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German developers buy 4 buildings near TechTown Detroit for redevelopment

Optima Aegidius Group pays investors \$3.1 million

By **Kirk Pinho**



Photo by Courtesy of Jim Tumey An overhead view of the four properties purchased by German investors at Second Avenue and York Street in Detroit.

A Munich-based development group plans a 60-unit multifamily development at Second Avenue and York Street near TechTown Detroit now that it has closed on the \$3.1 million purchase of four buildings from Texas investors.

In addition, Optima Aegidius Group has the 14,000-square-foot John King-owned Big Book Store at Cass Avenue and Antoinette Street under contract for purchase with plans for 20 more loft-style condos there, said Jim Tumey, senior commercial and residential real estate agent for Detroit-based brokerage firm The Loft Warehouse, which is representing Optima in the deals. That project requires adding several more floors to the 1930 building, Tumey said.

King, owner of the building, confirmed Friday that it's under contract. He declined to disclose the purchase price but said it was listed for \$1.2 million. Detroit-based O'Connor Real Estate has [the listing](#) on the building.



Photo by CoStar Group Inc. The John King-owned Big Book Store building at Cass Avenue and Antoinette Street in Detroit was built in 1930 and has about 14,000 square feet.

Optima Aegidius is also the previously undisclosed German investment group that [in November 2015](#) purchased the Charles Trombly House/Beaubien House at 553 E. Jefferson Ave. That sale was for \$419,500, according to CoStar Group Inc., a Washington, D.C.-based real estate information service.

Tumey said that building is being built out for "boutique co-working space for downtown startups and small businesses."

The purchase of the four buildings at Second and York closed Friday, while the Big Book Store sale is expected to close next month, Tumey said.

The buildings are near Peter Cummings' and Dietrich Knoer's [pending redevelopment](#) of a former Wayne State University building into 181 apartments and 32,500 square feet of retail space at Cass and York.

The Optima Aegidius Group buildings are at 5960 Second Ave., 5940 Second Ave.,

5924 Second Ave. and 463 York St. and total just more than 71,000 square feet. The company anticipates building additional space on top, totaling 21,000 square feet to accommodate the planned 60 units. As planned, the project would also have 29,000 square feet of retail space. Construction is expected to begin next year after financing and city approvals are received.

The buildings had been owned by Texas-based investors Bill Ball and Jerry Lindenmuth, who had planned 24-27 loft-style residential units **after they purchased** the buildings for \$1.3 million in October 2014. Matt O'Laughlin, director of commercial real estate for The Loft Warehouse, represented the sellers in Friday's deal.

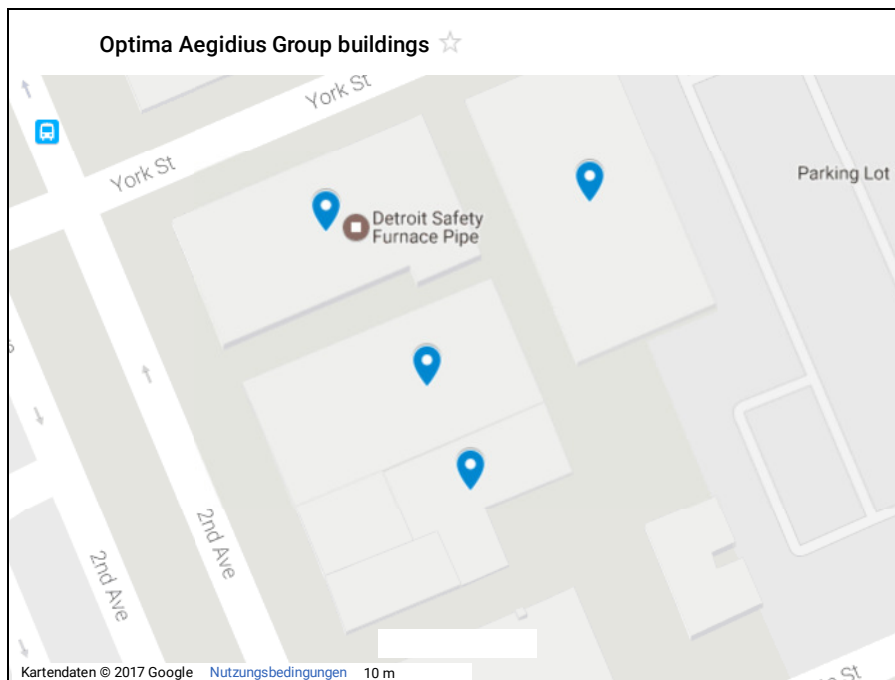
Scott Lowell, who redeveloped the Forest Arms apartments last year in **a \$10 million project**, will be the local developer working on the Second and York project, as well as the Big Book Store project for Optima Aegidius Group. Joseph Kopietz, member for Detroit-based law firm Clark Hill PLC, is also working on the project.

Optima Aegidius is run by brothers Ulf and Jens Laub.

Tom Yarmon, the Toronto-based vice president of Optima Aegidius, said the brothers about two years ago visited Detroit, called him up and said "get your ass down here, we should probably be buying something."

"They were particularly taken by the buildings, by the infrastructure," he said. "They are appreciative and careful of older buildings with adaptive reuse."

According to the company's **website**, it has developed property in Munich, Berlin, Dresden, Toronto and Montreal.



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