

OKC's Villas at Countryside apartments sell for \$26.75M

by Brianna Bailey

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OKLAHOMA CITY – A Chicago-based real estate investment company has purchased the 360-unit Villas at Countryside apartments for \$26.75 million, making it the state's largest multifamily sale this year.

The complex, at 9501 S. I-35 Service Rd. near the border between Oklahoma City and Moore, is Chicago-based Trilogy Real Estate Group's first acquisition in the state.

Trilogy is looking to acquire two to three more properties in the Oklahoma City area over the next year, said Neil Gehani, Trilogy president.

"We like the market's long-term growth potential and employment picture," Gehani said. "We think there is going to be great growth in Oklahoma City and we're looking forward to being involved with it."

The company also owns apartment complexes in Colorado, Arizona and Minnesota. Trilogy specializes in acquiring older properties in good locations and fixing them up, Gehani said. The company has plans to renovate a clubhouse at the Villas at Countryside.

Built in 2002, Villas at Countryside has 168 one-bedroom and 192 two-bedroom units. The property is about 97-percent occupied.

The third-party management company Riverstone Residential Group will manage the property.

The transaction was negotiated by Aaron Hargrove of the Tulsa office of Hendricks & Partners on behalf of the seller, the Tulsa-based real estate company Case & Associates.

"Our industry as a whole has seen strong demographics as far as future rent growth," Hargrove said. "We have good numbers moving forward as a whole in Oklahoma City and those things continue to be attractive to buyers."

The \$26.75 million price tag on the property breaks down to a per-unit price of \$74,305, a little on the high end, but still within the average price of about \$70,000 per unit in the Oklahoma City market, said Darren Currin, Oklahoma City-based real estate analyst.

Pre-recession, a few suburban properties in the Oklahoma City market were selling for inflated prices of as much as \$100,000 per unit, Currin said.

"It seems like we're really seeing a change in values in properties that were built in the last 10 or 15 years – the market has kind of corrected itself and we're now seeing what the true value is," he said.