

# The Jones Group

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## NALS Steps Up Activity With 308-Unit Buy

By Amy Wolff Sorter

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**GLENDALE, AZ** — Nevins Adams Lewbel Schell continued its acquisition activity with the purchase of the 308-unit Sage Stone at Arrowhead. The Scottsdale, AZ buyer paid \$23.2 million to seller Glen Arrow Summit LLC, an entity sponsored by Principal Life Insurance.

**NALS** principal Mike Schell tells *GlobeSt.com* the asset at 6233 W. Behrend Dr. appealed because it was stable at 93% occupied and it had

been built in 2000 by the reputable Fairfield Residential. He says the hold on this and other buys will be long term, at a minimum of 10 years.

**Tyler Anderson** and Sean Cunningham with CB Richard Ellis' Phoenix office represented the seller, while NALS used in-house representation. Fannie Mae financing was arranged by Allan Edelson, with Deutsche Bank Berkshire Mortgage. Sage Stone at Arrowhead has one-, two- and three-bedroom units measuring between 707 square feet and 1,235 square feet. Rents are from \$676 to \$1,149 a month.

**The transaction** is NALS' second in 2009. The company recently added the 522-unit Pinnacle Highland Apartments in Cottonwood Heights,

UT to its portfolio. Schell says NALS is considering other assets in the northwest United States, but nothing immediate is in the pipeline right now.

**“During 2006 and 2007** we weren't large buyers in the market because it became too frothy,” he explains. “We elected to sell several of our assets during those years.” But corrections in the market have changed all of that and NALS is becoming active again. “We're seeing prices more in line with what's reasonable, so we re-entered the market,” Schell says.

**NALS** doesn't have a specific goal in terms of investments or number units acquired. Rather, Schell says, the company is more opportunistic; it will look at quality, stable, class A assets.

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