

Federal Capital Partners buys south Durham student housing for \$24.6 million

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The Level 51 Ten Apartments in Durham, a student housing complex built in 2003, has been sold in a deal worth \$24.6 million to an equity fund represented by Washington, D.C.-based **Federal Capital Partners**.

FCP acquired the 242-unit student apartment community from Chicago-based Blue Vista Capital Management LLC. Blue Vista had been the owner of the south Durham property at 5110 Old Chapel Hill Road since 2012 when it paid \$19.3 million for the site.

Read: Competition swells for student rentals

Both investor groups have been active buyers and sellers of commercial real estate properties in the Triangle over the past few years.

Blue Vista in September acquired two office buildings in the newly renamed Paradigm Park at 2222 N.C. 54 in Durham through a joint venture with **Grubb Properties** with plans to reinvest fully renovate the site.

FCP has been a heavy investor in many of Raleigh-based Kane Realty Corp.'s real estate development projects, and in November FCP formed a partnership with Strategic Capital Partners of Indianapolis to a speculative office building called Forty540 on Slater Road in Morrisville.

At Level 51 Ten Apartments, FCP is planning to invest capital in the property to improve unit interiors, amenities and operations, but details of the plan were not available.



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The Level 51 Ten apartments in Durham

Phil Brosseau, Kevin Kempf, Jeff Glenn and Jaclyn Fitts of CBRE represented Blue Vista in the sales transaction.

According to CBRE, the south Durham submarket, where Level 51 Ten Apartments is located, effective rent rates over the past five years have increased 20 percent with an additional 17 percent increase projected through 2020.

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