



COLORADO REAL ESTATE JOURNAL

THE COMMUNICATION CHANNEL OF THE COMMERCIAL REAL ESTATE COMMUNITY DECEMBER 5-DECEMBER 19, 2007

Gage helps build fast-growing MacKenzie House

by Jill Jamieson-Nichols

Patricia "Patty" Gage went from sticks and bricks to what makes them tick: commercial real estate finance.

Gage assembled financing for such notable redevelopments as Belmar and the Adam's Mark Hotel. Now as chief financial officer of MacKenzie House LLC, a fast-growing developer of senior living communities, infill townhomes, student housing and other residential product, she looks forward to helping guide the company's strategy over the next several years.

"There are a series of risks that we take as a development company, and one of the primary ones is to be confident about our ability to finance projects. That's where Patty excels in terms of large, complicated financing," said Don MacKenzie, MacKenzie House president and chief executive officer. "I just couldn't be happier to have her join our team."

Gage's roots are in construction, although she initially studied to be an industrial arts teacher. Her student teaching experience, which she completed while five-to-eight-months pregnant, taught her that reigning over rooms full of teenage boys with power tools was not her calling.

The Pierre, S.D., native completed her degree in industrial arts and secondary education at Black Hills State College. She went to work for a commercial construction company in Spearfish, S.D., and starting with a knowledge of drafting, worked her way up from project estimating to project management.

"Then I got really tired of counting bricks, so I went back



Patricia "Patty" Gage

to school," said Gage, who by that time was working for a construction company in Connecticut. Her husband at the time was from Denver, and, "I wanted to go back anywhere west of the Mississippi River," she said.

Gage earned her Master of Business Administration in real estate, construction management and finance at the University of Denver. In construction, Gage only became involved with projects after most of the thought and creativity had gone into them. "I wanted to learn the rest of the process," she said.

"I wanted to go to work for a real estate developer, but it was 1989, and the economy was in total disarray," she said.

Gage was hired at Colorado National Bank (now U.S. Bank), which provided commercial lending for some of the region's best-known real estate developers. "I never realized I would enjoy the finance piece as much as I do. I think that the best part about banking is

watching all the developers and what makes them successful, or not successful, over the course of their careers," she said. "There was one thing that really stood out to me, and that was the people who specialized in one product type and building assets to hold for the long-term were the ones who ended up truly wealthy at the end of the day."

In 1994, Gage joined Bank One (now JP Morgan Chase), where she put together financing for the Adam's Mark and University Hills Shopping Center. Instead of the usual debt and equity financing, the projects also involved public financing components, making them more interesting and challenging. That experience came in handy when, in 2001, Gage joined Continuum Partners LLC as principal and CFO, and put together the financing for Belmar in Lakewood.

"The most interesting thing I ever worked on was Belmar, without a doubt," she said. "The first phase of financing was \$250 million, and it required 17 different funding sources – when it was all said and done – to come together precisely at the designated hour on the designated day."

During her six years at Continuum Partners, Gage also was involved with the \$250 Bradburn Village in Westminster, the \$200 million Kent Place in Denver, and redevelopment in and around Denver Union Station.

At MacKenzie House, she sees an opportunity be part of a growing company focused in large part on a growing demographic: the senior population. The company was founded by MacKenzie in 1999.

"Don has a great reputation in town. I've known him for 10 years and always admired what he's done. MacKenzie House is a relatively young company and is on a very robust growth path," said Gage.

Gage, 48, considers herself an introvert who is happy dealing with "the numbers." However, she maintains relationships with a broad range of capital providers and others within the commercial real estate industry. People here, she believes, are open about sharing their experiences, successes and challenges, and, "It seems like there is an overriding focus of making the city a better place than it was 20 years ago."

In addition to structuring the pieces of the financing puzzle to achieve the greatest returns, Gage enjoys hearing the points of view that go into negotiating a deal, and seeing the finished product. "It's nice to see all the numbers on pieces of paper turn into something concrete that you can walk into and enjoy," she commented.

Gage, who has been involved with the Downtown Denver Partnership, Denver Civic Ventures and University of Colorado Real Estate Foundation, among other professional and civic organizations, serves as treasurer and executive committee member for the Colorado Children's Campaign. She has a daughter, Erin, who is completing her last year of law school.

Residents of Riverfront Park, she and her husband, Rob Holway, also have a home in Winter Park, where they spend their weekends skiing and hiking. ▲