

Morgan Properties Jumps to Second Place in Ranking of Largest Apartment Owners

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Morgan Properties increased the size of its apartment portfolio by 20,565 units, or nearly 30 percent in the last year, catapulting it to second place on the National Multifamily Housing Council's list of the country's top-50 owners of apartments.

The King of Prussia, Pa., investment manager, which now owns 90,617 units, wasn't the only apartment owner to substantially increase the size of its portfolio, however. Starwood Capital Group added 13,940 units to its holdings, increasing the size of its portfolio by 18.49 percent to 89,349 units; and Greystar Real Estate Partners added 11,793 units, increasing its portfolio by 18.62 percent to 75,099 units.

Most of Morgan Properties' increase was the result of its purchase late last year, in a venture with Olayan America, of a portfolio of 48 properties with 14,414 units from Star Real Estate Ventures. The company, founded in 1985 by Mitchell Morgan, who serves as chief executive, has grown rapidly since 2012, when it bought a portfolio of 15,000 units in a venture with American International Group. It later bought out AIG's stake.

NMHC and Kingsley Associates, a real estate research and consulting firm, partner every year to administer surveys that are used to put together the rankings.

Last year, Morgan Properties was the fifth largest apartment owner, up from 19 in 2019.

While its 30 percent growth rate was impressive, Fairfield Residential Co. topped it in that metric, with a 78 percent growth rate. It saw its portfolio balloon in size to 38,484 units, placing it 25th in NMHC's ranking. It had owned 21,616 units in 2020.

Mid-America Communities Inc. of Memphis, Tenn., remains atop NMHC's ranking of top owners, with a portfolio of 100,490 units, up slightly from the 100,031 units it owned in 2020. The company has been the industry's top owner since 2017.

Equity Residential, meanwhile, has fallen to fifth place in the ranking, with 78,568 units, down from the 80,624 units it owned in 2020. Last year, it had sold properties in Phoenix, San Diego, San Francisco and Washington, D.C., for prices resulting in an average 4.5 percent capitalization rate. More recently, however, the company has moved to re-enter markets, in Texas and Georgia, that it long ago had exited, in order to take advantage of those areas' growing populations.

The country's 50 most-active apartment owners own 2.3 million units, or 9.9 percent of the 21.9 million units in properties with at least five units each, in the country.

Meanwhile, a ranking of apartment managers has Greystar Real Estate Partners of Charleston, S.C., comfortably on top. Its portfolio, which includes a large cohort of properties that it manages for third parties, grew by 176,170 units, or 35.74 percent, to 669,137 units. The company has been the most-active manager of apartment units since 2011.

Its portfolio is more than triple the second-place finisher in the ranking, Lincoln Property Co. of Dallas, whose portfolio increased by 6,841 units, or 3.36 percent.

The country's 50 largest property managers oversee 3.9 million units, or 17.8 percent of the country's apartment stock.