



COLORADO REAL ESTATE JOURNAL

THE COMMUNICATION CHANNEL OF THE COMMERCIAL REAL ESTATE COMMUNITY

NOVEMBER 4, 2009 – NOVEMBER 17, 2009

Occupancy, financials lead to sale of Humboldt apartments

by Jennifer Hayes

An out-of-state investment group made its first commercial acquisition with its purchase of a sought-after Uptown apartment community.

Humboldt Street Investors LLC, led by a brother and sister out of Washington, paid \$1.31 million, or \$65,375 per unit, for The Humboldt Apartments.

The 20-unit property is located in Denver's Uptown neighborhood at 1721 Humboldt St., off of 17th Avenue and within walking distance of Pasquini's, Einstein Bros. Bagels and Starbucks, commented Cornerstone Apartment Services Inc.'s Greg Johnson.

Johnson, along with Cornerstone Apartment Services' Jim Lorenzen, represented the seller, Dickson Redevelopment LLC, and will manage the property for the buyer.

"Consistently high occupancy levels and strong financial performance allowed this deal to happen," said Johnson, who noted that Wells Fargo provided financing for the transaction. "We have not seen many deals get done in 2009 with 75 percent loan-to-value financing like this."

"There has been a significant decline in transaction volume



The Humboldt Apartments comprises a 20-unit community located in Denver's Uptown neighborhood.

across the market this year but quality properties continue to generate considerable investor interest," added Lorenzen, who noted there were multiple offers on The Humboldt Apartments.

At the time of sale, the community was 95 percent occupied.

The buyers plan to make additional upgrades to the community, which had been updated by the former owner, said Johnson. Upgrades over the next six to nine months will

include the addition of wood floors, and bath and kitchen updates.

Cornerstone Apartment Services has managed the property since 2008.

"We are pleased to keep the property in our management portfolio," said Johnson. "Uptown is a vibrant rental neighborhood due in large part to the popularity of the restaurants and clubs in the area."

Humboldt Street Investors LLC was represented in the acquisition by Dan Vacek.▲