

Tom Fowler 303-956-2575

Dear (owner),

My name is Tom Fowler, otherwise known as the “Boulder Condo Guy.” I’ve specialized in local condominium sales and marketing for over 30 years.

I lead Coldwell Banker’s Developer Services Division in my hometown of Boulder and that puts me in a great position to help you as an apartment owner.

Congratulations. Owning rental property in the Boulder area has been a great investment.

Over the years, Boulder rents and property values have consistently risen—making it a great investment. You may want to hold your rental for the long term, if so, I hope you will find this letter informative and save it for future reference. Perhaps it will be of value to someone you know because there are dynamic conditions going on in the market right now that apartment owners should know about.

Have you noticed all of the new construction going on around the area? These are ALL rental apartments. Why? Because it's difficult to obtain builders liability insurance for new condo projects. That's the reason multi-family builders are developing large apartments rather than for sale condos.

Here's how you can potentially profit from today's market conditions:

- 1) The surge of a huge number of brand new-high end apartments coming on the market is going to have an effect on the rental market. Let's face it, a brand new apartment home with perhaps a month's free rent, is far more appealing than an old apartment that hasn't been updated in over 20 years. Vacancy rates will go up and rents, especially for some of the “tired” older units will decline. The days of all of our old apartments just filling up each year with very little effort are probably coming to an end. “Vacancy” will become part of our vocabulary again and rent decreases are probably in the near future.
- 2) Since your rental property is over eight years old, it may be a good candidate for condo conversion for several reasons. For example, it may not be subject to the same construction liability as a new project.
- 3) Again, the construction liability insurance for new condos is extremely difficult and expensive to obtain so it's very unlikely that a new condo project will sprout up down the street.

In addition, the resale condominium market is at an all time high. Condos are selling faster and for higher prices than ever before. There's not enough condo product on the market to meet the demand. In the Boulder area, growth control and now the limited availability of insurance has so restricted the development of new projects that the only option for condo buyers are resales. First time buyers, single parents, and baby boomers looking for a simpler lifestyle have fueled the condo market to new highs.

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Consider the possibility of converting your apartments to condominiums and selling them for a premium price.

Of course, you'll need a professional who is experienced in this area to make this transition. That's where I come in. I have been helping developers sell their new condo projects and their condo conversions for over 30 years. My first condo project was Gold Run one of Boulder's most successful condominium communities.

Over the years, my team and I went on to do multiple condo projects in the Boulder/Denver area including conversions in the local area like Trout Farm, Stonewall, Country Club Greens, The Cottages and Saddle Brooke at Rock Creek. At Saddle Brooke, we sold all 250 units in less than two years. Our team became recognized for our expertise in conversions that led to nearly 1,000 more conversion unit sales in Denver like 100 Park Avenue, Fallingwater in Littleton and Silver Mesa in Highlands Ranch.

Based on my experience, four factors are aligning up to create “The Perfect Storm” in the condominium conversion market in the Boulder area.

- 1) Limited new condo project supply because of liability insurance availability
- 2) Increasing supply of new quality rentals resulting in lower rents for existing apartments
- 3) There's currently a great market for existing condos
- 4) Historically low interest rates that make buying easier for almost everyone

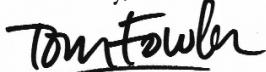
Of course, there are several steps involved in making this happen, but I can guide you through them.

The most important step is to sit down together and discuss the opportunity.

Converting to condos is often the best way to create the highest value however, I recognize that it's a big decision. We can discuss this program in more detail and other potential exit strategies.

I look forward to discussing how your apartment building can generate more than rental income!

Sincerely,



Tom Fowler

Broker Associate/Managing Director
Coldwell Banker Developer Services Division
303-956-2575



2700 Canyon Blvd., Suite 200, Boulder, CO 80302, 303-956-2575 | coldwellbankerDSD.com

