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Dumont Closes for \$167M

By Erika Morphy

WASHINGTON, DC—Equity Residential closed on a multifamily property currently in bankruptcy [http://news/1627_1627/washington/184154-1.html] called the Dumont. The two-building, 559-unit complex is located at 401 and 425 Massachusetts Ave. and traded for \$167 million.

Originally constructed as a 559-unit condominium, the property consists of two separate buildings of 370 units and 189 units for a total of 484,000 square feet. The sale also includes 2,900 square feet of retail space at the corner of Fourth and Massachusetts Avenue NW. A condominium sales process started in 2006 and was terminated before any units had sold. The Dumont is completely vacant and ready for immediate occupancy.

Ideal Realty Group's Allen Manesh, Dean Sigmon and Craig London helped broker the deal on behalf of Equity Residential. The deal is illustrative not only of the premium price that District-based multifamily properties are fetching—even in bankruptcy—but also the comeback of the condo market, to a certain degree, Sigmon tells GlobeSt.com. Equity Residential hasn't yet decided whether it will convert the second building to condos or leave it as a multifamily building, he says. That the company is even considering it shows how quickly demand—and the realization that supply will be all but gone in a few years—has returned.

Either way, the deal also iterates Equity Residential's view of the District's multifamily market. In February, it closed on a high-rise apartment building for \$85 million. In October 2009, it acquired Metropolitan at Pentagon Row, a 326-unit luxury apartment high-rise that traded for \$100 million.