

## Local Owner Spotlight -Sean Fogarty, Artisan Capital Group

This week we had the pleasure of sitting down with Sean Fogarty, Partner at Artisan Capital Group.

Who is Artisan Capital Group?

Artisan Capital Group (ACG) is a multi-family investment manager focused on acquisitions, asset management, property management and construction oversight for its capital partners. ACG's primary strategy is to provide superior risk-adjusted returns by acquiring multi-family and student housing assets in markets often overlooked and undervalued by traditional capital sources. Now that description was taken straight from their website, and as true and accurate as that is, we wanted to take a slightly different approach and focus a bit more on the personal side behind the business. We've met and worked with successful businesses and behind the scenes is always exceptional leadership surrounded by a talented team. Sean is part of that leadership at Artisan.

Sean is a Des Moines native, growing up on the south side. Starting from a young age, he was exposed to small business. His family owned and operated several Dairy Queen locations and a bar starting when Sean was in 6<sup>th</sup> grade. Sean described how this helped shape his work ethic, business acumen and even the value-add strategy they used on many of their real estate acquisitions. He recalled how his family started adding value to Dairy Queen locations by adding drive thru's and other amenities to increase revenue. It's common place now to see drive thru's on coffee shops and restaurants but in the latter 1900s it was a new and innovative way to increase revenue (As a side note, my 9-year-old son loves to describe events in the "**Late 1900's**" It's technically accurate and makes me feel especially old). Sean attended Dowling High School and then the University of Northern Iowa. He was focused on finance but remembered a particular real estate class that had a significant impact on him. Northern Iowa didn't yet have the real estate program that they do now, but they did have a class where they brought in active real estate professionals to teach the course. It was enough for Sean to give real estate a closer look.

Like most college students after graduation, Sean needed a job and a paycheck. He started what would turn out to be a very successful and tenured career in real estate with an internship at... IOWA REALTY COMMERCIAL which then turned into a full-time position at Central Life Assurance/AmerUS which owned Iowa Realty Commercial at the time. Sean has an extensive resume in 30+ years of commercial real estate, especially multifamily housing. We could do three more newsletters just trying to cover his experience. We want to skip ahead a bit but it's outlined very nicely on his biography on the Artisan website provided below.

<https://www.artisancapitalgroup.com/team/>

Subsequent to graduating Drake University with his MBA in the late 1990s, Sean moved to Chicago to further pursue his real estate career. Sean spent the majority of his 20 years in Chicago at Equity Residential and then as a broker at Holliday Fenoglio Fowler (HFF) where he and his team had great

success brokering apartment transactions throughout the Midwest. However, toward the latter part of his time in Chicago, Sean started looking for his next big challenge. Sean liked the idea of moving to a smaller market where he could be more community focused, and Des Moines was a perfect option. In 2019, Sean joined Ryan Cahalan and Michael Perry as a Partner at Artisan Capital Group. Artisan is headquartered in Chicago but has a strong presence in Des Moines, including the company's second office on the western edge of downtown Des Moines. Sean stressed how important it is for them to be intimately involved with each of their assets and knowledgeable on the local market. They want a strong "boots on the ground" approach to real estate investing. Since being founded in 2017, Artisan has grown to two offices, approximately 25 corporate employees, 140 total employees and own and manage 7100+ units. Artisan formed their own vertical property management group, Artisan Management Group and has expanded its investments into student housing opportunities as well.

I asked Sean what he thought the main reason was behind their growth and success. Having a talented team is the most important. But Sean also attributed a lot of Artisan's growth to having good relationships and building a strong reputation in the market. Whether it's brokers, lenders, investors or contractors, they want to have a strong network of high-quality relationships.

Artisan is still looking for continued growth and future investment opportunities. I asked Sean what some of his biggest challenges were in today's market trying to achieve those goals. The #1 hurdle was COST. The cost of almost everything has increased significantly in the past few years, including financing. A top priority for Sean currently is staying on top of insurance pricing. Not only to maximize profits on current properties but to shore up their underwriting on future properties to stay competitive. Where there are challenges, Sean also sees opportunities. In May of 2024, Artisan was able to complete the acquisition of Cityville on 9<sup>th</sup>. Cityville on 9<sup>th</sup> consists of 312 apartment units, built between 2015-18. The community includes 42 studios, 162 one-bedroom units, 99 two-bedroom units, and 9 three-bedroom units. The property also includes 48,000 square feet of commercial space, presenting an investment opportunity with value-add potential. Artisan plans to change a portion of the vacant retail at the property to additional apartment units. This is an instance where cost helped Artisan secure a great property at a price that made sense for them. Sean said they remained patient and were able to put together a deal during a time of market volatility that kept other competitors from getting the deal done. Overall, Sean was excited about their future plans with more investments to analyze and purchase as well as the possibility of working towards ground up development opportunities.

Artisan is truly focused on the local community and has several organizations and causes they care about. Sean is active in the Greater Des Moines Partnership and advocates for mental health supporting organizations like NAMI. Artisan supports other groups including John Stoddard, Food Bank of Iowa, Girl Scouts of Iowa, Habitat for Humanity and Amanda the Panda. Sean plans to continue expanding their philanthropy efforts to support and serve their communities. I also learned that Sean has some youth sports coaching experience and may bring him on as a 3<sup>rd</sup> Grade basketball coach for his alma mater's Maroon Basketball Academy. We're still working on his contract.

For more Artisan information or news, they can be reached at [info@artisancapitalgroup.com](mailto:info@artisancapitalgroup.com)

