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SERENAH MCKAY

Firms Find Hybrid Vehicles Deliver Fuel Cost Savings

Amber Wright, office manager of Cornerstone Specialty Pharmacy in Fayetteville, said they use a Toyota Prius for deliveries, and plan to add another in the near future.

By Serenah McKay

UNPREDICTABLE GAS PRICES and a desire to go easy on the environment are sending business owners in search of vehicles using some of the latest fuel-saving — and money-saving — technologies.

Cornerstone Specialty Pharmacy on Zion Road in Fayetteville has made deliveries in a

Toyota Prius for about a year and a half, office manager Amber Wright said. Bought used, it replaced a Chevy Tahoe, and the savings on gasoline has been significant, she said.

Fuel cost savings, environmental concerns and reliability factored into the decision to buy the Prius, she said. Plus her parents drive one and

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Cable Barriers Provide Protection

By Rob Keys

DRIVERS WHO HAVE noticed recently installed cable median barriers between Tontitown and Siloam Springs can expect to see more of them in the near future.

Drivers who have grown accustomed to cable median barriers installed along certain stretches of

Interstate 540, meanwhile, shouldn't get too used to them. According to Arkansas State Highway and Transportation Department public information specialist David Nilles, the cable barriers along I-540 will be repurposed when some portions of the highway are widened to six lanes.

The eventual removal of the I-540 cable barriers

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Capital Assets Pays \$22.59M For Mountain Ranch Property

By Paul Gatling

CAPITAL ASSETS INC. of Tulsa has added to its portfolio of Northwest Arkansas multi-family properties with a sizable acquisition in Fayetteville.

Under the name Mountain Ranch Partners LLC, the company recently completed an all-cash transaction valued at \$22.59 million for the 360-unit Mountain Ranch apartment complex. That's \$71,803 per unit at the Class A development just south of the Wedington Drive/Interstate 540 exit.

The ownership deed was filed at the Washington County Courthouse on April 12. It had a capitalization rate — a

figure based on net operating income and the value of the property — of 6.2 percent at the time of the sale.

Arbor Commercial Mortgage LLC of Uniondale, N.Y., assisted CAI in the transaction. ProLand Title Co. of Little Rock closed the sale.

The previous owner of the high-end development — which last appraised in 2012 for \$16.5 million — was Indianapolis merchant developer Steven C. Bodner, through his Mountain Ranch Apartments LLC entity. Bodner bought the land, 15.37 acres, in Sep-

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PAUL GATLING

The 360-unit Mountain Ranch apartment complex sold for \$22.59 million, an average of \$71,803 per unit.



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tember 2007 for \$2.58 million, backed by funding from Regions Bank of Birmingham, Ala.

His construction company, SC Bodner Co., began building the four-building complex in 2009 and it was completed the following year.

CAI president Greg Wright said adding the Mountain Ranch units brings the company to about 900 units under management in its four areas properties.

The deal marked CAI's second notable purchase in Northwest Arkansas in less than a year.

In June, the multifamily operator, through its RASC Investors LLC, paid \$14.41 million to acquire 201 of the 272 units at The Reserve at Steele Crossing near the Northwest Arkansas Mall.

The company's other properties — Harbin Pointe and Flagstone Creek — are in Bentonville.

"We like the multifamily market [in Northwest Arkansas]," Wright said, explaining the company's \$37 million investment in Washington County

within the past year. "There are certain equity partners who will not go into the Northwest Arkansas market, but we've found several that will. Based on our experience there and our success at other locations, we've been able to convince people to make an investment there."

Mountain Ranch has an occupancy rate of 96 percent and CAI's four properties have a combined occupancy rate of 97 percent, said Wright, one of two principals at CAI along with his father, Royce Wright, who founded the company in 1979.

CAI now manages about 6,150 units, with the majority of those in Tulsa.

Wright said the Mountain Ranch deal went under contract in January. Gary Krisman of Grubb & Ellis | Levy Belfort represented Capital Assets. Brandon Lamb with ARA Real Estate Services represented the seller. Both firms are in Tulsa.

Lamb opened the Tulsa ARA office 15 months ago, particularly because of the uptick in commercial real estate interest in markets like Northwest Arkansas.

"There is tremendous interest in good secondary markets with Class A assets like [Mountain Ranch]," he said.

"And on a broad view, Fayetteville just has all the right rankings. It has great economic drivers, the growing [University of Arkansas] student population, the employers there are solid. Investors are looking for solid economic fundamentals as they are looking at multifamily investments, and Northwest Arkansas has that."

Lamb said the property drew nine offers from interested buyers throughout the country. Those received were from a mixture of conventional buyers and buyers who specialize in student housing, a rapidly increasing industry in Fayetteville because of the escalating student population.

Mountain Ranch's current tenants, Lamb said, are about a 50-50 split between UA upperclassmen/graduate students and business professionals and families.

He said CAI's strategy in the coming years likely will be to tailor the development more to young professionals than to students.

After the Reserve at Steele Crossing purchase last year, Wright labeled the property as "the crown jewel" among CAI's portfolio of 25 properties.

He had similar remarks for Moun-

tain Ranch, which has six full-time employees.

Positioned just west of Interstate 540, less than two miles from the UA and near the burgeoning Wedington Drive corridor, Wright said the Mountain Ranch development is in a preferred location. It contains four, four-story buildings with elevators and interior corridors, as opposed to "garden-style" apartments.

The buildings have stone and HardiPlank exteriors with dimensional roofing. The units range in size from single-room floor plans at 801 SF up to three-bedroom plans at 1,265 SF.

Wright said rental rates range from \$659 for the one-bedroom plans; \$709 and \$790 for the two-bedroom plans and \$1,265 for the three-bedroom plan.

Each unit has a full-size washer and dryer, vaulted ceilings, walk-in closets, black appliances, cherry cabinetry, balconies with storage and garden tubs.

CAI plans to beef up the landscaping, enhance existing amenities — particularly around the swimming pool area — and begin upgrades immediately to 90 units on the fourth floor to a Leadership in Energy and Environmental Design Platinum level, Wright said. ▀



Greg Wright



Families moving to Northwest Arkansas will find answers to hundreds of questions in the *Northwest Arkansas Newcomers Guide*! For many years, this informative magazine has been the "answer book" for people new to Bella Vista, Bentonville, Fayetteville, Rogers, Springdale and all surrounding areas.

In section after informative section, the Guide gives new residents all the basic, must-know facts to make their move an easy one. This impressive, four-color magazine is distributed to newcomers and prospective residents through real estate agencies, banks, hospitals, educational institutions and major Northwest Arkansas corporations.

Contact Jami Hilton-Dugger today to be part of this premier publication, 479-725-0394 or jhilton@nwabj.com

NORTHWEST ARKANSAS

NEWCOMERS
Guide

