

Village Park Apartment sites on the market

BY BILL WILSON

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The Village Park Communities, which includes Barclay Square, went on the market Tuesday with a \$50.4 million price tag.

A New York real estate company has put six Wichita apartment complexes on the market for \$50.4 million. Dermot Realty Management Co. is selling Village Park properties -- Barclay Square, Cedarbrooke, Eastborough, Kingsborough, Rockborough and Woodgate. The six Class B properties include 1,277 units that average 893 square feet and make up almost 6 percent of the city's apartment inventory.

Aaron Hargrove, a Tulsa representative for one of the brokers, Commercial Realty Resources Co., said there's "no negative reason" why Dermot has decided to leave the Wichita market.

"Wichita is doing great. A great market," Hargrove said. "There's been a little change in the debt market side in the last three weeks. The rates and spreads have increased, but these are still solid deals."

The complexes, each with annual returns around 7 percent, will be sold as a group or individually during the 30- to 45-day offering period, Hargrove said.

Their construction dates range from the late 1960s to the early 1980s, Hargrove said. All have occupancy percentage rates in the mid- to low 90s, he said.

Those numbers reflect a tightening Wichita apartment market, said Paul Savage, president of Apartment Finders and Savage Inc. The city's vacancy rate has dropped to 6.3 percent.

Wichita commercial real estate agent Mike Loveland, with J.P. Weigand & Sons, said the offering ends two quiet years in the Class A and Class B apartment complex market.

"It's got to be one of the biggest (deals) ever," he said. "There really hasn't been a lot available in the local market because most of our inventory has gone to the investment money streaming into town."

Loveland said the apartment complexes should sell quickly, despite the fact that "they've aged."

"There's no shortage of investment money looking for a home in Wichita," he said. "It'll all come down to price and what people want for a return."

Dermot, which bought the Windsor Communities apartment complexes in 2001, also operates properties in Colorado, North Carolina and New York.

Hargrove's CRRC is joined by Apartment Realty Advisors in handling the sale.

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