



NYC-based Spruce Properties buys Des Moines-Area portfolio for \$56.75M, largest single apartment trade in the state of Iowa

JLL Capital Markets closed the sale and arranged acquisition financing for the six-property apartment portfolio totaling 507 units

December 08, 2020



CHICAGO, December 8, 2020 – JLL Capital Markets announced today that it closed the \$56.75 million sale and arranged \$45.4 million in acquisition financing for a multi-housing portfolio consisting of six apartment communities in the suburbs of Des Moines, Iowa.

JLL worked on behalf of the seller, BBK Apartments, to complete the sale to the buyer, Spruce Properties. JLL also represented Spruce Properties to originate a 10-year, 2.77%, fixed-rate acquisition loan through Fannie Mae. The loan will be serviced by JLL Real Estate Capital, LLC, a Fannie Mae DUS lender.

This marks Spruce Properties' first acquisition in Iowa. The portfolio includes Lake Shore, Lake Shore Park, Lake Shore Place and Peachtree Apartments in Ankeny; Saylorville Lakeside in Polk City; and Sunrise Meadows in Waukee. Assets in the portfolio range in age from 1970s to early 2000s construction, with the newly constructed Lake Shore being completed in phases between 2015-2017.

The JLL Capital Markets deal team representing the seller was led by David Gaines and including Marcus Pitts, Justin Lossner and Michael Minard. Financing was led by Trent Niederberger.

"We continue to see savvy investors make long term "Bet-On-America" buys across the Midwest for prime multi-housing opportunities like the BBK Portfolio," said Gaines. "These groups seek to acquire in strong markets like the Des Moines MSA with favorable demographic trends and a strong employment base. Multi-housing real estate assets like the BBK Portfolio are tax-efficient investments distinguished by low volatility, predictable cash flow and attractive yields which makes them highly desirable as alternative investment options."

JLL Capital Markets is a full-service global provider of capital solutions for real estate investors and occupiers. The firm's in-depth local market and global investor knowledge delivers the best-in-class solutions for clients — whether investment sales advisory, debt placement, equity placement or a recapitalization. The firm has more than 3,700 Capital Markets specialists worldwide with offices in nearly 50 countries.

Agency/GSE lending and loan servicing are performed by JLL Real Estate Capital, LLC, a wholly owned indirect subsidiary of Jones Lang LaSalle Incorporated.

About JLL

JLL (NYSE: JLL) is a leading professional services firm that specializes in real estate and investment management. JLL shapes the future of real estate for a better world by using the most advanced technology to create rewarding opportunities, amazing spaces and sustainable real estate solutions for our clients, our people and our communities. JLL is a Fortune 500 company with annual revenue of \$18.0 billion in 2019, operations in over 80 countries and a global workforce of over 92,000 as of September 30, 2020. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit jll.com.

About BBK Apartments

BBK Apartments was a management company established by Bill Kusy of Urbandale, IA, to own and operate the six-property apartment portfolio with the Barker family of Iowa City, IA.

About Spruce Properties

Spruce Properties is the multi-family investment affiliate of Spruce Capital Partners. The firm is a significant owner and manager of multi-family rental housing assets in markets that are positioned to deliver excellent long-term cash flow and capital appreciation. Spruce's "Bet on America" strategy delivers superior risk-adjusted and tax-efficient returns in strong, low-volatility markets with growing economies.