

New York-based investment firm drops \$96.25M for apartments by Orlando Fashion Square mall

By AMANDA RABINES

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The 361-unit Urbon At Audubon Park apartment community was completed last year behind Fashion Square Mall. (Cornerstone Group)

A real estate investment trust co-owned by **Wafra**, a subsidiary of Kuwait's sovereign wealth fund, just dropped \$96.25 million for the Urbon At Audubon Park apartments by **Orlando Fashion Square** mall.

The deal for the 361-unit multifamily community breaks down to about \$266,620 per unit. **Walker & Dunlop's** Chris Chadbourne and Brian Moulder helped broker the deal.

Brookstone Audubon LLC, a company with ties to South Florida-based real estate firm **Cornerstone Group** and New York-based **Brookstone Partners**, was the seller. The company bought the 13.5-acre property at 825 McCullough Ave. in 2017 for about \$8.6 million.

The developer completed Urbon At Audubon Park last year and stabilized the property earlier this year in March.



Urbon At Audubon Park's fitness center. (Cornerstone Group)

“Lease up went exceptionally well and at a rapid pace especially considering it all happened during a pandemic,” Cornerstone Group’s Don Sanders told **GrowthSpotter**. “We led the pace for lease-up, based upon our competitors.”

According to the company’s marketing team, the firm was renting around 10 to 20 apartment units a week. Sanders said strong marketing management and some of the property’s new-age features helped lure in buyers.

Urbon At Audubon Park features voice-activated lights and a higher-than-standard amount of USB charging stations, as well as amenities like a boxing ring in its fitness center and private work office stations for residents. Other amenities include a clubhouse, resort-style pool and dog park with dog washing stations.

Rents range between \$1,360 for studio apartments and \$3,435 for a three-bedroom apartment. The multifamily community also includes loft-style residences that feature multiple floors. Rents for three-level lofts range between \$2,320 and \$2,520.

Principals at Cornerstone Group are also pursuing plans to develop an office building directly northwest of the property.

Bill Kassebaum, a principal at Cornerstone and Brookstone, said the company expects to demolish a roughly 45,000-square-foot office building at 3660 Maguire Blvd. with plans to build a 227-unit apartment development made up of two 4-story multifamily buildings.



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Cornerstone also owns the neighboring sister building at 3670 Maguire Blvd. but plans to hold onto the property while it's fully stabilized, Kassebaum said.

According to [CoStar data](#), Orlando's rent growth experienced a strong rebound. Roughly 8,000 units were absorbed during the first half of 2021, marking the largest two-quarter stretch in Orlando's history.

The average vacancy rate dipped to nearly 6%, following a sharp increase in vacancies during the pandemic, which rose to nearly 10% around the same time last year.

Urban At Audubon Park sits behind Fashion Square, which is expected to be redeveloped by a partnership led by [Unicorp National Developments](#). Developers Chuck Whittall and Daryl Carter announced plans to build a \$1 billion mixed-use community with a large entertainment portion in 2019, but plans have stalled.

The partners are trying to work out a deal with Philadelphia-based **Bancorp Inc.**, which has a longstanding ground lease agreement in place. Through its affiliated company, **TBB Orlando LLC**, Bancorp controls the property above the dirt and has not yet reached an agreement to sell the buildings to the partners.

In recent months, the terms of the deal have been in question after several code violations were found in the mall property, including a partially demolished roof. Earlier this summer, two notice of default letters involving issues with the building were sent to TBB Orlando LLC. The company started work on the partially demolished part of the mall last month.

In a recent [interview with the Orlando Sentinel](#), Whittall said he remains interested in purchasing the mall building, but so far has been met with an "unrealistic expectation of what it's worth."

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Amanda Rabines



Amanda covers development and real estate in Orange County. She was born and raised in Miami, where her mother, like thousands of other Cubans, arrived in 1980 during the Mariel Boatlift. It's because of her that Amanda believes in hard work and the power of Cuban coffee. She is a graduate of Florida International University.