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New owner for Westlake Apartments

New York company buys large complex, hires local business to be in charge of maintenance, leasing and other operations

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Westlake Apartments, a landmark on the Westside and the largest apartment complex in the metropolitan Indianapolis area, has been sold to a New York investment company.

Denver-based Aimco sold the complex, along I-465 just south of 10th Street, to Hampshire Properties which is headquartered in Brooklyn.

Hampshire this month hired Flaherty & Collins, an Indianapolis owner and manager of apartment and residential buildings including others on the Westside and in Hendricks County.

Apartment industry experts said Westlake residents would notice little difference except to have a locally based management company in charge of leasing, maintenance and other operations.

George Tikijian of Tikijian Associates, a veteran adviser in apartment investment deals, said Westlake is one of about a dozen Aimco properties in the metro area that are for sale as Aimco leaves the region.

"There was a time when there were 16 publicly traded (real estate investment trusts like Aimco) owning property in the Indianapolis area, and they all left. Aimco is the last one," Tikijian said.

Such nationwide investors, financed by Wall Street, have sold their property in the region because apartment real estate in "the Midwest is considered less dynamic and it has less potential for growth. They decided it is better for them to own in the coastal areas, so they've moved to the coasts."

Hampshire Properties is new in Indiana, and the company started by buying the largest apartment development in the metro area, Tikijian said.

Westlake has 1,381 apartment units. Second largest in the metro area is Lake Castleton Apartments with 1,260. That Northeastside development also is for sale.

Jill Herron, vice president of property and asset management at Flaherty & Collins, said about 92 percent of the apartments in Westgate are rented, which is considered a strong occupancy rate.

It is an older development with a range of rents from \$425 to \$950 a month, which she said probably wouldn't change soon.

The prominently located property had a long history before it became an apartment complex.

The large lake on the property was a favorite swimming beach for Westsiders of the 1950s and '60s. The land featured a popular drive-in theater and a dance pavilion before construction of the apartment complex in phases over several years.

"This is a community with some older features, older cabinetry and appliances, but it offers a good value for the Westside community," Herron said.

In an unrelated deal, Flaherty & Collins has become the court-appointed receiver of an apartment complex in the Speedway area. Herron confirmed that a Marion County court Jan. 2 appointed the company to be the receiver of Pinewood Village Apartments.

Pinewood is a small 81-unit development on 10th Street near Lynhurst Drive.

She said Pinewood, which was part of a bankruptcy of its investors, will have local management to maintain and operate the complex.
