

# Tower 16 Expands Phoenix Footprint

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The firm purchased two communities totaling 508 units.

Real estate investment and management firm Tower 16 Capital Partners LLC has acquired two Phoenix-area properties in two distinct transactions.

The properties, Banyantree Apartments and Solano Pointe Apartments, feature a total of 508 units. The purchase price for the pair of apartment communities totaled \$78.5 million.

Built in 1973 at 12435 N. 28<sup>th</sup> Drive in Phoenix, Banyantree Apartments is a 232-unit multifamily property that sold for \$36.5 million. The property has been owned and operated by a private family for almost three decades. A barbecue and picnic area is among the asset's common-area amenities. Situated in north-central Phoenix, the apartment community offers ready access to north Phoenix and the West Valley, home to one of the nation's most swiftly-expanding e-commerce distribution markets.

Constructed in 1983 at 6565 W. Bethany Home Road in the suburb of Glendale, Ariz., Solano Pointe Apartments is a 276-unit multifamily community that was secured for \$42 million on an off-market basis. Among the most notable amenities are on-site laundry facilities. The location provides convenient access to industrial employment job centers in the West Valley, and adjacency to State Farm Stadium and the Gila River Arena.

Last month, Tower 16 acquired two [other properties](#), these in the Inland Empire.



Solano Pointe. Image courtesy of Tower 16 Capital Partners

## Long escrow

"For the Solano Pointe deal, the biggest challenge was that it was such a long escrow, which created some early challenges for us in terms of getting a capital partner to take the risk with us," Tyler Pruett, Tower 16 Capital Partners principal & co-founder, told *Multi-Housing News*.

"We tied up the deal off market in February, and the seller couldn't close until early September. Fortunately, both the rental market and investment sales market in Phoenix took off during that period so it ended up being favorable for all parties, including out capital partner and seller," he added.

Obtaining enough staffing to manage the Banyantree property posed an additional hurdle, Pruett said.

"Talent in our business is so scarce that we've had to find creative ways to grow with our property manager," he noted. "Fortunately, Cushman & Wakefield, who took over as manager of Banyantree, has a deep bench and has been able to staff up as well as retain existing staff on properties they are taking over."

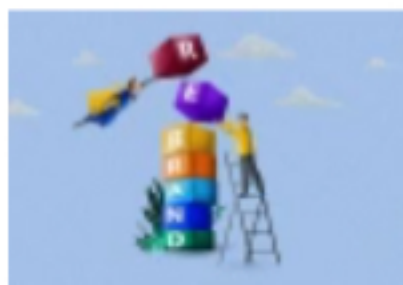
Tower 16 plans to undertake approximately \$12 million in capital improvements across the two properties. Upgrades include modernization of units, clubhouse improvements, leasing office renovations and enhanced pool areas. Also planned are added outdoor amenities that include barbecues, seating and outdoor gaming.

[Cushman & Wakefield](#) [Tower 16 Capital Partners](#)

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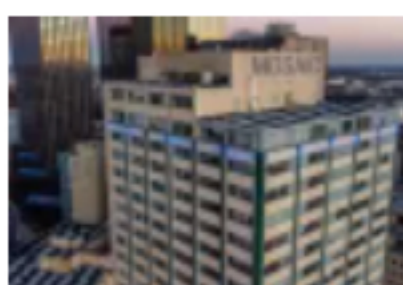
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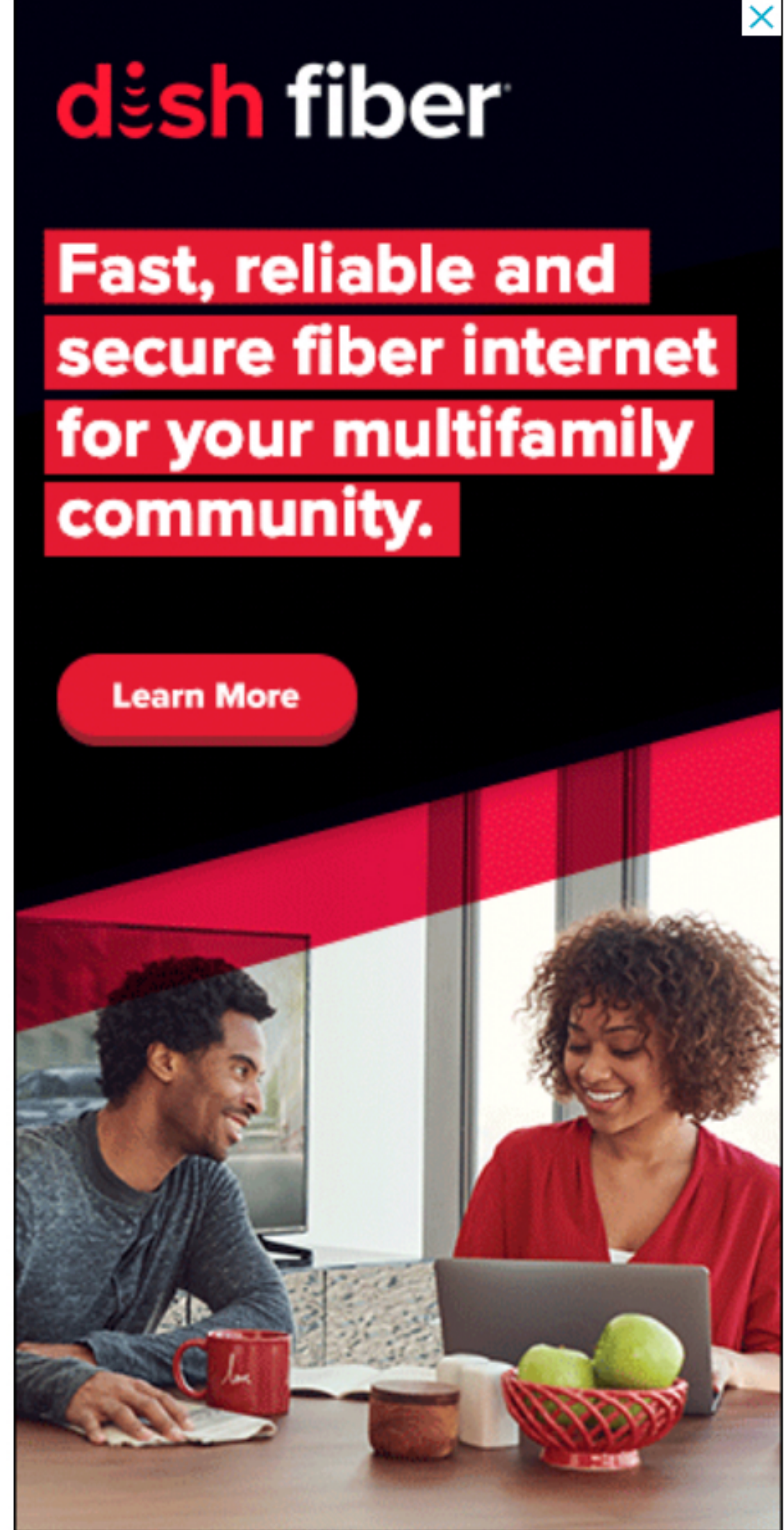
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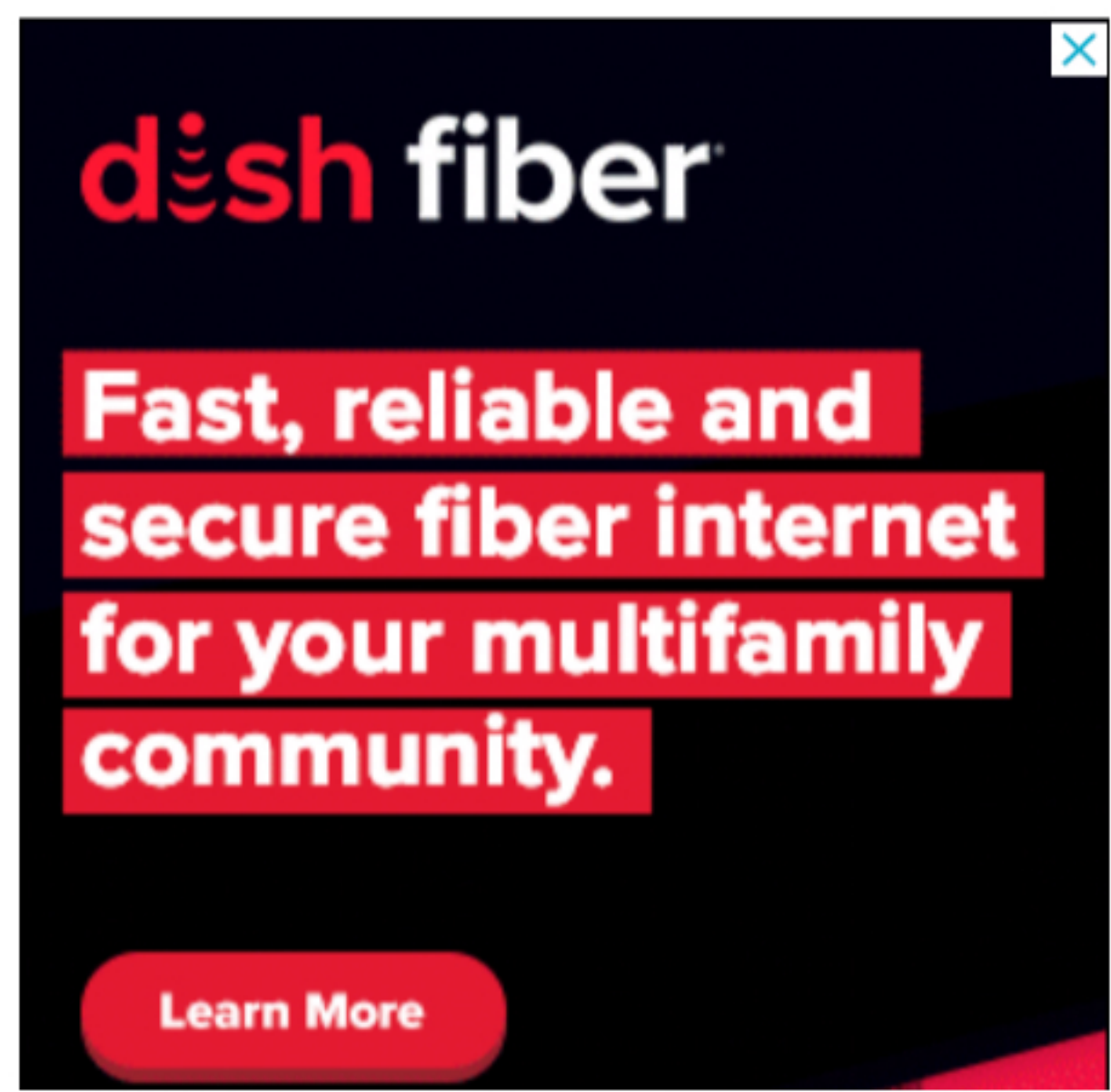
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