

Tennyson Place in Denver's Berkeley neighborhood

As Denver becomes 2nd fastest climbing rental market in nation, a developer beckons investors for apartment on 'Restaurant Row'



On The HOME FRONT
Mark Samuelson

Just at the moment rising apartment rents have pushed the Denver area into the number-2 spot for rent growth for the entire nation, developer Darell Schmidt is launching an 81-unit project of Class-A apartments that'll be right where lots of renters would love to live: ten minutes west of downtown on Tennyson Street – becoming a virtual 'Restaurant Row' now with new brew pubs and chef-inspired dining that are joining venerable spots like Parisi Trattoria and Berkeley Café.

"We couldn't pick a better spot for this in all of Denver,"

says Schmidt, walking the blocks along Tennyson north of the old Elitch Gardens site, where he's now looking for small investors to join his investment group for Tennyson Place. Within blocks of the site you can already find Axios Estiatorio, Block & Larder, The Royal, Kyle's Kitchen, sushi places, and your choice of coffee bars – Starbucks and self-styled ones. Sprouts Farmers Market is an easy walk – something renters can't find yet in Lower Downtown or LoHi; Natural Grocers is coming, and Kings and Safeway are within a mile.

Meanwhile, a new report issued last week by Dallas-based Axiometrics shows average effective rents growing by 11.5% last month, pushing the Denver area ahead of San Jose, Calif., into the second fastest year-over-year growth. Oakland, closer to downtown San Francisco than San Jose, is the fastest increasing rent market.

Millennials prefer walkability

"What's great about Denver is that our growth is fueled by people that really want what we offer," says Schmidt. Denver now outranks hip places like Portland and Austin on where the Millennial Generation wants to be, with features that younger adults crave: high rankings for health consciousness and fitness, as a place to start a business, and as 'socially-



Oz Architects has designed Tennyson Place.

networked.' A Brookings study a year ago ranked us Number-1 city preferred by 'young, cool, hip people.'

You can't find a hipper spot than what Schmidt's Allanté Properties has now on Tennyson. "Millennials prefer a walkable area," he adds. Playing off the walkability, Oz Architects has designed a 5-story plan that offers 81 class-A apartments with private underground parking, a club room with fitness center, mid-level social decks with Rocky Mountain views, private terraces, and a Sky Deck with fire pits and barbecue bar overlooking Tennyson Street. Allante is teaming up with Vertix Builders who is planning to launch con-

struction this fall.

Meanwhile, Allanté is seeking investors who like the potential for cash flow and future value appreciation that Tennyson Place will generate. "It creates opportunities for small investors who would normally find no opportunities to invest in the apartment market," he says. Positions in Tennyson Place start at \$100,000. Fast-growing rents are juxtaposed with occupancy rates that are holding at 96%, despite a wave of new apartment construction – something that Schmidt says should give confidence to smaller investors wanting a more secure position with upside in a project like this.

"Fewer properties come to

market now because owners hold onto properties, enabling them to enjoy the increasing cash flow and rising values," he adds. Allanté just completed a similar project nearby at W. 38th and Julian Street, and Schmidt says that group of smaller investors is delighted with results. Allante has a limited number of investment positions available for Tennyson Place. You can talk with him at (303-359-1210) or email Darell@AllanteProperties.com.

Mark Samuelson writes on real estate and business; you can email him atmark@samuelsonassoc.com. You can see all of Mark Samuelson's columns online at DenverPostHomes.com

IF YOU GO...

WHERE: Tennyson Place, 81 Class-A apartments by Allanté Properties, small efficiency units to large studios & 1-bedrooms, underground parking next to prime dining & shopping block on Tennyson Street, north of W. 38th Ave; investor positions available. Construction site W. 39th Ave at Tennyson in Berkeley.

PRICE: Investor positions \$100,000; apartments from \$1,174/mo

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