

Starwood Capital Group Acquires Multifamily Affordable Housing Portfolio in Texas and Florida



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Starwood Capital Group →

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MIAMI, Aug. 26, 2019 /PRNewswire/ -- Starwood Capital Group ("Starwood Capital"), a global private investment firm focused on real estate and energy investments, today announced that it has acquired through a controlled affiliate a stabilized multifamily affordable housing portfolio with 4,448 units located in 21 communities. Terms of the transaction were not disclosed.

The acquired portfolio is 96% occupied and located predominantly in Dallas-Fort Worth, Houston and across Florida. The portfolio's high-quality garden-style residential units feature top-tier amenities, including swimming pools, clubhouses, playgrounds, fitness centers and laundry facilities. The properties in the portfolio have an average vintage of 2004, boast low vacancy rates, and offer affordable options for renters in attractive Texas and Florida markets. These metropolitan areas are projected to experience robust economic and population growth over the next five years, and most are projected to see five-

year income growth of greater than 5 percent, according to commercial real estate firm CBRE. In addition, Texas and Florida rank first and second, respectively, in business-friendly state rankings and continue to attract new residents due to high quality of life and low cost of living factors, compared to other United States markets.

"This transaction is an extension of Starwood Capital's successful investments in the affordable multifamily housing sector, and we are pleased to add these residential communities to our growing multifamily portfolio," said Mark Keatley, Managing Director at Starwood Capital. "In fact, this acquisition brings Starwood and its affiliates' total ownership of affordable housing properties to nearly 20,700 units, making us one of the Top 10 largest owners in the United States.

This investment was a rare opportunity to acquire high-quality, well-located affordable housing assets in scale. There is a persistent supply/demand imbalance for high-quality affordable housing in these markets. Furthermore, we believe the existing income in this portfolio has significant downside protection, along with multiple opportunities for upside. Thus, we are confident this portfolio is well positioned to deliver attractive risk adjusted returns to our investors."

About Starwood Capital Group

Starwood Capital Group is a private investment firm with a core focus on global real estate, energy infrastructure and oil & gas. The Firm and its affiliates maintain 13 offices in five countries around the world, and currently have approximately 4,000 employees. Since its inception in 1991, Starwood Capital Group has raised \$45 billion of equity capital, and currently has in excess of \$60 billion of assets under management. The Firm has invested in virtually every category of real estate on a global basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving. Over the past 27 years, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises in both the private and public markets. Additional information can be found at starwoodcapital.com.

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