



## **Wynmor Management acquires 173-unit apartment complex for \$6.6 million; Arbor Realty Trust provides acquisition loan**

May 19, 2020 - Front Section

Tulsa, OK New York-based private equity investment firm Wynmor Management completed the purchase of London Square Apartments for \$6.6 million.

The multifamily property, located at 2217 East 59th St. features six, two-story rental buildings totaling 173 units and an additional building that serves as an office. The 150,116 s/f complex was built in 1967.

Wynmor plans to upgrade the majority of units at the property and implement institutional-style property management. The sellers are two Northern California-based companies, National Holdings, LLC and London Square-MBD, LLC.

Wynmor, along with its investment partners, invested the equity while the remaining capital came from Arbor Realty Trust as an acquisition loan with a three-year term.

According to Wynmor Management managing partner Josh Bernstein, Arbor Realty Trust was attracted to the property and continued to work through the deal in the middle of COVID when many other lenders were dropping out of transactions for a number of reasons.

“This is Wynmor Management’s first acquisition in a pipeline of many acquisitions to come in Oklahoma and the surrounding states,” said Bernstein. “Our national experience in acquiring and improving garden style multifamily allowed us to analyze and understand the opportunity at London Square.”

According to Bernstein, the property located across the street from London Square, which is the same style and same vintage, was sold in December 2019 for \$57,000 per unit. “Our acquisition price is approximately 33% lower than the neighboring property’s recent sale price.” Bernstein said Arbor was already the existing loan servicer for the prior loan on the London Square property for nearly ten years.

“This deal represents an opportunity to acquire a footprint with scale in a new market that we believe is on the right trajectory,” said Bernstein. “We believe the combination of the acquisition price and the in-place cash flow enables us to have a margin of safety.”

Wynmor partnered with MD2 Property Group, a NYC-based property management firm to acquire

and manage the property.

Wynmor and MD2 have been actively looking to build a footprint outside of NYC after the changes to rent laws in June 2019. "Our partners have strongly endorsed our acquisition strategy, team, diligent planning and execution of our business plan," Bernstein said.

Michael Sullivan of Berkadia's Kansas City office represented the seller.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540