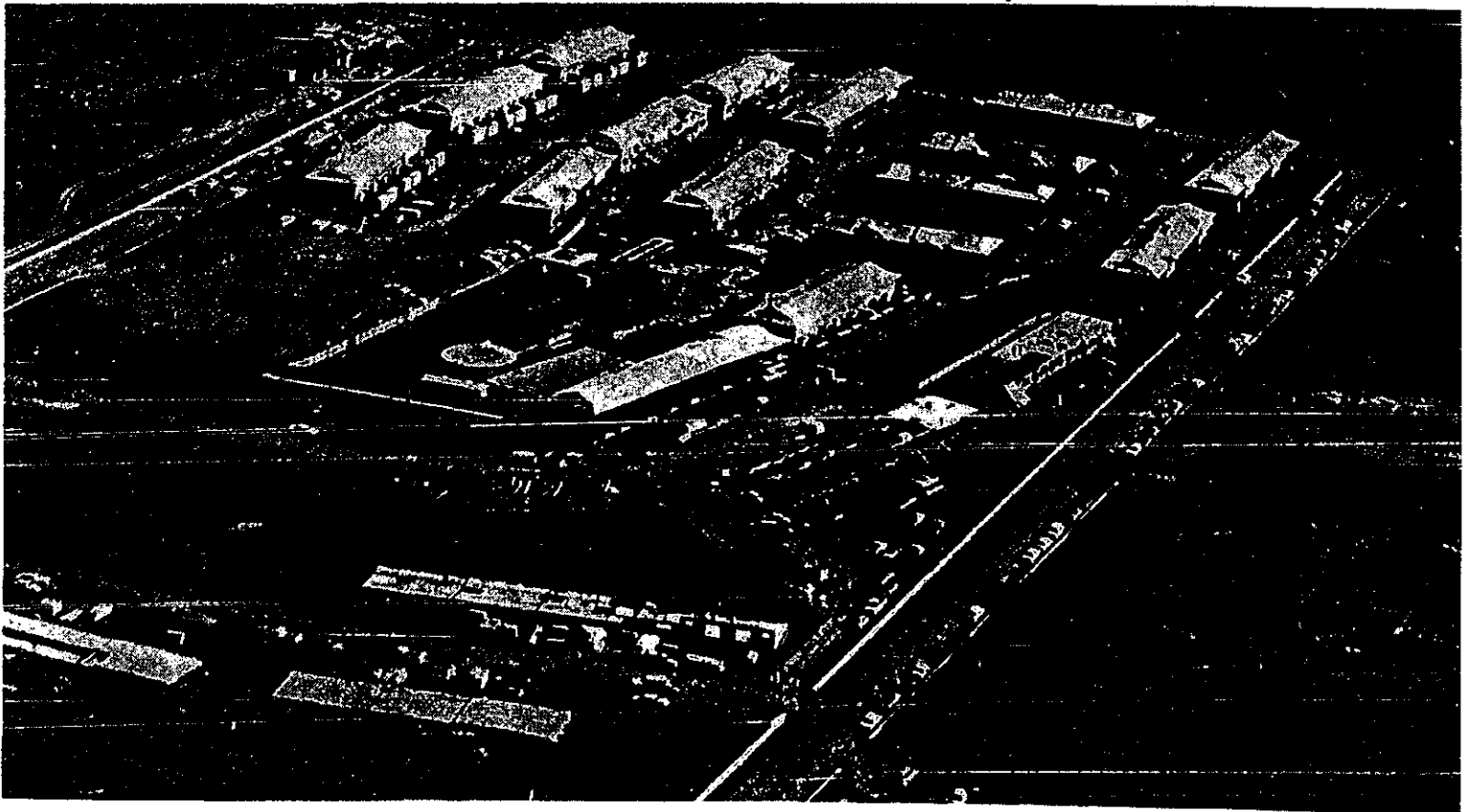


By MARK BEARWALD

Why is a CONDOMINIUM?



Typical of the big new developments in condominiums are these Cherry Creek Townhouses at S. Yosemite St. and E. Hampden Ave. Lowell Georala

A NEW word has worked its way into the vocabularies of real estate brokers, builders, mortgage lenders, sportsmen and retired persons. Some have trouble pronouncing it — and worse trouble spelling it.

The word is condominium — pronounced con-do-mi-nium — and it came down from the Romans. It means limited-risk cooperative ownership of property or, more simply, individual ownership of space in a

multi-unit building together with common ownership of land and jointly used facilities. Or simpler still, "own-your-own" apartments or offices.

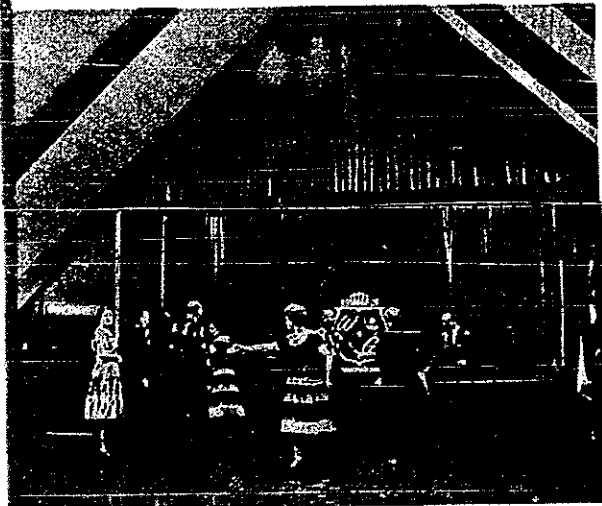
Suppose you've had it as a householder and weekend groundskeeper, and you're interested in selling the old place in Blindweed Hollow and moving into an apartment. If you're the type that considers rent payments money down the drain, the condominium market is aimed at you. It's an apartment, but you can buy it, finance it, insure it, maintain it, decorate it and

pay taxes on it just as you did with your single-family detached house. The major difference is that you will be living in an apartment house or a row house with anywhere from seven to several hundred neighbors, and someone else will be doing the maintenance and upkeep on the outside of the building. And that, to the delight of many condominium dwellers, includes lawn watering, snow shovelling and painting.

At a recent symposium on condominiums sponsored by Denver's Title

Guaranty Co., Raymond O. Hagerty, secretary of the firm, had this to say about the advantages of condominium ownership:

"The popularity of condominium ownership appears to be based on the fact that the owner acquires some of the advantages of both the apartment dweller and the individual homeowner. He has the advantage of being able to deduct his real-estate tax payments and the interest on his mortgage in the determination of his income tax.



George Crouter

Condominium amenities often include use of community buildings like this auditorium at Windsor Gardens.

"Through his ability to mortgage his interest, he is able to live in an apartment such as he perhaps could not afford to rent. He can acquire an increasing equity in the property and can ultimately pay off the mortgage and thereby own outright a valuable asset. He is free from the responsibility of upkeep and is able to be away for extended periods without making the elaborate arrangements that the individual homeowner must make in such situations."

If you buy into a condominium, you get title to a specific chunk of air space in a structure—your apartment or office — together with a joint interest with all your neighbors in the land the building sits upon, the walks, entryways, garages, lawns and gardens and recreational facilities, if any.

But you own your unit. You may finance it as you choose, paying the full price or obtaining a mortgage with monthly payments. You buy your own insurance. You pay your own taxes. If you default on either payments or taxes, the unit may be foreclosed, just as your former home in Blindweed Hollow would have been foreclosed.

You get the usual plumbing, heating and kitchen facilities, as well as the interior partitions. You may do with them as you please, provided you do not infringe on common elements of the structure. For example, if a bearing (supporting) wall separates you from your neighbors, you may paint the wall, hang pictures on it or cover it with books, but you may not burrow into it to make a niche for the double-reverberating woofer-tweeter of the hi-fi set.

A council or committee of owners like you, acting as a nonprofit corporation, will look after the structure and grounds, collecting a monthly fee for maintenance and upkeep and hiring caretakers. The fee depends upon the work involved. If the building pretty much covers the lot, maintenance will be limited to sweeping, garbage collection, incidental repairs to walks

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When she catches cold, put the magic of your touch to work. She'll feel better fast, a love you for comforting her

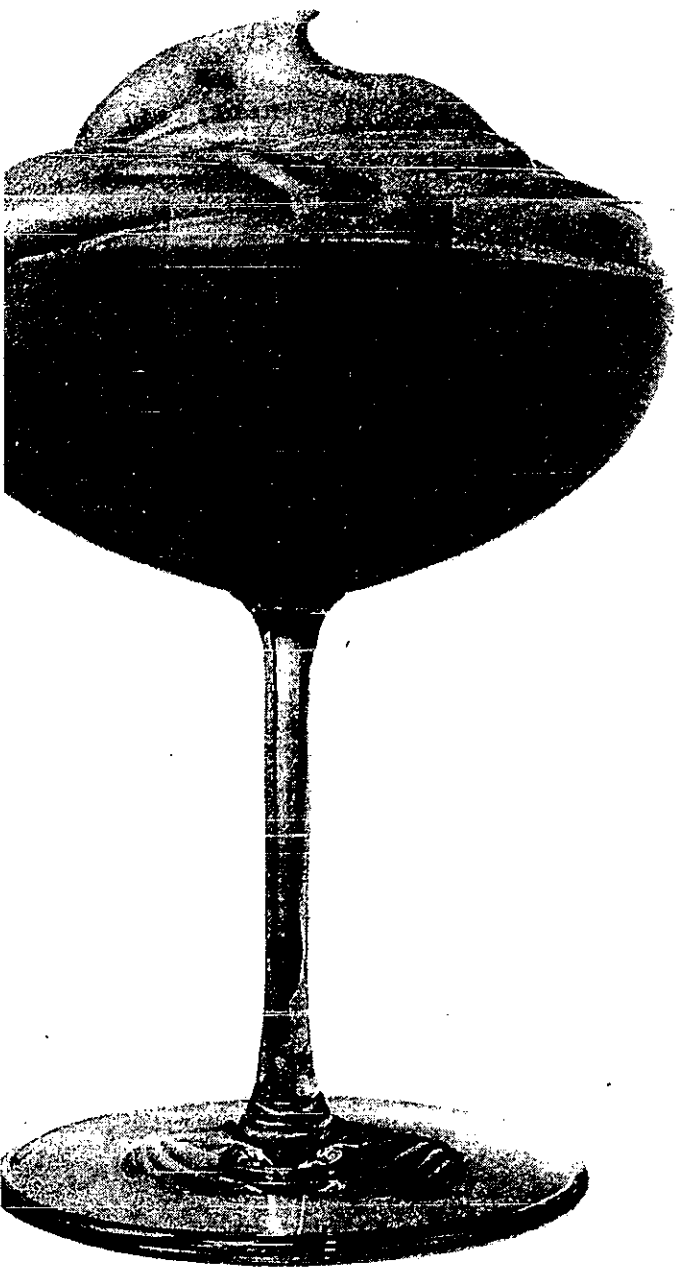


For a child with a cold, there's nothing quite like the touch of hands. For Mother, there's nothing quite like Vicks VapoRub. No other kind of medication comforts at once—and helps her breathe easier for eight hours.

A warming, comforting rub and those famous VapoRub medications go to work. Help open her nose, soothe her throbbing upper bronchial congestion. And the vapor medications keep her breathing easy . . . for eight hour breathing relief. No wonder so many mothers turn to Vicks VapoRub . . . for every cold.

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call this new dessert by any other name.
Its name is Jell-O® Whip 'n Chill®



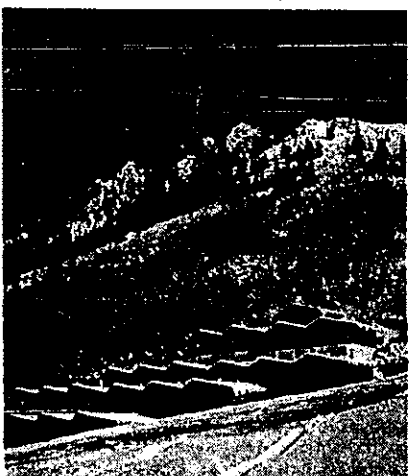
ght. And though it bears some magnificent desserts—like an ilding, a fine French mousse, a n all is said and done it is itself, very own personality. nique. Unlike anything yet to ht, yet satisfying. Creamy, yet y memorable in every single fla-awberry, Lemon. Whip 'n Chill, you just do what it responds with light, delicate awhile, and it's ready to serve.

Try this new dessert out on your family. They'll devour it without caring what it's called. Guests, on the other hand, will probably insist on learning the name. Look for it at your store. And mind, now, please don't call it by any other name. It's Jell-O Whip 'n Chill.



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Goodby to lawn mowing, watering and snow shoveling



Own-your-own second homes, like Aspen's new 21-unit Shadow Mountain lodges, can be attractive investments for sportsmen.

CONDOMINIUM continued

and hallways, perhaps a bit of lawn to be cared for, and painting. However, most of the newer apartment condominiums offer elaborate recreational facilities like swimming pools, putting greens, playgrounds and even community buildings resembling small country clubs. The monthly upkeep fee is scaled accordingly.

While condominiums may sound something like cooperatives, they represent a better arrangement. In the eyes of some developers and purchasers.

In a cooperative (or "co-op" as they're commonly known) the individual owner has stock in a corporation or trust that holds title to the building. Each member has a proprietary lease in a structure — a residential or commercial building—of which he is part owner. The entire property is taxed and financed as a single entity, and all owners are jointly responsible for all taxes, mortgage payments, insurance and maintenance.

A blunt-talking Denver broker with wide experience with both condominiums and cooperatives compares them this way:

"In a co-op, you go to bed with other people financially, which is always a bad arrangement. If you get a couple of no-goods who default and go under, they may drag you under, too. In a condominium, it's possible to take advantage of joint ownership without getting into the financial boat with your neighbors. Under condominium law, the investor can mortgage

lender, bank or association) has a closure. He can't loan on one cond disturbing or en units."

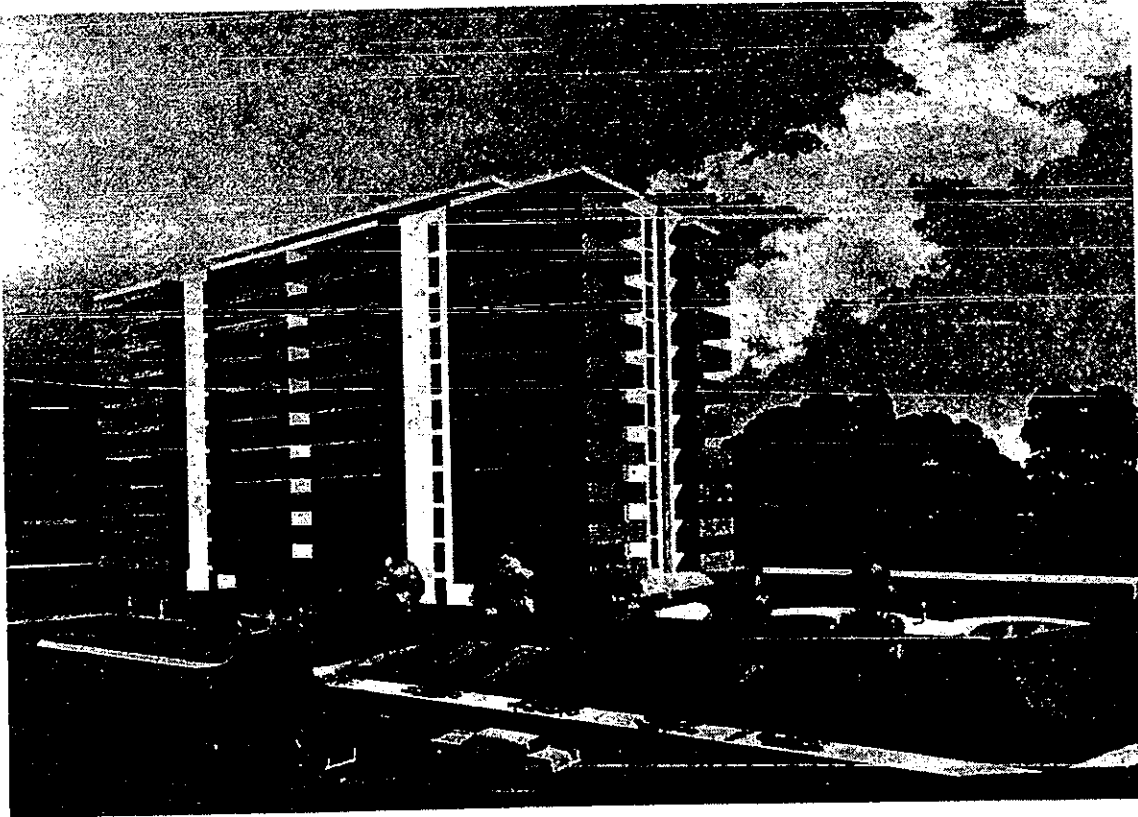
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The evolution

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Denver's first high-rise residential condominium is the 11-story La Fontana at E. Yale Ave. and S. Clermont St. The 32 units range in price from \$18,200 to \$32,950. Condominium dwellers have free use of pool, penthouse, party room and putting green.

lender, bank or savings and loan association) has a clear right of foreclosure. He can take over a defaulted loan on one condominium unit without disturbing or encumbering the other units."

Co-ops have never been popular in Colorado. They gained a bad name nationally during the Depression of the '30s when many apartment owners went broke, and their financial obligations were shifted onto other members of the cooperative. Mortgage men then cast about for some joint ownership plan that would carry the benefits of the co-op without its potential liabilities.

The evolution of the law

They hit upon the condominium, which took root in Europe and came to the New World via South America and Puerto Rico. Now, more than 40 states, including Colorado, have adopted condominium legislation in the past three years.

A limited form of condominium-like ownership had been tried previously in Denver, but it was limited to one-story terrace or row-house apartments where the land could be apportioned easily among the individual units. But it isn't so easy to assign common holdings among owners of buildings of two, three, four stories or more.

To gain legal clearance for condominium ownership in Colorado, Denver area title insurance companies, savings and loan associations and the Mortgage Bankers Association com-

missioned Denver attorney C. Blake Hlester Jr. to research the laws of other states and draft a model law.

He did and came up with a "long bill" that was introduced in the Colorado Legislature. However, a number of other attorneys reviewed Hlester's effort and decided the bill was too specific and confining. They wanted a more flexible and generalized law. Many conferences followed, and finally the group produced a "short bill" that was introduced by Sen. Roy Romer, D-Denver, and became Senate Bill 290. The bill sailed through both houses without opposition and was signed into law by Gov. John Love on April 30, 1963. The "long bill" died quietly in a Senate committee.

Hlester, an expert on condominium laws, says the Colorado Condominium Ownership Act, SB 290's formal title, is "legally sufficient, satisfactory." The law permits a developer to draw a plat of a condominium building, locate the individual units on it and give each of them a number. Ownership may then be transferred simply by referring to the unit number and the plat without tedious references to deeds and bounds.

The new law also provides for separate taxation of each unit, for giving title to a specific air space in the building along with an undivided interest in common holdings appurtenant to the building. The law also denies condominium owners the right to partition, to withdraw their property from the condominium arrangement.

Hlester says that such withdrawal would nullify the condominium concept and work a hardship on all owners. In condominiums as in federalism, it's "United we stand, divided we fall."

And the law satisfied federal requirements for condominium arrangements, making them eligible for FHA financing, a necessity for many builders seeking financial backing.

Local builders, noting the quick acceptance of the condominium principle among buyers of huge new apartment developments in Florida, California and Hawaii, quickly took advantage of the new law so that today, less than two years after legal sanction, "condominium" and "own-your-own" are bywords of the local building trade.

A good deal for sportsmen

Generally, the earliest condominium developments in Colorado have been aimed at two types of buyers: skiers and retired persons.

"They're a good deal for skiers and sportsmen who vacation in our mountain towns," says James W. Manning, manager of the commercial and industrial department of Denver's L. C. Fulenwider, Inc., which has developed six condominiums in Breckenridge, Vail and Aspen, Colo.

For \$16,000 and up, depending upon size and niceties, a skiing family can buy a good-sized apartment unit, equipped but usually unfurnished, for about one-third down, the balance in

monthly payments over a 15-to-20-year period at roughly 7 per cent interest.

Most of these owners arrange with a local real-estate office to rent their units to tourists when the family is not using it. Rentals are about \$30 a day in the winter season and whatever the traffic will bear for weekly or monthly rental in the summer. The real-estate office makes arrangements with a house-care service that sweeps up and changes linen between customers.

One Denver man, who has a two-bedroom condominium in Aspen, reported his winter rental income, less commissions and fees, was sufficient to meet all payments for mortgage, insurance, taxes and maintenance on the unit for the entire year. He didn't rent the apartment during the summer, but kept it for the use of relatives and friends on vacations.

This man and his family used the apartment themselves for 21 days during 1963, saving the \$20 to \$30 per day they normally spend for hotel or motel accommodations. Their condominium is especially advantageous to them for two reasons: They have a high rate of well-paying rentals, and they use the unit frequently themselves. Not all condominium owners do as well, of course, and some, who bought one for a money-making investment, have found the return less than expected.

Manning and other condominium developers point out that the vacation

continued

Some condominiums are no more than efficient "machines to live in," while others, more expensive, emphasize country club living complete with Olympic-sized swimming pools. Here a mother and child bask in their front yard at Hallcraft's Townhouses.



Jack Riddle

CONDOMINIUM *continued*

condominium unit is much cheaper than a detached second home. "In Aspen, for example," Manning said, "the land cost for a condominium unit is about \$1,200, compared with at least \$5,000 for a detached house. Management fees are cheaper if you're contracting for 6, 8 or 12 units, rather than a single house. And the multiple units are more rentable because you can team them up to accommodate large parties of tourists.

"Your maintenance costs are cheaper since you have a minimum of land and only four outside walls and one roof. Then you can run your gas, water and electricity through central meters entitling you to bulk rates, which saves at least a third on your utility bills.

"And you can use it, rent it, leave it or sell it, without doing much more than telephoning the property manager."

Retired persons like them

The condominium has caught on so fast in Aspen that a recent count showed 38 units completed and sold, plus another 57 under construction, at prices ranging up to \$33,000 per unit. Of the 57 being built, all but two had been sold at last report. Other ski towns report similar activity.

Retired persons, the second big consumer of condominium housing, have found large developments like Denver's Windsor Gardens appealing. Windsor Gardens, a 140-acre complex at 9600 E. Alameda Ave., has sold more than 500 condominium units of

a planned 2,500, with prices ranging from \$10,500 to \$30,000. Residents have the use of swimming pools, nine-hole golf course, auditorium, club rooms and hobby facilities, complete with instruction. Carrying out the developers' theme of "a playground for the young at heart," the Gardens are limited to buyers 50 or older, and no one under 17 may live there.

One Realtor with condominium experience said recently that "generally, people who are buying them are people whose family has grown up and gone from the nest; people who don't want the trouble and expense of maintaining a house any longer. Nor do they want roller skates in the hallway or water polo in the swimming pool."

This situation prompted development of the "family-type" condominium like the Denver Cherry Creek Townhouses, a project of Hallcraft Homes Co. at S. Yosemite St. and E. Hampden Ave. Hallcraft opened the two-to-four-bedroom row houses in mid-September, sold out the first 207 units in a little more than 60 days and started a second filing of 280 units—which are going "better than hotcakes," a salesman reported.

A two-bedroom Townhouse sells for \$600 down, and the \$125 monthly payment includes principal, interest, taxes, insurance, lawn and grounds maintenance, exterior upkeep and use of the elaborate recreational facilities.

Fulenwider, the local pioneer in the condominium field, is still pioneering.

Manning said Fulenwider put together the first condominium financed units "before we even had the law; the law, when it came, merely clarified the legality of arrangements we developed with lenders and buyers."

Now, own-your-own offices

Fulenwider developments include the 12-unit Der Berghof in Aspen, believed to be the first "mountain condominium" in the nation; Park Villa, Denver's first "residential condominium" with 40 units, and now, La Fontana, 11 stories tall, the first "high-rise" condominium, and 800 Clermont, the first "commercial condominium." Manning said 62 of the 82 apartments in La Fontana have been sold, while about 50 per cent of the medical suites in the four-story 800 Clermont building are occupied.

Manning and other developers see a bright future for the commercial condominium, pointing out that with tax deductions, doctors pay about \$4 per square foot for space in 800 Clermont, compared with \$5 to \$5.50 per square foot for rented space elsewhere. And the \$4 buys an equity, not a rent receipt, Manning emphasizes.

Perhaps the key to condominium ownership for many persons was included in the remark of one recent purchaser of a Hallcraft Townhouse. Asked if the family wouldn't miss the joys of individual home ownership, the husband, who isn't noted for his domestic labors, said: "Mama was tickled pink to get away from all that yard and garden work."

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