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Delancey Street Capital Buys Baltimore's Sail Cloth Factory Apartments for \$12.9M

By Adrian Maties, Associate Editor

Delancey Street Capital LLC continues its expansion in the Baltimore area. The Philadelphia-based company recently made its fourth acquisition in the region.

Delancey Street Capital has acquired the Sail Cloth Factory Apartments. The property is located at 121 S. Fremont Avenue, adjacent to the University of Maryland Medical Center and University of Maryland. It was constructed between 1888 to 1911, and served as a manufacturing plant for sail cloth used by mariners and machine belts. In 1986, the building was converted into apartments.



In spite of the many changes, the Sail Cloth Factory Apartments still retains its historic charm and unique architectural features. It now offers 107 loft-style apartments.

According to the [Baltimore Business Journal](#), Delancey Street Capital paid \$12.9 million to buy the Sail Cloth Factory Apartments from Hutzler's Historic Associates, another Philadelphia-based company. It is the largest sum paid by Delancey Street Capital for a single property in the Baltimore area so far. The company plans to renovate and upgrade the building. Amenities at the Sail Cloth Factory Apartments include stainless steel appliances, washer/dryers in every unit, valet parking, and a fitness center.

[The Baltimore Sun](#) reported that the Sail Cloth Factory Apartments was 95 percent leased at the time of the sale. The high occupancy is a result of the building's competitive rental rates. Rents for one-bedroom apartments start at \$1,110, while two-bedroom units go for just under \$1,575.

On its website, Delancey Street Capital says it is interested in acquiring Class B and C multifamily properties in need of rehabilitation or repositioning. Earlier this year, it paid \$1.95 million to buy the 29-unit Hampton Court Apartments in Bolton Hill. And last year it purchased the Park Gardens apartments in Reservoir Hill, and the 102-unit Madison, at 817 St. Paul Street. Between July 2013 and July 2014, the company has paid over \$35 million for multifamily properties.