

# Toronto Investor Sells Last Multifamily Asset With 117-Unit Trade in North Dallas

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A Toronto-based investor has sold his last multifamily property, the 117-unit Camelot Apartments, to a local syndicate competing against 11 offers for a 96%-leased asset in a prime location of North Dallas.

Camelot Apartments is situated on slightly more than five acres at 1212 Hampshire Lane in Richardson, just a few blocks north of West Arapaho Road and west of Central Expressway. It's also close to four Dallas Area Rapid Transit light-rail stations. The seller, RT Camelot Ltd., and buyer, JSNB Camelot LLC, were represented by Sam Pettigrew, partner of Dallas-based Cantrell Co. & Partners.

"It's one of the nicest properties in its category in the Richardson submarket. The bottom line was Camelot Apartments attracted so many good offers because of its location and property condition," Pettigrew says.

The seller has invested \$650,000 in capital improvements, some of which included upgrading 30 units and putting new roofs on the 13-building complex in the past year. The one-, two- and three-bedroom units range from 684 sf to 1,164 sf, of which roughly 28% feature two full baths.

The new owner is planning to complete the unit renovations and add washer and dryer connections as part of a value-add play aimed at delivering market-rate rents. Currently, rents average \$1,053 per month. Richardson's average monthly net rate is \$1,312. Meanwhile, the city's average occupancy is 93.6%, considerably less than Camelot Apartments.

The garden-style complex was built in phases in 1966 and 1970. The grounds include a fitness center, two swimming pools, playground and a pair of landscaped courtyards. The individually metered units feature new cabinetry and appliances, walk-in closets, ceramic baths, faux wood plank flooring and private balconies/patios.

Demographically, the Richardson Independent School District's nearby elementary, junior and senior high schools have played an important role in the historically high occupancy at Camelot Apartments as does its proximity to the city's leading employers. The average household income is nearly \$74,000 within a one-mile radius of the property, which also is located within walking distance of a neighborhood shopping center.

Berkadia Commercial Mortgage has financed the transaction for the buyer. As for the seller who's owned Camelot Apartments since 1994, the going-forward plan is to deploy proceeds from the all-cash sale into a 1031 Exchange to expand his commercial portfolio, according to Pettigrew.

Camelot Apartments was the last of 10 multifamily properties that the seller had owned in North Texas. Its longtime manager was Fairmont Management Co.

"Fairmont did a good job of maintaining the property and preparing it for sale," Pettigrew says. "We got it right on the strike price that I had anticipated."