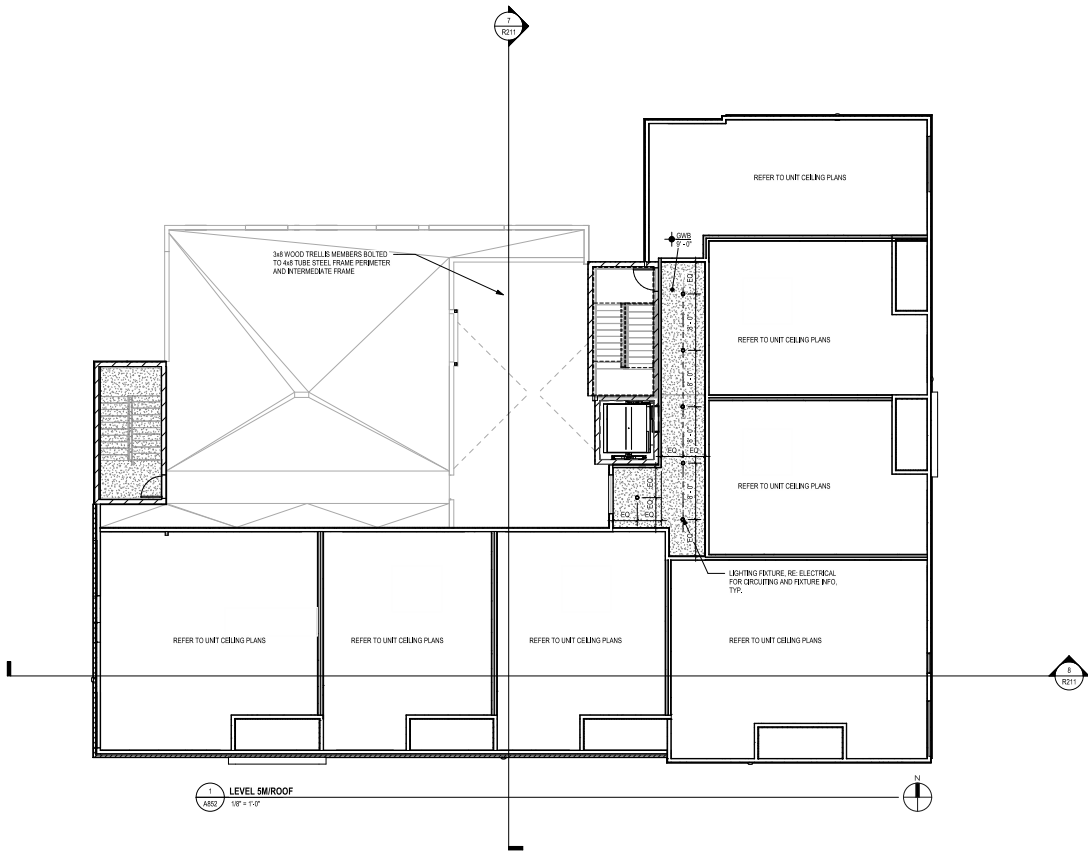
Level 1



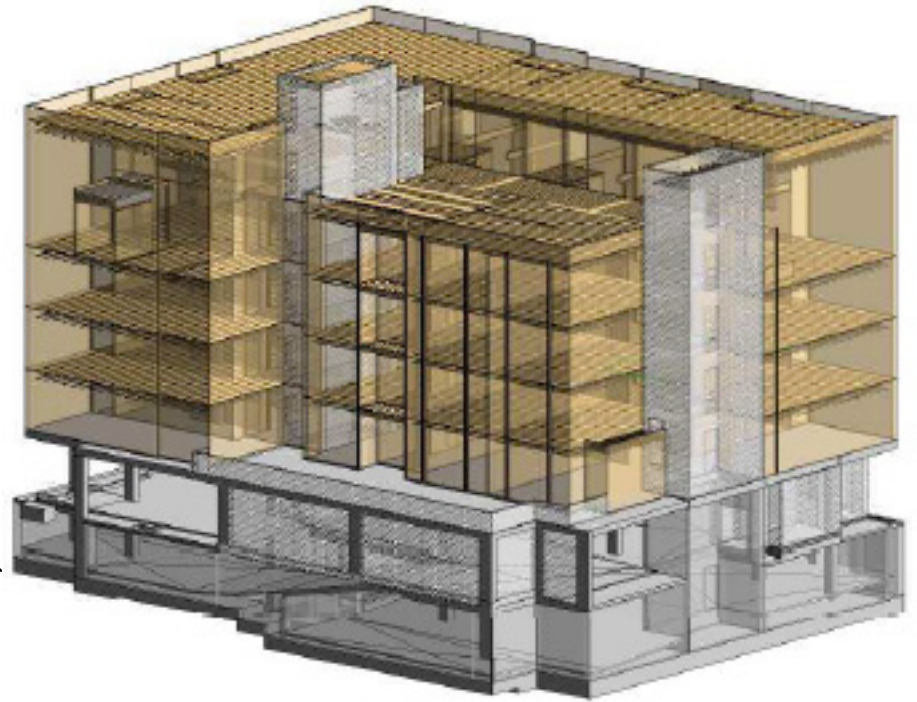
Level 2



Level 5

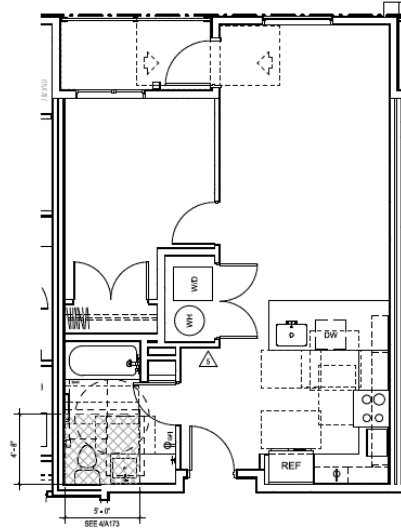


Roof

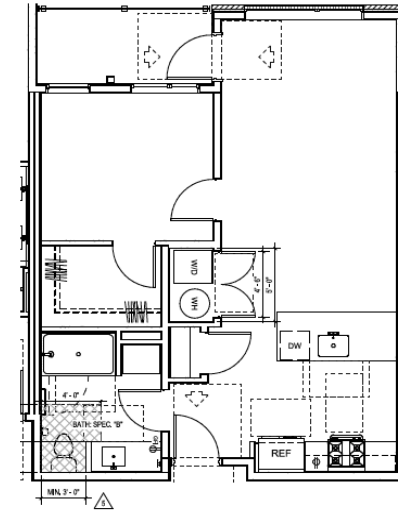


Perspective

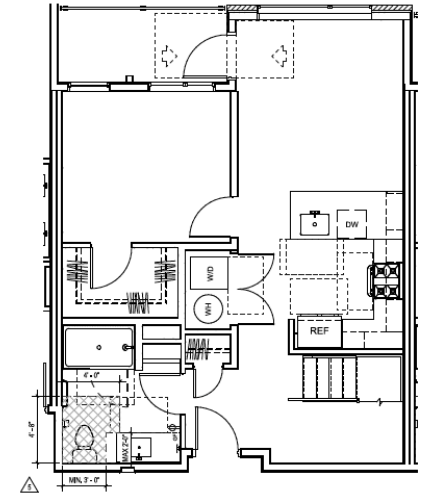
Type	Unit Count	SF
<b>A1--1BR A</b>	<b>6</b>	<b>734</b>
<b>A1-Type A--1 BR B</b>	<b>1</b>	<b>672</b>
<b>A1-L1--1 BR C</b>	<b>2</b>	<b>715</b>
<b>A1M--1 BR Mezz A</b>	<b>2</b>	<b>844</b>
<b>A2--1 BR D</b>	<b>5</b>	<b>669</b>
<b>A2.1--1 BR E</b>	<b>4</b>	<b>686</b>
<b>A2M--1 BR Mezz B</b>	<b>2</b>	<b>762</b>
<b>A3--1 BR F</b>	<b>3</b>	<b>732</b>
<b>A3M--1 BR Mezz C</b>	<b>1</b>	<b>858</b>
<b>A4M--1 BR Mezz D</b>	<b>1</b>	<b>1,168</b>
<b>B1--2BR A</b>	<b>3</b>	<b>1,033</b>
<b>B1M--2 BR Mezz</b>	<b>1</b>	<b>1,205</b>
<b>B2--2 BR B</b>	<b>3</b>	<b>995</b>
<b>S1--Studio</b>	<b>8</b>	<b>595</b>



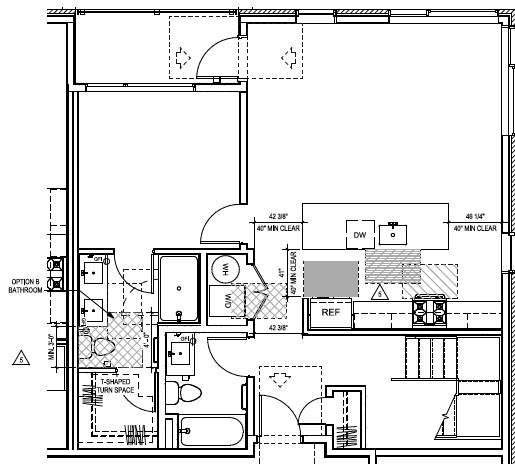
A1-Type A - 672 SF



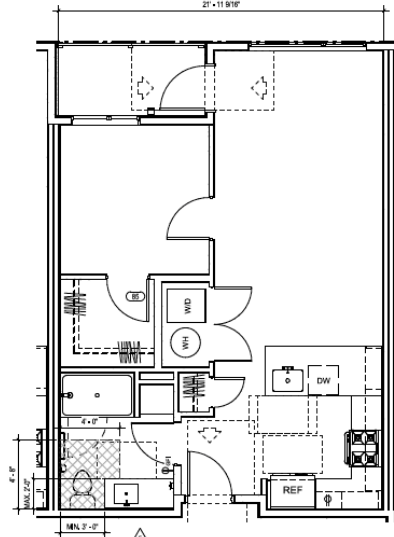
A1- 734 SF



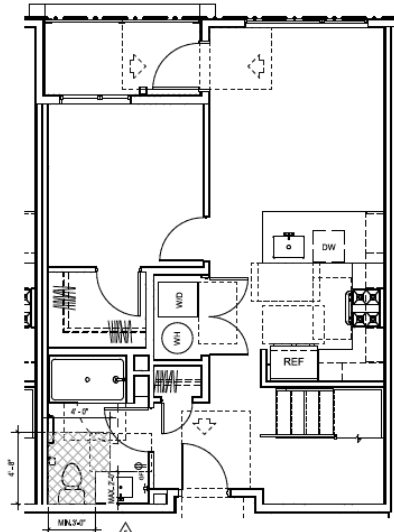
A1M- 844 SF



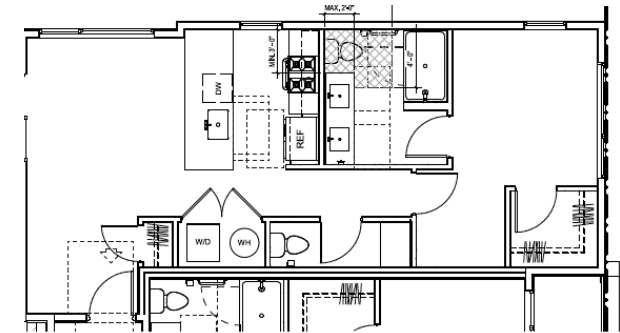
A2.1- 686 SF



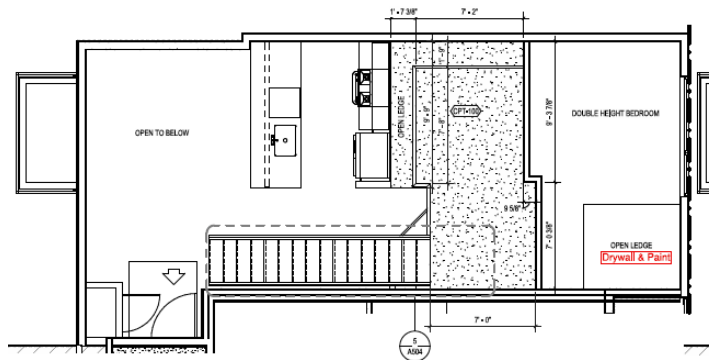
A2 - 669 SF



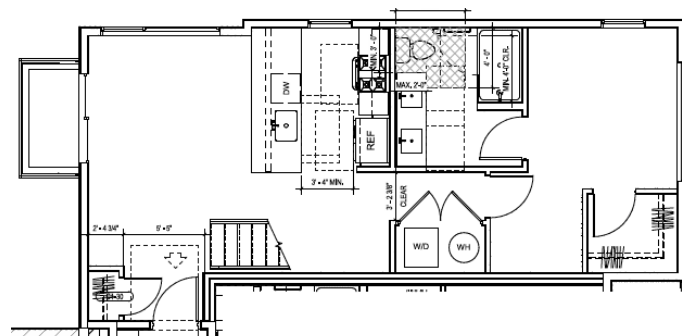
A2M- 762 SF



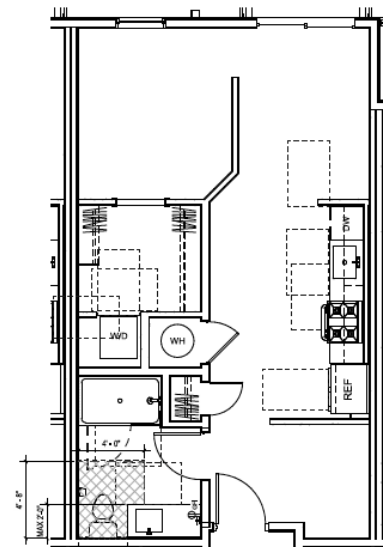
A3- 732 SF



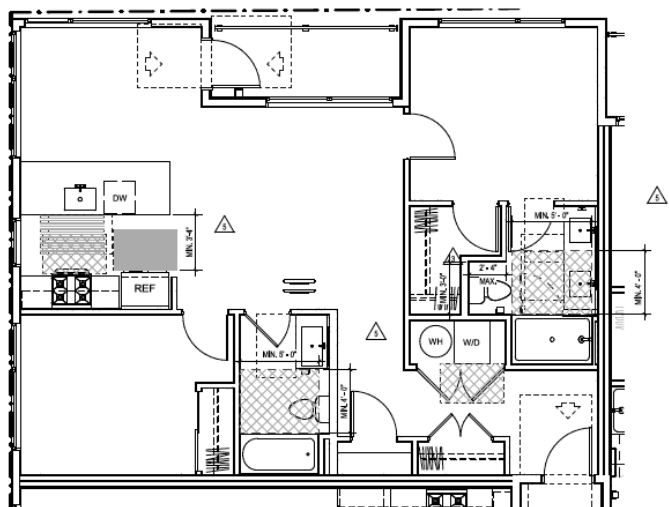
A3M Upper- 732 SF



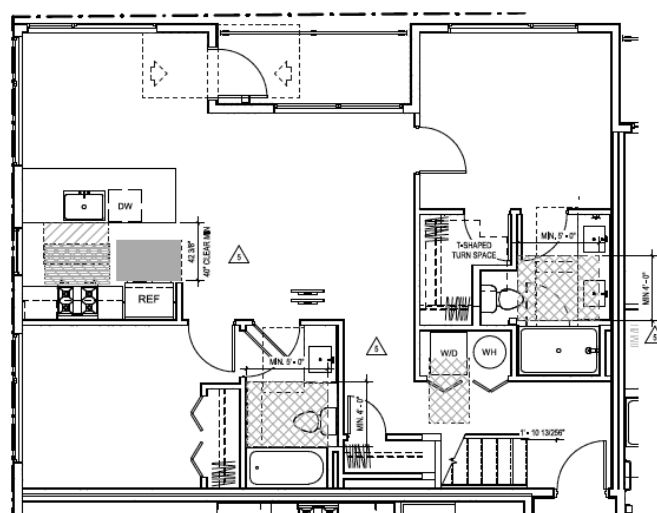
A3M Lower- 858 SF



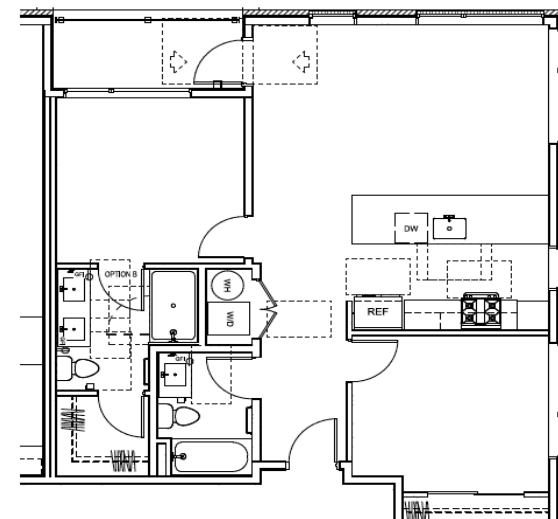
S1- 595 SF



B1 - 1033 SF



B1M - 1205 SF



B2 - 995 SF



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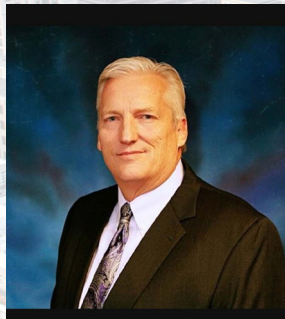
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Cheryle Powell, is the President of the Sperry, Rocky Mountain Commercial. She is a commercial real estate advisor specializing in investment strategy, strategic site selection, acquisition, market analytics, client and community relationships.

Cheryle and her Colorado team first review client's objectives then implement real estate strategies with exclusive process management. The team demonstrates success in creative thinking to ensure clients exceed anticipated results are exceeded.

She graduated from Metropolitan State University and currently resides in Golden, Colorado.



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Tim Powell is the Managing Director of Sperry, Rocky Mountain Commercial. He is responsible for process and project management. Tim works with the team to assure deadlines are met, budgets are followed and clients are taken care of.

Tim's experience as a CEO of a publicly traded company brings a plethora of knowledge with regulations, investment strategies and research.

Tim attended San Jose State in California and currently resides in Golden, Colorado.

# Offer Memorandum Shovel Ready Prime Location Multifamily Project

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