

# Alter Group Consult Nets Development Deal

By **Brian K. Miller**

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**VAIL, CO** — Tapped more than two years ago by the Landmark Condominiums board of directors to advise on a plan to move the entrance of the main eight-story 33-unit building so it opened onto the new Lionshead Mall, the Alter Group is now financially invested in something much larger. As a result, a \$6-million project has morphed into \$40-million project that includes not only the new entrance but also a significant renovation, an underground parking garage and 17 new units.

Construction began this summer at 610 W. Lionshead Circle after 11 of the 17 units had been pre-sold at prices averaging \$1,900 per square foot. Completion is slated for spring 2010. Ron Clarkson, president of the Alter Construction Management, the Alter Group's full-service construction affiliate, tells GlobeSt.com he expects total revenue from unit sales to come in around \$50 million.

"They thought they could raise \$6 million from owners' to fund the project and they wanted us to figure out how they could maximize their money in order to do all of the improvements," Clarkson says. "What we discovered very quickly was that it couldn't be done for that amount of money so we came up with a strategy to sell the air rights above the existing low-rise, 28-unit townhouse building on the property in order to obtain the money necessary for the renovation."

The Alter Group sought proposals on behalf of Landmark and received two. It took the two offers to the board along with its own and ultimately was selected. "It being such a complicated project the board decided it would be too much risk to give it to a third-party contractor," Clarkson says. "So we purchased the air rights and became the developer and the contractor as well."

The overall plan calls for re-cladding the existing eight-story residential tower with stone; reconfiguring the roof line and expanding the top floor units; adding a three-story 17-unit addition above the existing townhouses; adding new underground parking; constructing an elevator clock tower between the two buildings; and creating a new building entrance. Architects for the project include

Fritzen Pierce of Vail, and Chicago-based A. Epstein & Sons International Inc. The interior architect is Torchia Associates Inc. of Chicago.



Landmark Condos

Clarkson isn't revealing what he paid for the air rights, only that it was enough when combined with the existing owners' \$6 million to cover the cost of the work owners wanted done, which is separate from the 17-unit expansion and improvements to the townhouse building, which is being paid for by the Alter Group. The Alter Group also is renovating about half of the existing units for owners at a cost of \$4 million but that is under a separate contract, Clarkson says.

The impetus for reorienting the Landmark building, which led to the renovation and expansion, was the revitalizing of the Lionshead Mall. Clarkson says a dilapidated central core was made anew with Arabelle, a mixed-use development that included major streetscape improvements to the area, which is adjacent to the Eagle Bahn Gondola.

Other recent and ongoing redevelopments include Manor Vail; Crossroads, now called Solaris; the Willows; and the Ritz-Carlton Residences. Recent new construction includes Willow Bridge Road, with 22 new residences and the Marketplace on Meadow Drive; and the Vail Plaza Hotel & Club, which includes a new 100-room hotel plus 38 new residences and two on-site restaurants. Additional private projects that were underway as of the spring include Vail's Front Door, located at the base of the Vista Bahn; Mountain View, formerly a part of Apollo Park; and Four Seasons Resort Vail, located at the Main Vail roundabout.

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