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## **COLORADO-BASED INVESTOR BACK IN THE MARKET . . . THROWS DOWN \$45.5 MILLION FOR 629 UNITS**

Phoenix – After sitting on the sidelines for the past six years, a company formed by Continental Realty Advisors in Littleton, Colo. (David Snyder, chairman) has jumped back into the Valley multi-family market. Canyons CRA-B1 LLC paid \$45.5 million (\$72,337 per unit) to buy The Canyons, a 629-unit apartment project at 19940 N. 23rd Avenue in Phoenix. The seller was the registered holders of Wachovia Bank Commercial Trust, Commercial Pass-Through Certificates Series 2006-C27. The special servicer was LNR Partners in Miami, Fla. The cash sale was negotiated by Tyler Anderson and Sean Cunningham of CB Richard Ellis in Phoenix. Maricopa County records show Continental Realty Services LLC is the manager of the buying entity and its member is a company formed by The Baupost Group LLC in Boston, Mass. The Baupost Group is an investment adviser and hedge fund sponsor known for value investing. The deal is the first involving those two companies in Arizona. Snyder declined to discuss the relationship with The Baupost Group, stating that the CRA opportunity fund that is buying apartment properties has multiple institutional investors. Snyder says the institutional fund has \$300 to \$400 million in equity to invest in the next two to three years. Phoenix is among several markets where the fund is focusing on investing. The other primary markets are Houston, Tex., Dallas, Tex., and Kansas City, Mo. "Our appetite is very big for Phoenix," says Snyder. "We anticipate acquiring quite a bit more there." The Canyons, which was built in 2004, was 74 percent occupied at closing. Snyder says the new owner will invest several million in renovating the project. Snyder says the company is likely to borrow \$16 million to \$17 million on The Canyons in the next six to eight months. In July 2009, BREW reported The Canyons targeted for foreclosure after the previous owner defaulted on a \$63 million loan that was secured by the apartment complex. In June 2006, BREW reported a company formed by Michael Sauter of S-J Management in Seattle, Wash. paying \$80.8 million (\$128,458 per unit) to acquire The Canyons. Including The Canyons, companies formed by Sauter have lost almost 2,000 apartment units in the Valley through foreclosure. BREW has previously reported companies formed by Continental Realty Advisors buying and selling apartment properties in the Phoenix area. In its last Valley purchase in May 2004, BREW reported Continental Realty Advisors paying \$13.05 million (\$62,740 per unit) to buy the 208-unit Adagio apartments at 15645 N. 35th Avenue in Phoenix. In June 2006, BREW reported CRA selling Adagio for \$16.9 million (\$81,250 per unit). Continental Realty Advisors also served as advisor for companies that purchased Alanza Place, a 360-unit rental community at 1121 N. 44th Street in Phoenix, and the 368-unit Courtney Village at Papago Park apartments located at 4848 E. Roosevelt Street in Phoenix. Find out more from Snyder at (303) 730-0549. Reach Anderson and Cunningham at (602) 735-5555.