

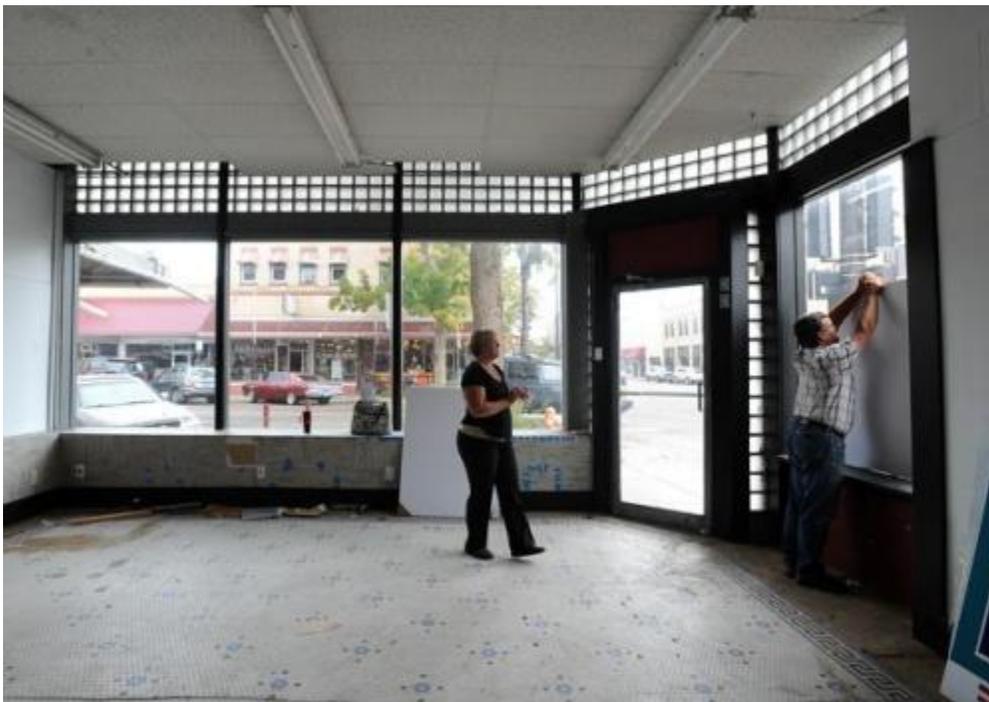
Buyers plan to renovate Loveland's Arcadia Hotel

Rather than 'scrape and rebuild,' Masonville couple intends to save historic downtown building

By Craig Young

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Howard Perko and his wife, Diana, future owners of the Arcadia Hotel building at Fourth Street and Cleveland Avenue in downtown Loveland, hang signs in the windows of the historic building Monday. (*Jenny Sparks / Loveland Reporter-Herald*)

LOVELAND -- A Masonville couple not easily intimidated by a challenge is poised to buy the historic Arcadia Hotel building in downtown Loveland.

Howard and Diana Perko plan to renovate the 140-year-old brick building at the southwest corner of Cleveland Avenue and Fourth Street and rent it out for retail, office and apartment uses.

"We think the building has some historical significance," Howard Perko said, "and we have a passion for old buildings. We'd love to see it be restored to its original wonder."

When the two-story, 13,300-square-foot structure at 140 E. Fourth St. was built in 1884, it housed Loveland's first opera house upstairs under a domed roof.



The A&B Building at the southwest corner of Cleveland Avenue and Fourth Street in downtown Loveland was built in 1884 by pioneer businessmen E.S. Allen and Frank Bartholf. (*Special to the Loveland Reporter-Herald*)

The building was known as the A&B Building, after its builders, Loveland businessmen Edwin S. Allen and Frank G. Bartholf. More recently, it was known as the Arcadia Hotel, but "I like to call the building the old Loveland Opera House because that was the original name and use," Perko said.

Historic pictures of the building show architectural features such as cornices and decorative lintels, but those have been lost to remodeling over the decades.

"We're redoing the veneer of the building to restore the historic appearance of 1884 — new brick and windows and new cornices and new storefronts," Perko said, estimating the project will cost almost \$2 million.

Help from the City

Perko said he is hoping for some financial help from the city of Loveland.

"We're working with him," said Loveland economic development manager Mike Scholl. "The expectation is that there's going to be some public support to make that deal work.

"It's a high-visibility building in the center of our downtown," Scholl said. "Part of our downtown effort is we want to be supportive of positive investment in downtown."

Perko said he has lined up GH Phipps Construction as general contractor, Vaught Frye Larson Architects of Fort Collins as architect, with a loan from FirstBank.

He plans to close on the purchase Oct. 2, start renovations at the end of October and have tenants signed up to move in by April or May 2015.

The property was listed for \$575,000 by its owners, the children of the late Harley Daily, who took over the W&T Pharmacy in the building in 1962 and bought the entire building in the early 1970s. Perko declined to disclose how much he intends to pay.

In Rough Shape

Larry Melton, a broker with Realtec Commercial Real Estate, was marketing the building as "a scrape, and you're buying the land," he said in November 2013. The building is in such bad shape that it would be too expensive to fix, he said at the time.



Perko acknowledged Monday that his first impression of the structure was that it needed to be demolished, but he decided not to give up on it.

A structural engineer who works in Fort Collins, Perko said he discovered that the building "is fairly robust for a building of its era." For example, he found extremely sturdy joists under the upstairs opera house space, which was built to hold 400 to 500 people.

The upstairs was converted from opera house to hotel rooms or apartments in the early 1920s. The apartments, vacated in late 2013, are in very rough shape, although classic architectural features such as original woodwork, transom windows, door hardware, skylights and a broad staircase survive.

"It mostly needs to be cleaned up. It's been sitting without proper maintenance for a long time," he said.

The Perkos have done this before. In 2006, they bought and renovated the original Sears Trostel Lumber building at 251 Linden St. in Old Town Fort Collins. They leased it to commercial tenants until this spring, when they sold it for \$2.6 million. Proceeds of that sale will go into the Loveland Opera House project, Perko said.

He plans to rent out five spaces to retailers or restaurants on the ground floor, renovate most of the upstairs into individually leasable offices with a common conference room and bathrooms, and refurbish the four apartments in the back and rent them for residential use.

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