



Whitney Elkins-Hutten of [PassiveInvesting.com](https://passiveinvesting.com) interviews [Jacob Winn](#), an expert apartment syndicator, to discuss his latest successful venture: the 304-unit Carillon Bay acquisition in St. Petersburg, FL. Discover the strategies for successful multifamily real estate investing, the unique characteristics that made Carillon Bay an attractive deal, and the secrets behind syndicating large-scale apartment complexes in high-growth markets. If you're serious about passive real estate investment, you won't want to miss Jacob's insights into navigating the Florida market.

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304-Unit Carillon Bay In St. Petersburg, FL With Jacob Winn, Apartment Syndicator

Welcome to the show. I am excited to be joined by [Jacob Winn](#). Jacob, welcome to the show.

Thanks for having me.

Jacob, before we dive into Carillon Bay, 340 units in St. Petersburg, Florida, tell us a little bit about your background, how you got into multifamily real estate, and where you are today.

Jacob's Professional Background And Career Pivot

I actually started in the public markets, specifically the hedge fund space. I was running derivative trading strategies and did launch my own hedge fund, which is ultimately what brought me to Florida. Interestingly enough, a lot of the clients I had made their money in real estate. A lot of the clients who turned away from me were looking specifically for real estate. That created quite the pivot for me in my career. Ultimately, I found [Rex](#), and here we are today.

Does Rex stand for something?

It is based on the namesake of our principal, Peter Rex.

Good to know. Let us talk about Carillon Bay, 340 units, St. Petersburg, Florida. I used to go down there yearly. I used to play ultimate frisbee, and our national tournament would be down there. Of course, we know that the markets have been challenged in the Florida area for a variety of reasons for the past year. I am super excited to dive into this. I do not know what opportunity you saw, but let us first start with the timeline. When did you close on this property, and what was the purchase price?

We closed June 30th, 2025, about nine months ago, at 45.5 million contracted price, which came out to about 149,000 per door.

What was the vintage of this property and your overall business plan?

The Functional Value-Add Business Plan

It is a 1975 vintage, which I think is a bit of a soft spot in the market. We were ultimately bringing a value-added business plan, not tremendously focused just on cosmetics. We do approach it more functionally. In this case, the biggest functional piece, none of the units had a washer and dryer, so we are running that plumbing and bringing those fixtures to every single unit.

Tweet: We ultimately brought a value-add business plan, not focused heavily on cosmetics, but on a more functional approach.

Capturing the NOI growth there. Let us first kick it off. You closed in June of 2025. When did you find this property, and how did you find it?

We found it through our vertically integrated model. We are a property management in-house. We also extend our property management to third-party-owned properties. Our property management arm had eyes on this asset back to about 2023. We were watching it closely from then on. They did actually take it to market and were in contract with a different group prior to us. That one did not materialize. It was then brought to us at a great basis through our property management relationship at almost a basis too good to refuse.

What was the opportunity that you saw here? Was it just the little bit of NOI growth that you could do by leveling up the property, or was there something else there that flagged it?

I would say it was three-pronged as far as the opportunity. One, just the outright basis that it was offered to us at. Two is obviously the value-add functional piece, really driving revenue and property value. The third one is our expertise in the Tampa market. We have done over twenty transactions in the Tampa market. Our boots on the ground on the operation side are possibly the best we have

across the ecosystem. We are leaning into two aspects. The team on the ground as well as a fairly robust market.

Let us talk about the due diligence on the property. You find the property. At what point in time did you get it under contract, and how did you get it under contract? We talked about that it was brought to you, but was there still other competition happening?

Due Diligence Process And Capex Expectations

There was one other buyer in the mix at that time. We were actually the low bid out of the two in terms of finalizing contracts. We were perceived as the most likely to close. We were fortunate enough to be awarded the contract. We got it in the contract right around March.

What did you put it under contract for, and how did you structure it, as far as your due diligence phase, lending phase, closing phase, any extensions?

Again, contract price, \$45.5 million. We did do a 45-day due diligence with a 30-day extension. We did end up exercising that extension along the way.

Due diligence. At what point in time did you walk all the units of the property or did you walk all the units of the property?

We did have a team walk. We had our head of asset management for the Tampa area walk the entire property and do a thorough overview, really as an effort to build out the CAPEX expectations from a forward look, as well as the business plan.



Carillon Bay: We conducted a full team walk-through, with our head of asset management for the Tampa area reviewing the entire property in detail to help shape forward-looking CAPEX assumptions and the overall business plan.

That is unique because you guys were managing the property. You would assume that a lot of that was already there. You already have all the books on the property.

We were not directly managing, but had the relationship and the transparency through our management arm.

Were there any surprises upon physical due diligence of the property?

Not tremendous surprises. We baked in a lot as far as CapEx and reserve budget. We are redoing the roofs as a precautionary measure. The roof was 13 or 14 years old. We will go ahead and do that in our early-stage CapEx. We baked in a lot and heavy to take care of a lot of items. Some smaller things, as we have really dug in now, owning the asset. One of the pools on site, the pool deck itself is brick pavers, and it was noted to us that there are some trip hazards. Little things always show up, but no real big surprises.

Let us talk about the financial due diligence. How did that go?

Pretty in-depth. That was one space that we saw and liked about this opportunity. Quite a bit of meat on the bone as far as in-place rents at acquisition versus what our interpretation was of true market rent. A decent amount of economic vacancy is in place, which was a decent part of the business plan. A lot of that insight is coming from our broader market portfolio. We have right around 4,000 units under management across our ecosystem in the Tampa, St. Pete area. A lot of real-time market data and comparable info to base it on.

Let us talk about specifics there. What were you looking to raise rents by per unit, especially after you completed your value-add business plan? How many occupancy bumps were you looking to generate in year one?

Economic Vacancy And Market Rent Stabilization

It was stabilized at physical occupancy at acquisition at 95%. In-place rent at the time of acquisition was \$15.06 per month. We had market rent pegged just below \$1,600 a month, so about 5% to 6% on the economic vacancy. Day one, as leases were turning over, we were reverting to that appropriate as-is market rent and pushing revenue that way. Simultaneously with that, going through the business plan, working on permitting approvals, and contractor agreements for the true heavy lift on the value add. The value add component, getting the facility to a 1,600 a month average rent, and then kicking off the value add plan to ultimately get to about 1,750 average in place rent stabilized.

That is a big swing. Especially, what is the current cap rate in St. Petersburg right now?

We entered at a 5.72 cap on this one. We are seeing in the comp set between 5.5 and even up to 5.85 on the cap rates.

Still healthy, flat essentially. Let us talk about the financing side of things. What was your lending strategy here? Also, what were the specific terms of your loan?

Capital Stack Structure And Financing Strategy

Given that it was a stabilized asset, we were keen on obtaining agency financing. We did get a new issue, Freddie Mac, senior loan for this one. It was a five-year fixed rate at 5.46%, with the first three years being interest-only. We were quite happy with the senior debt in place on this one. Contrary to the historical or more typical model, we did lean into some preferred equity on this one at 6.7 million, and then the remainder was LP and GP equity.

Your loan rate is fixed. Let us talk about that first. Did you have any prepayment penalty, yield maintenance, or anything like that on this loan?

Part of our business plan is a third-year refinance.



Carillon Bay: Part of our business plan is a third-year refinance.

No yield maintenance. That is crazy. Now, on the preferred equity portion, what interest rate are you paying there?

It is 6% current pay, but entirely soft. It is sitting in the capital stack behaving more like true equity versus debt.

The investors in that portion of the capital stack were looking for a total return of 6%, or is the total projected return much higher?

The total accrual is at 13%, 6% current pay, entirely soft. It is over a three-year term, with a minimum multiple of 1.3.

Why did you insert or inject the preferred layer into the deal? Was it something that you were ironing from the beginning, or a necessity in order to get the property closed?

A combination of two things. One, it does effectively leverage the capital stack and improve returns to that extent. Number two is that we have been sitting out as a company since 2022 on any new acquisitions. Stepping back in after a three to three and a half year pause, some of the longer-term capital relationships on the equity side shift asset classes, and preferences change. We had that gap in need for that preferred equity.

Was that a relationship you built before you went under contract on this deal, or a relationship that you cultivated while you were closing?

To put it lightly, it was a bit of a scramble to put that preferred in place because, like I said, not historically leaning into that facet of the capital stack. We did not have any preexisting relationships for preferred equity. It was a bit of a wild goose chase to get that in place.

I know you did raise money on this deal. We do want to tackle that. How did you handle that conversation with your investors that came in initially looking at one version of the capital stack, and then there is a scramble to bring in the preferred equity? How did that conversation go down?

It was palatable largely because at that time we really raised funds for this property in two tranches, given the CapEx business plan. Leading up to the closing date, the majority of the equity or nearly all of the equity was either ourselves as a firm or long-term repeat investors and direct referrals. A lot of long-standing relationships. It was an easy conversation to that extent. From an underwriting standpoint, we did factor in that additional need to hit the return profile we wanted. It was not a total surprise, but facilitating it into place took some legwork.



Carillon Bay: Nearly all of the equity came from our firm, long-term repeat investors, and direct referrals—built on long-standing relationships.

Let me sound that back to you. The reason why I ask this question is not so much to grill you, but I am sure there are a lot of operators out there that have been sitting on the sidelines right now, waiting for a good, amazing deal to take down. Their current investor base, or the investor base they have been working with, either has moved out of private equity entirely, moved asset classes, or they themselves are waiting for the glorious green light that it is safe to get back into multifamily equity. I appreciate you sharing this knowledge with us. From the get-go, did you have a pro forma with that line item potentially already underwritten, knowing that this is a contingency plan, should we have to execute it, or was there a different strategy there?

It was underwritten from the start, knowing that the total equity needed, if it were to be entirely common or GP equity, and where we were looking at return-wise, we knew that a portion of that would have to be preferred or some degree of debt to hit the 20% IRR target. It was underwritten. Just the lack of relationships down that channel was interesting.

I am sure a lot of operators, as money comes back into the space, as deals start flowing again, think this is a learning lesson. A lot of operators can get a lot of insight from what you just shared. Thank you so much. Let us shift to the actual LP part of the capital stack. How did you structure this deal for them, and how much did you raise?

The total raise was a little over \$15.5 million. We did structure it with an 8% preferred return hurdle, and then an 80/20 split on the back end. No fancy waterfall, simple to that extent.

How are you handling tax benefits on this particular property?

Tax Benefits And Bonus Depreciation For Limited Partners

We did do a cost segregation study at the very beginning. It had quite a hefty tax benefit. It came in a little north of 80% of the equity amount. We got just under twelve million in tax benefit from bonus depreciation via that cost-segregation study, entirely passed through to the LPs.

You closed on this property before the one big beautiful bill passed. Are you saying that all the 100% bonus depreciation was retroactive back to January 1, 2025?

Yes.

That is something that a lot of limited partners potentially missed last year in the last six months, especially if they were getting into a deal. You have obviously been operating this property for the last almost nine months. Any surprises since the takeover?

I would not say any surprises. There have certainly been some strategic maneuvers, a lot of rent roll cleanup, some inconsistent payers, things of that nature. We did take a good chunk out of physical occupancy in the fourth quarter as a means to clean it up and improve the health of the rent roll overall from a long-term perspective.

Where are you on your capex plan?

We are just at the beginning of rolling out the heavy lift items. We did a soft rollout on the washer and dryer hookups, running that plumbing. Last check-in I had with the asset management team and the onsite team, we were at about 42 units on the softer rollout. We did a tenant survey across the facility as well to determine who would be in favor of having a washer and dryer brought in simultaneously with your ongoing lease.

On the back end, we will amend your rent to the intended higher mark. Just as a gauge of how aggressive we can be in going through this CAPEX plan. A lot of positive responses to that survey. Even as we have done the soft rollout, obviously, tenants see their neighbors getting a washer and dryer. They are showing up at the leasing office saying, "I did not opt in. Is it too late to do that?" We are seeing a lot of positive response around that plan, but hoping to kick off here in Q2 at a more aggressive pace.

Now there was something that I wanted to circle back to before I asked you my wild card question of the interview. That is the market, St. Petersburg. You have 4,000 units, more now, probably with the close of this property in the Tampa area. You are no strangers to Gulf Coast conditions. However, when you are working with the limited partner, how do you help them understand the risk-reward of going into a property that right now is sitting in hurricane alley?

That is definitely a hot topic with limited partners. We were fortunate, being a resident here in Florida, across 2025 with zero hurricanes. Obviously, 2024 was a big hurricane year for Southwest Florida. Being able to tie into that historical element, particularly as recent as it was in 2024, there was no major damage, no substantial flooding for this asset. A lot of those risk boxes were checked off in the near term.

Obviously, there are still a lot of concerns from investors to that extent. On the insurance side, which is relevant in this discussion, given our scale as a company, we are able to lean on portfolio policy for general insurance. A lot of our assets are held in Texas, we have some in the Carolinas, and even some further out in the Mountain West. Leaning on some of those economies of scale to get the full coverage we need without dealing with the specific insurance environment.

If you are tuning in to the audio only, you should see the looks on our faces regarding state-specific insurance. That is a fun one right now to handle in Florida. As we wrap up, I have a wild card question for you, because you have really done a good job tackling what you did now and what you would do again. How might you shift this deal as you enter back into the multifamily space? This is your first deal in three years. What is one belief about multifamily investing that you completely changed your mind on?

Shift Toward Operational Excellence And Relationship Access

Perspective-wise and recently, I think there has been a big shift, at least in my mentality, that the days of easy returns really are gone. It boils down to these days of operational excellence. It really comes down to how well the assets are operated. A big perspective shift has been access to deals. That is very important. This one, being a good example of a pre-existing relationship of ours or behind-the-scenes access, is really what made this deal work in the fashion that it is.

Tweet: The days of easy returns are gone. It's all about operational excellence now. Pre-existing relationships and behind-the-scenes access are what ultimately made this deal work.

Let us wrap up. Jacob, again, thank you for your time and for sharing your insights with us. If audiences want to learn more about you or connect with you, how can they do so?

I am for the most part not on most social media. I am on LinkedIn, and that is probably the best way to find me.

Jacob, thank you for being with us, and we look forward to hearing about your future deals.

It is a pleasure to be here.

Important Links

- [Jacob Winn on LinkedIn](#)
- [Jacob Winn on Instagram](#)
- [Rex](#)