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Nichols uses loan buy to snag Cherry Creek Dance property for \$7.8M

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The Cherry Creek Dance building at 2625 E. Third Ave. in Denver. *(Thomas Gounley/BusinessDen)*

Randy Nichols has put on his dancing shoes, all thanks to a loan buy.

At the end of March, the head of Denver-based development firm Nichols Partnership picked up the Cherry Creek Dance property along Third Avenue — a 0.43-acre corner lot prime for future redevelopment.

“We’re looking at a couple options. One is condos, and one is office,” Nichols said.

His firm paid \$7.8 million, according to public records, for the 2625 E. Third Ave. property, which sits at the corner with Clayton Street. But the seeds for the deal were planted about nine months ago, Nichols said, when he bought the loan against the property.

Nichols said he paid face value for the \$5.5 million note, which was coming due at the end of last month. He indicated that the previous owners couldn’t pay off the note without selling.



Randy Nichols

“Since we held the note, we were probably the most logical person to sell to. ... Everybody and their brother had been trying to buy it, and we felt like we needed a little more control of the situation,” he said.

The \$5.5 million Nichols paid for the loan is included in the total \$7.8 million sale price.

Cherry Creek Dance founder Stephanie Prosenjak signed the sale paperwork. Her LLC purchased the property in May 2009 for \$5 million, records show. Prosenjak did not respond to requests for comment from BusinessDen. Roche Fore of Roche & Co. represented the seller.

Nichols is familiar with Cherry Creek. His firm is the original developer of Clayton Lane, the retail-and-residential project being redeveloped (<https://businessden.com/2025/03/11/goodbye-sears-joblon-and-partners-beginning-work-on-cherry-lane/>) by Denver-based BMC Investments and partners.

He said he likes that the neighborhood — a hot spot for redevelopment in recent years — has limited sites and high barriers to entry.

“It’s the only market in Denver that works financially right now,” he said.

Nichols said he thinks the Cherry Creek Dance property, which has long been expected to sell — “it was out there for too long,” he said — would have fetched more a couple years ago. But he sees pricing in Cherry Creek returning to more rational levels.

“The pricing over the past couple of years was unrealistic,” he said. “And because they couldn’t repay the loan. That reduced the price.”

A competing broker acknowledged that Nichols' loan buy gave him the advantage. Phil Ruschmeyer of Ruschmeyer Corp. said he represented a client who offered \$7.5 million, but ultimately concluded that Nichols would just top any offer.

"He shows up in extremely unique positions," Ruschmeyer said. "Remember when he owned the one floor of parking?"

That's a reference to a deal four years ago, when Nichols turned a forgotten right of first refusal (<https://businessden.com/2020/07/13/nichols-swoops-in-to-buy-citys-cherry-creek-parking-spaces-complicating-redevelopment-plans/>) for a portion of the Clayton Lane parking garage into a one-year, 150% return (<https://businessden.com/2021/07/01/nichols-sells-cherry-creek-garage-spaces-for-huge-gain-a-year-after-buying-them/>).

Ruschmeyer called the Cherry Creek Dance property "one of the largest, best sites left in Cherry Creek."

The existing dance building is 10,500 square feet, according to property records. The business continues to operate and will be able to stay until Nichols breaks ground on his new project.

That project will require rezoning, a process that Nichols expects to take a year or so.

"Our hope is that we end up with the four-story option that the other buildings on the north side of Third have," he said.

Nichols' condo portfolio includes Spire, the city's largest condo building, downtown at 891 14th St. On the office side, the firm developed its headquarters building at 1644 Platte St., as well as the more recent One Platte building at 1701 Platte St., which JLL recently started marketing for sale.

The firm's most recent projects have been a Moxy hotel in Boulder, which opened last year (<https://businessden.com/2024/03/14/joblon-nichols-set-to-open-moxy-hotel-in-boulder-finally/>), and the conversion of the Art Institute of Colorado office building in Cap Hill into a micro-unit apartment project. That wrapped up in 2023.

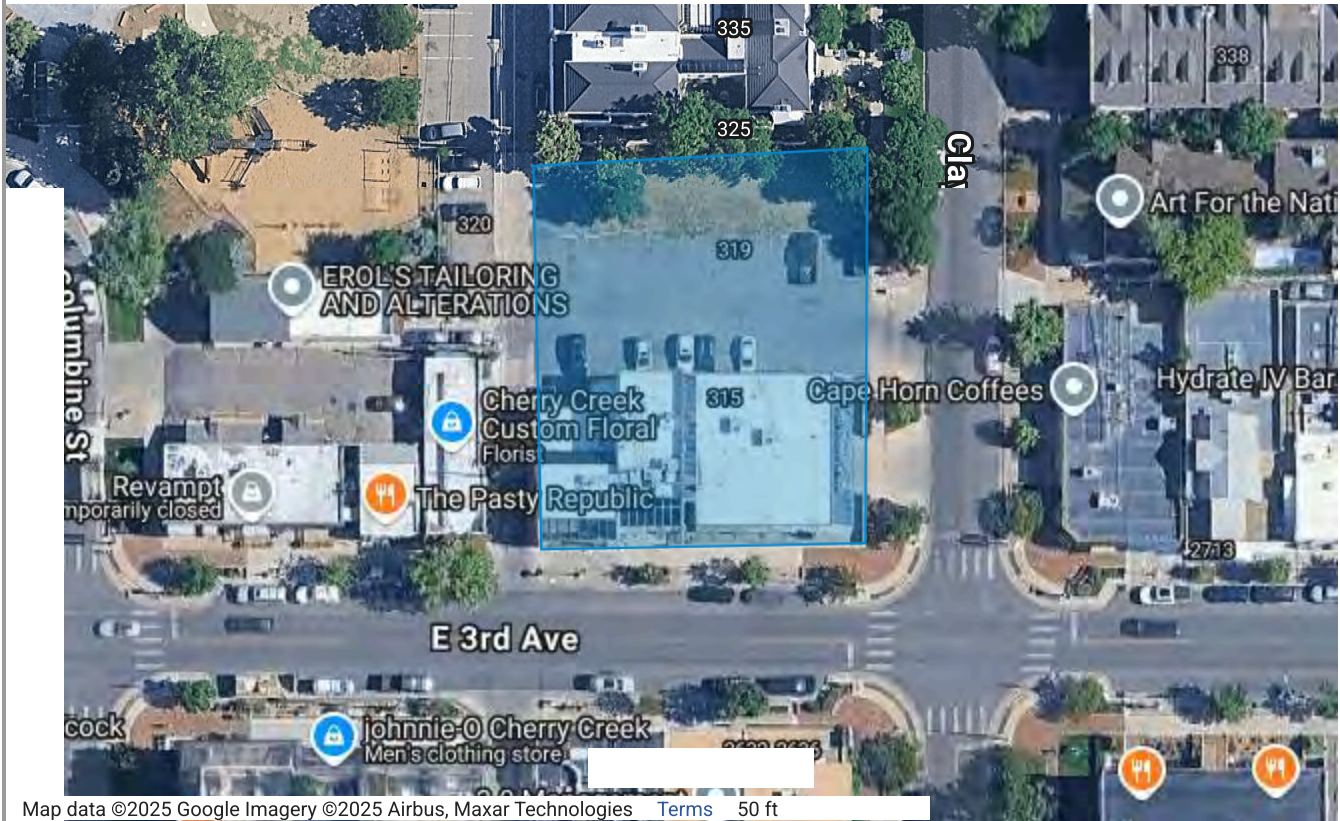
Besides the project where Cherry Creek Dance sits, Nichols said he's also in the early stages of pursuing a condo project along Ford Street in downtown Golden.

"Golden is the only other market in the metro area that is comparable to Cherry Creek," he said.



2625 E. 3rd Ave., Denver, CO ☆
Thomas Gounley

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