

Ravenna An Execution Story

DEVELOPER:
RIVER CANYON
REAL ESTATE INVESTMENTS, LLC

Located in Littleton, Colorado, just south of the Chatfield Reservoir and nestled among the iconic red rocks of the Dakota Hogback and the South Platte River, the 634-acre private golf and resort lifestyle community, Ravenna, is fully underway. The sound of progress permeates construction sites, and near-complete homes dot the site's landscape, but like many large development projects, Ravenna's build-out did not come without its challenges. Today, Ravenna's story is one of success that closely parallels the real estate market in Colorado- there will be ups and downs, but a quality product, combined with unwavering persistence, are the ultimate factors needed to achieve a successful outcome in real estate.

When plans were first unveiled for the Ravenna luxury housing community, being developed by River Canyon Real Estate Investments, LLC in 2005, the idea was to create a private and approachable living community, and the concept was immediately embraced. However, in 2008, the recession hit, affecting real estate sales through Colorado, and causing operations at Ravenna to come to a complete stop. Having defaulted on a \$36.5 million development loan, Ravenna filed for Chapter 11 bankruptcy in 2012 for the 243-lot community and

completed the bankruptcy in August of 2013.

"When the development emerged from bankruptcy, there was an expectation that building would begin and that people would resume buying, but it wasn't happening," said Kevin Collins, majority owner of the development, selected to lead Ravenna's development into completion after a change in management occurred in late 2014. Collins assumed full-time managing partner duties, and began to turn Ravenna's development into an execution story.

"Our development team needed to get creative to turn Ravenna into the success story they knew it could be,

a strategy, which began with refining the building process completely," said Collins. "We did not have a marketing plan to encourage builders to build in here, to find people to want to buy in here. We had to rebrand, renew market perception and confidence, lender-confidence, builder participation, and market awareness."

Collins and his team looked toward the Colorado real estate market to see if progress was being made. The market had started to make a turnaround in Denver, and with the infrastructure and sizeable amount of inventory in terms of lots that could be developed for new homes, the developers

at Ravenna felt they were finally in a position to push forward."

Ravenna began taking steps to win people's trust in the development again. "The first thing we had to change, was to get the right people in here and give them the right tools to do their jobs. The second thing we needed to change was the sense of urgency among our development team- meaning that this project was getting done," said Collins. "Lastly, we increased our golf course credibly. The experience of golf and real estate are a hand in glove experience. We hired the best people we could find in all departments- from marketing, to chefs, to security."

While some feared Ravenna's home pricing would be a long way south of what was originally envisioned for the community's villa-type products, the developers continued to build high-quality homes, executing on the price points that were originally established. "We made the threshold to buy at just under \$1 million and we have homes for \$4 million to \$6 million+ going in," said Collins. "We tried to broaden the spectrum of price points to be market-inclusive." With only two homes under construction in January 2015, today over 46 homes are under construction, significant progress.

Despite Ravenna's early challenges, one thing that has remained ultimately consistent is

YOU NEED A PRODUCT PEOPLE ARE WILLING TO BUY, A MARKET TO HELP SELL YOUR PRODUCT, AND THE PEOPLE TO MOVE THAT CONCEPT TO THE EXECUTION STAGE.



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the development's commitment to its vision of community. "There are a few unique features that Ravenna promotes," said Collins. "There's privacy; so gated access. Beauty; the Colorado lifestyle, with access to hiking, biking, fishing, golf and easy access to ski areas. And Golf; a meticulously-maintained, fun-to-play golf course."

Builders in the area hear continuously from buyers, yearning to trade in their aging two-stories for the low maintenance homes they find at Ravenna. At Ravenna, they'll find homes with high-profile Mediterranean architecture, infused with outdoor living spaces, a 24-hour security gate, and a club with attractive amenities.

The demographics of buyers at Ravenna are varied. "We have a broad-based demographic that ranges from young families to retirees," said Collins. "We're not suburban and we're not a remote mountain community. We have great accessibility to the city, to the mountains- there are no other communities like that in the Denver metro area."

Ravenna's state-of-the-art golf course also rode the roller coaster of development. Initially, "there was a perception that the golf course was exceptionally hard," said Collins. "We hired a golf course architect, Kevin Atkinson, of Phelps-Atkinson golf course design, to look at our course and provide us with a modification plan to return the qualities and character of the original Jay Morrish design. Atkinson made significant enhancements to the golf course, a process that took nearly three years."

Today, there are 186 golf club members, and Collins sees no signs of slow-down, especially since few brand-new golf courses have been built in the area recently. "In terms of elevating our golf membership, we priced our initiation fees in relation to the amenities we have. Our golf initiatives and club house will help us take our numbers to the level we want them to be."

Collins and his team are striving to finish out



the development of Ravenna at maximum capacity. "What we're trying to do is look at every way possible to take advantage of this market and to ensure that the homes that we've built will maintain the quality standards that we had originally set for living at Ravenna," said Collins.

Today, Ravenna's development is a story of execution, though Collins and his team will not soon forget the ups and downs of achieving the success they have today. "I think that the lesson you can apply here- is that Ravenna is like any other business you would want to put together. You need a product people are willing to buy, a market to help sell your product and the people to move that concept to the execution stage. The lesson learned is that development does work when you have all those things."

With its fortified economy, vast employment opportunities and unparalleled quality of life, Colorado will continue to experience rapid growth. Today's developers are stepping up to the plate to strategically execute smart development and community planning that will foster sustainable new construction, providing a desirable place for people to reside in for generations to come.

