

IPS Realty in Grosse Pointe Park Partners with New York Investor to Renovate Residential Property in Detroit

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IPS Realty in Grosse Pointe Park today announced it has partnered with Icarus Investment Group in New York to acquire and renovate residential property in Detroit.

Together, IPS and Icarus have collaboratively acquired and renovated a combined 60 units in Detroit's North End, Russell Woods, Grandmont Rosedale, and Warrendale neighborhoods, with another 40 planned through the rest of this year. They are primarily single-family and multi-family residences ranging in price from \$20,000 to \$40,000 at the time of purchase and before being rehabbed.

“This is an investment company that turned around 800 units in Chicago,” says Brent Maxwell, managing director of IPS Realty. “We are working with them and expanding their Detroit portfolio, (and we are) providing acquisitions and management services on the ground here.”

In Chicago, Icarus “helped turn C neighborhoods into B neighborhoods in transition,” Maxwell says. “They’re adding momentum to the continued revitalization of Detroit neighborhoods. We are honored to partner with them toward investing in Detroit in real, tangible ways that benefit all involved – including, and especially, this city.”

IPS locates properties for the partnership to invest in, sourcing inventory, vetting potential, and managing the on-site effort of stabilizing properties. The collaboration kicked off in spring 2017.

“Outsiders like to give opinions about Detroit, and they’re wrong,” says David Pezzola, CEO of Icarus. “(The key is) to find a few sources of quality deals, and the only way to do that is to find a guy like Brent Maxwell who has a pulse of what’s going on and understands the market. His deals stand up to the math and they make sense.”

“On the South Side of Chicago, I’ve watched my portfolio go up three times over the last five years. This is a real thing going on in Detroit. Detroit has the random hipster vibe of Brooklyn and Oakland, and it’s cool to be part of.”

In Chicago, Icarus started purchasing properties in challenged areas in 2011, with the lowest performance (units providing) a nine percent return. Pezzola and Maxwell say they are optimistic about seeing similar returns in Detroit.