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FEATURED

Restoration Hardware invests \$105M in Aspen real estate 'ecosystem,' 2022 plans include retail, restaurants, suites, spa, etc.

Erica Robbie, Aspen Daily News Staff Writer

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RH, formerly Restoration Hardware, is investing \$105 million into several properties throughout Aspen to launch the pilot of its "ecosystem" concept, which will comprise a two-story downtown storefront, two restaurants, multiple residences and a boutique hotel, bath house and spa.

Anna Stonehouse/Aspen Daily News

In an unprecedented move, the luxury home furnishings company RH (formerly known as Restoration Hardware) this week quietly shared plans to invest \$105 million in Aspen real estate — including the addition of a two-story downtown storefront, two restaurants, multiple residences and a boutique hotel, bath house and spa at the site of the now-defunct Crystal Palace.

As of Dec. 31, RH is not only a long-term tenant of said properties but also a part owner, Aspen developer Mark Hunt, who owns a number of the buildings involved, confirmed Thursday evening.

“It’s a big deal,” Hunt said of the announcement.

RH, which dubs itself “a curator of design, taste and style in the luxury lifestyle market,” is referring to the Aspen buyout — a first for the home furnishings company — as an “ecosystem.” Aspen will serve as the guinea pig for the concept as RH eyes future opportunities to develop similar ecosystems.

“We believe Aspen represents a singular opportunity to elevate the RH brand by exposing the world of RH to the world’s most affluent and discerning customers in a single, walkable market,” RH Chairman and CEO Gary Friedman said in a statement. “Additionally, we believe the education RH will gain from a real estate development and ownership perspective will be immeasurable as the brand builds its global ecosystem of products, places, services and spaces.”

An RH executive declined comment on behalf of the California-headquartered company when reached Thursday afternoon.

Friedman added: “We have long admired the community of Aspen and are sensitive about designing experiences that respect and retain the town’s unique historical character and charm.”

Hunt called the company’s unparalleled commitment to Aspen one that is mutually beneficial for all parties involved: RH, landlord and community.

“A lot of this has to do with the changing landscape of retail, right?” Hunt said via phone. “They obviously came in; they made a commitment to these properties; they’re putting significant dollars into them; and for the longevity with uncertain times, it just made sense that when they’re making that kind of an investment, it shouldn’t just be for a short period of time. It’s great for the landlord, it’s great for the tenant.

“It obviously shows their commitment to the properties they’re involved in, and there’s so many times where people kind of come and go, and to have a company as special as them making that kind of commitment — it just seemed like a perfect opportunity for all sides,” he continued.

So, what exactly will Aspen’s new ecosystem entail?

“Aspen has been selected to develop the first RH ecosystem inclusive of an RH Bespoke Gallery, RH Guesthouse, RH Bath House & Spa, RH Restaurants and our first RH Residences,” reads a release published Tuesday afternoon. “The investment includes properties that will be developed into retail locations, hospitality concepts, residential developments and workforce housing projects.”

RH Gallery

RH will open an interior storefront, which it refers to as a gallery, in a new building at the corner of Galena and Cooper, across from Paradise Bakery. Known as the Bidwell Building at 434 E. Cooper, the structure was demolished mid-December. The new building will be between 25,000 and 30,000 total square feet, Hunt said, which will include two smaller commercial spaces that will not fall under the RH umbrella and have not yet been marketed for lease.

RH Gallery will boast two floors of interior retail — contemporary, modern, ski-themed, etc. — as well as interior, architecture and landscape services. A transparent, glass-rooftop restaurant and wine and barista bar, plus two private dining rooms with fireplaces and retractable roofs, will occupy the upper level. Asked details of the restaurant, Hunt said the concept “will be similar” to those at other RH properties. “Roof exposure, a bunch of plants, light ... they’re absolutely incredible,” he offered.

RH Guesthouse, Bath and Spa

Also a recent teardown, the site at 300 E. Hyman — formerly home to the historic, iconic Crystal Palace — will be home to RH’s guest suites on the main level, a bathhouse and spa in the lower level and another restaurant and private pool on the rooftop.

“You literally have to see this thing. It is so unbelievably special,” said Hunt, who owns the property. “And the [RH] gallery as well. I mean they’re small, right? We’re not making anything bigger.”

RH Residences

The RH Residences at the historic Boomerang Lodge — which Hunt purchased in June of 2018 for \$10 million — will include up to five fully furnished four-bedroom custom homes.

Another RH Residence will resurrect on Red Mountain. The fully furnished six-bedroom home will offer terraces and an infinity pool.

The Boomerang property “is very early in the process” and currently in the design phase, Hunt said. All of the RH residences will share services and amenities, such as the spa, transportation, housekeeping, etc.

Moving forward

RH plans to open the gallery and guesthouse, spa and restaurant at the former Crystal Palace site next year, according to the release. The company declined comment on timelines for the other properties. Hunt said the aforementioned properties will be “completed and occupied in 2022.”

RH’s equity investment is funded from its existing cash balances, according to the statement. “The company plans to operate the RH branded businesses mentioned as part of the Aspen ecosystem and to be a real estate investor and partner for the remaining properties.”

“I’m very excited to be working with [RH],” Hunt said. “I think these projects are going to be great additions to town, and we’re excited to get them done and share them with the community.”

Erica Robbie is the editor-in-chief of *Local Magazine* and *Local Weekly* as well as the arts & culture editor for the Aspen Daily News. She can be reached at erica@aspensdailynews.com or on Twitter [@ericarobbie](https://twitter.com/ericarobbie).

Erica Robbie