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PROJECT NEAR COORS FIELD KILLED DEVELOPER PAULS DROPS PLANS FOR CONDO UNITS, CLASS-A OFFICE TOWER

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Source: By John Rebchook
News Real Estate Editor

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Developer Bill Pauls has quietly pulled the plug on a luxury condominium project and Class-A office tower in the shadow of Coors Field.

Pauls, former president of the Denver Tech Center, is, however, proceeding with at least three commercial projects in his 1,200-acre Gateway project at the doorstep of the Denver International Airport.

The two industrial properties and the office building in Gateway are speculative properties, which means they'll build them without pre-leasing, according to Paul Powers, president of the Pauls Corp.

Pauls originally announced plans for what would have been his first downtown project a year ago. The \$85 million project was to consist of a nine-story, 190,000-square-foot, Class A office building and an 11-story, 50-unit condominiums project on Market Street, between 18th and 19th streets.

Even then, Pauls said he was worried the then-bustling downtown office market might soften and the stock market could deteriorate, eroding consumer confidence and the buying power for the expensive condos.

In March, Pauls came up with a new game plan: He would sell the office parcel to First Century Development, headed by general contractor Ed Haselden and develop the condo project himself.

But as the market continued to soften, Pauls let his option to first buy the land expire.

“We actually exited it in August,” Powers said. “There's plenty of office space available downtown. We're not buying the land and we're not selling a piece of it to Haselden. It's all gone back to the original owner.” Haselden hasn't returned several calls in recent weeks.

Anne Warhover, president of East West Partners, said she's not surprised the office portion isn't being built, but thinks there still is a market for the luxury condominiums.

“The office part is a sign of the times,” Warhover said. “I am surprised by the housing part. While there's still some softness at the upper end, the middle market is still very strong, and that covers a pretty broad range of prices.”

Meanwhile, Pauls Corp. plans to start construction shortly on a 118,000-square-foot industrial building south of Interstate 70 near Pena Boulevard; a 180,000-square-foot industrial building south of I-70 and west of Airport Boulevard; and a single-story, 65,000-square-foot office building north of East 40th Avenue.

“We're also looking at another multitenant office building, but we haven't pulled the trigger on it yet,” Pauls said.

“We think the market is steady with some demand out there, but not nearly as much as we'd like to see. But we are very pleased that our buildings are filling up nicely along the northeast quadrant.”

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Caption: Bill Pauls

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