




[Subscribe Home Delivery](#) [Today's Newspaper e-Edition](#)

 [SEARCH](#)
[SEARCH HELP](#)
[7 DAY ARCHIVE](#)

- business**
- »Business Home
 - AP Money & Markets
 - My Stocks & Funds

- [Printable Page](#)
- [E-mail Page](#)
- [Digg](#)
- [Newsvine](#)
- [del.icio.us](#)
- [Facebook](#)

Published Friday | February 8, 2008

Owner has mix of uses in store for historic Brandeis building

BY CHRISTINE LAUE
WORLD-HERALD STAFF WRITER

Developers who bought the historic Brandeis building in downtown Omaha plan to renovate and expand the food court, fill the northeast ground-level corner with a restaurant and build 118 luxury apartments. Construction is expected to start March 1.



The Brandeis Building is located at 16th and Douglas Streets.

The sale of the former department store is expected to close in the next week or so. That is about a year and a half after the original developers fell short of money and filed for bankruptcy, halting the building's conversion into condominiums.

Townsend Inc., the Overland Park, Kan.-based company that bought the unfinished project at 16th and Douglas Streets out of bankruptcy talked for the first time this week about their plans.

The main level will house a restaurant, sales office, commercial space and the food court. Floors two through seven will be apartments, with condos on floors eight and nine.

The developers have not determined what to do with the 10th floor, formerly the ballroom.

Troy Strawhecker, a developer with Townsend, said construction should take 11 to 14 months. He hopes to have the apartments fully leased in eight to nine months and occupied within 12 months.

"We can't finish the apartments fast enough," he said. "There's a high demand for fine apartment homes."

GALLERY

- [Brandeis building construction](#)

[Login](#) | [Signup](#)



weather

Mar 28, 2008 10:33 pm
39° F [Forecast](#)

spotlight

- [Auction Block - Pay Here](#)
- [Tipoff Kid Contest](#)

marketplace

- [Autos](#)
- [Auto Dealers Locator](#)
- [Parts & Services](#)
- [Homes](#)
- [Jobs](#)
- [Jobs News](#)
- [Stuff](#)
- [Call the Experts](#)
- [Place Classified Ad](#)
- [Garage Sales](#)
- [ShopOmaha®](#)

features

- [Today's Health Tips](#)
- [Alegent Health Encyclopedia](#)
- [Games & Gadgets Page](#)
- [Latest Gaming News](#)
- [Game Reviews](#)

The developers are segmenting the building into three identities, or brands.

The Pavilion at the Brandeis comprises the retail and commercial space on the first and second floors. The Renata at the Brandeis is the luxury apartments. The Enclave at the Brandeis is the condos.

The first steps will include updating and expanding the food court and building amenities for condo residents who had moved in when the original developers stopped construction. Those amenities include a community room and a movie room seating 15 to 25 people, both on the second floor.

Townsend plans to spend \$1.5 million to renovate the food court with new tables, chairs and flooring and to expand it by 1,600 to 2,000 square feet — enough for three to five more vendors.

"It's our opinion that this needs to be updated," Strawhecker said. "It's going to be lighter. One of our goals is to play off natural light, to make it as light and bright as we can."

Joseph DeRozza, the concierge for the condos, opened a tiny shop, Joseph's of Omaha, about six months ago in the food court area. The shop, which sells gifts such as toys and purses, has done well despite low traffic beyond the condo residents and lunch crowd, he said.

"For the size of the store, we took in money I didn't know was out there," DeRozza said.

Strawhecker said insurance companies and brokerage firms already have expressed interest in the first-floor commercial space, which is available fronting both 16th and 17th Streets.

The developers want to fill 8,000 to 9,000 square feet on the first floor with a restaurant that would serve lunch and dinner and include a bar, Strawhecker said. The space in the northeast corner has large windows overlooking Douglas Street.

Two national restaurants and one local business have expressed interest. Strawhecker said.

[Today's Top Headlines](#)
[Gadgets](#)
[Apple](#)
[Omaha Symphony](#)
[Wedding Essentials](#)
[Healthwise](#)
[From House to Home](#)
[Street of Dreams](#)
[Sites to See](#)
[Other Papers](#)

The developers decided to build more apartments than condos because they believed the building was better suited to a mix of uses and that the demand for rental units was increasing — a trend that correlates to a housing market decline, Strawhecker said.

The original developers had planned 135 to 144 condo units ranging from \$202,000 to \$750,000. The project at one point had commitments for 35 of 131 condos, but Douglas County records show only 15 closed sales.

Strawhecker said the new plans call for 34 condos. With 15 of those occupied, that leaves 19 for sale.

Of those 19, some are finished. For the unfinished units, buyers may choose finishes such as cabinets and countertops. The finishes and floor plans will be similar to those offered previously.

Those 19 one- to three-bedroom condos range from 900 to 2,300 square feet and from \$198,000 to \$600,000.

The apartments range from \$750 for a 950-square-foot, one-bedroom unit to \$1,650 for a 1,900-square-foot, three-bedroom unit.

"You really won't be able to tell the difference between the finishes of the apartments and the condos," Strawhecker said. "It's just that the floor plans are a little different."

The original developers had mostly completed the infrastructure work — heating and air conditioning, electrical and plumbing, he said. The build-out, or finishing of units, is only about 20 percent done, however.

Even so, the infrastructure is a major expense and effort, making the remaining work manageable and affordable, he said.

Townsend is investing "significantly more" than the \$15.4 million it paid for the building, Strawhecker said, declining to disclose the total investment. He said the project's total value will be \$50 million when completed.

Townsend's other projects have ranged from \$16 million to \$80 million in value, he said.

Townsend also is developing the 32-story WallStreet Tower Omaha at 14th and Dodge Streets — a condo project that will be valued at \$125 million.

While the slower housing market has increased a need for rental units, it doesn't mean condo sales at WallStreet Tower are suffering, Strawhecker said. Currently there are 108 reservations for the 270 condos in the project, which will start construction after the old Union Pacific building is razed.

"Regardless of where the national market is, the Omaha housing market, particularly condos, continues to be strong, and WallStreet Tower is two years away from delivering units," Strawhecker said. "We are confident that the housing market will be suitable for the tower to come online in two years. We're pretty confident that we've seen the worst and things are going to improve."

But will the slower housing market now impact immediate condo sales in the Brandeis?

"How long will it take us to sell 19 units? I don't know. Maybe a year," he said.

Some builders and developers are suffering, but not everyone is, he said.

"Dollar value aside, we do feel this building is a trophy," Strawhecker said.

Contact the Omaha World-Herald [newsroom](#)

Copyright ©2008 Omaha World-Herald®. All rights reserved. This material may not be published, broadcast, rewritten, displayed or redistributed for any purpose without permission from the Omaha World-Herald.

[↑ Top](#) [Printable Page](#) [E-mail Page](#) [Digg](#) [Newsvine](#) [del.icio.us](#) [Facebook](#)

This webpage

The webpage at <http://>

©2008 Omaha World-Herald. All rights reserved. [Copyright](#) | [Terms of Use](#) | [Privacy Policy](#) | [Site Map](#)

[RSS Feeds](#) | [Write a Letter to the Editor](#) | [Submit a Calendar Event](#) | [Order Photos or Reprints](#)

Questions? Comments? Suggestions? webmaster@omaha.com

This site best viewed at 1024x768 in Mozilla Firefox™. 

