



# New design in offing for Two Tabor Center

## Tower's developer will unveil plans at Friday seminar

By John Rebchook

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A top official of the Chicago-based company that plans to develop the \$300 million Two Tabor Center is unveiling the latest design of the 43-story office tower.

Bill Tresham, the chief financial officer for Callahan Capital Partners, plans to present the latest drawing of the 840,000-square-foot building Friday morning at the 2008 Expo Fall Forecast it is sponsoring with the University of Denver and commercial real estate groups.

Tresham also is bullish on prospects that construction will begin sooner rather than later on the tower at 17th and Larimer streets, which will take 30 months to construct.

"Basically, what I would say is that we would like to build this and we got within a breath of getting it started this year," Tresham said.

He noted that Callahan already has spent \$6 million on the design by New York-based Kohn Pedersen Fox Associates and Davis Partnership of Denver.

However, there are still two big hurdles. Lenders have to be willing to loan again on giant projects like this one and it needs to have some substantial pre-leasing from anchor tenants.

"The window for doing spec (without pre-leasing) buildings is shut tight," Tresham said. "The reality of the financial markets is that buildings of this scale will not be built without some pre-commitments from tenants."

Brad Calbert, of Colliers Bennett & Kahnweiler, agreed.

"They need 30 percent to 50 percent pre-leasing," Calbert said. "They have existing tenants in Tabor I that want to expand, so it may be possible. But that is an 800,000-square-foot building, so that would be a substantial amount of pre-leasing in this economic climate."

Tresham said because the infrastructure is in place, including what he said is the largest underground parking in downtown, the tower could be built six to eight months faster than it would normally take.

Tresham said the project has "rock-solid" financial partners: the Canada Pension Plan and the state of Wisconsin Investment Board as well as Morgan Stanley, "which looks like one of the few Wall Street companies that is left standing."

He also said that the lower part of downtown "just gets better by the day." He noted that a number of large tenants will be leaving first-class building on the upper end of downtown, such as Republic Plaza, to move into the buildings under construction in the lower downtown area.

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