

Please Sign In and use this article's on page print button to print this article.

RESIDENTIAL REAL ESTATE

Palladium upgrades its properties



SPRUCE UP: Fred D'Lizarraga, vice president of condominium sales with Palladium Sales and Marketing, seen here at the Verona apartments, hopes renovations will draw in renters and buyers.

IN THIS ARTICLE

Tom Huth

Person

By Katherine Cromer Brock
Staff writer

Jul 26, 2009

Updated Jul 23, 2009, 4:12pm CDT

So what do multifamily developers do when the collapsed credit market keeps them from developing?

Apartment and condominium owner Palladium USA says now is the perfect time for rehabbing and renovating old property.

“There is nothing material from Palladium under construction anywhere,” said Tom Huth, president and CEO. “The market shifted overnight. The contracts stopped.”

Dallas-based Palladium owns Grand Treviso Condominiums and Canal Side Lofts apartments in Las Colinas, Verona apartments by the Galleria Dallas and Cottages at Tulane in Plano. The company also owns 5 acres of prime lakeside real estate in Las Colinas with plans for future condominium development, but it has put the plans on hold.

“We’re long-term holders of real estate,” Huth said. “And the market doesn’t look like it’s giving any indication of turning. We’d rather wait for the right time than preempt the market and not hit it. We’ll use this time to refocus our energies on other activities.”

So while the private, debt-free company is biding its time, it has opted to launch massive renovations at two of its properties.

The Cottages at Tulane apartments, which opened in 1991 with 198 units, just underwent a \$2.5 million renovation, which has driven rents from 85 cents per square foot to \$1.04 per square foot. Huth said the property is 92% leased.

Verona is in the middle of a \$7 million renovation. The amenity areas have been upgraded, and 30% of the tower apartments have been upgraded. The mid-rise units will be next. Work should be finished in two years, Huth said.

Palladium staff designed the upgrades. The company’s in-house builders, Catalyst Builders, is completing the work. “It all involves cash,” Huth said. “If you’ve got cash and capital to invest in your own deals, then that’s what works for us.”

CREATE YOUR FREE
ACCOUNT

BECOME A MEMBER

Join the Dallas Business
Journal to unlock even
more insights!

▲ This field is required

 Show

Renovating existing multifamily could be a good strategy for increasing property values, said Dallas-based multifamily expert Michael Puls, president of Foley & Puls Inc.

“You can increase the value by spending the money and upgrading to granite, for example, and changing from traditional to modern,” Puls said. “There’s a lot of arguments to be made to your investor or lender to spend the money. A 1990s product versus a today product is light years’ difference.”

But Puls said he hasn’t heard of too many other property managers making the monetary commitment that Palladium has, as values have fallen and financing, particularly for condominiums, has dried up.

k Cromer Brock at krcromerbrock@bizjournals.com | 214-706-7112

Latest BizSpotlight

More >



FEATURED

REAL ESTATE

American Legend H...

General News

DFW-based homebuilder American Legend Homes is pleased to announce exciting leadership transitions as the company prepares to celebrate its 20-year an...



FEATURED

HEALTH, WELLNESS & FITNESS

Hydrate IV Bar

Award Winner

Hydrate IV Bar in Dallas voted the number one IV vitamin therapy clinic, offers a wide variety of IV (Intravenous) vitamin therapy drips. Overseen by ...



STAFFING & RECRUITING

IQ Clarity

Expansion

Denver-based tech recruiting company, IQ Clarity, announced that they are opening a new location in Dallas, TX with operations beginning December 1, 2...

[Back to Top ▲](#)

DALLAS BUSINESS JOURNAL

[User Agreement](#) | [Privacy Policy](#)

[Your California Privacy Rights](#) | [Ad Choices](#)

© 2022 American City Business Journals. All rights reserved. Use of and/or registration on any portion of this site constitutes acceptance of our User Agreement (updated January 1, 2021) and Privacy Policy and Cookie Statement (updated July 1, 2022). The material on this site may not be reproduced, distributed, transmitted, cached or otherwise used, except with the prior written permission of American City Business Journals.

