

Solera Receives Multi-family Project of the Year Award



Solera, Green Apartments in Denver, Receives Prestigious Multi-Family Project of the Year Award from Denver University Burn's School of Real Estate

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Denver University's School of Real Estate has awarded its coveted **Multi-family Project of the Year Award** to downtown Denver's **Solera Apartments**, a brand new high-rise apartment project dedicated to the utmost in sustainable design and function.

Reacting to what they correctly perceived as the end of the residential condo run in early 2008, Solera developer, **Zocalo Community Development** principals, David Zucker and Chris Achenbach changed the Solera plan from for-sale to rental on land contracted at 20th and Lawrence in downtown Denver.

With investment equity already tightening, Zocalo's "secret financing sauce" may have been this firm's commitment to sustainability and to achieving **LEED certification**. Solera became the first investment of Principal Real Estate Investor's recently formed Principal Green Property Fund, an investment vehicle that places the Principal in a leadership position in sustainable investments. The eleven-story, 120-unit project was financed by Guarantee Bank of Denver. The property, already leased at 30-percent, will achieve LEED-Gold certification and projects energy savings of 60% or more.

Sustainability measures include:

Two 99-percent efficient boilers that provide both hot water for potable uses and resident heat; a **personal energy monitor** in each dwelling unit; a substantial roof-mounted solar photovoltaic system and a **Solar Renter Program** that enables the resident to power their apartment from power generated from the roof as well as training for subcontractors that have made commitments to more sustainable building practices

Solera represents Zocalo's second LEED project. 62-unit, LEED-Silver RiverClay, a 2008 Real Estate Expo Project of the Year award winner, returned a 29-percent IRR to its investors and sold out while other condo projects struggled.

Recognizing both the marketing and financial benefits of building to a LEED-certified level, Zocalo and Principal accepted a relatively marginal two-percent increase in total development costs not only to be good stewards but to reduce operating costs for building ownership and tenant occupancy.

Principal and Zocalo not only anticipate a 25-percent return from energy savings on every dollar spent toward energy conservation, but they believe that earning LEED allows Denver's Solera Apartments to achieve aspirational marketing; whether the prospective resident is a **tree-hugger**, a **dollar-hugger** or interested in **health issues**, Solera delivers in ways that a typical, code-built apartment can't.