

CBRE brokered the sale of San Melia Apartments on behalf of ChrisKen Group



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LaSalle Investment Management (“LaSalle”) announced today that it has acquired San Melia (“the property”), a 488-unit luxury multifamily community in Phoenix, on behalf of its U.S. core open-end real estate fund, LaSalle Property Fund (“LPF”). The Mark-Taylor-built property, situated on 28 acres in Phoenix’s desirable Ahwatukee Foothills neighborhood, presented an opportunity for LaSalle to acquire a well-located multifamily asset in a fast-growing submarket marked by low supply.

CBRE brokered the sale of San Melia. Tyler Anderson, Sean Cunningham, Asher Gunter and Matt Pesch with CBRE Multifamily Institutional Properties in Phoenix represented the institutional seller, ChrisKen Group out of Chicago.

The Phoenix metropolitan area remains a national leader in job and population growth, both key drivers of increasing demand for quality multifamily properties. The area has seen its labor force increase by nearly 18 percent over the last five years while its unemployment rate dropped by nearly 3 percent, and prominent employers including JP Morgan Chase, Wells Fargo and Intel are finalizing plans to bring a total of 14,000 additional jobs to the region. Notably, while Phoenix has traditionally been dominated by

an aging population, recent migration and population growth patterns have skewed younger. Millennials now account for approximately 21 percent of the local population, and this generation is expected to grow locally at five times the national rate, according to Fannie Mae.

Summit Walia, Managing Director of Acquisitions at LaSalle, commented: “Phoenix remains a top-performing multifamily market in the U.S. due in large part to the rapid growth and diversification of the region’s employment base, which is attracting young talent from across the country and contributing to the area’s long-term growth prospects. These factors, combined with the limited supply pipeline in Ahwatukee Foothills and the high quality and desirable location of the asset, made San Melia a uniquely compelling investment opportunity.”

Jim Garvey, Portfolio Manager for LaSalle Property Fund, commented: “This transaction represents an excellent opportunity to achieve attractive risk-adjusted total returns with an emphasis on income. This acquisition directly aligns with our investment strategy of purchasing well-located core assets that offer stable cash flows and upside potential.”

Located in the thriving, amenity-rich Ahwatukee Foothills submarket, San Melia is connected to the rest of the Phoenix metro by major thoroughfares including the I-10, Price Road and Loop 202, which offer residents ease of access to major employment centers, top-rated school districts and recreational activities. The property is adjacent to more than 2.4 million square feet of retail, dining and recreation options at the neighboring Ahwatukee Foothills Towne Center, which is anchored by AMC Theatres and Sprouts. A pedestrian walkway at the north end of the property provides residents convenient access to the retail center.