

Creating A New Style

Domus Development has developed properties in secondary and tertiary markets that are just as stylish and contemporary as those in top-tier markets, carving out a niche and creating barriers to entry.

By Randall Shearin

Bringing style and function to student housing in secondary and tertiary markets has been the goal of Domus Development since the company's first project in 2010. Founder Eric Jakimier launched the company with an eye toward bringing top-notch design and luxury living to students in smaller university markets.

Jakimier has been in the student housing sector since 2002 when he joined JPI's student housing division. While working with JPI — and later Place Properties and JLB Partners — he realized that student housing served a purpose, and there was a need in smaller markets for quality student housing.

"We have developed a unique, high quality lifestyle that fits a defined student housing demographic," says Jakimier.

Since launching Dallas-based Domus Development, Jakimier has developed \$200 million worth of student housing assets and grown its portfolio to six projects, with two communities under development, while keeping its team small and focused. In 2015, Marc

Sullivan joined Domus from Reef Points Advisors, a commercial real estate advisory firm. Sullivan has a strong background in student housing, having worked with Collegiate Development and multifamily real estate in the past.

From the start, Jakimier's focus has been on developing in secondary and tertiary markets, where he saw unique opportunities that larger developers were unable to put together due to budgetary constraints. A licensed architect, Jakimier also realized that he could differentiate his product through purposeful design.



ERIC JAKIMIER
Founder,
Domus Development

"There's no reason a student at Stephen F. Austin or Texas A&M Kingsville can't have the same high quality living experience that someone at University of Texas or Florida State might have," says Jakimier.

The results are innovative, upscale student housing projects that are affordable to students at secondary and tertiary institutions. Domus reviews the architectural style of a market and uses that to set the tone for each of their projects. Domus works with interior design firm Dement Designs and architectural firm Architecture Demarest.

"Each of our projects are unique, yet they've all been created by the same development team, the same architecture firm and the same interior design firm," says Jakimier. "When you are on our team, we consider you a partner and give you the freedom to do what you want. We challenge all of our partners to live up to high standards."

The company's first project was Legends Nacogdoches, near Stephen F. Austin State University (SFA) in Texas. Jakimier found the property by accident, stumbling upon the site while doing genealogy research. With so many students at SFA from Dallas-Fort Worth and Houston, Jakimier knew there would be interest in student housing that had an upscale contemporary design. As part of the site acquisition, Domus also acquired adjacent property, where it developed a loft-based student housing project with a modern design. Both properties have enjoyed 100 percent occupancy since their openings in 2012 and 2013.

"We provide a unique product that other student housing models don't fit," says Jakimier. "We launched this project in a soft economy. We had the opportunity to be a little fancier than normal."

In 2014, Domus opened its third project, Mustang Ranch, in Stephenville, Texas, near Tarleton State University. Focusing on Stephenville's theme of being "The Cowboy Capital of the World," Domus created a project based on the theme of a West Texas ranch house. From the day the project opened, it has remained 100 percent leased.

In fall 2015, Domus opened Legends Kingsville, a 504-bed project near Texas A&M Kingsville. The project was 100 percent pre-leased when it opened. A second phase of the property opened in fall 2016. Kingsville is Domus' largest project to date, due in



Legends Edinburg opened this fall near the University of Texas Rio Grande Valley. The project takes inspiration from Mexican architects Luis Barragán and Ricardo Legorreta.

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part to the university. The city and the university have a strong relationship, and the university needed more student housing, but couldn't afford to build it on its own. Domus was able to be the bridge that helped address the need and develop a high quality project for the community.

In the fall of 2017, Domus opened Legends Edinburg near the University of Texas Rio Grande Valley. Designed with a contemporary twist, Legends Edinburg serves the housing needs of a growing student market with homage to two renowned Mexican architects, Luis Barragán and Ricardo Legorreta. With inspirations from their designs, the project has clean, contemporary lines and bright contrasting colors that compliment the landscape of the Rio Grande Valley.

Domus currently has two new projects underway for fall 2018. In Cape Girardeau, Missouri, the company is developing Legends Cape Girardeau, a 591-bed project near Southeast Missouri State University. In Canyon, Texas, the company is developing Legends Canyon, a 459-bed project near West Texas A&M University.

Domus' success lies in concentrating on growing markets and filling the need with a unique product that has a proven track



Rendering of Domus' Legends Cape Girardeau, under construction near Southwest Missouri State University.

record.

"We see the secondary and tertiary university markets as less risk than a top tier university market," says Jakimier. "If we develop in Austin, we have multiple competitors and we have to differentiate our project from each of those competitors. In smaller markets, we are able to focus on the needs of the marketplace."

Jakimier explains, "Secondary

markets are also counter-cyclical, which helps us. When the economy softens, parents tend to look at universities with lower tuition and expenses for their children as they tighten their own belts. Because of that, we see secondary markets as growth markets, even in recessionary times."

In 2017, Domus launched Domus Student Living, a management arm to manage its stu-

dent housing properties. With 3,000 beds developed and more in the pipeline, it made economic sense to take the management task under the Domus roof, says Jakimier. Domus is starting its management platform with the two new developments — Legends Cape Girardeau and Legends Canyons — as well as the existing property Legends Edinburg.

Asset Campus Housing (ACH) has managed all of the Domus student housing projects since inception. "Their approach to management and life in general is similar to ours," says Jakimier. "We've always had a great working relationship with ACH since the very beginning."

Domus will migrate its other properties to Domus Student Living management in a timed fashion. Student housing management veteran Angela Kitchens was brought aboard to help run the company's management platform, reporting to Sullivan. Kitchens was formerly the general manager of Domus' Mustang Ranch property since its opening in 2013.

Jakimier says that the company has selectively secured additional sites at several universities with an eye on more growth in the near future. **SHB**



Mustang Ranch in Stephenville, Texas, opened in fall 2014 to serve students at Tarleton State University. The property is themed as a riff off Stephenville's motto as "the Cowboy Capital of the World."