

Partner Apartments

A Seamless Exchange: How Northmarq helped Partner Apartments navigate a 1031 transaction



\$23.7M

Total Agency
financing
arranged

91%

Out-of-state
buyer offers

6

Northmarq
business lines

Overview

Partner Apartments is a Midwest multifamily investor focused on long-term value creation. When the firm set out to sell one asset and reinvest the proceeds into another through a 1031 exchange, it turned to Northmarq to guide both sides of the process — drawing on an established relationship and the confidence that comes from working with one company across a full range of transaction needs.

The Challenge

A 1031 exchange defers capital gains taxes but demands precise coordination. Partner Apartments needed to unwind existing debt through defeasance on Radford Place Apartments in Dubuque, Iowa, meet strict exchange deadlines — 45 days to identify a replacement property and 180 days to close — and secure financing for the acquisition of its replacement property, Station Lofts. Handled through separate providers, the risk of a misstep at a critical moment would have been significant.

The Solution

Northmarq united six business lines under one coordinated team. Investment Sales closed the sale of 108-unit Radford Place for \$14.3 million. Defeasance retired the existing debt on schedule. Northmarq Exchange held sale proceeds as qualified intermediary. Debt + Equity secured a \$9.417 million Fannie Mae loan for the Radford Place buyer and arranged \$14.3 million in Freddie Mac fixed-rate financing for the 148-unit Station Lofts acquisition in Leavenworth, Kansas. Loan Servicing will manage Agency loans on both assets going forward.

The Outcome

Partner Apartments completed a complex, multimarket 1031 exchange on time — deferring capital gains and securing long-term financing for Station Lofts, while Northmarq separately arranged financing for the buyer of Radford Place through the same integrated team.

“The loan documents for Radford Place required defeasance in lieu of a standard payoff. This is often the case for Freddie Mac fixed-rate loans.”

Chris Hall
Vice President at Northmarq