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Related Colorado launches sales of Viceroy Snowmass condos

Prices steeply discounted from 2008

By Catherine Lutz

SNOWMASS VILLAGE—Earlier this month, Related Colorado quietly launched sales of Viceroy Snowmass condos, with some being offered for more than half off of pre-Great Recession prices.



A one-bedroom residence in the Viceroy Snowmass. Photo courtesy Viceroy.

An initially “soft offering” of approximately 10 of the Residences at Viceroy Snowmass are now on the market, according to Related Colorado President Dwayne Romero.

Prices of the wholly owned condo-hotel units start at \$225,000 for a studio and range upwards of \$2 million for a four-bedroom condo. Some of the units average around \$700 per square foot, a steep discount from the average under-contract

price of \$1,700 a few years ago.

“It’s fair to say we are appropriately priced in today’s market,” said Romero.

The 152-unit Viceroy originally launched for pre-sales in December 2007, close to the height of the local real estate boom, with prices ranging from \$575,000 for a studio to \$4 million for a three-bedroom unit. The \$2,000-per-square-foot average prices didn’t seem to deter buyers at all back then. Two months after the launch, in February 2008, Viceroy and Snowmass Base Village developers (Related WestPac at the time) announced that half the condos in the 152-unit building

had been put under contract.

But when the economic downturn intervened and financing issues forced Related WestPac to stop construction altogether on Base Village by early 2009, things quickly changed. Even before the Viceroy opened as a hotel in November 2009, contract holders began suing to get out of their contracts, claiming among other things that the condo sizes were misrepresented and the stalled construction further diminished the value of the project. In March 2011, a judge ruled in favor of 65 plaintiffs who had consolidated their lawsuits, ordering more than \$13 million in deposits returned and voiding their contracts.

But while the closure of that lawsuit cleared the way to sell the Viceroy units again, it wasn't until this past fall, when a Related entity acquired the Base Village project back from the European banks that had foreclosed on it, that talk of new sales launch began again in earnest.

Romero said Monday that his firm conducted an extensive internal and external competitive analysis to determine appropriate

pricing for the Viceroy condos. Related chose local real estate firm Aspen Snowmass Sotheby's International Realty to co-list the properties—although all realtors in the valley will be able to sell them. And before offering the condos to the broader market, officials spoke first with previous contract holders and other potential investors who had expressed interest the first time around, said Romero.

A range of financing options through Related and its bank partners is available—something taken much more seriously by today's would-be buyers than four years ago, Romero noted. Related even has an in-house financing specialist for all its properties and is proactive in ensuring potential buyers understand their carrying costs, which include HOA dues and metro district fees that are higher than in non-Base Village properties in Snowmass.

The initial round of sales is based not just on pricing, said Romero, but also some “early mover incentives”—special privileges and rates at other Viceroy properties that make it attractive to buy now rather than wait.



A kitchen in a Viceroy Snowmass residence. Prices for the wholly owned units range from \$225,000 to more than \$2 million. Photo courtesy Viceroy.

And while the company has no predetermined plan for the next phases of sales—it’s taking a “sit and respond posture” to how initial sales go, said Romero—this round could very well look like a Black Friday offering.

“Those willing to purchase today are likely at a price point that will acknowledge their decision,” he said, “and it will probably move upwards.”



A Viceroy Snowmass studio. Sales of the condo-hotel project have resumed after a multi-year hiatus. Photo courtesy Viceroy.

So far the launch “has generated a great deal of enthusiasm, and we are working through some prospective leads,” said Romero, although he stopped short of saying whether any units were under contract yet. Perhaps having learned a lesson from the premature boasting of presales four years ago, Romero said he feels “cautiously optimistic” for this round of sales.

As a hotel, the four-star Viceroy Snowmass is entering its fourth year in business and has won many accolades, including being named the number one resort hotel in Aspen/Snowmass by Conde Nast Traveler magazine. It’s operated by the Viceroy Hotel Group along with several other properties around the world, and its amenities include a 7,000-square-foot spa and two restaurants among other amenities for owners. Rates this winter start at \$695 per night for a studio, although substantial discounts are available through December 21, as well as in the off-seasons.