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BUILDING UP HIS BUSINESS

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Caption: Photo 1- EL CERRITO RESIDENT **Aaron Vitale** bought and remodeled this house in El Cerrito. He says he wanted to be a builder even as a child.

Photo 2- THIS HOUSE is just one of many under construction by Vitale's development company, Vital Building and Enterprises Inc. (Both by SHERRY LAVARS/TIMES)

AARON VITALE was building from a very young age -- tree houses and skateboard ramps among other things.

He didn't always have the money to do it, though. So he found work however he could -- lemonade stands, raking leaves and moving irrigation pipes in the olive orchards in Oroville, the Butte County city where he grew up.

"Basically, he started his career at 6 years old," said father Dan Vitale.

Determined to build and develop projects since an early age, **Aaron Vitale**, now 32, has already made his mark in El Cerrito, where he was born and resides.

His development company, Vital Building and Enterprises Inc., has built million-dollar homes in the El Cerrito Hills and is building and remodeling others. Two years ago, he defied skeptics by moving a building across San Pablo Avenue where his office and other retail businesses are located.

And his projects are getting bigger. He plans to break ground in the fall on a three-story condominium project on San Pablo Avenue in Albany and is working through El Cerrito's planning process on a similar proposal.

Fiercely determined and motivated, Vitale hooked up with the right people and began at the perfect time -- developing, remodeling and selling homes in the Richmond-El Cerrito-Berkeley area in the mid-1990s, just prior to seeing real estate values go through the roof.

"Since I had my first thought, I wanted to build something -- what can I build?" said Vitale. "The drive to build is what keeps me going with all the stress involved. The desire to build and create."

Rough beginnings

In 1994, when he was 21, he earned his contracting license and built his first home in Richmond at 16th Street and Roosevelt Avenue. He had moved to the East Bay three years earlier from Oroville, where he worked as a laborer for a number of contractors. He learned carpentry skills and worked his way up to foreman.

Dan Vitale said he agreed to borrow \$80,000 against his own home in Oroville, allowing his son to buy the lot at 16th and Roosevelt and build a three-bedroom, 900-square-foot home there that he later sold.

It was around that time that **Aaron Vitale** hooked up with Berkeley real estate agent Mike Hughey, a top seller in the state for ReMax and an old family friend.

"He wanted to work with an experienced broker that knew the area and could work together with him," said Hughey. "He was only 20 or 21. I saw the determination in him.

"When they're 21, what are most guys doing? They're fooling around. He was different in that respect. He had a goal and a vision."

Vitale continued buying vacant lots and building homes, and started remodeling a few "fixer-upper" homes in Richmond and San Pablo, and then selling them, Hughey said.

He financed his projects through credit cards and borrowing money from friends, family and business associates, and occasionally doing high-risk deals, Hughey said.

When he was starting out and couldn't get a bank loan for his projects, he would put a down payment on a property and then pay back the seller over the next two years.

"In essence, the seller would become like a temporary bank," Hughey said.

"It's not done too much now because loans are easier to get than they were 10 years ago. But loans were especially difficult to get for a young guy starting off."

Growing up quickly

Since 1994, said Hughey, Vitale has built between 40 and 50 homes in Richmond, Berkeley and El Cerrito.

He's built or remodeled nearly 15 homes in El Cerrito, including a landmark brick home on Arlington Boulevard that he said was designed by famous California architect Julia Morgan.

That home, which he is remodeling with additional brick at the entrance way, abuts his tony four-home Dylans Way subdivision, named after one of his sons.

He bought the three-acre site in 2001 and removed 100 eucalyptus trees. He's constructed and sold two of the homes and is completing the last two. The homes are asking upward of \$1.6 million.

He also bought a block of property with dilapidated buildings on San Pablo Avenue near Schmidt Lane in 2000.

"It was the right price," Vitale said. "It was a junk property at the time that needed a lot of work and planning on how to utilize it, basically. So I was

able to get it relatively cheap."

He fixed up one of the buildings on half of the parcel and moved his offices there. Three other rentals, he said, helped offset the cost of the property. He saw an opportunity when the buildings comprising the old El Cerrito Mill and Lumber business were going to be demolished to make room for condominiums and commercial space.

"A lot of it was timing again," he said. "I was able to go in there and work out a deal with the developer to basically take the building off the premises, so they didn't have to demo it."

He worked for a year to get the proper permits allowing him to wheel the buildings on dollies across San Pablo Avenue overnight.

He sutured the buildings, built a new first floor and remodeled a smaller building on the block to match the old-fashioned look of the new structure. It now comprises the "Vital Building," which houses Vital Building and Enterprises as well as 11 retail and office spaces.

Large picture windows and a plasma-screen television tuned to an all-news cable channel adorn his conference room. Fiddling with his BlackBerry, Vitale has a perfect view of some of the condominiums on top of retail space that another developer is constructing at San Pablo Avenue and Schmidt Lane.

Vitale calls this type of development, which is sprouting in cities along the Interstate 80 corridor, the wave of the future.

"That's where the market shift is going to be," Vitale said. "As interest rates start to rise, the demand is definitely heading in that direction, our and other market research shows."

Future plans

In January, Albany OK'd a 25-unit condominium project with nearly 5,600 square feet of commercial space on the site of the former Ellis-Olson mortuary at 727 San Pablo Ave. Vitale, who's developing the project for the owner of the property, said he intends to break ground on the project in the late summer or fall.

In El Cerrito, he's submitted a plan for a four-story development -- three stories facing Kearney Street -- with 31 condominiums and nearly 6,000 square feet of retail space just north of Waldo Avenue on San Pablo Avenue. The city is looking at what environmental impacts the project may have and whether it requires an environmental impact report.

Vitale believes it will need nothing more than a negative declaration, meaning that the project will cause no significant environmental impacts. Like the Albany project, Vitale acknowledges the four-story El Cerrito development will likely encounter opposition from residents in the area because of its size.

"If we're only able to get 10 (units), the project wouldn't make sense," he said. "It wouldn't make financial sense. It would run it into the ground." Neighborhood opposition has been among Vitale's biggest challenges. Leslie Fuller, a resident who lives near the Dylans Way subdivision, said neighbors believed the homes were too big for the size of the lot.

"It's huge and not in keeping with the rest of the neighborhood," she said.

"The term 'McMansion' is thrown out a lot."

Several Albany residents also protested Vitale's mortuary project because of its size. The city forced Vitale to come back with new plans after the city's planning and zoning commission panned the architecture.

Albany planning manager Dave Dowswell said it remains to be seen how well Vitale can meet city building regulations, such as parking restrictions and hours of construction.

"We'll get a better sense of his ability when he starts the project," Dowswell said.

Vitale will likely tackle it with the same determination he's brought to his other projects.

"Anybody can do what I do," Vitale said. "It's a matter of the risk you're willing to stomach, basically."

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