



Developer plans \$54 million in new apartment projects

Cory Schouten October 28, 2011

A local developer plans to invest more than \$54 million to build apartment communities adjacent to the Rivers Edge shopping center in Indianapolis and Metropolis in Plainfield.

The plan by Hearthview Residential is yet another sign of confidence among apartment owners and developers that a shift toward renting and away from buying is here to stay. Multifamily housing has been a bright spot in an otherwise dismal real estate market.

Hearthview's plan calls for 230 high-end apartment units behind Clearwater Crossing shopping center at 82nd Street and Dean Road, within walking distance of the renovated Rivers Edge shopping center anchored by Nordstrom Rack and The Container Store.

The project, set to take seven acres including an undeveloped field, part of a parking lot and the long-vacant former Blockbuster Block Party building, will cost about \$24 million, said Hearthview Principal Jim Thomas.

The design will be modern, Thomas said, inspired in part by the updated look of Rivers Edge, which is owned by locally based Kite Realty Group Trust.

Hearthview also plans to build 300 units on a parcel near the Metropolis mall in Plainfield in a \$30 million project. That development is not as far along as the Clearwater proposal, Thomas said.

Hearthview acquired the Clearwater property from both The Broadbent Co., which owns the Clearwater Crossing shopping center, and an out-of-state trust that owned the former Block Party, a failed amusement concept from the now-in-bankruptcy Blockbuster Video.

The one- and two-bedroom apartments will rent for between \$900 and \$1,500. Groundbreaking is scheduled for spring 2012.

The project should perform well since it contains just the right number of units in a prime location, said John Hart, president of Carmel-based J.C. Hart Co.

Hart noted that the number of permits for new apartments in the nine-county metro area still lags the historic highs during the real estate market peak, while demand for quality rental units continues to grow.

Others developers apparently agree, as new apartment projects are in the works all over central Indiana.

Another that just broke ground: A \$20 million, 219-unit development by Indianapolis-based

REI Investments along State Road 421 in Zionsville.