

'Aggressive moves' feed Flaherty & Collins' growth

Local apartment developer gaining national foothold

By Cory Schouten cschouten@ibj.com

David Flaherty and Jerry Collins left comfortable vice president gigs at a local real estate firm to strike out on their own in 1993.

Roughly two years passed before the two former Revel Cos. executives received another paycheck.

But the gamble eventually paid off handsomely. Indianapolis-based Flaherty & Collins Properties has become a nationwide player in apartment housing, with a staff of 412, a development pipeline of \$500 million, and more than 13,500 apartment units under management.

Flaherty and Collins started the firm with just a secretary and an eye toward property management and brokerage. Since then, the privately held firm has expanded its range significantly.

Major projects in the works include a 218-unit apartment and retail project on the Central Canal downtown, an urbanstyle apartment project at Duke Realty Corp.'s Anson in Zionsville, and a 48-story condo and retail tower dubbed 210 Trade in Charlotte, N.C.

"Any time you have a company with as much growth as those guys have, I think that says a lot," said John Sebree, who brokers multifamily investment deals in the local office of Marcus & Millichap. "They've made some aggressive moves into new markets that are extremely impressive."

A key to success for the company has been the relationship between Flaherty and Collins—which allows the company to specialize in multiple aspects of real estate development.

Flaherty focuses on the big picture and setting out a vision. Collins' area of expertise is management.

"There are a lot of developers out there who understand the vision but don't have the management side of it working behind them," Sebree said.

Flaherty, 49, is CEO and Collins, 53, is president. The two are equal partners.

Other partners include: Brian Ploss, chief financial officer; Gordon Benner, president of construction; and Jim Crossin and Jim Smith, vice presidents of development.

The latest addition is former Davis Homes executive Michael Davis as vice president of development and finance.

In his first three weeks on the job, Davis had already traveled to Cleveland, Chicago, Muncie, and Raleigh and Charlotte in North Carolina to check out Flaherty & Collins projects.

Davis, who sold his interest in Indianapolis-based Davis Homes last year, said Flaherty is a great fit.

"It's big enough where we're attracting great opportunities, but small enough and nimble enough to take advantage," he said.

The company has 150 employees in Indiana, including 55 in its corporate headquarters at Keystone at the Crossing. It also has satellite offices in Charlotte and Cincinnati.

Flaherty & Collins' specialty is multifamily housing. The company's development pipeline is stocked with \$296 million in apartment projects in six states—making it the 40th-largest multifamily developer in the nation.

Other areas of focus include construction for other developers and management of apartment units, Collins said. The company's development arm also feeds those departments.

Flaherty is scouting locations for new projects in Atlanta, Denver and three cities in Texas: Houston, Dallas and Austin.

"We plan on opening more offices," Flaherty said. "We're definitely looking to grow."

Locally, the company opened two 40-unit buildings at Anson in October, and already had pre-leased 15 units.

Its Cosmopolitan on the Canal project, which is slated to include 218 apartment units, 18,000 square feet of retail space, and a 338-space parking garage, could open next summer. The \$33 million project would be bordered by the canal, Senate Avenue, Michigan Street and North Street.

The company's tendency to build apartments with retail nearby is no coincidence, Collins said.

"We can get higher rents, and it's easier to get the property zoned since most municipalities want retail," he said.

The company would like to partner with locally based Premier Properties USA Inc. to develop residential units in Venu, a massive mixed-use project proposed for the southwest corner of 86th Street and Keystone Avenue.

At one time, the company also had its sights set on redevelopment of the Market Square Arena site.

That project didn't work out, but Flaherty & Collins still would like to do a project downtown.

"We'd love to do a high-rise," Flaherty said. "We don't have anything now, but we're looking."



IBJ Photo/Robin Jordan

Standing, from left, at new apartment development the Blvd at Anson are Flaherty & Collins execs David Flaherty, Jerry Collins and Mike Davis. Seated is Jim Crossin.



IBJ Photo/Robin Jestead

The blvd at Anson project, featuring 80 luxury apartments, opened this month.

Flaherty & Collins Properties

Founded: 1993

Principals: Dave Flaherty and Jerry Collins

Headquarters: 8900 Keystone Crossing,
Suite 1200

Other offices: Cincinnati; Charlotte, N.C.

Staff: more than 400

National ranking of multifamily developers:
40th

Units managed: 13,477

Value of projects under development: more
than \$500 million

Notable projects:

- Cosmopolitan on the Canal, a downtown Indianapolis project with 218 apartment units, 18,000 square feet of retail space, and a 338-space parking garage
- the blvd at Anson, a Zionsville project with 80 apartments and 9,400 square feet of retail
- 210 Trade, a 48-story condo and retail tower in Charlotte

Source: Flaherty & Collins