

Multifamily

Central Development finds opportunity with Twin Arms

by Jennifer Hayes

A Denver-based development and investment company with an eye toward the future purchased a Lakewood apartment community.

Central Development made its second foray into multifamily ownership with its \$1.35 million, or \$39,706 per unit, acquisition of the Twin Arms Apartments at 1205-1225 Yukon St., between West 12th and Colfax avenues.

The purchase presents long-term upside for Central Development, which plans to run the 1961 apartments as a cash-flowing community, explained partner Brad Cushard of Central Development.

"For us, this is an opportunity to pick up a good apartment complex in a newly desirable



The Twin Arms Apartments is located 300 yards from a future light-rail station in Lakewood.

area," Cushard said of Twin Arms, which is situated a block from a future light-rail station set to open in a couple of years as well as a new retail develop-

ment. Central Development is planning improvements to Twin Arms that will include a new roof, paint, landscaping and interior work to a "handful" of apartment units.

"This property was bank owned and the buyer was attracted to the near-term upside of improving operations through hands-on management and the long-term upside of being within 300 yards of a future light-rail station," said Terrace Hunt of Apartment Realty Advisors, who, with ARA's Shane Ozment, represented the unnamed bank in the disposition of the community.

At the time of sale, Twin Arms was 90 percent occupied.

Central Development also owns an apartment community near Interstate 25 and Yale Avenue and is looking to add an additional three to four value-add multifamily opportuni-

ties to its holdings this year, added Cushard.

Other News

■ A local buyer recently paid \$855,800, or \$45,042 per unit, for the Traci-Lea Apartments in Englewood.

The 19-unit apartment building was constructed in 1972 and comprises 19 one-bedroom, one-bath units.

"The seller offered financing that was highly attractive to the buyer," said Ryan Floyd of Unique Properties LLC-TCN Worldwide. "The property is a superior investment asset and offered the buyer the opportunity to increase rents down the road."

Floyd, along with Unique Properties broker Kevin Higgins, represented the buyer.

The Traci-Lea Apartments is located at 3430 S. Grant St., near the Swedish Medical Center. At the time of sale, it was around 85 percent occupied.

The buyer plans to do a moderate rehab of the community, Floyd added.

The three-story apartment building was sold by a unnamed seller.

■ Pinnacle Real Estate Advisors LLC handled the sale of a pair of bank-owned apartment properties in Denver.

Bank of the West sold both properties to separate buyers. The previous, local owner of both communities had made significant upgrades to the properties, noted Pinnacle Real Estate's Joe Hornstein,

who, with Pinnacle's Bobby Hutchinson, represented the buyers in both transactions.

Lincoln Center Rentals LLC paid \$700,000, or \$70,000 per unit, for a 10-unit property along Lincoln Street while Cable Car Properties LLC paid \$555,000, or \$92,500 per unit, for a six-unit community along Marion Street.

The apartment property at 594-598 S. Lincoln St. comprises six one-bedroom, one-bath units and four two-bedroom, one-bath apartments. It was built in 1915. At the time of the sale, four units were vacant.

Lincoln Center Rentals plans to stabilize the community, added Hornstein. A 75 percent loan-to-value loan was provided by Wells Fargo for the acquisition.

The community at 1070 Marion St. was built in 1901 and consists of five one-bedroom, one-bath apartments and a two-bedroom, 1 1/2-bath apartment. The units, which average 752 square feet, feature hardwood floors, tile, granite, marble and new cabinetry.

More than eight offers were received on 1070 Marion, which sold in an all-cash deal \$5,000 above list price.

At the time of sale, there was a single vacant apartment.

Terry Matthews and Art Seiden of Fuller Real Estate listed the properties.

"Both communities were well-priced central Denver assets in good condition, which are in high demand," added Hornstein.▲

Colorado's Apartment Management Specialists



- A leader in multifamily management since 1975
- A national company with strong local management
- Providing full service management for over 40,000 apartment homes nationwide
- Wide Experience: New Construction Lease-Ups Market Rate, LIHTC, Mixed, and Stabilized Communities



For More Information, please contact: Mary Wessler

mwessler@conam.com • www.conam.com
(303) 306-0300 • 10800 E. Bethany Dr., Suite 550 • Aurora, CO 80014-2606



More than 96% of our clients say they would hire Blu SKY again!

Better is Better

RESTORATION • RECONSTRUCTION • RENOVATION

- Capital Improvements
- Fire • Flood • Mold
- Due Diligence
- Immediate Response
- Clubhouse Renovations
- Industry-recognized Experts
- Separate Roofing Division
- General Contracting

Call us today to discuss your next project!

1-888-88-BLUSKY WWW.GOBLUSKY.COM

WE'VE GOT COLORADO COVERED

DENVER • COLORADO SPRINGS • NORTHERN COLORADO • WESTERN SLOPE

 Top 5 Fastest-Growing Private Companies —Denver Business Journal
2006-2009 Top 250 Private Colorado Companies —COBIZ Magazine

We would love the opportunity to work on your next project. Please contact Dan Flanagan at 303.789.4258 or via email at dflanagan@gooblusky.com for a project consultation.



TOTAL PRE-CONSTRUCTION SERVICES

- * DUE DILIGENCE
- * BUDGETING
- * VALUE ENGINEERING

COMPLETE INTERIOR AND EXTERIOR RENOVATIONS

WWW.BEARTRAXCONSTRUCTION.COM

(720) 488-4108

RELY ON THE SPECIALISTS