

Industrial

Codi Manufacturing buys, will occupy Shaffer Tech Center

by Jenna Walters

LITTLETON – An industrial asset in Littleton traded between a local commercial real estate company and a manufacturer that will occupy the entire property.

Codi Manufacturing Inc., a maker of craft beverage canning systems, purchased Shaffer Tech Center, the 100,550-square-foot Class B research-and-development property at 7910 Shaffer Parkway, from seller NexGen Properties. The property traded for \$14.5 million, or \$144.21 per sf, which is nearly double what NexGen paid for the asset in February 2020. According to Matt Bernstein, director of acquisitions and asset management at NexGen, Codi was able to leverage the U.S. Small Business Administration Certified Development Company/504 loan program to obtain favorable manufacturer pricing to acquire the building. T.J. Smith and Nick Rice of Colliers International were the transaction brokers in the sale.

The property, built in 2002, features 24-foot clear heights, 13 dock-high doors with four levelers, one drive-in door, an ESFR fire sprinkler system and a 2.9:1,000 parking ratio.

After acquiring the property last year, NexGen completed renovations, including adding a new 60-mil TPO roof, exterior paint, dock-high and drive-in doors and exterior LED lighting. It also completed significant repairs to the interior, HVAC systems and asphalt, and refreshed the landscaping. Bernstein said the seller planned to lease the property. This changed when COVID-19 hit and dramatically shifted market demand.



Matt Bernstein

“Our original business plan was to multitenant the building for lease to two or three tenants and hold the asset for cash flow. However, the pandemic significantly accelerated owner-user demand, resulting in a price we simply could not refuse,” said Bernstein. U.S. Small Business Administration Certified Development Company/504.

“Commercial real estate investing can be very challenging with plenty of risk, but at times the market works in your favor,” added Travis



Codi Manufacturing will occupy the Shaffer Tech Center after purchasing the property for \$14.5 million.

McNeil, president of NexGen. “Ultimately, selling Shaffer Tech Center was a market-driven decision that we could not pass up. It allowed NexGen an opportunity to eliminate its carry costs, leasing risk, and significant additional

capital investment required to stabilize the building in the form of demising costs, new HVAC equipment, office/restroom build-outs and additional drive-in doors. While there are benefits in our industry of holding real estate for the long

term, the pandemic presented NexGen with an opportunity to realize a sizable return in a short period of time.”

Codi plans to fully occupy Shaffer Tech Center, relocating to the property from a smaller facility in Golden. ▲

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