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**HERITAGE INVESTMENT A SITE TO BEHOLD  
COMPLEX'S NO. 1 ASSET IS LOCATION IN CHERRY CREEK**Author: John Rebchook  
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## Article Text:

Mike Zoellner paid slightly more than \$38 million in cash for the luxury Heritage Creek apartment community in Glendale, a 324-unit property he built and sold in 1994 when he was an executive with Lincoln Property Co.

It is the third-largest apartment sale in the metro area in terms of dollars this year and the most paid on a per-unit basis.

It is also the first deal for Zoellner's RedPeak Properties, which he launched in December after 17 years with Lincoln and its spin-off company, Legacy Partners.

The 18-building Heritage Creek sits on 15 acres at 650 S. Dahlia St. It is 94 percent leased at an average monthly rate of a little more than \$1,000.

Zoellner bought it from L&B Multifamily Advisors based in Dallas. "They were Lincoln's original partner, and under our joint venture agreement they had the right to buy us out for a stated profit, which they did," Zoellner said. "But it was their only asset in Denver."

Zoellner, who has offers on several other area apartment communities, plans to own it for 10 to 12 years and upgrade it with items such as high-speed Internet service, which wasn't available in 1994.

Eventually, he may convert the units to condominiums, which he thinks will be attractive because the project is in the Cherry Creek School District.

"The best thing about Heritage Creek is its site," said Grubb & Ellis apartment broker Jeff Hawks, who wasn't involved in the deal. "That site is irreplaceable. Also, the effects of T-REX (Interstate 25 construction) adds a lot of value to properties like this. And Mike should know this property better than anybody, since he built it and sold it and now has bought it back."

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