

CBRE/NE Near \$400M in MultiFam Trades

BY JOE CLEMENTS

BOSTON — April is said to be the cruelest month, but one would not feel that way in the 2013 version were

they either a Red Sox fan or member of CBRE/New England's multifamily sales team which completed a series of major transactions from Greater Boston to Providence and is now approaching \$400 million for trades year-to-date.

The latest barrage ranges from 62 Dorchester apartments bought by Urban Capital continued on page 21



Schoolhouse Apartments at Lower Mills, Dorchester MA

CBRE/NE Multifamily

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Partners from the New Boston Fund for \$12.1 million in cash and debt to the \$52 million exchange of 134 apartments in Boston's South End secured by the Hamilton Co. (see story, page five). In Rhode Island, CBRE/NE's multifamily contingent led by Simon J. Butler and Biria St. John orchestrated the \$56.1 million swap of 478 units in East Providence to Gaia



Biria St. John



Simon J. Butler

Real Estate, a New York-based entity that beat out a bevy of suitors, a robust response that Butler says is refreshing to see following the Ocean State's harsh downfall in the 2008 recession that even crippled many multifamily ventures. "This to me is a signal that there is real interest in Rhode Island again," observes Butler. "It shows people feel the economy there is finally on the upswing."

The deal that amounts to \$115,000 per unit and is the largest of its sort in Rhode Island since 2005 could pay off for the new ownership should the rental market respond to increased employment, Butler notes, while Gaia is also undertaking a value-add improvement campaign to further boost chances to increase occupancy.

In a press release, Gaia managing partners Danny Fishman and Amir Yerushalmi concur with Butler that their pursuit of Winchester Park and Winchester Wood was indeed inspired by Providence's stabilizing environment. Gaia Property Management will oversee the complex as part of a 13,000-unit portfolio extending across the United States.

The Urban Capital Partners group has taken on NBF's Schoolhouse at Lower Mills apartments that the seller had held since paying \$2.5 million in Oct. 2006. The \$12.1 million includes assumption of an \$8.48 million loan held by US Bank on the complex. In response to inquiries from the Real Reporter, NBF Northeast Regional Director Gary Hofstetter issued a state-



Winchester Park Apartments, Providence RI

ment Friday confirming the agreement harvesting the 54,000-sf apartment complex that combines an 1850's wooden schoolhouse featuring eight apartments with a new four-story structure where the remaining units are situated, 40 of which are one-bedroom, one-bath layouts. Eight are similar to that with a den and 14 are two-bedroom, one-bath units. Six of the units are affordable at Schoolhouse, which was 97 percent occupied at the time of its sale and has performed admirably through



Gary Hofstetter

the downturn, according to Hofstetter.

"With consistently high occupancy rates, Schoolhouse has been a very successful and stable asset in our Northeast portfolio," Hofstetter conveys, adding that, "Multifamily is extremely hot in the market right now, so we decided to leverage the existing conditions and capitalize on this well-performing property." NBF's involvement included construction of the new portion and completion of the schoolhouse upgrade in partnership with Schoolhouse Ventures LLC. Situated in

Lower Mills Village, the property incorporates condominium-quality finishes and fixtures such as granite countertops, hardwood floors, Kohler plumbing and in-unit washer/dryers. Amenities include underground parking, fitness center and clubroom plus storage areas.

Butler declined to discuss specifics of each deal, but does acknowledge it has been another busy start for the CBRE/NE group, a machine that provides a full range of debt and equity options in the multifamily sphere. In the Rhode Island transaction, CBRE/NE's lending platform stepped in to assist the buyer on financing the development that consists of 80 buildings, primarily two- and three-story garden style and townhouse apartment buildings. Winchester Park was originally built in the early 1970s and extensively renovated in 2000, whereas Winchester Wood was developed in 1985 and has 62 of the units. The properties include a renovated clubhouse with lobby and lounge areas, fireplace and fitness center. Outdoor recreational attractions include tennis courts, a private landscaped courtyard and a swimming pool with sun deck. There is also ample parking for upwards of 700 vehicles. ■

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