

# Morgan Properties plants flag in Nashville

Posted By *Mariah Brown* on October 2, 2018

**Morgan Properties**, a Philadelphia-based owner of Class B family apartments, has put down roots in the Nashville market with the purchase of an 826-unit portfolio of four garden-style communities for \$91m. The seller was **Cardone Capital**.

The acquisition was a bullseye for Morgan Properties, which has been looking in Nashville since early 2017. This portfolio, in particular, was attractive due to its rental rates and population growth and Morgan Properties is set to invest \$8.7m on renovations to attract local Millennials, said **Jonathan Morgan**, president of Morgan Properties JV, a Morgan Properties affiliate.

“In Nashville, we noticed a lot of companies looking to relocate, especially financial service companies. And given job growth it’s a strong market,” Morgan said.

The portfolio comprises four complexes in proximity to the city’s central transportation and business districts, including Hickory Creek, Lincoya Bay, Sheffield Heights and Jackson Grove.

The firm usually enters a new market through the purchase of 2,500 to 3,000 housing units to achieve grounding in the workforce housing sector, Morgan said. However, glimmering market conditions boosted the company’s confidence to get their foot in the door with less units while they eye other properties, he added. The company is on track to purchase more units in the next 12 to 18 months.

As the company roots itself in Nashville, it has a watchful eye on the city’s growing Millennial base. By 2025, Millennials are expected to make up 75% of the city, Morgan said. In catering to the demographic, the company is adding dog parks, fitness centers and open spaces to its properties.

Access to affordable housing has become a challenge nationwide because the housing coming online is usually market rate, Class A product, Morgan said. Limited Class B, workforce housing has increased demand for the companies’ product nationwide, he added, giving the company momentum.

“It’s hard to find any workforce housing. We feel the winds on our backs and look forward to growing,” Morgan said.