

EXCLUSIVE REPORTS

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RedPeak plans 'Arboretum at Cheesman'

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[RedPeak](#) Properties, known best for its rental housing, is turning a Cheesman Park apartment building into for-sale condos.

Denver-based RedPeak, founded four years ago, bought the 11-story property at 1150 Vine St. in January for just under \$5.3 million.

The property, formerly known as Tolstoi House, was built in 1964 by a philanthropic women's guild. RedPeak has renamed the development The Arboretum at Cheesman because of its proximity to Cheesman Park and the Denver Botanic Gardens.

Mike Zoellner, president of RedPeak, said the location was important.

"That always is a good start for successful projects," he said.

There are 72 apartments in the building, including studios as small as 600 square feet.

RedPeak will renovate the property into 58 condos, including four penthouse units.

The penthouses will be on the 11th floor, which previously was used as community meeting space.

Design/build firm [Buchanan Yanushewski Group LLC](#) (BYG) is the architect and general contractor on the project; The [Fullerton Co.](#) is handling sales and marketing. Both are in Denver.

"It's an existing apartment building and the apartments were very small," said Bob Bautsch, director of architecture for BYG. "The first thing the client was looking for was a better mix and bigger units. The challenge was to redesign the floor plate from eight to six units per floor, and to do it in the most cost-effective way possible."

Renovation has started, and Zoellner expects the project to be complete in April 2006.

The condos, which RedPeak is calling "flats," range in size from 770 to 1,200 square feet, including one- and two-bedroom homes.

Prices range from \$170,000 to \$399,000, excluding parking.

Zoellner said the condo market in Denver is soft -- but there are exceptions.

"In our mind, close-in, quality locations with views are part of that exception," Zoellner said. "We think at this price point, it's primarily entry-level pricing. When you look at the monthly payments, it's hard to find these prices in this area."

Part of RedPeak's challenge is to take dated apartments and turn them into modern, for-sale homes.

"A lot of people have looked at this building because of its location," said Brad Buchanan, a principal with BYG. "But because of the vintage, it makes it difficult to leverage what's there and translate it into what today's buyers are looking for. I think our design team did a bang-up job in maximizing what's there."

Bautsch said large decks are one of the great things about the building.

RedPeak is renovating the units and adding microwaves, washers and dryers. Utilities had to be upgraded to accommodate the new appliances.

The homes will include high-end finishes, such as slab granite countertops and hardwood floors, Bautsch said.

According to Zoellner, RedPeak will invest about \$4 million in upgrades, including some exterior cosmetic improvements.

"The building has great bones," Buchanan said.

The Fullerton Co. has started an "interest list" and is opening a sales office this month.

Barb Fullerton, vice president of sales and marketing for The Fullerton Co., said there are 70 people on the interest list, including 15 who signed up immediately at a kickoff party last month.

One of RedPeak's other major projects is the renovation of high-rise 1600 Glenarm in downtown Denver into 333 rental apartments.

Zoellner said the company will undertake more condo projects.

"It's the first of many for-sale projects that we expect RedPeak to be a part of," Zoellner said. "This is a complement to our apartment business, and we expect it to grow."