



October 6, 1989

Mr. Kyle Cascioli
Realcore, Inc.
4643 South Ulster Street
Suite 210
Denver, Colorado 80237

Dear Kyle:

I wanted to take the time to formally recognize your talents and efforts representing Christy Sports over the past year.

You came to us this past February and explained your representation program. Eight months and two new stores later, I feel you have helped us greatly with our Denver expansion efforts.

Your knowledge of the marketplace coupled with your tenacity and shrewd negotiating skills has paid off for Christy Sports. I can only add that if anyone is considering a retail move or expansion, that they strongly consider your program and what you have to offer. Through your efforts and skills we have leveraged our leasehold situation to include our lowest base rents, landlord contribution to our tenant finish improvements and terms that fully protect our interests and limit our downside. As far as I can see, the scope of retail leasing is changing for the better.

Thanks for a job well done!

Sincerely yours,



Steve Smith

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6

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Christy Sports Vice President Steve Smith, left, and real estate broker Kyle Cascioli ... "Christy Sports is a savvy retail outlet; that's why they're able to expand in a down economy."

Christy Sports expanding in Denver in race to outpace retail competitors

By JOEL LAMOREAUX

After a decade in which many private ski specialty shops melted along with the Denver economy, Christy Sports is entering the '90s with four new Denver area stores.

"We felt that the customer needed a choice, and with our name, felt we could expand into Denver," said Steve Smith, vice president of Christy Sports.

Christy Sports has been selling and renting ski equipment in Colorado since 1969. The retailer added patio furniture sales in 1984.

Christy's newest store, set to open by the end of May, is located in the Plaza at Cherry Creek, at 201 University Blvd., in Denver. The new location will bring the total number of Christy Sports stores to 14.

Christy Sports also opened an Arvada store at 5225 W. 80th Ave. in February, a Greenwood Village location at 5926 S. Holly St. last September and a Littleton site in the Plaza on the Green shopping center at 8100 Crestline Ave. in September 1988. Each store averages 5,500 square feet of space.

Although Smith declined to give exact sales figures, he estimated that gross sales for the combined Denver-area stores increased 250 percent from 1985 to 1989.

The Christy Sports expansion has been financed internally, said company President Keith Van Velkinburgh.

"I don't know that there's anyone else who can make that statement in Colorado," he said, referring to other private ski chain stores in the state.

Christy Sports had not planned to expand into Denver, Smith said, but the right situations appeared and caught the interest of company officials. Those "situations" were presented to the retailer by independent commercial real estate broker and consultant Kyle Cascioli, who contacted Smith after seeing a Christy

Sports advertisement during Christmas 1988.

They were spending all this money on advertising, and two-thirds of the population was scratching their heads wondering where Christy Sports was," Cascioli said.

That factor, taken with a soft Denver commercial real estate market and a less competitive patio furniture market, helped Cascioli convince Christy Sports executives to make their move.

"There's no doubt they could have still negotiated deals for themselves," Cascioli said. "They're a savvy retail outlet; that's why they're able to expand in a down economy."

Christy Sports' earlier expansion efforts in the '70s had taken the retailer into resort towns such as Vail, Copper Mountain and Crested Butte. The firm was able to gain a strong reputation as a service-oriented business among those frequenting the mountain stores, said Smith, but the company remained relatively unknown to the Denver market.

However, Smith believes the firm's high quality service and equipment will provide the needed niche for survival in the Denver market.

"People demand quality and service, not just a clerk to ring it up," Smith said of ski equipment consumers.

Although many first-time ski equipment buyers come to Christy Sports, said Penny Brophy, manager of the Arvada store, at least 80 percent of her business is from repeat customers.

The Denver-area stores are different from the firm's mountain stores in that they switch from the sale of ski equipment and accessories to patio furniture during the summer. Christy began selling patio products six years ago, and by the end of this year, sales are expected to account for 25 percent to 30 percent of the company's gross sales in Denver - representing the firm's fastest growing division, Smith said.



Barrett Associates, Inc.