

Bluerock REIT pays \$62M+ for new Class A apartments near SeaWorld



Pool-area view of the Axis West apartments on Westwood Boulevard. (Bell Partners)



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An affiliate of **Bluerock Residential Growth REIT** paid \$62.85 million on Thursday for its sixth multifamily property in Greater Orlando, buying a 268-unit Class A project built less than a year ago.

Located at 6901 Westwood Blvd., with frontage on Interstate 4 and less than a mile from SeaWorld, the 12.26-acre parcel features the **Axis West** apartments with four apartment buildings of four stories each that were completed in 2017.

Bluerock brought on **Bell Partners** this week to take over management of the property, which was 93 percent occupied at time of sale.

The gated community boasts modern amenities like a gourmet coffee bar, central lake with walking trails and grill islands, relaxation room with massage chair, zero-entry heated saltwater pool with cabanas, two bark parks and grooming stations and car care center.

The REIT had 12 multifamily properties in Florida prior to this week's purchase, five of which are in Greater Orlando.

The seller was a joint venture vehicle for the **Carlyle Group** and Georgia-based developer **Flournoy Partners**, which previously paid \$5.65 million in November 2015 for the land.

Officials with Bluerock and Flournoy did not respond to requests for comment on Friday.

The JV had taken out a \$30.9 construction loan from **BB&T** in 2015, an indicator of total project cost.

As part of Thursday's deal, Bluerock took over that BB&T loan with a principal balance of \$29.12 million. Bluerock then turned and consolidated that loan with KeyBank while increasing to amount borrowed to \$38.4 million.

ARA Newmark represented the seller in the transaction, carrying out a standard 30-day marketing period at the start of this year.

"Orlando is one of the hottest apartment markets in the country, and is consistently placing as one of the top rent growth markets nationwide," Scott Ramey, ARA's director in Orlando, told **GrowthSpotter**.

"That's bringing investors to market, and this I-Drive corridor in particular is exploding with growth, with over \$2 billion in business expansion right now in the immediate submarket. That is bringing a lot of new jobs to the area that are high wage-paying, and not your typical tourism jobs."

Flournoy may have been partially motivated to divest from Axis West in order to fund its plans 3.2 miles to the north, where it anticipates **closing this month on 11.5 acres** along Universal Boulevard and breaking ground on a new 330-unit apartment complex.

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