

## *City landmark to change hands*

By Melinda Ledbetter, Real Estate Editor, *The Dallas Morning News*  
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Although the deal hasn't closed yet, Dallas developer Jim Coker will have more than a condominium conversion on his hands with the purchase of 3525 Turtle Creek apartments — he will have 20 years of tradition and a whole group of wealthy and influential tenants to change in the bargain.

Coker, who has been trying for a year to buy the exclusive high-rise apartment building, has contracted to purchase the building from City Partners Limited of Fort Lauderdale, Fla., and expects to close on the deal in December.

The Florida owners filed under Chapter XII of the Bankruptcy Act on the building in June because the “building was not making money for the investors” under its present condition.

Coker, however, says he wants to bring the ownership of “Dallas' most exclusive address” back to Dallas and, under the authority of the present owners, has already set up shop in the apartment offices, managing the building and getting the ball rolling on the conversion condos.

**THE SIMPLICITY** of the transaction ends there.

While Coker says he has had no trouble getting financing for the project, 3525 has lost money almost from the beginning.

When the luxury 21-story building was built in 1957 by Edward T. Dicker and Jerome Frank, it was billed as “The Most Exciting Building in America,” and “a soon to be completed private world of luxury living for the most particular.”

Apartment rents for 1, 2, and 3-bedroom apartments ranged from \$350 to \$700 a month, and the penthouses leased for \$1,500 a month.

Even the Communist Daily Worker in New York took note of the building, devoting a whole editorial “to the fuss about such accommodations for better-heeled folks,” a Dallas News article reported.

**THE APARTMENTS** were said to average 2,500 square feet, and kitchens were billed as having two electric ovens, a dishwasher and combination refrigerator and food freezer units. A feature of the project was nightly car washing without cost to the tenant.



The construction cost was reportedly \$5 million.

But the building, though still considered of the highest quality, has not kept up with the changing of time.

While the value of real estate has increased tremendously during the past 20 years (Coker estimates that the building would cost \$13½ million to replace), the rents on the building have not shown a proportionate increase. In fact, rents now range from \$550 for the 1-bedrooms to \$1,600 for the penthouses.

And ownership of the building has changed hands five times.

**THIS IS ALL** to say that Coker is buying more than a palatial apartment building. And his plan to convert it to condominiums is more than just another condo conversion.

The people living in 3525 Turtle Creek have money. And influence. A survey of the city directory reveals a who's who of tenants probably unequaled pre-square-foot in Dallas.

Tenants, who have been unsure of Coker's place in the building situation, were informed a month ago that they would be given first chance at buying their luxury apartments.

But tenants who say they like the idea of renting rather than owning and who are spoiled by unrealistically low rents have been having their own mini rebellion.

One tenant said fliers were sent to all occupants suggesting they contact the bankruptcy judge in New York handling the Chapter XII proceedings for the present owners and other have notified Coker that they have "voted" not to allow the conversion to condos.

It seems many of the tenants living in the building remember the time in 1961 when the owners, at that time Tishman Realty & Construction Co. of New York, offered to sell the building to the tenants as a cooperative. The simple procedure of voting it down was all it took at that time to quash the idea.

At that time the purchase of space in 3525 would have cost from \$15,120 for the 1-bedroom units to \$56,952 for the penthouses. And the annual maintenance bill on the median priced unit, \$29,925, would have been \$4,750.

**THE PRICE** of Coker's condos will be higher. The 99 units will range in price from \$75,000 to \$160,000, with the penthouses, which already have buyers committed, priced considerably higher.

But Coker said the prices are right in line with the market. So far, he has four commitments from outsiders (although he is not soliciting buyers until closing), and despite rumblings of discontent within the building he has 30 commitments from tenants.

"This is not a tax write-off for us," Coker said in an interview. "We will honor leases, but our purpose is to restore the elegance of the building and sell it out."

"People are skeptical about it, so you have to handle the situation with kid gloves."

Part of this "kid glove" treatment includes the renovation of the building at a price of about \$1.6 million. This will include additional landscaping, replacement of carpet in common areas, replacement of the cooling tower and support, addition of two emergency generators and improvement of security system, among other things.

The final sales price on the building will be about \$14 million with improvements. Coker said he hopes this will restore royalty to Turtle Creek.

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