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Multifamily

RedPeak adds to its portfolio with \$19 million Timber Creek

by Jill Jamieson-Nichols

A Denver company acquired a Class A apartment community it targeted in the Denver Technological Center.

RedPeak Properties purchased the 210-unit Timber Creek Apartment Homes for \$19 million, or \$90,476 per unit, and plans to spend approximately \$500,000 upgrading the clubhouse and strategically located units.

"We're very excited about expanding into the tech center. It's a great location long-term with the employment base that is surrounding that area," said Mark Windhager, RedPeak chief operating officer.

The apartments were purchased from Boulder-based Hudson Ideal Cos. as part of RedPeak's strategy to acquire and develop properties around major employment centers that have potential for conversion to condominiums within the next seven to 10 years. The company bought Heritage Creek Apartments in Cherry Creek last year with the same approach.

The average size of units at Timber Creek Apartment Homes is larger than in most new communities at 1,034 square feet, and every unit has either an attached or detached garage. Located at 8899 E. Prentice Ave. in Greenwood Village, the community is on the eastern side of the tech center, which has a residential feel but still is close to employment, Windhager said. The apart-



RedPeak Properties closes on a property it targeted for acquisition: Timber Creek Apartment Homes in the Denver Technological Center. The company's plans for the property don't stop with its acquisition.

ments were built in 1995.

RedPeak Properties plans to immediately begin renovating the 4,076-square-foot clubhouse, which will have a "cyber café," where people can plug in their laptops. There also will be wireless connectivity, allowing residents to browse the Internet while lounging at the outdoor swimming pool and spa.

"We don't know of any apartment communities in Denver that are currently doing that. We think it's going to be a big success," said Windhager, adding the concept is borrowed from

the hotel industry and went over well at Heritage Creek Apartments.

The clubhouse renovation also will include an expanded fitness center, a billiard room and overall update of the décor.

In addition, RedPeak plans to spend \$15,000 to \$20,000 per unit on apartments with premium locations, which will allow it to generate another \$300 net rent per unit per month for those apartments, Windhager said. Upgrades will include things like solid-granite counter tops, pendant lighting and high-end

carpeting.

Apartments feature gas fireplaces, 9-foot ceilings on the lower floors and 14-foot vaulted ceilings on the third floor. Amenities also include oversized soaking tubs, five-piece baths in larger two-bedroom units, ceiling fans in every bedroom, and full-size washer and dryers in each apartment.

Timber Creek was approximately 87 percent occupied at the time of the closing with an average rent of approximately \$1,120 and up to 1 1/2 months free rent on specific units. ▲