

# Apartment Investor Continues Texas Buying Spree

Lynd Scoops Up Three Apartment Properties in Houston and Austin

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San Antonio-based apartment investor Lynd Acquisition Group is expanding its apartment portfolio across Texas in a string of recent deals in Houston and Austin.

In the past three weeks, Lynd snatched up a garden-style apartment complex in North Austin and a 934-unit portfolio deal in Houston, the company said in statements.

Lynd paid \$84 million for the 372-unit [Paramount at Kingwood](#) and the 312-unit [Villas at Valley Ranch](#), both located northeast of Houston. The seller is Sy Li, a private Texas-based real estate investor.

The two parties entered into the contract to buy the Houston assets in March 2020, but the deal almost fell through when the pandemic hit, according to Lynd. Instead of exiting the deal, Lynd's executives convinced Li to hire them to manage the assets prior to the acquisition actually closing.

Last September, Lynd took over management of the assets and oversaw \$600,000 worth of renovations to the properties to help significantly boost rents and occupancy, according to Lynd. That helped push the deal over the finish line, and it closed June 30, a company spokesman said.

“This is basically a case study in what can be done to save a deal when big, unforeseen problems arise,” CEO A. David Lynd said in a statement. “After we went to contract, the properties started tanking, but we did not cut bait and run. Instead, we persuaded the owner to hire us to manage the assets and try to right the ship. Our Houston team sprang into action, and just five months later, turned them around completely and got them ready for sale. Now, three years after first pursuing the purchase, we closed the deal.”

This marks the second major deal between the two parties after Li sold Lynd a three-property portfolio in Houston and Austin last year.

“It’s never comfortable handing over management to a potential buyer,” Li said in the statement. “However, since we sold a different portfolio to Lynd weeks prior to the pandemic for \$161 million, I trusted David to do exactly what he said he would do this go around.”

This most recent deal includes Paramount at Kingwood, located at 200 Kellington Drive in Kingwood, about 23 miles northeast of downtown Houston. It also includes the Villas at Valley Ranch, located at 21899 Valley Ranch Crossing Drive in the town of Porter, about 10 miles north of Kingwood and 40 miles north of downtown Houston.

For both properties, Lynd plans to renovate the floors, fixtures, appliances and countertops in the apartments, plus add package lockers, landscaping and outdoor seating, a spokesman said.

“We are bullish on this particular submarket given some of the infrastructure improvements,” said Constantine Scurtis, president of Lynd Acquisition Group, in the statement. “With the upgrades we have already made coupled with our acquisition basis, we are excited about this opportunity.”

With the addition of Paramount at Kingwood and the Villas at Valley Ranch, Lynd now owns three apartment communities in metropolitan Houston. In 2020, it acquired the 282-unit Royal Oaks at Westchase, which was later rebranded Apex at Royal Oaks. Lynd third-party manages five additional properties in the market.

Over the last six months, Lynd has been on a buying spree, acquiring five multifamily assets totaling more than \$175.8 million, including the two Houston properties, two in South Florida and one in North Austin.

## North Austin Deal



Lynd's Austin-area portfolio encompasses three apartments, including Legends Lake Creek. (CoStar)

The recent Texas deals also include the purchase of Legends Lake Creek, a 250-unit apartment project at [10015 Lake Creek Parkway](#) in Austin.

“Rents in this part of Austin are still relatively affordable,” said Scurtis with Lynd Acquisition Group. “The property is less than 10 minutes away from Apple’s new campus and steps away from where Texas Children’s Medical Hospital will be built. There is exceptional retail as well with Lakeline Mall and easy access to The Domain.”

Lynd plans to spend \$3 million on the interior renovations, including the addition of quartz countertops and stainless-steel appliances in the kitchen, plank flooring and new light and plumbing fixtures, the company said in a press release. The new owner also expects to invest another \$1.4 million to create amenities such as an outdoor lounge area and Amazon package lockers and to freshen up building exteriors and common areas.

The complex is the third in Lynd’s Austin portfolio, which also has two apartments in Round Rock: the Enclave at La Frontera located at [2800 La Frontera Blvd.](#) and the 366-unit Lakeside at La Frontera located at [941 Hesters Crossing Road.](#)

Lynd said it has \$200 million worth of more properties it wants to buy in 2021. It operates about 20,000 apartments nationally.

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