

Last updated: November 20, 2007 01:50pm

Prime Leases Apts with \$35M MXD Project

By Robert Carr

(Read more on the [multifamily market](#).)

DETROIT-Prime Development, based in Grand Rapids, MI, has just opened leasing for Studio One Apartments here on the site of the former Vernors Bottling Plant on Woodward Avenue, between Forest Avenue and Canfield Street. The building is part of South University Village, a two-phase project that will initially cost \$35 million to build, including the apartments, about 30,000 sf of retail on the bottom floor and a 950-space attached parking deck.

Prime is partnering with nearby Wayne State University on the project in the city's Midtown area. Prime has signed a 99-year land lease for the property to build the \$21 million, five-story apartment building, which will have 124 one- and two-bedroom units. Leasing started Thursday. "We're doing very well, we've had four employees working at the property until after hours, and have already signed 8% of the residential units," says Marcel Burgler, a principal at Prime. "We also have 55% of the retail space signed or with a letter of intent."

The property is to have nine retail units, and Burgler says he can only reveal one company that has signed a lease, Fifth Third Bank, which is also handling the lending for the project. The retail will start opening in July.

The apartments will be delivered starting in June, Burgler says. Amenities include balconies, 10-foot-high living room ceilings and a fitness center. The rents will average \$870 to \$1,395 per month. Wayne State is building the parking garage.

Prime, which also did a similar mixed-use deal with Ferris State University in Big Rapids, MI, says this area of Detroit is a great place to have new apartments. "Detroit still has 4.5 million people in its surrounding area," he tells GlobeSt.com. "There are a lot of people who want to look down at the city, they don't want to look at the opportunity. We're right next to the third-largest Michigan university, and across the street from the Detroit Medical Center, a 10-block medical complex." Detroit was recently cited in a CQ Press report as the nation's most dangerous city, but Burgler says his area is safe. "We have guarantees by local police and campus police that we will have a less than two minutes response time to calls. Crime is not bad in this area at all," he says.

Copyright © 2007 ALM Properties, Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

For reprint information call 410-571-5893 or e-mail afaulkner@remedianetwork.com.