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A year later, Apex Commercial sees big surge

BY CHARLES RATHMANN, *of SBT*

Brookfield-based Apex Commercial has seen a surge in business, with its transaction volume significantly ahead of figures anticipated by company president Dan Jessup.

Days after Jessup started the company in May 2002, he landed the Hoffman Management & Leasing Co. account, an investment portfolio including 12 buildings and 500,000 square feet.

But it wasn't until the last three weeks of this May that the doors started to blow off the Apex offices at 150 N. Sunnyslope Dr. In the past month, Jessup's team has closed more than \$12 million of commercial investment real estate deals, including a large multi-family development, a grocery anchored retail strip center, a loft conversion opportunity, a single tenant industrial building and a net leased restaurant property.

Jessup said it is not likely any changing economy is responsible for the volume of business the company has suddenly experienced, attributing the activity to the fact the company's shingle was hung about a year ago, combined with the long sales gestational period typical in the commercial real estate market.

"The investment market has been strong, and that has never waned in the last few years," Jessup said. "The fact that these came together in the last month doesn't mean the economy is improving. It just takes eight or nine months to put one of these deals together. It takes a minimum of six months to put a deal together from start to finish."

But Jessup is still delighted with the turn of events.

"The idea of \$20 million in value — that is

significantly ahead of proforma," Jessup said. "This puts us about 50% ahead on the transaction side."

As a result of the better-than-expected performance, Jessup said the company may hire additional brokers soon and has been interviewing some candidates.

Freshly closed deals include:

- Acquisition of a 160-unit, multi-family development located at 923-999 Wood Rd. in Kenosha for \$6.2 million, including additional multi-family and single-family development land.
- Sale of Moreland Plaza, 62,800-square-foot, grocery-anchored retail strip center in Waukesha for \$2.55 million.
- Sale of a three-story, 60,000-square-foot warehouse building at 728 N. James Lovell St. in Milwaukee for \$530,000. The transaction included environmental issues, and Apex had to involve the buyer with an environmental engineering firm to close the transaction. The buyer, Metropolitan Group LLC, plans to convert the building into a 36-unit loft apartment or condominium project.
- Purchase of an investment property — a 76,500-square-foot industrial building at 7350 S. 6th St. in Oak Creek, for \$2.2 million. Spectrum Development Group acquired the property. Apex also negotiated a lease extension, enhancing the return on investment.
- Sale of one of Junior Bridgman's Wendy's Restaurants, at 10920 Burleigh St., just west of Highway 100 Wauwatosa. Stonepine Inc. purchased the single-tenant, net leased property from Great Lakes Investors III for its asking price of \$615,000.